THE IMPACT OF SERVICESCAPE ON CUSTOMER SERVICE EXPERIENCE IN CONTEXT OF MALAYSIAN OPEN-AIR RESTAURANT

BY

OU ZEJIANG (Carter)

THESIS SUBMITTED IN PARTIALLY FULFILLMENT OF THE REQUIREMENT FOR THE DEGREE OF MASTER IN BUSINESS ADMINISTRATION

In the

Faculty of Business and Information Science

UCSI University

MALAYSIA

August 2013
ABSTRACT

Changes in marketing practice have brought about fundamental theoretical shifts in marketing. The paradigm shifts are from a goods-oriented view to service-oriented view and co-creating valued customer experience. In the 21st century, the experience factor plays an increasingly important role in determining the success of a service company’s offering. Previous studies shed some light on the concept of customer service experience, and on how the right environment and setting for the desired customer service experience should be created in such away as to contribute to the value creation for customers and the service company itself.

The term servicescape was initially been defined by Booms and Bitner in 1982. Since then, many researches have been mainly conducted in terms of extensions of servicescape dimensions (Mark S. Rosenbaum, Carolyn Massiah, 2011), structure of servicescape (Roscoe Hightower, Jr. & Mohammad Shariat, 2009), the relationships between servicescape and customer satisfaction, customer loyalty, purchase intention, customer behavioral intentions (Clark Kincaid, Seyhmus Baloglu, Zhenxing Mao, James Busser, 2010; Jiun-Sheng Chris Lin, Haw-Yi Liang, 2011; Anthony F. Lucas, 2003; Lloyd C. Harris and Chris Ezeh 2007; Antje Cockrill, Mark Goode and Daniel Emberson, 2007), and perceived service quality. Within service research, customer experience has been treated as embedded in service quality and is measured by comparing expectations before, and perceptions after the experience, or perceptions only, through different predetermined service attributes. Consequently service quality measures the outcome of service processes perceived by customers.
The objectives of this study are to explore the impact of servicescape on customer service experience. An explanatory research was conducted to address the research objectives. The research was undertaken among customers of service sectors in Kuala Lumpur, Malaysia. This paper attempts to understand how a perceived servicescape would affect customer service experience and to suggest service sectors in improving environment elements. Following the empirical investigation, this research also provides a framework to support the service company in generating the proper stimuli to activate the various components of the servicescape. The detailed theoretical and managerial implications will be presented.