

**SERVICE QUALITY AND SALES GROWTH IN THE NIGERIAN TRANSPORT SECTOR:  
A STUDY OF BENUE LINKS NIGERIA LIMITED, MAKURDI, BENUE STATE OF NIGERIA**

**HANMAIKYUR, TYOAPINE JOHN (PhD)**  
Department of Business Administration  
Federal University of Agriculture, Makurdi - Nigeria  
GSM: +2347031059281,  
tyoapinehan@gmail.com

&

**JINJIRI, RINGIM KABIRU (PhD)**  
Department of Business Administration  
Ahmadu Bello University, Zaria - Nigeria  
GSM: +23408062103566

&

**ABDUL ZUBAIR, KEMI (PhD)**  
Department of Business Administration  
Baze University, Abuja - Nigeria  
GSM: +23408037050713

&

**ASUE, TERKIMBI TIMOTHY**  
Audit Department  
Benue Links Nigeria limited, Makurdi - Nigeria  
GSM: +23408130151130

**Abstract**

*This study investigated the effect of Service Quality on Sales Growth in the Nigerian Transport Sector, using Benue Links Nigeria Limited Makurdi, Benue state of Nigeria. Needed data was collected from management staff of the company and few customers through a self structure questionnaire and analysed with the aid of multiple regression and ANOVA statistical tools. The result from the ANOVA statistics in Table 5 indicates that the processed data, which is the population parameters, had a significance level of .000 which is less than the p-value (0.05). This implies that the overall regression model is statistically significant, valid and fit ( $F=34.599$ ;  $P=.000$ ). The independent variable (service quality) has significant effect on sales growth in Benue Links Nigeria Limited, Makurdi. The study therefore concluded that Service Quality has positive effect on Sales Growth in the Nigerian Transport Sector. It recommended (among others) that transport companies should put in place a framework that will facilitate regular provision of quality services to the expectation and requirements of customers and in a better way than its competitors.*

**Key Words:** Service Quality, Sales growth, Transport Company etc

## **Introduction**

As today's globalised world has become increasingly challenging, Quality has attracted increased recognition as a strategic tool for attaining operational efficiency and improved business performance. In line with the prevailing situation, the philosophies and tools of management are changing and the current thinking the world over is that of (Hanmaikyur, 2016). Service quality is considered as one of the management top most competitive priorities and prerequisite for sustenance and firm growth. The quest for quality improvement has become a highly desired objective in today's intensively competitive markets. The existence of the desire for quality has caused firms and organizations throughout the world to consider it as an essential component of any service and production process. Delivery of quality service is considered an essential strategy for success and survival in today business competitive environment, with primary emphasis focused on determining what service quality meant to customer and developing strategies to meet customer expectation.

In transport companies, designing service quality is an important issue in today's highly competitive world. Survival in competitive market depends on how the company's delivered the service to employees through customer support to other units within an organization (Sedigheh, Su & Siew, 2018).). A service firm's ability to hand onto its customers depends on how consistently it delivers quality value to them. Top service companies set high quality standards. They understand the service-profit chain which links service firm profit with employee and customer satisfaction. Service quality is also becoming a strategic issue in the western world. Many organizations today have responded to the strategic and financial impact of quality, treating it as a strategic weapon (Paradise-Tornow, 2017). Quality is central to the survival of even the most successful companies and it is one of the most important watchwords when managing for high performance and competitive advantage and it has become the theme of the day.

Service quality affects a transport company in variety of ways from productivity and profitability to customer's satisfaction and public perception (Onakala, 2015). It is expected that when a service has quality and is competitively packaged and delivered, it should ordinarily transform to increased sales growth among many other performance variables. This study examines effect of Service Quality on Sales Growth in the Nigerian Transport Sector, with A study of Benue Links Nigeria Limited, Makurdi. The growing market for services in Nigerian transport sector underscores the need for quality improvement. The delivery of superior service quality in the sector can generate an enhanced sales growth among many other benefits.

It is common knowledge in Nigeria today that, while private bus services are still operating profitably, almost all the state owned transport services at one point or the other have folded up unceremoniously, while most of the existing ones like Benue Links Nigeria Limited is operationally inefficient in some areas of quality service delivery.

## **Statement of the Problem**

The role of service quality on sales growth and other performance variables in organizations has attract a good number of investigations. However, a lot of gaps has been identified with previous studies which has informed the need for this study. First and foremost, similar studies has been placed outside the study area creating a gap in the area covered by this study examples, Khurshid et al. . . , (2012) studied service quality and customer satisfaction in public transport sector of Pakistan, Nwachukwu (2014) conducted a research on assessment of passengers satisfaction in public bus transport service in Abuja and Asogwa (2016) carried out a research on the quality of intra- urban passengers bus services in Zaria. A review of literatures on service quality shows that, no study has been carried out on its application in Makurdi and other areas in Benue state of Nigeria hence the need for this research.

Besides, similar studies has not used the same dimensions such as the same framework, service quality practices, performance variables, population of the study and method of test of hypotheses as carried out in this study. Nevertheless, most studies were carried out a long time ago examples, Zeglat (2008). With changes in environment, globalization, technology, business and even service quality practices, there is need to conduct a similar research that keeps trends with development that reflect the reality of the present time.

Based on these above and many other gaps created by the similar researches has informed the need to for this study to investigate service quality and performance of Nigerian transport sector: A study of Benue Links Nigeria Limited, Makurdi. it is expected that the study will not only cover the gaps identified in previous studies but will also reveal the true position of quality on sales growth of the study area.

### **Objective of the study**

The objective of this study is to examine the effect of service quality on the sales growth of Benue Links Nigeria Limited, Makurdi - Nigeria.

### **Study hypothesis**

The following hypothesis (formulated in its null form)was tested for this study

H<sub>0</sub>: There is no significant effect of service quality on customer satisfaction in Benue Links Nigeria Limited, Makurdi - Nigeria.

## **Conceptual Definition and Literature Review**

### **Service Quality**

Quality in the context of service industries has been conceptualized differently and based on different conceptualizations. The concept originates from Latin word “Qualitas” which refers to the nature of a person or the nature of an object. It is regarded as a strategic organizational weapon. Thus, we see quality gurus and scholars defining quality as fitness for use (Agbola, 2013), meeting all requirements (Goodwell, 2013) totality of features and characteristics (Bagheri and Piphie, 2009), and as freedom from defects (Shahaz, Syed and Fahad, 2012). What all authors seem to agree about quality is that: It is a potential source of competitive advantage (Powell, 1995), It has become a top management priority with the advent of globalization (Bergman and Klefsjo, 2013), It has been greatly influenced by total quality management (TQM) movement that began in Japan (Adeoti, 2008), It is a management philosophy that emphasizes involvement of every employee to achieve customer satisfaction through continuous process improvement (Lars, Johnson, and Gustafsson, 2011), Its implementation is accomplished through a set of practices that support TQM Philosophy (Duncan, 2014) and It remains under the influence of total quality management gurus (Jamaluddin, 2017).

Services Quality refers to the ability of the service organization to meet or exceed customer expectations. From the user’s point of view, quality relates to excellence, reliability, dependability, predictability, consistency of products or services. Most people associate quality with defects in products or service. It therefore stands for elimination of wastes, or absence of error and therefore meeting perceived customer requirements at the lowest internal price (Otoo, 2016). From the production point of view, Tee, Preko and Tee, (2018) opine that the quality of a product is measured by the quality of its performance with regards to its design and conformance. This explains why experts believe that quality programmes begin with corporate culture (Hanmaikyur, 2016).

The concept of service quality is very popular in marketing and it is based on behaviors of customers on how they determine the gaps between their expectations and their perceived actual service quality (Gronroos, 2001).The service quality concept is considered by scholars a difficult construct to define, conceptualize and

measure. In other words, the distinguishing characteristics of services quality make it hard for researchers, providers and customers to define measure and deliver service quality.

This study aligns itself with the definition of service quality offered by Iztok (2011) who maintain that the concept should be judged from process quality and outcome quality; the former referred to customers' evaluation after service. Service quality results from the comparison of customer's expectation with perceived performance of services.

The concept of service quality has been applied to the public transport system and defined as passengers' perception of how well a particular transport service meets or exceeds their expectation (Nandan & Geetika, 2010). Service quality in the public transport sector can be measured in relationship with customer expectations, perception, satisfaction and attitude (Litman, 2011). Transport service quality is simply regarded as the degree and direction of any discrepancies between the service perceptions and expectations of passengers. Quality practices are usually presented as a universal concept, applicable in all contexts and having a large impact on business performance

### **Sales Growth**

Sales growth refers to the amount a company derives from sales compared to a previous corresponding period of time in which the later sales exceed the former. It is usually given as a percentage (Maphalla *et al.* 2009). Sales growth is considered positive for a company's survival and performance and it is an important measure of performance (Chebii, 2017). Sales growth targets play a major role in the perceptions of business managers. Odhiambo (2013) argue that firms must use a wide variety of goals, including sales growth, to effectively reach their financial objectives. Odhiambo (2013) also explains that to reach their financial objectives effectively, firms must use a wide diversity of goals, including sales growth. Sales growth generally utilizes capacity more fully, which spreads fixed costs over more revenue resulting in higher profitability. Ford *et al.* (2003) report that planning systems generally begin with sales targets. An emphasis on sales growth also provides a useful and visible benchmark to motivate managers. Sales growth is defined in this study as increase in the sale of goods and service in the operation of an enterprise in a specified period of time.

### **Service quality and Sales growth**

In a user-based approach, quality corresponds to satisfaction: the highest quality means and organization's sales growth (Yarimoglu, 2014). Service quality and sales growth are critical success factors for companies that are thinking about competitiveness, development and growth in the market (Angelova and Zekiri, 2011). These concepts are inarguably fundamental concepts within services marketing literature. Quality and sales growth have long been recognized as playing a crucial role for success and survival in today's competitive market, because service quality is seen to be an antecedent to customer satisfaction. From the foregoing, it is clear to accept that all elements of sales growth have direct bearing on sales growth and value of service. According to Negi (2009), the idea of linking service quality and customer satisfaction has existed for a long time. He carried an investigation of the relevance of customer- perceived service quality in determining an organization's overall growth in the context of mobile services. He found out that reliability and network quality are the key factors in evaluating overall service quality but also highlighted that tangibles, empathy and assurance should not be neglected when evaluating perceived service quality and customer satisfaction.

Also, researchers have been more precise about the meaning and measurements of satisfaction and service quality. Satisfaction and service quality have certain things in common, but satisfaction generally is a broader concept, whereas service quality focuses specifically on dimensions of service (Wilson, Zeithaml, Binter and Gremler, 2008). Although it is stated that other factors such as price and product quality can affect customer satisfaction, perceived service quality is a component of customer satisfaction (Zeithaml and

Bitner, 2003). In his submission, Wilson et al. (2008) believes service quality is a focused evaluation that reflects the customer's perception of reliability, assurance, responsiveness, empathy and tangibility while satisfaction is more inclusive and it is influenced by perceptions of service quality, product price and quality, also situational factors and personal factors. The relationship between service quality and sales growth is becoming crucial with the increased level of awareness. Hence, Transport companies must strive to achieve the level of customer satisfaction to secure long-term growth through the provision of quality service. To this effect, Transport companies ensure that their service quality meets the customers' expectations to improve organizational performance.

Daniel (2011) empirically examined the effect of service quality and sales growth. The study was carried out in USA. The focus was a recent research project for a client on the impact that, high quality customer service has on sales growth. The methodology used was service connect transactional survey process. There are at least three messages from the findings firstly, this confirms a lot of other research about how good services influence customer loyalty. Secondly, service consistency matters. Also notice that revenue grew only where service quality started high and stayed high. Thirdly, even when service improves, it still takes a while for customers to reward a supplier with more revenue.

Fening (2012) studied the impact of quality management practices on the performance and growth of small and medium sized enterprises (SMEs). The research was carried out in Ghana. The purpose of the study was to investigate how the implementation of quality management practices will impact on the performance and growth of SMEs in a developing country Ghana. The study employed qualitative approach and the survey method of collecting data was used. The questionnaire was administered through the face to face interview. A sample of 200 small firms that employ not more than 50 workers within the metropolis of the capital, Accra was selected and interviewed. This study has revealed that quality management when implemented and practiced will improve the performance of these businesses and helping in the growth. The study also finds support for the argument that quality management practices improve organizational performance in both large and small businesses in any part of the world. The study has demonstrated that Ghanaian owner managers believe that quality management is a key contributing factor to firm's profit, sales growth and expansion.

Nwachukwu, (2014) conducted a research on assessment of passenger satisfaction in public bus transport service. The study was carried out in Nigeria. The main objective of the study was to assess passenger's satisfaction in public bus transport service. The research design was the use of random sampling technique. 300 public bus transport users were randomly selected to elicit their overall satisfaction and factors that influenced their satisfaction. Data obtained were analyzed using descriptive statistics, correlation and principal component and regression analysis. The findings shows that passengers were not satisfied with the public bus transport service in Abuja. The determinants (underlining factor) identified are comfort in buses, accessibility to public transport services, bus stop facilities and adequate of bus capacity. The study concluded that, delivery on high and superior quality service can lead to passenger's satisfaction in public bus transport service. The study recommendations were as follows; comfort is a huge passenger's priority and as a result, basic standards for bus passenger's comfort must be established and monitored ensure that operatives abide by them. It is obvious from the above that the study carried out proper investigation and arrived at the above result. Therefore, the study is relevant to the study under investigation because is on service quality and performance in the Nigerian transport sector.

Ganiyu (2016) conducted a research on perceived quality and customer loyalty; mediating effect of passenger satisfaction in the airline industry. The study was conducted in Nigeria. The focus of this study was to determine the effect of perceived quality on passenger's loyalty and passenger's satisfaction. The methodology adopted was the use of cross-section survey research design. Data was collected from 200 air passengers and analyzed using multiple regression. The study found that, perceived service quality is positive related to both passenger satisfaction and loyalty. The study concluded that, the relationship between

passenger satisfaction and loyalty towards the airline was found to be positive. Thus improvement of the service quality is the secondary oath an adjuvant favor to sustainable differentiation and competitiveness in the airline industry. The researcher recommended market-orientation service strategies to identify customer needs and expectation in order to serve them better. Additionally, airline operators should measure services quality regularly to ensure that, they keep meeting passenger expectations and consider customizing their products and services (as needed) to enhance customer satisfaction and loyalty. The critique of this study has it that, the researcher paid relatively large amount of attention to airline industry and failed understudy the Nigerian transport sector at large which is in critical need of quality services.

Asogwa (2016) carried out a research study on the quality of intra-urban passenger bus services. The study was carried out in Zaria, Nigeria. The main objective of this research was to determine the effect on quality of intra- urban passenger bus services. The research design was a purposive sampling technique used in the administration of questioners to 384 passengers. Data was collected and analysed using descriptive statistics. The study found that intra-urban passenger bus services in Zaria urban area are inadequate and poorly maintained, and has shown that passengers are not satisfied with public bus transport services provided by operators in the study area. The researcher concluded that transport companies should focus on improving the quality of their services for better and greater passengers' satisfaction. The study therefore recommends "quality indicators" for public bus transport to be used to bench mark high quality. The study further provides a direction for public bus transport management in the area whereby areas of improving services may be identified and passengers' satisfaction of public bus transport service may be improved. The critique of this study is that, the researcher has delimited the scope of this study only to Zaria metropolis otherwise; the study would have covered the entire country.

### **Benue Links Nigeria Limited Operational Background**

All over the world, one critical objective of public transportation is facilitating the movement of people and goods from one place to another. In Benue state of Nigeria, the Benue Links was established in February, 1988 to address the problem of public transport occasioned by the effect of the Structural Adjustment Programme on the transport sector.

Benue Links as it is popularly called was established in February 1988 in response to the federal government's policy directing all states to establish a transit agency. The company started operation under the state urban development board with an initial fleet size of 10 seater burem fait buses and 500.000naria as take off grant. It became incorporated in May 1988. Few months later its management was transferred to the states ministry of commerce and industry under an interim sole administrator. The appointment of a chief executive for the company happened nine months later with the removal of the sole administration. The company objectives and mandate for the establishment of the company revolves around the provision of road based transport services in accordance with established government guidelines. To achieve his guidelines the links objective are. i. Attainment of highest standard in terms of functional performances, staff training, cost effectiveness and efficiency of safety and at least trend innovation in the transport industry. ii. Providing gainful employment for the citizens of the state. Benue links obtained, developed and occupied it present site along Makurdi - Gboko road by the south bank of the river Benue bridge in 1989. Previously it operated on a rented premise, which was offered by the Makurdi modern market management board. The facilities in the site include fuel station, office block, passengers lounge, restaurant and workshop.

Benue Links therefore was set up to ameliorate the sufferings of the commuters that came about by lack of vehicles on the street owing to the economic problems in the nation.

### **Theoretical Framework**

This study is anchored on expectancy-disconfirmation theory which is considered most relevant to the work.

### **Expectancy-Disconfirmation theory**

Expectancy-Disconfirmation theory developed by Oliver (1977) argues that ‘satisfaction is related to the size and direction of the disconfirmation experience that occurs as a result of comparing service performance against expectations’. He identified three (3) types of disconfirmation; Positive disconfirmation: This occurs when product or service performance exceeds performance. In this case, the customers are highly satisfied. Negative disconfirmation: This on the other hand occurs when products or service performance is less than expectations. In this case, the customers are highly dissatisfied. Zero disconfirmation: it occurs when product or service performance is equal to expectations. In this case, customers are neither well satisfied nor less satisfied. They feel ‘ok’ by the turn of events.

Ekinci et al. (2004) in a study cite Oliver’s updated definition on the disconfirmation theory, which states Satisfaction is the guests fulfillment response. It is a judgment that a product or services feature or the product or service itself, provided a pleasurable level of consumption- related fulfillment, including level of under or over fulfillment. Mattila and Neill (2003) discuss that amongst the most popular satisfaction theories is the disconfirmation theory, which argues that satisfaction is related to the size and direction of the disconfirmation experience that occurs as a result of comparing service performance against expectations. Basically, satisfaction is the result of direct experiences with products or services, and it occurs by comparing perceptions against a standard.

The relevance of this theory to the study is that commercial banks and other service providers are expected to deliver quality service that meets customers’ expectations. It is only then that they can keep customers within the zone of tolerance and by so doing achieve organizational competitiveness. This shows that when customers of a bank discovers the bank’s product/service offering meets their prior expectation, a feeling of satisfaction occurs and these customers are most likely to make repeat services and remain loyal to the bank. In essence, bank customers will be reasonably satisfied as long as perceived performance falls within the zone of tolerance.

It follows therefore that if the services offered by the transport company do meet the customers’ expectation, a feeling of dissatisfaction occurs which could result in customers complaint of poor service quality and subsequent switch to other banks. Therefore, companies must manage customer’ expectation at each step in the service encounter by providing them with quality services. It is only when customers are provided with quality services that their patronage will increase and sales growth will be achieved. .

### **Methodology**

A survey design was adopted in this study. A case study was used in order to establish the relationship between the independent and dependent variables in this research work. The use of survey design enabled the researcher to make use of questionnaire for data collection. the study focused on Service Quality and the Performance of Nigerian Transport Sector. It is domiciled in Makurdi metropolis which is the headquarters’ of Benue state. Benue Links Nigeria Limited however, has offices across the country and also has its corporate headquarters’ on Gboko road in Makurdi. Makurdi metropolis can be accessed by Road, Water, Air and Rail. The study of Benue Links Nigeria Limited is conceived because, is the most popular mode of transportation in the study area.

The target population of this study consisted of 46 numbers of Benue Links management staff. who served as respondents in the study. The population was based on the available information from the administrative department as well as Planning, Research and Statistics department of Benue Links Nigeria Limited, Makurdi. The study's decision to use only management staff of the company in the study was grounded on the researcher’s belief that they are in a better position to have a fair knowledge and accurate information as regards service quality and performance. On the other hand, the study also considered the passengers because of the need to know their level of satisfaction in terms of good service delivery by the company. Altogether, 1,100 passengers were sampled for the study through accidental sampling technique provided they have been patronizing the services of the company in the last eight years i.e. that is from (2012-2019) seven years.

There are various methods of data collection such as personal interview, questionnaire, telephone, mail, internet etc and these methods can be used separately or combined. However, for the purpose of this study, the researcher used a well-structured questionnaire approach to collect primary data for analysis. For the purpose of this study, content validity was used.

Content validity is most often measured by relying on the knowledge of people who are familiar with the construct being measured. The validity was justified using the work of (Kerlinger, 1979). To ensure content validity of the instruments, the researcher requested heads of departments from administrative, marketing, accounting /finance, research and development of Benue Links Nigeria Ltd to make inputs on the research instrument (questionnaire). Data collected were subjected to reliability analysis to establish the reliability of the measures and to ensure consistent measurement among the various items in the instrument (Kerlinger, 1979). Furthermore, Cronbach's alpha coefficient test was carried out on the items of the variables of the study using the Statistic Package for Social Science (SPSS).

#### **Variable/Model Specification**

$$SQ = f(SQ) \tag{i}$$

The explicit form of the model can be stated thus:

$$SG = a_0 + a_1 SQ + e \tag{ii}$$

Where SG = Sales Growth.

SQ = Service Quality which can be measured in terms of total expenses incurred by the company from one period to another.

$a_0$  = intercept

$a_1$  = parameter estimate

$e$  = disturbance terms or error term. It is assumed to be normally distributed with a mean of zero

#### **Data Analysis Techniques**

Data obtained from the questionnaire was compiled and subjected to multiple regression analyzed using Statistical Package for Social Science (SPSS) software program, at a 5% level of significance. A preliminary analysis was initially run to ensure that all multivariate assumptions (normality, homoscedasticity, linearity, test for independence of error terms and multi-co-linearity) will be met. The study employed descriptive statistics such as mean, tables, frequencies and simple percentages to answer research questions while linear regression was used to test the hypotheses.

#### **Decision Rule**

Standard error test was used in testing the hypothesis while decision rule was used to accept or reject a hypothesis. The decision rule is; If the standard error of  $b_i$  [ $S(b_i) > 1/2 2b_i$ ] accept the null hypothesis, that is, accept that the estimate  $b_i$  is not statistically significant at the 5% level of significance. If the standard error of  $b_i$  [ $S(b_i) < 1/2 2b_i$ ] reject the null hypothesis, in other words, accept that the estimate  $b_i$  is statistically significant at the 5% level of significance.

#### **Results and discussion**

This section presents the data collected from respondents, test of formulated hypotheses and discussion of findings.

#### **Data Presentation and Analysis**

The data collected for this study were presented based on demographic characteristics of respondents and objectives of the study using descriptive statistics.



**Response Rate**

The result in Table 2 shows that a total of 331 copies of the questionnaire were distributed to the respondents and 320 (96.7%) were correctly filled and returned by the respondents while 11(3.3%) copies of the questionnaire were wrongly filled and not usable. The percentage of questionnaire retrieved is expected to provide effective response rate.

**Table 1: Responses on Demographic Attributes of Management Staff of Benue Links Nigeria Limited, Makurdi - Nigeria**

Attributes	Frequency	Percentage (%)
<b>Gender</b>		
Male	33	71.7
Female	13	28.3
<b>Total</b>	<b>46</b>	<b>100</b>
<b>Age</b>		
18-27	9	19.6
28-37	9	19.6
38-47	19	41.3
48 and above	9	19.6
<b>Total</b>	<b>46</b>	<b>100</b>
<b>Position</b>		
Senior Managers	8	17.4
Head of Departments	5	10.9
Head of Units	4	8.7
Station Managers	29	63.0
<b>Total</b>	<b>46</b>	<b>100.0</b>
<b>Education Qualification</b>		
ND/NCE	16	34.8
HND/Degree	19	41.3
Others	11	23.9
<b>Total</b>	<b>46</b>	<b>100</b>
<b>Relevant Working Experience</b>		
1-5 years	5	10.9
6-10 years	7	15.2
11-15 years	12	26.1
16 years and above	22	47.8
<b>Total</b>	<b>46</b>	<b>100</b>

**Source:** Field Survey (2020)

The result in Table 1 above reveals that majority of the management staff (respondents) i.e. 33 or 71.7 % were males while the female gender was 13(28.3 %) (13). By that finding, it is clear that even though both sexes of the staff work in Benue links transport company, males are more in number.

As can be seen from the age distribution of respondents, 9 or 19.6 % of them were from the 18-27 years bracket, 9 of them or 19.6 % were between 28-37 years, 19 other respondents which represent 41.3 % were

from the 38-47 years age group while the remaining 9 respondents or 19.6 % came from the 48 years and above bracket. This result indicates that most of the management staffs at Benue Links Nigeria, Makurdi are middle age people.

On the positions occupied by the respondents, findings revealed that 29 of them representing 63.0 % were Station Managers, 8 of them or 17.4 % were Senior Managers, while Heads of Department were 5 or 10.9 %. The remaining 4 respondents or 8.7 % were heads of units. From the result, it is clear that the organization has management staffs from all the departments that exist in the company.

Educational qualification of the respondents as presented in Table 3 shows that 16 (34.8 %) had ND/NCE qualifications, 19 (41.3 %) had HND and Degree qualifications while other management staffs 11 (23.9%) have other qualifications. This information clearly indicates that the respondents cut across different levels of education and they were educated enough to understand the topic under investigation.

The last enquiry from respondents was their working experience where 22 of them or 47.8 % claimed they have worked for Benue Links Nigeria Limited, Makurdi for at least 16 years and above. 12 other respondents or 26.1 % have worked for between 11 and 15 years. Other 7 respondents representing 15.2 % worked for between 6 and 10 years while the remaining 5 of the respondents representing 10.9 % have a working experience of between 1-5 years. The implication of this is that all the respondents have worked for different years with the company under study and are qualified to answer questions put across to them in the course of the study. This implies that most management staffs have worked for Benue Links Nigeria Limited, Makurdi for many years.

**Table 2: Responses on Demographic Attributes Passengers of Benue Links Nigeria Limited, Makurdi - Nigeria**

<b>Attributes</b>	<b>Frequency</b>	<b>Percentage (%)</b>
<b>Gender</b>		
Male	175	63.9
Female	99	36.1
<b>Total</b>	<b>274</b>	<b>100</b>
<b>Age</b>		
18-27	96	35.0
28-37	53	19.3
38-47	79	28.8
48 and above	46	16.8
<b>Total</b>	<b>274</b>	<b>100</b>
<b>Educational Qualification</b>		
ND/NCE	77	28.1
HND/Degree	130	47.4
Other	67	24.5
<b>Total</b>	<b>274</b>	<b>100</b>
<b>Occupation</b>		
Civil Servant	70	25.5
Student	87	31.8
Trader	45	16.4
Farmer	48	17.5
Others	24	8.8
<b>Total</b>	<b>274</b>	<b>100.0</b>

**Source:** Field Survey (2020)

The distribution of the respondents by gender as presented in Table 2 revealed that 175 (63.9 %) passengers of Benue Links Nigeria Limited were males while 99 (36.1%) were females. This implies that most of the respondents were males.

The result as presented in Table 2 above shows that 96 (35.0 %) of the respondents were from 18-27 years, 53(19.3 %) were 28-37 years, 79 (28.8 %) were between 38 and 47 years while the remaining 46 respondents (16.8 %) were 48 years and above. This shows that the respondents were from various age groups and matured enough to answer questions put across to them.

Respondents' educational qualification was also investigated. Findings revealed that 77 of them (28.1 %) have ND and NCE qualifications, 130 or 47.4% have HND and Degree qualifications while 67(24.5 %) have other qualifications. This result implies that most passengers of Benue Links Nigeria Limited, Makurdi are well educated.

On occupation of respondents, it was discovered that 70 or 25.5 % of them were civil servants, 87 or 31.8 % were students, 45 respondents or 16.4 % were traders while 48 or 17.5 % of the respondents were farmers. The remaining 24 respondents which is an equivalent of 8.8 % belong to different other occupations. The above findings imply that passengers of Benue Links Nigeria Makurdi belong to different occupations.

**Table 3 Respondents Views on Sales Growth (n=46)**

<b>Item</b>	<b>N</b>	<b>Mean</b>	<b>ST.D</b>	<b>Decision</b>
Our sales growth is always informed by consistently putting in place appropriate and quality service delivery	46	.96	0.903	Accepted
In order to create value for our customers and ensure high sales growth for the company, we placed service quality as our top priority	46	2.93	0.973	Accepted
we keep our employees abreast of the need to work hard to ensure that an improved service quality is ensured thereby increase sales growth	46	3.12	0.861	Accepted
We ensure customer satisfaction during and after the process of service exchange to improve our sales growth	46	3.11	0.762	Accepted
The company has the capacity to utilize the market opportunities to acquire, create and distribute saleable services to their existing and future customers	46	2.93	0.932	Accepted
The company's allocation of resources to attain quality standards has enhanced our sales growth	46	3.02	0.957	Accepted
Management belief in quality standards have contributed to profit, sales growth and expansion of the company	46	2.86	0.998	Accepted

**Source:** Field Survey (2020)

The response collected from the respondents on items 1, 2, 3, 4, 5 6 and 7 were presented using mean scores and standard deviation. The result in Table 8 indicates that the respondents agreed with all the statements which showed that they are indicators of sales growth. The mean scores ranged from 2.86 to 3.12 and they were all above the 2.50 cut-off point. This result implies that there is significant increase in sales growth in Benue Links Nigeria Limited, Makurdi.

**Test of stud's hypothesis**

The study hypothesis formulated in its null form earlier on is tested as presented below:

**Ho:** *There is no significant effect of service quality on sales growth in Benue Links Nigeria Limited, Makurdi.*

**Table 4: Model Summary for the Hypothesis**

<b>R</b>	<b>R-Square</b>	<b>Adjusted R Square</b>	<b>Std. Error of the Estimate</b>	<b>Durbin-Watson</b>
.663 <sup>a</sup>	.440	.427	.464	1.466

a. Predictors (Constant), Service Quality

b. Dependent Variable: Sales Growth

**Source:** Field Survey (2020)

The result from Table 18 shows that coefficient of determination (R square) explains the variation in the dependent variable due to changes in the independent variable. The R square value of .440 is an indication that there was variation of 44.0 % sales growth at 95% confidence interval. Also, the value of R (.663) from Table 18 shows that there was a significant effect service quality on sales growth in Benue Links Nigeria Limited, Makurdi.

**Table 5: Analysis of Variance (ANOVA) for the study Hypothesis**

	<b>Sum of Squares</b>	<b>df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
Regression	7.464	1	7.464	34.599	.000 <sup>b</sup>
Residual	9.492	44	.216		
Total	16.957	45			

a. Dependent Variable: Sales Growth

b. Predictors (Constant), Service Quality

**Source:** Field Survey (2020)

The result from the ANOVA statistics in Table 5 indicates that the processed data, which is the population parameters, had a significance level of .000 which is less than the p-value (0.05). This implies that the overall regression model is statistically significant, valid and fit (F=34.599; P=.000). The independent variable (service quality) has significant effect on sales growth in Benue Links Nigeria Limited, Makurdi.

**Table 6: Regression Coefficients for the study Hypothesis**

	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig.
(Constant)	.770	.451		3.925	.000
Service Quality	.594	.101	.663	5.882	.000

a. Dependent Variable: Sales Growth

**Source:** Field Survey (2020)

The regression result in Table 20 showed service quality to a constant zero, sales growth would be .541 and a unit increase in service quality would increase customer satisfaction by 86.8 %. The study also found that the p-value for service quality (.000) was less than 0.05 which is an indication that service quality has a positive effect on sales growth in Benue Links Nigeria Limited, Makurdi. The null hypothesis was rejected and we conclude that service quality has significant effect on sales growth in Benue Links Nigeria Limited, Makurdi.

### **Discussion of Findings**

The findings of the study were discussed based on the objectives of the study:

#### **Effect of service quality on sales growth in Benue Links Nigeria Limited.**

The result of the study showed that service quality has significant effect on sales growth in Benue Links Nigeria Limited, Makurdi. Regression analysis was used to test the hypothesis at 5 % level of significance and the p-value (.000) was lower than the significance level. This can be statistically given as P-value  $.000 < \alpha = 0.05$ . In agreement with this result, a study by Daniel (2011) service quality and sales growth found significant relationship between the variables. Fening (2012) in his study revealed that quality management when implemented and practiced will improve the performance of these businesses and helping in the growth.

### **Summary and Conclusion**

The study examined the effect of service quality on the performance of Nigerian transport sector with focus on Benue Links Nigeria Limited, Makurdi. Findings of the study which was theoretically and empirically tested revealed that Service quality has positive significant effect on sales growth in Benue Links Nigeria Limited, Makurdi (P-value  $0.000 < \alpha 0.05$ ;  $\beta=.663$ ;  $t=5.882$ ). Based on the research findings, the study has no option than to conclude that service quality has positive effect on sales growth of Benue Links Nigeria Limited and that service quality has helped to increase the sales growth of the company.

### **Recommendations**

Based on the findings of the study, a good number of recommendation (including the following) were made:

- i. Management of Benue Links Nigeria Limited should put in place a framework that will facilitate regular provision of quality services to the expectation and requirements of customers and in a better way than its competitors. This will help to increase customer satisfaction with the company's services and by extension, its market share.
- ii. Management should also ensure that all employees are properly trained in providing timely and reliable services to customers. This will help to improve performance of the company.
- iii. Management of Benue Links Nigeria Limited should capture a large percent of the market for their products and services through improved and increased quality services. This will enable them to constantly achieve increased market share. .

### **Limitations of the Study**

The study's variables were limited to Benue Links Nigeria Limited, Makurdi - Nigeria whose findings may be too small to generalize. Another limitation of the study was the use of structured questionnaire which do not provide options for the respondents to express their views or opinions on service quality and organizational performance. Additionally, in the course of carrying out the study some respondents were reluctant in providing responses relevant to the study. The researcher however, assured the respondents of confidentiality of information collected and this accounted for the high percentage of questionnaire retrieved.

### **Suggestions for Further Studies**

It is suggested that further studies should be carried out on service quality and sales growth of other transport companies in Benue State. Similarly, further studies should be carried out on other dimensions of the study variable.

## **References**

- Adeoti, J.O. (2008). Application of Total Quality Management to Health Care Delivery Systems in kwara State, Nigeria: An Unpublished PhD Thesis submitted to the Department of Business Administration, University of Ilorin.
- Agbola, R.M. (2013). Does Total Quality Management After the Performance of Small and Medium Enterprises? A case of manufacturing SMES in Ghana: *World Applied Sciences Journal*, 28: 01-09.
- Angelova, B., Zekiri, J. (2011). Measuring customer satisfaction with service quality using American Customer
- Asogwa, O. H. (2016). The quality of intra-urban passengers Bus services in Zaria, Kaduna State, Nigeria; a Dissertation submitted to the school of post Graduate Studies ABU for the Award of A Master Degree in Transport Management.
- Bagheri, A. and Pihie, Z.A.L. (2009). An Exploratory Study of Entrepreneurial Leadership Development of University Student. *European Journal of Social Sciences*, 11(1): 177-190
- Chebii, P.A. (2017). Entrepreneurial Mentoring and its Outcomes among Small and Medium Enterprises in Eldoret, Uasin Gishu County, Kenya. A Thesis Submitted in Partial Fulfillment for the Degree of Doctor of Philosophy in Entrepreneurship in the Jomo Kenyatta University of Agriculture and Technology. 197 Pp. 34-49
- Daniel, L (2011). *Service Quality and Sales Growth: Another Connection. A recent Research project.* Bain & Company inc; Fred Reichheld and Satmetrix.
- Duncan, A.J. (2014). *Quality control and Industrial Statistics.*4<sup>th</sup> Ed. Illinois. Richard D. Irwin Inc.
- Eshghi, A., Houghton, D., and Topi, H. (2007). Determinants of customer loyalty in the wireless telecommunications industry. *Telecommunications policy*, 31 (2), pp. 93-10.
- Fening, A.F. (2012). Impact of Quality Management Practices on the Performance and Growth of Small and Medium Sized Enterprises (SMEs) in Ghana, *International Journal of Business and Social Sciences*, 3(13): 1-13
- Ford, D., Gadde, L., Hakansson, H. and Snehota, L. (2003). *Managing Business Relationship.* (2<sup>ne</sup> edn). Chichester: Wiley & Sons Ltd. 285 Pp. 112 - 118
- Ganiyu, R.A. (2016). Perceived service quality and customer loyalty: the mediating effect of passenger satisfaction in the Nigerian Airline industry. *International journal of management and Economics*, 52(1): 94-177
- Goodwell, M. (2013) .Evaluation of Total Quality Management Implementation in Small and Medium Manufacturing Companies”, International Conference on Law, Entrepreneurship and Industrial Engineering, (ICLEIE’2013), Johannesburg (South Africa), 256-261.
- Gronroos, C (2001). The perceived service quality concept- A mistake? *Managing service quality*, 11(3):150-152
- Hanmaikyur, T.J (2016). Effect of Entrepreneurial marketing practices on the performance of small scale and medium scale enterprises in Makurdi metropolis of Benue State, Nigeria. Ph.D Thesis, Department of Business Administration Ahmadu Bello University Zaria, Nigeria.
- Iztok, T. (2011). Reported experiences enhance favourable attitudes towards Toads, *EUROSIA J, Math, Science, and Technical Education*, 7(4): 151-158
- Jamaluddin, E. R (2017). Impact of service quality and customer satisfaction on customer loyalty: A case study in a private hospital in Indonesia. *Journal of Business and Management* 5(1); 23-33.
- Jayaraman, M., Shankar, C. and Hor W. M. (2010) Service Quality Delivery and Its Impact on Customer Satisfaction in the Banking Sector in Malaysia. *International Journal of Innovation, Management and Technology*. 1(4), 398 – 404.
- Kerlinger, F.N. (1979). *Foundations of Behavioral Research.* London: Rinchart and Winston.

- Khurshid, R; Naeem, H; Muktar, F and Batool (2012). Service Quality and Customer Satisfaction in public transport sector of Pakistan. An empirical study. *International journal of Economics and Management Science*, 9:24-30
- Lars Nilsson, L. Johnson, M.D. and Gustafsson, A. (2011). The impact of quality practices on customer satisfaction and business results. Product versus service organizations. *Journal of Quality Management*, 6:5-27
- Litman, T. (2016). Valuing transit service quality improvements Journal of Public transportation 11 pp 43-62
- Maphalla, S.T., Nieuwenhuizen, C. and Roberts, R. (2009). *Perceived barriers experienced by Township Small, Micro and Medium Enterprise entrepreneurs in Mamelodi*. Business management. Manuscript in press. Pretoria: University of Pretoria.
- Nandan, S; and Geetika, C. (2010). Determinants of customer satisfaction on service quality; A study of railway platform in India. *Journal of Public transportation* 15(2): 95-116
- Negi, R. (2009). Determining customer satisfaction through perceived service quality: A study of Ethiopian mobile users, *International Journal of Mobile Marketing*, 4(1), 31-38.
- Nwachukwu, A.A (2014). Assessment of Passengers Satisfaction With intra-city Public Bus Transport Services in Abuja, Nigeria. *Journal of Public Transportation*, 17 (1):99-116.
- Odhiambo, A.A. (2013). Factors influencing performance of youth owned micro, small and medium enterprises (MSME) in Kenya. *International Journal of Arts and Entrepreneurship*, 1(3): 1-10.
- Oliver, L. R. (1977). Effect of expectation and disconfirmation on post exposure product evaluations: an alternative interpretation, *Journal of Applied Psychology*, 62 (4), 480- 486.
- Onokala, P.C (2015). Urbanization and urban transportation problems in Nigeria: Issues in urbanization and urban Administration in Nigeria. Jomoe Enterprises (Nigeria) publishers Enugu, PP. 168-186
- Otoo, B. K (2016). Study of customer service quality impact on customer satisfaction in commercial banks in Ghana. *International Journal of Research in Finance and Marketing*, 6(4).
- Paradise-Tornow, C. (2017). Management Effectiveness, service quality and organizational performance in Banks. *Human resources planning*, 14(2):129-139
- Powell, T.C (1995). Total Quality Management as Competitive Advantage: a Review and empirical study.
- Sedigheh, M., Su, T. L. and Siew P. L. (2018). Perceived overall service quality and customer satisfaction: A comparative analysis between local and foreign banks in Malaysia. *International Journal of Bank Marketing*, 7(4); 112-129 .
- Shahzad, K; Syed, M.H. and Fhad, Y. (2012). Determinant of customer satisfaction in fast food industry. *International journal of management and strategy*, 3(4): 9-20
- Tee, D. K., Preko, A. and Tee, E. (2018). Understanding the relationships between service quality, customer satisfaction and loyalty: An investigation of Ghana's retail banking sector. *British Journal of Marketing Studies*, 6(2); 1-19
- Yarimoglu, E.K. (2014). A review on dimensions of service quality models. *Journal of Marketing Management* 2(3); 79–93.
- Wilson, A., Zeithaml, V., Binter, M. and Gremler, D. (2008) *Service Marketing: Integrating Customer Focus Across the Firm*, McGraw-Hill, London.
- Zeglat, D. (2008). An investigation of the Relationship between service quality and Profitability in the UK Budget Hotel Sector: Thesis submitted in part fulfillment of the requirement for the award of Doctor of Philosophy.
- Zeithaml, V. and Bitner, M. J. (2003). *Services Marketing: Integrating customer focus across the firm*, (3 ed), New York: McGraw-Hill.