Volume 13 Issue 26
Originally issued as E8



Global Journal of Management and Business Research
Marketing
Volume 13 Issue 8 Version 1.0 Year 2013
Type: Double Blind Peer Reviewed International Research Journal
Publisher: Global Journals Inc. (USA)
Online ISSN: 2249-4588 & Print ISSN: 0975-5853

Service Quality: A Critical Literature Review

By Roxana Henderson
KTH Royal Institute of Technology, Brazil

Abstract - Service quality has been the subject of considerable interest by both practioners and researchers in recent years (Parasuraman et al 1985). An important reason for the interest in service quality by practitioners results from the belief that this has a beneficial effect on bottom-line performance for the firm. The purpose of this paper is to provide a review of the SERVQUAL research on service quality in the following areas: (1) definition and measurement of service quality, and (2) reliability and validity of SERVQUAL measures.

Keywords : *SERVQUAL, service quality.*

GJMBR-E Classification : *JEL Code: B21, M31*



Strictly as per the compliance and regulations of:



© 2013. Roxana Henderson. This is a research/review paper, distributed under the terms of the Creative Commons Attribution-Noncommercial 3.0 Unported License http://creativecommons.org/licenses/by-nc/3.0/), permitting all non-commercial use, distribution, and reproduction in any medium, provided the original work is properly cited.

Service Quality: A Critical Literature Review

Roxana Henderson

Abstract - **Service quality has been the subject of considerable interest by both practioners and researchers in recent years (Parasuraman et al 1985). An important reason for the interest in service quality by practitioners results from the belief that this has a beneficial effect on bottom-line performance for the firm. The purpose of this paper is to provide a review of the SERVQUAL research on service quality in the following areas: (1) definition and measurement of service quality, and (2) reliability and validity of SERVQUAL measures.**

Keywords : SERVQUAL, *service quality.*

I. Introduction

Much of the initial work in developing a model to define and assess service quality has been conducted by Parasuraman, Zeithaml, and Berry (1985) (otherwise referred to as PZB). In conceptualizing the basic service quality model PZB (1985) identified ten key determinants of service quality as perceived by the company and: the consumer reliability, responsiveness, competence, access, courtesy, communication, credibility, security, understanding/knowing the customer and tangibility.

They noted that discrepancies existed between the firm's and the customer's perceptions of the service quality delivered. In investigating these discrepancies, PZB (1985) assert that service quality can be assessed by measuring the discrepancies or "gaps" between what the customer expects and what the consumer perceives he receives. Arguing that the magnitude, and direction of this gap, directly affects the service quality that the consumer perceives, PZB (1985) note that customers would have perceptions of high service quality to the extent that their expectations are lower than the perceived service performance.

If the converse were true, customers would perceive low service quality.

- Report the results of a study that examines the usefulness of the SERVPERF scale for assessing customer perceptions of service quality in the uniform rental industry.
- Assess the reliability of service quality measures as it applies to the uniform rental industry.
- Identify the dimensions of service quality that are important to customers of uniform rental companies.
- Assess the overall service quality and satisfaction level as perceived by customers of rental companies.

Author : International Dr #2020 Ypsilanti MI 48197. KTH Royal Institute of Technology. E-mail : henderson.roxana@gmail.com

PZB (1985) assert that their framework can be used for identifying differences in the quality of goods and services by distinguishing between the properties of a good or service. They note that Nelson (1974) defined "search properties" as properties that can be determined before purchasing (such as credibility and tangibles), and "experience properties" as properties that can be determined only after purchase or consumption. Further, Darby and Karni (1973) defined "credence properties," (such as competence and security) as properties or characteristics that consumers often find extremely difficult to evaluate after their purchase. Therefore, PZB (1985) concluded that consumers typically rely on experience properties when evaluating service quality.

II. SERVQUAL

Based on their review of the literature, PZB (1985) developed the SERVQUAL scale. The scale was designed to uncover broad areas of good or bad service quality and can be used to show service quality trends over time, especially when used with other service quality techniques. The SERVQUAL scale is based on a difference score between customer expectations of service and their perceptions after receiving the service. Initially PZB (1985) focused on the ten determinants of service quality.

However, after two stages of scale purification, they reduced the ten determinants to five dimensions of service quality: tangibles, reliability, responsiveness, assurance, and empathy (PZB 1988). In their discussion, PZB (1988) assert that the SERVQUAL scale deals with perceived quality and looks specifically at service quality, not customer satisfaction. They state that "perceived service quality is a global judgment or attitude concerning the superiority of service whereas satisfaction is related to a specific transaction" (p. 16). They reported that the scale had a reliability rating of .92 and that the five dimensions could be ranked in order of importance: reliability, assurance, tangibles, responsiveness, and empathy.

Because of "wording related" high expectation scores and higher than normal standard deviations on several questions, the authors later revised the SERVQUAL scale (PZB 1991). Subsequent research and testing of the SERVQUAL scale, however, has not been supportive of its author's claims. For instance, Carman (1990) notes that while SERVQUAL generally showed good stability, its five dimensions were not always generic. Indeed, the various dimensions can vary depending on the type of service industry surveyed.

© 2013 Global Journals Inc. (US)

Carman also calls into question PZB's collection of expectation data after a customer actually uses the service. He claims that this should be done before using the service even though this is rarely practical. Carman states that even when this is done, expectations and perceptions showed little relationship to one another.

Teas (1993) questions SERVQUAL'S discriminant validity. He notes that the service quality expectations concept may have serious discriminant validity short-comings which can cause the "perceptions-minus-expectations" service quality measurement framework to be "a potentially misleading indicator of customer perceptions of service quality" (p.33). He notes that SERVQUAL's lack of discriminant validity results in a significant part of the variance in its expectations scores being determined by the respondent's "misinterpretations" of the expectation questions. Churchill, Brown and Peter (1993) argue that because the SERVQUAL scales "scores" are really difference scores (perception scores minus expectation scores); problems of reliability, discriminant validity, and variance restrictions exist. They showed that while SERVQUAL had high reliability, a non-difference score rated higher in reliability. Their findings also showed that the scale "failed to achieve discriminant validity from its components", and the distribution of the SERVQUAL scores were non-normal.

III. Definition of Service Quality

Some important definitions of service quality are coming as following:

Parasuraman et al., (1985, 1988): Service quality is determined by the differences between customer's expectations of services provider's performance and their evaluation of the services they received.

Asubonteng et al. (1996): Service quality can be defined as "the difference between customers' expectations for service performance prior to the service encounter and their perceptions of the service received".

Gefan (2002): Service quality as the subjective comparison that customers make between the quality of the service that they want to receive and what they actually get.

IV. Service Quality Dimensions

Service quality has been the subject of considerable interest by both practioners and researchers in recent years. Definitions of service quality hold that this is the result of the comparison that customers make between their expectations about a service and their perception of the way the service has been performed (Caruana & Malta 2002; 1984; Parasuraman et al., 1985, 1988, 1994).

Several studies have been conducted to identify traditional service quality dimensions that contribute most significantly to relevant quality assessments in the traditional service environment (e.g. Parasuraman et al., 1985, 1988; Johnston 1995; Pitt et al., 1999; Berry et al., 1985). Identification of the determinants of service quality is necessary in order to be able to specify measure, control and improve customer perceived service quality (Johnston1995).

Parasuraman et al.'s (1985) identified 10 detailed determinant of service quality through focus group studies:

Tangibles, reliability, responsiveness, communication, access, competence, courtesy, credibility, security, understanding/Knowledge of customer. Later these ten dimensions were further purified and developed five dimensions-tangibles, reliability, responsiveness, assurance and empathy to measure service quality, SERVQUAL (Parasuraman et al.1988).

Tangibles refer to physical facilities, equipment, and appearance of personnel. Reliability means ability to perform the promised service dependency and accurately. Responsiveness means willingness to help customers and provide prompt service. Assurance indicates knowledge and courtesy of employees and their ability to inspire trust confidence. Empathy refers to caring, individualized attention the firm provides its customers. (ibid).

Walker (1990) suggested that the key determinants are product reliability, a quality environment and delivery system that work together with good personal service-staff attitude, knowledge and skills. Gronroos (1990) postulated six criteria of perceived good service quality: professionalism and skills; attitudes and behavior; accessibility and flexibility; reliability and trustworthiness; recovery; reputation and credibility and flexibility; reliability and dimensions– Attentiveness/helpfulness, responsiveness, care, Availability, Reliability, Access, Flexibility, Aesthetics, Cleanliness/tidiness, Comfort and Security.

From the focus group interviews, Berry et al. (1985) identified ten determinants of service quality. Virtually all comments consumers made in these interviews about service expectations, Priorities and experiences fall into one of these ten categories. These are – reliability, responsiveness, competence, access, courtesy, communication, credibility, security, understanding and tangibles.

Reliability involves consistency of performance and dependability. It means that the firm performs the service right the first time. It also means the firm honors its promises. Specially it involves: accuracy in billing, keeping record correctly, performing the service at the designated time. Responsiveness concerns the willingness or readiness of employees to provide service. It involves timeliness of services that means –mailing a transaction slip immediately, calling the customer back quickly and giving prompt service. Competence means

© 2013 Global Journals Inc. (US)

possession of the required skills and knowledge to perform the services. It involves: knowledge and skill of the contact personnel, knowledge and skill of operational support personnel, research capability of the organization. Access involves approach, ability and ease of contact. It means: the service is easily accessible by telephone, waiting time to receive service is not extensive, hours of operation are convenient and location of service facility is convenient. Courtesy involves politeness, respect, consideration, and friendliness of contact personnel. It includes- consideration for the consumer's property, clean and neat appearance of public contact personnel. (ibid)

Communication means keeping customers informed in language they can understand .It also means listening to customers. It may mean that the company has to adjust its language for different consumers-increasing the level of sophistication with a well-educated customers and speaking simply and plainly with a novice. It involves: explaining the service itself, explaining how much the service will cost, assuring the customer that a problem will be handled. Credibility involves trusts worthiness, believability, honesty; it involves having the customer's best interests at heart. Contributing to credibility is: company reputation, personal characteristics of the contact personnel. The degree of hard sell involved in interaction with the customer. Security is the freedom fro danger, risk or doubt. It involves: physical safety, financial security and confidentiality. Understanding the customer means making the effort to understand the customer's need. It includes: learning the customer's specific requirements, providing individualized attention, recognizing the regular custom. Tangibles includes the physical evidence of the service, physical representations of the service, such as a plastic credit card or bank statement, other customers in the service facilities. (ibid)

Vriens (2000) developed an application for measuring retail banking service quality, which consists of 28 attributes including four service quality dimensions such as: accessibility; competence; accuracy and friendliness; and tangibles. The accuracy and friendliness dimension turned out to be the most important factor out of four determining banking preference, followed by competence, tangibles, and accessibility. Nantel (2000) proposed an alternative measure of perceived service quality in retail banking that comprises 31 items with six underlying key dimensions. These dimensions are: effectiveness and assurance, access, price, tangibles, service portfolio and reliability.

Table 2.1 : Summary of Service quality Dimensions

Dimensions	Service Quality	Authors
Reliability		Prasuraman et al., (1985); Zeithmal et al., (1988); Zeithmal et al., (2002); Yang & Fang (2004); Liu & Arnett (2000); Riel et al.(2001)
Responsiveness		Parasuraman et al.,(1985); Zeithmal et al.,(1988);
Competence		Parasuraman et al.,(1985);
Accessibility		Parasuraman et al., (1985); Kaynama and Black (2000); Joseph et al.(1999)
Courtesy		Parasuraman et al.,(1985);
Communication		Parasuraman et al.,(1985);
Credibility		Parasuraman et al.,(1985);
Security		Parasuraman et al.,(1985);
Understanding the customer		Parasuraman et al.,(1985);
Tangibles		Parasuraman et al.,(1985) Zeithmal et al .,(1985)
Content		Doll et al.(1994);Kaynama And Black(2000)
Accuracy		Doll et al.(1994);Joseph et al.(1999)
Easy of Use		Doll et al.(1994); Yang & Fang(2004)
Timeliness		Doll et al.(1994)
Empathy		Zeithmal et al.,(1988) Delone and Mclean (2003); Liu & Arnet(2000);Riel et
Assurance		Zeithmal et al.,(1988); Delone and Mclean(2003); Liu & Arnett(2000);Riel et

V. Servqual Determinants

Just over a decade ago, Parasuraman et al. (1985) initiated a research stream that many consider to be the most comprehensive investigation into service quality. Briefly, Parasuraman et al. (1985) proposed service quality to be a function of pre-purchase customer expectations, perceived process quality, and perceived output quality. They defined service quality as the gap between customers' expectations of service and their perceptions of the service experience, ultimately deriving the now-standard SERVQUAL multiple-item survey instrument (Parasuraman et al., 1988).

The SERVQUAL scale is a principal instrument in the services marketing literature for assessing quality (Parasuraman et al., 1991; Parasuraman et al., 1988). This instrument has been widely utilized by both managers (Parasuraman et al., 1991) and academics (Babakus and Boller, 1992; Carman, 1990; Crompton and MacKay, 1989; Cronin and Taylor, 1992; Johnson et

© 2013 Global Journals Inc. (US)

al., 1988; Webster, 1989; Woodside et al., 1989) to assess customer perceptions of service quality for a variety of services (e.g. banks, credit card companies, repair and maintenance companies, and long-distance telephone companies). Based on Parasuraman et al.'s (1988) conceptualization of service quality (noted above), the original SERVQUAL instrument included two 22-item sections that intended to measure (a) customer expectations for various aspects of service quality, and (b) customer perceptions of the service they actually received from the focal service organization (Parasuraman et al., 1988). In short, the SERVQUAL instrument is based on the gap theory (Parasuraman et al., 1985) and suggests that a consumer's perception of service quality is a function of the difference between his/her expectations about the performance of a general class of service providers and his/her assessment of the actual performance of a specific firm within that class (Cronin and Taylor, 1992).

Five dimensions; the results of the initial published application of the SERVQUAL instrument indicated that five dimensions of service quality emerged across a variety of services (Parasuraman et al., 1988). These dimensions include tangibles, reliability, responsiveness, assurance, and empathy (Brensinger and Lambert, 1990; Carman, 1990; Crompton and MacKay, 1989; Parasuraman et al., 1985, 1988; Woodside et al., 1989; Parasuraman et al., 1991). Tangibles are the physical evidence of the service (e.g. physical facilities, appearance of personnel, or tools or equipment used to provide the service), reliability involves consistency of performance and dependability (i.e. a firm performs the service right the first time and honors its promises), responsiveness concerns the willingness or readiness of employees to provide service (e.g. timeliness of service), assurance corresponds to the knowledge and courtesy of employees and their ability to inspire trust and confidence, and, finally, empathy pertains to caring, individualized attention that a firm provides its customers.

Subsequent research conducted in a variety of settings (e.g. a dental school clinic, a business school placement center, a tire store, and an acute care hospital) suggests that the five SERVQUAL dimensions may not be universal across all services, and that it is probably unnecessary to administer the expectation items every time SERVQUAL is administered (Babakus and Boller, 1992; Carman, 1990; Parasuraman et al., 1991). Cronin and Taylor (1992), for instance, concluded that a psychometrically superior assessment of service quality can be obtained through the SERVQUAL performance items alone, rather than the expectations–performance methodology originally used by Parasuraman et al. (1988).

More robust Most recently, researchers have begun incorporating other constructs and measures along with the SERVQUAL dimensions in order to extend and improve the explanatory power of this model. For instance, Zeithaml et al. (1994) suggest that the financial effects of SERVQUAL are more robust if one considers the immediate behavioral consequences of service quality (i.e. behavioral intentions) as intervening between service quality and financial gains or losses.

VI. Conclusion

This study identified a total of nine service quality dimensions. Obviously, in order to maintain a high level of overall service quality, the service providers should pay attention to all these dimensions tested in this study. However, to strengthen competitiveness in the extremely competitive market, given limited organizational resources, it is recommended that the companies should focus on the main six key dimensions, assurance; reliability; responsiveness; tangibles; , empathy, and Pricing(as a extra dimension) in order to achieve high level of service quality and customer satisfaction simultaneously.

References Références Referencias

1. Anderson, E.W. & Sullivan, M.W. (1993), "The antecedents and consequences of customer satisfaction for firms", Marketing science, Vol.12, No.2, spring.
2. Bahia, K. and Nantel, J. (2000), ``Areliableand valid measurement scale for the perceived service quality of banks'', International Journal of Bank Marketing, Vol.18 No.2, pp.84-91.
3. Bitner, M.J., Booms, B.H., & Tetreault, M.S., (1990), "The Service Encounter: Diagnosing Favorable and Unfavorable Incidents." Journal of Marketing, Vol. 54, January.
4. Churchill, G. A., and Surprenant, C., (1992) "An Investigation into the Determinant of Customer Satisfaction", Journal of Marketing Research, Vol.19, pp.491-504. Research Strategy in Studies of Information Systems", MIS Quarterly, 1989, pp. 33-50.
5. Cooper, D.R., & Schindler, P.S., (2003), Business Research Methods 8th edition, McGraw-Hill Companies, Inc. 85.
6. Daniel, E. (1999), ``Provision of electronic banking in the UK and Ireland" International Journal of Bank Marketing, Vol. 17, No.5, pp.211-32.
7. Dehghan, A. (2006). Relationship between service quality and customer satisfaction: In the case of CCG (Customer Centric Group) CO.
8. Dehghan, A., & Shahin, A. (2011). Customer Loyalty Assessment-A Case Study in MADDIRAN, the Distributor of LG Electronics in Iran. *Business Management and Strategy, 2*(1), E2.
9. Delone, W.H., and McLean, E.R., (2003), "the Delone and McLean Model of information systems Success: A Ten-Year Update" Journal of Mana-

© 2013 Global Journals Inc. (US)

gement Information systems / spring, Vol. 19, No. 4, pp. 9-30.
10. Drake, C., Gwynne, A., Waite, N., (1998) "Barclays Life customer satisfaction and loyalty tracking survey: a demonstration of customer loyalty research in practice" International Journal of Bank Marketing 16/7 287–292.
11. Easterby-Smith, M., Thorpe, R. and Lowe, A. (2002) Management Research: An Introduction (2nd edn), London, Sage.
12. Oppewal, H. & Vriens, M. (2000), "Measuring perceived service quality using integrated conjoint experiments", International Journal of Bank Marketing, Vol.18, No.4, PP. 154-69.
13. Parasuraman, A., & Grewal, D. (2000), "The Impact of Technology on the Quality-Value- Loyalty Chain", A Research Agenda. Journal of the Academy of Marketing Science, 28 (1), 168-174.
14. Parasuraman, A., Berry, L. L., & Zeithaml, V.A. (1994). "Alternative Scales for Measuring Service Quality: A Comparative Assessment Based on Psychometric and Diagnostic Criteria", Journal of Retailing, 70 (3), 201-30.88.
15. Parasuraman, A., Zeithamal, V.A., and Berry, L.L., (1988), "SERVQUAL: A Multiple-Item Scale for Measuring Consumer Perceptions of Service quality." Journal of retailing, volume 64, number 1, spring.
16. Saunders, M., Lewis, P., Thornhill, A., (2000) *Research Methods for Business Students Second Edition, UK,* Financial Times, Prentice Hall.
17. Spreng, R.A., Mackenzie, S.B., & Olshavky, R.W., (1996), "A reexamination of the determinants of customer satisfaction." Journal of Marketing, Vol.60, Issue 3. pp 15-33, July.
18. Shahin, A., (2004), "SERVQUAL and Model of Service Quality Gaps: A Framework for Determining and Prioritizing Critical Factors in Delivering Quality Services"4th international conference on quality management, Docs/0077.
19. Torkzadeh, G & Doll, W. J. (1991), "Test-retest reliability of the end-user computing satisfaction instrument". Decision Science, Vol.22, pp. 26-37.
20. Van Riel, A.C.R., Liljander, V. & Jurriens, P. (2001) "Exploring consumer evaluations of eservices: a portal site", International Journal of Service Industry Management, vol.12, No.4, pp. 359-377.
21. Wolfinbarger, M.F., & Gilly, M.C. (2002) .comQ: Dimensionalizing, Measuring and Predicting Quality of the E-tail Experience. Working paper, Marketing Science Institute, Cambridge, M.A., 02-100.
22. Zeithaml, V.A., Parasuraman, A., & Malhotra, A., (2002) "Service quality delivery through websites: a critical review of extant knowledge" Journal of the academy of marketing science, Vol. 30, No 4.
23. Zikmund, W.G., (2000), Business research methods, sixth edition, Harcourt, Inc. 6277 Sea Harbor Drive, Olando, FL 32887-6777.

© 2013 Global Journals Inc. (US)

This page is intentionally left blank