

Service concept profiling and the servqual model



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In this assignment I am going to conduct a critique of the following service management ideas, theories, concepts and techniques; specifically with reference to their purpose, application and limitations and with regard to how these service management ideas, theories and techniques may contribute to the development of a successful business: Service concept, Service concept profiling and The SERVQUAL model.

Service concept

purpose,

The service concept has been defined variously throughout the years, Haskett (1986), defines it as the way in which the “ organisation would like to have its service perceived by its customers, employees, shareholders and lenders”, i. e. the organisation’s business proposition. It has also been defined as the elements of the service care package, this is related to what Collier (1994) named it as “ customers benefit package”, i. e. the things that provide benefit and value to the customer. Another definition of a service concept states that “ a service concept identifies the proposed nature of the business; it is the service in mind that the organisation wishes to create. The <https://assignbuster.com/service-concept-profiling-and-the-servqual-model/>

service concept helps the organisation focus on the value that it can provide to customers.”(Robert Johnston & Graham Clark, 2008, p 461).

Application

A service concept can be broken down in to three stages, firstly the organising idea, this is “ the essence of the service bought, or used, by the customer”. Secondly, the service experience, this is “ the customer’s direct experience of the service process which concerns the way the service provider deals with the customer and finally the service outcome, this is “ the result for the customer of the service (in particular, the benefits provided, the resulting emotions and assessment of value for money)”. (Robert Johnston & Graham Clark, 2008, p 42).

An example of a successful on-going business in terms of ideas, theories, concepts and techniques is a company called Metso, they are global supplier of technology and services to customers in the process industries, including mining construction, pulp and paper, power, oil and gas. Their service concept consists of; performance services, this increases product efficiency, optimises quality and improves environmental performance; availability services, this maximises asset availability and optimises total life-cycle costs of assets and finally engineering services, this helps complete projects on time and within budget, also helps maintain and develop competency of personnel. (Metso automation, 2010)

Another example is Alton Towers, Organising idea: A great day out at a theme park. Service experience: exhilarating and entertaining, large car parks range of food outlets, good souvenir shops etc. Service outcome: Lots

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of rides, Great day out, Full day out etc' (Robert Johnston & Graham Clark, 2008, p 43)

One other example is letsgototurkey. com, they categories their service concept into three parts: firstly, before purchase- this is when the company offers information about the region and property portfolio, provides flight information and pick up service from the airport. Secondly, during purchase- this is when they provide full information about the area and buying procedures, and also organising all procedures such as opening a bank account, translator and preparing all necessary paperwork. Finally, after purchase- assisting with registration of utilities, recommending the best shops around, helping with insurance and applying for a residence permit. Furthermore, the company has another option called property care, in which membership holders can benefit from certain things while they are away such as bills being paid, taxes being paid routine security checks are made and they also deal with relevant companies for insurance, maintenance, engineering etc. (Letsgototurkey. com, 2012)

Contribute to the development of a business (benefit)

Limitation

Service concept profiling

Purpose

The service concept can also be used as a strategic tool, the service concept profiling tool is simply a diagnostic tool that will help an organisation to analyse its service concept. It is merely a tool – that can give an organisation

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a visual representation of their service concept, by doing this, a service organisation can decide whether they need to change their service concept in view of what the competitors are doing/achieving, so as a tool it can provide a basis for a new service concept.

“ The service concept can be used to create organisational alignment by developing a shared understanding and making it explicit” (Robert Johnston & Graham Clark, 2008, p 65). Managers can also assess the implications of design changes using capability mapping. Furthermore developing a service concept can create differentiated services and drive strategic advantage.

An example of a business using a service concept profiling is ‘ 4sl consulting’, their profiling method identifies an organisation’s maturity and effectiveness through; effective management and governance for delivering IT change; service life cycle management from strategy through operations and continuous service improvements; cost transparency for service pricing and charge back. The company finds these results through one-to-one meetings or via workshops, each with a robust and comprehensive assessment method. “ Service profiling results in an initial set of gaps, issues and constraints prepared alongside an action plan to bring immediate benefits.” (4sl consulting, 2012)

Application

Contribute to the development of a business (benefit)

Limitation

With regard to limitations with regard to the service concept profiling tool, it is only a tool and as such it is a good starting place and may indicate to an organisation what element of the service concept may need to change, but does not take into consideration external factors such as what is happening in the macroeconomic environment. It also does not take into consideration the change management activities that follow on from changing the service concept.

Suggestions

Further, I would suggest that it might be critical to get the customer involved in profiling – and i am not sure that organisations actually do this....

The SERVQUAL model

Various service quality models have been developed to measure service quality through firms in many businesses. Due to its relation with customer satisfaction it is very important to review service quality models. Moreover service quality has had a major impact on practitioners, managers and researchers because of its results in customer satisfaction, customer loyalty and company profitability. The most commonly known measuring tool in terms of service quality in the development of a successful business to reach success is an instrument called SERVQUAL.

This model was developed by Parasuraman et al (1985; 1988). The research based on this instrument has been used in marketing literature and also used in various industries in terms of the variety of factors which influence and contribute towards the development of a successful business. Along with Parasuraman, Zeithmal and Berry, these three authors made substantial

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contribution to the understanding the concept of service quality and the factors that influence it. The SERVQUAL model has been productively used for measuring service quality in many service businesses. It has been used in many contexts for example, service quality in hospitals, telecommunications, insurance companies etc.

“ They originally identified four “ gaps” in the organisation that can cause quality problems. These quality problems cause a fifth gap, which is difference between customer expectations of service and perceptions of the service actually received.” (Jusuf Zekiri, 2011)

The SERVQUAL Model has five dimensions which are tangibles, reliability, responsiveness, assurance and empathy. If these dimensions remain constant this will unlock the door to consumer loyalty and provide outstanding levels of quality consumer care service within the service organization. However, not all dimensions are equal due to the fact that some dimensions are more towards the high levels of importance within the service organization as oppose to the other dimensions ‘ All dimensions are important to customers, but some more than others. Service providers need to know which are which to avoid majoring in minors. At the same time they can’t focus on only one dimension and let the others suffer’ (Chris Arlen, 2008).

An example of a a sector using the SERVQUAL model is Mobile Telecommunication

Limitation

Conclusion

In conclusion

These factors, theories and techniques collectively are part of the essential elements in terms of reaching the relevant necessary internal aims and objectives set, which help build, develop and improve an existing successful service organisation. 50% of businesses don't survive within the first few years so it's absolutely critical that service organisations grow and flourish in exceptional high levels of quality they deliver. Performance targets must be smart, measurable, achievable, realistic and time constrained

In regards to the SERVQUAL model, it is an extensively used tool to assess external service quality, it can also be modified to assess the quality of the internal service provided by departments within a company to employees in other departments.