

Impact of Service Center Atmospheric Factors on Customer Loyalty in Automobile Service Industry in Kandy District of Sri Lanka

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Abstract

This study examines the impact of service center atmospheric factors on customer loyalty within the automobile service industry in Kandy District, Sri Lanka, since the limited research on this context creates an academic gap and lack of guidance for managers/owners in enhancing customer loyalty in Kandy's automobile service industry. Grounded in the Servicescape and Experiential Marketing theories, the research investigates four key atmospheric dimensions - ambient conditions, design and layout, social factors, and signs, symbols, and artefacts and their influence on customer loyalty. Using a positivist approach, data were collected through a structured questionnaire from a convenience sample of 150 customers visiting automobile service centers, and analyzed via descriptive statistics, correlation, and multiple regression analyses using SPSS. Results confirm that ambient conditions, design and layout, and social factors significantly enhance customer loyalty, with social factors (staff friendliness and responsiveness) exhibiting the strongest influence ($r=0.893$, $p<0.001$). However, signs, symbols, and artefacts showed a non-significant impact, suggesting limited direct influence on loyalty. These findings emphasize the importance of fostering positive interpersonal interactions and optimizing physical environments to build customer retention. Practical recommendations include prioritizing staff training, improving ambient conditions, and designing functional layouts to enhance customer experience and competitive advantage. The study's geographic focus on Kandy District and cross-sectional design present limitations, suggesting future research explore broader regions and longitudinal approaches.

Keywords: automobile service industry, customer experience, customer loyalty, interpersonal interactions, servicescape