Measuring the quality of after-sales services of automobiles in Iran based on SERVQUAL model (Case Study: Negin Khodro Co.)

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Abstract: Considering the low experience of measuring the quality of after-sale services in companies and the need of Negin Khodro company to recognize the factors affecting the customer satisfaction and the effect of this recognition on improving the service qualities and lack of a fixed frame for increasing the quality of servicing, the main aim of this research is to determine the gap between the expectations and understanding of customers based on SERVQUAL model so that the company can increase its customers' satisfaction. Research factors include concepts, reliability, response, guarantee and empathy which are compared in two dimensions of expectations and understandings. Methodology of the present research is practical and descriptive considering the goal and data collection method, respectively. The population of the research includes 1000 people and the sample is 278 customers who receive service of Negin Khodro Company. The data was gathered considering the informatics center, books and magazine and also using interviews and SERVQUAL questionnaire. Data was analyzed using t-test and it is determined that all the hypotheses of the research were not at 95 percent significance and so there is no difference between expectations and understanding of the customers of Negin Khodro Company in all dimensions.
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1. Introduction

Due to a turbulent market, the uncertainty of the market, sanctions and changes in customer behavior and consumer products, particularly in the service sector, the importance of service quality and its continuous improvement is obvious for the supporters. Every day we are faced with new forms of competition. Organizations and businesses are doomed to create a sustainable competitive advantage to maintain and if possible improve their current position in the market. Competition in the service sector is similar to the Football League in which activists are like teams in the league who are trying to collect more points to have better greater share of the market and if possible to outdo its rivals in the leadership field and if their the contribution is at the lower limit, they may be forced to leave the field.

SERVQUAL model is composed of 22 different elements of an organization's service quality evaluated from five different dimensions:
1 - physical appearance or facilities of organizations.
2 - Reliability of the services.
3 - The response rates.
4 - How to ensure quality of service.
5 - Empathy or understanding of the client.
Quality and SERVQUAL scale models gap analysis can be a useful tool for managers in detecting systematic defects in quality of service (Bayat & Alizade Sani, 2009, p 21).

This study tries to show the gap between expectations and perceptions of customers of Negin Khodro Company to provide the condition for reducing the negative gap in the field of auto setting and removing it and if possible, turning it into a positive gap (quality, exciting) which underlies the increased credibility and customer satisfaction.

Statement of Problem

If we look at the history of the qualitative activities in the recent area, it is shown that paying attention to the concept of quality and services has an experience of one century but until the first decades of 1980s, the concept of quality in services and unfamiliarity with different aspects of services in this field along with not needing modern standard definitions of services, have been the most important factors of lacking attention to this issue (Kavoosi, Saghaiee, 2009).

In 1983, three researchers called Parasuraman, Zeithame and Berry did widespread filed study of service quality. They concluded that evaluating service quality is harder for the customers compared to stuff quality since they do not evaluate the service quality based on output of a process but all the process of

service is important for them. These researchers also suggested that the factor for evaluating the service quality can only be defined by the customers and the evaluation of others is completely unrelated and worthless. Parasuraman and his colleagues created a tool caller SERVQUAL for evaluating the five dimensions of service quality which is a questionnaire including 22 pairs of components (questions). A group of these questions are related to the expectation of the customers and the other group is related to the customers perception or understanding of services. Service quality is determined by the difference between the scores of these groups.

Service quality – Perception- Expectation (Zeithamel 1996)

SERVQUAL instrument has been employed in a wide range of private sector organizations and a limited number of public sector organizations and has had dramatic transformation in light of empirical findings and theoretical discussions.

Many designers have suggested practical tools for it but the most important application is to track the changes of an organization's service quality which is achieved through a survey carried out by the customer. Moreover, SERVQUAL can be used in marketing studies to compare a competitor's service or similar service and recognize superior or poor service quality to eliminate weaknesses and to take appropriate action for improving the service (Parasuraman et al, 1988).

So in general we can say that today, all organizations, both public and private sectors are in the competitive arena for the development, growth and sustainability and the performance evaluation systems need to assess the efficiency and effectiveness of programs process and its workforce (Alwani, Riahi, 2004).

Given the abovementioned factors, the present study tries to investigate the service quality of Negin Khodro Company using SERVQUAL tool.Customer satisfaction is an emotional response resulted from the interaction of supply or consumption of the product and causes the increase of the threshold of his pay for products and services.

So, measuring the customer satisfaction is considered as the internal organizational measures that shows their orientation towards quality. According to the position of Negin Khodro Company among the companies that operate in the field of foreign automobiles and the need of the company to provide continuous improvement in customer service, this can help to increase customer satisfaction and an increase in corporate credit auto setting. Thus the gap between customer expectations and perceptions can lead to the continuous improvement in current activities of the company.

Overview of definitions related to service quality

Service: an activity or benefit that one party offers to the other that are essentially invisible and has no ownership of anything. The result of the product may be physical or immaterial (Kolter & Armstrong, 2000, p. 428).

Quality of product: it is defined as conformity with requirements (Crosby, 1979), product compliance with specifications (Levitt, 1979).

Quality of service: it is a process consisting of a series of more or less intangible activities that normally, but not necessarily are constant in the interactions between customers and staff or physical resources or goods and service provider systems to give solutions for customers' problems (Gronroos, 2000).

Research hypotheses
1. There is a difference between customer expectations and the services provided by Negin Khodro Company.
2. There is a difference between customer expectations and the services provided by Negin Khodro Company in terms of reliability.
3. There is difference between customer expectations and the services provided by Negin Khodro Company.
4. There is a difference between customer expectations and service provided by Negin Khodro Company.
5. There is a difference between customer expectations and the services provided by Negin Khodro Company.

Research Methodology
The methodology of the present research based on objective is survey.
Sample and Population
The population in this study consisted of 1,000 customers of Negin Khodro Company who purchased the product from October to March 2014 . multi-stage sampling method was used (including clustering and categorizing) and 278 people completed the questionnaire.

Technical Features of Sampling
Validity: the questionnaire used in this study was evaluated by some experts and the ambiguities were removed. Then components were studied using factor analysis which showed acceptable validity of the questionnaire.

The reasons for the superior quality of service provided by the organizations are summarized in the chart below:
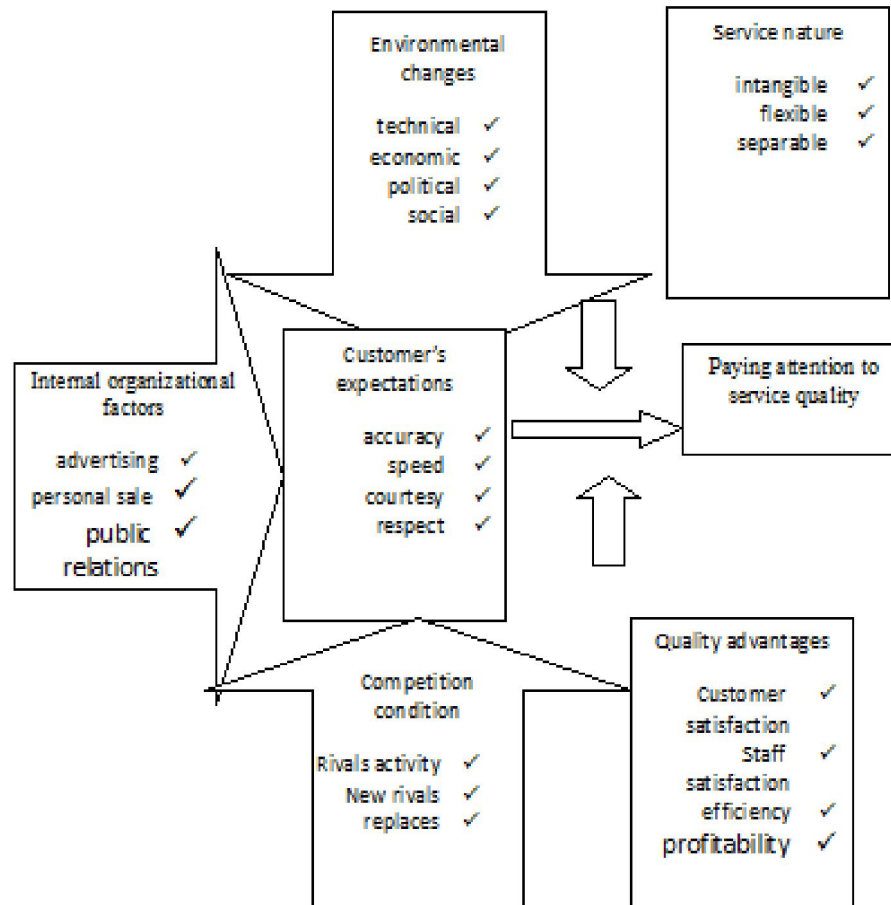
Reliability: totally, the expectation questionnaire had Cronbach alpha of 86.1% and Perception questionnaire had the Cronbach alpha of 87.2% which shows the reliability and internal consistency of the questionnaire. In order to calculate the Cronbach alpha the following formula was applied:

$$r_\alpha = \frac{J}{J-1}(1 - \frac{\sum_{j=1}^{n} s_j^2}{S^2})$$

Data Analysis
T-test was used in order to analyze the data and the reason for selecting it was:

T-test:
The aim of this test was to investigate the dependent mean which helps the researcher in decision-making. The aim of the t-test, considering testing the hypotheses was to help the researcher to make decisions about rejecting the null hypothesis that is lack of relation among the means of two groups. Since we cannot completely decide about rejecting the null hypothesis so decision-making will be always accompanied by some error. So, the main issue is the amount of possibility for seeing the difference as the difference between the means of two groups by hypothesizing no difference between two groups.
It should also be noted that the measurement scale in this research was Likert scale.

$$H0 : \mu_d = 0$$

$$H1 : \mu_d \neq 0$$

SIG	t	$\overline{X}$		SERVQUAL
0.001	1.483	6.354	expectations	tangibles
		6.983	perceptions	
0.000	1.752	7.219	expectations	reliability
		7.541	perceptions	
0.000	1.113	7.146	expectations	response
		6.185	perceptions	
0.006	1.515	6.984	expectations	guarantee
		7.012	perceptions	
0.008	1.129	7.951	expectations	empathy
		6.412	perceptions	

Based on the findings of the chart it is seen that all the hypotheses are at the level of P<0.05 and so there is no difference between the expectations and perceptions of the customers of Negin Khodro Company.

Existed Gap based on distinguishing the five dimensions of SERQUVAL Model

gap E-P	Expectation mean E	Perception mean P	Five dimensions of SEQUVAL
29	4	3	tangibles
+0.322	7.219	7.541	reliability
-0.961	7.146	6.185	response
+0.028	6.984	7.012	guarantee
-1.539	7.951	6.412	empathy

Results and Conclusion

SERQUAL model was used in this research to study the service quality of Negin Khodro Company. This model has five dimensions including 22 sub-components. First we used two questionnaires of perception and expectation to determine the service quality. The customers defined their expectations and perceptions by selecting low to very high. As can be seen in the tables, it is shown that the company faces gaps in terms of tangibles, reliability and guarantee. It means that customers understanding have been higher and the company had exciting services for them. However, two dimensions of service quality have not been at the level of customers' requests.

Suggestions

1. Continuous training of management and professional teams.
2. Enrichment of staff in central offices and agents.
3. Installing the integrated software for CRM.
4. Installing the integrated software of official automation in central offices and agents,
5. Targeting the annual CSI and rewarding the successful agents.
6. Receiving the global standards of CRM from reliable firms.
7. Close relationship of management team, central office and agents through 6 month meetings and following by the CEO.
8. Supporting the relationship with standard and general inspection of the country (ISQI).

9. Providing the CRM quarterly every 3 months and using the opinions of the managers and agent experts.
10. Trying to obtain higher degree among the agents of the district.
11. Reinforcing the agent networks and holding

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