

## Service Quality Gaps: A Retro Analysis

Mr J. CLEMENT<sup>1</sup> & Dr M. SELVAM<sup>2</sup>

<sup>1</sup> Assistant Professor, Karunya Deemed University, Coimbatore INDIA  
[clemns@rediffmail.com](mailto:clemns@rediffmail.com)

<sup>2</sup> Reader, School of Commerce and Economics, Bharathidasan University,  
Trichy INDIA

### Introduction

Some of the most influential models in the service management literature (Gronroos, 1990; Parasuraman et al., 1985) focus on the concept of service quality gap (SQG). Parasuraman et al. (1985) define a pioneering model with five SQGs, the concepts of which are amplified in Brogowicz et al.'s (1990) model. The latter has five types of encompassing gaps: information and feedback-related gaps; design-related gaps; implementation-related gaps; communication-related gaps; and customers' perceptions and expectations-related gaps. Additionally to this model amplification, other authors (e.g. Brown & Swartz, 1989) have pointed to relevant SQGs that have not been considered previously.

This paper integrates current models and a group of SQGs dispersed through the literature in a new comprehensive model. It draws a link between the model and the stages of a strategy process, emphasizing the SQGs' impact on the process and raising relevant research questions.

### An enlarged set of SQGs

Several references to possible quality inconsistencies, some of which are explicitly formalized as SQGs, were collected from the literature and are listed in the rows of Table 1. The sources from where they are listed in the columns' headings, are indicated by a "♦" in the body of the table.

The inconsistencies are considered relevant SQGs on their own and the resulting group of 14 SQGs is reordered and renumbered in a logical sequence. These SQGs are defined and coherently integrated below as part of a new SQG model. Before that, other elements of the model must be introduced.

**Table 1: Quality inconsistencies/gaps drawn from the literature**

Gap Number	Inconsistency /gap	Parasuraman et al., 1985	Grönroos, 1990	Garmessen & Grönroos, 1987	Lovelock, 1992	Garvin, 1987	Brogowicz et al., 1990	Zemke & Schaaf, 1989	Brown & Swartz, 1989	Nomann & Ramirez, 1993
1	Management perceptions	*	*		⊙	*	*	*		
2	Service quality strategy		*			*		*		
3	Service design and service specifications in terms of customers' expectations	*	*	*	⊙	*	*	*		
4	Quality supportive financial function				*					
5	Internal communications		*	*				*		
6	Integration/coordination	*	*	*	*					
7	Coordination of other people and/or organizations in the value system									*
8	Selection, training, and adequate levels of autonomy, power and rewards to personnel		*		*			*		
9	Service delivery	*	*	*	⊙	*	*	*		
10	External communications	*	*		*		*			
11	Contact personnel's perceptions of customers' expectations	◇	◇	◇	◇	◇	◇	◇	*	
12	Contact personnel's perceptions of customers' experiences	◇	◇	◇	◇	◇	◇	◇	*	
13	Consumer perceptions	*	*	*			*		*	
14	Service quality evaluation		*		*	*		*		

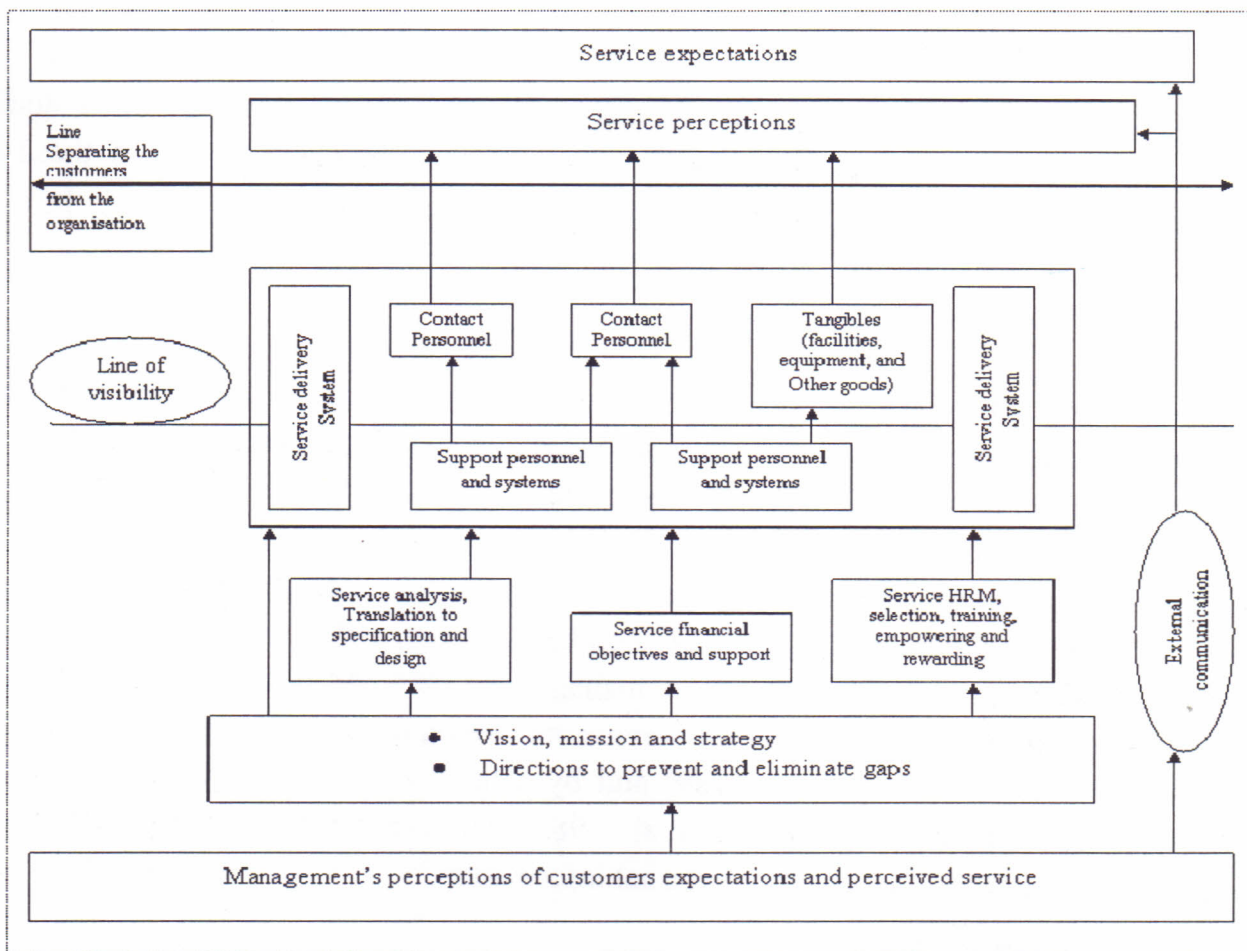
**Note:** ⊙ Although Lovelock (1992) does not specifically identify each of these gaps, he refers to a possible inconsistency between the consumers' preferences and the nature of the delivery system.

Table Courtesy: Candido 2001

### Elements of the model

A management model should identify and relate those key elements that require systematic management attention (Brogowicz et al., 1990). The elements proposed to fit in the model are:

- Management's perceptions of customer expectations and perceptions about the service;
- Vision, mission, service strategy and directions to eliminate the gaps;
- Service analysis, translation of perceptions into service quality specifications and service design;
- Financial and human resources (HR) management;
- External communication;
- Service delivery system (production, delivery and 'part-time' marketing).



**Figure 1:** Service quality gap model: basic elements and some fundamental relationships.

Fig.1 shows the elements have some fundamental relationships between them, namely:

- Management's perceptions influence mission, strategy and directions to eliminate gaps;
- mission and strategy's influence on HR management, financial management, service specifications and design, external communications and delivery system;
- external communications influence consumer expectations and perceptions;
- relationships between specifications, finance, HR management and the service delivery system.

Fig.1. also shows the basic elements of a service delivery system and their tangibles, support systems, support personnel and contact personnel. The elements of the model and the relationships established are drawn or synthesized from Shostack (1984), Parasuraman et al. (1985), Adams and Colebourne (1989), Brown and Swartz (1989), Rosander (1989), Brogowicz et al. (1990), Gronroos (1990), Gummesson (1990), Lovelock (1992), Christopher et al (1993), Irons, (1994), Bateson (1995) and Normann (1995).

## **A synthesized SQG model**

The SQG model proposed here integrates contributions from above and other studies. Fig. 2 shows the model, incorporating the elements already mentioned, and the 14 SQGs identified. Definitions for the SCGs are outlined in this section.

### *Gap 1: Management perceptions*

Zemke and Schaaf (1989) note that “left to [their] own devices, [managers and personnel] pay more and more attention to things of less and less importance to the customer”. As a consequence, they remain blind to what customers actually value. Some of the ‘deices’ and causes for this blindness are managers’ and personnel’s’ education, habits developed over time and company policies and procedures, especially relating to marketing research and communication (zeithaml at al., 1988; Zemke & Schaaf, 1989).

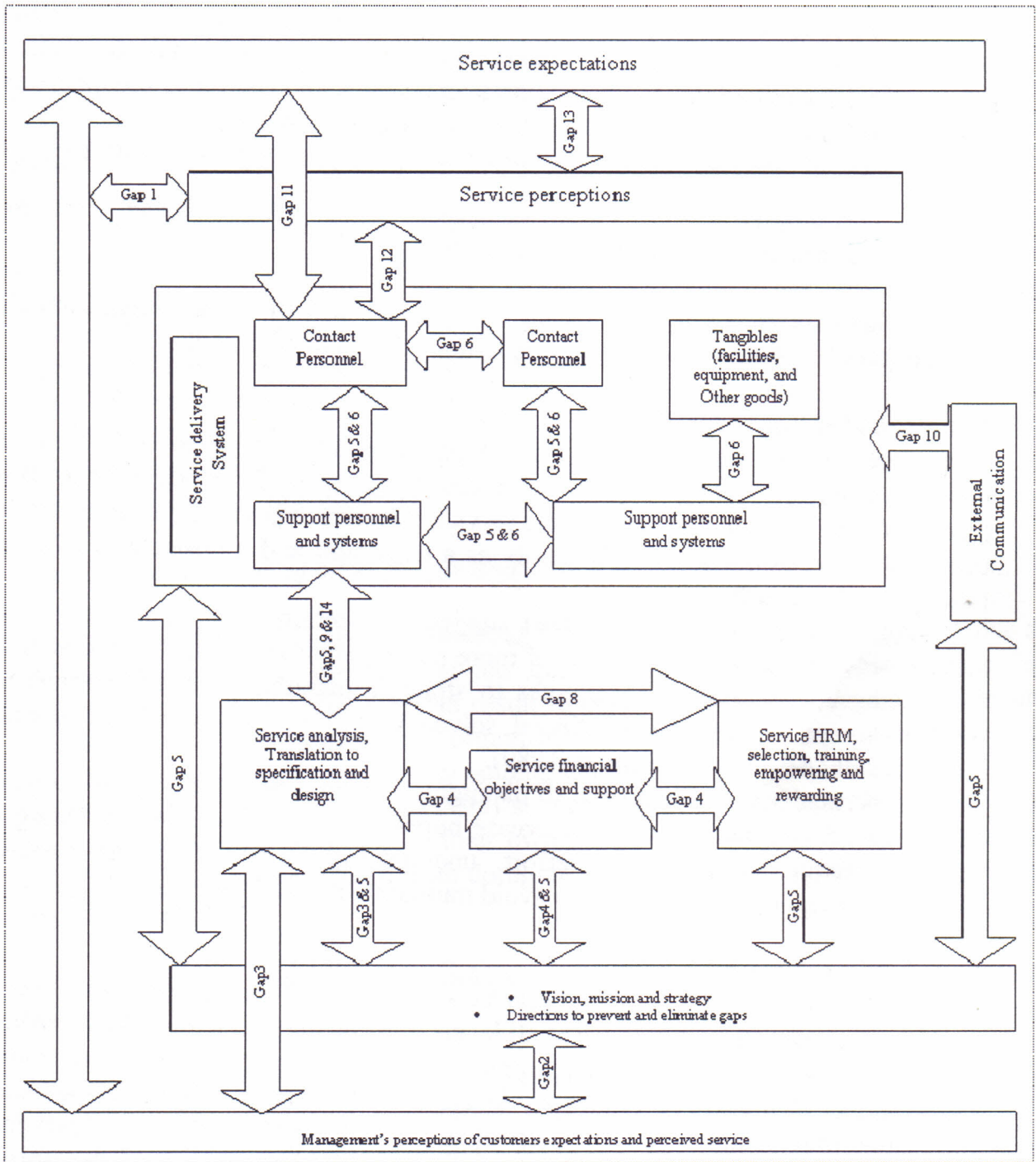
Gap 1 is defied here as a management lack of understanding of customers’ expectations and perceptions of the service, motivated by both lack of initiatives to listen to customers (Zemke & Schaaf, 1989) and by a lack of correct understanding when these initiatives are taken (Parasuraman at al., 1985). The gap can be further enlarged to include a lack of understanding of other external information.

### *Gap 2: Service quality strategy*

Strategy relates the service organization to its environment and defines the way it wants to compete. Service quality strategy précis the organization’s competitive scope and its concept of quality, through a selection of, and positioning on, the fundamental quality dimensions it wants to compete with (e.g. tangibles and empathy).

Quality dimensions are correlated (Parasuraman at al., 1988, 1991) and, sometimes, an improvement in one may be achieved only at the expense of another (Garvi, 1987). The challenge is to choose a balanced combination and positioning (Garvin, 1987; Haywood-Farmer, 1988). Highly concentrating on some dimensions may also constitute an appropriate strategy, but may lead to disaster (Haywood-Farmer, 1988).

Finally, service quality strategy is a set of guideline that provides orientations for everyone in the organization. It should be thoroughly communicated, should be meaningful for personnel and should distinguish the organization from others. Failure to forge and communicate a coherent service quality strategy is a serious SQG.



Gap 3: Service design and service quality specifications in terms of customers' expectations.

Specifications, along the strategic quality dimensions, are useful to define what quality is. Frequently, organizations do not possess any kind of formal specifications, which results in aggravated service variability and lower quality (Zemke & Schaaf, 1989?). Specifications

are required to guide personnel in their activities. Specifications are also required as a means of comparisons for effective quality evaluation. Setting adequate specifications does not mean total standardization, but requires an analysis and design of the total service, i.e. of every moment of truth. From these ideas, gap 3 is defined as:

- a lack of analysis, design and definition of service quality specifications, or when specifications exist;
- an inconsistency between those specifications and the strategy content or the perceptions management held of customers' expectations.

Several factors can originate this gap, for instance lack of management commitment to service quality and short-term profit orientation (Zeithaml et al., 1988).

#### *Gap 4: Quality supportive financial function*

Although a vital function to the service organization, finance involves little customer contact, expect for billing payment and credit activities (Lovelock, 1992). This is one reason why it has been neglected in the service literature. Financial management, in service organizations, has been also been mainly as a constraint and an obstacle to other functions (Adams & Colebourne, 1989).

Adams and Colebourne (1989) suggest an 'enlightened' approach to finance in service organizations. This consists of more participative and positive approach where far from being an obstacle, it contributes to strategic planning, costing systems, personnel motivation, quality control, continued solvency, and keeping outsiders' confidence in management (Adam & Colebourne 1989).

In particular, there is a need to distinguish 'good costs' that improve organizational capabilities from 'bad costs' that increase bureaucracy (Gronoos, 1990). Doing this will, probably, require a substantial effort, undertaking, co-operation and goodwill from financial managers and personnel to avoid traditional methods and arguments.

#### *Gap 5: Internal communications*

Zemke & Schaaf (1989) insist that service strategy has to be communicated over and over again to everyone; the "employee at all levels must be aligned with a single vision of what the organization is trying to accomplish". Effective internal communications is the requisite for integration and harmony in the service organization's activities and quality. Internal communications is not just about strategy, it has to do with managers listening to employees, receiving feedback about the employees' perceptions of the organization's performance on its fundamental quality dimensions. It also involves: managers working with and listening to other managers, thus sharing problems and solutions; managers giving information to employees, about their individual performances, thus contributing to individual improvements; and prompt horizontal and vertical communications, thus flattening and inverting the hierarchical pyramid (Gronroos, 1990; Irons, 1994).

#### *Gap 6: Integration/co-ordination*

Integration between every employee, every activity, every department and every function is fundamental for service quality strategy's success. The need for integration efforts arises from the differentiation of jobs and functions in the organizations. This differentiation implies differences in cost/revenue orientations, policies and in specific external environments, which can easily lead to misunderstandings, lack of co-ordination and even conflict (Lawrence & Lorsch, 1967; Lovelock, 1992). Integration can be achieved through several distinct devices for instance, promoting employees' mobility inside the organization, cross-training, task forces, team projects, supervision and, basically, good internal communications (cf. Lawrence & Lorsch, 1967; Lovelock, 1992; Mintzberg, 1979). There are two sides to integration. One is that every job, activity, department and function should be compatible and mutually reinforcing (Lovelock, 1992; Normann, 1995), the other is that customers must never feel ignored, unimportant or abandoned, for example, repeatedly sent from one department to another (Gronroos, 1990; Lovelock, 1992).

#### *Gap 7: Co-ordination of other people and/or organizations in the value system*

External co-ordination is also fundamental. If the external organizations in the value system are not organized to provide service quality to the final consumer, this lack of understanding and co-ordination can result in poorer customer perceptions. Normann and Ramirez (1993) report that several organizations have achieved a total reconfiguration of the value constellation to which they belong, with benefits to every member of the network and consumers. Thus, Normann (1995) suggests that service firms "have to extend their organizing capability well outside their own company"; that they have to 'organize' their client; and that they can benefit from doing the same even with "groups or sectors normally regarded as separate.

#### *Gap 8: Selection, training, and adequate level of autonomy, power and rewards to personnel*

The importance of functional quality in service industries makes HR management highly important. HR management involves selection, training, giving adequate levels of autonomy, setting standards/ objectives, accessing individual performance, helping people where help is needed and, finally, rewarding them for their achievements. The right people should be selected and the tendency to recruit quickly, accepting candidates with inadequate attitudes, values and skills, should be avoided (Zemke & Schaaf, 1989). Selected people are trained to enhance skills, improve attitudes towards customers and learn about the services offered. These people can be slowly vested with substantial responsibility, enabling them to solve customer problems in a more autonomous and

satisfactory way to both parties (Irons, 1994; Zemke & Schaaf, 1989). Contact personnel are encouraged to feed back information about customers' expectations and perceptions. Finally, personnel are rewarded for excellent service quality and their achievement is made public (Zemke & Schaaf, 1989). Inability or unwillingness coherently to manage personnel constitutes a significant SQG.

#### *Gap 9: Service delivery*

Service delivery is an inconsistency between service design/service quality specifications and the service quality actually by the service delivery system. The inconsistency may be technical quality and/or process quality-related. It can be analyzed more precisely using the strategic quality dimensions selected. This means that on each of these dimensions can be found a SQG. Thus, gap 9.1 to 9.N can be defined, N being the number of strategic quality dimensions. Gap 9.1 for example, might be a difference between the designed level of reliability and the level of reliability actually delivered by the system (see Brogowicz et al.'s (1990) disaggregation of Parasuraman et al.'s (1985) gap 5). Gap 9 can, consequently, be defined as a function of gaps 9.1 to 9.N. Such gaps result from employees' inability or unwillingness to perform (Zeithaml et al., 1988).

#### *Gap 10: External communications*

External communications is an inconsistency between what is externally communicated (promised) and what the service delivery system is actually able to provide the customers with. Several factors may contribute to the origin of the gap: a lack of communication between the Marketing Department's members and the Operations Department's members, a propensity to overpromise (Zeithaml et al., 1988), or an inability to communicate clearly and accurately the benefits of the service offered to the customers (Brogowicz et al., 1990).

In order to use adequately and to appreciate fully the choices that the organization offers, the customer has to be in possession of accurate and comprehensive information. It may be necessary to use more than one communication means to inform, persuade and educate the customer. Designing services to be user friendly will simultaneously facilitate consumer use and external communication.

#### *Gap 11: Contact personnel's perceptions of customers' expectations*

This gap consists of a discrepancy between the contact personnel's perceptions of customers' expectations and the customers' real expectations (Brown & Swartz, 1989).



### *Gap 12: Contact personnel's perceptions of customers' experiences*

Similar to the previous gap, gap 12 consists of a discrepancy between the contact personnel's perceptions of customers' experiences and the customers' real experiences (Brown & Swartz, 1989).

These gaps can have most impact on professional services, where "professional perceptions most directly affect the design and delivery of the services offered" (Brown & Swartz, 1989). But, even in other services, these gaps can have a significant impact, because they address the need of contact employees to understand a customers' expectations and experiences. Specifically, when gap 11 is nil, the employee will have evaluated correctly the customers' expectations, and when gap 12 is nil, his perceptions. In conjunction, these two gaps will affect the contact employee's perceptions of his interlocutor's assessment of the quality he is being provided with and the employee's subsequent behaviour.

### *Gap 13: Consumer perceptions*

Consumer perceptions is the difference between what consumers expect from the service and what they actually perceive of it. The need for managers to access customers' expectations and their perceptions of the quality provided should be emphasized here. Such as assessment should be constant or, at least, periodic. It should encompass the totality of the service offering, i.e. including every moment of truth, and it should be done for each of the strategic quality dimensions. Gap 13, thus, can be disaggregated into gaps 13.1 to 13.N, according to the  $N$  strategic quality dimensions, just as suggested for gap 9.

### *Gap 14: Service quality evaluation*

Setting standards is not sufficient to ensure that a quality service is being offered. Accurate measures are essential for monitoring and for effective quality management. Measuring is an objective way to monitor service quality, but personal observation is also important. This should not be confounded with 'police action'. Several methods can be used to measure quality, however, the best measurements that can be devised "mirror and validate the details of [the organization's] service strategy" (Zemke & Schaaf, 1989). Standards are set according to essential strategy elements and measurements must focus on the same fundamental variables (Gravin, 1987).

## Importance of SQGs to a strategy implementation process

From the definitions above, it can be seen that SQGs occur during day-to-day activities and that some may occur during the strategy formulation and implementation process. The SQG can, thus, be mapped accordingly. Table 2 shows in which of three simple stages of the strategy process each of the gaps is most likely to occur.

**Table 2: Relationships between the stages of the strategy process and the SQGs**

Gap that can occur in or arise for three stages of the process	Stages of the strategy process		
	Formulation (Discern)	Implementation (Develop)	Deliver the service to delight
Management perceptions	+	+	
Service quality strategy	+	+	
Service design and service specifications in terms of customers' expectations	+	+	
Quality supportive financial function	+	+	
Internal communications	+	+	+
Integration/coordination	+	+	+
Coordination of other people and/or organizations in the value system	+	+	+
Selection, training, and adequate levels of autonomy, power and rewards to personnel		+	+
Service delivery			+
External communications			+
Contact personnel's perceptions of customers' expectations			+
Contact personnel's perceptions of customers' experiences			+
Consumer perceptions			+
Service quality evaluation			+

**Gaps 1 to 7** can occur even discerning customers needs and strategy. Gaps 3 to 8 can occur during development of the organization's capabilities. Finally, gaps 5 to 14 can occur during day-to-day delivery activities.

If any group of SQGs occurs during strategy formulation or implementations, the process is flawed. In that case, it is probable that the SQGs will become engraved in the organizational processes, routines and culture. All the subsequent organizational activity will be severely affected; the strategy implementation will be considered unsuccessful; and the organization's competitiveness will be endangered. This reasoning indicates that some SQGs might be conceptualized both as impediments to quality and as impediments to

effective strategy implementation. It also suggests that prevention and elimination of SQGs should occur previous to, during and after the strategy process. Thus, an understanding of SQGs becomes necessary before starting any quality strategy formulation and implementation process.

This line of reasoning raises some questions: How are the SQGs related to the process of strategy formulation and implementation? What more specific stages are casually involved in the strategy process? What gaps can occur at those more specifically defined stages? What organizational variables are affected by each gap? What organizational variables can be used to prevent and eliminate the gaps? At what stages? Is the manipulation of organizational variables at one specific stage capable of eliminating any specified gap? Will the gap recur?...

### **Conclusion**

Drawing on several studies, this paper presents a comprehensive SQG model that amplifies the areas to look for SQGs. Fourteen SQGs are outlined, some of which can be disaggregated, according to the organization's strategic quality dimensions. The 14 SQGs encompass relevant aspects in the literature that have not been exploited in previous gap models. For instance, the deliberate definition of an 'external co-ordination' gap or of gaps between internal customers, namely: between members of contact personnel; between contact personnel and support personnel/systems; and between an increased range of organizational functions.

The 14 SQGs are major impediments to service quality, but some can also be seen as impediments to strategy formation and implementation. A link is drawn between the SQGs and the stages of a strategy process, indicating that the model can have strong implementation seems to require an understanding and elimination of SQGs. Hence, because of the impact of SQGs on service delivery, departmental managers must prevent, detect and eliminate them at source. The impact of SQGs on strategy formation and implementation makes it increasingly important for the CEO and staff planners to do the same.

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