Findings:

This Chapter contains findings of the study. In addition, the findings are supplemented with related findings of other studies. Managerial implications emerging out of the findings of the study have also been covered. The Chapter ends with Conclusions and Future Directions for research.

The study has attempted to assess the status of service quality as it is perceived by consumers of mass services in India.

The findings cover:

* Overall service quality which is an aggregate view of the respondents of the study.
* Consumers' perceptions of service quality and the importance ratings of the service dimensions for each service sector under study.
* Importance ratings of each service dimension compared across service sectors.
* Weighted service quality compared on each service dimension across service sectors.
* Effect of consumers' age, income, education and sex on assessment of weighted service quality.
Overall Service Quality for Indian Mass Consumer Services.

Overall service quality for Indian mass consumer services is negative i.e., consumers perceive a service quality shortfall. This is true on all five service dimensions. Consumers therefore, expect far more of a service than what they perceive they are receiving. (See Key Findings 5.1.2.1 and 5.1.2.2)

Relation of Findings to Other Studies

This relates to the literature review (See 3.1.1 to 3.1.9) on each service sector, where it clearly emerges that for most of the service sectors no regular customer feedback is obtained, reviewed and acted upon by Indian service providers. There are exceptions, but these are just a handful. In addition, service management is not practiced by service providers in India. It was not required until the reforms were initiated in many service sectors after 1991.

Managerial Implications

Service providers will have to work hard at delivering service quality. They will have to first understand what service consumers expect of the service and then design their service offering to meet these expectations. On a regular basis they will have to measure consumer perceptions of quality. The regular feedback from consumers will help in identifying specific actions to be taken to bridge the gaps on quality.
Overall Importance Ratings on Service Dimensions for Indian Mass Consumer Services.

Indian mass consumers of services do not appear to rate all service dimensions equally. There appear to be significant differences on importance ratings amongst the pairs of service dimensions. (See Key Findings 5.2.2) i.e., they evaluate service dimensions differently.

It was found that the importance rating assigned to Reliability was consistently higher than the four service dimensions, Tangibles, Assurance, Empathy and Responsiveness. Also Responsiveness was found to be significantly higher than Tangibles, Assurance and Empathy. These two service dimensions appear to be very important to a mass service consumer. Reliability being the more important of the two. This also appears to support the Preliminary Findings 4.4.2 which shows that Reliability and Responsiveness got the highest mean importance ratings for most of the service sectors.

Relation of findings to other studies

What holds good for Indian mass consumer services is quite similar to Zeithaml, Parasuraman and Berry's 1 (1990) finding for the US consumers of services who rated Reliability as the most important followed by Responsiveness. In the US study, Tangibles was the least important, but our study shows that Tangibles is quite important receiving a significantly higher rating than Assurance and being more or less equal to Empathy in the overall importance ratings of service dimensions.
These findings are generally true for mass consumer services as a whole but there are differences within each service sector which can been seen in subsequent parts of this chapter.

Managerial Implications

Reliability and Responsiveness are evaluated as being highly important by mass consumers of services. However, Reliability is the more important of the two.

Service providers must work hard at improving reliability - dependability, or accuracy of their services. In addition, they should work hard on responsiveness as well, which is next in importance after reliability. Responsiveness means giving prompt services with a willingness to help.

Service providers would benefit immensely from equipping the service personnel with necessary tools for delivering consistent service quality. Computerisation has contributed a great deal to ensuring reliability and responsiveness in a service. Unless and until the service personnel receive the necessary support to perform they will not be able to improve the services on the reliability and responsiveness dimensions.

10.3 Importance Ratings within Each Service Sector

Although Indian consumers of mass services as a whole vary the degree of importance ratings assigned to the five service dimensions, the sectorwise analysis reflects certain peculiarities in each service sector.

The peculiarity of each service sector on importance ratings is presented below:
10.3.1 Importance Ratings on Insurance and Restaurant.

For Restaurant and Insurance, the differences in any of the pairs of service dimensions on importance ratings is not significant. Therefore, all five service dimensions are equally important for consumers of these sectors.

10.3.1.1 Relation of findings to other studies

Literature review (See 3.9.2) on Insurance services in India reveals no prioritization of the service dimensions for this sector. It does however, throw light on issues which give rise to customer dissatisfaction. Amongst these are included issues of delays in policy issuance and settlement of claims. This relates to the Reliability aspect of the service. Customers of Insurance services in India also appeared dissatisfied on Responsiveness issues like employee friendliness, on Tangibles which includes computerisation, and Assurance which includes knowledge of intermediaries and the role of surveyors.

10.3.1.2 Managerial implications

The insurance service providers will require to work hard on all five service dimensions since Indian consumers give equal weightage to them. Thus all the issues causing the customer dissatisfaction would have to be attacked simultaneously.

10.3.1.3 Relation of findings to other studies

Since adequate literature on Restaurant services is not available no comparison is possible.
10.3.1.4 Managerial implications

Restaurant service providers will need to give importance to all five service dimensions since Indian consumers give equal weightage to them.

10.3.2 Importance Ratings on Diagnostic Centre.

There are no significant differences amongst the pairs of service dimensions - Reliability, Responsiveness, Assurance and Empathy, for Diagnostic Centre. However, Tangibles is significantly lower than Reliability and Responsiveness.

Consumers of Diagnostic Centre give equal weight to Reliability, Responsiveness, Assurance and Empathy, whereas Tangibles is given a much lesser weight.

For this sector no related findings of other studies are available for comparison.

10.3.2.1 Managerial implications

Service providers of Diagnostic facilities will have to give greater weightage to four service dimensions - Reliability, Responsiveness, Assurance and Empathy. Customers of Diagnostic Services give greater weightage to accuracy of the reports, helpful staff, prompt service, knowledgeable and friendly staff, and personal attention to consumers.

10.3.3 Importance Ratings on Hospital, Bank, Mail, Air and Road Transport.

There were at least five service sectors where consumers gave higher weightage to Reliability over the other service dimensions - Hospital, Bank, Mail, Air and Road Transport.
There were sector specific differences on importance ratings for the other four service dimensions.

10.3.3.1 Importance Ratings on Bank
For Banks, besides Reliability consumers expect Responsiveness, Assurance and Empathy. However Tangibles is of the least importance to the consumers.

Relation of Findings to Other Studies.
The Goiporia Report (See 3.9.6) covers a summary of different findings on compliance to norms for each bank service. It appears that consumers perceive differing degrees of compliance across the public sector banks in the country. In addition different segments had varying expectations on the time norms for each service. Therefore on the Reliability aspect Indian public sector banks have a long way to go.

While other studies focus on the efficiency of the service, our study also reveals that consumers expect staff to be responsive, knowledgeable and attending personally to consumers.

Managerial Implications
Indian Banks need to work hard at the Reliability aspect. In addition they need to train staff to be responsive, assuring, and empathetic.

10.3.3.2 Importance Ratings on Hospitals
For Hospital services, Reliability is the most important service dimension. There was no pattern amongst the other service dimensions.
Relation of findings to other studies

There is little to suggest that Indian Hospitals measure patient satisfaction. However, all hospitals rely on complaints to get an insight into patients problems and conduct audits to measure different healthcare parameters. In short the assessment is largely internal (See Literature Review 3.9.3)

US studies suggest (See Literature Review 3.9.3) that Responsiveness, Assurance and Empathy are important service dimensions which are measured regularly by US hospitals by collecting patient perceptions.

Managerial Implications

Hospitals must provide reliable services since consumers give this aspect the highest weightage. The other service dimensions are also important.

10.3.3.3 Importance Ratings on Mail

For Mail services, Indian consumers give the highest weightage to Reliability. Also the other important service dimensions are Responsiveness and Assurance. The less important dimensions are Tangibles and Empathy.

Relation of findings to other studies.

Private operators of Mail services in India monitor service failures regularly (See Literature Review 3.9.5). One of the private express operators monitors the reliability of the service on aspects like delivery on right day and responsiveness of the service which includes information on queries. This supports our study that Reliability is very important.
Managerial Implications

Mail service providers must allocate their resources to improving the Reliability aspect of the service. Use of automation and computerisation can help to improve reliability to a great extent. It can also help on speed and information on queries of customers and thus affect Responsiveness.

10.3.3.4 Importance Ratings on Hotel

Consumers of Hotel give more or less equal weightage to Reliability, Responsiveness and Tangibles. They appear less concerned about Assurance and Empathy.

Relation of findings to other studies

Questionnaires administered to consumers of Hotels in the US suggest that (See Literature Review 3.7) hotels collect information on many aspects relating to tangibles, assurance and responsiveness. There is hardly anything to include reliability and empathy.

Managerial Implications

Service providers of Hotel give the most importance to Reliability, Responsiveness and Tangibles. Reliability refers to the dependability of the service, Responsiveness includes promptness and Tangibles includes the physical facilities.

10.3.3.5 Importance Ratings on Road Transport

Indian consumers of Road Transport services gives the highest importance to Reliability followed by Responsiveness and Tangibles.
Relation of findings to other studies

Literature review (See Literature Review 3.9.4) reveals that passengers of Road Transport in India are concerned with punctuality (Reliability) and regularity (Responsiveness) and cleanliness and comfort (Tangibles) and field staff behavior and safety (Assurance). This is quite similar to our findings.

Managerial Implications

Road Transport service providers need to allocate resources to improve Reliability, Tangibles, and Responsiveness of the service.

10.3.3.6 Importance Ratings on Air

In case of Air consumers consider Reliability to be the most important service dimension followed by Responsiveness and Tangibles.

Relation of findings to other studies

From Literature Review (See 3.9.1) Reliability or dependability is important for the Indian consumers i.e. punctuality, followed by Responsiveness of the staff and its physical facilities, cleanliness etc. Consumers of Air are also concerned about safety which is an aspect on the Assurance dimension.

Managerial Implications

Air service providers must work hard at delivering on the punctuality aspect which is the key service dimension. They must also work hard at keeping the physical facilities in good condition, and have a responsive staff.
10.4 Service Quality of Service Dimensions within Each Service Sector

Consumers of most of the service sectors perceived that the services offered were falling short of what the consumers expected on most of the service dimensions. The exceptions were Diagnostic Centre on the Reliability dimension, and Mail and Insurance each on the Empathy dimension.

Managerial Implications

All the service sectors have been found wanting on service quality with the exception of a few. Indian service providers in each service sector will be required to work hard on bridging the customer perception and expectation gap. Their attempt to bridge the gap will require ongoing efforts on the part of service providers to understand these expectations through formal means like surveys, focus group discussions etc. Consumer perceptions must be researched, reviewed and followed up with appropriate systemic changes. Besides, the effort of regular surveys will help in ascertaining the consumers changing expectations as well.

10.5 Comparison of Importance Ratings on Service Dimensions Across Different Service Sectors.

10.5.1 Tangibles

Service sectors which received comparatively higher mean importance rating on Tangibles are Restaurant, Hotel, Insurance and Road Transport. In these sectors, Tangibles is an important service dimension. (See Key Findings 6.10.2, 6.10.5, 6.10.3 and 6.10.9).
Managerial Implications

Indian mass consumers tend to give higher weightage to physical facilities for Restaurant, Hotel, Insurance and Road Transport services as compared to other services. Therefore service providers of these services must give due importance to this dimension. It must be noted that Tangibles was either equal to all, or amongst the most important service dimensions in the sectorwise analysis for all the services stated above (See Chapter 6, Key Findings 6.10.2, 6.10.3, 6.10.5 and 6.10.9).

10.5.2 Reliability

Service sectors which received comparatively higher mean importance ratings on Reliability are Mail, Air, Insurance, Road Transport and Diagnostic Centre. Although Reliability is highly important to all sectors, consumers gave it greater weightage in case of the earlier stated sectors.

Managerial Implications

Reliability is important to almost every service sector and service providers must therefore put a lot of effort on the Reliability aspect which includes being dependable, doing what you promised, when you promised it, and error free service. Mail, Air, Insurance and Road Transport must specifically allocate resources to improve reliability.

10.5.3 Responsiveness

Restaurant and Bank, have received the highest mean importance scores on Responsiveness. This does not mean that other sectors do not consider Responsiveness important.
Managerial Implications

Responsiveness means being prompt and helpful. Bank, and Restaurant must give due importance to Responsiveness when planning their resources.

10.5.4 Assurance and Empathy

While these two dimensions generally did not feature amongst the most important dimensions, the sectors receiving the highest mean importance ratings on Assurance are Bank, Diagnostic Centre, Hospital and Mail and for Empathy, it includes Restaurant, Hotel, Diagnostic Centre and Bank.

Managerial Implications

Except for services where either Assurance and Empathy were amongst the important service dimensions, e.g. Bank, Diagnostic Centre and Mail, the other services do not need to bother too much about this dimension.

10.5.5 Comparison of Importance Ratings on each service dimension across different services

Comparisons across various service sectors on Tangibles show that the sector receiving significantly higher importance ratings are: Restaurant, Hotel, Insurance and Road Transport. Similarly on Reliability, Mail, Air, Insurance, Road Transport and Diagnostic Centre received high importance ratings. On Responsiveness, Restaurant, and Bank received higher importance ratings. Bank, Diagnostic Centre, Hospital and Mail received higher ratings in case of Assurance. On Empathy Restaurant, Hotel, Diagnostic Centre and Bank received higher importance ratings.
Comparison of weighted service quality across services for each service dimension.

Mean weighted service quality for Tangibles is negative across all service sectors, with consumers perceiving Road Transport, Air, Mail, Insurance, Restaurant and Bank to be more negative than the other sectors. Consumers of Hospital services perceive weighted service quality on Tangibles to be less negative than the other sectors.

Mean weighted service quality for Reliability, was negative across all the service sectors. Air, Road Transport, Mail and Insurance are more negative than other sectors, whereas Restaurant is less negative.

Mean weighted service quality for Responsiveness, was also negative across all the service sectors, with Air and Bank being more negative. Mean weighted service quality on Assurance was highly negative for Mail, Bank, Diagnostic Centre, Air and Road Transport. Mean weighted service quality for Empathy was negative for all sectors but no sectors emerged as being more negative than the others.

Services with highly negative mean weighted service quality for two or more service dimensions are: Air, Road Transport, Mail, Insurance and Bank. Air service were seen as the most dissatisfying by the Indian consumers. It was one sector which received highly negative weighted service quality for five service dimensions. Road Transport service consumers found it highly dissatisfying on Reliability, Tangibles and
Assurance. Consumers of Mail services appeared highly dissatisfied with Tangibles, Reliability and Assurance. Consumers of Insurance appeared to be highly dissatisfied on Reliability and Tangibles. Consumers of Bank appeared most dissatisfied on Reliability, Assurance and Empathy.

Managerial Implications

Although Air service were found to be delivering poorly on all five service dimensions, it would need to focus around those dimensions which received significantly higher importance than others e.g. Reliability, Responsiveness and Tangibles, in the paired differences test carried out within each sector on importance ratings in Chapter 6.

Similarly, other sectors would need to focus on the most important service dimensions to improve service quality. The analysis of importance ratings for sectors are given in Chapter 6.

10.6.1. Mean Weighted Service Quality on a service dimension indicates the dissatisfaction of the consumer. It is the gap between P and E multiplied by the importance ratings assigned to the dimensions.

If anything, this reveals high dissatisfaction amongst consumers of Air, Road Transport, Mail, Insurance and Bank on various service dimensions. You can say that Indian consumers of mass services are very dissatisfied with these sectors in particular. All of these like Air, Road Transport, Mail, Insurance and Bank until recently have been Government dominated.
Weighted Service Quality by Age and Income and Service Quality by Sex and Education.

The analyses of the study show that weighted service quality for each of the service dimensions was not affected by age, income, sex or education for most of the time. The specific findings for each service dimension is given below.

10.7.1 Tangibles by Age, Income, Education and Sex.

1. Overall weighted service quality on Tangibles does not vary by age or income, for consumers of mass services.
2. Overall service quality on Tangibles does not vary by education or sex for consumers of mass services.

10.7.2 Reliability on Age, Income, Education, and Sex.

1. Overall weighted service quality for Reliability does not vary by age or income.
2. Service quality for Reliability does not vary by sex or education.

10.7.3 Responsiveness by Age, Income, Education and Sex.

1. Weighted service quality for Responsiveness does not vary by age or income.
2. Service quality for Responsiveness does not vary by education and sex.

10.7.4 Assurance on Age, Income, Sex, and Education

1. Weighted service quality for Assurance does not vary by age or income.
2. Service quality for Assurance does not vary by sex or education.
10.7.5 Empathy by Age, Income, Sex and Education.

1. Weighted service quality for Empathy does not vary by Age.

2. With increased income levels, weighted service quality for Empathy is less negative, i.e. Consumers from higher income groups do not expect higher amounts of Empathy, whereas the lower income categories expect more on Empathy.

3. Service quality for Empathy does not vary either by education or sex.

Managerial Implications

Weighted service quality, or service quality, by and large, does not vary by age, income, sex or education. Empathy is only one dimension on which weighted service quality varied by income i.e. those with lower incomes rated weighted service quality to be more negative.

That service quality and weighted service quality do not vary by different consumer variables is not surprising because they may not be appropriate bases for segmenting. More appropriate bases for segmenting consumers could include frequency of use of the service, or usage, and lifestyle of consumers.

10.8 LIMITATIONS

1. The present study attempted a wide coverage of services and therefore the results appear general. It might be worthwhile to study only one service sector in greater depth.
2. Sampling was a convenience one. It is possible that random sampling of current users of services for each service would have thrown up specific recommendations and lend sharper insights into consumer perceptions of services.

3. Service quality measures are dynamic, a one shot attempt may be inadequate to understand the issues in depth.

10.9 STRENGTHS

1. The greatest strength of the study is that it has covered nine mass consumer services. The findings which are applicable at a general level and specific to each sector have been brought out effectively.

2. The study is empirical in nature with a sizeable sample size of 348 respondents. It is supplemented with the literature review.

3. It is perhaps the first study on service quality done on Indian mass consumer services.

4. The study has tried to relate findings obtained in other studies to the present study and provide implications for managers.

5. The study can serve as a base for developing a service quality index for Indian mass consumer services.
10.10 CONCLUSIONS

10.10.1 Service quality of mass consumer services at an overall level and in most service sectors is negative.

Service quality of Indian mass consumer services is negative, i.e. consumers expect far more out of a service than what they receive. This is all pervasive, affecting all the nine service sectors. Except for a few (Diagnostic Centre on Reliability, and Mail and Insurance each on Empathy) most of the service sectors received negative service quality scores for all the five service dimensions.

One of the major reasons appears to be a lack of customer feedback which requires an ongoing effort. Service providers fight shy of measuring their service performance on a regular basis. There is however, a group of service providers who are taking a keen interest in measuring customer satisfaction. They have adopted different models to help understand key satisfiers and dissatisfiers associated with the companies' product or service. Performance on each of the key parameters, and the processes and systems within the company that need to be changed in order to improve scores on the most important parameters (Business Today 2, 1995) are also identified.

10.10.2.1 Importance ratings of service dimensions on an overall basis show that Reliability is perceived as an important service dimension followed by Responsiveness.
10.10.2.2 Unlike in the US where Tangibles is less important, our study shows Tangibles to be an important service dimension.

10.10.2.3 Comparison of importance ratings sectorwise show that Reliability and Responsiveness are not consistently more important than the other service dimensions, across all sectors.

10.10.2.4 In the sectorwise comparisons on importance ratings consumers of Restaurant and Insurance gave equal weight to all five service dimensions.

10.10.2.5 In the sectorwise comparisons on importance ratings consumers of Diagnostic Centre gave more importance to Reliability, Responsiveness, Assurance and Empathy.

10.10.2.6 In the sectorwise comparisons on importance ratings consumers of Air, Hospital, Bank, Mail and Road Transport gave higher weightage to Reliability as opposed to other service dimensions.

10.10.2.7 Comparisons of importance ratings in the Hotel sector show that consumers gave more or less equal weights to Reliability, Responsiveness and Tangibles.

Indian mass consumers of various services give different weights to the five service dimensions. The prioritisation of service dimensions should guide service providers in each service sector to allocate resources accordingly. Reliability appeared either as the most important or equal to the other important service dimensions, therefore every service provider must equip
their frontline to provide dependable and accurate services through systems, procedures, and technology. Computerisation has helped deliver reliable services. Responsiveness, which relates to being quick and prompt matters a great deal is another dimension which can benefit from computerisation.

10.10.3 Comparisons of importance ratings across different service dimensions reveal that some service sectors got higher ratings than others.

On Tangibles, service sectors receiving the higher importance ratings are: Restaurant, Hotel, Insurance and Road Transport. Similarly on Reliability services receiving high importance rating are: Mail, Air, Insurance, Road Transport and Diagnostic Centre. On Responsiveness service sectors receiving the higher importance ratings are: Bank and Restaurant. On Assurance Bank, Diagnostic Centre, Hospital and Mail got higher ratings. For Empathy Restaurant, Hotel, Diagnostic Centre and Bank got higher ratings.

10.10.4 Several sectors received negative weighted service quality scores.

No single service sector emerged which satisfied consumers completely. All received negative ratings on weighted service quality. There were some sectors which were comparatively more negative than others, at least on two of the service dimensions. They include Air, Road Transport, Mail, Insurance and Bank.
Age, income, education or sex did not affect service quality scores

Service quality ratings or weighted service quality ratings were not affected by age, sex, income or education in most cases. It appears that weighted service quality does not get affected by the demographics of a consumer.

Role of Internal Marketing in Delivering Service Quality

The importance of internal customer service within an organisation cannot be underscored in trying to deliver service quality at the customer end. The objective of the internal customer service function should be to develop motivated and customer conscious employees (Gronroos 3, 1981, p 237)

There is an increasing acceptance of the fact that the internal customer service might well provide the critical edge needed to win in market place wars of the future. Companies cannot win without superior external customer service which in turn is supported by internal customer service. Every action that departments take in organisations, should be guided by a customer orientation of user departments. An internal department's strategy should be guided by the customers needs i.e. needs of user departments. In turn the department's structure, technology, systems, culture and capabilities should be aligned with its strategy to satisfy customer department's needs. Quality service to the internal customer converts into quality service to the external customer. (Azzolini & Shillaber 4, 1993)
Sanfillipo 5, 1990, outlines an eight step approach to improve internal customer service.

- Conduct a climate survey addressing aspects of employee feelings on whether they feel personal responsibility for work, whether they feel recognised, and rewarded, etc.
- Include supporting and operations department in service plans
- Create an 'every one has a customer campaign'
- Use internal department comment cards to survey employees on friendliness, courtesy, respect, professionalism, etc.
- Hold branch marketing communication meetings
- Award service appreciation certificates
- Host open houses for support departments.

While Fillipo asks for an organisation wide approach, the specific method for conducting climate surveys is suggested by Gulledge 6, 1991. For line employees, interviews can be conducted concerning satisfaction on internal resources that support them. The idea behind having climate surveys is to identify the weaknesses of the systems and overcome them through training, motivation, reorganisation, process changes, etc.

10.11 FUTURE DIRECTIONS

The present study findings can be used to get an idea of how services in India measure up on the quality dimension especially from a consumer perspective. The study findings reflect consumer perceptions at a point in time. However, a continuous tracking of service quality measures needs to be
obtained. A service quality index can be computed for each service on a quarterly or yearly basis which could serve as a benchmark for the services companies.

Empirical research work needs to be undertaken on internal efforts of companies to deliver service quality at the customer end. From the above it is clear that a sustained effort is required to ensure quality. It doesn't just happen. One has to have a plan.

References: