

PARTICULARIZING STRATEGIES AND RESEARCH METHODS FOR PERCEIVED QUALITY IN THE FIELD OF BANK SERVICES

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ABSTRACT: One of the most important antecedents of service customer's satisfaction is their perceived quality. This article tries to present the main strategies and research methods for perceived quality, with special focus on bank services.

KEYWORDS: methods, research, perceived, bank, quality

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The perceived quality of services was defined as „the consumer's judgement about the overall excellency or superiority of the product (Zeithaml,1988) or „the consumer's overall impression of the relative inferiority/superiority of the organization and its services” (Bitner and Hubbert, 1994).

An important amount of the research done in the field of perceived quality of services was dedicated to developing several measures of this construct (Ladhari, 2008). The last three decades witnessed the making and testing of models for the perceived quality of services, the first being suggested by Grönroos (1982, 1984). Later on, other specialists suggested their own conceptualizations (Parasuraman 1985, 1988, 1994; Cronin and Taylor, 1992; Rust and Oliver, 1994; Dabholkar et. al., 1996, Brady and Cronin, 2001). All these models have a common feature: they have in view a multidimensional conceptualization of the service perceived quality, which is inherently connected to measuring the consumers' perceptions of quality (Martinez and Martinez, 2009).

The first model for the perceived quality of services was devised by Grönroos (1982, 1984). He adapted the expectation disconfirmation paradigm in the literature focusing on consumer satisfaction, and advanced the idea that service quality depends on expected and perceived service. The expected quality of service is made up of variants such as informal interpersonal verbal communication, corporation image, advertising or personal factors. Perceived quality is the result of consumer's evaluation of a pack of either technical or functional service dimensions. Technical quality relates to the result of service performance, that is what the consumers get from the contract with their service providers. The functional quality relates to the subjective perception of service provision and defines the customers' perceptions while interacting during the provision of services. Grönroos posits that, under certain circumstances, corporation image can stand for another dimension of service quality, although in fact it is a variable which moderates the relationships between quality dimension (technical and functional) and perceived quality (Martinez and Martinez, 2009).

The **SERVQUAL model**, based on the disconfirmation paradigm as well, was devised in 1985 and later improved in 1988 by Parasuraman, Zeithaml and Berry. The principal aim of the model is to develop a high validity standard instrument, capable of measuring service quality in various service domains (Curry and Sinclair, 2002).

Initially, the authors suggested ten dimensions of service quality: tangibles, reliability, credibility, competence, communication, responsiveness, courtesy, security, access and knowing the customer. Later on, they refined the model to five dimensions: tangibles, reliability, assurance, responsiveness and empathy.

Tangibility refers to the physical environment in which the service provider operates, including the available physical facilities. equipment and communication materials. Reliability is the ability to perform the promised service in an accurate manner. Empathy implies special care and attention for the customer's individual needs. Responsiveness refers to the readiness of employees to help customers in providing prompt timely services. Assurance is reflected in the considerate attitude of the employees and their ability in inspiring the customers with confidence.

On the basis of these five perceived quality dimensions, they developed two sets including 22 items each, every dimension getting a 4 or 5 item measure. All 22 items are measured for each of the following:

- consumer's service expectations;
- the perceived level of provided service.

In order to achieve these measurements, customers are asked to show their agreement with some statements, using a Likert scale from 1 to 7 (1 = strongly disagree;7 = strongly agree). For each item a score difference („gap score”) is then calculated by subtracting the expectation score (E) from the perceived performance score (P). The higher the $G = P - E$, the higher the score for perceived quality.

Notwithstanding its widespread application in many sectors of service industry SERVQUAL has been subjected to a number of theoretical and empirical criticisms. The following criticisms have been registered in Ladhari’s synthesis (2008):

- the „gap score” concept and its operationalization are questionable: the gap score seems to be a poor measure for a psychological construct (Van Dyke et. al., 1999);
- the ”expectation” concept was criticized as having been too vaguely defined and thus open to multiple interpretations (Teas, 1993; 1994);
- the validity of the instrument’s items and dimensions were regarded as questionable as well;
- some researchers suggested that expectations, perceptions and gap score should get more accurate dimensions;
- Cronin and Taylor (1992), McAlexander et. al. (1994) suggest that perception scores are more adequate than gaps in the overall evaluation of service perceived quality;
- SERVQUAL focuses much more on the process of service delivery than on the result of service;
- the fundamental model which forms the basis for this instrument was regarded as questionable.

The SERVPERF model was devised by Cronin and Taylor in 1992. SERVPERF measures service quality using the customers’ perceptions on company’s results. Cronin and Taylor consider that perception evaluation is enough for measuring service quality, while expectations should not be included here (as presented in the SERVQUAL model) (Baumann et. al., 2007). The studies performed by Babakus and Boller (1992), Brown et. al., Zhou, quoted by Carrillat (2007) confirm Cronin and Taylor’s discoveries, supporting the hypothesis according to which SERVPERF could be a better alternative than SERVQUAL in measuring service perceived quality.

We noticed that the SERVPERF model has adopted the five dimensions suggested by the SERVQUAL model, as well as the 22 de items measuring service quality. Therefore, we can say that Cronin and Taylor did not develop a new model, but operated on the disadvantages they observed with SERVQUAL.

Table 1. Studies in the domain of bank service using the SERVQUAL, respectively the SERVPERF model

Studies that have used the SERVQUAL model	Studies that have used the SERVPERF model
Kumar et. al. (2009); Lassar et. al. (2000); Jabnoun and Al-Tamimi (2003); Jabnoun and Khalifa (2005); Gounaris, Stathakopoulos and Athanassopoulos(2003); Guo et. al. (2008); Mukherjee and Nath (2005); Lopez et. al. (2007); Wong et. al. (2008); Arasli et. al. (2005); Ravichandran et. al. (2010); Caruana (2002); Athanassopoulos et. al. (2001); Yap and Sweeney (2007); Levesque and McDougall (1996); Kangis and Voukelatos (1996); Jamal and Anastasiadou (2009); Nguyen and LeBlanc (1998); Jamal and Naser (2002);	Lee and Hwan (2005); Zhou (2004); Wang et. al. (2003); Beerli et. al. (2004); Powpaka (1996);

Source: Authors’ selection

The meta-analysis performed by Carillat, Jaramillo and Mulki (2007) concluded that the decision of preferring the SERVPERF scale to SERVQUAL is influenced by the usage aim (either diagnosis or building up theoretically solid models). The authors think that the SERVQUAL scale serves the interest of practitioners, as it has a higher diagnosis value. Moreover, the need of adapting the measure to the context of the study is higher when we use SERVQUAL than when we use SERVPERF.

We have identified in literature few studies suggesting scales dedicated to measuring perceived quality in the field of bank services. One of these studies is that of Bahia and Nantel (2000). The authors provided a scale for measuring bank service perceived quality which on the one hand evaluates the customers’ expectations on what a bank could ideally offer and, on the other hand, their perceptions of what the bank really offers. (Bahia and Nantel, 2000, p.86). This double measure had to be performed successively for each item, while a 7 step Likert scale was used for evaluating expectations and perceptions. It is worthy of note that the scores for perceptions, expectations respectively, are not gathered in two separate sections (as in using SERVQUAL), but simultaneously for each item. In this manner we avoid that respondents should possibly forget the perception score attributed to an item when it reaches the section dedicated to expectations.

According to the traditional perspective of tackling service perceived quality, there is a certain consensus among researchers with regard to the attributes and dimensions to be included in a model. This means that some aspects resulted from a qualitative research that do not fit into the actual paradigm referring to service quality would not be taken into account by researchers. This problem is widely explained by Schembri and Sandberg (2002) through comparing the scientific investigation of positivism to the paradigm of relativism. The authors explain that in order to understand the complex nature of service quality researchers have implicitly adopted a logical positivist approach. According to Hunt (1991), the positivists rely on observable things and the checking-up principle. The

positivist science is objective and discovers the „true” nature of reality by means of the universal laws governing external world. For this reason, Schembri and Sandberg estimate that the traditional research of service quality is a dualist one, viewed from a third person perspective. In the traditional rationalist (inherently positivist) approach pre-defining the concept forms a necessary part of the research – hypotheses are formulated and then tested for confirmation or disconfirmation.

Relying research on one single methodological approach for any phenomenon in the field of marketing might lead to serious limitations (Martinez and Martinez, 2009, p. 6). Schembri and Sandberg (2002) come up with a new approach in the domain of service perceived quality („the first person point of view”), recommending a thorough study of the way in which consumers understand service quality. Thus, we come to a large display of various conceptions regarding service quality. The researcher will obtain a primary overall understanding of different conceptions, followed by a classification of respondents, first separating the most striking contrasts and then collecting likenesses, simultaneously perceiving the differences (Schembri and Sandberg, 2002, p. 200). This approach reveals the person and the surrounding world as inseparable parts of one whole (a non-dualist ontology), while the research focuses on the consumer’s experience, the research strategy is holistic, and the aim of the research is to reach the largest variation of conceptions referring to a certain experience.

CONCLUSIONS

Service perceived quality is an important antecedent of customer’s satisfaction. An assessment of the literature dedicated to research strategies and methods in the field of bank service quality reveals that most studies are subsumed under the positivist paradigm and the quantitative approaches. We can conclude that the SERVQUAL model is more widely used than SERVPERF, while quantitative research instruments are conceived to be applied strictly in the field of bank services. The emergent research strategies of quality perceived on the basis of customers’ experiences are also to be observed, as they need to be better explored in the future.

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