



“Service Quality: Dimensions and Measurement”

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ABSTRACT

Service Quality is invisible but the role it plays in making and unmaking of a company is visible to everyone, it can not be touched but it touches the life of every customer. The present paper is an attempt to delineate the theoretical concept of Service Quality. The paper describes the concept, explores its probable dimensions and discusses prevalent methods to measure the Service quality. The paper scans the extant literature about Service Quality and generalizes the relevant trends.

Key words: Service Quality, Dimensions, Measurement,

Introduction of Service Quality

Service Quality is combination of two words, Service and Quality. As per Hasenfield (1974) service can be defined as actions of an individual or organization that maintain and improve well being or functioning of people. Quality focuses on standard or specification that a generating organization promises.

Parasuraman, Zeithaml & Berry (1988) defined service quality as the customer's overall judgment of the excellence of the service or the difference between one's expectation and the actual service performed.

The American Society for Quality Control defined Quality as "the totality of features and characteristics of a product or service that bear on its ability to satisfy the stated or implied needs". Parasuraman et al., (1994) considered quality as a gap between what customers feel should be offered and what is actually provided.

According to Thomas, Dan R. E., (1978), service differentiation is necessary for the growth and development of service businesses.

1 Characteristics of Services:

Although service industries are quite heterogeneous in nature, there are some common service characteristics which are found in every service industry. Kandampully, (2002) described services as intangible in the sense that they cannot be seen, felt, tasted, or touched. He explained four unique characteristics that differentiate service from a product. These four characteristics are:

- 1 Intangibility
- 2 Heterogeneity
- 3 Inseparability
- 4 Perishability

Intangibility: Intangibility is the primary characteristic that differentiates a service from a product. Services are not tangible. A good is an object, a device, a thing; whereas a service is a deed, a performance, an effort (Berry, 1984). When we buy a service, there is generally nothing tangible about it. He says that services are consumed but not possessed. The services offered in general are a combination of tangible and intangible elements. It is whether the essence of what is being bought is tangible, or intangible, that determines its classification as a physical good or a service.

Heterogeneity: In comparison to goods service are generally less standardized and uniform. Services are not homogeneous. Service industries have human component involved in performing some services than others. They can be specified as people or equipment based. Equipment-based services vary depending on whether they are automated or monitored by skilled or unskilled operators. People-based services also may differ depending on whether they are provided by unskilled or professional workers.

Inseparability: Inseparability refers to the notion that a service is both simultaneously produced and consumed at the same time. Kandampully (2002) points out that goods are normally

produced first and then consumed. Whereas, a service is generally sold, and then produced and consumed simultaneously, at the same time. Lovelock and Gummesson (2004) suggest that a group of separable services exist that do not involve the customer directly such as transporting freight and laundering clothes. Participation of customers in the production process, or delivery process, the interaction between the service provider, the service environment and the customer, are also some of the characteristic of services.

Perishability: Services cannot be stored, hence services are highly perishable, and e.g. empty tables in a restaurant can be seen as a revenue opportunity lost forever. Time cannot be held over for future sale, thus, services cannot be inventoried. The Perishability of services is not a problem when demand is steady, because it is easy to staff the services in advance, when demand fluctuates, service companies have difficult problems.

Berry, Parasuraman and Zeithaml (1985) were pioneers in service quality research. They carried their research in four different service areas namely banking, stock broking, credit card companies, and household appliances. They came up with ten factors to describe service quality namely 1 Dependability, 2 Willingness, 3 Competence, 4 Availability, 5 Courtesy, 6 Communication, 7 Trustworthiness, 8 Assurance, 9 Empathy and 10 Tangibility.

In a later study, the authors reduced the ten factors to five claiming that these were valid in general terms Parasuraman et al., (1985):

- 1 Tangibility;
- 2 Dependability;
3. Willingness, readiness;
4. Assurance;
- 5 Empathy, insight.

2. Dimensions of Service Quality:

Being an elaborate concept, service quality is supposed to have many dimensions. Different researchers studied the construct in various industries and came up with their own models of service quality.

Martinez & Martinez (2010) concluded that in past 30 years there has been considerable interest and debate both among academicians as well as practitioner to define and measure service quality.

Lehtinen and Lehtinen (1982) studied service quality and found it to be three dimensional 1. Physical quality 2. Interactive quality 3. Corporate (image) quality. They also found that a comparative analysis revealed that corporate quality tended to be more stable over time in comparison to two other quality dimensions.

Later on in a separate study Lehtinen (1983) described service quality in terms of “process quality” and “output quality”. Process quality is judged by a customer when service is being delivered whereas output quality is judged by a customer after a service has been delivered.

Rust and Oliver (1994). proposed a three dimensional model in which the overall perception of service quality is dependent on a customer’s evaluation of three dimensions of the service encounter:

- (1) The customer-employee interaction i.e. functional or process quality
- (2) The service environment
- (3) The outcome i.e. technical quality

Berry et al. (1994) on the basis of his ten years study of service quality in America concluded that service quality possess many facets. The ten lessons learned from their study are as follows:

- (1) Listening - Businesses must listen to their customers.
- (2) Reliability - Businesses must deliver the promised services dependably and accurately.
- (3) Basic Service - Customers are interested in the basics, fundamentals, and performance; not in promises. They are not expecting “fanciness,” and they are not unreasonable in their expectation.
- (4) Service Design - Customers want a system or systems that give good and reliable customer service.
- (5) Recovery - Businesses must be quick at handling services, efficiently, and fairly.
- (6) Surprising Customers - Businesses should be in position to surprise customers with their uncommon swiftness, grace, courtesy, competence, commitment, and understanding.
- (7) Fair Play - Customers expect that the companies must treat them fairly and become resentful and mistrustful when they perceive things otherwise.
- (8) Teamwork - Various systems within a company should work as an overall team in providing quality service to customers.
- (9) Employee Research - Businesses should collect information from employees about the level of service quality provided to them and, things that hinder the provision of good service quality and also potential problems in providing good service quality.
- (10) Servant Leadership - Top management must lead by serving those who provide direct service to customers and by providing what is needed for good quality service!

Garvin(1998) suggested a multi-dimensional model for service quality and emphasized that customer survey can reveal that which dimensions are important for a particular industry. He suggested following dimensions:

1.Performance 2. Features 3. Reliability.4. Conformance 5. Durability 6 Serviceability 7 Aesthetics.

Bitner et al (1996) defined satisfaction as the customers’ evaluation of a product or service in terms of whether that product or service has met their needs and expectations.

3. Measurement of Service Quality:

It has always remained an elusive task to measure service quality. There have been several approaches to measure it, out of which two measurement scales namely SERVQUAL and SERVPERF are worth discussing.

In SERVQUAL, service quality is derived by Comparing customer expectations with customer perceptions of actual service performance. The difference between perceptions and expectations is described as service quality gap ($Q = P - E$), also known as GAP 5 Parasuraman et al., (1985; 1988). A wide gap would reflect poor service quality and it implies that the service provider needs to bring improvement on the service offered to its customers.

The SERVPERF scale is comprised of 22 perception related items and it excludes any reference to expectations. According to Cronin and Taylor (1992), their unweighted performance-based SERVPERF scale was a superior method of measuring service quality. This scale's reliability ranges from .884 to .964, depending on industry type, and it exhibits both convergent and discriminant validity.

The main difference between these two scales is that SERVQUAL operationalised service quality by comparing the perceptions of the service received with expectations, while SERVPERF maintained only the perceptions of service quality.

Service quality is more difficult to measure as compared to measurement of quality of goods Parasuraman, Berry, and Zeithaml, (1985). They suggested the Gap model.

- GAP 1: Gap between consumer expectation and management perception:
- GAP 2 : Gap between management perception and service quality specification:
- GAP 3: Gap between service quality specification and service delivery:
- GAP 4 : Gap between service delivery and external communication GAP
- GAP 5: Gap between expected service and experienced service:

According to Lovelock (1994), in addition to the five gaps, two more gaps have been identified, which exists during design and delivery of service offering. The modified gaps as mentioned by Lovelock can be described as follows:

1. The Knowledge gap
2. The standards gap
3. The delivery gap
4. The internal communications gap
5. The perceptions gap
6. The interpretation gap
7. The service

Babakus and Boller (1992) found that although SERVQUAL had been in use for the assessment of service quality in different types of service industries, there were many limitations as well as criticism about SERVQUAL. Part of the criticism concerns the 5 dimension configuration of the scale, part about the appropriateness of operationalization of service quality as the expectations-performances gap score, and the scale's applicability in different type of service industry.

Cronin and Taylor (1992) developed a model and criticized Parasurman et al. (1985) that their gap theory of service quality was not supported by much empirical or theoretical evidence, and they developed a "performance-based" service quality measurement scale called SERVPERF.

Kerlin (2000) used the SERVQUAL survey instrument to evaluate student satisfaction in service quality. Student expectations and perceptions of service quality in registration, financial aid, counseling, and career center and library services were probed. Outcome showed that students attach less importance to the tangible aspects of service quality, such as appearance of facilities and brochures and more importance to aspects that provide reliable services and demonstrate attention to their personal needs.

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