Individual Analysis

Service Quality



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Chapter 1. Introduction

For the individual assignment we are going to use a marketing model which we haven't worked with before and apply it on our company. The company that we are working for is TIC (Tilburg Innovation Center), TIC want's to renew its position the market and renew its approach to (potential) clients. I have chosen to analyse the service quality by using the Gaps model of service quality from Wilson, Zeithaml, Bitner and Gremler. TIC is very dependable on customer satisfaction because they sell services; TIC helps innovative companies to grow by helping them with business issues and providing them with their big network. When the perceived service is different than the by the customer expected service it will cause a gap which can lead to loss of clients, image and reputation. With this analysis we would like to give insight in the perceived and expected service that TIC provides. We will eventually use this analysis in the major plan which gives TIC an advice about how they could renew their position in the market for a sustainable future.

Unfortunately my model wasn't implementable within our company yet (because it needs a lot of internal and external research with questionnaires for example). I think the model could be extremely helpful for our client and that's why I really liked to learn more about the analysis and get it clear for my team mates as well. So I've made a clear briefing about the model and how we should put it into practise. I hope we can visit our client during special week to fill in the steps divided.



Chapter 2. Gaps model of service quality

For the analysis I am using the Gaps model of service quality. I have chosen for this model because as you could have read in the introduction; TIC is a service selling company. For a service selling company it is very important to analyse if customers experience the service in the same way as they expected the service to be. If there is a gap between this it could have a great impact on the sustainability of the company.

Underneath you see the visualisation of the model.



Figure 1: Service Quality Gap Model

Source: Parasuraman, Zeithaml, and Berry, 1985, pp. 44

The Gaps model of service quality; Wilson, Zeithaml, Bitner and Gremler

The model was developed in 1985 by Parasuraman, Zeithaml and Berry. According to the model perceived service quality can be defined as the difference between consumers' expectations ad perceptions. The direction and the magnitude of each gap will affect the service quality.



Chapter 3. Service quality gap model and Tilburg Innovation Center

There are 5 gaps to distinct in the Service quality gap model.

Gap 1: Customer expectation-management gap. This gap addresses the difference between consumers' expectations and management's perceptions of service quality.

Gap 2: Management perception-service quality specifications gap. This gap addresses the difference between management's perceptions of consumer's expectations and service quality specifications, i.e. improper service-quality standards.

Gap 3: Service quality specification-service delivery gap. This gap addresses the difference between service quality specifications and service actually delivered, i.e. the service performance gap.

Gap 4: Service delivery-external communication gap. This gap addresses the difference between service delivery and the communications to consumers about service delivery, i.e. whether promises match delivery.

Gap 5: Expected service-perceived service gap. This gap addresses the 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.

We distinguish four steps in going through the Service Management model. The first step is to carry out an external (customers) research wherein gap K (extra gap between expected service and perceived service) is measured. The second step aims to determine whether management has a true picture of customer expectations or not. If the Management has a right image, then it's important to assess whether management has translated this into operational standards or not. This is the third step. The fourth and final step is an internal investigation into the other factors which have an influence on the quality services.

The execution of an external investigation in order to gain insight into the by customer perceived service quality (gap K) is the starting point in the roadmap. Understanding the perceived quality can be obtained through qualitative and quantitative approaches.

Roadmap:

Step 1: External research Step 2: Determine perception management Step 3: Research operational standards Step 4: Internal research

3.1 Step 1

Within researching the quality perception questionnaires are often used. For example a customer can get 2 questions about the same subject.

For example;

- In an excellent restaurant you will never have to ask to get a drink
- With restaurant X you will never have to worry to ask to get a drink



The customer answers the two questions on a scale that indicates whether he agrees with this statement. Here, it is one aspect of the services provided. But when all relevant aspects can be measured in this way it can calculate a rating for each of these aspects according to the formula below.

Experience (E) - Expectiation (V) = Perceived Quality.

If it's not possible to hold an extensive research it's also possible to use the 22 questions as listed below. Because it's hard to find any useful information on internet about TIC and its customer satisfaction unfortunately it wasn't possible to fill in the questions. All questions are bounded to one of 5 dimensions; Reliability, Assurance, Tangibles, Empathy, Responsiveness. You can find the list of questions below linked by its dimension. If it's possible at TIC we would like to use this questionnaire and let customers fill it in.

Tangibles

- 1. The technical equipment meets the latest requirements
- 2. The offices are in good working conditions
- 3. The staff is neat and well dressed
- 4. The performance of the tools around the services of TIC are attractive

Reliability

- 5. TIC promises to succeed the service within a given period of time
- 6. Complaints or concerns are being resolved with sincere interest
- 7. TIC provides the service right the first time
- 8. The service is executed at the agreed time
- 9. TIC stands on a fault-free order registration

Responsiveness

- 10. One can expect that customers won't be exactly informed about the time that the service is executed
- 11. It is not realistic to expect direct service from TIC
- 12. The employees of TIC are not permanently prepared to help customers
- 13. It is acceptable that staff from TIC is too busy to help customers

Assurance

- 14. The actions taken by TIC penetrates the customers to have confidence in the service
- 15. During the contact with staff of TIC customers feel confident
- 16. Staff of TIC is constantly friendly
- 17. Staff of TIC had the knowledge to answer customers' questions

Empathy

- 18. Staff of TIC can't be expected to give individual attention to every customer
- 19. Staff of TIC can't be expected to give personal attention to every customer
- 20. It is unrealistic to expect the staff of TIC to know the specific needs of the customers
- 21. It is unrealistic to expect the staff of TIC to only take in consideration the interests of the client
- 22. One cannot expect that the opening hours for all customers are suitable



3.2 Step 2

We use step 2 to find out if the management has a good perception of the expectations of the customer. If you have used a questionnaire in step 1 (external research) you could use the same questionnaire for the management. They could fill it in in the same way as the customers did; only they need to fill it in as if they were the customer. So they will need to take the position of the customer and answer the questions.

If the perception of the management isn't the same as the results of the customers' not only the perception would need to be adjusted, but should also examine the causes of incorrect imaging. Research has shown that in many cases the following causes are to be appointed:

- Experienced managers develop some kind of business blindness. 'Management knows'
- The management has little or no contact with the customer
- Number of management levels between top management and executive staff

3.3 Step 3

If it's clear that the management has a correct image of the expectations of the customer, it doesn't guarantee that the management has translated this image into proper operational standards for controlling of the service process. To gain insight in this the operational standards will need to be inventoried and evaluated. This needs to be compared to the expectations of the customers (results of step 1). Again have to be considered what causes problem area 2 might be to avoid negative effects in the future.

Possible causes:

- The low or entirely absent attention for quality from the management
- The lack of a formal process, in which the quality of a service or product is determined
- The degree to which tasks can be standardized
- The perception that exists in the management relating to the possibility to be able to meet certain expectations

3.4 Step 4

With the internal research it is necessary to investigate the internal business operations, such as the performance of the management. For this you will need to hold a questionnaire with the staff or something else that fits the task to gain insight in wrongly or unnecessary intervention by the management. It can also gain insight in if the staff themselves have the competence to make adjustments (if necessary) to the service process.

Another factor affecting the eventual service is the internal and external communication. The danger may arise that, due to a lack of good internal communication within the organisation between the executive staff and the staff that provides the external communication to customers, the messages in this communication aren't translated into instructions for the executive staff. Also the management can promise more via external communication, for example to increase sales, than the organisation can actually provide. Again internal research is needed to assess whether the internal and external communications connect with each other and whether the communicated messages are realistic and feasible.

If internal research has shown that there are no problems at the other problem areas, gap K may be the result of the lack of necessary conditions to achieve a high quality level. This could happen when the staff is unable to do their work well or apparently do not want to perform their work at a certain level of quality.



Possible causes:

- Insufficient or no personal involvement of employees in the organization and work
- Misalignment between the employee and his or her work
- Poor alignment between technological resources and work
- Role conflict
- Inadequate reward systems
- Inadequate control possibilities for the employees themselves

Chapter 4. Sources

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