

Original Article

The Impact of Service Quality on Members' Satisfaction with Selected Multipurpose Cooperatives in Davao City, Philippines

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Abstract: This research aims to determine the effect of service quality on members' satisfaction in selected multipurpose cooperatives in Davao City despite the operational problems, such as decreasing loan renewal transactions, lower participation, and high interest rates. This was brought about by a quantitative descriptive-correlational research design and the extraction of data from 368 randomly selected associate members, collected with the use of an adapted and modified SERVQUAL and MUSA-based questionnaire. In addition, the results demonstrate that all five dimensions of SERVQUAL have a highly significant impact on satisfaction ($p < 0.001$), with assurance ($\beta = 0.875$) and responsiveness ($\beta = 0.382$) being the most important predictors, followed by tangibles ($\beta = 0.264$) and empathy ($\beta = 0.126$), whereas reliability showed a negative influence ($\beta = -0.334$), implying demanding expectations related to service consistency. According to the MUSA investigation, high satisfaction was achieved in general (overall mean = 4.53), with access and personnel being scored highest (mean = 4.77), followed by service and image (mean = 4.68), and products scoring lowest (mean = 3.57). In the performance vs. importance grid, access, staff, and service were located in "Keep Up the Good Work", image in "Concentrate Here", and physical product/elicdr:eprioritized." Ultimately, the research demonstrates that assurance, responsiveness, and accessibility are significant contributors to satisfaction, whereas focusing on improving product offerings and image of the cooperative is critical to maintaining trust with members, which is required to facilitate long-term growth.

Keywords: Cooperatives, Member Satisfaction, MUSA, SERVQUAL, Philippines.

I. INTRODUCTION

Cooperatives are widely recognized as useful tools for promoting financial inclusion, economic development, and social cohesion. Member satisfaction is central to the success of such organizations, as it influences member retention, loyalty, and long-term growth (Brito & Santos, 2012). Recent research by Fernando and co-workers has shown that a complete segregation of these lengths is far from the case [40]. (2025) on an Indonesian cooperative also indicated that the quality of service and trust are factors impacting member satisfaction. The quality of services that are delivered – including the dimensions of accessibility, responsiveness, and reliability - has a significant impact on how members perceive and use the Cooperative. However, variation of service quality may decrease satisfaction levels and obstruct overall performance (Hidayat et al., 2024). If cooperatives are to be competitive and remain viable, they must provide distinctive and valued propositions as well as effectively delivered services in a forward-thinking manner for their members, who also double up as their end customers (Alajid & Base, 2021). Satisfaction of members is a contributor to the sustainability of cooperatives by establishing a strong relationship, supporting loyalty, and positive mouth-to-mouth (Zahra and Donoriyanto, 2023). However, despite these established uses, research into the relationship between service quality and member satisfaction for cooperatives is limited (Alajid & Base, 2021).

In the Philippines, Filipinos are members of cooperatives, which is an easy way to get credit. The Philippine Cooperative Code of 2008 (RA 9520) widened membership in cooperatives by making it easier for them to avail themselves of financial products, including savings and loan programs. This action requires cooperatives to promote the sustainable development of their communities by means of policies agreed upon by their members. The viability of a participation agricole depends primarily on member satisfaction. If members are properly treated and their needs regularly met, they will be satisfied with the cooperative. Otherwise, if they fail to meet the needs and requirements of members, it may eventually lead to its collapse (Espiritu, 2020). Conales (2022), Measuring the quality of cooperative's savings and credit services from members' perspective, noted a gap in the literature as the study found that research on challenges brought about by intense competitiveness in the market, member participation, and satisfaction were also limited in the Philippines. Challenges of market competition and member retention also come into play when sustaining the program. Although marketing programs help boost cooperative performance (Ringor et al., 2022), sustainable success depends on quality service delivery and continuous member involvement.



This research investigates the effect of service quality on members' satisfaction with selected multipurpose cooperatives in Davao City. These chosen cooperatives encounter some significant operational problems. A big worry is the rise of buy-out schemes, where members transfer their financiality to other co-ops and banking institutions, impacting member adherence. What is more, fully-paid members very often no longer interact with the cooperative, resulting in a decrease in loan volume and total revenue. Although staff tries through telemarketing to have these members renew their loan accounts, some elect not to do so and settle for just the original term. Even marketing agents, and a significant portion of them are associate members, have sent fewer referrals. These include relatively high interest rates (but even under reducing rate schemes), shorter loan terms for members aged 70 and over, and the provision of feedback from members. These concerns highlight the need for additional inquiry about the dress of what ' quality of service in a cooperative system (Bacatan and Navarro 2023).

The study's results will generate important implications for improving service quality and further enhancing member involvement to maintain membership as well as retention strategies, and contribute to the long-term viability and growth of cooperatives.

A) Research Objectives

The following objectives will be met by this paper;

- i. To determine the perceived level of service quality provided by the selected cooperatives among its members as measured by the five SERVQUAL dimensions, which are tangibility, reliability, responsiveness, assurance, and empathy.
- ii. To assess the level of satisfaction of the members towards its services in terms of personnel, image, product, access, and service.
- iii. To identify the most important SERVQUAL dimension/s that best predict the satisfaction of multi-purpose-based cooperative members.

II. LITERATURE REVIEW

A) Definition of Satisfaction.

Satisfaction, as per the definition from Meskovska (2014), uses the definition given by ISO 9001 and can be described as an expression of the consumer's judgment about how successful her requirements were implemented: attention should be paid to statements related to "fit" or not. Member satisfaction is crucial for the survival and long-term sustainability of a cooperative (Hamzah & Shamsudin, 2020). Similarly, Khan et al. (2020) found that member satisfaction is a critical mediator between member relationship management, cooperative commitment, and loyalty. Member satisfaction was also identified as an important determinant to ensure that members engage in and support the organization so that it remains viable over time (Beriaies, 2022).

Parasuraman et al. (1988) introduced the SERVQUAL model to the literature as a multi-dimensional instrument on consumer perception of service quality, and provided an insight into understanding expectations-perceptions gaps of consumers. Five dimensions, tangibles, reliability, responsiveness, assurance, and empathy, are proposed in the model, which together mimic central aspects of service. The tangibles are physical facilities, equipment, and appearance of personnel; reliability is the ability to perform services correctly; responsiveness is the willingness or promptness with which staff accommodate customers; assurance is the competency and courtesy of employees, and their ability to instill confidence within customers; and empathy represents providing individualized attention (Parasuraman et al., 1988). With broad applications in industries such as banking, tourism and hospitality, health and cooperatives, SERVQUAL allows frontline personnel to measure service performance in a systematic way Porosit (2007:46).

B) Service Quality and Member Satisfaction

The model of Mihelis et al. (2001) and enhanced by Grigoroudis and Siskos (2002) and Ipsilandis et al. 2008) is a decision-making and evaluation approach to assess customers' satisfaction over various factors. Based on multicriteria analysis, it assumes total satisfaction is a function of performance on various attributes, each weighted by its importance to customers. MUSA makes use of preference disaggregation to derive satisfaction functions in order to detect strengths and weaknesses in service provision. Its products provide performance indicators, improvement alert indicators, and strategic, targeted priority areas to enable organizations to deploy their resources. The model is used in sectors such as tourism, education, public services, cooperatives, etc., to achieve a finer-grained and more quantitative understanding of customer attitudes.

Yudhatama et al. (2023) stress that it is vital to satisfy members' expectations since unhappy members could discourage new potential members. They emphasize that cooperatives need to constantly improve their services to maintain satisfaction. Managers will need to deal with the varied perspectives of service quality, compete vigorously, and manage operational constraints to keep standards high.

Beriales (2022) studied participation and satisfaction of members in revitalized cooperatives in Iloilo, Philippines, pointing to the importance of monitoring systems that have to adapt continuously regarding the encountered member needs. The research concluded that economic motives for joining, coupled with personal development, were primary reasons why members join, and older members in particular sought social interaction. Participation and patronage were rated "very high", while satisfaction was "extremely high", with these three constructs including transparency in the governance structure as an antecedent for satisfaction. To maintain it, co-ops should follow co-op principles and financial transparency, and to protect assets, make sure they are seen doing so while continuing to build trust by communicating well.

Arizal and Agus (2019) studied the effects of service quality on satisfaction and loyalty among members of the cooperative. Their results suggest that acceptable isomorphism exists between responsiveness and satisfaction, especially assurance. Empathy and physical evidence were also positively related to satisfaction, but none of them were significant. Satisfaction, however, had a significant and strong effect on loyalty; that is, better levels of quality result in higher long-term membership retention.

Ali et al. (2018) argued that service quality is essential for the establishment and member satisfaction of farmer organisers. They found that inadequate service delivery (e.g., poor training, low member engagement, and weak administration systems) resulted in low satisfaction of members and stifled the growth of the cooperatives. In contrast, cooperatives with solid leadership, good communication, and supportive institutional policies had high levels of trust and member engagement. These results add credence to the proposition that enhanced service quality, such as responsiveness, assurance, and reliability, affects members' perception of the value of their cooperative experience.

C) Related Studies Using Multicriteria Satisfaction Analysis (MUSA)

Drosos et al. (2022) used the MUSA model to measure customer satisfaction with THESgala Cooperative Milk Vending Machines in Greece. In the results, the general satisfaction was high (90.84%), and for "Prices" (93.17) and "Product Quality" (91.82) in particular, as the most satisfactory criteria. Stores - Branch Network (87.65%) also rated highly in satisfaction, compared with Personnel (79.33%) and Customer Service (78.53%). The research found that low prices and the quality of products were the main competitive advantages and that resources at the branch network should be shifted to reinforcing these priority areas and existing customer satisfaction.

Batica et al. (2024) studied the association between demographic profiles and member satisfaction of active consumers in Eastern Samar Electric Cooperative (ESAMELCO), Borongan, Eastern Samar. Table 2: MUSA method. The research applied the "MUSA" method to measure satisfaction, identify priority factors, and develop a decision tool for the improvement of service. Satisfaction with the timing of restoration, power quality, meter install, and satisfaction during employee interaction were found to be very satisfying for members, while satisfaction after an outage was also positive. ESAMELCO's general satisfaction level was 1.75 (very satisfied). Based on the demonstrated correspondence of demographic attributes and satisfaction, this study suggests that ESAMELCO should take profiles into account in order to improve service delivery considerations and attempt to move satisfied members toward very satisfied customers through continuous quality improvement.

Ferreira et al. (2021) used the MUSA technique in a public pediatric inpatient service to analysing variables related to customer satisfaction. The value functions of each satisfaction criterion were estimated, and weights (v-values) were assigned. Quality of food, volunteer help, and ease of obtaining information were rated most favourably, while staff professionalism and hospital amenities correlated more poorly with overall satisfaction. The low-weight criteria reflected little room for improvement, while the high-weight criteria represented priority areas for targets. The study showed the necessity of improving prioritization over customer demand while doing so with satisfaction gap and strategic leverage, rather than focusing on only the lowest-rated service quality factors.

D) Related Studies Using ServQual Model

Ladhari (2009) performed a thorough critique of the SERVQUAL instrument and recognized its widespread usage across service domains, yet pointed out its theoretical as well as empirical shortcomings. These concerns are differences in scores, reliability, convergent and discriminant validity, predictive validity, process over outcome emphasis, the hierarchical structure of service quality constructs, and applying a generic scale to all service settings, including the online environment in the Western context. However, despite these restrictions in application or use, Ladhari maintained that SERVQUAL can still be a useful instrument to measure and manage competently the quality of services when the model is adapted for each industry or for specific contexts. The study also highlighted the need for validating quality instruments through reliability and validity procedures, establishing factor structure fit in a new setting, and making changes in terms of removing or adding items based on factors related to service quality. This flexibility leads to the success of SERVQUAL in applying it to various service industries.

Conales (2022) utilized the SERVQUAL model to determine service quality and member satisfaction in a multi-purpose cooperative based in Marawi City that offers savings, lending, and consumer credit services. Service quality gaps were assessed through the mapping of member expectations and the actual experience in five dimensions of service: tangibles, reliability, responsiveness, assurance, and empathy (Parasuraman et al., 1988). Survey results showed all gap scores (negative gaps) except for service quality. Responsiveness, particularly that associated with frontline staff, was the most important dimension, followed by reliability. The research suggested that policy reforms should be made to improve the quality of care and satisfy the needs of the members better.

Arizal and Agus (2019) investigated the effect of service quality on satisfaction and its influence on members' loyalty at Koperasi Simpan Pinjam Maju Bersama. Examining five service quality dimensions, they discovered that responsiveness, assurance, and empathy significantly affected satisfaction while tangibles and reliability did not, all having to do with customer orientation 1073 shoe. But the overall service quality as a whole was significantly related to satisfaction (0.63). More interestingly, satisfaction had a significant and positive effect on loyalty (0.661). The results of the study emphasized that enhancement in service quality, namely responsiveness, assurance, and empathy, will increase satisfaction among members, leading to loyalty.

Espiritu (2020) investigated member satisfaction with credit services in a Community-Based Cooperative in Southern Isabela employing the SERVQUAL model. The analysis covered attitudes and expectations, presenting a uniformly low service quality. Another finding which we can highlight was the impact of SERVQUAL's responsiveness as the most valued dimension, showing how much schedule is important. Trust and service dependability were certainly identified as the most important elements to successful, long-term member loyalty. The research suggests the need to promote responsiveness, trust creation, and service quality systems in order to improve member satisfaction.

Abellanos et al. (2021) conducted a survey on 367 members (91.75% response rate) of multipurpose cooperatives in Digos City, Southern Mindanao, to identify the service quality dimensions with an exploratory factor analysis. Using the SERVQUAL method, it was discovered that accommodation and reliability are critical dimensions, emphasizing the need for anti-fixer policies, security measures, corporate office setup, and outreach programs to ensure reliable and risk-free services. The results underscore the importance of service reliability and dedication in improving cooperative service quality and customer satisfaction.

E) Related Studies Using Both MUSA and ServQual Model

BACATAN & NAVARRO (2023) investigated the service quality and customer satisfaction in Northern Davao Electric Cooperative. Their research reveals a positive relationship between SERVQUAL and customer satisfaction, wherein the better the service quality, the higher the level of customer satisfaction. Nevertheless, the overall coop's service quality rated low in terms of responsiveness, complaint solving, trust formation, and regularity of service. At the same time, customer satisfaction was low and signs of weakness for such things as pricing, accessibility to service, coverage of the network, the expertise level of personnel, and availability of electrical power. Among service quality dimensions, tangibility was a significant contributor to member satisfaction and the strongest predictor of customer satisfaction indicating that physical facilities and equipment as well as appearance of staff influenced to a great extent in influencing member satisfaction.

Drosos et al. (2025) used the MUSA model to assess the level of satisfaction of passengers with Greek coastal shipping services. It was found that the most influential component on overall satisfaction is customer service, followed by vessel services; however, human resources and pricing policy need to be improved. The research also found that demographic factors affected passengers' levels of satisfaction, as younger and female, university-educated, and married passengers stated their higher levels of satisfaction, which was quite opposite to high-earners and high-income due to their increased expectations, causing a reduction in satisfaction. These results indicate that in the absence of SERVQUAL, the MUSA model appears to represent effectively similar service quality dimensions and provides a flexible lens through which the prioritization for investment in services can be made.

Karasmanaki et al. (2023) used the Multicriteria Satisfaction Analysis (MUSA) model to assess citizens' satisfaction with Greek authorities in attracting investments in renewable energy projects. The researchers evaluated eight satisfaction indices, specifically subsidies, investment encouragements, environment of regulatory investment, stability of energy policies and regulations, and licensing procedures, as well as measures against monopoly and the transparency of information. Overall satisfaction was found to be relatively low with the licensing process (15.3%), and anti-monopoly measures (21.8%) received the lowest scores. Value functions from MUSA indicate that customers seek moderate service levels, thus small improvements in the service could make a big difference in terms of quality. Action and improvement figure diagrams revealed broken service paths and a highly incomplete front-end phase in licensing services and fossil fuel policy services (both high importance/low performance quadrant).

F) Cooperatives in the Philippines

As of 2022, there were 20,105 cooperatives registered in the Philippines, including those involved in agriculture, finance or credit, consumer goods, and services. These are both small 'socially driven' initiatives as well as large, multidimensional cooperative organizations (Lu, 2023). Given the local context from the site of the City Government of Davao, there are now 400 existing cooperatives in Davao City.

Based on the data of the Cooperative Development Authority (CDA), during December 2022, there were 8,472 cooperatives in the Philippines that belonged to the multi-purpose type. From that total, there were a total of 176 multipurpose cooperatives registered in Davao City (not yet including those extended branches and satellites offices), Philippines. Mixed cooperatives are cooperatives that provide various services in one enterprise, which may be operated by consumer cooperative societies but owned by all its members. Multipurpose cooperatives have to focus on what they are to do; otherwise, they would leave and wander aimlessly. Through their successful handling of internal and external considerations, these firms can realize their objectives, mission, and vision, which eventually result in excellent business performance (Chungyas & Trinidad, 2022).

G) Theory Base

The present study is based on the SERVQUAL Model and the Multicriteria Satisfaction Analysis (MUSA) model. The SERVQUAL model by Parasuraman, Zeitham, and Berry, 1985; 1988, is based on the gap theory of service quality, which suggests that service quality can be derived from the gap between what members expect and what they perceive. It recognises five dimensions--tangibles, reliability, responsiveness, assurance, and empathy-- that together influence satisfaction and reveal where it can be improved (Bacatan & Navarro, 2023). In addition, the MUSA model developed by Mihelis et al. (2001) and improved by Grigoroudis and Siskos (2002) and Ipsilandis et al. (2008), uses multicriteria decision analysis (MCDA) to calculate total and partial satisfaction indexes taking into account customers' perception. Using the graphical axes-based tools like action diagram, MUSA identifies strong, satisfactory, and weak service attributes for organizations to determine their improvement priorities. Unlike SERVQUAL, which examines customer perceptions of service gaps, MUSA combines measurement of satisfaction with managerial implications by associating levels of satisfaction with priorities for improvement. These two models, taken together, offer a more complete theoretical structure for analyzing quality and formulating strategies to improve member satisfaction in cooperatives.

H) Conceptual Framework

Based on the discussion, this conceptual framework will guide the study.

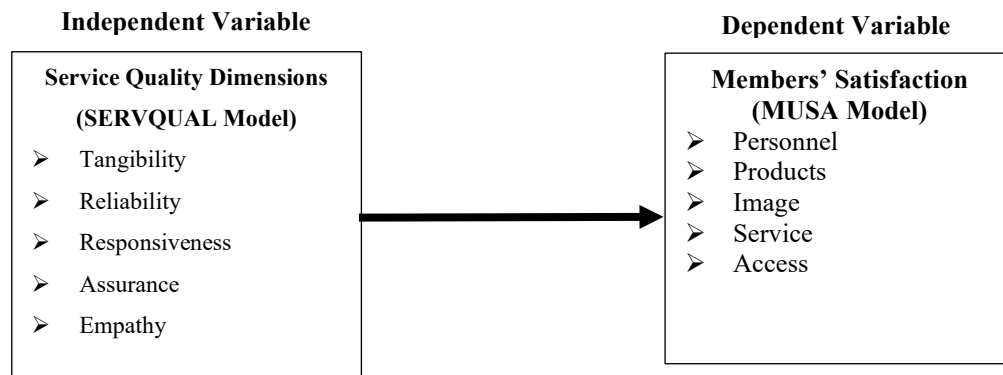


Fig. 1 Conceptual Framework Showing the Variables of the Study

I) Research Hypothesis

The hypothesis tested in this study is that there is no significant relationship between service quality and member satisfaction among cooperative members.

J) Methodology

This study adopts a quantitative, descriptive-correlational type of research design to determine the relationship between quality services and member satisfaction in selected multipurpose cooperatives in Davao City. The literature review had earlier led us to questionnaires based on the SERVQUAL and MUSA models, which were used in the gathering of primary data, such that structured survey questions using these were what were adapted and administered personally by those selected as associate members using Simple Random Sampling (SRS) with proportional allocation employed to ensure due representation across all offices. Mean and standard deviation were calculated for 5-point Likert scale ratings of perceptions on service quality among SERVQUAL dimensions and satisfaction criteria of staff, product, image, service provision, and access. An action diagram

was developed with the assistance of the MUSA model to pinpoint particular necessary focal points, and a multiple regression analysis was employed to measure predictive capability across service quality dimensions for overall member satisfaction.

III. RESULTS AND DISCUSSION

A) *Perceived Level of Service Quality based on the SERVQUAL dimensions*

The overall service quality for the respondents has a mean of 4.33 (SD=0.49), and they generally perceive the cooperatives' service quality to be high across all dimensions of service quality: tangibles, reliability, responsiveness, assurance, and empathy. This outcome means that the cooperative fulfills the requirements of members in terms of facilities, services, help from dedicated staff, confidence, and personalized attention.

In particular, empathy scored with the highest mean of 4.79 (SD=0.34), followed by tangibles showing a mean of 4.72 (SD=0.38) and responsiveness with 4.69 (SD=0.40). Assurance and reliability scores on average were relatively lower (M=3.74, SD=1.07; M=3.72, SD= 1.03). The findings indicate that members of the cooperative have a high perception of its empathetic and visually suitable atmosphere, as well as of its attentive, solicitous staff. Top marks in tangibles suggest that the physical plant, equipment, and personnel represent or surpass what members would expect. In contrast, the low means for assurance and reliability implied that some of the respondents are still not sure about the consistency and dependability in service provision.

Empathy predominates the success of the co-op to show care, to be understood and treated as an individualized person, which facilitates emotional attachments and trust. The strong orientation on people in the delivery of its services is supported by a study conducted by Arizal and Agus (2019), who found that empathy is a strong predictor of loyalty, which has a strong impact on member satisfaction with cooperatives. Echoing this sentiment in the context of serving members, Espiritu (2020) argued that being responsive and empathetic is important to keep members satisfied long-term, particularly where service provision is timely and individualised.

Also, the high intangibles score (for physical facilities, equipment, and personnel appearance) shows that, at least in terms of what members see, the co-op's visual environment must be fulfilling or surpassing member expectations. This confirms with Bacatan and Navarro (24), who established tangibility as a strong predictor of customer satisfaction, citing that representing clean offices and professional staff appearance relates to credibility and reliability. Abellanos et al. (2021), who also supported such connections, affirm that clean, staffed, and secure facilities help shape positive perceptions of their stakeholders.

But the relatively low mean value for reliability and confidence mark areas is in need of attention. Reliability is the extent to which cooperative services are delivered in a consistent and correct manner, while assurance refers to employees' knowledge and ability to inspire confidence. Coonales (2022) further indicated that many cooperatives struggle with reliability, resulting in a two-gap relationship between members' expectations and performance. This is also in line with Ismail and Yunan (2016), who found that constant monitoring and managerial supervision are required to maintain high levels of assurance for service organizations. As a result, while the membership is largely satisfied, the cooperative will need to increase its efforts in training employees; keeping communications open and honest, and delivering consistent performance to maintain trust and credibility over time.

In general, the results show extremely high scores in empathy, tangibles, and responsiveness, suggesting that cooperative systems are effectively meeting members' personal as well as functional needs. The moderate scores on assurance and reliability also point to concrete options for advancing in trustworthiness and trust-building. These findings are in line with Parasuraman et al.'s (1985) SERVQUAL model. (1988) who found that these five dimensions are instrumental in determining service quality. The results, therefore, verify that member satisfaction, trust, and loyalty are significantly influenced by better service quality in cooperatives, especially empathy and responsiveness.

Dimension	Valid	Missing	Mean	Std. Deviation
Tangibles	368	0	4.719	0.379
Reliability	368	0	3.721	1.033
Responsiveness	368	0	4.691	0.402
Assurance	368	0	3.740	1.073
Empathy	368	0	4.793	0.344
Service Quality	368	0	4.333	0.488

Table 1. Perceived Level of Service Quality based on the SERVQUAL dimensions

B) Level of Member Satisfaction

Table 2 shows that overall, cooperatives' services are highly satisfactory (mean perspectives between 3.57 and 4.77). This indicates that the personnel, product, image, service, and access are well regarded by the members. The high scores indicate that the co-ops remain true to member needs in all but a few service areas, and especially when it comes to access and staff performance.

Access in particular had the highest mean score of 4.77 (SD=0.35), followed by personnel (mean=4.77, SD=0.39) and service (mean=4.68, SD=0.48). The picture dimension obtained a high average of 4.68 (SD=0.43), while products had the lowest mean value of 3.57 (SD=1.07). These results indicate that members view cooperatives as being very accessible, approachable, and service-minded with reliable and professional personnel. But the bottom score for products at 1 point less suggests a sense of least satisfaction, yet this could be simply because of a lack of choice, payment perception, or the extent of financial services available.

The MUSA performance–importance diagram also reinforces this understanding. Access and staff qualities sit within the quadrant “Keep Up the Good Work,” depicting highly important and highly satisfying attributes to members. This means that the members are satisfied with the easy service delivery of the cooperatives and also the personnel friendliness and sound communication of the officers. #s results are consistent with Beriales's research because transparency and staff performance have been found to be significant factors leading to satisfaction among cooperatives in the Philippines.

In contrast, products fall in the “Low Priority” quadrant. Although very low-ranked and rated, members do not consider this dimension to be highly important compared to others. However, product development is always an area to optimize to increase overall satisfaction and adapt to changing member needs. Arizal and Agus (2019) recommended responsiveness and assurance, such as tangibles, which are in the form of product variety, as being more dominant factors to stimulate member satisfaction and loyalty at cooperatives.

The map location of the image dimension is within the “Concentrate Here” quadrant. This is an important result because it indicates that, if on one hand members perceive the cooperative's image as important, on the other hand, their satisfaction with it seems to be lower. It appears that cooperatives need to work on building their brand, PR, or communication muscle in order to build trust and reputation. Satisfaction will come from the trustworthiness and reliability perspective of the cooperative that signals improved public image, which may lead to overall satisfaction and loyalty (Espiritu, 2020).

The service dimension is also in the right place ("Keep Up The Good Work"), which proves that cooperatives already provide good services and meet members' expectations. High satisfaction with service reflects that the cooperatives follow the key dimensions of the SERVQUAL framework, which are being punctual, deliverable on time, and transparent. These findings are consistent with Conales (2022), who observed that improving responsiveness and quality of service greatly enhances satisfaction areas in multi-purpose cooperatives.

Overall, the cooperatives do well in personnel, service, and accessibility, three dimensions of member satisfaction that are particularly important. Satisfaction remains high due to partnerships of committed staff, timely service, and good access points (Wallace and Boddie, 2001). But there are certain areas where the product and the image need to improve strategically. Improvement of diversification, quality, and communication of products, as well as enhancement of the organization's image, may boost overall satisfaction. These results are consistent with research that found that staff-customer performance, access, and trust were very important factors that determine quality of service provision and customer satisfaction in cooperative banks. Chau et al. (2024) stressed that member involvement and engagement are further enhanced as cooperatives make communication, visibility, and responsiveness to needs an intrinsic part of working and learning with membership. As such, members are highly satisfied, but there is a need to maintain the level of product and image development so as not to lose loyalty in the future years.

Table 2. Level of Member Satisfaction

Criteria	Valid	Missing	Mean	Std. Deviation
Personnel	368	0	4.768	0.390
Products	368	0	3.572	1.066
Image	368	0	4.678	0.429
Service	368	0	4.682	0.478
Access	368	0	4.771	0.352

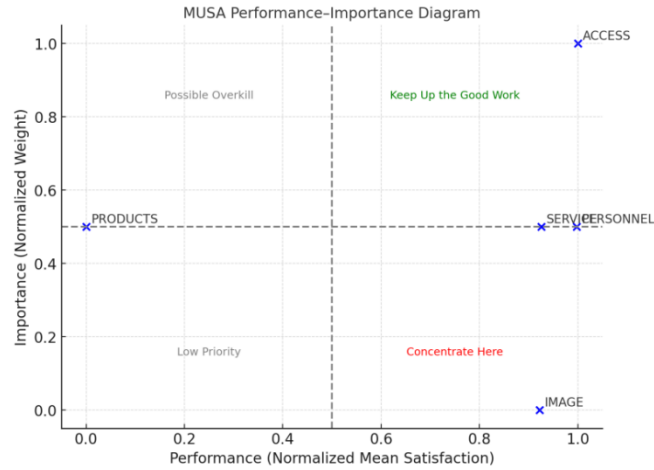


Fig. 2 Satisfaction Diagram of the Respondents

C) SERVQUAL Dimension(s) that Best Predict Member Satisfaction.

The regression analysis results to examine which service quality dimension(s) specifically predict member satisfaction among the multipurpose cooperatives are provided in Table 3. Our findings show that the p-value of all five dimensions (tangibles, reliability, responsiveness, assurance, empathy) is less than 0.001 and has a significant impact on member satisfaction. However, the strength and the direction of effects, as illustrated by standardized coefficients (β), are different across dimensions, which means that some features have stronger predictive values than others.

Among the predictors, assurance had the highest influence on satisfaction as a positive dimension (Standardized coefficient(β) = 0.875, $p < 0.001$). This indicates that the confidence of members in the staff with regard to both competence and trust, as well as credibility, is the key driver of satisfaction. The high predictive power of assurance suggests that trust, professionalism, and reliability in service provision would underlie members' satisfaction. This is in line with Arizal and Agus (2019), which indicates that assurance also significantly affects satisfaction and loyalty in cooperatives. Ismail and Yunan (2016) also validated that employees' skillfulness and friendly behavior significantly contribute to satisfaction, long-term positive reaction intention.

After assurance, responsiveness was also found to have a strong positive impact on member satisfaction ($\beta=0.382$; $p<0.001$). This shows how members really appreciate the readiness of the cooperative to help when needed in a fast manner. The more members receive responses to their queries or issues in a timely manner, the higher the trust and satisfaction. This finding is consistent with Espiritu (2020), who noted that responsiveness is a critical aspect of the quality of service delivered by cooperatives, as it influences perceptions of reliability and dedication to taking care of members.

The tangible dimension also had a positive and significant influence on satisfaction ($\beta=0.264$, $p<0.001$). This suggests that the space where members work and whose staff serve them is important as part of what makes for a satisfactory office visit, because neat and clean facilities are indicative of professionalism and organizational health. This is supported by the findings of Bacatan and Navarro (2023), which confirmed tangibles as a powerful determinant of customer satisfaction in the cooperative setting. Empathy also had a significant, albeit less prominent effect ($\beta=0.126$, $p<0.001$). Individualized attention and personal care from staff are important, but in a supporting rather than a leading role for the prediction of satisfaction with treatment.

Notably, the standard coefficient for reliability was negative ($\beta = -0.334$, $p < 0.001$), indicating that it was negatively associated with member satisfaction in this particular model. This paradoxical dynamic suggests that high reliability expecters are also more judgmental of cooperatives when they experience contradictions or procedural lapses, resulting in lower levels of satisfaction even though other aspects of the service are deemed to be strong. Conales (2022) also discovered that cooperatives generally obtain lower satisfaction scores because of unmet expectations on how services should be delivered. However, its relatively high p-value indicates that reliability is still a notable predictor that requires managerial concern and process enhancement.

In summary, the regression model corroborates that all five service quality dimensions are significant determinants of member satisfaction, among which, assurance and responsiveness present stronger positive effects. These results are consistent with the SERVQUAL model, which argues that service quality dimensions together affect customer satisfaction. To maintain its level of satisfaction, the cooperative needs to further develop the training of crew personnel who will provide assurance and

a prompt response to customer needs, and continue focusing on preventing recurring approach procedure inconsistencies to avoid inconsistency.

Table 3. SERVQUAL dimension(s) that best predict member satisfaction

Service Quality	Member Satisfaction				
	<i>Unstandardized</i>	<i>Standard Error</i>	<i>Standardized</i>	<i>Pearson's r</i>	<i>p-value</i>
Tangibles	0.276	0.033	0.264	0.460	<.001
Reliability	-0.128	0.037	-0.334	0.630	<.001
Responsiveness	0.376	0.035	0.382	0.531	<.001
Assurance	0.322	0.035	0.875	0.646	<.001
Empathy	0.145	0.043	0.126	0.491	<.001

IV. CONCLUSION

A) Conclusion

The hypothesis was rejected with the findings that service quality has a significant impact on satisfaction. This study's results are evidence that the quality of service has a significant influence on member satisfaction in some specific multipurpose cooperatives. The high aggregate SERVQUAL scores on all dimensions suggest that the co-ops provide quality services, especially on empathy, tangibles, and responsiveness. These strengths result in memorable member experiences and help create trust and loyalty toward the association. Yet reliability and certainty are still needed to maintain consistency and confidence in service delivery.

Satisfaction of members is also reported to be high throughout the majority of service areas, with access, staff, and services receiving the highest ratings. The co-ops' trained employees, available assistance, and outreach all play a big role in generating happy members. However, although satisfaction is reasonably high regarding products and the image of the cooperatives, this finding also shows that it is necessary to broaden offers and reinforce trust and image perception of the brands.

The results of the regression analysis indicate that assurance was highest in predicting satisfaction amongst members, followed by responsiveness and tangibles, which emphasize creating confidence, providing prompt service, and maintaining a professional environment of service. Notably, reliability was negatively correlated with this scale, probably because members are more demanding and likely to notice discrepancies.

Finally, even if cooperatives have competitive performance in determined service aspects, they need to continue the efforts on reliability and assurance for members' satisfaction, in addition to proposing new products and investing in branding. These areas of focus will lay the groundwork for long-term loyalty and set the cooperatives up for continued expansion and member participation.

B) Recommendations

Based on the above observations, the following recommendations are suggested:

a. Strengthen Trust and Reliability in the Delivery of Services

As these two criteria were rated the least, cooperatives should improve their mechanisms to deliver credible, reliable, and transparent service. This may be addressed by the introduction of regular training to the employees on service professionalism, conveying accurate information, and announcing cooperation policies. Creating a feedback mechanism and monitoring member transactions is another way of ensuring that service is delivered as promised.

b. Keep Strong in Empathy, Responsiveness, and Tangibility

Quality Cooperatives should maintain the high standards it has set in human relationships, response time, and physical facilities. Member engagement programs, service quality checks, and modern facilities upgrades to keep member satisfaction. Team members should also be supported and rewarded for providing empathetic, responsive service.

c. Enhance Product and Cooperative Image

The low satisfaction score for products and the "Concentrate Here" attribute value in the MUSA analysis indicate that there may be a demand for improvement in the brand variety and diversity. Cooperatives could provide new loan and savings services for elderly and low-income member sectors on the basis of their specific needs. The perception of coop members in the wider public can also be bolstered by marketing and social media presence, as well as community partnerships that will appeal to potential new members.

d. Build Confidence in the Service of Staff and Trust

Trust was similarly the most important factor predicting satisfaction, indicative of the centrality of credibility. Management Professional development programs focusing on communication, cooperative ethics, and problem resolution

should be established. Transparency in decision-making and fund management should also be upheld to enhance members' trust.

e. Institutionalize Continuous Service Quality Assessment

SERVQUAL and MUSA dimensions provide a framework for customer satisfaction assessment, which should be regularly practiced as a member satisfaction survey in their own cooperative to measure performance responsiveness and potential levels of problem satisfaction on a numerical scale. Forming a Quality Assurance Committee can institutionalize regular evaluations to guarantee that plans of action are taken according to results from the survey.

f. Encourage Member Feedback and Participation

As cooperatives prosper on the participatory system of management, such cooperatives should provide open channels of communication where members can post their suggestions, complaints, or commendations. Formal feedback tools, like suggestion boxes and online forms, or regular conversations to learn how well various services are meeting member needs, can be used both to identify gaps in provision and make sure members' voices are heard when decisions are taken.

g. Future Research

It is suggested that future studies may investigate the void of empirical findings related to the integrated use of SERVQUAL and MUSA models, especially within cooperatives. Cross-validation can be sought to determine the generalizability of this dual-model scheme, repeating this type of combined analysis on another set of cooperative cooperation types, for example, (credit cooperation; agricultural 211 cooperation; workers' cooperation), to shed more light on other dimensions in relation to service satisfaction.

Moreover, regressions can be replicated in studies that use other clusters of cooperatives or even sectors to verify the findings and comparisons over different organizational environments. Qualitative study methods, such as interviews or focus group activities, may also be used in future research to investigate member experience more thoroughly. Moreover, longitudinal research could investigate how improvements in quality of service impact satisfaction and loyalty over time.

Interest Conflicts

The authors declare that there is no conflict of interest concerning the publication of this paper.

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