

A CASE STUDY : MEASURING SERVICE  
QUALITY OF A HOTEL USING  
SERVQUAL METHOD

M.B.A. THESIS

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**A THESIS**

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**By  
Eminegül Karababa**

**January, 1996**

Thesis

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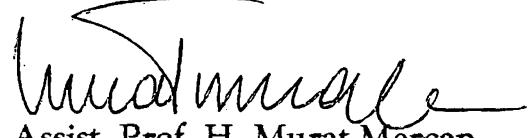
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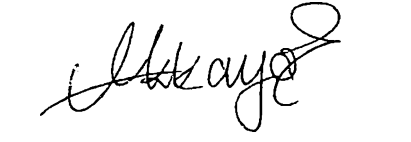
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## ABSTRACT

### A CASE STUDY: MEASURING SERVICE QUALITY OF A HOTEL USING SERVQUAL METHOD

Eminegül KARABABA

M.B.A. Thesis

Supervisor: Assist. Prof. Dr. H. Murat MERCAN

In this study, service quality of Bilkent Hotel is measured. The study starts with the literature survey on the quality and the service quality. The different definitions of service quality is given and the most popular and appreciated one which is "satisfying the customer expectations" is chosen for the analysis.

The differences between the service quality and manufacturing quality is examined and the difficulty in measuring service quality is mentioned in this thesis. Then the different models on measuring service quality was searched.

The model used is named as SERVQUAL. It is a comprehensive model and it not only diagnosed the situation of the company but offers solutions to the problems. These problems identified by the method and obtained by the gap measurements. There are five gaps. These are measured by some questionnaires which are presented in the appendices.

Keywords: Quality, Service Quality, Measurement of Service Quality, SERVQUAL

ÖZET

SERVQUAL METODUNU KULLANARAK BİR OTELİN HİZMET  
KALİTESİNİN ÖLÇÜMÜ

Eminegül KARABABA

M.B.A. Tezi

Tez Yöneticisi: Yard. Doç. Dr. H. Murat MERCAN

Bu çalışmada Bilkent Otel'in hizmet kalitesi ölçüldü. Bu çalışma kalite ve hizmet kalitesi ile ilgili kaynak araştırması ile başladı. Değişik hizmet kalitesi tanımları verildi ve en popüler olan tanım; müşterinin beklentilerini karşılama bu analizde kullanıldı.

Hizmet kalitesi ve üretim kalitesi arasındaki farklılıklar incelendi ve hizmet kalitesini ölçmenin zorluklarına değinildi. Hizmet kalitesini ölçmek için bulunan değişik modeller incelendi.

PBZ' nin modeli SERVQUAL diye adlandırılıyor. Bu model oldukça etraflı bir model ve sadece şirketin durumunu değil, gerekli olan çözüm önerilerini de veriyor. Method şirketin problemlerini bir dizi farklılıkları ölçerek belirliyor. Beş değişik farklılık ölçülüyor modelde. Bu farklılıklar methoda özel bir takım anketlerle ölçülüyor. Bu anketler ekte sunulmuştur.

Anahtar Kelimeler: Kalite, Hizmet Kalitesi, Hizmet Kalitesinin Ölçülmesi, SERVQUAL

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1. The Stage / Score

2. A

3. The Stage / Score

4. Score

5. The Quality Score / Score (New / Old)

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7. Score

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## I. INTRODUCTION

In this era of growing customer demands for quality of service, the quality reputation of an organisation is too precious an asset to leave to chance. Less than satisfactory service within an organization will raise operating costs; less than satisfactory service delivered to the customer will hurt revenues.(Scanton and Hagan, 1983).

In Chapter 2 the definition of quality and service quality is given. In addition different methods used in service quality measurement is discussed, such as four field analysis or critical incidents technique.

Third Chapter explains one of the most important and comprehensive service quality measurement methods - SERVQUAL. This method is applied throughout this study in order to measure service quality of Bilkent Hotel Ankara which is a four star hotel with a known reputation.

SERVQUAL defines service quality as " The extend of discrepancy between customers' expectations or desires and their perceptions". With the help of this definition the gap between customers' expectations and their perceptions is measured (Gap 5). The causes of this gap is also explained by other four gaps. Such as Gap 1 explains the difference between customers' expectations and management's perceptions. Gap 2 represents the difference between the management's perceptions and the service quality specifications. Gap 3 is the service performance gap which shows us how much the quality specifications

are applied in the company. The last gap evaluates the differences between the actual service delivered and the quality of the service communicated to the external environment. In addition this method evaluates the antecedents of these four gaps and what can be done to close these gaps can also be find.

Although Bilkent Hotel is a four star hotel, the managers see five star hotels in Ankara as their competitors. Therefore service quality is an important factor for them in order to survive in this competitive environment. The results of SERVQUAL will be a guideline for them to improve their service quality.

Fourth chapter introduces the SERVQUAL technique and the evaluation of SERVQUAL surveys. These surveys were applied to thirty customers of Bilkent Hotel, all of the managers in Hotel and twenty customer contact personnel. The findings of this survey is presented in Chapter 5. By the help of these findings it can be concluded that, Bilkent Hotel is performing well but the expectations of the customers are really high. This may be due to the image of Bilkent name which generally corresponds to high quality, expensive and luxury. In addition customers position this company as a five star hotel in their minds. Therefore their expectations are higher. So, as a last word, with a little effort, the company will meet the expectations of customers.

## II. DEFINITION OF QUALITY AND SERVICE QUALITY

In the hospitality world quality used as a value judgement meaning either good or bad. But this definition is disastrous as the perception of good or bad changes from person to person and from condition to condition. So, David Garvin identified five major approaches to the definition of quality (Garvin, 1984)

- The philosophic approach: quality is "innate excellence" which, like beauty, can be understood only through exposure to objects that display its characteristics.
- The product based approach: Differences in quality reflect differences in measurable attributes. This implies that more or higher of some attribute is better.
- The user based approach: Quality lies in the eyes of the beholder. Those goods that best satisfy user needs or wants are those that consumers regard as having the highest quality.
- The manufacturing based approach: Quality is conformance to requirements. Deviation from specifications implies a reduction in quality.
- The value based approach: A quality product is one that provides performance at an acceptable price, or conformance at an acceptable cost.

The manufacturing quality model starts with quality of design where the characteristics of the product identified by the user. And products designed to meet the standards which were established for those characteristics. During the production conformance to standards are measured and for the non-standard output products corrective action can be taken. ( King, 1987)

However, service businesses are more difficult to manage, using only a traditional marketing. In a product business, the product is fairly standardised and sits on the shelf waiting for the customer to reach for it, pay and leave (Kotler, 1991). In a service business there are more elements. Lovelock emphasized differences between goods and services (Lovelock, 1991). These differences are;

1. Nature of the product: A service is not an object or a device like a good, but it is a performance or an effort. Therefore, marketing a performance is very different from attempting to market the physical object itself.
2. Customer involvement in the product: Performing a service involves assembling and delivering the output of a mix of physical facilities and mental or physical labour. Often customers are actively involved in helping to create the service product - either by serving themselves (in a fast-food restaurant) or by co-operating with service personnel in setting such as hair saloon, hotels, colleges or hospitals.
3. People as part of the product: In high contact services, customers not only come into contact with service personnel, they may also rub shoulders with other customers. The difference between two service businesses often lies in the quality of employees who deliver the service.
4. Quality control problems: Manufactured goods can be checked for conformance with quality standards long before they reach the customer. However, when services are consumed as they are produced, final "assembly" must take place under real-time conditions. As a result, mistakes and shortcomings are harder to cancel. Further variability is introduced by the

presence of service personnel and other customers. These factors make it hard for service organisations to control quality and offer consistent product.

5. No inventories for services: Since a service is a performance rather than a tangible item that the customer keeps, it can not be inventoried. The necessary equipment, facilities and labour can be held in readiness to create the service, but these simply represent the productive capacity, not the product itself.

6. Importance of time factor: Many services are delivered in real time. Customers have to be present to receive service from airlines, hotels, hospitals and many other types of organisations. There are limits as to how long customers are willing to be kept waiting for service to be provided.

7. Different distribution channels: Unlike manufacturing firms, which require physical distribution channels for moving goods from factory to customers, service businesses often find themselves responsible for managing customer-contact personnel. They may also have to manage the consumption behaviour of customers who enter the service factory to ensure that the operation runs smoothly. (Sancar, 1993)

The starting point of any service quality program is to define and, therefore define and measure service quality. Service quality is defined as "giving the customer what the customer wants ( a customer focus)". Another definition of service quality made by John Hannock is; a way to build enduring relationships with customers, which means that quality is the means to an end rather than end itself. (Bernhardt, Keller, Schmalense, and Vanecko., 1991).

Collins Hall Associates defined service quality as; The consistent delivery of acceptable standards where acceptable standards are defined as the standards which management deems acceptable in the light of the target market and which represent the product/service to be made available to the customer.

Michael Nightingale hypothesised more of a consumer perspective in defining quality: quality standards of services are those which both those responsible for policy making and implementation of such services perceive as the key dimensions used by customers in their evaluation of the services.

Mike Leven who is the Executive Vice President of American Hotels told that; "Service quality in the hotel industry can be defined as " the perception of quality" that is in the mind of the guest or buyer that must be delivered by the company or unit involved. AS a survival requisite a hotel must , in fact , understand the customers' quality perception and meet that expectation on a consistent basis to allow for enough repeat business and hence, a profitable undertaking.( Lewis and Booms, 1991).

Professors Berry, Parasuraman, and Ziemthal defines service quality as customer satisfaction and examine what customers expect, and compare it directly with what customers perceive they receive, with the difference being defined as satisfaction with service quality.(Bernhardt, et al. 1991)

### 2.1. Different Models for Assessment of Service Quality

Measuring quality for services is more difficult than for products because services, and the associated measures, are intangible. Easily measurable aspects of service delivery - such as charges for extra services and number of minutes for



the transaction - may well not be the key to service quality as perceived by the customer. Easily obtainable market measures like market share, sales or number of complaints may not be useful for diagnosing sources of weaknesses or strengths.

When measuring service quality, it is vital to focus on issues at the right level. Studying reactions to attributes and features may be important when designing new services or remedying services that are known to be inadequate, but they are not as important in measuring service quality as measures of benefits or higher order values. For example, in the case of John Hancock, the attributes of helpful or especially friendly service personnel lead to the benefit of a customer feeling appreciated by the firm, which leads to a greater feeling of trust on the part of the customer. A focus on the benefits or higher order values that customers seek rather than on attributes yields the most fundamental insights.(Bernhart et al., 1991).

In the literature on service quality there are lots of models present to achieve service quality in service sectors. One of them is by Robert Boothe. He argues that; People working in service industries must realise that the desired level of quality relates to the customers' perceptions, not the perceptions of those who provide the service. A conceptual model that emphasises this point is;

$$\text{Perceived quality} = \text{Actual quality} - \text{Expected quality}$$

Perceived quality is the customer's feel for the quality of the service that has been provided. This is a measure of the customer's satisfaction with the quality that is received.

Actual quality is the real level of quality provided to the customer. This is quality as seen by the organisation providing the service. Expected quality is the quality that the customer assumes will be received when the service is purchased. This expectation often includes both a qualitative and quantitative factor. The customer's values can be influenced by the service provider's actions. This provides both an opportunity and threat. The challenge from provider's point of view is threefold:

1. Recognising that customer expectations can be shaped. This challenge is often overlooked.
2. Identifying the level to which expectations can be lowered before potential customers will refuse to deal with an organisation.
3. Realising that quality can be used as a competitive weapon but that this weapon can be backfire. While striving to improve the quality, the organisation must not promise customers more than it can deliver.

When the model value is negative; the customer will consider changing suppliers. the decision will be based on the inferred improvement from negative to a positive value.

In addition the perceived value is greater than or equal to zero suggests that the customer is satisfied and would continue to use the current supplier without searching for an alternative. (Boothe, 1990)

Edvardson and Gustavson offered a model for quality assessment in service organisations. The concern of their concept is service quality in terms of developing a management oriented model for quality assessment

According to these researchers; in order to gain an understanding of what service quality is, it is essential to consider the service process not only in the service encounter but also within the company. In this context, the concepts of internal services and internal customers would seem extremely useful, and high quality in internal service processes is a precondition for high and even external quality is perceived by the customer, often in the long-term interactive customer relationships.

Also they criticise the analyses of customer's perception of service quality as - no consideration is given to the various references the customer might have for judging quality in general or in certain more specific categories of service. The knowledge and theories on consumer perception developed in social psychology have contribution to make the understanding of how the customer perceives quality. Therefore this body of knowledge is included in this model for quality assessment.

Also in this model they require a situation specific approach, in which general, or, rather, basic quality determinants would be of great value in the attempt to understand the situation specific quality factors. And they recommend to take in to account the cost aspects when analysing the service quality.

#### **2.1.1. The Perception of Quality in a Sociocultural Context**

The authors thought that using theories of social psychology to describe the situation would be more beneficial. It is important to widen the frame of reference determining the customer's expectations by introducing variables relating him/her to a concrete cultural and sociomaterial structure. Expectations are not formed in a vacuum but are the direct result of previous experiences in

similar situations and of other frames of reference with which all individuals are provided by their social affiliation.

The individual's social environment - society and reference groups - determines the value and his or her experience determines his or her perception of possibilities. The result is that the individual establishes a certain level of aspiration in relation to different concrete objects and situation.

As regards quality in service production, both in society as a whole and in specific groups within different societies, norms, define good quality. Therefore, it is vitally important for the individual service producer to offer a service that fulfils the quality norms the individual customer brings to the service encounter.

In a more long term perspective numerous opportunities for mutual influence and feedback between the various components/levels exist.

### 2.1.2. Concept of Culture and Relation with the Service Quality

Edvardson and Gustavson argues that the quality analysis must take into account not only the customer's cultural context but also that in which the service organisation operates. Their organisational culture concept is in accord with the Schein's. According to Schein culture should be reserved for the deeper level of basic assumptions and beliefs that are shared by members of an organization, that operate unconsciously and that define in a basic taken for granted fashion an organization's view of itself and its environment.

The culture and value structure of target customer groups must be taken into account when the service company develops it's managerial system. Quality development should be based on a quality oriented organisational culture. Quality culture is a powerful tool in service production, especially when it comes to high

contact face to face services. The important point is that company culture and customer culture match and that the quality culture of the service company is not rigid but embodies the ability to adapt to changes in customer culture and values.

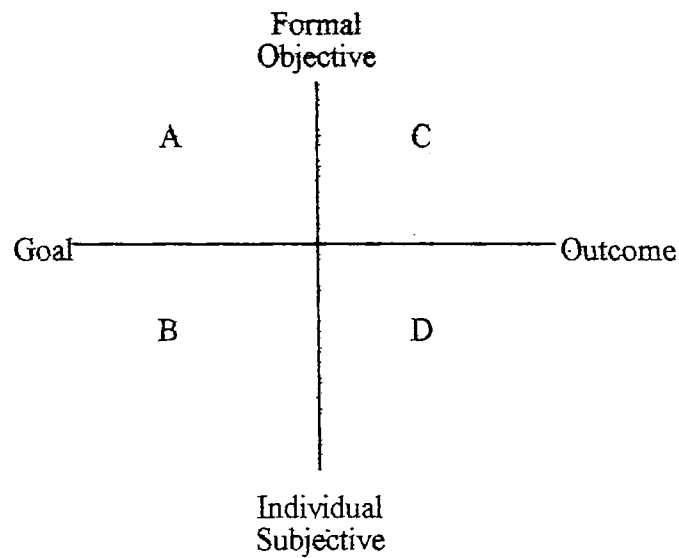
The quality of soft technology, that is , the skill training provided for employees, is one way to build and develop an organisational quality culture; others are recruitment policy and style of leadership.

Based on the above concepts, more concrete restrictions that will function as premises for the construction of the analytical model can be established. The following would be seem to be valid:

1. An analysis of quality in a service company must be based on a holistic view of the company and its operational logic.
2. The analysis must be multidimensional.
3. The model must be operationalized in the form of a dialogue with representatives of the company being analysed as each service company is unique.
4. The range and depth of the analysis ultimately determines the tools and technique to be used.

The model is based on two of the central dimensions in an organisation. First is the disparity that always exists between the organisation and the individuals within the organisation. Second is the basic disparity present in all social systems between idea and action namely goal and outcome as mentioned in the model.

The model's main fields of analysis are obtained by allowing the two dimensions to intersect at the right angles as shown in FIGURE 1.



**FIGURE 1:** Four Field Analysis

The four fields of analysis formed may be described as follows:

1. **Formal Goals:** In this field the emphasis is on an examination of the goals formulated at a formal level within the organisation.
2. **Subjective Goals:** Here the analysis concentrates on reflecting how the various actors within the organisation perceive the organisation's goals.
3. **Formal Outcome :** The analysis in this field is aimed at gaining insight into the organisation's activities as revealed by various documents which at a formal level indicate the results of decisions reached, measures taken and soon.
4. **Subjective Outcome:** Here the focus is on the relationship between the organisation and its customers, that is, on analysing how the latter perceive the quality of the service offered.

In each of the fields, analysis can be based on a set of central concepts that attempt to capture the essential nature of the organisation.. These central concepts are named as auxiliary concepts are;

1. Market segment/target group: the specific customer group for whom the whole service system has been developed.
2. The service concept: The offer made to the customer. This consists of complex combination of values, some more concrete while others lie on the psychological or emotional plane.
3. The production system: in a service company, this also includes the system for conveying the service to the customer. Components of this system are; personnel, customers, physical environment or technology.
4. Image and profiling: the image of the company held by the individuals and groups involved, and measures the organisation has taken to alter its image. (Edvardson and Gustavson, 1991) Image is important as it is the major factor in shaping the customers' expectations of a service, and in setting the standards by which they will evaluate that service. Unfulfilled expectations are a large part of customer satisfaction.(King, 1987)
5. Culture context: the often tacit assumptions within the organisation that form the environment in which all the decisions controlling the individual's action within the organisation are taken. This applies to the cultural context of the customers as well.

The importance of this model is that, it is comprehensive by using the consistency analysis. The most significant step here is to discover whether any inconsistencies exist within and between the fields of analysis examined. In other words, the differences between the various pictures one gets of the service company's activities from an analysis of the four fields indicate problem areas that, in one way or another, may have a negative effect on service quality. Therefore this analysis leads to problem identification.

### 2.1.3. Techniques for Collecting Data

1. Content Analyses: This method is analysing various official documents available such as strategic plans, annual reports, manuals, instructions and etc. This type of data collection would give an idea about the formal level within the organisation.
2. Available Data: It is the term used for the various empirical studies of the organisation and of employees and customers originally carried out for purposes other than the present analysis of service quality.
3. Survey Techniques: This technique contains interviews, polls and questionnaires. This is the most important technique to collect information but it should be supported with another technique in order to prevent achieving only subjective information.
4. Observational Techniques: This includes the researchers personal observations. It can be either by direct participation or by hidden participation. This type of analysis is not common in service quality measures but a recent



technique called critical incidents technique(CIT) has been used for the service quality analysis.(Edvardson and Gustavson, 1991)

CIT studies involve in depth interviews with customers and focus on specific experiences or encounters in which communication was strained and service quality as difficult to manage. The idea is to generate a complete and detailed story about each consumer-provider interaction. Several individual problems may be identified within a given story. By producing enough critical incident descriptions, a considerable list of problems concerning service encounters and customer-provider interactions can be generated.(Brandt and Reffet, 1991)

5. Experimental Design: This is not another type of data collection method. This technique uses the other techniques mentioned above. However this technique has the possibility of using an experimental construct.

All the information obtained should be compiled in such a way that the variables in these four fields can be compared. Also the results should be communicated so that everybody in the organisation should participate in the interpretation. And if the results communicated is formulated as an ongoing feedback process, it would be advantageous for achieving long term permanent changes in service production.(Edvardson and Gustavson, 1991)

There are lots of methods in service quality measurement but all of them has the some idea and this method is one of the most comprehensive one in the literature. Unfortunately most recent and very popular method has been introduced by Berry, Parasuraman and Zeithaml; SERVQUAL. Their method is also very comprehensive and it has the advantage of easy quantifying. They not only provide a measurement method but they define the possible problem areas and

recommend the corrective actions the organisation can take. The next section explains the SERVQUAL method where the thesis is conducted using this method.

### III. A NEW METHOD - SERVQUAL

Berry, Parasuraman, Zeithaml(PBZ) started to make researches on service quality at 1983. They proposed this model and through out the years they made some improvements on this method. The subject of this model is based on both research and managerial application. The interest of authors for this research are on three central questions:

1. What is service quality?
2. What causes service quality problems?
3. What can organisations do to solve these problems and improve their service?

PBZ studied this model because of the increasing importance of service industry in America. America's economy has become a service economy and organisations compete for some degree on the basis of service. As the decade of the 1990's unfolds, more and more executives in manufacturing firms will be as keenly interest in service quality . As manufacturing executives find it increasingly difficult to establish sustainable, technology based competitive advantages, they will direct added attention and resources to value added service as a more true source of superiority.

The central role for services in American economy is a key factor behind service quality's rising prominence as an institutional and societal issue. Also a secondary factor behind service quality's rising prominence is that superior quality is proving to be winning competitive strategy. some leading firms are obsessed with service excellence because service excellence provides them to be

different than others. They use service to increase the productivity, to earn customers' loyalty, to fan positive word of mouth advertising, to seek some shelter from price competition.

Service excellence is a win-win strategy as with service excellence, customers, employees, management, stockholders and communities win. Therefore country wins.

PBZ mentioned the role of leadership in providing excellent service. The management's ability to commit to service quality which energises and stimulates the organisation in order to improve the performance of service is important. The key genuine service leadership at all levels of an organisation is; leadership that offers the direction and inspiration to sustain committed servers. The people in service work need a vision in which they can believe an achievement culture that challenges them to be the best they can be, a sense of team that nurtures and supports them and role models that show them the way. And this is the stuff of leadership.

PBZ also described the characteristics of service leaders as follows;

1. Service vision: The service leaders should believe fundamentally that superior service is a winning strategy and it is a must to achieve a competitive advantage. Therefore they should understand that service excellence is a never ending journey not a program.
2. High standards: true service leader must realise that good service may not be good enough to differentiate the organisation from the others. Therefore he should interested in small nuances and details of service, seeing opportunities in

small actions that competitors might consider trivial. Service leaders should be dynamic in performing the service right the first time.

3. "In the field" leadership style: the leaders should be dynamic and lead in the field rather than managing from their desks. Personal communication has a significant role in leadership style as this is the best way to give shape, substance and credibility to service vision and the best way to learn what is going on the field. Also service leaders should try to obtain a climate of team work within the organisation.

4. Integrity: They should know the impossibility of building a service minded attitude in an organisation whose management's lacks integrity. Also they should recognise the interconnection between the service excellence and employee's pride and understand that employee's pride is shaped in part by their perceptions of management fairness.

In addition to all these above it should be mentioned that in order to obtain profits from improving service quality, the service improvement should lead to perceived service improvement, quality have to be a profit strategy. Actually improving service in the eyes of customers is what pays off.

In the short run quality brings increased profits via premium prices. Frank Purdue told that customers will go out of their way to buy a superior product, and you can charge them a toll of the trip. In the long run, superior and/or improving relative quality is the more effective way for a business to grow. Quality leads to both market expansion and gains in the market. The resulting growing volume means that a superior-quality competitor gains scale advantages over rivals.

Another advantage of quality is that it creates true customers which means that customers who are glad to select this firm and who will use the firm again and sing the firm's praises to the others(word of mouth).

In order to improve quality investment in technology marketing research, employee training, performance measurement, reward systems and etc. are increased and therefore the costs increase. And the thing that drives the costs down is the market share growth. Companies with high market shares benefit costwise from scale economies - higher revenues due to high sales volume and premium prices.

PBZ conducted focus group interviews to perform a customer study. They have found how customers view service quality. And the definition of service quality obtained from this study is; the extent of discrepancy between customers' expectations or desires and their perceptions.

The factors influencing the expectations are;

1. Word of mouth communication: It is what customers hear from other customers which is a potential determinant of expectations.
2. Personal needs: This depends on the individual characteristics of the customer.
3. Past experiences: They demand or expect according to their past experiences.
4. External Communications: This is helpful in shaping customers' expectations by the service providers. Also direct and indirect messages conveyed to customers from service firms are included.

The most important conclusion from the focus groups is about the criteria used by customers in judging service quality. The same set of criteria was essential for all the sectors researched by the focus group interviews. The dimensions/criteria

of service quality identified are tangibles, reliability, responsiveness, courtesy, competence, credibility, security, access, communication and understanding customers. These dimensions are not independent of each other and in some cases they may overlap.(Erim, 1994)

The definitions of these ten factors are as follows;

**Tangibles:** the physical evidence of the service; physical facilities, appearance of personnel; tools or equipment used to provide the service; other customers in service facility.

**Reliability:** consistency of performance and dependability. The firm honours its promises and performs the service right the first time.

**Responsiveness:** willingness to readiness to provide service; timeliness of service.

**Competence:** possession of the required skills and knowledge to perform the service .

**Access:** approachability and ease of contact.

**Courtesy:** politeness and respect, consideration for the consumer's property; clean and neat appearance of public contact personnel.

**Communication:** keeping customers informed in a language they can understand; listening to customers; educating customers.

Credibility: trustworthiness, believability; having the customer's best interest at heart.

Security: being free from danger, risk or doubt.

Understanding: making an effort to understand the customer's needs; learning the specific requirements; providing the individualised attention; recognising the regular customer. (King, 1987)

The various statistical analysis conducted in constructing SERVQUAL, revealed considerable correlation among the items other than tangibles, responsiveness and reliability. All the seven dimensions are consolidated into two dimensions labelled as assurance and empathy. The definition of assurance is; knowledge and courtesy of employees and their ability to convey trust and confidence. And empathy is caring, individualised attention the firm provides its customers.

In the focus group interviews, consistent patterns and common themes emerged from the executive interviews. These commonalities suggested four key discrepancies or gaps regarding executive perceptions of the service quality and the tasks associated with service delivery to consumers. Therefore this model is named as gaps model.

PBZ described these gaps as follows

Gap 1: Customer's expectations - Management perceptions gap

Gap 2: Management's perceptions - Service quality specifications gap

Gap 3: Service quality specifications - Service delivery gap

Gap 4: Service delivery - External communications gap

Gap 5: Customer's expectations - Perceived service gap



### 3.1. Gap 1: Customers' Expectations - Management's-Perceptions

Service firm executives may not always be completely aware of which characteristics connote high quality to customers. Managers may not know about certain service features critical to meeting customers' desires or even when aware of such features, they may not know which levels of performance customers desire along those features.

When senior executives with the authority and the responsibility for setting priorities do not fully understand customers' service expectations, they may trigger a chain of bad decisions and sub optimal resource allocations that result in perceptions of poor service quality. The upshot is that senior managers' inaccurate understanding of what customers expect and what really matters to them, is likely to result in service delivery performance that is perceived by customers as falling short of their expectations - Gap 5. Therefore management should collect accurate information about customers' expectations - close Gap 1 - to improve the service quality (narrowing the Gap 5).

The key reasons for the occurrence of Gap 1 are:

1. Lack of marketing research orientation: which is evidenced by insufficient marketing research, inadequate use of research findings, and lack of interaction between contact personnel and the customers
2. Inadequate upward communication from contact personnel to manager
3. Too many levels of management separating contact personnel from top managers

### 3.1.1. Antecedents of Gap 1

#### 3.1.1.1. Lack of Marketing Research

a. Problem of insufficient market research: Marketing research is vital for understanding the customers' expectations and perceptions of the services. If the firm does not collect this information, it will have a large Gap 1. So, the firm must have a marketing research about service quality issues. For example which features are most important to customers, which levels of features customers expect and the customers' thoughts about the company's behaviours on the service delivery problems.

b. Problem of inadequate use of marketing research findings: Doing marketing research is not enough since it should be used in a meaningful way. The misuse or nonuse of the data collected can lead to a large gap in understanding customer expectations. The managers may be too busy for the current problems and do not read the research reports, or they may not know how to interpret the complex data . This results in widening the gap by not using the available resources.

c. Problem of lack of interaction between management and customers: as the size of the company increases, the interaction of managers with customers decrease and therefore the firsthand information about the customers' ex manager can take would be less. The information from research reports are not enough to see the real situation. In order to understand the real needs of customers management should have some form of customer contact.

### **3.1.1.2. Inadequate Upward Communication from Contact Personnel to management**

As usually the customer contact personnel have more information about the customers' expectations and the perceptions. Therefore the information possessed by the customer contact personnel should be conducted to the top management. The top management's information resources are customer contact personnel and the non company-contact personnel such as retailers or independent insurance companies. When these channels are closed, the management can not get feedback about the problems encountered in service delivery and the customers' expectations and the change in these expectations.

### **3.1.1.3. Too Many Levels Between Contact Personnel and Management**

As the number of levels increased between the management and the customer contact personnel, the communication and understanding between them gets lesser. This is due to the positions, as management is the party that sets the standards about the service quality and the customer contact personnel is the party that delivers the service. This causes Gap 1 to widen and can be prevented by lessening the number of levels due to inhibiting the misinterpretation or lost of information.

## **3.2. Gap 2: Management's Perceptions - Service Quality**

### **Specifications Gap**

Understanding customers' expectations has the prior importance for the service quality. Once the managers accurately understand the expectations of the customers, they should set some standards for the organisation. Management may

not be able to put the systems in place to match the customers' expectations. Such factors like resource constraints, short-term profit orientation, market conditions, or management indifference may cause Gap 2 due to the discrepancy between the managers' perceptions of customers' expectations and the actual specifications they establish for service delivery. The major reasons for Gap 2 are as follows;

1. Inadequate commitment to service quality
2. Lack of perception of feasibility
3. Inadequate task standardisation
4. Absence of goal setting

### 3.2.1. Antecedents of Gap 2

#### 3.2.1.1. Inadequate Commitment to Service Quality

Generally firms concept of commitment to service quality is committing to quality from the company's own internal, technical perspective. Service quality for many firms is meeting the company's self defined productivity or efficiency standards which customers do not notice or desire. Some other firms define quality in terms of advanced technology. However being commit to service quality is something more then meeting the company's or the competitor's standards. According to the authors management commitment to service quality means providing service that the customer perceives as high quality. When managers are not committed to the service quality from the customers' point of view, they target resources only to other organisational goals such as sales, profits, market shares and etc. They do not establish internal service quality initiatives and do not see attempts to improve service quality lead to better company performance.

### 3.2.1.2. Perception of Feasibility

There may be cases in which managers may find that meeting the customers' expectations is not feasible and they have nothing to do. However the researches of PBZ shows that the idea of perception of infeasibility is due to the short term, narrow thinking which is far away from thinking creatively and optimistically about customers' needs.

### 3.2.1.3. Inadequate Standardisation of Tasks

Standardisation depends on the degree to which the tasks performed can be standardised. Some of the executives think that services can not be standardized because customisation is necessary to obtain a high quality service. However this concern leads to indefinite and loose standard setting with little or no measurement or feedback. If services are customised for individual customers, specific standards seem more difficult to establish but whatever the degree of customisation is, some aspects of service provisions can be standardised. The standardisation performed by either hard or soft technology, reduces Gap 2. The process of standardisation facilitates goal setting.

### 3.2.1.4. Absence of Goal Setting

The goals of the companies should be set according to customers' requirements and their expectations. The goals should be specific, accepted by employees and measured and reviewed with appropriate feedback. Also effective goals are challenging but realistic.

### 3.3. Gap 3: Service Quality Specifications - Service Delivery Gap

The difference between service specifications and the actual service delivery is the service performance gap (Gap 3). This is due to the incapability of the employees in performing the service at the desired level. Maintaining service quality depends not only realising customers' expectations and appropriate standards but also on work force of people that are able to and willing to perform at the specific service quality levels.

The key conceptual factors contributing to Gap 3 are as follows;

1. Role ambiguity
2. Role conflict
3. Poor- employee job fit
4. Poor technology job fit
5. Inappropriate supervisory control systems
6. Lack of perceived quality
7. Lack of team work

#### 3.3.1. Antecedents of Gap 3

##### 3.3.1.1. Role Ambiguity

If no training or information is given to the employees in order to perform their jobs appropriately, role ambiguity occurs. They unfortunately would not have any idea about what is expected from them and how those expectations would be satisfied. They do not have the training or the skills to provide the necessary service to satisfy the customers. Also they generally do not have any idea about performance evaluation and the reward systems. The training is essential to cope

with the role ambiguity but also there may be lack of role clarity. In order to close the Gap 3 training must be supported by clear messages about the expectations of the managers, the appropriateness of the behaviours of the employees should be realised by themselves and feedback is needed to correct the problems.

#### 3.3.1.2. Role Conflict

This occurs when the perception that employee can not satisfy all the demands of the individuals he must satisfy. This may be due to the too many customers demanding service at the same time. Also another cause for the role conflict may be the service versus sales dichotomy. Also role overload which means having contact with too many customers may cause conflict.

#### 3.3.1.3. Poor Employee Job Fit

This may be due to the employees' unfit to their positions. The customer contact personnel is generally less educated and low paid, therefore they may have some incapability in providing services such as lack of language. By having high turnover among the customer contact employees may solve this problem. Also managers must be very careful in selecting and hiring employees.

#### 3.3.1.4. Poor Technology Job Fit

In order to have employees performing high quality services, the management must provide them appropriate tools and technology. And this will increase the employees performance and should have a positive effect in closing the Gap 3.

### 3.3.1.5. Inappropriate Supervisory Control Systems

Generally the performance of the customer contact personnel is measured by their output. And this performances are monitored and rewarded due to company defined goals rather than service quality delivery. However the expected level of performance that was set can be compared by the customers' measurement of performance. And due to this measurement the team would get the bonus.

### 3.3.1.6. Lack of Perceived Control

Perceived control is the ability to make responses that influence threatening situations and the ability to choose outcomes or goals. The authors argued that as the employees perceives themselves to be in control of situations, they encounter their jobs, hence less stress and this will yield to higher performance. Also perceived control can be low if the rules, procedures, and the culture limit the contact employees' flexibility in providing service.

### 3.3.1.7. Lack of Teamwork

The value of teamwork is that it brings together the employees and the managers for the same common goal. One aspect of teamwork is that employees view other employees as customers. Second aspect of it is that how much the employee feels that he is committed and involved in the firm.

## 3.4. Gap 4: Service Delivery - External Communications Gap

The gap between what the firm promised and what it actually delivers. Accurate and appropriate company communication is necessary to provide services that



customers perceive as high quality. A reason for Gap 4 is that; the company should inform the customers of special quality assurance efforts. Making the customers aware of the efforts when these customers do not have any idea about them, would be useful in improving the service quality.. The key conceptual factors contributing to Gap 4 are as follows;

1. Inadequate Horizontal Communication
2. Prosperity to Overpromise

### 3.4.1. Antecedents of Gap 4

#### 3.4.1.1. Inadequate Horizontal Communication

communication between different functional departments are essential in order to achieve common goals of the organisation. In situations where the horizontal communication channels are closed, perceived service quality is in jeopardy. The communication issue is important for the organisations more than advertisement. Also if these channels are closed, breaking down these boundaries is difficult and time consuming.

#### 3.4.1.2. Propensity to Overpromise

As the competition in the service sector increases, firms feel pressure on themselves. and to beat the competitors, they overpromise. This raises expectations to an unrealistic levels that lead to more initial business, but it fosters the customers' disappointment and discourages the repeat business

### 3.5. Gap 5: Customers' Expectations - Perceived Quality

Gap 5 is the quality shortfall perceived by customers and the shortfalls within the service provider's organization as Gaps 1 through 4. Gap 5 represents the potential discrepancy between the expected and the perceived service from the customer standpoint. Key determinants of service expected by customers include word of mouth communications, personal needs, past experience, and external communications from the service provider. First Gap 5 is to be measured by the dimensions of service quality. And in order to diagnose the causes of the Gap 5, other four gaps should be measured. After this problem definition step, model recommends solutions to those problems.

## IV. METHODOLOGY

### 4.1. The SERVQUAL Questionnaire

#### 4.1.1. Questionnaire for Customers(App. A)

This questionnaire is to measure Gap 5. It has two sections; an expectations section to understand the expectations of customers and has 22 statements, and the second section is the perceptions section which is aimed to measure customers' assessment of a specific service. These statements are evaluated on a seven point scale ranging from strongly disagree (1) to strongly agree (7).

The dimensions of the method are measured in this part as follows;

First four statements measure the tangibles dimension.

Statements from five to nine measures reliability.

Statements from ten to thirteen are for responsiveness.

The ones that are between fourteen and seventeen are for assurance and

The rest are for empathy dimension measurement.

The data obtained is converted into perceptions minus expectations scores for each statement. As mentioned earlier, the more the negative is the score, the higher the shortfall in the service quality according to the customers.

#### 4.1.2. Questionnaire for Employees

This questionnaire is for the employees working in the service providing company. The scores of Gap 1 first averaged in the five dimensions separately. Then these results are summed up to get the overall score.

Gaps 2 through 4 , the employees are asked about their perceptions of the extend of these gaps. Again a seven point scale is used.

##### 4.1.2.1. Questionnaire for Managers (App. B)

To measure the potential antecedents of the Gaps 1 and 2, this part is used. This part is answered by the managers. The statements between 1 and 9 are for Gap 1 and they are classified in themselves as ; Statements between one and four is for market research orientation, Statements between 5 and 8 are for upward communication and statement 9 is for levels of management. Then the rest of the question are for Gap 2. Statements between 10 and 12 are used to measure management's commitment to service quality, thirteen and fourteen is for the goal setting, fifteen and sixteen is to measure task standardization and the rest is for the perceptions of the feasibility. Also it should be mentioned that there are negatively worded statements which should be rated reversibly.

##### 4.1.2.2. Questionnaire for Customer Contact Personnel (App. C)

This is the last part and used in order to measure the antecedents of Gaps 3 and 4. The statements between one and five are for the teamwork concept, six and seven for the employee job fit, technology job fit is measured by the statement number eight, statements between nine and twelve is to measure the perceived control , Supervisory

control systems are measured by the statements thirteen through fifteen, statements between sixteen and eighteen are for the role conflict and the others till twenty-three are used to measure role ambiguity. The rest of the questions are for Gap 4 and the ones between twenty-four and twenty-seven are for horizontal communication and the rest are for propensity over promise.

## V. FINDINGS AND RESULTS

SERVQUAL survey was applied to 30 customers, all of the company managers and 20 contact personnel. The data obtained was analysed to see the five Gaps explained in SERVQUAL method.

### 5.1. Gap 5 Scores of the Company

Gap 5 is measured in order to see what customers expect from a hotel service and what they have found in Bilkent Hotel. The findings about Gap 5 are presented in TABLE 1.

TABLE 1: The Gap 5 SERVQUAL Score: (Customers' Perceptions - Customers' Expectations)

DIMENSIONS	SERVQUAL SCORE
Tangibles	-0.75
Reliability	-1.41
Responsiveness	-1.27
Assurance	-0.88
Empathy	-1.00
Overall	-1.062

The overall score indicates a large gap between perceptions and expectations of the customer. The company performs relatively well in tangibles dimension

which generally indicates physical appearance of the company. Reliability and responsiveness have large gaps and these are two important dimensions in the customers eye.

The average weights given each dimension by the customers presented in TABLE 2.

TABLE 2: Weights Assigned to Dimensions by Customers

DIMENSION	WEIGHTS (%)
Tangibles	20
Reliability	27
Responsiveness	19
Assurance	20
Empathy	14
Overall	100

As can easily be seen from the table that the most important dimension according to customers is Reliability. The others except empathy have approximately same significance to the customer. The weights associated to each dimension by the company management is given in TABLE 3.

When the importance of the dimensions compared between customers and managers, it can be easily seen that reliability is the most significant one. Customers gives more importance to tangibles and managers rank empathy higher according to customers.

TABLE 3: Weights Assigned to Dimensions by Managers

DIMENSION	WEIGHT(%)
Tangibles	13.5
Reliability	30.6
Responsiveness	17.8
Assurance	20.8
Empathy	17.3
Overall	100

### 5.2. Gap 1 Scores of the Company

Gap 1 occurs due to the difference between the expectations of customers and management's perceptions. The most important concept in marketing and quality is to satisfy customers' expectations. To do this, customers' expectations should be known by the management. This gap according to five different dimensions are given in TABLE 4.

When overall score is considered, management is well in understanding customers' expectations. Although the overall score is negative, the gap is narrow. Some studies can be conducted to understand the customers' expectations better.

Here, management is performed well in understanding customers' expectations on tangibles. Here, highest difference is belonging to responsiveness dimension, then assurance and empathy comes.



TABLE 4: The Gap 1 Score: (Customers' Expectations - Management's Perceptions)

DIMENSION	SERVQUAL SCORE
Tangibles	0.32
Reliability	-0.13
Responsiveness	-0.25
Assurance	-0.21
Empathy	-0.22
Overall	-0.098

In order to understand the reasons of Gap 1 and how can it be closed, antecedents of Gap 1 is found by SERVQUAL survey which is presented in TABLE 5.

TABLE 5: The Antecedents of Gap 1

Marketing Research Orientation	6.0
Upward Communication	5.5
Levels of Management	6.0

The more close the antecedent scores to 7, the less problem occurs in the antecedent. Here, values are relatively close to 7 but again some efforts should be performed to close that narrow gap and obtain a higher quality. The first antecedent explains that some market research should be conducted to set a marketing orientation in the organization in order to understand customer and satisfy the needs of them. The experiences of contact personnel with the customers' should be taken into consideration.

The second antecedent " Upward communication" has the lowest score, therefore there are some problems present in the organization about upward communications. The communication between upper level management and contact personnel should be increased.

The third antecedent shows that there are not much levels present between the customer, contact personnel and the top management. But, in order to close that narrow gap the interaction between contact personnel and the top management can be increased.

### 5.3. Gap 2 Scores of the Company

Gap 2 scores which depicts the difference between the management's perception and the service quality specifications is given at TABLE 6

TABLE 6: The Gap 2 Score: (Management's Expectations - Service Quality Specifications)

DIMENSION	SERVQUAL SCORE
Tangibles	6.36
Reliability	6.09
Responsiveness	6.18
Assurance	5.45
Empathy	6.10
Overall	6.04

If managers understand the expectations of customers, they can set the standards of the organization better. When the dimensions of Gap 2 are considered such a

picture is seen. The best formal standards are present for tangibles. Reliability, responsiveness and empathy have somewhat narrow gaps unlike Assurance which is an important dimension as tangibles for customers, since their weights are both ranked 20% by customers, has the highest gap. The extent of informality is higher for assurance. Assurance includes ability of employees to convey trust and confidence and knowledge of courtesy of employees.

It should be mentioned that, in hotel services tangibles form important criteria because hotels ranked (four star or etc.) according to certain tangibles present in it. So, what are the reasons of this Gap and how can they be improved can be determined by analyzing antecedents of Gap 2 which were given in TABLE 7.

TABLE 7: The Antecedents of Gap 2

Management's Commitment to Service Quality	5.15
Goal Setting	5.23
Task Standardisation	4.77
Perception of Feasibility	5.94

Although the overall score of Gap 2 is 6.04 which is not representing a big gap but such antecedents should be taken into account analyzing the reasons.

The antecedents show scores lower than 7, so in order to improve the scores of Gap 2, these had to be taken into consideration. The management's commitment to service quality means providing service that the customer perceives as high quality. They should establish internal service quality initiatives and should realise that better company performance is a result of service quality.

Goals setted by the management should be according to customers' expectations. These goals should be specific, challenging, realistic and accepted by employees. Task standardization is seemed to be most important antecedent for Gap 2 and it can be closed by increasing the use of hard and soft technology to standardize the service task.

Perception of feasibility has the highest score (5.94). It explains that; managers may think that meeting the customer needs is infeasible, however this type of mentality is a narrow thinking and short term. The only way to be competitive among competitors, survive and be profitable in the long run is by meeting customer perceptions.

#### 5.4. Gap 3 Scores of Bilkent Hotel

Gap 3 is service performance gap which shows the setted service specifications and the actual service delivery given from Bilkent Hotel. The results determined by the survey are given in TABLE 8.

TABLE 8: The Gap 3 Score: (Service quality Specifications - Service Delivery)

DIMENSION	SERVQUAL SCORE
Tangibles	6
Reliability	6.6
Responsiveness	6.6
Assurance	6.2
Empathy	7
Overall	6.48

When the overall score considered, company is successful in delivering service quality specifications. This gap shows the incapability of employees in performing the service at the desired level. On the empathy dimension, there is no problem as it has score of 7 which is the highest that can be taken. The important reliability and responsiveness dimensions are also higher. This narrow gap should also be closed and the reasons of this gap is given in TABLE 9 but here it should be mentioned that the scores of antecedents are not parallel with the findings of Gap 3 scores. This may be from errors of the survey or limitations of SERVQUAL. The questions asked for determining the gaps are asked directly and this may cause some biased answers and for each dimension only a statement is used where the reliability of the answers can not be detected by this method.

TABLE 9: The Antecedents of Gap 3

Teamwork	6.42
Employee Job Fit	6.45
Technology Job Fit	6.10
Perceived Control	3.95
Supervisory Control Systems	5.13
Role Conflict	4.7
Role Ambiguity	4.96

There is not much problem in teamwork which brings employees and managers together for the same common goal. Also employees fit their positions generally. In order to perform higher quality services, the necessary tools, equipment and technology should be provided to personnel and the score of 6.10 shows that there is not much problem but improvements can be applied.

The major cause of this gap is due to the lack of perceived control. This antecedent depicts the extent to which employees perceive that they can act flexibly. Personnel can communicate their own ideas to the managers and can have initiative to take necessary actions. Introduction of personnel to decision making process is an important concept in service quality as they give service to customers directly and know the customers better.

Supervisory control systems can be a significant antecedent for Gap 3. This score shows that there are some problems on evaluation and reward systems of the company. Therefore some improvements considering service quality delivery should be done on these control systems.

Role conflict is another significant cause of Gap 3. A conflict can be caused by overloading of employee such as contact with too many customers.

The last antecedent is the role ambiguity which is also important for our case. The personnel should be trained about their roles, what is expected from them and how. So as to close this gap, the performance evaluation and reward systems should be communicated to the personnel by training.

#### 5.5. Gap 4 Scores of Bilkent Hotel

The difference between what the firm promised and what it actually delivers is the issue of this gap. It shows the communication of the company with it's external environment. The findings of Gap 4 for various dimensions are given in TABLE 10.

Overall score indicates that Bilkent Hotel communicated itself well to the environment. To obtain full score of 7, some adjustments and improvements should be done by the help of antecedents of Gap 4 which give the related causes of such a gap though it is narrow. These antecedents are listed in TABLE 11.

TABLE 10: The Gap 4 Score: (Service Delivery - External Communications)

DIMENSION	SERVQUAL SCORE
Tangibles	6.20
Reliability	6.60
Responsiveness	6.50
Assurance	6.20
Empathy	7.00
Overall	6.50

TABLE 11: The Antecedents of Gap 4

Inadequate Horizontal Communications	4.43
Propensity to Overpromise	3.35

Both of the antecedents are scored low. First one indicates the communication between different functional departments should be increased to achieve common goals of the organisation. To increase the communication, the boundaries between the departments should be broken down but this is a reorganization process. Bilkent Hotel has some efforts related to this problem as a project on reorganization is conducted currently.

The next antecedent is also very important as it has score of 3.35. In order to beat the competitors, firms can overpromise but this will increase the expectations of the customer and therefore can lower the perceptions. So, company will be careful in overpromising.



## VI. CONCLUSION

In this study service quality of Bilkent Hotel Ankara is measured by using SERVQUAL method. The method has the quality philosophy of satisfying customer expectations. The method measures five gaps and the causes of these gaps namely antecedents.

Gap 5 gives the difference between customers' expectations and the perceptions. The gap is not very close and this may be due to high expectations of customers from Bilkent Hotel. This should be considered here that the image of name Bilkent causes customers to expect more. Another important finding can be that they are competing with five star hotels though they are four star. However customers expect quality of a five star hotel from Bilkent Hotel. Therefore they should increase their quality and perform necessary improvements to be ranked a five star hotel.

Gap 1 shows the management's understanding of the customers' expectations. There is not a huge gap present but responsiveness dimension should be considered and improved by related antecedents.

Gap 2 depicts the presence of performance standards which shows the management's perception of the expectation of customers. Again there is not an enormous gap but some formal standards should be established in the hotel.

Gap 3 indicates the service performance gap. Gap three is narrow but an important thing that should be considered is that the results of the antecedents are not parallel with the scores of the Gap 3. The same behaviour is seen in the results of Gap 4 that shows the extent of company in external communications

So, it can be concluded that there is an experimental error present but as this method is not a probabilistic method the error terms and deviations are not calculated. Also the questions that are negatively signed were confusing to respondents. Here I would like to mention that, the respondents find the questionnaire long and boring. The concentration of the respondents on the survey decreased throughout the time although I tried to help them in filling out the questionnaires. And as a last word on the survey, the answers of both personnel of the company and the managers might be biased. Conducting a SERVQUAL is not enough and I recommend using SERVQUAL together with observations and in-depth interviews.

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APPENDIX A  
QUESTIONNAIRE FOR CUSTOMERS  
(TO MEASURE GAP 5)

Based on your experiences as a customer of hotel services, please think about the kind of hotel that would deliver excellent quality of service. Think about the kind of bank with which you would be pleased to do business. Please show the extent to which you think such a hotel would possess the feature described by each statement. If you feel a feature is *not at all essential* for excellent hotels such as the one you have in mind, circle the number 1. If you feel a feature is *absolutely essential* for excellent hotels, circle 7. If your feelings are less strong, circle one of the numbers in the middle. There are no right or wrong answers- all we are interested in is a number that truly reflects your feelings regarding companies that would deliver excellent quality of service.

Strongly Disagree							Strongly Agree
1	2	3	4	5	6	7	

1. Excellent hotels will have modern looking equipment.

1	2	3	4	5	6	7
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2. The physical facilities at excellent hotels will be visually appealing.

1	2	3	4	5	6	7
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3. Employees at excellent hotels will be neat appearing.

1	2	3	4	5	6	7
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4. Materials associated with the service will be visually appealing in an excellent hotel.

1	2	3	4	5	6	7
---	---	---	---	---	---	---

5. When excellent hotels promise to do something by a certain time, they will do so.

1	2	3	4	5	6	7
---	---	---	---	---	---	---

6. When a customer has a problem, excellent hotels will show sincere interest in solving it

1      2      3      4      5      6      7

7. Excellent hotels will perform the service right the first time.

1      2      3      4      5      6      7

8. Excellent hotels will provide their services at the time they promise to do so.

1      2      3      4      5      6      7

9. Excellent hotels will insist on error free records.

1      2      3      4      5      6      7

10. Employees in the excellent hotels will tell customers exactly when services will be performed.

1      2      3      4      5      6      7

11. Employees in excellent hotels will give prompt service to customers.

1      2      3      4      5      6      7

12. Employees in excellent hotels will always be willing to help customers.

1      2      3      4      5      6      7

13. Employees in excellent hotels will never be too busy to respond to customers' requests.

1      2      3      4      5      6      7

14. The behaviour of employees in excellent hotels will instill confidence in the customers.

1      2      3      4      5      6      7

15. Customers of the excellent hotels will feel safe in their transactions.

1      2      3      4      5      6      7

16. Employees in excellent hotels will be consistently courteous with customers.

1      2      3      4      5      6      7

17. Employees in excellent hotels will have the knowledge to answer customers' questions.

1      2      3      4      5      6      7

18. Excellent hotels will give customers individual attention.

1      2      3      4      5      6      7

19. Excellent hotels will have operating hours convenient to all their customers.

1      2      3      4      5      6      7

20. Excellent hotels will have employees who give customers personal attention.

1      2      3      4      5      6      7

21. Excellent hotels will have the customers' best interests at heart.

1      2      3      4      5      6      7

22. The employees of excellent hotels will understand the specific needs of their customers.

1      2      3      4      5      6      7



Listed below are five features pertaining to hotels and the services they offer. we would like to know how important each of these features is to you when you evaluate a hotel's quality of service. Please allocate a total of 100 points among the five features according to how important each feature is to you - the more important a feature is to you, the more points you should allocate to it. Please ensure that the points you allocate to the five features add up to 100.

- |   |          |
|---|----------|
| 1. The appearance of the hotel's physical facilities,<br>equipment, personnel and communication materials.  | -----    |
| 2. The hotel's ability to perform the promised service<br>dependability and accurately.                     | -----    |
| 3. The hotel's willingness to help customers and provide<br>prompt service                                  | -----    |
| 4. The knowledge and courtesy of the hotel's employees<br>and their ability to convey trust and confidence. | -----    |
| 5. The caring, individualized attention the hotel provides<br>to its customers                              | -----    |
| Total   | 100 puan |

Which one feature among the above five is *most important* to you? -----

Which feature is *second most important* to you? -----

Which feature is *least important* to you? -----

## QUESTIONNAIRE FOR CUSTOMERS' PERCEPTIONS

The following set of statements relate to your feelings about the Bilkent Hotel. For each statement, please show the extent to which you believe Bilkent Hotel has the feature described by the statement. Once again, circling a "1" means that you strongly disagree that Bilkent Hotel has that feature and circling a "7" means that you strongly agree. You may circle any of the numbers in the middle that show how strong your feelings are. There are no right or wrong answers - all we are interested in is a number that best shows your perceptions about the Bilkent Hotel.

Strongly Disagree							Strongly Agree
1	2	3	4	5	6	7	

1. Bilkent Hotel has modern looking equipment.

1	2	3	4	5	6	7
---	---	---	---	---	---	---

2. The physical facilities at Bilkent Hotel are visually appealing.

1	2	3	4	5	6	7
---	---	---	---	---	---	---

3. Employees at Bilkent Hotel are neat appearing.

1	2	3	4	5	6	7
---	---	---	---	---	---	---

4. Materials associated with the service are visually appealing in Bilkent Hotel.

1	2	3	4	5	6	7
---	---	---	---	---	---	---

5. When Bilkent Hotel promise to do something by a certain time, it does so.

1	2	3	4	5	6	7
---	---	---	---	---	---	---

6. When you have a problem, Bilkent Hotels shows a sincere interest in solving it

1	2	3	4	5	6	7
---	---	---	---	---	---	---

7. Bilkent Hotel performs the service right the first time.

1      2      3      4      5      6      7

8. Bilkent Hotel provides its services at the time it promises to do so.

1      2      3      4      5      6      7

9. Bilkent Hotel insists on error free records.

1      2      3      4      5      6      7

10. Employees in the Bilkent Hotel tell you exactly when services will be performed.

1      2      3      4      5      6      7

11. Employees in Bilkent Hotels give you prompt service.

1      2      3      4      5      6      7

12. Employees in Bilkent Hotels are always willing to help you.

1      2      3      4      5      6      7

13. Employees in Bilkent Hotels are never too busy to respond to your requests.

1      2      3      4      5      6      7

14. The behaviour of employees in Bilkent Hotels instills confidence in you.

1      2      3      4      5      6      7

15. You feel safe in your transactions with Bilkent Hotel.

1      2      3      4      5      6      7

16. Employees in Bilkent Hotel are consistently courteous with customers.

1      2      3      4      5      6      7

17. Employees in Bilkent Hotel have the knowledge to answer your questions.

1      2      3      4      5      6      7

18. Bilkent Hotel gives you individual attention.

1      2      3      4      5      6      7

19. Bilkent hotel has operating hours convenient to all its customers.

1      2      3      4      5      6      7

20. Bilkent Hotel has employees who give you personal attention.

1      2      3      4      5      6      7

21. Bilkent Hotel has your best interests at heart.

1      2      3      4      5      6      7

22. The employees of Bilkent Hotel understand your specific needs.

1      2      3      4      5      6      7

APPENDIX B  
QUESTIONNAIRE FOR MANAGERS  
(TO MEASURE GAPS 1&2)

## STATEMENTS USED IN MEASUREMENT OF GAP 1

This portion of the survey deals with how you think your customers feel about a hotel that, in their view delivers excellent quality of service. Please indicate the extent to which your customers feel that excellent hotels would possess the feature described by each statement. If your customers are likely to feel a feature is not at all essential for excellent hotels, circle the number "1". If your customers are likely to feel a feature is absolutely essential, circle "7". If your customers' feelings are likely to be less strong, circle one of the numbers in the middle. Remember, there are no right or wrong answers - we are interested in what you think your customers' feelings are regarding hotels that would deliver excellent quality of service.

Strongly Disagree							Strongly Agree
1	2	3	4	5	6	7	

1. Excellent hotels will have modern looking equipment.

1	2	3	4	5	6	7
---	---	---	---	---	---	---

2. The physical facilities at excellent hotels will be visually appealing.

1	2	3	4	5	6	7
---	---	---	---	---	---	---

3. Employees at excellent hotels will be neat appearing.

1	2	3	4	5	6	7
---	---	---	---	---	---	---

4. Materials associated with the service will be visually appealing in an excellent hotel.

1	2	3	4	5	6	7
---	---	---	---	---	---	---

5. When excellent hotels promise to do something by a certain time, they will do so.

1      2      3      4      5      6      7

6. When a customer has a problem, excellent hotels will show sincere interest in solving it

1      2      3      4      5      6      7

7. Excellent hotels will perform the service right the first time.

1      2      3      4      5      6      7

8. Excellent hotels will provide their services at the time they promise to do so.

1      2      3      4      5      6      7

9. Excellent hotels will insist on error free records.

1      2      3      4      5      6      7

10. Employees in the excellent hotels will tell customers exactly when services will be performed.

1      2      3      4      5      6      7

11. Employees in excellent hotels will give prompt service to customers.

1      2      3      4      5      6      7

12. Employees in excellent hotels will always be willing to help customers.

1      2      3      4      5      6      7

13. Employees in excellent hotels will never be too busy to respond to customers' requests.

1      2      3      4      5      6      7

14. The behaviour of employees in excellent hotels will instill confidence in the customers.

1      2      3      4      5      6      7

15. Customers of the excellent hotels will feel safe in their transactions.

1      2      3      4      5      6      7

16. Employees in excellent hotels will be consistently courteous with customers.

1      2      3      4      5      6      7

17. Employees in excellent hotels will have the knowledge to answer customers' questions.

1      2      3      4      5      6      7

18. Excellent hotels will give customers individual attention.

1      2      3      4      5      6      7

19. Excellent hotels will have operating hours convenient to all their customers.

1      2      3      4      5      6      7

20. Excellent hotels will have employees who give customers personal attention.

1      2      3      4      5      6      7

21. Excellent hotels will have the customers' best interests at heart.

1      2      3      4      5      6      7

22. The employees of excellent hotels will understand the specific needs of their customers.

1      2      3      4      5      6      7



Listed below are five features pertaining to hotels and the services they offer. We would like to know how important each of these features is to *your customers* when you evaluate a hotel's quality of service. Please allocate a total of 100 points among the five features according to how important each feature is to your customers - the more important a feature is to you, the more points you should allocate to it. Please ensure that the points you allocate to the five features add up to 100.

- |   |          |
|---|----------|
| 1. The appearance of the hotel's physical facilities,<br>equipment, personnel and communication materials.  | -----    |
| 2. The hotel's ability to perform the promised service<br>dependability and accurately.                     | -----    |
| 3. The hotel's willingness to help customers and provide<br>prompt service                                  | -----    |
| 4. The knowledge and courtesy of the hotel's employees<br>and their ability to convey trust and confidence. | -----    |
| 5. The caring, individualized attention the hotel provides<br>to its customers                              | -----    |
| Total   | 100 puan |

Which one feature among the above five is likely  
to be most important to your customers? -----

Which feature is likely to be second most important  
to your customers? -----

Which feature is likely to be least important to your  
customers? -----

## STATEMENTS TO MEASURE GAP 2

Performance standards in companies can be formal - written, explicit, and communicated to employees. They can also be informal - verbal, implicit, and assumed to be understood by employees. For each of the following features, circle the number that best describes the extent to which performance standards are formalized in your company. If there are no standards in your company, check the appropriate box.

Informal Standards							Formal Standards	No Standards
1	2	3	4	5	6	7	( )	

1. The appearance of the hotel's physical facilities, equipment, personnel and communication materials.

1    2    3    4    5    6    7    ( )

2. The hotel's ability to perform the promised service dependably and accurately.

1    2    3    4    5    6    7    ( )

3. The hotels willingness to help customers and provide prompt service.

1    2    3    4    5    6    7    ( )

4. The knowledge and courtesy of the hotel's employees and their ability to convey trust and confidence.

1    2    3    4    5    6    7    ( )

5. The caring individualized attention the hotel provides to its customers.

1    2    3    4    5    6    7    ( )

## STATEMENTS TO MEASURE ANTECEDENTS OF GAPS 1 AND 2

Listed below are a number of statements intended to measure your perceptions about your company and its operations. Please indicate the extent to which you disagree or agree with each statement by circling one of the seven numbers next to each statement. If you strongly disagree circle "1". If you strongly agree, circle "7". If your feelings are not strong, circle one of the numbers in the middle. There are no right or wrong answers. Please tell us honestly how you feel.

Strongly							Strongly
Disagree							Agree
1	2	3	4	5	6	7	

1. We regularly collect information about the needs of our customers.

1 2 3 4 5 6 7

2. We rarely use marketing research information that is collected about our customers. (-)

1 2 3 4 5 6 7

3. We regularly collect information about the service quality expectations of our customers.

1 2 3 4 5 6 7

4. The managers in our company rarely interact with customers. (-)

1 2 3 4 5 6 7

5. The customer contact personnel in our company frequently communicate with management.

1 2 3 4 5 6 7

6. Managers in our company rarely seek suggestions about serving customers from customer contact personnel. (-).

1 2 3 4 5 6 7

7. The managers in our company frequently have face-to-face interactions with customer contact personnel.

1      2      3      4      5      6      7

8. The primary means of communication in our company between contact personnel and upper level managers is through memos. ( - )

1      2      3      4      5      6      7

9. Our company has too many levels of management between contact personnel and top management. ( - )

1      2      3      4      5      6      7

10. Our company does not commit the necessary resources for service quality ( - )

1      2      3      4      5      6      7

11. Our company has internal programs for improving the quality of service to customers.

1      2      3      4      5      6      7

12. In our company managers who improve quality of service are more likely to be rewarded than other managers.

1      2      3      4      5      6      7

13. Our company has a formal process for setting quality of service goals for employees.

1      2      3      4      5      6      7

14. In our company we try to set specific quality of service goals.

1      2      3      4      5      6      7

15. Our company effectively uses automation to achieve consistency in serving customers.

1      2      3      4      5      6      7

16. Programs are in place in our company to improve operating procedures so as to provide consistent service.

1      2      3      4      5      6      7

17. Our company has the necessary capabilities to meet customers' requirements for service.

1      2      3      4      5      6      7

18. If we gave our customers the level of service they really want, we would go broke. (-)

1      2      3      4      5      6      7

19. Our company has the operating systems to deliver the level of service customers demand.

1      2      3      4      5      6      7

APPENDIX C

QUESTIONNAIRE FOR CUSTOMER CONTACT  
PERSONNEL

(TO MEASURE GAPS 3&4)

### STATEMENTS TO MEASURE GAP 3

Listed below are the same five features. Employees and units sometimes experience difficulty in achieving the standards established for them. For each feature below, circle the number that best represents the degree to which your company and its employees are able to meet the performance standards established. Remember, there are no right or wrong answers - we need your candid assessments for this question to be helpful.

Unable to meet standards Consistently					Able to meet Standards Consistently		No Standards
1	2	3	4	5	6	7	( )

1. The appearance of the hotel's physical facilities, equipment, personnel and communication materials.

1    2    3    4    5    6    7            ( )

2. The hotel's ability to perform the promised service dependably and accurately.

1    2    3    4    5    6    7            ( )

3. The hotel's willingness to help customers and provide prompt service.

1    2    3    4    5    6    7            ( )

4. The knowledge and courtesy of the hotel's employees and their ability to convey trust and confidence.

1    2    3    4    5    6    7            ( )

5. The caring individualized attention the hotel provides to its customers.

1    2    3    4    5    6    7            ( )

## STATEMENTS TO MEASURE GAP 4

Salespeople, advertising, and other company communications often make promises about the level of service a company will deliver. In some organizations, it is not always possible to fulfill these promises. For each feature below, we want to know the extent to which you believe that your company and its employees deliver the level of the service promised to customers. Circle the number that best describes your perception.

Unable to  
meet promises  
Consistently

Able to meet  
Promises  
Consistently

1 2 3 4 5 6 7

1. The appearance of the hotel's physical facilities, equipment, personnel and communication materials.

1 2 3 4 5 6 7

2. The hotel's ability to perform the promised service dependably and accurately.

1 2 3 4 5 6 7

3. The hotel's willingness to help customers and provide prompt service.

1 2 3 4 5 6 7

4. The knowledge and courtesy of the hotel's employees and their ability to convey trust and confidence.

1 2 3 4 5 6 7

5. The caring individualized attention the hotel provides to its customers.

1 2 3 4 5 6 7



## STATEMENTS TO MEASURE ANTECEDENTS OF GAPS 3 AND 4

Listed below are a number of statements intended to measure your perceptions about your company and its operations. Please indicate the extent to which you disagree or agree with each statement by circling one of the seven numbers next to each statement. If you strongly disagree, circle "1". If strongly agree, circle "7". If your feelings are not so strong, circle one of the numbers in the middle. There are no right or wrong answers. Please tell us honestly how you feel.

Strongly Disagree							Strongly Agree
1	2	3	4	5	6	7	

1. I feel, I am part of a team in my company.

1      2      3      4      5      6      7

2. Everyone in my company contributes to a team effort in servicing customers.

1      2      3      4      5      6      7

3. I feel a sense of responsibility to help my fellow employees do their job well.

1      2      3      4      5      6      7

4. My fellow employees and I cooperate more often than we compete.

1      2      3      4      5      6      7

5. I feel, I am an important member of this company.

1      2      3      4      5      6      7

6. I feel comfortable in my job in the sense that, I am able to perform the job well.

1      2      3      4      5      6      7

7. My company hires people who are qualified to do their jobs.

1      2      3      4      5      6      7

8. My company gives me tools and equipment that I need to perform my job well.

1 2 3 4 5 6 7

9. I spend a lot of time in my job trying to resolve problems over which I have little control. (-)

1 2 3 4 5 6 7

10. I have the freedom in my job truly satisfy my customers' needs.

1 2 3 4 5 6 7

11. I sometimes feel a lack of control over my job because too many customers demand service at the same time. (-)

1 2 3 4 5 6 7

12. One of my frustrations on the job is that I sometimes have to depend on other employees in serving my customers. (-)

1 2 3 4 5 6 7

13. My supervisor's appraisal of my job performance includes how well I interact with customers.

1 2 3 4 5 6 7

14. In our company, making a special effort to serve customers well does not result in more pay or recognition. (-)

1 2 3 4 5 6 7

15. In our company, employees who do their best job serving their customers are more likely to be rewarded than other employees.

1 2 3 4 5 6 7

16. The amount of paperwork in my job makes it hard for me to effectively serve my customers. (-)

1 2 3 4 5 6 7

17. The company places so much emphasis on selling that it is difficult to serve customers properly. (-)

1 2 3 4 5 6 7

18. What my customers want me to do and what management wants me to do are usually the same thing.

1 2 3 4 5 6 7

19. My company and I have the same ideas about how my job should be performed.

1 2 3 4 5 6 7

20. I receive a sufficient amount of information from management concerning what I am supposed to do in my job.

1 2 3 4 5 6 7

21. I often feel that I do not understand the services offered by my company. ( - )

1 2 3 4 5 6 7

22. I am able to keep up with changes in my company that affect my job.

1 2 3 4 5 6 7

23. I feel that I have not been well trained by my company in how to interact effectively with customers. ( - )

1 2 3 4 5 6 7

24. I am not sure which aspects of my job, my supervisor will stress most in evaluating my performance. ( - )

1 2 3 4 5 6 7

25. The people who develop our advertising consult employees like me about the realism of promises made in the advertising.

1 2 3 4 5 6 7

26. I am often not aware in advance of the promises made in our company's advertising campaigns. ( - )

1 2 3 4 5 6 7

27. Employees like me interact with operations people to discuss the level of service the company can deliver to customers.

1 2 3 4 5 6 7

28 Our company's policies on serving customers are consistent in the different branches that service customers.

1 2 3 4 5 6 7

29. Intense competition is creating more pressure inside this company to generate new business. ( - )

1 2 3 4 5 6 7

30. Our key competitors make promises they can not possibly keep in an effort to gain new customers.

1 2 3 4 5 6 7

Note: Statements with a ( - ) sign are negatively worded and so are reverse scored.