

Service Quality – Customer Satisfaction

Mrs.P.Tamilselvi

Assistant Professor Department of Business Administration Bharathidasan College Of Arts And Science, Erode.

I. Service Quality

In order for a company's offer to reach the customers there is a need for services. These services depend on the type of product and it differs in the various organizations. Service can be defined in many ways depending on which area the term is being used. An author defines service as "any intangible act or performance that one party offers to another that does not result in the ownership of anything" (Kotler & Keller, 2009, p.789). In all, service can also be defined as an intangible offer by one party to another in exchange of money for pleasure. Quality is one of the things that consumers look for in an offer, which service happens to be one (Solomon 2009, p. 413). Quality can also be defined as the totality of features and characteristics of a product or services that bear on its ability to satisfy stated or implied needs (Kotler et al., 2002, p. 831). It is evident that quality is also related to the value of an offer, which could evoke satisfaction or dissatisfaction on the part of the user. Service quality in the management and marketing literature is the extent to which customers' perceptions of service meet and/or exceed their expectations for example as defined by Zeithaml et al. (1990), cited in Bowen & David, 2005, p. 340) Thus service quality can intend to be the way in which customers are served in an organization which could be good or poor. Parasuraman defines service quality as "the differences between customer expectations and perceptions of service" (Parasuraman, 1988). They argued that measuring service quality as the difference between perceived and expected service was a valid way and could make management to identify gaps to what they offer as services.

II. Objectives Of Service Quality

The aim of providing quality services is to satisfy customers. Measuring service quality is a better way to dictate whether the services are good or bad and whether the customers will or are satisfied with it. A researcher listed in his study: "three components of service quality, called the 3 "Ps" of service quality" (Haywood 1988, p.19-29). In the study, service quality was described as comprising of three elements:

- Physical facilities, processes and procedures;
- Personal behaviour on the part of serving staff, and;
- Professional judgment on the part of serving staff but to get good quality service.

III. Service Quality Perspectives:

Five perspectives of service quality have been identified by Parasuraman et al. (1988). These are empathy, reliability, responsiveness, assurance and tangibles which connect particular service character with hopes of customers.

- (a) Tangibles– Corporal impression of human resources, conveniences and equipments
- (b) Empathy– More attention towards things individually and concern about them
- (c) Assurance–Employee's awareness and politeness and their potential to deliver faith and self- belief
- (d) Reliability–Potential of institute, organization and employees to carry out service in promised and correct way.
- (e) Responsiveness –Willingness of employees to help customers when they needed and deliver quick service to them.

IV. Customer Satisfaction:

Customer satisfaction has been a subject of great interest to organizations and researchers alike. The principal objective of organizations is to maximize profits and to minimize cost. Profit maximization can be achieved through increase in sales with lesser costs. One of the factors that can help to increase sales is customer satisfaction, because satisfaction leads to customer loyalty recommendation and repeat purchase. Customers became very vital in business during the marketing era of the 1950s when companies could produce what they can sell and not just selling what they can produce as it was during the production era. Since the beginning of the consumption era in marketing, (business.business-key.com) the focus on customers/consumers has increased more as the consumption era also shifts to post-consumption; where organizations are obliged to render more services in addition to what they provide as offers to their customers. What are the qualities of these services

provided to customers? Are the customers satisfied with these services? Thus, this research originated from the fact that customer/consumer is the key to business. Infact, their satisfaction is the most important tool that helps to increase sales and generate profits in the business environment. Moreover, the importance of customer satisfaction and service quality has been proven relevant to help improve the overall performance of organizations.

There are three ways of measuring customer satisfaction:

- A survey where customer feedback can be transformed into measurable quantitative data:
- Focus group or informal where discussions orchestrated by a trained moderator reveal what customers think.
- Informal measures like reading blocs, talking directly to customers.
- Asking each and every customer is advantageous in as much as the company will know everyone's feelings, and disadvantageous because the company will have to collect this information from each customer (NBRI, 2009). The National Business Research Institute (NBRI) suggested possible dimensions that one can use in measuring customer satisfaction, e.g.:
- quality of service
- Innocently
- speed of service
- pricing
- Complaints or problems
- trust in your employees
- the closeness of the relationship with contacts in your firm
- other types of services needed
- your positioning in clients' minds.

V. Service Quality And Customer Satisfaction

Service quality has become a major area of attention during the past few decades for managers, researchers, practitioners because of its huge impact on business performance of firms. According to Brown and Swartz (1989) think that customers prefer and value companies that provide high service quality. Thus, the attainment of quality in products and services has become a drive concern of the 1980s. Customers judge service quality relative to what they want by comparing their perceptions of service experiences with their expectations of what the service performance should be. Marketers described and measured only quality with tangible goods, where as quality in services was largely undefined and un-researched (Parasuraman, et.al. 1985). Quality in a service business has become a measure of the extent to which the service provided meets the customer's expectations. Companies have found that in order to increase profits and market share, they should pay much attention to service quality. Service quality has become a key strategic factor for companies to differentiate their products and services from other competitors by using service quality as a process that customers evaluate. Many researchers suggest that customers assess service quality by comparing what they feel a seller should offer and compare it against the seller's actual service performance . The importance of quality to firms and customers is unequivocal because of its benefits contributing to market share and return on investment .

The search for service quality is with no doubt the most important consumer trend of the new era, as consumers now are demanding higher quality in products and services than ever before. The fierce and intensifying competition and rapid deregulation have made many businesses in the service sector to seek profitable ways and becoming competitive. Delivering high service quality is a good strategy for businesses to succeed in their businesses. Quality has been recognized as a strategic tool for attaining efficiency and business performance. With service assurance companies not even retain their existing customers but increase chances of getting and attracting new customers. Quality has been defined differently by authors, Crosby defined it as 'conformance to requirements (Crosby, 1984), Eaglier and Langeard (1987) defined it as 'one that satisfies the customer'.

Service quality presents 'the consumer's overall impression of the relative inferiority / superiority of the organization and its services'. Therefore, service quality is a key of survival to all servicing companies. Service quality is viewed as a form of attitude representing a long-

run overall evaluation. Maintaining service quality at certain level and improving service quality must be life-time efforts to those companies who desire life-time prosperity in customers' heart. Gronroos (1992) in this line of propositions defined service quality as a difference between customer expectations of 'what they want' and their perceptions of 'what they get'. Several authors have argued about the importance of quality to service firms, and have demonstrated its relationship with profits, increased markets share, return on investment, customer satisfaction, and future purchasing intention. Thus, service quality has become a significant

differentiator and the most powerful competitive weapon that organizations want to possess (Berry et al. 1988). Therefore, companies try to get another advantage by assuring quality in their services in order to be more competitive in the marketplace. Measuring goods quality is easier because it can be measured objectively with indicators like durability and number of defects, but service quality is an abstract item. According to Parasuraman et al.,(1988) service quality has three features which are unique to services: intangibility, heterogeneity, and inseparability of production and consumption. Therefore, they suggest that in the absence of objective measures, an appropriate assessment of the service quality of a firm is to measure consumers' perceptions of quality. Production and consumption of many services are inseparable; as a consequence quality is not designed at manufacturing plants. Quality of services occurs during service delivery, during an interaction between a client and the service firm.