CHAPTER 3

REVIEW OF LITERATURE RELATED TO SERVICE QUALITY

The Study reviews literature from books and journal articles, appearing in service quality from 1974 to 1996. The articles all relate directly to service quality, its measurement, models and frameworks for managing service quality in organisations and background information with respect to each of the service sectors covered in the study. This includes the Indian environment and its changing context as also some coverage on the US service industries.

3.1 Moving Towards a Service Economy

Most Western countries are moving towards a service economy or service society. In these countries services contribute to over 50% of the GDP. Statistical data published by GATT (General Agreement on Trade & Tariffs) supports this shift of developed countries towards a service economy. In 1984, the service sector of the economy accounted for 66% of the GDP of the United States, 50% of the GDP of EEC countries, and 62% and 65% respectively for two small European economies Sweden and Finland (Gronroos 1.1990).

The service sector has also contributed significantly to civil employment. It accounts for 59 - 66% of the employment for five countries: Canada, USA, Belgium, Sweden and UK and is between 48 - 55% for countries like Japan, France, W. Germany and Italy (Langeard 2, 1983).
The international trade services market is large and growing faster than other sectors. In 1989, it amounted to US $ 770 billion and accounted for one quarter of world trade. (Agarwala3, 1993). The service sector has contributed significantly to the growth of the developed economies and has tremendous implications for employment as well.

Role of Service Sector in India

The service sector in India today accounts for 38% of the GNP and its contribution has outstripped even that of the agricultural sector. The Indian service sector is in its nascent stage. Having grown in a regulated environment, the Indian service sector does not have the ability to cope with competition. With increased liberalisation of major service sectors like banking and air, the Indian service sector will have to brace itself for competition from global service players.

India will have to consider what role the service sector should perform in its economic growth. It must also decide on the areas for trade in services. The areas of international trade in services which are experiencing growth are:

- Trade in financial services has expanded rapidly over the past decade. Net international bank lending showed an average annual growth rate of some 15 percent.
- Tourism services including travel is estimated at US $ 1.9 trillion in 1987.
- Trade in air transport service has expanded rapidly in recent years. Between 1978 and 1988, the volume of traffic on international scheduled airlines (as measured by the number of
passenger kilometers flown) nearly doubled increasing on an average by 7.0 percent per annum. Air cargo services have grown at 9.3 percent. (Agarwala3, 1993, pp 60-64).

The Hidden Service Sector

Statistics reporting the contribution of the service sector to various economies is rather misleading. In calculating the GNP from the manufacturing sector, income from services offered along with goods sold are clubbed with the income from goods. Hence, a large portion of services are not reported under the services sector. There is a large "hidden service sector". (Gronroos, 1990, p3)

Importance of Services to Goods

Chase and Erikson(1988), Heskett5(1987), Gronroos6(1990) recognise that it is becoming increasingly difficult for manufacturers to sell goods on technical aspects alone. Consequently a variety of services have to be offered to the customers as an integral part of their total offerings. Services that can be added to the goods produced include, technical service, repair and maintenance service, customer training, consulting services, joint R&D programmes, materials administration, delivery and a whole host of auxiliary services. This implies that manufacturers have to realise that they too are a part of the service economy and will have to learn the rules of service management. Therefore, the service economy is not only relevant for those firms that are labelled service firms but have important implications for manufacturing firms as well. (Gronroos 1990). There is an
increasing recognition of the fact that goods marketers would have to have a significant service component to support their total offering to customers.

As mentioned earlier, India’s service sector has yet to come out of its nascent stage. Services lack quality. Indian consumers of services like banks, hospitals, hotels, insurance and air have had to put up with deplorable services for a long time. There is a dearth of empirical research to aid the process of making Indian services more customer oriented.

3.2 Defining Services

The American Marketing Association as early as in 1960 defined a service as:

“Activities, benefits or satisfactions which are offered for sale, or are provided in connection with the sale of goods”.

AMA identified three categories of services.

i) Intangible benefits offered for sale independently of other goods or services.

ii) Intangible activities which require the use of tangible goods

iii) Intangible activities purchased jointly with other tangible activities

Regan 6 (1963) defines services as:

“Services represent either intangibles yielding satisfactions directly (e.g. transportation and housing), or intangibles yielding satisfactions jointly when purchased either with commodities or other services (e.g. credit and delivery)”.

Robert Judd 7 (1964) defined a service as:
"a market transaction by an enterprise or entrepreneur where the object of the market transaction is other than the transfer of ownership of a tangible commodity".

The definition recognises three broad areas of service which are as follows:

1. the right to possess and use a product (rented goods/services)
2. the customer creation, repair or improvement of a product (owned goods/services)
3. no product elements, but rather an experience, or what might be termed experiential possession (non-goods services)

In 1973, Bessom proposed the following definition:

"For the consumer, services are any activities offered for sale that provide valuable benefits or satisfactions; activities that he cannot perform for himself; or that he chooses not to perform for himself".

In 1974, Blois proposed:

"a service is an activity offered for sale which yields benefits and satisfactions, without leading to a physical change in the form of a good".

In 1974, Stanton defined services as:

"Services are separately identifiable, intangible activities which provide want satisfaction when marketed to consumers and/or industrial users, and which are not necessarily tied to the sale of a product or another service".

Lehtinen, 1983 defines a service as:

"A service is an activity or a series of activities which take place in interaction with a contact person, or a physical machine and which provides consumer satisfaction".
Shostack (1977) prefers to represent goods and services along a continuum ranging from tangible dominant to intangible dominant. Pure goods and services, therefore get lumped at two opposite ends with product offerings which are mixed (i.e. both tangible and intangible) falling somewhere in between.

Kotler (1988) classifies offerings into four categories:
- a pure tangible good
- a tangible good with accompanying services
- a major service with accompanying minor goods and service
- a pure service.

Kotler (1988) defines a service as:
"any activity or benefit that one party can offer another that is essentially intangible and does not result in the ownership of anything. Its production may or may not be tied to a physical product."

Berry (1984) differentiates between a service and a good.
"A good is an object, a device, a thing, a service is a deed, a performance, an effort."

Elaborating on the differences between a service and a good, Berry, (p/30) further adds: "when a good is purchased, something tangible is acquired, whereas when a service is purchased there is nothing tangible. Services are consumed but not possessed. Although the performance of most services are supported by a tangible, the essence of what is bought is a performance rendered by one party to another".
Comments on the Definitions of Services.

The AMA definition, essentially, defines services as intangible activities, benefits or satisfactions offered for sale, or sold along with goods. The definition by Regan 6 (1963) is concise, capturing the meaning of the AMA definition which is long and winded. Judd 7 (1964) refers to services as those market transactions which do not involve the transfer of ownership of a tangible product. This appears limited since some services transfer ownership for products which may be peripheral to the overall service e.g. a free gift to an air passenger.

Besson's 8 (1973), Blois 9 (1974) and Stanton's 10, (1974) definitions are similar to the AMA definition in that it says that services are activities offered for sale which deliver satisfactions or benefits. However, Besson 8, adds that it applies to those activities the buyer cannot or does not perform for himself. Lehtinen's 11 (1985) definition only adds the dimension of means of delivery by contact person or machine. In a sense it does not add to clarifying the concept of a service.

Overall one may say that there is a general consensus amongst researchers that a service is an activity offered for sale which gives benefit or satisfaction to the buyer. Since it is an activity there appears to be an intangible element to it.

Shostack 12 (1977), merely suggests that services are perhaps more intangible than goods and puts them at two ends of the continuum. Kotler 13 (1988) puts goods and services into categories, yet its difficult to operationalise these
categories into clearly defined groups. Kotler (1988) is a more comprehensive definition capturing the former definitions of early researchers. A far more lucid definition is of Berry (1984) which distinguishes between a good which is physical, and a service which is intangible, and a service being a deed, or act, or performance.

A service one can say is a complex phenomenon arising out of the fact that often the line dividing a good and a service is not clear cut. Besides, a majority of services use goods to support themselves or the other way around. Dealing with this amorphous concept poses problems for researchers who need to operationalise the service definition.

For the purpose of this study we borrow from Berry (1984) definition of a service as: "A service is a deed, a performance or an act, offered for sale. The accent of the word service is on the action of doing and thus does not cover tangible goods".

3.3 CHARACTERISTICS OF SERVICES
Although service industries are themselves quite heterogeneous, there are some characteristics of services which are generalizable. Amongst the different characteristics of a service identified by researchers, Berry (1984), singles out the three most important characteristics:
- more intangible than tangible
When a good is purchased, something physical or tangible is acquired: something that can be comprehended by the five senses. When a service is purchased, there is nothing tangible to show for it, e.g. if a product is given to the customer for use, ownership is not transferred, he uses the product for the time he is utilising the service. A service being only a performance, a customer can only consume a service, and not possess it. Services therefore have a larger intangible component than a good.

- Simultaneous production and consumption

Services are generally produced and consumed simultaneously i.e. in the same time frame. Often this means that the service provider has to be physically present when consumption takes place.

- Less standardised and uniform

The extensive involvement of people in producing a service implies that variability in outcome of service is natural.

In addition to these important characteristics of services, several other characteristics of a service can be listed. A comprehensive list has been developed by Gronroos! (1990). (See Table 3.1)
<table>
<thead>
<tr>
<th>Physical Goods</th>
<th>Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tangible</td>
<td>Intangible</td>
</tr>
<tr>
<td>Homogeneous</td>
<td>Heterogeneous</td>
</tr>
<tr>
<td>Production &amp; Distribution</td>
<td>Production and Consumption</td>
</tr>
<tr>
<td>separated from consumption</td>
<td>are simultaneous</td>
</tr>
<tr>
<td>A thing</td>
<td>An activity or process</td>
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<tr>
<td>Core value produced in factory</td>
<td>Core value produced in buyer-seller interaction</td>
</tr>
<tr>
<td>Customers do not (normally)</td>
<td>Customer participates in production</td>
</tr>
<tr>
<td>participate in production process</td>
<td></td>
</tr>
<tr>
<td>Can be kept in stock</td>
<td>Cannot be kept in stock</td>
</tr>
<tr>
<td>Transfer of Ownership</td>
<td>No transfer of ownership</td>
</tr>
</tbody>
</table>


Classifying Services

Since services are diverse, over a period of time researchers have proposed different ways of classifying services. Gronroos (1990) reports the classification schemes and has added four more approaches, the summary has been reproduced in Table 3.2.
<table>
<thead>
<tr>
<th>Author</th>
<th>Proposed Classification Schemes</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Judd (1964)</td>
<td>1. Rented goods services (right to own and use a good for a defined time period)</td>
<td>First two are fairly specific, but third category is very broad &amp; ignores services such as insurance, banking, legal advice and accounting.</td>
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<td></td>
<td>2. Owned goods services (custom creation, repair or improvement of goods owned by the customer)</td>
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<td></td>
<td>3. Nongoods services (personal experiences or &quot;experiential possession&quot;)</td>
<td></td>
</tr>
<tr>
<td>Rathmell (1974)</td>
<td>1. Type of Seller</td>
<td>No specific application to service — could apply equally well to goods.</td>
</tr>
<tr>
<td></td>
<td>2. Type of Buyer</td>
<td></td>
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<td></td>
<td>3. Buying motives</td>
<td></td>
</tr>
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<td></td>
<td>4. Buying practice</td>
<td></td>
</tr>
<tr>
<td></td>
<td>5. Degree of regulation</td>
<td></td>
</tr>
<tr>
<td>Shostack (1977)</td>
<td>Proportion of physical goods &amp; intangible services contained within each product &quot;package&quot;.</td>
<td>Offers opportunities for multi-attribute modeling</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Emphasizes that there are few pure goods or pure services.</td>
</tr>
<tr>
<td>Hill (1977)</td>
<td>1. Services affecting persons vs. those affecting goods.</td>
<td>Emphasizes nature of service benefits and (in 5) variations in the service delivery/consumption environment.</td>
</tr>
<tr>
<td></td>
<td>2. Permanent vs. temporary effects of the service.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3. Reversibility vs. nonreversibility of these effects.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>4. Physical effects Vs Mental effects</td>
<td></td>
</tr>
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<td></td>
<td>5. Individual Vs Collective Service</td>
<td></td>
</tr>
<tr>
<td>Thomas (1978)</td>
<td>1. Primary equipment-based</td>
<td>Although operational rather than marketing in orientation, provides a useful way of understanding product attributes.</td>
</tr>
<tr>
<td></td>
<td>a. Automated (e.g. car wash)</td>
<td></td>
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<td></td>
<td>b. Monitored by unskilled operator (e.g., movie theater).</td>
<td></td>
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<td></td>
<td>c. Operated by skilled personnel (e.g. airlines)</td>
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<tr>
<td></td>
<td>2. Primary people-based</td>
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<tr>
<td></td>
<td>a. Unskilled labour (e.g. lawn care)</td>
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<td></td>
<td>b. Skilled Labour (e.g. repair work)</td>
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<tr>
<td></td>
<td>c. Professional Staff (e.g. lawyer, dentists)</td>
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<tr>
<td>Author</td>
<td>Proposed Classification Schemes</td>
<td>Comments</td>
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<td>-----------------</td>
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<td>--------------------------------------------------------------------------</td>
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<tr>
<td>Chase (1978)</td>
<td>Extent of customer contact required in service delivery:</td>
<td>Re ensures that product variability is harder to control in high contact services because customer exert more influence on timing of demand and service features, due to their greater involvement in the service process.</td>
</tr>
<tr>
<td></td>
<td>a. High contact (e.g., health care hotels, restaurants)</td>
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<td></td>
<td>b. Low contact (e.g., postal services, wholesaling)</td>
<td></td>
</tr>
<tr>
<td>Gronroos (1979)</td>
<td>1. Type of Service</td>
<td>Notice that the same services, e.g., insurance and financial, may be rendered to both individuals and organisations.</td>
</tr>
<tr>
<td></td>
<td>a. Professional services</td>
<td></td>
</tr>
<tr>
<td></td>
<td>b. Other services</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2. Type of customers</td>
<td></td>
</tr>
<tr>
<td></td>
<td>a. Individuals</td>
<td></td>
</tr>
<tr>
<td></td>
<td>b. Organisations</td>
<td></td>
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<tr>
<td>Kotler (1980)</td>
<td>1. People-based vs. equipment-based</td>
<td>Synthesizes previous work recognizes differences in purpose of service organization.</td>
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<td></td>
<td>2. Extent to which client's presence is necessary.</td>
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<tr>
<td></td>
<td>3. Meets personal needs vs. business needs.</td>
<td></td>
</tr>
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<td></td>
<td>4. Public vs. private, for profit vs. non-profit.</td>
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</tr>
<tr>
<td>Lovelock (1980)</td>
<td>1. Basic demand characteristics</td>
<td>Synthesizes previous classifications &amp; adds several new schemes.</td>
</tr>
<tr>
<td></td>
<td>- Object served (person vs. property)</td>
<td>Proposes several categories within each classification.</td>
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<tr>
<td></td>
<td>- Extent of demand/supply imbalances</td>
<td>Concludes that defining object served is most fundamental classification scheme.</td>
</tr>
<tr>
<td></td>
<td>- Discrete vs. continuous relationship between customer and providers.</td>
<td>Suggests that valuable marketing insights would come from combining two or more classification schemes in a matrix.</td>
</tr>
<tr>
<td></td>
<td>2. Service content &amp; benefits</td>
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</tr>
<tr>
<td></td>
<td>- Extent of physical goods content</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Extent of personal service content</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Single service vs. bundle of services</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Timing &amp; duration of benefits</td>
<td></td>
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<td></td>
<td>3. Service delivery procedures</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Multi site vs Single site delivery</td>
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</tr>
<tr>
<td></td>
<td>- Allocation of capacity (reservations vs. first come, first served)</td>
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<tr>
<td></td>
<td>- Independent vs. Collective consumption</td>
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<tr>
<td></td>
<td>- Time defined vs Task defined transaction</td>
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<tr>
<td></td>
<td>- Extent to which customers must be present during service delivery</td>
<td></td>
</tr>
<tr>
<td>Author</td>
<td>Proposed Classification Schemes</td>
<td>Comments</td>
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</tbody>
</table>
| Lovelock (1983) | 1. The nature of the service act  
   a. Tangible action to people  
   or things.  
   b. Intangible actions to  
   people or things.  
   2. Relationships with customers  
   a. Continuous delivery.  
   b. Discrete transactions.  
   c. "Membership" relationships  
   d. No formal relationships.  
   3. Customization & judgement in  
   service delivery.  
   a. Judgement exercised by  
   customer contact person  
   b. Customization of services.  
   4. Nature of demand in relation  
   to supply.  
   a. Extent to which supply is  
   constrained.  
   b. Extent of demand fluctuations  
   5. Methods of service delivery  
   a. Single or multi-site delivery  
   b. Service delivery on provider’s  
   or customer’s premises | Provides a series of classifications which together illustrate the complex nature of services & provide useful background information for managerial purposes. |
| Schnenner (1986) | 1. Degree of interaction and customization  
   a. Low.  
   b. High. | Recognizes that some services may be more customized & involve a higher degree of labour intensity, & may help the reader to understand the strategic & tactical options available |
| Vandermew & Chadwick (1989) | 1. Degree of consumer/product interaction  
   a. Lower.  
   b. Higher.  
   2. Relative involvement of goods  
   a. "Pure" services.  
   b. Services with some goods  
   or delivered through goods  
   c. Services embodied in goods | Recognizes the importance & role of goods components in the service businesses. |

The classification schemes have not been empirically validated, and hence have limited value in proposing definite actions for service managers. An empirical study by Nerurkar (1994) attempts to establish whether services can be categorised into high contact and low contact. The study clearly shows that if you consider consumer perceptions on importance ratings attached to five service dimensions, there are no significant differences in their assessment of different services. It is quite conclusive in saying that grouping service into high and low contact do not have any relevance for mass consumer services.

3.4 Service Quality

Quality of service is an abstract construct compared to quality of goods. One can engineer quality into a product, but a service has its own peculiarities like intangibility, heterogeneity and inseparability of production and consumption which makes defining quality for a service a very challenging task.

Quality involves delivering products or services that conform to manufacturing specifications, or service standards. According to Crosby (1984), quality is defined as "conformance to requirements". Juran (1983), defines quality as "fitness for use". Garvin (1983), measures quality by counting incidences of internal failures (those observed before a product leaves a factory) and external failures (those incurred in the field after the unit is installed).

All these definitions are operations oriented, based on standards which management considers fit or right. In defining quality, an operations oriented view is limiting. It must
integrate a customer oriented view to make it whole. Therefore researchers (Eiglier and Langeard 1981, Gronroos 1983, Parasuraman, Zeithaml and Berry 1984) are urging the use of perceived quality which takes into account customer judgements.

Frameworks for Understanding Service Quality

Eiglier and Langeard (1981) suggest that if one wants to provide quality service, a starting point is understanding what customers are looking for, and how customers evaluate the service. Once this is understood it would be possible to design and deliver services meeting these requirements.

Gronroos (1983) elaborates how service quality is perceived. Perceived quality of a given service will be the outcome of an evaluation process where the consumer compares their expectations of the service, with the service they perceive they have received. See Figure 3.1 for a model of Perceived Service Quality.

Figure 3.1

Perceived Service Quality

\[\text{Expected Service} \rightarrow \text{Perceived Service Quality} \rightarrow \text{Perceived Service} \rightarrow \text{Service}\]

According to Gronroos (1983) service quality is comprised of two components: technical quality and functional quality. Technical quality refers to what the customer receives and functional quality refers to how the customer receives a service. Technical quality encompasses a firm's general know-how, technical solution, technical ability of employees, appropriate use of machine and computerised system. To ensure quality a service must not only have technical quality, but functional quality as well. Functional quality includes personal contact of service personnel with customers, the appearance, behaviour and service-mindedness of the personnel, as well as a customer oriented attitude of employees. See Figure 3.2 for a model of managing perceived service quality.
Parasuraman, Zeithaml and Berry (1984) support the notion that service quality as perceived by consumers stems from a comparison of their expectations of the services with their perceptions of the performance of the services. Perceived quality is the degree and direction of discrepancy between consumers’ perceptions and expectations. When a consumer perceives a service to be better than expectations, higher is the level of perceived quality; the worse perceptions are than expectations, the lower is the level of perceived service quality.
Norman22 (1984) prefers to break up a service into three parts: the service package including the core and peripheral service, the interaction and delivery process, and the whole system (image and culture). Each of these have soft and hard quality properties which interact with one another and influence how the customer perceives quality.

Besides recognising the importance of understanding customer expectations in managing service quality, Norman22 (1984) draws our attention to the fact that "quality being experienced by the customer is created at the moment of truth when the service provider and customer come face to face".

This concept has been very well applied by Jan Carlzon, Chairman Scandinavian Airline Systems, when he was entrusted with putting SAS on the path of recovery. A memorable statement attributed to Carlzon which he communicated to employees of SAS (Albrecht & Zemke23 1985) "We have 50,000 moments of truth there everyday". Albrecht & Zemke 23 (1985) clarify what the moment of truth is: "A moment of truth is an episode in which a customer comes into contact with any aspect of the company and thereby has an opportunity to form an impression of the service organisation". According to them, Carlzon had an obsessive commitment to managing customer experiences at all points in the service cycle. As Albrecht & Zemke23 (1985) put it: "When the moment of truth goes unmanaged, quality of service regresses to mediocrity".

From the above, Eiglier and Langeard19 (1981), Gronroos20(1983) and, Parasuraman, Zeithaml and Berry24 (1984) one may state that
central to managing service quality is an understanding of customer expectations and the customers' perceptions of what he receives. A service has technical quality and functional quality, both of which need to be managed to deliver service quality. A slightly different point of view on managing service quality has been proposed by Norman. He considers it important to manage the customer's experiences at all points in the service cycle.

Definitions of Service Quality: There are a few definitions of service quality proposed by researchers.

Collins Hall Associates (Lewis & Booms 25 1983, p100)

"The consistent delivery of acceptable standards, where acceptable standards, are defined as the standards which management deems acceptable, in light of the target market and which represents the product/service to be made available to the customer".

Lewis and Booms 25 (1983, p 99)

"Service quality is a measure of how well the service level delivered matches customer expectations. Delivering quality service means conforming to customer expectations on a consistent basis".

Crosby, W E American Airlines V.P. Passenger Service (Lewis & Booms25 1983, p 100)

"Service quality is doing consistently well those hundreds ... even thousands ... of little things that satisfy our customers and cause them to return to American again and again".
Gronroos1 (1990, p 37)
“What counts is quality as perceived by the customers”.

Gronroos20 (1983, p 24)
“Perceived quality” of a given service will be the outcome of an evaluation process when consumers compare their expectations with the service they perceive they have got i.e. they put the perceived service quality against the expected service”.

Parasuraman, Zeithaml and Berry24 (1984)
“Perceived service quality is the degree and direction of discrepancy between consumer’s perceptions and expectations – the better the perceptions are than expectations, the higher is the level of perceived service quality; the worse perceptions are than expectations, the lower is the level of perceived service quality”.

Berry14 (1984):
“Consumer perceptions of service quality result from comparing expectations prior to receiving the service and actual experiences with the service. Quality evaluations derive from the service process as well as the service outcome”.

Comments on service quality definitions
Service quality is seen differently by researchers and practitioners.
Collin Halls Associates refers to service quality as delivery of acceptable standards which management may consider acceptable to the target market. This definition does not rule out the possibility that management set standards could be based on
perceptions of what the target market desires and hardly on data gathered from the target market.

Lewis and Booms25 (1983) refer to service quality as a measure of how well the service level matches customer expectations and doing so on a consistent basis. This definition is close to Gronroos (1990) and Gronroos 20 (1993) and Parasuraman, Zeithaml and Berry21 (1984) on perceived service quality where consumers compare their expectations with the service they perceive they have received. Berry4 (1984) further clarifies that service quality includes evaluation of the outcome of the service and the processes used to deliver the service.

The importance of understanding customer expectations and perceptions cannot be underscored, if one is to deliver service quality. Service quality is a meaningful measure only if it incorporates customer perceived quality. For the study service quality which is defined by Parasuraman, Zeithaml and Berry14 1984 will be used, since the instrument SERVQUAL is built to measure the gap between customer perceptions and expectations.

3.5 RESEARCH RESULTS ON SERVICE QUALITY

Parasuraman, Zeithaml, and Berry 21 (1985) found that irrespective of the service, consumers used similar criteria to evaluate service quality. These criteria could be grouped under 10 categories:
Reliability
Responsiveness
Competence
Access
Courteous
Communication
Credibility
Security
Understanding/Knowing the Customer
Tangibles

See Table 3.3 for details for descriptions of what each category includes.

Table 3.3

<table>
<thead>
<tr>
<th>Determinants of Service Quality</th>
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<tbody>
<tr>
<td><strong>Reliability</strong></td>
</tr>
<tr>
<td>- accuracy in billing;</td>
</tr>
<tr>
<td>- keeping records correctly;</td>
</tr>
<tr>
<td>- performing the service at the designated time.</td>
</tr>
<tr>
<td><strong>Responsiveness</strong></td>
</tr>
<tr>
<td>- mailing a transaction slip immediately;</td>
</tr>
<tr>
<td>- calling the customer back quickly;</td>
</tr>
<tr>
<td>- giving prompt service (e.g., setting up appointments quickly).</td>
</tr>
</tbody>
</table>
**Competence** means possession of the required skills and knowledge to perform the service. It involves:
- knowledge and skill of the contact personnel;
- knowledge and skill of operational support personnel;
- research capability of the organisation, e.g., securities brokerage firm.

**Access** involves approachability and ease of contact. It means:
- the service is easily accessible by telephone (lines are not busy and they don't put you on hold);
- waiting time to receive service (e.g., at a bank) is not extensive;
- convenient hours of operation;
- convenient location of service facility.

**Courtesy** involves politeness, respect, consideration, and friendliness of contact personnel (including receptionists, telephone operators, etc.) It includes:
- consideration for the consumer's property (e.g., no muddy shoes on the carpet);
- clean and neat appearance of public contact personnel.

**Communication** means keeping customers informed in language they can understand and listening to them. It may mean that the company has to adjust its language for different consumers - increasing the level of sophistication with a well-educated customer and speaking simply and plainly with a novice. It involves:
- explaining the service itself;
- explaining how much the service will cost;
explaining the trade-offs between service and cost;
- assuring the customer that the problem will be handled;

**Credibility** involves trustworthiness, believability, honesty.
It involves having the customer’s best interests at heart.
Contributing to credibility are:
- company name;
- company reputation;
- personal characteristics of the contact personnel;
- the degree of hard sell involved in interactions with the customer.

**Security** is the freedom from danger, risk, or doubt. It involves:
- physical safety (will I get mugged at the automatic teller machine?);
- financial security (does the company know where my stock certificate is?);
- confidentiality (are my dealings with the company private?).

**Understanding/knowing** the customer involves making the effort to understand the customer’s needs. It involves:
- learning the customer’s specific requirements;
- providing individualised attention;
- recognising the regular customer.

**Tangibles** includes the physical evidence of the service:
- physical facilities;
- appearance of personnel;
- tools or equipments used to provide the service;
Table 3.3 (Contd.)

- physical representations of the service such as a plastic credit card or a bank statement;
- other customers in the service facility.


Based on the exploratory research findings of the 10 criteria, Parasuraman, Zeithaml & Berry21, (1986, p 9-14) developed a multiple item scale (SERVQUAL) for measuring service quality. A 97-item scale was developed and tested in two stages. The first stage focused on condensing the instrument by retaining only those items capable of discriminating well across respondents having differing quality perceptions about firms in several service categories. It also focused on dimensionality of the scale and establishing the reliability of its components. The second stage was primarily confirmatory in nature. The final scale was refined to include 26 items and captured five distinct service dimensions: Tangibles, Reliability, Responsiveness, Assurance and Empathy. Though the scale has only five distinct dimensions, its dimensions capture facets of all 10 dimensions of the exploratory work. See Table 3.4 for a concise definition of each service dimension.
Table 3.4
Definitions of the Five Service Dimensions

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tangibles</td>
<td>Appearance of physical facilities, equipment, personnel, and communication materials.</td>
</tr>
<tr>
<td>Reliability</td>
<td>Ability to perform the promised service dependably and accurately.</td>
</tr>
<tr>
<td>Responsiveness</td>
<td>Willingness to help customers and provide prompt service.</td>
</tr>
<tr>
<td>Assurance</td>
<td>Knowledge and courtesy of employees and their ability to convey trust and confidence.</td>
</tr>
<tr>
<td>Empathy</td>
<td>Caring, individualised attention the firm provides its customers.</td>
</tr>
</tbody>
</table>


SERVQUAL's total scale reliability is reported to be 0.9.

The researchers have also established its convergent validity and nomological validity. (Parasuraman, Zeithaml and Berry, 1986 pp 15-23) The term "expectation" as used in service quality literature means wants and desires of consumers i.e. what they feel a service provider should offer rather than would offer. This term varies from the definition of expectations as defined in consumer satisfaction literature where expectations are viewed as predictions made by consumers about what is likely to happen during a transaction or exchange (Parasuraman, Zeithaml & Berry, 1986). Customer satisfaction and service quality are structurally similar but different because of the way in which expectations are defined in both cases.

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Criticism of SERVQUAL

Customer satisfaction and service quality are structurally similar but differ because of the way in which expectations are defined in both. Cronin and Taylor (1992) have investigated the conceptualisations and measurement of service quality. A literature review by them suggests that the operational definition of service quality as defined by Parasuraman, Zeithaml, and Berry (1986), being a gap between perceived performance and expectations, is not correct. They quote extensively from the works of Churchill and Surprenant (1982) who suggest that service quality measures should include performance measures.

They have attempted to empirically validate whether the SERVQUAL (Parasuraman, Zeithaml & Berry, 1986) or performance based measures of service quality are better. They have also examined the relationships between service quality, consumer satisfaction and purchase intentions.

Cronin & Taylor (1992) have examined four measures of service quality:

1. Performance - Expectations (P-E). (E in this case is as originally defined by Parasuraman, Zeithaml & Berry, 1986 and performance P is the perception part of the SERVQUAL questionnaire).
2. Importance Rating x (Performance - Expectations)
3. Performance based measures (only using the performance measures included in the SERVQUAL instrument)
4. Importance rating x Performance.
All these measures were related to a customer's overall evaluation of service quality. The findings suggest that the performance-based measures captured much of the variance in overall service quality rather than the other measures of service quality. The researchers therefore conclude that performance measures are far superior to other measures.

This finding must be viewed with caution because in this study the respondent is required to respond to just a single statement which is meant to measure overall service quality. Besides, the scales for performance measures are the same as used in the perception part of SERVQUAL.

The researchers have fitted a regression equation to examine the relationship between overall service quality and the four separate alternative measures of service quality. In examining the relationship between the service quality, customer satisfaction and purchase intention, since performance-based measures were found to be superior only that measure of service quality was used. The findings reported suggest that service quality has a significant effect on customer satisfaction. However, customer satisfaction and not service quality had a significant effect on purchase intentions. (Cronin & Taylor, 1992). The researchers used a single statement to measure customer satisfaction by asking respondents to agree or disagree about the satisfaction received. This finding also may be viewed with caution.

In a separate study by Teas (1993a) the service quality model has been extensively researched. He indicates that the validity of
the P-E measure of service quality is questionable because of a number of conceptual and theoretical problems involved. His research particularly focuses on expectations (E). Referring to his earlier work, Teas 29(1993a) explains that a considerable variance in responses to the SERVQUAL E scale is because of variance in respondents' interpretation of the question being asked rather than to variance in respondents' attitudes. The study focuses on measuring the validity of SERVQUAL. They used the following measures: P-E measures, (E defined as what a customer thinks he should get), P-E* (subsequently modified by Parasuraman30 et al (1990) which requests the respondent to fill the Expectations part of the questionnaire by asking oneself what they expect "companies that would deliver excellent quality to have"), Evaluated Performance (EP) and Normalized Quality (NQ).

For the purpose of the study, Teas29 (1993a) has used 10 statements from SERVQUAL to collect respondents scores on P-E & P-E*. For the purpose of measuring Evaluated Performance Teas uses the same 10 statements of SERVQUAL, however they are turned into a semantic differential scale and are used to collect respondents' perceptions on performance and their perceptions of an ideal service. Basically, the scales are no different from the original SERVQUAL scale. Early in his article Teas31 (1993b), points out that Parasuraman, Zeithaml and Berry21, 1986 confuse expectations with ideal expectations. However, Teas31 (1993b) himself asks respondents to fill the Evaluated Performance questionnaire by describing one's
"ideal" or "perfect" discount store. By calling it "ideal" or "perfect" whether a respondent can fill a questionnaire without ambiguity of the term which he claims is the problem with SERVQUAL scale of expectations, is questionable.

The study besides investigating some other aspects, focuses on validity of the four measures of service quality. The criterion validity for P-E, P-E*, NQ are lower than for EP. However the difference appears marginal (P-E criterion coefficient is .725 whereas EP is .806). There is no great appreciation of the criterion validity by using the EP scores which are in actuality a derivation of P-E scores, meaning that the new EP scale is not originally developed, it is a modification of the SERVQUAL scale. The researchers suggest that additional theoretical and empirical work is required to examine better service quality models.

Given that the two empirical studies have their limitations in approach and are not conclusive in their findings the researchers may still be able to derive benefit from using SERVQUAL for work in the area of service quality.

3.6 Managing Customers’ Perceived Service Quality

Several frameworks have been proposed for managing service quality in companies.

Zeithaml, Parasuraman and Berry (1990) developed a model to explain the causes of good or poor service quality delivered to the customer. The service quality - gap model developed is based on in-depth, face-to-face interviews with executives of service companies.
The study revealed four internal short falls or gaps which could contribute to poor quality service as perceived by the customer:

**Gap 1** the discrepancy between customers’ expectations and management’s perceptions of customers’ expectations.

**Gap 2** the discrepancy between management’s perception of customers’ expectations and service-quality specifications.

**Gap 3** the discrepancy between service-quality specifications and actual service delivery.

**Gap 4** the discrepancy between actual service delivery and what is communicated to customers about it.

The hypothesised relationships between the organisational gaps and their antecedents and consequences were examined empirically by the researchers. The findings of the study provided partial support for the propositions tested (Parasuraman, Berry and Zeithaml 1990, pp 5-6).

Another service quality management framework has been developed by Gronroos (1990). According to Gronroos (1990), three groups of actors are involved: management, employees and customers.

Management sets policies to be followed. It involves itself with: analysing market demands and requirements of quality, internal perceptions of quality and performance amongst employees, internal marketing of quality specifications and desired performance; and external marketing and ex-post-facto quality control measures.
At the employee level the quality and performance standards are to be met by the way the organisation operates. Employees perceive quality specifications and are willing to perform accordingly. Employees meet and interact with customers and feel the signals of the market. They are in a position to analyse customer demands and control the quality of the service rendered.

At the customer level it is decided whether the quality is acceptable or not by comparing expectation with what they perceive they have received.

See Figure 3.3
The above framework has not been empirically tested. The Gronroos & Gummesson Quality model has been developed by synthesising recent research (Gronroos 1990). The model identifies four sources of quality, namely, design, production, delivery and relations. The way these are managed impacts on
customer perceived quality. Both the technical quality of the outcome of goods or services and the functional quality of interactive processes involving buyer and seller are influenced by these quality sources. Customer perceived quality is the result of the evaluation of what was expected, what was experienced and the influence of the image of the organisation. See Figure 3.4

Figure 3.4

The Gronroos-Gummesson Quality Model

- Design Quality
- Production Quality*
- Delivery Quality**
- Relational Quality

---

- Technical Quality
- Functional Quality

---

Image
Experiences
Expectations

Customer Perceived Quality

* Invisible/Visible Noninteractive/Interactive
** Own/Subcontracted


This model also has not been empirically tested.

A service management framework which is popularly known as the service triangle captures the key elements on which a service company should focus on to deliver outstanding service. Albrecht & Zemke23 (1985) have developed this conceptual framework after having studied outstanding service performers in America. The
service triangle, represents the three key elements: service strategy, people and systems with the customer right at the centre. Understanding customer requirements according to Albrecht & Zemke (1985 p 41) is a prerequisite to defining a service strategy, designing the service delivery system and deciding the type of people required for staffing.

The service triangle framework by Zemke and Schaf (1989) rests on important operating principles:

- listen, understand and respond to evolving needs of customers
- establishing a clear vision of what superior service is and communicating that to all employees
- establishing concrete standards of service quality and regularly monitoring oneself on these
- hiring good people and training them extensively
- recognising and rewarding service accomplishments

The service triangle model while appearing simple to understand and easy for managers to grasp, the elements require a great deal of managerial attention on an ongoing basis. Figure 3.5
The service triangle (Albrecht & Zemke 1985) model attempts to capture the key elements outstanding service performers focus attention on. The gap-model (Zeithaml, Parasuraman and Berry 1990) is a far more detailed model of the organisational factors which contribute to service quality shortfalls. The service quality management framework (Gronroos 1990) and the Gronroos and Gummesson quality models are not very dissimilar to the earlier discussed models. They synthesise past work on managing service quality in companies.

Source: Albrecht, K and Zemke R 1985 Service America p 41
3.7 Enriching the Service Quality Models Through TQM

The service triangle and the gap models of managing service quality should actually be used to complement one another. However, these frameworks could be enriched if they are used in the context of Total Quality Management (TQM).

TQM is an approach wherein the quality thinking pervades the whole organisation. TQM involves all people, at all levels, in all functions. It is total in every sense. TQM encompasses massive cultural, management and philosophical changes. Specific TQM changes involve customer focus, top management demonstrating quality leadership traits, open culture among all levels, decisions based on facts and analysis, partnership with suppliers, long-range vision and effective training focused on needed improvements. TQM impacts numerous organisational systems - finance, human resources etc. (Heinrich 1994). The objective of TQM is continuous improvement.

Pikes and Barnes (1994) explain that the TQM strategy involves three main planks: customer, employees and processes. The degree of attention each one of these receive depends on the reasons for change eg. if TQM is a response to customer or consumer pressure, that specific plank would be the starting point for activities.

Pikes and Barnes (1994) have developed a seven-p process for installing TQM.

1. Positive commitment
2. Planning
An organisation needs preparations before TQM can be implemented: careful planning, building firm commitment and support through active participation of middle management and employees. Process control which is the heart of TQM is concerned with management of processes in such a way as to ensure a consistent and reliable level of performance. By process is meant any activity in which something is converted into something else by means of some activity (Barnes & Pikes, 1990, p 195). Several techniques are used for process diagnosis: control charts, pareto analysis, cause-effect diagrams and flow charting (Barnes & Pikes, 1990, p 231).

Spechler has researched successful quality practices of 300 US companies. Spechler is the senior examiner for the Malcolm Baldrige National Quality Award instituted by the US Government. The Award is given to two outstanding quality companies in manufacturing and services every year.

Spechler (1993) outlines a ten step strategy for quality management and continuous improvement.

1. Create a vision and values statement
2. Integrate strategic quality goals into corporate strategy business planning process
3. Select a Total Quality Management model
4. Develop an organisation structure to implement quality improvement
5. Establish a design team to tailor quality processes implementation to the company cultures
6. Design training for quality improvement effort
7. Set up a communication plan for quality
8. Determine key business processes for cross functional analysis and improvement
9. Develop quality performance measures for all business processes
10. Benchmark operations

There is an increasingly radical new process of organisational change called "reengineering" which companies are adopting nowadays. Reengineering is an extension of TQM. It involves a radical redesign of business processes to achieve breakthrough results.

3.8 Enhancing Service Quality in Companies Using Reengineering.

Service organisations over the years have grown more complex. With the division of labour, complex work flows have to be managed across entire work units or departments. This necessitates the role of coordinating supervisors. As a result service companies have become more functionalised, multilayered, hierarchical and culturally bureaucratic. Service companies have thus lost their customer focus, with form filling taking an upper hand. To regain commitment to customer satisfaction and focus on real customer needs, service organisations today have to shift from being process driven to becoming market driven. Reengineering helps cut cycle times and design customer focussed processes.
Three basic thrust areas are involved in reengineering processes (Janson 1992/93):

- the customer is the starting point for change. Identifying what customers want and then creating jobs, organisational structures or technologies that satisfy those expectations becomes necessary. Some organisations create work teams for specific geographic regions or market segments.

- Designing work processes in the light of organisational goals. To become more customer focused, organisations that reengineer often make drastic changes in existing jobs by integrating work procedures or tasks and empowering workers with more authority and responsibility.

- Restructuring to support front-line performance. In a customer-focused environment, every aspect of the organisation works to promote the highest level of service by those who come in direct contact with customers. Many organisations support their customer service representatives with work teams or create "work station professionals" who can perform back office and front office functions. According to Janson (1992/93, p. 50) reengineering involves three dimensions of a service organisation:

  - The human dimension
  - The work process dimension
  - The technological dimension
3.9 Literature Review - Background Information and Service Quality in Different Service Sectors.

Journal articles and books were scanned to get material relating to the nine service sectors under study. Sector specific journals were covered to get contextual information on each sector especially for India. The literature review of this section covers issues that each sector is concerned with like liberalisation, entry of new service companies and the approaches if any towards service quality measurement.
3.9.1 Review on the Air Sector

Ever since the Indian domestic aviation industry has been opened up, the industry seems to be in a flux. There are several new companies which have entered, of late several of them are floundering. Mergers and acquisitions are becoming quite common.

Existing domestic aviation industry experts are of the view that the aviation policy for the domestic sector is not clear cut. There are several lacunae: for domestic airline aviation turbine fuel constitutes 40% of the operating cost. It is extremely high (4 times more than international rates). The business is capital intensive where the breakeven is as high as 75%. In addition, domestic airlines are forced to fly on certain uneconomical routes where not more than 25% of the seats are filled. These facts plus an absence of a coherent policy, industry observers feel will not facilitate the privatisation of the domestic aviation industry (Amaral 38, 1995).

Indian Airlines was a state monopoly until recently. Today it has to contend with stiff competition from the new air taxi operators and other scheduled airlines. Indian Airlines is a poorly managed company, where employees resort to unconventional methods of agitation. A customer culture also seems non-existent in Indian Airlines. Besides, that it also has to fulfill governmental obligations of flying uneconomic routes and offering lower fares (Pande 39, 1995). The new domestic airlines have chewed up significant share of the Indian Airlines' business. From a 100%
Recent Market Survey Results on Domestic Air

A recent survey conducted by MAHB reveals that Indian Airlines was judged as the best most often by 27% of the respondents. It was followed by Jet and Modiluft two other private air carriers. The respondents for the survey were 400 senior and middle level managers who had flown atleast twice in the last year.

The other parameters on which Indian Airlines was judged a topper was safety (42%) and maintenance(45%). It was the first highest on infrastructure. On punctuality (15%) it stood third. Indian Airlines did not do as well on hospitality and efficiency (MAHB 40, 1995). It clearly shows that Indian Airlines is way ahead of others on important service parameters and therefore has an edge over the relatively new entrants to the industry. One must note that while Indian Airlines has strengths, it needs to manage things differently if it wants to retain its customers. British Airways is a case worth emulating.

What service quality means in British Airways

In an interview Harvard Business Review conducted with Sir Colin Marshall, he mentioned that in the airline business, passengers take for granted the five basic services: getting them to their destinations safely at convenient times, with necessary meals provided, and allowing them to accrue frequent flier miles. However, the current day customers besides expecting the basic service, also want the airlines to help them, treat them personally, and in a caring way.
According to Sir Colin, British Airways does more than moving a passenger efficiently from one destination to the other. Their concern is for managing the customer’s experience so that they experience British Airways’ services as seamless and as personal and caring (Prokesch 41, 1995), consumers of air services abroad give greater weightage to aspects of help and caring.

British Airways tracks 350 measures of performance which include aircraft cleanliness, punctuality, technical defects on aircraft, customers’ opinion on British Airways’ check-in performance, the time it takes to get through to reservation, customers’ satisfaction with in-flight and ground services, etc.

British Airways’ strong belief in managing the customers’ experience is supplemented with measuring service quality elements like tangibles (cleanliness), reliability (on-time arrival), responsiveness (help to passengers), assurance and empathy (caring in a personal way) on a regular and consistent basis.

A passion for service excellence and its measurement of performance has helped British Airways move away from being an ailing loss ridden state owned enterprise in 1981, to a competitive airline today. Taking the customer seriously, and measuring its performance vs customer’s expectations have been the primary reasons for its success.
Since the Indian domestic aviation market is growing at 12% per year, Indian Airlines can certainly benefit from learning from the British Airways' experience. However, like British Airways it would need to rigorously measure its service quality, track the performance measures and realign the organisation to serve the customer better.

3.9.2 Review on the Insurance Sector

The setting up of the Malhotra Committee in April 1993, signalled the beginning of liberalisation of the Indian insurance sector. The Committee headed by R.N. Malhotra, former Governor of RBI, submitted its report in January 1994, supporting the opening of the economy and recommended major restructuring in LIC and GIC.

According to industry sources, implementation has been albeit slow. Also implementation will follow only after the development of a national consensus by the state owned corporations. LIC and GIC the two state owned monopolies in the insurance business in India, according to newspaper reports, are not in full agreement with suggestions about internal changes.

The Committee recommendations fall into three categories: supervision and control of the insurance industry, legislating change etc., opening insurance to private sectors and the distribution of government holdings of LIC and GIC. No foreign company will be able to setup independent business, they are required to form alliances with Indian companies.
Concrete steps were expected from the new Government after the general elections.

According to industry sources, the expected privatisation is forcing the nationalised insurance company to take steps to ensure claim settlement within a stipulated period. However, these again are based on internal comfort levels of the companies to perform service in a time frame. Hence the approach is efficiency oriented. A customer perspective can help in making the companies responsive to customer needs and become more effective.

In an interview Capital Market had with R.N. Malhotra 1995 (Moitra 42, 1995) he mentioned that the Committee had consulted various interest groups and found that an overwhelming majority 60-65%, preferred both the public sector and private sector operating, so that competition would improve the quality of the services.

The insurance sector in India is very large with an expected growth of more than 20%. LIC enjoys a market presence of 26% of the total insurable population. Approximately 45% of LIC business comes from offices in rural areas.

According to G.P Kohli, Executive Director of LIC, LIC is ready for changes and is responding to customer needs by floating new schemes for them. He also mentions that 75% of claim settlements now take place either before or on due date. Delays in death settlement claims happen due to the customer and are usually settled within 75 days.
Survey Results on Insurance

The survey results of MARG arranged by the Committee on Reforms in the insurance sector show that customers were dissatisfied on the factors affecting operational efficiency and customer service (Diwan 43, 1994):

- Employees’ customer friendliness
- Poor technical knowledge of intermediaries
- Delays in issuance of policy documents
- Inhibitions in exercising discretion
- Taking timely and fair decisions.
- High level of dissatisfaction on claim settlements, particularly motor accidents and third party liabilities
- Role of surveyors
- Lags in computerisation

From the above it appears that insurance companies are deficient on service quality. All aspects identified above revolve around service quality issues: reliability (claim settlement), assurance (knowledge of the surveyors and friendliness of employees), responsiveness (time taken for decisions), etc.

Experience In Delivering Service Quality - U.S. Insurance

There are several documented cases on U.S. insurance companies and their internal efforts for delivering quality service.

Prudential Insurance Company of America has established specific time standards for transactions which are measured and reviewed regularly.

They work on eight focus areas to ensure service quality
people recruitment and retention, training- product training, continuing education, creative use of technology, accessibility to customers through phone, service quality measurement, service quality and sales activity, recognition for superior performance, dedicated lines for customers, etc. (Davis 44, 1991)

Metropolitan Life uses Parasuraman's SERVQUAL for measuring service quality. They have developed a specific instrument for the insurance sector revolving around the five service quality dimensions (Falzon 45, 1991).

3.9.3 Review on the Hospital Sector & Diagnostic Centre

There are 5 categories of hospitals in India by type - general hospitals, rural hospitals, special hospitals (primarily for one discipline or a specific disease), teaching hospitals (to which a college is attached for medical or dental education) and isolation hospitals for infectious diseases. Hospitals classified by management include: Central Government/GOI, state government, local bodies, autonomous bodies, and private and voluntary organisations. Private hospitals in percentage terms constitute 46.38% of hospitals in India and account for 16.88% of beds of all hospitals in India. State government hospitals form 35.56% of hospitals in India and account for 58.46% of beds in India. (Central Bureau of Health Intelligence 46, 1989)

The idea of a corporate hospital was mooted in late 70's by Dr. K.C. Ojha, Finance Director, Bombay Hospital, one of the largest
hospitals run by a charitable trust. Setting up and running of a multispeciality hospital involves an outlay of crores of rupees which no traditional source can afford. Therefore, corporate hospitals is the only answer. Of late, there has been an acceptance of the idea of setting up corporate hospitals by raising funds from the capital market and term loans from financial institutions. The era of multispeciality corporate hospitals began in India in early 80's with the opening of Apollo Hospitals, Madras. Corporate hospitals can cater to all kinds of problems owing to their large and varied facilities. They provide comprehensive medical facilities under one roof. They also have an edge over other hospitals because they can provide the most advanced and modern facilities with the help of huge financial backing and efficient staff. There are 11 corporate hospitals in India (Capital Market 47, 1993).

Diagnostics is a critical area of healthcare. Though private and charitable hospitals have diagnostic facilities the range is limited. Many sophisticated diagnostic tests require installation of very expensive equipment which private and charitable hospitals can not afford. Hence there is need for independent diagnostic centres which provide a comprehensive range of diagnostic services in India. India has several private and corporate diagnostic centres.

There is not much documented evidence on whether Indian corporate hospitals or others are deeply concerned about quality of service or satisfaction of patient. However, there is evidence of Apollo Hospitals having a management doctrine covering patients, doctors,
quality, etc. Dr. Reddy the founder has enshrined his doctrine in five rules (A. Vishwanathan 48, 1995)
- Rule 1. The patient, the customer always comes first.
- Rule 2. Treat your doctors as your best managers.
- Rule 3. Don’t compromise on service quality.
- Rule 4. Give and demonstrate value for money.
- Rule 5. Beat competition by innovation.

Apollo Hospitals in the last year had registered a revenue increase of 26% and profits of 23% versus the industry average of 6%. This says a lot for its management approach.

Railway hospitals in India (Harshkumar 49, 1993) collect information on 76 parameters for judging performance of zonal hospitals. The areas which are covered include staffing, investigative facilities, patients, test and treatment done, family welfare, patient welfare, professional upgradation. In addition complaints from patients are used in assessing and comparing performance.

**Service Quality in U.S. Hospitals.**

Hospital Corporation of America (HCA) is the world’s largest healthcare company. It owns and manages nearly 400 hospitals worldwide. According to (Gillem & Nelson 50, 1991) few hospitals are concerned about customer expectations. Their concern is to deliver healthcare in a scientific manner with some emphasis on patient care. Hospitals in general do not have a customer perspective on an acceptable standard of healthcare. Hospitals entirely focus on internal quality assessments made by healthcare professionals who are part of the system.
Clinical quality of hospital care is more important to them. HCA has tried to break away by developing an external customer focus and integrating it with an internal view.

HCA has developed four customer judgement systems to generate trend reports on hospital quality from its major external customer groups - patients, physicians, payers and employees. This system samples a representative group of discharged patients, gathers their reports about hospital service, measure their ratings of quality, using a data collection instrument with demonstrated measurement properties and develops quality trend reports. The hospital can use the data to improve processes, monitor the impact of quality improvement effort over time and track the trend. The hospital collects patient perceptions on various aspects of hospital care: caring, courteous service, information given, skill, coordination and access and patient orientation.

The patient care aspects surveyed by HCA relate closely with at least three out of the five service dimensions identified by Parasuraman, Zeithaml and Berry 26, 1985: Empathy (care), Assurance (courtesy, skill and accessibility) and Responsiveness (information).

A research study conducted at Santa Monica Hospital, California reveals that patients valued trust and credibility more than any other variable of healthcare (Albrecht and Bradford 51, 1990). In the US it appears that patients' perceptions on reliability are not collected since it may be a part of the internal system to compile reports on reliability. It is clear from the above
that US patients care about responsiveness, assurance and empathy.

3.9.4 Review on the Road Transport Sector

State Transport Undertakings (STUs) provide bus transport services in urban, rural and hilly regions in India. There are 71 STUs providing transport services besides private bus operators. STUs were started with the objective of stimulating social and economic development and to meet the requirement of reasonable transport facilities, linking hinterland with urban areas. The STUs have been controlled by respective states. In 1992, the Transport Development Council decided in favour of privatisation in states where nationalisation of passenger transport was insignificant and where there was total or near total nationalisation, it was decided to leave the matter to the concerned state governments. (Satyanarayana 52, 1994a).

As per guidelines of the Planning Commission, STUs were provided with capital contribution in the absence of internal resources. Due to the liberalisation policy of Government, budgetary support to STUs has been curtailed and STUs have been urged to become financially viable in spite of social obligations and further ongoing process of liberalisation (Gawalme 53, 1995).

Researchers’ views on STUs

There has been fresh thinking amongst researchers and thinkers on the current road transport management in India (Vijayraghavan 54, 1995. Satyanarayana 55, 1994. Gawalme 53, 1995). Vijayraghavan 54, 1995 is of the view that STUs are only
concerned with bus plying. He says that they have an operational focus and emphasise efficiency. Performance parameters like number of passengers carried, passenger kilometer per litre etc. has obsessed STUs for ages. STUs do not attempt to measure performance on customer related parameters (Punctuality, safety, reliability, regularity of services etc.). Researchers have therefore urged STUs to use a marketing approach consisting of customer need identification through market research, design of services, and service mix, ensuring quality service, customer satisfaction, etc. (Gawliane 53, 1994, Murthy 56, 1994, Satyanarayana 55, 1994b).

Research contributions indicate that STUs have begun work on becoming market oriented. Several studies related to what customers expect (Maliajan 58, 1995, Satyanarayana 55, 1994b, Gawliane 53, 1995, Murthy 57, 1995). The studies were restricted to certain STUs and show that STUs have become aware of the importance of understanding customer requirements. However, one is not clear whether these studies were undertaken only to understand customer requirements where the STUs were facing intense competition or they are a part of the process adopted by STUs to be frequently updating themselves on customer requirements.

Gawliane 53, 1995 illustrates through work done with the Pune Division of MSRTC how marketing strategies can be used by STUs in improving their efficiency. Suggestions were generally made for STUs based on data generated through the Pune Division of MSRTC.
The author has recommended - demand based bus scheduling to increase vehicle utilisation; survey of clandestine vehicles and developing new services to minimise clandestine vehicles stealing away passengers; formation of a Division Advisory Committee (A Customer Committee) to help in planning and operating of bus schedules in rural areas; luxury and deluxe bus services round the clock between Pune-Dadar; and a mix of services to help different passenger segments with varying price structures.

Satyanarayana 55, 1994b, refers to a market survey in Hyderabad city, which revealed that bus passengers were dissatisfied with several service aspects - frequency of bus service, display of timings, level of overcrowding, cleanliness of the bus, travel comfort, ease of boarding at bus stops, punctuality, etc. In Hyderabad city, issues related to design and operation of services, 52% were dissatisfied with frequency of service, 38% were dissatisfied with punctuality, 20% were dissatisfied with regularity of service. On issues related to comfort, 76% were dissatisfied with overcrowding, 67% were dissatisfied with not stopping at stops and 42% with ease of boarding. On issues related to crew, 10% were dissatisfied with conductors. On issues related to bus conditions, 25% were dissatisfied with poor bus maintenance and 32% with cleanliness. On issues related to fare 17.6% were dissatisfied and on fear of safety 13% were dissatisfied.

A more comprehensive study was undertaken by Malajian 58, 1995, which covers passengers of Himachal Road Transport Corporation.
50% passengers appeared dissatisfied with regularity of service. Significant number of passengers were dissatisfied with arrangements made at time of break downs and accidents. They were also dissatisfied with punctuality. On other aspects of public amenities and general services passengers were highly dissatisfied. The passengers were not only dissatisfied with the core service but also related aspects like cleanliness, comfort, waiting room facilities, field staff behaviour, etc. Thus it appears that the HTLC needs to work hard at all the service elements to ensure satisfied passengers.

The studies so far reveal that the bus passengers are dissatisfied with core services of regularity, frequency, punctuality and comfort of travel and courtesy of bus staff. The issues revolve around service quality aspects of reliability, responsiveness, tangibles, and assurance.

3.9.5 Review on The Mail Sector

The archaic Indian Post Office Act of 1898 recently came up for review. The Gurucharan Committee setup for review has submitted its interim report. If the Government has to implement the recommendations the private couriers business will have to close down. The recommendations are quite contrary to the economic liberalisation process (Indian Express 59, 1995a). Industry players are now seeking a debate and discussion before the recommendations are implemented.

The Indian Postal Service was virtually a monopoly until the entry of courier service in the country in the 80’s. Today the
Tiidia Postal Services offers quite a stiff competition to the courier industry through a better price and infrastructure in the document business through Speedpost. Speed Post, setup by the postal service, operates on high volumes and low margins. Speed post offers a serious threat to private operators.

The postal services of the country in general needs to be improved. An ordinary person can narrate several instances of poor quality of postal services: cards not sorted properly causing delivery delays, tampered letters, time taken for speed post letters (4 days in some cases), compensation is difficult to obtain, availability of stamps, etc. (Indian Express 60, 1994).

Cost of postal services is more than the revenue obtained for the services such as post cards, printed cards, registered, printed books etc. The overall tariffs need to be revised to make the services revenue earners.

The express industry or courier business in India is Rs. 100 crore in size and is growing at 35% per year. The entry of high tech telecommunication facilities like fax machines or e-mail is having an adverse effect on couriers especially the document business which is likely to decline from 35% to 15%. But the non document business (packages and express freight) is expected to shoot up (Indian Express 61, 1995b).

From one player in 1979, today the industry numbers at least 20 organised competitors in the international sector, and over 100 in the domestic sector. Express services have moved away from
merely offering a door to door service, with semi assured time
delivery, to offering several value added services. Technology
has helped in speed, error free services and information on
where the package is. This is further supported by quality of
manpower who help in delivering consistently high standard
services.

Most of the Indian courier services measure customer
satisfaction on different parameters. Some companies even use
quality management methods to set internal processes right for
delivering services. Courier companies in India have tieups
with some of the best known courier companies in the world.
E.g. Blue Dart has a tieup with the Federal Express of U.S. (Federa
Express is the first company in the U.S. to win America's
coveted Malcolm Baldridge National Quality Award in the service
category). One of the key components of Federal Express's
quality improvement program is the Service Quality Index (SQI).
It is based on measuring failures that could irritate or
disappoint customers.

The SQI is computed daily and a cumulative daily average
is also calculated. The twelve items that are measured are wrong
date late service failures, right date late service failures,
international (Composite score of SQI from the international
operations of the company), invoice adjustments, traces not
answered, abandoned calls, damaged packages, missing proof
of deliveries, overgoods (package that lack or have lost labels
identifying sender and addressee), complaints reopened by
customers, lost packages, missed pickups, total failure. (Lovelock
62, 1994)
Articles berating the quality of services of Indian banks have been appearing from time to time in the newspapers. An illustrative article appeared in the Hindu by the head of a large financial institution, Mr. N. Vaghul in 1984. According to Mr. Vaghul, delays in updating passbooks and clearing outstation cheques could be easily taken care of if banks mechanised and computerised. However, he was quick to point out that developing systems alone would be of little use if attitudes of persons using the systems did not change. He suggested that banks should adopt a quality movement which could include gaining commitment of bank employees to provide quality service.

In 1975, a working group on customer service was appointed by the Government of India. It was known as the Talwar Committee since it was headed by the then Chairman of State Bank of India. The Committee made 176 different types of recommendations for improving services to bank customers. More recently in December 1991, the Goiporia Committee on customer service in banks was formed. It submitted its report to Reserve Bank of India on December 6th 1991. The Narasimhan Committee on financial sector reforms was also formed whose report was tabled in both houses of the Parliament on Dec. 17th 1991. The Goiporia Committee was under the Chairmanship of Mr. M.N. Goiporia, the then Chairman State Bank of India. The explicit purpose of the Committee was to look into the causes of below par customer service in banks, identify operational rigidities and deficiencies in bank services; suggest ways to
Competition in Indian banking arrived with the recommendations of the Narasimhan Committee to liberalise the banking sector. The RBI granted fresh licenses for new banks, reduced statutory preemptions, deregulated interest rates and formulated stringent accounting norms. In the past two years 1994 and 1995 at least nine private banks have come up (Butalia 65, 1995). The public sector banks have 87% of the deposit base and the new public sector banks in a few months time have notched Rs. 4,200 crores in deposits and they have a network of 47 branches. The new private sector banks (Butalia 65, 1995) derive their strength from a high level of capitalisation, access to the latest technology, focus on the customer, specialised staff, and control over operating expenses. They also have targeted their services to certain market niches. Their greatest advantage comes from not being saddled with problems of poor recovery, bad debts and lack of a service culture. The Indian public sector banks have never appeared to be proactive in offering quality services to customers. At best, they have attempted to implement the recommendations on customer services offered by various committees. There have been follow on studies to establish if Talwar Committee recommendations were implemented. Although the studies were not undertaken nationally, they provide us with an idea of the banks' functioning on customer service.
Mathur 66,1988 examined the position of customer services as it prevailed in one branch each of The State Bank of Bikaner and Jaipur, and The State Bank of India. It gives a fair insight on some aspects of customer service. The study covered 35 customers in each branch. The scope covered services availed, sources of contact, difficulties in opening of an account, time taken for jobs performed, service after working hours, and difficulties in receiving pensions, special assistance in case of need, and general environment of the bank. The findings show a large number of customers were satisfied on opening of account, special services offered even after the bank is closed and special assistance in case of need. However, a large number of customers were dissatisfied about the time taken for different jobs which was reported to be far in excess of the standards set. Customers did not appear satisfied on the general environment of the bank.

A customer service study was undertaken by The Punjab National Bank (Kaul 67,1989) to find out if the Talwar Committee guidelines in the matter of immediate credit of outstation cheques and payment of interest to customers for delays in collection of outstation cheques are complied with branches all over the country. Other aspects were also studied.

The survey instrument was administered by managerial staff of the branch to the customer. It is therefore possible that the results may be biased. 246 branches were covered.

The findings were (Kaul 67,1989):

1. In 75% of cases immediate credit to outstation cheques up to
Rs. 2500/- had been extended. However customers were defaulting in paying charges if the cheques were unpaid.

2. Banks paid interest for delays in collection of outstation cheques for only 22% of the cases, out of the 46%, where there were delays in payment.

3. Complaint/Suggestion boxes were provided in 94% of banks.

4. Nomination facilities information was provided to depositors in different ways.

5. Time bound norms for various jobs were displayed in 89% of the branches and in 98% of the branches the norms were met.

6. Payment of pensions were done on stipulated date of every month.

The norms setup by Talwar Committee seem to have been achieved atleast partially in case of PNB’s customers. However, delays in jobs performed by the bank was a dissatisfier in the case of Mathur’s 66, 1988 study. One is not clear if PNB had actually achieved these results.

Indian Banking has focused its efforts on trying to implement standards set up by various committees. There has been no sustained effort in monitoring or meeting emerging expectations of customers.

The Goiporia Report 64 (Report of the Committee on Customer Services in banks - 1991) covers a summary of different survey findings undertaken on customer service which banks had commissioned from time to time. One of the surveys covered important aspects of banks’ services in different regions.
The focus was on checking compliance to the standard set up by banks amongst customers. The results show uneven compliance with Tamil Nadu doing better than Gujarat, West Bengal and Uttar Pradesh, across different aspects like opening and closing of bank counters, information to customers, display and adherence to time norms, etc.

The other study reported in the Committee Report 64, 1991 approached the survey in a segmented fashion with five different questionnaires to cover the groups of the bank customers: individual depositors and organisational depositors, SSI organisations, exporter organisations, large PSUs, and Pensioners' association and bank employees and trade unions.

The study was comprehensive and focused on service outcomes: opening and closing of bank counters, arranging for guidance to customers, display and adherence of time norms, etc. The study showed that for the most of the aspects there were differences in ratings the banks received from different segments. There appeared to be higher dissatisfaction amongst the four customer groups - SSI organisations, exporters, large PSUs, pensioners association, bank employees and trade unions. These customer segments reported that the services were not upto expectations.

The Goiporia Committee has recommended various steps (about 100) that banks should take to offer customer service. There are suggestions to commence employee working time 15 minutes before business hours begin. Customers who enter the bank before closing time should be attended to. No counters should remain
unattended during the business hours, etc. How many of the above recommendations have been implemented so far is not clear. The adherence to the norms setup by the Goiporia Committee will ensure that the public sector banks will at least deliver on the technical aspects of the services. It will create uniformity in customer service. However, it may also be necessary to work on the process of service delivery, such as being courteous, helpful, prompt, etc. Indian banks do not seem to be concerned with these aspects. The future of the banks will be decided on how customer oriented they are. Delivering on the technical aspect of a service is necessary, but not adequate for success. Indian public sector banking is attempting to become more efficiency driven but, without a corresponding attitudinal change in employees which is required in delivering on the process dimension of a service, the effort will largely be mechanistic. A customer of a service judges the quality of a service by evaluating the outcome and the process of delivering the service. The Goiporia Committee recommendation exclusively focusses on the outcome and not process of the service.

A customer evaluates service performance in two ways: technical quality and functional quality. Technical quality is what the customer gets from the service, it is also outcome of the service. Technical quality focuses on ‘what’ the customer gets via the service. Functional quality has to do with the process, the ‘how’, how the service is delivered relating to what customer experiences in terms of interacting with service personnel, and the feelings he is left with (Gronroos 20, 1983).
Banks in India need to implement the recommendations of the Goiporia Report, and go beyond it, by giving due attention to managing the process of service delivery. Indian public sector banks do not have in place any formal systems to measure customer requirements on a periodic basis. Dhalla 68,(1991) in a review of the status of bank marketing and marketing research in banks, mentions that while customer service studies were undertaken by banks such studies were few and no formal reports were prepared for implementing the findings of the studies.

Post 1991, public sector banks have attempted to incorporate some processes for understanding customer needs (Dahali 69,1992). Amongst some of the steps taken are:

1. Devoting the 15th day of the month as Customer Day. Government reviews the reports received from banks but customer response has been poor.

2. Banks are asked to conduct surveys of customer service in branches.

3. Each branch is expected to have a customer service Committee to review customer service.

4. Customer cells have to be constituted in branches.

5. Audits are conducted by in house staff on the service parameters outlined in the Committee recommendations. (Dahali 69,1992)

How far the processes are helping in realigning the branches to serve customers better is not clear as yet.
Service Quality in U. S. Banking

The US banks are actively pursuing service quality as an important dimension of management. Terms like service quality and customer satisfaction are often used interchangeably by US banks.

The Quality Focus Institute (QFI) has been formed to help banks in the US to set up processes to manage service quality. The QFI Staff 70, 1991 distinguish between two components of service quality, one dealing with the values and perceptions of customers of the front line personnel and the other dealing with service standards and specifications of a bank office which are captured in customer satisfaction measures.

According to Quality Focus Institute Staff 70, 1991 customer expectations for bank services fall into eight categories:

1. Reliability - Customers expect that banks, its products/service and staff perform as promised, when promised, and in the manner promised. They expect the product/service to be delivered consistently, accurately, and dependably.

2. Responsiveness - They expect bank staff to react to questions promptly and correctly.

3. Appearance - Customers expect the physical location of the banks to be proper and the person to be professional and well kempt.

4. Access - Customers want the service and personnel of the bank to be available at the time and in the place the customer needs and wants to access them.
5. Features - Customers expect certain features of the product like checking accounts must be accompanied by monthly statements.

6. Clarity - Clear and concise and understandable communication.

7. Competence.

8. Courtesy.

The eight areas defined by QFI for measuring service quality for banks in the US has largely been influenced by work on SERVQUAL by Berry, Zeithaml and Parasuraman 21,1986. Empathy has not been considered of any relevance to banking and does not feature as a service quality area as identified by QFI.

Service Quality Models used in US Banking

There is a general consensus amongst researchers that service quality is more than a polite greeting, or smile of the bank staff. It is neither a programme, but is recognised as a continuous process that needs to be managed if quality service is to be delivered on a consistent basis. Romano and San Fillipo (quoted in Moral 71,1994) believe that in order to deliver service quality, one must manage three components: infrastructure, training and organisation development. In brief, one must understand how customers perceive the bank, and measure how employees deliver on service standards. Training equips employees to deliver good quality service through product knowledge and skills training. Organisation development allows the bank to communicate to its employees where it is heading.
The QFI developed a comprehensive model to help banks to focus on service quality. The model illustrates the primary elements which help the banks focus on service issues: understanding the environment and the business, and understanding customer needs which help the bank focus on service quality. This needs to be supplemented by collecting customer on the eight quality areas identified by them (Quality Focus Institute Staff 70, 1991).

Service Quality: Examples of US banks.

Farmers' Bank and Capital Trust Company (Prewitt 72, 1991) realised that they had to move away from a technical, operations and bottomline orientation to a focus on the needs of the customer. This required a cultural change in the bank. To make this cultural change, requisite top management support was elicited and the bank's vision and mission were defined with a quality emphasis. To maximise employee involvement, various educational programmes were conducted and employee standing task forces were constituted.

First Chicago Bank (Moral 71, 1994) developed a quality orientation in 1985 with a quality assurance system in place. However, a service quality emphasis developed only in 1994. As a first step the bank conducted a base line survey covering current and former customers. This helped them identify satisfaction and dissatisfaction drivers. A training and measurement system was developed to support delivery of satisfaction. Compass Bank (Moral 71, 1994) has everyone across the organisation complete an exception service programme which
deals with how to treat people they work for, each other and
customers. Frontline sales people, besides receiving skills to
sell and communicate, receive inputs on service quality.

Marquette Banc Share Inc. (Morall 71, 1994) offers a performance
promise: if they do not deliver as promised they are expected to pay the customer. Customer survey
findings are incorporated in to the training offer.

Wachovia Bank (Morall 71, 1994) uses teams to deliver service
quality in an integrated fashion.

Service quality therefore requires that customers be surveyed
regularly, customer feedback taken seriously and acted upon. The
delivery of service quality as desired by the customer means
a lot of backroom work, i.e. training the employees, measuring
their performance, equipping them to deliver the service and
rewarding employee performance.

Training Element in Service Quality - US Banking

There is general agreement among the researchers that
training is an important element in attempting to deliver
service quality (Tanja 73, 1994, Morall 71, 1994). Training
equips employees with necessary skills and competencies
required to deliver the service. Compass Bank (Morall 71, 1994)
provides training in selling skills as well as customer service
for the frontline personnel. Key Bank receive extensive training
in how to develop interactions, verbal and non-verbal
communication and listening skill to provide excellent customer
service. Several programmes on customer satisfaction, serving the customer, measuring the customer behaviour etc. are organised for the employees of the bank.

**Importance of Internal Marketing**

Delivering quality to external customers has to be supported with good internal marketing. Gulledge and L.I. 1991 acknowledges that banks have mechanisms to collect customer satisfaction data, but do not usually adopt methods, and techniques, to collect information on employees' satisfaction with other bank employees, vendors, and internal resources that influence their ability to perform efficiently, and to provide customer service. Collecting such data can be used effectively to bridge the deficiencies in the bank's internal system. To improve internal service, several processes have been suggested: Climate survey, including support and operations department in discussions about new services, internal department comment cards etc. (SanFillipo 75, 1990)

3.9.7 Review on the Hotel and Restaurant Sectors

Hotels and Restaurants use a number of methods to understand customer expectations on an ongoing basis. Market surveys, complaint analysis, focus groups, comment cards, key client studies, mystery shoppers, lost customer research, customer panel etc.

LaQuinta Motors Inns attributes its success to regular guest feedback obtained through surveys. Monthly surveys cover 400
guests. The response rate is 10%. The monthly survey also covers 400 members of frequently returning guests, with a returned rate of 42%. In addition, they collect information through toll free assistance. (Barsky 76, 1995).

Hyatt Carlton Tower in London which is one of the top three London Hotels started a process by which managers and service workers worked on various aspects of the Hotel business for at least one day. This has helped develop a better perspective on the issues involved in guest management. This is complemented with by internal focus group discussions on service philosophy amongst general managers of the hotel and employee discussion on issues concerning the customer. They also collect customer ratings on a regular basis (Taylor 77, 1992).

Hotels elicit responses of consumers on dimensions like location, parking, check-in and check-out, room cleanliness, comfort, services, employee attitudes and facilities, appearance of the external and internal parts of the building, value received for the price. Restaurants collect information separately on friendliness of employees etc. (Albrecht and Bradford 78, 1990, Barsky 76, 1995). It appears that in the Hotel industry, appearance of the exteriors, interiors, comfort and cleanliness form an important part of the service besides staff service, friendliness etc. There appears to be higher emphasis on tangibles, assurance and responsiveness. Empathy and reliability did not receive much attention.
Information on the customer expectations and evaluations of the hotel and restaurant performances are used to improve processes. This helps in focusing on problems, identifying causes of the problems, considering alternatives and redesigning of the system for customer satisfaction. This forms an important part of the process in meeting customer expectations.

There appears to be hardly any information on the hotel and restaurant sectors in India. Although personal sources suggest that guest comment cards, repeat guest surveys and mystery shopping is used to collect information on whether customer expectations have been met.
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