

## **CHAPTER II**

### **LITERATURE REVIEW**

#### **2.1 Quality of Service**

According to Garvin, (1994 as cited in Yamit, 2013: 9-10) there are five quality perspectives approaches that can be used by practitioners of business, which are:

##### **a) Transcendental Approach**

Quality in this approach is something that can be felt , but hard to define and measure. This perspective is generally applied in works of art such as music, dance, drama and visual arts. For products and services, companies can promote the use of statements such as the softness and smoothness of the skin (soap), facial beauty (cosmetics), excellent service (the bank) and a comfortable place to shop (mall). These definitions are very difficult to be served as a basis for planning in quality management.

##### **b) Product - based Approach**

Quality in this approach is a characteristic or attribute that can be measured. The differences reflect other differences in the quality attributes of the product objectively, but this approach can be counted for differences in tastes and preferences of the individual.

##### **c) User - based Approach**

Quality in this approach is based on the premise that quality depends on the beholder, and most satisfactory products match person's preference the highest quality of product taste. This has a result that in the subjective view of different, costumers have

different needs and desires, so the quality of the person is the maximum that can be felt in satisfaction.

d) Manufacturing - based Approach

Quality in this approach is both supplied or from the standpoint of a manufacturer who defines quality as something that is in accordance with the requirements (quality conformance) and procedures. This approach focuses on the suitability of the specification set by the company internally. Therefore, determining the quality standard is set by the company.

e) Value- based Approach

Quality in this approach is to consider quality in terms of value and price . Quality is defined as "affordable excellence" . Therefore, it is relative in the view of quality, so the products which have the highest quality product is not necessary. The most valuable product is the most appropriate products purchased.

Although the meaning of quality is difficult to precisely define and there is no definition of quality that can be universally accepted, from the perspective of David Garvin (1990), it can be useful in resolving the conflicts that often arise among managers in different functional departments. For example, the marketing department more emphasis on privilege, service, and customer focus. Engineering departments place more emphasis on the specification and the product- based approach. While the production department is more emphasis on specifications and processes. the company should use a blend of multiple perspectives of quality and is always active to make continual improvements in facing conflict.

There are many experts in this field who are trying to define the quality, based on their thought. Some of popular definitions are being developed by three of quality experts. Deming, et all (cited in Yamit, 2013:7) defines the quality is whatever the needs and desires of costumer. Crosby, (cited in Yamit,2013:7) perceived it as a zero

defect quality, completeness and conformance to requirements. Juran, cited in Yamit,2013:7) defines the quality as conformance or specification. According to Barsky Customer satisfaction is one of the key to get a success in a business. Business success depends on the satisfaction factors perceived by costumer, especially for guest. None of a business in hospitality can be successful without building customer satisfaction and loyalty. Zeithaml, et all(1985, cited in Yamit ,2013:26) has conducted numerous studies on some types of services, and successfully identified five dimensions of characteristics that are used by customers in evaluating service quality. These four dimensions of service quality characteristics which are:

a. Reliability

Reliability is an ability to provide services promptly and satisfactorily and in accordance with has already promised.

b. Assurance

Assurance includes the ability, courtesy and trustworthiness that of the staff, in order to be free from danger, risk or doubt.

c. Responsiveness

Responsiveness is the desire of the staff to help and provide services to the customers.

d. Empathy

Empathy includes ease of relationships and good communication, and sincere in giving attention to customer needs.

## 2.2. Customer satisfaction

Customers have a wide opportunity to get service with many options to suit their wants and needs. it depends on customer service which is focused on the service has met the customer satisfaction. therefore, necessary innovation strategies sales continue to strive in order to attract potential customers. Service problem actually is not difficult or complicated, but if it is overlooked, it can lead to things that are not desirable because it is very sensitive and can reduce customer's confidence in the service provider.

Quality of a service depends on the level of customer satisfaction in using the service. When connected with the services of the hotel, then the Hotel qualifies it by depending on the service to the customer who is satisfied or not. According to Swan, et al. (1980) customer satisfaction is an evaluation or cognitive assessment which the performance of the product is relatively good or bad or whether the product in question is suitable or not suitable with the purpose . Meanwhile, Kotler (2009) says customer satisfaction is felt by customers who experience with service that is in accordance with expectations. Customers are satisfied when their expectations are met, and they feel very happy. Satisfied customers tend to remain loyal longer. According to Wirajuniarta (2014) Customers often have four different service scenarios in his mind which are:

1. The ideal service.
2. Services expected.
3. Services that should be accepted.
4. The minimum services that can be tolerated.

if the scenarios are equal to or exceeds the expected service, the customer will be satisfied, but if they do not reach the standards expected with the scenarios the customer will not be satisfied.

### 2.2.2 How to Know the Customer Expectation

After the identification of customers in market segmentation has been done, then the customer's expectations can be determined by asking the following questions based on Gaspers, (1997, cited in wirajuniarta, 2014):

1. What are the characteristics of the service that customers want?
2. How many levels of performance required to meet customer expectations?
3. does the relative importance (order of priorities) of each characteristic?
4. How customer satisfy with the current performance?

Questions above can be found by testing directly, for example by asking the customers directly . The learning process needs, desires, expectations, and customer satisfaction levels are generally referred as " hear the voice of the customer ".

#### d. Handling Customer Complaint

Handling complaints provides the opportunity to transform a customer who is not satisfied to be satisfied customer. In dealing with customer complaints, there are four important aspects that must be done, according Nasution (cited in Wirajuniarta, 2014):

- 1) Empathy in angry customers.
- 2) The speed in handling complaints.
- 3) Easy for customer/guest to contact the company.

Some explanations and definitions of the above can be concluded that customer satisfaction is the feeling perceived by the customer after the customer receives the service provided by a service providers who provide a service with high quality so that customers feel satisfied.

