

Reviewing waiting time and customer satisfaction in a service process



Purpose - The purpose of this paper is to present a literature review that highlights major findings from empirical research examining the impact of waiting time on customer satisfaction within various service settings.

Design/Methodology/Approach - The paper examines the results of past studies that have manipulated specific service settings (layout, fillers, surroundings, resources) and attempts to identify variables that cause less dissatisfaction in a service process.

Findings - A large number of studies reveal negative influence of waiting time on customer satisfaction. Future research proposals seek to identify the degree of satisfaction in a service delivery process.

Originality/Value - The review highlights a range of implications drawn from the studies that will be of value to service organization managers who face high customer dissatisfaction and low repeat customers.

Keywords Service delivery process, Customer service quality, Customer satisfaction, Waiting time

Paper type Literature review

Introduction

The performance of a service delivery system is inversely proportional to the degree of customer's contact (Chase, 1982). The more the customer close to the service system, the longer the customer waiting times in the service delivery system. This cost of longer waiting times in the system can be attributed to (i) the customer walking away from the system and join somewhere else(ii) the customer's decision not to come back again in the

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future and (iii) the customer passing negative experiences to near and dear ones like family and friends. Many studies emphasize the relationship between customer satisfaction in a service process and their loyalty (Anderson, 1994; Dick and Basu, 1994; Fornell et al., 1996; Selness, 2001; Mittal and Kamakura, 2001; Olsen, 2002). The cost of these behaviors by the customer is very difficult to calculate but definitely the sales will go down with each unhappy customer as the cost of retaining a satisfied customer is less than a newly acquired customer (Reichheld, 1996).

According to Lovelock and Gummesson (2004) time plays the central role in most of the services processes and they recommend giving more attention to improving the customers' understanding of how they perceive, budget, consume and value time. Many studies focus on the relationship between waiting time and customer satisfaction in a service process (Hui and Tse, 1996; Pruyn and Smidts, 1998).

Thus the customer's satisfaction can be regarded as the bridge between operational performance of the service firm and subsequent impact on the behavior of the customer towards the service firm. In this study we are trying to understand the factors responsible for dissatisfied customer in a service environment and how it can be minimized through proper and timely allocation of resources in the service process system.

Literature Review

Waiting Time

Time has commonly been regarded as a significant component of the total cost of a transaction, making customers aware that their time is most

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valuable (Anderson and Shugan, 1991; Jacoby et al., 1976; Kellaris and Kent, 1992). Past research has suggested various dimensions of time that include: pace, urgency, sequencing, separation, scheduling, duration, punctuality, flexibility, linearity, synchronization and present and future time perspectives (Ballard and Seibold, 2004; Owen, 1991; Moore, 1963, Lauer, 1981).

The waiting time problem has become an important part of service provider's priorities as today's customers are becoming intolerant to waiting time in a service process. Further, consumers do not evaluate service quality solely on the outcome of service, but they evaluate it on the basis of service delivery process and time is the most important factor for evaluating customer satisfaction in a service process (Davis and Vollmann, 1990; Friedman and Friedman, 1997). Additionally waiting time is the deciding factor for service evaluations for many consumers as they value time more than ever. It is also important to notice in which stage the customer is feeling dissatisfaction in a service encounter. According to Dube-Rioux et al. (1989), the service encounter has three phases: pre- process, in- process and post-process. Research has shown that there is causal effect of service stage, as mentioned by Dube-Rioux (1989), and service delays on consumer's reaction to waiting (Hui et al., 1998; Dube et al., 1991; Dube-Rioux et al., 1989). Dube-Rioux et al. (1989) argue that service delays were less unpleasant than service entry or service exit waits as Hansen and Danaher (1999) showed that service exit exerts a significant effect on consumer's perception of service quality and post purchase behavior.

Waiting is considered a negative experience from both the economic as well as psychological perspective. Further waiting time is often used as a substitute for cost. The waiting time is an important component of customers overall evaluation of the service (Peritz, 1993). Also the amount of time they spend while checkout from a store influences the overall satisfaction level of the customer (Katz, Larsen, Blaire and Larsen, 1991). Further, research has shown that long waits have a negative effect on customer satisfaction (Chebat and Filiatrault, 1993).

Waiting time is often regarded as a waste of time (Leclerc, Schmitt and Dube, 1995; Schwartz, 1975; Rafaeli, 1989; Hui and Tse, 1996; Sheu et al., 2003) and has been described as frustrating boring and irritating (Hui and Tse, 1996; Katz et al., 1991). According to McDonnell (2007), anger and frustration are more likely to happen at bank branches and financial institutions than many other service contact points. Further, research has shown that many consumers dislike waiting in a queue which results in a negative service quality evaluation (Krentler, 1988; Kumar et al., 1997; Houston et al., 1998; Ho and Zheng, 2004).

The consumer's waiting experience has the direct influence on the perception of service quality (Soloman, Bamossy and Askeggard, 1999). For, wait is considered as a wait prior to being served. Apart from income and price, time is considered as a constraint in consumer purchasing choice (Becker, 1965; Umesh et al., 1989).

Many researchers have tried to solve waiting time by providing various strategies like waiting time fillers such as increase of front line employees,

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video display, news updates or waiting time guarantees (Kumar, Kalwani and Dada, 1997), but failed to eliminate the waiting time dissatisfaction completely. Music can play an important role in reducing dissatisfaction levels for consumers waiting in line (Steve and Oakes, 2008).

A waiting time has four dimensions: Objective, subjective, cognitive and effective:

Davis and Vollman, 1990; Katz et al., 1991; Taylor, 1994) advocate that objective waiting time is the elapsed time as measured by a stop watch by the customer before being served.

The subjective waiting time is the perceived waiting time by the customer (Hui and Tse, 1996; Pruyn and Smidts, 1998).

The cognitive waiting time is the customers' evaluation of the wait as short versus long (Pruyn and Smidts, 1998), being (or not being) acceptable, reasonable and tolerable (Durrande- Mpreau, 1999).

The affective aspect of the waiting time is the emotional response to waiting like irritation, boredom, frustration, pleasure, stress, happiness etc... (Taylor, 1994; Hui and Tse, 1996; Pruyn and Smidts, 1998).

However the perceived waiting time is different from objective waiting time (Barnett and Saponaro, 1985; Hirsch, Bilger and Heatherage, 1950; Hornik, 1984).

The effect of waiting time on customers' perceptions of customer satisfaction relates positively to the wait to the customer and moderated by the reason

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for the wait (Nicole and Tony, 2006). Also the perception of waiting time is affected by anxiety level and queue length (Hornik, 1984; Maister, 1984).

The wait dissatisfaction in a service process can be lowered if the overall service meets the customer's expectations. Customers are willing to wait if they anticipate benefits through the consumption of a service (Zeithaml et al., 1993).

Customer Satisfaction

Customer satisfaction is of utmost importance to the service providers and scholars (Babin and Griffin, 1998; Oliver, 1999) in today's highly competitive business environment.

Customer satisfaction is conceived to be part of an overall model of customer behavior (Bearden and Teele, 1983). One such model presented by Oliver (1980) is shown in the figure below (Figure 1).

The Role of Satisfaction in a Customer Behavior Model

Expectations

↑

Performance

↑

Disconfirmations

↑

SATISFACTION

↑

Attitudes

↑

Intentions

↑

Future Behavior

Figure 1

Sasser et al. (1978) identify three different models by which customers evaluate overall satisfaction with a service. These are:

One overpowering attribute

A single attribute with threshold minimums for other attributes

A weighted average of attributes

According to the expectancy disconfirmation model, satisfaction/dissatisfaction is a function of expectations and disconfirmations of the consumer (Oliver, 1980; Oliver and DeSabro, 1988). According to Davis and Heineke (1998), “ customers’ reaction to waiting in line can color his/her perception of the service delivery process”. Further, customer satisfaction is affected not just by waiting time but also by the customers’ expectations or attribution or determination of the causes for the waiting (Bitner, 1990; Churchill and Suprenant, 1982; Folkes , 1984; Folkes, Koletsky and Graham, 1987; Maister, 1985; Oliver, 1980; Shostack, 1985; Taylor, 1994; Tom and Lucey, 1995; Tse and Wilton, 1988). Also in a service delays, the stage in which a delay occurs within a service encounter affects customer evaluations of the service quality (Dube et al., 1989;, Hui et al., 1998).

The overestimating of waiting time by the consumers (Hornik, 1984; Katz, Larson and Larson, 1991) leads to more dissatisfaction as customer’s perception of waiting time increases, the satisfaction tends to decrease (Katz et al., 1991).

Customer satisfaction is inversely related to waiting time (Davis and Maggard, 1990); that is the longer a customer waits, the less satisfied or more dissatisfied he/she becomes with the service process. In their study on two stage service process, they found that customer satisfaction is more affected by the initial wait of the customer prior to entering the service process, than it is by subsequent waits in the process. Their study was supported by Sasser, Olsen and Wyckoff (1978) and Maister (1985). Davis and Maggard (1990) suggest management to devote extra time and resources toward initial stage of the wait. This priority is necessary because <https://assignbuster.com/reviewing-waiting-time-and-customer-satisfaction-in-a-service-process/>

a dissatisfied restaurant customer tells fifty other people about his/her dissatisfaction (Lyth and Johnson, 1998).

Parasuraman et al's (1985) study on relationship between waiting time and perceived service quality has been widely accepted by the research and industry communities. The gap between the perception and expectation for waiting experience determines the customer satisfaction with waiting (Maister, 1985).

Davis and Vollman(1990) argue that in most of the service operations, customer expectations and satisfaction with respect to waiting time are dependent on many factors including: The customer's prior experience, the number of customers in the service facility, criticality of time to the customer and other distractions, intended or otherwise.

According to Hornik (1984) consumers often inclined to overestimate time spent on waiting and the delay can influence affective reactions (Dube-Rioux et al., 1989; Hui and Tse, 1996; Taylor, 1994). Prior research suggests that crowding at the service process also affects the customer's satisfaction (Eroglu et al., 2005; Michon et al., 2005). That means a perception of extremely un-crowded and extremely crowded environments at the service area lead to lower customer satisfaction. This means the service managers should allocate human resources wisely when the crowd is low. Conversely, more number of service personals should be devoted when the crowd is very high.

Taylor (1994) argues that customers' anger and their evaluation of punctuality affect the overall performance of a service process. The <https://assignbuster.com/reviewing-waiting-time-and-customer-satisfaction-in-a-service-process/>

customers' satisfaction with wait is also influenced by customers' perception of service providers social justice(Larson, 1987) that is whether the provider is adhering to first come first serve basis or not. Piyush et al. (1997) argue that the customer satisfaction in wait is also influenced by the waiting time guarantee provided by the service providers.

Customer satisfaction in a retail setting has been linked to a number of important outcomes, including sales performance, customer retention and loyalty (Darian et al., 2001; Wong and Sohal, 2003; Gomez et al., 2004; Anselsson, 2006; Martenson, 2007). Apart from retail, the customer satisfaction is a prerequisite for other customer service outcomes including customer retention and customer loyalty, sales/profitability and market share for many organizations (Hackl and Westlund, 2000; Reichheld, 1996) as losing a customer result in the cost associated with replacement of that customer (Reichheld and Sasser, 1990). According to Anderson et al. (1994) the customer satisfaction is positively related to the profit of the service provider. Additionally, the role of service satisfaction is believed to directly shape a customers' long term relation with the service provider (Gronroos, 1984).

The waiting time can be distracted with the help of television sets, newspapers, magazines, wall posters etc... as filled time appears to pass more quickly than empty time (McGrath and Kelly, 1986). This can be applied to reduce the waiting dissatisfaction but not to enhance the customer satisfaction as superior waiting experiences will, in turn, enhance customers' overall satisfaction with the service provider.

Information provided in case of delay (Hui and Tse, 1996; Antonides et al., 2002) and the characteristics of waiting environment (Pruyn and Smidts, 1998) determine the customers' waiting time satisfaction. According to Maister (1985) any information regarding delay can reduce the uncertainty of wait and reduce the overall stress level of the customer. As mentioned by Baker and Cameron (1996) the service environment influences the affective aspect of the waiting times. Also Pruyn and Smidts (1998) show that perceived attractiveness of the environment positively influences the affective response to the wait and service satisfaction in addition to the appraisal of the wait. But satisfaction with the information provided in case of delays influence waiting time satisfaction more than waiting environment satisfaction (Frederic and Nathalie, 2007). The customers' waiting time can be influenced by making the service environment comfortable as possible (Baker and Cameron, 1996).

Future directions for research

Since the current study focuses on the influence of waiting time on customer satisfaction at various stages of the service transformation process, the exact degree of satisfaction is unclear from the study. Davis and Maggard (1990) argue that in a two stage service process, stage one requires priority where customer waits before being served. Future research is required to assess the degree of priority in the various stages of service process.