



MEASURING SERVICE QUALITY OF MULTIPLEXES IN RAJKOT CITY

KEYWORDS

Service Quality, Competitive advantage, Multiplexes

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ABSTRACT *The cinema exhibition industry in India is growing at 10% per annum driven by multiplexes, which are expanding rapidly in major metropolitan cities as well as other cities. Favorable demographics in a cinema-crazy nation, tax exemptions, and quality locations such as malls, are driving growth of multiplexes in India. Multiplexes captured the market as complete family entertainment centers. The digital revolution has helped the Media and Entertainment industry to go digital. With an increase in the incomes of the people and increasing expenditure on the leisure activities, multiplexes are poised for high growth in India. Other than the sale of the movies tickets, food & beverages is the major source of revenue for the multiplexes. This paper makes an attempt to measure the quality of different services provided by multiplexes in Rajkot city.*

History of Multiplex Industry

The lineage of multiplex movie theaters traces its roots back to the 1930s, although the concept truly did not begin to take root until the mid-1960s. In December 1947, Nat Taylor, the operator of the Elgin Theatre in Ottawa (Canada), opened a smaller second theater "Little Elgin" next door to his first theater. It wasn't until 1957, however, that Taylor decided to run different movies in each theater, when he became annoyed at having to replace films that were still making money with new releases. Taylor opened dual-screen theaters in 1962 in Place Ville Marie in Montreal, Quebec, and at Yorkdale Plaza in Toronto, in 1964. In 1937, James Edwards twinned his Alhambra Theater in the Los Angeles area by converting an adjacent storefront into a second "Annex" screen. While both screens would show the same feature movie, one would also offer a double bill. It did not convert to showing different movies on both screens until sometime after Taylor.

In 1963, AMC Theatres opened the two-screen Parkway Twin in Kansas City, a concept which company president Stan Durwood later claimed to have come up with in 1962, realizing he could double the revenue of a single theater "By adding a second screen and still operate with the same size staff." Also, the shopping center structure where the Parkway was located could not support a large theater, so two small theaters were built to avoid that issue, and at first both theaters played the same film. AMC followed up on the Parkway Twin with a four-screen theatre in 1966 and a six-screen theatre in 1969.

SWOT analysis of Entertainment Industry of India

Strengths

1. Entertainment is one of the most booming sectors in India due to its vast customer reach & large customer base.
2. The growing middle class with higher disposable income has become the strength of the Entertainment industry.
3. Change in the lifestyle and spending patterns of the Indian masses on entertainment.
4. Indian film industry is second largest in the world and the largest in terms of the films produced and tickets sold.
5. The low cost of production and high revenues ensure a good return on investment for Indian Entertainment

industry.

6. Multiplexes with prime locations with average ticket price & strong brand equity.

Weakness

1. The Entertainment sector in India is highly fragmented.
2. The lack of efforts for media penetration in lower socio-economic classes, where the media penetration is low.
3. Rapid development of digital technology and the advancement in the broadband and networking space.
4. Low margins and seasonal factors in the movie exhibition

Opportunities

1. The Indian film industry is the largest film industry in the world in terms of number of films produced and tickets sold each year expecting growth will be continue in upcoming years in to producing movies.
2. The concept of crossover movies has helped open up new doors to the crossover audience and offers immense potential for development.
3. The increasing interest of the global investors in the sector.
4. The media penetration is poor among the poorer sections of the society, offering opportunities for expansion in the area.
5. Rise in the viewership and the advertising expenditure.
6. Technological innovations like animations, multiplexes, etc and new distribution channels like mobiles and Internet have opened up the doors of new opportunities in the sector.

Threats

1. Piracy, violation of intellectual property rights poses a major treat to the Media and Entertainment companies.
2. Lack of quality content has emerged as a major concern because of the 'Quick-buck' route being followed in the industry.
3. With technological innovations taking place so rapidly, the media sector is facing considerable uncertainty about success in the marketplace.
4. Increased competition from other entertainment sources like IPL, affecting occupancy rates in Theatre.

5. High Real Estate price is a huge barrier to profitability of this sector.

Literature Review

1. [“Importance-Performance Analysis to determine Service Quality of a restaurant Service:

An empirical study” by Hema Nalini & Samuel S.; Journal: “Advances in Management”]

The Service Quality plays an important role in the success of any business. For the better positioning and improvement of any service organization, it is necessary to evaluate the performance of the service provided by them. To ensure the competitive advantage of the hotel industry, it is essential to do contemporary research on the service quality issues of the industry. This study explores and identifies the importance of various service attributes of customers for different restaurant service dimensions through Importance-Performance Analysis (IPA).

2. [Sarangi, S. K., (2007), “Quality in Service Sector: An Indian Perspective”, Tecnia Journal of Management Studies, Vol. 2 (2), October.]

Sarangi highlighted the aspect of quality of entertainment service industry in India. The objective was to define the parameters of service quality satisfaction with reference to entertainment services in a metro city. In a survey of 300 people visiting the multi-screen cinema halls and luxury hotels, various dimensions of services were found. Customers in metros and other cities have started watching movies in multiplexes which provide excellent ambience and quality. When asked about the factors causing the visit, the customers gave first preference to comfort and ambience provided in the place. For this aspect, the customers were ready to compromise on cost and distance factor. Besides ambience, promptness in services was another factor leading to satisfaction of customers.

3. [“The measurement of gaps in the quality of hotel services” By Robert Lewi International Journal of hospitality Management Vol. 6, Issue 2, 1987, pages 83-88]

This paper focuses on service quality of hotels. Hotel services quality was examined in relation to the services quality model suggested by Parasuraman, Zeithaml and Berry to describe the quality gaps in service delivery and the service experience. Previous works by Gronroos and Nightingale were utilized to establish parameters for fit to the model. Rather than another attempt to define service quality, the issue was approached from the null perspective, the perspective that quality can be measured more effectively and more efficiently by its non-existence, i.e. the gaps in service quality.

These findings could have considerable impact for hotel service marketers. They recommend replication and extension by the hospitality research community or any service organization.

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of any business. For the better positioning and improvement of any service organization, it is necessary to evaluate the performance of the service provided by them. To ensure the competitive advantage of the hotel industry, it is essential to do contemporary research on the service quality issues of the industry. This study explores and identifies the importance of various service attributes of customers for different restaurant service dimensions through Importance-Performance Analysis (IPA).

Research objectives

- To identify the customers’ expectations from different services of multiplexes.
- To know the customers’ experience for different services of multiplexes.
- To know the customers’ actual perception towards the service quality of multiplexes.

Hypothesis Testing

Ho: Opinion of the people for visiting the multiplexes is independent of the café service provided in the multiplexes

H1: Opinion of the people for visiting the multiplexes is dependent on the café service provided in the multiplexes

Research Design

Data Source	: Primary data
Sample Frame	: 3 multiplexes of the city (Big Cinema, Cinemax and Cosmoplex)
Research Method	: Survey of visitors of 3 multiplexes of the city
Sampling Technique	: Convenience sampling
Research Tool	: Structured Questionnaire
Sample size	: 300

Table 1: Response towards cleanliness of the multiplexes

Response	No. of Respondents
Excellent	177
Good	63
Average	48
Bad	12
Too Bad	0
Total	300

Table 2: Factors contributing to satisfaction (Based on Rank*)

Factors	No. of Respondents
Sound quality	87
Picture quality	57
Air conditioning	21
Comfort	33
Atmospherics	45
Availability of food court	57
Total	300

*Considered first rank

Table 3: Response towards café service of the multiplexes

Response	No. of Respondents
Excellent	186
Good	63
Average	33
Bad	18
Too Bad	0
Total	300

Research Findings

After analyzing the data, the findings which came out are given below.

1. The hypothesis testing with chi-square test shows that there are people who visit multiplexes because café services provided in multiplexes are matching to their expectations with respect to service quality.
2. Multiplexes are providing satisfactory service quality to the customers but the tele booking service response is not good.
3. Mostly customers' opinions to visit the multiplexes are depended on the ticket price and the service quality provided by the multiplexes.

Further Scope of Study

1. This work can be extended up to comparison of the Service Quality of multiplexes as well as single screen theatres.
2. This work can be used to know, why viewers are moving towards multiplexes from single screen theatres.
3. Further research can be done for deriving specific consumer needs from the multiplexes.

A further research is possible with individual dimensions comparisons.

All the Service Quality dimensions can be taken in to consideration as a new research.

Conclusion

Quality is important for multiplexes for a number of reasons, including competitive advantage, customers' bargaining power and increasing customer expectations. The

questionnaire provides a good base for analysis. Research also helps us to identify which dimension and factor is more important for the multiplexes and where to take corrective actions to improve the service quality. The findings of the study reveal that the selected multiplexes are doing better on service quality because features of multiplexes contribute to expectations, perception and experience of the customers with respect to Service Quality.

Customers' expectations are changing all the time. It can, therefore, be concluded that multiplexes have to concentrate on increasing their advantages by gearing itself to cope up with the increasing expectations of the customers.

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