

Innovation of Service Quality Management in China Based on Service Quality Theory

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Abstract: This paper found that people's consumption demand was increasing continuously, and the demand for related service consumption would be more and more based on the observation of the market economy development law and the industrial structure change process through logic analysis method. So service quality theory would necessarily emerge and develop. On the other side, due to China's enterprise expansion, service quality improvement will not only depend on enterprise's own hard work, but also on service quality theory spread. So, it concluded that China's enterprises should use service theory consciously to improve service quality management innovation through.

Key words: Service quality theory; Enterprises management; Management innovation

1 Introduction

People generally regard service as a kind of social practice activity to serve for others' benefits. In economics, service is a kind of economic activity that individuals and social organizations work for consumers with certain tools, equipment, facilities, media, etc. It started from 1950s and 60s, the western scholars in marketing field began to do researches on service systematically. And since the 1970s, many scholars were going to be interested in service quality research, such as Gronroos, Lidina, Lewis, Sather, etc. The early service quality researches were mainly involved three themes: It was difficult for consumers to evaluate service quality, even it is more easy for them to evaluate goods quality; Consumers' views of the service quality come from the comparison of their expectation with the actual service quality; Not only based on service Quality evaluation was not only based on the service results, but also involved in the process of service delivery.

In the 1980s, service quality improvement becomes the priority of modern enterprise development, so service research focused on how to enhance the service quality in order to meet the customer demand. During this period, researches concentrated on the concept of service and service quality, the latitude, measurement and model of service quality. Contemporaneously, China began to pay attention to product quality, and do researches on service quality accompanied by China's reform and opening-up.

And to this stage, because of China's reform and it make China enterprise also began to not only concern, and began to accompany product quality of service quality. However, until now there are no literatures on guiding China's enterprises service management innovation by the spread and application of service quality theory theoretically.

2 The Development Process of Service Quality Theory in Developed Countries

Service economy is a social economic activity which supports others' interests. Service quality is the sum of features and characteristics that service industry meet the requirements or potential demand (or need). It has several features: First, service quality is provided by enterprises but it is perceived by consumers; Second, it has the characteristics of being acknowledged and measured objectively, while more possibly, it may be recognized and weighed subjectively by consumers; Third, Quality of service generally occurs in the process of production and trade in services; Forth, it would be realized in the real moment of transactions between service companies and customers; Fifth, a very good internal support systems and effective management should be formed to improve the quality of services.

Overseas, the research of service quality theory began in 1980s, although rapid development of service industry started in 1950s. However, the opportunity of theoretical study of service quality and comprehensive social awareness of improving the quality due to two things: First, the West, particularly North America, lifted the embargo on service industry; Second, the American Marketing Association (AMA) held a series of continuous international conferences about services from 1981 to 1985, which provided a better international exchange and dialogue for academics and the business communities.

The point that management problems are caused by service characteristics was set as the main line by scholars. As quality of service (caused by heterogeneity) and service contacts (caused by

Simultaneity) really compete with each other, while addressing service quality issues were divided into passive and active one. As market economy has developed to a certain stage, marketing has become an extremely important issue. Therefore, the topic of marketing has become the subject of this period. The combination of these two has greatly promoted the study of service quality.

The study of this period is to analyze the concept of service quality perceived by customers, and to define its constituent elements. That the quality perceived by customers is the comparisons between customers' expectation of service and service performances. If the performances are better than expectations, the customer perception of quality is good, and vice versa is low. Customers' expectations are determined by market communication, reputation, corporate image and customers' need. And quality of services consists of technical quality and functional quality. Service quality theory also identified the differences between "the results of quality" and "process quality", after that, service quality and product quality (focus on quality of results) had been essentially distinguished. During this period, scholars also proposed a "service quality model", which pointed out 10 factors that decided the level of customers perceived from the service. The model also proposed 5 kinds of service quality gap. To the early 1990s, evaluation methods mainly on service quality surged, and a variety of viewpoints confronted, which formed the western craze on service quality management.

Since 1994, developed countries has witnessed a leap of progress on service quality research so that such research presented embedded, systematic and integrated features, mainly in the following aspects: First, the elements of service quality have been studied in-depth study. If enterprises want to use the differentiated services competitive strategy, they must be clear what are the key factors that determine the quality of service. Then the physical environment where the service belong to should be integrated into the service quality elements, which made service products (what services to accept), service delivery (how to receive services) and service environment (where to receive services), such three factors model. Second, hierarchical method of service quality factors was proposed in the retail service (i.e. overall quality, quality elements and sub-floor layer quality elements). Another method was to classify service quality elements as "health elements" and "promoting elements". The most famous issue of this period was "4Q product / service quality model", it sought to transcend the differences between services and tangible products, to integrate the quality of service and quality of the concept of tangible products effectively, and to account the entire business process into a quality management. Third, the research on service marketing focused on customer perception, customer satisfaction, service quality, customer satisfaction and service performance assessment. In addition, topics such as consumer behavior in the purchase decision-making processes and services, marketing research, role of staff in service delivery, internal marketing, service commitment, integration services, physical goods marketing communications services, and property services in the international economy and globalization were studied in-depth.

3 Service Quality Theory in China

After the mid 1990s, the rapid development of China's service industry and increasingly competitive market made companies in the competition learn and grow. Many companies had different levels of service marketing applications. Along with deepening understanding of products and services, enterprises released a range of services in order to meet the increasing demand of consumers, such as developing diversified and new services, improving service quality and service packaging, adjusting service time and providing service commitments. As China's customers were sensitive to price, enterprises carried a lot of attempts in both business strategy and pricing strategy, and got more experience. The development of Chinese companies in service channels relied on spatial network layout and mutual communication between different industries. Many companies depended on expansion of service outlets, competition-based layout, aggregation and distribution channels to improve service quality penetration, etc. Immediate promotion was widely used in Chinese enterprises to promote sales, which mainly includes sales promotion, personal selling, and cultural promotion and public relations promotions.

Around the customer perceived service quality, Chinese scholars have researched for 20 years, the research focused on the following areas: They define the concept that customers perceive service quality as the premise. Then they study the concept, dimensions to measure the antecedents and consequences of perceiving service quality. Through the integrity thinking of customers' perceiving service quality, they built systemic theoretical framework of service quality.

The theoretical studies of the service quality are mostly in the context of Western culture so that

they have strong western colors; however, service quality evaluation has many subjective features, so customers with different cultural backgrounds, along with cultural conflict and cultural integration from cross-cultural communication, are bound to affect customer perception of service quality. In recent years, many Chinese scholars have studied the relationship between the cultural dimensions and perceived service quality, proposed "cultural service quality index", whose value is to carry out the international services market segment.

4 The Reference for Chinese Enterprises to Apply Service Quality Theory

The quality of products is consumers' pursuits, similarly, they will pursue services quality when enjoy services. In China, service quality has been greatly improved in these years, but there is still a big gap when compared with those "good" counties and regions. Therefore, we should learn from service quality theory to guide enterprises to improve the quality of service work. Enterprises propel the social productivity. But whether it is manufacturing enterprises or service enterprises, quality of service are their key to be successful in competition. Only if enterprises grasp the quality of service management would they grow up healthily. While learning theory is very important to improve service quality, there is a theory called "total quality management".

This theory emphasizes that enterprises should start from various aspects and departments to achieve a high level of service quality management. There are three aspects: 1) The comprehensiveness of the content and methods. We should not only focus on product quality, but also emphasis on product quality service. A variety of techniques and methods have great significance to quality management. 2) The whole process of control. Namely, market survey, research and development, design, production preparation, procurement, manufacturing, packaging, testing, storage, transportation, sales, customer service etc., the whole process of quality service should be managed. 3) The whole enterprises. That means the entire staff, including leadership, engineers, managers and workers, should participate in quality management and take their own responsibilities. With this system, the quality of service won't fail.

Then there are the "process of quality management" theory, this theory can be used to get weapons to improve the quality of customer assets, which is the strategic resources to build competitive advantage. Why did non-performing assets of the banking industry become so much a few years ago? In fact, what behind the non-performing assets are bad customers who had bad credit. Thus, how to reduce non-performing customers and to improve the quality of the customer assets is an important task for banks to improve service quality. Integrated quality of service including four parts: the quality of their products and services, quality of process products and services (i.e. process quality), customer apperceived quality, and customer perceived quality (or consequent quality). Among them, the process quality is of the most growth potential, because it is often overlooked by companies, and in which excellent staffs are likely to create the best customer value, while the poor one may reduce the customer value.

5 Conclusion

To improve service quality, enterprises have to strengthen management besides basic conditions. In particular, following pieces of work has been done:

(1) Good Staff Management. 1) Training: This can reduce problems of employee role ambiguity. Through training, staff will be acquainted with management requirements, customer expectations and service operating procedures. Enhancing the training can also improve staff's awareness of service, and help them master the communication, marketing and service skills. 2) Behavior incentives: Managers should reward employees based on employee performance, reward the superior and fine the lazy. 3) Two-way communication: Managers had better enhance two-way communication, so that they can understand the staff through training, inform them about the management requirements, customer expectations and service operating procedures. Through communications, managers will learn about staff's requirements of working conditions, as well as their view of services to organize their work. 4) Authorization: That is, managers have to share information, knowledge, rewards and power with front-line staff. Being careful trained, full respected and reasonable licensed, boldly promoted, employees would have enthusiasm, initiative and creativity, and their sense of pride, achievement, business sense and sense of belonging would be stimulated.

(2) Enterprises Should Adhere to Integrity. Integrity is a prerequisite for enterprise to survive and develop. Who has integrity, who will be able to win in the fierce market competition and own more

customer reputation votes. This requires companies to be in good faith, as it goes, "Promises must be kept and action must be resolute"; but do not over-promise, or if something you promised isn't done, there will be customer dissatisfaction.

(3) Make Customer Satisfaction as Competitive Weapons. Satisfied customers are often loyal customers, they will buy more products which satisfy them, or even pay high prices. With this advantage, enterprises are able to gain greater long-term profitability, reduce business waste and transaction costs.

For a long time, China is a country with both large production and high demand. It seems that once products are produced, they will be received by customers, which are why so many enterprises have a low sense of respecting customers. However, today's market is full of competitive products, what's more, consumers are having diversity demand. How should enterprises meet customers' changing demand? Price promotions are not the only method to attract customers any more, to make guests happy, enterprises still have to be in good faith, provide correct guidance and use elegant language, so that customers will feel it's the most appropriate to shop here, at the same time, they may also tell of his or her acquaintance. Therefore, enterprises should focus on customer's expectations, which include the sense of trust, resonance, and rapidity. Only to achieve this can these companies naturally improve the quality of service and become invincible in competition.

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