

Evaluating Service Quality: A Study on Banglalion Communication Ltd in Khulna City

Rezwan Mahmood¹ and Maruf Ahamed²

Abstract

Banglalion is one of the countrywide largest internet service providers in Bangladesh. Occasionally, there are some rumors, negative words of mouth and mixed reaction about its service is heard discretely. The main objective of this study was to highlight customers' opinion and present them regarding its service quality in an organized fashion. Hence, the study used questionnaire survey method to collect primary data. It took 5 variables - Tangibility, Reliability, Responsiveness, Assurance, and Empathy for data collection purpose. 150 samples were surveyed through Convenient Sampling technique. 120 questionnaires were found completely filled up thus considered for the study. The working population of the study was the subscribers or customers of Khulna City. The result found that service quality of Banglalion was neither very good nor very bad rather it was doable. It falls between Better quality and Average quality. It signifies if customers find a better alternative they will switch as the industry is very dynamic.

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1 Introduction

Service Quality is an assessment of how well a delivered service conforms to the client's expectations. Service business operators often assess the service quality provided to their customers in order to improve their service, to quickly identify problems and better assess client satisfaction. Banglalion Communication Limited is a registered 4G network or internet service provider in Bangladesh. It has gained a huge response since its very inception by means of colorful advertisements, strong network and supersonic speed which is widely desired to the surfers or internet users. Day by day, the company is getting bigger and its area of operation and service has expanded around different

¹Independent Researcher & Banking Professional, Eastern Bank Ltd, Khulna, Bangladesh.

²Customer Service Executive, Banglalion Communication Limited, Khulna, Bangladesh.

metropolis and cities of Bangladesh. The Company would also like to extend its operation in some other area as well. Despite being a local company, it has been able to establish an effective positioning in the market place within a very short time although there is a mixed reaction and statements surfaced among the users about the quality of its services. This study was tried to cover subscriber's perception towards this company in an organized fashion. So, the objective of this study was to evaluate service quality of Banglalion Communication Ltd on the basis of SERVQUAL model.

2 Literature Review

SERVQUAL is a multi-item scale developed to assess customer perceptions of service quality in service and retail businesses (Parasuraman et. al., 1988). The scale divides the notion of service quality into five constructs as follows:

- Tangibles - Physical facilities, equipment, staff appearance etc.
- Reliability - Ability to perform service dependably and accurately
- Responsiveness - Willingness to help and respond to customer need
- Assurance - Ability of staff to inspire confidence and trust
- Empathy - The extent to which caring individualized service is given

SERVQUAL represents service quality as the discrepancy between a customer's expectations for a service offering and the customer's perceptions of the service received, requiring respondents to answer questions about both their expectations and their perceptions (Parasuraman et. al., 1988). The use of perceived as opposed to actual service received makes the SERVQUAL measure an attitude measure that is related to, but not the same as, satisfaction (Parasuraman et. al., 1988). Parasuraman et. al. (1991) presented some revisions to the original SERVQUAL measure to remedy problems with high means and standard deviations found on some questions and to obtain a direct measure of the importance of each construct to the customer.

Gap Score is the difference between customer expectation and perception. To help service providers identify their strengths and weaknesses, Parasuraman, Zeithaml, & Berry (1988) developed the SERVQUAL model, a diagnostic tool including 22 items to appraise five key service factors: tangibles, reliability, responsiveness, assurance, and empathy. Karassavidou (2009) aimed to identify the service quality dimension used by patients for service quality evaluation in Greek NHS (National Services Hospitals). A SERVQUAL questionnaire, including an expectation and perception section, each consisting of 26 statements having seven point Likert scale was used for the survey. Parasuraman et al. (1988, 1991) found that the five-dimensional format of SERVQUAL allows researchers to assess the level of service quality along each dimension, as well as overall. The purpose of this model is to serve as a diagnostic method for uncovering broad areas of weaknesses and strengths in the quality of service a company delivers. A lot of service-related research was evaluated by SERVQUAL, and they might have results consistent with Parasuraman et al.'s (1988, 1991) suggestions. SERVQUAL has offered a model for measuring service quality for over 10 years although some researchers have criticized the model.

3 Methodology

3.1 Population and Sampling

The population for this study was all existing customers of Banglalion. The working population of the study was the subscribers of Khulna City. As there are a larger number of subscribers in Khulna City, we selected 150 samples based on convenient sampling technique.

3.2 Data Collection Sources

Data were collected from both primary and secondary sources. This study was begun with searching for the secondary data from different books, journals, websites and e-books. Electronic journals and articles were obtained from Google Scholar, Emerald and other websites. Secondary data were used as literatures review to carry out the study. Primary data were collected through a questionnaire survey. To collect primary data, respondents were approached at convenient time especially when they visited the Banglalion customer care for receiving various services.

3.3 Research Instruments

The questionnaire contained both open-ended and close-ended questions. Close-ended questions were followed by 5 Point Likert Scale ranging from strongly disagree to strongly agree (Strongly Disagree-Disagree-Neutral-Agree-Strongly Agree). Questionnaire was divided into 3 segments i.e. General Information, Service Quality Statements and Perceived Service Quality Importance Weights. In first segment, questions 1 to 9 were general statements that covered demographic profile such as gender, occupation, education, internet usage intensity, age etc. In the next segment, questions 1 to 6 were Reliability statements, questions 7 to 10 were Empathy statements, questions 11 to 13 were Responsiveness statements, questions 14 to 20 were Tangibility statements, questions 21 to 24 were Assurance statements, and finally in last segment, questions 1 to 5 were Importance Weight statements.

3.4 Data Processing and Interpretation

Five variables i.e. tangibility, reliability, responsiveness, assurance, empathy were taken to measure the quality of service. Data were analyzed through Weighted Average SERVQUAL Model. By using the questionnaire, we obtained the score for each of the 24 Perception Statements. It would assume score 5 for all 24 Expectation Statements as the users or subscribers always intends to receive highest service from any particular firm. Next, we calculated Gap Score for each of the statements. All the gaps were averaged with weight dimension by dimension.

If Gap Score was found 0 (5-5), we termed its service performance as Best Quality.

If Gap Score was found 1 (5-4), we termed its service performance as Better Quality.

If Gap Score was found 2 (5-3), we termed its service performance as Average Quality.

If Gap Score was found 3 (5-2), we termed its service performance as Worse Quality.

If Gap Score was found 4 (5-1), we termed its service performance as Worst Quality.

3.5 Reliability

Reliability test showed a reasonable level of reliability as the Cronbach's alpha value is 0.822 that higher than standard ($\alpha > 0.70$).

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.822	.825	24

4 Data analysis and Interpolation

4.1 Respondent's Profile

The survey was conducted on 150 individuals. Among them, 120 had responded well and rest 30 didn't answer properly and kept the questionnaire incomplete. 86 male and 34 female attended the survey completely. Among them, 31 were service holders, 20 were businessman, 16 housewives and 53 were students. 28 of them had used internet between 1-2 years, 37 of them had used internet between 2-3 years and rest 55 of them had used internet for more than 4 years. 26 of them used internet Below 2 hours daily on average, 54 used internet 2-4 hours daily on average, 28 used internet 4-6 hours daily on average, 12 used internet more than 8 hours daily on average. 62 were undergraduate, 36 were graduate, and 22 were post-graduate. Primarily, 44 of them used internet for Academic Purpose, 62 of them used internet for Entertainment, 5 of them used internet for Pure Knowledge Development, and rest 9 of them used internet for Job Purpose. 38 of them fell below 20 years of age, 62 were between 20-40 years of age, and the rest 20 were above 35 years of age.

4.2 Un-weighted Service Quality

The following table holds total un-weighted average service quality gap when the respondents were given a chance to evaluate each index according to their choice and compare service quality on their own.

Table 1: Un-weighted Service Quality

Service Quality Dimension	Average Gap Per Individual Index	Coefficient of Variation (C.V)
Tangibility	1.42	36.49 %
Reliability	1.68	42.18 %
Responsiveness	1.38	56.27 %
Assurance	1.51	33.03 %
Empathy	1.20	40.31 %
Total Un-weighted Average Gap	1.44	41.51 %

Here, Coefficient of Variation indicates that there is high variability of respondent's opinion and relativity of opinion with respective index as it indicates that every index carry the same value from company perspective. Here, the result found less representative.

4.3 Weighted Service Quality

Table below shows total weighted average gap when the respondents were given a chance to evaluate each index according to their priority and compare service quality on their own.

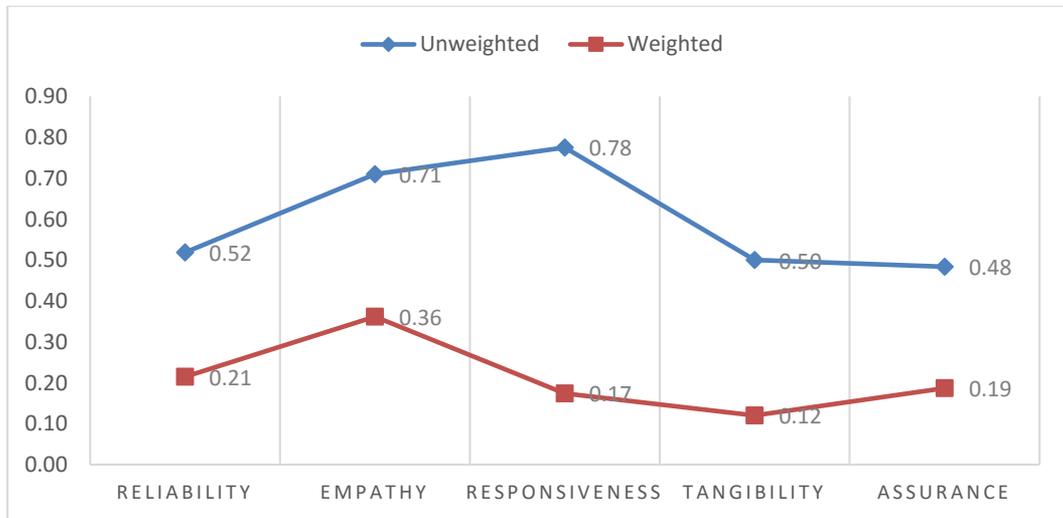
Table 2: Weighted Service Quality

Service Quality Dimension	Average Gap Per Individual Index	Cumulative Importance Wight	Weighted Average Gap Per Individual Index	Coefficient of Variation (C.V)
Tangibility	4.06	2.75	1.48	14.56 %
Reliability	5.63	3.20	1.76	20.57 %
Responsiveness	3.86	2.78	1.39	12.55 %
Assurance	4.94	3.30	1.50	8.02 %
Empathy	3.70	2.97	1.25	15.01 %
Total Weighted Average Gap	4.44	3	1.47	14.04 %

Here, Coefficient of Variation indicates that there is less variability of respondent's opinion and relativity of opinion with respective index. It was calculated from customer's perspective. Here the result found more representative.

4.4 Variability of Opinion

The following figure holds the variability of customer's opinion in terms of weighted vs. un-weighted model.



Graph 1: Comparison of Weighted and Un-weighted Model

Weighted line shows lower standard deviation than Un-weighted line as the preference level of importance and priority vary between customer group and company.

5 Findings

Reliability: The subscribers' expected Service Quality level in this index was 5 but they received 3.52. They were deprived of 1.48.

Empathy: The subscribers' expected Service Quality level in this index was 5 but they received 3.24. They were deprived of 1.76.

Responsiveness: The subscribers' expected Service Quality level in this index was 5 but they received 3.61. They were deprived of 1.39.

Tangibility: The subscribers' expected Service Quality level in this index was 5 but they received 3.5. They were deprived of 1.5.

Assurance: The subscribers' expected Service Quality level in this index was 5 but they received 3.75. They were deprived of 1.25.

Finally, in terms of Total Service Quality, the subscribers' expected Service Quality level was 5 but they received 3.56. So, they were deprived of 1.44.

5 Conclusion

Result of the study indicates that service quality of Banglalion falls between Better Quality and Average Quality. It indicates that it is doable and usual although customers always expect service level must match at least with their expectation if not exceeded. At this stage, if they find any better alternative they will switch as the industry is very dynamic. The industry survive with speed cost and mobility.

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