

Measuring Service Quality using SERVQUAL in Hospitality Industry “A Study of Delhi”

¹Anil Kumar Kalotra, ²Dr. Nitya Sharma

¹ Research Scholar, I.K.Gujral Punjab Technical University, Jalandhar, Punjab, India

² Deputy Controller of Examination, I.K.Gujral Punjab Technical University, Jalandhar, Punjab, India

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Abstract:

The inherent complexity of the hospitality service environment highlights number of difficult and potential conflicts. Customers may have different expectations of the same service or have different service priorities. Berry, Parasuraman and Zeithaml (1985) identified ten dimensions of service quality. These were later reduced to five. They defined service quality to be perceived as the extent of discrepancy between customer's expectations or desires and their perceptions". It is interesting to study the expectations of the hospitality consumers about the services provided by their organizations and their perceptions about the same. This study tries to analyze the responses of 1067 respondents availing hospitality services in Delhi (India) to a SERVQUAL questionnaire, and analyze the gap between expectations and perceptions with an aim to provide a small contribution towards improvement in these services.

Key words- Dimensions, Gap, hospitality ,Responses, Services, SERVQUAL

I. INTRODUCTION

Measuring Service Quality in hospitality industry is very crucial. Because it lead to a strong bonding between hospitality organizations and their customers (Blem, 1995). In today's the competitive business environment, has made service quality an important dimensions in hospitality industry to retain and attract new customers. The perceptions of consumers regarding the service quality of hospitality services depends on the level of satisfaction they derive from a particular service provider (Wessley,2002). According to Kotler (2007) customers expectations and perception about quality will decides about ,what the service provider should offer , and how the service provider should actually deliver to meet the expectations of customers . service quality is the most important tool to attract and retain customers. This is due to the fact that customers perceptions of service quality depends on the levels of satisfaction they derive from a particular hospitality organization.(Gagliano and Hathcote, 1994).

1.1 Customers' Expectations of Service

The beliefs about service delivery in the minds of customers are the customers' expectations that acts as bench marks against which performance of services are judged" (Zeithaml, and Bitner, 1996). These authors argued that customers have different kinds of expectations for service performance (Zeithaml and Bitner, 2003:60). In hospitality industry customers may have many expectations regarding the performance of services. and they can compare their perceptions rearding the services quality with their expectations. This evaluation is very important for hospitality providers too because it explore the strengths and weaknesses of organizations and help them in gaining competitive advantagege (Zeithaml and Bitner, 2003:60). Failure to understand these gaps will lead to losing a customer to competitors.

1.2 Perceptions of service Quality

Perceptions are always considered in relation to expectations (Zeithaml, Bitner and Gremler, 2009:87). Perceptions are formed through customers' assessment of the quality of service provided by a company and whether they are satisfied with the overall service (Zeithaml and Bitner, 2003, p.84). (Zeithaml, Bitner and Gremler, 2009:102) Zeithaml and Bitner (2003) argue that because perceptions may shift over time and therefore it is necessary for companies to continually assess customer perceptions (Zeithaml and Bitner, 2003:85).

II. SERVQUAL

The SERVQUAL service quality model was developed by a group of American authors, 'Parasu' Parasuraman, Valarie A. Zeithaml and Len Berry, in 1988. It highlights the main components of high quality service. The SERVQUAL authors originally identified ten elements of service quality, but in later work, these were collapsed into five factors - reliability, assurance, tangibles, empathy and responsiveness - that create the acronym RATER. Businesses using SERVQUAL to measure and manage service quality deploy a questionnaire that measures both the customer expectations of service quality in terms of these five dimensions, and their perceptions of the service they receive. When customer expectations are greater than their perceptions of received delivery, service quality is deemed low.

Thus according to Zeithaml, Bitner and Gremler (2009:107), "a sound measure of service quality is necessary for identifying the aspects of service needing performance improvement, assessing how much improvement is needed on

each aspect, and evaluating the impact of improvement efforts” Due to the intangible nature of a service SERVQUAL model was developed to measure customers’ evaluations of service quality (Zeithaml, Bitner and Gremler, 2009:151).

The SERVQUAL scale is designed in a form of a survey containing 22 service attributes, grouped into the five service quality dimensions (Zeithaml, Bitner and Gremler, 2009:151). The service quality dimensions used in the SERVQUAL model are; tangibles, which refers to appearance of physical facilities, equipment, personnel and written materials; reliability, which is ability to perform the promised service dependably and accurately; responsiveness, which is the willingness to help customers and provide prompt service, Assurance is the knowledge and courtesy of employees and their ability to convey trust and confidence, and empathy, which refers to caring, individualized attention given to customers by the company (Zeithaml and Bitner, 2003:93). Customers’ rate statements on service attribute in terms of their expectations and the perceptions (Zeithaml, Bitner and Gremler, 2009:151). The level of service quality is determined by subtracting the average score obtained from the expectations section to that obtained from the perceptions section (Weitz and Wessley, 2002:350). The calculated difference between the expectations and perception ratings constitutes a quantified measure.

III. LITERATURE REVIEW

Kamra Krishan K. and Chand Mohinder (2004) in their book “Basics of Tourism Theory, Operation and Practice” presented the multiple interrelated dimensions of tourism industry. The book is comprehensive in character and content, this introduction to tourism provided balanced coverage of the wide range of components within the tourism industry. *Alan Fyall and Stephen Wanhill (2005)* in their research paper “Tourism-Principles and Practice” advocated that the primary task of travel agents is to supply the public with travel services. This they did on behalf of their suppliers. An agent may deal with travel – related services such as insurance or foreign exchange. *Biju M.R. (2006)* in his book titled “Sustainable Dimensions of Tourism Management” critically analyzed various aspects of tourism industry. The introductory part of the book examined the global, national and regional evolution of tourism sector in Kerala (India). *Sharma Sunil (2007)* in his book titled “Planning and Development of Tourism and Hospitality” provided a broad overview of planning and development issues in hospitality and tourism industry. Primary and secondary data were used for the study. *Stephen Ball et al (2007)* in their book “Contemporary Hospitality and Tourism” presented a detailed historical development of the Indian hotel sector. This book represented a comprehensive, authoritative and up-to-date analysis of key sectors in the hospitality and tourism industries in China and India. *Roger J. Challan and Gabrielle Kyndt (2001)* in their research paper “Business Travelers’ Perception of Service Quality: A Prefatory Study of Two European City Centre Hotels” had analyzed customer satisfaction based on various hotel attributes with different categories of hospitality customers especially business travelers, and reviewed various literatures and surveys on hotel attributes. *Alex M. Suskind (2002)* in his research paper “I told you so- customer’s word of mouth” examined how the nature of service failure together with the restaurant’s service-recovery effort influenced customer’s intentions to return to the restaurant and their subsequent word-of-mouth communication regarding the incident and the restaurant. *Karthik Namasivayam and Timothy R. Hinkin (2003)* in their research paper “The Customer’s Role in the Service Encounter: The Effects of Control and Fairness”, argued that customers should be allowed some sense of control over the service encounter, if not employees should act in such a way that guests perceive the services as fair and acceptable. *Thanika Devi Juwaheer and Darren Lee Ross (2003)* in his research paper “A study of Hotel Guest Perceptions in Mauritius”, carried out a study with the objectives of “assessing the customers’ expectations and perceptions of quality in hotels of Mauritius”. *Karnikeya Budhwar (2004)* in his research paper “An Analysis of the Gap between Management Perceptions and Customer Expectations”, conducted the research to evaluate the crucial factors that would impact the restaurant’s success or failure; to identify the gaps between management’s and the customers’ perceptions; and to analyze choice of cuisines. *Julie Feickert et al (2006)* in their research paper “Safeguarding Your Customers: The Guest’s View of Hotel Security”, highlighted the concept of acceptance to pay extra for certain security measures.

IV. OBJECTIVE OF STUDY: TO FIND OUT THE GAPS AND TO MEASURE THE SERVICE QUALITY OF HOSPITALITY INDUSTRY

Research methodology: A study of the literature on service quality and especially SERVQUAL helped to set the objectives of this study. The original SERVQUAL questionnaire was adapted to study the peculiar characteristics of the services provided by hospitality industry. The adapted questionnaire was submitted to a pilot study and with further modifications a final questionnaire with 22 questions was devised. Questionnaire with 22 statements was applied to 1067 consumers of Delhi, who availed the hospitality service. The expectations and perceptions of the consumers were noted on 7 point rating scale. All the questionnaires were completely and correctly filled. The data was tabulated, analyzed and interpreted. The questionnaire was devised on Likert scale of 1 to 7. The data and the score for each question was collected and tabulated as shown in table 1. As the scale extremities correspond to 1= totally disagree 7=totally agree, the negative difference indicates that there is a gap between the expectations and the perception. Higher score at the perception level is an indication a higher level of satisfaction, and lower score indicates a scope for improvement.

The questionnaire was used to analyze the “gap” in the five dimensions of service quality as shown in the table 2 and the results of the study were presented through the analysis of the data of each dimension and its interpretation. Quantitative data in the form of group interactions was collected as a support to the SERVQUAL data. Quantitative data is used when the solution to a problem is given by an aspect or reality with rigor and generates conclusions that permit generalization (Fleury and Nakano, 1996). Quantitative data helps the researcher establish reliable conclusions supported

by customer group interviews. The expression of perception gets a broader sense in an open interview as compared to the limited scope of a questionnaire.

V. PRESENTATION AND DISCUSSION OF RESULTS

The results of the 1067 questionnaires for expectations and perceptions filled by hospitality services consumers are tabulated in **Table number-1**. The scores of expectations and perceptions are nothing but the mean of each statement calculated by SPSS. Quality Gaps were further found by subtracting consumer's perceptions from their expectations. Negative scores/gaps indicate that expectations are higher than the perceptions and suggest a scope for improvement.

Table number-2 shows the scores of all the five dimensions of SERVQUAL scales. Tangible dimension of service quality obtained an overall score of -1.01, which signifies that the expectations of consumers are high in case of tangibles but perception is very low. The largest gap was found in statement number three which refers to the neatness of employees. The result indicates that there should be more improvements in infrastructure and equipments, besides this it further revealed that better working environment and better infrastructure is a need of time. Hospitality organizations should take the issue of neatness of their employees on priority

Statement No. Five to Nine discusses about the **reliability** dimension. It has received an average score of -1.22, the second largest gap score among the entire dimensions. The expectations of consumers from hospitality industry are high regarding the reliability of the services but their experiences says otherwise. The largest gap was found in statement number six which refers to sincere interest in solving the problems by hospitality organizations when customers have some problem. The gap score of -1.16 in this case indicates a large scope for improvement. The organizations must seriously consider an improvement in their attitude to solve the problem of consumers sincerely with interest and zeal when they have any.

The responsive dimension is discussed in statement number ten to thirteen. This dimension has obtained a gap score of -1.23, which is the largest gap among all dimensions. This is an indication that the perception is much below the expectations and there is a big scope for improvement. The largest gap within the dimension is at question number ten which is regarding the consumer's awareness about the time of performing of services and time needed by them to avail the service delivery. The gap indicates that the hospitality organizations must take the issue seriously and invest in training and awareness of employees/staff.

Statement number fourteen to seventeen refers to the **assurance** dimension. It has received a gap score of -0.88, this dimension relates to the feeling of safety and security in the mind of hospitality consumers while experiencing the services. A negative gap indicates that this dimension is important to the consumers and the organizations needs to take measures for employees/staff awareness about their job and behavior. Statement number fourteen in the dimension has received the highest gap score among all the statements indicating a concern about the behavior of employees of hospitality organizations which is reflected in the responses. Consumers are looking for a more decent and secure service experience and hospitality industry has to consider this aspect seriously.

Statement number eighteen to twenty two discusses about empathy dimensions of service quality. It has received the gap score of -1.04 it indicates the dissatisfactions of consumers about the punctuality and availability of the staff at the time of need. Statement no.18 in the dimension has received the highest gap score among all the statements which indicates that hospitality organizations will provide convenient operating hours to their customers. Therefore organizations should improve their operational strategies so that customers get the convenient hours to avail hospitality services.

The total average SERVQUAL gap for all the five dimensions has received negative gap score as discussed by Parasuraman et al (1991). These gaps suggest a need for improved communication within the organization, better understanding, commitment of management, affective team work, proper goal setting, and standardization of tasks. The result indicates a great opportunity for hospitality industry to improve the entire service providing mechanism.

VI. CONCLUSIONS AND RECOMMENDATIONS

This research is based on scientific and quantitative research method. The results revealed from this study highlighted the quality of services provided by hospitality industry. The quality of the hospitality services provided by organizations must be reviewed as the expectations of the consumers are ever increasing. Hospitality services providers must adapt to the latest technology and switch over to latest technology after leaving traditional one. This is the big need of the time. The negative average gap scores of all the dimensions indicate discrepancy between the expectations and perceptions. The service experiences are generating unsatisfactory perceptions among the hospitality consumers. The hospitality organizations should seriously consider about the quality issues and measure to tackle them.

The objective of the study was to assess the quality of services hospitality industry is providing, by applying SERVEQUAL instrument. The study is a small contribution towards improving the affectivity and efficiency of hospitality industry by analyzing the results of this study.

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APPENDIX

Table NO.1: GAP Analysis

Dimension	Statements	Expectation Score	Perception Score	Gap Score
Tangibles	Service provider will have modern looking equipment.	5.44	4.39	-1.05
	The physical facilities will be visually appealing	5.49	4.47	-1.02
	Employees will be neat in their appearance.	5.74	4.55	-1.19
	Materials associated with the service (pamphlets or statements) will be visually appealing.	5.57	4.81	-0.76
TOTAL AVERAGE SCORE OF TANGIBLES		5.56	4.55	-1.01
Reliability	When firm promise to do something by certain time, they will do	5.47	4.27	-1.2
	When a customer has a problem, company will show a sincere interest in solving it.	5.61	4.24	-1.37
	Service provider will perform the service right, the first time.	5.57	4.49	-1.08
	Service provider will provide the service at the time they promise to do so.	5.70	4.59	-1.11
	Firm will insist on error free records.	5.76	4.73	-1.03
TOTAL AVERAGE SCORE OF RELIABILITY		5.62	4.46	-1.22
Responsiveness	Employees will tell customers exactly when services will be performed.	5.51	4.24	-1.27
	Employees will give prompt service to customers.	5.69	4.49	-1.2
	Employees will always be willing to help customers.	5.68	4.44	-1.24
	Employees will never be too busy to respond to customers' requests.	5.52	4.35	-1.17
TOTAL AVERAGE SCORE OF RESPONSIVENESS		5.6	4.37	-1.23
Assurance	The behavior of employees will instill confidence in customers	5.75	4.72	-1.03
	Customers will feel safe in transactions with employees of firm..	5.52	4.64	-0.88
	Employees will be consistently courteous with customers.	5.56	4.60	-0.96
	Employees will have the knowledge to answer customers' questions.	5.57	4.92	-0.65
TOTAL AVERAGE SCORE OF ASSURANCE		5.60	4.72	-0.88
Empathy	Company will give customers individual attention.	5.36	4.10	-1.26
	Service provider will have operating hours convenient to all their customers.	5.50	4.21	-1.29
	Service provider will have employees who give customers personal service.	5.21	4.26	-0.95
	Service provider will have their customers' best interest at heart.	5.12	4.36	-0.76

	The employees of firm will understand the specific needs of their customers.	5.42	4.45	-0.97
TOTAL AVERAGE SCORE OF EMPATHY		5.32	4.28	-1.04
TOTAL AVERAGE SERVQUAL SCORE		5.54	4.48	-1.06

Table NO.2. Analysis of quality dimensions and total quality, delivered by hospitality industry.

Dimension	Expectation Score	Perception Score	Gap Score	
TANGIBLES	5.56	4.55	-1.01	
RELIABILITY	5.62	4.46	-1.22	
RESPONSIVENESS	5.60	4.37	-1.23	
ASSURENCE	5.60	4.72	-0.88	
EMPATHY	5.32	4.28	-1.04	
TOTAL AVERAGE SERVICE QUALITY		5.54	4.48	-1.06