

Customer Satisfaction Measurement: an empirical Study of the Need – Gap Analysis in the Service Industry

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Abstract

The Need-Gap analysis determines deviations between actual and expected quality, taking corrective action. The analysis indicates the presence of multi-dimensional aspects regarding a complaining behavior. Critical analysis of results helps to evolve service strategies in response to customer needs.

Keywords: Customer's complaints, service strategies, service delivery, enhancing customer satisfaction

Introduction

Customer complaint is a very important factor for any airline. In the services, human behavior plays a very important role to minimize the customer complaint. There are two types of complaints: viz controlled and uncontrolled. There are many factors that affect passengers such as: flight delays, misbehavior by staff etc. Whereas, there are so many situations which can't be controlled such as, weather problems, technical fault, etc. Although these situations are not in control but can reduce the complaining behavior which depends on "how situation is handled by airline staff". If a staff is not trained to handle a situation, then it is not acceptable because it is the airline's fault. If the staff misbehaves with the passenger or due to lack of staff knowledge, wrong information has passed to the passenger. Such are the complaints which can be minimized and controlled. However, genuine customers' complaint can enhance the service quality of airlines. Some airlines have customer feedback form for rating of the services rendered

by them and feedback helps the airline industry in identifying its strengths and weaknesses.

Customer complaint behavior

It is the tendency of every human that whatever is promised, it must be given to them; if there is any deviation, will attract complaint. Whenever a passenger book ticket for any airline, at the time of booking he/she is informed about the services which will be rendered to him/her, thereon. If they will not receive the promise services, at the promised quality, this will lead to complaint. There can be two categories of customer complaint: controlled and uncontrolled.

Controlled customer complaints - are attracted by staff error or staff behavior. These things are in the hands of the airline people. We are explaining some common customer complaints.

- **Flight related problems:** Such problems lead to customer complaint when there is planned delay or cancellation of flights and passengers are not informed in advance. It is dissatisfying if change is planned or unplanned and the passengers are not informed. Even if passengers are informed about schedule change, it is complaining for customers having onward flights for different destinations while alternative arrangements were not done.
- **Fare related problems** means a discrepancy in fare related issues, such as incorrect fare information, extra charges, wrong availability status etc.
- **Boarding discrepancies:** At the time of boarding, there may be discrepancy such as duplicate seat numbers, wrong boarding pass to passengers, other flight passenger etc.
- **DNB/DNG* due to over sale:** Over sale in the flights is a common practice of airlines. Due to this, passengers who are having confirmed ticket for the flight are denied to board the flight. Likewise, if passenger is having higher class ticket but due to over sale in higher class, passenger is permitted in lower class.
- **Reservation/Ticketing:** Any mistake at the time of ticketing by travel agents or airline staff in terms of date of travel, name mismatch etc. leads to waiting in queue for a long time for obtaining tickets.
- **Baggage mishandling** comes because the baggage's missing or damaged on arrival. Claim settlement is not done properly for missing or damaged baggage.

- **Refunds of tickets:** If ticket is unused partially or fully and refund is not processed. That means there are problems in airline procedure for obtaining refund for unused tickets.
- **Excess Baggage charge:** If excess baggage charged wrongly due to non updating of current procedure, staff error whereas passenger was allowed to carry that much weight.
- **Staff attitude:** Staff attitude plays a very important role in complaint as well as a compliment. If staff attitude is positive, that can convert a complaint into compliment and vice versa.
- **Advertising:** If any airline do wrong advertising for their services, will directly lead to complaint.
- **In flight services:** If services are rendered in flight not up to the standard and behavior of cabin crew is also rude and unhelpful, will lead to complaint.
- **Cargo:** If a person books urgent cargo with the airline and it is misplaced and not delivered on time due to staff error.
- **Tour operation:** Nowadays, airlines operates tours (Air tickets, hotel reservations, sight seen, taxi etc.) even if there is no problem with air travel, attracts complain if there is any problem in full tour package, because it was sold by the airline.
- **Airline Security:** Generally, airline security people are not trained in customer handling, therefore they behave in ordinary way with the passengers or unnecessarily tease passengers which attract complaint.

Uncontrolled customer complaints: There are so many problems which can't be controlled by the airline:

- **Flight related problems:** When there is unplanned delay or cancellation of flights and passengers are not informed in advance due to weather problems, such as fog, rain, thunderstorm etc. and if there is any schedule change due to technical grounding of the aircraft.
- **Fare related problems:** When there is any discrepancy in fare related issues due to misconception of passenger, such as heard wrong information from unauthorized persons.
- **Excess Baggage charge:** Passenger is allowed to carry check-in baggage, as per free baggage allowance mentioned in his ticket; if he carries more, the excess will be charged thereafter, if passenger makes a complain regarding excess baggage.
- **Airline Security**

- **Cargo:** If a person books urgent cargo with the airline and it is misplaced due to wrong address of consignee which is given by the consignor.

Research Methodology

The Need – Gap Analysis shows the gap between the current performance and the expected performance (Rummler, 1987). There are different ways to determine the need gap. There are various methods like interviews, documents, surveys, observations or focus groups (Wexley and Latham, 1981). Analyzing and identifying the gap that may exist between what the airlines is supposed to be doing and what it is doing, points toward areas for complaint and scope of improvement. In this regard, Quality function deployment (QFD), one of the structured methodologies that translate customer needs into specific quality development, displays and achieves effectiveness (Chan and Wu, 2005). QFD bridges the gap between what the customer wants and how the airline can render high quality services to reduce customer complaint. It is a powerful analytical framework called the ‘House of Quality’ (HOQ) matrix, because of its shape, with various ‘rooms’ containing the results of research and analysis on customer groups and competitors (Walker, 2002). It has also been applied to service industries recently (Ermer and Kniper, 1998) and the application in airline industry can largely reduce the customer complaint behavior. Understanding customer needs means to organize the strategy to develop service quality in achieving customer satisfaction.

The exploratory research consisted in a survey that was applied to 100 customers. The questionnaire method has been used for primary data collection. Responses from 100 customers were taken to study the complaining behavior of customers at the airport. Concerning sampling as it is intended to get data related to complaint issues, it was key to have responses from people who have had a bad experience, this means, they have been dissatisfied with the services. For the preparation of 5 point Likert scale, the studies of Cadotte and Turgeon (1988), Sue and Bowen (2001), Wildes and Seo (2001), Heung and Lam (2003), Lam and Tang (2003), De Franco et al. (2005), Sujithamrak and Lam (2005), Yang (2005), Yüksel et al. (2006), Kim and Lynn (2007), have been useful. Pilot test stage of the questionnaire, which was the data gathering instrument, was tested on 20 airline customers. Cronbach alpha coefficient of the data analysis after the pilot test stage was calculated as 0.617. In the light of the results of the pilot test stage, the questionnaire was implemented. It was observed that 80 percent from

the customers were complainers and 20 percent were non complainers. The data gathered have been analyzed with SPSS 17.0 for Windows program.

Data Analysis

The data from questionnaire and analysis clearly indicate the factors responsible for customer complaint. The pilot study and the Cronbach Alpha value also validate the same.

Table no. 1: Percentages of respondents for complaints

Column1	Column2	Strongly Agreed	Agreed	Average	Disagreed	Strongly disagreed
S.No.	Parameters					
1	On Time Performance	80	10	5	5	0
2	Cost Reduction	73	17	8	1	1
3	Security System	76	10	13	0	1
4	Booking/Ticketing	90	6	3	1	0
5	In-Flight Services	85	10	1	2	2
6	Air Traffic Control	81	12	2	4	1
7	Navigation	75	20	0	5	0
8	Check-In	96	3	1	0	0
9	Delay/Cancellation	94	5	1	0	0
10	Take-Off/Landing of Flight	79	8	8	5	0
11	Baggage Services	91	6	1	1	1
12	Meteorological system	70	20	8	1	1
13	Passenger facilities	97	3	0	0	0

For data analysis, to check validity and reliability Factor Analysis was used the Varimax Rotation. To check reliability of each factor, Cronbach Alpha was calculated.

Table no. 2: KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.465
Bartlett's Test of Sphericity	Approx. Chi-Square	57.212
	Df	78
	Sig.	.963

Table no. 3: Communalities

	Initial	Extraction
OnTimePerformance	1.000	.481
CostReduction	1.000	.703
Securitysystem	1.000	.500
Booking	1.000	.546
InflightServices	1.000	.608
AirtrafficControl	1.000	.669
Navigation	1.000	.487
Checkin	1.000	.478
Delay	1.000	.578
TakeoffLanding	1.000	.714
Baggage	1.000	.526
Meterological	1.000	.707
Services	1.000	.622

Extraction Method: Principal Component Analysis.

Six Four factors resulted from the factor analysis. The loading values of the scales items in their respective factor went from 0.48 to 0.70. Regarding reliability, Alfa Cronbachs were not very high, ranging from 0.52 to 0.66. In relation to the total explained variance, this was only 57 percent. The analyze show that although complaints and complaint behaviors are studied in the same study, the investigations of the relation between them are very limited. Complaint behaviors increase with an increase in customer complaint. The relation between complaint and complaint behaviors have been defined with the Pearson correlation analysis. Hence the hypothesis of the study can be stated as: **H1:** There is a positive correlation between customer complaints and complaint behaviors.

The values gathered from Kaiser-Meyer-Olkin and Bartlett's Test (KMO = 0.47; p = 0.000) show the adequacy of sampling and applicability of factor analysis. Cronbach's alpha coefficients relating to customer complaint and complaint behavior scale factors have been calculated as over 0.60. Pearson correlation coefficients relating to factors between complaint and complaint behaviors have been given in Table no. 3. According to this, all the correlation coefficients between the factors of customer complaints and complaint behaviors have been found significant (p < 0.001). The inspection of correlation coefficients

shows that there is a positive correlation between all the variables. It is seen that these findings support H1, the hypothesis of the study.

Recommendations and Conclusion

When there are flight related problems, true information must be given to passengers, as well as alternative arrangements should be made at least for onward connecting passengers. If there are planned cancellations or delay, then passengers must be informed well in time, so that they can report accordingly. Although, DNB and DNG are very common practices in the airline industry to maximize revenue, notwithstanding these practices should be minimized and utmost care must be given to the privilege members of the airline. Airline must have their own employees instead of outsourcing, to facilitate their passengers in a better way. Staff must be provided with soft skill trainings, to handle controlled, as well as uncontrolled problems. Generally, baggage handling is done by the loaders and they are not educated properly; therefore, it must be monitored by the airline staff. Passengers must be educated for their free baggage allowance and security procedure to avoid unnecessary discussions. These corrective measures can be accepted to minimize the customer complaints.

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