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<u>A STUDY OF SERVICE QUALITY STANDARDS FOR CUSTOMERS'</u> <u>SATISFACTION</u>

By Prof. Bharti P. Jethani H.R College of Commerce and Economics Mumbai-20 Email id- bharti.jethani06@gmail.com Mob no- 9665403944



Abstract

Customer satisfaction is a measure of how products and services supplied by a company meet or exceed customer expectation. It is driven by the quality of the product or services, the meeting of delivery expectations, and user- friendly business practices. Within organizations, customer satisfaction ratings can have powerful effects. They focus employees on the importance of fulfilling customers' expectations. Furthermore, when these ratings dip, they warn of problems that can affect sales and profitability. It is essential for businesses to effectively manage customer satisfaction.

Therefore this paper attempt to understand the importance of customer's requirements and expectation, to improve the Service Quality Standards and strategies to improve the quality service and to fulfill the expectations of the consumers.

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Introduction

Today customer leave for the following reasons -1% die, 3% move, 5% buy from friends, 9% prefer competitors because of price and 14% because of quality, 68% of the time customer leave for just one particular reason. 68% of the time customer chooses to take their business elsewhere and this can directly be attributed to an indifference towards customer by employees.

In manufacturing organizations, a defective product can be easily recognized at any stage in the manufacturing process and prevented from reaching the customer. In addition, the quality standards for a product remain the same and do not vary from person to person from time to time. So, it is comparatively easier to ensure quality in the case of products. However, in the case of a service organization, the quality of service depends on the perspective of a person. What an employee believes as quality service may not be perceived as such by the customer.

For example, when a regular customer visits a bookstore, the employee there may give him a new arrival on a topic that he thinks is of interest to the customer. However, the customer might prefer to take a trip of the store and see all the new titles for himself. He might in fact feel annoyed with the employee. So, offering a high quality service is an enormous challenge for any service organization. At the same time, service organization cannot offer a completely standardized service as some customers prefer a customized service offering to suit their needs.

Objective of the Study

- To know the requirements and expectations of the consumers
- To analyze the Service Model Gap
- To provide strategies for improving Service Quality

Methodology

The study has focused on requirements and expectations of consumers and to improve the quality of services. To focus on this the researcher has used secondary resources like report, research articles, to prepare the research paper

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Customer Requirements

Customer satisfaction is dependent on the extent to which the service provider is able to meet customer expectations. The satisfaction levels of customers change when either of the two takes place — there is a change in the customer expectation or in the performance of the service provider. Performance of the service provider is within his own control. Therefore, service providers should watch out for changes in the satisfaction levels of customers and respond to the changes accordingly. If there is an increase in customer satisfaction, companies should make efforts to find out what is is that they are doing right and continue to do it. Conversely, if there is a decrease in customer satisfaction, companies should try to identify the faults in the system and rectify them.

Customer Expectation -

Customer expectations play a key role in a company's success and have a deeper meaning in services than being mere requirements of a customer. They may also involve customers' prediction of what will happen in a service encounter or what the customers desire to happen. Customer expectations are based on customer experience with the product or service; feedback received from friends, colleagues and relatives or may be based on their present needs.

Customers do not expect service providers to fulfill all their requirements but only that they deliver what they have promised. They want to get a fair deal for the price they pay for the service. For example, insurance customers often find that most of their requirements are not met by insurance policies due to exclusion clauses. This tends to confuse the customers as to what is actually covered by the insurance policy. However, such gaps in service delivery give service providers numerous opportunities to improve their service standards and meet customer expectations.

Reasons of Service Quality GAP Model

Some service providers believe that they offer the best possible service to their customers. However, quite often the service falls far short of customer expectations. There is gap between

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what the customer expects and what the organization offers them and this is called Customer Gap. Some of the reasons for this gap can be

- Failure to understand customer expectations,
- Failure to design the right service
- Not setting and communicating the right service standards to employees and intermediaries.
- Failure to deliver the service standards to customers
- Failure to take customer feedback and review the service continuously.

Service Quality Standards

- Organization should establish specific service standards so that all the employees strive to maintain them and customers experience excellent service. Standards can be set with respect to following –
- Value to customers
- Goals of the organization
- Involvement of the employees, intermediaries
- Right infrastructure and logistics support
- Cost of delivering the service

Dimensions of Service Quality

Since Parasuraman et al. (1988) introduced a 22-item scale, called SERVQUAL, for measuring service quality and this model has been widely adopted across industries. The thrust of SERVQUAL lies with its five dimensions of service quality that are accomplished by indirect (or objective) comparisons between pre-purchase expectations and post-purchase perceptions of company performance. This model is based on RATER:

- **Reliability** – This refers to the ability of the service provider to accurately perform the promised service. This dimension of service quality conveys whether the service provider

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keeps his promise regarding the efficient delivery of service, handling of customer complains, pricing and so on.

- Assurance This refers to the ability of the service provider and his employees to use their knowledge and courteous behavior in instill trust and confidence in customers regarding the service.
- Tangibility This dimension of service quality refers to those elements, which provide tangibility to the service and include physical facilities, equipment of the service provider, dress and appearance of the service personnel.
- **Empathy** This refers to the service provider's ability to show concern for customers and devote individual attention to each customer.
- **Responsiveness** It refers to the willingness of the service provider and his staff to provide assistance and prompt service to customer.

Strategies for improving Service Quality

- A service provider should aim at achieving zero-defects or error-free service. This can be achieved by having a management that believes in 100% perfection, necessary infrastructure and re-testing service processes at various stages to eliminate any loopholes.
- Internal Communication promotes better understanding among employees of each other's tasks and responsibilities and the difficulties involved, enhances co-operation and coordination which results in better services to customers.
- Service providers should always test a service prior to launching it in the market place.
- The management should extend support to employees by setting up the necessary information system and other infrastructure that enables employees to identify and rectify errors with ease.

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- Trained employees will be prepared to face problems and therefore can resolve them as

soon as they occur and sometimes even before the customer can perceive the error.

Suggestions -

Conduct Customer Surveys – To conduct customer survey regularly to know the customers

issues and rate of the service personnel and also to explore the factors leading to any

dissatisfaction.

Monitor customer Feedback – Managers should give special attention to the feedback given by

customers in the form of complaints or suggestions or even compliments.

Review Service Blueprints, Problem-Tracking System – The management should constantly

review the service blueprints and identify any problems that exist. If necessary, the management

should change the monitoring procedures and problem tracking procedures.

Conclusions and Recommendations –

Service Organizations should strive to enhance the quality of their service to exceed customers'

expectations so as to stay ahead of competitors. Quality is also define from different perspectives

like user-based approach, product-based approach, operation based approach, valued base

approach and transcendent view, improving service quality enables organization to win

credibility enhance customer satisfaction, obtain repeat customers and even charge a premium

price. There can be many reasons for the difference between the quality expected by the

customer and the quality delivered by the organizations. Organizations need to establish certain

service standards so that all the employees as a team strive to achieve them and offer superior

quality service to customers.

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