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SERVICE QUALITY — MAIN CONCEPTUALIZATIONS AND CRITIQUE

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Abstract

Conceptualization and measurement of service quality perceptions have been the most debated and controversial topics in the services marketing literature to date. The current paper analyzes the main debates about how to conceptualize service quality — about the nature of perceived service quality (perception of performance vs. disconfirmation) and the formation of service quality (single construct vs. aggregation of several dimensions). The paper explores the main theoretical viewpoints and seeks supportive empirical evidence. A synthesis of different theoretical viewpoints and ideas for further research is discussed.

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**Introduction**

Quality is considered to be one of the management’s topmost competitive priorities and a prerequisite for sustenance and growth of firms. The quest for quality improvement has become a highly desired objective in today’s intensively competitive markets. Quality management has been reckoned as the prime mover towards enhanced business performance and several researchers have underlined the quality improvement initiatives resulting in a sustainable competitive advantage (Sureshchandar *et al.*, 2002).

In recent years the topic of quality has also reached the literature on organizational culture. The concept of quality culture has been used to describe the extent to which quality is important and valued in an organization — i.e. how much organizational culture supports and values quality (e.g. Goodale, 1997; Jebston, 2001; Kelly and Moore, 1996; Sureshchandar *et al.*, 2002). Firms that are clearly interested in providing outstanding customer value would be expected to have a culture that reinforces high quality. A culture that is supportive of quality maybe particularly important in service organizations, where simultaneous production and consumption of the service makes close control impossible. Therefore measurement and management of service quality is the fundamental issue for survival and growth of service companies. But in order to value the quality and design the culture that supports quality, a firm has to know what its customers value, what kind of service has a high quality for them. Knowledge about the content and formation of perception of service quality enables organizations to deal with the fields that directly influence their competitive advantage and not to waste too many resources on unimportant fields.
The indicator value of customer and organizational performance has been the reason why both academicians and practitioners alike have been interested in the construct ‘service quality’. But even though the number of articles about service quality is huge, there is no agreement about what service quality is and how it should be measured. Assessment of quality in service industries, unlike traditional physical product industries, becomes more complicated — “it is not a function of statistical measures of quality, including physical defects or managerial judgments. Rather, it is a function of customers’ perceptions about the services” (Cummingham and Young, 2002, pp. 4–5). Service quality evaluations are highly complex processes that may operate at several levels of abstraction, which makes the conceptualization and measuring of service quality a really difficult task. The conceptualization and measurement of service quality perceptions have been considered as the most debated and controversial topics in the services marketing literature to date (Brady, Cronin, 2001).

An analysis of publications on the topic of service quality reveals several heated debates about how to conceptualize and measure service quality; the issues are still up for discussion (Brady et al., 2002; Sureshchandar et al., 2002). The aim of the researchers has been to find a standardized conceptualization and measurement technique that could be used in the framework of services and customers of any type. The main debates about conceptualization consist in the following:

1) The nature of service quality — is service quality a perception of performance or disconfirmation?

2) The formation of service quality — is service quality a single construct or an aggregation of several dimensions/components?

The aim of the current article is to analyze the debates around the conceptualization of service quality and to find evidence from empirical studies to support particular viewpoints. The article is divided into two sections — the first one presents the
main conceptual views of different authors and the second one explores the results obtained by empirical research. The synthesis of different theoretical viewpoints and ideas for further research is discussed.
1. Major debates about the conceptualization of service quality

1.1. Nature of Service Quality

The traditional conceptualizations of service quality are based on the disconfirmation paradigm – perceived quality is viewed as the result of comparing particular performance with some kind of a standard. For example, Grönroos has defined the perceived service quality as “the outcome of an evaluation process, where the customers compare their expectations with the service they have received” (Grönroos 1984, p.37; 1994, p.25). Parasuraman, Zeithaml and Berry support the same view, defining the concept of service quality as “a form of attitude, related, but not equivalent to satisfaction, that results from a comparison of expectations with perceptions of performance. Expectations are viewed as desires or wants of consumers, i.e. what they feel a service provider should offer rather than would offer”. (Parasuraman et al., 1988, p.15)

Cronin and Taylor (1992), however, argue that the conceptualization of service quality as a gap between expectations and performance is inadequate. They point out the confusion in pertaining literature over the relationship between service quality and consumer satisfaction. According to them, the concept of service quality should be customers’ attitude towards the service, since the concept of satisfaction is defined as a gap between expectations and performance or disconfirmation of expectations. An attitude-based conceptualization would argue for either an importance-weighted evaluation of specific service attributes or even just an evaluation of performance on specific service attributes (Cronin, Taylor, 1992). Later, several authors have supported their view (e.g., McAlexander, Kaldenberg, Koenig, 1994; Chiu, 2002).
Teas (1993; 1994) also criticizes the conceptual foundation of the disconfirmation paradigm, citing the theoretical impossibility that those performance levels that exceed a consumers’ ideal standard should be evaluated higher than those that are “ideal”. Teas developed alternative models of perceived service quality based on evaluated performance and norm quality, concluding that the evaluated performance model could overcome some of the problems associated with the performance-expectancies gap conceptualization of service quality.

1.2. Formation of Service Quality

Traditional service quality models considered perceptions of service quality as based on multiple dimensions or components, and the majority of the later studies have done the same. As service comprises a complex bundle of explicit and implicit attributes (Grönroos, 1984; Parasuraman et al., 1988), it is logical to assume that the customers’ overall evaluation should include evaluations along these attributes. Service quality is not viewed as a separate construct, but rather as an aggregate of several dimensions or components. But there is no general agreement either about the nature or the content of the dimensions.

By Grönroos (1984), the customers’ perceptions of the service process are divided into two dimensions:
1) technical quality — the outcome dimension, or what the process leads to for the customer as a result of the process;
2) functional quality — the process dimension, or how the service process functions.

Customers perceive the quality of the service in these two dimensions — what they get and how they get it. Image, on a company and/or local level, serves as a filter that influences quality perception either favourably, neutrally, or unfavourably, depending on whether the customer considers the service
provider good, neutral, or bad (Grönroos, 1984; 2000). In 1994, Grönroos and his colleagues provided the model with a broader, dynamic perspective, adding the need for enduring customer relationships as a context of perceived service quality (Storbacka, Strandvik, Grönroos, 1994).

U. Lehtinen and J. R. Lehtinen (1991) have proposed that service quality can be viewed as three-dimensional:
1) physical quality,
2) interactive quality,
3) corporate quality.

Physical quality includes the physical environment and instruments (as tableware in restaurants), interactive quality derives mainly from whether the service provider’s interaction style fits in with the customer’s participation style. Corporate quality is mainly the evaluation of corporate image. These dimensions can be considered as the basic sources of quality in a service company. Lehtinen and Lehtinen have also compared their three-dimensional approach to Grönroos’ two-dimensional one, which is based on the natural main parts of the service production process: the process itself and its output are more or less an action approach in which time is included. The above two approaches have points of contact, but do not completely overlap. The approaches have different levels of abstraction and Lehtinen et al. have considered the two-dimensional approach to be a higher-level or more abstracted approach. Physical quality is related to both process and output dimensions, interactive quality to process quality, but corporate quality can be evaluated already before the service process. Lehtinen et al. suggest that the dimensions influence each other as the process affects the result of the service.

Parasuraman, Zeithaml, and Berry (1988; 1991; 1993) have proposed a more specific list of service quality dimensions. According to them, the overall evaluation of service quality derives from the evaluations along five dimensions:
1) Tangibles — physical facilities, equipment and appearance of personnel;
2) Reliability — ability to perform the promised service dependably and accurately;
3) Responsiveness — willingness to help customers and provide prompt service;
4) Assurance — knowledge and courtesy of employees and their ability to inspire trust and confidence;
5) Empathy — caring, individualized attention that the firm provides to its customers.

Service quality is an average of the expectancy-performance gaps along these five dimensions.

Brady and Cronin (2001) have considered service quality as consisting of three components and added a third one — service environment — to Grönroos’ two dimensions — technical quality (service outcome) and functional quality (customer-employee interaction). Their hierarchical model is presented in Figure 1.

![Diagram of the Hierarchical Model of Service Quality](image)

**Figure 1.** The Hierarchical Model of Service Quality (Brady, Cronin, 2001, p.37)
Brady and Cronin suggested that each of the primary dimensions of service quality (interaction, environment and outcome) has three subdimensions, and customers aggregate their evaluations of the subdimensions to form their perceptions of an organization’s performance on each of the three primary dimensions. Customers form their service quality perceptions on the basis of an evaluation of performance at multiple levels and ultimately combine these evaluations to arrive at an overall service quality perception (Brady, Cronin, 2001).

The most recent works in this field have studied service quality as customers’ overall evaluations of service quality and the factors relevant to service quality are conceived of as its antecedents rather than its components (e.g. Dabholkar, Shepherd, Thorpe, 2000). This means that consumers evaluate different factors/attributes related to service, but also form a separate overall evaluation of service quality (which is not a straightforward sum of the components). Dabholkar and his colleagues consider the component-to-antecedent transition to be a natural progression in the development of constructs (Dabholkar et al., 2000). The multilevel model is presented in Figure 2.

![Figure 2. The Multilevel Model of Retail Service Quality (Dabholkar et al., 2000, p.162)](image-url)
A comparison of different views about how service quality should be conceptualized reveals also some coincidences in the works of different authors. For example, some differences about the dimensions of service quality, on the one hand, derive only from the differences in phrasing the factors; on the other hand, from the different generalization levels of the factors. The dimensions in the models suggested by Grönroos and Lehtinen et al. are the most general ones, whereas those put forward in the works of other authors are more specific and given at a more detailed level.

**Figure 3.** General framework of perceived service quality and the main questions in conceptualization.
Connecting the different theoretical works, a general framework of perceived service quality can be developed indicating the main shared and diverging points in the theories (Figure 3). It is based on the main parts of the service delivery process, distinguishing between the process and outcome of service as the general dimensions that customers use to evaluate service quality. The third main dimension is the environment that includes corporate image/quality and physical surroundings in a service place. The content of the main factors and relationships with overall evaluation of service quality is different in different works. To illustrate the content of general environment, process and result dimensions, Figure 3 presents examples from several authors. The figure indicates also the main questions about the nature and formation of service quality (grey boxes in the figure referring to questions on p. 8). The following section explores the results of the empirical studies to find supportive evidence to these differing viewpoints.

2. Empirical evidence for theoretical conceptualizations of service quality

2.1. Evidence for the Nature of Service Quality

Among all the measuring instruments of service quality, the SERVQUAL scale has attracted attention most of all (Parasuraman, Zeithaml, Berry, 1988; 1991; 1993). This instrument measures service quality as a computable gap between customers’ expectations about the service and their actual evaluations of that service in five dimensions.

Cronin and Taylor (1992) were the first to provide a theoretical justification for discarding the expectations part of SERVQUAL in favour of mere performance measures included in the scale. The term ‘performance-only measures’ has thus come to refer to measured service quality that is based only on
consumers’ perceptions of the performance of a service provider, as distinct from a gap between the consumers’ performance perceptions and their expectations. The authors named their scale SERVPERF. Several studies have shown that the performance-only SERVPERF scale outperforms the disconfirmation-based SERVQUAL scale (e.g., Boulding, Kalra, 1993; Brady, Cronin, Brand, 2002; Caruana, Ewing, Ramaseshan, 2000; Cronin, Taylor, 1992; McAlexander et al., 1994).

As an answer to the critique from Cronin and Taylor (1992), Parasuraman, Zeithaml and Berry wrote an article, affirming that even though their scale has problems with validity and reliability, and several studies have shown that perception-only scores outperform the gap score, the expectations part "provides the benefits of richer, more accurate diagnostic information" (Parasuraman et al., 1993, p. 145). The effect of customers’ prior expectations on their perception and processing of information has likewise been revealed by other studies (e.g. Sharma, Stafford, 2000), but their authors have considered expectations as an important influencing factor among others, not as a component of perceived quality.

2.2. Evidence for the Dimensions of Service Quality

The dimensions of service quality are also studied by means of the original or modified SERVQUAL scale. Published studies include several service fields: retailing (Carman, 1990; Finn and Lamb, 1991; Zhao, Bai, Hui, 2002), dental services (Carman, 1990), hospitals (Mangold and Babakus, 1990, 1991), hotels (Saleh and Ryan, 1992), airline industry (Cummingsham and Young, 2002), banking (Angur, Nataraajan, Jahera, 1999; Lassar, Manolis, Winsor, 2000; Sureshchandar et al., 2001), information service business (Van Dyke and Kappelman, 1997), etc. A detailed overview of the use of the SERVQUAL scale in various studies can be found in Buttle (1996). Without doubt, SERVQUAL has been widely applied and highly valued.
However, an analysis of the results of studies indicates that the problems with the number and nature of the dimensions have remained unsolved. Up to nine distinct dimensions of service quality have been revealed, the number varying according to the service sector under investigation. For example, nine factors accounted for 71 per cent of service quality variance in Carman's (1990) hospital research: admission service, tangible accommodation, tangible food, tangible privacy, nursing care, explanation of treatment, access and courtesy afforded to visitors, discharge planning, and patient accounting. Five factors were distinguished in Saleh and Ryan's (1992) work in the hotel industry — conviviality, tangibles, reassurance, avoiding sarcasm, and empathy — and the five factors together accounted for 78.6 per cent of variance in service quality, etc.

In 1994 the authors of the SERVQUAL scale — Parasuraman and his colleagues — tested their scale again and had to agree that the SERVQUAL scale actually had problems with factor loadings — the factor structure differed from that of their original 1988 study and the factor analysis indicated only 3 dimensions: reliability, tangibles and the third one where responsiveness, assurance and empathy had been bent into a single factor (Parasuraman et al., 1994).

Several studies that have used the SERVQUAL or SERVPERF scales in different service settings: e.g. libraries, retailing, etc. have shown that the standardized scales are not generic, i.e. they are not applicable in different service contexts, failing to capture industry-specific dimensions underlying the quality perceptions (e.g. Carman, 1990; Finn and Lamb, 1991; Zhao et al., 2002; Banwet and Datta, 2002; Dabholkar et al., 2000; Cunningham and Young, 2002). Therefore it can be suggested that the determinants and measurement of service quality may be unique in different service sectors, depending on the specific features of the services provided. Babakus and Boller (1992) have suggested that the domain of service quality may be factorially complex in some industries and very simple and unidimensional in others. In effect, they claim that the number
of service quality dimensions is dependent on the particular service being offered. Buttle (1986) has also raised the question about the effect of consumer involvement in service quality dimensionality — maybe in the case of services with low consumer involvement, customers use fewer attributes, i.e. dimensions in the evaluation than in case of higher-involvement services.

It appears that those researchers, who have given up the presumption that service quality is an aggregation of several components and consider service quality as a customers’ overall evaluation of the service, have found that direct measures of overall service quality serve as better predictors of behavioural intentions than the value of service quality computed from the measured dimensions (e.g. Dabholkar et al., 2000). This result can be explained by the complex nature of customers’ perceptions of service quality — it may be that the overall evaluation is not a mere sum of its components, therefore the direct measures of a single construct are more exact.
CONCLUSIONS

Empirical studies have proved that perceived service quality should rather be considered as evaluation of a particular service, not as a gap between the performance of service providers and some kind of norms or expectations. In fact, customer’s expectations can influence the perception of service quality, but their effect on the perception of service quality need not be so direct. The study of expectations has mainly diagnostic value, providing customers with information about the importance of different service attributes. Figure 4 presents the results of the analysis of empirical studies in the general framework of perceived service quality.

Figure 4. The results of the analysis of empirical studies and a framework for further research.
The results of empirical studies also indicated that the formation of service quality evaluations can be highly complex processes that may operate at several levels of abstraction. Therefore the concept of service quality cannot be viewed merely as a sum of dimensions but as a hierarchy in which the dimensions are not components but antecedents to overall evaluations of service quality.

Research indicates that the attributes of service quality evaluations are connected with either interaction or tangibles, but firms need more concrete attributes to measure and manage their service quality. Our analysis of the studies exposed the need for a customized approach to service quality dimensions in different service sectors, since the determinants of service quality may be unique in different service sectors, depending on the specific features of services. Recent attempts to standardize the dimensions of perceived quality have borne no fruit. Future research should explore the unique attributes of service quality perceptions in different service sectors and study the possible regularities of the evaluated attributes in sectors of a similar type.
REFERENCES


KOKKUVÕTE

Teeninduskvaliteet — kontseptsioonid ja kriitika

Kvaliteedi mõiste on olnud ühtvõistic tähtis nii tootmis- kui teenindusvaldkondades, kuna mitmed uuringud on näidanud, et kvaliteet on ettevõtte säilimise ja arengu edu eeltingimuseks. Kvaliteedi valdkond on jõudnud ka organisatsioonikultuurialasesse kirjandusse, kuna on leitud, et ettevõte on ainult siis edukas, kui temas väärustatakse kvaliteeti — ehk kui organisatsioonikultuur toetab kvaliteeti. Samas ei ole aga teenindusvaldkondades lihtne määratleda, mis on väärus tarbija jaoks, milles näeb tarbija kvaliteeti, kuna teeninduskvaliteedi hindamine on eelköige subjektiivne ja sõltub suurest tarbija taju- protsessidest.

Teeninduskvaliteedi mõiste defineerimine ja mõõtmine on olnud kõige vastuolulisem ja enim vaidlusi tekitanud teema teenindusturunduse-alases kirjanduses. Vaatamata arvukatele publikatsioonidele on siiani vaidlusküsimusi, milles kokkuleppele ei ole jõutud. Käesolev artikkel käsitleb kahte olulisi- mat teeninduskvaliteedi mõiste määratlemisega seotud vaidlusküsimust: kas teeninduskvaliteet on olemuselt hinnang teenindaja tegevusele või tegevuse võrdlus tarbijapoolsete ootustega; ja kas teeninduskvaliteet on lihtsalt üldhinnang või on ta teatud komponentide/dimensioonide hinnangute summa.

Artiklis esitatakse nimetatud kahe teema teoreetilised seisukohad ning analüüsitakse nende kehtivust empiiriliste uuringute tulemuste alusel. Uuringutulemuste analüüs näitab, et eelköige tuleb teeninduskvaliteeti vaadelda kui üldhinnangut teenindaja tegevusele, mille kujunemise eeltingimusteks on mitmed teeninduse tahud konkreetse teenuse eripära väärt vastuvalt.