

Analysis of Service Quality through SERVQUAL and its effect On Customer Satisfaction in India

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Abstract: Service quality is considered an important tool for a firm's struggle to differentiate itself from its competitors. It offers a competitive advantage to companies that strive to improve the interaction with its customers. Understanding the impact of service quality deals with the understanding of the characteristics of service so that companies can improve the quality of their services offered to the customers. This study, being descriptive in nature, attempts to understand the service quality concept through SERVQUAL model and its effect on customer satisfaction.

Keywords: Service quality, SERVQUAL, Gap model, Customer satisfaction

I.INTRODUCTION

According to Hardie & Walsh, (1993, p.75); Sower and Fair, (2005, p.8); Wicks & Roethlein (2009, p.82), quality has many different definitions and there is no universally acceptable definition of quality. They claim it is because of the elusive nature or the concept from different perspectives and orientations and the measures applied in a particular context by the person defining it. Quality has been considered as being an attribute of an entity (as in property and character), a peculiar and essential character of product or a person (as in nature and capacity), a degree of excellence (as in grade) and as a social status (as in rank and aristocracy and in order to control and improve its dimensions it must first be defined and measured (Ghylin et al., 2008, p.75). Kotler (2003), defined service as any behaviour or act based on a contact between two parties: the provider and the receiver, and the essence of this reciprocal process in intangible. Some definitions of quality are Quality is the extent to which the customers defined Quality as consistency with fixed specifications and this agrees with Karim's definition (1996), who defined Quality anything that accords with the characteristics of the product to meet the external clients' needs. In addition, the product quality. The above definitions of quality helps to understand quality concept and quality is seen both in terms of product quality and service quality but the present study is based on multiplexes and thus much emphasis must be laid on service quality of multiplexes as it the most factor that contributes to the customer satisfaction. From the above discussion, we can highlight two forms of quality, product quality and service quality which are have to be discussed in order to clearly get their differences. Parasuraman et al, (1988) define perceived quality as a form of attitude, related but not equal to satisfaction, and results from a consumption of expectations with perceptions of performance. Therefore, having a better understanding of consumers attitudes will help know how they perceive service quality in grocery stores.

II.SERVICE QUALITY CONCEPT

Service quality is considered an important tool for a firm's struggle to differentiate itself from its competitors (Ladhari, 2008). The relevance of service quality to companies is emphasized here especially the fact that it offers a competitive advantage to companies that strive to improve it and hence bring customer satisfaction. Service quality has received a great deal of attention from both academicians and practitioners (Negi, 2009).

According to services marketing literature, service quality is defined as the overall assessment of a service by the customer (Eshghi et al., 2008, Ghylin et al., (2008) points out that, by defining service quality, companies will be able to deliver services with higher quality level presumably resulting in increased customer satisfaction. Understanding service quality must involve acknowledging the characteristics of service which are intangibility, heterogeneity and inseparability. (Parasuraman et al., 1985), (Ladhari, 2008).

In that way, service quality would be easily measured. In this study, service quality can be defined as the difference between customer's expectation for service performance prior to the service encounter and their perception of the service received. Customer's expectation serves as a foundation for evaluating service quality because, quality is high when performance exceeds expectation and quality is low when performance does not meet their expectation (Asubonteng et al., (1996)). Expectation is viewed in service quality literature as desires or wants of consumer i.e., what they feel a service

provider should offer rather than would offer (Parasuraman et al., 1988). Perceived service is the outcome of the consumer's view of the service dimensions, which are both technical and functional in nature (Gronroos, 1984). The customer's total perception of a service is based on his/her perception of the outcome and the process, the outcome is either value added or quality and the process is the role undertaken by the customer (Edvardsson, 1998). This makes service quality a very important construct to understand by firms by knowing how to measure it and making necessary improvements in its dimensions where appropriate especially in areas where gaps between expectations and perceptions are wide (Negi 2009). Hakesver (2000) looked at service as a set of economic activities that provide time, location form and psychological benefits. Beer (2003) defined service as asset of characteristics and overall properties of the service which aim to satisfy the clients and meet their needs. Douglas & Connor (2003), emphasis that the consumer who has developed heightened perception of quality has become more demanding and less tolerant ssumed shortfalls in service or product quality and identify the intangible elements (inseparability, heterogeneity and perishability) of a service as the critical determinants of service quality perceived by customer. It is very vital to note here that, service quality is not only assessed as the end results but also on how it is delivered during service process and its ultimate effect on consumer's perceptions (Douglas & Connor, 2003). There are two major approaches to creating and deciding on a model measure service quality: the directional approach, concept which is connected with satisfaction but not equivalent to it, and connected with the customers' perceptions of the actual performance of the service provided. This approach supports the fact that satisfaction is a psychological state prior to giving judgment on the quality of service. Service quality as perceived by customers definitely indicates what is left of their previous perception of the service quality and the level of their satisfaction with the current performance of the service. This means that Accordingly, and within this general framework, customers can access the service actual quality provided to them (Mualla, 1997). The other approach, called the Gap Approach, or 'SERVQUAL' model developed by (Parasuraman, et al.1988) is based on the customers' expectations of the service level and their perceptions of the actual service performance level. So the axis of this model is represented by the gap between the customers' perceptions of the actual service performance level and their expectations of the service quality. This gap in turn, depends on the nature, design and provision of this service. The major objective of SERVQUAL' model is to clarify the series of gap which affect the beneficiary's perception of service quality.

III.CUSTOMER SATISFACTION

Satisfaction as a part of overall customer attitudes towards the service provider that makes up a number of measures (Levesque et McDougall, 1996).Customer satisfaction is considered as an attitude, Yi, (1990). Customer satisfaction is conceptualized as born transaction-specific meaning it is based on the customer's experience on a particular service encounter, (Cronin & Taylor, 1997 and also some think customer satisfaction is cumulative based on the overall evaluation of service experience Jones & Suh,2000). These highlight the fact that customer satisfaction is based on experience with service provider and also the outcome of service. Giese & Cote, (2000) clearly state that there is not generic definition of customer satisfaction and after carrying a study on various definitions on satisfaction they have been defined as customer satisfaction is identified by a response (cognitive or affective that pertains to a particular focus i.e. a purchase experience nd/or the associated product) and occurs at a certain time (.e. post-purchase, post consumption), Suresh chander et al. (2002, p.364) who believe customers' level of satisfaction is determined by their cumulative experiences at all of their points of contact with a supplier organization. Organizations that consistently satisfy their customers enjoy higher retention levels and greater profitability due to increased customers' loyalty, Wicks & Roethlein, (2009). This is why it is vital to keep consumers satisfied and this can be done in different ways and one way is by trying to know their expectations and perceptions of services offered by service providers. In this way, service quality could be assessed and thereby evaluating customer satisfaction.

IV.FACTORS THAT AFFECT CUSTOMER SATISFACTION

Satisfaction which is vaguely defined as fulfilling the needs for which a good or service was made (Merriam Websters Dictionary), is viewed differently in various industries over various demographic backgrounds, as well as for individuals and institutions (Center for the study of Social Policy, 2017, p 6-7). Moreover, it has a totally different approach when it comes to services and products (Center for the study of Social Policy, 2007, p.6-7). All along we have been trying to understand quality of services, quality of products, and satisfaction both in the arena of comfort and in terms of utility that is, the product or service fulfilling the actual purpose for which it was made and bought. This is however very important but the fore mentioned intricacies about satisfaction cannot be under looked. Matzler et al., (2002), went a step forward to classify factors that affect customers' satisfaction into three factor structures that is Basic factors which means these are the minimum requirements that are required in a product to prevent the customer from being dissatisfied. They do not necessarily cause satisfaction but lead to dissatisfaction if absent Second is the Performance factors, these are the

factors that lead to satisfaction if fulfilled and can lead to dissatisfaction if not fulfilled. These include reliability and friendliness and third is the excitement factors that define that the factors that increase customers' satisfaction if fulfilled but does not cause dissatisfaction if not fulfilled which include project management.

V.RELATIONSHIP BETWEEN SERVICE QUALITY AND CUSTOMER SATISFACTION

According to Negi, (2009), the idea of linking service quality and customer satisfaction has existed for a long time. According to Suresh chandar et al., (2002), customer satisfaction should be seen as a multi dimensional construct just as service quality meaning it can occur at multi levels in an organisation and that it should be operationalized along the same factors on which Su et al., (2002) carried a study to find out the link between service quality and customer satisfaction, from their study, they came up with the conclusion that, there exist a great dependency between both constructs and that an increase in one is likely to lead to an increase in another. Also, they pointed out that service quality is more abstract than customer satisfaction because, customer satisfaction reflects the customer's feelings about many encounters and experiences with service firm while service quality may be affected by perceptions of value (benefit relative to cost) or by the experiences of others that may not be as good. Fen & Lian, (2005) found that both service quality and customer satisfaction have a positive effect on customer's re-patronage intentions showing that both service quality and customer satisfaction have a crucial role to play in the success and survival of any business in the competitive market Saravana & Rao. (2007) and Lee et al., (2000) who acknowledge that customer satisfaction is based upon the level of service quality provided by the service provider similar to study done by Parasuraman et al., (1985) suggested that when perceived service quality is high, then it will lead to increase in customer satisfaction. The study supports the fact that service quality leads to customer satisfaction. This means customer satisfaction will be considered on specific dimensions of service quality in order to identify which aspects customers are satisfied with. But, Parasurama Zeithaml, I & Berry have defined that there exist ten criteria and dimensions through which service quality can be assessed namely reliability, responsiveness, competence, accessibility, courtesy, communication, credibility, security, understanding/knowing the customer, and tangibility. These ten dimensions have been integrated into only five namely tangibility, reliability, responsiveness, assurance, and empathy and the researchers agreed on the fact that these dimensions are appropriate that can help reveal the customers' expectations and perception. The new model was called 'Servqual' and consists of the two words service and quality. Thus in the present study, quality must be well defined in the context of multiplex and must focus on various dimensions of services. This therefore means the definition of quality in our research arise in services industries and between perception and expectation of the customers. These variations are caused by the intangible nature of its components since it makes it very difficult to evaluate quality which cannot be assessed physical implying other ways must be outlined in order to measure this quality.

VI.OBJECTIVES

1. To study and review the concept of service quality and customer satisfaction.
2. To study the relationship between service quality and customer satisfaction.

VII.THE STUDY

The present paper is an attempt to study the concept of service quality and its impact and relationship with customer satisfaction. The nature of research work is descriptive in nature.

VIII.CONCLUSIONS

The main purpose of this study was to understand and review theoretically the concept and relatedness of service quality and customer satisfaction. The study was conducted to develop a scale for the measurement of service quality. Findings of this research were consistent with other service quality studies. There is no universal set of dimensions and items that determine service quality across a section of service industries. Service quality measurement must be adapted to fit the context. The results suggest that a performance-based measure of service quality may be an improved means of measuring the service quality construct. The service quality is an antecedent of consumer satisfaction. Further, it can be said that the consumer satisfaction has a significant effect on purchase intentions, and service quality has less effect on purchase intentions than does consumer satisfaction.

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