Gap analysis essay

Business, Management



Gap Analysis- Parameters to Measure Service Quality Apr 6, 2010 Paulami Roy The Gap Model – Canada Small Business Financing Program The Gap Model is an effective tool for identifying and rectifying service quality and service delivery gaps. Service marketing is inherently different from product or goods marketing. Services are distinctively characterized by their intangible, heterogeneous, inseparable and perishable nature. A service marketer builds his marketing strategies on five service quality dimensions to attain and sustain customer loyalty and zero defections.

In marketing lexicon, it is known as RATER: •Reliability refers to the ability to perform the service accurately and dependably. •Assurance relates to knowledge and accuracy of employees and their ability to convey trust and confidence to the customers. •Tangibles refer to the appearance of physical facilities, equipments, personnel and communication materials i. e. physical evidence of facilities. •Empathy refers to dealing with customers in a caring and individualized manner. •Responsiveness is the willingness to help customers and provide prompt service. If a service marketer falters on any of these grounds, it creates service quality gaps in an organization.

Service quality is essentially perception of service, minus expectation of service by the customer. Service Quality Gap Model Zeithaml, and Berry (1985) constructed the famous Service Quality Gap Model to determine and analyze gaps between expected and actual levels of service performance:

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Group www. metaplexity. com •Gap 1 is the lack of understanding between

customer expectation and management perception, i. e. the management does not know what the customers need and expect from their service.

•Gap 2 is the lack of development between management perception and service quality specification. Here managers are aware of customer expectations but are not committed enough to utilize the knowledge of customer needs and expectations as the basis for defining and specifying service quality standards. This may occur due to ignorance, lack of vision, limited resources. •Gap 3 indicates the gap between service quality specifications and service delivery where the management understands the customers' desired level of service and specifies an appropriate set of standards.

However, service delivery may be of poor quality owing to poor employee performance due to insufficient training. •Gap 4 refers to the gap between service delivery and external communication which occurs due to prepurchase promotional materials communicating unrealistic service levels which cannot be delivered in reality. Again it can stem from being poorly briefed about the service by the sales staff resulting in over promise and under delivery. •Gap 5 is the gap between expected service and perceived service.

Effective Ways to Bridge Service Quality Gaps Gap 1 can be closed by:

•understanding customer expectations through research, complaint analysis,
customer panels •increasing direct interactions between managers and
customers to improve understanding •improving upward and downward
internal communication For closing Gap 2 it is imperative to establish the

right service quality standards by: •communicating and reinforcing customer-oriented service standards • providing requisite training to the managers to enable them to lead employees to deliver quality service •rewarding managers and employees for attaining goals measuring performance and providing regular feedback •establishing clear, realistic service quality goals •ensuring that employees understand and accept goals and priorities •becoming receptive to new ways of doing business that overcome barriers to delivering quality service. Gap 3 is addressed by ensuring that service performance meets standards through: •clarifying employee roles •ensuring that all employees understand the importance of their jobs •providing employees with technical training developing innovative recruitment and retention methods to absorb the best talents and build loyalty •training employees about interpersonal skills for dealing with difficult customers •teaching employees about customer expectations, perceptions and problems •eliminating role conflict among employees by involving them in the process of setting standards •measuring employee performance and link compensation and recognition to delivery of quality service •develop reward systems for employees empowering employees with decision-making along with accountability •encouraging teamwork •treating customers as partial employees by clarifying their roles in service delivery, training and motivating them to perform well in their roles as co-producers. Gap 4 is bridged by seeking inputs from operations personnel when new advertising programs are being created • developing advertising that features real employees performing their jobs •allowing service providers to preview advertisements before customers are exposed to them •ensuring that

consistent service standards are delivered across multiple locations

•identifying and explaining uncontrollable reasons for short falls in service
performance •offering customers different levels of service at different prices
and explaining the distinctions •ensuring that the communication materials
reflect those service characteristics that are most important to customers in
their encounters with the organization •getting sales staff to involve
operations staff in direct interaction with customers •managing customer
expectations by informing them the possible and impossible options and the
reasons. Gap 5 can be effectively closed by minimal promise and maximum
performance. The Gap Model is an influential tool to identify the
discrepancies between organization and customer perception of service
quality.

Once the gaps are filled, the service quality improves and a perfect synchronization can be attained between perception, expectation and satisfaction levels of the respective parties