

SERVICE QUALITY GAPS IN CELLULAR TELECOMMUNICATION SERVICE PROVIDERS

(A Study with Reference to –Andhra Pradesh)

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Abstract: Success of the Service organization depends on many factors, among them Service Quality is a major factor. But it is somewhat difficult to measure Service Quality Because Of Intangibility, Inconsistence, Inseparability and Non Inventory. Among the measurement models available for measuring service quality SERVQUAL MODEL is more accepted in research and Industry. The main objective of this study is to measure Service Quality (withSERVQUAL) of cellular telecommunication service providers in Andhra Pradesh. For this study Reliability analysis, Factor analysis and paired t- test were employed. This Feed is useful for cellular telecommunication service providers while formulating strategies for Success.

Key words: Service Quality, SERVQUAL MODEL, Reliability analysis, Factor analysis, paired t-test,

Introduction

Cellular telecommunication service providers:

In Developing countries like India Cellular telecommunication sector play a vital role in economic growth (Graph-1). Along with the economic growth Cellular telecommunication sector also provide competition. There is a immense competition among the players like AirtelVodafone,Reliance Communications,IdeaCellular,BSNL,TataDoCoMo ,Virgin Mobile,Aircel ,UninorMTS India.etc

Service Quality Importance:

Nowadays service quality has become one of the important determinants in measuring the success of industries. Marketers agree that service quality has truly presented a significant influence on customers to distinguish competing organizations and contribute effectively to customer satisfaction (Parasuraman, Zeithaml, and Berry, 1985; Mersha, 1992; Avkiran, 1994; Marshal and Murdoch, 2001).Service Quality foster customer loyalty (Heskett et al, 1997), and ultimately impacting upon 'long-term market share and profitability (Yang and Chen, 1991). Among the models SERVQUAL model is mostly accepted model for measuring service quality

SERVQUAL model

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

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

(Diagram-1)

Statement of the Problem

Along with the economic growth Cellular telecommunication sector also provides competition among players. Their competition mainly based on service quality. So in winning competition they need to consider Service quality

Objectives of the Study

The main objectives of the study are

- 1) To know socio-economic profile of the respondents
- 2) To Study Service Quality gaps in Cellular telecommunication sector

Hypotheses

Based on the objectives the following hypotheses were formulated

- 1) H_0 : There is no significant difference between customer expectation and perception in terms of tangible dimension
- 2) H_0 : There is no significant difference between customer expectation and perception in terms of reliability dimension
- 3) H_0 : There is no significant difference between customer expectation and perception in terms of empathy dimension
- 4) H_0 : There is no significant difference between customer expectation and perception in terms of Assurance dimension
- 5) H_0 : There is no significant difference between customer expectation and perception in terms of responsiveness dimension

Methodology of Study:

For this study the following methodology is followed

Sampling Method : Stratified Sampling

Sample Size : 412 (Kurnool-144, Rangareddy=138 East Godavari=130)

Primary Data : Questionnaire.

Secondary Data : Journals, Magazines, Books, Websites.

Data analysis : Percentages, Reliability analysis, Factor analysis, paired t-test,

are applied for data analysis

Demographics

Demographics of the respondents for this study are as follows. Gender: Males 287 with Females 125, Education: Up to Inter/Diploma=148, UG=197, PG and above=70, Age 30 and below =112, 31-40years=174, 41 and above=126, Income **Levels: Below 20000= 78, 20001-30000=122, 30001-40000=161, 40001 and above =51, Marital Status: Married= 258 unmarried=154**

Goodness of the Data:

Validity

Validity of the questionnaire was assessed by Factor analysis (Exploratory) .Exploratory Factor Analysis was extracted five dimensions in both Perceptions and Expectations .Named them as Tangibles, Reliability, Responsiveness, Assurance and Empathy Bartlett's test of sphericity is significant $p < .04$, and KMO (Kaiser-Meyer-Olkin) value .7 for Expectations and for Perceptions Bartlett's test of sphericity is significant $p < .031$, and KMO (Kaiser-Meyer-Olkin) value .8

Reliability

Reliability test was administered to establish the goodness of data. In statistics, reliability is the consistency of a set of measurements. For this study Cronbach's Alpha coefficient was calculated Cronbach's alpha for all dimensions is more than .70 hence the data is reliable for further analysis (Table-1)

Service quality gaps

From table -2 it is interpreted that in all dimensions have service quality gaps but it is serious in Responsiveness followed by Assurance, Tangibles, Empathy and Reliability

Hypotheses

Hypotheses-1

H₀. There is no significant difference between customer expectation and perception in terms of tangible dimension

Interpretation:

Significance value is $< .05$ hence Null Hypotheses is rejected and interpreted that there is difference between customer expectation and perception in terms of tangible dimension (From table-3)

Hypotheses-2

H₀. There is no significant difference between customer expectation and perception in terms of reliability dimension

Interpretation:

Significance value is $< .05$ hence Null Hypotheses is rejected and interpreted that there is difference between customer expectation and perception in terms of reliability dimension (From table-3)

Hypotheses-3

H₀. There is no significant difference between customer expectation and perception in terms of empathy dimension

Interpretation:

Significance value is $< .05$ hence Null Hypotheses is rejected and interpreted that there is difference between customer expectation and perception in terms of empathy dimension (From table-3)

Hypotheses-4

H₀. There is no significant difference between customer expectation and perception in terms of Assurance dimension

Interpretation:

Significance value is $<.05$ hence Null Hypotheses is rejected and interpreted that there is difference between customer expectation and perception in terms of Assurance dimension (From table-3)

Hypotheses-5

H₀: There is no significant difference between customer expectation and perception in terms of responsiveness dimension

Interpretation:

Significance value is $<.05$ hence Null Hypotheses is rejected and interpreted that there is difference between customer expectation and perception in terms of responsiveness dimension (From table-3)

Conclusion:

All dimensions have service quality gaps but it is serious in Responsiveness followed by Assurance, Tangibles, Empathy and Reliability. Cellular telecommunications competition mainly based on service quality. So in winning competition they need to consider above Service quality gaps

Limitations

1. Sample size was limited to 412 because of limited time which is small to represent the

Whole population

2. The research was limited to Andhra Pradesh only and if the same research would have been

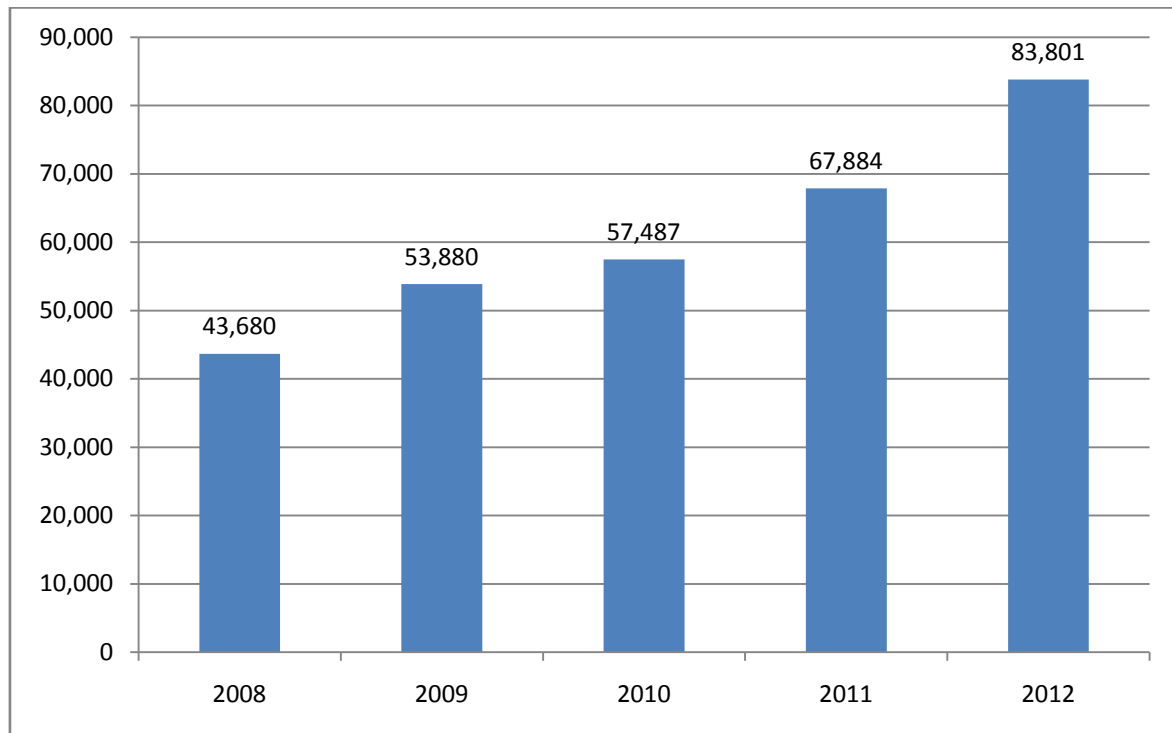
Carried in another area, the results may differ but care has been taken

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Graph-1

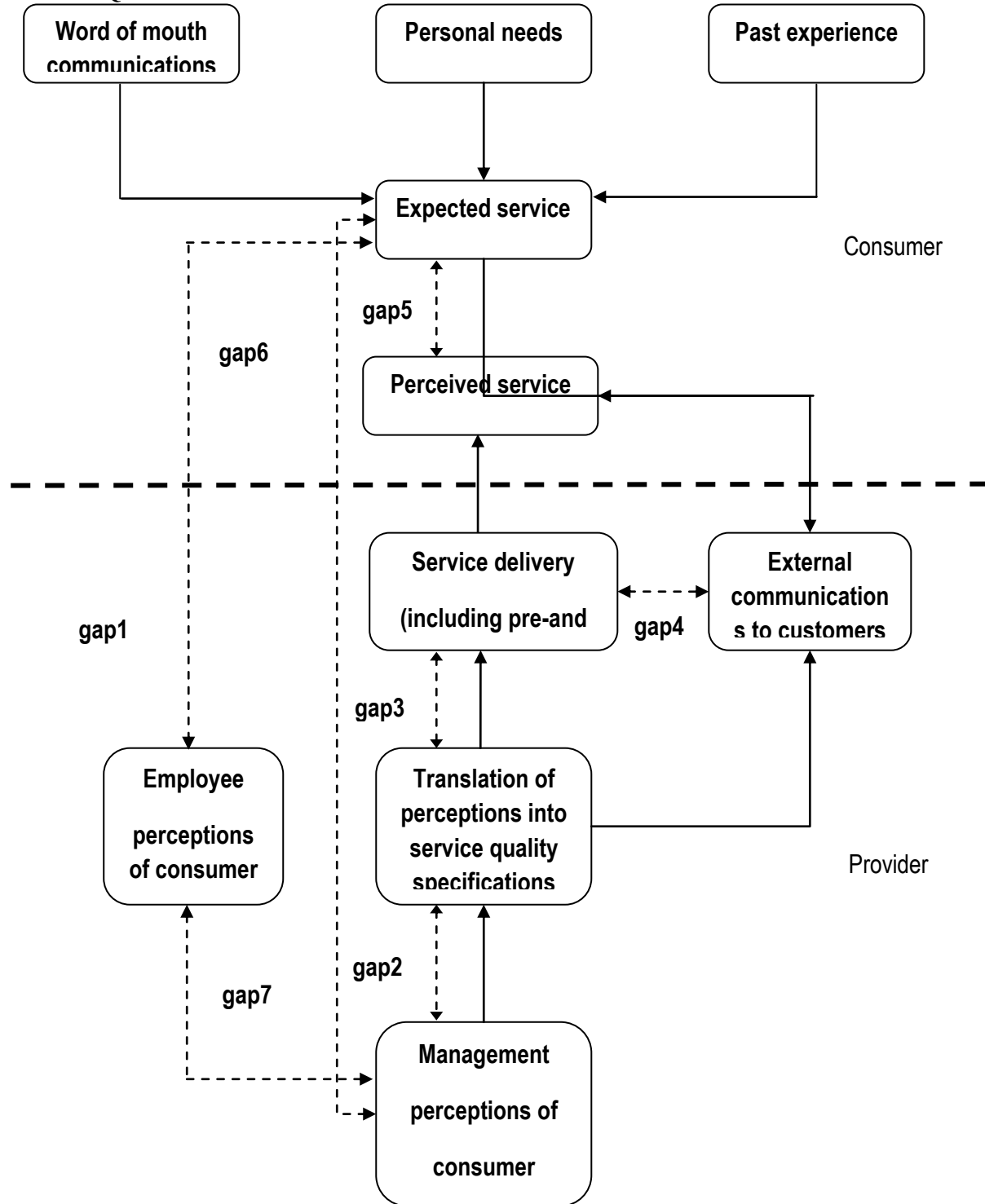
Contribution to GDP by Indian mobile operators (Cr)



Source: GSMA Intelligence; BCG Analysis

Diagram-1

SERVICEQUALITYMODEL



Source:Parasuraman et al. (1985)

Table-1: Five Dimensions and their reliability

S.NO	Dimension	Expectations Cron Bachs Alpha	Perceptions Cron Bachs Alpha
1	Tangibles	.810	.824
2	Reliability	.745	.791
3	Responsiveness	.789	.974
4	Assurance	.800	.732
5	Empathy	.721	.759
6	Total Scale	.823	.875

Source: Primary data

Table-2: Service quality gaps

S.NO	Dimension	Expectations Average	Perceptions Average	Gaps
1	Tangibles	3.95	3.24	-0.74
2	Reliability	4.08	3.96	-0.12
3	Assurance	4.23	3.01	-1.22
4	Responsiveness	4.87	3.62	-1.25
5	Empathy	4.34	3.78	-0.56

Source: Primary data

Table-3: Hypotheses

S.NO	Dimension	Expectations Average	Perceptions Average	Significance value	Null Hypotheses	Alternative Hypotheses
1	Tangibles	3.95	3.24	0.04	Rejected	Accepted
2	Reliability	4.08	3.96	0.00	Rejected	Accepted
3	Assurance	4.23	3.01	0.01	Rejected	Accepted
4	Responsiveness	4.87	3.62	0.00	Rejected	Accepted
5	Empathy	4.34	3.78	0.02	Rejected	Accepted

Source: Primary data