Commerce

Research Paper



A Conceptual Study on the Application of Servqual Scale to Measure The Service Quality in Service Sectors

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ABSTRACT

As competition becomes more intense and environmental factors become more hostile, the concern for service quality grows. If service quality is to become the cornerstone of marketing strategy, the marketer must have the means to measure it. The most popular measure of service quality is SERVQUAL, developed by Parasuraman, Zeithaml and Berry at Texas and North Carolina in 1985. It highlights the main requirements for delivering high service quality for customers in service sectors. It identifies the five gaps that cause unsuccessful delivery. It measures the gap between customer expectations and experience. The basic assumption of the measurement was that customers can evaluate a firm's service quality by comparing their perceptions with their expectations.

Keywords :

Services are economic activities, benefits and satisfactions which are offered for sale or provided in connection with the sale of goods by one party to another in exchange for money, time, and effort. Service customers expect value from access to goods, labor, professional skills, facilities, networks, and systems; but they do not normally take ownership of any of the physical elements involved.

Service marketing is a sub field of marketing, which can be split into the two main areas of goods marketing, which includes the marketing of fast moving consumer goods (FMCG) and durable goods. Service marketing typically refers to both business to consumer (B2C) and business to business (B2B) services, and includes marketing of services like telecommunications services, financial services, all types of hospitality services, car rental services, air travel, health care services, professional services, and insurance.

The defining characteristics of a service are:

- Intangibility
- Heterogeneity/Variability
- Perishability
- Inseparability
- SERVQUAL

SERVQUAL or RATER or GAP ANALYSIS is a service quality framework. It was developed in the mid eighties by Zeithaml, Parasuraman & Berry. SERVQUAL means to measure the scale of Quality in the service sectors.

CONCEPT

SERVQUAL was originally measured on 10 aspects of service quality: reliability, responsiveness, competence, access, courtesy, communication, credibility, security, understanding the customer and tangibles. It measures the gap between customer expectations and experience. Later it was converted into five key dimensions and they are

Tangibles-Appearance of physical facilities, equipment, personnel, and communication materials

Reliability-Ability to perform the promised service dependably and accurately

Responsiveness-Willingness to help customers and provide prompt service

Assurance-Knowledge and courtesy of employees and their ability to convey trust and confidence and a combination of the following

Competence - having the requisite skills and knowledge

Courtesy - politeness, respect, consideration and friendliness of contact staff

Credibility - trustworthiness, believability and honesty of staff

Security - freedom from danger, risk or doubt

Empathy-Caring, individualized attention, the firm provides its customers and a combination of the following

Access (physical and social) - approachability and ease of contact

Communication - keeping customers informed in a language they understand and really listening to them

Understanding the customer - making the effort to get to know customers and their specific needs

USAGE OF SEVQUAL MODEL

SERVQUAL is widely used within service industries to understand the perceptions of target customers regarding their service needs and to provide a measurement of the service quality of the origin.

SERVQUAL may also be applied internally to understand employees' perceptions of service quality with the objective of achieving service improvement.

SERVQUAL MODEL GAPS

SERVQUAL is an efficient model in helping an organization to shape up their efforts in bridging the gap between perceived and expected service. It helps to identify and correct gaps between desired levels and actual levels of performance The five gaps that organizations should measure, manage and minimize are

- Gap 1 Not knowing what customers expect.
- Gap 2 The wrong service quality standards.
- Gap 3 The service performance gap.
- Gap 4 When promises made do not match actual delivery.
- Gap 5 Customers expectation and received service.

SERVQUAL DATA AND ITS IMPLEMENTATION

Expectations and perceptions of different customer groups can be compared and assessed with the help of servqual data which is collected from the customers through a structured questionnaire. Customer expectations and perceptions can also be tracked over time and the discrepancies between them. We can use data on customer priorities to feed into the House of Quality (QFD).Customer priorities and their ranked order of importance can become the WHATS. These WHATS can then be compared with the HOWS (key business processes) and relationships matched to check service design and provision according to key requirements.There are 22 items which can be rated i.e. modern looking equipment, prompt service, understanding of needs, etc.

These items are broken up into 5 dimensions:

- Tangibles (Items 1-4)
- Reliability (Items 5-9)
- Responsiveness (Items 10-13)
- Assurance (Items 14-17)
- Empathy (Items 18-22)

Measurement is on the basis of two sets of statements in groups according to the five key service dimensions and they are

Tangibility

- 1. They should have modern equipment. XYZ has modern equipment.
- The physical installations should be visually attractive. -XYZ's physical installations are visually attractive.
- The employees should be well-dressed and clean. -XYZ's employees are well dressed and clean.
- The appearance of company installations should be conserved according to the service offered. - The appearance of XYZ's physical installations is conserved according to the service offered.

Reliability

- When these companies promise to do something in a certain time, they must do it. - When XYZ promises to do something in a certain time, it really does it.
- When clients have any problem with these companies, the latter must be solidary and make them feel secure.
 When you have a problem with XYZ, it is solidary and makes you feel secure.
- 3. These companies should be of confidence. XYZ can be trusted.
- They should provide the service in the time promised. -XYZ provides the service in the time promised.
- They should keep their records correctly. XYZ keeps its records correctly.

Responsibility

- It should not be expected that they inform clients exactly when the services are to be executed. - XYZ does not inform exactly when services will be executed.
- It is not reasonable to expect immediate availability of company employees. - You do not receive immediate services from XYZ employees.
- Company employees do not need to be always available to help clients. - XYZ employees are not always available to help clients.
- It is normal for them to be too busy to readily respond to requests. - XYZ employees are always too busy to respond to client requests.

- 1. Clients should be able to believe in the company's employees. You can believe XYZ employees.
- Clients should be able to feel safe in negotiating with company employees. - You feel secure negotiating with XYZ employees.
- The employees should be polite. XYZ employees are polite.
- The employees should obtain adequate support from the company to perform their task Correctly - XYZ employees do not obtain adequate support from the company to perform their tasks correctly.

Empathy

- It should not be expected for the companies to pay individual attention to the clients. - XYZ does not pay individual attention to you.
- It should not be expected for the employees to give personalized attention to the clients. - XYZ employees do not give personal attention.
- It is absurd to expect the employees to know client needs.
 XYZ employees do not know their needs.
- It is absurd to expect these companies to have the clients' best interests as their objective. - XYZ does not have your best interests as its objective.
- 5. It should not be expected for the business hours to be convenient for all clients. -

XYZ does not have convenient business hours for all clients.

Here Perceptions and Expectations are given a rating for all dimensions and the Ratings scale = 1 (Strongly Disagree) to 7 (Strongly Agree). Average expectation rating is then sub-tracted from the average perception rating then,

High negative rating = Training needed in certain dimension

For Example:

If a survey was taken which showed the averages for each dimension is as follows:

Dimension	Perception Average	Expectation Aver age
Tangibles	5.4	2.4
Reliability	5.6	4.6
Responsiveness	3.2	3.5
Assurance	6.2	3.4
Empathy	2.8	4.2

The dimensions Empathy and Responsiveness should be emphasized because Empathy has the lowest rating therefore it is the dimension where training should be emphasized the most. A focus should also be placed on Responsiveness because of its negative rating.

CONCLUSION

SERVQUAL is a model which helps the service sectors to analyze the gap between expectations and perceptions. The Gap Analysis questions are turned into action statements. These action statements formulate remedial actions which will fill in the gaps. Once all actions are performed and gaps are filled, the organization will have a Summary of Gap Analysis. Gap Analysis is one of the best procedures to help and to lead a company not only to improve their processes, but also to recognize which processes are in need of improvement.

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