

# COMPARISON OF THE QUALITY SERVICE FACTOR OF LSP AT MYANMAR .

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## ABSTRACT

This research objectives were to evaluate the service quality of Logistics Service Providers (LSPs) in Myanmar. The samples of this research were 12 Thai LSPs, 50 Thai Users, 5 Myanmar LSPs and 12 Myanmar Users. The data collection was questionnaires with the analysis of service quality (SERVQUAL). There were 5 dimensions, namely, tangibility, reliability, responsiveness, assurance and empathy. The gaps between the current service quality perceived and the expectation of the users was explained and illustrated. It was found that Thai LSPs were better than Myanmar LSPs in namely, reliability and empathy as Myanmar LSPs were better than Thai LSPs in responsiveness and assurance. It showed that Thai LSPs has to improve the quality service to compete with Myanmar LSPs because of Myanmar laws and policy.

**Keywords :** Service quality / SERVQUAL / Service quality gap

## INTRODUCTION

### 1.1 History and the paint point

ASEAN Economic Community: AEC had the official opening schedule in 2015 from the agreement from all 10 member countries for instance Thailand, Myanmar, Malaysia, Indonesia, Philippines, Singapore, Vietnam, Laos, Cambodia, and Bunnie. All of this for ASEAN has free movement of product, service, capital, investment and skill labor especially free trade of services which build both the opportunities and barriers to entrepreneurs in Thailand inevitably; therefore, Thais entrepreneurs are great readiness to analyze the competitiveness with neighboring countries or create opportunities of cooperating in order to continue increased economic value next. Myanmar is the one of ASEAN member countries and it is the neighboring countries of Thailand while Thailand is also the neighboring countries of Myanmar as well. Economic in Myanmar currently has a growth every year where has plentifully natural resource included lower labor rate cause attracting foreigner turning to invest invest more

Independent moving of logistic service is the one of consequence effected opening ASEAN Economic Community (AEC) so logistic entrepreneurs in Thailand and Myanmar need to develop service to be good in order to respond the customers requirement at the same time it should coordinate to build up the next work for expanding market to other countries which is optimal strategy for development

## OBJECTIVES

1. To evaluate quality of logistic service provider (LSP) of Thailand and Myanmar
2. To evaluate the expectation of user in each dimension
3. To be competency comparison guideline and consider the difference in service quality by using the simulation of SERVQUAL which is service quality evaluation

## METHODOLOGY

The research procedure is divided by 6 steps as follow;

Step 1: Study, review and collected secondary data of Thailand and Myanmar from academy textbook, content, thesis and related report

Step 2: Create questionnaire is used the tool to collect data from sampling group. The questionnaire was used the collected data which had 2 models as model 1 used research data of logistic service provider and model 2 used the research data of logistic service user. The questionnaire was investigated by one teacher from university and 2 logistic specialists from industry sector

Step 3: Go to location to collect primary data from sampling group in Thailand and Myanmar where is Yangon

Step 4 : Collection, record data from going to location to collect data

Step 5 : Analyze data from T-Test and Mean

Step 6 : Summarize and propose research result

### 1.1. Population and sampling group

2.1.1 Population such as logistic service provider sector and industries sector who use logistic service

2.1.2. Sampling group in this research was collected from other region in Thailand and Yangon city in Myanmar through independent random sampling group getting cooperation from Thai Business Association in Myanmar. The sampling group in this research was divided by;

Thai : 12 Logistic Service Providers (LSPs)  
50 logistic service users

Myanmar: 5 Logistic Service Providers (LSPs)  
12 logistic service users

### 1.2. Research Tools

Tool was used to evaluate service quality SERVQUAL to be the tools developed by Parasuraman Ziethaml and Berry[4] there was the objective to measure service efficiency which was widely used in varietal industries for example financial institution [5] transportation service [6] or hospital [7] etc. to provide appropriate service quality measurement and align with logistic business so questionnaire was investigated by specialist from industry sector in term of education designed service quality measurement for logistic industry for 5 dimension referred to SERVQUAL as follow [8]

- 1) Tangible physical is the physical feature to be able seeing such as utilities, tool, equipment and human who serve logistic service provider able seeing before using service
- 2) Reliability is capability to serve service committed with customer on contract which service is correct, suitable and consistency of service such as general service, documentation, time and safety etc.

- 3) Responsiveness is readiness feature and willing and able to respond the customer requirement promptly
- 4) Create assurance to customer of service provider has to skill, ability and service manner which are the trust and assurance to customer
- 5) Empathy is the ability to take care, helpfulness, paying attention customer requirement which is different for each customer through 2 types of questionnaire such as

Type I: it was used in this research which was the part of logistic service provider while in the part of using in this research consisted by;

- Questionnaire asking about service quality
- Questionnaire asking about evaluation for logistic scorecard

Type II: it was the logistic service user and using the logistic service provider efficiency Research procedure both types of questionnaire above were compared logistic service quality in both countries next

Each of questionnaire dimension had expected and perceived assessment as per Likert's Rating Scale in 1 to 5 level (lowest to highest), the different value or gab of service quality [9] to be able consider from SQE (Service Quality of Expectation) as follow;

- If SQE value equal 1 ( $SQE=1$ ) means service user received service level equal or expectation
- If SQE value more than 1 ( $SQE>1$ ) means service user received service higher expectation
- If SQE value less than 1 ( $SQE<1$ ) means service user received service lower expectation

The following in service process occurred 5 gaps were;

- Service gab I was a gap between expectation of logistic service provider and user
- Service gab II was a gap between perception of logistic service provider and expectation of user and service quality specification
- Service gab III was a gap between service quality feature specified and served to user
- Service gab IX was a gap between real service and communicate with service user
- Service gab X was a gap between expectation and perception of service user

This research would consider service quality from questionnaire which cover only GAP I and GAP IX due to the scope of this research would specify expectation and perception from sampling group while logistic scorecard was evaluation competency or potential of logistic, SWOT analysis and using data for development organization to higher scorecard so the indicator index measured the logistic scorecard divided by 5 main issues as follow[10]

- 1). Business strategic
- 2). Plan and capability of operation
- 3). Logistic efficiency and effectiveness
- 4). Information Technology management
- 5). Cooperation between organization

## RESULTS

The components in this part were;

- 1). Reliability test result of questionnaire
- 2). Different analysis result between service provider quality of service user
- 3). Gap analysis of service and
- 4). Logistic potential

### 3.1. Confidence test questionnaire

This research analyzed statistics [11]; however, data analytic from reliability test referred to Cronbach's Alpha equal 0.835 shown that questionnaire in this research had the reliability and to be able using in this research

### 3.2. Service quality from the view of service user from Thailand and Myanmar

The proportion of Thailand and Myanmar service user were collected data shown on Table 1 found that shape of Thailand service users were mostly middle and small size while going to collect data in Myanmar found that large service user needed to develop logistic mostly

**Table 1 Size proportion of Thailand and Myanmar service user**

Business size	Thailand		Myanmar	
	Amount	Percentage	Amount	Percentage
Small	28	56	1	8.33
Middium	9	18	3	25
Large	13	26	8	66.67

Analysis result was ture for information presented only because there was budget and time limitation so in the part of cooperating from sampling group when analyzed perceived service quality level of user from Mean separated score level as follow;

Score 1.00 – 1.80 is lowest quality

Score 1.81 – 2.60 is low quality

Score 2.61 – 3.40 is middium quality

Score 3.41 – 4.20 is high quality

Score 4.21 – 5.00 is highest quality

And the value of Sig.(2tailed) for 5 dimensions found that

Dimension 1. Tangible physical which wa the Thai service provider has higher quality than Myanmar service provider significantly presented that Thai service provider was more convenience, person and tools completely and there was effectiveness better than Myanmar service provider

Dimension 2. Reliability not difference were found service quality average in reliability dimesion between Thailand and Myanmar logistic service provider

Dimension 3. Responsiveness found that Thailand and Myanmar logistic service provider had the competency to serve not significantly different

Dimension 4. Assurance found that it was significantly different to service quality by Thailand had higher service quality than Myanmar shown that Thailand logistic service provider could create service assurance to customer suitably

Dimension 5. Empathy not affected service quality of service user and not difference the confidence average level

Summarize that service quality in view of service user in both countries found that dimension 1. Physical tangible and dimension 4. Assurance were significant different in service quality unless consideration average value in all dimensions found that the Thailand average value higher than Myanmar in all dimension seem that Thailand logistic service provider had better service quality than Myanmar in view of service user shown on Table 2

**Table 2 Perception average of service user in Thailand and Myanmar**

SERVQUAL	Country	Mean	Std Deviation	t	Sig. (2tailed)	Service Level
Tangible	Thailand	3.69	0.766			High
	Myanmar	2.62	0.796	3.252	0.002	Middium
Reliability	Thailand	3.64	0.753			High
	Myanmar	3.32	0.845	1.25	0.20	Middium
Responsiveness	Thailand	3.55	0.879			High
	Myanmar	3.13	0.850	1.638	0.104	Middium
Assurance	Thailand	3.63	0.832			High
	Myanmar	2.97	1.008	2.31	0.015	Middium
Emphathy	Thailand	3.42	1.394			High
	Myanmar	3.02	1.023	1.242	0.153	Middium

## DISCUSSION AND SUMMARY

Different analysis during service quality in view of statistical service user found that dimension which was significant diferent to service quality was dimension 1; Physical tangible and dimension 4; Assurance. Research result presented the efficiency of Thailand and Myanmar service providers were different in two dimension obviously as Thailand service provider had better service level than Myanmar also Thailand had higher average level that Myanmar in all dimensions proposed Thailand service provider had better service quality service than Myanmar all dimension when considered together with potential

Logistic was assessed Thailand logistic scorecard service provider who had higher than Myanmar logistic service provider in all dimensions caused supporting Thialand logistic service provider to respond customer requirement better than Myanmar logistic service provide; beside, when consider LPI (Logistics Performance Index) value reported by World Bank in 2012[12] seem that average score of Thailand was higher Myanmar in all factors obviously

From the perception of Thailand service user found that lowest service level received from service provider so Thailand service provider should improve in term of physical

feature and response consumer requirement or service user presented that physical feature in the eyes of users such as utilities, tools, equipment and human who were inadequate efficiency to customers expectation same as respond customer requirement that Thailand service provider could not serve as customers expectation for instance ordering process, easy and fast service in term of document, fast to respond customers complain etc. Included improvement of information technology management and information technology which were factors in logistic activities so logistic service provider should develop and apply using information technology in part of supply chain and logistics for example ERP, CRM, TMS, Barcode system etc. in organization due to help logistics activities easiness, synchronize data during delivery person and customer and to be planning tool for resource in supply chain getting most benefit

For opening investment market in Myanmar logistic industry considered as opportunity of Thailand logistic entrepreneur because research result indicated Thailand service quality was better than Myanmar in all parts when considered each of dimension found that service level of Myanmar users received from Myanmar service provider was least which was customer reliability that was closely service level of taking care while Thailand service provide had quite high efficiency in 2 dimensions which would benefit the investment in logistic industry in Myanmar. Furthermore, going to location for in depth interview logistic service provider and logistic specialist in Myanmar still found that abilities to create next work during Thailand and Myanmar logistic service provider due to Myanmar was the raw material sources such as wood product, mineral which needed to transport through Thailand to other foreign countries. It therefore was a joint opportunity of both countries to create future trading cooperation

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