



Services Quality Excellence



25th National Quality Summit

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+ The Changing Environment



- Globalization
- Liberalization
- Socio Economic Shifts
- Awareness & Attitudes

+ Defining Quality



- “although we cannot define quality, we know what quality is”
(Pirsig, 1987)
- Service quality is a measure of how well the service level delivered matches customer expectations. Delivering quality service means conforming to customer expectations on a consistent basis
(Lewis and Booms 1983)
- ‘service quality results from a comparison of what customers feel a service provider should offer (i.e. their expectations) with the provider’s actual performance’
(Parasuraman, 1996)
- ‘

+ Why is Quality Important?

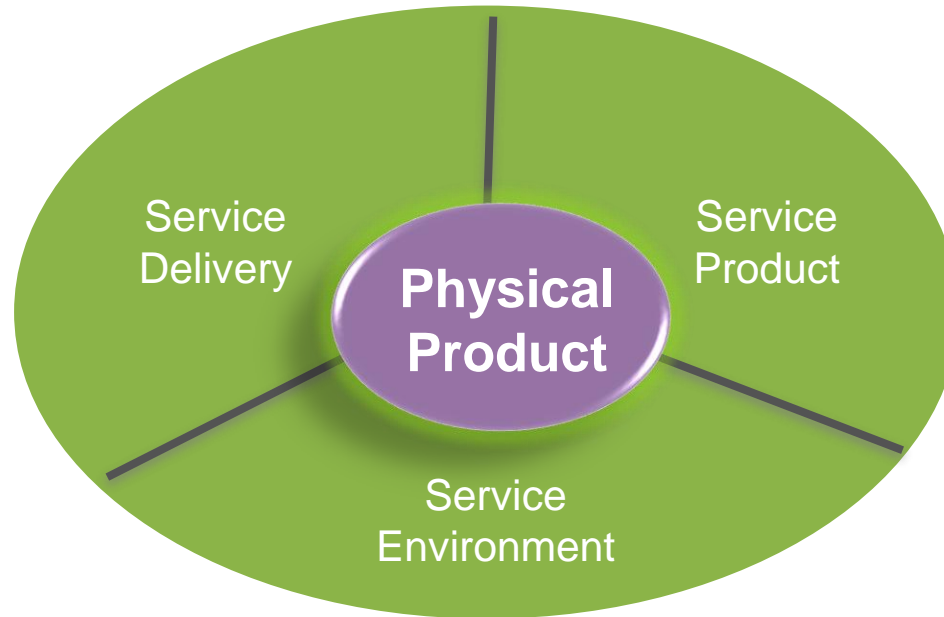
- Superior product/service quality relative to competitors is the single most important factor affecting profitability (PIMS study)
- Premium prices
- Customer preference
- Customer retention
- Market expansion/market share
- Other benefits:
 - productivity, distribution/access

+ Changing management focus





The Four Components Of Service



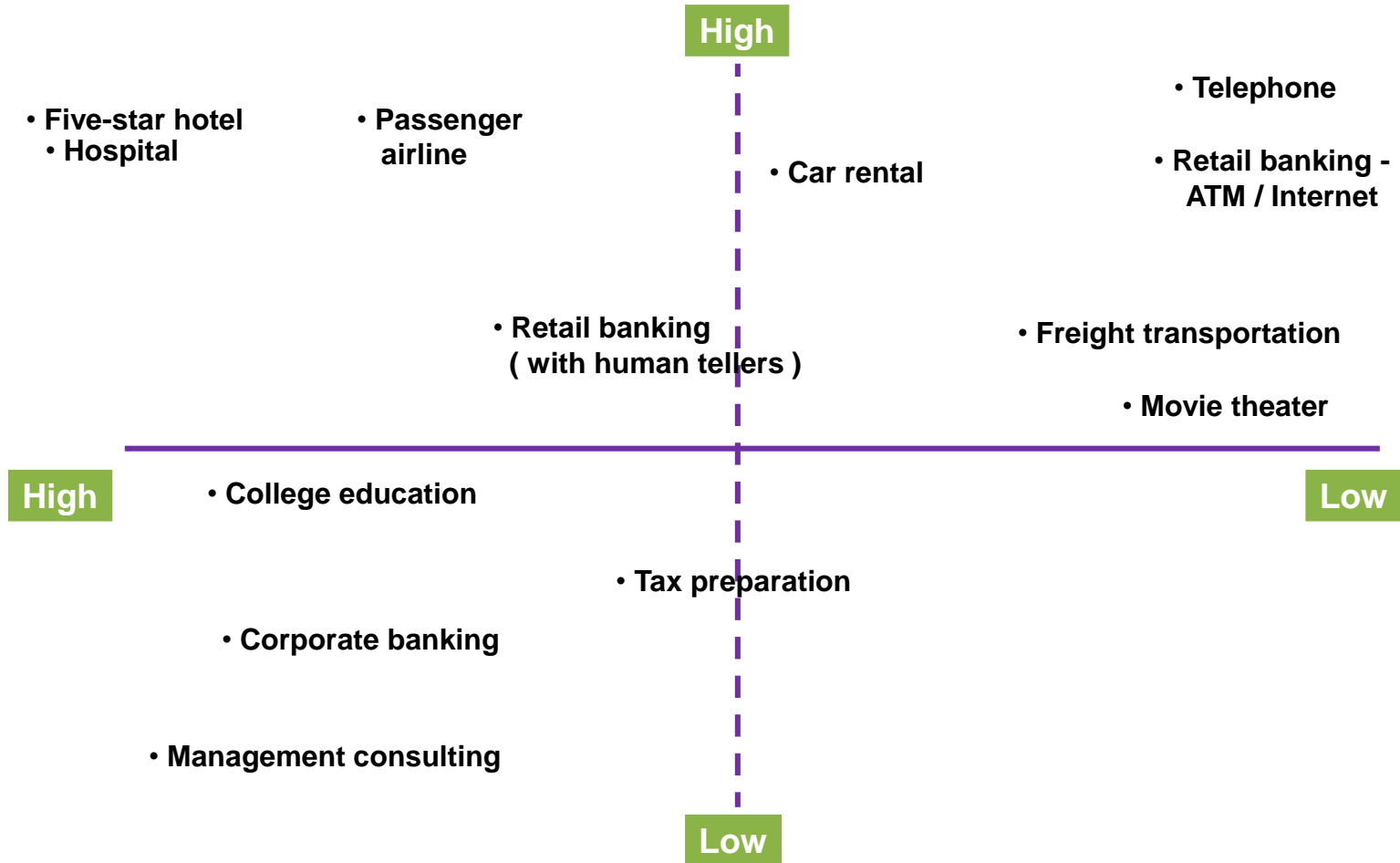
- Physical product : Automobile
- Service Product : Loans ; Warranty ; Registration of vehicle
- Service Environment : Showroom ; workshop ; parking
- Service Delivery : Repair time ; delivery time ; sales response



Characteristics Of The Service Product

Extent to which equipment or facility based attributes form part of the service product

Extent to which people based attributes form part of the service product





Dimensions Of Customer Service

Customer Service has two dimensions :



PROCEDURAL DIMENSIONS of service consists of the systems and procedures of the company to deliver products / services.

This addresses the **WHAT** of the service delivered.

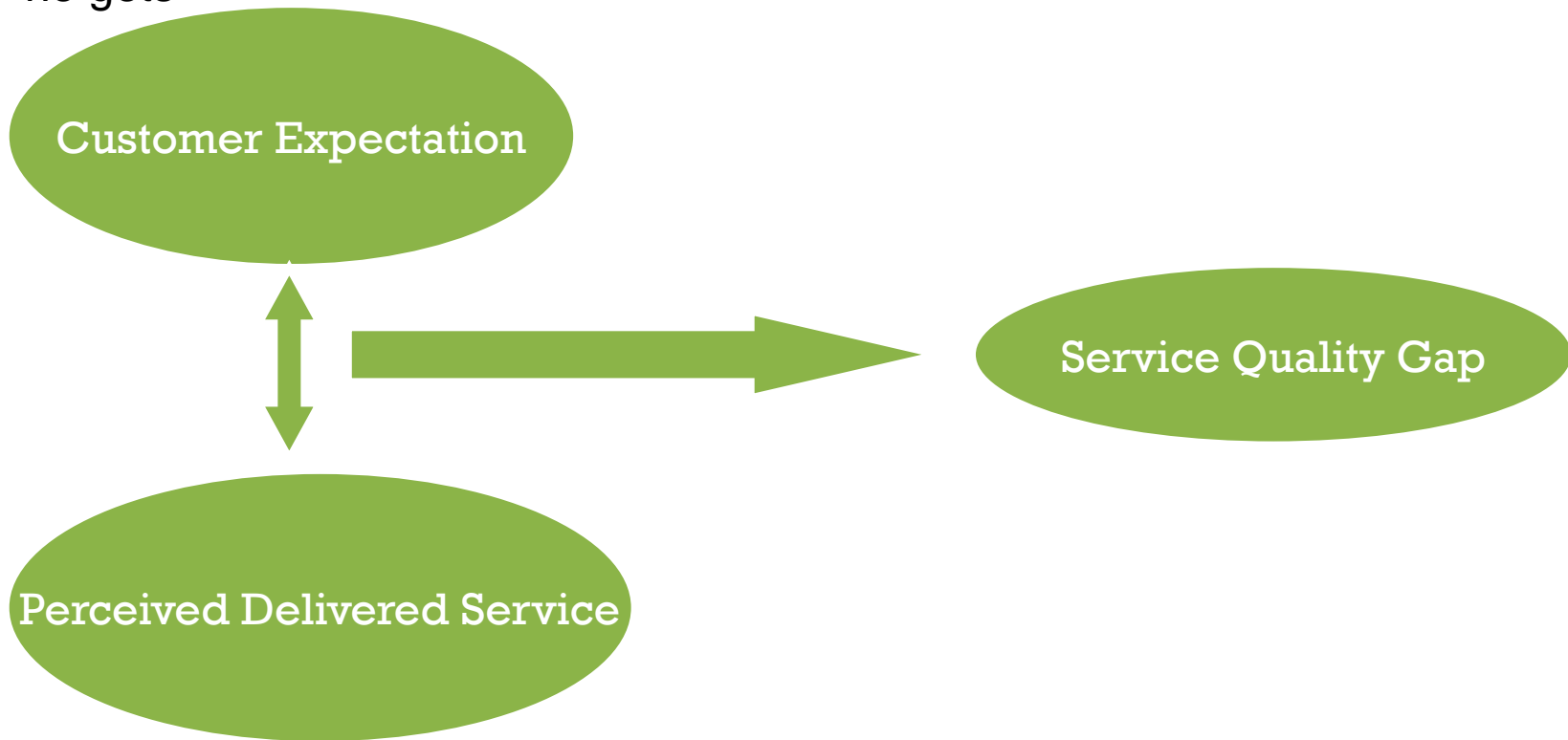
PERSONAL DIMENSIONS of service consists of how the people in the company interact with customers. This aspect covers their attitudes, behaviour, communication and interpersonal relations.

This addresses the **HOW** of the service delivered.



THE SERVICE QUALITY GAP

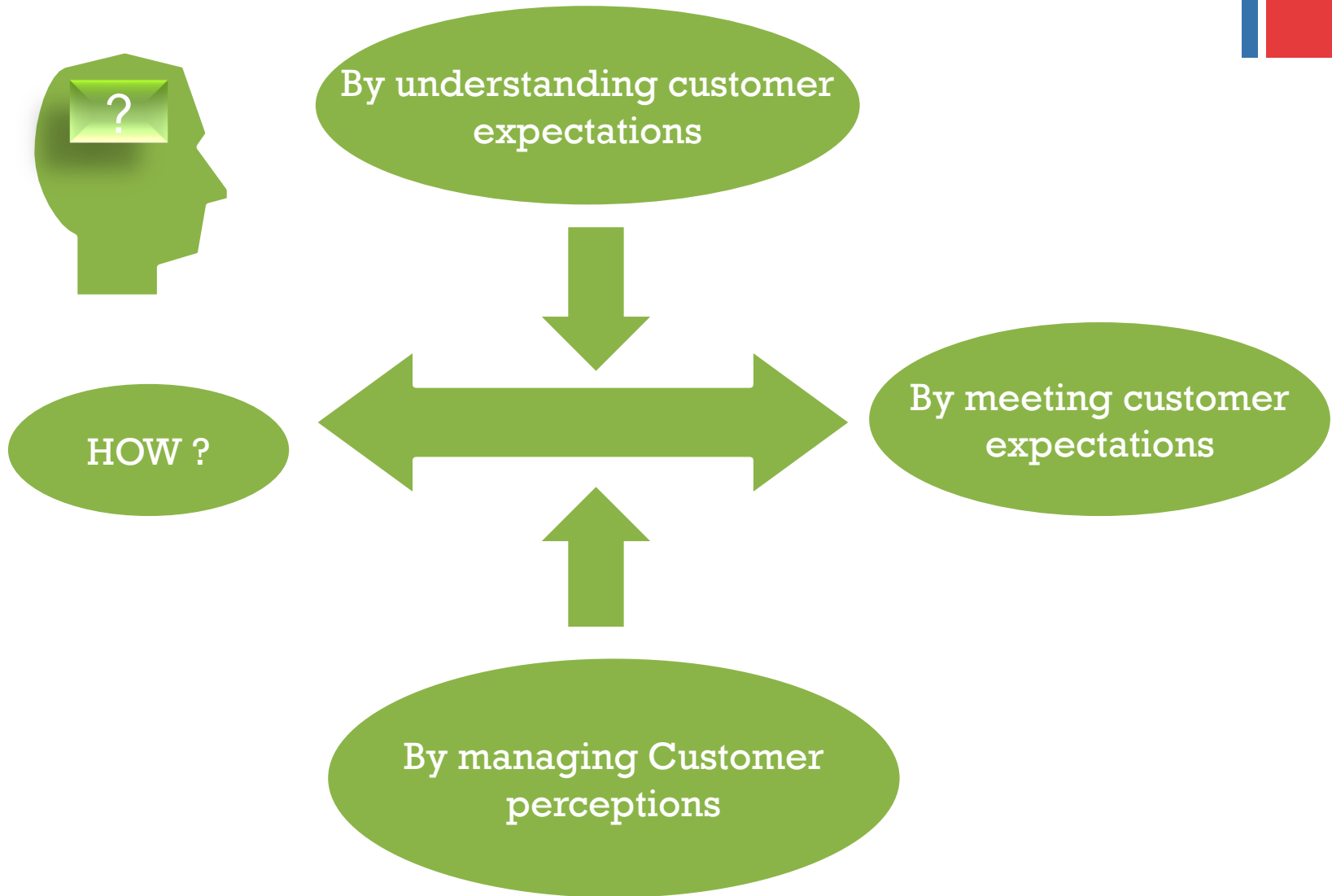
- ◆ What leads to customer satisfaction or dissatisfaction ?
- ◆ Gap between - What the customer expects and what the customer thinks he gets



- ◆ The size of the Service Quality Gap will decide the extent of customer satisfaction or dissatisfaction

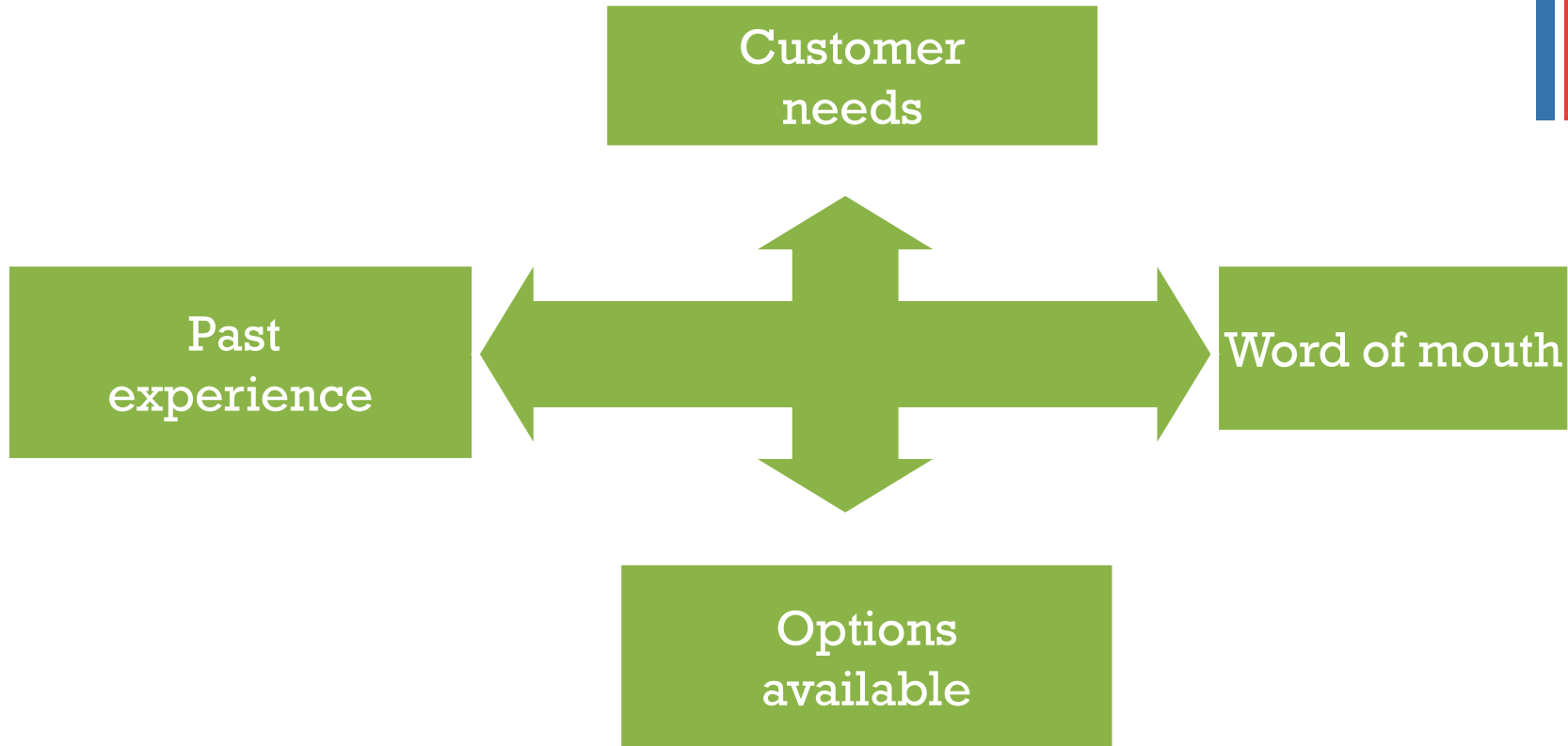


Our Role: To Bridge The Service Quality Gap





How Are Customers Expectations Influenced ?



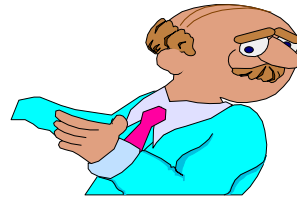
- Customer expectations are met by understanding customer needs.
- Customers Perceptions are managed through effective communications



ISSUES WE NEED TO UNDERSTAND

How do our customers perceive and evaluate the quality of service?

What do we perceive to be the key attributes of service quality ?

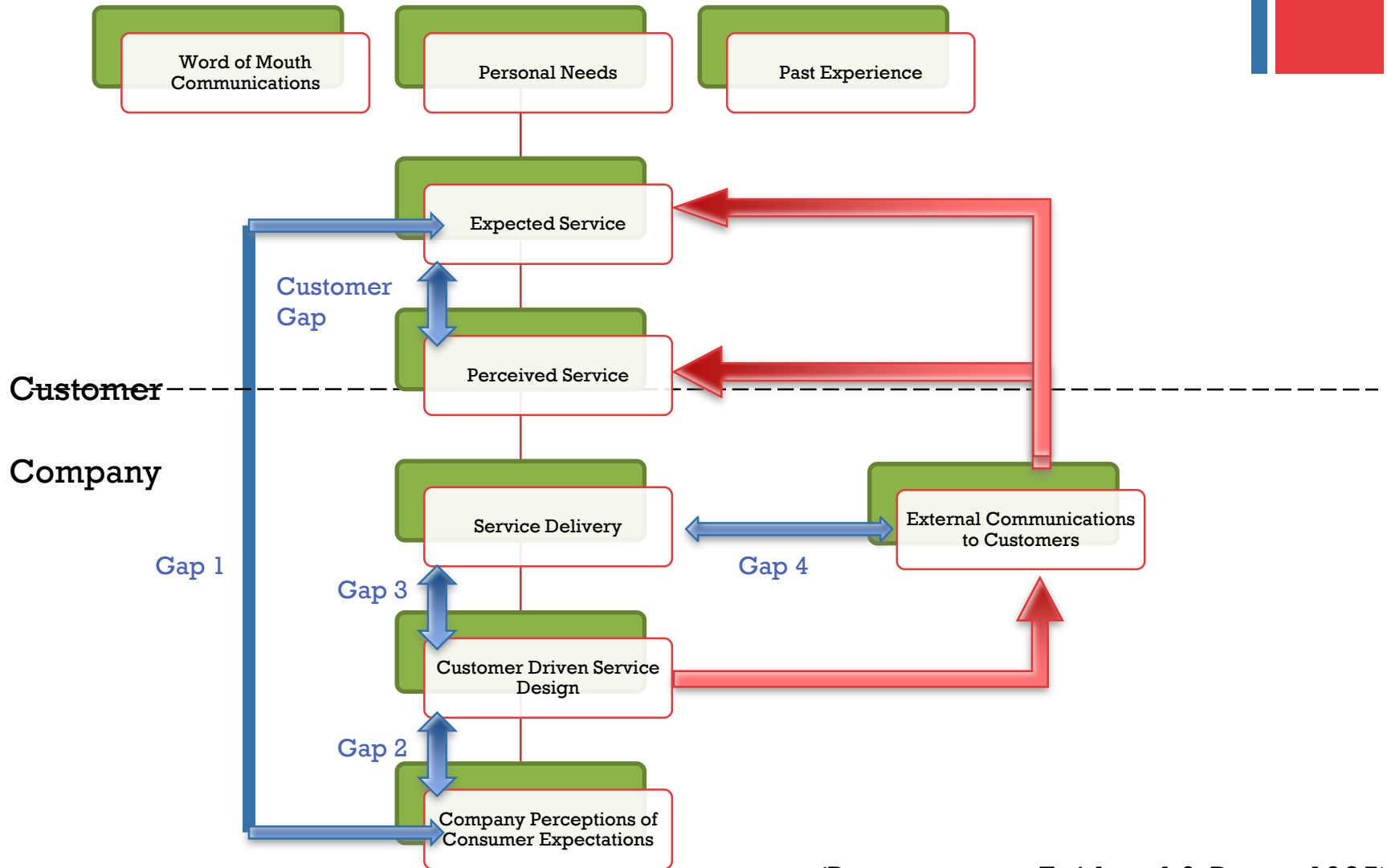


Are there discrepancies between the service perceptions of customers and our company ?

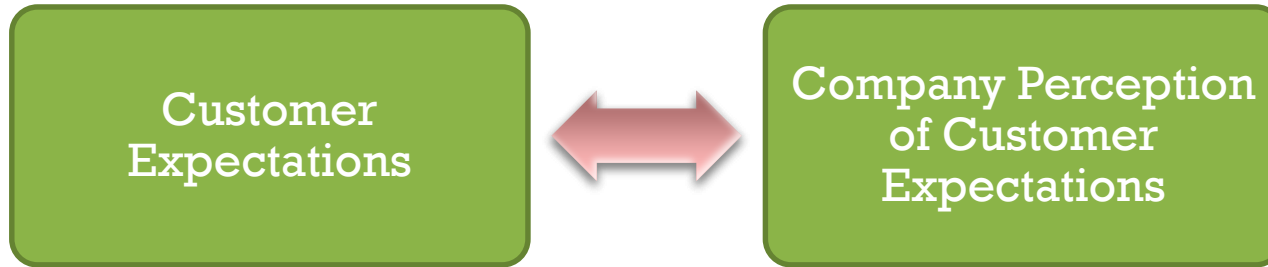
How do we bridge the gap between the customer's perceptions and ours ?



Gaps Model of Service Quality



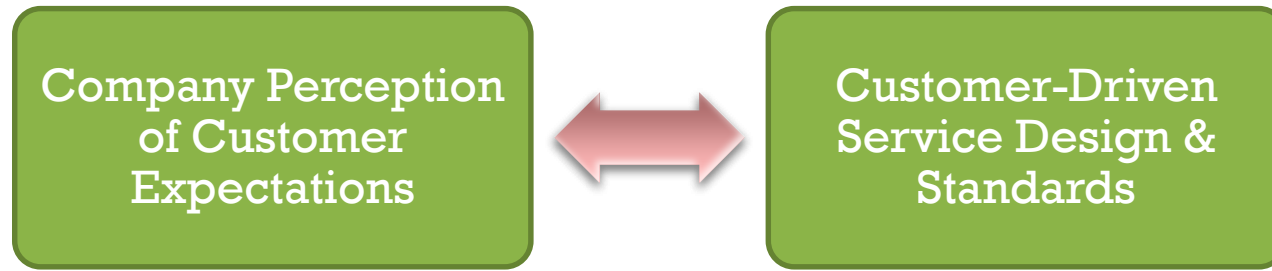
+ Service Quality Gaps



Gap 1 – Not knowing what customers expect

- Inadequate market research
- Poor market segmentation
- Lack of upward communication (contact employees to managers)
- Insufficient customer relationship focus
- Inadequate service recovery

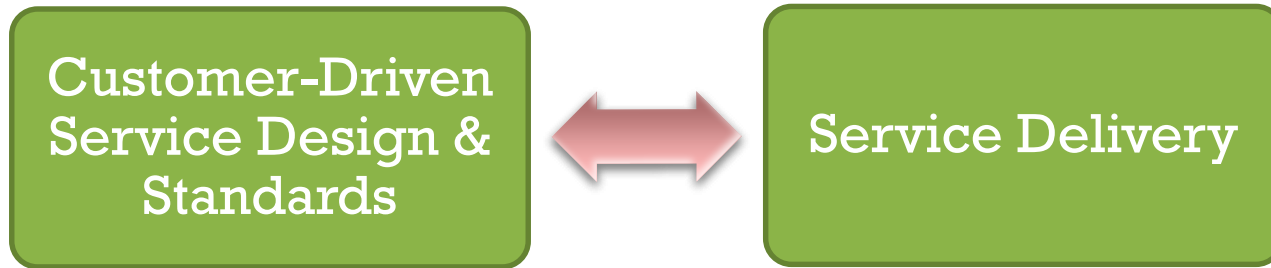
+ Service Quality Gaps



Gap 2 – incorrect service design & standards

- Inability to translate customer expectations into clear quality specifications
- Lack of management commitment to service quality
- Customer expectations thought to be unreasonable or unfeasible
- Absence of a formal quality programme (guidelines, standards)
- Poor service design

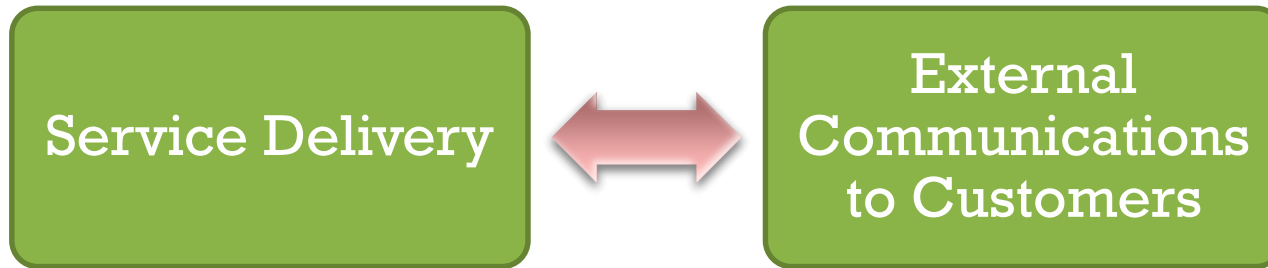
+ Service Quality Gaps



Gap 3 – Not delivering to service standards

- Employees unwilling or unable to perform the service at the desired level
- Poor internal organisation
 - ineffective recruitment, inadequate teamwork, employees not motivated, role conflict, role ambiguity, poor supervision
- Poor employee-technology job fit (appropriate tools to perform roles)
- Failure to match supply and demand
- Customers unaware of roles and responsibilities
- Problems with service intermediaries

+ Service Quality Gaps



Gap 4 – Promises do not match performance

- Over-promising in advertising, personal selling or physical evidence cues
- Management wants to show services offered in best possible light
- Poorly-integrated marketing communications
- Insufficient communication between marketing/sales & operations
- Ineffective management of customer expectations



Thank You

Q & A