

DEVELOPING SERVICE QUALITY USING GAP MODEL- A CRITICAL STUDY

¹Ms.U.Dhanalakshmi, ²Dr.R.Rajini, ³Ms. S.Kanimozhi

¹(Assistant Professor, SURYA Engineering College, Mettukadai, Erode, Tamilnadu)

²(Associate Professor, Department of Business Management, Sri Vasavi College, Erode, Tamilnadu)

³(II MBA, Department of Management Studies, SURYA Engineering College, Erode, Tamilnadu)

ABSTRACT: Service quality is a comparison of expectations with performance. A business with high service quality will meet customer needs whilst remaining economically competitive. Improved service quality may increase economic competitiveness. This aim may be achieved by understanding and improving operational processes; identifying problems quickly and systematically; establishing valid and reliable service performance measures and measuring customer satisfaction and other performance outcomes. There are plenty of service quality models which enable managers and practitioners to identify quality problems and improve the efficiency and profitability of overall performance. One of the most influential models in the service quality literature is the model of service quality gaps. In this paper, the model of service quality gaps has been critically reviewed and developed in order to make it more comprehensive. The main objective of this paper is to critically appraise various service quality models and identify issues for future research based on the critical analysis of literature. The paper critically examines 19 different service quality models reported in the literature. The critical review of the different service quality models is intended to derive linkage between them, and highlight the area for further research.

Keywords: Quality, Service Quality, Gaps, Models, Review Literature

I. INTRODUCTION

During the past few decades service quality has become a major area of attention to practitioners, managers and researchers owing to its strong impact on business performance, lower costs, customer satisfaction, customer loyalty and profitability. There has been a continued research on the definition, modeling, measurement, data collection procedure, data analysis etc., issues of service quality, leading to development of sound base for the researchers.

This documented knowledge base through several studies on the subject can be of great use to researchers and practitioners in providing a direction on how to explore/modify the existing service quality concepts with the changing world scenario (shift from conventional personalized services to web enabled services).

For an organization to gain competitive advantage it must use technology to gather information on market demands and exchange it between organizations for the purpose of enhancing the service quality. Researchers and managers thrive for learning details about components of service quality in their organization of obvious reasons of customer satisfaction, increased profitability etc. In this context model gains specific importance as it not only help in learning the factors associated with it but also will provide a direction for improvements.

A conceptual model attempts to show the relationships that exist between salient variables. (Ghobadian et al., 1994). It is a simplified description of the actual situations. It is envisaged that conceptual models in service quality enable management to identify quality problems and thus help in planning for the launch of a quality improvement program thereby improving the efficiency, profitability and overall performance.

This paper makes an attempt to study various service quality models covering the aspects of conventional services to web interacted services. The primary aim of these models is to enable the management to understand and enhance the quality of the organization and its offering. Nineteen conceptual service quality models reported during the period (1984-2003). From that 5 models are reviewed in this paper. Each of them is representative of a different point of view about services.

The organization of this paper is as follows: initially after highlighting the need for the present study, a generalized framework of the study is presented. This is followed by a brief discussion of the 5 models and a critical appraisal of the same. Finally the agenda for future research is spelt out.

II. NEED FOR PRESENT STUDY

Today globalization and liberalization are affecting economies of not only developing but also developed countries. The focus areas for organizations are also changing from profit maximization to maximizing profits through increased customer satisfaction. The pressures of competition are forcing the organizations to not only look on the processes but also on the way they are delivered. During past two decades business scenario has changed drastically. Some of the key changes that have taken place in the business are:

- Horizontal business processes replacing vertical functional approach.
- Greater sharing of information with all connected links and customers.
- Greater emphasis on organizational and process flexibility.
- Necessity to coordinate processes across many sites.
- Employee empowerment and the need for rules-based real time decision support systems.
- Competitive pressure to introduce new service/products more quickly.
- Integrated customer driven processes.
- Quick response to customer's needs.
- Worldwide relationships between various trade partners, suppliers etc.
- Easily accessible information through internet.
- Flexible and efficient service/product customization.
- Owing to the factors like opening up of markets, increase in use of IT, increased customer knowledge and awareness etc., it becomes a must to deliver the services better than its competitor at agreed price.

In this context, the subject of service quality needs a fresh understanding in the current business scenario. This study can help to identify the research gaps and thus attempts to provide benefits to practicing managers and researchers.

III. FRAMEWORK FOR STUDY

The subject of service quality is very rich in context of definitions, models and measurement issue. Several researchers explored the subjects with varying perspectives and using different methodologies. The following factors seem to be suitable for comparative evaluations of the models:

- Identification of factors affecting service quality.
- Suitability for variety of services in consideration.
- Flexibility to account for changing nature of customers perceptions.
- Directions for improvement in service quality.
- Suitability to develop a link for measurement of customer satisfaction.
- Diagnosing the needs for training and education of employees.
- Flexible enough for modifications as per the changes in the environment/conditions.
- Suggests suitable measures for improvements of service quality both upstream and downstream the organization in focus.
- Identifies future needs (infrastructure, resources) and thus provide help in planning.
- Accommodates use of IT in services.
- Capability to be used as a tool for benchmarking.

With these issues as focus this present study is undertaken to understand the service quality models in the above light.

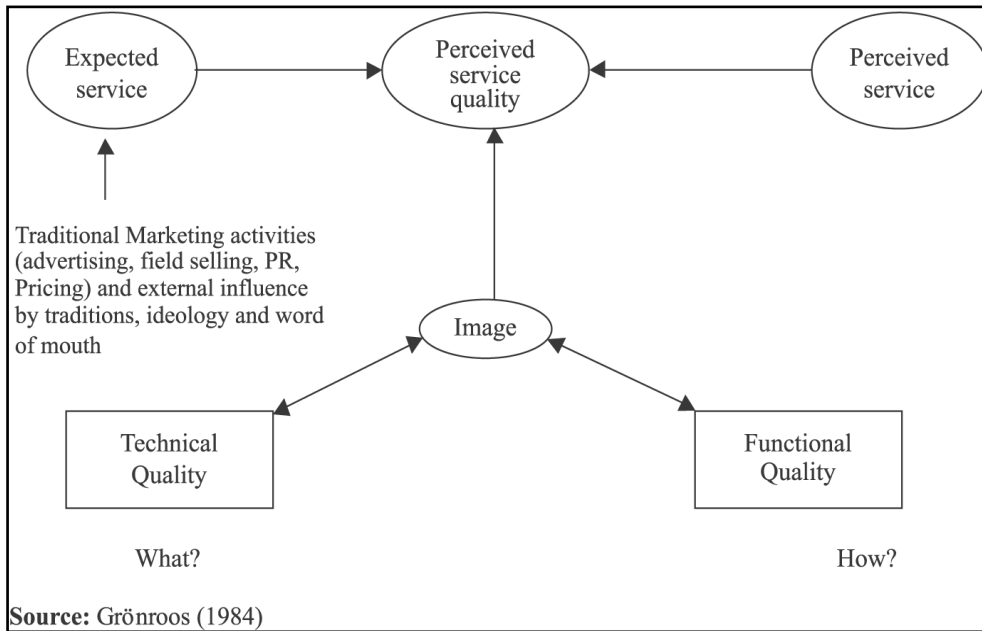
SERVICE QUALITY MODELS

The present study is an attempt to review 5 service models in the light of the changed business scenario and analyze the models for the suitability/need for modification in the current context. The models are presented using a standard structure, i.e. covering brief discussion and the major observations on the models. The next section covers the evaluation of these models for above parameters. The brief discussions on the models are as under:

SQ1. Technical and functional quality model (Gronroos, 1984)

A firm in order to compete successfully must have an understanding of consumer perception of the quality and the way service quality is influenced. Managing perceived service quality means that the firm has to match the expected service and perceived service to each other so that consumer satisfaction is achieved.

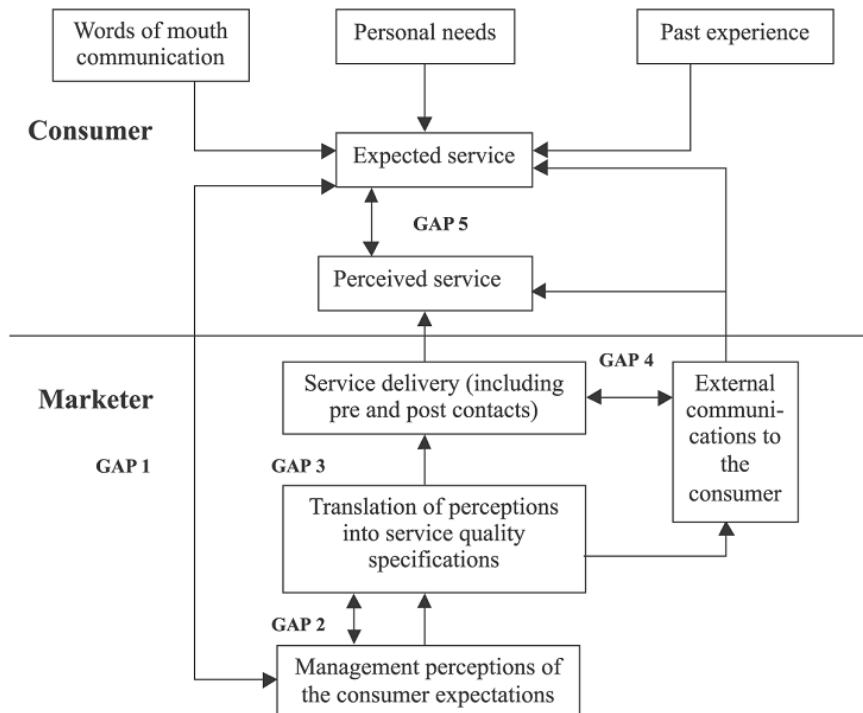
The author identified three components of service quality, namely: technical quality; functional quality; and image (see Figure 1):



- (1) Technical quality is the quality of what consumer actually receives as a result of his/her interaction with the service firm and is important to him/her and to his/her evaluation of the quality of service.
- (2) Functional quality is how he/she gets the technical outcome. This is important to him and to his/her views of service he/she has received.
- (3) Image is very important to service firms and this can be expected to built up mainly by technical and functional quality of service including the other factors (tradition, ideology, word of mouth, pricing and public relations).

SQ2: GAP model (Parasuraman et al., 1985)

Parasuraman et al. (1985) proposed that service quality is a function of the differences between expectation and performance along the quality dimensions.



Source: Parasuraman et al. (1985)

They developed a service quality model (Figure 2) based on gap analysis. The various gaps visualized in the model are:

Gap 1: Difference between consumers' expectation and management's perceptions of those expectations, i.e. not knowing what consumers expect.

Gap 2: Difference between management's perceptions of consumer's expectations and service quality specifications, i.e. improper service-quality standards.

Gap 3: Difference between service quality specifications and service actually delivered i.e. the service performance gap.

Gap 4: Difference between service delivery and the communications to consumers about service delivery, i.e. whether promises match delivery?

Gap 5: Difference between consumer's expectation and perceived service. This gap depends on size and direction of the four gaps associated with the delivery of service quality on the marketer's side.

According to this model, the service quality is a function of perception and expectations and can be modeled as:

$$SQ = \sum_{j=1}^k (P_{ij} - E_{ij})$$

where:

SQ =overall service quality; k=number of attributes.

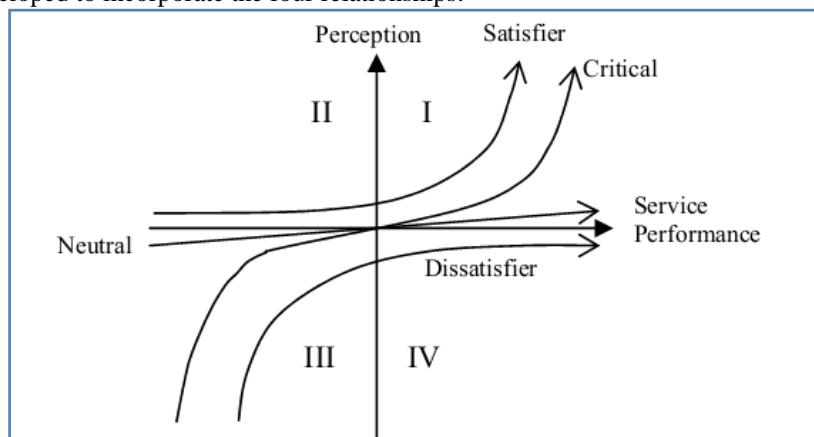
P_{ij} =Performance perception of stimulus i with respect to attribute j.

E_{ij} = Service quality expectation for attribute j that is the relevant norm for stimulus i.

SQ3: Performance-Perception Model (The Service Industries Journal 1988)

The performance-perception model was developed based on the existence of four types of performance-perception relationships showing the four service quality factors, namely satisfiers, dissatisfiers, criticals and neutrals. In developing the four relationships between performance and perception, the simple relationship between service performance and customers' perception of that performance was first explored. From an initially linear relationship between performance and perception, the relationship was extended to include the three main outcomes of service quality, namely satisfaction, delight and dissatisfaction.

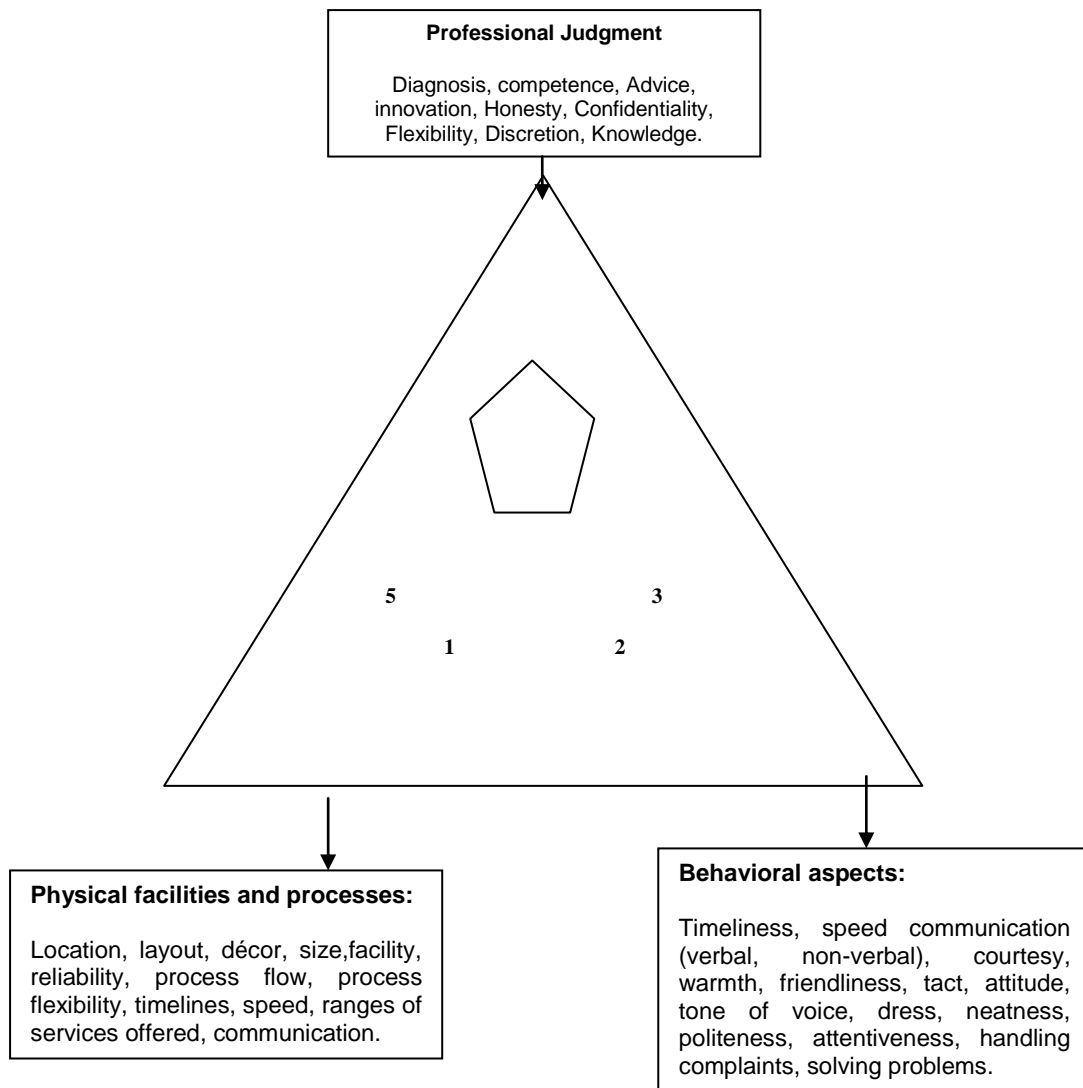
Due to the existence of the zone of tolerance in the relationship between performance and perception and the sensitivity of these quality factors close to the origin, the performance-perception model shown in Figure 3 was developed to incorporate the four relationships.



Source: The Service Industries Journal. 1998, 18(1): 101-112.

SQ4: Attribute service quality model (Haywood-Farmer, 1988)

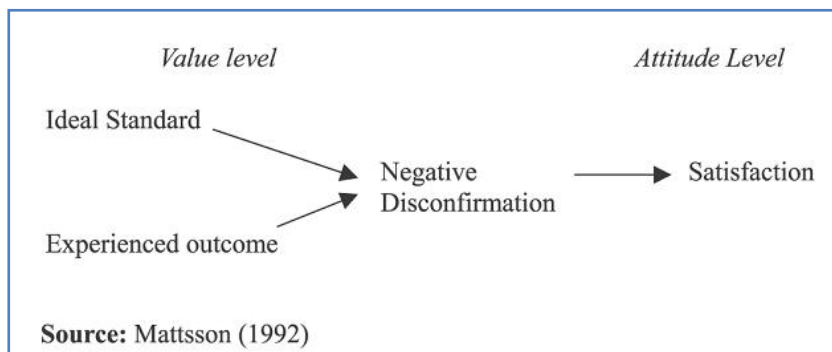
This model (Figure 4) states that a service organization has "high quality" if it meets customer preferences and expectations consistently. According to this, the separation of attributes into various groups is the first step towards the development of a service quality model. In general, services have three basic attributes: physical facilities and processes; people's behaviour; and professional judgment. Each attribute consists of to this extended model most factors involve communication and control process implemented in organizations to manage employees.



Source: Haywood-Farmer (1988)

SQ5: Normed Quality Model (Mattsson 1992):

If the object i is defined as the excellence norm that is the focus of revised SERVQUAL concept, the above equations can be used to define the perceived quality of excellence norm Q_e in terms of the similarity between the excellence norm and the ideal object with respect to “ m ” attributes.



The quality of another object i , Q_i relative to the quality of excellence norm then normed quality (NQ) is:

$$NQ = [Q_i - Q_e]$$

NQ = Normed quality index for object i.

Q_e = The individual's perceived quality of the excellence norm object.

For infinite ideal points, normed quality is:

$$NQ = \sum_{j=1}^m w_j (A_{ij} - A_{ej})$$

A_{ej} = individual's perceived amount of attribute "j" possessed by the excellence norm "e".

IV. CONCLUSION

From the study of these models, it appears that the key ingredients to service quality improvements are:

- Clear market and customer focus.
- Motivated staff.
- Clear understanding of concepts of service quality and factors affecting the same.
- Effective measurement and feedback system.
- Effective implementation system.
- Efficient customer care system.

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