

## **The Impact of Public Bus Service Quality on the Users' Satisfaction: Evidence from a Developing Asian City**

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**Abstract.** *In a country where there is a high level of car ownership, public buses are considered another mode of transport that is more sustainable. Despite that, there is a very low level of public bus ridership in Malaysia which questions the users' satisfaction with its service quality. This study investigates the role of public bus service quality (tangibility, reliability, assurance, empathy, and responsiveness) by utilizing the SERVQUAL model for users' satisfaction. A sample of 300 questionnaires was obtained from public bus users in Kota Samarahan, Sarawak, Malaysia as the case study area. Using Partial Least Square-Structural Equation Model, the results show that tangibility, reliability, and responsiveness are significant service quality factors that influence users' satisfaction with public buses in the case study area. Of the factors, tangibility is considered the most critical factor that influences users' satisfaction. This study provides imperative knowledge which will be advantageous for stakeholders specifically policy-makers, transport ministries, town planners, local authorities, and service operators in strategizing policies and plans that could encourage the public buses usage.*

**Keywords:** Public transport, customer satisfaction, service quality, partial-least squares-structural equation model

**JEL Codes:** R40

### **1. Introduction**

The rising population along with rapid urbanization and economic development has spurred the need for society to travel. In most developed countries, people tend to depend upon public transport, while the travel patterns in many developing countries tend to rely heavily on private transport, either cars or motorcycles. Currently, Malaysia is among the Asian developing country with a high level of car ownership. Car ownership in Malaysia is 450 cars per 1000 inhabitants while in cities are 393 cars per 1,000 inhabitants for Kuala Lumpur and 292 cars per 1,000 inhabitants in Sarawak in 2018. This is lower than Brunei Darussalam (606 cars per 1,000 inhabitants) and relatively higher than Thailand (238 cars per 1,000 inhabitants) (ASEAN Stats, 2018). According to the Malaysia Automotive Institute (2018), the total number of cars registered in Malaysia has increased by 43% from 2010 to approximately 12 million cars in 2016. Automobile reliance imposes negative externalities on the society including air pollution, oil dependency,