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Editor's Note

As of February 2023, the global tourism industry continues its journey towards recovery from the unprecedented challenges posed by the COVID-19 pandemic. While the sector has made significant strides, it remains in a state of flux, with several key trends and developments shaping its trajectory.

The tourism industry has shown resilience and adaptability in the face of the pandemic. Many countries have eased travel restrictions, leading to a gradual increase in tourism activities, both domestically and internationally. However, recovery rates vary across regions. Domestic tourism has been a lifeline for the industry. Travelers have been exploring their own countries, contributing to the revival of local tourism economies. This trend is expected to continue as people prioritize safety and convenience. The vaccination campaigns worldwide have been a critical factor in reopening borders and restoring traveler confidence. Vaccine passports and proof of vaccination are becoming commonplace for international travel.

The digital transformation of the tourism sector has accelerated. Online booking platforms, contactless payments, and virtual experiences have become standard, enhancing both convenience and safety for travelers. Environmental and social sustainability have gained prominence. Travelers are increasingly interested in eco-friendly and responsible tourism options, pushing the industry to adopt more sustainable practices.

Traveler behavior has shifted, with a greater emphasis on health and wellness. Wellness tourism, outdoor activities, and remote destinations have seen increased interest. The integration of technology, including artificial intelligence (AI) and augmented reality (AR), has enhanced the travel experience. AI-driven chatbots and AR-enhanced tours are examples of these innovations. The aviation sector has seen a gradual recovery in passenger numbers. Airlines have implemented safety measures, such as improved air filtration systems, to mitigate health risks during flights. Challenges persist, including uncertainty about the emergence of new variants, sporadic travel restrictions, and a need for industry-wide standardization of health and safety protocols.

The tourism industry's recovery journey is ongoing, marked by a mix of optimism and caution. While the path ahead may still be uncertain, the industry's ability to adapt, embrace sustainability, and prioritize traveler safety positions it well for future growth and resilience. Monitoring the evolving landscape and embracing innovation will continue to be essential in the months to come.

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Service Quality and Customer Satisfaction: A Review of Selected Theories and Its Uses in Research

Rahul Bharadwaj & Shyju P.J.

Abstract

Assessment of Service quality measuring customer satisfaction and its overall effects on customer behaviour are long-debated topic in academic circles. The seminal research of Parasuraman in the field of marketing opened up a number of improvised models exclusively in the field of customer satisfaction researches. The conceptual and empirical frameworks were developed with a number of theories which were originally used by researchers in psychology. Theories provided the premises for developing models especially in the field of 'service quality' and 'customer satisfaction'.

The present study is prepared in the backdrop of understanding the theoretical prepositions which were instrumental in developing research framework in the study area. In this study theories were explained with reference to tourism and hospitality. The research is providing a firsthand understanding of significant theories and the underlying constructs.

Keywords: Service, Quality, Customer Needs, Satisfaction, Theory.

Introduction

Ensuring the quality of a service offered plays a vital role in service industry and it significantly influence the future of business organisation. In this study, the researcher attempted to explore the research literature on different aspects of theoretical foundations in service quality and customer satisfaction. The literature provides directions to discuss the service quality and customer satisfaction important theories for service quality and customer satisfaction. The present paper analysied relevant theories and major features of these theories used by researchers to explain various models on the chosen topic. The rationale of selecting theories is such that it provided basis for conducting the studies in areas related to service sector.

Two underlying Concepts: 'Service Quality' and 'Customer Satisfaction'

Academician define service features in the terms of intangibility, perishability, inseparability and heterogeneity (Koc, 2019). Service cannot be stored and inseparated from the customer. Providing excellent service is a fundamental objective of the service sector especially the Hospitality and Tourism industry which are totally based on the principles of service quality and customer satisfaction. For example: when a waiter serves foods and drinks to a customer his services are inseparable and also it is intangible in nature. According to Grönroos (1984) service quality has two dimensions.

- ✪ Technical quality means that technical aspects associated with service for example when a waiter serves drinks in the restaurant that is called the technical quality.

- ✪ Functional quality means how that service has been received by the customer for example attitude, environment and courtesy.

Customer Satisfaction

Different researchers conducted in-depth studies on satisfaction of customer, Different researcher conducted in-depth studies on factors contributing to studies on factors contributing to overall customer satisfaction and it is identified as an important part of modern business (Kadir and Shamsudin, 2019). It is very much important

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goal for the service quality and customer satisfaction business. When a satisfied customer gives positive word about the hotel that creates a positive image of that hotel. When a customer is highly satisfied it becomes a loyal/ repeat customer and also spread good feedback of the product/service and it will help the organisations to reach out0 to new customers. It is an essential constituent in any organisation for measuring satisfaction that determine the quality of services and the product. Customer satisfaction is assessed on different criterion and the researchers continued to introduce new models in this regard.

According to Anderson and Mittal (2000) when the attribute of the product and services are improved then it leads to extended level of customer satisfaction that will directly or indirectly increase the number of the customers in the long run in any business or establishment. it is a result of valuing and ensuring the assured quality of product and services.

Objectives

(a) To examine the underpinning different theories used in the service quality researches.

(b) To study the constructs developed by various social scientist.

Methodology

The following types of literature review used by scholar a) systematic b) Meta analysis c) Bibliometrics depends on the number of articles to be received and also the purpose of review

In the last two decades social science and humanities have developed a different approach for the literature review search that is called systematic review of literature. When the various social science scholars compare the traditional way of literature review process, it is observed that we leave various important authors and their contribution in those fields. SLR shows that it is very much scientific in nature, the study of this types of empirical research makes the literature search more transparent and replicable that reduces the level of biasness. SLR played a vital role in the search of literature in the field of social science that developed a scientific way of carrying the review and refining the literature review process to address the new research questions in an area.

The present study is conducted on the pattern of SLR. The selected research article was from the google scholar. It was the major sources of research data base and the collection consist of more than 200 fields of the study after excluding researches conducted other than tourism and hotel management. Shortlisting of research paper were done after going through extensive reading of abstracts of the research paper at the first phase of the study. Articles that positioned theories as the base for developing the constructs and empirical model were screened.

In this stage only research articles were considered and excluded review papers, conference proceedings, book chapters etc. Research papers exclusively dealing with the theories of related areas were shortlisted to conduct this research. These theories were examined in the context of customer needs, quality, and satisfaction to elaborate the underpinning concepts which developed into different model. The main aim of this research is to study the significant role of theories which explained the inter-linkages and causal relationships between various concepts of service quality.

Discussion-Theories

Theories were selected on the basis of its application in the field of service quality management.In the present research five theories have been selected for the detailed study. The theories are Need Gratified Theory, Means-End Chain Theory, Cognitive Dissonance Theory, Comparison Level Theory, Expectancy Disconfirmation Theory and Theory of Planned Behaviour.

Need Gratification Theory

This theory is built on the premises of need analysis and relates fulfilment of needs with satisfaction. This theory put forward lower-level needs, higher-level needs and the degree of satisfaction varies considerably with the two levels (Wolf, 1970). This theory postulated five positions. (a)When the lower-level needs of a person is not fulfilled, the level of satisfaction and dissatisfaction will fluctuate significantly. (b) When the lower-level needs are partially fulfilled, then the higher order needs create scope for the degree of satisfaction and dissatisfaction. (c)When the lower order needs are fulfilled unconditionally, satisfaction or dissatisfaction emerge from higher order needs. (d) Gratification of needs leads to satisfaction. (e) Dissatisfaction is an outcome of unfulfillment of an active need. It is understood that when the person's needs fulfilled with the use of a product, it leads to 'satisfaction' or 'dissatisfaction' which in turn results in consumer behaviour (Oliver, 1997). From the above discussion, we can conclude that satisfaction and motivation are extrapolations to product and their service environment.

Means-End-chain theory

This theory presented a cognitive model to understand the consumer behaviour and, which helps in the decision-making process. This theory includes the attribute of a product (means) and intangible elements. For example, emotional and personal values (ends) that have a vital role in decision making process of a user (Olson and Reynolds, 2001) Means and chain involves three sequential

- ✪ process.
- ✪ Extract attributes
- ✪ Laddering
- ✪ Analysis

Borgardt (2020) developed hierarchal value map is an adaptation of means and chain framework proposed by Olson and Reylonds. This theory describes that the

tangible elements of a product significantly influence customers, hence, it plays a major role in triggering consumers cognitive levels, that later on influence buying options of the customer.

In the next level of study laddering interview studies particular attributes as found significant by the consumer. The final stage, a metrics is generated called summary implication metrics and finally it forms HVM diagram. The high value map establishes the significant attributes of the product and the important values hold by the customers to use specific product. So, the present theory in general deals with the purchase behavior of consumer based on tangible features of that product, the level of its effect in consumers and final decision-making process. Rajaquru (2016) by applying this theory it found that ensuring service standards and assuring quality played a major role in attaining customer satisfaction. This further leads to behavioural intention in airlines industry according to this author.

Cognitive dissonance Theory

This theory was developed by Festinger (1957). This theory illustrated that when a anyone holding two thought that causes the state of confusion in the mind, that leads to rejection or uncomfortable situation. It is found that a when a person expects a certain level of service, but receives less than expected creates a disparity in the mind and experience cognitive dissonance. Such as: when a guest reaches at a star category hotel and expects service of certain level, but receives service which is below than expected leads to dissonance.

Comparison level theory

The theory was developed by La Tour and Peat (1979) This theory stated that when a product or service is consumed it does not measure the satisfaction of the customer or the person who consume the services or product. It compares the level of service received which is better than available options in the present market. According to Oliver (1997) customer set a comparison in their mind when they are evaluating the product or services in their mind on the basis of,

- ✪ The price of the product.
- ✪ Expectation on the product's quality.
- ✪ Expected performance.
- ✪ Product meet the attribute and finalities.
- ✪ Meet the expectation of friends and the member of families.
- ✪ Same level of satisfaction among the customers those who purchased the same product.

Expectancy Disconfirmation Theory

Oliver proposed the Expectancy Disconfirmation Theory in 1977. It is aimed at examining the customer satisfaction.

when the author argued that expectation level of customer, performance level and disconfirmation level of customer are subjective. Expectation, performance and disconfirmation predict customer satisfaction in this theory. Author extended the theoretical position of EDT in 1980s. According to author satisfaction mediated attitudinal component (pre-exposure & post exposure). Comparison of adaptation level and actual product experience act as the lease for secondary level of evaluation which will be used for product performance evaluation.

Oliver developed EDT for assessing the satisfaction of customers. This theory evaluates pre-purchase expectation and actual performance of goods and services as perceived by the customers When the customer experienced the product or services, the outcome is generally compared with expected service/product. When the outcome of product and service matches the customer expectation level of the product then customer gives positive word about the product/ service. When the expectation level of the product is below then customer feels dissatisfaction and that may in turn affect the business in the long term.

The feeling of satisfaction or dissatisfaction creates an impact in the mind of customers the gap created because of underperformance of the product than the expected level leads to disconfirmation. Researchers used different methods for assessing the main constructs, but two methods have been widely followed when using EDT as an underpinning theory, that is a) confirmation b) disconfirmation. The first approach is inferred approach (or the subtractive approach). It involves the computation of the gap between expectations and evaluations of its performance. The second approach is direct approach or subjective approach (Meyer, & Westerbarkey, 1996; Prakash & Loundsbury, 1992). The direct approach uses the summary judgment scales to measure confirmation / disconfirmation that is better than expected to worse than expected.

Both approaches used in tourism and hospitality sector to understand and assess the satisfaction level of customer with the service quality of hotel industry (Tuan, 2021; Holjevac, Marković, & Raspor, 2010; Su, 2004; Gilbert & Horsnell,1998; Barsky, 1992; Barsky & Labagh, 1992). There are many studies that shows expectancy disconfirmation paradigm is valid and reliable frame work for measuring satisfaction in hospitality and tourism industry. Oliver (1997) presented the 'expectancy' and 'disconfirmation' with the performance model that is based on, the following factors
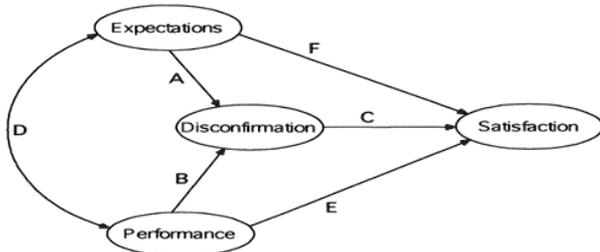
(a) Performance expectations

(b) Perceived performance

(c) Disconfirmation is also caused when the actual performance exceeds or fall short of individual

performance expectations.

(d) Satisfaction

The following diagramme presents the proposed model with the following constructs.

(i) Satisfaction is predicted by expectations, disconfirmation and performance.

(ii) Disconfirmation mediates satisfaction

(iii) expectations & performance are related.

(iv) expectations and performance are directly impact satisfaction.

Expectancy disconfirmation with performance model.

Adopted from (Van Ryzin, 2004)

All these four variables are further divided into two theoretical streams. The overemphasis on expectations of the customers which are primarily formed by different reports and other sources were flagged as the weak point of this theory by some researcher. Later on, in 1976 Philip Kotler proposed that customer satisfaction is determined by prior experience of customer with similar product but situationally produced expectations have little effect on customer satisfaction.

Some of the author observed that expectation-disconfirmation paradigm have used only expectation based on the situation as the measuring standard (Olshavsky & Miller, 1972; Anderson, 1973; Oliver 1976, 1977, 1980).

Theory of Planned Behaviour (TPB)

This theory postulates that the intentions, attitude subjective norms and perceived behavioural control can predict the original behaviour. TPB tried to measure the strength of the relationship between the antecedents that predict the behaviour. Ajzen (1991) illustrated that the expectancy-value theory predicts partially predicts the relations, on the other hand TPB is found to be more useful to check the relationship. It argued that the motivation (intention) and ability (behavioural control) contribute to the behavioural achievement. Productivity can be enhanced with behavioural control and intention.

Later on, author described that behavioural beliefs impact attitude, normative beliefs impact subjective norms and control beliefs have an effect on perceived behavioural

control and finally leads to overall behavior pattern. According to this model perceived behavioural predicts behavioural intentions but also has a direct effect on actual behaviour.

TPB has been widely used in service industry especially tourism and hospitaltiy to study satisfaction and behavioural intentions. Author used TPB to relate customer behaviour and satisfaction in green hotels. The studied showed that how TPB model positively improved in decision making for purchasing customers accommodation in the green hotels. This theory helped the marketing executives and managers in planning effective marketing strategies that helps in enhancing the promotion of green hotels.

Discussion

The study shows that service quality and customer satisfaction are highly areas interrelated. Many researchers presented that customer satisfaction improves delivery of service quality along with other factor. Also, several authors argued that customer satisfaction and service quality are interlinked to one other that leads to customer behavioral intention.
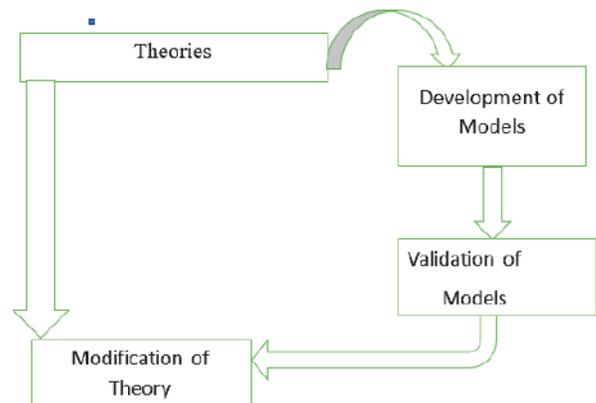
After going through different theory of customer satisfaction, it has been observed that satisfaction is not an ultimate goal of any business. Loyalty good customers and relations to ensuring satisfaction are now considered as important for those organisations follow fair business ethics. The study positions that dissatisfaction also arises from when there is no response or little response from the service point who is supposed to attend the customer.

According to Law & Ngai (2005) expectancy disconfirmation theory has been applied by researchers to compare the different attribute of expected and perceived performance. The result shows that there was a huge gap between the perceived performance and expected performance in information architecture.

According to Leung and Wen (2021) the consumption emotion of food ordering experience through digital ordering method. The findings shows that chatbot

ordering method shows more negative emotions than the rest of the two other methods applied in the study.

Goh, & Lee (2018) analysied that attitude of generation Z towards the working in the hotel industry. It is observed that generation Z has overall positive attitude towards the hotel industry that are dealing with the people, working in odd / long hours, safety and security issue, potential work place, health issue etc.

Teng, Wu & Liu (2015) illustrated that how the characteristics of individual affected the intention of traveler to visit the green hotel. It is found that attitude, perceived behavioral control, control subjective norms and altruism positive affected the intention of customer visiting green hotel.

According to Rajaguru & Rajesh (2016), 'value for money', 'service quality' and 'customer satisfaction' are interrelated, and it shows that equating the right price with the quality of the product offered are important factors for measuring customer satisfaction through means end chain theory.

Kim & Kim (2018) advocated that selected religious tourist perceived the sites through means end chain theory and their personal own values. It understands that what is the importance of religious sites through the experience and their values by using MEC theory. It also shows that how tourist have cognitive affection to these religious sites.

Using cognitive dissonance theory, Herjanto & Gaur (2014) analysied the impact of how negative word of mouth affected the hotel business.

To summarise, service quality emerged as a key academic research area in the last thirty years. Researchers used different theories to relate concepts such as motivation, perception, attitude, behaviour and proposed measurable models which predict customer satisfaction on the basis of their researches. The academic community realizes the significance of theories in research, especially in marketing and management, the progress of researches was reflective and realistic too.

Conclusion

The present study discussed the various theories associated with the themes that deals with service delivery, quality assurance and satisfying customer needs. It played an important role in analysing the product/service design and the service delivery. Various customer satisfaction theories are discussed in this paper like need gratified theory, means end chain theory, dissonance theory, comparison level theory, expectancy disconfirmation theory, theory of planned behavior. Various theories ascertained service quality and customer satisfaction affect the businesses of any organisation. This study also explained that how important the theoretical framework to study service quality and customer

satisfaction. It concluded that when customer expectation is not met with the perceived expectations that leads to dissatisfaction and causes turndown of the customer. These theories were globally used by the researcher in the service sector to improve performance and enhance customer satisfaction levels there by maintain goodwill and reputation.

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