Service Marketing: A practical approach Prof. Dr. Biplab Datta Vinod Gupta School of Management Indian Institute of Technology-Kharagpur

Lecture-17 Service Quality-I

Welcome to this session on services marketing with a practical approach. My name is Dr. Biplab Datta and my contact details are given here, so once you see the video, if you have any feedback or any suggestion you can write to me and I would be happy to respond to them.

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Lesson 17 Service Quality - I

What is Service Quality?

What is Customer Satisfaction?

Today we will look at lesson number 17 that is service quality part 1. In this reveal mainly discuss 2 aspects, that is what is service quality? and what is customer satisfaction?.

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What is Service Quality?

Adapting from what is written down in ISO 9001; 2000, quality can be defined as the characteristic of the service that bears upon its ability to meet customer requirements.

Customer requirements can be of following three types:

- 1. Those stated by the customer,
- 2. Those generally implied as provided by similar services, and,
- Those obligatory on the part of the service provider. For instance, it is obligatory for service providers to provide information regarding the price of the service as and when sought by the customer.

In the case of services, customer requirements consist of: 1, the service outcome, i.e. the reason why customers purchased the service in the first place, or, what is left with the customer after the service is over, and 2, the expectations of the customer, that is the manner in which (or how) the service is delivered to the customer.

So, what is service quality? Now adapting from what is written down in ISO 9000:2000 in ISO 9001:2000, quality can be defined as the characteristic of the services that bears upon its ability to meet customer requirements. Customer requirements can be of following 3 types. Those requirements that stated by the customer, those requirements which are generally implied as provided by similar services and those obligatory on the part of the service provider.

For instance, it is obligatory for service providers to provide information regarding the price of the service as and when sought by the customer. In the case of services, customer requirements consist of the service outcome that is the reason why customers purchased the service in the first place or what is left with the customer when the service is over. And secondly the expectations of the customer that is the manner in which or how the service is delivered to the customer.

So the customer requirement consists of 2 parts one is the service outcome, and another is the expectations of the customer. So, one is what is to be provided to the customers to satisfy their needs and the second one is the expectations of the customers which have to be made. For example you might be hungry and you would have visited a restaurant which provides pizzas. Now what you need is a pizza to satisfy you hunger, but you also expect that the pizza will be served to you properly or you need to be fitting manner.

On the (()) (03:05) if the pizza is made and just thrown at your plate then you would be very offended with that service and you would complain and you would never come back to

purchase that service, to eat the pizza at that particular restaurant. So, the customer

requirements consists of the service outcome that is what is left when the service is over and

the expectations of the customer that is how the service has to be provided to the customer.

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What is Customer Satisfaction?

Customers are satisfied when their requirements are met. It is dependent upon the quality of the service and the value that the

customer receives from the service.

The value received by a customer is the difference between the benefits received from the service and the costs incurred for

receiving those benefits.

Customers are dissatisfied when their requirements are not met.

Customers are delighted when the delivered service exceeds their expectation of the requirements that would be met by the service.

Now what is customer satisfaction?. Now customers are satisfied when their requirements are

met. It is dependent upon the quality of the services and the value that the customer receives

from the service. The value received by a customer is the difference between the benefits

received from the service and the costs incurred for receiving those benefits. Customers are

dissatisfied when their requirements are not met.

Customers are delighted when the delivered service exceeds their expectation of the

requirements that would be met by the service. So here we see 3 main points that is what is

customer satisfaction?, what is customer dissatisfaction?, and what is customer delight?. So,

when customer requirements are not met, the customers have set to be dissatisfaction, when

customers requirements are met, customers are supposed to be satisfied.

And when the customer requirements are exceeded that is when the service provider exceeds

the expectations of the customers, exceeds the needs and expectations of the customer, then

the customer would becomes delighted to the service and tells many people about the good

points of the service and also ask to purchase the service in future.

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For example, you might be enjoying ice-cream at an ice-cream parlour with a kid. The kid drops some ice-cream on your clothes. Observing this, the waiter brings you some moist tissue to wipe off the spillage. You did not expect that the waiter will deliver this bit of service to meet your requirement in this case. Thus, the waiter exceeded your expectation and you would be delighted to receive this bit of service.

Soon, you would begin expecting this sort of service from waiters, and it would become part of the expected service.

Now, if this bit of service is not delivered at another instance of a similar mishap, you would be disappointed and dissatisfied with the service.

Thus, the bit of service that causes delight currently, soon becomes part of the generally implied requirements for the customer and must be met by the service provider at an affordable, yet profitable, price to satisfy the customer.

For example you might be enjoying ice-cream at an ice-cream parlour and some of the ice-cream might drop on your clothes. Now observing this the waiter brings you some moist tissue paper and he wipes off the spillage. You did not expect that the waiter will deliver this kind of service, but because the waiter actually delivered the services you become delighted. Now you would start expecting the same service when you go to some other restaurant or when you re-visit this restaurant itself or this parlour itself.

So the waiter exceeds your exception and you would be delighted to receive this bit of service. Soon, you would begin expecting this sort of service from the waiter, and it would become part of the expected service. Now, if this bit of service is not delivered at another instance of a similar mishap, you would disappoint and dissatisfied with the services. Thus, the bit of service that causes delight currently soon becomes part of the generally implied requirements for the customers and must be met by the service provider at an affordable, yet profitable, price to satisfy the customer. So we will end this lesson here. I hope it helps. Thank you.