SERVICE QUALITY MANAGEMENT: A LITERATURE REVIEW

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Abstract

Service quality becomes the crucial issue for the education industry and the theory of service quality has evolved over long period of time through testing and trials in service sector. The demanding customers and increased sense of customer satisfaction led to the use of the new service parameters making education institutions to implement quality management as an effective aid. During the last few decades there is phenomenal change experienced in the education industry and the reason being is Service Quality. Knowing that both service quality and value is difficult to measure, education institutions heavily rely on student’s quality perception and expectations. It could be achieved by asking students questions related to expectations and their perceptions of the service quality through carefully designed surveys. Various studies have been carried out to consolidate the dimensions of service quality and servqual has been accepted as well constructed instrument to measure service quality. The empirical research in development of service quality theory suggests that improved service quality plays important role in overall customer satisfaction. Study would focus on various studies on Service Quality conducted by earlier researchers in an array of industries. Thus, present study is unique in the sense that it is new to Education industry. The paper explores the development of service quality theory and alternate scales of measuring service quality, its role in customer satisfaction and importance of servqual instrument.

Key Words: Service Quality, Dimensions of service quality, Servqual, customer satisfaction.

Introduction

Academic institutions offering higher education in general and those offering professional education in particular are undergoing a process of change similar to what business organizations have undergone a few decades ago when they were confronted by competition. The speed of change is driven by multiple factors. Demands from industry, information-age mind set of the students, increased competition and the renewed quest among academic community are some of the factors driving this change. To ensure that higher education, particularly professional education, is able to deal with market and technological changes coupled with global requirements, it is important for institutions offering higher education to use appropriate curricula, course materials and teaching methodologies that are not only up-to-date, but also effective from learner’s point of view. The exponential growth of knowledge, exploding instructional technologies, enhanced access to practices of premier institutions, accessibility to knowledge, globalization of education etc require educators and faculty members to continuously evaluate themselves and improve upon their effectiveness.
Objectives of Research

Specific objectives of the study are:

- To explore service quality dimensions in current scenario.
- To analyze the importance of service quality management in education industry and other service industries
- To investigate role of servqual model in evaluating service quality.

Purpose of Study

Proposed research explores the opportunities, challenges, risks and rewards of creating a holistic, end-to-end approaches to service quality management. The study is undertaken to understand the dimensions of SQM and components of quality. It also explores the opportunity of measuring service quality and finding any scope for further improvements in the established procedures.

Discussion

Service quality is defined as a comparison of customer expectations with service performance. The organizations with high service quality meet the customer needs and also remain most economical in terms of competition as improved service quality also makes the firm more competitive. High service quality is achieved by knowing operational process through identifying problems in service and defining measures for service performances & outcomes as well as level of customer satisfaction. This study provides some background in sequence on the development of service quality though and its importance of service quality particularly relevant to hotel industry where enterprises where customer perceptions of service quality varies greatly at several levels & services within an organization. The quality service movement is often accused of being merely slogans, fads, and “hot topics”. In an effort to counter this assumption and continuously improve organizational performance, empirical research is needed.

Evolution of Service Quality

Zeithaml V. (1981) has stated that Customers of hospitality often blame themselves when dissatisfied for their bad choice. Employees must be aware that dissatisfied customers may not complain and therefore the employees should seek out sources of dissatisfaction and resolve them. Greenrooms Christian (1982) had illustrated that service quality is what differentiate hospitality establishments, lacking a clear definition of service quality. However, a few different suggestions of how to define service quality by dividing it into image, functional and technical components. Another way is to check service quality by determining its fitness for use by internal and external customers. In absence of a definition, it is widely accepted that service quality is wholly dependent on gues’ts needs and expectations. Knowing that both service quality and value is difficult to measure,
hospitality companies heavily rely on guest’s quality perception and expectations. It could be achieved by asking guest’s questions related to expectations and their perceptions of the service quality through carefully designed surveys.

Parasuraman (1988) enlists the components of perceived service quality as Assurance, Reliability, Tangibles, Empathy and Responsiveness. The five dimensions of SERVQUAL were used to study the service quality in service industry comprised of banking, tourism, and transport as well as hospitality industry. To make it more specific for hotel industry, the five dimensions were further divided into 22 components. This includes:

**Tangibles**
- Company has modern equipment;
- Company possesses visually attractive equipment and facilities;
- Appearance of staff;
- Visually appealing materials connected with service.

**Reliability**
- Realization of assured service;
- Reliability in customer problems solving;
- Delivering the appropriate service from the first visit onwards;
- Providing the promised service at the promised time;
- Insisting on zero defect policy;
- Willingness to help customers,
- Willingness of personnel to respond to customer request.

**Responsiveness**
- Informing the customers about the time of service delivery;
- Prompt service delivery to customers.

**Assurance**
- Personnel who instill confidence;
- Customers feeling about dealings with the company;
- Courtesy of the personnel;
- Knowledge of personnel to answer the customer questions.

**Empathy (understanding)**
- Giving individual attention to customers;
- Offering individual or personal attention to customers;
- The personnel focus on customers’ interests;
- The personnel understand specific needs of their customers.
- Operating hours are convenient to customers.

Servqual methodology insists on two sets of 22 questions, where the respondents are given the first set of 22 questions prior to service delivery to measure their expectations; the second set of 22 questions at the end of service to measure their
experience, perception (attitudes) of consumers about the delivered service.

Parasuraman, Berry, and Zeithaml (1985) have introduced five specific dimensions of service quality which apply regardless of the service industry viz. assurance, responsiveness, tangibles, empathy and reliability. They have devised a scale called SERVQUAL since there were several models (scales) for the measurement of service quality and the satisfaction of customers, they are often too generalized or ad hoc, and as such hard to apply in the hospitality industry. On other hand TQM, which began before all in companies that dealt with products, due to the specificities of services due to factors such as impalpability, inseparability from provider and receiver of service, and perishability, a specific concept called SERVQUAL (Services Quality Model) was created.

It has been a point of discussions amongst scholars that service quality has significance in a people-oriented industry such as hospitality. And wide range of research is undertaken all over world. However, management-employee variances in the perception of Service Quality tenets have been studied less. The study conducted by Ross (1995) has examined hospitality industry employee Service Quality tenets, employee perceptions of Management Service Quality principles with major motivational and personality. The study has found that there are numerous differences ideals such as Practical Experience, Being Apologetic, Understanding, genuine, frank and the Formal Qualifications. the analysis involving the divergent ideal of Genuineness revealed significant findings and concluded in two clear sets, a Negative group where perceived management ideals exceeded employees’ ideals on hand and a Positive group where employees’ ideals exceeded perceived Management Service Quality Ideals on other hand.

The discrepancies in the consumer evaluation of service quality are largely defined by Gap. The basic gap is the Consumer gap, which emerges as the discrepancy between customer expectation regarding service and customers perception of the service delivery in the hotel. Customer gap is the outcome of one of 4 gaps of as service quality, which emerge as certain discrepancies within the design and delivery phases of service to the consumers. Following are the five key discrepancies were identified by Parsuraman et al (1985):

Gap1 - the gap between management perceptions and customer expectations.
Gap2 - the gap between management's perception of what the customer wants and specifications of service quality;
Gap3 - the gap between service managerial quality specifications (quality, standards, forms of delivery) and the actual delivery of the service;
Gap4 - the gap between service delivery and what the company promises to the customer through external communication. All four influence the total perception of service quality and customer satisfaction;
Gap5 - Represents difference between customers’ expectations regarding the service and their perception about the specific service. The last gap is the result of all the
previous gaps.

However during the continuous research in the field of service quality, Parsuraman et al (1985) have developed SERVQUAL model with 10 determinants of service quality which includes reliability, responsiveness, competence, credibility, access, courtesy, communication, assurance, empathy and tangibles. The subsequent studies in the SERVQUAL by Parsuraman et al (1988) modified the determinants and specifically derived five dimensions of service quality as follows:

- **Tangibles**: Appearance of infrastructure, staff, communication material & machinery;
- **Reliability**: Ability to perform the promised service dependably and accurately;
- **Responsiveness**: Willingness to help customers and provide prompt service;
- **Assurance**: Knowledge, courtesy and trustworthiness of the personnel;
- **Empathy (understanding the customer)**: Making the effort to know customers and their needs.

### Service Quality in Service Industries

The delivery of quality in goods and services has recently gained importance and especially the services marketers’ experience sort of difficulty in interpreting quality as even after handsome research in field, some methodological and conceptual faults are remained. Mattson (1992) argued for a formal value approach to service quality to become a satisfaction process incorporating and matching of value-based constructs of ideal standard and experienced outcome through negative disconfirmation of determining satisfaction leaving aside negative cognitive bias.

Macaulay & Cook (1994) have evaluated the service quality in Anderson Cancer Center using SERVQUAL instrument which was administered to patients with different ailments which has involved comparing expectations and perceptions, the waiting times & billing accuracy are considered by patients as significant problems. Even it is found that there is are two extremes of service quality within the sample clinics and this was due to differences in patients” expectations of service quality and not rather than differences in perceptions. It strongly suggests that customer expectations may impact strongly company’s evaluation of its service quality.

Stuart & Tax (1996) have found that service firms take little effort in planning for service quality. The costs associated with poor service quality and it’s planning results in lower profits as a portion of the “cycle of service failures” and evaluation of of quality planning technique or quality function deployment suggest suitable modifications which would prevent service failures. The research also illustrates the potential for the quality function deployment process as an effective tool at both the strategic planning level and the tactical level using the front-desk activities in a hotel as an example.

There are various definitions of quality and variety of possible interpretations is
seen in the service sector. Still, quality is considered as an important factor in attracting and retaining customer. Galloway & Ho (1996) have described a model of service quality based upon operational issues which are directly relevant to staff training & skills which are developed on three important dimensions of hard/soft, outcome/process and objective/subjective. It mentions that the benefits to the organization by matching customer expectations with staff skills has resulted in increased level of job satisfaction for staff.

Asubonteng et al (1996) have mentioned that in the view of fierce competition and intense concerns about environmental factors, service quality has become more important. If service quality is to become the foundation of marketing strategy, the firms should be able to measure it and to make it possible; SERVQUAL has become a very popular instrument. Marketing literature and the industry has been exposed very widely to it with almost accurate analysis of service quality.

The evaluation of service quality has become an important contemplation for hotel managers and researchers. The central service quality skeleton shows that consumers consider both their own expectations and service provider performance when evaluating service quality. The comparative analysis to assess the psychometric properties and diagnostic usefulness, Brown (1997) reviews problems in the reading of service quality measures and presents the additional indicative meaning imputed to service quality scores and has developed measurement norms.

A research paper of Kuei & Lu (1997) presents a synergy and integration of marketing and operations for continuous quality improvement in a service setting and also discusses responsibilities, improvements and measurements of service quality. It has advocated amalgamation of service quality improvement tool (QFD) and service quality evaluation i.e SERVQUAL and suggested that this synergy and integration of systems tools, and concepts would be the aim of the organization in achieving service quality.

Pariseau & McDaniel (1997) in their study about business schools have mentioned that Total quality management (TQM) improves quality while reducing costs but since it involves fact-based continuous improvement, data need to be assessed for level of student and faculty satisfaction. SERVQUAL is used to assess both the quality and importance of each of the dimensions: assurance, reliability, empathy, responsiveness and tangibles, to tests agreement between the views of faculty (providers) and students (consumers). It has strongly established that SERVQUAL may be used as for benchmarking performance in order to improve service quality.

Dwayne et al (1997) conducted study and examined service quality expectation differences among three stakeholder groups involved in the interaction of tourists, employees and management of service providers to degree to which service climate may explain these differences. It revealed that very few management barriers have considerable impact on managers’ perceptions of tourists' expectations and most of employee barriers
drastically impacted frontline employees' perceptions of visitors' expectations.

The effectiveness of SERVQUAL in measuring service quality in Education service is studied Galloway (1998). He has mentioned that Quality being an elusive concept, particularly in public service with variety customers and stakeholders, the staff and students, it is found that SERVQUAL does stand fit in this context and the expectation contributes nothing to the predictive value of the data. There exists significant gap in the factors of perceived quality between internal and external customers, arising from the degree of dependence as well as nature of contact between the provider and receiver of services which may be more a general phenomenon about customer characteristics in both public and private sectors.

Analyzing over 800 critical incidents across six service industries, Wels-Lips et al (1998) finds that occurrences of positive incidents are largely driven by understanding the customers, by responsiveness and frequent communication with customer. The absence of reliability, competence, credibility functions as dis-satisfiers driving the occurrence of negative incidents. It is found that two dimensions which emerge from multiple correspondence analyses are service system versus service staff, and customer initiative versus staff initiative further which suggests that the service system is associated with negative incidents, and service staff with positive incidents.

The technical framework within which quality assurance systems develop is well recognized. Likewise, although not as well recognized, the non-technical framework which affects quality assurance systems is nevertheless an important element. The awareness of the technical and non-technical interface in quality system is never acknowledged and taken as separate entities. Pheng (1998) in his research has categorically emphasized on the interface between the technical and non-technical framework that must be acknowledged to achieve quality management effectively and system which links these two frameworks must be recognized for service quality.

According to services marketing literature the concept of service loyalty requires conceptual and empirical investigation. Ruyter et al (1998) in his paper has developed a theoretical framework for service loyalty consisting of three dimensions: price indifference loyalty; preference loyalty; and dissatisfaction response. As we focus on the role of service quality and costs as background to these types of loyalty, a study of a large sample of consumers in five different service industries provide evidence for service loyalty as a construct comprising three-dimensions. Further the influence of service quality on service loyalty varies notably per industry and therefore findings from one industry cannot be comprehensive to other industries. The study also establishes that in industries known for relatively less switching costs, customers will be somewhat less loyal in comparison to services with higher switching costs.

Effectiveness of the SERQUAL- traditionally an instrument for measuring service quality and proven as an effective tool in assessing customer perceptions of service quality
in restaurants model was tried and tested by Bojanic & Rosan (1998) through their extensive research on restaurant business. The examination of the type of the association between service quality perceived by consumers and its service determinants is carried out. It is discussed, and a demonstration on use by restaurants in assessing quality service is included has proved SERVQUAL as an assessment tool include matching and managing customer expectations and managing the physical design of the products. It also included service customers’ education and developing a total quality management program as well as achieving continuous quality by use of automation, timely review of the property, personnel and procedures of operation where by restaurant can manage their strengths and weaknesses effectively.

Service organizations are determined to improve the service quality by various management techniques. Redman & Mathews (1998) have examined a variety of management practices including human resource management (HRM), used in service sector. On assessment of their potential impact on service quality and total quality management (TQM), most of the techniques are identified as being potentially supportive of quality improvement but few in particular to those closely associated with minimization of cost and the less subtle forms of managerial control posed danger to the improvement process.

It is a known fact that profits are directly linked to service quality and productivity especially in service operations where customer has active role to play in delivery of services and has direct impact not only on the service provider but on the entire network. This highlights the assessment of returns on relationships in relationship marketing, the concept introduced by Gummesson (1998).

Analogical study between internal and external service quality put forward that assessment of internal quality is independent of differences between organizational customers and real customers. Auty & Long (1999) have detailed research into organizational networks has stressed upon environmental and atmospheric factors in exchange activities. The gaps in service quality arise due to conflict between departmental and organizational loyalties. However, Parasuraman, Zeithaml and Berry suggests that organizational power-struggles and lack of communication lead to misunderstandings about the priorities and resources available for internal service exchanges and improvement are possible when there is closer interaction between “warring” but yet dependent departments. Therefore, an overarching need for organizational goals to take precedence and for limited resources to be allocated according to the vital needs of the external customer.

Research on service quality has stated that the relationship between perceived service quality and service loyalty requires empirical and conceptual elaboration by further studies. Research undertaken by Bloemer et al (1999) focuses on the enhancement of a level for measuring service loyalty dimensions and the associations between magnitude of
service quality and these service loyalty dimensions. The study suggest four dimensions of service loyalty ie. Price sensitivity, word-of-mouth communication, complaining behavior and intention of purchase. On individual dimensions there exists an intricate pattern of service quality-service loyalty relationships with significant differences within industries.

Sinha & Ghoshal (1999) have posited in their study that there is hardly any difference between manufacturing and service industries with the increasing competition of the marketplace since services have become integral part of products making all business is to be service-oriented and aimed at satisfying growing customer needs. Most of the companies are adding capacities by adapting to advanced technology and reducing cheap material imports. Gaining competitive advantage remains in providing superior value to the customer through excellent customer service with the product at a lower delivery cost. The study concluded that customer service is important factor to retain and acquire customers in competitive markets.

A comprehensive cultural construct was developed by Weiermair (2000) to explain and forecast tourists’ behavior and judgment of quality. A regions value chain is depicted to capture the possible influence of culture and cultural values on tourism behavior. Cultural norms have an impact on both tourists’ expectations and their perceptions of received service quality for any of the six service elements frequently employed in analysis of tourism. The service interaction in the context of a tourism culture is formed by four components: the national/regional settings of the tourist and the destination, the tourists’ various subcultures and the organizational culture of tourism enterprises in the host country which helped in developing a differentiated approach to distinguish amongst global, national and sub-national cultural constructs.

Service quality in the tourism industry has been studied by many but still there exists a debate as to which measure has greatest validity. Two main research instruments are Importance-Performance Analysis (IPA) and SERVQUAL have been questioned and research has introduced measures that multiply SERVQUAL by Importance, and measure of just Performance (SERVPERF). The study presented by Hudson et al (2000) assesses these four main methods of measuring customer service quality by studying data obtained in cooperation with a major U.K. tour operator. It is found that though there was variety in the rankings of the different elements, the difference between these four methodologies could not be proved statistically.

Parsuraman (2000) has stated that companies involved in services industry must broaden their tests of productivity from the typical company-oriented perspective to a newer company-customer perspective. This latest approach may help reconcile conflicts ie., the synergies between improving service quality and increasing service productivity.

Successful implementation of service quality can be drawn from a case study carried out by Longnecker & Scacero (2000). In their research, workers from two different organizations with similar systems, techniques and infrastructure were surveyed for
company's quality program, however only one was considered as successful from quality point of view. The study also revealed that better attention is on human aspects were seen in successful organization which includes improved management support for quality, better communication in organization, implementation of corrective actions and better follow up of problems in quality.

Comparing the gap model with the performance model and investigating the direction of causality between service quality and satisfaction as well as examining the influences of some dimensions of service quality vary across service industry. Research by Lee et al. (2000) across three service firms confirmed that the performance model appeared to be superior to the gap model. It also shows that perceived service quality is a predecessor of satisfaction and not the opposite. If tangibles appeared to be a more important factor in the equipment-based industries, the responsiveness is a more important factor in the people-based industries.

Studying the service failures helps organizations in improvement of service quality and improving long-term customer retention. Mack et al. (2000) have examined consumer perceptions of their personal service failures experienced in the restaurant industry. It is found that a large percentage of the guests did not ignored the service failure and perceived the failure as major as well as judged the restaurant as pathetic in correcting themselves. This insists that the service provider should make every effort to identify failure points in the service delivery process and also the devise methods to prevent and recover which would save from negative customer perceptions and customer loss as well as potential negative word of mouth.

Rhoades et al. (2000) in their research paper have addressed efforts in bringing up quantitative index of factors & characteristics which comprises quality in airport operations & facilities from varied customer's perspective. It has shown and identified 12 broad factors that, in customer view affect the quality of operations at airport. The important factors are ground transportation, parking, shopping and restaurant services, capacity as well as the waiting area. Similar study may be undertaken for hotels and other accommodations.

Kandapally. J. et al (2001) have stated that expected services go beyond the essential services required for the company to stay in business and such services need to be offered to remain competitive. Over the year, expected services increases and guest becomes more demanding, requiring service provider to move beyond what is commonplace.

Farner et al (2001) have examined empirically the popular concept of internal customer service. Even if there is significant descriptive literature on internal service is available, till date there has been hardly any empirical assessment service quality. The concept of assuming co-workers as customers needs intuitive sense but there is still a difference in opinion among industry and institutes as to the true value of internal customer service on the external service quality. This study has used data of a large food
and grocery wholesaler and examined the impact of internal customer service on external customer service. Farner et al finds that internal customer service seems to have a mixed and complex relation with external customer service.

Lawrence & McCollough (2001) have mentioned that lessons of quality management apply to services as well as products. Awareness also has been increasing that services, like products may be guaranteed as tools of implementing a total quality management orientation in the organization. The nature of service and company’s interaction with customer has been changed profoundly due to invention of technology; however on other hand it has some down side as well. Bitner (2001) in his paper elaborates on the opportunities that technology offers to develop new services and deliver it better, more efficient services to customers as well as the contrasts and dark side of technology and services. However the paper suggests to company’s driven by technology that even after changing many things, few things remain same. Consumers still demand quality service irrespective of firm”’s choice to structure the relationship. It is solely upon firms to adapt technology-based services that can provide the same high level of service matching customer’s expectation in conventional service providers.

Theory building efforts in quality management have begun with bonafide efforts but services dominating the developed economies in the world, the studies have mostly focused on manufacturing firms. Research undertaken by Behara & Gundersen (2001) addresses this limitation by specifically studying quality management in service organizations. Through a survey of 170 US service firms; this study empirically developed and validated constructs for quality management in services. A comparative study has highlighted various distinct quality management constructs in services and has shown that other empirical studies have some gaps in the reporting of their constructs, advocating the need for theory building research about quality management in services and manufacturing.

On comparing traditional marketing models to service marketing models, Groonroos (2001) has stated that the most important characteristic of services is the fact that services are processes and goods since a service firm has no products, but only an interactive process. On other hand, the consumption of goods may be described as “consumption of outcome”, the consumption of services may be defined as “process consumption”.

In a research conducted by Siu & Cheung (2001) by using Retail Service Quality Scale to study the service quality delivery of a department store chain and its impact on consumption behavior, it is found that the impact of physical appearance and the policy are prominent on the overall perceived service quality and the future shopping behavior. Out of all service dimensions, physical appearance and policy have the major impact on the overall service quality and on future consumption respectively.

Service processes have different performance requirements than those of production processes because of their characteristics. Gunes & Deveci (2002) have found that reliability of service processes is taken into consideration in a verbal sense and
regarded that “reliability is satisfied by delivering service to customers on time.”

In terms of service quality, banking also have similar characteristics to other service sector firms. Study conducted by Aldlaigan & Buttle (2002) which comprises a four sampled three-phase quantitative study to determine a quantitative measure of functional & technical service quality. The study has developed and validated a new 21-item scale with four dimensions: service transactional accuracy, machine service quality service system quality, and behavioural service quality which helped in finding how customer evaluates service quality at organisational & transactional level, validating the scale suggests the high utility of in bank sector.

Trust being the key factor in the establishment of long-term relationships between customers and a firm is largely impacted by factors related to person i.e. empathy, politeness etc and related to offer such as promptness, reliability, competence, but varied across studies. In a research paper, authors Coulter & Coulter (2002) have conceived a “contingency model of trust” strongly advocating the effects of said variables on trust are impacted by length of the relationship. On testing this model in business context, it shows varied degree of impact in different market conditions.

In today’s scenario in service sector which is using technology, web and automation on large scale, it is important to discuss the implementation on technology and its effects on dimensions of service quality. It is now possible to deliver service in a virtual environment with very little or nil human encounter creating environment offering different ways of service delivery. A research paper published by Voss (2003) examines present theories of service quality and management for new internet-based environment. Re-evaluation of two of the existing theories about elimination of human interaction as well as automation in context of service quality and its dimensions has revealed the Web provides direct link between the customer and the service organization further suggesting that for the web, the accepted dimensions of customer service seldom fit the actual dimensions.

Li et al (2003) have stated that the ability of a company to achieve excellence in service quality is dependent on the determination of service attributes and their desired levels and also on the prioritization of service attributes. By using appropriate quality improvement indices within limited resources, an operational procedure to prioritize customer service attributes in a accurate simple and inexpensive manner need to attempted. Instruments to measure service quality for example, SERVQUAL, have stated the linear as well as symmetric relationship between gaps of service quality and the overall service quality. Further study on the asymmetric and nonlinear nature of this relationship helped in developing a model to advance utility theory into prioritization of dimensions and attributes.

Wirtz and Johnston (2003) in their article details the results of a series of in-depth interviews with Singapore Airlines (SIA) senior management about their views on success of
SIA as a service champion and efforts in maintaining the leadership. The study suggests four major instruments which include importance of service quality as key feature, better knowledge of customers and their needs, eye for details and profits and continuous training and motivation to employees. These are key drivers of service and the forms the skeleton of service marketing literature.

Davidson (2003) has examined organizational climate and organizational culture in hotel industry and a study on causal link between good organizational climate and the level of service quality in a hotel and study explores the effects of organizational climate’s integration into quality initiatives. There is a direct link between Climate, culture, service quality, hotel performance and service quality.

Research concerned with understanding the relationship between good service and profit is conducted by Bates et al (2003) A holistic approach to check financial performance of those firms excelling in service delivery on others with poor reputation about service carried out in Britain and measured in terms of wealth, number of employees, turnover of employees in large or small firms are capable of becoming good or bad in service. It also revealed that better services are staff intensive and have yielded better profits per employee and have also gained better returns on equity and total assets than those with poor quality.

Dimensions of service quality have been neglected so far by researchers and much of the studies have widely accepted the measurements of SERVQUAL. However the debate about that SERVQUAL and its reflections of the service delivery process, study undertaken by Kang & James (2004) empirically examines the European perspective (i.e. Grönroos’ model) signifying that service quality consists of three dimensions, image, functional and technical, image function being a filter in service quality perception. The results from the study revealed that Grönroos’ model is rather an appropriate representation of service quality than that of American perspective and its limited concentration on the functional quality” dimension.

Focusing on the important issue of service delivery that is customer participation, study conducted by Rebecca et al (2004) explores the impact of two factors that are prominent in the service literature: customer participation and service expectation. Due to the interactive nature of services, customers frequently participate in the co-production of the service and also normally enter into the service with definite expectations about the service to be received. The survey argues that customers themselves contribute to service failure, owning to their role participative role in service delivery and the influence of their previous expectations about level of service.

Kosar & Raseta (2005) have suggested that the definition of quality must be determined by demands of consumers and various domestic and foreign references comply with this attitude. Quality of product is the feature that makes it appropriate for consumption making quality being complex sets appropriateness to the intended purpose.
As quality stands for an integral unity of product features, becoming product’s measurement of usefulness or appropriateness to meet the consumer demand and conforming to it.

Kotler Philip (2006) explains that as against to features of physical products, the services are not given for pre-testing, neither it is felt or smelled before purchase making buyers look for some tangible evidence that will provide information and confidence about service. Something like the exterior of the restaurant or hotel is the first thing on arrival of the guest; cleanliness of the public areas etc provides clues about service. He has also mentioned that American society for quality control defines quality as the totality of features and characteristics of the service or product that bears on its ability to satisfy customer needs. He has also found that high quality builds loyal customers and creates positive word of mouth. It determines customer satisfaction, which affects repeat business, many studies have shown that it costs four to six times to create a customer as it does to maintain an existing one. Hotels that have more satisfied guests experience higher guest loyalty and perform better financially compared to their competition. The long-term success is based on guest loyalty and retention which consequentially results in future revenue.

Choudhary & Prakash (2007) have intensive study on prioritizing service quality dimensions and finding the right mix of other service quality dimensions by free listing of important service quality concerns for 16 services across the four service types and rank correlation. The two-step cluster analysis to reveal natural grouping within a data set for each dimension has found that generalization of quality dimensions was not possible. However some generalizations within the service types were possible for different services.

As we are aware that service quality is very subjective and crucial to the satisfaction of the client. In order to satisfy the guest’s expectations and ensure a position on the growing global tourist market, Jasmina (2007) has concluded that the application of the SERVQUAL model for the measurement of service quality has become essential for hoteliers. The results of the quantitative application this instrument provides managers with useful information for the assessment of expectations and perception of hotel guests, with an objective of learning about gaps in individual service quality dimensions. It is also confirmed that the use of SERVQUAL provides information about the dimensions of service quality which are important from customer point of view since hotel managers do not know the expectations of their guests because the dimensions of service quality they consider most important and which does not match those which are most important for the clients., The SERVQUAL model also provides the managers with a clear picture of the quality of the provided service as well as the needs, wishes and expectations of the guests.

Relationship between the service quality cues & the customer value as well as its internal composition is studied by Chang Hong-Sheng (2008) in their research conducted in Taiwanese hotel. Since value plays significant role in customer retention and providing
value added services and products have become vital in current competitive market. As value is customer perception of service quality, service quality influences customer perception of value. Knowing the exact attributes which becomes the source of customer value and recognizing it for positioning the hotel helps the management of hotel in allocating the resources. Data analysis by various tests establishing regression and correlation has resulted in very interesting findings. It is found that there is direct impact of reliability and assurance on functional value which includes improved customer belief through hotel security and transparency in transactions. The tangibles cues such as use of up to date equipments and well dressed staff have strong relationship with social value.

Personalized service good understanding of customer needs satisfies customer to great extent which highlights the empathy and it influence on emotional value. Responsiveness through innovation and use of information technology influences the epistemic value as well as conditional value. These linkages between the service quality cues and the components of value facilitates the framework for designing appropriate service recovery programs and tool and become the ground for decision making at higher management level to make services more competitive.

Study conducted by Fernández-Barcala M et al (2009) to analyze important factors which influence the service quality is carried out on the guest feedbacks on service quality on a popular web portal. Considering the hotel price and its star classification as major determinants of customer expectations, it is observed that it impacts negatively on post use quality appraisal as higher the expectations of the consumers, greater is the probability of lower perception about service quality delivered. The price and the age of the facility also have negative impact on the assessment of quality. The guests who pay more on accommodation are generally more demanding and any short comings in the services or facilities results in negative feedback since the guest come with relatively higher expectations. Four major factors which highly influence customer expectations from hotels are hotel-star category, the location, promised services and the price. It is a known fact that high price signifies superior level of service quality whereas under pricing has relatively less effect on perception of quality. The star category system establishes the quality indicators and norms of the level, increasing with increased numbers of stars; however quality differs at different hotels of the same category. The services on offer have positive influence on the expectations as many of the services are not known or used by customers. The fourth factors i.e., Location of the hotel also creates the expectations in the customers mind as customers expects higher quality from exotic locations. The analysis of data collected clearly establishes the relationship between the customer expectations and their perception about quality.

From the empirical evidence through literature on customer satisfaction it can be easily deduced that it is very closely related to repeat patronage and customer perception about quality has been surveyed by various researcher and organization. However the study
on hotels quality attributes and its effect on customer will to return to the same hotel is conducted by Emir Oktay and Kozak Metin (2011) by using structural equation model by a detailed examination of hotels features and services on customer’s intention of repeat business. Through a well structured questionnaire, survey asking the consumers about four major services attributes of hotel which includes housekeeping, front office operations, performance of food & beverage service and willing employees, it is found that these are the most influential factors on customer satisfaction and revisit to the hotel. The relative importance of these factors if listed in terms on significant effects on customer perception front office operations becomes most noteworthy due to quick check in check out and well behaved staff. This is closely followed by descent & well mannered employees with whom customers could interact easily which significantly increased the chances of customer’s revisit. The third significant factor was housekeeping with its quality of furniture and attractive interior of hotel rooms being very appealing. The last factor becoming significant in creating customer loyalty is food & beverage service with distinguished menus, quality of food & beverage and presentation of it forming an attraction. The research concludes that there is need of managing services and its marketing and continuous performance evaluation of hotel services on service quality parameters.

A study conducted on insurance sector by Prakash et al (2011) on systematic approach for modeling & evaluating service quality and implementation through policy planning and improvement programs. A comparative study of various service quality models by effective use of neural networks and its most important element has confirmed that the Performance - Expectation Gap is best suitable for evaluating service quality as it outperformance the other techniques and this approach can used to any sector or industry. Though it is very difficult to specify the exact constituents of service quality major elements can be identified by varying degrees of importance for the customers to evaluate perceived service quality by comparing perceived performance with expectations.

The efforts taken to measure hotels' service quality performance by Yilmaz Ibrahim (2009) in star hotels through Performance only measure was from customer perspective. It has established that Hotel customers expects highly improved services in all service quality dimensions but on other hand have lower scores for perceptions in tangibles which means hoteliers need to improve upon physical infrastructure and material associated with including appearance of employees. Empathy being the most significant in making predictions about customers evaluations of service quality.

Narangajavana Yeamdao et al (2008) have found that there exists a definite relationship between the service quality & performance of hotel. A canonical correlation analysis indicates that improved service quality has made significant and positive changes in the hotels performance as it has been observed that service delivery, improved physical infrastructure and image component has increased revenue through non-room sales as occupancy and sales per room was insignificant. However significant change occurred in
room revenue by improving the service competencies of employees and facilities offered at room. This suggests that higher room revenues can be achieved by continuous improvement in hotels tangible assets which also includes facilities and surroundings. Upgrading service competencies of employees i.e. improved intangibles results in increase of non room revenue.

The study conducted by Loizos and Lycourgos (2006) on expectations and perception of hotel customers have shown there is gap between customer expectations and perceptions in context of the quality of service as in many occasions the customer expectations of service quality are not met by hoteliers. It also proves that assurance, responsiveness and reliability are the most important dimensions and requires improvement in the professional; service attitudes amongst staff members. Most of the hotels could satisfy the tangible aspects whereas larger gap in expectations and perceptions in intangibles show that hotel service delivery does not match the expectations.

As described by Min Hokey & Min Hyesung (2005) that it is always necessary to improve continuously as no practices can help the hotel to sustain for longer unless it looks for improvement. This requires understanding customer expectations as on regular basis as there seems to be discrepancies between employee’s perception of service quality and that of guests as hotel staff still not realized the significant elements which are important for customers. It is of prime importance for hotel to be fully committed for continuous improvement and making employees understand those service quality elements which contribute to impression of service.

Apart from five well known dimensions of service quality, Qu & Yung (2007) have emphasized on four dimensions in Hong Kong hotel industry. It is suggested that staff service quality, reliability, augmented service quality, room quality were most important dimensions in predicting the service quality. Since most of the hotel products are homogenous in nature, the service facilities provide the differentiator. Further it is also suggested that personal interaction with hotel employees also contributes in service delivery and customer satisfaction and loyalty as hotels are dependents on service employees handling customer requests. Hoteliers need to identify customer expectations which make them better in service performance in the competitive markets.

In an attempt to understand the constructs of service quality in public sector Rheea Seung-Kyu and Rhab June-Young (2009) have established significant relationship between service quality and customer satisfaction. It has been found that there are certain attributes which leads to satisfaction & dissatisfaction of customers. The customers benefitted at large by service delivery tend to be satisfied than that of those who could not be benefitted completely. The study on attributes of outcome quality, design quality as well as relationship quality have shown important links to customer satisfaction as end customers view process quality and outcome quality as the most important qualities, on other hand others have found design quality and relationship quality as most important
factors.

In the literature there had been some confusion over the relationship between service quality and customer satisfaction. Some researchers stated that service quality and satisfaction measured the same underlying concept and therefore were the same. Other authors argued that satisfaction with a specific transaction precedes the perception of the overall quality of the firm and therefore were the antecedent of perceived quality. Finally, others suggested that the concepts of satisfaction and quality were different, and that it was the perceived service quality that would affect customer satisfaction.

Fornell (1992), found that, as a general psychological phenomenon, satisfaction was primarily a function of a customer’s quality experience with a product or service. So overall it was expected that the greater the perceived quality, the higher the level of customer satisfaction.

Robert Johnston (1995), demonstrated that some determinants of quality predominate over others. The study found that for the personal customers of the bank, the main sources of satisfaction were attentiveness, responsiveness, care and friendliness. The study also found that the intangible aspects of the staff-customer interface had significant effects, both negative and positive, on service quality. Responsiveness was a crucial determinant of quality, as it was a key component in providing satisfaction and the lack of it is a major source of dissatisfaction. The main sources of dissatisfaction were integrity, reliability, responsiveness, availability and functionality. Reliability was predominantly a source of dissatisfaction not satisfaction. Robert Johnston (1995) study demonstrated the same results as revealed by Johnston and Silvestro (1990) study.

Reichheld and Kenny (1990) conjectured six imperatives for retaining customers that centered on strategic vision and staff development. Managers were responsible for establishing priorities and making strategic choices (Cravens et al., 1996), making it clear that CR requires clear direction and this was the first strand of CRM required that marketing operations, human resource management be inter-linked (Gronroos, 1994), organizations needed to adopt a more holistic approach to marketing, so that functional barriers and hierarchies were broken down (George et al., 1994). If staffs were given more power, greater access to information and adequate knowledge (Bowen and Lawler, 1995), they were in a better position to recover situations or delight customers. Internal marketing supports the creation of a positive climate of cooperation where everyone in the organization was working towards keeping customers (Reichheld and Sasser, 1990).

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Maya Mouawad and Brian H. Kleiner (1996), study new developments in customer service training explained that the ongoing customers were better educated than ever before and wanted value for their money. Customers also wanted good service and were willing to pay for it. The level of courtesy and assistance required from a customer service representative had increased dramatically over the past decade as a result of the customer’s upgraded “acceptable” service standards; more skills were required. As a result, companies in various industries were induced to provide distinguished customer service in order to remain competitive. Learning was taking on strategic importance. Demand for customer service training was higher than ever before. The study summed up with suggestion that in today’s volatile economy, providing excellent customer service could be the critical difference between a company’s success and failure.

Gavin Eccles and Philip Durand (1997), reviewed recent practice undertaken to improve customer service by the hotel sector of UK. The study found that at the time of increasing competition, hotel firms were aiming to use service enhancement as a means to gain competitive advantage and customer retention, and therefore developed and adopted a range of techniques like SERVQUAL to measure levels of service quality improvement. Hotels managers as “strategic thinker” would have started to manage his service quality levels beyond a cursory reaction to offerings provided by competitors. There was evidence this is happening in the UK hotel sector, and companies and customers alike were beginning to benefit.

Deborah L., William E. Youngdahl and David E. Bowen Thunderbird (1997), examined the relationship between customer participation and satisfaction. The study presented a typology of service customer’s quality assurance behaviours and a conceptual model of the service customer’s value chain. The study strongly embraced the usefulness of the value perspective for exploring the phenomenon of customer participation in service delivery. The tendency in the literature had been to treat customer participation as an input to the service firm’s mix of production resources. The study encouraged treating customer participation as a variable in the customer’s own value equation. Doing so created a rich set of implications in marketing, human resources and operations, for both researchers and managers.

Hill (1995) discussed aspects of the service quality in higher education and conducted a research in Britain focusing on the role of students as primary consumers measuring their expectations and perceptions. Legcevic (2012) used this model in Croatian higher education sector to identify the gap between expectations and perceptions of educational services from the point of view of students using the SERVQUAL instrument.
Based on this research it was concluded that the negative gap in service dimensions can be used as a guideline for planning and allocating resources in order to improve educational service quality. Higher education in developing countries has serious quality problems and De Oliviera and Fereira (2009) used SERVQUAL to identify the gap between expectations and perceptions of students and to adapt the SERVQUAL generic scale for the higher education sector in Brazil. Tan and Kek (2004) used this methodology to assess student satisfaction at the University in Singapore and concluded that some cultural factors need to be taken into consideration when developing the SERVQUAL questionnaire.

Zafiropoulos and Vrana (2008) assessed service quality in Greek higher education using this model based on an adjusted questionnaire in the educational context and included students and staff in the research. The research showed that staff's results differentiated significantly from students' scores indicating a gap in the way how students and academic staff perceive quality of the education. Dado et al. (2011) conducted an empirical investigation into the construct of higher education service quality using the SERVQUAL scale in Serbia and concluded there was a significant gap between students' expectations and perceptions. According to Beaumont (2012), students are primary stakeholders for higher education institutions and therefore assessing service quality from their viewpoint is crucial for making improvements at higher education institutions.

The service quality in higher education was measured by HEDPERF (Higher Education Performance). This concept was profounded by Firdaus (2004). He used 41 items instrument to measure the service quality. Arambewela, (2003); Tounley (2000); Geall (2000); and Tomorick et al., measured the service quality of education among the international students. Khan et al., (2007) used twenty statements to measure the service quality in technical institutes. Owlia and Aspinwall (1997) listed out thirty nine service quality variables to measure the service quality of higher education in Engineering Education. The present study used 34 statements drawn from the reviews and experts in the relevant filed to measure the service quality in higher management institutes. The SERVPERF scale has been (Performance only measurement) applied to measure the service quality as suggested by Firdaus (2004).

Service oriented businesses often assess their service quality by identifying problems and better assessment of customer expectations and need (Berry et al., 1994). Service quality is about customer's perception of specific dimensions of services such as reliability, responsiveness, assurance, empathy, and tangibility whereas satisfaction is about perception of service quality, product quality, and price as well as situational and personal factors (Zeithaml & Bitner, 2000) (Olaleke, 2010) (Shekhar et al., 2010).

Higher education is the study beyond the level of secondary education at the end of which a degree, diploma, or certificate is awarded (Dictonaries, 2013). Due to the growing complexity of higher education measuring customer satisfaction at an educational is considered a challenge (Cloutier & Richards, 1994) (Quinn et al., 2009). The Task Force on
Improvement of Higher Education in Pakistan (Ali & Lakha, 2002) identified issues in the higher education of the country and recommended a number of steps to address them.

Conclusion
A careful observation of earlier studies revealed that SQM studies have provided deeper knowledge on various dimensions of service quality. Further, it shows that adoption of SQM models as a tool of measurement suggest that Service standards and compliance strategies are especially critical for this industry to ensure customer satisfaction. Such strategies limit negative impacts on reputation of the education institutions. All these issues have been partly addressed in these studies. Previous research also suggests that a comprehensive consolidation of SQM innovative techniques is widely acceptable in education organizations and effective quality oriented service processes leads to higher customer satisfaction.

References


38. We won't compromise on quality of private higher education, says Hon. (April 02nd, 2001). *New Strait Time*, 4.
