

Have you been using satisfaction surveys to measure service quality?

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If you have, don't feel badly. Your desire to improve your company's service quality is admirable. The downside is the data gained from your surveys may not give you the information you need to gain a competitive advantage.

Confused? Let me show you what I mean.

Imagine you are sitting in a McDonalds restaurant and you have just finished eating a Big Mac sandwich. On the following scale rate how satisfied you are with that sandwich.

Low Satisfaction 1 2 3 4 5 6 7 8 9 10 High Satisfaction

Now, rate the quality of that Big Mac sandwich.

Low Quality 1 2 3 4 5 6 7 8 9 10 High Quality

Did you circle the same number on both scales? Chances are, your quality rating was lower than your satisfaction rating.

This exercise demonstrates two important points. First, satisfaction surveys do not measure quality -- they measure satisfaction. Second, consumers can perceive your products and services to be satisfactory and low quality at the same time.

The point being made is simple. If you want to gain a competitive advantage by providing superior quality goods and service, you need to measure consumers' perceived quality -- not satisfaction.

What's the difference?

Both consumer satisfaction and service quality can be expressed as the difference between

expectations and perceptions of service received. For example:

Customer Satisfaction = Expectations - Perceptions

Service Quality = Expectations - Perceptions

The difference between the two formulas rests in how "expectations" are defined. In the customer satisfaction formula, expectations are defined as "predictions about what a service provider will or is likely to provide, rather than what should be provided." In the service quality formula,

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expectations are defined as "the desires or wants of consumers." Stated another way, the expectations in the quality formula are based on what the consumer feels the service provider should offer.

In the product industry, an opinion of quality can be based on a single factor such as durability, size, or appearance. In the services industries, opinions of service quality are formed by blending many factors.

Service quality experts Valarie Zeithaml, Leonard Berry and A. Parasuraman state consumers form opinions of quality by blending the following 10 dimensions:

1. Reliability

Is the service delivered dependably and accurately?

2. Responsiveness

Do the service providers provide prompt service?

3. Competence

Do staff possess the required skills and knowledge to perform the service properly?

4. Courtesy

How polite, respectful and friendly are the employees?

5. Credibility

Do the service providers appear to be trustworthy?

6. Security

Does the customer perceive a low degree of danger, risk or doubt about the service and the service provider?

7. Access

Are the employees approachable and easily contacted?

8. Communication

Do employees keep the customers informed in a language they understand and, do the employees listen to the customers?

9. Tangibles

Are the appearance of staff, physical facilities, equipment and communication materials consistent with what is expected in that industry?

10. Understanding

Do employees make an effort to understand the customer and their needs?

It is important to note -- not all dimensions are equally important to all service sectors. For example, if a service is delivered at the client's company or home, the appearance of the service provider's facilities may be unimportant to the customer.

Rule of thumb -- before measuring any of the 10 dimensions listed above, always determine which dimensions are important to your target market. This rule is an important first step in developing a service quality improvement system.

The second step involves measuring consumer perceptions of quality against the baseline established in step one. It is the combination of these two steps which enables managers to assess whether they are improving service quality where it counts -- in the eyes of the consumer.

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