

Service Quality Gap – A Literature Review

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Abstract

In the competitive world, service quality consciousness is increasing day-by-day. The role of service quality in the success of service organizations is widely recognized as it contributes to operational efficiency and improved organization performance. The present article encompasses literature review of various research studies conducted on service quality in different sectors like Education, Health care, Hospitality, Banking, Insurance and Retail in India and other countries of the world. The literature review on service quality highlighted the importance of identifying service quality gaps, the instruments used for measuring service quality gap and the gaps identified in various service dimensions in different sectors. Information on service quality gaps can help providers and policy makers to diagnose where performance improvement can best be targeted which is quite crucial to sustain in the competitive environment.

Key words: Service quality gap, Literature review, Operational efficiency, Organization performance.

1. Introduction

The service sector has assumed greater economic importance during the past decade. The role of service quality in the success of any service sector cannot be denied. Fierce competition resulted from globalization and liberalization has enhanced quality consciousness. Quality is considered as a strategic tool for attaining operational efficiency and improved business performance (Anderson and Zeithaml, 1984). Several authors have discussed the unique importance of quality to service firms (e.g., Normann, 1984;

Shaw, 1978) and have demonstrated its positive relationship with profits, increased market share, return on investment, customer satisfaction, and future purchase intentions.

2. Literature Review on Service Quality Gap in India

The research studies conducted on service quality in India are reviewed in order to have a snap shot of the research conducted in this area.

Arun and Venkateswaran (2014) studied the service quality aspects in public and

private hospitals. He observed that the level of expectation on the service quality and modern service qualities among the patients' are not yet fulfilled by the service provider. The service quality gap revealed that the level of perception on the service quality is lesser than the level of expectation in all the aspects. It is very high among the patients' in public health care centers.

Jayesh, and Renuka (2010) developed a scale for measuring perceived service quality for public hospitals from the user's (patient's) perspective. – A reliable and valid scale called public hospital service quality (PubHosQual) was developed to measure the five dimensions of hospital service quality: admission, medical service, overall service, discharge process, and social responsibility.

Kumar, et al., (2012) conducted a study on service quality at a hospital in Mysore and the results of the study revealed that all the four dimensions of service quality – Reliability, Responsiveness, Tangibles and Empathy were positively related to patient's loyalty.

The study conducted by Sahney, Banwet and Karunes (2004) outlined the results of a study conducted on students within selected educational institutions in India to obtain a student perspective of the quality

of those institutions. The SERVQUAL methodology was applied to identify the gap between customer expectations and perceptions of the actual service received.

Khurana (2013) analyzed the gap between customer expectation and customer perception in the service delivery of retail banks. A sample of 200 customers from 10 top performing banks of Hissar city in Haryana were selected for the study. The results have shown that there is a huge gap between perception and expectation in the case of tangibility dimension of service quality and low in the case of competency. Garikaparthi (2014) examined service quality in retail apparel industry in three retail outlets in Mumbai, i.e. ,Pantaloons, Shoppers Stop and Westside. The study had shown that there are six factors which influence the service quality of a retail outlet. Five out of the six factors are in accordance with the five factors of SERVQUAL model. The sixth factor that has been identified in the study was Advanced Services

3. Literature Review on Service Quality Gap in Other Countries of the World

There is a substantial body of evidence in higher education literature suggesting that the SERVQUAL instrument is effective in measuring service quality in the higher

education environment and is especially useful in offering guidance for changing shortcomings to strengths (Angell *et al.*, 2008, Wolverton, 1995, Yang, 2008, Harris, 2002).

Martins and Dastane (2014) measured African student perspective on service quality and performance of higher education institutes (HEI) in Malaysia. Based on stratified random sampling of 150 students from ten private HEI in Kuala Lumpur, Malaysia, using a SERVEQUAL model that measures five dimensions of quality attribute, the results have shown that service quality in the private HEI is at moderate level.

Rasli, et al., (2012) conducted a study to make a gap analysis by measuring the perception and expectation of service quality in higher education from the perspectives of Iranian postgraduate students. This study was able to show that postgraduate students from Iran in five top ranked Malaysian universities have negative perceptions of education service quality in their universities, as their expectations were not met in the performance of education services. The negative values indicate dissatisfaction. Students were dissatisfied with the education service quality on all the five aforementioned service quality factors –

Tangible, Reliability, Responsiveness, Assurance and Empathy.

Tsang and Qu (2000) assessed the perceptions of service quality in China's hotel industry, from the perspective of both international tourists and hotel managers. It was found that tourists' perceptions of service quality provided in the hotel industry in China were consistently lower than their expectations and that managers overestimated the service delivery, compared to tourists' perceptions of actual service quality, in the hotel industry in China.

The concept of service quality and service orientation in rural tourism establishments in Israel was investigated by Reichel, et al, (2000). Utilizing Grönroos's model of perceived service quality, an exploratory empirical study of 206 guests and 23 entrepreneurs revealed gaps between expected and experienced service dimensions.

Nadri and Hussain (2005) conducted a study among the European tourists visiting Northern Cyprus hotels to examine their perception of service quality. The results revealed that tangibles and intangibles dimensions exert a significant positive effect on customer satisfaction.

The study of Lam and Zhang (1999) assessed customers' expectations and

perceptions of service provided by travel agents, and explored how the service factors derived from the factor analysis were related to overall customer satisfaction. The results depicted that customers' perceptions of service quality fell short of their expectations, with the reliability dimension having the largest gap. Five factors were derived from the factor analysis of 26 service attributes, and the result of regression analysis showed that overall customer satisfaction was related to these five factors.

The study conducted by Saleh and Ryan (2006) reported an application in the hospitality industry of the SERVQUAL model developed by Parasuraman, Zeithaml and Berry. The study identified the existence of gaps between clients' and management perceptions of attributes of the hotel, and between client expectation and perception of the services offered. It is argued that the existence of these gaps is a source of dissatisfaction with services provided.

Lim and Tang (2000) attempted to determine the expectations and perceptions of patients through the use of a generic, internationally used market research technique called SERVQUAL. An analysis covering 252 patients revealed that there

was an overall service quality gap between patients' expectations and perceptions.

To demonstrate the use of SERVQUAL for measuring patients' perceptions of health care quality in Hong Kong, Lam (2010) conducted a study. The results indicated that SERVQUAL appears to be a consistent and reliable scale to measure health care service quality. The results also indicated that perceived health care service performance generally falls short of expectations except in the physical elements of service quality. Timely, professional and competent services are what patients expect from health care providers.

Pakdil and Harwood (2005) measured the gap between patients' expectations and perceptions about services delivered in a hospital-based preoperative assessment clinic. By using the SERVQUAL model, it was found that patients' most highly ranked expectation is 'adequate information about their anesthesia and surgery', and the second one is 'adequate friendliness, courtesy'. These areas contained relatively low gaps between perceptions and expectations. The largest gap occurred between the expectation of clinic waiting time and overall quality perceived.

Choudhuri (2014) investigated whether there exist any service quality gap in between customers' perception and expectation of the quality of services provided by the Life Insurance Corporation of India (LICI) in the district of Burdwan, West Bengal or not. GAP analysis results revealed that gap exist in every dimension of the service quality of life insurance. This study indicated that the way insurers delivered their services to their customer that is their level of performance were not at all met with the customers' level of service expectations.

The study was conducted by Kumar, et al., (2010) in order to find the differences in the service quality (if any) between two types of banks, namely conventional and Islamic, in terms of common critical factors after re-examining the SERVQUAL model, originally pioneered by Parasuraman. The results revealed that the expectations on competence and convenience are significantly different between conventional banks and Islamic banks, whereas the perceptions on tangibility and convenience are found to be significantly different between these two types of banks in Malaysia.

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Through Review of research in this subject, it is clearly understood that measuring service quality gap and accordingly taking corrective measures is very important. It is also observed that SERVQUAL model is used by many researchers in order to identify service quality gap.

4. Conclusion:

It is essential in the service sector to have a good understanding on what exactly the consumers want. Identifying the specific expectations of consumers, the dimensions of the service quality, and their relative importance for consumers for each specific segment of the sector would definitely help in the challenge of improving the service quality. Information on service quality gaps can help providers and policy makers to diagnose where performance improvement can best be targeted. Identifying the largest negative gaps, combined with assessment of where expectations are highest, facilitates prioritization of performance improvement.

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