

Importance of Measuring and Managing Customers Expectations

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ABSTRACT

When a customer buys a service in the service market, he/she buy the time, knowledge, skill or resources of someone else who is the provider or supplier of a service. The buyer receives satisfactions or benefits from the activities of the provider who may be an individual, a firm or a company, i.e., an institution specializing in selling certain benefits or satisfaction. It is highly unlikely that a company / service firm can meet all the expectations of customers. It is very much difficult to find out what people expect from the service providers because there is no specific scale to measure and manage the customer's expectations. The expectation setting is very critical since a very high expectation may lead to highly dissatisfied customer. Now it is very much important for service marketers to understand the need and wants of the customers and what competitors are providing.

Keywords: Market, competitors, Satisfaction, Time, Knowledge, Skill, Service Dimensions.

I. INTRODUCTION

As we know, there are four element of marketing mix for marketing of products such as :

Product
Price
Place / Distribution
Promotion

Service occupies a place of significant importance in the Indian economy. A service can be define as- A service is any activity or benefit that one party can offer to another that is essentially intangible and does not result in the ownership of anything.

W.J. Stanton views services as fulfilling certain wants and state that “services are those separately identifiable, essentially intangible activities which provide want satisfaction and are not necessarily tied to the sale of a product or another service. To produce a service may or may not require the use of tangible goods.

Which are used in a specific combination to arrive at the marketing strategy? But in case of service marketing, these four elements are not sufficient and we required three more additional elements, these are:

People or personnel
Physical evidence or physical facilities
Process or public relation.

This is the fact of service marketing that services are labour intensive and require a very high face. To face contact with the customer/consumers. The service cannot be separable from the providers because service is intangible and it is recognized by the provider. The customers get physical and mental satisfaction by the exterior appearance and interior decor, it may be décor of office, dresses of staff, good quality of tools and communication material used in providing the services.

These all services create a good impression on the customer's mind. Once service is of intangible nature, the customer impressed by the good work of mouth communication. So it is very much important and required for service organization to maintain a good public relation besides of customer relation. Thus in a personalization based business focussing and inching becomes mandatory.

The focussed marketing strategy is evolved through three steps:

Segmentation

Measuring expectation

Managing expectation

Now let us discuss the measuring expectations and managing expectations for the service market.

II. MEASURING CUSTOMERS EXPECTATIONS

The measuring expectations are one of the important steps in a focussed marketing strategy. We can judge the expectations out of personal needs, word of mouth, the past experience of the customer and the “message” that a service organization send out. As we know that the customer involvement is necessary in measuring expectations than an organization measure the expectations for both i.e. for production as well as delivery of services.

Once the customer involved in the process, the expectation parameter changed in rank when involvement moves from physical to mental involvement. A common set of service dimensions could be classified as reliability, tangibles, Responsiveness, assurance and empathy.

There are many ways of measuring the expectations such as:

Response on feedback form

Talk personally to one set of member of a group

Complaint registers etc.

But there are many difficulties faced by the service organizations in these ways. All the customers are not giving proper response for measuring expectation at various service centers such as airlines, hotel etc., because the customers and guests are in hurry. Under such circumstances, an-in service response like in-flight response could be utilized.

Some more other sources of measuring the customer expectations are- a consumer care panel, consumer forums and other statutory bodies that register the complaints of the consumers. The consumer care panel helps in gathering the independent views on the key aspects of service in a face to face communication with managers. The consumer care panel work as the eyes endears of the service organization.

III. IMPORTANCE OF MEASURING CUSTOMER EXPECTATION FOR SERVICE MARKETERS

As we know that the measuring expectation of service market is very much important for service marketers. On the basic of measuring expectation, the service marketer comes to know the needs of the customers. In the service sector both institution and individual customer may enter into continuing relationship with service provider or service marketers and opt for receiving service continuously.

With the help of measuring expectation, the service marketer reaches at points that what is actual expectation of customer from service marketers and whether marketer's really providing service as per service dimensions. These service dimensions are- Reliability, tangibility, responsiveness, assurance and empathy. The measuring expectation provides the adequate the accurate data of customer expectations with the help of feedback form, face to face talk, consumer care punch, complaint register, consumer forum and other statutory bodies that register the complaints of the customers.

Example: let me take the case of TATA telecommunication department Delhi NCR. A team of TATA group personal (PRO- Personal Relation Officer) visited at various organization who are those using the Telephone exchange equipment of TATA group along with feedback form. The questionnaire of the feedback form was like that:

Were you satisfied with the quality of work?

Were you treated with courtesy?

Was TATA service centre providing you proper service?

Were you satisfied with the performance of equipment?

If no, nature of fault faced by you?

Whether same fault repeated?

Were you faced any problem while booking the fault?

Was your fault attended at top most priority?

Was the final change for the work completed compatible with your expectation?

Were you satisfied with the overall performance of the organization?

With the help of this type of survey the service marketers getting the data of customer expectation.

IV. MANAGING CUSTOMER EXPECTATION

It is very much difficult for service marketers or service organization to meet all the expectation of customers because the expectation keeps changing time to time. Fortunately, the customers are having and adjust to minor differences from the desire service. The expectations have to be managed to fit into the capabilities and scope of the process that a firm possesses. Therefore a firm checks its capabilities and look to the factors of expectations. The setting of expectations is the key to fulfill the gap between what are customer's expectations and what competitors are providing. When customer's expectation is very high and service organization is failure to provide delivery system cause maximum dissatisfaction. This necessitates, that service strategy, service delivery system and the provider is closely associated to the customer. For achieving this, a strategy model includes the following basic elements:

Segment characteristics;
Concept formulation;
Operationalisation, and
Delivery system.

The above mentioned basic elements provide the framework for strategy in service. The segment characteristics and more specifically the expectation is the key to a good strategy. The concept formulation is design the service, so that this service can capture the service market. The operationalisation and delivery system describe the production system and delivery system for the service. The most critical path of the strategy is the positioning strategy which reflects the translation of expectation for customer into the service. The imperfect translation of service expectation of service concept spells disaster for the company.

A successful service organization is complete to manage expectation only when it is targeted to customers and implies a significant level of internal marketing also. In fact, the service has to be market first to the intermediate customer who is the employee of the service organization or the contact persons. The implementation of this strategy is a fairly difficult task. It requires a service orientation which is more of a software to excellence.

V. IMPORTANCE OF MANAGING CUSTOMERS EXPECTATION FOR SERVICE MARKETERS

The managing customer's expectation is an important strategy to success in the service market. Managing customer's expectations hold the key to success in the service market. The service marketers should understand these expectations because it is sure that the market be segmented on the basic of expectations rather than needs.

The service marketers should also keep in mind that all the expectations can not met, thus a service organization should set its offering in view of the process capabilities it possesses. These expectations are managed well a strategy should be oriented towards customers as well as the employees. The attitude and experience of the employees and customers keep the organization out of the cycle of failure. The service marketers should keep in mind that while designing a strategy for service organization, the considered points are as follows:-

Focus, don't get blurred
Segment by expectation than needs
Rank customers in a segment by their value
Stick with the segment you know best and can serve most effectively,
Fill the gap between customer's expectations and competitors offerings.
Train and develop employees to share common value
Manage expectation, don't always meet them
Under promise and over delivery to create a customer franchise.

Ex: The hotel service is wide in range and type of customer is consumer itself. In the advertisement, a hotel is showing various facilities comparing to other competitors available with it, like clean and secure room with good bolts and peephole at door etc., a consumer expectation is more for these facilities comparing to other hotels. But as we know that it is not possible to any service firm to meet all the expectations of the customers. Thus the managing department of the hotel trying to manage the expectations to fill the gap between customer's expectations and what competitors providing, so that customer can be satisfied.

CONCLUSION

Measuring and managing customer's expectations hold the key to success in service marketing. To understand these expectations it is necessary that the market be segmented on the basis of expectations rather than needs. It should also be kept in mind that all the expectations cannot be met. Thus a service firm should set its offering in view of the process capabilities it possesses. In order that these expectations are managed well a strategy should be oriented towards customers as well as the employees, in particular the contact persons as their attitude and expertise keep the

organization out of the cycle of failure. While designing a strategy for a service organization, the following points could be kept in mind:

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Rank customers in a segment by their value
Stick with the segment you know best and can serve most effectively.
Fill the gap between customer expectations and competitors offerings.
Train and develop employees to share common values.
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Under promise and over deliver to create a customer franchises

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