

# A Study on Customers' Service Quality Gap of Air India using Servqual Model

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**Abstract:** *The study attempts to assess the service quality of Air India with objectives to determining what establishes the service variables, how satisfied are the passengers with the services of the above stated airline and advocate to managers of this airlines on how to improve and promote satisfaction level of customers. Data was collected from the respondent by a well-structured questionnaire to discover the perception of the passengers of the airline under study. The servqual model was utilized to analyze and determine the service quality gaps between the customer's expectation and its perception of the service physiognomies. It was learnt from the result that Air India displayed a good service quality in the assurance, responsiveness, reliability and the technical dimension of their services but the tangible, empathy dimensions needs a lot of enhancement. On this ground, recommendations were made for airline manager to advance the service that showed a below expectation level of service and consistent survey of their performance from their customers should be carried out to stay informed with the current needs of its passengers.*

**Keywords:** Quality Gaps, Servqual, Service, Tangible, Reliability, Assurance, Responsiveness, empathy and Technical.

## 1. Introduction

The Aviation industry can be defined as those activities that are directly related to the transporting of people and goods by air from one place to another, this industry plays a major role in every countries economic activity and it aids in opening up of the countries market to both domestic and foreign investor. The two branches of the commercial air transport industry, passenger and freight had contrasting fortunes in 2015. Industry-wide revenue passenger kilometers (RPK) grew 7.4%, this was the greatest increase since the rebound from the depth of the global financial crisis in 2010 and well above the long-run average of 5.5%. Altogether, more than 3.5 billion passenger segments were flown in 2015, an increase of 240 million compared with 2014 (IATA -2016).

Services marketing is a sub-field of marketing, which can be split into the two main areas of goods marketing (which includes the marketing of fast-moving consumer goods (FMCG) and durables) and services marketing. Services marketing typically refers to both business to consumer (B2C) and business to business (B2B) services, and includes marketing of services such as telecommunications services, financial services, all types of hospitality services, car rental services, air travel, health care services and professional services. The airline organization is one among the above said service establishments, and this paper aims at ascertaining what constitute the customer service variable, how satisfied are the passengers with the services of the Air India and how managers of this service organization improve and promote satisfaction level among passenger who travelled through the said airport.

### Air India

Air India is the flag carries airline of India and the third largest airline in India terms of passengers carried, after Indigo and Jet Airways. It is owned by Air India Limited, a

Government of India enterprise and operates a fleet of Airbus and Boeing aircraft serving 84 domestic and international destinations. It is headquartered in New Delhi. Air India has its main hub at Indira Gandhi International Airport, New Delhi and a secondary hub at Chatrapati Shivaji International Airport, Mumbai.

Air India Founded in 1932 by J R D. Tata and later renamed as Tata Airlines, he flew its first single-engine De Havilland puss moth, carrying air mail form Karachi to Bombay and later continuing to Madras (currently Chennai). After World War II, it become a public limited company and was renamed to Air India. On 21<sup>st</sup> February 1960, it included its first Boeing 707-420 named Gauri Shankar and was the second Asian Airline to induct a jet aircraft in its fleet. In 2000-01, attempts were made to privatize Air India and from 2006 onwards, it suffered losses after its merger with Indian

Air India also operates flights to domestic and Asian destinations through its subsidiaries Air India Regional and Air India Express. Air India uses the Airbus A320 family and Boeing 787 aircraft for selected domestic routes while long distance services use the Boeing 777-300ER, 747 and 787 aircraft. Air India's mascot is *the Maharajah* (Emperor) and the logo consists of a flying Swan with the wheel of Konark inside it.

There is need for airline to focus on service quality, if the airline aspire to improve on market share and further enhance financial performance in domestic and international market. This study aims at identifying what constitute the customer service variables, how satisfied are the passengers with the service of Air India and how managers of this airlines improve and promote satisfaction level among the passengers in India. Under this study by comparing the expectations, perception and the gaps between them using the SERVQUAL scale.

## 2. Review of Literature

This study put forward a conceptual framework that ascertains what constitute the customer services variables and evaluate the level of service rendered by Air India by comparing expectation and perception.

Service quality is a consumers' overall impression of relative inferiority or superiority of the organization and its services (Bitner and Hubbers 1994). The importance of service quality has been widely discussed by researchers for example, Parasuraman et al (1991) argued that delivering high quality in the service industry has been recognized as the most of effective means of ensuring that a company's offerings are uniquely positioned in market field with lookalike competitive offerings. Service quality is a concept that has aroused considerable interest and debate in the research literature because of the difficulties in both defining it and measuring it with no overall consensus emerging on either (Wisniewski, 2001) Reynoso and Moor (1995) state that, in their experience, the starting point in developing quality in services is analysis and measurement. The SETVQUAL approach, which is used in this study, is the most common methods for measuring marketing of service quality.

## 3. Model of Service Quality Gaps

There are seven major gaps in the service quality concept, which are shown the model is an extension of Parasuram et al (1985). According to the following explanation the three important gaps, which are more associated with the external customers are GAP 1 GAP 5 and GAP 6, since they have a direct relationship with customers.

GAP 1 Customers' expectation versus management perception; as a result of the lack of a marketing research orientation, inadequate upward communication and too many layers of management.

GAP 2 Management perceptions versus service specifications; as a result of inadequate commitment to service quality, a perception of unfeasibility, inadequate task standardization and an absence of goal setting

GAP 3 Service specifications versus service delivery; as a result of role ambiguity and conflict, poor employee job fit, inappropriate supervisory control systems, lack of perceived control and lack of teamwork.

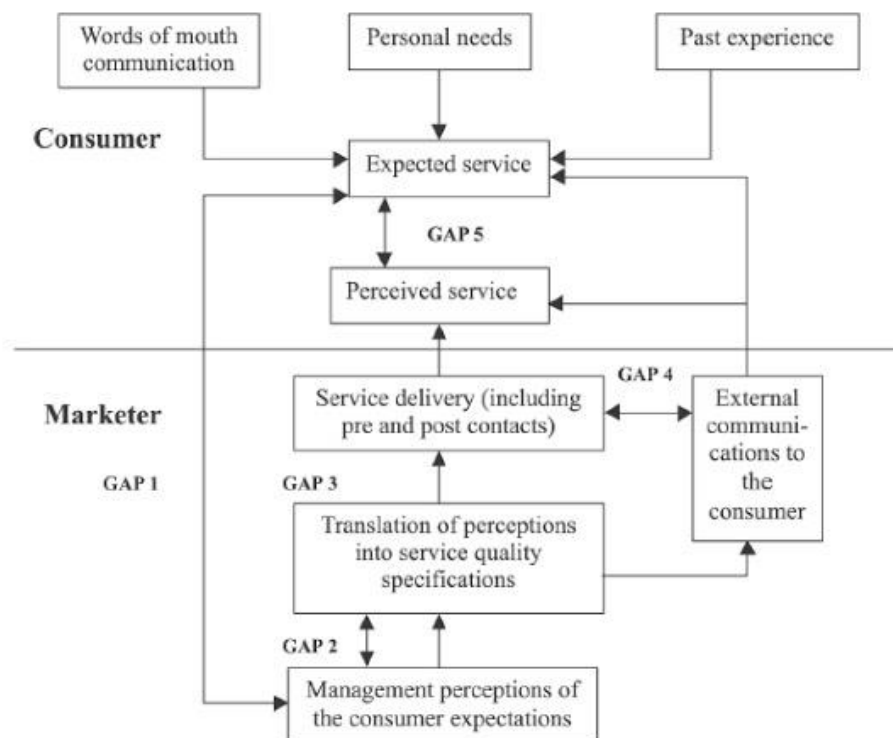
GAP 4 Service delivery versus external communication; as a result of inadequate horizontal communications and personality over-promise.

GAP 5 The discrepancy between customer expectations and their perceptions of the service delivered; as a result of the influences exerted from the customer side and the shortfalls on the part of the service provider. In this case, customer expectations are influenced by the extent of personal needs, word of mouth recommendation and past service experience.

GAP 6 The discrepancy between customer expectations and employees' perceptions; as a result of the differences in the understanding of customer expectations by front-line service providers

GAP 7 The discrepancy between employees' perceptions and management perceptions; as a result of the differences in the understanding of customer expectations between managers and service provider (Carman, 1990)

**Chart 1: Service Quality Gap Model**



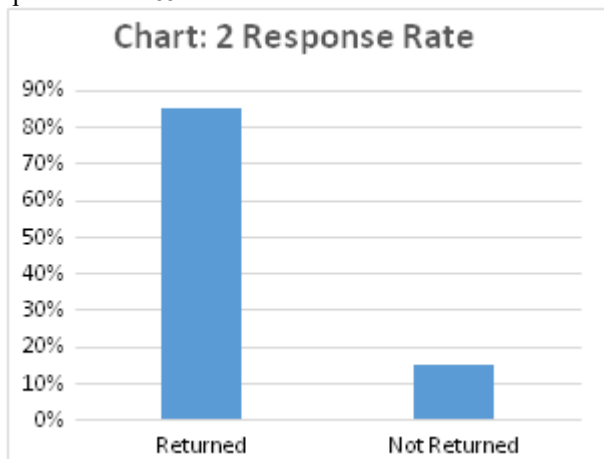
Source: Parasuraman et al. (1985)

#### 4. Methodology

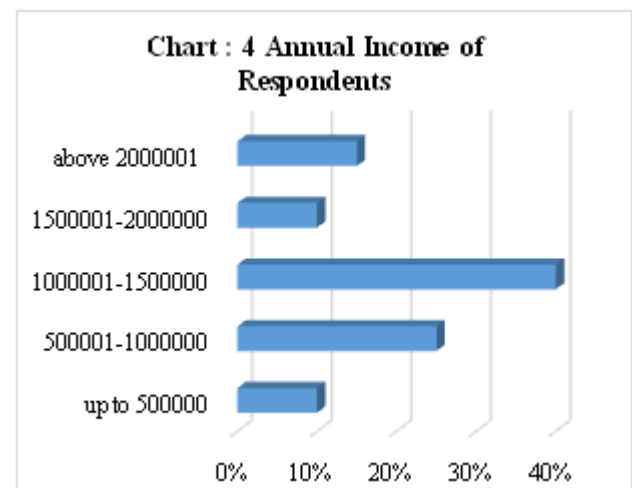
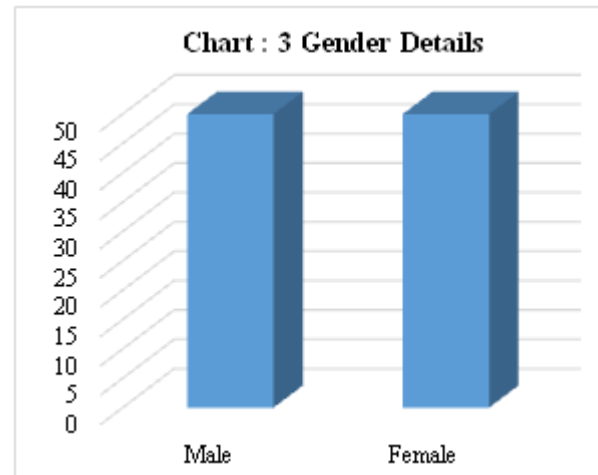
The population of the study in question comprised of all travelling passenger using the Air India service and a total of one hundred respondents' opinion was sampled in order to avoid the cumbersome nature of trying to gather information from the entire population. In the selection of the sample, a simple random sampling technique was used, the questionnaires were administered to the customers ready to board and have the feel of services of the airline under study. The Air India was selected as the study airline service provider, because it is one of the most patronized airline operating in India on both local and international scheduled flights. The survey was conducted over a period of one month at Chennai International Airport, which is one of the major airports in South India. To collect the data, the SERVQUAL model was modified to reflect airport activities and this further validated the research instrument. The questionnaire was developed to test the rating of perception and expectations of passengers on the service attributes rendered to them by Air India. The twenty six items scale of the SERVQUAL was increased to capture other attributes of airline services, respondents were required to rate on a five point likert scale their perception of the attributes for the airline. The format of a five-level Likert item, for example, 1. Strongly disagree 2. Disagree 3. Neither agree nor disagree 4. Agree and 5. Strongly agree.

#### 5. Outcome of the Study

The data obtained from the questionnaire were analyzed by descriptive statistical tools like percentages, Chart, frequency, mean and Microsoft Excel Worksheet also used. The SERVQUAL GAP MODEL was used to determine the service gaps in the individual attributes. A total of 100 questionnaires were distributed to respondents but 85 questionnaires was received form the respondents, its response rate is 85%.



Out of total population 50% of respondents are male and remaining 50% are female, all are graduate and above and data gathered from various level of income group that about 10 % belong to the annual income level of Rs. Up 500 000, 25% are in the income range of Rs. 500001 – Rs. 10 00 000, 40 % are in the range of Rs. 10 00 001 – 15 00 000 and 10 % respondents are fall in the category of earning above Rs.15 00 001-20 00 000 and balance 15 % respondents are earns more than Rs.20 00 001.



#### 6. Service Quality Gaps

SERVQUAL = Mean Perception – Mean Expectation

**Table 1:** Table showing Means of Customers' Perception, Expectations and Deviation

Code	Attribute	Mean Perception	Mean expectation	Mean Dev. Gap (P-E)	Quality
T 1	Appearance, Attitude and Attire of employee	3.42	3.00	0.42	Good Service
T 2	Trouble free check-in and boarding	3.20	3.40	-0.20	Poor Service
T 3	In-flight Modern and Clean Facilities	2.78	3.54	-0.76	Poor Service
T 4	Variety and Quality of in-flight meals	2.90	3.25	-0.35	Poor Service
T 5	Efficient baggage handling mechanism	2.94	3.26	-0.32	Poor Service
R 6	Meet special needs of customers	3.50	3.35	0.15	Good Service
R 7	Efficient check-in progress	3.40	3.20	0.20	Good Service
R 8	Transfer service and efficient at departure airport	3.26	3.24	0.02	Moderate
R 9	Reliable online assistance	3.56	3.52	0.04	Moderate
R 10	Meet time commitments	3.19	3.00	0.19	Good Service
R 11	Keep error free records	3.45	3.20	0.25	Good Service
R 12	Problems due to critical incidence	3.18	3.00	0.18	Good Service
A 13	Sincerity and patience in resolving problems	3.25	3.50	-0.25	Poor Service
A 14	Probability of flight breakdown	3.40	3.25	0.15	Good Service
A 15	Safety, performance of the Airline	3.60	3.50	0.10	Good Service
A 16	Employees instill confidence to passengers	3.16	3.20	-0.04	Moderate
A 17	Knowledgeable employees to answer customer questions	3.65	3.50	0.15	Good Service
RE18	Prompt attention to passenger special needs	3.00	3.25	- 0.25	Poor Service
RE19	Capable to report to emergency situations	3.60	3.44	0.16	Good Service
RE20	Keep customers' informed online event occurs	3.50	3.44	0.06	Good Service
RE21	Capacity to respond to delayed flights	3.33	3.20	0.13	Good Service
E 22	Care and concern for passengers	2.60	3.00	-0.40	Poor Service
E 23	Having a sound frequent flyer	3.16	3.38	-0.22	Poor Service
E 24	Having a sound mileage performance	2.96	3.50	-0.54	Poor Service
E 25	Having travel related partners, hotel, car rental etc.	2.90	3.22	-0.32	Poor Service
T 26	Pilots technical skills and knowledge	3.49	3.10	0.39	Good Service
		<b>84.38</b>	<b>85.44</b>	<b>-1.06</b>	<b>Moderate</b>

Dimensions are noted in the table: T – Tangible, R – Reliability, A- Assurance, RE- Responsiveness, E-Empathy and T- Technical.

From the reading of the above table, it is evidence that the overall satisfaction level of the passenger was moderate with a mean gap of -1.06 indicating that the passengers' expectation slightly exceeded the perception in most of the service quality. It can also be seen that all the service attribute under the Tangible dimension showed poor service quality except the appearance and attire of employees indicate positive gap of 0.42 of customer perception exceeding their expectation. Under Reliability, Assurance and Responsiveness dimensions, attribute perceptions are greater than expected. The airline has to concentrate in the area of mileage performance, frequent flyer schemes and travel related items like hotel, car rental etc. Finally the study revealed that the pilots are very experienced and skilled in their profession.

## 7. Conclusion

Through the above study, it can be concluded that overall passengers of Air India are satisfied with quality of services rendered to them. This can be recorded for by high level of negative service gap obtained in the tangible and empathy dimension. The worst service attribute was In-flight modern and clean line facilities with a servqual score of -0.76, and while best service attribute was Appearance, Attitude and Attire of employee, Pilots technical skills and knowledge with a score of 0.42 and 0.39 respectively.

## 8. Suggestion for Further Study

Further research should be carried out in order to enhance the understanding of the concepts of service quality and customer satisfaction, how they are measured because they are very important for service organization in terms of profitability and growth. A similar study could be conducted with a larger sample size so that results could be generalized to a larger population.

This study can be carried out in other areas comprised of multiple cultures in order to find out the applicability of the SERVQUAL model in Airline. Further studies could be carried out on service quality of Air India in Chennai specifically to assess passengers' service quality perceptions of Air India with similar sizes.

## 9. Recommendations given to service provider

Signal from the study suggest that the air India managers should develop strategies to improve service quality further such as meeting passengers' desired service levels, Quality of in-flight meals, Trouble free check-in and boarding etc. These strategies will enhance airline image and result in retaining existing passengers and tempting passengers from other airline services. Employees should engage on training courses on regular basis on the area of care and concern for passengers, Prompt attention to passenger special needs, Sincerity and patience in resolving problems etc.

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