SERVICE QUALITY AND CUSTOMER SATISFACTION IN BAKERIES IN NAIROBI CENTRAL BUSINESS DISTRICT

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A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION (MBA), SCHOOL OF BUSINESS, AND UNIVERSITY OF NAIROBI

2019
DECLARATION

I declare that this research is my original work and has not been presented in any institution of higher learning for assessment or award of degree.

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This research project has been submitted for examination with my approval as the university supervisor.

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Most of all, I am grateful to God for the opportunity, skill and knowledge He gave me to execute the task.
DEDICATION

My sincere dedication to my family; Vincent my husband, Brayden and Brayson, my sons, for their patience and corporation during my study and research period. They accorded me the necessary support that I needed to complete the project.
# TABLE OF CONTENT

DECLARATION ............................................................................................................. ii

ACKNOWLEDGEMENTS .............................................................................................. iii

DEDICATION ................................................................................................................ iv

LIST OF TABLES .......................................................................................................... vii

LIST OF FIGURES ....................................................................................................... viii

ABSTRACT .................................................................................................................... ix

## CHAPTER ONE: INTRODUCTION .............................................................................. 1

1.1 Background of the Study ...................................................................................... 1

   1.1.1 Service Quality Practices ............................................................................. 3

   1.1.2 Concept of Customer Satisfaction ................................................................. 3

   1.1.3 Bakeries in Nairobi Central Business District .............................................. 4

1.2 Research Problem ................................................................................................. 6

1.3 Research Objective ............................................................................................... 9

1.4 Value of the Study ............................................................................................... 9

## CHAPTER TWO: LITERATURE REVIEW .................................................................. 11

2.1 Introduction .......................................................................................................... 11

2.2 Theoretical Foundation ...................................................................................... 11

   2.2.1 The Expectancy Disconfirmation Theory .................................................. 11

   2.2.2 The SERVQUAL Model ............................................................................. 12

2.3 Dimensions of Service Quality ........................................................................... 12

2.4 Customer Satisfaction and Service Quality ....................................................... 14

2.5 Empirical Studies and Knowledge Gaps .............................................................. 15

## CHAPTER THREE: RESEARCH METHODOLOGY .................................................. 19

3.1 Introduction .......................................................................................................... 19

3.2 Research Design ................................................................................................. 19

3.3 Population of the Study ...................................................................................... 19

3.4 Sample Design .................................................................................................. 20
3.5 Data Collection ........................................................................................................ 20
3.6 Data Analysis .......................................................................................................... 21

CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION ............. 23
4.1 Introduction ............................................................................................................. 23
4.2 General Demographic Background ..................................................................... 23
  4.2.1 Response Rate ................................................................................................. 23
  4.2.2 Respondent by Gender ................................................................................... 24
  4.2.3 Respondent by Age ......................................................................................... 25
  4.2.4 Respondent by Highest Level of Education .................................................... 26
  4.2.5 Period respondents have been buying from their bakeries ......................... 27
4.3 Perception on the Quality of Service .................................................................... 28
4.4 Customer Satisfaction ............................................................................................ 30
4.5 Regression Analysis ............................................................................................... 32
  4.5.1 Coefficient of Determination ......................................................................... 32
  4.5.2 F Test for the full model ................................................................................ 33
  4.5.1 Relationship between Service Quality and Customer Satisfaction ............. 34
4.6 Discussion of Findings ........................................................................................... 36

CHAPTER FIVE: SUMMARY, CONCLUSION & RECOMMENDATIONS ........ 38
5.1 Introduction ............................................................................................................. 38
5.2 Summary of the Findings ....................................................................................... 38
5.3 Conclusion ............................................................................................................. 40
5.4 Recommendations ................................................................................................. 40
5.5. Limitations of the Study .................................................................................... 41
5.6 Suggestions for Further Study .............................................................................. 42

REFERENCES ............................................................................................................ 43
APPENDICES .............................................................................................................. 47
Appendix 1: Research Questionaire .......................................................................... 47
Appendix 2: List of Bakeries ...................................................................................... 51
LIST OF TABLES

Table 2.1: Dimensions of service .......................................................... 13
Table 4.1: Response Rate ........................................................................ 23
Table 4.2 Factors that influence Service Quality ..................................... 29
Table 4.3 Aspects of Customer Satisfaction ............................................. 31
Table 4.4 Regression Model Summary ..................................................... 32
Table 4.5 ANOVA .................................................................................... 33
Table 4.6 Test for regression coefficients ................................................. 34
LIST OF FIGURES

Figure 4.1 Respondents by Gender ................................................................. 24
Figure 4.2 Respondents by Age ..................................................................... 25
Figure 4.3 Respondents by Highest Level of Education ................................. 26
Figure 4.4 Period they have been buying from their bakeries ...................... 27
ABSTRACT
This focus of this research was the effects of service quality in the Nairobi central Business District (CBD). The studies population was bakeries customers within Nairobi CBD. The sample size was 92 respondents. The Study embraced a descriptive research design. The researcher picked four customers randomly from each bakery and administered questionnaire to them on a face-to-face basis thereby collecting primary data for the purposes of the study. Descriptive statistics and regression analysis was used to determine the presence of an association between service quality and customer satisfaction. SERVQUAL Model’s five dimensions was used and all service quality’s variables produced positive relations. This means a link exists between the quality of service offered and the level of customer satisfaction. Obtained results also showed that responsiveness had a considerable contribution towards satisfying customers while tangibles contributed the least. The research adds to the existing studies evaluating the quality of service offered and customer satisfaction. It has made contribution to SERVQUAL model and Expectancy Disconfirmation Theory. The Study had some limitations. The area covered was only Nairobi CBD which is a small section. The study also used semi structured questionnaire hence respondent didn’t have enough room to express themselves on the variables. The study employed descriptive cross-sectional study which is limited study to one time as opposed to long time observation. Based on the limitations it was proposed that the future further studies should explore studying other regions of Nairobi as well as other parts of the country, an experimental research design was also recommended to help monitor behaviors over a period of time. In addition to these an interview guide should be adopted as a data collection tool since in will give rom for respondents to express themselves.
CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

A key tool in marketing that is generally explored is quality of service. This enables business establishments to achieve sustainable competitive advantage which in turn help in deepening business growth through attracting and retaining customers. An organization’s profitability is partially a factor of customer satisfaction, which precipitates repeat purchase, brand loyalty and retention (Kotler et al. 2006). High quality of service eventually gives way to achievement of desired customer satisfaction. This ultimately manifests into a successful business which is the focus of any firm.

Quality of service is the disparity between the service requirements of a customer and the services rendered (Parasuraman et al. 1985). It is a vital factor that is encountered after service delivery in determining the degree and quality of customer satisfaction. Gronroos (1984) quality of service depends on twin variables; service expectation and perception of service received. If there is likeness between the expectation and the performance, then a customer is believed to be satisfied otherwise they are dissatisfied.

This basis of this study was informed by two theories; the Expectancy Disconfirmation Theory (EDT) (Oliver 1980, 1997) together with (Parasuraman, et, al 1985) SERVQUAL model. EDT uses the discerned product quality or service to measure customer satisfaction. Matilla A & O’Neill, (2003) in demonstrating how popular EDT is as a satisfaction theory, argues that comparing performance of service against expectation usually leads to a disconfirmation experience and satisfaction is a direct link to the direction as well as size
of the experience. The SERVQUAL model on the other hand measures a purchaser’s perception of the five scopes namely empathy, assurance, tangibles, reliability and responsiveness, relative to consumers’ expectations.

The retail sector, of which bakery business is a part of, continues to experience growth hence the increasing need for the company to remain competitive. The company therefore needs to work on marketing strategies that will enable them to stand out among competition. Service quality can result to customer satisfaction and customer retention hence staying ahead of the competition. As the bakeries work to stay ahead of the competition they also create jobs in the informal sector which in turn leads to raising earnings in the economy hence supporting Kenya’s Vision 2030. This in turn has led to the improvement of the citizenry’s standard of living.

Retail industry has also contributed toward achieving the country’s vision 2030. It assists in expansion of retail trading which also contribute to gross domestic product thus further improving the country’s economy. In addition retail industry participants are able to facilitate their growth throw other stakeholders like Savings and Credit Co-Operative helping the stakeholders to similarly build their business and finally contributing to the economy positively. The retail help in completing the supply chain by offering a market for the raw materials they use as well as providing the produce for the customer’s house hence helping in feeding the nation. (Kenya Vision 2030, 2007).
1.1.1 Service Quality Practices

Mitra, (2000) defines product or service quality as its fitness to meet if not exceeds its purpose as needed by the customer. Essentially, service quality draws a difference between what a client anticipates to receive verses their opinion of the kind of service they received (Parasuraman, et.al., 1985). It may be expressed as an organization’s ability to meet or exceeds customers’ expectations. Lewis and Booms (2013) highlighted the quality of service as that which involves comparing performance with expectations and evaluating how skillfully delivered service meets customer’s expectation.

Service quality comprises of five scopes namely reliability, responsiveness, empathy, tangibles and assurance. Berry et al., (1994) states that reliability is at the core of SERVQUAL, with the other dimensions only making significance if there is reliability. The model is used to test consumers’ perception of the five dimensions relative to consumer expectation. Customer attitude, customer satisfaction, customer perception and customer expectation can all be employed as measures of service quality (Sachdev & Verman, 2004). Palmer (2005) explained that the measurements of service quality are categorized as performance-only measures and importance-performance analysis under disconfirmation approaches.

1.1.2. Concept of Customer Satisfaction

Kotler (1999) describes customer satisfaction as the feeling of satisfaction or dissatisfaction as a direct consequence of comparing a products’s apparent performance and what is expected. A customer is said to be satisfied when they feel the offered service
is equivalent to or exceeds what they expected (William et al., 2003). It is a crucial element for the success of all businesses. When customers’ expectations are fulfilled they get satisfied and when expectations are exceeded they are delighted. Delighted customers are more likely to visit the business again in contrast with satisfied customers. Zeithaml & Bitner (2003) contended that satisfaction is derived from a customer’s assessment as to whether a service or a product meets their needs and expectations.

Measuring customer satisfaction is key since it plays a major role on the behavior of customer purchases as well as on a business’ long-term performance. Providing high customer satisfaction consistently is largely related with heightened reputation and advanced customer loyalty. Designing and delivering service offers that correspond to the demands stated by the customer become easier with a proper appreciation of the aspects that influence Customer Satisfaction (Gibson, 2005). A contrast is drawn between service quality and satisfaction; whereas quality of service is concerned with a service’s superiority, satisfaction is linked to a particular transaction (parasuraman et al, 1988). The two constructs are interconnected in that if satisfaction occurs severally over time it will results into a perception of service quality hence both of these can be determined by the same qualities.

1.1.3 Bakeries in Nairobi Central Business District

This research was focused on retail bakeries within the Nairobi CBD. The retail sector in Kenya is experiencing quick changes and growth. This can be attributed to ever changing technology and the rapidly growing middle class in Kenya. Retail industry is dominated by
a high number of retail setups which consist of bakeries as part of their offering; Nairobi CBD has 55 bakeries according to Nairobi City Council (2019) list. All the bakeries are operating in retail capacity.

A bakery is an establishment dealing in the production and selling of food baked in an oven. These include (but are not limited to) bread, cakes, cookies, muffins, pies and pastries. A bakery can take the form of either a wholesale or retail. Due to existing fierce competition amongst themselves, bakeries need to continuously focus on increasing their level of customer satisfaction if they are to remain in gainful business. They need to not only be customer oriented but also effective and efficient in quality service delivery.

Recently, bakeries have been mushrooming especially in urban areas one of the reasons being the ever increasing population growth in these urban areas. This can also be attributed to increase in levels of disposable income amongst urban dwellers who continually create ready market for the baked products. Bakeries have also widened the range of products they offer in an attempt to hold on to their income and remain competitive as well as attempt to provide “one-stop-shopping” for baked products to their customers.

Bakeries have deeper rivalries grounded on service quality, customer experience, product quality and price. This has immensely contributed to increased attention on quality of service and customer satisfaction as avenues used for attracting and keeping the bond created out of service with most customers. Hence bakeries are creating competitive advantage by differentiating their product through the quality of service they give in terms
of neatly decorated cakes, door step delivery, on-time delivery, and quicker service recovery process and faster complaint resolution. This has led to delivery of superior service quality which has become one of the most valuable tools for customer retention.

1.2 Research Problem

Quality of service and customer satisfaction remains to be key components if a business establishment desires to achieve and sustain competitive advantage in the industry. Thus provision of good service by a firm cannot be over emphasized. It usually is the goal of any organization to have the ability to tell the degree to which consumers are pleased with the services offered as well as have capacity to understand their expectations of service quality. This is commonly achieved through surveys undertaken by organizations. Success and failure of a business is determined by customer satisfaction (Kotler & Kelvin, 2006). Consumers are sensitive to the quality of service being provided. If consumers are offered quality services which go beyond what they expected they will be positive about the company. On the other hand, if customers notice that they are getting less value than what they anticipated they will develop a negative attitude towards the firm and will possibly pass the same to potential customers (Chau & Kao, 2009). It is very easy for a satisfied customer to give referrals as compared to a dissatisfied customer.

The retail industry in Kenya is continually growing giving way to stiff competition among various firms. There is therefore a requirement to keep up with competition paving way for the need to have a sustainable competitive strategy that will enable a firm to achieve a competitive advantage. Customers’ needs also keep evolving but also, different customers
have different needs. This provokes the players in this industry to come up with strategies that will support customer retention.

Studies have been conducted by several scholars demonstrating how service quality has effects on customer satisfaction. Harr (2008), undertook a research focused on determining the impact of the dimensions of service quality on customer satisfaction in Singapore. This study was an exploratory study and used focus groups to collect data. It concluded that empathy, tangible and assurance are vital keys to customers’ ratings of quality of service and may thus impact on customer satisfaction in a positive manner. Bharwana (2013) also performed a study on effect of service quality on customers’ satisfaction in Faisalabad, Punjab and Pakistan colleges through hypothesis testing. The study concluded that tangible and assurance have greater scores than other perspectives of SERVQUAL while empathy scored the lowest.

Agbor (2011) focused on finding the connection that customer satisfaction has with service quality in Umea. The research focused on Umea University hence case study methodology was applied and convenience sampling employed for data collection. The study concluded that responsiveness, reliability, and assurance, are remarkably related with both variables, while empathy was notably found to be linked to service quality. Customer satisfaction had no remarkable relationship with service quality. This could possibly imply that service quality dimensions are independent factors to the relations between customer satisfaction and service quality.
Regionally, Nimako (2012) studied service quality dimensions in Ghana’s mobile industry. Information was collected through a general survey in four companies. The findings ranked technical quality as the top dimension to the subscribers, followed by assurance, economy, responsiveness, reliability, image and empathy. Mbungwana (2009) carried out a study on customer satisfaction in hotels in Cape town, South Africa. Experimental case study was applied with five hotels selected as the unit of study. The study stated areas of satisfaction as ground maintenance, maintenance of swimming pool, experience, guest entertainment and wellness/spa experience. The study did not point out service quality as a factor of customer satisfaction.

Locally a study by Odhiambo (2015) which employed descriptive research design to explore the impact of service quality on customer satisfaction in Kenya’s banking sector concluded that the determinants of the quality of service to a large extent affects customer satisfaction. A study by Watiki (2014) on customer satisfaction and service quality in hotels in Nairobi, Kenya applying descriptive method of research concluded that service quality dimensions have varying impact on customer satisfaction. Notably, reliability proved to be eliciting the highest influence followed by tangible and empathy. Assurance and responsiveness had the least influence to customer satisfaction.

Studies by Odhiambo (2015), Bharwana (2013), Watiki (2014), Nimako (2012) and Harr (2008) were carried out across various industries and culture, applying different methodologies. Though the four of them agreed on the existence of a link between the service quality and satisfaction of purchasers, Agbor (2011) argues that there is no
remarkable relationship, while Mbungwana (2009) did not state quality of service as an element of satisfaction hence no significant relationship. There are other factors that the studies stated as elements that influence customer satisfaction. Studies also gave conflicting results on the levels at which service quality dimensions affect customer satisfaction. Therefore, this study answered the question what is the influence of service quality on customer satisfaction.

1.3 Research Objective

The study’s main objective was to evaluate the effect of quality of service practices on customer satisfaction for bakeries in Nairobi CBD.

1.4 Value of the Study

This work was expected to contribute to Parasuraman et al. (1985) SERVQUAL model through adding to the proof of existence of a linkage between customer satisfaction and the five service dimensions. It also contributes to the EDT Oliver (1980, 1997) showing relations that exist between service quality and customer satisfaction which are the major components of the disconfirmation theory. Findings are also forming a basis for further studies by researchers as they relate to both the SERVQUAL model and Expectancy Disconfirmation theory.

The results are essential to policymakers by helping to formulate policies that will help bakeries improve service quality thus, increase customer satisfaction. Service managers and marketers are also assisted through relating their action to customer satisfaction by
understanding the place of quality service in satisfying customers and being able to measure the same. Marketers may as well use these findings to come up with means and ways of formulating their marketing strategy in such a way that it also delivers on high quality service. The resulting gap has created room for further research in service quality and customer satisfaction in bakeries.

The outcomes practically assist the operation and service managers to work on strategies to improve quality of services they offer so as to achieve Customer Satisfaction through adoption of best practices which will lead to better performance hence business success. The information from this study also helps in enabling formulation of bakery designs which are friendly to customers. The recommendations from the study if well implemented can aid in enhancing the efficiency and effectiveness of bakery staff towards service delivery.
CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

Chapter two focuses on theoretical foundation and empirical studies concerning service quality and customer satisfaction. It reviews the literature that other authors write about the subject matter. It pays particular attention to service quality dimensions.

2.2 Theoretical Foundation

This research was based on two theories; Expectancy Disconfirmation Theory (Oliver, 1997) which focused on expectations and perceived performance and SERVQUAL Model (Parasuraman, et al. 1985), which explores the five-dimensional service quality.

2.2.1 The Expectancy Disconfirmation Theory

The Expectancy Disconfirmation theory suggested by Oliver (1997) notes that satisfaction is related to the degree and direction of the disconfirmation experience arising from correlations between the quality of service and expectations. Expectancy disconfirmation is an inconsistency between expectations and perceived performance (Rashmi & Rathny, 2019).

Disconfirmation can be positive or negative based on the outcome. If the interpretation of the performance goes beyond the level of expectation, it will result in positive disconfirmation. In contrast, when performance cannot reach the level of expectation, negative disconfirmation results. Fundamentally satisfaction occurs as a result of directly
experiencing the service or product and comparing perception against expectations (Matilla A., 2003).

2.2.2 The SERVQUAL Model

The SERVQUAL model (Parasuraman et al. 1985) postulates that customers’ assessment of service quality is grounded on the five dimensions that is reliability, assurance, responsiveness, tangible and empathy. The model was designed as an instrument of pointing out deficits in service quality. This model is grounded on the fact that clients can make an evaluation of a firm’s service quality through making comparisons between their perceptions of its service and their own expectations.

Customer expectation is customers believe should be offered and not what is offered by the service provider (Parasuraman et al. 1988). The expectations are usually influenced by the organization’s external factors which are word of mouth advertisement, past experience and individual needs (Zeithaml et al. 2006). The SERVQUAL model has been used by most researchers in the evaluation of service quality (Wilson et al. 2008).

2.3 Dimensions of Service Quality

When evaluating the degree of excellence of products purchased, customers make use of many tangible aspects to arrive at a judgement of excellence. These include colour, feel, style, hardness, packaging and label. Nonetheless, when assessing the quality of services offered fewer tangible aspects exist. As a result, consumers will use dimensions of service quality to determine the service offered. Service quality is measured by communication,
tangibility, accessibility, security, understanding, responsiveness, credibility, competence, reliability and courtesy (Parasuraman et al 1985).

The dimensions of service quality are given in the table 2.1 below.

Table 2.1: Dimensions of service

<table>
<thead>
<tr>
<th>Quality Dimension</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communication</td>
<td>Informing customers at all time, using language that is understandable to them</td>
</tr>
<tr>
<td>Tangibility</td>
<td>Physical evidence of service e.g good facilities</td>
</tr>
<tr>
<td>Access</td>
<td>Approachable and available for customers</td>
</tr>
<tr>
<td>Security</td>
<td>Confidentiality, physical and financial safety</td>
</tr>
<tr>
<td>Understanding</td>
<td>Knowing customers need and requirements</td>
</tr>
<tr>
<td>Responsiveness</td>
<td>Timeliness, willingness to provide service</td>
</tr>
<tr>
<td>Credibility</td>
<td>Maintaining trust, honesty and focusing on customers best interest</td>
</tr>
<tr>
<td>Reliability</td>
<td>Being dependable, keeping promised and minimizing on errors</td>
</tr>
<tr>
<td>Competence</td>
<td>Knowledgable, skillful and able to perform required services</td>
</tr>
<tr>
<td>Courtesy</td>
<td>Being polite and friendly and having respect</td>
</tr>
</tbody>
</table>

Source: Parasuraman, Zeithml and Berry (1985)
While Sachev and Verma (2004) measure it in terms of customer expectation, customer attitude, customer satisfaction and customer perception Berry et al., (1988) found that credibility, communication, competence, security and courtesy, and, understanding and access were to a greater extent related to service quality. From these, the two broad dimensions of assurance and empathy were developed, in other words, five dimensions of service quality. They then used it as the premise for gauging service quality, (Parasuraman et al. 1990).

A number of researchers whose domain of study have been on service quality dimensions seem majorly to have their work based on Parasuraman et al., (1985) and Parasuraman et al., (1988). The researcher in this case adopted Parasuraman et al’s (1988) service quality dimensions i.e. SERVQUAL reliability, tangibles, responsiveness assurance and empathy. This seems to be the most applied in several industries.

2.4 Customer Satisfaction and Service Quality

Krishnan et al. (1999) confirmed that winning a new customer is more costly compared to keeping the ones you have by offering high quality products and services. Firms need to work on offering very high quality service to customers so as to gain market share and at the same time obtain competitive advantage over their peers in the industry. As much as it is argued that quality of product and price contributes to satisfaction, perceived quality remains a major factor in achieving customer satisfaction.

2.5 Empirical Studies and Knowledge Gaps


Bharwana (2013) undertook a descriptive research study to establish how quality of service impacted on students’ satisfaction in private colleges in Faisalabad, Punjab and Parkistan. The study established quality of service to a larger extent leads to students’ satisfaction. Assurance and tangible had greater scores than other dimensions of SERVQUAL while empathy scored dismally. Harr (2008) also conducted a research through exploratory study in Singapore to evaluate determinants of quality of service and their impact on customer satisfaction. The study resolved that empathy, assurance and tangibles are key to customers when assessing service quality and therefore, may positively impact their satisfaction.
Employing descriptive research design Minh (2015) performed a study in Vietnam’s hotel industry on quality of service and customer satisfaction. It was confirmed that quality of service is a key driver of customer satisfaction in the hotel industry. Among five quality dimensions, four intangible ones proved to be of more impact than the tangible one. Lawrence (2006) through qualitative and descriptive approach conducted a research in four-star hotels in Spain, Germany and England in relation to customer satisfaction. It drew a conclusion that customer satisfactions was as a result of several factors including; ease of obtaining information, friendliness of staff, staff’s ability to speak a foreign language, room comfort and condition of premise. A study by Nimako (2012), on dimensions of service quality in Ghana’s mobile industry whereby information was being collected through a general survey in four companies, concluded that technical quality is a key dimension to subscribers, followed by reliability, economy, assurance, responsiveness, image, and empathy.

Apondi (2016) through descriptive research studied service quality, customer satisfaction and loyalty in Kenya’s commercial banks. From this research it was concluded that convenience is more favored by the customers and therefore banks should find human based or technology based strategies to enable them improve on services. Most bank products are not clearly differentiated and customers resort to distinguishing them on the basis of price and quality. Muchogu (2016) researched on service quality, customer satisfaction and customer loyalty in three to five star hotels in Nairobi. The study employed cross-sectional research methodology and it established that most customers were satisfied,
because the employees are generally helpful, the staffs were empathetic, there was consistency in services offered, there was reliability and the physical offices were great.

Ntabathia (2013) conducted a study in Nairobi County’s private Universities to establish Service quality and students’ satisfaction through descriptive and cross sectional methodologies. The study reported that service quality affects student satisfaction. It further stated that programs offered and the institution’s reputation is among the key determinants of service quality that can impact on student satisfaction. Odhiambo (2015) conducted a study which applied descriptive research method to establish the influence that service quality has on customer satisfaction in Kenya’s banking sector. The study concluded that dimensions of quality of service affect customer satisfaction with reliability, responsiveness and empathy being the key dimensions to this effect. Macharia (2014) applied general census to conduct a study on the linkage between service quality and customer satisfaction in Kenya’s retail banking sector. The conclusion of the study was that there is a strong and significant association between service quality and customer satisfaction.

In summary from the reviews, it can be deduced that customer satisfaction is by far impacted by the dimensions of service quality Harr (2008) & Bharwana (2013). Different aspects of the dimension affect satisfaction differently depending on the industry being looked at.
That is, to one industry assurance may rank first and to responsiveness takes the lead. Customers’ experience determines the effectiveness of the offered service quality, that is, as much as it is staffs who drive service quality, customers remain the judges. Staffs drive service quality to meet customer expectation. Customer satisfaction is measured against their expectations.
CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

The focus of Chapter three is on stages followed with a view of completing this study. These includes the design that was used, the targeted population and sampling design. In addition it also contains techniques for collecting data, instruments used and analysis of data.

3.2 Research Design

The research applied descriptive research design, cross-sectional approach. Questionnaires were administered at a given point and to a sample population. The descriptive design helped determine the how, what and where of a phenomenon under investigation (Mugenda & Mugenda, Research methods: quantitative and qualitative approaches., 2003).

This research design was fitting because the research sought to examine the relationships between two or more variables. In the case for this study the variables were service quality practices and customer satisfaction in bakeries in Nairobi CBD. The design was relevant to this study in that it allows for collection of data through sampling and also provides for description of facts.

3.3 Population of the Study

A target population comprises of groups of individuals that a research is interested in and one that the research findings can always be generalized upon. (Copper & Schindeler, 1996). The target population of the study was Nairobi County residents who make up the
customer base in Nairobi CBD bakeries. Bakery customers are individuals who were making purchases from the bakeries.

3.4 Sample Design

A sample is a section or portion of a population that is considered to be the representation of the entire or whole population. A sample is considered to be good if it covers at least 10% of the population (Mugenda & Mugenda, 2009). In light of this fact, sample size of 23 out of 55 bakeries as per appendix 2 are going to be conveniently selected. This represents 40% of the entire population.

The researcher administered four (4) questionnaires to each of the selected bakeries. The total sample size was 92 respondents. In undertaking this study, it was assumed that all the respondents are residents of Nairobi. This is because on any given day, Nairobi being a central business and travel hub is known to be frequented by travelers who are either traders from other towns or persons on transit to other parts of the country.

3.5 Data Collection

A semi structured questionnaire was used for data collection. The questionnaire was the only tool for collecting the primary data. The researcher administered the questionnaires on a face-to-face basis to the selected bakeries.
The design of the questionnaire comprises of three sections. Section one was meant to help determine the demographic characteristics of the respondent including; level of education and period of shopping from the bakery. Section two required a respondent to give a rating on their view of service quality predicated on the five dimensions of SERQUAL model. Section three requires a respondent to give a rating on how satisfied they are with the aspects stated in relation to the bakery. The indicated factors assisted the research determine whether or not the customer is satisfied. The researcher also made observations in the course of administering the questionnaires which also made a great contribution when drawing conclusions on the study.

3.6 Data Analysis

To make sure there is consistency and completeness of the questionnaire the researcher edited them. During this procedure, errors the researcher wanted to capture any error made by the respondent so that they can remove. Thereafter data was coded so as to translate the responses into specific categories.

Descriptive statistics was used to describe the responses; this included percentages, mean and frequency distributions. A representation of the results was then done on bar graphs, tables and pie charts. A determination of the relation between the two variables was achieved by use of linear regression. Below is the regression model applied expressed mathematically;

\[ Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + e \]

Where:
Y represents ‘Customer satisfaction’;

X₁ represents ‘Tangible’;

X₂ represents ‘Responsiveness’;

X₃ represents ‘Assurance’;

X₄ represents ‘Reliability’;

X₅ represents ‘Empathy’;

e = Error;

β₀ = the constant; and

βᵢ = the regression coefficient (change caused by Xᵢ’s on Y), which determines how much each of the Xᵢ (i = 1 to 5) contributes to Y (Customer satisfaction).
CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

Chapter four deals with analysis of data, results, their interpretation and discussion of the study findings. Analysis and interpretation is done in line with the objective, to establish the effect of service quality practices on customer satisfaction for bakeries in Nairobi CBD and also inspect the connection between quality of service and Customer Satisfaction in bakeries within Nairobi CBD.

4.2 General Demographic Background

The demographic background describes the general background information about the respondent. This included gender, age bracket, highest level of education and how long they have been buying from the bakery. This information is represented in the below subsections.

4.2.1 Response Rate

The table displays the breakdown of the questionnaires distributed. It shows the ones given back and those that were not given back by the respondent. The respondents had a response rate as tabulated in Table 4.1 below

<table>
<thead>
<tr>
<th>Table 4.1: Response Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Response rate</strong></td>
</tr>
<tr>
<td>Filled questionnaires</td>
</tr>
<tr>
<td>Unfilled questionnaires</td>
</tr>
</tbody>
</table>

Source: Research Data (2019)
The study in Nairobi CBD. Targeted bakeries customers a total of 92 questionnaires issued to the respondent. The entire distributed questionnaires were filled and returned thus the response rate of 100% a return which also depicts an excellent rate of response. Mugenda and Mugenda (2003) deems any rate of response above 70% as excellent. The 100% response rate can largely be attributed to administering of questionnaires on a face-to-face basis. The questionnaires were then scrutinized for errors and omissions.

4.2.2 Respondent by Gender

The study wanted to identify the respondents' gender. Figure 4.1 below is a representation of the findings.

**Figure 4.1 Respondents by Gender**

![Pie chart showing gender distribution with 54% female and 46% male.]

*Source: Research Data (2019)*
A requirement from the respondents was to indicate their gender. As per the research findings, most of the respondents were female at 54% while male respondents were at 46%. The study therefore deduced that a slightly high number of females compared to their male counterparts buy from the bakeries.

4.2.3 Respondent by Age

The study wanted to establish the respondents’ age brackets. Figure 4.2 below is a representation of the findings.

Figure 4.2 Respondents by Age

Source: Research Data (2019)
The study findings demonstrates that most respondents were within the age bracket 30-39 years standing at 47% followed by the 18-29 years age bracket at 36%, 40-49 years at 11%, and 50 years and above at 4%. Only 2% of the respondents were less than 18 years of age. This implies that most of the bakery customers fall under the age bracket 30-39 years.

**4.2.4 Respondent by Highest Level of Education**

The study similarly wanted to establish the respondent’s levels of education. Figure 4.3 below is a graphic representation of the outcomes.

**Figure 4.3 Respondents by Highest Level of Education**

![Graph showing the distribution of respondents by highest level of education.](image)

Source: Research Data (2019)
The research findings showed that 29% of the respondents had an undergraduate degree while 27% had college diplomas. Respondents whose highest levels of education was a college certificate and O/A level were both at 16%. Respondents with University Master/PhD and Primary level as their highest education levels were at 10% and 1% respectively.

4.2.5 Period respondents have been buying from their bakeries

The duration of time (in months and years) that respondents had been making purchases from their respective bakeries was also a consideration of the study. The outcomes are stated in the Figure 4.4 below.

Figure 4.4 Period they have been buying from their bakeries

Source: Research Data (2019)
According to the Study, most of the respondents (at 33%) had been making purchases from their bakeries for over one (1) year. Customers who had shopped for between one (1) and six (6) months, and seven (7) months to one (1) year were at 30% and 26% respectively. 11% of the respondents had only shopped from their bakeries for less than one (1) month. It can therefore be inferred that a majority of the respondents have been making purchases from their bakeries for over one (1) year.

4.3 Perception on the Quality of Service

The aim of the study is establishing how quality of service influences practices on customer satisfaction for bakeries in Nairobi CBD. Service quality is basically meeting customers’ expectations if not going beyond their expectations. Respondents were required to give a rating on how they perceive aspects of service quality at their respective bakeries on a scale of 1 to 5, whereby 1 = ‘strongly disagree’ and 5 = ‘strongly agree’. Results are as shown below.
Table 4.2 Factors that influence Service Quality

<table>
<thead>
<tr>
<th>No</th>
<th>Factors</th>
<th>N</th>
<th>Mean</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>The bakery is visually attractive</td>
<td>92</td>
<td>3.89</td>
<td>0.674</td>
</tr>
<tr>
<td>2</td>
<td>The bakery staff are neatly dressed</td>
<td>92</td>
<td>4.02</td>
<td>0.645</td>
</tr>
<tr>
<td>3</td>
<td>The bakery staff keeps their promises</td>
<td>92</td>
<td>3.91</td>
<td>0.765</td>
</tr>
<tr>
<td>4</td>
<td>Bakery staff shows sincerity in solving my problems.</td>
<td>92</td>
<td>3.79</td>
<td>0.948</td>
</tr>
<tr>
<td>5</td>
<td>The bakery staff the exact time when the product will be available</td>
<td>92</td>
<td>3.83</td>
<td>0.917</td>
</tr>
<tr>
<td>6</td>
<td>The bakery staff gives prompt service</td>
<td>92</td>
<td>4.12</td>
<td>0.790</td>
</tr>
<tr>
<td>7</td>
<td>The bakery staff are always ready to assist</td>
<td>92</td>
<td>3.93</td>
<td>0.904</td>
</tr>
<tr>
<td>8</td>
<td>The staff are always available to answer my request</td>
<td>92</td>
<td>3.72</td>
<td>0.848</td>
</tr>
<tr>
<td>9</td>
<td>The bakery staff behavior in a manner that give me confidence</td>
<td>92</td>
<td>3.86</td>
<td>0.833</td>
</tr>
<tr>
<td>10</td>
<td>The staff are always courteous to me</td>
<td>92</td>
<td>3.83</td>
<td>0.778</td>
</tr>
<tr>
<td>11</td>
<td>The bakery staff have the expertise to answer my question</td>
<td>92</td>
<td>3.99</td>
<td>0.800</td>
</tr>
<tr>
<td>12</td>
<td>The bakery has convenient operating hours</td>
<td>92</td>
<td>3.87</td>
<td>1.051</td>
</tr>
<tr>
<td>13</td>
<td>The bakery staff gives me personalized attention</td>
<td>92</td>
<td>3.67</td>
<td>1.064</td>
</tr>
<tr>
<td>14</td>
<td>The bakery staff understand my needs</td>
<td>92</td>
<td>3.85</td>
<td>0.925</td>
</tr>
<tr>
<td></td>
<td>Average score</td>
<td></td>
<td>3.877</td>
<td>0.853</td>
</tr>
</tbody>
</table>

Source: Research Data (2019)
The outcomes in table 4.2 revealed that the average mean score for service quality was 3.877. According to the study offering prompt service to customer scored the highest mean of 4.12 and a standard deviation of 0.790. The bakery employees giving personal attention scored the lowest mean of 3.67 and standard deviation of 1.064. This implies that the bakeries focus more on providing prompt services as opposed providing personalize attention. Though all the factors of service quality score within the range of 4, hence meaning customers were agreeing that bakeries practice all the factors of service quality as per this study.

The results also revealed that the average of the standard deviation was 0.853. A standard deviation of less than 1 simply implies that the respondents’ views in most of the factors were the same. Bakeries employees being neatly dressed scored the least standard deviation of 0.645 which implies that most respondents agreed to the fact that bakery employees were neatly dressed. Bakeries employee giving personalize attention had the highest standard deviation of 1.064 implying that there was slightly lack of consensus among the respondents on the fact that employees offered personal attention.

**4.4 Customer Satisfaction**

Customer satisfaction occurs when customers’ expectation is meet and/or exceeded. In this study respondents were required to rate their respective bakeries with regards to several aspects of customer satisfaction. The summary is presented in table below.
Table 4.3 Aspects of Customer Satisfaction

<table>
<thead>
<tr>
<th>No</th>
<th>Aspects</th>
<th>N</th>
<th>Mean</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>I am delighted with the price of bakery products</td>
<td>92</td>
<td>4.30</td>
<td>1.117</td>
</tr>
<tr>
<td>2</td>
<td>I am always pleased shopping in the bakery</td>
<td>92</td>
<td>4.69</td>
<td>0.927</td>
</tr>
<tr>
<td>3</td>
<td>This bakery meets my overall expectations</td>
<td>92</td>
<td>4.63</td>
<td>1.075</td>
</tr>
<tr>
<td>4</td>
<td>I plan to go on shopping in this bakery</td>
<td>92</td>
<td>4.85</td>
<td>1.026</td>
</tr>
<tr>
<td>5</td>
<td>I’d suggest this bakery to my family, friends and colleagues.</td>
<td>92</td>
<td>5.00</td>
<td>1.069</td>
</tr>
<tr>
<td></td>
<td><strong>Average Score</strong></td>
<td></td>
<td>4.694</td>
<td>1.043</td>
</tr>
</tbody>
</table>

Source: Research Data (2019)

The research showed that the average mean score for customer satisfaction was 4.694. Recommending the bakeries to friend, relatives colleagues and family had the highest mean of 5 and a standard deviation of 1.069. Price satisfaction had the lowest mean of 4.30 and a standard deviation of 1.117. This implies that despite the fact that the prices were not satisfactory the customers still liked the bakeries and would recommend the bakeries to others.

The results revealed that the average standard deviation was 1.043. General satisfaction shopping in the bakery had the least standard deviation of 0.927. This implies that most respondents were concurring with the fact that they are generally satisfied shopping in the baker. Price satisfaction had the highest standard deviation of 1.117 meaning the rate of consensus among respondents on price satisfaction was low.
4.5 Regression Analysis

A multiple regression analysis was also undertaken by the researcher with a view to analyse quality of service and customer satisfaction in bakeries. Statistical package for social sciences (SPSS) was adopted by the researcher for coding, entering and computing the measurement of the multiple regression for the study. The degree to which deviations in the dependent variable is attributable change in the independent variable is well described by coefficient of determination.

4.5.1 Coefficient of Determination

The coefficient of determination can be understood as the proportion of the variance in the dependent variable which is predictable from the independent variable. It is an indicator of how the model replicates well observed outcomes. It is denoted by $R^2$. The analysis of the coefficient of determinations is shown in the table below.

**Table 4.4 Regression Model Summary**

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Standard Error of the Estimate</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>0.569$^a$</td>
<td>0.324</td>
<td>0.285</td>
<td>0.71434</td>
<td>92</td>
</tr>
</tbody>
</table>

*Source: Research Data (2019)*

Predictors: (Constant), Empathy, Responsiveness, Tangible, Assurance, Reliability

The correlation between the dimensions of service quality and customer satisfaction is shown in Table 4.4. The correlation $R$ which is 0.569 indicates how strong the relationship is. It demonstrates that the link between the two variables is positive implying that service quality tends to increase customer satisfaction. Therefore $R$ of 0.569 simply means that the
relationship between service quality and customer satisfaction is positive. It can therefore be concluded that increasing one variable will definitely result in a proportional increase in the other variable.

The analysis undertaken in this study revealed that the service quality’s five dimensions contribute 32.4% ($R^2$) towards customer satisfaction as shown by the coefficient of determination in Table 4.4 above. This has the implication that factors not studied in this research contribute 77.6% to customer satisfaction in bakeries. Thus further research should be undertaken to investigate the other factors of customer satisfaction in bakeries.

4.5.2 F Test for the full model

Analysis of Variance (ANOVA) is a statistical model that compares two or more variables with a view of imputing a statistical significance. In an effort to establish the existence of a linkage between customer satisfaction and service quality within bakeries under consideration, the study uses ANOVA. The results of ANOVA is as stated in the table below.

**Table 4.5 ANOVA**

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Significance F</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>21.028</td>
<td>5</td>
<td>4.206</td>
<td>8.242</td>
<td>0.000b</td>
</tr>
<tr>
<td>Residual</td>
<td>43.885</td>
<td>86</td>
<td>0.510</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>64.912</td>
<td>91</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Source:** Research Data (2019)

i. Dependent Variable: Customer Satisfaction

ii. Predictors (Constant): Empathy, Responsiveness, Tangible, Assurance, Reliability
From the analysis in table 4.5, the model is found to be statistically significant given that the significance F = 0.000, which is less than p = 0.05, hence a strong correlation between service quality and customer satisfaction.

4.5.1 Relationship between Service Quality and Customer Satisfaction

The aim is to establish the effect of service quality practices on customer satisfaction for bakeries in Nairobi CBD. The researcher adopted the linear regression model below to help accomplish this objective:

\[ Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + e \]

Where Y stands for customer satisfaction (dependent variable), \( \beta_0 \) is a constant (Intercept), \( \beta_i \)'s stand for regression coefficients and \( X_i \)'s (i = 1 to 5) are tangibles, reliability, responsiveness, assurance and empathy respectively.

**Table 4.6 Test for regression coefficients**

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized coefficients</th>
<th>Standardized coefficient</th>
<th>t</th>
<th>sig</th>
<th>95% confidence Interval</th>
<th>P-Value</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>( \beta )</td>
<td>SD</td>
<td></td>
<td></td>
<td></td>
<td>Lower bound</td>
</tr>
<tr>
<td>(Constant)</td>
<td>0.877</td>
<td>0.705</td>
<td></td>
<td>1.245</td>
<td>0.217</td>
<td>-0.524</td>
</tr>
<tr>
<td>Tangible</td>
<td>0.032</td>
<td>0.148</td>
<td>0.022</td>
<td>0.215</td>
<td>0.830</td>
<td>-0.263</td>
</tr>
<tr>
<td>Responsiveness</td>
<td>0.382</td>
<td>0.158</td>
<td>0.252</td>
<td>2.409</td>
<td>0.018</td>
<td>0.067</td>
</tr>
<tr>
<td>Assurance</td>
<td>0.040</td>
<td>0.161</td>
<td>0.028</td>
<td>0.252</td>
<td>0.802</td>
<td>-0.279</td>
</tr>
<tr>
<td>Reliability</td>
<td>0.289</td>
<td>0.144</td>
<td>0.234</td>
<td>2.012</td>
<td>0.047</td>
<td>0.003</td>
</tr>
<tr>
<td>Empathy</td>
<td>0.247</td>
<td>0.118</td>
<td>0.228</td>
<td>2.087</td>
<td>0.040</td>
<td>0.012</td>
</tr>
</tbody>
</table>

Source: Research Data (2019)
The values below were obtained as an outcome of the study:

\[ \beta_0 = 0.877, \beta_1 = 0.032, \beta_2 = 0.382, \beta_3 = 0.040, \beta_4 = 0.289 \text{ and } \beta_5 = 0.247 \]

\[ Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + e \]

The regression model can thus be stated as follows:

\[ Y = 0.877 + 0.032 X_1 + 0.382 X_2 + 0.040 X_3 + 0.289 X_4 + 0.247 X_5 + e \]

The regression model indicates that all the factor have a positive coefficient. The regression results above confirm the existence a positive relationship between the dependent variable (customer satisfaction) and independent variable (service quality).

At 5% level of significance and 95% confidence level, two variables, that is, tangible and assurance are statistically significant since their P-values fall below the acceptable threshold which is 0.05. Reliability, empathy and responsiveness had their P-values above 0.05 hence can be considered statistically insignificant.

The positive effects found in all the dimensions of services were as follows: tangible = 0.032, responsiveness = 0.382, assurance = 0.040, reliability = 0.289 and empathy = 0.247. These results suggest that having the other variables held at zero, a unit increase in the tangible dimension results in a 0.032 increase in customer satisfaction. Likewise, unit increases in responsiveness, assurance, reliability and empathy result in 0.382, 0.040, 0.289 and 0.247 increases in customer satisfaction respectively. It can thus be deduced from the findings that setting the variables at zero constant results in a customer satisfaction of 0.877.
The findings also show that responsiveness had the greatest contribution to customer satisfaction followed by reliability, empathy, assurance and tangible in that order. However all the dimensions had positive ratings making them important factors to be considered by bakeries for customer satisfaction purposes.

4.6 Discussion of Findings

The study outcomes have been represented using percentages, mean, pie charts, graphs and tables. Analysis has been done using SPSS. To demonstrate the link between quality of service and customer satisfaction, regression analysis was performed. As per this study, the female respondent were 54% and male respondent were 46%. The age bracket of between 30-39 years had the highest number of respondents at 47%. Most of the respondents were found to be holders of bachelor’s degrees at 29% and a good number (33%) have been shopping from their respective bakeries for over 1 year.

The researcher studied the effect of quality of service practices on customer satisfaction. The findings revealed a statistically significant linkage between service quality and customer satisfaction. The study further revealed that the five dimensions of SEVQUAL model (Parasuraman, 1985) all have a positive effect on customer satisfaction. The regression analysis clearly showed that responsiveness contributes most towards customer satisfaction with tangible being the least contributor towards customer satisfaction. However all the dimensions were positively affecting customer satisfaction.
The study supports the empirical studies on the link between service quality and customer satisfaction. The study showed that customers are generally affected by the five dimensions of SEVQUAL model just like other studies such as Odhiambo (2015), Watiki (2014), Bharwana (2013) and Nimako (2012). It also confirms that the intangible aspects affect customers satisfaction more than the tangible affect just as Minh (2015) found out.. Though Minh (2015) the number one factor affecting customer satisfaction was reliability. In this study, responsiveness is the number one factor that affects customer satisfaction.
CHAPTER FIVE: SUMMARY, CONCLUSION & RECOMMENDATIONS

5.1 Introduction

The study’s objective was to investigate the link between service quality and customer satisfaction for clients in Nairobi CBD bakeries. This chapter is going to summarise the whole study, state the driven conclusion and the recommendation to interested parties. Moreover it highlights the study’s limitations and also suggests further areas of study.

5.2 Summary of the Findings

The study’s goal was to explore the influence of service quality practices on customers’ satisfaction as well as to determine if there is a substantial link between service quality and customer satisfaction in bakeries in Nairobi CBD. The population of the study was residents of Nairobi County and the sample size was 92 respondents who are customers of Nairobi CBD bakeries. The study adopted descriptive research design, cross-sectional research design. Convenient sampling was used since primary data was collected through giving out questionnaires on a face-to-face basis. SPSS was used to perform analysis on the obtained data. The regression analysis model established the existing connection between the independent and the dependent variable. Data was presented in tables in terms of percentages, mean, standard deviation. In addition data was also presented in pie chart and graphs. To assess the link between dependent and independent variables, regression analysis was performed.
The study established that price is one of the aspects that influence customer satisfaction and even though price satisfaction scored the lowest mean among the aspects that affects customer satisfaction, customers still stated that the bakeries met their expectations and that they will continue shopping from their respective bakeries and even recommend them to their friends, families and relatives. This simply means that price was not a major consideration for customers in search of satisfaction. The research employed the five dimensions of service quality. Out of this the research established a significant relation between service quality and customer satisfaction in bakeries in Nairobi CBD. This simply means that service quality affects customer satisfaction. The results indicated that prompt service, employees neatness, Knowledge to answer questions, willingness to assist customers, promise keeping were to top five factors affecting service quality as stated by the respondent. The mean range of the factors was between 3.6 to 4.12. Two of five dimensions, that is tangible and assurance, were shown to be statistically significant having p-values of less than 0.05, while reliability, responsiveness and empathy were statistically insignificant given that their p-values were more than 0.05. Regression analysis results revealed that the five dimensions had a positive effect on Customer Satisfaction though at varying levels. Responsiveness had the most impact towards Customer Satisfaction followed by reliability, empathy and assurance. Tangible contributed the least. All the five dimensions are therefore critical for achieving customer satisfaction.
5.3 Conclusion

The study recognized the existence of a linkage between quality of service and customer satisfaction in the bakeries under study. Quality of service involves perceived service meeting or exceeding expectations hence satisfaction. The study also concluded that quality of service practices outweigh pricing considerations in meeting customers’ expectations hence customer satisfaction.

From the study’s outcome, the bakeries had great service quality. Some of the practices of service quality which were assessed included, keeping promises, being courteous, offering prompt service, neatness of the employees, solutions for problems, having convenient operating hours and even employees’ willingness to help customers. A considerable number of bakeries customers are loyal. This is clearly depicted whereby most customers (at 29%) had shopped in their respective bakeries for over a year and also the customers willing to continue shopping in the same bakery, with a mean of 4.85, are seemingly satisfied to a very large extent.

5.4 Recommendations

The recommendation from this study is that the bakeries should adopt the five dimensions of SERVQUAL model while setting up their service quality practices owing to its positive effect on customer satisfaction. Once this is in place, and at the point of resource allocation focus should be more on actions that fulfill responsiveness given that it affects service quality the most. The bakeries should also put more effort on offering personalized
attention as well as improving the appearance of the bakery so as to improve the mean score, meaning customers will be experiencing positive disconfirmation hence satisfaction.

The study also recommends the enhancement of all the fourteen factors of service quality practices by the bakeries in order to improve their services as well as increase customer satisfaction. The bakeries focus on and design their marketing strategies to suite the majority of their customers who fall between the two age brackets of 18-29 and 30-39 years. The bakeries should also research on products and service quality practices that they can employ with a view of widening their customer base in relation to age that will be able to capture more customer within the age brackets of less than 18 years, 40-49 years and 50 years and above. When designing adverts, the bakeries should also take into consideration that most of their customers are holders of diploma and bachelor’s degree so as to adopt a targeted approach.

5.5. Limitations of the Study

There were several limitations in the study. Firstly, the research design used to collect data, that is cross sections research design, is limiting. This is because it focuses on the respondent at a particular point in time and not as a result of long period observations which would be more accurate. Secondly, the study was conducted and confined to bakeries within Nairobi CBD meaning its findings may not necessarily be generalized to all the bakeries across the region. In view of this, future studies should consider undertaking a similar research considering bakeries in different locations.
Another limitation was that the study did not find any factor to have an extreme influence on customer satisfaction. In this regard, efforts should be made by future studies to make attempts at finding out whether there are other factors that may bear extreme effects on Customer Satisfaction. This study focused on bakeries hence the findings cannot be generalized to companies or business establishments in other industries. Lastly the study used questionnaires to collect data and which do not necessarily make provision for clear expression of respondents’ behavior and thoughts.

5.6 Suggestions for Further Study

Further studies can revolve around addressing the limitations of this study. The study can be replicated in other areas in Nairobi as well as major towns across Kenya such as Kisumu, Mombasa, Nakuru, Kakamega, e.t.c, and also in rural areas. This would portray universality of the linkage between the two variables. The study focused only on service quality yet there exists other factors that might influence customer satisfaction. Future studies can consider looking into other elements which may also affect customer satisfaction.

The fact that data collection was done using structured questionnaires may have limited the respondents in expressing their opinions and values hence an interview guide can be adopted in future to give respondents more room for expression. An experimental study may also be undertaken to make a determination on the actual impact of quality of service on customer satisfaction not only in Nairobi CBD bakeries but in bakeries across the country as opposed to a cross-sectional research design. This study should form a basis of the experimental study.
REFERENCES


I am conducting a study on service quality and customer satisfaction of bakery customers in Nairobi Central Business District bakeries. I will be grateful if you could spare some time and attend to my questionnaire, answering the questions as honestly as possible. The information you shall provide shall be treated with at most confidentiality and will be used solely for the calculation of proportion percentages and averages. Thank you for your time.

Section 1: Respondents Profile

Provide the following personal information (DO NOT INDICATE YOUR NAME)

1. Indicate your Gender:
   
   Male [ ]  
   Female [ ]

2. Tick your age bracket:
   
   Less than 18 years [ ] 18 – 29 years [ ]
   30 – 39 years [ ] 40 – 49 years [ ]
   50 years and above [ ]

3. What is your highest level of education?
   
   Primary Level (KCPE) [ ]  Secondary Level (O/A level) [ ]
   College (Certificate) [ ]  College (Diploma) [ ]
   University (Bachelors) [ ] University (Masters/PhD) [ ]

4. For how long have you been buying from this bakery?
   
   Less than 1 month [ ] 1 to 6 months [ ]
   7 months to 1 year [ ] 1 year and above [ ]
Section 2: Perception on the Quality of Service

This part concerns how you feel about aspects of service quality levels at the bakery. Please tick (√) in the appropriate box to show the extent to which you believe the bakery has features described by the statement.

<table>
<thead>
<tr>
<th>Please indicate the extent to which you agree with the following statements</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>The bakery is visually attractive</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>The bakery staff are neatly dressed</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>The bakery staffs keeps there promises</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Bakery staff shows sincerity in solving my problems.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>The bakery staff tell me the exact time when the product will be available</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>The bakeries staff gives prompt service</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>The bakery staff are always ready to assist</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>The staff are always available to answer my request</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>------------------------------------------------------</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>The bakery staff behavior in a manner that give me confidence</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>The staff are always courteous to me</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>The bakery staff have the expertise to answer my question</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>The bakery has convenient operating hours</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>The bakery staff gives me personalized attention</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>The bakery staff understand my needs</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>
Section 3: Customer Satisfaction

This section is concerned with qualities that determine your level of satisfaction with the service you receive from the bakery. Please tick (√) in the appropriate box to show the extent to which you believe the factor determines your satisfaction.

<table>
<thead>
<tr>
<th>Please indicate the extent to which you agree that the following factors influence customer satisfaction in bakeries</th>
<th>Not at all</th>
<th>To a small extent</th>
<th>To some extent</th>
<th>To a moderate extent</th>
<th>To a large extent</th>
<th>To very large extent</th>
</tr>
</thead>
<tbody>
<tr>
<td>I am delighted with the price of bakery products</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>I am always pleased shopping in the bakery</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>This bakery meets my overall expectations</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>I plan to go on shopping in this bakery.</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>I ‘d suggest this bakery to my family, friends and colleagues</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>
# APPENDIX 2: LIST OF BAKERIES

<table>
<thead>
<tr>
<th>Business Name</th>
<th>Physical Address</th>
<th>Zone Ward Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Express Bakery Ltd</td>
<td>Standard St.</td>
<td>Central</td>
</tr>
<tr>
<td>2. Mecca Bakery Cafe And Confectionary</td>
<td>Eastleigh 7th Street</td>
<td>Central</td>
</tr>
<tr>
<td>3. Monice Classic Bakers</td>
<td>Tabman Rd</td>
<td>Central</td>
</tr>
<tr>
<td>4. Susro Investment T/A Tamutamu Enterprises</td>
<td>Nkurumah Lane</td>
<td>Central</td>
</tr>
<tr>
<td>5. Hope Cakes</td>
<td>Utalii Lane</td>
<td>Central</td>
</tr>
<tr>
<td>6. Kims Bakers</td>
<td>Nairobi Area</td>
<td>Central</td>
</tr>
<tr>
<td>7. Colacy Bakers</td>
<td>Cross Rd</td>
<td>Central</td>
</tr>
<tr>
<td>8. Blackforest Cakes</td>
<td>Koinange</td>
<td>Central</td>
</tr>
<tr>
<td>9. Shalom Bakers</td>
<td>Huruma Ngei Ii</td>
<td>Central</td>
</tr>
<tr>
<td>10. Jungen Mini Bakers</td>
<td>Dubois Rd</td>
<td>Central</td>
</tr>
<tr>
<td>11. Orbit Bakers</td>
<td>Nyakach Lane</td>
<td>Central</td>
</tr>
<tr>
<td>12. Hawaii Bakers</td>
<td>Tom Mboya</td>
<td>Central</td>
</tr>
<tr>
<td>13. Angels Bakery</td>
<td>Muthurwa Lane Off Landhies Rd</td>
<td>Central</td>
</tr>
<tr>
<td>14. Royal Star Bakers</td>
<td>Taveta Rd</td>
<td>Central</td>
</tr>
<tr>
<td>15. Angel's Bakery</td>
<td>Tom Mboya St</td>
<td>Central</td>
</tr>
<tr>
<td>16. Njokam Bakers &amp; Snacks</td>
<td>Kipande Road</td>
<td>Central</td>
</tr>
<tr>
<td>17. Osero &amp; Sons Bakery</td>
<td>Huruma -Daniel Comboni Rd</td>
<td>Central</td>
</tr>
<tr>
<td>18. David Bakers Inn</td>
<td>Munyu Road-Pramukh Plaza</td>
<td>Central</td>
</tr>
<tr>
<td>19. David Bakers Cafe</td>
<td>Munyu / Sheikh Karume Rd</td>
<td>Central</td>
</tr>
<tr>
<td>20. Two Star Bakers</td>
<td>Standard Street</td>
<td>Central</td>
</tr>
<tr>
<td>21. Unique Ted Bakers Designs Ltd</td>
<td>Kimathi Street</td>
<td>Central</td>
</tr>
<tr>
<td>22. Tayari Pastries Ltd</td>
<td>Aru Road</td>
<td>Central</td>
</tr>
<tr>
<td>23. Aalika Bakers Inn &amp; Caterers</td>
<td>Accra Rd</td>
<td>Central</td>
</tr>
<tr>
<td>24. Stella Bakers And Caterers</td>
<td>Off Moi Avenue Imenti House</td>
<td>Central</td>
</tr>
<tr>
<td>25. Pin Q Delite Ltd</td>
<td>Taveta Road</td>
<td>Central</td>
</tr>
<tr>
<td>26. M S Bakery</td>
<td>Kipande Rd</td>
<td>Central</td>
</tr>
<tr>
<td>27. Ridgeways Bakery Limited</td>
<td>Accra Rd</td>
<td>Central</td>
</tr>
<tr>
<td>28. Orion Bakery</td>
<td>Adams Arcade</td>
<td>Central</td>
</tr>
<tr>
<td>29. Sprinkles Solutions Ltd</td>
<td>Ronald Ngala</td>
<td>Central</td>
</tr>
<tr>
<td>30. Baraka Cakes</td>
<td>Muruka Lane</td>
<td>Central</td>
</tr>
<tr>
<td>31. Cake Base</td>
<td>Parkroad</td>
<td>Central</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>32. Valentine School Of Cake</td>
<td>Muranga Rd</td>
<td>Central</td>
</tr>
<tr>
<td>33. Cakewalk Bake Shop</td>
<td>Argwings Khodek Rd</td>
<td>Central</td>
</tr>
<tr>
<td>34. Triumph Cake House</td>
<td>Tsavo Rd</td>
<td>Central</td>
</tr>
<tr>
<td>35. Classy Cake Creations</td>
<td>Mfangano Street</td>
<td>Central</td>
</tr>
<tr>
<td>36. Country Cakes And Snacks</td>
<td>Mfangano St</td>
<td>Central</td>
</tr>
<tr>
<td>37. Warm Delight Cakes Decor And Tools</td>
<td>Tom Mboya - Dominion Hse</td>
<td>Central</td>
</tr>
<tr>
<td>38. Jazz Touch Cakes &amp; Milk Bar</td>
<td>Off Mfangano Street</td>
<td>Central</td>
</tr>
<tr>
<td>39. Krumble Cake Shop</td>
<td>Mithoo Hse- Moi Avenue</td>
<td>Central</td>
</tr>
<tr>
<td>40. Ledos Cake Shop</td>
<td>Hailesalaisa Ave.</td>
<td>Central</td>
</tr>
<tr>
<td>41. Lilys Cakes And Cookies</td>
<td>Tom Mboya Street</td>
<td>Central</td>
</tr>
<tr>
<td>42. Lirry'z Cake &amp; Delicatzen</td>
<td>Moi Avenue</td>
<td>Central</td>
</tr>
<tr>
<td>43. Loes Cake Shop</td>
<td>Monrovia St.</td>
<td>Central</td>
</tr>
<tr>
<td>44. Lowell Cake Shop</td>
<td>Race Course Rd</td>
<td>Central</td>
</tr>
<tr>
<td>45. Luna Cakes Shop</td>
<td>River Rd</td>
<td>Central</td>
</tr>
<tr>
<td>46. Nelly Cake Shop</td>
<td>Mfangano Street</td>
<td>Central</td>
</tr>
<tr>
<td>47. Oasis Cake Shop</td>
<td>Tom Mboya Street</td>
<td>Central</td>
</tr>
<tr>
<td>48. Pax Cake Road</td>
<td>Accra Rd</td>
<td>Central</td>
</tr>
<tr>
<td>49. Pinkline Cakes</td>
<td>Lagos Rd</td>
<td>Central</td>
</tr>
<tr>
<td>50. Soft Touch Cake Shop</td>
<td>Tom Mboya</td>
<td>Central</td>
</tr>
<tr>
<td>51. Terry's Exotic Cakes</td>
<td>Tom Mboya Street</td>
<td>Central</td>
</tr>
<tr>
<td>52. Tuskys Supermarket</td>
<td>Moi Avenue Street</td>
<td>Central</td>
</tr>
<tr>
<td>53. Naivas Supermarket</td>
<td>Ronald Ngala</td>
<td>Central</td>
</tr>
<tr>
<td>54. Eastmat Supermarket</td>
<td>Tom Mboya Street</td>
<td>Central</td>
</tr>
<tr>
<td>55. Uchumi Supermarket</td>
<td>Aghakhan Walk</td>
<td>Central</td>
</tr>
</tbody>
</table>

Source: Nairobi City Council