Analysis of Service Quality with Reference to a Leading Automobile Servicing Firm in Chennai

Dr. S. Selvabaskar
Associate Professor, School of Management, SASTRA University, Thirumalaisamudram, Thanjavur, Tamil Nadu, India
K. Athirathan
Student, School of Management, SASTRA University, Thirumalaisamudram, Thanjavur, Tamil Nadu, India

Abstract:
In this study, service quality analysis was carried out in a leading automobile service firm in Chennai. The objective of this study is framed to examine the service quality across five dimensions such as tangibles, reliability, responsiveness, assurance and empathy as recommended by Zeithmal and Parashuram SERVQUAL model. A structured questionnaire with required items supporting the above objective was used to collect data from the respondents. Simple random sampling method was used to select the respondents. A sample size of 200 was fixed by the researcher. The data was analyzed using certain statistical tools such as ANOVA and Correlation to test various hypotheses of the study. The researcher has put forward many recommendations to the firm to improve the automobile services further. One such recommendation is that they need to persuade their customers to bring the vehicle for service during non-peak hours so that the waiting time during peak period will be reduced significantly. This can be done by introducing some special offers and discounts on related service products. Customers think that they bring back their vehicle for repeat service work mostly on accessories followed by brakes. Thus the service administration needs to provide an exclusive section to deal with it for servicing the accessories which reduces the repeat service work done on it.

Keywords: After sales service, Assurance, Customer satisfaction, Empathy, Reliability, Responsiveness and Tangibility.

1. Introduction
Service Quality is defined as the comparison of expectations with performance. High Service Quality is achieved by identifying problems quickly and systematically and executes corrective measures for the problems. Customer satisfaction and customer expectation are the key components for service quality. The service quality model delivers the essential requirements for delivering high service quality. This model identifies five 'gaps' that cause unsuccessful delivery of service. Customers generally compare the service they 'experience' with the service they 'expect'. If the service experience of customers does not match the expectation, there arises a gap. Five determinants that may influence the appearance of a gap were in the SERVQUAL model: tangibles, reliability, responsiveness, assurance and empathy.
The main purpose of my project is to analyze the service quality and how to enhance it by Marketing Methodologies to satisfy the customers.

1.1. Statement of the Problem
Automobile service center in Chennai is aspiring to take their vehicle service business to the next level. They wanted to conduct thorough analysis about the existing service quality in order to identify areas of concern as indicated by their existing customers. It is believed that this result oriented analysis will further enhance their service quality.

1.2. Objectives of the Study
- To examine the perception of customers towards the service quality dimensions such as tangibility, reliability, responsiveness, assurance and empathy.
- To analyze the customer satisfaction level with reference to the service provided by the firm.
- To find out customers' expectation regarding the automobile service from the service provider.

2. Methodology
The methodology used in this study includes published research, interviews, surveys and other research technique. Descriptive analysis was used in this study. A well-structured questionnaire is used to collect primary data. The primary data used for this study were collected for a period of one month 10th march 2015 to 10th April 2015. Primary data is used to study the objectives and testing for null hypothesis.

2.1. Sampling Method
The customers of the automobile service firm in Chennai were used as the sample respondents. Simple random sampling method is used to select 200 respondents for the study.

2.2. Statistical Tools Applied for Analysis
The techniques used for analysis are ANOVA and Correlation.

3. Data Analysis and Interpretation

3.1. Demographic Characteristics
From the above study, the researcher classified the respondents,
Based on age: 35.5% are in the age group of 41-60 years, 32% are in the age group of 26-40 years, 17.5% are in the age group of below 25 years and 15% are in the age group of above 60.
Based on gender: 89% of respondents are male and 11% of respondents are female.
Based on marital status: 71.5% of respondents were married and only 28% were unmarried and 0.5% were divorced, Based on educational qualification: 31.5% of respondents did 12th or below and 22% and 22.5% of respondents were completed their UG and PG respectively, 18.5% studied diploma course and 5.5% did professional course.
Based on occupation: 34.5% of respondents were business man, 27.5% were private employee, 22.5% were government employee, 10% of respondents were students, 3% were driver, 2.5% were house wife and 0.5% was belongs to other category of job.
Based on annual family income: 34% of the respondent's income is in the range of 4 lakhs to 6 lakhs per year and 33% of the respondent's income was below 4 lakhs per year, 22.5% of respondent's income is in the range of 6 lakhs to 8 lakhs per year and 10.5% of respondents income was above 8 lakhs per year.

	Particulars	No. of Respondents	Percentage
Age	Below 25	35	17.5
	26 to 40	64	32.0
	41to 60	71	35.5
	Above 60	30	15.0
Gender	Male	89	89
	Female	11	11
Marital Status	Married	143	71.5
	Unmarried	56	28
	Widow	0	0
	Divorced	1	0.5
Education Qualification	12th and Below	63	31.5
	Diploma	37	18.5
	UG	44	22.0
	PG	45	22.5
	Professional Course	11	5.5
Occupation	Student	20	10
	Government Employee	44	22
	Business Man	69	34.5
	House wife	5	2.5
	Driver	6	3.0
	Private Employee	55	27.5
	Others	1	0.5
Family Annual Income	Below 4 Lakhs	66	33
	4 Lakhs to 6 Lakhs	68	34
	6 Lakhs to 8 Lakhs	45	22.5
	Above 8 Lakhs	21	10.5

Table 1: Demographic Profile

3.2. Association between Age and Service Quality Using ANOVA
The researcher applied ANOVA to compare mean of two or more samples. This technique can be used only for numerical data.
The ANOVA test executes between age and service quality.
Here the age is factor and service quality is dependent variable.

Service quality		Sum of Squares	Df	Mean Square	F	Sig.
Tangibles	Between Groups	108.964	3	36.321	4.497	0.004
	Within Groups	1582.99	196	8.076		
	Total	1692	149			
Reliability	Between Groups	72.778	3	24.259	2.233	0.086
	Within Groups	2129.04	196	10.862		
	Total	2201.82	199			
Responsiveness	Between Groups	87.095	3	29.032	3.238	0.023
	Within Groups	1757.39	196	8.966		
	Total	1844.48	199			
Assurance	Between Groups	42.98	3	14.327	2.487	0.062
	Within Groups	1129.1	196	5.761		
	Total	1172.08	199			
Empathy	Between Groups	34.388	3	11.463	1.916	0.128
	Within Groups	1172.49	196	5.982		
	Total	1206.88	199			

Table 2: ANOVA

This indicates that there is a significant association between age of the respondent and tangibles. Hence age depends on tangibles. There is no significant association between age and reliability. Hence age not depends on reliability. There is a significant association between age and responsiveness. Hence age depends on responsiveness. There is no significant association between age and assurance. Hence age not depends on assurance. There is no significant association between age and empathy. Hence age not depends on empathy.

3.3. Correlation
In this researcher applied correlation test between current mileage done by the vehicle and customers spending for servicing their vehicles.

	Value	Approx. Sig
Pearson's R	.170	.016
Spearman Correlation	.177	.012

Table 3: Correlation tests between current mileage and spending for servicing the vehicle

From the above table, the Pearson value is (.016) which shows that there is a mild positive correlation exists between current mileage done by the vehicle and customers spending for servicing their vehicles. So if the current mileage of the vehicle increases the spending for servicing the vehicle will also increase.

3.4. Chi-Square Test
In this the researcher determines the relationship between occupation and factors encourages the customer to visit the service center using chi-square test.

	Significance	DF	Result
Pearson Chi-Square	51.206	24	.001
Likelihood Ratio	55.772	24	.000
Linear by Linear Association	2.281	1	.131

Table 4: Chi-Square test

Thus there is significant association between the occupation of the customer and the factors encourages the customers to visit the service center as ($p<0.05$)
Hence factors encourages the customer to visit the service center depends on occupation of the customer.

4. Results and Discussion

4.1. Findings of the Study

From the above study the researcher classified the respondents based on age: 35.5% are in the age group of 41-60 years, 32% are in the age group of 26-40 years, based on gender:89% of respondents are male and 11% of respondents are female, based on marital status:71.5% of respondents were married and only 28% were unmarried and the remaining 0.5% divorced, based on educational qualification: 31.5% of respondents did 12th or below and 22% and 22.5% of respondents were completed their UG and PG respectively, based on the occupation 34.5% of respondents were business man, 27.5% of respondents were private employee, 22% of respondents were government employee, 10% of respondents were students, 2.5% were house wife, 3% and 0.5% of respondents belongs to Drivers and other category respectively, based on the income level:68% of the respondent's income is in the range of 4 lakhs to 6 lakhs per year and 66% of the respondent's income was below 4 lakhs per year.

From the ANOVA analysis, it is found that there is significant relationship between age and tangibles, there is no significant relationship between age and reliability, there is significant relationship between age and responsiveness, there is no significant relationship between age and assurance and there is no significant relationship between age and empathy.

From the correlation test, it is found that there is low degree of direct relationship exists between current mileage done by the vehicle and customers spending for servicing the vehicle.

From the chi-square test, it indicates that there is significant association between the occupation of the customer and the factors encourages the customers to visit the service center. Hence factors encourages the customer to visit the service center depends on occupation of the customer.

4.2. Recommendations

- Automobile service firm dealing with many cars in a day, the customers mostly prefers weekend days for their service and also they like to visit at the time of 1 PM – 3 PM. The service admin need to persuade their customers to bring the vehicle for service during non-peak hours so that the waiting time during peak period will be reduced significantly. This can be done by introducing some special offers and discounts on related service products and accessories.
- Customer thinks the price for the service of car is up to the mark and spare parts service was also good, thus company want to maintain these facilities to attract more customers. But still customers expect some concession in charge.
- Now automobile service firm is doing pickup and drop service to nearby areas only. It has to improve its pickup and drop service to distant area for the convenience of the customers.
- Customers think that they find their nature of repeat service work is mostly on accessories followed by brakes. Thus the service administration needs to provide an exclusive section to deal with it for servicing the accessories which reduces the repeat service work done on it.
- An automobile service firm needs to improve their call after service. Since most of the respondents rate the call as average, so it has to make the respond as excellent by adding some more options to take care of customers like intimate them about the new offers available in the service and ask some feedback about the service provided to them.
- Customers expect the automobile service firm to maintain a separate website which makes them more comfort to service their vehicle.

4.3. Conclusion

From the above study, it can be concluded that customer are satisfied with the service quality provided by automobile service centers, Chennai. This study concludes the level of satisfaction towards service quality, customer relationship and also knows the expectation of the customer towards the service quality.

5. References

i. Albert Caruana, Arthur H. Money, Pierre R. Berthon. (2000). Service quality and satisfaction – the moderating role of value, European Journal of Marketing
ii. BiljanaAngelova. (2011). Measuring Customer Satisfaction with Service Quality Using American Customer Satisfaction Model. Interdisciplinary Journal of Contemporary Research in Business Copy Right Institute of Interdisciplinary Business Research 791 December 2011 Vol 4, No 8
iii. Boardman Liu, Linda. (2010).Technical and functional quality: Empirical studies of provider and customer perceptions of service quality, Journal of Service Marketing
iv. Charlene PlegerBebko. (2000).Service intangibility and its impact on consumer expectations of service quality, Journal of Service and Business Marketing
v. David Mc.A Baker. (2013).Service Quality and Customer Satisfaction in the Airline Industry: A Comparison between Legacy Airlines and Low-Cost Airlines, Journal of International Management Studies, Volume 5, Number 44 2, August, 2013
vi. Fehl, Steven M. (2006). The relationship of service quality to customer satisfaction: An analysis within industrial business-to-business technical field service, Journal of Business Research

vii.   Gi-Du Kang, Jeffrey James. (2004). Service quality dimensions: an examination of Gronroos's service quality model, European Journal of Service Marketing

viii.   Gannage. (2009). Assessing SERVQUAL and the automotive service quality model: A comparative study, Journal of Marketing

ix.   MelsGerharda, NelDeonc. (Jul 2006). The Dimensions of Service Quality: The Original European Perspective Revisited, Journal of Service Industries

x.   NATARAJ S. (2012).Customer satisfaction in automobile industry – an Indian online buyers' perspective of car manufacturers' websites.Journal of Services Research, Volume 14, Number 1