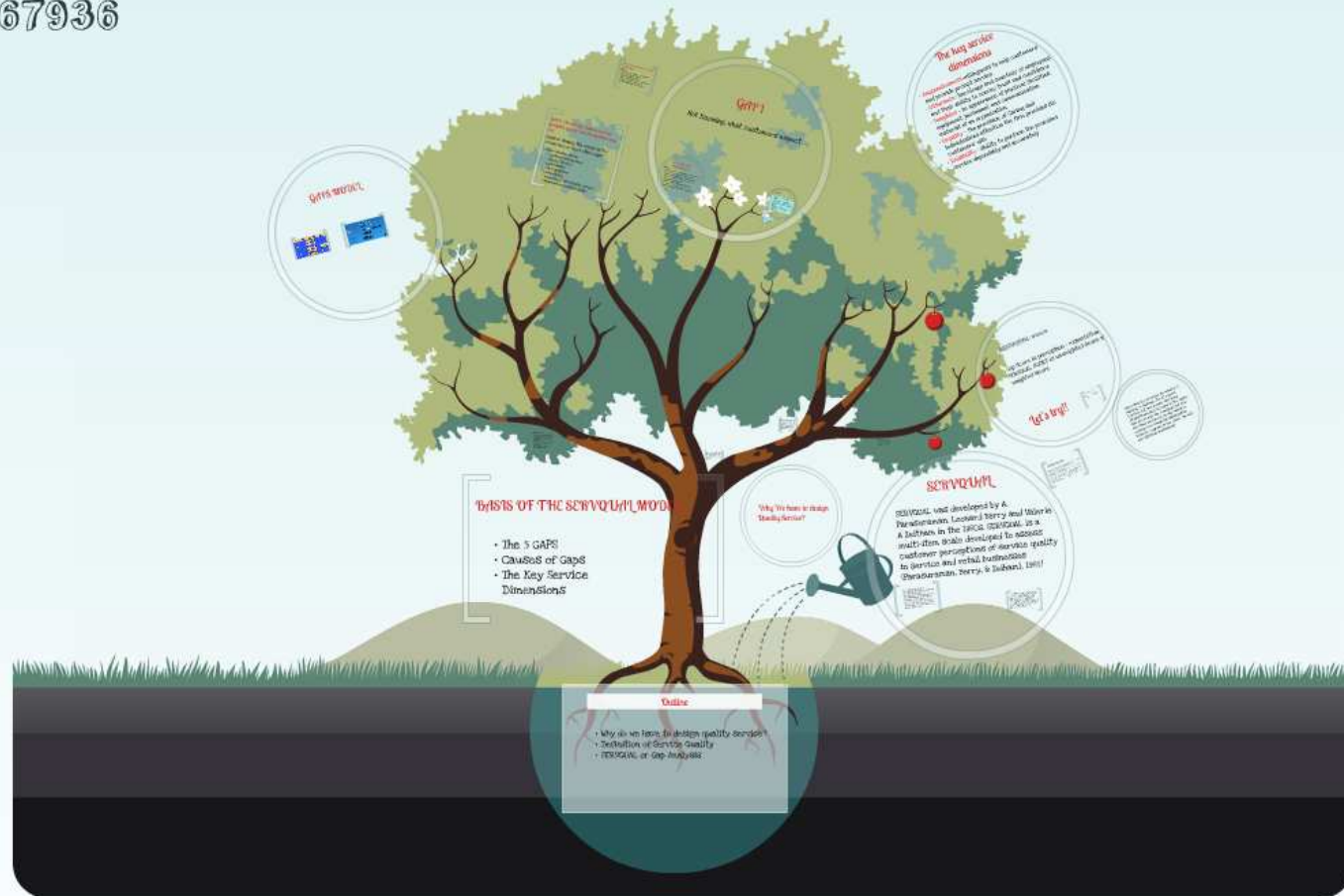


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DESIGNING SERVICE QUALITY





Outline

- Why do we have to design quality service?
- Definition of Service Quality
- SERVQUAL or Gap Analysis

*Why We have to design
Quality Service?*

- Services are intangible
- The output of services are heterogeneous
- Customers are more involved in the production of services than they are in manufacturing
- The production and consumption of services often occur simultaneously
- When we design wrong, unsatisfactory service cannot be replaced or repaired
- Measuring quality is more difficult for service than for product

Definition of Service Quality is an approach to manage business process in order to ensure full satisfaction of the customers and quality in services provided. It works as an antecedent of customer satisfaction (Ruyter and Bloemer, 1995)

Zeithaml & Bitner (2003) state that: "Service quality is a focused evaluation that reflects the customer's perception of specific dimensions of service reliability, responsiveness, assurance, empathy, tangibles". Satisfaction, on other hand, is more inclusive: it is influenced by perceptions of service quality, product quality, and price as well as situational factors and personal factors.

According to Parasuraman et al. (1985) service quality can be defined as the degree and direction of discrepancy between the customer's perception and expectations, or the extent to which a service meets or exceeds customer's expectations. The quality of a service depends on the service consistently conforming to customers' expectations.

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If expectation are greater than performance, then perceived quality is less than satisfactory and hence customer dissatisfaction occurs (Parasuraman et al., 1985; Lewis and Mitchell, 1990)

SERVQUAL

SERVQUAL was developed by A. Parasuraman, Leonard Berry and Valerie A Zeithaml in the 1980s. SERVQUAL is a multi-item scale developed to assess customer perceptions of service quality in service and retail businesses (Parasuraman, Berry, & Zeithaml, 1988)

The Servqual gap analysis is a disconfirmation approach (Uyruktaroglu & Atrek, 2010). The confirmation/disconfirmation approach views customer satisfaction judgments as the result of the consumer's perception of the gap between their perceptions of performance and their prior expectations, and allows service providers to identify service gaps (Parasuraman et al., 1994).

Disconfirmation is negative when expectations exceed service performance, and positive when performance exceeds expectations. The gap theory suggests that perception of service quality is driven by the difference between consumers' expectations about the performance of a general class of service providers and their assessments of the actual performance of a specific provider within that class (Chenochianah et al., 2011).

References

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Advantages of SERVQUAL

- Accepted as a standard for assessing different dimensions of services quality.
- Shown to be valid for a number of different service situations.
- Demonstrated to be reliable, meaning that different readers interpret the questions similarly.
- Only has 22 items making it parsimonious. It can be filled out quickly by customers and employees.
- Has a standardized analysis procedure to aid interpretation and results.

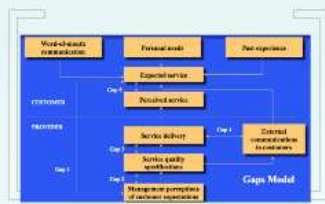


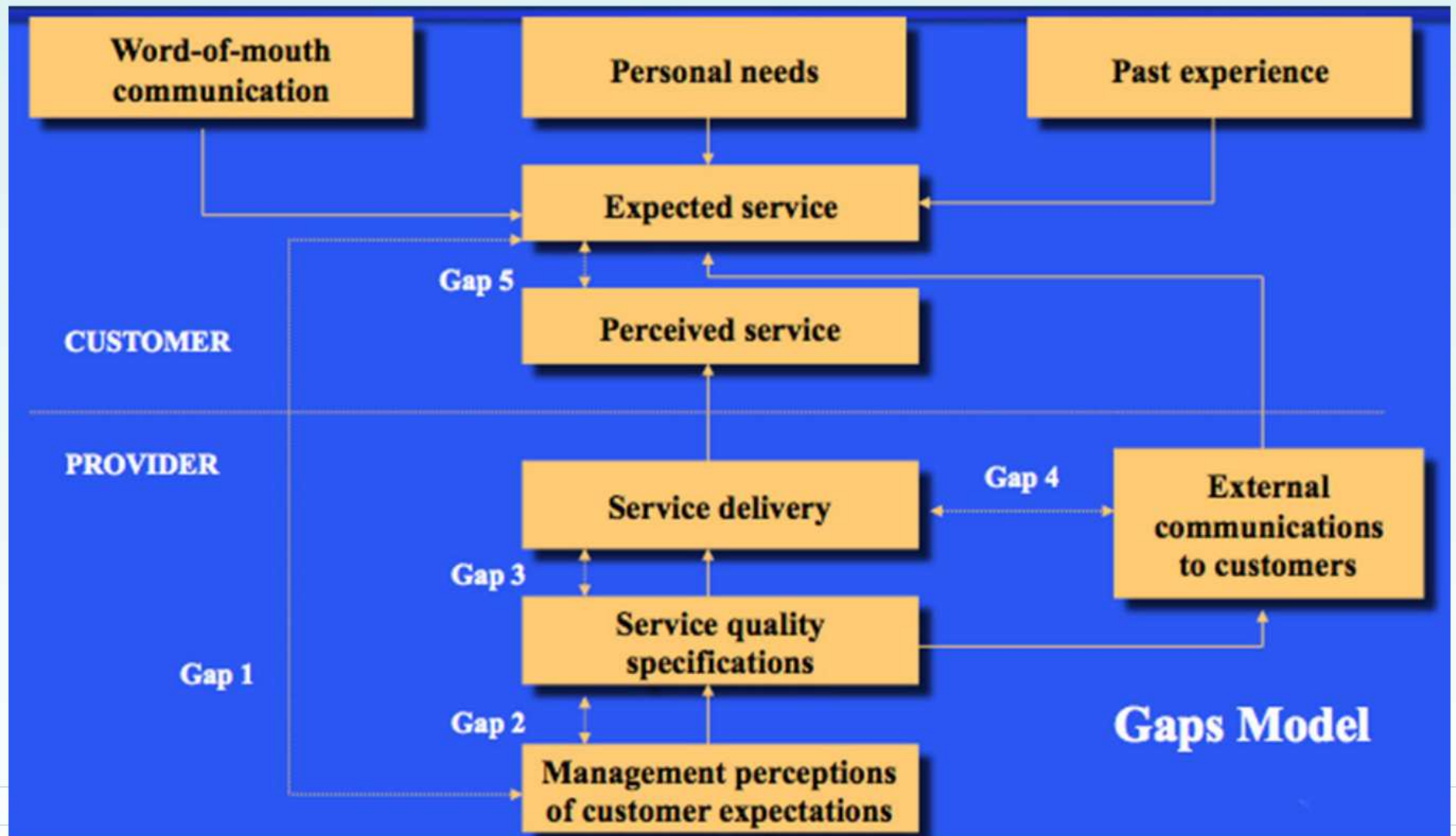
BASIS OF THE SERVQUAL MODEL

- The 5 GAPS
- Causes of Gaps
- The Key Service Dimensions

Expectations are greater than perceptions, then perceived quality is less than satisfactory and service outcomes dissatisfactory (Zeithaml, Parasuraman et al., 2006; Lewis and Michals, 1982).

GAPS MODEL





CUSTOMER
COMPANY

THE GAPS MODEL OF SERVICE QUALITY

GAP 1

**EXPECTED
SERVICE**

GAP

**PERCEIVED
SERVICE**

**SERVICE
DELIVERY**

GAP 4

**EXTERNAL
COMMUNICATIONS
TO CUSTOMERS**

GAP 3

**CUSTOMER-DRIVEN
SERVICE DESIGNS
AND STANDARDS**

GAP 2

**COMPANY
PERCEPTIONS OF
CONSUMER
EXPECTATIONS**



When promises do not match delivery

• Horizontal communication
• Missing in external
• Information campaign
• Manage customer expectation
• Perform according to
• Promises given to customers

GAP 1

Not Knowing what customers expect

Gap 3- The service performance gap

Causes:

- Poor employee or technology fit the wrong person or wrong system for the job
- Deficiencies in human resource policies such as ineffective recruitment, role ambiguity, role conflict
- Failure to match demand and supply
- Too much or too little control
- Lack of teamwork within the organization

Causes:

- Lack of a marketing orientation to quality
- Poorly interpreted information about customer expectations
- Research not focused on demand quality
- Too many layers between the front line personnel and top level management



Causes:

- Lack of a marketing orientation to quality
- Poorly interpreted information about customer expectations
- Research not focused on demand quality
- Too many layers between the front line personnel and top level management

GAP 2

The wrong Service quality standards

Causes:

- Inadequate commitment to service quality
- Lack of perception of feasibility
- Inadequate task standardization
- the absence of goal setting
- insufficient planning of procedures

Gap 3- The service performance gap

Causes:

- Poor employee or technology fit-the wrong person or wrong System for the job
- Deficiencies in human resource policies such as ineffective recruitment, role ambiguity, role conflict
- Failure to match demand and supply
- Too much or too little control
- Lack of teamwork within the organization



GAP 4- when promises do not match actual delivery

Causes:

- Inadequate horizontal communication
- Over-promising in external communication campaign
- Failure to manage customer expectation
- Failure to perform according to specifications given to customers

GAP 5- The difference between customer perception of service and the expectation they had

Causes: Usually the cause is the occurrence of the 4 other gaps

Other causes can be:

- cultural background
- family lifestyle
- personality
- demographics
- advertising
- experience with similar service
- information available online

The key service dimensions

- **ReSponSiveness**-willingness to help customers and provide prompt service
- **ASSurance**- knowledge and courtesy of employees and their ability to convey trust and confidence
- **Tangibles** - the appearance of physical facilities, equipment, personnel, and communication material of an organization
- **Empathy** - the provision of caring and individualized attention the firm provides its customers with
- **Reliability** - Ability to perform the promised service dependably and accurately



SERVQUAL score

Gap Score is perception - expectation
SERVQUAL SCORE is unweighted score x
weighted score

Let's try!!

Let's try!!

Ajarn Pink is a lecturer in
Nursing in Vietnam. She is a
teacher, but she wonders why
students are lazy to come

Before we start, let me explain about the unweighted and weighted Score

Syllabus

Midterm exam: 25%

Final exam: 25%

Individual assignment: 20%

Group assignment: 20%

Midterm exam: 30%

Final exam: 35%

Individual assignment: 20%

Group assignment: 15%

Ajarn Pink is a lecturer in Faculty of Nursing in Vietnam. She is a great teacher, but she wonders why many students are lazy to come to the class, this is not only her complaint, but also the other lecturers. So she wants to measure her students' satisfaction towards courses in the class. She will use SERVQUAL instrument

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