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**An investigation into the application of the SERVQUAL model in Cox's
pharmacy, Carrick – on Shannon Co Leitrim.**

By

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Declaration

I hereby certify this material, which I submit for assessment on the program of study leading to the award of Masters in Marketing Science is entirely my own work and has not been taken from the work of others, except to the extent that such work has been cited and acknowledged within the text of my work.

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Date 31st of September 2008

Dedicated to my Family

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Recognition also to my parents, sister and brother for their valued opinions, editing and advice.

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Abstract

The purpose of this study is to gain an understanding of the level of service quality within Cox's pharmacy. A SERVQUAL methodology was used to measure service quality within the pharmacy where each element of the service was tracked under the models five dimensions tangibles, reliability, responsiveness, assurance and empathy.

To conduct this study a qualitative research approach was used where findings emerged from personal interviews with five pharmacy assistants and one pharmacist. Thirty customer surveys were also administered. Each respondent had different views on the quality of service provided.

For the research design, a case study approach is used. This case study approach is used to illustrate the level of service being practiced within the Pharmacy. Initially the study provides an introduction to the general service quality literature before discussing the role that service quality plays in the pharmacy industry.

The author identifies a number of structural steps to guide this empirical work. The first step examines the service market literature relevant to service quality. The second step illustrates what is meant by the concepts of service quality. The third step examines how Cox's Pharmacy measures itself against the current service models. The final step investigates how service quality is perceived from respondents and highlights additional steps needed to improve the level of service the pharmacy currently offer.

As part of the evaluation process, questions emerged from this research, which were in turn used to drive of the research questions within the case study. The outcome of the study highlighted that the level of service offered to customers varied within the pharmacy where discrepancies existed between the respondent's perceptions and expectations of the service. The following gaps are identified in areas of training, communication, the servicescape and flexibility of the service. Further recommendations are then addressed for management to close the existing gaps so that the level of service can be improved.

Service quality is not an simple concept to define and can mean different things to different people. Differences between consumer's expectations and the organisations perception of consumer expectations of quality are imperative to recognize and determine the level and quality of service provided. Service quality is critical in business today and customer can be loss if their needs and wants are not met. By knowing your customers and designing services to meet their needs will result in customer's satisfaction.

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Chapter 1

Introduction

1.0 Introduction

1.1 Background to Service Quality

The world-wide trend toward service quality was first initiated in the 1880's when businesses realized that the quality product, in itself, was not guaranteed to maintain a competitive advantage. (Van der Wal et al., 2002). With the rapid global development and awareness of the importance of service quality, more and more businesses are attempting to gain a competitive advantage by improving service levels to attract customers and increase their market growth or share.

Service quality has become a major area of study for practitioners, managers and researchers to deliver customer satisfaction, customer loyalty and customer profitability. According to Parasuraman et al, (1985) service quality can be defined as: “ *the comparison between customer's expectations and perceptions of services*”.

It is believed that the perceived service quality contributes to positive business outcomes, such as greater levels of customer satisfaction, and by extension, favourable marketing behaviours, such as repurchases and positive word of mouth behaviours. (Taylor and Hunt, 2002). Customers primarily form their expectations through past purchasing experiences, word of mouth and information delivered through market activities such as advertising or public relations. When customer's expectations aren't met they will be dissatisfied and it's likely they will tell others about their experiences. (Payne, A, 1994)

To successfully manage service quality an organisation must ensure customers needs and wants are met by developing appropriate standards by equipping and training personnel to provide the service, this is essential for obtaining a competitive advantage to attract new customers, and is deemed an important component for customer retention.

Managing Service Quality depends on integrating service excellence through the organisation where a customer lost through dissatisfaction is one gained by a competitor.

Berry, Parasuraman and Zeithaml (1988) deem that managing quality depends on understanding the customer needs and wants, developing appropriate standards and acquiring service personnel who are willing and able to provide quality service. Managing for consistent service quality depends on the integrating of service excellence throughout the organisation. To deliver a quality service, organisations must have a good management structure in place supported by top level management, middle management and frontline employees to deliver the perceived service to customers.

1.2 Pharmacy Industry

The pharmacy industry is one of the most prevailing corporation sectors in the Irish economy. A Pharmacy is the most important first point of professional contact for most patients and members of the public seeking professional guidance, care and

treatment of health. The pharmacist's professional expertise is vital in ensuring that patient's needs are met with safe and effective treatment.

According to the Pharmaceutical Society of Ireland Annual Report 2007 the registration statistics for pharmacies have grown by 346 in the period 1998 -2007 .In 1998 there were 1217 pharmacies in Ireland. To date there are 1563 pharmacies in the Republic of Ireland. (www.pharmaceuticalsociety.ie accessed on the 23 -04 -08)

The objective of this study is to measure the service quality within Cox's Pharmacy. This is achieved by applying the SERVQUAL model to the collective results obtained via the customer questionnaires and personal interviews conducted with the pharmacist and the pharmacy assistants.

The SERVQUAL model is used for assessing customer perceptions and expectations regarding the quality of the service. The model uses five key dimensions in determining Reliability, Tangibles, Responsiveness, Assurance and Empathy. The model is used to identify if there are gaps are present within the service.

According to Bagozzi et al, (1999) Service Quality perceptions are formed and perceived by the customer on the basis of co-production, delivery and consumption experiences. Perception tends to describe one's ultimate experience and typically involves further processing of sensory input. Expectation on the other hand is considered what is most likely to happen.

1.3 Chapter overview

The following is an outline of the six remaining chapters of the dissertation.

Introduction: This chapter explores the meaning and scope of the concept Service Quality and reviews the type of service a customer expects. It also provides a brief description of the pharmacy industry and outlines the objective of the study.

Research Methodology: This chapter focuses on the types of research chosen as part of the dissertation and includes the mechanisms for generating secondary and primary data.

Service Quality: This chapter depicts an introduction to service quality, the characteristics of a service and illustrates the dimensions of service quality. This chapter also provides a description on the SERVQUAL quality gaps.

Service Quality instrument (SERVQUAL) model: This chapter explores in detail the SERVQUAL model and identifies what factors influence customers in their decision making and experiences.

Case study: This chapter explores in more detail the Case Study focusing on Cox's pharmacy. It illustrates how service quality is measured within the pharmacy setting. Based on the research findings, conclusions have been developed and

recommendations are highlighted to address the current gaps so as the overall service can be improved upon.

Appendices: This chapter focuses on material used within the research such as bibliography and contains material used as part of recommendations. This chapter also illustrates the timeline used for the dissertation.

Chapter 2

Research Methodology

2.0 Research Methodology

2.1 Introduction

The aim of this chapter is to outline the research methodology used for this study and to discuss the chosen scientific methods in collecting, managing and presenting the collected data obtained.

Prior to this study the researcher faced some difficulty in choosing a research topic. Previously ten pharmacies were contacted by letter to seek permission, to be part of the research. The objective of the study was to measure the level of service quality within the pharmacies using the SERVQUAL model. Customers, employees and the pharmacist was the selected target population to be chosen. (See appendix one page 100, for the letter sent to Pharmacists)

From the ten pharmacies, one pharmacy gave consent to conduct the research, the other pharmacies either did not respond or did not want to be involved with the research. Due to this limited response the researcher had then to change the research topic and decided to focus solely on one pharmacy. The author will carry out a case study approach to the investigation the application of the SERVQUAL model within Cox's Pharmacy.

According to Domegan and Fleming (2007) the purpose of market research is about generating and interpreting information that may be used to solve a specific marketing problem. Market research is an activity that links the customers and competition to the

company through timely, valid and reliable data. In this manner marketing research is a function which supports and implements the marketing concept of customer satisfaction. Burns and Bush (1998) emphasises that the role of market research is to provide information that facilitates marketing decisions, that without market research information it is hard, if not impossible for management to make sound marketing decisions. Saunders, Lewis and Thornhill (2003) reveal that research is undertaken by individuals to find out things in a systematic manner, whilst increasing their level of knowledge. Good research must be efficient, objective, valid, consistent and error free. As such, it is imperative that data obtained is evaluated for this study as the method will directly affect the results.

Aaker and Kumar (2004) postulates that any organisation should try to obtain information on consumer needs and gather marketing intelligence to help satisfy these needs efficiently. Every decision poses unique needs for information gathered through marketing research, and relevant strategies can be developed based on the information gathered through market research.

According to Walliman (2001, pg 8) Experience can be a valuable starting point for systematic research and may provide a wealth of questions to be investigated and ideas to be tested. Working within the pharmacy environment for over three years has given the author of this study the practical knowledge to implement the most appropriate methodology to achieve the aims in an objective manner. Along with this practical experience, as an under and post graduate the author found the area of service marketing and its applicability in pharmacies most interesting and decided to combine the areas into a research topic. A research question was then established.

From the authors experience it appears that there has being little empirical research conducted on service quality within the pharmacy sector in the Republic of Ireland, where most research to date on this topic has been conducted within the financial, hotel, library, retail, hospital, and airline industries.

2.2 Research Question

- By applying the SERVQUAL model can any gaps be identified within Cox's pharmacy?
- Is there scope for improvement in the service offered by Cox's Pharmacy?

2.3 Research Objectives

- To examine what is understood by the concept of service quality.
- Investigate how service quality is measured.
- Identify the SERVQUAL model from the literature and see if it can be applied to Cox's Pharmacy.
- Identify the customers and employees perception of service quality within Cox's pharmacy.
- Examine the pharmacist's perception on the findings in relation to the customers and employees perception of service quality within the pharmacy.
- Identify how service quality can be improved within Cox's Pharmacy

2.4 Research Approach

According to Saunders, Lewis and Thorn hill (2003) there are two types of research approaches - Deductive and Inductive.

Deductive approach was first developed by Ancient Greeks (Top down approach) this involves developing a theory/hypothesis and a research strategy to test the hypothesis.

Induction was revealed by Francis Bacon in the 1600s (bottom up), this approach involves collecting data and developing a theory or inducing the conclusion based on the result of the analysis.

Walliman (2001) claims a combination of both can be used to form the third approach. Either or both approaches can be applied in practice. A deductive approach is used in this study which involved developing a theory and strategy to test the hypothesis.

2.5 Case Study Approach

The objectives of this research is to achieve a better understanding on how to measure the level of service quality within Cox's Pharmacy using the SERVQUAL instrument. As mentioned earlier the author has focused on a Case Study approach. This is the most appropriate method to take when addressing the research question and as a framework for presenting the findings.

Gummensson (2000) reveals that using a case study approach seeks to provide a holistic view of a specific phenomenon or series of events to develop a theory. A case study approach is the most suited approach to use as it is realistic and exploratory in nature and since the focus is on one pharmacy, the approach can be used to its max potential.

A case study is correct to use over lengthy periods of time and represents a good way to generate a richer feel for data, as well as uncover some of the problems and contradictions that are inevitable in an organisation. As stated by Remenyi et al (2002) a case study will provide a multi dimensional perspective that may be used to create a shared view of the situation being studied.

Rosselle (1996) emphasizes a case study is a record of an event, the persons involved and other impacting factors that has institutional focus.

Although, a case study can have drawbacks where bias can occur if it is conducted poorly by the individual doing the study. A descriptive case study generally provides unreliable evidence, which lacks robustness as evidence of programs effectiveness. Significant benefits in an economic case study may be difficult or unfeasible to capture in monetary terms. However, a Case Study as mentioned above is right for this thesis as its sole focus is on service and by concentrating on the results this overall service can be altered and improved.

2.6 Research Design

According to Aaker and Kumar (2004) a research design is the detailed blueprint used to guide a research study toward its objectives. It is used for obtaining information needed to solve market research problems. In theory there are three broad classes of research design, namely exploratory, descriptive and causal.

1. **Exploratory** research is used when one is seeking insight into the general nature of the problem, the possible decision alternatives and relevant variables that need to be considered. The research method is highly flexible, unstructured, and qualitative for the researcher begins without firm preconceptions as to what will be found.
2. **Descriptive** research is to describe certain variables, characteristics or functions. Descriptive research is characterised by the prior formulation of specific research questions and hypotheses. Thus the information needed is clearly defined. As a result descriptive is pre-planned and structured and is typically based on a large representative sample. (Malhotra and Birks, 2006) Descriptive research can be considered as being highly structured, formal and mathematically based.
3. **Casual** research attempts to specify the nature of the functional relationship between two or more variables in the problem models. (Tull and Hawkins, 1993). According to Malhotra and Birks (2006) Causal research is a type of conclusive research where the major objective is to obtain evidence regarding

cause and effect (causal) relationships. The main method of causal research is experimentation.

Exploratory and descriptive research design was utilised for this study due to its flexibility, versatility and also because of the small sample size chosen. Exploratory research enabled the researcher to gather as much information as possible about the research question and background information by reviewing qualitative data such as academic literature, text books, journals, pharmacy findings and internet articles relating to service quality. Exploratory research enabled the researcher to generate data from various in depth interviews and surveys to explore the research area, interpret it and draw conclusions. The researcher also used exploratory research by talking to experts in the area such as the researcher's supervisor, the pharmacist, and a member of staff from the Irish Pharmaceutical Society of Ireland.

Descriptive data enabled the researcher to conduct a cross-sectional design which provided the researcher with a snapshot of the collected information from respondents at a single point in time. This was done by carrying out a survey with customers and encouraged the researcher to probe the in-depth interviews to explore findings and identify respondent's satisfaction with the pharmacy at a point of time.

2.7 Validity

Validity is concerned with whether findings are really what they appear to be. (Saunders et al, 2000). The concept of validity underlies each and every stage of any

marketing research process, and is considered necessary for the soundness of the research.

To ensure validity of this study the researcher consulted the dissertation supervisor before interviews and surveys were conducted to ensure that the research questions were suitable.

2.8 Primary Research Testing

For the purpose of this study a pilot study was carried out five weeks prior to conducting the research. The aim of the pilot study enabled the researcher to discover any interviewee related problems or inadequacies relating to the question content, wording, sequence, and layout of the surveys and personal interview questions. The pilot research was conducted with one pharmacy technician, ten customers and the pharmacist. All respondents provided the researcher with valuable feedback on surveys and personal interview questions which enabled the research to revise the wording and content of each.

Based on results, no additional changes were made to the personal interview questions. However, a number of statements were eliminated from the customer surveys as customers felt the statements lack clarity and were confused with regarding the rating scale numbers. It was identified that a number of customers had to keep referring back to the introduction page to the rating numbers.

As a result of the testing, the original thirty six customer statements were revised and reduced to thirty four statements. Improvements were then carried out by the researcher and were the rating scale was provided at the top page of each survey to avoid any confusion. The eliminated statements are to be found in Appendix three, page 102 where additional changes are highlighted in bold font. The pharmacist then reviewed all questions presented to both the customers and the pharmacy assistants to ensure no obvious bias and leading questions existed. In addition the feedback from the pharmacist point of view, the area of training was identified as a sensitive topic of discussion. However, the pharmacist permitted the researcher to ask these questions as long it was dealt with in a sensitive approach.

To further increase the validity of the study the researcher:

- Edited incorrect data identified during the pilot testing.
- Participants were informed about the purpose of the study and guidelines were outlined before conducting the interviews and surveys.
- A Dictaphone tape recorder was used during interviews to ensure the researcher did not miss anytime during the interview.
- The answers from the respondent were typed up after interviews to reduce any risks of misinterpretations.

2.9 Reliability

According to Domegan and Fleming (2007) results are reliable when the measuring instruments used deliver consistent findings over time. For the purpose of this study threats to reliability were minimised as much as possible. In order to increase reliability, the researcher ensured:

- Permission was obtained from the manger and respondents to conduct the study.
- The respondents were free to choose an appropriate location and time to conduct the interviews.
- Bias was reduced where each respondent was kept anonymous.
- The respondents were free to respond and refuse to any questions.
- A Dictaphone tape recorder was used for back up to reduce the risk of misinterpretation.

2.10 Data Collection Methods

Malhotra and Birks (2006) reveals that there are two types of research approaches in data collection methods, Qualitative and Quantative.

Qualitative research is unstructured and non statistical in nature and forms a major role in supporting marketing decision making primarily as an exploratory and descriptive design. Qualitative research helps to define a research problem, it supports quantative, descriptive or causal research designs or as a design in its own right.

Quantitative research methodology is structured in nature and focus on primary/field research that seeks to quantify the data and typically, applies some form of statistical analysis. (Malhotra, 1999)

For the purpose of this study a combination of both approaches were used. Qualitative research was used for a number of reasons.

- It's unstructured, non statistical, exploratory and descriptive in nature and was most suited for this study.
- It helped the researcher to gain insight about the research topic, by allowing the researcher to collect data from secondary/desk sources that cannot be observed and measured.
- It also helped the researcher to develop a preliminary understanding to the study.
- Quantative research enabled the researcher to generate results from the selected sample size of the population with the aid of primary research techniques.

2.11 Secondary and Primary research

Secondary data is information collected from another party for other purposes.

Secondary research involves collecting data internally and externally from existing published sources. Internal sources includes sales and marketing reports, customer feedback, sales figures, accounting financial reports and past research reports. External sources includes invoices, accounts, magazine and newspaper articles, statistics agencies, annual reports, text books, library sources, academic journals and reports.

In contrast primary also known as field research is data originated to address the specific research question at hand. Such methods includes systematic observations, surveys/questionnaires, experimentation, focus groups, projective techniques and personal interviews.

For the researcher to gain ample insight to the background of the research topic a combination of primary and secondary were used

Secondary research was used for a number of reasons:

- Since secondary research involves no fieldwork or data analysis, its relatively cheaper than primary data to gather.
- Secondary research acts as a useful starting point where additional information is highlighted in the area of study and indicates gaps that need to be researched.
- The researcher felt the secondary data was useful since it was exploratory and descriptive in nature.
- Secondary research can also interpret primary data with more insight.

In compiling the literature review secondary data entailed looking at external sources such as academic journals, dissertations, text books, and internet sources. Relevant information was obtained from grey material such as leaflets and journal magazines in the pharmacy. An Annual Report was also obtained from the Irish Pharmaceutical Society of Ireland (PSI). The Pharmaceutical Society of Ireland is the statutory regulator of the practice and profession of pharmacy in Ireland and has responsibility to ensure that the best practice in the provision of pharmacy service is promoted and delivered in the best interest of the health, safety and welfare of the public (The pharmaceutical Society of Ireland, 2008) For primary research, internal sources was obtained from feedback from customers, pharmacy assistants and the pharmacist.

A number of on-line databases were used by the researcher to access academic journals such as Emerald Full text, infotrac and science Direct. (See Bibliography page 93, for academic journals used)

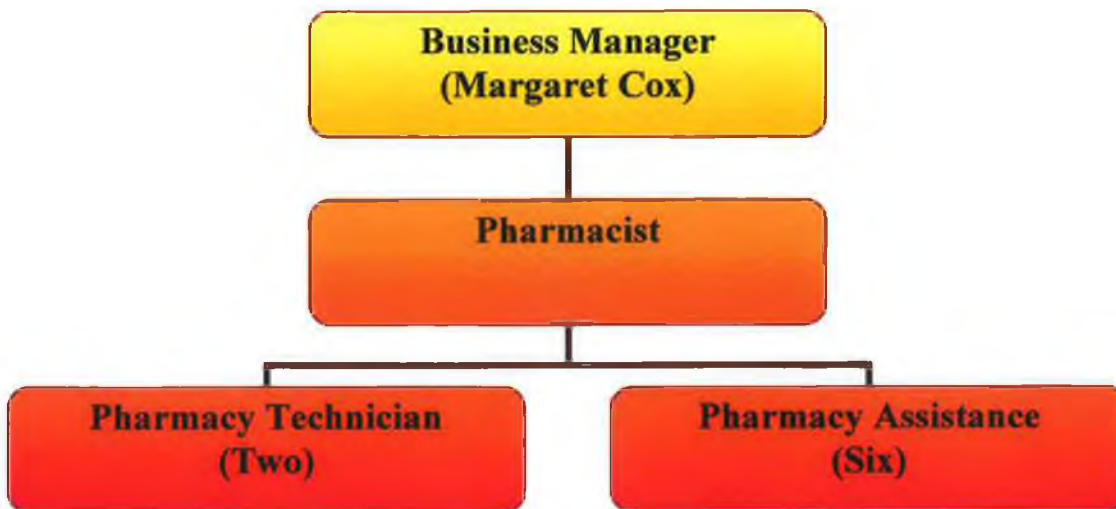
2.12 Sampling selection

In order to diversify the understanding of the topic and prepare primary research a sampling process was implemented. Sampling is taking a small portion of the population to be measured and observed. The aim of sampling is to make assumptions about the population within acceptable margins of error.

The target population most suited for this study includes the pharmacist, employees and customers chosen from a pharmacy located in County Leitrim. There are currently ten employees working within Cox's Pharmacy. The organisational structure is made up of the following:

- The Proprietor (Margaret Cox)
- One full time pharmacist
- Two full time pharmacy technicians
- Three full time pharmacy assistants
- Three part time pharmacy assistants

Figure 1: Organisational Structure



For the purpose of this study six employees were selected from Cox’s pharmacy. Five of the employees are pharmacy assistances (three full time, two part time) These five candidates were chosen for the study because of their different backgrounds, ages and years work experience. The names of respondents are kept anonymous for confidentiality reasons so that they could be encouraged to provide more detailed information. The sixth employee selected entailed the pharmacist.

2.13 Sampling Method used:

According to Cooper and Emory (1991) there are two types of sampling methods, probability and non- probability. Probability sampling is based on the concept of random selection, a controlled procedure that assures that each population element is given a non – zero chance of selection. Methods includes simple, systematic, cluster, and stratified random sampling. In contrast, non-probability selection is non - random. That is, each member does not have a known non zero chance of being included. Methods include convenience, purposive, judgement, and Quota random sampling.

Non – probability sampling was recognised most suited for this study for a number of reasons. This method is easy and cheap to conduct and is not time bound as compared to probability sampling. Non probability sample techniques does not focus on any principals or laws, rather it solely focuses on the researcher’s judgement, skills and experience.

With permission from the manager of Cox’s pharmacy convenience sampling was conducted for this study. In total thirty surveys were conducted with customers at their convenience within the pharmacy. Customers were not pressured into taking part it was very much of their own free will. Convenience sampling had the advantage over other methods of sampling in that the numbers of surveys and personal interviews could be conducted, quickly and economically. Convenience sampling is considered suitable for exploratory research, where it may assist in developing further hypotheses.

Judgement sampling was also used bearing in mind the researcher had knowledge and experience from working in the pharmacy which enabled the researcher to hand picked the sample units for the study.

2.14 Primary data

The research instruments used for the study consist of one to one personal interviews and self administered surveys.

2.15 Personal Interviews

A total of five personal interviews were conducted with the pharmacy assistances. The five interviews with the pharmacy assistants were conducted throughout the month of July and lasted approximately thirty minutes. The manager consented in all cases and interviews took place after working hours, within the pharmacy, at a time that was most suitable to the participants.

A separate personal interview was then carried out with the pharmacist in mid August once the interviews from the pharmacy assistants had being completed. The personal interview was slightly longer as questioning was more explorative and lasted approximately forty five minutes. The Interview was conducted over lunch in a local hotel, to ensure that the pharmacist could totally disengage from their work place and was more relaxed due to the type of questioning being asked.

The main strength of the personal interview is the flexibility to gain insight to the respondent's attitude on their perception of the service within the pharmacy. Personal

interviews are also versatile in nature and have the ability to uncover more complete answers to questions.

Although personal interviews have a number of weaknesses, because of one to one nature of the research, sample sizes are small and statistical extrapolation of research findings become a problem. Personal interviews are much more expensive and more physically exhausting for the interviewer to conduct.

Personal Interviews can be categorised as being structured, unstructured and semi-structured.

Structured interviews are classified as a direct approach where the purpose of the project is disclosed to the respondents and questionnaires are based on a standardised set of questions prior to the interviews.

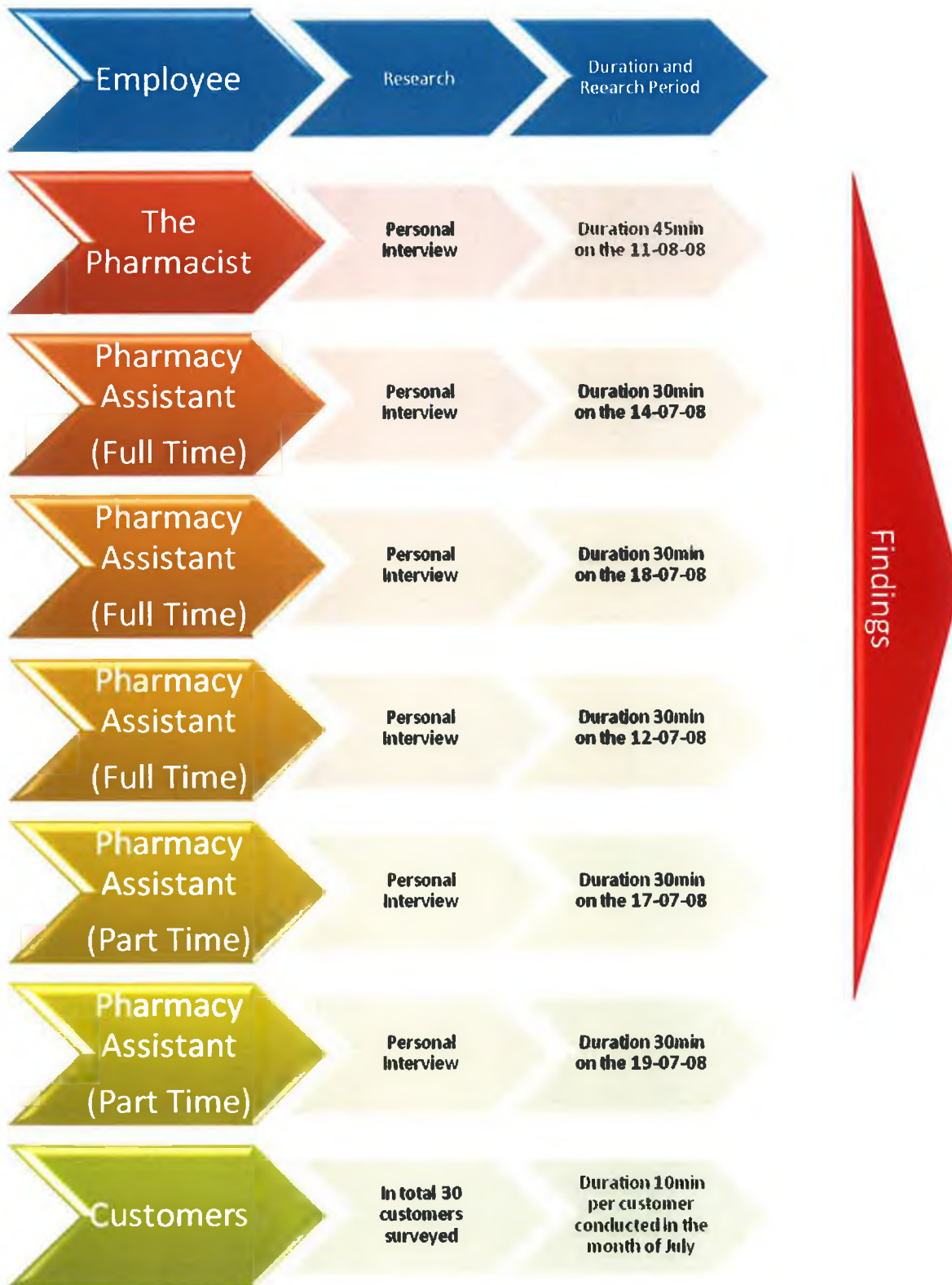
Unstructured interviews are classified as informal. Although there is no specific list of questions a researcher has an idea of the areas they want to explore. Unstructured interviews are often referred to as being in-depth, since the respondent is allowed to talk freely about the specific topic. (Saunders, Lewis and Thornhill, 2003) Unstructured interviews entails the researcher directing the interview and the respondent replies to the question asked.

Semi structured interviews attempt to cover a specific list of topics or sub-areas. The timing, exact wording, and time allocated to each question area are left to the interviewer's discretion. This mode of interviewing is especially

effective with busy executives, technical experts and thought leaders. (Aaker and Kumar 2004)

For the purpose of the study structured personal interviews were used where the researcher disclosed the extent to the purpose of the interviews to the employees. The list of questions asked had pre-specified answer choices. Thirty six questions were posed to the five pharmacy assistants in prearranged order relating to the dimensions of the SERVQUAL model regarding respondent's attitudes, awareness and motivation of their experience within the pharmacy. Eight questions were put forward to the pharmacist where questions were based on the collective responses from the earlier five interviews with the pharmacist assistances. The rationale behind this was to further explore the observations and concerns of the pharmacist assistances and identify if the pharmacist had the same mind set as the assistances. The design of the questions was structured in nature and entailed open-ended type questions. (See appendix seven page 120 for questions posed to the Pharmacist)

Figure 2: Time Frame of Empirical Research



2.15.1 Self administered Survey.

The objective of the survey was to gather data on customer's perceptions on the level of service quality within the pharmacy. In total thirty customer surveys were completed from a sample of thirty five surveys. Convenience sampling was entailed where the selected thirty customers surveyed focused on regular customers visiting the pharmacy and also included a number of tourist visiting the pharmacy. All customers ranged from different ages, sex and nationalities. The surveys were conducted in the month of July and took approximately ten minutes for customers to fill out. Overall the thirty surveys represented over 85% of the original sample size. Non response errors raised when some potential respondents included in the survey sample did not respond.

The surveys were quantitative in nature and were self administered by the researcher.

The design of the customer survey encapsulates thirty four statements which were divided under the quality dimensions of the SERVQUAL instrument.

The following are the dimension:

- Tangibles
- Reliability,
- Responsiveness,
- Assurance
- Empathy.

All survey statements were then closed using a 5 point Likert attitude scale anchoring from 1 (strongly disagree) to 5 (Strongly agree) which enabled the researcher to

measure the opinions and attitudes of customer relating to service quality within the pharmacy. According to Tull and Hawkins (1993) a likert scale is a rating scale that requires the subject to indicate his/her degree of agreement or disagreement with a statement. For each respondent each score was then calculated by summing the score under each dimension where further interpretations were made.

The main strength of using the survey method is that it is simple to administer, second, data obtained is consistent where respondents choose from a set of predetermined set of statements and are limited to alternative stated. As a result the researcher was able to collect maximum information on customer's opinions and attitudes regarding the service quality within the pharmacy.

The motivation for choice of scaling technique was that it allowed the researcher to measure different attitudes from respondents, it was easy to accumulate, inexpensive and was easy to administer data. According to McBurney (2001) Rating scales are used a great deal because they measure the magnitude of opinions, not simple its direction. (The Survey is enclosed in appendix 4, page 109).

2.15.2 Motivation for choosing questions.

In relation to the five dimensions of the SERVQUAL model the type of questions and statements posed in primary research was emerged from chapter four of the literature review, (The SERVQUAL model). The following questions under each dimensions of the SERVQUAL model helped the researcher to evaluate the level of service quality within the pharmacy.

Regarding the Tangible dimensions, the type of questions posed helped the researcher to identify the overall appearance of the pharmacy, with regards to the physical facilities, equipment, personnel and communications material. As a result it enabled the researcher to evaluate the tangible aspect within the pharmacy and whether discrepancies exist between the respondent's perception and expectations of the service.

Regarding the Reliability dimensions the type of questions posed were an attempt to discover if Cox pharmacy had the potential to perform the promised service dependably and accurately. The questions and statements posed under the Responsiveness dimensions were an attempt to identify how willing staff are at providing prompt, flexible and customised service to each customer.

The Questions and statements addressed under the dimension Assurance enabled the researcher to establish the knowledge and courtesy of staff within the pharmacy, and highlight if staff are considered trustworthy or not. The questions and statements posed under the dimension of empathy were an attempt to ascertain if staff within the pharmacy provided each customer with caring and individualised attention.

The motivation for choice of questions posed to the pharmacist was identify to the pharmacist perception on the respondent's findings and determine whether the pharmacist had the same mind set as the respondents.

The SERVQUAL model was used for the following reasons:

- In theory the SERVQUAL model is the most predominant method used for measuring service quality on customers expectations before a service encounter and their perception of the actual service received.
- The SERVQUAL model was cheap and easy to administer.
- By using the SERVQUAL model the researcher was able to obtain customers comments and suggestions regarding the service.

2.16 Analysis of Data

According to Miles and Huberman (1994, p.10) the analysis of data consists of three concurrent flows of activities: Data reduction, Data display and conclusion drawing/verification.

- **Data reduction:** is the process of analyzing that helps to sharpen, sort, focus and organise the data so conclusions can be drawn and verified.
- **Data Display:** includes taking the reduced data and displaying then in an organised and compressed way so that conclusions can be more easily drawn.
- **Conclusion Drawing/Verifications:** In this stage the research starts to decide the meaning of the data by looking for patterns, explanations, noting regularities, propositions, causal flows and possible configurations.

For the purpose of this study the analysis of data was collected from both quantitative and qualitative sources. A separate analysis for each method was required. For

qualitative research the researcher looked in detail at various sources of information from academic journals, text books and internet sources to compile information on the topic service quality. With permission from the manager all interviews were recorded on a Dictaphone tape recorder and were fully transcribed.

Following transcriptions from the personal interviews with the pharmacy assistants and pharmacist each answer from respondents was separately analysed and different conclusions were acknowledged.

The statements within the customer survey were evaluated under the five dimensions of the SERVQUAL instrument. These items were tailored to assess a number of factual statements on the customer's expectations of quality within the pharmacy. The results were identified under the title as the actual expectation score. The scores were then totalled for each dimension identified as the expected score then the mean/average value was obtained by summing all elements of each dimension and dividing by the number of elements.

The researcher allocated weight expectation scores to each of the five dimensions of the model as being most important from their experience within the pharmacy. The total of each dimension was then calculated. This allowed the researcher to specify if any gaps were present between customer's expectations and perceptions of the service.

Using excel spread sheet descriptive statistics were carried out to evaluate results. The data obtained was then sorted and analysed so conclusion could be drawn from

findings on the similarities and differences between customers perception of the service. The results were then displayed using an analytical approach in form of a table. (See summarised results from surveys on page 78)

The data collected by primary research was then assembled and transcribed so interpretations could be made known on the similarities and differences between each respondent. As a result this enabled the researcher to investigate the research question and make recommendations regarding the service within the pharmacy.

2.17 Ethical issues in the research

According to Aaker and Kumar (2004) “ethics refers to moral principles or values that general manage the conduct of an individual or group”.

Researchers have the responsibilities to their profession, clients and respondents and must adhere to high ethical standards to ensure that both the function and the information are not brought to disrepute.

The information that the researcher obtained from the respondents involved was carefully interpreted and analysed. Since the researcher currently worked in the pharmacy, personal sensitivity was the most ethical issue, where sensitive information was obtained on the pharmacy. The researcher had the responsibility to be perceptive when co-operating with the general public and members of staff.

All respondents were kept anonymous during the course of study, so the researcher did not infringe the respondent’s right to wellbeing and confidentiality. The

respondents were also given the choice not to respond to any questions or statements that seem sensitive prior to research.

The researcher was ethical when customers and selected employees were informed that the purpose of this study was strictly for academic use only.

2.18 Limitations of the study

- For the purpose of the study only on one model of service quality was utilised.
- The researcher faced a number of restrictions to the number of surveys carried out since the proprietor of the pharmacy insisted that no more than forty customer surveys were to be administered.
- Prior to the study the researcher faced some difficulty in choosing the research topic. Previously ten pharmacies were selected and contacted for the study. Due to the limited responses, the researcher then had to change the structure and the research questions of the study and focus solely on one pharmacy.
- Since the research focuses on one pharmacy results may not be directly relevant to other pharmacies.
- A Focus group was formerly considered for conducting primary research but due to lack of co-operation from staff members it was unfeasible to carry out a focus group. A focus group may have been beneficial to focus on a series of topics introduced by the researcher, and the respondents would be encouraged to express their own views on each topic and to elaborate on or react to the views of each other.

- For the purpose of the study the researcher was subject to bias from working in the pharmacy.
- From the researchers point of view there is lack academic journals on service quality within the pharmacy sector.

Chapter 3

Service Quality

3.0 Service Quality

3.1 Introduction

Good customer service is the lifeblood of any business. You can offer promotions and slash prices to bring in as many new customers as you want, but unless you can get some of those customers to come back, your business won't be profitable for long. Good customer service is all about satisfying the customer and therefore, spreading good word of mouth about the service to others, who may then try the product or service and in their turn results in customer retention.

According to Zeithamal et al, (2006) service is defined as a deed, process and a performance where no transfer of ownership takes place.

3.2 Categories of Service

- **Service Industries:** Included here are those industries/companies which are typically classified within the service sector as those whose core product is a service. (Zeithamal et al, 2006)
- **Services as a Product:** A wide range of intangible products which the customers values and will shop around for the product which best suits their needs. The product delivered may be varied and can be highly sensitive to price and brand strength. Those type of service products are sold by a variety such as manufacturers and technology companies. Typical example being Sony, they are market leaders and are differentiated by quality, reliability and price. Although there are

cheaper like products on the market they do not form the same level as services as Sony. This variation in the market place appeals to different customer needs.

- **Customer Service:** Customer service is the service provided in support of a company's core product. Quality customer service is essential to building customer relationships and ensuring that customers stay loyal to the company. The typical high street bank is a great example of this. The company is reliant on its customers for its survival and must be seen to ensure that the customer service is to the level of expectation of the customer, if not customers may move to a competitor or to a company where their custom needs are catered for. This section of the market is very sensitive to customer needs and loyalty if ignored then the organisation as a whole may suffer for its actions.
- **Derived service:** This is a service which is not directly related to the product/service as such but it is a service which has come about as a result of the delivering of a product/service to the customer. A good example of this is the pharmacy industry. Although the products from one pharmacy to another may not vary but the way this product is serviced to the customer may be very different i.e. a derived service.

Delivering quality service and being a service leader is truly an art. Services are intangible, unpredictable, and difficult to reproduce. Its delivery often depends on each individual situation, relationship and circumstance. Therefore, the customer plays an important role in the service process both as the receiver of service, and as

provider of self service. To be a true service leader then the company in question needs to understand:

- What Service means to their business?
- What elements of service do they need to focus on to ensuring that they deliver a high quality service?
- Benchmark the current level of the service and identify if a negative gap exists. The company must be competent in identifying what needs to be done to bridge the gap in service quality.

3.3 Characteristics of Services

According to Kasper et al, (2006) since services cannot be owned you cannot determine its quality once you possess the service. However, some services can be rented or leased, and then the service quality can be evaluated. The quality of the process of delivering the service will be critical. Therefore, good word of mouth is essential to build a quality reputation.

Services are classified as being intangible, where services cannot be communicated, felt, seen, tasted or touched in the same manner as tangible goods. According to Kasper et al, (2006) intangibility prevents the customer from being able to make comprehensive assessments of many services before, during or after delivery.

Zeithamal et al, (2006) states since services are performances, frequently produced by humans, no two services will be precisely alike. The employees delivering the service

frequently are the service in the customer's eyes and as thus, the quality of the service delivered by the employees may differ. This perception is known as heterogeneity as since no two customers are precisely alike, each will have unique demands or experience the service in a unique way. Thus the heterogeneity connected with services is largely the result of human interaction between employees and the customer. Heterogeneity is also known as variability.

Services are produced and consumed together and thus can't be separated from their providers. The customer is present while the service is being produced and may even be involved as part of the production process. Customers can interact with each other during the service production process and thus, may affect each other's experiences. (Zeithamal et al, 1985, 2003)

According to Zeithamal et al, (2003) services differ from goods in that they cannot be saved, stored, resold, or returned (Table 1 Services V's Goods). A primary issue that the marketer faces in relation to service perishability is the inability to inventory. Demand forecasting and creative planning for capacity utilisation are therefore, important and challenging decisions areas. Kasper et al, (2006) states perishability is where the service has to be consumed at the same time it is offered.

Carman (1990) reveals that one of the unique characteristics of services is the need to monitor customer perceptions of satisfactions and quality in the service setting. This will help identify quality related problems.

Table 1: Service V's Goods

Services	Goods	Resulting implications
Intangible	Tangible	<ul style="list-style-type: none"> • Services cannot be inventoried or patented. • Services cannot be displayed or communicated • Pricing of services is difficult. • Service delivery and customer's satisfaction depend on employee actions. • Service quality depends on many uncontrollable factors. • There no sure knowledge that the service delivered matches what was planned and promoted. • Customers affect each other. • Employees affect the service outcome. • Decentralization may be essential. • It's difficult to synchronize supply and demand with service. • Service cannot be returned or sold.
Heterogeneous	Standardised	
Production/ Consumption (Combined)	Production/ Consumption (Separate)	
Perishable	Non Perishable	

Source: Zeithamal, V.A .and Bitner, M.J. (2003) *Service Marketing: Integrating Customer Focus across the Firm.* 3rd edn .Boston McGraw-Hill/Irwin page 20.

3.4 Customer Satisfaction

Consumers judge the quality of a service based on their perceptions of the outcomes provided. This is directly related to the process which was followed and the quality of the physical surroundings present where the service was being delivered. (Zeithamal et al, 2006)

Consumers often use these attributes to assess the quality of what is essentially an intangible service. It is however the intangible elements, the inseparable and heterogenic nature of a service which are the critical determinants in delivering a quality service perceived by the ultimate customer. The quality of the service is

assessed not only on the end result but also on how it is delivered during the service process and its ultimate effect on consumer's perceptions.

Quality encompasses every aspect of business and can be an emotional experience for the consumer. Consumers want to feel good about their purchase, and to feel that they have received the best value. Consumers will take pride in their association with a company with high quality image. (Goetsch & Davis 1997). Quality in delivering a service is the single factor which can determine the level of service experienced; it has far wider benefits in its application than the product/service quality. Quality is a way of managing business processes to ensure that there is complete consumer satisfaction at every stage of the process, either internal or external.

Over the past few decades' service quality has become a major area of study to practitioners, managers, and researchers focusing on maximising customer satisfaction, customer loyalty and customer profitability. According to Leonard et al, (1982) service quality is regarded as essential for obtaining a competitive advantage to attract new customers and is deemed an important component for customer retention. For many companies the benefits of customer retention are numerous for example:

- A customer tends to buy more and it takes less time to serve them.
(Customer Loyalty)
- Customers are less sensitive to changes in price.
- Customers are a valuable form of marketing communications and they bring in new customers (Cronin and Taylor,1992)

Organisations live and die with the satisfaction of their customers and thus, view customer satisfaction as their life line. In organisations extensive efforts are made to gauge customer expectations and reactions to services in a continuous effort to improve, build and expand market share. If their customers are unhappy, organisations know they are unlikely to survive. (Cronin et al, 1992). Satisfaction is defined as the customer's fulfilment response, which is evaluated as an emotion expressed as a response to a service. (Oliver,1993)

Customers primarily form their expectations through past purchasing experiences, word of mouth and information delivered through marketing activities such as advertising or public relations. When customer's expectations aren't met they will be dissatisfied and it's likely they will tell others about their experiences. A customer lost through dissatisfaction is one gained by a competitor. Customer retention is a key strategic issue that service companies need to ensure that they continually address.

Customer's satisfaction is so important where a high level of satisfaction delivers many benefits, including loyalty. A highly satisfied customer is a loyal customer resulting in a repeat purchase. (Oliver 1999)

Organisations should manage customer intentions, as opposed to their perceptions of their experiences, by managing the outcomes the customer experience. Therefore, improving service quality to meet customer's standards is an ongoing part of doing business. In this way, customers drive the market and the organisations respond to the

needs and wants of the customer, this way the life cycle is continually keeping pace with the expectations of the customers.

Retaining customers is key to service quality this boosts profitability while at the same time not keeping the sales and marketing overheads to a minimal. It is cheaper for an organisation to manage an existing customer than having to search the market for a potential new customer as repeat customers often cost less to services and customer's expenditure increases over time.

Satisfied customers provide referrals. Satisfied customers may be prepared to pay a price premium for good service quality. Customer retention is an exceptional tool for considering the success of quality and customer service programmes.

According to Bagozzi et al, (1999) Service quality perceptions are formed and perceived by the customer on the basis of co-production, delivery and consumption experiences. Favourable and unfavourable customer experiences seem to be more important in forming service quality perceptions. There are two categories of service quality clues: clues of experiences related to functionality, and clues of experiences related to emotions. Positive and negative emotions seem to be more important in forming service quality perceptions, and negative emotions have a stronger effect on perceived service quality than positive emotions.

Parasuraman, Zeithamal and Berry (1985) believes listening to the customer is the key concept of delivering service quality, to improve such services, companies must use multiple approaches among different customers groups to ensure that they are hearing

what customers are saying and to respond to their suggestions to provide and maintain good customer satisfaction. Benefits for having an effective service quality information system in place encourages and enables management to incorporate the voice of the customer into decisions.

Service encounters or “moments of truth” are recognised within the service quality research field as a key concept and involve direct interaction between service provider and service user. (Edvardson and Nilsson et al, 2004). Each moment of truth has an impact on the service users, overall impression and evaluation of the service and ultimately, it is “they” the customers who are the most appropriate arbiters of service quality. (Dale, 2003)

Sureschander et al, (2002) identified five critical factors that are essential in measuring service quality:

- The service or service product
- The human element of delivered service
- Systemisation of delivered service
- The tangibility's of the service
- Social responsibility.

The Dimensions of Service Quality

Models in service quality enable management to identify problems with service, thus helping in planning for the launch of a quality improvement program. Models help improve the efficiency, profitability and the overall service by addressing gap issues.

Service quality models are useful where factors can be identified that effect service quality and provides directions for improvement in service quality. (Ghobadian et al, 1994)

According to Gronroos (1982) there are three components to determine service quality.

Technical quality refers to the dimensions which describes what the customer gets as the outcome of their interaction with the organisation. The outcome can be measured to a degree by the customer.

Functional quality also known as process quality refers to a dimension which describes the process by which the technical quality is delivered to the customer.

Image quality is also very important to service firms and this can be expected to build up mainly by technical and functional of services including the other factors such as tradition, ideology, word of mouth, pricing, and public relations. (Gronroos, 1984).

Customers bring their earlier expectations and overall perceptions of a service firm to each encounter because customers often have continuous contacts with the same service firms. Therefore, the image concept is an important concept in the perceived service quality model because image has an impact on customer's perceptions of the communication and operations of the firm. If a service provider has a positive image in the minds of the customer, minor mistakes will be forgiven. If mistakes often occur, the image will be damaged. Image can be viewed as a filter in terms of a customer's perception of quality. (Gronroos, 2001)

The service quality gap model (better known as the SERVQUAL gap model) was designed to analyse sources of quality problems and help managers improve levels of service quality. The integrated gap model of service quality is a framework on how to improve service delivery and focus on what the customer expects and receive in service quality. (Parasuraman et al, 1985).

The central focus of the gap model is on the customer gap. The customer gap is defined as the difference between customer expectations and perceptions. Customer perceptions are defined as the actual service experienced. Customer expectations are the standard points for performance against which service experiences are compared. Firms need to close this gap between what customers expect and receive in order to satisfy their customers in order to build long term relationships with them. To close all customer gaps the SERVQUAL model suggests that four other gaps (called the provider gaps) need to be closed to deliver service quality. (Parasuraman et al, 1985)

Gap one: Difference between Consumer expectations – management perception gap. *Illustrates the difference between customer expectations of a service and the companies understanding of those expectations. For example, not knowing what the customer expects. (Zeithamal et al, 2006)*

Gap two: Difference between management perception and service quality specification. *Illustrates the difference between management perceptions of customer expectations and the development of customer driven service design and standards. (Zeithamal et al, 2006). For example, not selecting the right service design and standards. Management does not correctly translate the service policy into rules and guidelines for employees.*

Gap three: Difference between Service quality specification and what is actually delivered. *This is the discrepancy between development of customer driven service standards and actual service performance by company employees (Zeithamal et al, 2006). It entails not delivering to service standards. Employees do not correctly translate rules and guidelines into actions.*

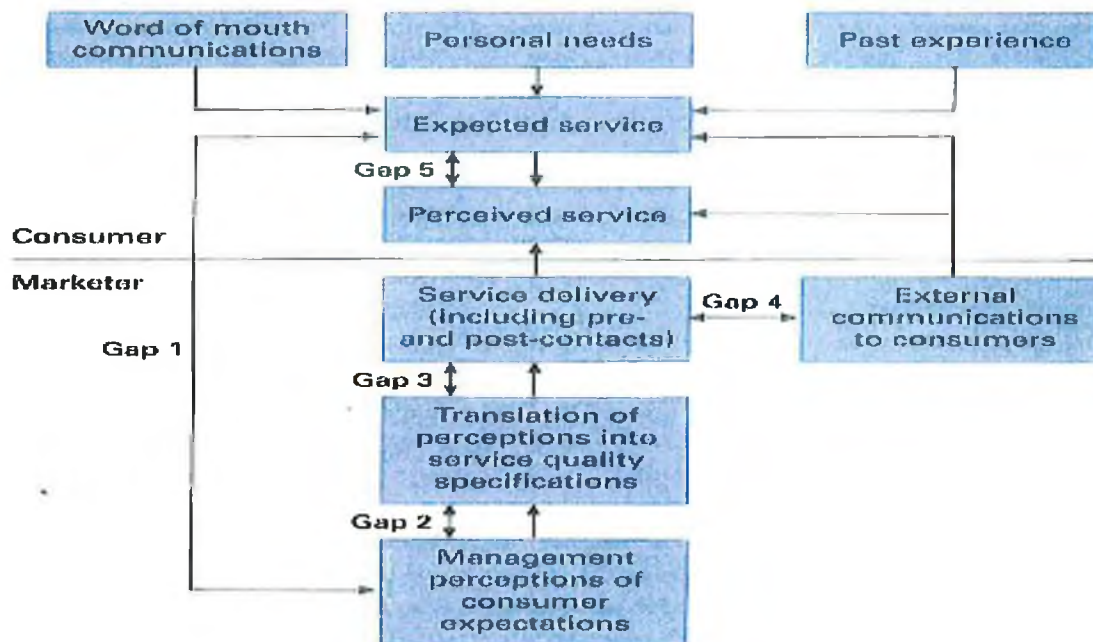
Gap four: Difference between the Service delivery and the service provider external communication. *This gap is caused by not matching performances to over promises, promises made by a service company through its media advertising, sales force and other communications may potentially raise customer's expectations, the standards against which customers assess service quality. The discrepancy between actual and promise service therefore, has an adverse effect on the customer gap. Broken promises can occur for many reasons, by over promising in advertising or*

personal selling, inadequate co-ordination between operations and marketing and differences in policies and procedures across service outlets. (Zeithamal et al, 2006).

Gap 5: Expected service – perceived service gap. Perceived quality of service depends on the size and direction of gap five, which in turns depends on the nature of the gaps associated with marketing, design and delivery of services. Parasuraman (1985) states they are a number of key reasons causing Gap one to four.

3.4.1 Understanding the Service Quality Gaps


Figure 3: Service Quality Gap (SERVIQUAL) Model



Source: Zeithamal, V.A .and Bitner, M.J. (2003) *Service Marketing: Integrating Customer Focus across the Firm.* 3rd edn .Boston McGraw-Hill/Irwin page 532.

3.4.2 Key reasons for provider gap one

1. Inadequate marketing research orientation, this is due to inadequate use of market research, research not focused on service quality.

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2. Lack of upward communication, this is due to lack of interaction between management and customers. Insufficient communication between contact employees and managers and too many layers between contact personnel and top management.
 3. Insufficient relationship focus this is caused by lack of market segmentation, focusing on transactions rather than relationships and focusing on new customers rather than relationship customers.
 4. Inadequate service recovery as a result of lack of encouragement to listen to customer complaints, failure to make amends when things go wrong and there is no appropriate recovery mechanisms in place to service failures. (Zeithaml et al, 2006)

3.4.3 Key reasons for provider gap two

1. Poor service design this is due to unsystematic new service development process, vague, undefined service design and failure to connect service design to service design to service positioning.
2. Absence of customer defined standards this is due to lack of customer defined standards, absence of process management to focus on customer requirements, and absence of formal process for setting service quality goals.

3. Inappropriate physical evidence and servicescape. This results in failure to develop tangibles in line with customer expectations. It entails servicescape designs that do not meet customers and employees needs and inadequate maintenance of the servicescape. (Zeithamal et al, 2006).

3.4.4 Key reasons for provider gap three.

1. Deficiencies in Human resource policies, this is due to ineffective recruitment, role ambiguity, role conflict, poor employee technology fit. It also entails inappropriate evaluation and compensation systems and lack of empowerment, perceived control, and teamwork.
2. Failure to match supply and demand, this is a result of failure to smooth peaks and valleys of demand, Inappropriate customer mix, over reliance on price too smooth demand.
3. Customer not fulfilling roles, due to lack of knowledge of roles and responsibilities, and customer negatively affecting each other.
4. Problems with service intermediaries this is as a result of channel conflict over objectives and performances. Difficulty controlling quality and consistency and tension between empowerment and control. (Zeithamal et al, 2006)

3.4.5 Key reasons for provider gap four.

1. Lack of integrated service marketing communications it is due where each external communication as independent, absence of interactive marketing in communications plans, and in strong internal marketing program.
2. Ineffective management of customer expectations results from not managing customer expectations through all forms of communication, and not adequately educating customers.
3. Over promising this gap can occur as a result of over promising in advertising, personal selling and through physical evidence cues.
4. Inadequate horizontal communications, can occur when there is insufficient communication between sales and operations, insufficient communication between advertising and operations. Differences in policies and procedures across branches or units. (Zeithamal et al, 2006)

According to Parasuraman et al, (1985) the integrated service quality model states that service quality is a function of perceptions and expectations The SERVQUAL model (as identified in Fig 3) shows the relationship between the external gap five, which is defined as the perceived quality as experienced by the customers as a result of the combination of factors and identified by the internal gaps from one to four. Gap five depends on the size and direction of the four disconfirmations associated with the delivery of service quality. If gaps one to four are reduced, then the service quality

can be improved (Kasper et al, 2006). In other words, to deliver good service quality then all the key factors, from gap one to four must be closed to deliver good customer satisfaction.

When a service fails, the customer is more likely to blame the service provider. Bebko (2000) recommends that organisations should make the process more visible to the customer so as the customer is aware of the process. Service processes can be made more tangible by showing the customer the service process. The service process can be presented in pictures, videos, booklets, fact sheets or computer simulations of other people's service encounters.

Not only will this lower consumer expectation but will manage customer expectations when problems arise. With intangible products, people usually do not know what they are getting until they don't get it.

Chapter 4
Service Quality
Instrument
(SERVQUAL)

4.0 Service Quality Instrument (SERVQUAL)

4.1 Introduction

The Service Quality Model (SERVQUAL) was developed in the 1980's from a US perspective by three American researchers namely Parasuraman, Zeithaml and Berry (1985, 1988). The SERVQUAL instrument focuses on understanding both the consumer and organisational responses in relation to problems of service quality and has received significant attention from scholars and practitioners in recent years.

At the heart of the SERVQUAL model is an understanding of the nature and determinants of customer expectations and perceptions of service quality. Consumers' expectations and perceptions are measured to identify any shortfall in service levels. This is better known as the disconfirmation paradigm in the services marketing literature. A customer will perceive quality in a positive way only when the service provider meets or exceeds his/her expectations. (Parasuraman et al, 1985, 1988; Bitner, 1990; and Robledo, 2001)

Keiningham et al, (2007) stress the importance of balancing and managing the various aspects of the customer experience simultaneously if firms are to optimize the loyalty behaviors that they desire from their customers. Moreover, within a services context prospective customers tend to rely on communication from other customers because the intangible nature of services is inherently associated with greater purchase risk. (Bansal and Voyer, 2000; Zeithaml and Bitner, 1996)

4.2 Customer's expectations

Customers sometimes have expectations of a service which can't be met by anyone, neither by professional service providers, nor by customers themselves. When customers have expectations which aren't fulfilled by the service they will be disappointed. These expectations of disappointment cannot be avoided. However, if unrealistic expectations can be made realistic, then it's possible to provide a service which satisfies the expectations therefore the customer is satisfied. (Zeithamal and Bitner, 2003)

Knowledge about customer's expectations is critical to service marketers. Knowing what the customer expects is the preliminary and most fundamental step in delivering quality service. Consumer expectations are important to customer satisfaction, where it's assumed that consumers create central expectations prior to their service experience against which performance is evaluated.

Customer's expectations play a pivotal role in judging a companies service. Customers assess service quality by comparing what they want or expect with what they perceive they are getting. To earn a reputation for quality service, companies must consistently perform at levels customers perceive as meeting or surpassing their expectations. (Parasuraman and Berry, 1991)

A desired service is a level of service the customer hopes to achieve. This is a blend of what the customer believes can be. An adequate service is defined as the level of

service a customer will accept and a predicted service is defined what customers believe they are likely to get. (Zeithamal et al, 2006)

If a required service drops below the accepted minimum levels, then the customers will be aggravated and thus their satisfaction with the company will be weak. If service performance on the other hand is higher then the performance exceeds desired service customers will be very satisfied.

4.3 Factors which influence customer expectations

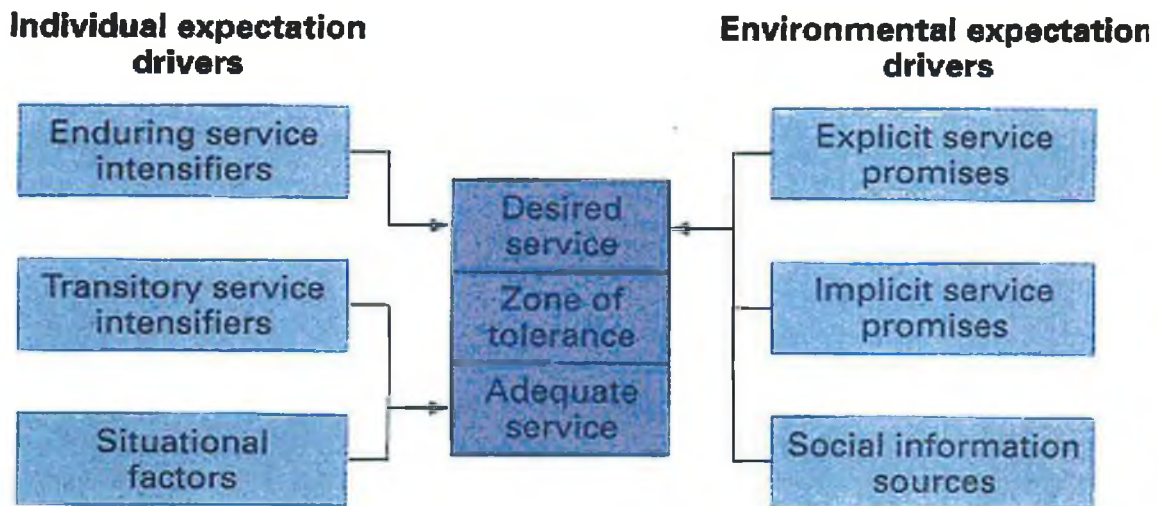
Customer experiences are different for everybody, as mentioned earlier, no two experiences are the same and even at that the customer will more than likely rate the same level of service differently.

The following are some such factors which will influence customer's expectations.

- **Enduring service intensifiers:** are individual stable factors that lead to customer to a heightened sensitivity to service on an on going basis.
- **Personal needs:** are those states or conditions essential to the physical, social or psychological well being of the customer,
- **Transitory service intensifiers:** is the personal service philosophy the customers underlying generic attitude about the meaning of service and the proper conduct of service providers.
- **Perceived service:** alternatives customers' perception of the degree to which they have options in obtaining the service.

- **Self perceived service:** Customer's perception to the degree to which they themselves influence the level of service they receive.
- **Explicit service:** promises companies statement about the service made to customers.
- **Implicit service:** promises. Service related cues other than explicit promises that lead to inferences about what the service should or will be like.
- **Word of mouth:** communications statements made by parties other than the company about what the service will be like. These statements may come from friends and consumer reports.
- **Past experiences:** Customer's prior experience to the service which is pertinent to the present service.

Figure 4: Determinants of the zone of tolerance



Source: Zeithamal, V.A. and Bitner, M.J and Gremler, D.D (2006) "Service Marketing: Integrating Customer Focus across the Firm. 4th edn. Boston, McGraw-Hill/Irwin, page 93.

The Zone of tolerance separates the desired and adequate service levels. As can be seen from Fig 4 the customer's expectations when mixed with the environmental expectations can vary the level of service experienced. This can either be a desirable experience or just adequate. The key to understand is that the combination of factors will produce different levels of service performance.


Boulding et al, (1993) and Oliver (1993) suggest when managing customers expectations, managers should emphasise customer orientation, where this concept is likely to have a positive outcome since it is related to predicted expectations. Past studies have shown that predicted expectations influences both service quality perceptions and customer satisfaction.

The SERVQUAL instrument consists of customer research using focus groups and surveys. The finding from this research pinpoints a definition of service quality as the "differences" or "gaps" between customer's perceptions and their expectations of a service. There are twenty one service attributes grouped into ten dimensions which customers used to evaluate service quality.

1. **Tangibles:** This focuses on the physical facilities, equipment, personnel and communication material. The characteristics of tangibility's are argued to be the most important difference between products and services. (Parasuraman et al, 1998 and Van Iwaarden et al, 2003) Research has shown that consumer expectations are higher for services that are more intangible than for services with more tangible features (Bebko, 2000). Marketers must recognize and understand that the characteristic of tangibility in services can be an important

factor of the service offering and/or service production process. “Consumers evaluate services in regards to those elements that they actually experience in the course of the service delivery and – of course on the perceived service outcome” (Lovelock, 1991)

2. **Reliability:** is the ability to perform the pledged service on time, accurately, and dependably. Out of the five dimensions, Reliability has been shown to be the most important determinant of perceptions of service quality among customers. Customers desire to do business with companies that maintain their promises. Reliability is the essence of service quality. (Parasuraman et al, 1985). When failure to deliver on promises which were made to attract the customer it shakes the customer’s confidence in its capabilities and undermines its chances of earning a reputation for service excellence.
3. **Responsiveness:** willingness to assist customers and offer prompt service. This emphasises attentiveness and promptness in dealing with customer requests, questions, complaints and problems. Problems arise where customers are put on hold through phone mail system or may have problems accessing the firm’s website, this results in poor service quality. (Parasuraman et al, 1985). According to Vumir, (2006) responsiveness is whether services are provided at convenient times and places which are delivered on timely basis with minimal waiting times.
4. **Competence:** Staff should possess the necessary skill, knowledge and information to perform the service.

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5. **Assurance:** includes the knowledge, courtesy, credibility and security of employees and their ability to convey trust and confidence. (Van Iwaarden, 2003)
 6. **Credibility:** includes trustworthiness, believability, and honesty.
 7. **Security:** is defined as being free from danger, risk and doubt. It involves physical safety, financial security and confidentiality.
 8. **Access:** is defined as the approachability and ease of contact.
 9. **Communication:** Involves keeping the customer informed and listening to the customer.
 10. **Empathy:** is the provision of caring individualised attention the firm provides to its customers.

These ten dimensions of service quality were consolidated into a further five dimensions

- Tangibles,
- Reliability
- Responsiveness,
- Assurance
- Empathy.

These five dimensions have become the most important in delivering service quality and sometimes are referred to as the RATER dimensions.

In the SERVQUAL instrument, 22 statements measure the performance across the five dimensions, using a seven point scale measuring both customer expectations and perception of the service. (Gabbie and O'Neill, 1996)

Each of the five dimensions is weighted in relation to the customer's perception of the service at hand. The customer responds to a series of statements formulated around the five service dimensions. The statements are in random order in the survey ranging from strongly disagreeing to strongly agree. Different scores are then assembled by each individual. The score for each dimension is multiplied by the weighting. The gap score is obtained from subtracting the expectation score from the perception score. A negative gap score indicates the actual service is less than the expected service which can result poor quality which can result in customer dissatisfaction of the service organisation where positive scores illustrates good quality and customer satisfaction.

4.4 Questions the questionnaire focus on

Tangibles

- Modern equipment
- Visually appealing facilities
- Professional appearance of staff
- Visually appealing materials associated with the service
- Convenient business hours

- Atmosphere within the service

Reliability

- Providing services as promised
- Dependability in handling customers' service problems
- Performing services right the first time
- Providing services at the promised time
- Keeping customers informed about when services will be performed

Responsiveness

- Prompt service to customers
- Willingness to help customers
- Readiness to respond to customers' requests

Assurance

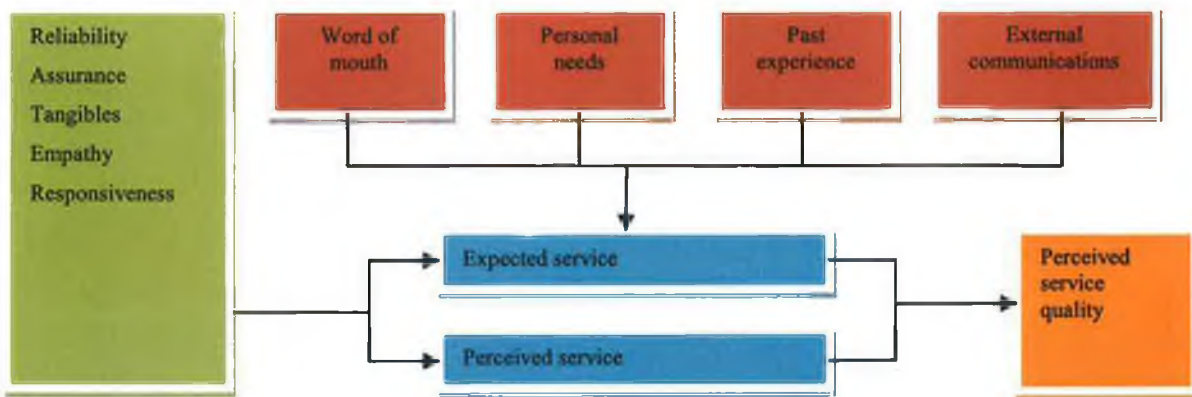
- Employees who instill confidence in customers
- Making customers feel safe in their transactions
- Employees who are consistently courteous
- Employees who have the knowledge to answer customer questions

Empathy

- Giving customers individual attention
- Employees who deal with customers in a caring fashion
- Having the customer's best interest at heart
- Employees who understand the needs of their customers

http://www.sla.org/Presentations/sldc/parsu_LAB2002pp.ppt as cited in A. Parasuraman (2002) *Defining, Assessing and Measuring Service Quality: A Conceptual Review*, Tri/Servqual /Libqual + Tm. University of Miami. Page 20.

Figure 5 Alternative approach Service Quality Instrument



Source: Kasper et al, (2006) "Service Marketing Management", A Strategic perspective 2nd ed. John Wiley and Sons Ltd. Page 190.

The SERVQUAL model (Fig 5) is influenced by four externalities word of mouth, personal needs, past experiences, and external communications which have an impact upon the formation of expectations to deliver the perceived service quality. (Parasuraman et al, 1985; 1988).

Steps involved in the SERVQUAL process involves conducting a sample survey of customers so that their perceived service needs are understood, and measures perceptions of service quality for the organisation in question. The SERVQUAL questionnaire is one of the pre-eminent instruments for measuring the quality of services as perceived by the customer. (Parasuraman et al, 1988).

Chapter 5

Case Study

5.0 Case Study

5.1 Introduction

The following Case study will highlight some of the areas investigated by the researcher and what action needs to be taken within the pharmacy. It will highlight where changes need to occur across the organisation and what measurements need to be put in place to ensure that the service expected by the customer is what they receive.

5.2 Background

Cox's Pharmacy is an independent family owned business based in Carrick-on-Shannon, County Leitrim. The business provides pharmacy services to a large customer base surrounding the town of Carrick-on-Shannon and counties Leitrim and Roscommon.

The family own two businesses, one pharmacy is located on Main Street in Carrick-on-Shannon town and the second pharmacy is located in Hartley business park, on the outskirts of the town. For the purpose of this study, a case study was carried out on Cox's pharmacy in Main Street Carrick-on-Shannon.

Cox's Pharmacy was originally established in 1975 by Desmond and Margaret Cox. The company's culture strongly focuses on providing a service with paramount patient care. Since the bereavement of Desmond Cox in 1995, the pharmacy was

refurbished and expanded in order to better meet market requirements. Cox's pharmacy stock a wide range of beauty cosmetics, fragrances and skincare products, including Lancôme, Clarins, Roc, Vichy and La Roche Posay, plus many more top skincare brands. The pharmacy now specialise in a much larger range of products, sports supports, special dietary/ diabetic/ celiac foods, medical devices and appliances to meet the requirements of its customers.

5.3 Research Findings

The following outlines the results obtained from respondents in the primary research.

Overall the results are assembled and discussed under the headings of the five dimensions, tangibles, reliability, responsiveness, assurance and empathy. The research finding from the pharmacy assistants and customers are as follows:

5.3.1 Tangibles

Based on overall results both groups of respondents the customers and the pharmacy assistants agreed that the physical layout of the pharmacy was very attractive, pleasant, modern, clean and professionally designed. In addition, the pharmacy assistants pointed out that the images, background, colours, structures, and layout within the pharmacy was balanced and also appealing to the eye.

The Customers and pharmacy assistants agreed there is a good ambiance within the pharmacy. Some pharmacy assistants further pointed out the ambiance is very relaxing as background music is always being played within the pharmacy which keeps staff entertained for the day. The pharmacy assistants expressed the pharmacy is a friendly environment to work in and are at present are very happy there. Both

groups of respondents emphasised that they would recommend Cox's pharmacy to a friend.

Customers noted that the window display is always very attractive, especially at Christmas season that staff always does a great job. The pharmacy assistants emphasised that the window displays never looks stale or outdated, since it is constantly being changed regarding the time of year, special events or promotions within the pharmacy. Signage and written materials such as leaflets and posters were considered to be easy to interpret from both the customers and the pharmacy assistants and highlighted the pharmacy does provided ample supply of leaflets and booklets to read. The pharmacy assistants also specified that the pharmacy provides good signage for customers over certain sections within the pharmacy, such as various skincare products, baby care, hair essentials, vitamins and foot care. In relation to technology both respondents emphasised that technology within the pharmacy was modern.

The pharmacy assistants outlined that the pharmacy did provide a variety of service equipment for customers to use, such as the high-tech weighing scales which monitors blood pressure and weight levels and a Kodak photo machine. The Kodak photo machine enables the customer to print single/multiple photos from their mobile phones or digital cameras at a reduced cost. Although, a number of customers commented that not enough help was given by staff on how to operate the Kodak machine. A number of pharmacy assistants further pointed out that only two members of staff are familiar on knowing how to operate the machine and stressed there is

insufficient staff on duty to show the customers how to manage the machine, that most times customers have no choice but to teach themselves.

The pharmacy assistants reported that the pharmacist uses special software called “Quick Script” for entering prescriptions and that staff can also avail of this software for checking retail prices, sending orders to suppliers without having the need to fax on the orders. They also mentioned that there were two touch-screens tills in place for staff which enabled them to scans all products. The software was considered to be very efficient and cost effective.

Regarding the professional appearance of staff, both respondents strongly agreed that staff do not always appear well dressed and act professionally to customers and each other. Pharmacy assistants mentioned that not all staff dress in a manner when attending to customers. It was highlighted that full time staff are provided with uniforms as part-timers/temps are not. As a result this has a tendency to create a “them and us” attitude thus, leading to unnecessary conflict over the most minor issues. When asked for more information, the employees revealed it would be more beneficial if part-time/temp staff were provided with a uniform or if a dress code were provided, as this would improve working relations between all and portray a more professional image of the store to its customers.

Within the survey a number of customers also commented that some staff members wore shorts and track suits to work and did not appear professional. According to some customers experiences not all staff acted professionally to customers by giving them their full attention. Within the survey customers stated that they felt

uncomfortable to watch a number of employees putting on each others make up, while they were waiting to be served. Some pharmacy assistants supported this, that at times some members of staff tend to be laughing and joking with each other and that not enough attention is given to customers.

Both groups of respondents, the customers and the pharmacy assistants stressed that the pharmacy had no appropriate service area available for patients seeking counselling, medical advice or when waiting for prescriptions. The pharmacy assistants accentuated that it was necessary and very important that patient's medication was dealt with in confidence and further stated that privacy was regarded as being crucial where customers can be sensitive when speaking to a pharmacist while in earshot of other staff and customers.

5.3.2 Reliability

Regarding the issue Reliability the pharmacy assistants claimed that the quality of the service is not the same at all times of the day especially, during peak hours where staff are sent on lunch breaks and at peak seasons like Christmas and throughout the summer tourism season. It was further explained that extra staff was required to cover peak hours and peak seasons such as Christmas and summer periods. In addition, customers highlighted that they witnessed employees and management having a bad day which reflected in the service given to them.

A number of customers also commented that the level of service can vary at busy periods. Some pharmacy assistants mentioned that the level of service given to the

customer can vary at times, and can also be a result of different personality traits, where some staff are better at dealing with customers than others. It was also pointed out that staff within the pharmacy emphasise attentiveness and promptness when dealing with customer requests or complaints and generally do their best to ensure that the customer leaves the pharmacy pleased with the service delivery. Moreover, according to some customer's experiences they agree that staff emphasise attentiveness and promptness in dealing with customer complaints and that are always open to feedback.

In relation to the opening and closing hours of the pharmacy, the customers and pharmacy assistants stressed that the opening/closing hours 9.30am to 6pm were not adequate. A number of customers noted that it would be beneficial if the pharmacy had a late closing hour during the weekday, so business people could avail of the service. The pharmacy assistants further expressed that the pharmacy should be open for a few hours on Sundays since a majority of other pharmacies are.

According to the pharmacy assistants the service is always delivered on a timely basis with minimal waiting times for customers, except at peak times when there is insufficient amount of staff on duty. Some customers commented that staff within the pharmacy perform the service dependably as promised but at times it can be frustrating when the pharmacy runs short of medication and other items.

5.3.3 Responsiveness

Regarding responsiveness the pharmacy assistants stressed that staff within the pharmacy are always willing to help their customers and if the pharmacy did not have a particular item in stock they would try their best to order the item in for them the next day, or may have to borrow the product from another pharmacy. It was further explained that if service quality was to be delivered correctly then all businesses must have a contingency plan in place when things go wrong. The pharmacy assistants specified they borrow certain items from their other pharmacy outside the town when they tend to run short on key supplies, such as medication.

Several customers agreed they would seek medical advice from the pharmacist before going to see a doctor, and commented that the pharmacist is always willing to help and would advise them whether or not to see the doctor. Some pharmacy assistants postulated that the approachability of the pharmacist is vital, since it's not always easy to get an appointment to see the Doctor. The respondents further explained that in some cases over the counter drugs may be just as effective for the condition being experienced and that if the symptoms persisted then they would most definitely attend the doctor.

Regarding sponsorship and local events the pharmacy assistants expressed that the owners of the pharmacy are very generous people who are always willing to help, by sponsoring local events within the town. Some pharmacy assistants further stressed that the pharmacy is one of the prime businesses within the town who contribute towards the Christmas lights and who participate in sponsoring football, golf classics,

and rowing club events. Some customers commented that Cox's pharmacy is always willing to help sponsor local charities, such as St Vincent De Paul, and local church funds.

The pharmacy assistants emphasised that the pharmacy has a delivery service available for customers who are unable to attend the pharmacy for prescription medication. Although none of the customers surveyed was aware about this service.

5.3.4 Assurance

Regarding the dimension "assurance" most customers agreed that not all employees were equipped and trained with the knowledge to answer questions. A few customers commented that part time staff lacked the knowledge to answer specific questions on whether it was safe to take non prescription medication with prescription medication. In addition to this comment, some pharmacy assistants pointed that no general training was given to part time staff in regards to the OTC (Over the counter) medication. The pharmacy assistants stated that if they're unsure about anything they always check with the pharmacist before closing off on advice to the customer.

In relation to training some pharmacy assistants specified that part-time staff do not provide customers with good instructions/advice on how to operate equipment within the pharmacy, i.e. the Kodak machine. It was also pointed out by customers that not all staff has the competence or experience to check diabetes /cholesterol levels.

A number of pharmacy assistants stressed that there is no personal training given to staff members as such on dispensing prescriptions drugs under the supervision of the pharmacists, only the technicians. Following this it was mentioned that part – time staff is never sent on training course for top skincare products like Clarins, Lancôme, Vichy, La Roche Posay and Roc, where full time staff are. In addition, the pharmacy assistants pointed out that management don't have a training plan set in place for staff on a yearly basis and currently staff is not given prior notice when they are due to undergo training. As a result this can cause confusion and frustration with regards to any plans that is already made or regarding work schedules. It was pointed out by a few pharmacy assistants that it would be a less contentious issue if plenty of notice was given to staff and it would be beneficial if they could see their training plan for the year.

Based on results it was pointed out from both group of respondents that staff within the pharmacy are considered to be credible and trustworthy and both have had full confidence in the staff. The respondents also indicated that they would recommend Cox's pharmacy to a friend and emphasised that the pharmacy has won many awards for employee participation, for being the top 6th pharmacy in Ireland for generating sales in skincare products Vichy, La Roche Posay and Roc. Full time employees have also achieved many certificates as instructors for participating in the Lipotrim diet.

The pharmacy assistants stressed that communication was an issue between staff and management within the pharmacy. In addition, there is no schedule for regular staff meetings set in place and meetings only occur if something goes wrong.

It was also pointed out by the pharmacy assistants there is lack of consistency within the pharmacy where no proper organisational structure is set in place regarding who is responsible for giving specific orders on tasks to perform. As a result the pharmacy assistants stressed that it was quite confusing. Regarding holidays and days off a number of pharmacy assistants further explained that there is no rota set in place. It was noted that all holidays and days off tend to be scribbled on a calendar which is placed on the canteen board.

The pharmacy assistants claimed that this can cause great confusion when staff start changing their holidays and work schedules regarding days on and off, that no order is in place. It was mentioned that it was significant that a proper rota was in place and that regular meetings were enhanced to improve the level of communication between staff members.

5.3.5 Empathy

Regarding the issue of empathy customers commented that both the pharmacists and employees give customer full attention and staff are always willing to help. The pharmacy assistants expressed that with the help from the two technicians, it does help to improve the level of attention pharmacists can offer to patients. According to some pharmacy assistants experience, all customers are treated equally although, it was expressed that lack of training is an obstacle to providing top service. Overall both respondents considered staff within the pharmacy very courteous, friendly and are always open to aid customers with enquires. It was also highlighted by respondents that good eye contact communications is always utilised.

Based on overall findings from the above the researcher posed a number of questions to the pharmacist to determine whether the pharmacist had the same mind set as the respondents on the level of service quality within the Pharmacy.

Based on the results the pharmacist believed there was a lack of professionalism within the pharmacy as a result of the lack of training. The pharmacist then postulated that if a training plan was put in place it would result in having a positive effect on the business in terms of customer care, knowledge, and the service provided. The pharmacist further explained that a training plan would be very beneficial to both the employees and the company. As well as educating the employees with skills and knowledge, it would also motivate them in their work. In return, customers would feel reassured about the advice and service given to them.

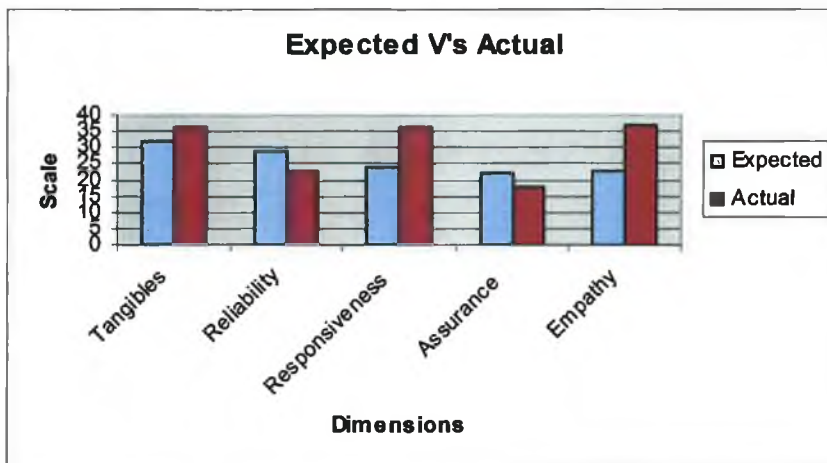
Regarding communication the pharmacist pointed out that there are issues regarding the types of communication between staff and management in areas relating to time off, holidays, and working hours and that it's not properly communicated to staff and that it can be confusing at times. In terms of the servicescape the pharmacist could understand from a customers point of view why there was a need for a private consultation area. The pharmacist further explained that from experience working in the pharmacy she had to deal with very personal issues over the counter and found this very difficult, both for the customer and herself.

Regarding the professional appearance of staff the pharmacist delineated that all staff members should wear a uniform at all times. The pharmacist postulated that uniforms provide a professional image for the company and is important all staff should wear them.

In relation to flexibility of the service the pharmacist agreed that the company would benefit in terms of customer satisfaction and increased sales by remaining open until 7pm on Thursday and Friday evenings. The pharmacist specified that she could not understand why the company was not open on Sundays since it's a great prospect to grow the business and would increase sales and productivity.

In terms of long term advertising, the pharmacist pointed out that it is a great means of growing the business and communicating with the public. With the use of long term advertising customers would be more aware of the delivery service available and thus, inform customers of current promotions and upcoming events within the pharmacy.

Table 2: Expected V's Actual service experience from the respondents



Based on the research findings it is clear to see from the above table, that there are both positive and negative gaps within the pharmacy. Positive gaps are highlighted as areas that are exceptional within the pharmacy. These exceptional dimensions are recognized as Tangibles, Responsiveness and Empathy. Although, it was pointed out by respondents regarding the Tangible dimension staff do not dress professionally within the pharmacy. Reliability and Assurance are considered weak dimensions where improvement is required. The following table 3 below highlights the summarised results from the customer surveys. How the researcher obtained the research findings below are discussed within the research methodology chapter .

Table 3: Summarised results from 30 customers

Dimension	No of Quest	Expected	Weight	Actual	Gap	(+/-)
Tangibles	9	32	4	36.4	4.4	+
Reliability	9	29	5	22.6	6.4	-
Responsiveness	5	24	3	36.6	12.6	+
Assurance	5	22	5	17.9	4.1	-
Empathy	6	23	3	37.1	14.1	+

5.4 Conclusion

It is important to reiterate the original Research questions to certify that the results identified were in line with the expectations of this dissertation.

- By applying the SERVQUAL model can any gaps be identified within Cox's pharmacy?
- Is there scope for improvement in the service offered by Cox's Pharmacy?

5.4.1 Research question one

Based on the empirical findings of the study, the level of service offered to customers varied within the pharmacy where a number of gaps does exist using SERVQUAL model. This clearly delineates there is a difference between customers perceptions and expectations within the store. To-day since customer experience is central to the service experience and experience within any business is based on word of mouth, it is imperative that all provider gaps are closed to deliver the highest possible level of service with the pharmacy. The following gaps are highlighted as follows.

5.4.1.1 Gap one: Training

The research has acknowledged that deficiencies within the human resource policies exist as a result of lack of training within the pharmacy. It has been pointed out that no general training is given to staff on the following areas, OTC (over the counter) medication, customer care, information about celiac and diabetic patients. However, partial training is given to full time staff on certain skincare products. Two members of staff are trained to give instructions to customers on how to operate technology

equipment, within the store such as the electronic weighing scales, blood pressure machines, and the Kodak photo machine.

It also has been pointed out that no personal training is given to staff members to dispense prescription medication under the supervision of the pharmacist. In general full time staff are permitted to dispense prescriptions under the supervision of the pharmacist and tends to learn from experience over the years. Whilst, part-time staff do not.

Based on overall results from groups of respondents, the author indicates that management have no training plan in place. A training plan is an imperative asset to any company as it's a way of communication between the employee and the organisation. (See sample training plan in appendix 5, page 118)

According to Parasuraman (1985), a quality gap exists if there is a discrepancy between development of customers driven service standards and actual service performance by the company employees. This quality gap can be identified from research findings where staff is not delivering to service standards from lack of training and customer care. If customer care is not provided to its highest standards, this can result in staff not delivering good service quality. The quality of the service is assessed not only on the end result but also on how it is delivered during the service process and its ultimate effect on customer's perceptions.

According to Turley (1990) training is the only way to ensure that customer – employee interactions (moments of truth) are conducted in a way that leads to satisfied customers and repeat business.

Zeithamal et al, (2006) claims that the employees delivering the service frequently are the service in the customers eye and knowing what the customer expects and is the first and most crucial step in delivering service quality. Without training in place organisational goals will not be accomplished and communication levels will not be delivered. Lack of customer training will result in customer’s expectations being different from the managements understanding of the service.

As stated by Parasuraman (1985) a customer will perceive quality in a positive way only when the service provider meets or exceeds his/her expectations.

5.4.1.2 Gap Two: Communication

The findings show that communication between staff and management was weak within the store. It was highlighted that no staff meetings or physical rota were in place to discuss work issues regarding holidays, training, uniforms and days off. As a result the degree of communication skills has a direct bearing on the image and potential of a business.

According to Parasuraman (1985) without communication there is a difference between consumer expectations and management perception gap. Within the pharmacy a gap exists where there is lack of interaction between management and staff. Staff respondents also indicated there are various members of staff within the

pharmacy giving orders on different tasks to accomplish and most times, employees are unclear about what tasks they were supposed to perform. Communication is critical, without proper communication, you don't have a quality service, it is essential for and understanding the needs and wants of the customer.

5.4.1.3 Gap Three: Servicescape

The findings illustrate the tangible evidence of the store was weak where part-time staff did not appear well dressed and act professional given that no uniform was provided for them. Whilst, full time staff looked more professional given that they were equipped with the uniform. Uniforms serve an important purpose as part of a branding strategy by communicating a favourable impression to customers at service encounters. According to Gronroos (2001) image has an impact on customer's perceptions of the communication and operations of the firm.

A majority of respondents indicated confidentiality was a problem within the store where no private or waiting area existed. Most respondents outlined they felt uncomfortable discussing medication and health issues in front of other customers and staff. According to Goestsh and Davis, (1997) consumers are drivers of the market and will take pride in their association with a company with a high quality image.

According to Zeithamal et al, (2006) not selecting the right service design and standards results in a gap of poor service quality, which results in failure to develop tangibles in line with customers expectations. This can result in failure to develop an overall impression of the service provided.

5.4.1.4 Gap Four: Flexibility

Lack of flexibility was an issue where certain respondents agreed that the opening and closing hours were not suitable. A number of the respondents believe that the store should remain open on Thursday and Friday evening until 7pm, so business customers could avail of the service.

It was also indicated that the store is closed for business on Sundays. It was recommended that the store should be open from a few hours on Sundays. According to Zeithamal (2006) this illustrates a gap exists between the difference of management perceptions of customer's expectations and the development of customer driven service design and standards.

The research points out a lack of recruitment is a problem at present, management do not recruit additional staff for covering lunch breaks, holidays and peak periods like the summer and Christmas period. Based on Zeithamal (2006) this indicates a gap exists between customer driven service standards and actual service performance by company employees, where employees do not correctly translate rules and guidelines into action due to ineffective recruitment.

Based on the findings, customers pointed out they were not aware of a delivery service within the store. As a result this indicates a gap exists by not knowing what the customer expects by inadequate market research orientation such as lack of focus in advertising. The primary aim of advertising is to sell by spreading word of mouth to attract new customers.

5.4.2 Research question two

Based on empirical findings there is ample scope to improve the overall quality of the service being offered to the customer. The following outlines areas of improvement where, the overall experience can be improved and how the potential gaps outlined in research question one can be closed.

5.5 Recommendations

5.5.1 Training

Training is an imperative way to increase productivity and also motivate and inspire workers. Therefore, to improve the service excellence of the pharmacy service, it is advisable that management adheres to the following recommendations.

5.5.2 Introduce a Training Plan.

Implementing a training plan would prove very beneficial for the company where all staff members would be sent on a variety of training courses over a specific period of time. (See appendix 5) As a result of introducing a training plan the company can expect the following:

- Improved communication skills
- More customer focused
- Increase work motivation
- Increased productivity / sales
- Increased professionalism

- Enhanced Knowledge of employees

Training provides the backbone to any organisation. It encourages every individual to act physically and mentally. It is one of the best methods to motivate staff. A superior training plan and well-built environment are the sources of a successful business. A training plan is highly recommended in order to deliver a good service quality. To close this gap it is suggested that management puts the following into practice.

5.5.3 Management Structure and Delegation

At present no employee has the specific title such as the supervisor, assistant manager or trainee manager within the pharmacy. If a proper structure was put in place staff would then know who to approach and who to take orders from. Their role would direct the people in performing the activities required to carry out the service within the pharmacy.

It is recommended that management exhibit an organisational structure so that employees are aware who has the responsibility of delegation within the pharmacy. Communication should be two-way between management and staff and management should be able to get the best out of their people to deliver customer satisfaction.

5.5.4 Hold Regular Staff Meetings

Staff meetings are an excellent form of communication between all staff members. It is recommended management and staff holds regular meetings every two week where staff can use this opportunity to discuss work relating issues. According to the International Pharmaceutical Federation(1998) the requirements of a good pharmacy practice requires that each element of the pharmacy service is relevant to the patient, which must be clearly defined and is effectively communicated to all those involved within the company. Regular staff meetings will enforce this practice. Having managers who will communicate with and will involve their people is crucial to engaging staff.

5.5.5 Introduce policies and procedures

By introducing certain policies and procedures this should improve communication levels within the company. Policies and procedures include the following.

5.5.6 Weekly roster

At present no roster is in place to inform staff on there work schedule. The weekly roster should be in place in the staff canteen for all staff to observe. At present full time staff work five days a week and part time staff work three days a week. A rota would inform employees on work hours and regarding days on and off.

5.5.7 Holiday Procedure

A procedure should be put in place for booking time off, i.e. holidays etc. At present no procedure is in place. It is important there is good communication between management and staff regarding holidays and days off. By doing so, staff will be happier and can make plans for their days off.

5.5.8 Flexibility

Based on overall results the following recommendations are advised regarding flexibility.

- Introduce longer opening hours on a Thursday/Friday evening to 7.00pm. This would facilitate customers who finish work around 6.00pm to get their purchases before they go home. In the long term this would be beneficial both to the customer and to the company as it would increase business due to the late openings.
- It is recommended opening the pharmacy for a few hours on Sundays; this would be a great asset to the company, as well as competing with their competitors.
- It is recommended that management take time to monitor peak periods and holidays and recruit where necessary so that the customer receives the highest level of service expected. One of the prevalent investments a company will make is in recruitment. The recruitment processes delivers

exceptional performance, control costs, increase sales, maintains efficiency and develop the organisation. It also delivers satisfied staff and customers. Staff tends to work better when they are not under pressure; a more personal touch is given. In return customers are satisfied that they don't have to wait in a queue and receive a non professional service.

5.5.9 Advertising

Increasing the level of long term advertising by doing so will help keep consumers informed about new products or services that are available within the pharmacy. Long term advertising will help spread awareness about the products or services that are of some use to consumer and potential buyers. Through the use of leaflets, brochures, and the local media Cox's could informing customers about their delivery service, Liprotrim Diet, certain range of skincare products that are not available in any of the other pharmacies in the town. Long term advertising could also inform customers about upcoming events in-store such as Clairins or Lancôme Skincare Demonstration.

5.5.10 Servicescape

To improve the service design and standards of the pharmacy setting, it is advisable management adheres to the following recommendations.

- All staff must be provided with a uniform and name badges and must be worn at all times. Uniforms are a major component of the branding

campaign of any company and are often the customers' first impression of the company. Uniforms give customers a visual on what they can expect from a particular service. A dress code should be adhered to by staff members. Employees represent the business they work for.

Management should adhere to the following dress requirements for staff within the pharmacy:

1. **Skirt-** Females must wear a navy skirt which must be worn knee high.
 2. **Trouser** –Males are required to wear a navy suit trouser
 3. **Blouse** – A pink blouse must be worn inside waist of skirt for females
 4. **Shirt** – A white shirt must be worn inside waist of suit trouser for males
 5. **Shoes** - High-quality black or brown shoes are required
 6. **Jewellery** - Pretentious jewellery, multiple ear rings and multiple chains necklaces are forbidden.
 7. **Grooming** - All hair must be neatly groomed, and kept away from face.
 8. **Name badges** – Most be worn at all time, it provide visible signals that customers can interpret to establish who to ask for help or with queries.
 9. **Perfume** – Not too much perfume is to be worn as the odour can be detected from more than three feet away.
 10. **Greeting** – All staff must greet customer upon entering the pharmacy.
- It is imperative an area is put in place for customers who require additional information regarding their medication. Customers respected when they receive a valuable service such as confidentiality and one to one interaction.

By implementing the following recommendation and having on going continuous quality improvement programs will improve patient satisfaction and enable medical providers to succeed in an increasingly competitive environment. (Torres et al, 2004) As stated by Dale (2003) each moment of truth has an impact on the service users, overall impressions and evaluation of the service and ultimately it is they, the customers who are the most appropriate arbiters of service quality.

Therefore, as stated by Parasuraman (1985) to deliver service quality all gaps all key factors in the provider gaps must be closed to deliver good customer satisfaction. As a result service quality will be based on the four externalities word of mouth, personal needs, past experiences and external communications which will have an impact upon the formation of expectations to deliver the perceived service quality. (Parasuraman 1995).

5.6 Further research recommendations

Further research should persuade researcher to under take replication studies on the pharmacy by focusing on other factors. Further research required:

- To investigate the importance of service quality on service recovery and customer retention.
- Needed to examine the repercussion of staff training as the result on service quality.
- To investigate the relative importance of the reliability during service delivery.
- To assess customer's perception of service quality based on the relationship culture between different community pharmacies.

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Appendices

Appendix 1: Letter sent to the ten pharmacies

Woodbrook,
Ck-on Shannon
Co Roscommon
Date: 06-06-08
Mobile No: 087-9697032

Dear Sir/Madam,

I am a student at the Sligo Institute of Technology, currently completing a Masters in Marketing Science (MSc). As part of my studies, I am conducting a dissertation on the level of Service Quality within pharmacies.

I am seeking your consent to conduct research in your pharmacy within the next two weeks, which will entail a ten minute interview with the pharmacist and a distribution of a short survey among employees and customers.

It is important to note that all information discussed during the interview and questionnaires will be used for academic research only. In return for your co-operation, I am happy to give you a copy of the dissertation on the main findings of the study. This research will also be beneficial as it will give some insight into service quality within pharmacies.

I will contact you closer to the time, and if you have any further questions I would be happy to answer them for you.

My address and mobile number are enclosed above if you wish to contact me. My E-mail address is cathy01hughes@yahoo.com

Thank you for your time.

Yours sincerely _____

Catherine Hughes (MSc)

Student ID number: S00001841

Appendix 2: Original questionnaire for the ten Pharmacists.

1. Is it important staff within the pharmacy appear well dressed and act professionally?
2. Is technology modern within the pharmacy, i.e. tablet counters, electronics etc.?
3. Is a delivery service available to customers to deliver medication to their homes if they are unable to visit the pharmacy?
4. Are customers informed when and how to take prescription medicine?
5. Are customers informed about the side effects or precautions when taking prescription medicine?
6. Are customers informed whether it's vital you should refrigerate certain medication?
7. Do you consider your pharmacy unique in comparison with competitors?
8. Have pharmacists a good working relationship with other pharmacies in the area in order to borrow medication if in short supply?
9. Has your pharmacy achieved any awards?
10. Do you participate in sponsorship?
11. Do you hold any events within the pharmacy?
12. Is there good communication between staff in the pharmacy?
13. Does pharmacist empathise with customers when they are sick?
14. Do employees dispense prescription medication under supervision?
15. In your opinion how do you perceive Service Quality?
16. How significant is the employee's role in delivering service quality?
17. Is customer's feedback welcomed?
18. **Are employees trained in the pharmacy on how to deliver and what they know?**
19. Do pharmacist have meeting with their staff on regular basics?
20. What do you think customers expect in the pharmacy?
21. How do you see the pharmacy business in the future?

Appendix 3: The pre-test customer survey

I am a student at the Institute of Technology Sligo and currently completing a Masters in Marketing Science (MSc). As part of my studies, I am conducting a dissertation on the level of Service Quality within Cox's pharmacy.

Instructions

Using a 5- point Likert scale, please circle the answer that best describes how you feel about your experience within Cox's pharmacy. If you wish to make a comment please do so in the space provided beside each question.

1=Strongly Disagree 2 =Disagree 3 =Neutral 4 =Agree 5 = Strongly Agree

Tangibles

1. The physical layout of Cox's pharmacy is attractive

1	2	3	4	5
---	---	---	---	---

Comment _____

2. There is a good ambiance/atmosphere within Cox's pharmacy

1	2	3	4	5
---	---	---	---	---

Comment _____

3. Cox's pharmacy has a private waiting area or consultant room when seeking prescriptions or medical advice

1	2	3	4	5
---	---	---	---	---

Comment _____

4. Written materials such as rules and regulations, easy to interpret

1	2	3	4	5
---	---	---	---	---

Comment _____

5. The window display is attractive

1	2	3	4	5
---	---	---	---	---

Comment _____

6. The pharmacy is clean and is maintained in a hygienic manner.

1	2	3	4	5
---	---	---	---	---

Comment _____

7. Equipment within the pharmacy is modern

1	2	3	4	5
---	---	---	---	---

Comment _____

8. Equipment within the pharmacy is difficult to utilize

1	2	3	4	5
---	---	---	---	---

Comment _____

9. Staff within Cox's pharmacy appears well dressed and act professionally to customers and each other

1	2	3	4	5
---	---	---	---	---

Comment _____

Reliability

10. The opening and closings hours 9.30am to 6pm of Cox's pharmacy are adequate

1	2	3	4	5
---	---	---	---	---

Comment _____

11. The level of service is the same at all times of the day for all staff members

1	2	3	4	5
---	---	---	---	---

Comment _____

12. Cox's pharmacy never runs short on medication

1	2	3	4	5
---	---	---	---	---

Comment _____

**13. Employees communicate well to customer on how to take non-prescription
Medication or when seeking advice.**

1	2	3	4	5
---	---	---	---	---

Comment _____

**14. Cox's pharmacy emphasizes attentiveness and promptness in dealing with
Customer requests and complaints**

1	2	3	4	5
---	---	---	---	---

Comment _____

**15. Pharmacists communicate well to customers on the side effects or precautions
while taking prescription medication**

1	2	3	4	5
---	---	---	---	---

Comment _____

16. Employees are equipped and trained with the knowledge to answer questions

1	2	3	4	5
---	---	---	---	---

Comment _____

17. Staff within Cox's pharmacy perform the service dependably and as promised

1	2	3	4	5
---	---	---	---	---

Comment _____

18. Poor instructions and advice are given on how to operate equipment within the Pharmacy such as the weighing machine, blood pressure machine, or to check Diabetes / cholesterol levels

1	2	3	4	5
---	---	---	---	---

Comment _____

19. The pharmacist available outside hours; and is easy to contact him/her by telephone

1	2	3	4	5
---	---	---	---	---

Comment _____

Responsiveness

20. The doctor is contacted when needed

1	2	3	4	5
---	---	---	---	---

Comment _____

21. Staff refer customers to other pharmacies if they don't have a particular item in stock

1	2	3	4	5
---	---	---	---	---

Comment _____

22. Cox's pharmacy has a delivery service available for prescription medication if you're unable to visit the pharmacy

1	2	3	4	5
---	---	---	---	---

Comment _____

23. An emergency supply of prescription medicine may be given to customers if needed

1	2	3	4	5
---	---	---	---	---

Comment _____

24. Staff is willingness to help customers and provide prompt service.

1	2	3	4	5
---	---	---	---	---

Comment _____

25. The level of service is delivered by staff on timely basis with minimal waiting times

1	2	3	4	5
---	---	---	---	---

Comment _____

Assurance

26. Staff greet customers by name upon entering the pharmacy

1	2	3	4	5
---	---	---	---	---

Comment _____

27. Staff within Cox's pharmacy is courteous and friendly

1	2	3	4	5
---	---	---	---	---

Comment _____

28. I would ask the pharmacist for medical advice before going to see a doctor

1	2	3	4	5
---	---	---	---	---

Comment _____

29. Staff within Cox's pharmacy considered credible and trustworthy

1	2	3	4	5
---	---	---	---	---

Comment _____

30. I would recommend Cox's pharmacy to a friend

1	2	3	4	5
---	---	---	---	---

Comment _____

Empathy

31. Customers are treated equally

1	2	3	4	5
---	---	---	---	---

Comment _____

32. Staff within Cox pharmacy communicates well by using good eye contact

1	2	3	4	5
---	---	---	---	---

Comment _____

33. The Pharmacists give customers personal attention

1	2	3	4	5
---	---	---	---	---

Comment _____

34. Employees give customers personal attention

1	2	3	4	5
---	---	---	---	---

Comment _____

35. Staff demonstrates a caring attitude when delivering the service

1	2	3	4	5
---	---	---	---	---

Comment _____

36. Caring levels of support are given to customers when seeking medical advice

1	2	3	4	5
---	---	---	---	---

Comment _____

If you wish to make a general comments please do

Thank You

Appendix 4: The Survey

I am a student at the Institute of Technology Sligo and currently completing a Masters in Marketing Science (MSc). As part of my studies, I am conducting a dissertation on the level of Service Quality within Cox's pharmacy.

Instructions

Using a 5- point Likert scale, please circle the answer that best describes how you feel about your experience within Cox's pharmacy. If you wish to make a comment please do so in the space provided beside each question.

1=Strongly Disagree 2 =Disagree 3 =Neutral 4 =Agree 5 = Strongly Agree

Tangibles

1. The physical layout of Cox's pharmacy is attractive

1	2	3	4	5
---	---	---	---	---

Comment _____

2. There is a good ambiance/atmosphere within Cox's pharmacy

1	2	3	4	5
---	---	---	---	---

Comment _____

1=Strongly Disagree 2 = Disagree 3 =Neutral 4 =Agree 5 = Strongly Agree

3. Cox's pharmacy has a private waiting area or consultant room when seeking
Prescriptions or medical advice

1	2	3	4	5
---	---	---	---	---

Comment _____

4. Signage and written materials such as leaflets and posters are easy to interpret

	2	3	4	5
--	---	---	---	---

Comment _____

5. The window display is attractive

1	2	3	4	5
---	---	---	---	---

Comment _____

6. The pharmacy is clean and maintained in a hygienic manner.

1	2	3	4	5
---	---	---	---	---

Comment _____

7. Equipment within the pharmacy is modern

1	2	3	4	5
---	---	---	---	---

Comment _____

1=Strongly Disagree 2 =Disagree 3 =Neutral 4 =Agree 5 = Strongly Agree

8. Equipment within the pharmacy is difficult to utilize

1	2	3	4	5
---	---	---	---	---

Comment _____

9. Staff within Cox's pharmacy appears well dressed and act professionally to

Customers and each other

1	2	3	4	5
---	---	---	---	---

Comment _____

Reliability

10. The opening and closings hours 9.30am to 6pm of Cox's pharmacy are adequate

1	2	3	4	5
---	---	---	---	---

Comment _____

11. The level of service is **not** the same at all times of the day

1	2	3	4	5
---	---	---	---	---

Comment _____

12. Cox's pharmacy never runs short on medication

1	2	3	4	5
---	---	---	---	---

Comment _____

1=Strongly Disagree 2 =Disagree 3 =Neutral 4 =Agree 5 = Strongly Agree

13. Employees communicate well to customer on how to take non-prescription Medication or when seeking advice.

1	2	3	4	5
---	---	---	---	---

Comment _____

14. Cox's pharmacy emphasizes attentiveness and promptness in dealing with Customer requests and complaints

1	2	3	4	5
---	---	---	---	---

Comment _____

15. The Pharmacists communicate well to customers on the side effects or precautions while taking prescription medication

1	2	3	4	5
---	---	---	---	---

Comment _____

16. Employees are equipped and trained with the knowledge to answer questions

1	2	3	4	5
---	---	---	---	---

Comment _____

1=Strongly Disagree 2 =Disagree 3 =Neutral 4 =Agree 5 = Strongly Agree

17. Staff within Cox's pharmacy perform the service dependably and as promised

1	2	3	4	5
---	---	---	---	---

Comment _____

18. Poor instructions and advice are given on how to operate equipment within the Pharmacy such as the weighing machine, blood pressure machine, or to check Diabetes / cholesterol levels

1	2	3	4	5
---	---	---	---	---

Comment _____

Responsiveness

19. Staff refer customers to other pharmacies if they don't have a particular item in stock

1	2	3	4	5
---	---	---	---	---

Comment _____

20. Cox's pharmacy has a delivery service available for prescription medication if you're unable to visit the pharmacy

1	2	3	4	5
---	---	---	---	---

Comment _____

1=Strongly Disagree 2 =Disagree 3 =Neutral 4=Agree 5 = Strongly Agree

21. An emergency supply of prescription medicine may be given to customers if needed

1	2	3	4	5
---	---	---	---	---

Comment _____

22. Staff is willingness to help customers and provide prompt service.

1	2	3	4	5
---	---	---	---	---

Comment _____

23. The level of service is delivered by staff on timely basis with minimal waiting times

1	2	3	4	5
---	---	---	---	---

Comment _____

Assurance

24. Staff greet customers by name upon entering the pharmacy

1	2	3	4	5
---	---	---	---	---

Comment _____

1=Strongly Disagree 2 =Disagree 3 =Neutral 4 =Agree 5 = Strongly Agree

25. Staff within Cox's pharmacy is courteous and friendly

1	2	3	4	5
---	---	---	---	---

Comment _____

26. I would you ask the pharmacist for medical advice before going to see a doctor

1	2	3	4	5
---	---	---	---	---

Comment _____

27. Staff within Cox's pharmacy considered credible and trustworthy

1	2	3	4	5
---	---	---	---	---

Comment _____

28. I would recommend Cox's pharmacy to a friend

1	2	3	4	5
---	---	---	---	---

Comment _____

Empathy

29. Customers are treated equally

1	2	3	4	5
---	---	---	---	---

Comment _____

1=Strongly Disagree 2 =Disagree 3 =Neutral 4 =Agree 5 = Strongly Agree

30. Staff within Cox pharmacy communicate well by using good eye contact

1	2	3	4	5
---	---	---	---	---

Comment _____

31. The Pharmacists give customers personal attention

1	2	3	4	5
---	---	---	---	---

Comment _____

32. Employees give customers personal attention

1	2	3	4	5
---	---	---	---	---

33. Staff demonstrates a caring attitude when delivering the service

1	2	3	4	5
---	---	---	---	---

Comment _____

34. Caring levels of support are given to customers when seeking medical advice

1	2	3	4	5
---	---	---	---	---

Comment _____

If you wish to make a general comments please do

Thank You

Appendix 5 : Sample Training Plan

COURSE	COURSE CONTENT	OUTCOME OF COURSE
Skincare Products	This course provides information for staff on all topics related to skin care. The course recommends top skin care product and provide a monthly skin care newsletter. The course expertise ranges from skin aging to skin dryness, acne prone skin, and sun protection.	Employee will be able to give advice on certain skincare products to customers
Employee Legislation	This course will assist companies with updating their policies and procedures to comply with new legislation examples include: Employment Rights (Increase of Limits) Order 2007 Increases compensatory awards made to workers in employment rights cases Standard rate of statutory sick pay Standard rate of statutory maternity, paternity and adoption pay Annual Leave (Amendment to Working Health & Safety Time Legislation) Regulations 2007 National Minimum wage	Employees will know what legislation they are each protected by.
Lipotrim Diet	This course will train staff on the Lipotrim diet. The diet involves the use of nutrient-complete formula total food replacement products. Lipotrim started out in 1987 as a GP programme but was extended to pharmacy to make it more accessible to overweight and obese people who were serious about wanting to lose weight. When you join the programme, your pharmacist will give you weekly support to help you reach your desired weight.	Employee will be able to advise customers on diet and weight
OTC Training	This course introduces employees to Pharmacology/OTC medicines, Anatomy & Physiology, Introduction to Nursing, Health Studies, Occupational First Aid, Retail Studies, Alternative Health, Communications, Computer Applications, Cosmetics and Customer Care	Will have knowledge to give advice on OTC medicine
Technician Course	The Pharmacy Technician course prepares the student with both administrative and clinical skills for a position in the retail or hospital environment. The course provides the student with the theory and hands-on applications required to demonstrate an understanding of the basic principles and practices of pharmacy.	The Pharmacy Technician assists the pharmacist in the preparation, checking, storage and the dispensing of drugs

Appendix 6: The Dissertation Time Line

Date	Detail
October – December 2007	Read literature on topic of interest
January 2008	Submit Proposal
March 2008	Assigned supervisor
April 2008	Draft 1 st literature review
May 2008	Draft 2 nd literature review
June 2008	Draft Methodology literature and select research instruments
July – August 2008	Conduct surveys and personal interviews
August 2008	Write up findings and conclusions
September 2008	Submit finished dissertation

Appendix 7

Personal interview questions posed to the pharmacist within Cox's Pharmacy

Question 1:

Based on overall results do you agree training is weak within the pharmacy?

Question 2:

In your opinion, if a training plan was implemented for Cox's pharmacy, would this have a positive affect on the business in terms of Customer care, knowledge, service provided?

Question 3:

Do you feel communication is weak within the Store?

Question 4:

In terms of the Servicescape do you feel there is need for improvement regarding confidentiality within the store?

Question 5:

Do you feel Uniforms should be formalised for all staff?

Question 6:

How would you feel about opening late Thursdays and Fridays evenings?

Question 7:

In your opinion do you agree or disagree that the pharmacy should be open on Sundays?

Question 8:

How effective do you think advertising would be for Cox' Pharmacy?