



Towards a service quality model for predicting customer satisfaction in a developing countries context

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ABSTRACT

Despite the existence of several service quality models that have attempted to predict customer satisfaction in relation to service quality in various services, empirical studies applied to service settings in selected developing countries in Africa, Asia and Latin America, have proven beyond any doubt that the orthodox SERVQUAL, SERVPERF, and Human-Societal Element (HSE) models not only do not apply to developing countries' settings, but also give misleading and distorted indicators of the impact of service quality on customer satisfaction in these developing countries. Thus, the major objective of the current exploratory study is to investigate and pinpoint the reasons that make the orthodox models of service quality inapplicable in the context of developing countries, and to suggest ways and means of developing a service quality model that is oriented to the unique cultural, social, and psychological aspects of customers in the developing countries. This proposed specific model may enable organizations in the Third World to be in a better position to predict customer satisfaction and loyalty with a high degree of accuracy, and formulate proper target marketing strategies in this direction.

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Introduction

Research has shown that in a competitive business environment, organizations need to provide high quality services to prove their strength in business performance (Beecham, 2009; Eastman and Eastman, 2011; Finn and Lamb, 1991; Shekarchizadeh et al; 2011). It is no wonder, therefore, that numerous efforts have been exerted by scholars and practitioners alike to identify the real antecedents of what is perceived by customers as service quality (Teas, 1994; Westbrook and Oliver, 1981; Parasurman et al., 1988; Micuda and Crucern, 2010). The majority of initial research work in the field of service quality had been conducted in the advanced countries. As such, research findings have been closely related to Western culture (Babakus and Oller, 1992; Al-alak and Alnawas, 2010; Chou, 2009; Mostafa, 2006). Furthermore, due to environmental, demographic and cultural differences, consumers tend to have different perceptions of what service quality is. Service quality models intended to define dimensions of service quality that have major impact on customer satisfaction and loyalty have been suggested by many researchers; yet no single model has been able to measure service quality holistically and accurately. Edvardsson et al. (2005a) argue that the orthodox service quality models concentrate on the most common service characteristics – intangibility, heterogeneity, inseparability, and perishability (IHIP). As perceived by these authors, the service-quality issues related to the IHIP characteristics are often linked to the management of service delivery from the provider's perspective, rather than the co-production and consumption of services from the client's perspective. Service quality is thus perceived and determined by the client on the basis of co-production, delivery, and consumption experiences (Edvardsson, 2005). These issues

often intensify the debate on whether service quality is a single construct or an aggregation of several dimensions. Vargo and Lusch (2004) viewed service quality from the perspective of economic, environmental, and social processes and operations which implies that service quality must be a construct of several components. Schneider and White (2004) followed a similar multi-factorial view in perceiving service quality in different forms and types.

The objective of the current paper is to shed light on the value of environmental differences between countries, continents, regions and locations in terms of socio-cultural-system in order to explain the reasons that make the orthodox models of service quality inapplicable in the context of developing countries.

In the current exploratory research, efforts will also be made to suggest a set of guidelines for a service quality model that addresses the cultural peculiarities of developing countries, and that can be used by managers to predict customer satisfaction and loyalty with a high degree of accuracy, and formulate appropriate target marketing strategies.

Conventional service quality models

Service quality measurements are usually intended to aid managers evaluate service quality provided by their organisations, thus enabling them to utilize the results to better design the service delivery process. In this context, service quality models are essential tools whose proper use and implementation may help organizations achieve the desired competitive advantage (Gronroos, 1988). A review of literature reveals that the most popular models of service quality measurement are SERVQUAL (Parasuraman et al., 1988), SERVPERF (Cronin and Taylor, 1992, 1994), and the Human-

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Societal Elements model (HSE). Notwithstanding their contribution to the canon of knowledge in the field of service marketing and management, these models are not without drawbacks and limitations. Although their validity has been proven in certain service industries and situations, there are numerous evidences to suggest that they are not applicable to all cases, countries, races, services, ethnicities, etc. Originally, these models found their applications in the Western world in the mid 1980s, and gained popularity in certain service industries.

The SERVQUAL model is composed of five major quality dimensions namely: tangibles, reliability, responsiveness, assurance and empathy. These dimensions are measured through 22 items placed on questionnaire which identifies the perceptions and expectations of customers regarding this different aspect of the service quality construct. The total score is derived from the difference between perceptions and expectations. Since 1988, the initiators of the model have made numerous alterations and adaptations to SERVQUAL, some in response to flaws and shortcomings discovered and pinpointed either by its initiators themselves or by other scholars. For instance, in 1994 three different SERVQUAL formats were proposed by the initiators; they recommended that scholars use a format that separated customer expectation scores into tolerance zone (Landrum et al., 2009).

The shortcomings of the SERVQUAL model led other researchers in 1992 to introduce a performance-based approach to measure service quality called SERVPERF (Cronin and Taylor, 1992). It was a variant of the SERVQUAL model, solely based on the perception component. The initiators of this measurement scale used 22 questions with respondents' perception- only scores to measure service quality instead of SERVQUAL's disconfirmation scores. The SERVPERF instrument is therefore identical to SERVQUAL, with the exception that SERVQUAL has 44 items (22 items for expectation of service quality and 22 items for performance of service quality), while SERVPERF has 22 items addressing only actual performance.

The other model, which was developed by Sureshchander and his colleagues (Sureshchander, et al., 2001), was termed the Human –Societal Element model (HSE). This model was introduced as an alternative to the SERVQUAL and SERVPERF models. However, it fell short of overcoming the pitfalls of the previous two models. Moreover, the HSE model was only suitable for not-for-profit organizations (Al-alak, 2010), besides being restricted to social service interactions at the expense of other vital service quality dimensions such as intangibles and reliability (Al-marzooky, 2010).

Debate on the Efficacy of Conventional Service Quality models

Despite their popularity and wide usage, the acceptance of the conventional service quality models was not universal, as they were questioned not only by other researchers, but also by the initiators and developers of these models themselves. For instance, the initiators of the SERVQUAL instruments have doubted the five –dimensional configuration, moving from five dimensions to three, combining responsiveness, assurance, and empathy into one single dimension (Parasuraman, et al., 1994). Furthermore, one of the initiators of the SERVQUAL model (i.e. Zeithaml) admitted in a joint study (Boulding et al; 1993) that “our results are incompatible with both the one dimensional view of expectations... instead we find service quality is directly influenced only by perceptions...p.24”.

The SERVPERF model, which was introduced by Cronin and Taylor (1992; 1994) as a more reliable alternative to SERVQUAL has also been criticised for being preoccupied with psychometric and methodological soundness of scales (Jayasundara et al., 2009). It is used and tested only in developed nations (Mostafa, 2006). Like SERVQUAL, the SERVPERF model's measures are static, in that they do not consider the history of the service, and they fail to capture the dynamics of the changing expectation (Jayasundara, et al., 2009).

Buttle (1996) criticized the conventional service quality models on a number of theoretical and operational grounds, stating that these models fail to draw on established economic, statistical and psychological theory, and that they fail to measure absolute service quality expectations and performance alike.

In general, the conventional models are subjected to the following criticisms:

- Their potential inapplicability in different cultural, economic, environmental, and ethnic settings (Witkowski and Wolfenbarger, 2000; furrer et al., 2000).
- Their inability to realize and acknowledge the overall differences in the evaluation of quality dimensions in relation to customers, culture and gender (Cheron et al., 2010; Sanches-Hernandez et al., 2010).
- The non-universality of the models' dimensions and attributes, as their number is contextualized; items do not always load on to the factors which one would a priori expect; and there is a high degree of inter correlation between dimensions (Buttle, 1996; Hemmasi et al; 1998).
- The reversed polarity of items in the scale causes respondent error, and 7-point Likert scale is flawed (Buttle, 1996; Hemmasi et al; 1997).
- The inability of the models to measure service quality due to lack of congruence between the conceptual and operational definitions of the models' measures (Teas, 1993; 1994).
- Their lack of predictive ability (Buttle, 1996).
- The inability of expectations to remain constant over time (Carman, 1990).
- The inability of the models to provide management with sufficient information for strategy implementation and resource allocation aimed at enhancing customer satisfaction (Hemmasi et al., 1997).
- Their focus on the process of service delivery, not on the outcomes of the service encounters (Buttle, 1996).
- Their applicability mainly in contexts that are close to their original settings, for example appliance repair and maintenance and retail banking (Micuda and Crueru, 2010).

Modified and Diversified Service Quality models

The pitfalls and flaws of the conventional and orthodox models of service quality have driven researchers to modify their models either in the light of the conventional models or away from them. Diversified service quality models have been introduced to cater to other service industries such as education, telecommunication, hospitality, healthcare, etc. The following studies are considered as attempts to measure service quality in different contexts and directions than those used by the conventional models:

- A modified SERVQUAL scale was used by Markovic and Raspor (2010) to assess service quality perceptions from the perspective of international and local tourists, and concluded that tourists had different perceptions of service quality depending on cultured and environmental considerations.

- Assessing the service quality perceptions and expectations of international postgraduate students studying in various universities in Malaysia, Shekarchizedh et al ;(2011) uncovered five factors in the form of reliability, tangibles, hospitability, commitment, and professionalism. Other SERVQUAL dimensions were not found valid.

- Other studies (e.g Ganguli and Roy, 2011; Gerverey and Gao, 2009; Poon, 2008; York and McCarthy, 2011; Jayasundara et al; 2009; Maditions and Theodoridis Kanning and Bergmann, 2009) applied the SERVQUAL instruments in various service industries only to discover that the orthodox model was plagued with theoretical and operational problems. Therefore, Modified models were developed to measure service quality with a higher degree of assurance.

What's next?

In their own confession, the initiators of the orthodox service quality models categorically state that “there is no clear consensus on the number of dimensions and their interrelationships (Parasuraman et al., 1994, p.71). Besides, the review of literature reveals beyond any doubt that a considerable amount of research is needed concerning the dimensionality, applicability, and paradigmatic objections of perceived service quality in general and SERVQUAL in particular. The uncertainty surrounding the usage and results obtained by the conventional models may hamper our understanding and appreciation of service quality and intensify doubt over their use in future research.Indeed, practitioners in certain service industries in some advanced countries have expressed disappointment when results obtained from the application of orthodox models appeared not to reflect the true satisfaction perceptions of customers (Poon, 2008; Markovic and Raspor, 2010).

So far as developing countries are concerned, the blind application of the orthodox models in service industries in these developing countries may lead ro misleading results, and thus wrong implications. Due to the peculiarities of cultural, economic, political, geographic and technological factors prevailing in the developing countries, consumers of services tend to have different perceptions of what service quality is. Indeed, numerous studies have identified these factors, pointing out that they constitute key variables influencing service quality perceptions (Furrer et al., 2000). Other studies have shown that the orthodox models are built around Western culture, and thus do not apply to other cultures, countries, races, ethnicities and economies (Bekhet and Al-alak, 2011; Witkowski and Wolfenbarger, 2000).

So, what's next?

Based on the literature review and the unique characteristics of societies in different parts of the developing countries, in Asia, Africa, and the Middle East in particular, we propose the followings:

- Developing models of service quality by first understanding and identifying the different dimensions of service quality as perceived by different customers, and as they apply to specific settings. A customer-oriented approach to such cases must be pursued in an endueavour to develop model/models that predict customer satisfaction in a realistic and valid manner.

- Any developed model in this respect must be based on an attitudinal paradigm, and be drawn on established economic, statistical and psychological theory. Emphasis in such model/models must be made to focus on the outcomes of the service encounter, and not merely on service delivery.

- Model/models having as many quality dimensions as possible must be developed based on empirical research to be conducted in the environment of these developing countries, collectively or individually. So, rather than use nine , five, six, ten, eleven or any other number of dimensions, as many dimensions as possible should be retained for analysis purpose. Irrelevant dimensions could always be dropped during factor analysis. This will certainly enhance model's reliability to a greater extent.

- Overcoming measurement inconsistency by:

- ✓ Encouraging researchers in the developing countries to reach a consensus on a holistic model that addresses the peculiarities of customers' perceptions of service /services quality dimensions, and test this model for validity and reliability. This can be done regionally, i.e by continent, or by service sector.

- ✓ Acknowledging that service dimensions are specific to each service industry, and therefore any meaningful model must include dimensions that best fit the setting in question.

- Developing culture-oriented model/models of service quality away from the Western culture-oriented orthodox models. The developing countries enjoy a cosmopolitan of culture, ethnicities, behaviors, aspirations, besides different political, economic, environmental and technological settings. In this case, more than one model may be needed to predict customer satisfaction. Diversified models reflecting these variations are much better than an orthodox model that only explains a small part of the whole.

- Developing a new framework for measuring/ predicting customer satisfaction in a developing countries' setting that is mainly derived from the real environment in question in order to get a better understanding of the dynamism of the problem environment using both quantitative and qualitative research methods. Such an approach will ensure that the proposed model enjoy a high degree of flexibility and dynamism, as opposed to the static orthodox models.

Conclusion

It is revealed that the conventional service quality measure such as SERVQUAL and SERVPERF in particular, are not only inapplicable in certain service industries in their Western environment, but are also plagued with pitfalls and problems that make them unsuitable for service quality measurements in the developing countries.

The orthodox models fall short of predicting customer satisfaction in the developing countries due to their ignorance of cultural and environmental effects in these countries. In this exploratory study, a number of guidelines have been proposed to develop a holistic model capable of enabling organizations to investigate the real service quality dimensions impacting customer satisfaction, and in turn formulate marketing strategies that are oriented to the satisfaction perceptions of customers in developing countries. It is argued that replicating models fit for advanced countries may result in false or misleading outcomes, and if decisions are to be based on such outcomes, marketing strategies will certainly be ineffective in realizing the desire objectives.

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