# SERVICE QUALITY EXPECTATIONS AND PERCEPTIONS HELD BY CIBA VISION'S CUSTOMERS

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# ABSTRACT

The contact lens market in the United States is a multi-billion dollar market and data indicates that almost 13% of all Americans wear contact lenses (Beales, 2003:paragraph 3). Beales (2003:paragraph 3) states that there are four major manufacturers of contact lenses (*e.g.*, Johnson & Johnson, Bausch & Lomb, CIBA Vision and Cooper Vision) and their channel of distribution is through eye care practitioners (optometrists). Since contact lens companies offer similar products their differentiating characteristic is their service element, service quality in the contact lens industry is important as Wong (2001: paragraph 3) mentions that the contact lens market is about a $2.8 billion industry, with an annual growth of about 6%. Wong (2001: paragraph 4) further states that there is a large international opportunity for contact lens companies and that penetration into this market is much less overseas than it is in the U.S. It is estimated that about one in 5 vision-corrected Americans are wearing contact lenses, in Japan it is about one in 8, in Europe it is roughly one in 15 and in developing countries it is estimated to be one in 100 (Wong, 2001: paragraph 8).

Cooley (2001:paragraph 3) claims that the eye-care industry offers a significant market opportunity as roughly 60% of the American population (164.2 million people) requires vision correction at present and it is estimated that in the longer term virtually everyone will require some form of vision care. The key in this market would be to provide the appropriate product that creates value and addresses the consumer's needs.

Weinstein and Johnson (1999:4) mention that "great" companies do not just satisfy the needs of their customers but instead strive to delight and "wow" them by continually creating business experiences that exceed customer expectations. Hence contact lens companies need to find ways to adequately assess customer service perceptions and expectations in order to be competitive.

This research sets out to measure service expectations of optometrists with regards to the service that they receive from contact lens suppliers as well as measure service perceptions of optometrists with regards to Ciba Vision. The study also set out to establish the SERVQUAL gap, which causes unsuccessful service delivery (Gap 5) and examine the dimensions i.e. the tangibles, reliability, responsiveness, assurance and empathy which contribute to Gap 5.

The study found that on average customers have their high expectations in the responsiveness dimension and their highest perceptions in the assurance dimension. The study also found that gaps resulted in all five of the SERVQUAL dimensions with reliability contributing the most to gap 5.

# DECLARATION

I, Arifa Charafaray hereby declare that this dissertation is my original work, except to the extent indicated in the text, the acknowledgements and the reference material.

This dissertation is being submitted in partial fulfilment of the requirements for a Masters in Business Administration at the University of Kwa-Zulu Natal, Pietermaritzburg. This dissertation has not been submitted in part or full for any degree or examination to any other University.

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05-07-06

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# CHAPTER ONE: BACKGROUND TO THE STUDY

## 1.1 INTRODUCTION

South African businesses have entered a market, which is extremely complex and characterised by radical change. It is fast moving, immensely volatile, and subject to international turmoil. These organisations also have to cope with increasing international competition and customers who have become much more demanding. (Welch, 2001:4)

Stamatis (1996:1) states that "In today's competitive market, no business can survive without satisfied customers". Thus delivering superior customer value is the key to a successful business strategy since customers are not willing to pay more than a product or service is worth. (Weinstein and Johnson, 1999:iii). Elvy (1995:1) mentions that the survival of business depends on securing its customer base and by appreciating and satisfying the emotional needs of customers, a company can gain a competitive advantage.

Parasuraman cited in Weinstein and Johnson (1999:70) states that service quality is a measure between service perceptions and service expectations and that service quality stems from a comparison of what a consumer feels a service firm should offer and their perception of what the service firm actually offers.

In order to ensure good service quality a service firm should either meet or exceed customer expectations (Weinstein and Johnson, 1999:70). Due to the fact that services depend on interpretation, are intangible and a function of perception, it is important that the delivery of a service be timely, accurate, and carried out with concern and courtesy (Stamatis, 1996:160).

The contact lens market in the United States is a multi-billion dollar market and data indicates that almost 13% of all Americans wear contact lenses (Beales, 2003:paragraph 3). Beales (2003:paragraph 3) states that there are four major manufacturers of contact lenses globally (*e.g.*, Johnson & Johnson, Bausch & Lomb, CIBA Vision and Cooper Vision) and their channel of distribution is through eye care practitioners (optometrists). Wong (2001: paragraph 3) mentions that the world-wide contact lens market is about a $2.8 billion industry, with an annual growth of about 6%. Wong (2001: paragraph 4) further states that there is a large international opportunity for contact lens companies and that penetration into this market is much less overseas than it is in the U.S. It is estimated that about 1 in 5 vision-corrected Americans are wearing contact lenses, in Japan it is about 1 in 8, in Europe it is roughly 1 in 15 and in developing countries it is estimated to be one in 100 (Wong, 2001: paragraph 8).

Cooley (2001:paragraph 3) claims that the eye-care industry offers a significant market opportunity as a large number of people require vision correction at present and it is estimated that in the longer term virtually everyone will require some form of vision care. The key in this market would be to provide the appropriate product that creates value and addresses the consumer's needs. Since contact lens companies offer similar products their differentiating characteristic is their service element. Service quality in the contact lens industry is therefore important.

Weinstein and Johnson (1999:4) mention that "great" companies do not just satisfy the needs of their customers but instead strive to delight and "wow" them by continually creating business experiences that exceed customer expectations. Hence contact lens companies need to find ways to adequately assess customer service perceptions and expectations in order to be competitive.

## 1.2 MOTIVATION FOR THE RESEARCH

The South African contact lens industry is dominated by a small number of manufacturers that include Johnson & Johnson, Bausch & Lomb, CooperVision and Wesley Jessen and CIBA Vision. Ciba Vision is a subsidiary of the Swiss pharmaceutical giant Novartis. They have been at the forefront of innovation in the contact lens industry and offer a more comprehensive range of contact lenses than any of their competitors (No author, 2003:8). Ciba Vision's South African operation focuses mainly on marketing, sales and distribution of lenses, which are manufactured overseas. The company's customers are optometrists whom they reach via sales representatives and office based staff who take orders and provide support.

According to Ciba Visions national sales manager, Kevin van Moerkerken the company used to be the dominant player in the South African contact lens industry but as a result of poor management during the late 1990's it no longer enjoys this position. The company is now being run by a younger more flexible management team and hopes to regain its dominant position in this market once again (van Moerkerken, 2005).

In order to reclaim this position Ciba Vision South Africa will have to offer a service of superior quality and reliability to gain the trust of their customers. This study aims to quantify the service quality perceptions and expectations of optometrists in this industry and identify key areas, which can be improved so that Ciba Vision can once again be the leader in the South African contact lens industry.

## 1.3 STATEMENT OF THE PROBLEM

Ciba Vision South Africa needs to identify whether they are effectively meeting customer expectations in the contact lens industry. In order to be competitive in this rapidly changing environment they will need to not only meet but also exceed customer expectations in order to gain a competitive advantage.

## 1.4 RESEARCH OBJECTIVES

This research sets out to:

1. Measure service expectations of optometrists with regards to the service that they receive from contact lens suppliers.
2. Measure service perceptions of optometrists with regards to Ciba Vision.
3. Establish the SERVQUAL gap, which causes unsuccessful service delivery (Gap 5).
4. Examine the dimensions i.e. the tangibles, reliability, responsiveness, assurance and empathy which contribute to Gap 5.

## 1.5 ORIENTATION TO THE STUDY

***CHAPTER TWO:***

This chapter reviews the literature, which relates to service quality and provides a theoretical basis for this study. It also highlights previous research conducted on service quality in the healthcare industry.

***CHAPTER THREE:***

Chapter three investigates Ciba Visions company history, their vision and mission, the company's marketing strategy and investigates the need for this study.

***CHAPTER FOUR:***

This chapter reviews research objectives and describes the research methodology that was used to conduct this research. It therefore describes the research design, the instrument design, the sample, the data collection method and the data analysis method.

***CHAPTER FIVE:***

The results of the SERVQUAL questionnaire and the miscellaneous questions are presented, analysed and discussed in this chapter.

***CHAPTER SIX:***

Chapter six draws conclusions from the results obtained from the SERVQUAL questionnaire as well as the miscellaneous questions.

***CHAPTER SEVEN:***

This chapter suggests recommendations for Ciba Vision to consider in order closing the service quality gaps, which have been identified.

***CHAPTER EIGHT:***

Chapter eight highlights the limitations that pertained to this study and suggests areas for future research.

***CHAPTER NINE:***

A list of references that were used in this study are presented in this chapter.

# CHAPTER TWO: LITERATURE REVIEW

## 2.1 INTRODUCTION

Peter Drucker cited in Cook (2000:1) states that, "the only valid definition of a business purpose is to create a customer and an organisation's ability to remain in business is a function of its competitiveness and its ability to win customers from the competition". As the competition is becoming more global today, most companies have realised that they cannot compete on price alone (Boulding *et al,* 1993:7). Companies need to develop strategies that allow them to offer superior customer service as surveys suggest that "service-driven companies can charge up to 9 % more for the products and services they offer and they grow twice as fast as the average company" (Cook, 1992:1).

Cook (1992:1) further mentions that in recent years there has been significant pressure on service organisations to improve the way they do business with their customers as today's consumers are more sophisticated, educated confident and informed resulting in consumers having higher expectations of the service they want to receive.

Improving the quality of customer service requires commitment and consistent effort from everyone and since creating a product or service that is unique in the eyes of the customer is becoming increasingly difficult, more companies are relying on service to achieve competitive advantages (Tate and Heil, 2003:paragraph 1).

## 2.2 CUSTOMER SERVICE

The concept of customer service has over the years evolved into a multibillion-dollar industry and the "business environments of the United States and other developing nations are focusing on providing timely, quality service" (Lucas, 1996:2). According to Lucas (1996:2) the definition of customer service depends on an organisations focus and customer-focused organisations have some common characteristics:

- The organisation has both internal and external customers.
- The focus is on meeting the needs of the customer.
- Customers find information, products and services easily accessible.
- Policies are in place to allow employees to better serve customers.
- Management and systems support employees' efforts to serve customers.
- Continual re-evaluation of the way business is conducted results in ongoing changes and upgrades to deliver quality service to the customer.

### 2.2.1 REASONS FOR THE SHIFT TO CUSTOMER SERVICE

Lucas (1996:5) mentions that the economic shift towards service can be attributed to the following factors:

- ***Increased Efficiency in Technology:***

  As a result of the improvement of machines and computers, production and quality have increased resulting in an increased need for service industries to care for the technology, and a decrease in manufacturing and blue-collar jobs (Jobber, 1995:671; Sachdev and Verma, 2004:116). Jobber (1995:671) and Lucas (1996:5) also state that the advantage of this shift is that machines can work 24-hour shifts with few lapses in quality.

- ***Globalisation of the Economy:***

  Advances in technology, communications, diplomacy and transportation have opened new markets and allowed decentralised worldwide access for production, sales, and service (Lucas, 1996:6). Lucas (1996:6) further suggests that positive and negative changes in the political arena e.g. trade agreements have further affected international opportunities for businesses.

- ***Deregulation of Many Industries:***

  As a result of deregulation in many industries, competition has flourished and created opportunities for new companies to better serve customers (Lucas, 1996:6).

- ***Increase in the Number of White Collar Workers:***

  Lucas (1996:6) claims that as a result of people moving out of factories, mines and farms there has been an increase in the number of people working in traditional office jobs. He further implies that this exodus has led to the creation of new service industries as a result of people needing to have their homes cleaned and children taken care of.

- ***More Women Entering the Workforce:***

  Due to the fact that more women are in the workplace, many of the traditional roles in society have shifted to service providers such as cleaners, cooks and child minders (Lucas, 1996:7).

- ***Desire to Better Use Leisure Time:***

  Workers of developed nations enjoy increasing amounts of leisure time and since they have more disposable income they have a heightened desire to relax, enjoy children and grandchildren and do other things that they value (Lucas, 1996:7). In order to accomplish this, they rely more heavily on service industries to maintain their desired lifestyles and these needs in turn increase the need for more people to provide services (Lucas, 1996:7).

- ***Expectation of Quality Service:***

  Customers today expect to receive quality products and services and if their expectations are not met then they call on a competing company where they can receive what they think they paid for (Lucas, 1996:7).

- ***Better Educated Customers:***

  Customers are now more highly educated and are also well informed about price, quality, and value of products and services as a result of advertising and publicity by companies competing for market share (Jobber, 1995:666). Since consumers are armed with the knowledge of what they should receive for their money, it is extremely difficult for less-than-reputable businesses to survive (Lucas, 1996:7).

Khanh and Kandampully (2004:390) state that the widespread application of technology has rendered it increasingly difficult for firms to build a competitive advantage that is based solely on product differentiation. They also indicate that competitive pressures and an increase in the scale of product choices have elevated the importance of the service element in almost every business transaction. Since firms that earn a reputation for superior customer service are more likely to be able to demand premium prices and a larger market share it is vital for firm's to understand the nature of services (Khanh and Kandampully, 2004:390).

## 2.3 THE NATURE OF SERVICES

The concept of a service comes from business literature and has been described by Ramaswamy (1996:3) as "the business transactions that take place between a service provider and a customer in order to produce an outcome that satisfies the customer". Zeithaml & Bitner (1996:5) define a service as "deeds, processes, and performances" whilst Gronroos (1990:27) explains that a service is an activity or series of activities of more or less intangible nature that normally, takes place in interactions between the customer and service employees and /or systems of the service provider.

Chang *et al* (2002:paragraph 7) mention that the following features of a service are noteworthy in order to better understand the concept.

- A service is a performance that happens through the interaction between consumers and service providers.

- Factors such as physical resources or environments play an important medium role in the process of service production and consumption.
- A service is needed by consumers to provide certain functions such as problem solving.

Chang *et al* (2002:paragraph 9) and Jobber (1995:664) state that some researchers view the concept of a service in terms of what differentiates a service (intangible) from a product (tangible) whilst others point out that services combine tangible and intangible aspects to satisfy customers during the business transaction. The first view suggests that different marketing strategies should be taken for products and services and the second implies that customers' subjective perceptions have a great impact upon the success or failure of the service since customers evaluate services in terms of their experiences (Chang *et al*, 2002:paragraph 9).

## 2.4 THE CHARACTERISTICS OF SERVICES

Kotler and Roberto (1989:156); Langford and Cosenza (1997:16) as well as Zeithaml and Bitner (1996:19) mention that there are distinct differences between products and services. Zeithaml *et al* (1985:33) have distinguished services from goods by identifying four unique features of services and mention that as a result of the differences that exist between goods and services, services' marketing requires a different management approach. The special characteristics of services are as follows:

- **Intangibility:**

  Gabbott and Hogg (1998:27), Kotler and Roberto (1989:156) as well as Zeithaml and Bitner (1996:19) indicate that a service is intangible i.e. it cannot be seen, tasted, felt, heard, or smelled before it is bought. As a result of this intangibility a service cannot be inventoried thereby making it difficult to manage fluctuations in demand nor can it be owned by a customer as payment is for use or performance (Zeithaml and Bitner, 1996:19; Jobber, 1995:665 and Zeithaml *et al* 1985:33).

Zeithaml and Bitner (1996:19) further state that services cannot be legally patented resulting in new service concepts being easily copied and since services cannot be readily displayed or communicated it is difficult to assess the quality of the offering.

- **Inseparability:**
  A service is inseparable and is labour intensive because it cannot be separated from the supplier i.e. the service is simultaneously produced and consumed. (Kotler and Roberto, 1989:156). Zeithaml and Bitner (1996:19) indicate that because services are produced and consumed at the same time, the quality of the service and customer satisfaction depends on what occurs during the transaction. These occurrences include the actions of the employees and the interaction between the employees and customers as well as the interaction between customers with each other (Zeithaml and Bitner, 1996:19; Jobber, 1995:665).

  Due to the inseparable nature of services mass production of a service is difficult and suppliers of services often need to duplicate equipment and staff at places where the service is provided. (Perreault and McCarthy, 2002:252).

- **Perishability:**
  A service is perishable as it cannot be stored or saved for later sale or use. (Gabbott and Hogg, 1998:28; Kotler and Roberto, 1989:157; Zeithaml and Bitner 1996:21). According to Kotler and Roberto (1989:157) the perishability of services is a problem when demand for the service fluctuates as a seat in a restaurant or an hour of a doctors time cannot be reclaimed or resold at a later time. Zeithaml and Bitner (1996:21) state that the implications of the perishability of a service is that demand forecasting for capacity utilisation is critical and since a service cannot be returned or resold it is important to have strong recovery strategies in the event that things do go wrong.

- **Variability:**
  Services are variable and Gabbott and Hogg (1998:28) state that services are performances, which are generally carried out by humans and that it is this human element which makes it unlikely that any two services carried out will be precisely alike. They further state that as a

result of this the quality of services may vary depending on who provides the service as well as when, where, and how they are provided. (Gabbott and Hogg, 1998:28). Zeithaml and Bitner (1996:20) indicate that the implications of this variability is that the service delivery and customer satisfaction depend on the actions of the employees and there is no definite knowledge that the service which was delivered is what was planned and promoted.

Mehta and Durvasula (1998:40) as well as Zeithaml *et al* (1985:44) agree that there has been universal growth in the service sector and that there is a general acceptance by scholars in the marketing field of the distinct differences between goods and services marketing. As a result it has become crucial for organisations to understand the specific characteristics of services and be able to classify these services so that they can implement appropriate services marketing strategies.

## 2.5 CLASSIFICATION OF SERVICES

The literature on service classifications is largely theoretical, and aims to help service managers gain experience from other service industries which share common problems and have similar characteristics (Bebko, 2000:11; Payne, 1993:10; Rosen and Karwan, 1994: 42). Bebko (2000:11) as well as Rosen and Karwan (1994: 42) suggest that service classifications are also important when dealing with composite offerings, as the outcome of service delivery is a tangible product and that goods and services are often an inseparable offering of a firm.

Lovelock (1983:9) developed a classification scheme for services, which attempts to answer five specific questions. Payne (1993:12) states that each of these questions are examined in a series of two-dimensional matrices and are based on the idea that appropriate combinations of classification schemes will lead to improved strategic insights. Lovelock (1983:10) focused his analysis mainly on the features of services and classified them according to:

- ***The Nature of the Service Act***

Proctor and Wright (1998:148) mention that the nature of the service act classification considers the intangibility of services and their recipients. They (Proctor and Wright, 1998:148) further mention that this classification raises questions as to whether the customer needs to be physically or mentally present during the service delivery, how the customer benefits and how the customer is changed by the receipt of the service delivery. Thus, there needs to be a general understanding regarding the features of the service, its core benefit, and the `bundle of benefits' it may offer as this understanding helps the service provider to address questions of location and schedule convenience where people have to be present to receive the service (Payne, 1993:12).

- ***The Relationship Between the Organisation and its Customers***

This classification assesses the nature of service delivery and whether there is a formal relationship between the buyer and service provider as organisations can benefit from a knowledge of their customers' identities and addresses and can tailor specific offers to specific customers through targeted direct marketing (Proctor and Wright, 1998:149). Payne (1993:12) indicates that this classification system yields insights into the trade off between pricing and usage rates. Lovelock (1983:13) observed that customers can have a membership relationship with service providers, such as car breakdown recovery services, or they can have a more formal relationship and that either of these could be provided continuously or as a discrete episode.

Proctor and Wright (1998:150) indicate that in the health care industry, primary health services rendered by a general practitioner are of a more long-standing nature, and often, a relationship develops between doctor and patient, which has the potential to include elements of trust, respect and mutual understanding. They (Proctor and Wright, 1998:150) further mention that in acute services such as hospital admissions, the service is of a more formal nature, and such a relationship is difficult to attain.

- ***How the Service is Delivered to the Customer***

The manner of service delivery to the customer refers to whether the service is available on single or multiple sites, whether the customer visits the service site, whether the service organisation comes to the customer directly, or if the service can be delivered from a distance (Payne, 1993:12; Lovelock, 1983:12). According to Proctor and Wright (1998:150) this classification focuses on distribution issues relating to the method of delivery and helps organisations to find innovative solutions to the key issue of customer convenience.

- ***The Nature of Supply and Demand***

This classification addresses the nature of demand fluctuations over time and the extent to which supply is constrained (Payne, 1993:13). Lovelock (1983:13) makes the observation that although in many services, supply and demand are difficult to control or predict, in some services, there needs to be capacity to respond to peak demand with minimal delay in order to avoid losing the business to another provider. Services such as electricity supplies, telephone services, fire, police, ambulance and maternity services have a common need for flexibility, high quality information, financing and planning, so that delay in responding is kept to an absolute minimum (Proctor and Wright, 1998:151).

Proctor and Wright (1998:151) also claim that the nature of supply and demand classification is important in that it affects profitability and focuses attention on establishing demand patterns over time, understanding why these patterns exist and considering strategies that could be developed to make the patterns of demand more favourable for the service provider.

- ***The Potential for Customisation and Judgement.***

This classification contrasts the degree of customisation of service characteristics with the degree of judgement required by customer contact staff (Payne, 1993:13). Payne (1993:13) further mentions that the issue for service marketers in this classification is to decide to what extent the service offer should be customised and to balance the cost of customising the service as opposed to delivering a standard service. Proctor and Wright (1998:151) indicate that the potential for customisation and employee judgement is high in direct clinical situations, such as, where the nurse makes clinical decisions based on the individual needs of the patient. In addition, they mention that the potential for consumer involvement, variability and consumer risk is also high in such situations.

In 1995, Price *et al* (1995:84) presented a new classification of services. They argued that the degree of emotional affect, the duration of the encounter and the spatial proximity between customer and provider were defining dimensions of services. Price *et al* (1995:84), also indicate that the degree of customisation and employee judgement can be higher in services which have an emotional component, are of an intimate nature and are of a long duration.

Lovelock (1983:18) explains that the development of a classification scheme for services has important theoretical implications as it is used for building up theories in research areas. He also explains that without a valid and reliable service classification scheme, service marketers find it extremely difficult to gain managerial insights from the experience in other industries as they lack a clear understanding of the similarities and differences among services.

In order to compete more effectively in the business environment, marketers need to understand how their services are perceived and classified from a customer's point-of-view as well as gain insight into the customer's role in service experiences.

## 2.6 THE CUSTOMERS ROLE IN SERVICE EXPERIENCES

Service experiences are the result of interactions between organisations, service employees and customers (Mehta and Durvasula, 1998:41). Research by Bartikowski and Llosa (2004:67), and Matzler *et al* (2003:112) examined customer satisfaction with service experiences and has focused on the roles of service processes, employees and tangibles in creating quality service experiences for customers.

Zeithaml *et al* (1997:193) state that customers themselves have vital roles to play in creating service outcomes, whether the customer is an end consumer (e.g. consumers of health care or education) or a business (e.g. organisations purchasing maintenance). Customers themselves participate at some level in creating the service and ensuring their own satisfaction (Bartikowski and Llosa, 2004:67; Zeithaml *et al,* 1997:193).

Zeithaml *et al* (1997:193) suggest that the level of customer participation required in a service experience varies across services and that in some cases, all that is required is the customer's physical presence (low level of participation), with the employees of the firm doing all of the service production work. An example of a low level of participation is going to a symphony (Zeithaml *et al,* 1997:193).

Zeithaml *et al* (1997:193) further mention that there are also instances where consumer inputs are required to aid the service organisation in creating the service (moderate level of participation). Inputs for a moderate level of participation can include information (e.g. to fill in tax forms), effort or physical possessions (Zeithaml *et al,* 1997:194). Customers can also be involved in co-creating a service (high level of participation) and have essential production roles (e.g. studies), in this level of participation that, if not fulfilled, will affect the nature of the service outcome (Zeithaml *et al,* 1997:194)

Zeithaml *et al* (1997:194) indicate that within each level of participation, customers can play a variety of roles namely:

- ***The Customer as a Productive Resource***
  Bowen (1986:373) and Mills *et al* (1983:730) suggest that service organisations should view customers as partial employees because like employees they contribute inputs, which impact on the organisation's productivity via the quantity and quality of those inputs and the resulting quality of output generated. An example of this is if patients provide accurate information in a timely fashion, physicians will be more efficient and accurate in their diagnoses (Zeithaml *et al,* 1997:195).

- ***The Customer as a Contributor to Quality, Satisfaction and Value***
  Customers can also play the role of contributor to their own satisfaction in service delivery and this can ultimately affect the quality of the services they receive (Bowen, 1986:375 and

Mills *et al,* 1983:730). Bowen (1986:375) also states that effective customer participation can increase the likelihood that needs are met and that the benefits the customer is seeking are actually attained. This is apparent for services such as health care, education and personal fitness, where the service outcome is highly dependent on customer participation as the customer is an integral part of these services and the desired outcome is only possible if the customers perform their roles effectively (Zeithaml *et al,* 1997:195).

- ***The Customer as a Competitor to the Service Organisation***

  Service customers also play the role of potential competitor as customers have the choice of purchasing services in the marketplace or producing the service themselves, either fully or in part (Zeithaml *et al,* 1997:196). For example, a car owner who needs maintenance on his car can choose to do all his own maintenance (if he has the necessary skills), or have someone else do all the maintenance tasks (Zeithaml *et al,* 1997:196).

Bitner *et al* (1990:80) suggest that a customer's overall satisfaction with a service depends on the encounters which take place between a customer and a member of staff of an organisation. They also suggest that since differentiation between service firms depends on the interaction between the customer and the contact person, it is important to build relationships with the service recipient as they equate the quality of service received with the person who provides it.

## 2.7 RELATIONSHIP MARKETING

Liljander and Strandvik (1995:1) have noted that there is "a paradigm shift taking place in services marketing", which is shifting the focus from acquiring new customers to developing, maintaining and enhancing customer relationships. Liljander and Strandvik (1995:1) have further indicated that in today's global marketplace the ability to develop, retain and grow mutually beneficial relationships with customers enables organisations to gain a competitive advantage. Customer relationships have become a company's most valued resource since it has become easier for customers to shop comparatively resulting in an increase in customer expectations and marketing concepts are raising the bar on service levels (Nasir and Nasir, 2005:33).

Liljander and Strandvik (1995:1) suggest that a company should create a customer-focused firm by starting with a customer relationship management (CRM) strategy, whereby a firm reengineers to change its organisational culture and vision. The ultimate goal of a CRM strategy is to transform customer relations into greater profitability by increasing repeat purchase rates and reducing customer acquisition costs (Mc Allister, no date: 2).

According to Dalke (2001: paragraph 2) and Sanchez (no date: 5), customer relationship management is a term for methodologies, software, and usually Internet capabilities that help an enterprise manage customer relationships in an organised way. CRM initiatives aim to help marketers better understand customer behaviour and help them focus on those customers who can derive long-term profits (Birling, 2002: paragraph 1).

Payne (1993:30) and Baker (2003:33) propose that customer relationship marketing consist of the following:

- Helping an enterprise to enable its marketing departments to identify and target their best customers, manage marketing campaigns with clear goals and objectives, and generate quality leads for the sales team.
- Assisting the organisation to improve telesales, account, and sales management by optimising information shared by multiple employees, and streamlining existing processes.
- Allowing the formation of individualised relationships with customers, with the aim of improving customer satisfaction and maximising profits as well as identifying the most profitable customers and providing them the highest level of service.
- Providing employees with the information and processes necessary to know their customers, understand their needs, and effectively build relationships between the company, its customer base, and distribution partners.

Many corporations realise that marketing and marketing systems provide insight into the needs of their customers as well as aid managers scan their surrounding business environment in order facilitate the identification of future opportunities (Nasir and Nasir, 2005:33).

Nasir and Nasir (2005:33) also explain that since marketing and the customer, are intrinsic parts of many corporations' vision and strategy, building long term loyal relationships with customers is a key to profitability. Birling (2002: paragraph 4) notes that a large part of the profitability aspect of customer relationship marketing is the result of:

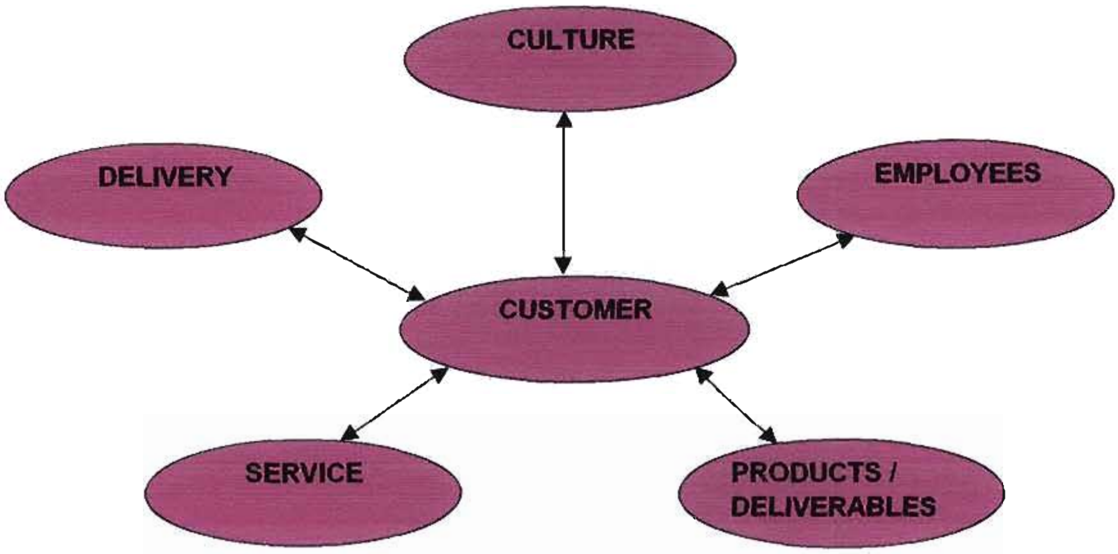
- Money saved by not marketing to those who are not likely to respond.
- Making relevant offers to those that need, or want, or can afford the products makes money.
- Building relationships with a company's best customers, results in higher loyalty, retention, referral, spending rates and profits.

Relationship marketing emerged as a popular new paradigm due to a shift in focus from customer acuisition to customer retention (Sheth, 2002:590). Liljander and Strandvik (1995:4) state that long lasting relationships with customers are beneficial for organisations and the use of relationship marketing can assist organisations to achieve customer retention. In order to build this loyal base of customers, organisations should not only concentrate on relationship marketing but also consider creating a service environment, which enhances customer service delivery.

## 2.8 THE CUSTOMER SERVICE ENVIRONMENT

Lucas (1996:11) mentions that there are six key components of a customer service environment that contributes to customer service delivery. The six components are depicted in the following figure:

**Figure 1: Components of a Customer-Focused Environment**




Source: Lucas (1996:11)

1. ***The Customer***

The customer is the key component around which all other aspects of the service environment revolve (Lucas, 1996:11 and Parasuraman, 2002:8). Lucas (1996:11) and Cottle (1990:30) state that customers are the sole reason for the existence of any organisation and since all employees have customers, either internal (co-workers, employees of other departments) or external (current or potential customers), there must be a constant conscious need to provide exceptional customer service.

2. ***Organisational Culture***

Organisational culture is what the customer experiences and is made up of a collection of sub-components, each of which contributes to the overall service environment (Lucas, 1996:12; Skalen and Strandvik, 2005:231).

3. ***Employees***

Lucas (1996:12) suggests that in order to make the culture aspect of the service environment successful, organisations must take care in recruiting, selecting and training qualified people as without motivated, competent people, no amount of systems adaptation will make a difference in customer service.

*4. Products / Deliverables*

This component of a service environment may be a tangible item manufactured or distributed by the company, or it could be a service which is available to the customer and there are two areas of potential satisfaction or dissatisfaction i.e. quality and quantity (Lucas, 1996:13). Lucas (1996:13) also implies that in order to maintain customer satisfaction it is important that the customer receives what he perceives as a quality product or service to the level they expected and in the time frame promised.

*5. Delivery*

Lucas (1996:14) indicates that the delivery component of a service environment is the manner in which the product or service is delivered and that organisations should consider the following factors when deciding on a delivery method:

- *Industry standards*: Are the current organisational delivery standards in line with competitors?
- *Customer expectations*: Do customers expect delivery to occur in a certain manner within a specified time frame?
- *Capabilities*: Do existing or available systems within the organisation and industry allow for a variety of delivery methods?
- *Costs*: Will providing a variety of techniques add real or perceived value at an acceptable cost and will customers be willing to absorb any additional costs?
- *Current and projected requirements*: Are existing methods of delivery meeting customer needs and will they continue to do so in the future?

*6. Service*

The service component is the manner in which employees treat customers as the company's deliverables is delivered and requires strategies in order to satisfy the needs of customers (Lucas, 1996:14).

Rowley (1995:7) states that in his study of the service experience within a wide range of service environments, he has noticed that "there has been an increasing recognition that customer satisfaction is often dependent on a customers direct or indirect interactions of the service facility's physical environment". He also indicates that as more competition enters the marketplace, customers have more choices and may gravitate towards those service environments with which they are most compatible. Thus, organisations need to create service environments that enhance customer satisfaction and the use of an appropriate services marketing mix can aid this regard.

## 2.9 THE SERVICES MARKETING MIX

Payne (1993:21) mentions that the dynamics of most service markets have given way to vigorous and intense competition and that marketing has become a key differentiator between an organisation's success and failure. Payne (1993:21) defines marketing as "a process of perceiving, understanding, stimulating and satisfying the needs of specially selected target markets by channelling an organisation's resources to meet those needs". This implies that marketing is a process of matching an organisations resources to the customers needs and is concerned with the interrelationships between a company's offering, the wants and needs of consumers and the activity of competitors (Payne, 1993:21).

The marketing function consists of the marketing mix, which is a set of tools that organisations can utilise to shape the nature of their offering to customers (Baker, 2003:598). According to Jobber (1995:675) and Baker (2003:599-605) the elements of a services marketing mix are as follows:

- ***Product***

A product is an organisation's offering to potential customers and can be either tangible of intangible (Jobber, 1995:675). Due to the fact that pure services are intangible, service customers suffer a higher perceived risk in their decision-making and the people, physical evidence and process elements of the marketing mix are vital in influencing the customers' perception of service quality (Baker, 2003:599). Baker (2003:599) also highlights the point that benefits such as the brand name, reliability, after sales support and credit facilities can also influence customer perception of a service.

Jobber (1995:676) states that there are four characteristics of successful brand names that influence the perception of a service:

1. *Distinctiveness* – Distinctiveness immediately identifies the service provider and differentiates it from the competition.
2. *Relevance* – Relevance communicates the nature of the service and the service benefit.
3. *Memorability* – This means that the brand name is easily understood and remembered.
4. *Flexibility* – Flexibility expresses both the organisations current business and is also covers foreseeable new ventures.

- ***Promotion***

According to Baker (2003:602) product promotion embraces advertising, publicity, sales promotions, direct marketing, sponsorship and personal selling. Baker (2003:602) also indicates that the principles of communication for services have a number of distinctive promotional needs, which must be considered:

1. As a result of the intangible nature of services, the promotion element of the marketing mix will need to overcome customers' perceptions of high levels of risk during the buying process (Baker, 2003:602). This can be achieved through the development of strong brands, encouragement of word-of-mouth recommendation and the use of credible message sources of communication (Baker, 2003:598 and Jobber, 1995:677).
2. Since customers cannot sensibly evaluate intangible, high-perceived risk services without knowing the identity of the service provider, it is important to also promote the service provider (Baker, 2003:602).
3. Baker (2003:602) also emphasises that in instances where service production processes are inseparable from their consumption, visible production processes (e.g. service personnel) become an important part of the promotion effort.

4. Baker (2003:602) further emphasises that the promotion of services are generally more constrained by legal controls because there is a higher possibility of fraud as a result of the intangible nature of services.

- ***Price***

Pricing products is an art form involving psychology, emotion and science. Jobber (1995:678) states that it is the key marketing tool for three reasons:

1. Price may act as an indicator of perceived quality since it is difficult to evaluate a service before purchase.
2. Price is an important tool in controlling demand since matching demand and supply is critical for services, as they cannot be stored.
3. Price sensitivity is an important segmentation variable that can be used with services since some customers are willing to pay higher prices than others are.

- ***Place***

Baker (2003:602) states that "place decisions refer to the ease of access which potential customers have to a service". Distribution channels for services are more direct than that for physical goods as a result of the inseparability (services are consumed at the point of production) of services (Jobber, 1995:678). Place decisions can involve physical location decisions, decisions regarding the choice of intermediaries to use in order to make the service accessible to consumers since the point of place decisions is to get the product to where the customer wants it and how the customer wants it (Baker, 2003:602).

- ***People***

As a result of production and consumption of services being simultaneous, people (the company's personnel) form a vital element in the marketing mix as they influence customer perceptions of service quality (Jobber, 1995:679). Gupta (1995:33) and Jobber (1995:679) also argue that it is important for organisations to set standards to improve the quality of services provided by their employees and have measurement criteria to assess their performance as training and control procedures aid in reducing the variability of the quality of service provided.

- ***Physical Evidence***

  According to Jobber (1995:680), the physical evidence relates to the environment in which the service is delivered and any tangible goods that are utilised in the performance and communication of the service. Baker (2003:605) mentions that due to the intangible nature of services, potential customers are unable to judge a service before it is consumed and look for clues to the likely quality of the service by inspecting the tangible evidence (décor, ambience of store, etc.).

- ***Process***

  The process element refers to the procedures, mechanisms and activities by which a service is delivered and this decision greatly affects how a service is delivered to a customer (Jobber, 1995:680). The direct involvement of consumers in the production of most services, and the perishability of these services, places greater emphasis on the process of the transaction for services e.g. promptness of service, informative literature (menu), no queuing beforehand or waiting to pay the bill (Jobber, 1995:678 and Baker, 2003:604).

Perreault and McCarthy (2002:46) define the marketing mix as "the controllable variables that a company puts together to satisfy a target group". They further explain that all the elements of a marketing mix are equally important and that in order to have a competitive advantage, a company needs to have a proper marketing mix to ensure its position in its market. This mix should be tailored so that target customers regard the company's offering as being superior to those offered by competitors.

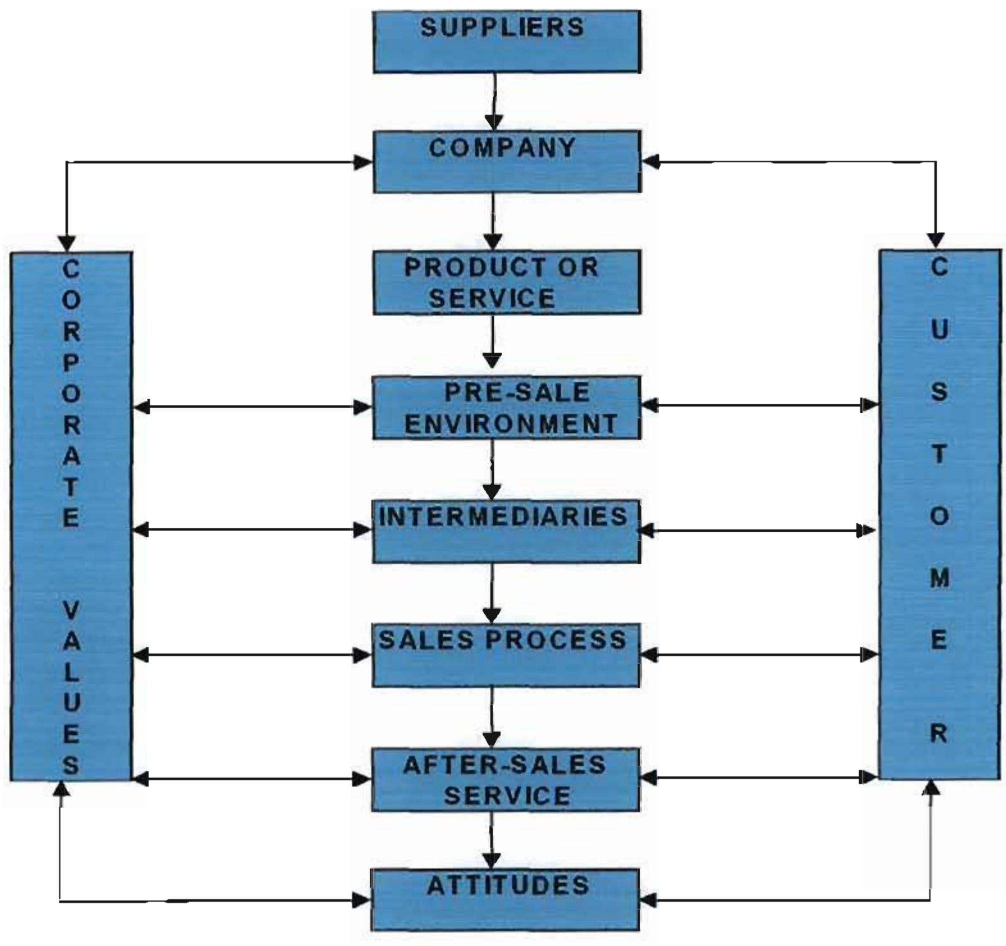
Since all the aspects of the services mix are a part of service encounters it is important for organisations to understand the service chain i.e. the elements which affect the customer experience and ultimately customer satisfaction.

## 2.10 THE SERVICE CHAIN

Since customers measure their satisfaction with a product by comparing its performance against expectations created or established in their minds, companies can either ensure that the performance of their products exceeds customers' expectations or they can lower the customers expectations about their products so that they are satisfied with what is provided (Blem, 1995:24 and Parasuraman, 1998:314). Blem (1995:24) mentions that the concept of the service chain helps identify the elements, which affect customer satisfaction as this concept "identifies the path taken by the components of a company's service from conception to end use".

Blem (1995:26) states that the task of the service chain is to identify the needs or wants of the customer and to satisfy them by means of products or services. Blem (1995:26) further mentions that customers may not always be aware of their needs but become aware of a company's offering in the pre-sale environment e.g. the customer may see an advertisement of a product. He explains that the customer then has to find the product by seeking out intermediaries, which manufacturers may use to distribute their products and it is at this point that the sales process takes over and the after-sales service becomes as crucial as the actual sale itself. The corporate value aspect of the service chain forms the heart of every phase in the chain and reflects the attitude of the staff towards the customer (Blem, 1995:26). Figure 2 represents the service chain:

**Figure 2: The Service Chain**




Source: Blem (1995:25)

Blem (1996:26) states that the phases of customer service in the chain follow the sequence of any complete business transaction and each element varies depending on the nature of the organisation and the transaction. Blem (1996:26) also indicates that companies need to look at each phase in turn when formulating a service strategy as customers expectations are similar in each phase namely:

- **The Product**

  The design of a product affects customer satisfaction by providing tangible evidence of the firm's basic values and it can also place limits on the firm's versatility in terms of sales and support (Blem, 1995:27). The quality of a product affects customer satisfaction by ensuring a consistent level of performance (Parasuraman, 1998:314). According to Blem (1996:27), a 'good product', which maximises customer satisfaction, can be explained using the total economic value principle which describes three product values.

The product values described by Blem (1996:27-28) are as follows:

1. *Value-in-Purchase* – This relates to the degree of satisfaction the customer expects to get from a product and is a function of the external design or styling of the product, the communication (advertising) and the atmosphere associated with the product (how and where the product is displayed).

2. *Value-in-Use* – At this stage the customer is concerned with how well the product works and the factors, which influence whether satisfaction is achieved, are a balance between user-friendliness, performance and manufacturing quality.

3. *Value-in-Disposal* – This relates to the problem of what to do with the product once it has been used and depends upon the design of the product, the salvage value and the systems that the manufacturer has in place to retrieve the salvage value.

- **Suppliers**

Although the basic product design is the major factor in effecting customer satisfaction, the quality of raw materials, the manufacturing processes and the actual process controls are also important (Blem, 1996:29). Thus by changing material inputs or manufacturing processes, customer satisfaction can be improved (Shapiro, 2001:19).

- **The Pre-Sale Environment**

This is the environment surrounding a potential customer before he orders a product and is the phase in which expectations are created (Blem, 1996:29). Blem (1996:29) states that the customer's awareness of products, suppliers and his needs may be vague at this point. In order to improve customer satisfaction the potential customer will need information about both the product and the supplier as well as what he expects of the product or service in terms of performance before he gets involved in the buying process Blem, 1996:30 and Bitner *et al*, 1990:72).

- **Intermediaries**

  Intermediaries such as distributors, retailers and department stores form a vital link between a company and its customers and should ideally represent the company and its products in the best possible way to ensure maximum customer satisfaction and good relations between customer and company (Blem, 1996:30).

- **The Sales Process**

  By the time customers are ready to purchase a particular product, they have established their needs and have a fairly good idea of the specific benefits that the different products in the market can offer (Blem, 1996:33). In his book Blem (1996:33) mentions that the degree of satisfaction that the customer is likely to achieve depends on the following issues:

  1. *The Sales Staff* – Customers judge a company by its sales personnel and if they are friendly and interested in keeping the customer happy, then buyers assume that the rest of the company is also interested.

  2. *Buying/Ordering* – At this stage selling the product and giving service are intertwined as the customer will continue to need knowledge. The customer will also evaluate this knowledge and may look for adjustments from the supplier in what is offered to him.

  3. *The Period from Order to Delivery* – The period from order to delivery of the product or service is often at the heart of the customer service problem and it is important that sales personnel give customers realistic delivery promises.

  4. *Accuracy, Completeness and Convenience of Delivery* – Customers expect the quality, quantity and specifications of his goods or services to be as ordered. They also expect the time and place of collection or delivery to be convenient.

- **After-Sales Service**

  Customers want complaints to be heard positively and with understanding, to be reported by a simple and friendly procedure, to be investigated thoroughly, to be resolved with the utmost speed and to be met with fair and appropriate action (Blem, 1996:36). Customers also don't want to be hounded unnecessarily or to suffer the consequences of accounting errors, as they fear damage to their credit status through secret and incorrect reports and references (Blem, 1996:36).

By using the service chain, organisations can identify the needs of the customer and find products or services to satisfy those needs in order to enhance customer satisfaction. The concept of customer satisfaction however is very subjective and companies need to be able to identify the causes of service problems in their endeavour to maximise customer satisfaction.

## 2.11 CAUSES OF SERVICE PROBLEMS

Yasin and Yavas (1999:198) state that "today's sophisticated and discerning customers demand the highest levels of service efficiency, quality, flexibility and dependability". They also mention that many service organisations recognise that attaining customer satisfaction through the delivery of a quality service is the key to their survival and that having a loyal base of satisfied customers increases sales, reduces costs, improves bottom lines and builds market shares.

To streamline and improve their service delivery systems, service organisations need to identify the elements, which cause service problems and find ways to enhance the efficiency and customer orientation of their service delivery (Yasin and Yavas, 1999:198). Parasuraman *et al* (1985:47) have identified six causes of service quality problems:

1. ***Overlapping Production and Consumption of Service***

   Clients consume services as they are being produced and mistakes made in this environment are immediately apparent and no amount of quality control can reverse the situation (Cottle, 1990:168). Since every workers language, dress, personality, body language are part of a service experience it is important to try and have the same personnel handle the same clients each time as their familiarity with the customers expectations will result in a more consistent performance (Cottle, 1990:168).

2. ***Inadequate Service to "Intermediate Customers"***

Inadequate service to intermediate customers refers to the quality of the operational support provided to the frontline personnel in a service organisation e.g. orders cannot be processed when computers are down i.e. staff are the intermediate customers of the computer maintenance company (Parasuraman *et al,* 1985:47). Service organisations also have intermediate customers and it is important that the frontline staff be trained to render high quality service in the event of a breakdown in operational support as they represent the organisation (Parasuraman *et al,* 1985:47).

Cottle (1990:169) suggests that in order to avoid this service problem companies adequately train their staff to take accurate messages and promptly relay them to the appropriate person as well as update client files and file correspondence so that you can find them when you need them.

3. ***Communication Shortfalls***

Cottle (1990:170) states that there are three distinct types of communication shortfalls:

- *Over-promising to Clients* – Over-promising has been found to be a major source of customer dissatisfaction as service providers often find it easier to make a customer happy by telling them that the service will be delivered within a time frame that the customer wants to hear (Parasuraman *et al,* 1985:47). This often results in creating a needlessly bad impression of the service provider when the service is not delivered (Cottle, 1990:170).

- *Failing to Stay in Touch with Clients* – Parasuraman *et al* (1985:47) also indicate that a large number of service quality problems also arise as a result from the service providers failure to keep the client informed until a problem is resolved.

- *Misunderstanding Client Communications* – Sometimes the use of professional jargon can confuse or annoy a customer and it is important that staff are adequately trained to interact with customers (Parasuraman *et al,* 1985:47).

In order to avoid communication shortfalls, Cottle (1990:172) suggests that service providers simply tell clients what they can expect to happen, when they can expect it to happen and to notify the client if there is any interruptions or delays to your schedule.

4. ***View of Clients as Statistics***

Since services are performed for individuals even in the case of corporate clients, it is important that the service provider try to look for opportunities to provide individualised service so that you don't lose your sensitivity to the client's perceptions (Parasuraman *et al,* 1985:48).

Practical tips to assist a service provider from falling into this trap would be to call clients by their names, avoid using client account numbers externally and make note personal matters (children's names, birthdays and trips taken) as they can be used in conversation at a later stage (Cottle, 1990:173).

5. ***Short-Run View of the Business***

A short-run view of conducting a business can be detrimental to any business as too much emphasis on short-term profitability often adversely affects quality (Parasuraman *et al,* 1985:48). Service companies need to consider investing in technology (computers, fax machines, e-mail, etc.), regardless of the initial capital requirements as these devices aid in speeding up service delivery to customers and aids in making the service provider more accessible to customers (Parasuraman *et al,* 1985:48).

6. ***Service Proliferation and Complexity***

Parasuraman *et al* (1985:47) mention that firms nowadays have to face many new services with added complexities in a short space of time e.g. frequent changes in surgical procedures, pharmaceutical drugs, new laws and regulations, etc. A firms capacity to constantly handle the myriad of changes that occur can be eroded and sometimes firms start marketing new services to customers even before they are fully trained to deliver those services (Cottle, 1990:174).

Considering that service failures are to some extent, unavoidable, it is important for organisations to understand the causes of service problems and design strategies to reduce the effects of such service failures. By reducing the effects of service failures companies can transform angry and frustrated customers into satisfied and loyal ones thereby creating an improved perceived service quality.

## 2.12 SERVICE QUALITY

### 2.12.1 WHAT IS SERVICE QUALITY

According to Ozment and Morash (1994:352), service quality is considered to be a viable strategy for marketers who want to differentiate their service offerings, establish customer value and satisfy customer needs, as satisfied customers have been shown by George (1991:300), to exercise repeat purchase behaviours. Imrie *et al* (no date: paragraph 1) state that by using a service quality strategy marketers are able to leverage customer support for their service offerings in order to build and retain a loyal customer base.

Asubonteng *et al* (1996:62), Buttle (1996:8) and Shahin (no date: paragraph 1), mention that managers in the service sector are under increasing pressure to demonstrate that their services are customer-focused and that continuous performance improvement is being delivered. They also indicate that due to the financial and resource constraints under which service organisations must manage, it is essential that customer expectations are properly understood and measured, as it is important to identify any gaps in service quality (Shahin, no date: paragraph 1 and Asubonteng *et al,* 1996:62).

Asubonteng *et al* (1996:62) states that service quality is a concept that is difficult to define and measure. However, technology is now creating an innovative business model that is altering the dynamics of customer service and is allowing companies the opportunity to measure exactly what services cost on an individual level as well as assess the return on money spent (Brady, 2000:119). They further mention that there are a number of different definitions for service quality and that it is most commonly defined as the extent to which a service meets customers' needs or expectations (Asubonteng *et al*, 1996:63).

Service quality can thus be defined as the difference between customer expectations of service and perceived service. If expectations are greater than performance then perceived quality is less than satisfactory and hence customer dissatisfaction occurs (Parasuraman *et al.*, 1985:42). This gap between the customers expectation of the quality of the service and the perceived quality of the service received can be explained by the gaps model.

### 2.12.2 THE GAPS MODEL

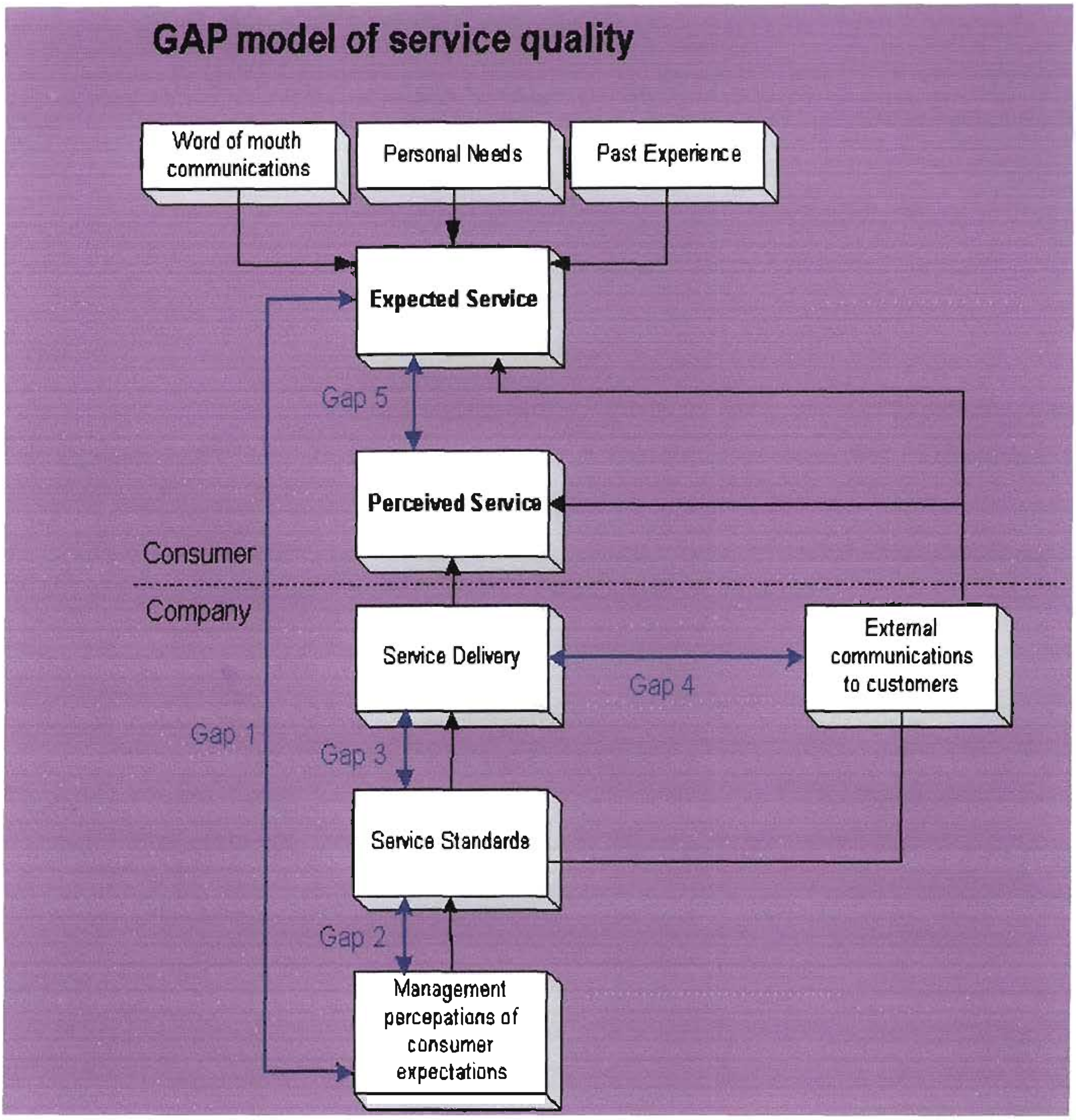
According to Coupe (2002:paragraph 1) service companies find it difficult to measure service quality and customer satisfaction as services are intangible and it is difficult to define quality. Since quality can be defined as meeting or exceeding a customers needs it is important for management to understand customer expectations, communicate those expectations to employees and make sure that they have systems in place to meet these expectations (Auty and Long, 1999:8; Newman *et al*, 1998:153). Customer satisfaction has been explained as the degree of fit between customers' expectations of service quality and the quality of the service as perceived by the customer (Zeithaml and Bitner 1996:124).

Hence companies must be able to anticipate and forecast customers' needs and expectations and companies can anticipate these needs and expectations by using the service gaps model analysis, which offers an integrated view of the consumer-organisation relationship (Fifield, 1992:136; Proctor, 2000:227; Gabbott and Hogg, 1998:108). Zeithaml and Bitner (1996:48) emphasise that it is important for companies to understand the gaps that exist in the delivery of their service in order for them to understand what hinders them from providing a superior quality of service to their customers.

According to Wahid (2001: paragraph 28) the gap model is customer-oriented as quality is realised by the customer in a comparison between expected and perceived quality after the customer has received the service and it provides management and employees with an understanding on how customers assess and measure service quality.

Newman *et al* (1998:153) suggests that the gaps model is also process-oriented as it describes the potential causes of the discrepancies that arise in the service process which affect the difference between the customers' expected and perceived quality. Thus the gaps model provides management and employees with a framework to establish the gaps in how a service is designed and operated (Li and Xie, 2003:417). The figure that follows shows the GAPs model of service quality:

**FIGURE 3: GAPs Model of Service Quality**




Source: Zeithaml and Bitner (1996:48)

Due to the fact that customer satisfaction and customer focus is critical to competitiveness, companies need to know what customers want and how they assess the service that they receive. According to Zeithaml and Bitner (1996:38) there are four areas of discrepancies within the organisation that inhibit the delivery of a quality service, which need to be addressed. These areas are:

- **Gap 1: Consumer expectation - Management perception gap**

  Gap 1 is the difference between customer expectations of the service and the company's understanding of those expectations (Coupe, 2002: paragraph 3; Gabbott and Hogg, 1998:106 and Wahid, 2001: paragraph 2). Zeithaml and Bitner (1996:39) mention that the existence of gap 1 could be due to factors such as an insufficient and inadequate use of market research, a lack of interaction between management and customers, insufficient upward communication between contact personnel and management, and too many levels between contact personnel and management. As a result, management does not understand how the service should be designed, what support or secondary services the customer requires or what the right quality for the customer is.

  Wahid (2001: paragraph 1) and Zeithaml and Bitner (1996:40) explain that in order to close or reduce the size of Gap 1, companies need to establish what is and is not acceptable to the customer in broad terms by conducting sufficient market research. They further state that this research can be done through listening to customer complaints, finding out what customers want in similar industries, researching intermediate customers, conducting key-client studies, and conducting customer expectation and satisfaction surveys. Zeithaml and Bitner (1996:40) also mention that management must ensure that all employees understand exactly what the customer wants within organisational constraints and allow employees to work towards the common goal of providing customers with what they want so that a quality service is provided.

- **Gap 2: Management Perception - Service Quality Specification Gap**

Gap 2 is the difference between management's perception of consumer expectations and service quality specifications (Coupe, 2002: paragraph 3; Gabbott and Hogg, 1998:106; Wahid, 2001: paragraph 10 and Zeithaml and Bitner, 1996:40). This is the difference between the company's quality specifications and management perceptions of consumer expectations of the service and its quality. Management may be aware of critical consumer expectations but a variety of factors such as resource constraints, market conditions, and/or management indifference might prevent them from setting specifications to meet those expectations (Zeithaml and Bitner, 1996:41).

Wahid (2001: paragraph 12) states that the gap between management's understanding of consumer expectations and the translation of those expectations into service quality specifications depend on factors such as:

- Management's commitment to service quality.
- The existence of a formal mechanism for setting quality of service goals.
- The extent to which service roles in the firm are standardised.
- The extent to which managers believe that consumer expectation can be met economically.

Wahid, (2001: paragraph 12) and Zeithaml and Bitner (1996:42) state that in order to close Gap 2, management must be committed to service quality. They further mention that this commitment can be shown through "leading by example", by developing quality policies that set the service standards, providing training to improve employee skills that are necessary for enhancing service quality and by standardising tasks so that the outcome of the service is uniform and consistent.

- **Gap 3: Service Quality Specifications - Service Delivery Gap**

Gap 3 is the difference between service quality specifications and the delivery of those specifications (Gabbott and Hogg, 1998:106; Coupe, 2002: paragraph 3; Wahid, 2001: paragraph 15 and Zeithaml and Bitner, 1996:43). Wahid (2001: paragraph 15) claim that the performance of services frequently falls short of the specifications even when formal specifications for performing services well are in place. This is as a result of the wide variability in the performance of contact personnel, and the difficulties in maintaining uniform, standardised quality.

Zeithaml and Bitner (1996:44) report that the causes of Gap 3 could be employee role ambiguity, role conflict, poor employee-job fit, poor technology-job fit, inappropriate supervisory control systems, lack of perceived control, and lack of teamwork. Other causes could be that employees are unaware of specifications, do not have the skills to perform the specifications, or are unwilling to perform the specifications (Zeithaml and Bitner, 1996:44).

Wahid (2001: paragraph 17) states that in order to close or reduce Gap 3, employees should be communicated with on areas such as what is expected of them, the goals, strategies and objectives of the company, and feedback on their performance. Wahid (2001: paragraph 17) also mentions that role conflict can be avoided by defining service roles and standards, reinforcing change with other human resource systems, training employees in priority setting and time management, tying compensation to delivery of service quality, introducing breaks and varying work tasks. Matching the right people with the right job and training them in using the technology and the equipment that comes with it can improve employee-technology-job fit (Wahid, 2001: paragraph 17).

- **Gap 4: Service Delivery - External Communication Gap**

Gap 4 is the difference between the service delivered and external communications about the firm i.e. the quality promised in marketing (Gabbott and Hogg, 1998:106; Coupe, 2002: paragraph 3; Wahid, 2001: paragraph 20 and Zeithaml and Bitner, 1996:45). The causes of Gap 4 are poor inter-department communication, differences in policies and procedures between branches or departments, and a tendency by marketing people to over-promise (Zeithaml and Bitner, 1996:45). Zeithaml and Bitner (1996:46) suggest that a potential reason for poor perceptions of service quality by consumers is that media advertising, sales presentations and other communications boost their expectations to levels beyond a company's capabilities. Although it is important for company's to inform customers about their efforts to raise quality, which would otherwise not be visible to the customer, it is equally important not to promise the customer more than the company can deliver.

Wahid (2001: paragraph 23) indicates that the strategies for reducing Gap 4 include increasing horizontal communication by opening the channels of communication between marketing/sales, human resource, and operations so as to enhance understanding between the relevant departments can do this. Wahid (2001: paragraph 23) also explains that direct interaction should be a constant feature between marketing/sales and the actual service providers and that standard policies and procedures should be used to provide consistent service across branches and departments.

In order to avoid over-promising, companies should develop communications that deal with the quality dimension and features that are most important to customer; accurately reflect what customers actually receive in the service encounter; and help customers understand their roles in performing the service (Zeithaml and Bitner, 1996:46).

- **Gap Five: Expected Service - Experienced Service**

  Gap 5 is the most crucial gap as it indicates the difference between expected and perceived service quality i.e. it is a gap between the customers' expectations of the service and the service they actually receive (Gabbott and Hogg, 1998:106; Coupe, 2002: paragraph 3; Wahid, 2001: paragraph 20 and Zeithaml and Bitner, 1996:45). In their book Zeithaml and Bitner (1996:37) explain that customer perceptions are the subjective assessments of the customers actual service experiences and that customer expectations are the benchmarks against which service experiences are compared.

  Zeithaml and Bitner (1996:37) further explain that these benchmarks are formulated in terms of what the customer believes should occur and that the sources of customer expectations consist of factors such as pricing, advertising, personal needs, competitive offerings etc. The ideal scenario in the business world would be to have customers receive the standard of service that they expected i.e. to have service expectations and service perceptions identical.

Wahid (2001:paragraph 33) indicates that by understanding the factors which influence the gaps between expected and perceived service, companies can take action to reduce the difference between perceived and expected quality so that customer satisfaction is enhanced. One of the ways in which organisations can take action to reduce this gap would be by understanding customer expectations and finding ways to manage it.

### 2.12.3 MANAGING CUSTOMER EXPECTATIONS

Since customer expectations are the beliefs about service delivery, which serve as the standards against which performance is judged, it is vital for service marketers to have an in-depth knowledge of what these expectations are and the factors that influence the formation of these expectations (Zeithaml and Bitner, 1996:76).

#### *2.12.3.1 LEVELS OF EXPECTATIONS*

Zeithaml and Bitner (1996:77), mention that customers hold different types of expectations about services and that they usually fall into two levels:

- ***Desired Service***

  The desired level of service is the first level of service that the customer expects to receive and is basically the service that the customer hopes to receive (Dion *et al,* 1988:68; Zeithaml and Bitner, 1996:77).

- ***Adequate Service***

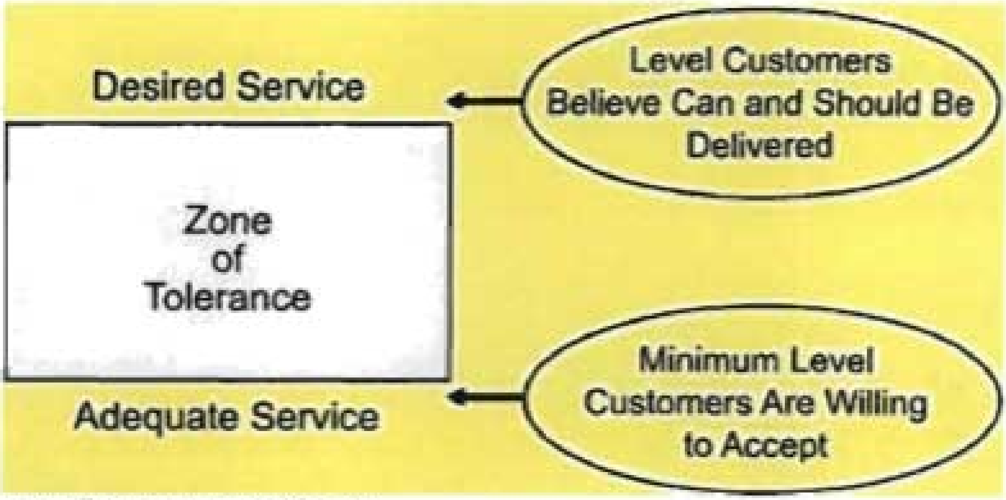
  Adequate service is the second level of service and is the "minimum level of service that the customer is willing to accept" (Dion *et al,* 1988:68; Zeithaml and Bitner, 1996:76). Zeithaml and Bitner (1996:78) also mention that adequate service is the bottom level of performance which is acceptable to a customer and is the level of service that customers believe that they will get on the basis of their experience with services.

Zeithaml and Bitner (1996:78) indicate that customers assess service quality on the basis of what they desire and what they deem acceptable i.e. customers have dual expectation levels. They further indicate that customers hold similar desired expectation levels across categories of service but have different expectation levels for service firms in the different industries. The reason why organisations in the same industry can offer different levels of service and still keep customers satisfied is a result of the zone of tolerance i.e. the levels of expectation between the adequate and the desired service (Zeithaml and Bitner, 1996:79).

### *2.12.3.2 THE ZONE OF TOLERANCE*

The extent to which customers understand and are willing to accept that the performance of services are heterogeneous and can vary across service providers and employees is known as the zone of tolerance (Parasuraman, 2004:47; Walker and Baker, 2000:412; Zeithaml and Bitner, 1996:79). The figure below represents the adequate and desired levels of service as well as the zone of tolerance.

**Figure 4: Customer Expectation Levels and the Zone of Tolerance**



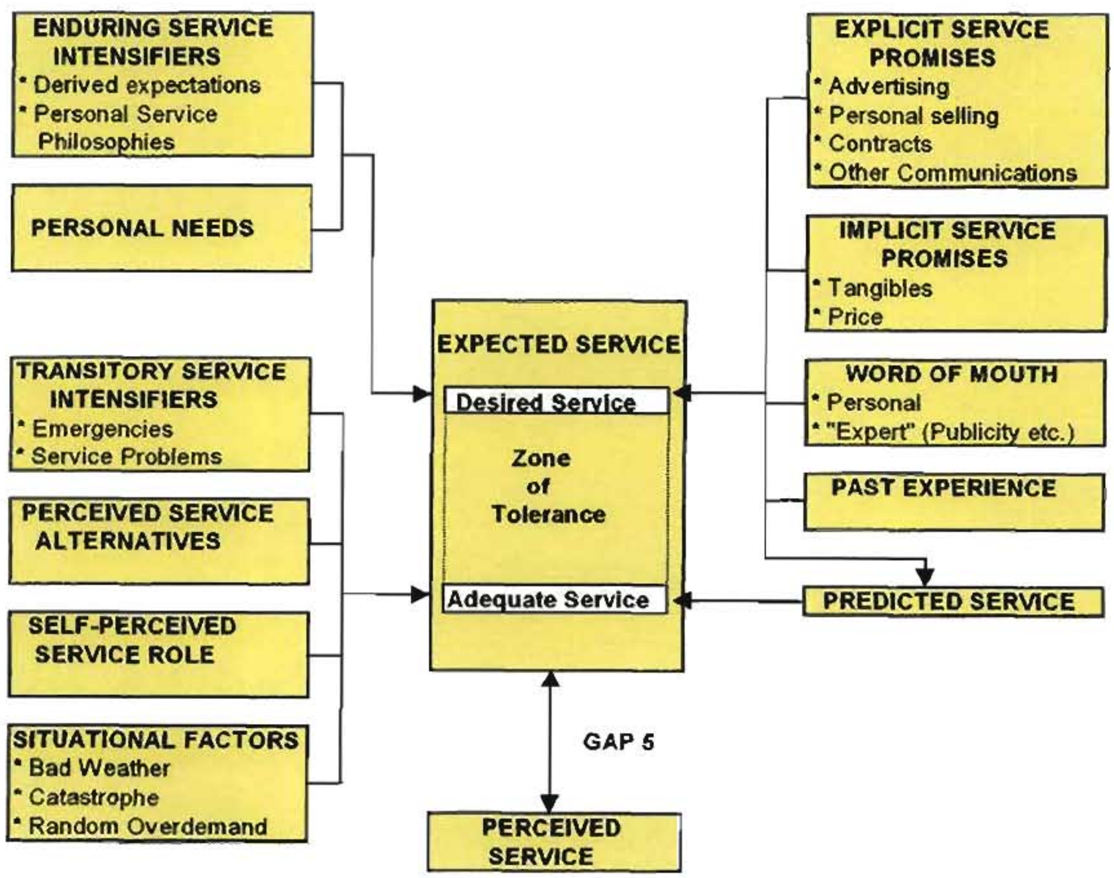

Source: Parasuraman (2004:48)

Walker and Baker (2000:412) as well as Zeithaml and Bitner (1996:79), state that if service drops below the adequate level, then the customer's satisfaction with the company will be impaired and if the service performance exceeds the desired level then the customer will be pleasantly surprised. Zeithaml and Bitner (1996:79) consider the zone of tolerance to be a "window within which customers do not particularly notice service performance". They also indicate that there are factors such as price, which increase or decrease an individual customer's zone of tolerance.

### *2.12.3.3 FACTORS INFLUENCING CUSTOMER EXPECTATIONS OF SERVICES*

It is critical for service marketers to understand the factors that shape customers service expectations because expectations form a pivotal part of customers' evaluation of services (Zeithaml and Bitner, 1996:82). Zeithaml and Bitner (1996:82) suggest that there are factors, which specifically affect the desired levels of service and the adequate levels of service, as well as factors that affect both these levels. The figure that follows which Zeithaml and Bitner (1996:90) call the model of customer service expectations, reflect the factors that influence adequate and desired levels of service.

**Figure 5: Model of Customer Service Expectations**




Source: Zeithaml and Bitner (1996:91)

Zeithaml and Bitner (1996:82) mention that there are two major influences on the desired level of service expectations:

- ***Personal Needs***

  Personal needs are those conditions, which are essential to the physical or psychological well being of the customer (Zeithaml and Bitner, 1996:82). Zeithaml and Bitner (1996:92) also indicate that marketers can influence personal needs by educating customers on the way the service addresses their particular needs.

- ***Enduring Service Intensifiers***

  Enduring service intensifiers are individual stable factors, which lead the customer to a heightened sensitivity to services (Zeithaml and Bitner, 1996:83). Zeithaml and Bitner (1996:83) and Zeithaml *et al* (1993:6) indicate that there are two factors that affect the enduring service intensifiers:

  *(i) Derived service expectations* – Derived service expectations occur when customer expectations are driven by another person or group of people.

  *(ii) Personal Service Philosophy* – This refers to the customers underlying attitude about services and the proper conduct of service providers.

According to Zeithaml and Bitner (1996:84) there are different sets of factors that influence adequate service levels. These factors as described by Zeithaml and Bitner (1996:84) and Zeithaml *et al* (1993:7) are:

- ***Transitory Service Intensifiers***

  These are usually temporary individual factors, which make a customer more aware of the need for service e.g. personal emergency situations.

- ***Perceived Service Alternatives***

  Customers who have multiple service providers from whom they can choose tend to have higher levels of adequate service expectations.

- ***Customer Self-Perceived Service Role***

  This is the degree to which customers exert an influence on the level of service that they receive e.g. the customer specifies the level of service that is expected when he orders a rare steak in a restaurant.

- ***Situational Factors***

  These are service performance conditions that the customer views, as beyond the control of the service provider e.g. an automobile accident would increase a customer's service level expectation of an insurance company.

- ***Predicted Service***

  This type of service performance is the level of service that the customer believes that he is likely to receive.

Zeithaml and Bitner (1996:88) and Zeithaml *et al* (1993:8) also indicate that there are factors that influence both the adequate and desired levels of service and that these factors are:

- ***Explicit Service Promises***

  These are both personal and non-personal statements about the service that the organisation makes to customers. The statements are considered to be personal when they are made by a salesperson of the organisation and non-personal when they come from advertising.

- ***Implicit Service Promises***

  These are service-related cues that lead to inferences about what the service should and will be like and are dominated by price and the tangibles associated with the service.

- ***Word-of-Mouth Communication***

  This can be personal or non-personal cues that are made by parties other than the organisation which reflect what the service will be like.

- ***Past Experience***

  A customer's previous exposure to a service is another factor that can influence that can affect the adequate and desired levels of service.

Zeithaml and Bitner (1996:76) mention that the most critical step in delivering quality service is to know what the customer expects. They also indicate that service marketers need to understand the types of expectation standards which customers hold about services, the factors that influence the formation of these expectations, the role that these factors play in changing customer expectations and how a company can meet or exceed the customer's expectations. Managers can utilise the SERVQUAL model of determining service quality in order to help them understand the above and thus aid in delivering quality service.

## 2.12.4 MEASURING SERVICE QUALITY

Asubonteng *et al* (1996:62), Kang *et al* (2002:279) and Robinson (1999:21) state that the most popular measure of service quality is SERVQUAL, a model developed by Parasuraman *et al* in 1985. The SERVQUAL model which is founded on the GAPS model was designed to measure service quality as perceived by the customer and was developed as a result of insights obtained from interviews with executives and focus groups from selected services (Parasuraman *et al*, 1985:46; Schiffman and Kanuk, 1997:178).

Parasuraman *et al* (1988:37) in their effort to operationalise the concept of service quality by using the 10 dimensions in table 1 developed an instrument (SERVQUAL) to assess service quality that empirically relied on the difference in scores between expectations and perceived performance. The instrument consisted of 22 statements divided along the 10 dimensions listed below, with a seven-point answer scale accompanying each statement to test the strength of relations (Zeithaml *et al,* 1988:45). The 22 statements are used twice: once to measure expectations and once to measure perceptions (Baxter, 2004:24). Parasuraman *et al* (1985:46) revealed that there are 10 dimensions that are used by consumers in assessing service quality in a broad variety of service sectors. These service quality determinants are explained in table 1:

**Table 1:** Determinants of Service Quality

| |
|---|
| **RELIABILITY** involves consistency of performance and dependability.<br>It means that the firm performs the service right the first time.<br>It also means that the firm honours its promises. Specifically it involves:<br>• Accuracy in billing.<br>• Keeping records correctly.<br>• Performing the service at the designated time. |
| **RESPONSIVENESS** concerns the willingness or readiness of employees to provide service.<br>It involves timeliness of service:<br>• Mailing a transaction slip immediately.<br>• Calling the customer back quickly.<br>• Giving prompt service (e.g. setting up appointments quickly). |

| |
|---|
| **COMPETENCE** means possession of the required skills and knowledge to perform the service. It involves:<br>• Knowledge and skill of the contact personnel.<br>• Knowledge and skill of operational support personnel.<br>• Research capability of the organisation, e.g. securities brokerage firm. |
| **ACCESS** involves approachability and ease of contact. It means:<br>• The service is easily accessible by telephones (lines are not busy and they don't put you on hold).<br>• Waiting time to receive service (e.g. at a bank) is not extensive.<br>• Convenient hours of operation.<br>• Convenient location of service facility. |
| **COURTESY** involves politeness, respect, consideration, and friendliness of contact personnel (including receptionists, telephone operators, etc.). It includes:<br>• Consideration for the consumer's property (e.g. no muddy shoes on the carpet).<br>• Clean and neat appearance of public contact personnel. |
| **COMMUNICATION** means keeping customers informed in language they can understand and listening to them. It may mean that the company has to adjust its language for different consumers - increasing the level of sophistication with an well-educated customer and speaking simply and plainly with a novice. It involves:<br>• Explaining the service itself.<br>• Explaining how much the service will cost.<br>• Explaining the trade-offs between service and cost.<br>• Assuring the consumer that a problem will be handled. |
| **CREDIBILITY** involves trustworthiness, believability, and honesty. It involves having the customer's best interests at heart. Contributing to credibility are:<br>• Company name.<br>• Company reputation.<br>• Personal characteristics of the contact personnel. |

| | |
|---|---|
| | • The degree of hard sell involved in interactions with the customer. |
| **SECURITY** is the freedom from danger, risk, or doubt. It involves: | |
| | • Physical safety (Will I get mugged at the automatic teller machine?).<br>• Financial security (Does the company know where my stock certificate is?).<br>• Confidentiality (Are my dealings with the company private?). |
| **UNDERSTANDING / KNOWING THE CUSTOMER** involves making the effort to understand the customer's needs. It involves: | |
| | • Learning the customer's specific requirements.<br>• Providing individualised attention.<br>• Recognising the regular customer. |
| **TANGIBLES** includes the physical evidence of the service: | |
| | • Physical facilities.<br>• Appearance of personnel.<br>• Tools or equipment used to provide the service.<br>• Physical representations of the service, plastic credit card or a bank statement.<br>• Other customers in the service facility. |

Source: Parasuraman *et al* (1985:47)

Parasuraman *et al* (1988:14) refined, condensed, and validated the initial SERVQUAL instrument through several stages of data collection and analysis. They mention that the data for testing and refining the instrument were obtained from customers spread across five different service categories and that the items from the initial SERVQUAL was grouped into the following five distinct dimensions:

***Tangibles:*** Physical facilities, equipment, and appearance of personnel

***Reliability:*** Ability to perform the promised service dependably and accurately

***Responsiveness:*** Willingness to help customers and provide prompt service

| | |
|---|---|
| ***Assurance:*** | Knowledge and courtesy of employees and their ability to inspire trust and confidence |
| ***Empathy:*** | Caring, individualised attention the firm provides its customers |

Parasuraman *et al* (1988:15) also indicate that the Assurance and Empathy dimensions contain items that represent the seven original dimensions i.e. communication, credibility, security, competence, courtesy, understanding/knowing customers, and access which did not remain distinct after the several scale refinement stages.

Of the five service quality dimensions that were discussed, reliability has consistently been found to be the most important dimension (Parasuraman *et al*, 1988:31 and Zeithaml and Bitner, 1996:119).

Since there is no published literature on service quality in the contact lens industry, the author has reviewed literature on a study of service quality in the telecommunications industry in South Africa. This study was chosen because the cellular telecommunications industry, like the contact lens industry has very few role players with similar product offerings and it is only the quality of service, which helps differentiate them.

This study was conducted by van der Wal *et al* in 2002 and utilised the SERVQUAL model to obtain a profile on the customers expectations and perceptions of service quality at cellular retail outlets in the South African environment. The study was limited to one particular network that operates in the country drew a sample of 583 from the network's cellular subscriber base. The results of this study are discussed in the five major SERVQUAL categories:

- ***TANGIBLES***

  van der Wal *et al* (2002:331) found that in terms of expectations customers did not rate this dimension of quality as important. This dimension ranked the lowest in terms of expectations with a mean value of 6.69 on a scale of 1-7. This showed that cellular network subscribers did not place much emphasis on the physical facilities, the equipment at the retail outlet, the dress code of the staff or the communication material that was on offer.

In terms of customer perceptions, customers ranked the tangible aspect of service quality second in order of importance it resulted in a mean score of 6.17. This suggests that customers generally felt that the physical facilities at the cellular retail outlets, the staff dress code etc. were well addressed (van der Wal *et al*, 2002:331).

The tangibility dimension resulted in an overall average gap score of –0.50 and ranked the lowest in importance (van der Wal *et al*, 2002:331).

- ***RELIABILITY***

The reliability dimension of service quality which refers to the ability of the service provider to perform the service accurately and dependably as promised was ranked third in order of importance in the expectations section and had a mean score of 6.80 (van der Wal *et al*, 2002:332).

The study found that this dimension also ranked third in order of importance in the perceptions section and had a mean score of 6.12 (van der Wal *et al*, 2002:332). This indicates that customers are getting the service that they expect from this service quality dimension.

The reliability dimension resulted in an overall average gap score of –0.68 and ranked third in order of importance (van der Wal *et al*, 2002:331).

- ***RESPONSIVENESS***

van der Wal *et al* (2002:332) state that customers ranked this service quality dimension second in order of importance in the expectations section. The mean score for responsiveness was 6.85 and indicates that customers have a high expectation of the firm's staff to help them and provide the requested service promptly (van der Wal *et al*, 2002:332).

The responsiveness dimension performed extremely poorly in the perceptions section. This dimension ranked fourth in order of importance in the perception section with a mean score of 6.13 (van der Wal *et al*, 2002:332). Since this dimension rates second in the expectation section, it indicates that there is a gap, which the company needs to address. van der Wal *et al* (2002:333) indicate that managers need find ways to get their staff to help and provide the requested service with a sense of urgency.

The responsiveness dimension resulted in an overall average gap score of –0.72 and found to be the highest and implied an area that needed improvement(van der Wal *et al*, 2002:331).

- ***ASSURANCE***

  In terms of expectations the assurance dimension was found to rank the highest in order of importance to customers (van der Wal *et al*, 2002:332). This service quality dimension which addresses the knowledge and courtesy of the company's employees and their ability to inspire trust and confidence in the customer towards the service company had a mean score of 6.86 (van der Wal *et al*, 2002:332).

  The assurance dimension also ranked first in the perception section with a mean value of 6.19 (van der Wal *et al*, 2002:332). This indicates that the staff were knowledgeable with regards to their service offering and were able to instil trust and confidence in their customers.

  The assurance dimension resulted in an overall average gap score of –0.67 and ranked fourth in order of importance (van der Wal *et al*, 2002:331).

- ***EMPATHY***

  This dimension ranked fourth in the expectation section with a mean score of 6.81 (van der Wal *et al*, 2002:332). The empathy dimension of service quality refers to the ability of the service provider to provide a caring and personalised attention to each customer (Parasuraman *et al*, 1988:14).

  In the perception section the empathy dimension ranked third with a score of 6.1 (van der Wal *et al*, 2002:332). This suggests that staff should be trained to provide caring and personalised service to customers.

The empathy dimension resulted in an overall average gap score of –0.71 and ranked second in order of importance (van der Wal *et al*, 2002:331).

The responsiveness dimension rated the highest in terms of importance in this study and seemed to have the biggest gap between customer expectations and perception. Cellular retail outlets need to find ways to close this gap as research by Lovelock (1996:562) reveals that "delivering high quality service is closely linked to profits, cost savings and market share in many industries".

Although authors such as Asubonteng *et al* (1996:62), Kang *et al* (2002:279) and Robinson (1999:21) agree that the SERVQUAL tool is the most popular measure of service quality, it is also surrounded by controversy (Gabbott and Hogg, 1998:109; Kilbourne *et al*, 2004:525; Kim *et al*, 2004:290). Kim *et al* (2004:295) summarise some of the criticisms of the gap-based SERVQUAL scale as follows:

- There is poor reliability, which attenuates the correlations between constructs.
- There is questionable discriminant validity. This refers to the degree to which measures of theoretically unrelated constructs correlate with each other.
- There is variance restriction, which is generated by always having certain given variables in the gap-based model.
- There is a weak predictive or concurrent validity. This refers to a low correlation among service quality, customer satisfaction and purchase intentions.

Kilbourne *et al* (2004:525) and Kim *et al* (2004:290) mention that despite the criticisms of the SERVQUAL model, it is still the most popular service quality measurement among service organisations.

## 2.17 CONCLUSION

In recent years there has been phenomenal growth in services and it has become vital for organisations to understand what consumers expect from an organisation because expectations

# CHAPTER THREE: CIBA VISION

## 3.1 INTRODUCTION

This chapter investigates Ciba Visions response to a growing contact lens market that requires training of their customers (optometric practitioners) and effective service delivery in order to ensure that their product reaches the market with little complexity.

The chapter addresses trends in the contact lens industry, Ciba Visions history, the company's mission and vision, their marketing strategy and justification for the research.

## 3.2 TRENDS ON THE CONTACT LENS INDUSTRY

The contact lens industry is a steadily growing market. According to Croes (2003:12), the world-wide soft contact lens market grew by 10% in 2002 and by 14% in 2004. Croes (2003:12) also mentions that the widespread use of computers is increasing the incidence of myopia (short-sightedness) and aiding the growth in the contact lens industry.

Morgan (2001:26) suggests that the exact driving forces behind the number of contact lens wearers in a market are unknown but it seems as though cultural factors are important. Morgan (2001:26) further suggests that it is the "supply culture" such as training of the practitioner that supplies the lenses and the difficulty of the consumer to obtain the contact lenses that drives this market.

The South African contact lens industry is dominated by a small number of manufacturers that include Johnson & Johnson, Bausch & Lomb, CooperVision and Ciba Vision. Barr (2001:paragraph 6) mentions that a study by Biocompatibles found that 40% of contact lens wearers thought that soft contact lenses were all the same. Since the South African contact lens market is essentially driven by the brand of contact lens that an optometrist prescribes, contact lens companies have the onerous task of establishing themselves as the company of choice in the optometrist's mind. This suggests that having an excellent product alone is not sufficient and that contact lens companies will need to differentiate themselves from their competitors in their service element i.e. helpful staff, good return policies, speedy processing of orders, adequate promotional materials for their products, customer training programmes, etc.

## 3.3 COMPANY HISTORY

Ciba Vision was established in 1980 as a diversification effort of Ciba-Geigy's USA Pharmaceutical Division (Ciba Vision, 2006: paragraph 1). The company entered the soft contact lens market in 1980 and through innovation, strategic acquisition and a ability to quickly meet market developments and emerging technologies, Ciba Vision has grown from a start-up to a company with more than $1 billion in sales (Ciba Vision, 2006: paragraph 2). In 1996, Ciba-Geigy merged with Sandoz to form Novartis, the world's leading life sciences company, and Ciba Vision became the eye care unit of Novartis (Ciba Vision, 2006: paragraph 1).

Ciba Vision's rapid growth has been achieved by understanding the needs of customers and delivering innovative, superior solutions to them (Ciba Vision, 2006: paragraph 3). The company's success has been driven by a talented, progressive team of more than 6,000 associates who see challenges and opportunities in new and different ways (Ciba Vision, 2006: paragraph 3).

With world-wide headquarters in Atlanta, Ciba Vision is a global leader in the research, development and manufacturing of optical and ophthalmic products and services, including contact lenses and lens care products (Ciba Vision, 2006: paragraph 1). Ciba Vision has locations in more than 30 countries and partnerships with local distributors leading to Ciba Vision's products and services being available in more than 70 countries around the world (Ciba Vision, 2006: paragraph 1).

Ciba Vision South Africa was started in 1996 and is involved with the sales and distribution of Ciba Vision products in the country as well as offering support and training courses to local optometrists (van Moerkerken, 2005).

## 3.4 CIBA VISIONS MISSION AND VISION

Ciba Vision's mission is "Better Eyes for a Better Life". To achieve this goal the company constantly examines novel biocompatible materials, bio-controllable coatings, optical designs, and ophthalmic devices that will yield the next eye care breakthroughs (Ciba Vision, 2006: paragraph 4).

Significant global research and development resources back Ciba Vision's researchers from both Ciba Vision and Novartis (Ciba Vision, 2006:7). The company realises that innovation abounds throughout the entire scientific and development field and they believe it is important to investigate and explore the work of their colleagues throughout the industry and where possible, build partnerships to bring these technologies and solutions to those who need them (Ciba Vision, 2006:7).

Ciba Vision believes that they can best meet their eye care mission through partnerships with companies that build on their core competencies, create measurable strategic growth for Ciba Vision, and complement their strategic mission (Ciba Vision, 2006:9).

According to Ciba Visions website (Ciba Vision, 2006: paragraph 10), the company's vision is to be:

- Recognised by consumers' world-wide as the best eye care company by delivering compelling brands built upon breakthrough innovation and world-class marketing.
- Trusted by customers for their competence, service and a following of consumers who are excited by their brands.
- The fastest growing, most profitable company in eye care and be staffed by people who care passionately about their work.

In order for Ciba Vision to realise the companies "vision", it will have to develop an appropriate marketing strategy that will help identify the companies target market, aid in positioning Ciba Visions offering to the market and develop a services mix.

## 3.5 CIBA VISION'S MARKETING STRATEGY

According to Perreault and McCarthy (2002:63), "a marketing strategy specifies a target market and a related marketing mix". Ciba Visions marketing strategy helps the company to make decisions about the specific customers that the company targets and aids in developing the marketing mix decisions that appeal to their target market.

### 3.5.1 TARGET MARKET

Ciba Vision's programs and policies recognise that eye care professionals are invaluable partners for the continued strength of Ciba Vision (Ciba Vision, 2006: paragraph 3). The company targets eye care professionals and aligns its professional service activities to support practice development, research, technical education and overall support of the eye care profession (Ciba Vision, 2006: paragraph 3). Hence there is a strong emphasis on service quality.

### 3.5.2 POSITIONING

Ciba Vision have positioned themselves as the leaders of innovation in the contact lens arena (Ciba Vision, 2006: paragraph 5). They were the first contact lens company to introduce toric disposable contact lenses (Focus Torics) as well as the first to introduce silicone hydrogel (Focus Night and Day) contact lenses to the world (Ciba Vision, 2006: paragraph 5).

### 3.5.3 CIBA VISIONS SERVICES MIX

Although Ciba Vision is an innovative and technologically advanced company, similar products by other contact lens companies often closely follow new Ciba Vision products to the market. As a result of this and the fact that the end users in this industry (patients / consumers) are fitted with contact lenses at the optometrist's (customers) discretion, it is vital for Ciba Vision to differentiate themselves by offering superior service quality so that they are an optometrists contact lens company of choice. It is for this reason that the 7 P's which relate to services marketing is applied in this study.

- ***Product***

  Ciba Vision is committed to the research and development of innovative products, processes and systems (Ciba Vision, 2006: paragraph 2). Research and development efforts in Ciba Vision's contact lens business have produced lenses such as O2 Optix, high-oxygen, breathable lenses for healthy eyes; Focus Night and Day, high-oxygen extended wear lenses that can be worn for up to 30 continuous nights; and Focus Dailies, daily disposable contact lenses (Ciba Vision, 2006: paragraph 2).

  Ciba Vision is also the world's leading provider of cosmetic contact lenses to change and enhance eye colour (Ciba Vision, 2006: paragraph 4). They have products like Freshlook ColorBlends lenses, that feature a patented, three-in-one colour burst pattern, enabling consumers to change, enhance or illuminate their appearance with the subtle, natural depth of beautiful eyes. Ciba Vision offers the widest variety of colours, modalities and cosmetic contact lens styles (Ciba Vision, 2006: paragraph 4).

  In lens care, Ciba Vision has developed many innovative products such as Aosept. Aosept provides the power of peroxide in a convenient one-bottle, no-rub solution without the added preservatives found in multi-purpose solutions (Ciba Vision, 2006 b: paragraph 5). These innovative products and the company's vision of the future are intrinsic to the culture of the organisation and exemplify Ciba Vision's commitment to their customers (Ciba Vision, 2006: paragraph 5).

  Ciba Vision displays a strong focus on service quality in that it aligns its professional service activities to support practice development, research, technical education and overall support of the eye care profession (Ciba Vision, 2006: paragraph 3). From a service perspective, Ciba Vision offers training for practitioners concerning new products so that they are equipped to aid the end user/consumer (contact lens wearers) in making informed decisions (Ciba Vision, 2006: paragraph 8). The company also provides training for optometric assistants and frontline staff on an annual basis (Ciba Vision, 2006: paragraph 8).

- ***Price***
  Ciba Vision's contact lenses and contact lens solutions are competitively priced and customers are rewarded with attractive discounts for bulk purchases (van Moerkerken, 2005: Interview).

- ***Place***
  Ciba Vision South Africa uses a direct distribution channel. Customers (optometric practices) can place their orders either with a sales representative or via the call centre (van Moerkerken, 2005: Interview).

- ***Process***
  Depending on the availability of stock, orders and accounts are immediately processed and dispatched via couriers or speed services to the customer (van Moerkerken, 2005: Interview).

- ***Promotion***
  Ciba Vision uses a marketing orientation and aims to provide eye care professionals the products, services and support needed to grow their businesses and to better serve the needs of their patients and customers (van Moerkerken, 2005: Interview).

- ***People***

  Ciba Vision's people are their staff who tirelessly strive to achieve customer satisfaction in the highly competitive contact lens market (van Moerkerken, 2005: Interview).

- ***Physical Evidence***
  Due to the nature of Ciba Visions business, the only physical evidence that most of their customers are exposed to are pamphlets, brochures, and contact with the company's sales staff (van Moerkerken, 2005: Interview).

At present, Ciba Vision South Africa does not have any formal measurement technique in place to ensure the quality of service that management is striving to achieve (van Moerkerken, 2005: Interview). They currently rely on customer complaints but are in the process of implementing a telephone monitoring system. This will record all calls coming into the call centre and aid in directing staff training needs. The company is also investigating ways to monitor whether sales staff are calling on customers (van Moerkerken, 2005: Interview).

Ciba Vision South Africa did conduct a study in 2000, however it did not fully address the service quality dimensions, which the company believes, would be immensely valuable in order to gain insight into customers expectations of the industry and their perceptions of Ciba Vision. The details of this study are confidential and not available for public reference.

## 3.6 JUSTIFICATION FOR THE RESEARCH

Croes (2003:14) states that contact lens companies are industry leaders for different products. Croes (2003:14) also notes that the industry leader in disposable spherical lens, which is the biggest part of the contact lens market in the United States, is Johnson and Johnson followed by Bausch & Lomb and Cooper Vision. There is no published research to ascertain the exact position of contact lens companies in the South African market.

The justification for this research is that the South African contact lens industry is highly competitive and dominated by only four manufacturers. According to the National Sales Manager (Van Moerkerken, 2005: Interview), Ciba Vision used to be a dominant player in the South African contact lens industry but has slipped as a result of poor management during the late 1990's. The company now has a younger, vibrant and flexible management team and hope to regain their dominant position once again.

## 3.7 CONCLUSION

Chapter 3 considered Ciba Visions service quality strategy to understand how the company positions itself in order to effectively meet customer requirements. It was found that Ciba Vision South Africa needs to find ways to measure the characteristic dimensions of service quality in order to measure customer expectations and perceptions towards the service received from the company.

The objective of this study is to investigate expectations in the contact lens industry and perceptions of Ciba Visions customers by using the SERVQUAL instrument, so that Ciba Vision can enhance the quality of their service element. Chapter 4 presents the research methodology used in this study and explains the research design, the research instrument, the sample and data collection as well as the data analysis method used.

# CHAPTER 4: RESEARCH METHODOLOGY

## 4.1 INTRODUCTION

This study arises out of Ciba Vision South Africa's need to identify whether they are effectively meeting customers' expectations in the contact lens industry. Since South Africa is now a part of the global market place and literature suggests that companies, which offer superior service quality, grow twice as fast as average companies (Cook, 1992:1), it is imperative that Ciba Vision South Africa finds ways to meet or exceed customer expectations in order to maintain a competitive advantage.

This chapter presents the objectives of the research, explains the research design, the sample, the instrument used to collect the data, the data collection method, and the method of data analysis.

## 4.2 RESEARCH OBJECTIVES

This research sets out to:

1. Measure service expectations of optometrists concerning the service that they receive from contact lens suppliers.
2. Measure service perceptions of optometrists concerning Ciba Vision.
3. Establish the SERVQUAL gap, which causes unsuccessful service delivery (Gap 5).
4. Examine the dimensions i.e. the tangibles, reliability, responsiveness, assurance and empathy which contribute to Gap 5.

## 4.3 RESEARCH DESIGN

Primary data was collected for this study as this type of data collection involves the accumulation of data specifically for a research project (Parasuraman, 1991:207; Zikmund, 1997:58 & Siegel, 2000:22). This was achieved by the use of the SERVQUAL Questionnaire.

This study also utilised descriptive research, which according to Parasuraman (1991:135) "generates data that describes the composition and characteristics of the relevant groups". Descriptive research provides information about both the relevant characteristics of study groups; as well as allows associations among those characteristics (Parasuraman, 1991:135).

Due to time and financial constraints, the type of descriptive research utilised is a cross sectional study, which according to Zikmund (1997:205) is a one time study involving data collection at a single period in time.

## 4.4 RESEARCH INSTRUMENT DESIGN

The questionnaire (Appendix 1) is designed according to the SERVQUAL models main requirements for delivering high service quality. The SERVQUAL instrument was used as it "is a concise multiple-item scale with good reliability and validity" that organisations can use to better understand the service expectations and perceptions of consumers and thereby enhance service quality (Parasuraman *et al*, 1988:30). An advantage of this instrument is that it was designed to be applicable across a broad spectrum of services and is the most popular service quality measurement among service organisations (Kilbourne *et al*, 2004:525 and Kim *et al*, 2004:290).

The SERVQUAL instrument is a five dimensional, two-part instrument in which customer expectations and perceptions are measured respectively along a variety of service attributes (Parasuraman, 2004:46). Parasuraman (2004:46) mentions that these service attributes are grouped in the following dimensions:

- ***Reliability*** – the ability to perform the promised service reliably and accurately (statements 1-5).
- ***Responsiveness*** – the willingness to help the customer and provide prompt service (statements 6-10).
- ***Assurance*** – the knowledge and courtesy of employees and their ability to convey trust and confidence (statements 11-13).
- ***Empathy*** – the provision of caring, individualised attention to customer (statements 14-17).
- ***Tangibles*** – the appearance of the physical facilities, equipment, personnel and communication materials (statements 18-21).

The SERVQUAL questionnaire comprises two sections i.e. customer service expectations of the contact lens industry and customer service perceptions of the service received from Ciba Vision South Africa (Appendix 1). In the service expectations section respondents were asked to indicate on a seven-point scale the extent to which they believe an ideal contact lens company possesses the characteristics described in the statements. The perceptions section required respondents to indicate the extent to which Ciba Vision South Africa possesses the characteristics described in the statements. The questionnaire has a seven point rating scale with the following options:

1= totally disagree
2= disagree
3= mildly disagree
4= neutral
5= mildly agree
6= agree
7= strongly agree

A third section of miscellaneous statements was added to the questionnaire to elaborate on some of the closed-ended questions of the perceptions section of the questionnaire, on Ciba Visions marketing strategy and the accuracy of the accounts department. The miscellaneous statements were added to the questionnaire at Ciba Vision's request and are statements that the company specifically included. The company wanted insight into whether their customers believe that they do enough promotion, whether they are proactive regarding the marketing of their products and whether they provide sufficient marketing material. Further questions that are relevant to the study were also asked. These questions included the demographics and practice type of the respondent, as well as the duration of the business relationship with Ciba Vision and rated the company's customer care team.

## 4.5 THE SAMPLE

This study was meant to use a combination of probability (Cochrans Rule) and non-probability (Convenience Sampling) sampling procedures to obtain a sample that would adequately represent Ciba Vision's customer base. Despite the author's request regarding the number of respondents to be chosen from each category, only convenience sampling was used at the data collector's discretion. Ciba Vision ranks their customers in categories A; B; C and D according to the value of their purchases with A representing the largest value of purchases. Thus the sample of this investigation was divided into four categories according to the annual amount of purchases made by the respondent. These categories are as follows:

A = R40, 000 pa or more
B= R20, 000 to R39, 000
C=R10, 000 to R19, 000
D=R9000 or less

Respondents were chosen using convenience sampling, paying careful attention to not only time and financial constraints, but the availability of respondents. Ciba Vision customers are called upon by regional representatives on a rotational basis, which involves customers being called upon every 4-6 weeks. The data collector spent a few days with the regional representatives during November 2005 and handed out questionnaires to the customers that were called upon during that time.

The initial sample size was 150 out of a total of approximately 900 customers. A total of 137 questionnaires were returned of which nine were rendered invalid due to the lack of completion of section A. Despite this fact, a sample size of 128 was found to give an adequate representation of Ciba Visions customer morale. Of the 128 respondents, 38 (29.7%) were from category A, 46 (35.9%) from category B, 26 (20.3%) from category C and 18 (14.1%) from category D. According to Ciba Visions National Sales Manager (van Moerkerken) this sample was adequately representative of Ciba Visions customer base.

## 4.6 DATA COLLECTION METHOD

On acceptance of the proposal to conduct this study, the author met with Ciba Visions National Sales Manager and discussed and elaborated on the research instrument to be used. Ciba Vision hired an independent data collector for the purpose of this investigation. The author was told that the data collector was briefed as per the above-mentioned meeting and that the data collector was asked to call on Ciba Vision's customers during the month of November 2005.

Questionnaires were immediately completed by this data collector, upon posing and explaining the statements of the questionnaire to respondents. This was done to ensure that respondents clearly understood the expectations of the researcher, resulting in a more accurate investigation. The data collector recorded that respondents found questionnaires tedious and time consuming.

Local representatives of Ciba Vision set up appointments with selected customers, during business hours, so that the data collector could meet with them in order to complete the questionnaires. To maintain objectivity local representatives were not present during the completion of the questionnaires. Due to time constraints, the regions of Northern Province, Free State and Limpopo were excluded from this survey.

## 4.7 DATA ANALYSIS

The research process is divided into 5 steps, namely, planning, data collection, editing and coding, analysis, and conclusions (Flemming and Nellis, 1996:10). On completion of the planning and data collection phases, the author proceeded to edit and code the data.

There were 128 completed questionnaires, which, after the removal of invalid questionnaires, where divided into the four categories previously mentioned. The questionnaires were divided by category, and subsequently numbered, per category.

Data was edited using criteria of entirety, comprehensibility, and uniformity. All the questionnaires that were excluded from the study failed the editing procedure due to the lack of completion of the entire section on expectations. The coding of the data involved assigning numerical values for each statement in the SERVQUAL section. Letters of the alphabet were used to code the options of the closed-ended questions in the miscellaneous section. The data was encoded in this manner to make data capturing less time consuming.

Before analysis, data was first captured on Microsoft Excel, a spreadsheet computer programme with statistical and graph drawing capabilities. The SERVQUAL questionnaire (Appendix 1) was used to measure service quality and the assessment involves computing the difference between the ratings assigned to the expectations and perceptions statements i.e. SQ = P - E (Youssef *et al*, 1995:67). An average score was calculated for each response on the statements in both the expectation and perception section of the SERVQUAL questionnaire based on the seven-point scale. The perceptions and expectation sections of the questionnaire were plotted on comparative bar graphs. Tables comparing means and modes of these sections were also created. Means and modes were also tabulated for the questions pertaining to marketing.

## 4.8 RELIABILITY

To determine the reliability of the data collected, Cronbach's Alpha was calculated. Cronbach's Alpha is a measure of how well each individual item in a scale correlates with the sum of the remaining items and measures consistency among individual items in a scale (Simon: 2004 paragraph 3).

The overall Cronbach's Alpha for both expectations and perceptions was calculated as 0.894 (Appendix 2). This alpha shows that the data is consistently reliable, as the results are in keeping with the theory which states that alpha should be above 0.7, but not higher than 0.9 (Simon, 2004: paragraph 5). If the alpha value is too high, then it may suggest a high level of item redundancy i.e. a number of items asking the same question in slightly different ways (Simon: 2004 paragraph4).

## 4.9 CONCLUSION

This chapter focused on the research methodology of this study and elaborated on the collection and analysis of the data. The data was analysed using Microsoft Excel and the findings are presented in Chapter 5.

# CHAPTER FIVE: FINDINGS

## 5.1 INTRODUCTION

This chapter presents the data that was collected with the use of the SERVQUAL questionnaire. The objectives of this study were to:

1. Measure service expectations of optometrists with regards to the service that they receive from contact lens suppliers.
2. Measure service perceptions of optometrists with regards to Ciba Vision.
3. Examine the dimensions i.e. the tangibles, reliability, responsiveness, assurance and empathy which contribute to Gap 5.
4. Establish the SERVQUAL gap, which causes unsuccessful service delivery (Gap 5).

The SERVQUAL questionnaire (Appendix 1) was used to measure service quality and the assessment involves computing the difference between the ratings assigned to the expectations and perceptions statements i.e. SQ = P - E (Youssef *et al*, 1995:67). An average score was calculated for each response on the statements in both the expectation and perception section of the SERVQUAL questionnaire based on the seven-point scale.

This chapter contains graphical representation of the demographic profile of the sample and tables and graphs that represent the different statements in the expectation and perception sections of the SERVQUAL questionnaire. It also includes graphical representation of the miscellaneous questions that were added to the questionnaire as requested by Ciba Vision.

## 5.2 SAMPLE PROFILE

The demographic profile contained statements regarding the duration of customer relationships with Ciba Vision, the type of practice that the customer has and the location of the customers' practice.

Ciba Vision ranks their customers in categories A; B; C and D according to the value of their purchases with A representing the largest value of purchases. Customers are categorised as follows:

A = R40, 000 pa or more

B= R20, 000 to R39, 000

C=R10, 000 to R19, 000

D=R9000 or less

The total sample size that was used in this study is 150. A total of 137 questionnaires were returned of which 9 were incomplete. This left a total of 128 correctly completed questionnaires and resulted in a 91.3% response rate. Of the 128 respondents, 38 (29.7%) were from category A, 46 (35.9%) from category B, 26 (20.3%) from category C and 18 (14.1%) from category D.

### 5.2.1 DURATION OF CUSTOMER RELATIONSHIPS WITH CIBA VISION

Figure 6 represents the duration of business relationships of the sample as a whole while Figure 7 represents the business relationship between Ciba Vision and their customers per category.

**Figure 6: Duration of Relationship between Ciba Vision and their Customers**

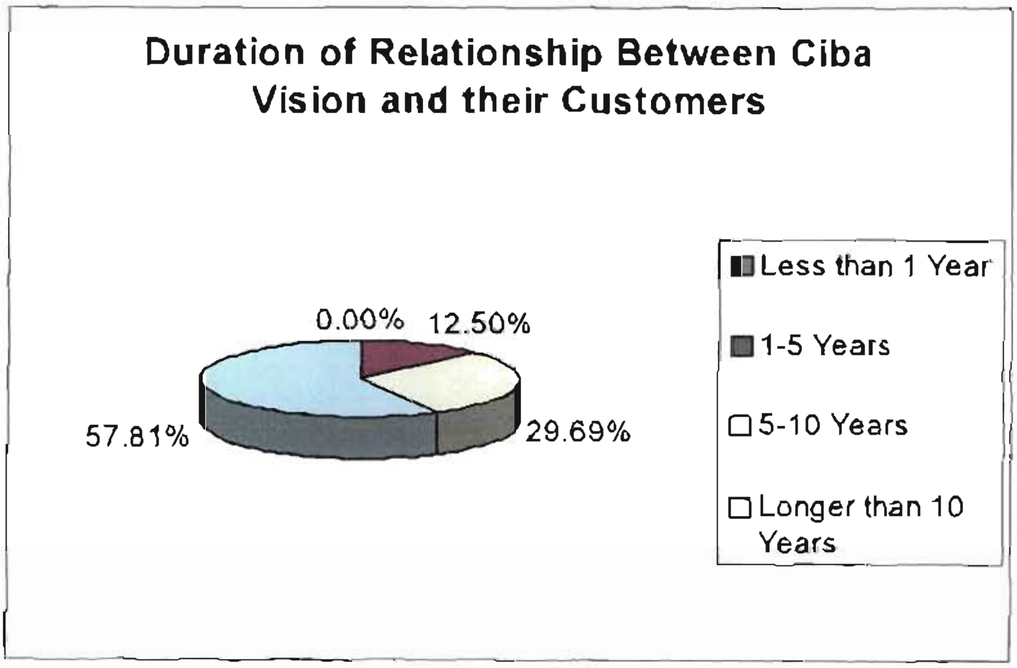
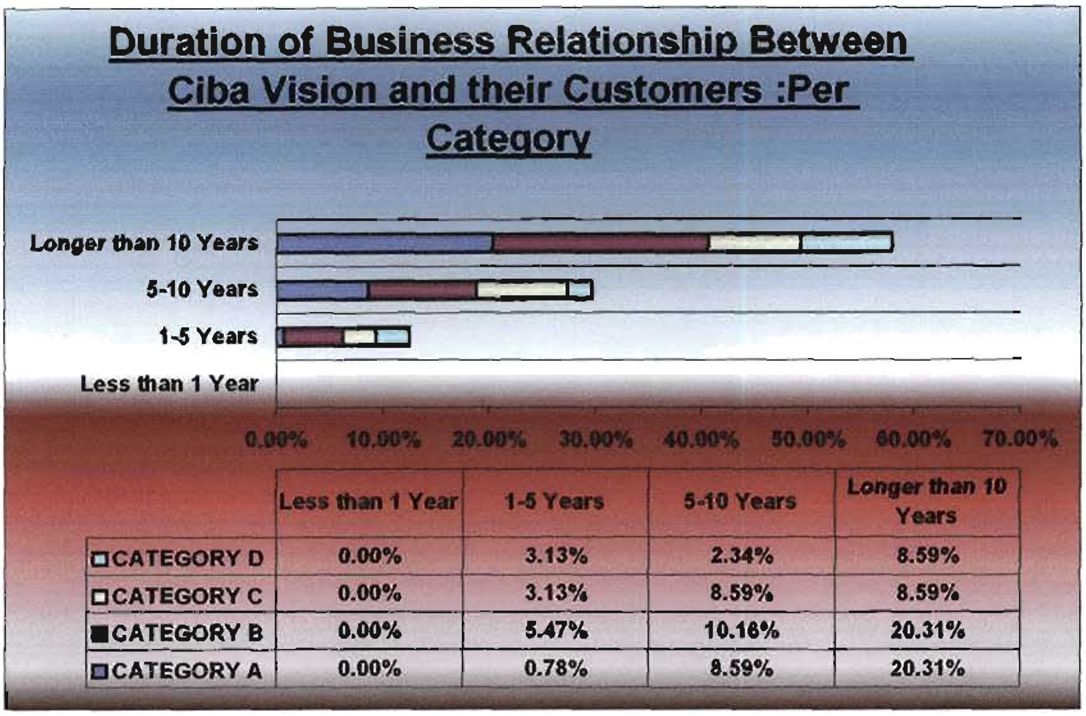


**Figure 7: Duration of Relationship between Ciba Vision and their Customers per Category**




| | Less than 1 Year | 1-5 Years | 5-10 Years | Longer than 10 Years |
|---|---|---|---|---|
| CATEGORY D | 0.00% | 3.13% | 2.34% | 8.59% |
| CATEGORY C | 0.00% | 3.13% | 8.59% | 8.59% |
| CATEGORY B | 0.00% | 5.47% | 10.16% | 20.31% |
| CATEGORY A | 0.00% | 0.78% | 8.59% | 20.31% |

Figure 7 shows that none of the customers who participated in this study have had a business relationship with Ciba Vision for less that a year. 12.5% of the 128 respondents have been associated with Ciba Vision for duration of time between 1 and 5 years and the majority of these respondents are from category B.

Of the 128 respondents, a total of 29.68% of respondents that have been affiliated with the company for between 5 and 10 years and once again the respondents from category B form the majority (10.16%) followed equally by category A and C (8.59%) respondents.

The majority of the 128 respondents (58%) have been loyal customers of Ciba Vision for longer than 10 years. 20.31% of this majority are respondents from the A and B categories.

The findings on the duration of customer relationships with Ciba Vision indicate that the bulk of the respondents have been doing business with them for over 10 years. The findings also suggest that category A and B respondents who spend a large amount of money with Ciba Vision have been dealing with the company for more than 10 years. This suggests that they are content in their business relationship with the company.

### 5.2.2 PRACTICE TYPES OF CIBA VISION CUSTOMERS

**Figure 8: Practice Types of Ciba Vision Customers**

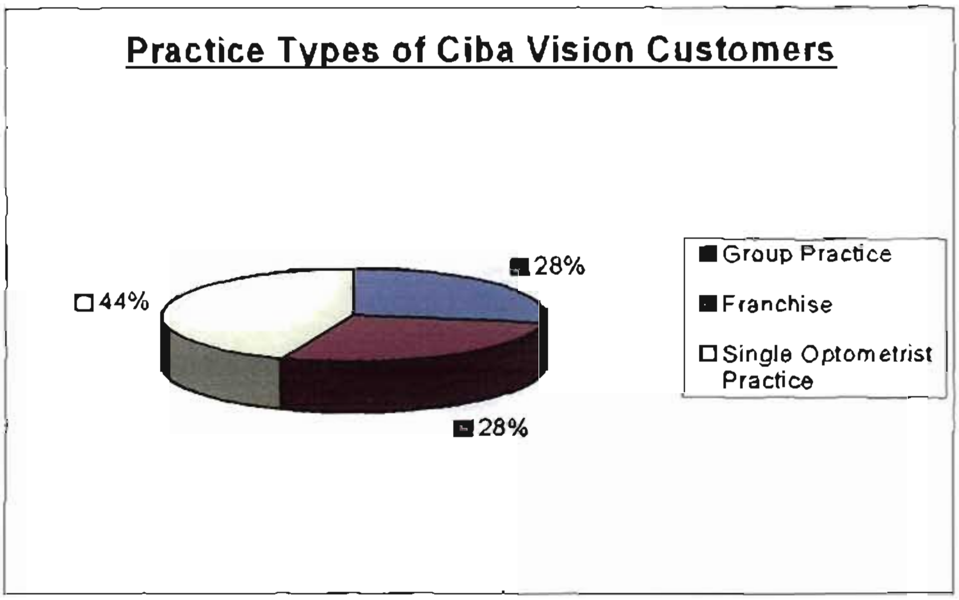



Figure 8 shows that most (44%) of the respondents are single optometrist practices. The residual customer base is equally divided between group (28%) and franchise (28%) practices. This smaller percentage of customers in group and franchise practices may indicate that these practices are very likely awarding their business to contact lens companies that offer large discounts. The findings on the practice types of Ciba Visions customers is representative of their customer base as the bulk of optometric practices are single owned (van Moerkerken, 2005).

### 5.2.3 PROVINCES COVERED IN THIS STUDY

**Figure 9: Provinces Covered in this Study**

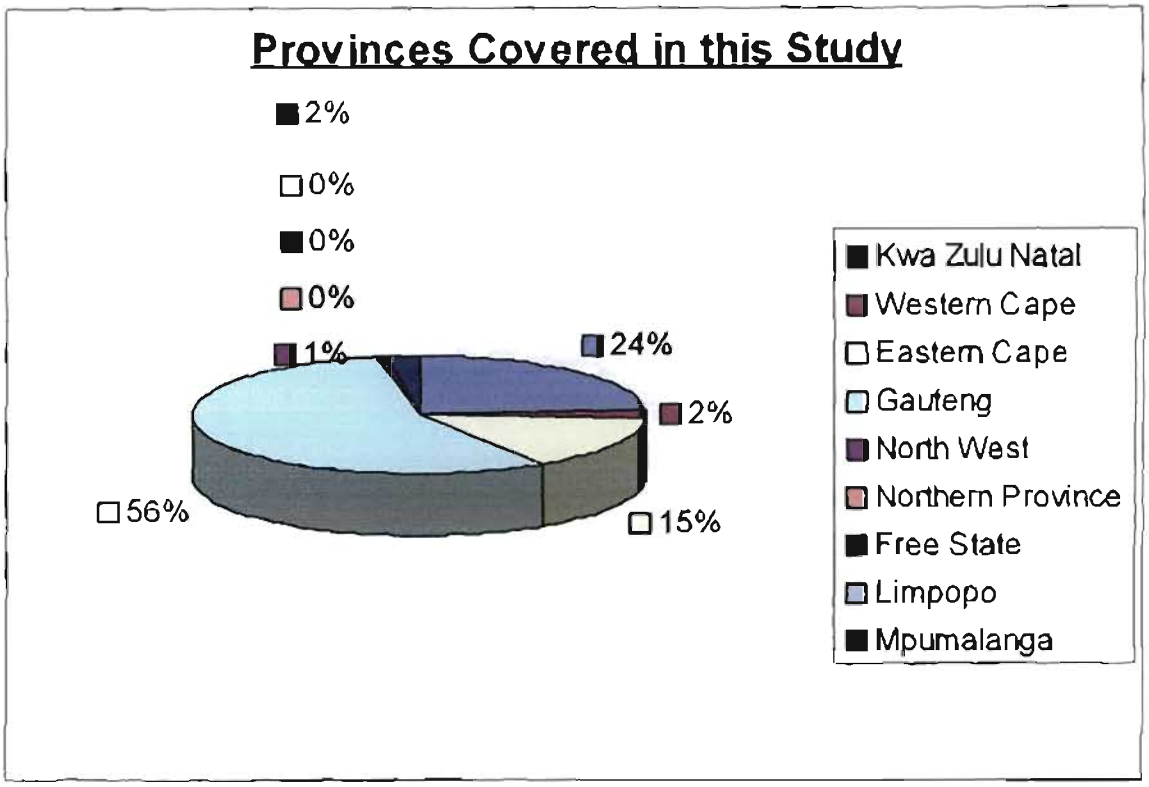



Figure 9 shows that the bulk (56%) of the respondents used in this study practice optometry in the Gauteng Province. The second largest amount of respondents (24%) practice in Kwa Zulu Natal followed by 15% of respondents from the Eastern Cape. The Western Cape and Mpumalanga Provinces are represented by 2% of respondents whilst the North West Province is represented by 1% of respondents.

The Northern Province, Free State and Limpopo provinces are not represented due to time constraints. Thus findings on the provinces covered in this study does not truly reflect the spread of Ciba Visions customer base which spreads across South Africa.

## 5.3 EXPECTATIONS

"Customer expectations are the beliefs about service delivery that function as standards or reference points against which performance is judged" (Zeithaml and Bitner, 1996:76). The findings on expectations for each of the statements are displayed in their relative dimensions i.e. tangibles, reliability, responsiveness, assurance and empathy, using tube graphs.

### 5.3.1 TANGIBILITY

In terms of service quality, tangibility is defined as the appearance of the physical facilities, the equipment, the personnel as well as the communication materials that organisations utilise in order to project an image (Parasuraman *et al*, 1985:47). The graph and table in Figure 9 represent the respondent's expectations with regards to the 5 statements on the tangibility dimension of service quality that was presented to them.

**Figure 10: Graph and Table on the Tangibility Dimension for Expectations**


| | Modern Equipment | Attractive Physical Facilities | Neat Appearance of Employees | Attractive Service Materials | Convenient Business Hours |
|---|---|---|---|---|---|
| 7 | 97.64% | 95.28% | 96.88% | 96.09% | 95.31% |
| 6 | 1.57% | 3.15% | 3.13% | 3.13% | 3.91% |
| 5 | 0.79% | 0.00% | 0.00% | 0.78% | 0.78% |
| 4 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 3 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 2 | 0.00% | 0.79% | 0.00% | 0.00% | 0.00% |
| 1 | 0.00% | 0.79% | 0.00% | 0.00% | 0.00% |

#### *5.3.1.1 Modern Looking Equipment*

The majority (98%) of respondents strongly agreed with this statement. It is generally expected that excellent contact lens companies should have modern equipment as this aids staff in providing efficient service to their customers. There were no respondents who disagreed with this statement.

#### *5.3.1.2 Physical Facilities that are Visually Appealing*

The bulk of respondents (95.28%) strongly agreed that the physical facilities at excellent contact lens companies should be visually appealing. Visually appealing physical facilities are important to most people as it creates an impression that the organisation is successful. Only 1.58% of respondents disagreed with this statement and didn't think that visually appealing facilities are important.

#### *5.3.1.3 Employees that are Neat in Appearance*

Personal presentation is important to most people. 96.88% of respondents agreed with the statement that employees at contact lens companies should be neat in appearance and look professional. There were no respondents who disagreed with this statement and this indicates that people place a lot of emphasis on professional appearance.

#### *5.3.1.4 Visually Appealing Service Materials*

Most respondents (96.09%) strongly agree that excellent contact lens companies should have visually appealing service materials. These materials (brochures, pamphlets, statements, etc.) that provide information to customers should be visually appealing and user friendly. There were no respondents who disagreed with this statement and this suggests that people generally expect service materials to be visually appealing.

#### *5.3.1.5 Convenient Business Hours*

Customers have high expectations of convenient business hours. 95.31% of respondents strongly agreed with the statement that excellent contact lens companies should have convenient business hours. Respondents expect the working hours to be convenient as this aids in the efficacy in which they can run their own practices. There were no respondents who disagreed with this statement and once again this highlights the importance of convenient business hours.

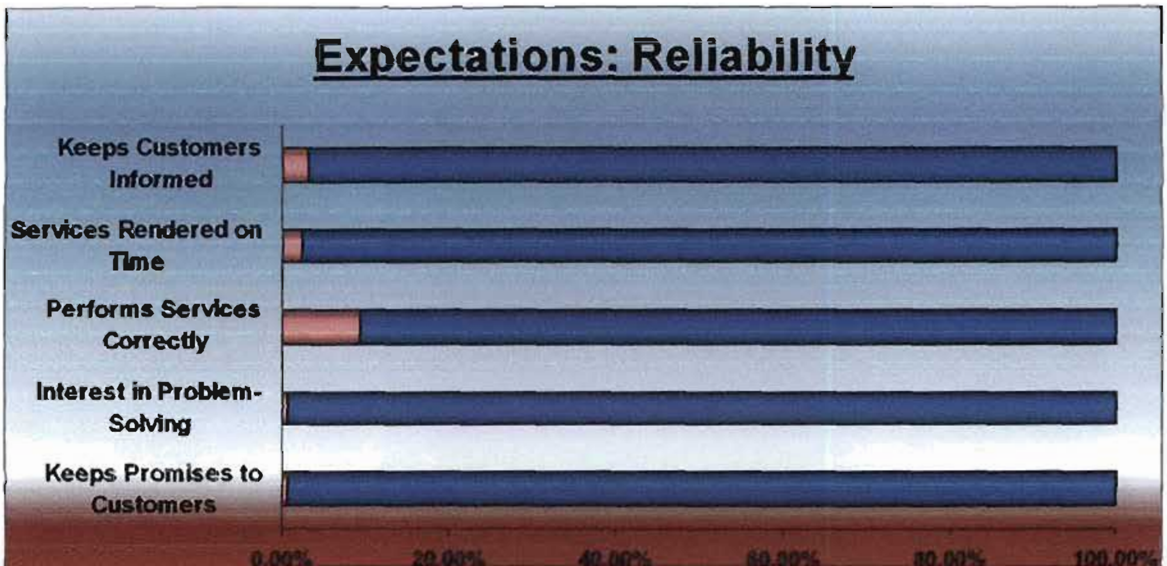
The highest average value that was recorded under the tangibility dimension was 6.69 on a scale from 1-7. This value was recorded for the statements on modern equipment and neat appearance of employees and indicates that customers consider these to be the most important tangibles. The overall average score for the tangibility dimension is 6.94.

### 5.3.2 RELIABILITY

Parasuraman *et al* (1988:14) defines reliability as the ability to perform the promised service dependably and accurately. Parasuraman *et al* (1985:47) mention that reliability involves consistency of performance and dependability and means that a firm should perform the service right the first time. They further indicate that a firm should honour its promises and that the reliability dimension specifically involves accuracy in billing, keeping records correctly and performing the service at the designated time.

The graph and table in Figure 11 represent the respondents' expectations with respect to the 5 statements on the reliability dimension of service quality that was presented to them.

**Figure 11. Graph and Table on the Reliability Dimension for Expectations**




| | Keeps Promises to Customers | Interest in Problem-Solving | Performs Services Correctly | Services Rendered on Time | Keeps Customers Informed |
|---|---|---|---|---|---|
| 7 | 99.22% | 99.22% | 90.63% | 97.66% | 96.88% |
| 6 | 0.78% | 0.78% | 9.38% | 2.34% | 3.13% |
| 5 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 4 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 3 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 2 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 1 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |

#### *5.3.2.1 Contact Lens Companies should Keep their Promises to Customers*

The vast majority of respondents (99%) felt that when an excellent contact lens company promises to do something by a certain time then they should do so. It is important for contact lens companies to keep their promises as this helps to build trusting relationships with their customers which in turn enhances and maintains customer relationships (Liljander and Strandvik, 1995:1). There were no respondents who disagreed with this statement and this shows that customers have extremely high expectations in this regard.

#### *5.3.2.2 Show a Sincere Interest in Solving Customer Problems*

Almost all the respondents (99%) believe that when a customer has a problem, excellent contact lens companies should show a sincere interest in solving it. Customer expectations in this regard are exceptionally high and contact lens companies should train their staff to show a sincere interest in solving customer problems. Once again there were no respondents that disagreed with this statement.

*5.3.2.3 **Perform a Service Right the First Time***

An organisation can save time and money by performing a service correctly the first time. 91% of respondents indicated that excellent contact lens companies should perform a service right the first time. Respondents have high expectations of services being performed correctly the first time and there were no respondents who disagreed with this statement.

*5.3.2.4 **Perform Services at the Time it Promises to do so***

The majority of respondents (98%) indicated that excellent contact lens companies should provide a service at the time that they promise to do so. Respondents expect staff at contact lens companies to act with a sense of urgency and keep their promises as this in turn impacts on promises that the respondents make to their customers. There were no respondents who disagreed with this statement.

*5.3.2.5 **Keep Customers Informed about when Services will be Performed***

A large number of respondents (97%) agreed with the statement that excellent contact lens companies should keep customers informed about when services will be performed. Customers of contact lens companies rely on this information, as they in turn have to communicate this information to their customers. A breakdown in communication or miscommunication in this regard can result in the loss of a customer. No respondents disagreed with this statement and this shows the high expectation that respondents have with regards to this statement.

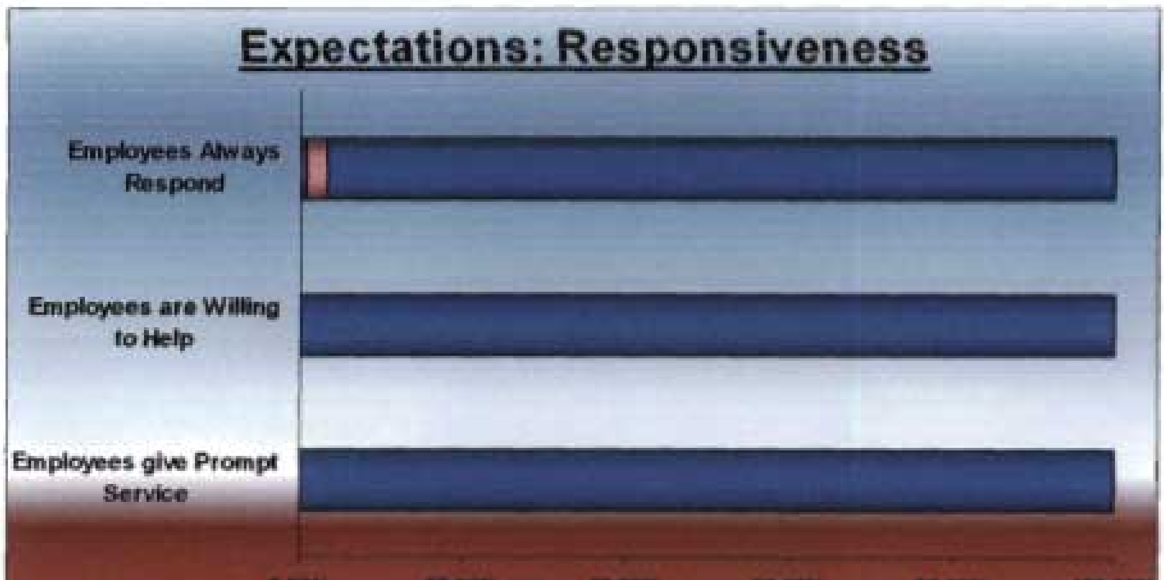
The highest average value that was measured for the reliability dimension was 6.99 and this was recorded for the statements that excellent contact lens companies keep their promises to their customers and show a sincere interest in solving customer problems. The overall average for this dimension was 6.97.

### 5.3.3 RESPONSIVENESS

According to Parasuraman *et al* (1988:14) responsiveness is a willingness to help customers and provide prompt service. Parasuraman *et al* (1985:47) state that it also concerns the readiness of employees to provide service and involves timeliness of service, mailing a transaction slip immediately, calling the customer back quickly and giving prompt service (e.g. setting up appointments quickly).

The graph and table in Figure 12 represent the respondents' expectations with regards to the 3 statements on the responsiveness dimension of service quality that was presented to them.

**Figure 12. Graph and Table on the Responsiveness Dimension for Expectations**




| | Employees give Prompt Service | Employees are Willing to Help | Employees Always Respond |
|---|---|---|---|
| 7 | 100.00% | 100.00% | 96.85% |
| 6 | 0.00% | 0.00% | 2.36% |
| 5 | 0.00% | 0.00% | 0.79% |
| 4 | 0.00% | 0.00% | 0.00% |
| 3 | 0.00% | 0.00% | 0.00% |
| 2 | 0.00% | 0.00% | 0.00% |
| 1 | 0.00% | 0.00% | 0.00% |

*5.3.3.1 Employees Give Prompt Service to Customers*

All the respondents (100%) in this study strongly agreed that employees of excellent contact lens companies should give prompt service to customers. Prompt service is vital, as time is money. Since all the respondents strongly agreed with this statement, it shows that they have very high expectations with regards to prompt service.

*5.3.3.2 Employees are Always Willing to Help Customers*

100% of the respondents strongly agreed that employees of excellent contact lens companies should always be willing to help customers. Contact lens companies should train and motivate staff to go the extra mile as respondents feel very strongly about this statement and have high expectations in this regard.

*5.3.3.3 Employees are Never too Busy to Respond to Customers*

The majority of respondents (97%) strongly agreed with the statement that employees of excellent contact lens companies should never be too busy to respond to customer requests. Respondents expect staff at contact lens companies listen to their requests and to respond to those requests timeously. Once again it can be seen that respondents have high expectations in regard to this statement as no one disagreed with the statement.

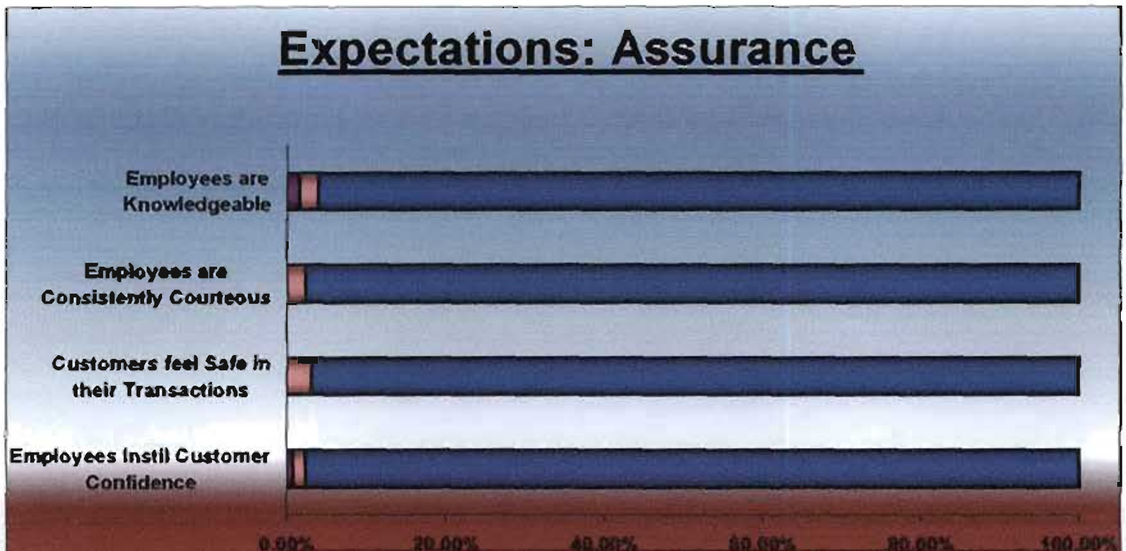
In the responsiveness dimension, the highest average value measured was the maximum value of 7. This was recorded for the statements that employees give customers prompt service and that they are always willing to help customers. The overall average for this dimension was 6.99.

### 5.3.4 ASSURANCE

According to Parasuraman *et al* (1988:14) assurance relates to the knowledge and courtesy of employees and their ability to inspire trust and confidence. It relates to staff possessing the required skills and knowledge to perform the service. Assurance also relates to the freedom from danger, risk, or doubt and involves physical safety, financial security and confidentiality in transaction with the company (Parasuraman *et al*, 1988:15).

The graph and table in Figure 13 represent the respondents' expectations with regard to the 4 statements on the assurance dimension of service quality.

**Figure 13: Graph and Table on the Assurance Dimension for Expectations**




| | Employees Instil Customer Confidence | Customers feel Safe in their Transactions | Employees are Consistently Courteous | Employees are Knowledgeable |
|---|---|---|---|---|
| 7 | 97.64% | 96.85% | 97.64% | 96.06% |
| 6 | 1.57% | 3.15% | 2.36% | 2.36% |
| 5 | 0.79% | 0.00% | 0.00% | 1.57% |
| 4 | 0.00% | 0.00% | 0.00% | 0.00% |
| 3 | 0.00% | 0.00% | 0.00% | 0.00% |
| 2 | 0.00% | 0.00% | 0.00% | 0.00% |
| 1 | 0.00% | 0.00% | 0.00% | 0.00% |

### *5.3.4.1 Employees Behaviour Instils Confidence in Customers*

The majority of respondents (97.64%) strongly agree that the behaviour of employees of an excellent contact lens company should instil confidence in their customers. There were no respondents that disagreed with this statement and this suggests that customers have high expectations with regard to this statement.

### *5.3.4.2 Customers Feel Safe in their Transactions with the Company*

A large number of respondents (96,85%) indicated that they strongly agree that contact lens companies should make their customers feel safe in their transactions with the organisation. All respondents are in varying degrees of agreement that contact lens companies should provide an environment for safe and confidential transactions.

#### *5.3.4.3 Employees are Consistently Courteous with Customers*

97.64% of respondents strongly agreed that employees of excellent contact lens companies should be consistently courteous with their customers. The manner in which service providers conduct themselves has a crucial bearing on repeat business, thus the selection, training and rewarding of staff is essential in the achievement of high standards of service quality (Jobber, 1995:665). None of the respondents disagreed with this statement, and this shows that customers have high expectations in this regard.

#### *5.3.4.4 Employees have the Knowledge to Answer Customer Questions*

The bulk of respondents (96.06%) strongly agreed with the statement that employees of excellent of contact lens companies would have the knowledge to answer customer questions. Employees need to be qualified for their respective positions, so that they are able to satisfactorily respond to customer queries. Since none of the respondents disagreed with this statement, it shows that customers have high expectations with regards to an employee's ability to answer queries.

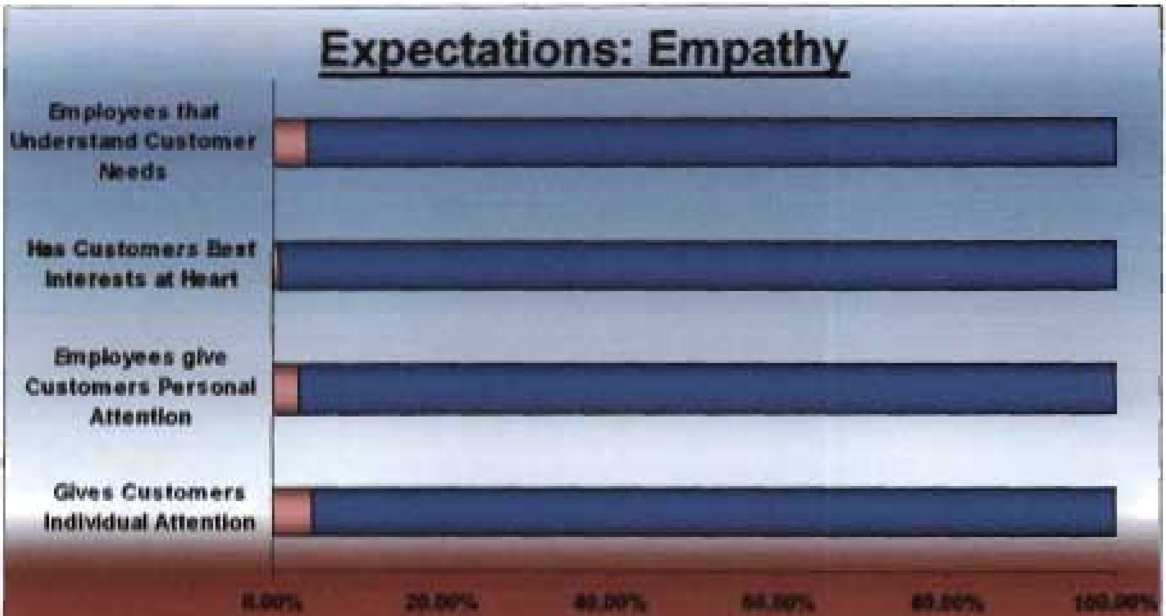
The highest average value that was measured for the assurance dimension was 6.98 and this was recorded for the statement that employees of excellent contact lens companies are consistently courteous. The overall average for this dimension was 6.96.

### 5.3.5 EMPATHY

Parasuraman et al (1988:14) state that the empathy dimension of service quality relates to caring individualised attention that the firm provides its customers. It involves making the effort to understand the customer's needs, learning the customer's specific requirements, providing individualised attention and recognising the regular customer (Parasuraman et al, 1985:47).

The graph and table in Figure 14 represent the respondents' expectations with regard to the 4 statements on the empathy dimension of service quality that was presented to them.

**Figure 14: Graph and Table on the Empathy Dimension for Expectations**




| | Gives Customers Individual Attention | Employees give Customers Personal Attention | Has Customers Best Interests at Heart | Employees that Understand Customer Needs |
|---|---|---|---|---|
| 7 | 95.28% | 96.85% | 99.21% | 96.03% |
| 6 | 4.72% | 3.15% | 0.79% | 3.97% |
| 5 | 0.00% | 0.00% | 0.00% | 0.00% |
| 4 | 0.00% | 0.00% | 0.00% | 0.00% |
| 3 | 0.00% | 0.00% | 0.00% | 0.00% |
| 2 | 0.00% | 0.00% | 0.00% | 0.00% |
| 1 | 0.00% | 0.00% | 0.00% | 0.00% |

***5.3.5.1 Contact Lens Companies Give their Customers Individual Attention***

As many as 95.28% of respondents strongly agreed that excellent contact lens companies should give customers individual attention when dealing with them. Customers want companies to understand their needs, and desire full attention when communicate with the employees of these companies (Zeithaml and Bitner, 1996:104). Once again it was found that respondents have high expectations regarding individual attention and there were no respondents that disagreed with this statement.

*5.3.5.2 Contact Lens Company Employees Give their Customers Personal Attention*

96.85% of respondents strongly agreed that employees of excellent contact lens companies should give customers personal attention. This shows that respondents expect staff at contact lens companies to give them individual attention when dealing with them. There were no respondents that disagreed with this statement.

*5.3.5.3 Contact Lens Companies have their Customers Bets Interests at Heart*

The majority of respondents (99.21%) strongly agreed that the employees of an excellent contact lens company must have the customers' best interest at heart. Due to the large percentage of respondents that strongly agreed with this statement, high expectations are noted in this regard.

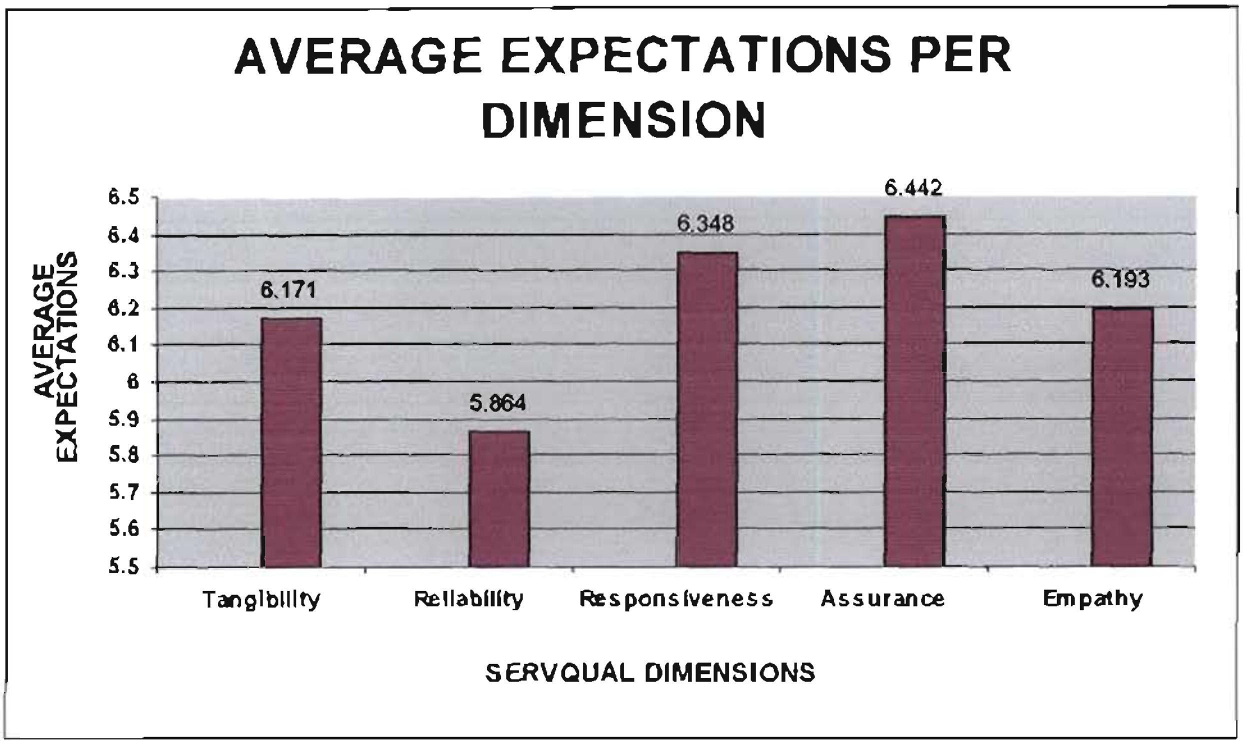
*5.3.5.4 Contact Lens Company Employees understand their Customers Needs*

Employees of excellent contact lens companies must understand the needs of their customers, as 96.03% of respondents strongly agreed to this statement. Staff should be willing to learn what their customers business needs are and find ways to address these needs (Zeithaml and Bitner, 1996:95).

In the empathy dimension, the highest average value measured was 6.99. This was recorded for the statements that employees of excellent contact lens companies have the customers' best interests at heart. The overall average for this dimension was 6.97.

### 5.3.6 DEDUCTIONS

**Figure 15: Average Expectations Per SERVQUAL Dimension**




The figure above shows that respondents have very high expectations of the quality of service that a contact lens company offers. This is indicated in the high average value of 6.97 that was calculated for the expectation section.

The highest (6.442) average expectation score was recorded for the assurance dimension followed by an average expectation score of 6.348 for the responsiveness dimension. These figures indicate that respondents have high expectations regarding the willingness of staff to help customers and provide prompt service. Respondents also expect employees to be courteous, knowledgeable and have the ability to inspire trust and confidence.

## 5.4 PERCEPTIONS

Perceptions are the processes by which people select, organise, and interpret stimuli to the five senses of sight, sound, smell, touch, and taste (Solomon and Stuart, 1997:189). Since perceptions are how we gather and interpret information from the world around us, it is important for service organisations to try and create a positive perception as services are intangible (Perreault and McCarthy, 2003:160). Zeithaml and Bitner (1996:117) mention that customers perceive services in terms of their satisfaction with the service and its overall value and companies are recognising that they can compete more effectively by distinguishing themselves with respect to service quality, customer satisfaction and value.

The findings on respondents' perceptions for each of the statements are displayed in their relative dimensions i.e. tangibles, reliability, responsiveness, assurance and empathy, using tube graphs.

### 5.4.1 TANGIBILITY

The graph and table in Figure 16 represents the respondents perceptions to the 5 statements on the tangibility dimension of service quality that was presented to them.

*5.4.1.2 Ciba Vision has Physical Facilities that are Visually Appealing*

The majority (89.84%) of respondents did not know what Ciba Visions physical facilities looks like and the category of unknown was again formulated. The reason once again is that most of Ciba Visions customers have never been to the company's physical facilities. 7.81% of respondents agreed with the statement and there were no respondents who disagreed.

*5.4.1.3 Ciba Vision has Employees that are Neat in Appearance*

Most (74.40%) of the respondents strongly agree that Ciba Vision employees are neat in appearance. 2.4% of respondents took a neutral standpoint in this regard and there were no respondents who disagreed.

*5.4.1.4 Ciba Vision has Visually Appealing Service Materials*

Half (50%) of the respondents agreed that the materials associated with service that Ciba Vision provides is visually appealing. A small number (5.52%) of respondents disagreed that the materials associated with service are visually appealing.

*5.4.1.5 Ciba Vision has Convenient Business Hours*

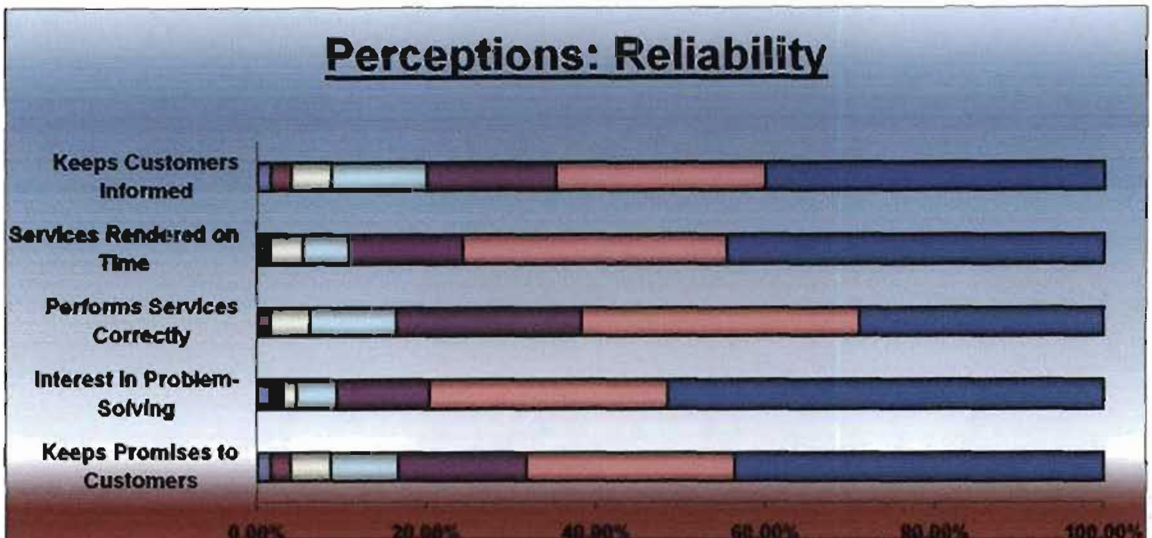
The bulk (76.56%) of respondents agreed that Ciba Vision has convenient business hours. 0.78% of respondents strongly disagreed with this statement and suggested that Ciba Vision should increase their business hours.

The highest average value that was recorded under the tangibility dimension for perceptions was 6.58 on a scale from 1-7. This value was recorded for the statement on convenient business hours and suggests that respondents are most satisfied with this statement in comparison to the other four statements. The overall average score for the tangibility dimension is 6.17.

### 5.4.2 RELIABILITY

The graph and table in Figure 17 represents the respondents perceptions with respect to the 5 statements on the reliability dimension of service quality that was presented to them.

**Figure 17. Graph and Table on the Reliability Dimension for Perceptions**




| | Keeps Promises to Customers | Interest in Problem-Solving | Performs Services Correctly | Services Rendered on Time | Keeps Customers Informed |
|---|---|---|---|---|---|
| 7 | 43.65% | 51.56% | 28.91% | 44.53% | 40.00% |
| 6 | 24.60% | 28.13% | 32.81% | 31.25% | 24.80% |
| 5 | 15.08% | 10.94% | 21.88% | 13.28% | 15.20% |
| 4 | 7.94% | 4.69% | 10.16% | 5.47% | 11.20% |
| 3 | 4.76% | 1.56% | 4.69% | 3.91% | 4.80% |
| 2 | 2.38% | 0.78% | 1.56% | 1.56% | 2.40% |
| 1 | 1.59% | 2.34% | 0.00% | 0.00% | 1.60% |

#### *5.4.2.1 Ciba Vision should Keep their Promises to Customers*

Customers want to do business with companies that keep their promises (Zeithaml and Bitner, 1996:119). 83.33% of the respondents agreed with the statement that when Ciba Vision promises to do something by a certain time, they do so. 7.94% of respondents remained neutral while 8.73% of respondents disagreed with this statement. The large percentage of respondents that agreed with this statement suggests that Ciba Vision generally keeps its promises to its customers. This is important because customers need to gain trust and confidence in their suppliers.

#### *5.4.2.2 Ciba Vision Show a Sincere Interest in Solving Customer Problems*

An overwhelming majority (90.63%) of respondents felt that Ciba Vision shows a sincere interest in solving the problems of their customers. A small percentage (4.69) of respondents remained neutral in this regard while 4.68% of respondents disagreed with this statement. Seeing that a large percentage of respondents agreed with the statement, it shows that in general Ciba Vision does show a sincere interest in solving customer problems.

#### *5.4.2.3 Ciba Vision Perform a Service Right the First Time*

As many as 83.60% of respondents agreed with the statement that Ciba Vision performs services correctly the first time. 10.16% of respondents remained neutral in this regard while 6.24% disagreed with this statement. It is important for companies to perform services correctly the first time, as having to redo a task is a waste of resources and an expense to the company (Davis *et al*, 1999:151).

#### *5.4.2.4 Ciba Vision Perform Services at the Time they Promise to do so*

Customers judge the quality of services on their perceptions of the outcome provided, and on how that outcome was delivered (Zeithaml and Bitner, 1996:117). If a service is not delivered when promised, then the customer will lose confidence in the service provider. 89.06% of respondents agreed that Ciba Vision performed services at the promised time, while 5.47% were neutral in this regard. Since only a small percentage (5.47%) disagreed with this statement.

#### *5.4.2.5 Ciba Vision Informs Customers about when Services will be Performed*

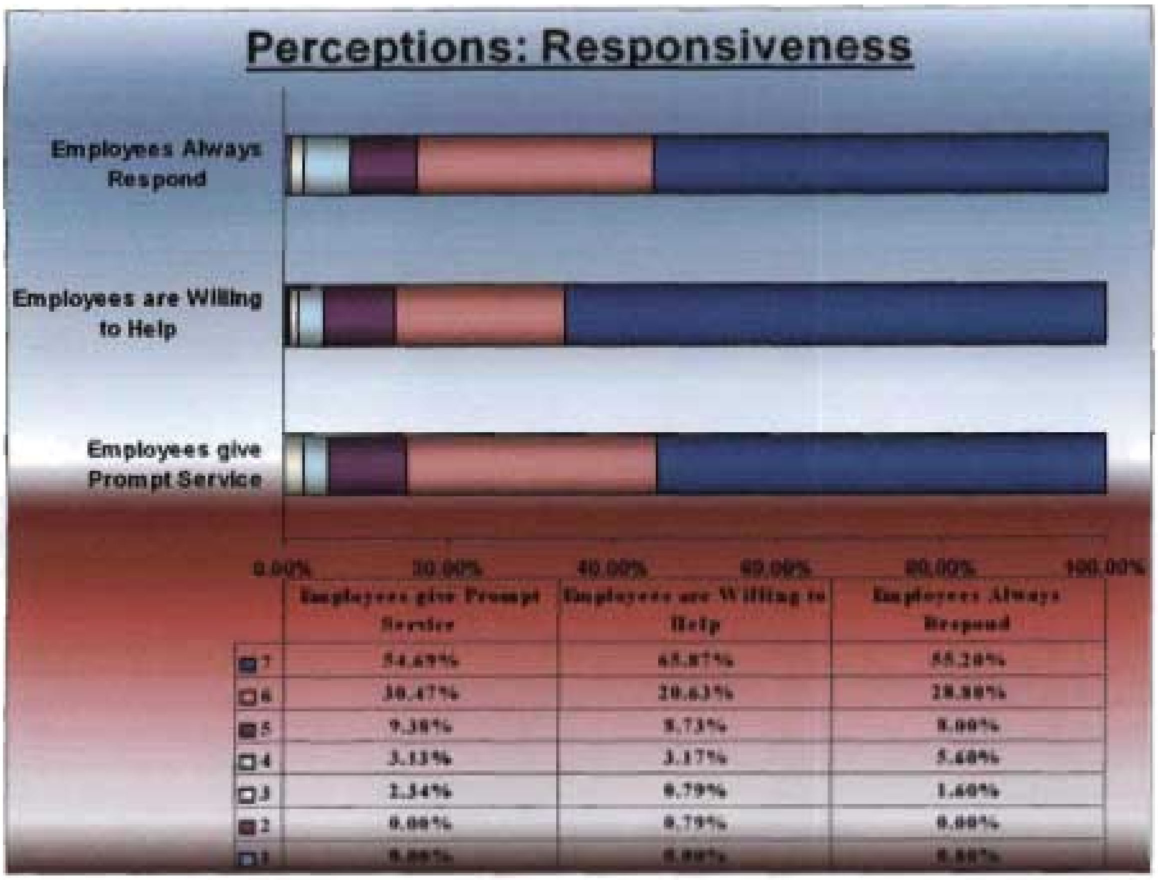
The majority of respondents (80%) agree that Ciba Vision keeps their customers informed about when services will be performed, however a discernible 11.2% is neutral and almost equal residual disagrees in this regard. This is a cause of concern for Ciba Vision as communication between companies and their customers are a vital part of any business relationship.

The highest average value that was measured for the reliability dimension was 6.12 and this was recorded for the statement that Ciba Vision shows a sincere interest in solving customer problems. The overall average for this dimension was 5.86.

### 5.4.3 RESPONSIVENESS

The graph and table in Figure 18 represents the respondents perceptions with regards to the 3 statements on the responsiveness dimension of service quality.

**Figure 18. Graph and Table on the Responsiveness Dimension for Perceptions**




| | Employees give Prompt Service | Employees are Willing to Help | Employees Always Respond |
|---|---|---|---|
| 7 | 54.69% | 65.87% | 55.20% |
| 6 | 30.47% | 20.63% | 28.80% |
| 5 | 9.38% | 8.73% | 8.00% |
| 4 | 3.13% | 3.17% | 5.60% |
| 3 | 2.34% | 0.79% | 1.60% |
| 2 | 0.00% | 0.79% | 0.00% |
| 1 | 0.00% | 0.00% | 0.80% |

#### *5.4.3.1 Ciba Vision Employees Give Prompt Service to Customers*

A compelling 94.54% of respondents agreed that employees of Ciba Vision's employees give prompt service to customers. This is important as responsiveness perceptions diminish when customers have to wait to be helped (Zeithaml and Bitner, 1996:121). A mere 2.34% of respondents disagreed with this statement, while 3.13% were neutral in this regard.

#### *5.4.3.2 Ciba Vision Employees are Always Willing to Help Customers*

Frazer-Robinson (1999:39) states that customers love to deal with friendly, helpful and motivated staff as this reassures them and endorses their own good feelings thereby enhancing the service experience. An overwhelming majority of respondents (95.23%) indicated that Ciba Vision employees are always willing to help customers while 3.17% of respondents remained neutral in this regard. The large percentage of respondents that agreed with this statement suggests that Ciba Vision employees are generally perceived as very helpful. A very small (1.58%) percentage of respondents disagreed with this statement.

*5.4.3.3 Ciba Vision Employees are Never too Busy to Respond to Customers*

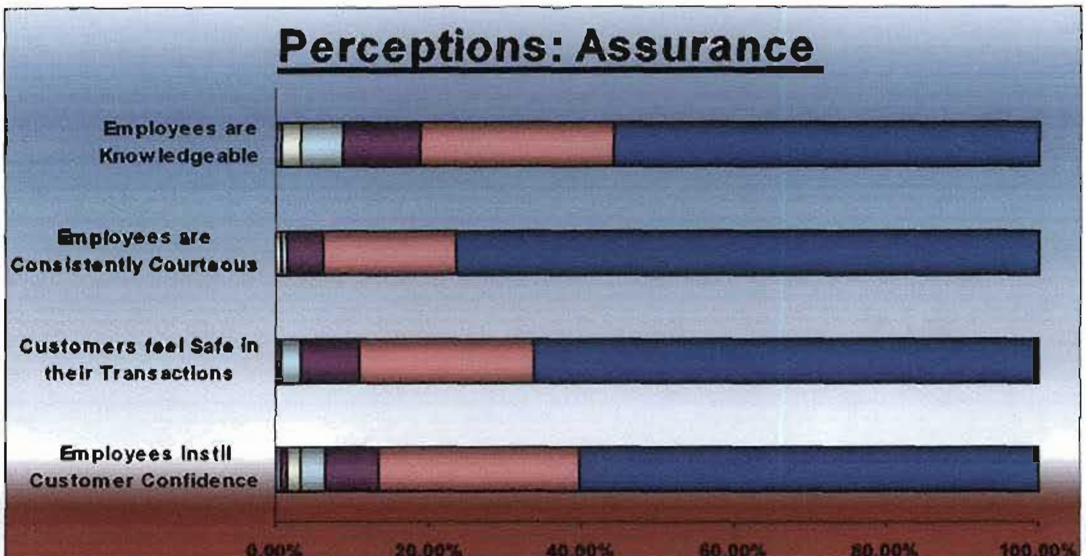
92% of respondents agreed that the staff at Ciba Vision are never too busy to respond to customer requests. This is important as quality in the eyes of the consumer is based on the way that they are treated by the company and what the company will do for them e.g. going the extra mile (Coupe, 2002: paragraph 6). 5.6% of respondents remained neutral in this regard while 2.4% of respondents did not agree with this statement.

In the responsiveness dimension, the highest average value measured was 6.45. This was recorded for the statement that Ciba Vision employees are always willing to help customers. The overall average for this dimension was 6.35.

### 5.4.4 ASSURANCE

The graph and table in Figure 19 represents the respondents expectations with regard to the 4 statements on the assurance dimension of service quality.

**Figure 19: Graph and Table on the Assurance Dimension for Perceptions**




| | Employees Instil Customer Confidence | Customers feel Safe in their Transactions | Employees are Consistently Courteous | Employees are Knowledgeable |
|---|---|---|---|---|
| 7 | 60.32% | 66.14% | 76.38% | 55.91% |
| 6 | 26.19% | 22.83% | 17.32% | 25.20% |
| 5 | 7.14% | 7.87% | 4.72% | 10.24% |
| 4 | 3.17% | 2.36% | 0.79% | 5.51% |
| 3 | 1.59% | 0.00% | 0.79% | 2.36% |
| 2 | 0.79% | 0.79% | 0.00% | 0.00% |
| 1 | 0.79% | 0.00% | 0.00% | 0.79% |

#### *5.4.4.1 Ciba Vision Employees Behaviour Instils Confidence in Customers*

Since trust and confidence may be embodied in the person who links the customer to the company, it is important that the behaviour of employees instils confidence in customers (Zeithaml and Bitner, 1996:121). As many as 93.65% of the respondents agreed that the behaviour of Ciba Vision employees instils confidence in their customers. 3.17% of respondents remained neutral in this regard while an equal amount (3.17%) of respondents disagreed with this statement.

#### *5.4.4.2 Ciba Vision Customers Feel Safe in their Transactions with the Company*

Most (96.84%) of the respondents in this study agreed that they feel safe in their transactions with Ciba Vision. A small number of respondents (2.36%) remained neutral in this regard whilst an even smaller percentage (0.79%) disagreed with this statement. In this day and age, where security is of utmost importance to everyone, it is positive to note that such a large percentage of customers feel safe in their transactions with Ciba Vision.

#### *5.4.4.3 Ciba Vision Employees are Consistently Courteous with Customers*

Since employees often have the biggest impact on service perceptions, it is important that they are consistently courteous with customers so as to enhance the service experience (Solomon and Stuart, 1997:375). A staggering (98.42%) of respondents agreed that Ciba Vision employees are consistently courteous whilst an equally minimal 0.79% remained neutral and disagreed with this statement.

#### *5.4.4.4 Ciba Vision Employees have the Knowledge to Answer Customer Questions*

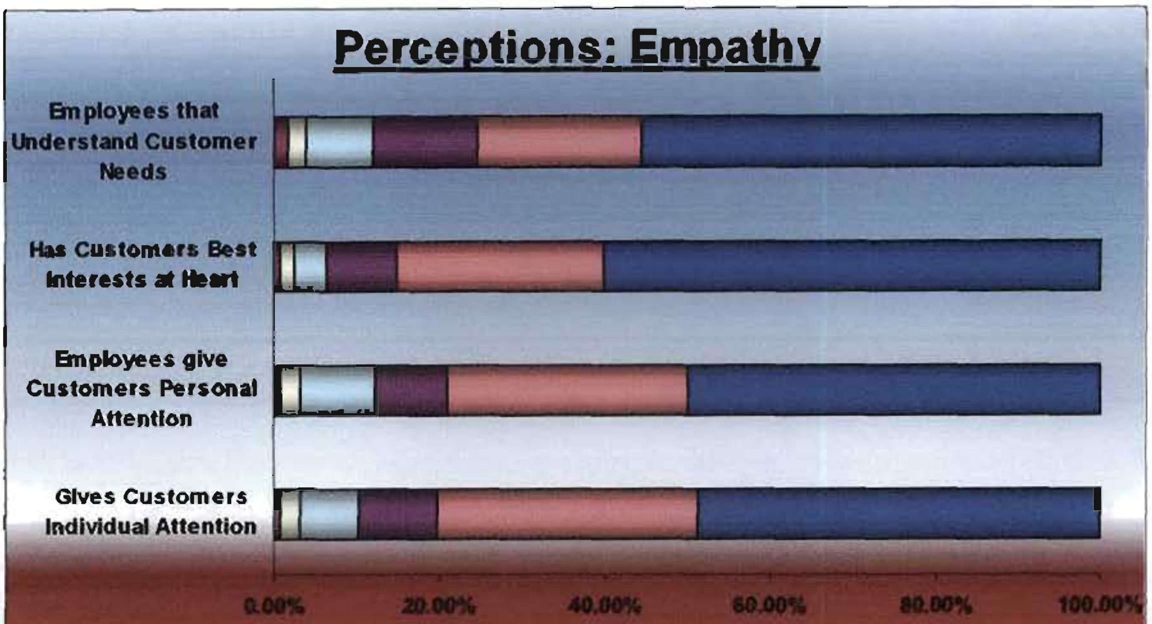
Since customers judge a company by its employees, it is vital for the employees to be equipped with the knowledge and necessary skills to be able to answer customer questions (Blem, 1996:33). The majority (91.5%) of respondents in this study agreed that Ciba Vision employees have the knowledge to answer customer questions. 5.51% of respondents remained neutral with regards to this statement and 3.15% of respondents did not believe that Ciba Vision employees were equipped with the knowledge to answer customer questions.

The highest average value that was measured for the assurance dimension was 6.68 and this was recorded for the statement that Ciba Vision employees are consistently courteous. The overall average for this dimension was 6.44.

### 5.4.5 EMPATHY

The graph and table in Figure 20 represents the respondents perceptions with regard to the 4 statements on the empathy dimension of service quality that was presented to them.

**Figure 20:** ***Graph and Table on the Empathy Dimension for Perceptions***




| | Gives Customers Individual Attention | Employees give Customers Personal Attention | Has Customers Best Interests at Heart | Employees that Understand Customer Needs |
|---|---|---|---|---|
| Series7 | 48.82% | 50.00% | 60.16% | 55.56% |
| Series6 | 31.50% | 29.03% | 25.00% | 19.84% |
| Series5 | 9.45% | 8.87% | 8.59% | 12.70% |
| Series4 | 7.09% | 8.87% | 3.91% | 7.94% |
| Series3 | 2.36% | 2.42% | 1.56% | 2.38% |
| Series2 | 0.79% | 0.81% | 0.78% | 1.59% |
| Series1 | 0.00% | 0.00% | 0.00% | 0.00% |

#### *5.4.5.1 Ciba Vision Give their Customers Individual Attention*

A total of 89.77% of respondents agreed that Ciba Vision employees give their customers individual attention, while 7.09% remained neutral in this regard and 3.15% disagreed with this statement. Solomon and Stuart (1997:380) state that the ability of a service business to make a customer feel special increases the empathy perceptions.

*5.4.5.2 Ciba Vision Employees Give their Customers Personal Attention*

People like to feel that they are getting personal attention and this enhances the quality of the service in the customers mind (Solomon and Stuart, 1997:380). The bulk of respondents agreed that Ciba Vision employees give their customers personal attention. 8.87% of respondents remained neutral in this regard and 3.23% of respondents disagreed with this statement.

*5.4.5.3 Ciba Vision has their Customers Best Interests at Heart*

Blem (1996:33) suggests that customers judge companies by their staff and if they perceive the staff to be friendly and interested in them then customers assume that the rest of the company is also interested in them. A large number (93.75%) of respondents agree that Ciba Vision has their best interests at heart. Only 3.91% of respondents remained neutral in this regard while 2.34% of respondents disagreed that Ciba Vision has their best interests at heart.

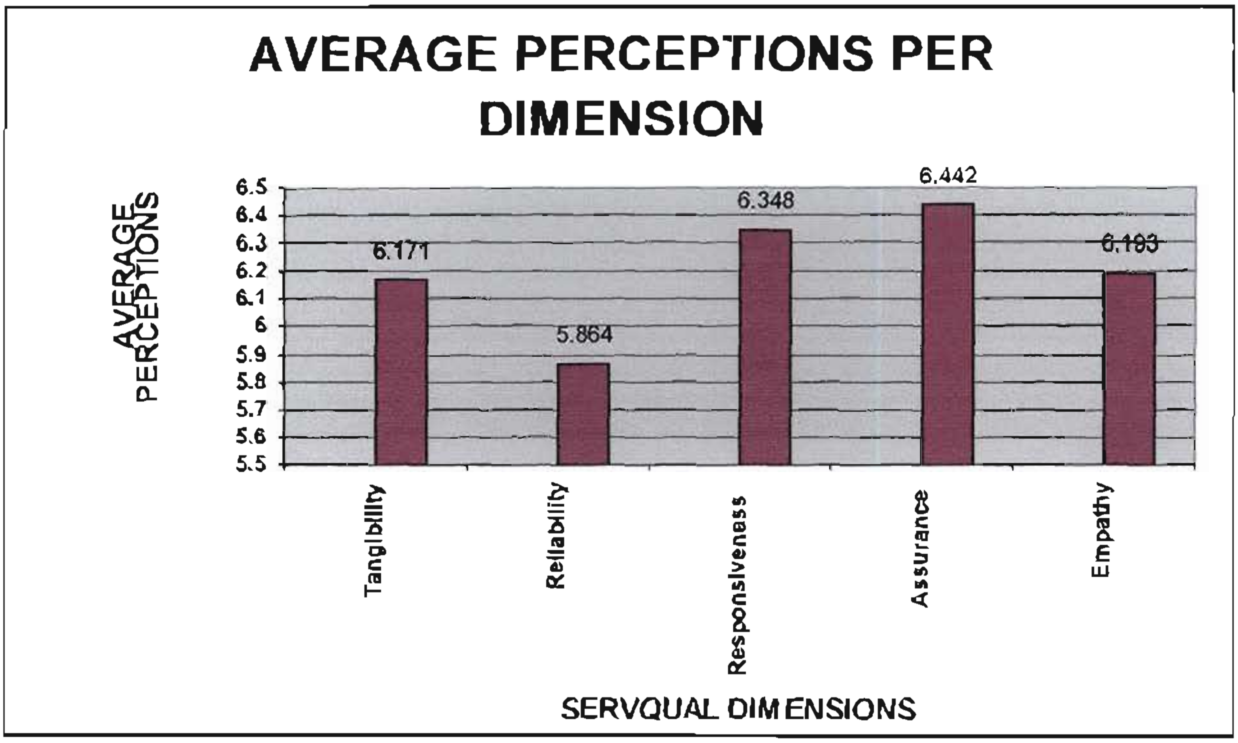
*5.4.5.4 Ciba Vision Employees understand their Customers Needs*

Firms need to understand the link between training and improved customer service (Solomon and Stuart, 1997:381). Employees will be better equipped to understand their customer needs if they are adequately trained and have the necessary resources to fulfil customer needs. 88.1% of respondents agreed that Ciba Vision employees understand their customer needs while 7.94% of respondents remained neutral in this regard and 3.97% of respondents disagreed with this statement.

In the empathy dimension, the highest average value measured was 6.36. This was recorded for the statements that Ciba Vision has the customers' best interests at heart. The overall average for this dimension was 6.20.

### 5.4.6 DEDUCTIONS

**Figure 21: Average Perceptions Per SERVQUAL Dimension**




Respondents have high perceptions of the quality of service that Ciba Vision offers. This is indicated in the high average value of 6.20 that was calculated for the perception section.

Respondents rated the assurance dimension as the most important SERVQUAL dimension with regards to perceptions and this dimension had an average score of 6.442. This was followed by a score of 6.348 for the responsiveness dimension.

The reliability dimension had the lowest (5.864) average score and suggests that the respondents' perceptions of Ciba Visions ability to perform the promised service dependably and accurately is low.

## 5.5 GAP ANALYSIS

Gap 5 is the difference between expected and perceived service quality i.e. it is a gap between the customers' expectations of the service and the service they actually receive (Gabbott and Hogg, 1998:106; Coupe, 2002: paragraph 3; Wahid, 2001: paragraph 20 and Zeithaml and Bitner, 1996:45). Zeithaml and Bitner (1996:37) consider gap 5 to be the most crucial gap as it indicates the difference between the customer's expectation of the service and the service that they actually receive.

In order to operationalise the difference between perceptions and expectations, an average score is calculated based on a seven-point rating scale for each response to each statement in both the expectations and perceptions sections. The average overall scores for each of the five dimensions (tangibility, reliability, responsiveness, assurance and empathy) is computed and represented graphically and in a table. The data for the gap analysis can be seen in the table below:

**Table 2: Gap Analysis**

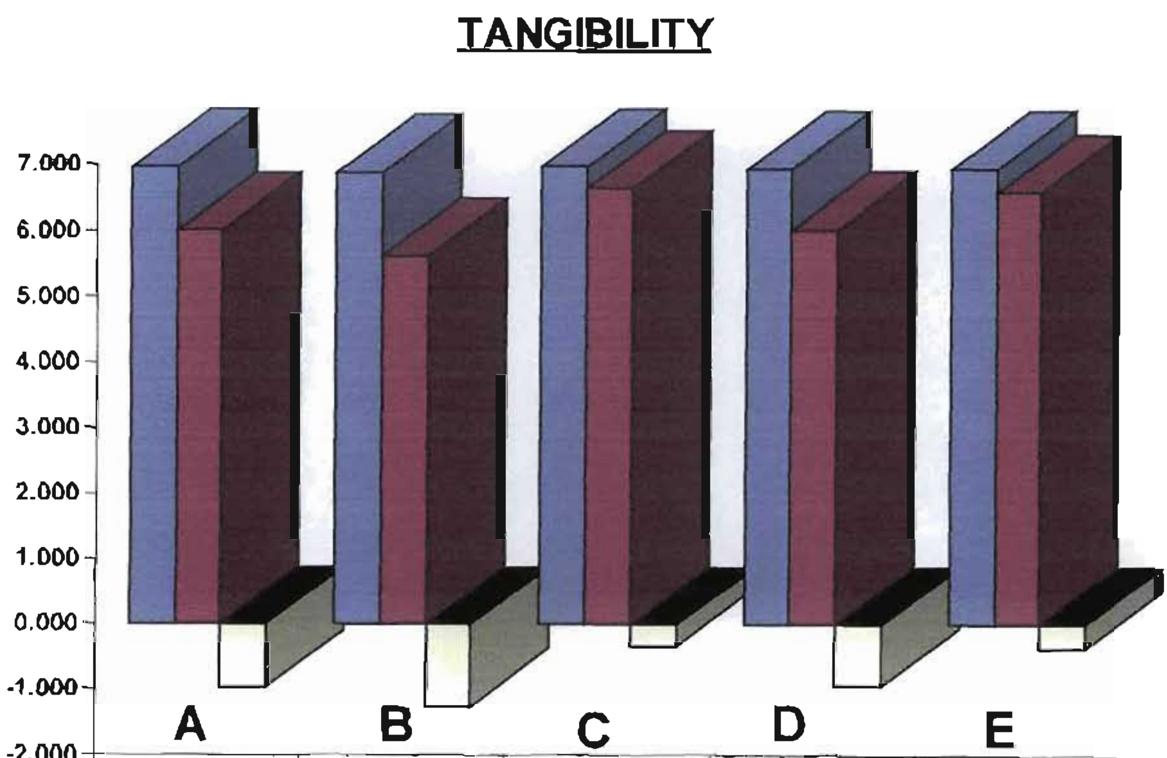
| SERVQUAL STATEMENTS | Expectations | Perceptions | Difference | Average |
|---|---|---|---|---|
| 1. Modern Equipment | 6.969 | 6 | -0.969 | |
| 2. Visually Appealing Facilities | 6.882 | 5.615 | -1.267 | |
| 3. Neat Employees | 6.969 | 6.648 | -0.321 | -0.772 |
| 4. Visually Appealing Materials | 6.953 | 6.016 | -0.937 | |
| 5. Convenient Business Hours | 6.945 | 6.578 | -0.367 | |
| 6. Keeps Promises | 6.992 | 5.810 | -1.183 | |
| 7. Sincere Interest in Problem Solving | 6.992 | 6.117 | -0.875 | |
| 8. Perform Service Correctly | 6.906 | 5.664 | -1.242 | -1.104 |
| 9. Render Service by Promised Time | 6.977 | 6.023 | -0.953 | |
| 10. Keep Customers Informed | 6.969 | 5.704 | -1.265 | |
| 11 Employees Give Prompt Service | 7 | 6.320 | -0.680 | |
| 12. Employees are Willing to Help | 7 | 6.452 | -0.548 | -0.639 |
| 13. Employees not too Busy to Respond | 6.961 | 6.272 | -0.689 | |
| 14. Employees Instil Confidence | 6.969 | 6.349 | -0.619 | |
| 15. Customers Feel Safe in their Transactions | 6.969 | 6.504 | -0.465 | -0.523 |
| 16. Employees are Consistently Courteous | 6.976 | 6.677 | -0.299 | |
| 17. Employees are Knowledgeable | 6.945 | 6.236 | -0.709 | |
| 18. Customers get Individual Attention | 6.953 | 6.150 | -0.803 | |
| 19. Customers get Personal Attention | 6.969 | 6.129 | -0.839 | -0.775 |
| 20. Customers Interests at Heart | 6.992 | 6.359 | -0.633 | |
| 21. Employees Understand Customer Needs | 6.960 | 6.135 | -0.825 | |

The highest statement gap score was –1.267. This was for the statement on visually appealing physical facilities. Given that an unknown category was created for this statement and that of "modern looking equipment", this data is skewed and not as reliable as the other statements. The statement that "excellent contact lens companies should keep customers informed" achieved a gap score of –1.265. This is the more accurate highest gap score and indicates a serious lack of communication between Ciba Vision and their customers.

The lowest statement gap score of -0.299 was for the statement that "employees are consistently courteous". This indicates that respondents perceive Ciba Vision employees to be courteous.

### 5.5.1 TANGIBILITY

**Figure 22: Graph and Table on Gap Analysis for the Tangibility Dimension**



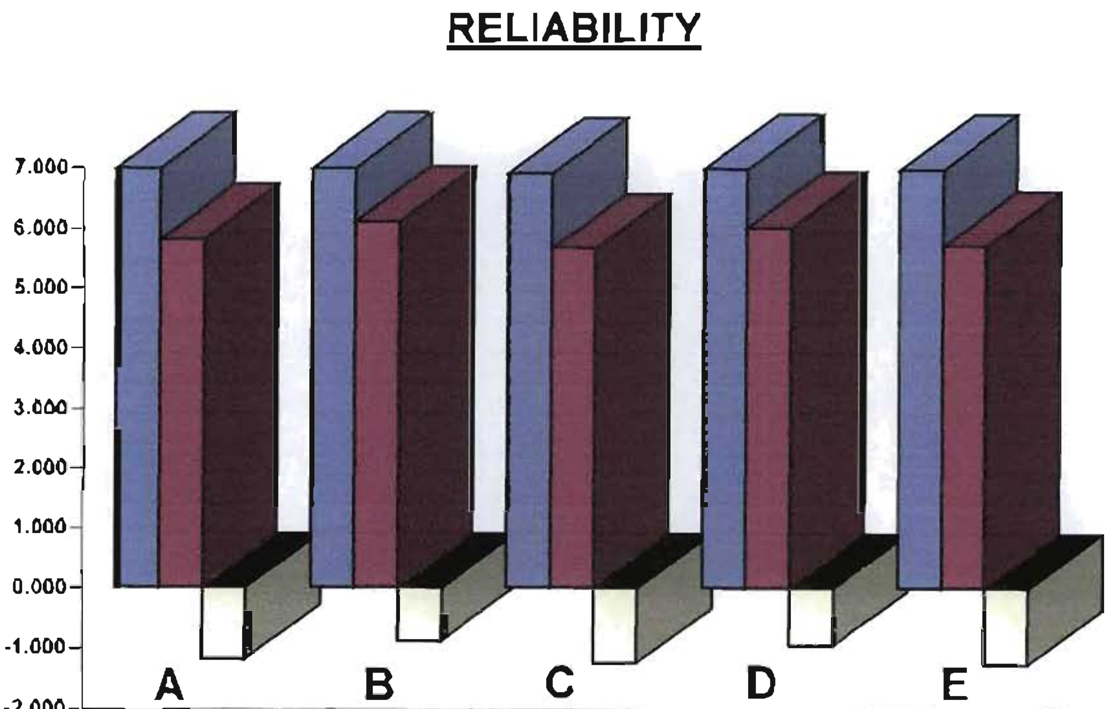

| | Modern Equipment | Visually Appealing Physical | Employees that are Neat in Appearance | Visually Appealing Service | Convenient Business Hours |
|---|---|---|---|---|---|
| Expectations | 6.969 | 6.882 | 6.969 | 6.953 | 6.945 |
| Perceptions | 6 | 5.615 | 6.648 | 6.016 | 6.578 |
| Difference | -0.969 | -1.267 | -0.321 | -0.937 | -0.367 |

The highest statement gap score for the tangible dimension of service quality was –1.267 and this was for the statement that contact lens companies should have visually appealing physical facilities. This indicates that Ciba Vision respondents do not think that the company has appealing physical facilities, however this data is not reliable as it is skewed due to the poor response rate for this statement in the perceptions section. The questions relating to Ciba Vision having modern equipment and visually appealing physical facilities were ignored in a number of questionnaires.

The lowest gap score (-0.367) in this dimension was for the statement on convenient business hours. This indicates that respondents in general are satisfied with the companies business hours.

### 5.5.2 RELIABILITY

**Figure 23: Graph and Table on Gap Analysis for the Reliability Dimension**



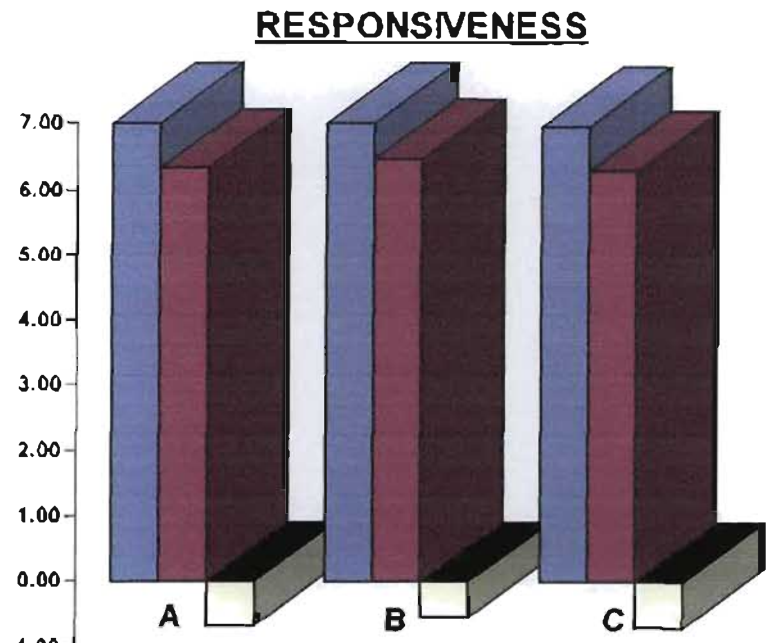

| | Keeps Promises to Customers | Sincere Interest in Solving | Performs a Service Correctly the | Services Rendered by a Promised Time | Keeps Customers Informed |
|---|---|---|---|---|---|
| Expectations | 6.992 | 6.992 | 6.906 | 6.977 | 6.969 |
| Perceptions | 5.810 | 6.117 | 5.664 | 6.023 | 5.704 |
| Difference | -1.183 | -0.875 | -1.242 | -0.953 | -1.265 |

The highest statement gap score for the reliability dimension of service quality was –1.265 and this was for the statement that contact lens companies should keep their customers informed about when services will be performed. This statement seems to be the largest contributor of poor service quality as customers feel that this is important but that Ciba Vision is not keeping them adequately informed.

The lowest gap score in this dimension was for the statement that contact lens companies should show a sincere interest in solving customer problems. This gap of –0.875 suggests that Ciba Visions customers do not feel that the company shows a sincere enough interest in solving their problems. Although this was the lowest difference in this dimension, it represents a fairly large gap in service delivery and Ciba Vision should address this as it is contributing to poor service delivery.

### 5.5.3 RESPONSIVENESS

**Figure 24: Graph and Table on Gap Analysis for the Responsiveness Dimension**




| | Employees give Prompt Service | Employees are Willing to Help | Employees are Never to Busy to Respond |
|---|---|---|---|
| Expectations | 7 | 7 | 6.961 |
| Perceptions | 6.320 | 6.452 | 6.272 |
| Difference | -0.680 | -0.548 | -0.689 |

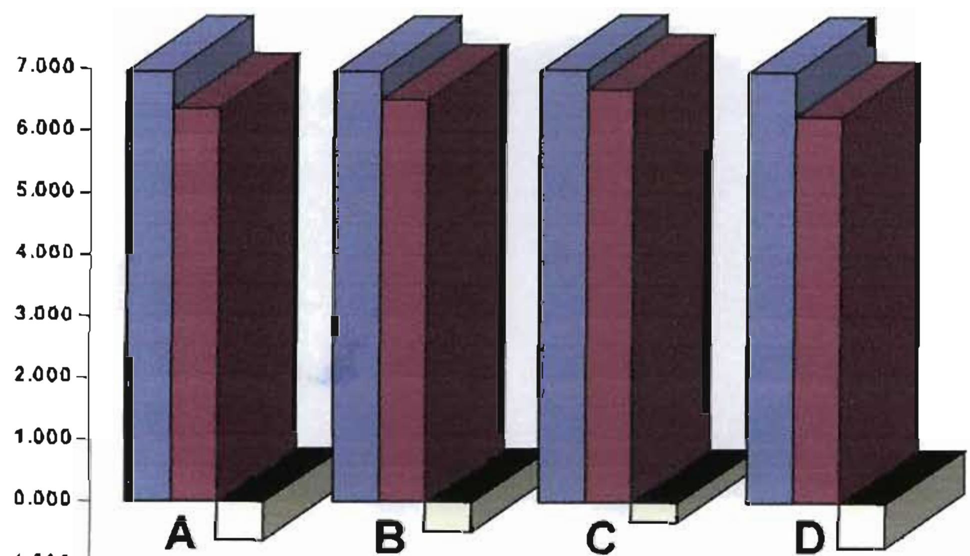
The highest statement gap score for the responsiveness dimension of service quality was –0.689 and this was for the statement that employees of contact lens companies should never be too busy to respond to customer requests. This suggests that Ciba Vision employees are not giving adequate attention to customers and indicates find ways to improve their responsiveness to their customers so that perceptions can be increased to match expectations.

The lowest gap score (-0.548) in this dimension was for the statement that employees of contact lens companies shold always be willing to help customers. Although this was the lowest difference in this dimension, it still represents a gap in service delivery and Ciba Vision should address this.

### 5.5.4 ASSURANCE

**Figure 25: Graph and Table on Gap Analysis for the Assurance Dimension**

**ASSURANCE**



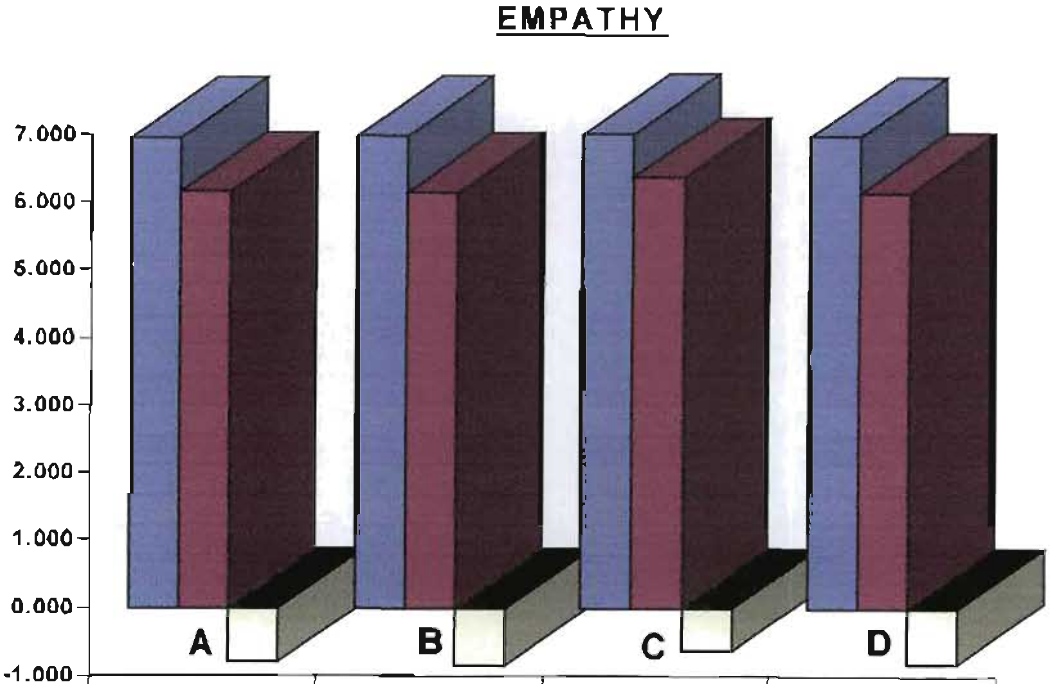

| | Employees Instil Confidence In Customers | Customers Feel Safe In their Transactions | Employees are Consistently Courteous | Employees are Knowledgeable |
|---|---|---|---|---|
| ■ Expectations | 6.969 | 6.969 | 6.976 | 6.945 |
| ■ Perceptions | 6.349 | 6.504 | 6.677 | 6.236 |
| □ Difference | -0.619 | -0.465 | -0.299 | -0.709 |

The highest statement gap score for the assurance dimension of service quality was –0.709 and this was for the statement that employees of contact lens companies should have the knowledge to answer customer questions. This gap indicates that Ciba Visions customers do not feel that the company's staff are adequately equipped to answer their questions.

The lowest gap score (-0.299) in this dimension was for the statement that employees of contact lens companies should be consistently courteous with customers. This small difference between the expectations and perceptions suggests that in general, Ciba Vision customers believe that the company's employees are consistently courteous. Although this is a small difference, it does indicate that the company needs to address this statement, as there is a gap in service delivery.

### 5.5.5 EMPATHY

**Figure 26: Graph and Table on Gap Analysis for the Empathy Dimension**




| | Give Customers Individual Attention | Employees that give Customers Personal | Has Customers' Best Interests at Heart | Employees that understand Customer Needs |
|---|---|---|---|---|
| Expectations | 6.953 | 6.969 | 6.992 | 6.960 |
| Perceptions | 6.160 | 6.129 | 6.359 | 6.135 |
| Difference | -0.803 | -0.839 | -0.633 | -0.825 |

The highest statement gap score for the empathy dimension of service quality was –0.839 and this was for the statement that employees of contact lens companies should give customers personal attention. Respondents in this survey do not feel that Ciba Vision employees give their customers personal attention and this contributes to poor service quality.

The lowest gap score (-0.633) in this dimension was for the statement that contact lens companies have the customers best interests at heart. This gap suggests that some of Ciba Visions customers don't believe that the company has their best interest at heart.

## 5.6 THE SERVQUAL INDEX

The service quality index establishes the the overall average of the gap scores for the five dimensions and was found to be -0.763. The table below depicts the average expectations and average perceptions scores as well as the difference between these scores.

**Table 3: Average SERVQUAL Scores**

| SERVQUAL DIMENSIONS | AVERAGE EXPECTATIONS | AVERAGE PERCEPTIONS | AVERAGE GAP SCORES |
|---|---|---|---|
| Tangibility | 6.944 | 6.171 | -0.772 |
| Reliability | 6.967 | 5.864 | -1.104 |
| Responsiveness | 6.987 | 6.348 | -0.639 |
| Assurance | 6.965 | 6.442 | -0.523 |
| Empathy | 6.968 | 6.193 | -0.775 |
| | **6.966** | **6.204** | **-0.763** |

Figure 27: Gap Analysis

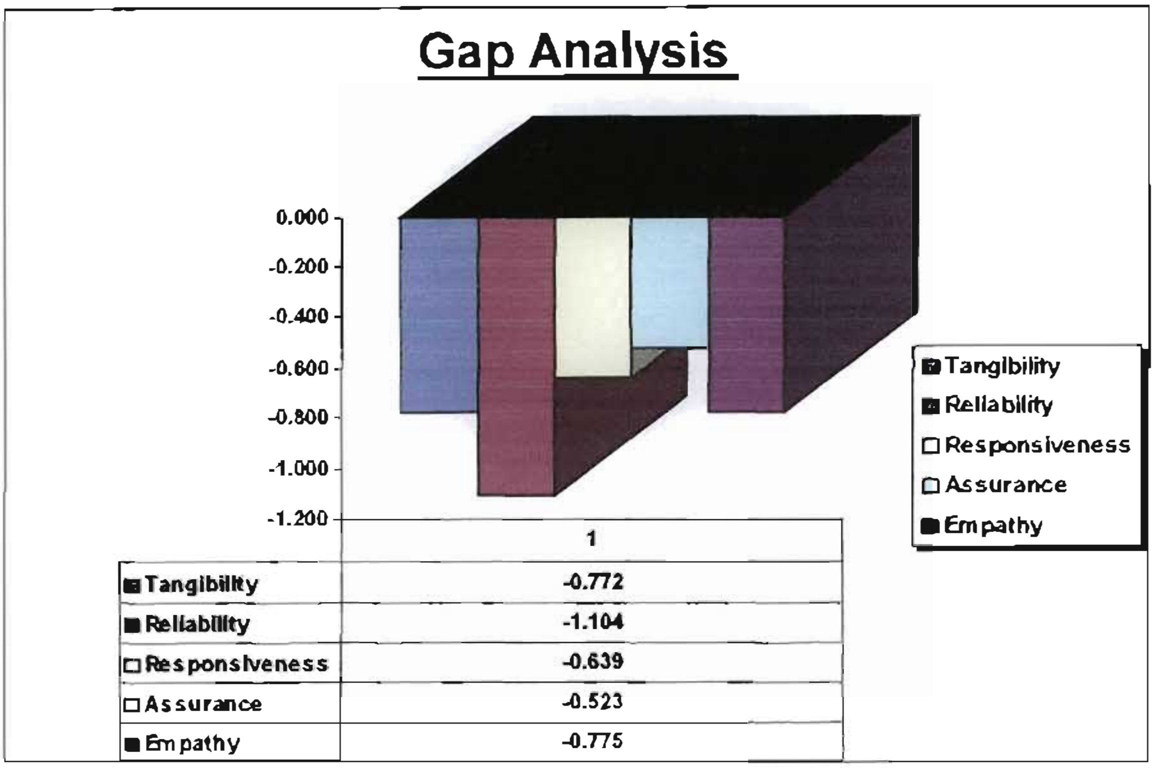



Figure 24 represents the average gap scores for for each of the five service quality dimensions. The greatest difference (-1.104) between perceptions and expectations resulted in the reliability dimension. This was followed by very simialr differences of - 0.775 and –0.772 in the empathy and tangible dimensions. The smallest difference (-0.523) resulted in the assurance dimension. The negative difference in values between the perceptions and expectations implies that customer expectations have exceeded customer perceptions and resulted in gap in in service delivery in all of the dimensions.

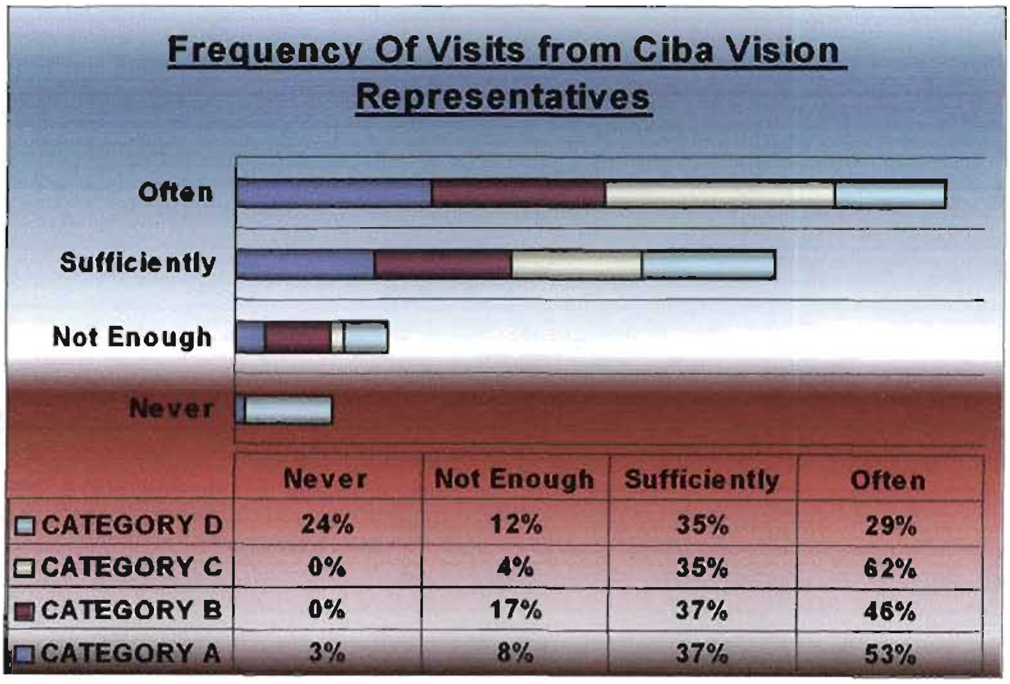
This suggests that Ciba Vision needs to address all the service quality dimensions with priority to the reliability dimension in order to enhance the quality of service that the company offers.

## 5.7 MISCELLANEOUS

Section C of the questionnaire contained a range of questions that Ciba Vision specifically requested. These questions related to the frequency of visits from Ciba Vision representatives, the accuracy of orders processed, the efficiency of the accounts department and customer care team, how their customers rate their competitors as well as customer opinions with regard to Ciba Visions marketing strategy.

### 5.7.1 FREQUENCY OF VISITS FROM CIBA VISION REPRESENTATIVES

**Figure 28: Frequency of Visits from Ciba Vision Representatives**




| | Never | Not Enough | Sufficiently | Often |
|---|---|---|---|---|
| CATEGORY D | 24% | 12% | 35% | 29% |
| CATEGORY C | 0% | 4% | 35% | 62% |
| CATEGORY B | 0% | 17% | 37% | 46% |
| CATEGORY A | 3% | 8% | 37% | 53% |

Figure 28 depicts that of the 38 respondents in category A, 3% felt that Ciba Vision representatives never visit their practices, whilst 8% mentioned that they are not called upon enough. 53% of respondents in this category indicated that they are visited often.

Category B consisted of 45 respondents. Results show that a Ciba Vision representative has visited all practices in this category, however 17% indicated that they are not visited enough while 46% mention that they are visited often.

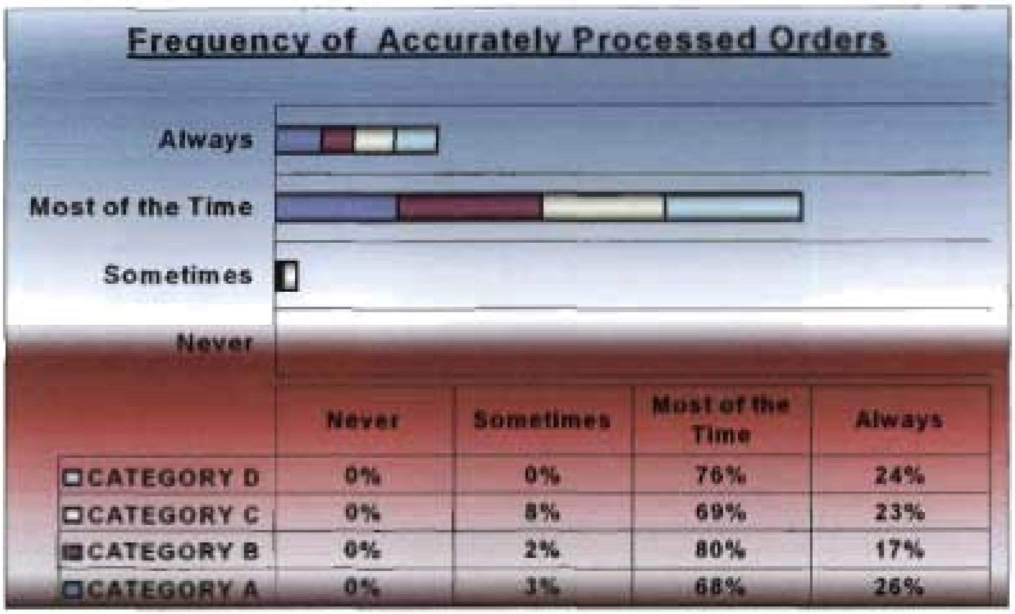
In category C there was a total of 25 respondents. The results once again show that Ciba Vision representatives have visited all the practices in this category. 4% indicated that they were not visited enough and approximately 62% say that they are visited often.

The servicing of customers in the categories A, B and C need to be monitored as it is only approximately half of the respondents in categories A and B that indicate that they are visited often by a Ciba Vision representative. Considering that these two categories contribute significantly to the company's turnover, it is imperative for Ciba Vision to monitor this.

Category D consisted of 17 respondents. 23% of these respondents indicated that Ciba Vision representatives never called in at their practices, whilst 12% felt that they were not visited enough. The data represented here suggests that Ciba Vision representatives are not calling on their category D customers adequately. It is important for Ciba Vision to take care of their smaller customers even though the amount of money spent per customer in this category is small. It is very worrying that close on a quarter of category D customers have never seen a Ciba Vision representative and indicates a serious need for attention in this regard.

### 5.7.2 FREQUENCY OF ACCURATELY PROCESSED ORDERS

**Figure 29: Frequency of Accurately Processed Orders**




| | Never | Sometimes | Most of the Time | Always |
|---|---|---|---|---|
| CATEGORY D | 0% | 0% | 76% | 24% |
| CATEGORY C | 0% | 8% | 69% | 23% |
| CATEGORY B | 0% | 2% | 80% | 17% |
| CATEGORY A | 0% | 3% | 68% | 26% |

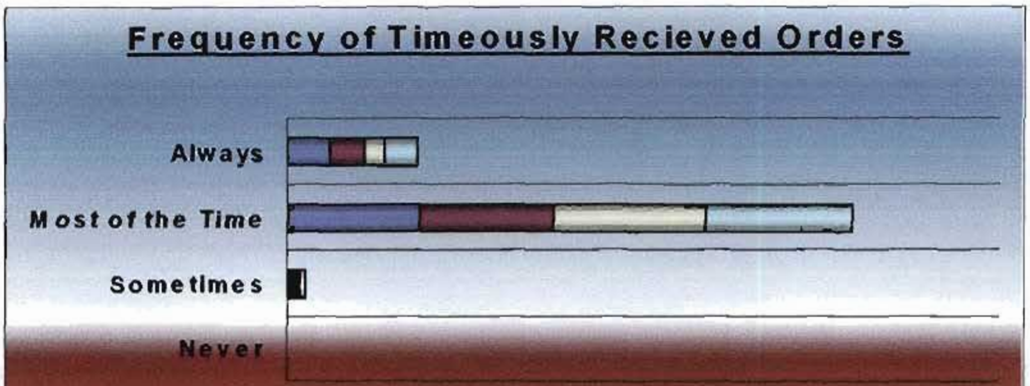
Figure 29 depicts accuracy of processed orders. The results show that none of the respondents in all of the categories felt that Ciba Vision has ever processed their orders inaccurately. The bulk (68%) of respondents in category A indicated that their orders are processed accurately most of the time. Of the respondents in category B, the majority (80%) felt that their orders were accurately processed most of the time and 2% responded that their orders are always accurately processed only sometimes.

In category C, 69% of respondents stated that their orders were accurately processed most of the time and as much as 8% responded that their orders are always accurately processed only sometimes. The respondents in category D were the most satisfied with the accuracy of the processing of their orders as 76% found that there orders were accurately processed most of the time.

The data represented in this figure suggests that Ciba Vision should address the reason for as much as 8% of category C customers orders being inaccurately processed sometimes. Customers from the categories A, B and C are bigger sources of revenue than category D, however these categories indicate that there orders are sometimes inaccurately processed. This is possibly due the size of the orders generated by these categories.

### 5.7.3 FREQUENCY OF TIMEOUSLY RECEIVED ORDERS

**Figure 30: Frequency of Timeously Received Orders**




| | Never | Sometimes | Most of the Time | Always |
|---|---|---|---|---|
| CATEGORY D | 0% | 0% | 82% | 18% |
| CATEGORY C | 0% | 4% | 85% | 12% |
| CATEGORYB | 0% | 4% | 76% | 20% |
| CATEGORY A | 0% | 3% | 74% | 24% |

The table and graph in Figure 30 indicates that none of the respondents felt that they never receive their orders timeously. As many as 74% of category A customers mentioned that they receive their orders timeously most of the time.

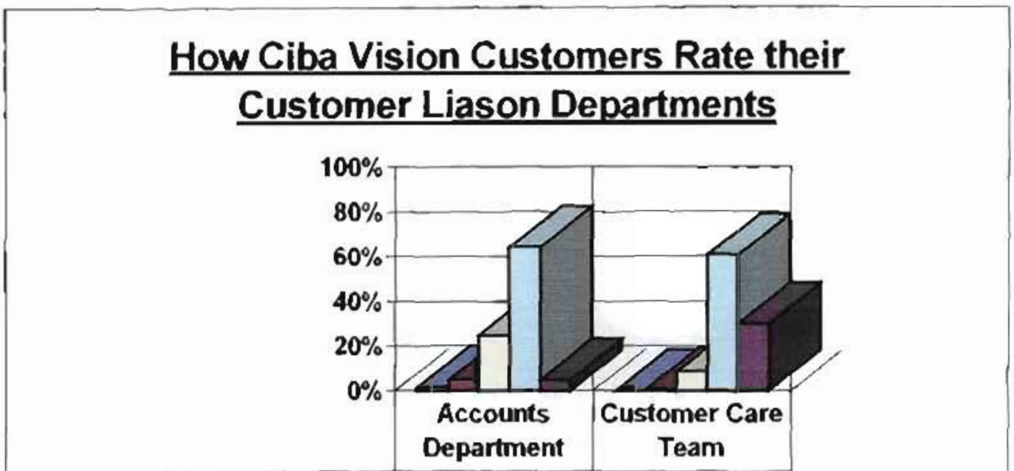
In category B, 76% receive their orders timeously most of the time and 20% always receive their orders on time whilst the bulk (85%) of respondents in category C receive their orders timeously most of the time.

Once again the respondents of category D were the most satisfied as 82% indicated that their orders were received timeously most of the time, while 18% indicated that this was always so.

The data in this figure once again shows that a small percentage of customers from the categories A, B and C receive their orders timeously sometimes. This is possibly due the size of the orders generated by these categories and staff may be having trouble processing these orders.

### 5.7.4 RATING OF THE CUSTOMER LIAISON DEPARTMENT

**Figure 31: Rating of the Customer Liaison Department**




| | Accounts Department | Customer Care Team |
|---|---|---|
| Poor | 2% | 0% |
| Below Average | 5% | 1% |
| Average | 25% | 9% |
| Good | 64% | 61% |
| Excellent | 5% | 30% |

Figure 31 depicts a comparative graph between the accounts and customer care departments at Ciba Vision. A total of 7% of respondents rated the accounts department as below average while only 1% of customers had this view of the customer care team.

The bulk of respondents (64% and 61%) rated the accounts department and the customer care team as good whilst 30% rated the customer care team as excellent.

The results show that the customer care team are perceived as providing a better service and being more efficient than the accounts department. Ciba Vision will need to train and motivate staff at the accounts department to enhance the quality of the service that they provide.

### 5.7.5 CUSTOMER PERCEPTIONS OF CIBA VISIONS COMPETITORS

**Figure 32: Customer Perceptions of Ciba Visions Competitors**

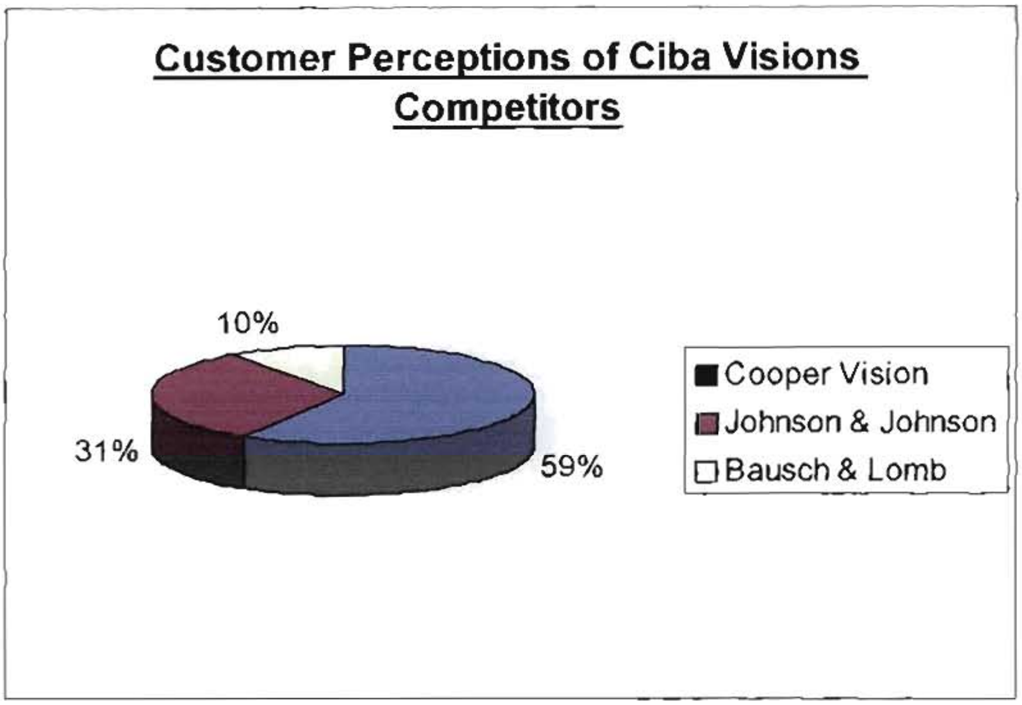
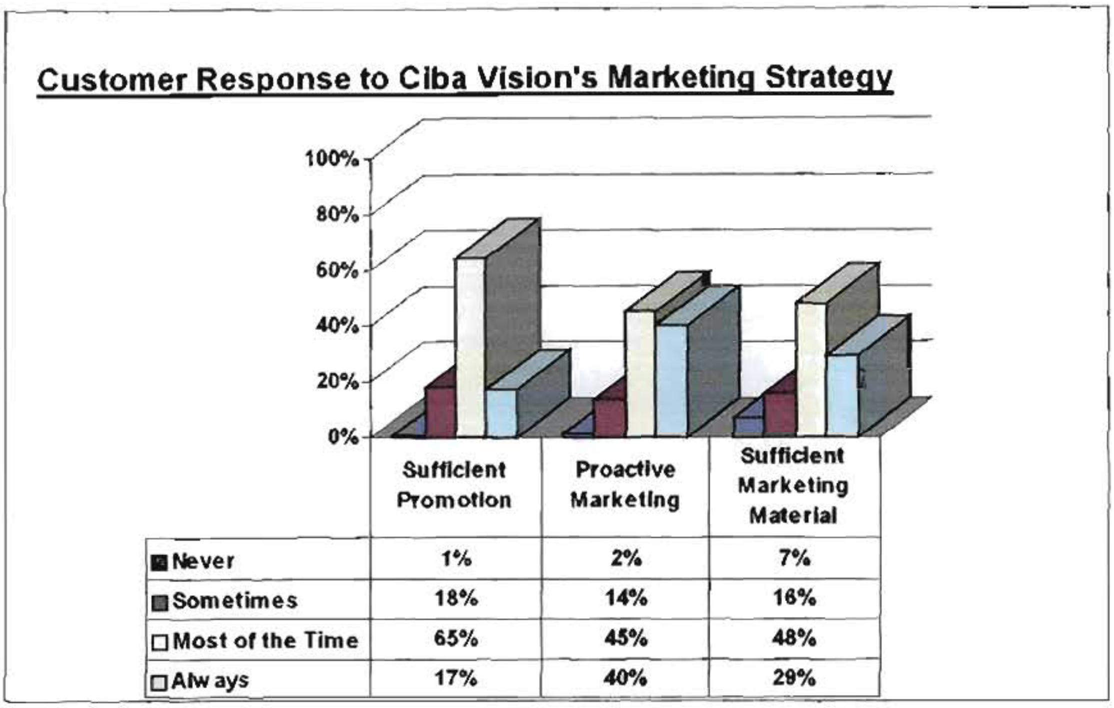



Figure 32 depicts that the majority (59%) of respondents views Cooper Vision to be Ciba Visions biggest rival. 10% of respondents feel that Bausch & Lomb is Ciba Visions main competitor while 10% view Johnson & Johnson as their main rival. The results obtained in this question compares favourably with management's view of Ciba Vision biggest rival being Cooper Vision (van Moerkerken, 2005).

Upon retrospect the author feels that it would have been interesting to find out why respondents felt that these organisations were strong competitors of Ciba Vision.

## 5.7.6 CUSTOMER RESPONSE TO CIBA VISIONS MARKETING STRATEGY

**Figure 33: Customer Response to Ciba Visions Marketing Strategy**




| | Sufficient Promotion | Proactive Marketing | Sufficient Marketing Material |
|---|---|---|---|
| Never | 1% | 2% | 7% |
| Sometimes | 18% | 14% | 16% |
| Most of the Time | 65% | 45% | 48% |
| Always | 17% | 40% | 29% |

Figure 33 depicts the customers' response to Ciba Visions marketing strategy with regards to sufficient promotion, proactive marketing and sufficient marketing material.

The bulk (65%) of respondents feel that Ciba Vision does sufficient promotion most of the time and 17% indicate that this is always so.

The majority (45%) of respondents mentioned that Ciba Vision markets themselves proactively most of the time while an almost equally high percentage (40%) of respondents feel that this is always the case.

In terms of marketing material, most (48%) of the respondents attest to the fact that they receive sufficient marketing most of the time whilst 29% differ that this always transpires.

Less than have of the respondents (45% and 48% respectively) agree that Ciba Vision is proactive in their marketing strategy and does sufficient marketing most of the time. This suggests that Ciba Vision be more proactive in their marketing strategies regarding promotions and also enhances their marketing strategy in general.

## 5.8 CUSTOMER COMMENTS

Some respondents wrote the following comments on their questionnaires with regards to the service that they received from Ciba Vision. Similar complaints have been grouped into categories and are discussed below.

***Marketing*** – Customers feel that there is a serious deficiency in Ciba Visions promotional strategy. A lack of brochures and other promotional material is a common concern among customers. Recommendations have been made by customers to improve this. Some of the recommendations include increasing brochures, notifying optometrists about promotions, introducing a variation in promotional displays, offering in-store staff incentives and maintaining adequate stock levels during relevant promotions. Customers also indicated that Ciba Vision needs to negotiate better discount structures on their pricing.

***Communication*** - A large number of customers indicated that there is a dire lack of communication with regards to back orders and the processing of orders. Feedback regarding delays in orders as well as confirmation of processed orders is requested by optometric practices. Another common concern is that accounts are frequently incorrectly processed.

***Customer Service*** – A collective complaint from customers is that the call centre staff are rude, untrained and lack sufficient knowledge to handle customer complaints and queries. Customers also feel that they are put on hold for unnecessarily lengthy durations. Similarly some customers feel that Ciba Vision representatives are not adequately trained and that management should have a more hands on approach.

Customers also complained that Ciba Vision's returns policy is poor and needs to be reviewed. A suggestion here is that the company needs to do sealed exchanges. The company also needs to extend their working hours. Some customers suggested that Ciba Vision should open on Saturdays whilst others suggested that they open until 6pm during the week.

Some customers have made a call for variation in Ciba Visions product range and others have requested that trials be topped up more frequently. Another suggestion that was mentioned is that Ciba Vision should maintain better stock control so as to reduce the delays caused by back orders.

## 5.9 CONCLUSION

The findings in this chapter have shown that customer expectations of the service that they receive from the contact lens industry are higher than the perceived service that they receive from Ciba Vision. This has resulted in a gap in service delivery and the next chapter (Chapter 6) will draw conclusions from the results obtained in this chapter.

# CHAPTER SIX: DISCUSSION AND CONCLUSIONS

## 6.1 INTRODUCTION

Chapter 6 discusses the data that was presented in Chapter 5 and attempts to draw conclusions from that data. The research presented in this document identified customers (optometric practices) expectations of service quality in the contact lens industry. The research further attempted to assess customer perceptions of a particular contact lens company within the industry (Ciba Vision South Africa) and examined the difference between the expectations and perceptions. A score was calculated for each of the five SERVQUAL dimensions namely, tangibles, reliability, responsiveness, assurance and empathy. This score helped identify the dimension that most contributed to the delivery of poor service.

The discussion in this chapter will follow the format of the research objectives and will relate back to the literature. The objectives are:

1. Measure service expectations of optometrists with regards to the service that they receive from contact lens suppliers.
2. Measure service perceptions of optometrists with regards to Ciba Vision.
3. Establish the SERVQUAL gap, which causes unsuccessful service delivery (Gap 5).
4. Examine the dimensions i.e. the tangibles, reliability, responsiveness, assurance and empathy which contribute to Gap 5.

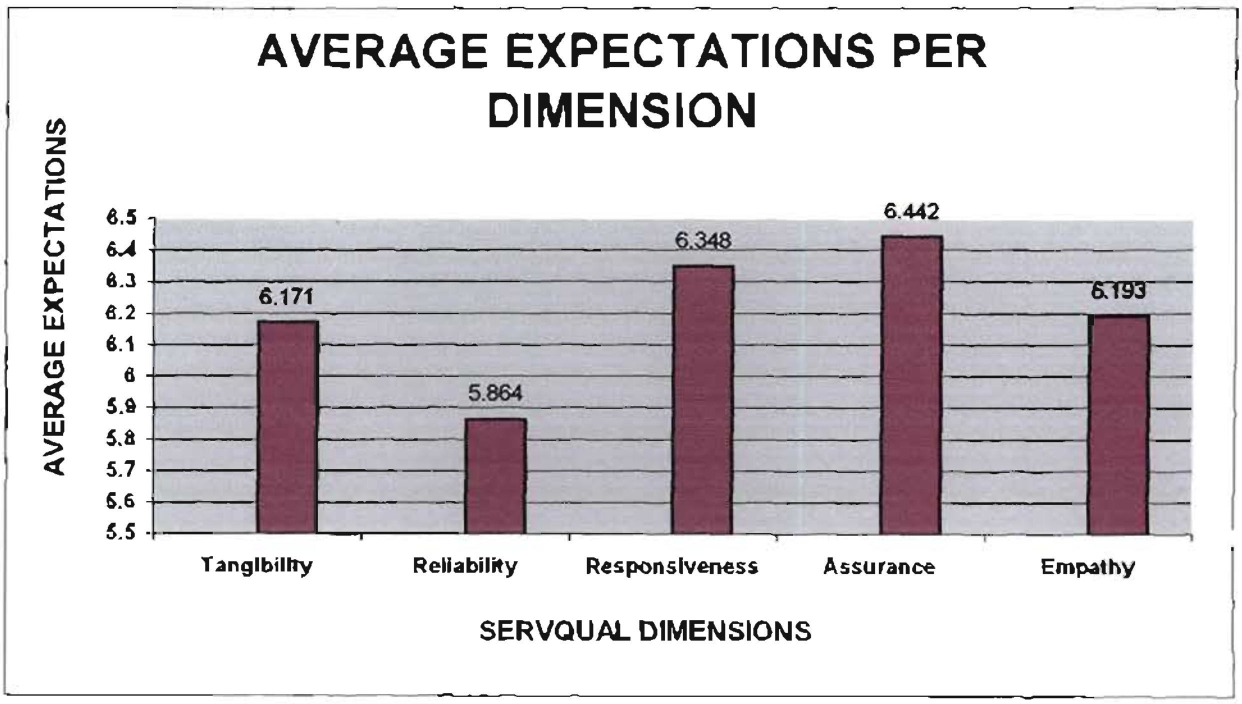
## 6.2 CUSTOMER EXPECTATIONS OF SERVICE QUALITY IN THE CONTACT LENS INDUSTRY

Customer expectations are the beliefs about service delivery, which serve as the standards against which performance is judged (Zeithaml and Bitner, 1996:76). Gabbott and Hogg (1997:218) explain that expectations serve as standards or reference points for customers which they use when they evaluate service quality by comparing what they perceive they get in a service encounter with the expectation of that encounter.

Since customers compare their perceptions of performance with their expectations of that performance when evaluating a service, it is vital for organisations to have an in-depth knowledge of what these expectations are and the factors that influence the formation of these expectations (Zeithaml and Bitner, 1996:76).

In attempting to measure customer (optometrists) expectations of service quality in the contact lens industry, the following was found:

**Figure 34: Service Quality Expectations in the Contact Lens Industry**




### 6.2.1 EXPECTATIONS CONCERNING TANGIBLES

In terms of service quality, tangibility is defined as the appearance of the physical facilities, the equipment, the personnel as well as the communication materials that organisations utilise in order to project an image (Parasuraman et al, 1985:47). In managing tangibles, firms attempt to influence the client's opinions through the tangible representative of their service (Cottle, 1992:paragraph 20).

Cottle (1992:paragraph 23) says that clients ask themselves whether organisations look like quality, do they have a quality offices, do they use the latest technology, and do they produce a product with a high-quality look? Clients do this because it serves as a surrogate for evaluating the technical performance of a service (Cottle, 1992:paragraph 20). In the tangibility dimension, respondents placed a lot of emphasis on modern looking equipment and the neat appearance of employees. Both these statements had an average score of 6.969 out of a total of seven and indicate that contact lens companies need to invest in modern looking equipment in order to meet expectations. Contact lens companies must consider setting dress codes for employees to ensure uniformity as an employees' language skills and dress are part of the client's impression of the quality of the firm (Cottle, 1992:paragraph 30).

Respondents placed the least emphasis on the statement that contact lens companies should have visually appealing physical facilities. This statement had an average score of 6.882. Although this value represents a high expectation in terms of physically appealing facilities it is not the most critical factor for customers in the contact lens industry. The reason for this is that most customers of contact lens companies with the company through a local sales representative and telephonically. Very few if any of the company's customers have reason to visit their offices.

The average overall score for the tangibility dimension is 6.944. This high value suggests that customers have high expectations with regards to tangibles. Thus it would be important for companies to use the tangible element in their business in order to enhance their image, provide continuity and signal quality to their customers (Zeithaml and Bitner, 1996:122).

### 6.2.2 EXPECTATIONS CONCERNING RELIABILITY

Parasuraman *et al* (1988:14) defines reliability as the ability to perform the promised service dependably and accurately. Parasuraman *et al* (1985:47) mention that reliability involves consistency of performance and dependability and means that a firm should perform the service right the first time. They further indicate that a firm should honour its promises and that the reliability dimension specifically involves accuracy in billing, keeping records correctly and performing the service at the designated time.

In the reliability dimension, respondents indicated that they believed that it is important for contact lens companies to keep their promises to customers and to show a sincere interest in solving customer problems. Both these statements had an average score of 6.992.

99% of the 128 respondents felt that when a contact lens company promises to do something by a certain time then they should do so. It is important for contact lens companies to keep their promises as this helps to build trusting relationships with their customers which in turn enhances and maintains customer relationships (Liljander and Strandvik, 1995:1).

126 of the 128 respondents (99%) believe that when a customer has a problem, contact lens companies should show a sincere interest in solving it. Customer expectations in this regard are exceptionally high. Cottle (1992:paragraph 20) suggests that companies should train their staff to show a sincere interest in solving customer problems.

The lowest expectation score that was measured in this dimension was for the statement that contact lens companies should perform a service correctly the first time. This statement achieved an average score of 6.906. Although this statement had the lowest average in this dimension, it is still a high score. Since, Davis *et al* (1999:151) mention that organisations can save time and money by performing a service correctly the first time, it is imperative for organisations to aim for zero defects.

The overall average score for the reliability dimension was found to be 6.967. This high value suggests that customers have high expectations with regard to reliability and companies need to be aware of customer expectations in this regard or they will fail their customers in providing a quality service (Zeithaml and Bitner, 1996:121).

### 6.2.3 EXPECTATIONS CONCERNING RESPONSIVENESS

According to Parasuraman *et al* (1988:14) responsiveness is a willingness to help customers and provide prompt service. Parasuraman *et al* (1985:47) state that it also concerns the readiness of employees to provide service and involves timeliness of service, mailing a transaction slip immediately, calling the customer back quickly and giving prompt service (e.g. setting up appointments quickly).

In the responsiveness dimension, customers considered it to be vital that employees of contact lens companies give prompt service and that they should be always willing to help customers. Each of these statements was given a maximum score of 7.

All 128 of the respondents (100%) in this study gave the statement "employees of excellent contact lens companies should give prompt service to customers" a maximum rating of 7. Prompt service is vital, as time is money and responsiveness is communicated to customers by the length of time that they have to wait for assistance (Zeithaml and Bitner, 1996:121).

All (100%) the respondents expect employees of contact lens companies to always be willing to help customers and also gave this statement a maximum score of 7. 124 (97%) of the respondents gave a maximum rating to the statement that staff at contact lens companies should listen to their requests and respond to those requests timeously. Companies should train and motivate staff to go the extra mile as they are the people that customers interact with (Cottle, 1992:paragraph 27).

The lowest score in this dimension was for the statement that employees of contact lens companies should never be too busy to respond to customer requests. Although customers did not rate this statement as the most important, it still achieved a high score of 6.961 and suggests that customers do have high expectations in this regard.

The overall average for expectations in the responsiveness dimension was found to be 6.987. This is the highest score of the five SERVQUAL dimensions and indicates that customers have high expectations with regards to responsiveness and suggests that the quality of staff plays a significant role in the delivery of quality service. Happier people who are more positive about themselves and their world are more satisfied workers and yield more satisfied customers (Schneider and Bowen, 1995:57).

### 6.2.4 EXPECTATIONS CONCERNING ASSURANCE

According to Parasuraman *et al* (1988:14) assurance relates to the knowledge and courtesy of employees and their ability to inspire trust and confidence. It relates to staff possessing the required skills and knowledge to perform the service. Assurance also relates to the freedom from danger, risk, or doubt and involves physical safety, financial security and confidentiality in transaction with the company (Parasuraman *et al*, 1988:15).

The statement that employees of contact lens companies should be consistently courteous had the highest (6.976) average score. This implies that customers have high expectations with regards to courteous employees as 97.64% of respondents gave a maximum rating of 7 to the statement that employees of contact lens companies should be consistently courteous with their customers. The manner in which service providers conduct themselves is a crucial bearing on repeat business, thus the selection, training and rewarding of staff is essential in the achievement of high standards of service quality (Jobber, 1995:665).

The lowest average score that was recorded for the assurance dimension was for the statement that customers expect employees of contact lens companies to have the knowledge to answer customer questions. Employees need to be qualified for their respective positions, so that they are able to satisfactorily respond to customer queries (Cottle, 1992:paragraph 30).

The overall average score for this dimension was 6.965. Of the 5 service quality dimensions, assurance represents the second lowest average. Although this value is the comparatively lower, than that of the other dimensions in this study this value is still high and suggests that customers have high expectations with regards to assurance.

### 6.2.5 EXPECTATIONS CONCERNING EMPATHY

Parasuraman *et al* (1988:14) state that the empathy dimension of service quality relates to caring individualised attention that the firm provides its customers. It involves making the effort to understand the customer's needs, learning the customer's specific requirements, providing individualised attention and recognising the regular customer (Parasuraman *et al*, 1985:47).

In the empathy dimension, respondents indicated that they expected contact lens companies to have their customers' best interests at heart. This statement had an average score of 6.992 and indicates that customers like to believe that they are high on the company's list of priorities. Zeithaml and Bitner (1996:122) suggest that customers expect supplier organisations to understand their industries and issues relating to them.

The lowest (6.953) overall average was attained for the statement that contact lens companies should give their customers individual attention. As many as 95.28% of respondents gave a maximum rating of 7 to the statement that contact lens companies should give them individual attention when dealing with them. Customers want companies to understand their needs, and desire full attention when communicate with the employees of these companies (Zeithaml and Bitner, 1996:104).

The overall average for the empathy dimension was 6.968. This reflects the second highest average of the 5 dimensions and shows that customers have very high expectations in this regard.

### 6.2.6 DEDUCTIONS

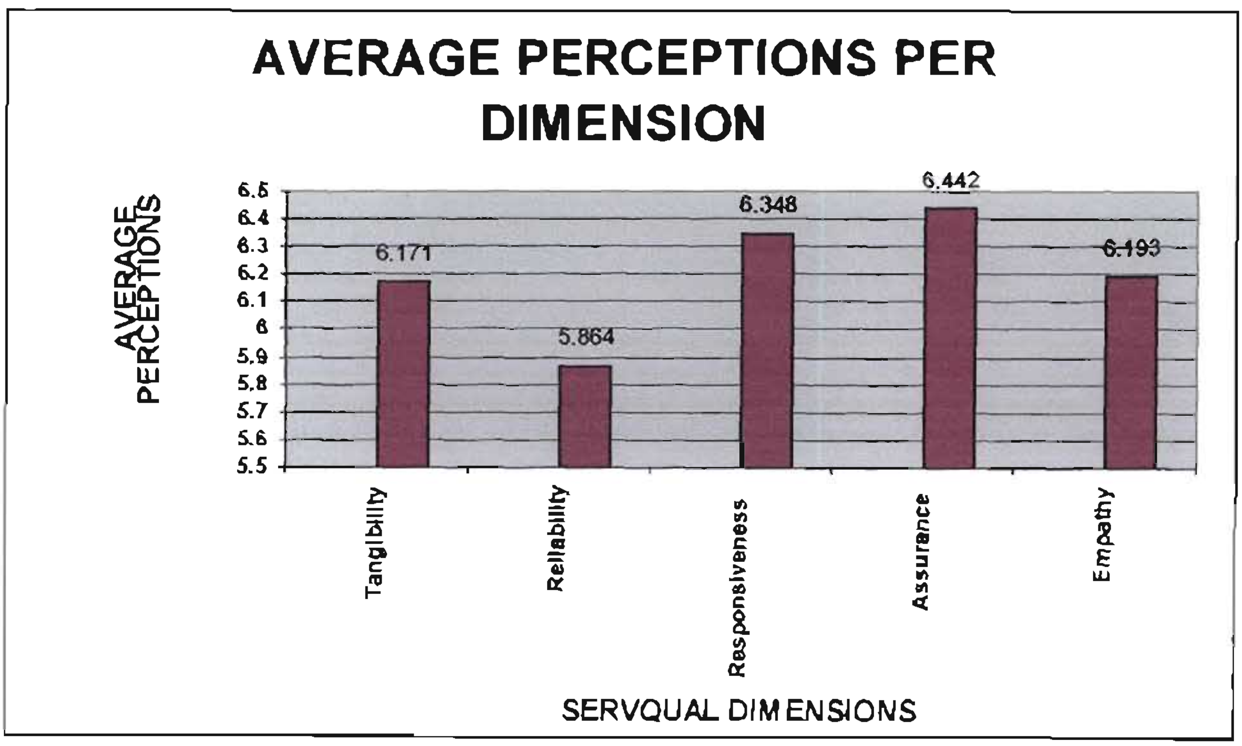
Customers have high expectations of service quality in the contact lens industry as the average expectations scores for all the SERVQUAL dimensions is above 6.9. The responsiveness dimension achieved the highest average score (6.987) in the expectations section. This indicates that the respondents feel that it is important for the employees of contact lens companies to give their customers prompt service, be willing to help their customers as well as never be too busy to respond to their customers. The next section addresses customer perceptions with regard to Ciba Visions service quality.

## 6.3 CUSTOMER PERCEPTIONS OF CIBA VISIONS SERVICE QUALITY

Perceptions are how we gather and interpret information from the world around us and it is important for service organisations to try and create a positive perception as services are intangible (Perreault and McCarthy, 2003:160). Zeithaml and Bitner (1996:117) state that customers perceive services in terms of their satisfaction with the service and its overall value and that companies are recognising that they need to distinguish themselves with respect to service quality, customer satisfaction and value in order to compete more effectively.

The figure below depicts the average scores for perceptions per SERVQUAL dimension and this data is later discussed per dimension.

**Figure 35: Average Perceptions Per SERVQUAL Dimension**



### 6.3.1 PERCEPTIONS CONCERNING TANGIBILITY

In tangibility, 5.16 was the lowest average value recorded and this was for the statement on visually appealing physical facilities. This value is not reliable, as most of the respondents did not answer this question.

The average overall value for visually appealing service materials rated a comparatively low value of 6.016. This indicates that customers are not as satisfied with the appearance of Ciba Visions service materials as they are with modern looking equipment, convenient business hours and the neat appearance of staff. Cottle (1992:paragraph 23) suggests that the people in a firm, the client newsletters, brochures, announcements, business cards etc. act as ambassadors for the organisation thus personal presentation and service materials should be neat and impressive.

The overall average score for perceptions in the tangibility dimension is 6.171. This represents the second lowest average score over the dimensions and suggests an area for improvement for Ciba Vision as Zeithaml and Bitner (1996:122) indicate that the tangibles provide the physical representation of the service which customers will use to evaluate the service. Tangibles are relatively easy to sort out and can enhance customer perceptions of Ciba Vision.

### 6.3.2 PERCEPTIONS CONCERNING RELIABILITY

116 (90.63%) of the 128 respondents indicated that Ciba Vision shows a sincere interest in solving the problems of their customers. The majority (43.65%) of respondents gave this statement a maximum score of 7 (strongly agree) whilst 24.60% and 15.08% gave this statement a score of 6 (agree) and 5 (mildly agree) respectively. This statement had the highest average overall score of 6.117 in the reliability dimension.

Customers want to do business with companies that keep their promises (Zeithaml and Bitner, 1996:119). 83.33% (107) of the respondents agreed with the statement that when Ciba Vision promises to do something by a certain time, they do so. This indicates that Ciba Vision customers feel that the company does show a sincere interest in solving customer problems.

The lowest recorded average value in the reliability dimension, was 5.664 and this was for the statement that Ciba Vision performs the service correctly the first time. This is of concern as it shows that Ciba Vision customers feel that their services are not performed correctly the first time. This could result in unnecessary expense for the company.

Reliability scores the lowest overall average (5.864) in comparison to the other service quality dimensions. This shows that Ciba Vision direly needs to improve their service quality in this dimension.

### 6.3.3 PERCEPTIONS CONCERNING RESPONSIVENESS

The statement that employees of Ciba Vision are always willing to help had the highest (6.452) average score in the responsiveness dimension. This suggests that customers feel that Ciba Vision employees are always helpful. Frazer-Robinson (1999:39) states that customers love to deal with friendly, helpful and motivated staff as this reassures them and endorses their own good feelings thereby enhancing the service experience.

The lowest (6.272) recorded average in this dimension was for the statement that employees are never too busy to respond to customers. This indicates that customers feel that Ciba Vision employees do not give them priority in their dealings with the company. This is important as responsiveness perceptions diminish when customers have to wait to be helped (Zeithaml and Bitner, 1996:121).

The overall average for this dimension is 6.348 and represents the second highest score of the five service quality dimensions. This indicates that Ciba Vision is relatively competent in this regard.

### 6.3.4 PERCEPTIONS CONCERNING ASSURANCE

The statement that Ciba Vision employees are consistently courteous had the highest (6.677) score in this dimension. A staggering (98.42%) of respondents agreed that Ciba Vision employees are consistently courteous. Since employees often have the biggest impact on service perceptions, it is important that they are consistently courteous with customers so as to enhance the service experience (Solomon and Stuart, 1997:375).

The statement on whether Ciba Vision employees have the knowledge to answer customer questions rated the lowest in this dimension. This statement had as average score of 6.236. Since customers judge a company by its employees, it is vital for the employees to be equipped with the knowledge and necessary skills to be able to answer customer questions (Blem, 1996:33).

The assurance dimension of service quality had the highest overall average of the five dimensions. This value was 6.442 and suggests that Ciba Vision fares comparatively well in this regard.

### 6.3.5 PERCEPTIONS CONCERNING EMPATHY

Having the customers best interests at heart have proved to be Ciba Visions strong point according to their customer perceptions. This statement scored the highest average with a value of 6.359 and indicates that customers feel that the company has their best interests at heart. This agrees with the fact that this statement also scored the highest average in this dimension of the expectation section. Blem (1996:33) suggests that customers judge companies by their staff and if they perceive the staff to be friendly and interested in them then customers assume that the rest of the company is also interested in them.

The lowest recorded value of 6.129 was for the statement relating to employees that give customers personal attention. People like to feel that they are getting personal attention and this enhances the quality of the service in the customers mind (Solomon and Stuart, 1997:380). Ciba Vision needs to address this concern of their customers.

The overall average for this dimension is 6.193. This figure is comparatively lower that the overall average values for assurance and responsiveness, which preceded this dimension and indicates an area that Ciba Vision needs to improve.

### 6.3.6 DEDUCTIONS

Customers have relatively high perceptions of Ciba Visions service quality as the average perceptions scores for all the SERVQUAL dimensions is 6.204. The assurance dimension achieved the highest average score (6.442) in the perceptions section. This indicates that the respondents feel that it is important for the employees of Ciba Vision to be knowledgeable, courteous and have the ability to inspire trust and confidence in their customers.

The reliability dimension achieved the lowest (5.864) average score in the perceptions section and suggests that the respondents have a low perception of Ciba Vision's ability to perform a promised service dependably and accurately. The next section compares the difference between customer expectations of service quality in the contact lens industry and customer perceptions with regard to Ciba Visions service quality.

## 6.4 GAP ANALYSIS

### 6.4.1 GAP ANALYSIS CONCERNING TANGIBILITY

There is a difference of –1.267 between customers' expectations (6.882) of visually appealing physical facilities and customers perceptions (5.615) of Ciba Visions facilities. This is the largest gap score in the tangibility dimension, and represents the highest discrepancy between the expectations and perceptions amongst the five questions that relate to this dimension of service quality. This result is not very reliable due to the fact that there were a number of respondents who did not give this statement as well as the statement on modern equipment a rating.

Customer expectation of employee appearance was found to be 6.969 as compared to their perceptions of Ciba Visions employees' appearance of 6.648. This represents the lowest statement gap of -0.321 between customers' expectations and perceptions for the tangibility dimension and suggests that respondents don't have much of a problem with the neat appearance of Ciba Vision employees.

Since all the statements in the tangibility dimension received a negative score, it indicates that there is a degree of dissatisfaction with the quality of service that Ciba Vision delivers.

### 6.4.3 GAP ANALYSIS CONCERNING RELIABILITY

The lowest recorded gap score in the reliability dimension was –0.875. This value corresponds to the statements to the difference between an excellent contacts lens company's sincere interest in solving their customers' problems, and that of Ciba Vision's.

The highest statement gap score for the reliability dimension of service quality was –1.265 and this was for the statement that contact lens companies should keep their customers informed about when services will be performed.

The negative scores between the expectations and perceptions for the reliability dimension of service quality indicates that there is customer dissatisfaction with Ciba Vision's service quality.

### 6.4.3 GAP ANALYSIS CONCERNING RESPONSIVENESS

The lowest gap score, of -0.548, in this dimension was for the statement that employees of contact lens companies shold always be willing to help customers.

The highest statement gap score for the responsiveness dimension of service quality was –0.689 and this was for the statement that employees of contact lens companies should never be too busy to respond to customer requests.

All the statements in the responsiveness dimension also achieved negative scores between perceptions and expectations and once again suggests customer dissatisfaction with quality of service delivered by Ciba Vision.

### 6.4.4 GAP ANALYSIS CONCERNING ASSURANCE

The assurance dimension was also found to be a contributor of poor service delivery. The highest statement gap score for the assurance dimension of service quality was –0.709 and this was for the statement that employees of contact lens companies should have the knowledge to answer customer questions.

-0.299, the lowest gap score in this dimension was for the statement that employees of contact lens companies should be consistently courteous with customers. Employee courtesy towards customers is important as it is not the quality of the core service that causes dissatisfaction but rather the attitude of the service employee that is inferred from their behaviour (Bitner *et al*, 1990:81).

The negative scores between perceptions and expectations for this dimension indicates that there is customer dissatisfaction with the quality of service that Ciba Vision offers.

### 6.4.5 GAP ANALYSIS CONCERNING EMPATHY

The highest statement gap score for the empathy dimension of service quality was –0.839 and this was for the statement that employees of contact lens companies should give customers personal attention. Bitner *et al* (1990:80) state that customers remember those occasions when they receive special treatment by service employees.

The lowest gap score (-0.633) in this dimension was for the statement that contact lens companies have the customers best interests at heart.

Once again, the negative scores between perceptions and expectations for the empathy dimension suggests that there is customer dissatisfaction with the quality of service that Ciba Vision offers.

### 6.4.6 STATEMENT GAP ANALYSIS

All the statements on service quality achieved negative scores between perceptions and expectations, thereby contributing to poor service delivery. The statement that contact lens companies should have visually appealing physical facilities was found to have a gap of -1.267 between perceptions (5.615) and expectations (6.882). This was the largest statement gap that was measured, however it cannot be considered reliable as there were a number of respondents (89.84%) that ignored this statement.

The statement that contact lens companies should keep their customers informed about when services will be performed achieved the second highest (-1.265) score between perceptions (5.704) and expectations (6.969). This was followed by a gap of –1.242 for the statement that contact lens companies should perform a service correctly the first time and a gap of –1.183 for the statement that contact lens companies shoild keep their promises to customers.

The fifth highest gap score of –0.953 between perceptions (6.023) and expectations (6.969) was for the statement that contact lens companies should perform services at the time that they promise to do so. The statement that contact lens companies should have visually appealing service materials received a gap score of –0.937 and this was followed by a score of –0.875 for the statement that contact lens companies should show a sincere interest in solving customer problems.

The statements that employees of contact lens companies should give their customers personal attention and employees of contact lens companies must understand the needs of their customers, obtained scores of –0.839 and –0.825. The tenth highest statement gap score was for the statement that contact lens companies should give their customers individual attention. This statement had a score of –0.803 between perceptions (6.150) and expectations (6.953).

It is interesting to note that all the statements from the reliability dimension achieved gap scores that were amongst the ten highest statement gap scores and indicates that customers don't feel that Ciba Vision are able to perform the promised service dependably and accurately. Three of the four statements from the empathy dimension also featured in the ten highest statement gap scores and indicates that customers do not feel that they are receiving caring, individualised attention from Ciba Vision. This suggests that these dimensions are large contributors to poor service delivery.

The next section determines the SERVQUAL dimensions that most contributes to poor service delivery.

## 6.5 SERVQUAL DIMENSIONS THAT CONTRIBUTE TO POOR SERVICE DELIVERY (GAP 5)

When comparing customers' expectations of service quality in the contact lens industry to customer perceptions of Ciba Visions service quality, it is evident that gaps occur in all 5 of the service quality dimensions. It is these gaps that hamper the delivery of a quality service. The table below shows the average gap scores per dimension and the gaps are discussed in their relative dimensions in ascending order:

**Table 4: Average Gap Scores Per Dimension**

| SERVQUAL DIMENSIONS | AVERAGE EXPECTATIONS | AVERAGE PERCEPTIONS | AVERAGE GAP SCORES |
|---|---|---|---|
| Tangibility | 6.944 | 6.171 | -0.772 |
| Reliability | 6.967 | 5.864 | -1.104 |
| Responsiveness | 6.987 | 6.348 | -0.639 |
| Assurance | 6.965 | 6.442 | -0.523 |
| Empathy | 6.968 | 6.193 | -0.775 |
| | **6.966** | **6.204** | **-0.763** |

### 6.5.1 ASSURANCE

The overall average gap score for the assurance dimension was –0.523. This was the lowest recorded gap score of the five dimensions. The highest statement gap score for the assurance dimension of service quality was –0.709 and this was for the statement that employees of contact lens companies should have the knowledge to answer customer questions. This implies that Ciba Vision customers do not feel that the companies employees are equipped with the necessary knowledge to answer their questions and suggests an area for improvement.

### 6.5.2 RESPONSIVENESS

The overall average gap score for the responsiveness dimension was –0.639. This was the second lowest recorded gap score of the five dimensions. The highest statement gap score for the responsiveness dimension of service quality was –0.689 and this was for the statement that employees of contact lens companies should never be too busy to respond to customer requests.

This gap score was closely followed by the statement that employees of contact lens companies should give customers prompt service with a score of –0.680. These scores are relatively low in comparison to other dimensions and imply that Ciba Vision address this issue but not with the same sense of urgency as the reliability dimension.

### 6.5.3 TANGIBILITY

The overall average gap score for the tangibility dimension was found to be –0.772. This was the third highest average gap score that was measured for the five service quality dimensions and indicates that expectations exceeded perceptions. This score suggests that Ciba Vision customers are not completely satisfied with the tangibility aspect of Ciba Visions service quality.

Although this gap value does not seem very high, in comparison to the gap scores of the other dimensions this value is comparatively high. This indicates that Ciba Vision should improve their tangibles. Particular attention should be paid to improving their physical facilities as this showed the greatest difference (-1.267) between expectations and perceptions.

Since tangible facets of the service facility (equipment, machinery, signage, employee dress, etc.) heavily influence customer perceptions of quality and are incorporated into the psychology of service quality for customers, it is important to monitor the tangibles and ensure that they send the quality message (Schneider and Bowen, 1995:80).

### 6.5.4 EMPATHY

The overall average gap score for the empathy dimension was –0.775. This was the second highest recorded gap score of the five dimensions. The biggest contributor to this gap is statement that employees of contact lens companies should give customers personal attention. This statement resulted in a gap score of –0.839. The second largest conributor (-0.825) to this gap is that customers feel that employees don't understand their needs.

These high values indicate that Ciba Vision neither gives their customers sufficient individual attention nor do they understand their customers needs and suggests a need for improvement. Bitner *et al* (1990:79) suggest that employees can enhance the quality of service being delivered by making the customer feel "unique" or "pampered" by being attentive and anticipating the customers needs and showing an interest in the customers needs as well as providing them with extra information.

### 6.5.5 RELIABILITY

The overall average gap score for the reliability dimension was –1.104. This was the highest recorded gap score of the five dimensions.

The biggest contributor (-1.265) to this difference between expectations and perceptions in this dimension is the statement that contact lens companies need to keep customers informed. The second highest (-1.242) accessory to this substantial gap score is the statement that contact lens companies should perform services right the first time. Another key contributor to this gap is the statement that contact lens companies must keep their promises to their customers. This statement had a gap score of –1.183.

This indicates that Ciba Visions customers have lost faith in their ability to keep promises, perform services correctly the first time and keep their customers informed. Ciba Vision seriously needs to improve their responsibility dimension in order to enhance the quality of service that they provide.

Bitner *et al* (1990:82) mention that knowledge of the service concept, the service delivery system and its operation and the system standards can enable employees to inform customers about what happened, what can be done and why their requests can or cannot be accomodated. This suggests that keeping customers informed is all they really want and that they are more likely to accept services delivery failures as long as they are well informed.

## 6.6 MISCELLANEOUS QUESTIONS

### 6.6.1 FREQUENCY OF VISITS FROM CIBA VISION REPRESENTATIVES

Ciba Vision representatives do not seem to call on category D customers as this was indicated by 24% of the 128 respondents. A fair percentage of customers in each of the categories A (8%), B (17%), C (4%), and D (12%) indicated that the company's representatives don't call on them often enough. Ciba Vision can enhance their bottom line by giving all their customers attention.

According Zetocha (1986, paragraph 2) good customer treatment by salespeople does aid in insuring that customers continue doing business with a company and helps to contribute to creating a favourable inclination for customers to do so. Zetocha (1986, paragraph 2) further states that the customer should be made to feel comfortable and important because he or she is the reason for you being in business.

### 6.6.2 FREQUENCY OF ACCURATELY PROCESSED ORDERS

Ciba Vision seems to perform satisfactorily in this regard as there were no customers who indicated that their orders are never accurately processed. There were a small number of respondents in the categories A (3%), B (2%), and C (8%) who indicated that their orders were incorrectly processed sometimes. It is important for the company to aim for "zero defects" in their service delivery (Zeithaml and Bitner, 1996:121).

### 6.6.3 FREQUENCY OF TIMEOUSLY RECEIVED ORDERS

Once again there seemed to have been no respondents who have never received their orders timeously. The majority of respondents received their orders timeously most of the time, however customers in the categories A (3%), B (4%), and C (4%) did indicate that they only sometimes receive their orders on time. Ciba Vision needs to address this area in their quest to deliver superior customer service. Porter and Millar (No date: paragraph 6) state that a company must use technology in order to try to perform their activities accurately and timeously and in a manner that allows them to gain a competitive advantage over their rivals.

### 6.6.4 RATING OF THE CUSTOMER LIASON DEPARTMENT

Ciba Visions customer team rates better than the company's accounts department. 30% of the 128 respondents rated the customer care team as excellent whilst only 5% of respondents rated the customer liaison department as excellent. Zetocha (1986, paragraph 4) indicates that the salespeople provide the day-to-day contact with the public and the impression made and image presented will shape the company's image. Considering this statement, it is vital that both the customer liaison department as well as the accounts department have suitably qualified and trained employees to be of service to customers.

### 6.6.5 CUSTOMER PERCEPTIONS OF CIBA VISIONS COMPETITORS

The bulk (59%) of respondents rated Cooper Vision as Ciba Visions strongest competitor. This was followed by Johnson & Johnson (31%) and Bausch & Lomb (10%) respectively.

### 6.6.6 CUSTOMER RESPONSE TO CIBA VISIONS MARKETING STRATEGY

Ciba Visions customers have indicated that the company needs to market themselves more proactively as only 65% of respondents felt that the company promoted themselves sufficiently sometimes.

## 6.7 CONCLUSION

The results have shown that customer expectations of the contact lens industry exceed customer perceptions of the services received from Ciba Vision. A collaborative effort between management and staff at Ciba Vision will minimise the difference between customer expectations and their perceptions of Ciba Vision.

Chapter 7 will focus on recommendations that Ciba Vision can utilise in order to reduce the present service quality gap.

# CHAPTER SEVEN: RECOMMENDATIONS

## 7.1 INTRODUCTION

Service quality is important for every company and every organisation has to manage it very well as it is considered to be one of the keys to success (Kim *et al,* 2004:288). However, it is very difficult for managers to know the best way to achieve service quality as a lot of strategies exist and the dilemma is to choose a good one (Walker and Baker, 2000:411). Everything has to correspond with the consumer's perceptions and expectations and each customer is different and has his expectations (Walker and Baker, 2000:411). Thus it is important for company's to understand customer perceptions and expectations so that they can deliver a high quality service.

This chapter addresses the ways in which Ciba Vision can improve the quality of the service that they deliver to optometric practices and considers options for future research.

## 7.2 RECOMMENDATIONS IN TERMS OF THE SERVQUAL DIMENSIONS

Ciba Vision needs to address all five of the SERVQUAL dimensions as they all, in varying degrees were found to hamper the delivery of a quality service. All of the service quality dimensions obtained negative scores between perceptions and expectations and the overall average of the gap scores was found to be –0.763. Priority must be given to the reliability dimension, as this seemed to be the major contributor of poor service quality with a gap score of –1.104.

The recommendations are discussed below in order of their importance:

### 7.2.1 RELIABILITY

Since this dimension rated the worst in terms of the gap analysis (-1.104), it is important for Ciba Vision to focus their resources on reducing and ultimately closing this gap that impacts negatively on their service delivery.

Companies' needs to keep customers informed about when services will be performed as this impacts on their customers business (Lucas, 1996:13). It is important that Ciba Vision give their customers feedback with regards to the availability of products and inform them of delays and backorders. Lucas (1996:13) states that in order to maintain customer satisfaction it is important that the customer receives what he perceives as a quality product or service to the level they expected and in the time frame promised.

Ciba Vision also needs to look at performing a service correctly the first time. Stanton *et al* (1996:518) state that in enhancing the effectiveness of their processes the company should implement a quality programme in order to assist the company to aim for "zero defects". Ciba Vision needs to look at their processes from the time an order is placed through to when an order is dispatched and find ways to enhance those processes so that a faster and more accurate service can be performed.

Ciba Vision needs to keep their promises to their customers as Davis *et al* (1999:135) mention that quality is also to deliver on time. An affective way of spoiling a good customer relationship is to miss deadlines and when a company misses a deadline, customers develop negative thoughts of the company. If Ciba Vision has a problem meeting a deadline then they should inform the customer (optometric practices) so that they in turn can inform their customers (patients) as it is better to under-promise and over-deliver rather than vice versa.

Ciba Vision can improve their customers perceptions of the reliability of their service through both explicit and implicit service promises (Bebko, 2000:17). Explicit service promises are both personal and non-personal statements about the service that the organisation makes to customers whereas implicit service promises are service-related cues that lead to inferences about what the service should and will be like and are dominated by price and the tangibles associated with the service (Zeithaml and Bitner, 1996:88).

### 7.2.2 EMPATHY

Since empathy was the second largest contributor to the service delivery gap, it is vital that Ciba Vision addresses this issue. The essence of empathy is conveyed, through personalised or customised service, that customers are unique and special (Zeithaml and Bitner, 1996:122). Therefore, Ciba Vision must give customers individual attention while their staff must provide personal attention to their customers. Solomon and Stuart (1997:373) state that staff should try to get to know their customers by name and build relationships that reflect their personal knowledge of customer requirements.

Ciba Vision needs to understand their customers needs. Sales representatives can achieve this by regularly reviewing their clients' needs. This is so, because sales representatives build a personal relationship with their clients by face-to-face interaction, and are in the best position to determine the customers' perceptions of the company and report these to management in order to enhance service quality. An acknowledgement of and accommodating the needs of customers will be remembered as satisfying, from the customers' perspective (Zeithaml and Bitner, 1996:78).

### 7.2.3 TANGIBILTY

Contributing an approximately equal amount as empathy to the gap score, is the tangibility dimension. Since customer satisfaction can be influenced by the image or reputation of an organisation, it is important for the contact staff to be neat in appearance, the company to have visually appealing service materials and for the company have appealing physical facilities (Zeithaml and Bitner, 1996:115).

Bebko (2000:17) indicates that the tangibility matrix can guide the service provider by providing a comparative framework within which services with varying levels of tangibility can be equated. Service providers also need to manage customers' service quality expectations and they need to understand that tangibility levels include both service outcome and process (Bebko, 2000:17). Considering that Ciba Visions customers hardly if ever visit the company's physical facilities, it is unnecessary for the company to invest heavily in revamping their physical facilities. The funds allocated to this would be better spent on improving the company's service materials.

Ciba Vision should make their service materials (pamphlets, brochures, etc.) more visually appealing. This can be done by introducing brighter colours, more visual imagery and the company should consider printing these materials in different languages so as to reach a broader target market.

### 7.2.4 RESPONSIVENESS

The responsiveness dimension rated fourth in order of importance and to a lesser degree contributed to poor service delivery. Gronroos (1990:65) suggests that the attitudes, behaviour, and skills of employees are factored into service quality assessments. Bitner *et al* (1990:80) also propose that the attitudes and behaviour of service personnel largely influence consumer perceptions of functional quality and that these perceptions are subsequently combined with customer evaluations of technical quality and the service environment to define service quality.

Thus it is critical that Ciba Vision motivate their staff and have training programmes that teach and enhance appropriate behaviour patterns as Bitner *et al* (1990:71) indicate that effective management of the service encounter involves understanding the complex behaviour of employees that can distinguish a highly satisfactory service encounter from a dissatisfactory encounter, and then training and motivating staff to follow these behaviour patterns. According to Bitner *et al* (1990:82) employers can also address the gaps in the responsiveness dimension by using their recruitment and selection procedures to hire employees with a strong service orientation as well as empower employees to take whatever action is necessary in specific situations so as to ensure service quality.

Responsiveness captures the notion of flexibility and the ability to customise a service to customers needs (Zeithaml and Bitner, 1996:121). Zeithaml and Bitner (1996:121) state that in order to excel in this dimension, companies' need to view the process of service delivery with regards to standards for speed and promptness and the handling of customer requests from the customer's point of view. Ciba Vision needs to set standards with regards to the processing and delivery of orders as well train and empower their staff to handle customer requests and complaints.

Zeithaml and Bitner (1996:121) indicate that responsiveness perceptions diminish when customers have to wait to be served. Ciba Vision will need to invest in well-staffed customer service departments as well as responsive front line people in all contact positions so as to combat customer-waiting time. This is vital in order for Ciba vision to provide prompt efficient service to customers and thereby differentiate themselves from their competitors.

### 7.2.5 ASSURANCE

Desimone *et al* (2002:160) state that employee satisfaction is the most important factor in providing high quality service. The assurance dimension contributed the least amount to the overall service quality gap. It is therefore not immediately crucial for Ciba Vision to improve upon the services in this dimension. The author has, however, made some suggestions.

The behaviour of Ciba Vision employees should instil confidence in their customers and the staff should have the knowledge to answer customer questions. Potential client interaction problems can be minimised through adequate training, empowering employees to make more customer-focused decisions, and rewarding them for positive customer-oriented behaviour (Cottle, 1992:paragraph 28). Managers have the ability to influence the level of contact that employees have with customers and they can identify the information that customers consider important and set up training programmes for employees in this regard (Bitner *et al*, 1990:82). Ciba Vision can utilise training as a process for developing individual skills and effectiveness as this can aid in achieving the goal of improved organisational efficiency and effectiveness.

Cottle (1992:paragraph 28) mentions that it is important to establish employee feedback mechanisms so that management can hear and take action on issues of concern will strengthen employee perceptions of the company, increase satisfaction, and result in better client interactions. Ciba Vision needs to establish feedback mechanisms throughout the organisation as well as with their customers, as this will keep the key role players informed and give them the opportunity to take the necessary corrective actions in the event of problems arising with delays etc.

## 7.3 ELEMENTS OF CIBA VISIONS MARKETING STRATEGY

### 7.3.1 TARGET MARKET

The majority (58%) of respondents have had a business relationship with Ciba Vision for longer than 10 years. Due to convenience sampling, there were no respondents that represented customers of Ciba Vision for less than one year. It would be advisable to have this group feature in a similar future study. It is however presently recommended that the company market themselves to newly opened optometric practices.

The bulk (44%) of the respondents in this study indicated that they are single optometrist practices. An equal division of respondents (28% each) was found to be from group and franchise practices.

Ciba Vision needs to concentrate on attaining more customers from group and franchise practices, as these would very likely constitute category "A" customers who bring in higher revenues. The company should also consider rewarding the loyalty of single optometrist practices as they form the company's largest customer base.

### 7.3.2 SERVICES MARKETING MIX

#### *7.3.2.1 People:*

Ciba Vision representatives do not seem to call on category D customers as this was indicated by 24% of the 128 respondents. A fair percentage of customers in each of the categories A (8%), B (17%), C (4%), and D (12%) indicated that the company's representatives don't call on them often enough. Ciba Vision can enhance their bottom line by giving all their customers attention as according Zetocha (1986, paragraph 2) good customer treatment by salespeople does aid in insuring that customers continue doing business with a company and helps to contribute to creating a favourable inclination for customers to do so. It is recommended that Ciba Vision representative's visit their customers also pay attention to their category D customers as ultimately all customers contribute to the companies success.

Ciba Visions customer team rates better than the company's accounts department as 30% of the 128 respondents rated the customer care team as excellent whilst only 5% of respondents rated the customer liaison department as excellent. Zetocha (1986, paragraph 4) indicates that the salespeople provide the day-to-day contact with the public and the impression made and image presented will shape the company's image. It is vital that both the customer liaison department as well as the accounts department have suitably qualified and trained employees to be of service to customers.

The customer care team seems to function adequately, however there is unhappiness among the respondents with regards to the accounts department. Ciba Vision should train and motivate the staff in the accounts department to improve the levels of service being administered to their customers as according to Desimone *et al* (2002:195), the successful implementation of a suitable training program is crucial for the success of both the organisation and its employees.

#### *7.3.2.2 Processes*

Ciba Vision seems to perform satisfactorily with regard to the accuracy of orders that are processed. There were no customers who indicated that their orders are never accurately processed and only a small number of respondents in the categories A (3%), B (2%), and C (8%) who indicated that their orders were incorrectly processed sometimes. It is important for the company to aim for "zero defects" in their service delivery (Zeithaml and Bitner, 1996:121).

There were also no respondents who have never received their orders timeously. The majority of respondents received their orders timeously most of the time, however customers in the categories A (3%), B (4%), and C (4%) did indicate that they only sometimes receive their orders on time. Ciba Vision needs to address this area in their quest to deliver superior customer service. Porter and Millar (No date: paragraph 6) state that a company must use technology in order to try to perform their activities accurately and timeously and in a manner that allows them to gain a competitive advantage over their rivals.

Although Ciba Vision does not seem to have any serious problems with regards to the frequency of accurately processed orders and the timeous delivery of those orders, it is recommended that the company put mechanisms into place that will enhance the accuracy of orders being processed. The company should also train staff to handle bulk orders more efficiently and put systems in place to ensure this.

#### *7.3.2.3 Promotion*

A mere 17% of the total number of respondents indicated that Ciba Vision promotes themselves sufficiently. Perreault and McCarthy (2002:392) state that promotion is the communication of information between the seller and the potential buyer that helps influence attitudes and behaviour. Thus it is imperative that Ciba Vision review their promotional strategies.

40% of the respondents in this study feel that Ciba Visions marketing strategy is proactive. Qubein (no date: paragraph 4) states that a proactive marketing strategy is the best hedge against business slumps and a good marketing strategy gives organisations more control over the overall shape and growth pattern of the business. Thus it is recommended that Ciba Vision create and implement a more proactive marketing strategy.

Ciba Vision needs to promote and market themselves sufficiently and proactively as well as keep customers informed of their strategies.

#### *7.3.2.4 Physical Evidence*

Ciba Visions customers have indicated that the company needs to promote themselves more proactively. 7 % of respondents indicated that the company never provides sufficient marketing material. This is of concern, as only 29 % of the total number of respondents believe that the company's marketing material is sufficient. Marketing material is important as it builds brand recognition and informs customers and ultimately consumers of the company's offerings (Perreault and McCarthy, 2002:260).

### 7.4. CUSTOMER PERCEPTIONS OF CIBA VISIONS COMPETITORS

59% of the respondents in this study indicated that they consider Cooper Vision to be Ciba Visions strongest competitor. It would be in Ciba Visions interest to find out exactly why customers consider this to be the case and enhance their strategies if possible to improve their service offering.

## 7.5 CONCLUSION

The most vivid impression of service encounters is when the customer interacts with the service organisation (Zeithaml and Bitner, 1996:105). Business-to-business interactions, like in the case of Ciba Vision and optometric practices includes contact with Ciba Vision's sales people, the placement of orders, an accuracy of processing and billing, and the delivery of those orders. During these encounter customers receive an indication of Ciba Vision's service quality, and these very encounter contribute to the customers overall satisfaction (Zeithaml and Bitner, 1996:105).

It is apparent that perceptions of service quality are based on multiple dimensions and service quality evaluations are highly complex processes that may operate at several levels of abstraction (Brady, 2001:35). Understanding consumers' service quality expectations is the key to delivering high service quality, as quality is what the customer perceives.

Brady (2001:35) states that effective interpersonal communications also play a central role in the perceived service quality building as well as in the relationship commitment building with customers. Ciba Visions employees are the ones who have the opportunity to modify and hopefully enhance the service offering and add value during the interaction with their customers and employee empowerment is an important issue for Ciba Vision in its strive to create high quality.

# CHAPTER EIGHT: LIMITATIONS OF THE STUDY AND RECOMMENDATIONS FOR FUTURE RESEARCH

## 8.1 LIMITATIONS OF THE STUDY

As in most studies certain aspects appear clearer in hindsight. The limitations of this study are:

1. This study did not cover all the provinces in South Africa due to time and financial constraints.

2. Due to the fact that Ciba Vision hired a data collector, respondents may have felt uncomfortable to give a very negative view on the company. This may have skewed the data due to a lack of understanding especially with regards to the tangibility dimension in the perceptions section of the questionnaire.

3. Convenience sampling was used for this study and this could hazard the possibility that the sample does not properly represent Ciba Visions entire customer base.

4. There was no past research available on the contact lens industry with regards to SERVQUAL therefore the researcher used past literature from the telecommunications industry.

5. Due to the fact that the questionnaire was in English, it required translation for non-English speakers and this could result in information being miscommunicated due to translation.

## 8.2 RECOMMENDATIONS FOR FUTURE RESEARCH

Some topics for future research include the following:

1. A comparative study of all the contact lens companies in South Africa, as this would give insight into how contact lens companies rate against each other.

2. To perform a qualitative study on Ciba Vision as this would help by obtaining reasons for respondents' answers to statements.

3. Since only some provinces were covered in this study, it is recommended that the company conduct further studies to incorporate all regions as perceptions of the company's service may vary greatly from province to province.

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# APPENDICES

# APPENDIX 1: SERVQUAL QUESTIONNAIRE

## A STUDY OF SATISFACTION LEVELS OF CIBA VISION (SOUTH AFRICA) CUSTOMERS

This is an independent study being conducted by Arifa Charafaray, a Masters in Business Administration student of the University of Kwa-Zulu Natal (Pietermaritzburg). The aim of this study is to determine customer expectations and perceptions of the quality of the service that Ciba Vision provides. Your input in this regard will be treated confidentially and will assist Ciba Vision in becoming a provider of service excellence.

This questionnaire comprises of three sections:

- **Section A:** Customer Expectations of the Contact Lens Industry
- **Section B:** Customer Perceptions of the service that Ciba Vision delivers.
- **Section C:** Miscellaneous Questions

For office use only: Category

| | | | |
|---|---|---|---|
| A | B | C | D |

## SECTION A: EXPECTATIONS

This survey deals with customer opinions towards contact lens companies. Please show the extent to which you think contact lens companies should possess the following features by selecting a number that best shows your expectations about contact lens companies. '1' represents a low level of service expectation and '7' represents a high level of service expectation.

1) An excellent contact lens company will have modern equipment.

| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |

2) The physical facilities at excellent contact lens companies will be visually appealing.

| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |

3) Employees at excellent contact lens companies will be neat in appearance.

| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |

4) Materials associated with service (such as pamphlets or statements) will be visually appealing at an excellent contact lens company.

| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |

5) Excellent contact lens companies will have convenient business hours.

| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |

6) When an excellent contact lens company promises to do something by a certain time, they do so.

| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |

7) When a customer has a problem, excellent contact lens companies show a sincere interest in solving it.

| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |

8) Excellent contact lens companies will perform the service right the first time.

| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |

9) Excellent contact lens companies will provide the service at the time they promise to do so.

| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |

10) Excellent contact lens companies keep customers informed about when services will be performed.

| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |

11) Employees of excellent contact lens companies will give prompt service to customers.

| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |

12) Employees of excellent contact lens companies will always be willing to help

customers.

| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|---|---|---|---|---|---|---|

13) Employees of excellent contact lens companies will never be too busy to respond to customers' requests.

| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|---|---|---|---|---|---|---|

14) The behaviour of employees in excellent contact lens companies will instil confidence in customers.

| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|---|---|---|---|---|---|---|

15) Customers of excellent contact lens companies will feel safe in their transactions with the company.

| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|---|---|---|---|---|---|---|

16) Employees of excellent contact lens companies will be consistently courteous with customers.

| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|---|---|---|---|---|---|---|

17) Employees of excellent contact lens companies will have the knowledge to answer customers' questions.

| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|---|---|---|---|---|---|---|

18) Excellent contact lens companies will give customers individual attention.

| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|---|---|---|---|---|---|---|

19) Excellent contact lens companies will have employees who give customers personal attention.

| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|---|---|---|---|---|---|---|

20) Excellent contact lens companies will have their customers' best interests at heart.

| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|---|---|---|---|---|---|---|

21) The employees of excellent contact lens companies will understand the specific needs of their customers.

| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|---|---|---|---|---|---|---|

## SECTION B: PERCEPTIONS

The following set of statements relates to your feelings about Ciba Vision. Considering a "world class" company to be a "7", how would you rate Ciba Visions performance on the following service features?

1) Ciba Vision has modern equipment.

| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|---|---|---|---|---|---|---|

2) The physical facilities at Ciba Vision are visually appealing.

| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|---|---|---|---|---|---|---|

3) Employees of Ciba Vision are neat in appearance.

| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |

4) Ciba Visions materials which are associated with service (such as pamphlets or statements) are visually appealing.

| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |

5) Ciba Vision has convenient business hours.

| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |

6) When Ciba Vision promises to do something by a certain time, they do so.

| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |

7) When you as a customer have a problem, Ciba Vision shows a sincere interest in solving it.

| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |

8) Ciba Vision performs the service right the first time.

| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |

9) Ciba Vision provides the service at the time they promise to do so.

| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |

10) Ciba Vision keeps customers informed about when services will be performed.

| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |

11) Employees at Ciba Vision give prompt service to customers.

| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |

12) Employees of Ciba Vision are always willing to help customers.

| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |

13) Employees of Ciba Vision are never too busy to respond to customer requests.

| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |

14) The behaviour of employees at Ciba Vision instils confidence in customers.

| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |

15) Customers of Ciba Vision feel safe in their transactions with the company.

| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |

16) Employees of Ciba Vision are consistently courteous with customers.

| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |

17) Employees of Ciba Vision have the knowledge to answer customers' questions.

| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |

18) Ciba Vision gives their customers individual attention.

| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |

19) Ciba Vision has employees who give customers personal attention.

| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |

20) Ciba Vision have their customers' best interests at heart.

| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |

21) The employees of Ciba Vision understand the specific needs of their customers.

| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |

## SECTION C: MISCELLANEOUS

The following questions are strictly confidential and vital for this research.

1) How often does a Ciba Vision representative visit your practice

| | | | |
|---|---|---|---|
| Never | Not Enough | Sufficiently | Often |

2) How often have your Ciba Vision orders been accurately processed?

| | | | |
|---|---|---|---|
| Never | Sometimes | Most of the Time | Always |

3) Please rate Ciba Vision's Accounts department.

| | | | | |
|---|---|---|---|---|
| Poor | Below Average | Average | Good | Excellent |

4) Do you receive your orders timeously?

| | | | |
|---|---|---|---|
| Never | Sometimes | Most of the Time | Always |

5) How would you rate Ciba Vision's Customer Care Team?

| | | | | |
|---|---|---|---|---|
| Poor | Below Average | Average | Good | Excellent |

6) Who in your opinion is Ciba Visions biggest competitor?

| | | |
|---|---|---|
| Cooper Vision | Johnson & Johnson | Bausch & Lomb |

7) In your opinion, does Ciba Vision do enough promotion e.g. advertisements?

| | | | |
|---|---|---|---|
| Never | Sometimes | Most of the Time | Always |

8) Is Ciba Vision proactive enough regarding marketing of their products?

| | | | |
|---|---|---|---|
| No | Not Enough | Acceptable | Yes |

9) Does Ciba Vision provide you with sufficient marketing material?

| | | | |
|---|---|---|---|
| Never | Sometimes | Most of the Time | Always |

10) What is the duration of your business relationship with Ciba Vision?

| Less than 1 year | 1-5 years | 5-10 years | Greater than 10years |
|---|---|---|---|

11) Please indicate your practice type.

| Group Practice | Franchise | Single Optom. Practice |
|---|---|---|

12) In which province is your practice located?

| KZN | W. Cape | E. Cape | Gauteng | N. West |
|---|---|---|---|---|
| N. Prov. | Free State | Limpopo | Mpumalanga | |

**Thank You**

# APPENDIX 2: CRONBACH'S ALPHA

## Cronbach's Alpha

| | Expectations | Perceptions |
|---|---|---|
| | 6.969 | 6.000 |
| | 6.882 | 5.615 |
| | 6.969 | 6.648 |
| | 6.953 | 6.016 |
| | 6.945 | 6.578 |
| | 6.992 | 5.810 |
| | 6.992 | 6.117 |
| | 6.906 | 5.664 |
| | 6.977 | 6.023 |
| | 6.981 | 5.704 |
| | 6.924 | 6.320 |
| | 6.966 | 6.452 |
| | 6.950 | 6.272 |
| | 6.988 | 6.349 |
| | 6.974 | 6.504 |
| | 6.965 | 6.677 |
| | 6.957 | 6.236 |
| | 6.987 | 6.150 |
| | 6.973 | 6.129 |
| | 6.964 | 6.359 |
| | 6.955 | 6.135 |
| **Correlation** | 0.287 | |

**Cronbach's Alpha has been calculated as: 0.894**