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A STUDY ON SERVICE QUALITY WITH REFERENCE TO VK HONDA

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Abstract

A service is something that the public needs, such as transport, communications facilities, hospitals, or energy supplies, which are provided in a planned and organized way by the government or an official body.

I. INTRODUCTION

A service is something that the public needs, such as transport, communications facilities, hospitals, or energy supplies, which are provided in a planned and organized way by the government or an official body. Sometimes services are difficult to identify because they are closely associated with a good; such as the combination of a diagnosis with the administration of a medicine. No transfer of possession or ownership takes place when services are sold, and they (1) cannot be stored or transported, (2) are instantly perishable, and (3) come into existence at the time they are bought and consumed.

People have found many ways to define what quality is. Some of the most popular definitions for quality are listed below. All of them are right, as they each contain a key element of what quality means to users of products and services- degree of excellence, Conformance to requirements, Totality of characteristics which act to satisfy a need, Fitness for use, Fitness for purpose, Freedom from defects and Delighting customers. Reliability comes from achieving quality standards. This means the level of quality produces its equivalent reliability.

Every customer has an ideal expectation of the service they want to receive when they go to a restaurant or store. Service quality measures how well a service is delivered compared to customer expectations. Businesses that meet or exceed expectations are considered to have high service quality.

Managing the quality of products and services is very important to ensure that the business excels in meeting the customer requirements and achieves organizational goals. Whether it's a manufacturing firm producing hardware or a software company providing services to clients, quality management is the very essence of continuous improvement and business growth.

II. REVIEW OF LITERATURE

James Curran and Mathew Meuter (2005) examined the factors that influence the consumer attitude towards and adoption of self service technologies. The results indicated that different factors influence attitudes towards ATM, phone banking and online banking.

Michael K Brandy and Joseph Cronin Jr (2001) conducted qualitative and empirical research and found that service quality construct conforms to the structure of a third order factor model that ties service quality perceptions to distinct and actionable dimensions namely outcome, interaction and environmental quality.

Mushtaq A Bhat (2005) found that high service quality contributed significantly to profitability and productivity. The study concludes that service quality of foreign banks is comparatively better than that of Indian banks and there are service quality variations across demographic variables.

Naveen kumar andGangal V.K (2011) concluded that majority of Indian banks do not provide diversified products and services. They suggested that strategic focus could be given in developing diversified servicesto remain competitive and to retain as many customers as possible. The authors concluded that customer retention is possible through customer satisfaction only.

Parasuraman A, Valarie A.Zeithaml and Leonard L.Berry (1994) identified the unresolved issues of customers regarding service quality and developed three alternative questionnaire formats to address the customers and discussed on the empirical study that evaluated the three formats in four different sectors related to service.

Purohit H.C and Avinash D Parthadikar (2007) said that the perceptions of consumers on different banks differ due to the behavior of individual employees or officers. The five dimensions of service quality were observed as ideal in all banks except with regard to the reliability of the employees.

Sadiq Sohail M and Nassar M Shaikh (2008) measured the quality of service from customers perspective for internet banking and dicussed how banks can be competitive by providing quality service. The analysis identified three factors that influence user's evaluation of service quality of internet banking servicews which are "efficiency and security", "fulfillment and responsiveness".

Sunny Bose and Nithin Gupta (2013) studied the difference in service quality between public sector banks and new generation private sector banks in India based on service quality scale. The results revealed that the new generation private banks provide better quality of service when compared to public sector banks.

Swathi Anand And Kailash Saklani (2010) observed that the customers are satisfied with the reliability, accessibility, privacy/security, responsiveness and fulfillment but least satisfied with the dimension "user friendliness". They developed seven dimensional model using regression analysis for measuring the overall service quality of internet banking.

Objectives of the study:

1. To find gap between expected and perceived service factors in VK Honda service centres.
2. To investigate the major factors affecting purchase decision of Honda products.

III. RESEARCH METHODOLOGY

Primary data is collected with the help of a structured questionnaire administered to various employees working at V.K.Honda, Kadapa, Andra Pradesh. Questionnaire consists of two parts. First part is restricted to demographic profile of respondent and second part consists of questions related to service quality. 110 respondents were selected for the study. Convenience sampling was used to select the sample.

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IV. RESEARCH MODEL

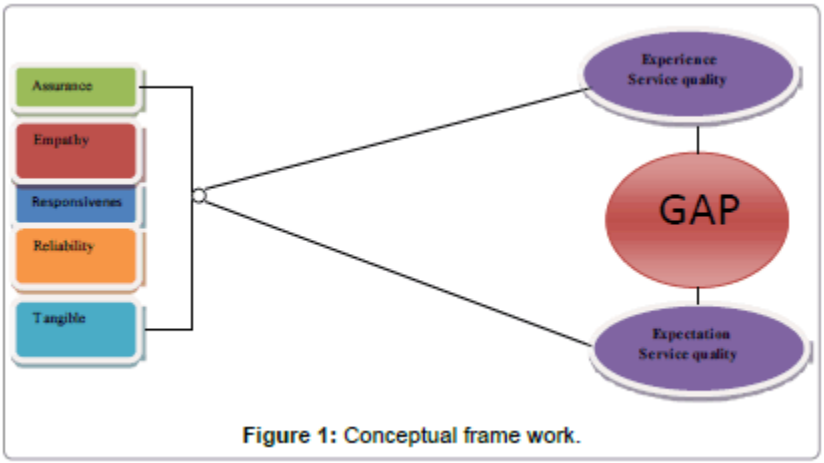

Figure 1: Conceptual frame work.

Source: Business and economic Journal

Hypothesis:

1. Ho: There is no gap between perceived and expected service quality with respect to assurance.
2. Ho: There is no gap between perceived and expected service quality with respect to empathy.
3. Ho: There is no gap between perceived and expected service quality with respect to responsiveness.
4. Ho: There is no gap between perceived and expected service quality with respect to reliability.
5. Ho: There is no gap between perceived and expected service quality with respect to tangibility.

V. DATA ANALYSIS

1. Ho: There is no gap between perceived and expected service quality with respect to Assurance.

Items	N	Perceived	Expected	Gap
Competence	110	3.5488	3.7744	-0.2256
Courtesy of staff	110	2.6037	4.5321	-1.9284
confidence	110	2.3963	4.4743	-2.0780
Safety	110	3.6951	4.2432	-0.5481

Highest expectations related to Assurance is connected to the item respect where there is gap (-2.0780) between perceived and expected service quality.

Paired t-test:

Gap = perceived-Expected	Mean	Std. Deviation	Std.error mean	95% confidence interval of difference		t	df	Sig (2tailed)
				lower	upper			
	4.8404	0.2886	0.56915	4.1325	4.3795	26.805	109	0.000

The above table shows that the significance value is 0.000 which is less than 0.05 at 95% level of significance so that null hypothesis is rejected. It reveals that the there is gap between perceived and expected service quality with respect to Assurance.

2. Ho: There is no gap between perceived and expected service quality with respect to Reliability.

Items	N	Perceived	Expected	Gap
Promised service regularly	110	4.69	4.64	1.5
consistently	110	4.52	3.87	-0.65
Timely	110	4.78	3.28	--0.05
Accurately	110	4.72	4.34	-0.38

Highest expectations related to reliability is connected to the item consistency where there is gap(-1.50) between perceived and expected service quality.

Paired t-test:

Gap = perceived-Expected	Mean	Std. Deviation	Std.error mean	95% confidence interval of difference		t	df	Sig (2tailed)
	4.043	0.23663	0.463	lower	upper	24.805	109	0.000
				4.136	4.369			

The above table shows that the significance value is 0.000 which is less than 0.05 at 95% level of significance so that null hypothesis is rejected. It reveals that the there is gap between perceived and expected service quality with respect to reliability.

3. Ho: There is no gap between perceived and expected service quality with respect to Tangibility.

Items	N	Perceived	Expected	Gap
Physical facilities	110	2.6341	4.5061	-1.872
Equipment	110	3.4146	4.1646	-0.750
Visual appeal	110	3.7622	3.8293	-0.067
Communicating materials	110	3.7521	4.4512	-0.699

Highest expectations related to tangibility is connected to the item physical facilities where there is gap (-1.872) between perceived and expected service quality.

Paired t-test:

Gap = perceived-Expected	Mean	Std. Deviation	Std.error mean	95% confidence interval of difference		t	df	Sig (2tailed)
	3.3884	0.23663	0.46363	lower	upper	24.805	109	0.000
				3.13625	3.36952			

The above table shows that the significance value is 0.000 which is less than 0.05 at 95% level of significance so that null hypothesis is rejected. It reveals that the there is gap between perceived and expected service quality with respect to reliability.

4. Ho: There is no gap between perceived and expected service quality with respect to empathy.

Items	N	Perceived	Expected	Gap
Personal attention	110	4.3841	3.0549	1.3292
Easily access to staff	110	3.9024	4.6463	-0.7439
Service and information	110	3.4024	4.4451	-1.0427
Staff communication	110	4.1463	4.6098	-0.4635

Highest expectations related to empathy is connected to the item consistency where there is gap (-1.50) between perceived and expected service quality.

Paired t-test:

Gap = perceived-Expected	Mean	Std. Deviation	Std.error mean	95% confidence interval of difference		t	df	Sig (2tailed)
	4.073	3.7086	0.2896	lower	upper	20.2551	109	0.00
				4.132	5.279			

The above table shows that the significance value is 0.000 which is less than 0.05 at 95% level of significance so that null hypothesis is rejected. It reveals that the there is gap between perceived and expected service quality with respect to empathy.

5. Ho: There is no gap between perceived and expected service quality with respect to responsiveness.

Items	N	Perceived	Expected	Gap
Attention to request and questions	110	3.5488	3.7744	-2.078
Willingness to solve the problem	110	2.6037	4.5321	-1.9284
Complaint handling system	110	2.3963	4.4743	-0.2256
Problem solution on demand	110	3.6951	4.2432	-0.5481

Highest expectations related to responsiveness is connected to the item consistency where there is gap (-1.50) between perceived and expected service quality.

Paired t-test:

Gap = perceived-Expected	Mean	Std. Deviation	Std.error mean	95% confidence interval of difference		t	df	Sig (2tailed)
	0.9209	0.23663	0.46363	lower	upper	24.805	109	0.000
				4.13625	4.36925			

The above table shows that the significance value is 0.000 which is less than 0.05 at 95% level of significance so that null hypothesis is rejected. It reveals that the there is gap between perceived and expected service quality with respect to responsiveness.

VI. FACTOR ANALYSIS

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.223
Bartlett's Test of Sphericity	Approx. Chi-Square	1381.637
	Df	190
	Sig.	.000

The K.M.O value of 0.223 Indicates that the condition is "good" for further tests to be carried out**.**

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Communalities	Raw	
	Initial	Extraction
Up to date equipments	.823	.612
Visually appealing physical facilities	.703	.456
Well dressed and neat appearing reception desk staff	.451	.319
Visually appearing materials	1.019	.913
Service without delay	.531	.426
Interest in solving customer solving	.673	.461
Performing service right the first time	.880	.760
Performing service in the promised time	1.034	.951
Error service	.666	.529
Tell customer exactly when service well be performed	.742	.687
Service staff provide prompt service	.839	.655
Willingness to help customers	.835	.635
Service staff has time to answer customer questions	.728	.479
Service staff in stills confidence in you	1.168	1.095
Feel safe and secure in your transaction	1.051	.950
Polite service staff	.962	.844
Service staff has knowledge to answer question	.954	.815
Provides individuals attention	1.053	.846
Service staff provides personal attention	.941	.809
Understanding customer specific needs	.968	.856

Total Variance Explained

	Component	Initial Eigen values			Extraction Sums of Squared Loadings		
		Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
Raw	1	2.876	16.896	16.896	2.876	16.896	16.896
	2	2.323	13.648	30.544	2.323	13.648	30.544
	3	1.732	10.175	40.718	1.732	10.175	40.718
	4	1.620	9.521	50.240	1.620	9.521	50.240
	5	1.359	7.982	58.222	1.359	7.982	58.222
	6	1.322	7.766	65.988	1.322	7.766	65.988
	7	1.026	6.026	72.015	1.026	6.026	72.015
	8	.974	5.724	77.738	.974	5.724	77.738
	9	.865	5.085	82.823	.865	5.085	82.823
	10	.670	3.939	86.762			
	11	.562	3.301	90.063			
	12	.416	2.445	92.507			
	13	.413	2.428	94.936			
	14	.326	1.915	96.851			
	15	.197	1.157	98.008			
	16	.177	1.037	99.045			
	17	.073	.428	99.473			

	18	.041	.239	99.713			
	19	.036	.214	99.927			
	20	.012	.073	100.000			
Extraction Method: Principal Component Analysis.							

SPSS has extracted 9 factors based on Kaiser's criterion of retaining factors with Eigen values greater than 1.Kaiser's criterion is accurate when there are less than 30 variables and the communalities after extraction are greater than 0.6. For these data, there are 9 variables and the mean communality is 0.82823 so extracting nine factors is warranted.

VII. SUGGESTIONS

a) Company should motivate the employees to improve knowledge in answering questions by giving pre-planned mentoring classes to the service provider.
b) Company has to make its employees to understand the customer specific needs by providing good training programme.
c) Company should provide good services for the first time,so they will improve their customer relationship.
d) The company has to focus on updating the service providers skill and knowledge by providing special training and educational programmes because customers are expressing that service providers are not willing to update with regard to services offered to customers.
e) Company need to identify the key areas where customers gets confidence through service providers and make service providers to relay on those key areas in order to build confidence while purchasing and using products.

VIII. CONCLUSION

Customer satisfaction is a result of after sales service provided by the automobile service industries. The aim of the study was to analyze the gap between expected service quality attributes and perceived service quality attributes. The overall service quality for Honda two wheeler automobile service industries was found below the expectation of the customers.

As a whole the service attributes like visually appealing materials under Tangibility dimension, service without delays and error free service under Reliability dimension, service staff has time to answer customers' questions and willingness to help customers under responsiveness dimension, service staff instills confidence in you under Assurance dimension, service staff provides personal attention under Empathy dimension and parking area under Accessibility dimension were found common service attributes that need to be improved in order to provide better service quality to their users. The service attributes like feel safe and secure in transaction under Assurance dimension and appropriate location under Accessibility dimension were found above expectation level of users.

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