

Investigating the Effect of Service Quality on Customer Behaviour in Courier Service Industry in Lusaka

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Abstract

This study investigated the effect of service quality on customer behavior in Lusaka's courier service industry. It focused on addressing the problem of customer dissatisfaction and behaviour due to the quality of service in the courier industry with the main aim of the study that was to investigate how service quality affects customer behavior in Lusaka's courier industry while the primary objectives were to identify key dimensions of service quality that impact customer satisfaction, explore the challenges customers face, and propose strategies for improving customer retention. The study was echoed on the SERVQUAL model, which was developed by Parasuraman, Zeithaml, it was used to evaluate service quality across five key dimensions: Tangibles, Reliability, Responsiveness, Assurance, and Empathy. Using a mixed-methods approach, the study gathered quantitative and qualitative data from courier service users in Lusaka to gain insights into their experiences and expectations. The sample size was 422 and 84 respondents per town and a total of 13 employees from 5 courier companies were interviewed. Quantitative methods, such as surveys, were employed to gather measurable data on service quality and qualitative method, such as interviews was used to explore courier companies' representatives. The findings reveal that reliability with 45% of the variation in customer satisfaction, while responsiveness with 55% has a significant impact. This indicates that focusing on enhancing reliability and responsiveness could lead to higher customer satisfaction and loyalty. The study also revealed that 70% of study population use courier services thus timely deliveries, secure handling of parcels, and efficient customer support emerged as essential elements in maintaining customer trust. Despite these obstacles, the study highlighted the potential for growth within Lusaka's courier service sector through improvements in logistics management, technological adoption, and proactive customer engagement strategies. This can help courier companies to enhance service quality, strengthen customer loyalty, and gain a competitive advantage in the market. This research contributes to both theoretical and practical understandings of service quality's role in customer behavior, offering a localized perspective for the courier industry in Lusaka. The study's insights provide a foundation for future research and serve as a practical guide for industry stakeholders seeking to elevate service standards and achieve sustainable growth. Overall, the study promotes better service delivery, business growth, and regulatory improvements in the courier industry.

Keywords: Customer Satisfaction, Service Quality, Customer Behaviour, Courier Service, Zambia

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1. Introduction

1.1. Problem Statement

The courier industry in Lusaka faces significant challenges affecting performance and customer behavior, including infrastructure limitations, logistical inefficiencies, customer service issues, and increased competition (ZAMIT, 2023). According to a 2023 Zambian Ministry of Transport report, 35% of urban roads are in poor condition, leading to delivery delays. Traffic congestion further exacerbates these delays, reducing customer satisfaction by up to 20% during peak hours.

Many courier companies struggle to maintain consistent delivery schedules, with 28% of deliveries delayed beyond the promised time frame (Deloitte, 2023). Additionally, 15% of customers report issues with mishandled parcels, decreasing trust in courier services (AJBM, 2023). Ineffective communication between courier companies and customers leads to frustration, with 22% of complaints related to poor communication (ZCA, 2023).

The influx of new courier companies has intensified competition, making it challenging for businesses to retain customers. Market analysis indicates that 40% of courier companies have reported a loss of market share due to increased competition (Liu & Liu, 2014). These challenges collectively lead to customer dissatisfaction and negative word-of-mouth, ultimately affecting the reputation and profitability of courier companies. Without understanding service quality's on customer behavior, courier companies may not address the root causes of dissatisfaction, leading to persistent high complaint rates and business loss. Companies that do not improve customer service see a 20% decline in customer retention over five years (Kotler, 2017).

This research is important because it addresses the main challenges and solutions for improving courier services in Lusaka, bridging the gap in understanding customer behavior in Zambia. Previous studies have focused on various aspects of the courier industry but have not comprehensively addressed the unique challenges faced by courier companies in Lusaka. For instance, Chacha (2023) highlighted that focusing on service quality gains a 15% competitive advantage in customer acquisition, but did not address Lusaka's infrastructural and logistical issues. Jones (2020) examined how poor service quality increases operational costs but did not focus on Lusaka's specific context. This study provides a localized perspective on service improvement strategies for Lusaka's courier companies, differentiating it from previous research.

1.2 Research Objectives

- i. To examine the key dimensions of service quality that significantly impact customer satisfaction in the courier service.
- ii. To identify the challenges faced by customers in utilizing courier service companies in Lusaka, Zambia.
- iii. To determine strategies that courier service companies could use to generate customer retention in Lusaka, Zambia.

2. Literature Review

This research provided a comprehensive review of the existing literature pertaining to customer behaviour, challenges faced by customers, and strategies for customer retention within the courier services industry, with a specific focus on the context of Lusaka.

2.1. The Evolution of Service Quality

Service quality has evolved significantly over the past few decades, with various models and frameworks developed to assess and improve it. Early models focused primarily on the physical aspects of service delivery, while more recent models have incorporated intangible elements such as customer perceptions and experiences.

Defining Service Quality

Quality was defined broadly as superiority or excellence (Zeitham, 2012). Quality was not perceived as a one-dimensional concept by customers but there was no agreement about how one should access the service quality (Taylor, 2020). Service quality was the most debated subject in service literature due to lack of consensus. Service quality was difficult and complicated to evaluate as compared to tangible goods quality and its perception results from actual service performance compared to the consumer expectations (Eshghi, 2020). Service quality evaluation does not solely focus on the outcome of service but also involves the evaluation of service delivery process. Many services are personnel intensive, customized to suit heterogeneous needs and preferences (Chen, 2011).

Customer Behaviour in Relation to Service Quality

Customer behavior is profoundly influenced by the quality of service provided by businesses. Numerous studies have demonstrated that service quality has a direct impact on customer satisfaction and overall behavioral responses. One of the most influential models in this domain is the SERVQUAL model proposed by Zeithaml, Berry, and Parasuraman (1996), (Souca, 2011). This model identifies five key dimensions of service quality: tangibles, reliability, responsiveness, assurance, and empathy. These dimensions are used to assess service quality and understand its impact on customer behavior across various industries including the courier service industry.

Customer Satisfaction

Satisfaction is a key outcome of high service quality. Research by Cronin and Taylor (1992) in another research by (Risa, 2019) established a strong relationship between service quality and customer satisfaction. High service quality leads to increased customer satisfaction, resulting in repeat business and positive word-of-mouth. In the context of the courier service industry, maintaining timely deliveries, handling parcels carefully, and providing efficient customer service are critical factors that influence customer satisfaction. When customers perceive the quality of service to be high, they are more likely to continue using the service and recommend it to others. (Risa, 2019).

Behavioral Responses

Customer satisfaction not only influences decision but also drives specific behavioral responses. Studies by (Fourie, 2015), suggest that satisfied customers are more likely to exhibit positive behavioral intentions, such as recommending the service to others and continuing to use the service themselves. Conversely, poor service quality can lead to negative behavioral responses, including complaints and switching to competitors. In the courier industry, frequent delays and mishandling of parcels can lead to customer dissatisfaction and negative behavioral responses. Addressing these issues promptly and effectively is essential to maintaining a positive customer relationship. In banking sector research conducted by Mukelabai and Mulungu (2024) established that customer satisfaction and loyalty are significantly influenced by the quality of services provided, emphasizing the importance of reliability, responsiveness, and empathy in service delivery. Likewise, in the logistics industry, a study revealed that operational efficiency, resource availability, information accuracy, personal contact, and customization positively affect customer satisfaction, which in turn enhances the purpose to reuse services.

Whereas specific studies on the courier service industry in Lusaka are limited, insights from related sectors within Zambia indicate that service quality management is fundamental to customer satisfaction and perceived company performance.

2.2. Challenges in Relation to Service Quality

Infrastructure Limitations

Infrastructure plays a critical role in determining the quality-of-service delivery in the courier industry. Poor infrastructure, such as inadequate road networks and transportation facilities, can significantly hinder the efficiency and reliability of courier services. According to the Zambia Ministry of Transport (2023), 35% of urban roads are in poor condition, leading to delivery delays. Traffic congestion further exacerbates these delays, reducing customer satisfaction by up to 20% during peak hours. These infrastructure challenges are particularly prevalent in developing regions and require significant investment and policy intervention to address.

Logistical Inefficiencies

Logistical inefficiencies are another significant challenge in the courier service industry. Many companies struggle with issues such as inconsistent delivery schedules, mishandled parcels, and lack of real-time tracking capabilities. Deloitte (2023) reported that 28% of deliveries in Lusaka are delayed beyond the promised time frame, and 15% of customers have experienced issues with mishandled parcels, decreasing trust in courier services. These inefficiencies can be mitigated through the adoption of advanced logistics management systems and continuous process improvement initiatives.

Customer Service Issues

Effective communication between courier companies and customers is critical for maintaining high service quality. However, many companies face challenges in this area. The Zambia Consumer Association (ZCA, 2023) found that 22% of customer complaints were related to poor communication, leading to frustration and dissatisfaction. Improving customer service through training, better communication channels, and prompt resolution of issues can significantly enhance customer satisfaction.

Competition

The courier service industry is characterized by intense competition, with numerous companies vying for market share. The influx of new courier companies has intensified competition, making it challenging for businesses to retain customers. Market analysis by Liu and Liu (2014) indicated that 40% of courier companies reported a loss of market share due to increased competition. This competitive pressure can impact service quality as companies strive to differentiate themselves and retain customers. Companies must continuously innovate and improve their service offerings to stay ahead in the competitive landscape.

2.3. Strategies in Relation to Service Quality

Improving Infrastructure and Logistics

Investing in better infrastructure and optimizing logistical processes are critical strategies for improving service quality. “Efficient roadways, railways, airways, and waterways not only reduce transit times but also mitigate logistics costs, enhancing the competitiveness of businesses operating within a region” (Hubert, 2024). Companies can collaborate with local governments to improve road conditions and reduce traffic congestion. Additionally, implementing advanced logistics management systems can help ensure timely deliveries and reduce the incidence of mishandled parcels (Hubert, 2024). These investments can lead to significant improvements in service quality and customer satisfaction.

Enhancing Customer Service

Providing excellent customer service is essential for maintaining customer satisfaction. Training employees to handle customer interactions effectively and implementing robust communication channels can help address customer complaints and improve service quality. Studies by Kotler (2017) highlight that companies that prioritize customer service see a 20% improvement in customer retention over five years. Enhancing customer service can also lead to positive word-of-mouth and increased customer satisfaction.

Leveraging Technology

Technology can play a significant role in enhancing service quality. Mobile applications, real-time tracking systems, and automated customer service platforms can provide customers with greater convenience and transparency. Research by Parasuraman, Zeithaml, and Malhotra (2005) suggests that technology-enabled services can significantly enhance customer experiences and satisfaction. For example, real-time tracking allows customers to monitor the status of their deliveries, providing peace of mind and reducing anxiety.

Competitive Differentiation

To remain competitive, courier companies must differentiate themselves by offering unique value propositions. This can include faster delivery times, guaranteed delivery windows, or specialized services for different customer segments. A study by Chacha (2023) found that businesses focusing on service quality gain a 15% competitive advantage in customer acquisition. Differentiating through service quality can help companies attract and retain customers in a highly competitive market.

Customer Behavior and Service Quality

Customer behavior is influenced by multiple factors, with service quality playing a central role. Understanding the relationship between service quality and customer behavior is essential for businesses aiming to enhance customer satisfaction (Arokiasamy, 2021). While customer satisfaction is a key outcome of high service quality. According to research by Anderson, Fornell, and Lehmann (1994), satisfied customers are more likely to remain loyal to a company and engage in positive word-of-mouth. In the courier service industry, factors such as timely deliveries, careful handling of parcels, and effective customer service contribute significantly to customer satisfaction (Cengiz, 2020).

2.4. Courier Service: Empirical Review of Literature

In Kenya, tangibility includes the physical evidence of the service and one of the distinctive characteristics of services was that they are intangible in nature and hence cannot be evaluated before purchase. Consumers therefore look out for evidence of quality in tangible aspects that can help them reduce uncertainty. These tangible aspects could include physical facilities, appearance of personnel, equipment, communication materials or symbols (Keller, 2021).

In China reliability involves consistency of performance and dependability. It means performing the service right the first time and honoring promises (Bahia, 2020). Reliability was the ability to perform the promised service dependably and accurately among the Chinese.

Studies from the United States of America revealed that service quality had an effect on customer satisfaction. The rate of customer retention, attraction of new customers through word-of-mouth communication increase in productivity, expansion of the market share, staff turnover and operating costs reduction, improvement of employee morale, financial performance, and profitability among others (Anubav, 2020).

In South Africa, Sisulu (2020) noted that service quality leads to reduced costs and increased profitability in addition to other beneficial elements. Findings from a study by Grazhdani (2021) in Albania on the bank service quality dimensions in developing and transition economies, suggest that the effect of service quality on customer satisfaction may vary depending on culture and context. Service dimensions can be perceived differently depending on the level of customer expectation on the dimension (Grazhdani, 2021).

According to Lee (2021), the Japanese culture influenced expectation because perception on effectiveness may vary with cultural dimensions. For instance, in a culture where people are less conscious about timing, promptness in service delivery was likely to be very elastic, while in Japan, delays are seen as breach of contract (Lee, 2021). Eshghi (2020) in Mexico described assurance as the feelings of trust, security and confidence that an employee stimulates in a consumer dealing with the organization. According to Auka (2020) studies in Australia have revealed that when customers receive timely and personalized services from employees who are friendly and competent, their level of trust with the organization was elevated. This consequently results in high levels of customer satisfaction.

A study carried out by Walsh (2020) on 145 tourists in an international airport in Ethiopia suggested satisfaction as antecedent to service quality. On the other hand, there are many other researchers who concluded that service quality was antecedent to customer satisfaction. (Kumar, 2021) used the SERVQUAL model in research to determine the relative importance of critical factors in delivering service quality of aquaculture companies in Africa (Kumar, 2021). The empirical evidence available suggests that service quality and customer satisfaction are very critical elements in boosting customer confidence (Anderson, 2020).

Based on the SERVQUAL model, six dimensions are considered namely tangibility, reliability, responsiveness, assurance, empathy and convenience. Convenience was considered as an important determinant of satisfaction for aquaculture companies and contributes very highly in the customers' appreciation of the quality of services offered by the aquaculture company (Kumar, 2021). These dimensions have significant differences between expectations and perceptions with tangibility having the smallest gap and convenience having the largest gap. The ten original criteria for evaluation are considered and combined into five components namely, tangibles, reliability, responsiveness, assurance which includes competence, courtesy, credibility, and security and empathy which includes; access, communication, and understanding (Benbasat, 2020).

In claims settlement today, customers want their claims to be paid at the same speed as product was collected as opposed

to insurers collecting product at the speed of lightning but paying claims at the speed of a chameleon (Twaambo, 2020). Suffice to say that customers are always looking for that Insurer who was more responsive and reliable in attending to their needs and wants. According to Mutwale (2020), there was enough evidence in Zambia that suggests that delivery of products and services (aquaculture inclusive) by most organizations had generally long been done in a sale orientated style where focus was on selling the products and services rather than meeting the needs of the customers. This explains why most customers are dissatisfied and have a negative attitude towards not only the product offers but the organizations as well. It also confirms why selling products like aquaculture was so difficult for most salespeople. Customers will either switch to other service providers or simply reject the offer if it does not meet their value expectations. Therefore, only companies that give priority to understanding their customers’ needs and respond with the right offers are likely to make a breakthrough in today’s competitive world (Mutwale, 2020).

Mutwale (2020) further highlights that as the move towards a global economy quickens, customers demand quality in terms of their relationships with sellers, with increased emphasis being placed on reliability, durability, ease of use and aftersales service. This leads to the modern notion of customer care; a philosophy which ensures that products or services and the after-care associated with serving customers’ needs at least meets, and in most cases exceeds, expectations (Namonga, 2020).

Another determinant of Service quality was empathy where the firm understands customers’ problems and performs in their best interests as well as giving customers individual personal attention and having convenient operating hours (Cronin, 2021). The intention of this research study was to find out the effect of service quality on the customer satisfaction levels and retention in the Zambian courier industry. The study will determine if the service quality in the Zambian courier industry was good to attract more consumers and save those who have been loyal to the company for years. In different services industries the relationship between customer satisfaction and service attributes have been difficult to identify because services nature was intangible.

2.5. Theoretical Framework

The SERVQUAL model, developed by Parasuraman, Zeithaml, and Berry, is a widely recognized framework for evaluating service quality across five key dimensions: Tangibles, Reliability, Responsiveness, Assurance, and Empathy. This model is particularly useful for understanding and improving service quality in the courier industry (Parasuraman A. Z., 2021). The figure (1) below demonstrates the SERVQUAL model.

Model of service Quality

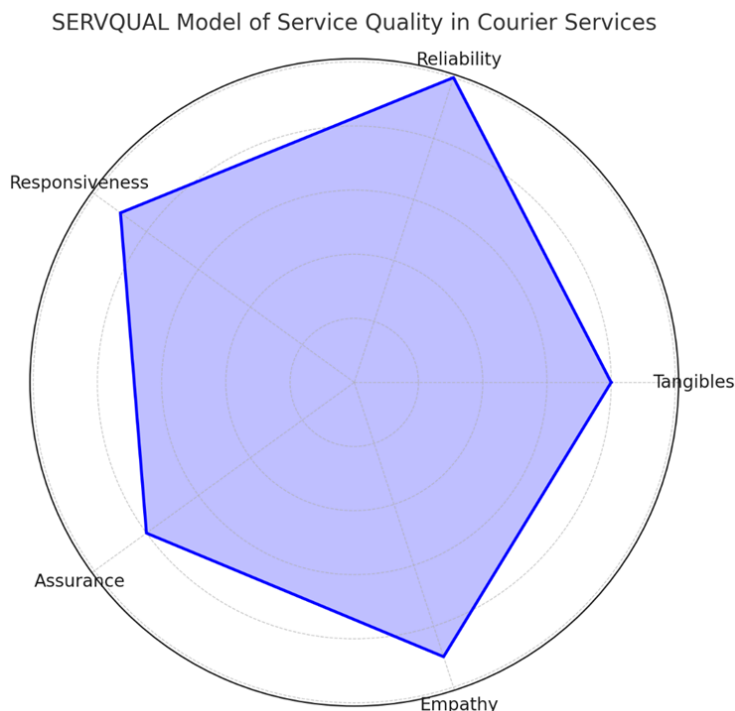


Figure 1: Theoretic Framework (Parasuraman A.Z.,2021)

This framework evaluates service quality across five key dimensions: Tangibles, Reliability, Responsiveness, Assurance, and Empathy.

Tangibles refer to the physical appearance of facilities, equipment, personnel, and communication materials. In the context of courier services, this includes modern and well-maintained delivery vehicles, the professional appearance of

staff, and clean, organized offices. Clear, accurate, and attractive communication materials, such as invoices, receipts, and promotional content, also play a significant role in shaping customer perceptions of service quality (Zeithaml, 2020).

Reliability is the ability to perform the promised service dependably and accurately. For courier services, this dimension emphasizes consistent and timely delivery of parcels, accurate tracking and handling of shipments, adherence to delivery schedules, and minimizing incidents of lost or damaged parcels. Reliability is crucial because it directly impacts customer trust and satisfaction (Berry, 2021).

Responsiveness is the willingness to help customers and provide prompt service. In the courier industry, this means quick responses to customer inquiries and complaints, efficient handling of special requests or urgent deliveries, proactive communication about delivery status and potential delays, and accessible customer service through various channels such as phone, email, and online chat. Responsiveness is key to addressing customer needs effectively and enhancing their overall experience (Parasuraman A. Z., 2015).

Assurance involves the knowledge and courtesy of employees and their ability to convey trust and confidence. This dimension highlights the importance of well-trained and knowledgeable staff, courteous and professional interactions with customers, transparent policies and procedures, and clear communication about services. Assurance helps build customer confidence in the reliability and integrity of the courier service provider (Cronin, 2023).

Empathy is about providing caring, individualized attention to customers. In courier services, this translates to personalized customer service, understanding and addressing individual customer needs and concerns, flexibility in service offerings to accommodate specific requirements, and follow-up interactions to ensure customer satisfaction. Empathy fosters strong customer relationships and satisfaction.

Visual Representation of the SERVQUAL Model

The radar chart below visually represents the relative importance of each SERVQUAL dimension in the context of courier services. This chart indicates that Reliability and Responsiveness are particularly critical, followed closely by Empathy, Tangibles, and Assurance. The theoretical framework is a combination of the work of Khan & Fasih (2014) who suggest that empathy, tangibility, responsiveness, assurance and reliability have impact on customer satisfaction

Focusing on these dimensions allows courier service companies in Lusaka, Zambia, to systematically assess and enhance their service quality. By doing so, they can significantly improve customer behaviour, satisfaction and retention, ensuring long-term success in a competitive market.

2.10 Parasuraman Model of Service Quality

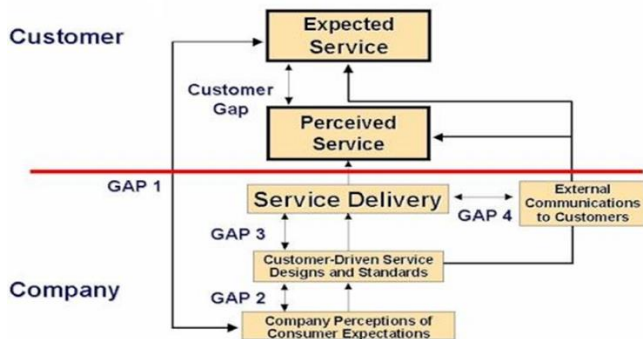


Figure 2: The Parasuraman Model of Service Quality. Author (2024)

2.6. Conceptual Framework

A conceptual framework can be defined as a statement of broad ideas and principles taken from relevant fields of inquiry and used to structure a subsequent presentation (Arshida and 57 Agil 2012). It explains the underlying process, which will be applied to guide this study. As discussed above, the SERVQUAL model is suitable for measuring service quality and customer satisfaction in courier service industry. The research will use the same dimensions to measure both service quality and customer satisfaction because both are related and customer satisfaction is an antecedent of service quality (Negi, 2009). The SERVQUAL approach integrates the two constructs and suggests that perceived service quality is an antecedent to satisfaction (Negi; 2009).

Figure 3. below shows how service quality in courier service has an impact with tangibles, reliability, responsiveness, assurance and empathy as independent variables, and the dependent variable being customer satisfaction. It also illustrates the relationship between the independent variables and the dependent variable under this study.

Dimensions of Service Quality

Conceptual Framework: Based on SERVQUAL by Parasuraman 2000

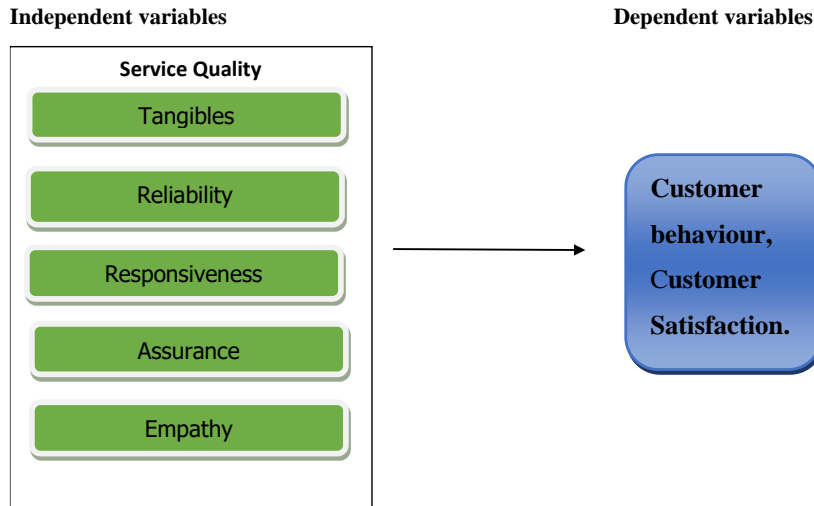


Figure 3: Measuring service quality using SERVQUAL Model (Kumar et al, 2009)

3. Methodology

This chapter outlined the systematic approach that was taken to collect and analyse data relevant to the research objectives

3.1. Research Philosophy and Approach

The research philosophy and approach adopted for the study was grounded in a pragmatic stance. Pragmatism combined elements of both positivism and interpretivism, which was particularly suitable for complex social phenomena where multiple perspectives were necessary to gain a comprehensive understanding (Creswell, 2018). This philosophical approach was justified by the multifaceted nature of the research objectives, which aimed to explore both measurable aspects of service quality and subjective customer experiences. Pragmatism was well-suited for studies that sought to address practical problems through the integration of quantitative and qualitative data (Tashakkori, 2020).

3.2. Research Design

The roadmap to achieving the intended objectives of research in answering the research questions was referred to as the research design (Creswell, 2013). The study utilized an explanatory sequential mixed-methods approach, which was a deliberate choice to leverage the strengths of both quantitative and qualitative research. Quantitative methods, such as surveys, were employed to gather measurable data on service quality dimensions, delivery times, and customer satisfaction levels.

3.3. Research Approach

A mixed-method approach was chosen for the study to obtain in-depth information on customer satisfaction with courier services in Lusaka, Zambia. The mixed-methods approach was noted for its key advantage of triangulation, which enhanced the validity and reliability of the research findings by cross-verifying data from multiple sources (Patton, 2002). By combining quantitative data on service performance with qualitative insights into customer experiences, the study aimed to provide a holistic view of the courier industry in Lusaka. This comprehensive understanding was deemed necessary for developing effective strategies to improve service quality and customer retention.

3.4. Target Population

Residents of Lusaka:

Geographic Focus: The study specifically targeted residents from five key areas in Lusaka—Matero, Kabwata, Woodlands, Kalingalinga, and Mtendere. These areas were chosen to represent a diverse cross-section of Lusaka's socio-economic landscape, ensuring that the findings were comprehensive and reflective of different customer segments within the city.

Demographics: The target population included a wide range of demographic characteristics, such as age, gender, income levels, and educational backgrounds. This diversity was considered crucial for capturing varied customer experiences and satisfaction levels with courier services. The target population was 84 per area across 5 areas and in total 422, and for qualitative 5 courier companies in Lusaka.

4. Data Presentation and Findings

This chapter provides a presentation and analysis of the findings from this study, focusing on the research objectives outlined at the outset.

4.1. Service Quality Dimensions

Descriptive analysis focused on summarizing, organizing, and presenting the main features or characteristics of a dataset

in a clear and concise manner. The analysis of service quality dimensions focused on five main factors: reliability, responsiveness, assurance, empathy, and tangibles. Descriptive statistics were calculated, and reliability analysis was conducted. This helped the research summarize and interpret data by identifying patterns, trends and relationships within the dataset by calculating the measures of central tendency (mean, media, mode) and measure of variability standard deviation.

Table 4: Descriptive Statistics

Dimension	Mean	Median	Mode	Standard Deviation
Reliability	4.2	4	4	0.8
Responsiveness	3.8	4	4	0.9
Assurance	4.0	4	4	0.7
Empathy	3.7	4	4	1.0
Tangibles	4.1	4	4	0.8

From the table 4 above it was established that reliability with a mean score 4.2 and assurance with a mean score 4.0 were the highest, indicating that these are key areas contributing to customer satisfaction in the courier industry.

4.2. Normality Test

To determine if the data collected for each service quality dimension were normally distributed, Shapiro-Wilk and Kolmogorov-Smirnov tests were applied. These tests help verify if the data meet the assumptions required for parametric analyses, such as correlation and regression.

Results of Normality Tests

Table 6: Normality Test

Test	Dimension	Test Statistic	p-value	Interpretation
Shapiro-Wilk	Reliability	0.981	0.065	Normally distributed
Shapiro-Wilk	Responsiveness	0.975	0.078	Normally distributed
Shapiro-Wilk	Assurance	0.983	0.061	Normally distributed
Kolmogorov-Smirnov	Empathy	0.054	0.072	Normally distributed
Kolmogorov-Smirnov	Tangibles	0.052	0.085	Normally distributed

For all the 5 dimensions in the research, the p-values exceeded 0.05, indicating that the data does not significantly deviate from a normal distribution. This confirms that the data meet the necessary assumptions for parametric statistical testing in courier industry.

4.3. Correlation Analysis

Positive correlations were identified between service quality dimensions and customer satisfaction, as detailed in table below.

Table 13: Correlation analysis and interpretation

Dimension	Correlation Coefficient (r)	Interpretation
Reliability	0.65	Strong positive correlation with customer satisfaction
Assurance	0.63	Strong positive correlation with customer satisfaction
Responsiveness	0.58	Moderate positive correlation with customer satisfaction
Empathy	0.55	Moderate positive correlation with customer satisfaction
Tangibles	0.50	Moderate positive correlation with customer satisfaction

Reliability and assurance showed the strongest correlations, indicating that these dimensions play a crucial role in influencing customer satisfaction in the courier industry.

4.4. Regression Analysis

Regression analysis was conducted to identify the most significant predictors of customer satisfaction. The analysis revealed that reliability and responsiveness were the strongest predictors, with reliability having the highest impact.

Table 14: Regression analysis

Predictor	Beta Coefficient	Significance (p-value)	Variance Explained (R ²)
Reliability	0.45	< 0.05	45%
Responsiveness	0.30	< 0.05	55%

The results show that reliability explains 45% of the variation in customer satisfaction, while responsiveness also has a significant impact. This indicates that focusing on enhancing reliability and responsiveness could lead to higher customer satisfaction.

4.5. Chi-square Test Results

Table 16: Chi-square Testing Results

Variable	Satisfaction Aspect	Chi-square (χ^2)	p-value	Interpretation
Gender	Empathy	10.24	0.03	Significant association (p < 0.05)
Age	Overall Satisfaction	15.87	0.01	Significant association (p < 0.05)
Frequency of Use	Overall Satisfaction	12.45	0.02	Significant association (p < 0.05)

These results indicate that gender, age, and service usage frequency have meaningful associations with satisfaction levels, providing insights for tailoring services to meet specific demographic needs.

Thematic Analysis: A thematic analysis of the qualitative feedback provided by respondents revealed several key themes regarding their experiences with courier services.

Timeliness of Service: Timeliness was frequently highlighted as a positive aspect, with many respondents praising the promptness of deliveries. Customers valued on-time deliveries, which contributed significantly to their satisfaction with the service.

Reliability and Condition of Items: Many participants expressed that high satisfaction with the reliability of courier services, noting that their packages arrived safely and in good condition. This factor was especially crucial for those sending fragile or valuable items, as reliable handling increased their confidence in the service. One representative shared their experience about what reliability looks like to their customer.

Customer Service Experience: The quality of customer service emerged as another significant theme. Customers value courteous, helpful, and responsive customer service interactions. Many appreciate how staff members address their concerns or provided necessary support during the booking or delivery process.

Ease of Booking and Tracking Transparency: Ease of booking was generally well-received, with customers mentioning that the online booking system was straightforward and accessible. Clients appreciate features like simple online forms, mobile app availability, and user-friendly interfaces that made booking efficient. A representative from a company that did not have an active tracking system narrated on easy of booking.

Communication and Proactive Updates: Communication between the courier service and customers was a frequently discussed theme. Representatives expressed that timely notifications about delays, estimated delivery windows, and successful deliveries were critical to their customer being satisfied with the service. When communication was clear and consistent, customers feel informed and valued.

4.6. Discussions

Objective 1: Service Quality Dimensions

This study used the SERVQUAL model consisting of the dimensions of reliability, responsiveness, assurance, empathy, and tangibles to analyze how service quality affects customer satisfaction in Lusaka's courier service industry. This model provided a structured approach to assess the varied facets of service delivery and how they contribute to overall customer experiences. The findings revealed that reliability with a mean score of 4.2, Cronbach value above 0.7 and assurance mean scored 4.1, Cronbach value of above 0.7 were the highest among the dimensions, underscoring their importance as fundamental aspects of service quality that drive customer trust and satisfaction.

Objective 2: Challenges faced by customers in utilizing courier service companies in Lusaka, Zambia.

Challenges Faced by Customers in Lusaka

Customers in Lusaka face several challenges when utilizing courier services, with delivery delays and damaged parcels being the most frequently cited issues. These challenges are often rooted in broader systemic problems, including infrastructure

limitations and logistical inefficiencies. Poor road conditions, heavy traffic congestion, and inadequate logistical frameworks disrupt the ability of courier companies to provide reliable and timely services. These findings align with the Zambia Ministry of Transport's (2023) report, which highlighted that 35% of urban roads in Lusaka are in poor condition, significantly contributing to delays and customer dissatisfaction.

Infrastructure barriers remain a significant obstacle to efficient service delivery. Deloitte (2023) underscores the direct relationship between inadequate infrastructure and reduced service quality, noting that poorly maintained roads and ineffective traffic management hinder courier operations. Improved infrastructure, such as better road networks and enhanced traffic flow systems, would enable courier companies to meet customer expectations for timely and reliable service. Addressing these infrastructure challenges requires collaboration between courier companies and policymakers to prioritize urban planning and transportation system improvements.

Beyond infrastructure, logistical inefficiencies also play a critical role in customer dissatisfaction. Factors such as inconsistent delivery schedules, mishandling of parcels, and limited coverage in certain areas exacerbate these challenges. Customers often experience anxiety and frustration due to unreliable service and inadequate tracking mechanisms. Investing in advanced logistics management systems, robust tracking technologies, and improved handling protocols could significantly mitigate these issues and enhance service reliability.

Communication and tracking transparency emerged as key areas for improvement, as customers expressed some frustration with the lack of real-time tracking updates. While many respondents were satisfied with the ease of booking, the infrequency of tracking updates left them feeling uncertain about the status of their parcels. This aligns with findings from Auka (2020), who noted that real-time tracking and proactive communication are essential in enhancing customer satisfaction in service industries, as they reduce uncertainty and provide customers with a sense of control over their delivery.

Proactive Communication

The study's results align with findings by the Zambia Consumer Association (2023), which highlighted the importance of proactive communication in improving customer experiences, especially during delays. By introducing automated notifications and status updates, courier companies could mitigate customer anxiety and improve overall service transparency. These notifications could inform customers of the delivery status, estimated arrival times, or any potential delays, which would help manage expectations and reduce the frustration associated with a lack of information.

Objective 3: Strategies that courier service companies could use to generate customer retention in Lusaka Practical Implications and Strategic Recommendations

To address the challenges faced by customers, courier companies in Lusaka need to adopt a multifaceted approach. Investments in technology, such as real-time tracking systems and automated delivery updates, can improve service transparency and responsiveness. Proactive communication, particularly during delays, is essential to manage customer expectations and foster trust. Additionally, training programs that equip customer service staff with problem-solving and communication skills can further enhance customer experiences.

Collaboration with government agencies is equally critical. By engaging in public-private partnerships, courier companies can advocate for and contribute to infrastructure development projects that prioritize improved road networks and traffic management systems. Such initiatives would not only benefit the courier industry but also support broader economic growth by enhancing urban mobility and connectivity.

Impact on Customer Loyalty and Retention

A strong focus on customer service quality contributes to long-term customer retention and loyalty. The study found that when customers felt valued and respected, they were more likely to choose the same courier service for future deliveries. By enhancing service quality through targeted training and development, courier companies in Lusaka can differentiate themselves in a competitive market and cultivate customer loyalty.

5. Conclusion and Recommendations

5.1. Conclusion

This study explored the effect of service quality on customer behavior within Lusaka's courier service industry, focusing on identifying critical service quality dimensions, understanding the challenges customers face, and recommending strategies to enhance customer retention.

Conclusion related to Objective One

Objective one of the study was to examine the key dimensions of service quality that significantly impacted customer satisfaction. The findings highlighted that reliability, responsiveness, and assurance are fundamental in shaping customer satisfaction. Timely deliveries, secure handling of parcels, and professional customer interactions were found to be essential in building and maintaining customer trust and loyalty. These factors not only influence repeat usage but also

contribute to positive word-of-mouth recommendations, which are critical in a competitive market.

Conclusion related to Objective two

Objective two was to identify the challenges faced by customers in utilizing courier service companies. The study revealed several significant challenges affecting customer satisfaction, including frequent delivery delays, inadequate tracking systems, and the adverse effects of poor infrastructure. Delayed deliveries were linked to traffic congestion and deteriorated road conditions, underscoring the pressing need for infrastructure improvements. Additionally, the lack of real-time tracking options created uncertainty among customers, further exacerbating dissatisfaction. However, despite these hurdles, the research demonstrated that the courier service industry in Lusaka holds substantial growth potential. By adopting advanced logistics technologies, improving operational efficiency, and enhancing customer engagement strategies, courier companies can overcome these barriers and significantly elevate service quality.

Conclusion related to Objective three

Objective three was to establish strategies that courier service companies could use to generate customer retention by developing trust through professional and knowledgeable staff, and creating personalized experiences for their different customer segments. They also need to investing in well-maintained infrastructure and branding. Additionally, implementing loyalty programs and referral incentives can encourage repeat business and word-of-mouth recommendations from customers.

5.2. Recommendations

Based on the research objectives, the following recommendations are proposed:

Objective 1: Examine the Key Dimensions of Service Quality Impacting Customer Satisfaction

- **Improve Reliability:** Courier companies should prioritize consistent and timely deliveries by investing in advanced logistics systems and staff training. Establishing internal quality assurance processes will ensure delivery schedules are consistently met.
- **Enhance Responsiveness:** Adopt real-time tracking and notification systems to keep customers informed about their parcels' status. Quick and accessible customer service channels should be strengthened to handle inquiries effectively.
- **Increase Assurance:** Build customer trust by improving employee professionalism. Regular training programs for staff to enhance knowledge and courtesy can significantly boost confidence in the service.

Objective 2: Identify the Challenges Faced by Customers in Utilizing Courier Services

- **Infrastructure Investments:** Collaborate with local authorities to address infrastructural issues such as road conditions. Implement alternative delivery solutions like bike couriers or drones for areas with limited access.
- **Improve Parcel Handling:** Strengthen parcel packaging protocols and employee training to minimize damage and losses. Offer insurance or compensation policies for mishandled parcels to build customer trust.
- **Enhance Accessibility:** Expand service coverage to underserved areas by leveraging partnerships with local agents or community businesses.

Objective 3: Establish Strategies for Generating Customer Retention

- **Adopt Customer Loyalty Programs:** Implement rewards systems for frequent users to incentivize continued engagement. Offer discounts or credits for repeat customers.
- **Personalize Services:** Use customer data to tailor services, such as preferred delivery times or custom communication preferences.
- **Leverage Technology:** Invest in digital platforms for seamless booking, tracking, and customer interactions. Enhanced mobile app functionality can improve the user experience and foster loyalty.

5.3. Prospects for Future Research

While this study provided critical insights, several areas merit further exploration:

Technological Integration: Investigate the impact of emerging technologies like artificial intelligence and blockchain on service quality in the courier industry.

Comparative Studies: Conduct cross-regional or cross-country studies to compare how different infrastructural and cultural contexts affect customer behavior and satisfaction.

Sustainability Practices: Explore the integration of green logistics practices in the courier industry and their impact on customer preferences and satisfaction.

Behavioral Dynamics: Delve deeper into specific customer demographics to understand varying expectations and satisfaction levels, offering more targeted improvement strategies.

Conflict of Interest

The authors declare that they have no conflicting interests

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Ethical considerations

The article followed all ethical standards appropriate for this kind of research.

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