CHAPTER-2
REVIEW OF LITERATURE

No effective research can be carried out without critically reviewing the literature that already exists in relation to it in the form of general literature and specific studies. The review of literature can lead to draw some significant conclusions and serve as a guide mark for any study. It helps to eliminate the duplication of what has already been done. It also gives a fair chance to identify the gaps that exists in the area of research. A review of these studies is presented in this chapter which brings into focus the customer’s eperception towards the quality of service offered by a catering establishment i.e the guests’ perception of service quality. The present review therefore revolves around the important issue that involves the Guest Perception of Service Quality. The review has been broadly grouped into following six major sections.

2.1 Services
2.2 Service Quality
2.3 Measuring Service Quality
2.4 SERVQUAL Model
2.5 Service Quality and Hospitality Industry
2.6 Service Quality and Guest Satisfaction

2.1 Services
Definition of service has been an active area of debates and research among the economists and the marketing scholars (Judd, 1964; Rathmell 1966; Hill, 1977; Lovelock, 1983; Gronroos, 1994, Grove et al., 2002; Edvardsson et al., 2005). The survey of literature indicates several approaches and ways as employed to define the concept of service. Seven such approaches as identified by Brax (2013) are: Exclusion approach, Quasi conceptual approach, Implicit process approach, Outcome-based approach, Experience-focused approach, Value-focused approach and Institutional approach. The first approach identifies services based on what services are not, are not like, or are all except for. On the other hand, second approach describes services through characteristics. However, implicit process approach includes definitions that define
services as activities or performances. Fourth approach specifically addresses the process or nature of services. Outcome based approach conceptualizes services through the results or outputs achieved by the service delivery. The most important, experience focused approach conceptualizes services through the customer’s experience associated with the service delivery. The seventh approach, value focused approach emphasizes co-creation of value in use. Finally, the eighth approach focuses on the institutional structure of service provision through analyzing mechanisms allowing tradability of services between institutions and includes resource perspective.

Judd (1964) defined services as the market transactions “where the object of the market transaction is other than the transfer of ownership (and title, if any) of a tangible commodity”. Quinn (1986) also described services by exclusion. He stated that services are actually all those economic activities in which the primary output is neither a product nor a construction. On the other hand, Rathmell (1966), Hill (1977), Berry (1984), Lovelock (1991) and Bateson and Hoffman (2011) view services as acts deeds, performances, efforts or process. Hill (1977) associated an outcome based criterion to his service definition by stating that service is a change in the condition of a person, or of a good belonging to some economic unit, which is brought about as the result of the activity of some other economic unit, with the prior agreement of the former person or economic unit.

Kotler and Bloom (1984) defined services by combining the acts-based and ownership-based definitions. According to them, a service “is any act or performance that one party can offer to another which is essentially intangible and does not result in the ownership of anything”. Service may consist of series of activities of more or less intangible nature that normally, but not necessarily, take place in interactions between the customers and service employees and/or systems of the service provider, which are provided as solutions to customer problem (Gronroos, 1990).

According to Gummesson (1994) customers do not buy goods or services, but rather purchase offering that renders services, which create value. The offering and the value consist of many components, some of them being activities (services), some being things (goods). He emphasized services from a customer perspective. Edvardsson and Olsson (1996) refer to the service concept as the prototype for service and define it as the
“detailed description of what is to be done for the customer (what needs and wishes are to be satisfied) and how this is to be achieved”. This involves understanding the needs of customers in the target market (which they call the “service logic”) and aligning this with the organization’s strategy and competitive intentions.

**Vargo and Lusch (2004a)** consider services as the application of specialized competences (knowledge and skills) through deeds, processes, and performances for the benefit of another entity or the entity itself. They argued that this definition captures the fundamental function of all the business enterprises. In the following year, in order to analyze the concept of service an expert survey of sixteen leading service scholars was conducted (**Edvardsson et al., 2005**). The key finding of this survey was that the service is a perspective on value creation rather than a category of market offering.

**Lovelock and Wirtz (2007)** stated that services are the economic activities offered by one party to another, most commonly employing time-based performances to bring about desired results in recipients themselves or in objects or other assets for which purchasers have responsibility. In exchange for their money, time, and effort, service customers expect to obtain value from access to goods, labour, professional skills, facilities, networks, and systems; but they do not normally take ownership of any of the physical elements involved. However, according to **Moeller (2010)** services as the direct service provision are offerings which include a transformation of customer resources in terms of persons, objects, nominal goods and/or data.

### 2.1.1 Characteristics of Services

Traditionally, services have been described by a set of characteristics that were considered to be unique in services (**Rathmell, 1966; Zeithaml et al., 1985**). The most commonly cited unique characteristics of services are intangibility (I), heterogeneity (H), inseparability (I) and perishability (P). In the literature, this framework of characteristics is often referred to as IHIP. Intangibility means that services cannot be seen, felt, tasted or touched (**Zeithaml et al., 1985**). Intangibility is the critical goods-service distinction from which all other differences emerge (**Bateson, 1979; Bebko, 2000**). On the other hand, **Shostack (1977)** criticised the intangible aspect of a service. He stated that in order to perform service many tangible goods are required.

Heterogeneity concerns the potential for high variability in the performance of services
(Zeithaml et al., 1985). Heterogeneity in service output is problematic especially for the labor intensive services. However, this is also criticized nowadays because automation has enabled the standardization of many services (Lovelock and Gummesson, 2004). Airline transportation, medical procedures and information through commercial databases are some of the examples of standardized and homogenized services (Vargo and Lusch, 2004b). However, departing from a focus on process Moeller (2010) links heterogeneity to customer resources, arriving at the conclusion that services exhibit heterogeneity at the stage of resources.

Perishability means that service cannot be saved (Besson and David, 1975; Thomas, 1978.) Motel rooms not occupied, airline seats not purchased, and telephone line capacity not used cannot be reclaimed.

Inseparability of production and consumption involves the simultaneous production and consumption which characterizes most of the services (Zeithaml et al., 1985). Inseparability also means that the producer and the seller are the same entity, making only direct distribution possible in most of the cases (Upah, 1980) because marketing and production are highly interactive (Gronroos, 1978). Lovelock and Gummesson (2004) argued that there is a group of ‘separable services’ that does not directly involve the customer and does not require to be produced and consumed simultaneously, such as transporting freight.

Based on empirical findings of expert survey, Edvardsson et al. (2005) concluded that definitions of service are too narrow and service characteristics are outdated as generic service characteristics. They stated that the IHIP characteristics do not capture the essence of services. Moreover, IHIP-framework is biased towards the provider’s problems without supporting the understanding of services as co-creative or co-productive processes (Vargo & Lusch, 2004b; Edvardsson et al., 2005).

2.2 Service Quality

Service quality is a concept that has aroused significant interest and debate in the research literature because of the difficulties in defining, conceptualizing and measuring it (Bolton and Drew, 1991). In other words, the unique characteristics of service which comprises of intangibility, heterogeneity, inseparability and perishability make it hard for researchers, providers and customers to define, measure and deliver service quality.
Consequently, definitions of such concepts are still not well developed (Ghabodian et al., 1994). Survey of literature pertaining to service quality indicates that there are two major approaches to define the concept of service quality. The first approach uses disconfirmation paradigm as developed by Oliver (1980) whereas the second approach defines service quality as an attitude.

According to the first approach service quality has been defined as a form of perceptions resulting from a comparison of customer’s expectations with their perceptions of actual service performance (Parasuraman et al., 1985). Perceived service quality is therefore viewed as the degree and direction of discrepancy between consumer’s perceptions and expectations (Parasuraman et al., 1988). The more the performance of a service meets the customer’s expectations the higher the service quality of the provider. The wider the distance between expectation and service reality the worse the service will be judged by the customer. Woodside et al. (1989) represented service quality by an answer to the following questions: (i) Is the service delivered to customers what they expected or different from that? (ii) Was the service they received approximately what they expected or better or worse than expected? Service quality is also viewed as the level of excellence. Gronroos (1993) described the service quality as the customer’s post-consumption evaluation of service that compares expectations with perceptions of performance. Gefen (2000) and Kwortnik (2005) emphasized that service quality is a subjective comparison that customers make between the quality of the service that they want to receive and what they actually get. McDonald and Payne (2006) supported this approach through defining service quality as the ability of the service organization to meet or exceed customer expectations. According to Palmer (2008), such approach of defining service quality refers to service quality as to what extent customers' perceptions of service delivery meet their expectations. As per the second approach, service quality has been defined as an attitude toward the firm, as accumulated by customers from a number of successful and unsuccessful service experiences (Bateson, 1995). Parasuraman et al. (1988) defined the service quality as "a global judgement, or attitude, related to the superiority of the service". Similarly, Bitner et al., (1994) also defined quality of service as the consumers overall expression of the relative inferiority or superiority of the organization and its services.
2.2.1 Importance of Service Quality

Service quality has an important place in services marketing research (Parasuraman et al., 1985; Cronin and Taylor, 1992; Buttle, 1996 and Qu and Sit, 2007). Literature also highlights its role in customer satisfaction and behavioral intentions (Reid and Bojanic, 2009; Zeithaml et al., 2006). Service quality is crucial to the success of an organization (Kandampully, 2000). Since customers participate in delivery and consumption of services, they interact closely with various aspects of organizations. This knowledge gives them an opportunity to assess critically the services provided in organizations.

The research workers have noted that the ability to deliver high quality service will provide long-term financial viability and sustainable business success (Keiser, 1988). Service quality is considered as a solution for tackling increasing competition and the growing customer expectation (Zeithaml et al., 1990, 1996; Gronroos, 1991).

Research has demonstrated the strategic benefits of quality in contributing to market share and return on investment as well as in lowering manufacturing costs and improving productivity (Parasuraman et al., 1985). According to Ko and Pastore (2004), key outcomes of good service quality are: (i) a higher than normal share of the market (ii) improved profitability relative to the competition (iii) consumer loyalty (iv) the realization of a competitive price premium, and (v) an increased profitability of purchase. Organizations are shifting their strategy from product quality to service quality as it serves as a key competitor differentiator (Parasuraman et al., 1988; Dabholkar et al., 2000; Ko and Pastore, 2004 and Mohanty et al., 2007). This shift has made organizations to realize that in order to retain customers, survive, grow and thrive financially they must be able to provide high quality services (Dabholkar et al., 2000).

In view of above mentioned facts the organizations are shifting their focus from profit maximization to maximizing profit through increased customer satisfaction (Seth and Deshmukh, 2005). Satisfaction with service quality has an impact on behavioral intention which drives repurchase intentions (Dabholkar et al., 2000).

2.2.2 Importance of Service Quality in Hospitality Industry

Hospitality as a commercial activity is a special kind of relationship between service providers and customers (King, 1995). In this relationship, the host understands the needs
and wants of the customer and gives pleasure to the customers in order that they enhance their needs and feel comfortable. Hence, it is very clear that the hospitality industry simply cannot continue to exist without delivering satisfied quality of their services. Min and Min (1996) view service quality as life of hotel and core of service management. In mature tourist destinations like Spain, a reorientation towards quality service is seen as a promising way to increase competitiveness (Knowles and Curtis, 1999).

The strategic planning and the efficient application of service quality enhance the hospitality industry, activate the effect of tourism development in socio-cultural issues and provide economic growth (Cronin and Taylor, 1992). The similar impacts of service quality in tourism, hospitality and leisure business were reported by Wuest (2001) which includes improving guest convenience; enhancing service provider’s image; ensuring customer security; generating traffic linking to profits, saving costs, and higher market share; and establishing a competitive edge, and customer demand.

2.3 Measuring Service Quality

Since the rise in importance of service quality, several service quality models have been developed to conceptualize the concept of service quality (Brogowicz et al., 1990). However, the conceptual models of service quality are still in rising stage (Brady and Cronin, 2001). The main objectives of service quality models are to identify factors affecting service quality in the organization so as to overcome quality problems and to provide a framework for improving quality problems (Ghabodian et al., 1994).

Seth and Deshmukh (2005) appraised nineteen different service quality models. They found that the developments in the service quality model from 1984 to 2003 highlights the change in the process of delivery of services from conventional to IT-based services. They further noticed that the service quality outcome and measurement are dependent upon type of service setting, situation, time, need, etc. Service quality models are discussed in summary fashion in Table 2.1.

2.4 SERVQUAL Model

Initial SERVQUAL model was developed on the basis of a set of focus group by interviewing of consumers and in-depth interviews of executives in four nationally recognized service firms of retail banking, credit and provision, security brokerage and
Table 2.1
Service Quality Models

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Research Worker (Year)</th>
<th>Model</th>
<th>Key findings</th>
<th>Test audience</th>
<th>Method of data collection</th>
<th>Scale</th>
<th>Method of Analysis</th>
<th>Weakness</th>
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<tbody>
<tr>
<td>1.</td>
<td>Gronroos (1984)</td>
<td>Technical And Functional Quality Model</td>
<td>Service quality depends on technical quality, functional quality and corporate image. Functional quality is more important than the technical quality</td>
<td>Bank, insurance, airline companies, cleaning and maintenance, car rental, travel agencies, institutes from public sector</td>
<td>Survey Questionnaire</td>
<td>5 point Likert</td>
<td>Basic statistical analysis</td>
<td>It does not offer an explanation on how to measure functional and technical quality</td>
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<td>2.</td>
<td>Parasuraman et al. (1985, 1988)</td>
<td>Gap Model (SERVQUAL)</td>
<td>The model is analytical tool. It enables management to identify thoroughly service quality gaps between a numbers of variables affecting the quality of offering.</td>
<td>Telephone company, securities brokerage, insurance, bank, repair and maintenance</td>
<td>Survey Questionnaire</td>
<td>7 point Likert</td>
<td>Principal axis factor followed by oblique rotation</td>
<td>It does not explain clear measurement procedure for the measurement of gaps at different levels.</td>
</tr>
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<td>3.</td>
<td>Haywood-Farmer (1988)</td>
<td>Attribute Service Quality Model</td>
<td>This model provides a base of segregating service organization on 3 dimensions for better management of quality. It is useful both in design stage and periodically as the service and possibly customer taste evolve.</td>
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<td></td>
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<td></td>
<td>It does not offer the measurement of service quality. It does not offer a practical procedure capable of helping management to identify service quality problems</td>
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<td></td>
<td>Authors and Year</td>
<td>Model Name</td>
<td>Description</td>
<td>Methodology</td>
<td>Analysis</td>
<td>Notes</td>
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<td>4.</td>
<td>Brogwick et al. (1990)</td>
<td>Synthesised Model of Service Quality</td>
<td>The use of this model and related managerial tasks can help managers to improve the success of their service offerings in any industry. It identifies the dimensions associated with service quality in a managerial framework of planning, implementation and control.</td>
<td></td>
<td>Analysis not reported</td>
<td>It needs empirical validation.</td>
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<td>5.</td>
<td>Cronin and Taylor (1992)</td>
<td>Performance Only Model (SERVPERF)</td>
<td>SERVPERF model is efficient in comparison with SERVQUAL, as it directly reduces the number of items by 50%. Service quality is an antecedent of customer satisfaction which has significant effect on purchase intentions.</td>
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<td>6.</td>
<td>Mattsson (1992)</td>
<td>Ideal Value Model of Service Quality</td>
<td>This model incorporates and defines the importance of diverse components of service encounter to be studied and provides a new learning perspective on how an</td>
<td></td>
<td></td>
<td>Fewer number of items used for value and customer satisfaction. Needs to be defined for all types of service settings.</td>
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ideal standard can be formed and sustained mentally. It directs attention to the importance of negative disconfirmation experience as a determinant for satisfaction outcome.

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<td>7.</td>
<td>Teas (1993)</td>
<td>Evaluated Performance and Normed Quality Model</td>
<td>The model raised a number of issues pertaining to conceptual and operational definitions of expectation and revised expectation. The construct validity of evaluated performance model is higher than both the SERVQUAL and Normed Quality Model.</td>
<td>Discount stores</td>
<td>Personal interview</td>
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<td>8.*</td>
<td>Rust and Oliver (1994)</td>
<td>Three Component Model</td>
<td>The model includes three dimensions of service quality: service product, service delivery and service environment. The third dimension has affected the interaction between employee and customers.</td>
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<td>9.</td>
<td>Berkley and Gupta (1994)</td>
<td>IT Alignment Model</td>
<td>This model describes how IT can be used to improve customer service. It can help the organizations to</td>
<td>Analysis not reported</td>
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realize the complete benefit of using information systems for delivering improved quality of service. It allows managers to understand the commonly used technologies in their industries.

**Attribute and Overall Affect Model**  
The attribute based model is favored in forming the evaluations of service quality for technology based self service options. The overall effect model is also supported but it does not add further explanatory power to the attribute based model.  
505 undergraduate students/ fast food setting  
Scenario and Questionnaire  
Seven point Likert  
Confirmatory factor analysis and structured equation modeling using LISREL VII  
It needs to be generalized for different service settings. It does not consider effect of demographic variables, price, physical environment etc.

**Perceived Quality and Satisfaction Model**  
This model shows that service quality and satisfaction are distinct and desires congruency does influence satisfaction. A key determinant of service quality and customer satisfaction is meeting customer desires.  
273 undergraduate students  
Survey Questionnaire  
Seven point Likert  
Confirmatory factor analysis and structured equation modeling using LISREL VII  
It does not show how service quality is operationalized. It is weak in providing directions for improvements in service quality

**PCP Attribute Model**  
This model provides a simple, effective and general framework of assessing service quality for any service  
Analysis not reported  
The model is lacking in providing general dimensions to three levels of
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<td>13.</td>
<td>Sweeney et al. (1997)</td>
<td>Retail Service Quality and Perceived Value Model</td>
<td>The technical service quality is an important contributor to product quality and value perception and hence influences willingness to buy. Functional service quality has indirect influence on willingness to buy through product quality and value perception.</td>
<td>Electronical appliances stores</td>
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<td>14.</td>
<td>Oh (1999)</td>
<td>Service Quality, Customer Value and Customer Satisfaction</td>
<td>The model can be used as a framework for understanding consumer decision process as well as evaluating company performance. This model provides directions and targets for customer oriented company efforts.</td>
<td>Two luxury hotels</td>
</tr>
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<td>15.</td>
<td>Dabholkar et al. (2000)</td>
<td>Antecedents and Mediator</td>
<td>Customers evaluate different factors</td>
<td>397 undergraduate</td>
</tr>
<tr>
<td>Model</td>
<td>Description</td>
<td>Equation modeling</td>
<td>Satisfaction measure</td>
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<td>Antecedents Model</td>
<td>The Antecedents Model can provide complete understanding of service quality and how these evaluations are formed. Customer satisfaction is a better predictor of behavioral intentions. A strong mediating role was found confirming that it is important to measure customer satisfaction separately from service quality when trying to determine customer evaluations of service.</td>
<td>equation modeling using LISREL</td>
<td>Satisfaction have not been explored. The model measures behavioural intention rather than actual behavior. It needs to be generalized for different settings.</td>
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<td>Internal Service Quality Model</td>
<td>The perceptions and expectations of internal customers and internal suppliers play a major role in recognizing the level of internal service quality perceived.</td>
<td>724 at different levels/ Singapore airline staff</td>
<td>Principal component factoring, reliability coefficient and split half coefficient</td>
<td></td>
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<td>Internal Service Quality DEA Model</td>
<td>Indicates the resources, which can be better utilized to produce higher service quality levels</td>
<td>26 bank branches/ 194 responses</td>
<td>Data envelope analysis</td>
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16. Frost and Kumar (2000)                                | Internal Service Quality Model                                                                                                                                                                              | Personal interview and questionnaire | It needs to be generalized for all types of internal environments. Effect of changes in external environment on model is not considered. |

17. Soteriou and Stavrinides (2000)                        | Internal Service Quality DEA Model                                                                                                                                                                          | Survey Questionnaire          | It does not provide the measurement of service quality. It ignores other bank performance measures.     |
| 18.* | Brady and Cronin (2001) | Hierarchical Model | Fast-food, photography, amusement parks, cleaning services/ 1133 responses | Survey Questionnaire | Seven point Likert | Confirmatory factor analysis and structured equation modeling using LISREL VII | Dimensions used in the model are not applicable in general. Model should be tested in other service sectors. |
| 19.* | Robledo (2001) | SERVPEX | Three airline companies/ 1152 responses | Survey Questionnaire | Seven point Likert | Confirmative factor analysis | It needs to be tested in different service settings |
| 20. | Broderick and Vachirapornpuk (2002) | Internet Banking Model | 160 incidents on 55 topic episodes posted/ UK internet website community | Participation observation and narrative analysis | Qualitative approach | Not much empirical work carried out. The model is based on the experience of one web site only. |
| 21. | Zhu et al. (2002) | IT- Based Model | IT based services have direct impact on the reliability, responsiveness and assurance dimensions and an indirect impact on customer satisfaction and perceived service quality. IT can help service providers achieve higher level of customer satisfaction. The customer evaluation of IT based services is affected by preference towards traditional services, past experience in IT based services and perceived | 185 bank customers (with past experience of using IT based service options like ATM, 24 hr call line) | Survey Questionnaire | Seven point Likert | Factor analysis and structured equation modeling using LISREL VII | Very few items were used to measure the feeling of self control and comfort in using IT based services. It does not provide a measure of service quality of IT based transactions. |
|   | Santos (2003) | E Service Quality model | This model provides a better understanding of e-service quality and therefore to achieve high customer retention, customer satisfaction and profitability. It can be helpful to all companies that engage e-commerce or plan to do so. | 30 focus group consisting six to ten members | Focus group interviews/discussion | Qualitative analysis | It is an exploratory study. Model does not provide specific measurement scales. In this model, no statistical analysis is carried out. |

Source: Seth & Deshmukh (2005)
product and repair and maintenance. Parasuraman et al. (1985) proposed that service quality is a function of the differences between expectation and perception along the quality dimension. This model is based on gaps. The conceptual model of service quality (Parasuraman et al., 1985) is presented in Figure 2.1. The various gaps visualized in this model are:

**Gap 1: The Difference Between Consumer’s Expectation and Management Perception**

This gap refers to the degree of the management in the service company without knowing its customer expectations. The responsibility for this gap lies not only with managers but also with all the employees in the company. This gap results because of the following reasons:

a) Inadequate market research and orientation
b) Lack of upward communication
c) Insufficient relationship focus and,
d) Inadequate service recovery program

As a consequence of the first gap, company may take wrong decisions and strategies and which may affect quality perceptions of consumers.

**Gap 2: The Difference Between Management Perception and Service Quality Specification**

The second gap relates to the degree to which company doesn’t provide the right service designs and standards. This gap reflects the inability of a company to translate management’s perception of customer’s expectation into service quality specifications or standards. The factors like resource constraints, market conditions, and/or management indifference may result in a discrepancy between management perceptions of consumer expectations and the actual specifications established for a service. This discrepancy is predicted to affect the perception of consumers.

**Gap 3: The Difference Between Service Quality Specification and Service Delivery**

This gap reflects the inconsistency between customer driven service standards or specifications and the actual performance of services delivered by a company’s staff. This type of gap involves service firm’s employees such as managers, frontline employees and
supporting staff who fail to perform and deliver service to the customer driven standard. This gap appears because the performance of employee cannot always be standardized.

**Gap 4: The Difference Between Service Delivery and External Communication**

This gap reveals the incompatibility between the employee’s performance to deliver services and the service promises made by a company. In other words, such gaps appear when a company fails to achieve the service promises announced via external media (advertising). Promising more than can be delivered raises expectations but it lowers the perceptions of quality when promises are not fulfilled.

**Gap 5: The Difference Between Customer’s Expectations and Perceptions**

Service quality as perceived by a consumer depends on the size and direction of this gap which, in turn, depends on the nature of the four gaps associated with design, marketing and delivery of services. The present (conceptual) model indicates that the fifth gap is central to the service quality concept. Therefore, management should closely control the four provider gaps in order to improve the customer’s perception of service quality.

During further research work in the year 1985, ten determinants of service quality were identified. These are: Tangibility, Reliability, Responsiveness, Communication, Access, Competence, Courtesy, Credibility, Security And Understanding/Knowledge of customers. These dimensions represent the key factors or elements which can be used by customers to evaluate service quality. The definitions of ten dimensions are as follows:

1. **Tangibility:** It refers to physical evidence of the service. It includes physical facilities, appearance of personnel, tools or equipments used to provide the service, etc.

2. **Reliability:** It involves consistency of performance and dependability. It means the firm performs the service right from the first time.

3. **Responsiveness:** It concerns the willingness or readiness of employees to provide service. It involves timeliness of service.

4. **Communication:** This means keeping customers informed in language they can understand and listening to them. Company has to adjust its language for different consumers by increasing the level of sophistication with a well educated customer and speaking simply and plainly with a novice.
5. **Access**: It includes approachability and ease of contact.

6. **Competence**: It means possession of required skills and knowledge to perform the service.

7. **Courtesy**: It includes politeness, respect, consideration and friendliness of contact personnel.

8. **Credibility**: It refers to trustworthiness, believability and honesty. It involves having the customer’s best interest at heart.

9. **Security**: Security is the freedom from danger, risk, or doubt. It pertains to physical safety, financial security and confidentiality.

10. **Understanding/Knowledge of customer**: Understanding customer means making effort to understand the customer’s needs.

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**Figure 2.1 Gap Model**

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**Source: Parasuraman et al. (1985)**

*Parasuraman et al. (1985)* generated a pool of items for the ten dimensions of service quality. Each item was recast into two groups of statements: the first group of statement measures customer’s expectation about firms in general, while the second measures
customer’s perception of service provided by a specific service company. Moreover, half of the statements are worded positively while the rest are worded negatively, for methodological requirements. The ten dimensions resulted from qualitative research were used as a foundation for developing the SERVQUAL model.

Three years later, this exploratory research was refined with their subsequent scaling and was named SERVQUAL (Parasuraman et al., 1988) for measuring customer perception of service quality. At the same time, the original ten dimensions of service quality were further purified and collapsed into five dimensions: Reliability, Responsiveness, Tangibles, Assurance (Communication, Credibility, Competence, Courtesy and Security) and Empathy which captures access and understanding/knowing the customers. The valid and reliable SERVQUAL tool (Parasuraman et al., 1988) is based on five dimensions and four to five items are used to measure each dimension. Thus, the SERVQUAL scale includes 22 items for measuring customer’s expectation of service quality which apply to excellent firms within a particular industry. Another 22 items are included for measuring customer’s perception of actual service quality, which apply to a service firm under study.

2.4.1 Applications of SERVQUAL Model

According to Parasuraman et al. (1988), SERVQUAL model has following advantages and potentials:

1. It can be applied across broad spectrum of services.
2. It provides valuable data about the consumer’s perception of service quality through capturing the key dimensions of the service quality concept.
3. It can be measured periodically to track service quality trends.
4. It provides assessment of service quality for each dimension as well as overall assessment
5. It determines relative importance of five dimensions in influencing customer’s overall quality perception.
6. It can be used in categorizing a firm’s customers into several perceived quality segments (e.g. high, medium and low) on the basis of their individual SERVQUAL scores.

Parasuraman et al. (1985, 1988) claimed that the five dimensions used in the
SERVQUAL scale represents and offers generic instruments and dimensions for measuring the service quality in a broad range of services. As a consequence, the SERVQUAL model has been used widely and extensively to measure service quality in different service areas including – car industry, dental services, hotels, travel and tourism, business schools, higher education, hospitality, accounting firms, architectural services, recreational services, hospitals, airline catering, banking, retail services (Buttle, 1996). Moreover, it has also been used in several cultures and countries including the USA, UK, China, Hong Kong and many other countries.

In contrast to Parasuraman et al. (1985, 1988) findings and agreement, researchers rejected any generalization of dimensions of service quality concept. Chowdhary and Prakash (2007) concluded that it is not possible to generalize dimensions of service quality among all types of services together. This rejection of generalization is because of the fact that the importance of dimensions of service quality vary across services and within same services and countries.

Consequently, researchers asked for developing alternative industry specific measures of service quality (Babakus and Boller, 1992; Dabholkar et al., 1996; Van Dyke, et al., 1999; Akbaba, 2006). Ladhari (2008) reviewed about thirty industries regarding specific measures of service quality taken from two data bases. The investigator discussed key conceptual and empirical issues such as number of dimensions, scores calculation methods, number of items that can be considered in the development of alternative industry specific measurement scales of service quality.

2.4.2 Criticism of SERVQUAL Model

Despite its popularity and widespread applications, the model has been criticized by number of academics. These criticisms can be organized into two groups: Theoretical criticisms and Operational criticisms.

a.) Theoretical Criticisms

The first theoretical criticism includes paradigmatic objections. SERVQUAL model is based on a disconfirmation paradigm, which is adopted in customer satisfaction literature. Thus, the developers of this scale have mixed two different and distinct concepts (Buttle, 1996; Cronin and Taylor, 1992; Coulthard, 2004).

The second problem is the Gap Model which is still debated by researchers. The use of
“gap score” is said to be a poor choice as a measure of psychological concept (Van Dyke et al., 1999) because there is a little evidence that customers actually access service quality in terms of perception minus expectation scores (Buttle, 1996; Ekinci et al, 1998). Therefore, some researchers recommend using just the perception component of the SERVQUAL scale in measuring service quality (Cronin and Taylor, 1992; Teas, 1993; Brown et al., 1993).

The third criticism of the SERVQUAL model is that it focuses on the service delivery process and does not address service encounter outcomes (Buttle, 1996). SERVQUAL instrument does not include any measure of the technical quality dimension (Mangold and Babakus, 1991; Kang and James, 2004). Finally, SERVQUAL’s five dimensions are not universal. In other words, they are not generic across all the service companies. Some studies found more than five dimensions while others found less (Buttle, 1996; Asubonteng, 1996; Ekinci et al, 1998). It has also been found that items are not loaded on the factors to which they are expected to belong.

b. Operational Criticisms

First of all, Parasuraman et al. (1988) defined expectations as desires or wants of customers, i.e. what they feel a service provider should offer rather than would offer. Thus, the definition of expectations by Parasuraman et al. (1988) refers to an ideal standard of performance by the service provider. It has been contended that customer’s interpretations of expectation vary because determining the ideal level of a service is problematic for customer (Teas, 1993; Ekincif et al, 1998). As a result, model suffers from discriminate validity. The second criticism is that using just four or five items for each dimension is insufficient to capture either the variance within or the context specific meaning of each dimension (Buttle, 1996).

Third, according to the fact that service is provided to the consumer over several encounters, this scale is criticized because it does not take into account the affect of the “moment of truth” in customer’s evaluation of service quality. SERVQUAL model considers service quality as a global concept and ignore that service quality assessment is directly affected by particular incidents.

Fourth, the polarity characteristic of this scale causes comprehensive errors and more reading time for respondents (Buttle, 1996). Of the 22 items in the 1988 SERVQUAL
scale, 13 statement pairs are positively worded and nine pairs are negatively worded. Parasuraman et al. (1988) goal was to reduce systematic response bias caused by yes saying and no saying. But, in factor analysis of SERVQUAL data, Babakus and Boller (1992) found that negatively worded items loaded heavily on one factor while all positively worded items loaded on another. Moreover, polarity leads to data quality problems and decrease both dimensionality and validity of the instrument (Babakus and Boller, 1992).

Furthermore, the use of seven point Likert scale has been criticized on several grounds. Lewis (1993) criticized the scale for its lack of verbal labeling for points two to six. Seven points rating suffers from interpretation problem of the scale midpoint by respondents (Smith, 1995). In addition, Andersson (1992) criticized the use of normal scale such as Likert because this type of scaling is insufficient to investigate interdependences among the dimensions of the service quality construct. Buttle (1996) stated that the use of two set of items for asking about expectation and perception lead to respondents getting bored and confused and which adversely influences the quality of data. Also, the variance extracted in the initial version of SERVQUAL model is 67.9 percent which is insufficient (Buttle, 1996). According to Fornell and Larcker (1981), the external variance is the measure of construct validity. The higher the variance extracted the more valid is the measure. Since, extracted variance in initial SERVQUAL model is less so the reliability of this scale is questionable (Buttle, 1996). Hoffman and Bateson (1997) stated that SERVQUAL scale doesn’t measure customer satisfaction, which has a significant effect on their behavioral intention.

2.4.3 Revision of the SERVQUAL Model

Parasuraman et al. (1991) refined the original SERVQUAL instrument and reexamined its reliability and validity. The original version of SERVQUAL was retested in a sample of 300 customers. Parasuraman et al. (1991) computed means, standard deviation and reliability coefficients for five SERVQUAL dimensions.

It was found that for a majority of the 22 items in the expectation section mean score was above six on the seven point scale. Authors mentioned that these high mean scores were not anticipated because items were intended to measure the normative expectations. As a result, the scale’s team changed the wording of expectation items to measure what
customers would expect from companies. Parasuraman et al. (1988) changed all the six negatively worded items to a positive format in a final questionnaire. Also, two items were replaced and two new items were added to the tangible and assurance dimension. In the second revision of the SERVQUAL scale, Parasuraman et al. (1994) incorporated the expanded conceptualization of expectations. The modified scale measures two kinds of expectations. These are (i) desired service which refers to what extent customers believe that the company should provide, and (ii) the adequacy service which refers to the minimum level of service that customers are willing to accept. The gap between two levels of expectations form the zero of tolerance. Accordingly, Parasuraman et al. (1994) modified SERVQUAL’s structure to capture not only the discrepancy between perceived service and desired service (measure of service superiority) but also discrepancy between perceived service and adequate service (measure of service adequacy). The refined SERVQUAL scale includes three alternative questionnaire formats i.e. three column format, two column format and one column format. The revised version of SERVQUAL scale has undergone several minor changes such as - revision of three of the twenty two attribute statements and use of nine point scale instead of seven point scale. Then, this modified version was retested through two stages. As a consequence of these tests, more modifications were made for the final version of the scale including reducing the number of items from 22 to 21, adding a “no opinion” option to the rating scale, reducing the directions paragraphs and, finally, sharpening the definitions of desired and adequate service.

2.4.4 Performance only Model (SERVPERF)

As an alternative to SERVQUAL, SERVPERF scale was developed by Cronin and Taylor (1992). This scale uses the same statements developed for SERVQUAL and is loaded to the five dimensions, but only for perceived service, without regard to customer expectations. Unlike SERVQUAL, SERVPERF does not assess the gaps in scores because the expectations part is omitted from the model. Cronin and Taylor (1992, 1994) proposed the following formulae:

\[ \text{Service quality} = \text{Service perceptions} \]

In general, they assumed that expectations are inherent in the service perceptions and
therefore do not need to be measured separately. According to them it is hard to measure expectations because consumers often are not conscious about them. The above argument is supported by the study of Carrillat et al. (2007) that verified empirically the validity of the performance/perception as the only approach. The service quality investigators who were initially proponents of the disconfirmation approach also later on stated that the performance/perception is the only approach as the superior measurement technique.

To address the questions raised about the validity of SERVQUAL and SERVPERF instruments, Carrillat et al. (2007) performed a meta analysis of 17 different studies investigating the relationship between SERVQUAL and SERVPERF. The results of the analysis revealed that both instruments are equally valid predictors of overall service quality. At the same time, they found that the predictive validity of the SERVQUAL is improved if the instrument is adjusted to specific field where it is used. However, the predictive validity of SERVPERF is not improved by context adjustments.

SERVPERF scale has received wide support in measuring service quality in many fields (Jain & Gupta, 2004 and Qu and Sit, 2007). Research workers have highlighted that using the single scale of SERVPERF provides higher efficiency and explains greater variance in the overall service quality.

2.5 Service Quality and Hospitality Industry

In spite of Zeithaml, et al (1985) claim that the SERVQUAL is a generic scale that can be applied across different service settings, huge attempts have been made to test the reliability of using this scale in the hospitality industry. Due to the exclusive characteristics of hospitality industry (e.g. imprecise standards and fluctuating demands), more customization of the popular service quality models were required to fit the hospitality industry (Fick and Ritchie, 1991; Saleh and Ryan, 1991; Mei et al., 1999; Ekinci, 2001). A number of researchers have examined that how to model service quality in the hospitality industry.

As a consequence, a huge number of studies using different methods for measuring the service quality concept were introduced into the literature about service quality measurements in the hospitality industry. Since the main objective of this segment is to discuss the most significant measurements of service quality emerged in the hospitality
industry, the subsequent paragraphs exhibit, some studies conducted for measuring the service quality in hospitality industry in a chronological order.

**Oberio and Hales (1990)** examined the perceived quality of services in conference hotels in UK. Researchers interviewed hotel managers to identify the attributes and construct specific dimensions of service quality. Initially, 54 attributes were developed. These items were organized into four main categories: facilities, catering, pricing and activities. After customer survey, only 23 attributes were retained. Following Gronroo’s approach, these attributes were classified into two groups: functional quality (12 attributes) and technical quality (11 attributes). Thus, authors developed a content specific instrument for measuring service quality of conference hotels. Moreover, results of this study exhibited that the functional aspects of service quality had more contribution to overall service quality rather than technical quality.

**Knustson et al., (1991)** introduced a new model called LODGESERV to measure the service quality in the Lodging industry. This model is based on five original dimensions of SERVQUAL model and contains 26 items. They studied economy, mid price and luxury hotels. Authors compared the use of exploratory and confirmatory analysis in index testing and refinement. The model has been translated in other languages and tested in different cultures. They concluded that the LODGESERV model is a consistent and valid tool for measuring service quality in the hotel industry, through defining the most important dimensions from the customer’s standpoint.

**Saleh and Ryan (1991)** applied SERVQUAL model in the hospitality industry. They made an effort to find new dimensions suitable for hotel industry. To do this, researchers distributed 33 items questionnaire with three sections of expectations, perceptions and demographic information to guests of a good four star hotel. **Saleh and Ryan (1991)** found five new dimensions to measure service quality in hotel industry namely conviviality, tangibles, reassurance, empathy and avoid sarcasm that were different from SERVQUAL dimensions.

**Webster and Hung (1994)** presented two strategically relevant and easy to use questionnaires for measuring service quality in hotels. These questionnaires are based on the SERVQUAL instrument. Authors stated that these adopted questionnaires are valid, reliable and practical and that the matter of the questionnaire is appropriate for hotel
setting. The aim of adapted questionnaire was to measure dimensions of service quality as considered the most relevant to the hotel industry. The dimensions addressed are: tangibility, reliability, communication, responsiveness, security, courtesy, understanding and access. Although Webster and Hung claim that their scale is valid and offer several advantages when compared with SERVQUAL however, some technical problems can be attributed to this scale such as the lack of sufficient number of items to measure each dimension.

Akan (1995) investigated the elements which contribute to service quality for customers of the hotel industry in Istanbul. Akan examined whether the quality dimensions introduced by Parasuraman et al. (1985, 1988) as included in the SERVQUAL model could be applied in an international environment. Moreover, author searched for additional dimensions identified by customers, which could be added to the service quality construct. A modified version of SERVQUAL model was applied to measure service quality and to identify the level of importance of each specific dimension for the users of hotel services in Turkey. This study identified seven new factors of service quality that customers of Turkish four and five star hotels expect to receive including courtesy and competence of the personnel, communications and transactions, tangibles, knowing and understanding the customers, accuracy and speed of service, solutions to problems and accuracy of hotel reservations. Author stated that this study cannot be accepted as being completely relevant and applicable to all users of four or five star hotels in Turkey, because of limited sample size and the sampling procedure. Akan concluded that SERVQUAL is a valuable tool as a concept, but it is not a generic. Hence, modifications for both for the specific service situation and for the environmental context should be undertaken to make it more valuable tool.

Stevens, et al. (1995) proposed a reliable and relatively simple tool called DINSERV for determining how customers view a restaurant’s quality. DINSERV questionnaire consists of 29 items that fall into five categories: assurance, empathy, reliability, responsiveness and tangibles. DINESERV provides restaurateurs with a quantified measure of what consumers expect in a restaurant. Results showed high reliability of new instrument in measuring service quality.

Ekinci et al. (1998) tested two dimensional model of the Nordic European perspective in
the context of resort hotel service quality. The questionnaire instrument contains a combination of SERVQUAL and LODGSERV items. Researchers distributed 38 items new questionnaire in two seaside Turkish resorts. The initial analysis showed that the five factor structure of the SERVQUAL model was not appropriate. Therefore, researchers reduced the final instrument from 38 questions to 18 questions (16 SERVQUAL items and 2 tangible items of LODGSERV scale) based on two factors model. The confirmatory factor analysis on revised two factors model gave acceptable results. The Nordic European School provided a reliable and valid model for measuring service quality. Authors suggested further exploratory studies of the Nordic European School to develop highly reliable, valid and practical measure of service quality for the resort hotels.

Mei et al. (1999) analyzed the unique characteristics of service quality in the hotel industry. Authors modified and extended the original version of the SERVQUAL scale by including eight new items that specifically pertain to hospitality industry. As a consequence, a new scale with 27 items called HOLSERV was introduced. A total of 1000 questionnaires were distributed at five mid luxury hotels in Australia. The key findings were that the service quality is represented by three dimensions in the hospitality industry, including employee’s behavior and appearance, tangibles and reliability. The best predictor of overall service quality consists especially of the responsiveness, assurance and empathy items as these are related to employees. Results also show that the one column format questionnaire provides a valid and reliable but much shorter survey. Mei et al. (1999) concluded that HOOLSERV instrument is suitable for use by managers in hospitality industry, as they can confidently design service strategies that meet guest’s expectations.

Ekinci (2001) focused on the generic service quality dimensions by reviewing various empirical and conceptual studies as related to the quality of service in lodging industry. As a result, a new 15 item scale for measuring service quality in the Hospitality industry was developed. Author selected six dimensions as evaluative dimensions in hotels as they were most frequently quoted dimensions. Results of Guttman scaling procedure and Q-Sort Test indicated that out of six dimensions tested only four (Physical quality/output quality, staff behavior and attitude and timeliness) were found to be valid. The author
also recommended the use of three dimensional scale for measuring service quality.

**Pun and Ho (2001)** investigated various attributes of service quality in restaurant operations. The study was conducted in the Salisbury YMCA of Hong Kong. Author discussed following attributes of achieving and sustaining good service quality: committed leadership, open organization, customer focus operation, continuous improvement, process improvement, people training and education, people empowerment, competitive benchmarking, supplier/vendor relationships and finally performance measurement.

**Sidin et al. (2001)** examined perceived service quality in several hotels of Kuala Lumpur. Author’s objectives were to measure the customer perception on the service quality as they are received from the hotel and to verify their satisfaction with the service rendered. SERVQUAL scale was employed to measure customer perception of service quality. The research findings indicated that generally, customers were not satisfied with the service quality provided by hotel management. Moreover, it was found that personal services technology and quality of food play an important role in improving customer’s outlook on service quality.

**Nadiri and Hussain (2005)** used the SERVPERF model to measure service quality in hotels of northern Cyprus. The findings of exploratory factor analysis demonstrated that SERVPERF instrument failed to form its five assumed dimension. Instead, results indicated that the two dimensional model (tangible and intangible) developed by Nordic European school fits the service quality concept in the hotel industry. Results showed that north Cyprus hotels should maintain their physical facilities and also employees of hotel need to be well trained to provide minimum satisfactory services. This study reveals that the SERVPERF scale successfully maintains its reliability. As a result, authors supported the argument in the literature that performance only (SERVPERF) is the best predictor of service quality.

Another key paper was published by Akbaba (2006) who claimed new dimensions of service quality in the hotel industry. The objectives of his study were to investigate the service quality expectations of business hotel’s customers, examine whether the quality dimensions included in the SERVQUAL model apply in an international environment, search for any additional dimensions that should be included in the service quality
construct and measure the level of importance of each specific dimension for the customers of the business hotels. Akbaba used modified version of SERVQUAL scale to measure service quality in business hotels in Turkey. The results of this study confirmed the five dimensional structure of SERVQUAL; however some of the dimensions found and their components were different from SERVQUAL. The five new dimensions identified in this study include: tangibles, adequacy in service supply, understanding and caring, assurance and convenience. Findings also revealed that business travelers had highest expectation for the dimension of convenience followed by assurance, tangibles, adequacy in service supply and understanding and caring. Akbaba suggested modifying the SERVQUAL scale for specific segments and for cultural context.

Wilkins et al. (2007) introduced a new method for measuring service quality in the hotel industry by building a hierarchical structure for measuring service quality. This new approach addresses the antecedents and structure of service quality in the context of luxury and first class hotel sectors. The data were analyzed using exploratory and confirmatory factor analysis approaches and structure model was used to test the structure of service quality. Results of the study showed that there are only three main dimensions of service quality in hotels namely physical product, service experience and quality of food and beverage. Moreover, analysis indicated that there is another level of dimensions that exists in the hotel setting that can be used for fully measuring the service quality.

Hsieh et al. (2008) explored customer’s expectation of service quality in hot spring hotels in Taiwan. Based on five dimensions of Parasuraman et al. (1985, 1988) service quality, a specialist questionnaire was developed to establish a complete service quality evaluation framework for hot spring hotels. In this study, a new approach called analysis network process (ANP) was applied to find the relative weights of the five dimensions of service quality and the weights of all items corresponding to these dimensions. According to findings the dimensions varied from the highest to the lowest are: assurance, reliability, responsiveness, tangibles and empathy. Authors recommended that the service quality evaluation framework and evaluation results can be used as a guide for hot spring proprietors to review, improve and enhance service planning and service qualities in future.

Salazar et al. (2010) presented a scale that is able to access dimensions and attributes to
be used by the consumers use when evaluating service quality in the hospitality sector and its influence on behavioral intentions. The methodology used to develop the scale was divided into three stages. Initially first two well known models (SERVQUAL with direct formulation and SERVPERF) were tested in 32 hotels. In the second phase, an exploratory study was conducted using in depth interviews of hotel guests with the objective to identify the relevant attributes of service quality evaluation during a hotel stay. The results of this study revealed the existence of five dimensions. These are room (tangibles and service), feelings, restaurant service, tangibles (location, exterior and restaurant) and reception.

Markovic and Raspor (2010) investigated customer’s perception of service quality in the Croatian hotel industry. A modified SERVQUAL scale was used to access service quality perceptions from the perspective of domestic and international tourists. Results revealed that the main dimensions of perceived service quality in hotels are ‘reliability’, ‘empathy’ and ‘competence of staff’, ‘accessibility’ and ‘tangibles’. Authors suggested that solving guest’s problems, performing error free services, employee’s attitude, appropriate location and the appearance of the facilities are the key attributes for a hotel success on the Opatija Riviera. These suggestions can be used as a guide for hotel managers to improve crucial quality attributes and enhance service quality and business performance.

Mohsin and Lockyer (2010) examined the service quality perception of customers of luxury hotels of New Delhi, India. The aim of this study was to help hotel management by identifying areas that need attention to meet and exceed customer expectations. Data was collected by conducting survey and interviews at different four and five star hotels in New Delhi. The importance performance analysis showed that for responses related to front office, room service and in house café/restaurant, the importance score is statistically significant to and higher than the performance rating. This study provided an opportunity to recognize in ranking order, features that are considered important by guests staying in Luxury hotels of New Delhi in India and to identify areas of disparity in service.

Naseem et al. (2011) scrutinized the effects of various elements of hotel industry which affects customer satisfaction. Data was collected through questionnaires which were
distributed in eight popular hotels (five or seven star) of four large cities of Pakistan.

Results of different correlation, t-test and sequence graphs revealed a great
deal of existing services with customer satisfaction. In particular, courtesy of attendants,
comfort in guestroom, cleanliness and environment of hotel were found to play vital role
in creating serenity and subsequent contentment among customers.

Renganthan (2011) analyzed the hotel guest’s expectations and perceptions of hotel
services and the role of demographic variables in evaluating the service quality. This
study also ascertains that how factor analysis can be used to identify number of factors
underlying SERVQUAL components. Author measured the gaps between guest’s
expectations and perceptions by using questionnaires which were designed according to
the SERVQUAL model. The findings of the research showed that with regard to
individual SERVQUAL dimensions, gap values are positive for tangibles, reliability, and
assurance but are negative for responsiveness and empathy. With regard to factor
analysis, data on hotel guest’s perception divided SERVQUAL items into four main
factors and data on hotel guest expectation divided SERVQUAL items into three main
factors. Author suggested the managers of the hotels to understand the expectations of
their guests and make their service personnel to respond as per their guest’s expectations
and also to be compassionate enough to serve their guests accordingly.

Ho et al. (2011) studied the dimensions and evaluation items regarding standard hotel
service quality from the perspectives of industry representatives, scholars and experts,
competent authorities and consumers. Analysis was conducted by employing the KD-IPA
model to provide strategy development, continuous improvement and new service
development in business management. This study established the standard hotel service
quality model in five dimensions with a total 38 items. Results showed that hotel
geographical location, professionalism of service personnls, availability of barrier free
space and baby care toilet, foreign language proficiency of employees, prior
consideration of customers’ interests, understanding customers’ special needs, unique
decoration, good landscape view, hotel marketing, the sale of goods (souvenir) and hotel
popularity can be source of new development of standard hotel service quality.

Giritiloglu et al. (2013) developed 34 items instrument to measure the service quality of
food and beverage provision in spa hotels. This new scale consists of 17 elements of
SERVQUAL, eighth elements of DINSERV model and nine additional elements which were specific to spa hotels. A self administered questionnaire was distributed to 331 customers at four different spa hotels in Balikeser, Turkey. Factor analysis revealed six quality dimensions namely assurance & employee knowledge, healthy and attractive food, empathy, tangibles, responsiveness of service delivery and reliability. The most important factor related to evaluation of service quality in relation to the spa hotel’s food and beverage services was assurance and employee knowledge. The results showed that customers did not receive the expected service quality of food and beverage provision on any of the key dimensions. The largest gap between perceptions and expectations were for healthy and attractive food and tangibles. This study provided specific information on the performance of Turkish spa hotels in relation to food and beverage service quality.

Wu and Ko (2013) proposed a multidimensional and hierarchical model of service quality for the hotel industry. This study has extended the literature on service quality in the fields of hospitality and tourism management by providing a comprehensive framework and measurement scale. Reliability and validity of proposed model has been confirmed by pilot test and substantive survey.

Chin and Tsai (2013) established a service quality evaluation model for luxurious restaurants in International hotel chains. A specialist questionnaire based on five dimensions of Parasuraman et al. (1985, 1988) and one additional dimension of innovation was developed. Analytical hierarchy process was then applied to calculate the relative weights among the dimensions and indicators. Results revealed that reliability is the chief evaluation dimension followed by empathy. Crucial indicators include maintaining and cleaning the environment and facilities regularly and delivering of guaranteed and timely services.

Huang (2014) compared the different perspectives with regard to service quality between leisure travelers and hoteliers in Taiwan. This study defined service quality as formed by front of house and back of house dimensions. The questionnaire was designed on the basis of relevant literature, LODGSERV, the GSP regulation and HACCP regulation in order to describe entire service system. Factor analysis has identified seven underlying factors related to 75 service quality items. The results showed that leisure traveler’s perspectives regarding hotel service quality differed from the hoteliers. The primary
differences are seen in the facility, management, and speed of service and appearance factors rather than service factor. This study tried to lay a foundation for building a total service quality system for hotels of Taiwan.

2.6 Service Quality and Guest Satisfaction

The study of Service quality has been the subject of considerable interest by both the practitioners as well as the researchers. An important reason for the interest in service quality by the practitioners is the belief that this has a beneficial effect on bottom-line performance for the firm. Numerous studies have been conducted time to time in India and at global level which shows a positive relationship between service quality and guest satisfaction and purchase intentions.

Lassar et al. (2000) examined the effects of service quality on the customer satisfaction in private banking by using two well known measures, the SERQUAL and the technical/functional quality. They tried to compare the various dimensions of the two service quality models and their effects on satisfaction. The authors noticed that the customer satisfaction is a multi dimensional concept, and that these dimension will be influenced differentially by the various components of service quality.

Bei and Chiao (2001) tried to explore the effect of consumer perception on satisfaction and loyal behavior. A survey of 495 customers was conducted in 15 repair centers of three major auto firms. Result shows that perceived service quality is positively related to satisfaction.

Murray and Howat (2002) tried to establish a relationship between Service Quality, Customer Satisfaction and Future Intention. They used a questionnaire for the study in which 218 customers participated and the results showed that service quality is a direct antecedent of satisfaction and satisfaction is a strong antecedent of customer’s future intentions.

Salazar et al. (2004) in a study concluded that service quality influences the guest satisfaction and the intention to return to the hotel depends upon the quality of service provided.

Wang and Shieh (2006) applied all the dimensions of SERVQUAL model to find out the relationship between the service quality and the customer satisfaction of library users. Results showed a significantly positive relationship between the overall service quality
and the user satisfaction. The research also indicated that all the service dimensions have a significant impact on user satisfaction except reliability.

Aga and Safakli (2007) used the SERVQUAL model to study the relationship between service quality and customer satisfaction in professional accounting firms of North Cyprus. They explained that apart from the dimension of SERVQUAL, price & firm image are the other variables which influence the service quality as well as customer satisfaction. Results show that service quality has a positive effect on the customer satisfaction moreover, overall firm image also have positive effect on customer satisfaction. The study further explained that the prices of the services as compared to quality have a significant and positive impact on customer satisfaction as well as the prices of the services directly influences the service quality.

Amin and Isa (2008) examined the relationship between service quality perception and customers’ satisfaction in Malaysian Islamic banking using the SEM approach. The standardized regression weight of Islamic banking service quality to customer satisfaction was found significant.

Abbasi et al. (2010) conducted a study on determinants of customer satisfaction in hotel industry of Pakistan and found that service quality and service feature affect the customer satisfaction and which in turn influence the further intentions. Service quality and service features were found to play a significant part in the customer satisfaction. The study also validated that satisfied customers will be having future intentions for visiting the hotel on long term basis.

Thakur and Singh (2011) conducted a study to describe the relationship between service quality and customer satisfaction towards the public sector banking industries in India. They found that the service quality depends upon Service Product, Service Delivery and Service Environment and these were positively related with customer satisfaction. The findings indicate that in the public sector banking, service product is the major predictor of customer satisfaction that is followed by service delivery and service environment. Further more, the study also elaborated that the customer satisfaction will enhance the word-of-mouth and repeat patronage.

Naseem et al. (2011) in a study also observed that there is a direct relationship between the organizational success and the customer satisfaction. They found that it is essential to
meet the customer anticipations at each phase of service provided, but most important is to meet customers’ expectations in restaurant. The study explains that though the customer intention to re-visit hotel depends on many elements but, among them comfort and impression of guest room play the significant role. Moreover, the quality of service as provided by the attendants/waiters, their techniques to handle the clients and flexibility were found to influence the customer satisfaction because the customers are very conscious about cleanliness and environment of hotel.

Markovic and Jankovic (2013) in a study discussed impact of perceived service quality dimensions on the customer satisfaction in the hotel industry in Croatia. The data were collected through a self-administered questionnaire comprised of three parts. (i) The perceived service quality was measured using modified SERVQUAL model (ii) The customer satisfaction was operationalized with one variable, representing overall satisfaction measure. (iii) The demographic variables were also included. Questionnaires were distributed to the domestic and international hotel guests in the Opatija Riviera (Croatia). Descriptive analysis, factor analysis, reliability analysis, correlation analysis, and multiple regression analysis were performed to analyze the data. Factor analysis identified four dimensions of perceived service quality, namely reliability, empathy and competence of staff, accessibility and tangibles. Multiple regression analysis showed that reliability, accessibility and tangibles had a significant and positive effect on overall customer satisfaction. On the other hand, empathy and competence of staff positively influenced hotel guests’ satisfaction, but this impact was not statistically significant when other dimensions were involved. These results indicate that hotel service quality is indeed a significant predictor of customer satisfaction.

Saleem and Raja (2014) conducted a study to understand the relationship between service quality, customer satisfaction and customer loyalty. The result of the study shows that the service quality and customer satisfaction are directly related because the high service quality enhances the satisfaction at the same time. The innovation in service quality or improvement in the quality of service of the hotels increases the customers’ satisfaction. The satisfaction of customers lead to loyalty as shown by the above study. Owing to satisfaction, customers remain loyal to the hotel and ultimately purchasing behavior of the customers is changed.
The above survey indicates that though a large number of studies have been conducted on this subject, but no worthwhile study have been conducted related to guest perception towards service quality in catering undertakings and particularly on National Highways. Therefore the current study conducted on various catering establishments located on National Highway No-1 have its relevance from academics point of view as it will add to the existing literature which will help the future researcher to conduct the study in this area. The research work also have its relevance from the point of view of Industry as the study will focus on various factors which influence the guests’ expectations and perceptions while travelling on National Highway, moreover the study will also suggests the area where the service quality gap is negative so that the different catering undertakings can work on them and can increase guests satisfaction which intern will increase the revenue of the organizations.
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