

Servqual model - summary and evaluation



1. 1 Introduction

Service quality has taken into consideration in providing and accomplishing customers' satisfaction recently (Hishamuddin Fitri Abu Hasan, Azleen Ilias, Rahida Abd Rahman & Mohd Zulkeflee Abd Razak, 2008). Besides, there is a very obvious trend towards a growing concern that customers' satisfaction is one of the valuable assets in building up a brand image (Srivastava et al., 2001), so brand image is very crucial in service industry, by which this element is critical in influencing customers' perceptions and thus their loyalty to a company.

Simoës and Dibb (2001) stated that brand image plays an important role in service industry due to the strong brand image persuades customers with a sense of acceptance and trustfulness. Research finding based on Bloemer et al. (1997) and Jones et al. (2002) also pointed out that there is a direct relationship between service quality towards customers' perceptions, which in turn contributes to the brand image of a product or company. Based on the findings from Parasuraman et al. (1994) and Zeithaml et al. (1996), service quality is directly related to customer satisfaction and loyalty and thus on brand image, by affecting customers' perceived value (service quality → perceived value → customers' satisfaction → customers' loyalty → brand image of a company).

At first, there will have a brief explanation pertaining to the principle of the SERVQUAL model in this literature review; by which the dependent variable and independent variables of this research will be discussed in detail,

followed by the findings from the previous research and studies. Lastly, this literature review will be ended up with a conclusion.

1. 2 Theory of SERVQUAL Model

Parasuraman, Zeithaml, and Berry (1985) developed service quality model which is named as SERVQUAL model or PZB model. They had conducted focus group interview in order to develop the first version of SERVQUAL model. They had created ten dimensions of the service quality by determining the similar criteria in the evaluation of customer. The ten dimensions of service quality included tangibility, reliability, responsiveness, competence, access, courtesy, communication, credibility, security and understanding. In this research, Parasuraman et al. (1985) stated that the overlapping among these ten dimensions of service quality maybe occurred and suggested that further research should be conducted. Therefore, SERVQUAL model was further developed and emerging the modified version of SERVQUAL model.

In 1988, Parasuraman, Zeithaml, and Berry had conducted an empirical study to measure the service quality towards the customers' perceptions by using the ten dimensions as a basic structure. The results indicated that some variables in these ten dimensions were overlapped with each other. In the ten elements of service quality, tangibility, reliability and responsiveness remain constant while the remaining seven determinants were categorized into the last two dimensions which are assurance and empathy (Parasuraman et al., 1988). As a result, there are five service quality dimensions in the modified version of SERVQUAL model that affect customers' satisfaction and thus brand image:

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- Tangibility is related to the physical environment, facilities and the employees' appearance.
- Reliability is the ability to carry out the services consistently and accurately.
- Responsiveness is the willingness of the employees in helping the customer to solve the problem.
- Assurance is the adequate knowledge that the employees possess and the ability of the employees in entrusting the confidence.
- Empathy is associated with the organization provide the caring and individualized attention to their customers.

Buttle (1996) mentioned that SERVQUAL model is been used widely in measuring customers' perceptions towards various types of services. Due to this reason, we are likely to choose SERVQUAL model to measure customers' perceptions on brand image in our study.

1. 3 Dependent variable

1. 3. 1 Brand image

Service quality has significant effect on customers' perceptual toward brand image, due to the statistics shown that strong brand image is needed to distinguish from competitors' brands or products (Boltan and Drew 1991). At the same year of 1991, Schiffman and Kanuk also stated that customer will perceive brand that match and suit their images. As a result, service quality added value to customers by helping them differentiates the brand from competing brands. This means that customers' perception of service quality is be associated brand image and customers are more likely to purchase the brand that provides the superior service quality.

Keller (1993) supported the previous findings and stated that brand image is the customers' perception that held in customer memory. Strong brand image is set in customer's mind through their consumption experiences and their perceptions towards service quality provided by the product or company. In the year of 1996, Agarwal and Rao continued the study and mentioned that brand image is based on superior and favorable brand rooted in consumer's memory. In 2003, Keller repeated the theory and reinforced that brand image refers to strong, positive and favorable brand association in memory which result in a positive effect, attitude and overall perceived quality.

Holbrook and Batra (1987) stated that the perceive quality affect the brand loyalty and thus also influence the images of a brand. Meanwhile, service quality is clearly defined as the customer's judgment about a brand's excellence or superiority (Zeithaml, 1988; Aaker and Jacobson, 1994). Dobni and Zinkhan, (1990) assumed that brand image is refer to the reasoned and emotional perceptions consumers attach to specific brands. Zeithaml (1988) suggest that brand image is built through consumers' consumption experiences with the excellence or favorable of service being provided. Therefore, the service quality perception is core dimension that help to create a high value of a strong brand image in which directly influences consumers' purchase evaluation. According to Alba and Hutchinson (1987) and Walker et al. (1987), although brand image, brand attitude and service quality act independently, however, under some conditions, three of dimensions are interrelated with each other.

Keller (1998) supported the brand image is multidimensional, by which it includes the attitude and behavior according to the brand and the perceived service quality. The process in order to develop a trusted brand image is based on the customer's experiences towards the brand through both direct and indirect interaction with the brand (Keller, 1993 and Krishnan, 1996). Direct contact with brand involves usage; trial and satisfaction in consumption while indirect contact with brand involves advertising, word-of-mouth and brand reputation. In 1996, another researcher Meldan also mentioned the introduction of innovative products and services quality is to improve the positive perception of brand image. She supported the theories which were held by Park, Jaworski, & Macinnis in 1996 and Fatt in 1997, by which they stated the service quality is very important in influence the image of a brand through the level of customer's familiarity, experience and trust of a brand. Based on these theories, Aydin and Ozer (2005) concluded there is reciprocal relationship between both customers' perceptions and brand image.

There are five dimensions of brand image being identified by Aaker (1991) which included perceived service quality, brand awareness, brand association, brand asset and customer base. However, perceived of service quality have the most significant impact toward brand image among those five dimensions. Keller (1993) indicated that the service quality may improve brand image by enhancing customers' loyalty and thus increasing the probability of brand choice as well as reducing the competitive marketing. Service quality can affect the brand image of particular products or companies directly and indirectly (Kirmani and Zeithml, 1993). The study

held by Kirmani and Zeithml in 1993 shown that the dimensions of service quality – tangibility, reliability and empathy are basic clues for in constructing a strong brand image (Bailey and Ball 2006).

1. 4 Independent variables

1. 4. 1 Tangibility

Tangibility is one of the dimensions in the SERVQUAL model. It can be defined as the physical evidence in the service industry (Parasuraman et al., 1988). It is the physical facilities and equipment, employees' appearance, physical representations of services and the physical environment. Wakefield and Blodgett (1999) also mentioned that physical environment will significantly influence the customers' perceptions towards brand image. Same theory goes to the size or the number of facilities and equipment provided by a company in judging customers' perceptions (Umbach, 2002). One of the examples to support the dimension of tangibility can be seen in servicescape, by which it is the physical places where services are delivered (Chua, Mohhiddin Othman, Boo, Muhammad Shahrim Abdul Karim, and Sridar Ramachandran, 2009).

It can be said that tangibility has a significant impact customers' perceptions towards brand image. However, services is intangible, therefore, customers can only see and experience the tangible services provided by the company, such as the facilities and equipment, as well as the appearance of the employees. Those of the tangible services are known as "clues" (Zeithaml, Parasuraman, and Berry, 1992). The "clues" are the capabilities of the company and the quality of the environment. Berry (1980) stated that the way of managing the tangibles services will directly affect customers'

satisfaction, due to the reason that those tangibles services are critical elements in shaping brand image.

According to the research finding of Kayaman, R. and Arasli, H. (2007), there is a significant relationship between service quality and brand image. They were mentioning that tangibility is associated with the physical characteristics provided by the company. This variable serves as a key element by which it may be able to attract more and more customers and thus gain competitive advantage over the competitors. Besides, element of tangibility is able to deliver both direct and indirect result on brand image. As a result, most of the companies nowadays are likely to formulate and implement strategies that are useful in grabbing potential customers and maintaining current customers by using eye-catching physical structures and providing a unique and comfortable environment for the services delivered.

1. 4. 2 Responsiveness

Another independent variable that will affect customer perceptions towards service quality is responsiveness. The meaning of responsiveness is the willingness to help the customers, to provide prompt and well service to the clients, problem resolution when the customers faced and complaint handling (Reichheld and Sasser, 1990). Responsiveness should be expanded and this is because they believed that this variable is very important (Parasuraman et al, 1988). Previous studies suggest that the responsiveness is critical not only as a measure of service quality but can use as a best tool for uncovering areas of service quality strengths and weakness (Kettinger and Lee, 1997, 1999; Pitt, Watson, & Kavan, 1995; Van Dyke et al., 1997). By knowing the strengths and weaknesses, the organization will enhance the

service quality in order to increase the brand image in this competitive market (Bedi, 2010; Kassim and Abdullah, 2010; Kumar et al., 2010).

Furthermore, good customer service is part of the responsiveness.

Employees' responsiveness takes customer service a step further (Lovelock, 1983). By using technology, including websites, email and telephone systems, it enables the customers to quickly get the information that they need is one of the aspect for responsiveness (Lovelock, 1983). It generally refers to being responsive to the service subscribers (Heeter, 1989). The employees also have to prepare the aptitude and desire to provide the customers with effective resolutions on the first contact whenever possible (GroÈnroos, 1982; Oliver, 1981). A high level of responsiveness, representing and expressing as a trust cue, can convey the trustworthiness to the customers (Corritore et al., 2003).

There is a significant relationship between the service quality and customers perception on brand image (Moliner and sanchez, 2003). Attachment theory suggests that beyond knowing who or what a brand stands for, strong attachments only mean when the brand is responsive to the consumer needs. In fact, psychologists argue that responsiveness is one of the critical element that keep relationships is going (Bebko and Prokop, 1996).

Employees should quickly respond to the customers' request at the same time, eliminating all the unnecessary errors and cannot make the customers to spend lots of time to wait (Guseman, 1981; Levitt, 1981; Murray and Schlacter, 1990).

A responsive brand fulfills consumers' relevant needs or goals. The goals can be many and varied for depending on the consumer and the situation (McDougall and Snetsinger, 1990). They may include broad level needs, such as needs for status, stimulation, belongingness or individuality, all the way down to situation specific goals (Parasuraman et al., 1985, 1988; Zeithaml et al., 1990; 1993). Of course, being responsive means that there must be something in the product and the marketing behind it that creates the perception that the brand uniquely in order to achieve these needs and goals (Anderson and Zeithaml, 1984; Garvin, 1982; Tse and Wilton, 1988). Hence, it is crucial for all the employees to exhibit a courteous and friendly behavior when delivering services to the customers in order to increase their satisfaction towards the brand image (Firdaus Abdullah, Rosita Suhaimi, Gluma Saban & Jamil Hamali, 2011).

1. 4. 3 Reliability

According to Word Net, reliability indicated the trait of being dependable or reliable. Reliability indicates the employees are able to provide the services accurately, consistently and dependably (Parasuraman et al, 1988, LeBlanc & Nguyen, 1997). In another way, reliability also means that the services are correctly performed and defined as the consistency of the services performance. Besides, reliability means the organization keeping their promises, trustworthiness toward the services quality of employees to avoid anything goes wrong. In product and service industry, it plays as a key component that will influence the customer behavior towards brand image and thus on their purchase intention. Therefore, different services that

provided to the customers will bring different level of customer satisfaction based on the services provided by the product (Yuksel, 2001).

Reliability is the driving force of the responsiveness of customers' behavior (Antreas A. Spiros and Vlassis, 1999). It means that reliability of services is interrelated with the customers' satisfaction and perception once the services are provided and performed (Antreas A. Spiros and Vlassis, 1999). It is associated with the services quality environment and delivery systems that work well with good quality of service which include staff attitude, knowledge and skill (Walker 1990). For example, it provides the service at the designated time. Parasuraman et al. (1991) predicted that reliability is concerned with the result of services as compared to other variables in SERVQUAL model. This theory is supported by Glaveli, Petridou, Liassides and Spathis (2006), by which they strengthened the element of reliability considers as the service provider's ability to provide accurate and dependable services in which included items such as personnel training, interruption of service, absence of errors and punctuality.

Berry et al. (1985) argued that reliability is the most important factor in guaranteeing both customers' satisfaction and dissatisfaction. This assumed that managers and employees need to provide a reliable service and reduce unreliable service to the customers in order to achieve a high level of customer satisfaction. In 1990, Zeithaml et al. also held that service reliability is one the most significant variables in the SERVQUAL model. As a result, most of the organizations are likely to include the issues of reliability in setting their mission statement and the standard of services to be provided (Malhotra, Ulgado, Agarwal, Shainesd & Wu, 2005).

So, both employers and employees must aware to the importance of reliability and find ways to improve the reliability of services. Reliability is one of the important dimensions that will lead to customers' satisfaction through customers' perceptions and thus affect the image of the brand (Patrick, Karl J., & John E. 1996). A consistent measure is needed when working out with employees so that services can be performed adequately. In addition, the frequently changing of work procedures will improve the service performance as well. Again, this ensures customers' perceptions towards service quality and consequently building up a strong brand image towards a product or a company.

The administration and examination of departments have provided the reliable and accurate services also known as the reliability services (Muhammed Ehsan Malik et al., 2010). It held true when the brand image of an organization which is associated with excellence reliability services is considered as one of the means to attract customers' purchase intention through good brand image. The study from Parasuraman et al. (1991), Muhammed Ehsan Malik et al. (2010), Ham and Hayduk (2003) proved that reliability has the strongest impact on consumer's judgment, as among the five determinants of services quality. This philosophy was again proved by Hishamuddin Fitri Abu Hassan et al. in the year of 2008.

1. 4. 4 Assurance

Another dimension in SERVQUAL model is assurance. Assurance shows the knowledge that the employees possess and how the employees convey the trust and confidence (Parasuraman et al., 1988). Assurance can also be known as the organization offers the credible and secure service to its

customers (Donnelly, Wisniewski, Dalrymple & Curry, 1995). Initially, according to the research findings of Parasuraman et al. (1985), there were ten dimensions that regrouped to the five dimensions of service quality. In those five dimensions, there are three original determinants which are tangibles, responsiveness and reliability while another two determinants were assurance and empathy which, were derived from the other seven dimensions of service quality. Assurance is derived from the competence, courtesy, credibility and security of the service. This is because those four dimensions have overlapped with each other and the new dimension of assurance is formed.

According to the research findings of Aydin and Ozer (2005), there is a significant relationship between customer's perception about service quality and brand image. They were mentioning that assurance has a significant positive impact on brand image. Employees give an expression of the service quality in customers' eyes (GroËnroos, 1994). It means employees give the customers the greatest concept of what the brand really is. Employees' competence and abilities in delivering the service performance is also very important so that the customers know their roles and willingness in performing those services otherwise their inevitable frustration will destroy the brand image (Davies, 1996). Not only the actions or behaviors of employees but also the morale of employees influences the service quality and it will impact upon customers' perception on the brand image accordingly (Schneider and Bowen, 1993).

Besides, a strong brand image is a part of brand strength measurement model that based on how the customers putting trust on a particular brand

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over other competitors (Lassar et al., 1995). One of the high-level associations that consumers can accommodate a brand is credibility (Keller, 2003 b). The importance is also supported by another statement from Aaker's study (1997) on the basic brand personality factor analysis, and she state that " sincerity" was the highest eigenvalue factor. In Oliver's service quality theory (1980) states that the customers will judge that the service quality is low if the service performance does not meet or either exceed their expectations. Ultimately, customers are willing to commend the specific brand to other people when their perception of service quality is high (Parasuraman et al.'s, 1988, 1991b). This is supported by the statement from cf. Keaveney (1995) that there is a positive correlation between high customers' perception on brand image and word-of-mouth communication.

In short, a strong brand not only increases the customers trust so that they are better in observing and understand the intangible but it also reduces customers' perceived monetary, social and security risks Simoes and Dibb (2001).

1. 4. 5 Empathy

Empathy is one of the dimensions which out of five dimensions of SERVQUAL model that is created and derived from the accessibility, communication and understanding. Parasuraman ct al., 1988 said that empathy is originate from approachability, communication and understandable in the ten dimension of service quality as well as the essential of caring given to the individual special attention and caring to the customers. Besides, approachable services that are provided by organization are also known as empathy to meet or identify the needs of specific customers (Donnelly et al., 1995).

In order to improve the empathy in service quality, one of the approaches is by collecting the feedback from customers after they experienced the service performances (Soutar & McNeil, 1996). For psychology today, what is empathy and how it's related to our livelihood? Empathy means the capability to be comprehensive to another people's condition, point of view, feelings and perceptions. When we are facing or experiencing the feeling of empathy, then we are able to catch out someone internal feelings of empathy. Some people especially with mentally disorder, antisocial personality disorder, narcissistic personality disorder and so forth, they have intimate link with the ability to empathize. (Kristalyn Salters-Pedneault, PhD, 2010).

According to Bowman and Narayandas (2001), the value perceptions of loyal customers are normally related to empathy and sincerity due to they are devote for creating the sense of interactive fairness. Individualized attention offered by the organization to meet the customer's need also consider as empathy (Salvador-Ferrer, 2010). Shoeb (2011) summarized that the willingness of organization in listening to what customers had said is the empathy services that organization has provided to individual pleasantly as well as concerned with the individual by treating them well and respecting them. It can be said that empathy services concerned with how the employees approach and behave towards the customers.

Hanaysha et al. (2011) mentions that there is a moderately and optimistically relationship between the empathy and customers' perception on brand image. There is another research shows that there is a significant relationship between the empathy with the satisfaction (Nawaz. et. al., <https://assignbuster.com/servqual-model-summary-and-evaluation/>

2011). It means that empathy reflects how does the organization treats and cares the individual by identify their needs and wants as everybody must be treated fairly by providing the same services.

1.5 Conclusion

At first, we had proposed our title of “ The Impact of Service Quality towards Customer Perceptions on Brand Image”. The purpose for our research is used to identify the new knowledge that have not done by the previous studies. The concept of the service quality and brand image had been review in this study. In this research, SERVQUAL model is used as the applications in our study. This model is essential in our study as our research framework is derived from this model. Based on the findings, we found out that five dimension of the modified version of service quality model have the strongly impact on brand image. Service quality has the strongly correlated with the brand image. This research study is to increase our understanding of service brand from the customer’s perspective. Moreover, it provides the people especially service marketers the understanding of the associations that may exist and how they impact on the brand image. By understanding these associations and the inherent risks associated with service procurement, they will be able to manage the brand strategies well and to make better branding decisions.