MEASURING CUSTOMER BEHAVIOR INTENTION TO USE SELF-SERVICE LAUNDRY IN MELAKA

AHMED MOHAMMED SALIH

JUNAID

FACULITY OF TECHNOLOGY MANAGEMENT AND TECHNOPRENEURSHIP

UNIVERSITI TEKNIKAL MALAYSIA MELAKA

MEASURING CUSTOMER BEHAVIOR INTENTION TO USE SELF_SERVICE
LAUNDRY IN MELAKA

AHMED MOHAMMED SALIH JUNAID

B061610427

THIS THESIS IS SUBMITTED IN PARTIAL FULFILMENT OF THE
REQUIREMENTS FOR THE AWARD OF BACHELOR OF TECHNOLOGY
MANAGEMENT (TECHNOPRENEURSHIP) WITH HONOURS

FACULTY OF TECHNOLOGY MANAGEMENT AND TECHNOPRENEURSHIP
UNIVERSITI TEKNIKAL MALAYSIA MELAKA (UTeM)

December 2019

APPROVAL

I hereby declare that I have read this study/report and in my opinion, this study/report is sufficient in terms of scope and quality as a partial fulfilment the requirements for the award of Bachelor of Technology Management Technopreneurship (BTEC) with Honours

SIGNATURE   :   …………………………………

NAME OF SUPERVISOR   :   Dr. Nurulizwa Binti Abdul Rashid

DATE   :   …………………………….......

SIGNATURE   :   …………………………………

NAME OF PANEL   :   Dr. Muhammad Imran Qureshi

DATE   :   …………………………….....

DECLARATION OF ORIGINAL WORK

I declare this thesis entitle

"Measuring Customer Behavior Intention To Use Self-Service Laundry In Melaka"

Is the result of my own research except as cited in the references? The report has not been accepted for any degree and is not concurrently submitted in the candidature of any other degree.

SIGNATURE :   ……………………………........

NAME   :   ……………………….................

DATE   :   ………………………….............

DEDICATION

I would like to give the appreciation to my family members who supported me in term of spiritual and financial, beloved supervisor Dr. Nurulizwa Binti Abdul Rashid and panel Dr. Muhammed Imran Qureshi who guided me throughout this research and course mates that assisted me through the journey of research.

ACKNOWLEDGEMENT

First of all, I would like to take this opportunity to express my deep and dare thanks and appreciation to my supervisor Dr. Nurulizwa Binti Abdul Rashid for guidance and encouragement throughout the journey to complete this first part of my final year project. Throughout her guidance, I managed to finish the first part of my final year project successfully within the time frame given. Besides, there are some other important people involved in this final year project, for instance my beloved lecturers, wife, friends and course mates. I am deeply grateful for the guidance and support towards this project as play as an important role for this project.

Next, I am sincerely thanks to the researchers that they have previously conducted the similar study and published online. Although the research topic of the study was different, but the theory and knowledge provided were useful as a reference in the final year project.

In addition, I want to thank my family/wife who have always supported and helped me in completing this task for the mentality or physically. Next, special thanks to my colleagues who helped to complete this paper.

Moreover, I would like to thank the authority of University Technical Malaysia Melaka (UTeM) for providing us, as students with a good environment and facilities to complete this project. Also, I would like to take this opportunity to thank to the Centre of Faculty of Technology Management and Technopreneurship for offering this subject. It gave me an opportunity to participate and learn about the research project which is valuable for an academic purpose.

ABSTRACT

Self-service laundry (SSL) are largely introduced and promoted to replace traditional service encounters. Researchers have been investigating the influencers of SSL adoption. The purpose of the study project is to determine significant perceived factors on using Self-Service Laundry (SSL) in order to find out Malaysian's behaviour intention towards SST. The outcomes of this study would likewise be able to show that whether user perceived SSL as helpful role or already become a vital role for daily life. In this research include four independent variables, namely perceived ability, role clarity, perceived benefits, and risk to measure the relationship towards behavioural intention on SSL. Subordinate data was used for literature review, the suggested research framework was the results after analysing information from literature review contributed from many researchers. Customer Perceived Service Climate (CPSC) model was adopted for the study with some modification added more perceived factors that has been prove to be significant to SSL in research done by other researchers. Primary data will collect by using questionnaire surveys using probability sampling technique, cluster sampling method, through online self-administered questionnaire. This research found that only perceived ability, role clarity, perceived benefits, and risk are positive related to behavioural intention on SSL. The results of this study contribute to business management as well as government over Malaysia behaviour over using Self- Service Laundry.

Keyword – Self-Service Laundry (SSL), Self-Service Technology (SST), Customer Perceived Service Climate (CPSC), Behaviour Intention (BI), and Perceived Risk (PR).

ABSTRAK

Perkhidmatan dobi sendiri (SSL) sebahagian besar diperkenalkan dan digalakkan untuk menggantikan pertandingan perkhidmatan tradisional. Penyelidik telah menyiasat penyebab pengangkatan SSL. Tujuan projek penyelidikan ini adalah untuk menentukan faktor yang berpengaruh yang berpengaruh terhadap penggunaan pakaian layan diri (SSL) untuk mengetahui niat tingkah laku Malaysia terhadap SST. Hasil kajian ini juga dapat menunjukkan sama ada pengguna dilihat sebagai peranan yang menyokong SSL atau sudah menjadi peranan penting dalam kehidupan seharian. Dalam kajian ini, terdapat empat pembolehubah bebas, iaitu keupayaan yang dirasakan, kejelasan peranan, faedah yang dilihat, dan risiko untuk mengukur hubungan ke arah niat tingkah laku pada SSL. Data sekunder digunakan untuk semakan sastera; rangka kerja penyelidikan yang dicadangkan adalah hasil selepas menganalisis maklumat dari tinjauan literatur yang disumbangkan oleh banyak penyelidik. Model Iklim Khidmat Pelanggan (CPSC) yang diterima pakai untuk kajian dengan beberapa pengubahsuaian, menambah lebih banyak faktor yang dilihat telah menjadi signifikan kepada SSL dalam penyelidikan yang dilakukan oleh penyelidik lain. Data utama akan dikumpul dengan menggunakan kaji selidik kuesioner menggunakan teknik pensampelan kebarangkalian, kaedah pensampelan kluster, melalui soal selidik sendiri yang ditadbir dalam talian. Kajian ini mendapati bahawa hanya keupayaan yang dirasakan, kejelasan peranan, manfaat yang dirasakan, dan risiko positif berkaitan dengan niat tingkah laku pada SSL. Penemuan kajian ini menyumbang kepada pengurusan perniagaan serta kerajaan terhadap tingkah laku Malaysia untuk menggunakan dobi sendiri.
.

Kata Kunci: Dobi Self Service (SSL), Teknologi Diri (SST), Iklim Khidmat Pelanggan (CPSC), Niat Perilaku (BI) dan Risiko Terhad (PR).

Table of Contents

List of Figure and Table

LIST OF ABBREVIATIONS

ABBREVIATION	MEANING
SSL	Self-Service Laundry
CPSS	Customer Perceived Service Climate
SST	Self-Service Technology
FFRs	Fast-Food Restaurants
NRA	National Research Restaurants
CCI	Customer Continuance Intention
CD	Compact Desk
CSS	Customer Self-Services
SSK	Self-Service Kiosk
MC	Mobile commerce
PA	Perceived Ability
RC	Role Clarity
PB	Perceived Benefits
PR	Perceived Risk
CCI	Customer Continues Intention
BI	Behaviour Intention
ML	Machine Leering
IV	Independent Variables
DV	Dependent Variables
URL	Uniform Resource Locator
MMU	Multimedia University
UTeM	University Technical Malaysian Melaka

CHAPTER ONE

INTRODUCTION

1. Introduction

At the present time, the business environment has seen dramatic change with the growth of new technologies and the world wide web. More and more business are changing their business models in order to adapt and stay relevant in the new market environment or gain a competitive edge. At the same time new business emerge as a response to technology infusion as a way to deliver superior benefits to end users. Service encounters are slowly being fill up by technology or even completely redesigned in to Self-Service Technology (SST).

The quick growth of information and communication technology (ICT) has allowed entertainment operation to employ different technologies to simplify customers service and to foster customer experience and satisfaction. Self-Service Landry (SSL) allows customers to create for technologies without support of or with minimal help from employees or service provider. Customers are willing to take these new technologies to create their own service.

The old traditional way of serving consumers was to get services from service firm, which means, when the consumers was waiting at order desk near cashier and standing in lines in order to wait their turn, they should have to wait until their turn comes, but service firms have launched Self-Service Laundry (SSL), Self-Service Laundry (SSL) or Self-Service Kiosks(SSKs) to enhance productivity, proficiency, and efficiency to serving consumers.

1.1 Research Background

Self-Service Laundry (SSL) is a technology machine that allows customers to get services free from the direct involvement of service firms employees. Nowadays, this technology becomes an important tool in Laundry (washing clothes), Food Industry, Hotel Self Check In / Out. Self Service Kiosk available in Laundry service, this machine has been used instead of paying cash at cashier or desk table. This laundry has been a common feature in terms of clothing hospitality industry. Laundry right now use Self-Service Laundry (SSL) for washing, folding, pressing, agitation, rinsing, and draying clothes

The number of Self-Service Laundry (SSL) have increased in Laundry generally. This technology could be beneficially and can offer valuable reference for customers and students. The service providers such as laundry use SSLs to supplement or replace their traditional service delivery channels. Self-Service Laundry (SSL)allow customers to produce their own service with little or no service employee involvement.

The aim of this technology (SSL) is to catalyze the theory of consuming value and the empirical value scale to improve the hospitality customer's use of Self-Service Laundry (SSL), and their impact on consumer's service technology. Based on (Kokkinou&Crange, 2015) found that consumers were more likely to adopt SST, as the waiting time for a service become longer. SSL can reduce labor costs, improve speed of service, and accuracy of orders increases sales due to up-selling, and it is an attractive option for customers that Laundry wants to apply on their service toward consumers in order to increase service productivity, corporate performance and on the same time decrease or lowering labor cost.

The majority of studies have examined the relationship between attitudes toward Self-Service Laundry (SSL), and intention to use SSL. Increasingly, researchers have recognized that situational factors might this relationship. In particular customers using Self-Service Laundry (SSL) such as laundry, customers using this service and pay and insert coins into the machine to get the benefits from this laundries, this is physically present in the service setting and can be influenced by situational factors such as waiting lines and perceived crowdedness. Of these factors, service operates have the most control over waiting lines as they can decide to add capacity either by adding service employees or adding SSL.

With Self-Service Laundry (SSL), customers can use the machine by themselves, can feel free of which options fit your needs personally (Can create your own option and add on some washing powder, washing liquid, gel, etc.) with more control over the process and they can pay conveniently with no need standing in long lines. Furthermore, Self-Service Laundry (SSL) could be more useful to the business, helping them to serve more customers with fewer resources resulting in cost reduction as employees can be substituted by Self-Service Laundry (SSL). SST founded to help business and Laundry not only that, Self-Service Laundry (SSL) can decrease costs of employees training, equipment, and communication.

Besides these features, there are more, like speed of service is considered one of the best way to providing guests with enjoyable experience in any enterprise. Customers right now looking for best service with faster way of receiving their clothes. Self-Service Laundry (SSL) implementing to reduces total order time of washing clothes and to provide quick service context for customers.

1.1.1 Self-service laundry of telecommunication in Malaysia

Fresh Press is an online dry cleaning and laundry service based in Kuala Lumpur. Fresh press tries to work hard to provide the best possible care to clients. For delivery service, the store is free pick-up, delivery and the laundry service is open 6 days a week and the sore available form 10 am to 8 pm daily. The service of the cleaning items will be served and deliver in as little as 24 hours.

The professional service is considered as high-quality cleaning guaranteed. The campaign of fresh press is to treats client's laundry and do dry cleaning with love. Treating each garment with the utmost care to ensure clients receive the best possible result. Fresh press holds the workers to the highest standard. As such, every garment that leaves the store processing centre is meticulously inspected for quality control.

1.1.2 Malaysian Science and technology

Malaysia Government had found the key driver of the new economy - Internet technology. As the key to improving society, economy and politics, Malaysia's 3rd long-term plan. Third Outline Perspective Plan (2001-2010) had underlined that Information Communications Technology (ICT) was that key. In the declared of 10th Malaysia Plan, the 12 New Key Economic Areas (NKEA) and ICT had been classified as one of the 12 in order to improve Malaysia to high-income economy (EPU, 2010).

According to Malaysian Administrative Modernization and Management Planning Unit (MAMPU), (2016), The Malaysian Public Sector ICT Strategic Plan (2016-2020) has 5 ICT Strategic Thrusts and their objectives were identified to ensure optimum usage of ICT to achieve maximum benefits and results:

(1) Integrated digital services

(2) Data-driven government

(3) Optimize shared services and strengthen cybersecurity

(4) Collaborative and dynamic ICT governance

(5) Professional and capable workforce

1.2 Problem Statement

The study shows that there are few problems that need to better understanding of customer intention or initial use, the first one is most of Self-Service Laundry (SSL) researchers lies on services bank, hotel, Fast-Food Restaurants (FFRs), and super market, however limited researcher find in laundry. Another study shows and determined the next problem is most of researchers focus on technology adoption but limited researchers focused on customer continuous used of SSLs. The last point is most of Self-Service Laundry (SSL) researchers focus on develop countries, but lack of evidence prevent to develop in Malaysia. Researchers tries to figure out all of these difficulties and solve these problems to help both laundries and consumer consumption.

The Self-Service Laundry (SSL) are reducing friction and time waiting of washing process, and increase order size. Self-Service Laundry (SSL) can give consumers more opportunities to wash their heavy items like blanket, duvet and comforter. Self-Service Laundry (SSL) helps customers to do and clean those heavy items as long as limited space are provided at their washing machine. Using Self-Service Laundry (SSL) can give a chance of doing evaluating at your laundry business. It is important to remember that technologies are a complement to traditional point of sale offering. The goal is not to replace cashier terminals, but to improve efficiency and ultimately increase sales. Additionally, personal should be available to assist guests ordering on Self-Service Laundry (SSL), especially during peak hours.

Operationally, laundry should be utilized with traditional point of sale terminals. In fast-casual setting, this means ordering at the counter should still be available. In a quick Self-Service Laundry, laundry should be available for gussets to order their items to enjoy at the establishment. Freestanding and countertop models ensure your laundry can easily maximize space with the option that best suits their needs. In addition, location matters it is crucial to success of laundry to place them in strategic locations that encourage guests to place orders, and without forget there is Wi-Fi providing in most of laundries.

(According to Li and Huang ,2019) the literature points out that Self-Service Technology (SST), enhance customer's satisfaction and loyalty, hence facilitate effectively to approach new customer divisions. Besides that, the efficiency improvement of SST can provide the strength to both employees and customers via the value addition by increasing time and place convenience. There is an online survey was conducted based on (NRA, 2017), the survey is about how consumers do evaluation on laundries, the result was 80% of consumers evaluate laundries technology options as increasing convenience, and 70% evaluate laundries technology as speeding and increasing order accuracy. Some studies conducted the customer satisfaction with technology acceptance. The study presents a conceptual model that combines a technology acceptance model and satisfaction model.

1.3 Research Question

The study is trying to highlight the factors that will influence the adoption of Self-Service Laundry (SSL) in Melaka. Here are the following questions that had been addressed in this research in order to achieve the objectives:

- ❖ What are the level of perceived ability, role clarity, perceived benefits, and perceived risk as well as customer continuance intention to use the Self-Service Laundry?
- ❖ What are the relationship between perceived ability, role clarity, perceived benefits, and perceived risk as well as the customer continuance intention to use the Self-Service laundry?
- ❖ What are the most important factor that capture the behavior intention to use Self-Service Laundry in Melaka?

1.4 Objective of Study

This research aims to identify the factors that will influencing the adoption of Self-Service Laundry (SSL) in Melaka. These are several objectives in this study is to measure, determine, and investigate the importance that capture customer behavior intention to use SSLs.

1. To measure level of perceived ability, role clarity, perceived benefits, and perceived risk as well as customer continuance intention to use the Self-Service Laundry (SSL)

2. To determine the relationship between perceived ability, role clarity, perceived benefits, and perceived risk as well as the customer continuance intention to use the Self-Service Laundry (SSL).

3. To investigate the most important factor that influence the customer continuance intention to use Self-Service Laundry (SSL) in Melaka.

1.4   Scope

The focus of the research is to measure the factors that influence the adoption of customers to use Self-Service Laundry (SSL) in Melaka. The targeted sample of survey group will be random people, especially for those people who are using this technology continuously. A set of questionnaire will be constructed to conduct the study. The purposes of the study are to assist as an early step inconsiderate the adoption of Self-Service Laundry (SSL) in order to recognize and increase the usage of SSL for Melaka citizen.

1.5   Approach

The approach uses to conduct this study is the quantitative method. A set of questionnaires will be constructed in order to acquire the opinions of targeted sample about What are the relationship between ease of use, usefulness, need for interaction and risk to the adoption of Self-Service Laundry (SSL). Questionnaires was chosen as the method of approach in this study because its ability to collect data in quantities with quality.

1.6   Significance of Study

The outcome of this research will supply valuable understanding for organization as well as government to recognize the Malaysian approval and approval of SSL in future. From literature review, there are four issues that have been recognizing to inspected in this revision which includes perceived ability, role clarity, perceived benefits, and perceived risk. These four factors allow us to discover if there any significant that influences the adoption of SSL in Melaka.

The current findings yield important theoretical contributions. First, unlike most previous SST studies that focused on customers' trial intention or initial adoption, this study responds to the call for more research on SSL continuance (Meuter et al., 2005) and contributes to a better understanding of customers' continuance intentions toward SSTs. Second, to the best of our knowledge, this is the first study to link the scenario-based experimental approach has been widely used in the service marketing literature, and this study encourages future research to employ field experiments.

Second, because of the use of scenarios in this study, customer continuance intention was the link service providers' managerial practices from the customers' perspective to customers' continuance intentions in the SSL literature. The extant SSL research provides very little knowledge about firm-related variables that drive customers' continued use of in-laundry SSLs. As an alternative option for interpersonal service, the use of in- laundry SSTs provides opportunities for customers to perceive the service climate, which influences their SSL continuance intention.

Third, the empirical findings lend support to suggestions proposed by (Bitner et al. 2002) for implementing successful SSLs. This empirical study indicates that customers' perceptions of the service climate are determinants of their continuance intention toward SSTs, which is consistent with the proposition that customer-oriented practices (e.g., marketing communication, customer education) are important for both trial and repeated use of SSTs (Bitneretal.,2002).

For the managerial implications, the current study provides several managerial implications for service firms employing in SSLs. First, service firms should create a strong service climate to increase customers' continuance intentions toward SSLs. (Bowen 1986) theoretically argued that service providers should foster a climate for service to improve customers' role clarity, ability and motivation to participate in service delivery. Furthermore, (Bitner et al.2002) suggested that service firms should actively promote the use of SSLs and maintain a customer focus to implement successful SSLs. The findings of this study are consistent with previous works.

Second, service providers should understand that in- laundry service practices, as reflections of service climate, are important to c ustomers' perceived ability, perceived benefit, and continuance intention toward in-lobby SSTs. Moreover, service firms must be aware of that their role in SSTs encounters is that of a value facilitator rather than a "bystander." When service firms employ in-lobby SSTs, service practices such as marketing communications (e.g., recommendation, promotion), personal assistance (e.g., greeters in bank branches, assistants at airports), clear instructions or demonstrations (e.g., user manual, user guide), and user-friendly interfaces (e.g., ease of use, usefulness) not only influence customers' initial adoption experience but also determine their continuance intention (Eriksson and Nilsson, 2007; Zhao., 2008; Wang., 2013).

Third, service managers need to highlight the service practices that guarantee customer satisfaction with initial adoption. The mediation analysis results indicate that customer satisfaction is an important mediator in the relationship between CPSC and continuance intention, which is consistent with prior research (Bitner, 2002; Chen et al., 2009; Wang,2012).

This investigation will be done by spending descriptive-explanatory model, hypothesizing if the adoption of SSL is affected by the four factors. The outcomes will someway affect organization decision over the application of SSL in forthcoming containing customers interface at every single point through the pathway to use laundry, include fined the shop, checking price, and make purchasing. Retailers have many things to improve when we discuss inside store digital enablement choices, such as mobile's coupons, in-store Wi-Fi availability.

In addition, this study provides valuable information to support government plan especially Malaysian Public Sector ICT Strategic Plan 2016-2020. The outcomes of the revision give an in sign on the Melaka resident to accept the used of SSL, the government department can adjust the current practice to approve SSL due to the several benefits. This can not only decrease the public waiting time, but likewise allow them to focus more on humanity group that needed their attention.

1.7   Conclusion

The highlighted issue and power-points of this chapter has outlines the overview of the research study. The background to the study focused on the self-service laundry in Melaka. Then, this study followed by a description of the research problems to be investigated, the question and objective of the research, scope of the study and significant of study. This information will develop and discuss in Chapter two.