The Effects of Parking Convenience Towards Customer Retention in Gurney Drive, Penang: A Preliminary Study

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Article Information

Abstract

Parking convenience is among the factors that influences customer to repeat purchase and retain in one business. Moreover, convenience factor does help to satisfy customers' need so that they will likely to repeat business. Therefore, in any type of business, retaining a customer is far more important because it will cost less than attracting a new customer. As to highlight the main idea, the purpose of this study is to explore and identify the relationship between parking convenience and customer retention in Gurney Drive, Penang. This study also reveals the importance of convenience factor of parking such as safety and availability towards customer satisfaction that will result in customer intention to revisit Gurney Drive, Penang.

INTRODUCTION

Tourism can be defined as a unique product as it composites in nature, an amalgam of the tangible and intangible that includes everything that tourists experience (Kandampully, 2000; Wai & Lock, 2005). Apart from becoming an integral component of human lifestyle, the industry of tourism also had become a major component of the economic prosperity in almost all of the countries (Goeldner & Ritchie, 2006). Malaysia as a multiracial and diverse country which celebrated many cultural and traditional activities that portray a multi-cultural ethnicity had continuously grab tourist attention since many years ago.

According to the ranking in the Tourism Malaysia (2009), Penang, a northern state in Malaysia, is ranked as the third most popular destination after Kuala Lumpur and Pahang throughout the country. The state of Penang which comprises of Penang Island and *Seberang Perai* is also called as the "Pearl of the Orient" (M. Shahrim Ab Karim, K'ng, Mohiddin Othman, Hazrina Ghazali, & Nurhasmilaaalisa Abd. Halim, 2012). As it has been nominated as a world heritage, more and more tourist attracted to visit (Farahani, Abooali, & Mohamed, 2012). Besides providing the heritage site views to the visitors, it also offers a wide variety of foods ranging from local traditional food infusion westernize dishes and also cuisines from all over the world.

Apart from that, Penang has one of the most diverse food fares in Malaysia. The food is so mixed with influences from the Indian, Malay, and Chinese cuisine that it becomes unique to the island itself. Therefore, Penang is the best place for tourists to visit. As stated in the study, According to M. Shahrim et al (2012), Penang has a reputation as a "Food Paradise". This is due to the existence of "hawker food" which can be seen

almost all parts of the state and also anytime throughout the day. "Hawker Food" was originally defined as food sold along the street from hawkers and food vendors. On top of that, heritage is continuously practiced until today, which Penang food is always synonymous with the street food as most of the famous foods in Penang are found along the street of the island and also the mainland.

As highlighted, the most visited food street center by local people and the foreigners in Penang is Gurney Drive (M. Shahrim et al, 2012). Tourists will generally see the place very unique and attractive as wide varieties of food which consist of Malay cuisine, Chinese cuisine and Indian Muslim cuisine have made the Gurney Drive famous. As some of the hawkers provide places to dine under the tree with sea sight view, the customers will experience the unique dining style. In addition, customers will have the opportunities to choose diversity of food at low prices. The ability of the hawkers to attend to the customers when they just stop their vehicle next to the stall make the business place well known until today.

At this point, even though some of the hawkers are still maintaining their business pattern, the ability of customers to stop by and be attended by the hawkers is reduced. To date, many of the customers have to park their vehicle in order to have the taste of the hawker food. It was stated by Boo (2013), that the Gurney Drive area is prone to illegal parking and even double parking. This kind of situation may lead to unsatisfied and unhappy customers. It will be even worse when the customers start to choose another place to dine. Therefore, the purpose of this study is to investigate the relationship between parking convenience and customer retention at Gurney Drive, Penang.

Hypothesis
   H1a: There is a positive relationship between parking availability and customer satisfaction.
   H1b: There is a positive relationship between parking safety and customer satisfaction.
   H2: There is a positive relationship between customer satisfaction and customer retention.

LITERATURE REVIEW

Parking Convenience Availability
According to Lewis (1981), parking availability influences customer preferences in attending a food outlet or a restaurant. The aesthetic and the concern of the parking convenience availability were studied further by Shaffer & Anderson (1985). It is found that customer concerned about the parking aspect, such as availability, and safety. Innes, Ircha, and Bacloe, (1990) supports important factors that affect customer's destination choices is the parking convenience availability of that particular place.

Parking Convenience Safety
Shaffer and Anderson (1985) research finding were concerned about the parking convenience aspect which is safety. Additionally, customers always concerned about the security of their parking area and wanted the lighting of the area to be improved in order to avoid any unexpected situations (Overstreet & Clodfelter, 1995). Furthermore, there are changes in the provision of parking convenience has an impact on the amount and quality of space that is available for other activities and also has a role as urban space occupier (Still & Simmonds, 2000). Therefore, the street is managed with the objectives to move traffic in a city efficiently by providing parking that is safe for customers.

Customer Satisfaction
Customer satisfaction is said to be useful to indicate the future revenue of a business (Hauser, Simester, & Wernerfelt, 1994). Satisfied customers will lead to repeat purchase, customer loyalty and retention (Mohamed Zairi, 2000). According to Hokanson (1995), satisfaction can be greatly influenced by the employees, facilities, availability of technology and waiting time. Fortunately, it can be improved by enhancing the service quality which will include all those attributes such as facilities, ambience, queue system, location and additional service like parking (Ciavolino & Dahlgaard, 2007).

Customer Retention
Customer retention and customer loyalty have been always closely related to each other. As been proposed by Rust and Zahorik (1993), there is a significant relationship between these two. In another way, customer retention can also be reflected by customer loyalty (Hallowell, 1996). Customer retention can be defined as the continuity of business relation between customer and the service or product provider (Gerpott, Rams, & Schindler, 2001). Whilst, customer loyalty can be seen when customers do repeat purchase or assume product or services from the same company (Owusuah, 2012).

RESEARCH METHODOLOGY

The method used in this study was quantitative approach through a questionnaire to obtain feedbacks from the respondents. In specific words, a survey questionnaire has been developed to acquire all the information needed based from the customers view and perspective about parking convenience. Apart from that, a questionnaire has been selected as the best method to be used because it is an adaptation of the methodology from the previous researcher done by Sztabinski (2009). Questionnaire had been distributed using two approaches, which through online survey and personally administered questionnaire. The distribution of the questionnaire was carried out from January 2014 to April 2014.

The desired respondents that have been selected for this survey were the people who have been to the Gurney Drive area. To be specific, the respondents must meet the criteria, such as they were the hawker food stalls customers, and they also have experience of driving and parking at the premises in the Gurney Drive area. Therefore, a screening question was included to see whether the respondent fulfill the criteria. The questionnaires that have been distributed contained 5 sections, and it covered on the demographic, parking availability, parking safety, customer satisfaction and customer retention.

The survey questionnaire was distributed to 100 of respondents through both online survey and personal administered questionnaire. The reason of choosing only 100 respondents for this study is because it is the method adoption from previous researcher Sztabinski (2009). Apart from that, the type of sampling that was used is a stratified sampling. The concrete reason for using this sampling design is because the population of people in Penang is chosen based on the desired criteria other than their original population.

In section A of the questionnaire, demographic questions were constructed to extract the respondent profiles. The question includes the types of gender, age, and race. In the section B, total of four questions was designed to ask the respondents to rate their opinion on the parking availability at the Gurney Drive, Penang. The same numbers of questions were also constructed in section C which covered on the topic of parking safety. Section D consisted of two questions which focused on the customer satisfaction towards the parking availability and safety in the Gurney Drive area. The next section consisted of two questions which are asking the respondents on their intention of revisiting the place. The five point Likert scale have been applied to the four sections which include sections B, C, D, and E.

All of the respondents were asked about their satisfaction about parking availability and parking safety in Gurney Drive, Penang. Next, from the questionnaires the respondents were also being asked about their intention to revisit Gurney Drive, as to collect data on the customer retention. The pilot study has been carried out by the researcher at the final week of January. The questionnaire was pre-tested by 20 of customers of the hawker food stall in Gurney Drive Penang. The results showed that the instrument and items used were reliable and had achieved the Cronbach alpha value of 0.823.

ANALYSIS AND RESULTS

The descriptive analysis is used to analyze the respondents' demographic profiles and to find the relationship of parking convenient and the customer retention at Gurney Drive, Penang.

Respondents' Profile

The findings from data analysis were contributed by 93 respondents who took part in answering the survey. As to be specific, 49.5% were male and 50.5% female respondents. The highest range of age is from 18-30 years old at 49.5%, followed by age 31-40 at 26.9%, thirdly age 41-50 21.5% and lastly age 50 and above only 2.2% . Meanwhile, for the race of the respondents were Malay a (33.3%), Chinese (26.9%), Indian (19.4%), other local races (17.2%) and foreigners (3.2%). The highest vehicle types used by the respondents are motorcar at 63.4%, followed by other vehicles, MPV (23.7%), SUV (9.7%) and others (3.2%).

Reliability Test

Reliability test was performed to check the scale's internal consistency using reliability analysis in IBM SPSS Statistics. The results from reliability analysis show that the Cronbach's alpha values for variables were above 0.7. The Parking Availability subscale consisted of 4 items with $\alpha = .723$, the Parking Safety consisted of 4 items with $\alpha = .856$, Customer Satisfaction consisted of 2 items with $\alpha = .786$, and the Customer Retention consisted of 1 item with $\alpha = .911$. Therefore, all variables were considered as reliable and appropriate for this study.

Data analysis
The study was examined by Pearson Correlation analysis to test the relationship of parking convenient and the customer retention in the Gurney Drive, Penang. The results signified that the relationship between parking availability and customer satisfaction was 0.625; while the relationship between parking safety and customer satisfaction was 0.880; The results indicates that both parking availability and parking safety are positively correlated and influenced the customer to revisit hawker food stall at Gurney Drive, Penang. The findings also indicated that customer satisfaction have a 0.611 towards retention of customers.

DISCUSSION
This study was focused on the parking convenience issues and its relationship with customer intention to revisit the Gurney Drive. An important independent variables have been studied which are parking availability and parking safety. Next the dependent variables that were studied were on customer retention with the moderating variable which was customer satisfaction.

There were three hypotheses used in this research:

H1a: There is a positive relationship between parking availability and customer satisfaction.

The result of this study shows that there is a positive relationship between parking availability and customer satisfaction. This finding is supported by Qin and Prybutok(2009) that customers concerned about the parking aspect such as availability. Although it is proven that there is positive relationship, parking availability give less impact towards customer satisfaction in the Gurney Drive area.

H1b: There is a positive relationship between parking safety and customer satisfaction.

The result of this finding shows that there is positive relationship between parking safety and customer satisfaction in Gurney Drive. The outcome of the finding is supported by Ahmad Fiaza Abdul Shukor, Maslina Samiran, Hasan Saleh and Norlena Hasnan (2015) that the safety of parking is an important element concern by most by the customers whenever they consider parking their vehicles before visiting one place.

H2: There is a positive relationship between customer satisfaction and customer retention.

The outcome from the research finding shows that there is a positive relationship between customer satisfaction and customer retention in Gurney Drive. It means that, whenever the satisfaction is fulfilled, the customer will tend to revisit the place or premises again. The statement is supported by Verheof (2003) that when customers are satisfied they are likely to do repeat business with the same service provider.

CONCLUSION
In general, this study can be used by academicians or future researchers who are conducting the same or related topic with this study. The result of the study can give them the idea or guide on how parking convenience affects customer retention at the hawker food stall business. Even though the study was focused only on the Gurney drive area, the parking problems seem to be everywhere. Therefore, the result of this preliminary study can also be used as foundation to any related study in Malaysia. This study also provides benefit to the local authorities in terms of facilities planning, especially on the parking. The results of the study support that parking convenience has a positive relationship with the customer retention and may encourage the Penang Government to focus more on that particular matter, especially on the parking safety. Hence, it may increase the level of safety which may also make the tourists feel safe.

Limitation of the study is the researcher unable to measure during the peak period as it was conducted during first quarter of the year. As in hospitality industry, there is a peak period where most of people go for vacation. Since this study was conducted during the off-season, the researchers were unable to get much response from the tourists. The data collection of the study takes only about three (3) months throughout the study. Hence, it is not representing the whole year and may not be 100% accurate.

Future studies should be conducted in a long-term period so that the results will be more accurate and can be used to represent the whole year. By conducting the study in a long-term basis, the future researchers may also be able to cover all those seasons in the hospitality industry. In short, we can conclude that, future researchers should do their study according the best time frame.

As the researcher of this study had already focused on the topic of parking convenience, potential researchers may further the study on the effect of food quality or food hygiene on the customer retention at the Hawkers Food stall business. This kind of study may help the hawker food stall business to be developed in a positive way.

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