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Þjónustugæði Sandholts
The assessment of service quality using the SERVQUAL
model

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Leiðbeinandi: Svala Guðmundsdóttir

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Preface

This thesis was written to obtain a Master's of Science degree (MS) in the Strategic Management program in the Business Administration and Management Department at the University of Iceland. It is considered to be worth 30 ECTS credits. My supervisor for this thesis was Svala Guðmundsdóttir who is a professor in the Human Resource Management program in the faculty of Business.

I would like to thank my supervisor for her guidance and help throughout the whole process of writing this thesis. Also big thanks to one of the managers of Sandholt - Elisa Gelfert for allowing me to do my research on Sandholt's bakery, because without her cooperation it would have been much harder to complete my thesis. In addition, I would like to thank all the customers that found some time to answer my survey, because without their contribution this research would have not been possible. And finally, I would like to thank all my friends and my family for their support and advice on this thesis. Special thanks to my sister, Darija Virbickaitė for her help and moral support and my friend Lára Hilmarsdóttir for her assistance and professional advice.

Abstract

Service quality is a subject which has been receiving more and more attention during the past decades because of its importance for service providing companies. If service organizations want to stay competitive in the market they must understand how to deliver excellent service and know how to measure their service quality according to their customers' perceptions. Service quality leads to higher market share, profitability, customer satisfaction, retention and loyalty. The purpose of this study is to measure service quality at one bakery in Iceland – Sandholt's bakery, according to their customers. The research questions are: 1) is there a service quality gap at Sandholt's bakery? 2) Does perceived service exceed customer expectations or is it less than what customers expect? 3) Which service dimension has the biggest quality gap between expected and perceived service? The SERVQUAL model, which was developed by Parasuraman, Zeithaml, & Berry in 1985, was used to measure service quality in this research. Quantitative method was used to collect data. The questionnaire was designed by using the original expectation and perception scales of the SERVQUAL model and was distributed in the bakery's coffee shop and also sent out online to all the customers through Sandholt's facebook webpage. Results showed that customers' expectations are higher than their perceptions, which means that they expect to get higher service quality from Sandholt's bakery than what they receive.

There are five service dimensions defined in the SERVQUAL model – tangibles, reliability, assurance, responsiveness and empathy. According to the results obtained from this research, most improvements the managers of Sandholt should consider making are in reliability, assurance and responsiveness dimensions, because they have the biggest gap scores in their means. This indicates that in these three dimensions customers' perceptions were lowest compared to their expectations.

Table of content

1	Introduction	9
2	Theoretical background	11
2.1	Service	11
2.2	Customer service	13
2.3	Product quality	14
2.4	Service quality	16
2.5	The importance of service quality	17
2.6	Determinants of service quality	19
3	Service quality models and research	22
3.1	Research in service quality	22
3.2	The SERVQUAL model	25
3.3	Other models of service quality	26
4	The company – Sandholt Reykjavík	30
4.1	History of Sandholt	30
4.2	Employees and products	31
4.3	Near future	32
4.4	Service in Sandholt	33
4.4.1	Serving the international community	34
5	Empirical background	35
5.1	Former research	35
6	Methodology	38
6.1	Research method	38
6.2	Participants	39

6.3	Instrument.....	42
6.4	Procedure	43
6.5	Data analysis.....	44
7	Results.....	45
7.1	Reliability analysis	45
7.2	Expectations vs. perceptions – gap score	46
7.3	Paired samples t-test.....	49
7.4	Gender and age	49
8	Discussion	51
8.1	Recommendations for management	53
8.2	Limitations	54
8.3	Suggestions for further research.....	55
	References	56
	Appendix 1A – Questionnaire (English)	61
	Appendix 1B – Questionnaire (Icelandic)	65

List of figures

Figure 1: Determinants of service quality	20
Figure 2: SERVQUAL model	25
Figure 3: SERVPERF model.....	27
Figure 4: Technical and functional quality model	28
Figure 5: RSQS model	29
Figure 6: Three-component quality model.....	29
Figure 7: Sample distribution by gender	40
Figure 8: Sample distribution by age groups.....	40
Figure 9: Hotel guest nights in January 2011-2014	41

List of tables

Table 1: Typology of services.....	13
Table 2: Service quality research	23
Table 3: Reliability analysis	45
Table 4: Item-Total Statistics	46
Table 5: Expectation means, perception means and gap score	47
Table 6: Means for expectations scale	48

1 Introduction

Quality is one of the most important consumer trends, because consumers are demanding higher and higher quality products and services now than ever before (Rabin, 1983). However, despite the huge growth in the service sector, the quality of products has been researched much more frequently and in greater depth than the quality of services (Parasuraman, Zeithaml, & Berry, 1988). For this reason, academics encourage researchers to make more studies on service quality, because there is no general definition of service quality that everyone agrees on. Academics are still arguing how service quality should be best measured since there is no model that is universally accepted for measuring it. There are several models that are popular and were used in many studies throughout the years, however, they are still being debated by academics because of their reliability and practical issues (Parasuraman, Zeithaml, & Berry, 1985). However, one instrument was chosen for this research which was proposed by Parasuraman and his colleagues in 1985. SERVQUAL model assesses whether the quality of delivered service is in balance with customer expectations. If customer expectations of the service are higher than the delivered service, there is a so-called quality gap which can be measured by each service company. If such a gap exists the company can focus on improving its service. The SERVQUAL instrument is a helpful tool for measuring quality gap, which consists of five service dimensions. One dimension deals with tangible aspects of service and is called tangibles dimension and the other four focus on intangible aspects of service which are responsiveness, reliability, assurance and empathy.

The idea for this study developed over some time from when the researcher started working in Sandholt's bakery. Hearing many complaints coming from regular and new customers about the service, made the researcher thinking about how the quality of service could be improved, in which area most mistakes were made by the staff members and why those mistakes kept on arising. Therefore, finding out the problems with the service at Sandholt's bakery appeared to be a good choice for a Master thesis research study. Moreover, no one else has done a similar study at this company before.

Therefore, it is a good opportunity for the management team of Sandholt to have such an analysis, thus they can consider making improvements in areas where service is lacking quality especially now when they are expanding the coffee shop.

This research is based on SERVQUAL model, and the original SERVQUAL instrument was used to measure service quality at the chosen company. Researcher chose Sandholt's bakery and café for research because of the easy access and permission from the management. Sandholt's bakery is an interesting company to study because it has been running for almost one hundred years in the middle of Reykjavik's center. Therefore, the purpose of this research is to find out how customers of Sandholt perceive service quality delivered to them. This study is based on the following research questions:

- 1) Is there a service quality gap at Sandholt's bakery?
- 2) Does perceived service exceed customer expectations or is it less than what customers expect?
- 3) Which service dimension has the biggest service gap between expected and perceived service at Sandholt's bakery?
- 4) Is there any significant difference between gender and service dimensions?
- 5) Is there any significant difference between customer age groups and service dimensions?

In the first section of this thesis theoretical background is provided on the subjects of service and service quality. The second section introduces the company, management, employees, products and the service in the bakery. The third section discusses empirical background of the subject. Former studies that were made on service quality using the SERVQUAL instrument are discussed and their results are analyzed. Also, studies that were made on service quality in Iceland will be discussed. Unfortunately, there were no former studies found that researched service quality in bakeries' environment neither in Iceland nor abroad, therefore the results could not be compared. The fourth section focuses on the present study. The methodology that was used is described in detail. Results are presented, which are followed by discussion. Limitations of this research are elaborated, recommendations for management are provided and suggestions for further research are given.

2 Theoretical background

In this chapter, the literature which is related to the research topic is reviewed. Several concepts such as service, customer service, product quality and service quality are introduced and will be used throughout the whole thesis. First, the service and customer service is discussed. Following are the paragraphs on product quality and service quality. The importance of service quality for the organizations is explained and why they should and must constantly improve their service is also discussed. Lastly, the list of service quality determinants is given with the explanation of how it can be helpful for service providing companies in measuring their service quality.

2.1 Service

Services are a big part of everyday activities in peoples' lives. Many daily activities result in service interactions such as banking, insurance, hairdressing, telecommunications, health care and other. Not surprisingly, the growth in services sector has been staggering in recent decades, not only in western world but also in Iceland. Statistical data show that in 1973 the share of services sector of GDP was around 50% and it has grown to 70.1% in 2012 (Statistics Iceland, 2014). The growth in services sector can be explained by several factors. For example, rising affluence influenced consumers to buy services related to household activities such as cleaning and cooking. Rising incomes provided people with more free time which led to the increase in demand of activities of leisure and outdoor services. The third factor is the higher usage of technologies both in home environment and in working environment such as computers, security systems, entertainment equipment increased the need for specialist services to fix, install and maintain them. In organizational environment the increase in services is also apparent. Many companies are hiring market research firms, consultant agencies and other types of specialized services to help them with certain activities which result in lower costs for the companies if it is done outside the organization and not in-house (Kotler, Wong, Saunders, & Armstrong, 2005).

It is readily apparent from the information above that services have much more to do with processes than with products. Kotler and his colleagues (2005) offered the following definition of a service: “a service is any activity or benefit that one party can offer to another which is essentially intangible and does not result in the ownership of anything” (p. 625). The production of service may or may not be linked to a tangible product. Such activities as transferring the money in the bank, flying on an airplane, visiting a dentist, consulting a lawyer, renting a car, watching a movie in the cinema all involve buying a service. Often companies that are offering products include some servicing that go along with the product as well. As a result, there is rarely a pure service or pure product. There can be five categories in the offerings of the firms. First category is when the firm is offering a pure tangible good such as a bottle of shampoo, sugar or pen that doesn’t need any servicing. The second category consists of a good that needs some servicing. For example, if the company is selling cars, they often have repair and maintenance facilities, user training programs and delivering services. The third category is called hybrid offer and it includes equal parts of products and services. For instance, restaurants provide food and service at the same time. Another example is delivery companies that drive products to different locations. The fourth category involves a service which is accompanied by minor goods. For example, airlines offer flights as their service offering, but it always includes small amount of supporting physical products such as food, headphones, magazines and the aircraft itself. The last category is a pure service offering which involves mainly services such as visit at a dentist’s office, hairdressing or babysitting (Trott, 2012).

Service sector offers vast variety of different services. Governments in most countries provide public services such as healthcare, military, education, fire, police and postal services. Businesses sector provide profit-oriented services such as hotel, airline, insurance, advertising etc. Private not-for-profit sector offers services as museum, charities, churches, hospitals. Different types of services can be seen in table 1 below. The examples of different sectors in services can be seen in this table and what kind of challenges each sector can face.

Table 1: Typology of services (Johnston & Clark, 2005)

	Business-to-business services (traditional)	Business-to-business services (KIBS)	Consumer services	Internal firm services	Public services	Not-for-profit services
Description	Services provided for bussines	Specialist services provided to businesses	Services provided to individuals	Services provided by internal functions	Services provided by local and national government	Services provided by charities
Examples	Accountancy Legal advice Training	Management consultancy IT consultancy	Shops Hotels Banking	Finance Personnel IT	Health Education Leisure	Hospices Counselling Aid agencies
Customers	Frequently purchased by professionals, who may not be end users	Frequently purchased by professionals, who may not be end users	Health and beauty Purchaed by consumer of the service	Consumers of the service have no choice of provider	Prisons Funded Purchased by consumer of the service	Funded through charities, maybe government grants; consumers chosen or choose
Challenges	Providing high-quality tailored and personal service	Providing high-quality services to businesses that have high purchasing power	Providing a consistent service to a wide variety of customers	Delivering customized, personal service, and demonstrating value for money	Delivering acceptable public services against a backcloth of political pressures	Balancing needs of volunteers, donors and overwhelming needs of customers

In this thesis, most attention is given to consumer or customer services. Consumer services are the ones that provide service to individuals. The examples of such services are hotels, shops, banking, bakeries, restaurants etc.

2.2 Customer service

Customer service is “transactions aimed at meeting the needs and expectations of the customer, as defined by the customer” (Fogli, 2006, p. 4). Only a customer can say when a service delivery is good, because he or she is a judge of service quality based on his or her own expectations for the service. Moreover, sometimes customers can be satisfied by the service even though it is not of the highest quality, but have other apparent benefits for the customer. The customer might trade better quality of service to convenient location or lower prices of the products. For example, someone might choose a bakery with a lower service quality which is just around the corner to the bakery which has superior products and service but is in the other side of the town.

Parasuraman, Zeithalm and Berry (1993) introduced the concept zone of tolerance to explain the service outcomes that are considered not particularly good and not particularly bad by the customer. Fogli (2006) states that the gap which exists between service that is desired and service that is adequate enough is known as zone of tolerance. The service outcome that is above the zone of tolerance is considered to be of the higher quality and the customer is satisfied with it. The service outcome that falls below the zone of tolerance is considered to be of poor quality and dissatisfaction occurs. Although, if the quality of a service decreases in the range of that particular customer's zone of tolerance it still leads to customer being satisfied (Lepkova & Üselis, 2013). People can have different zones of tolerance for different parts of the service. For example, an airline customer might have a narrow zone of tolerance for the reliability of the flight, but a wider zone of tolerance for the food that is served during that flight.

Customer expectations is also a good way to make a distinction between poor and high quality service. If a customer has low expectations for a particular service, he or she will always find the quality better than a customer with high expectations of the same service.

Poor service results in increased costs for the company. The costs can include compensation for the service, refunds, redoing or reworking the same activities again for the same customer and the time spent on dealing with dissatisfied customers. The simple example is when the company has poor service quality, the customers always call to complain about it, therefore the company needs to hire additional personnel to deal with dissatisfied customers and pay for higher telephone bills (Fogli, 2006).

2.3 Product quality

There are numerous definitions of quality provided in books and dictionaries. The most basic definition was coined by quality expert Philip Crosby. He defined quality as: "conformance to requirements" (Kreitner, 2007, p. 513). There are also other definitions such as: "fitness for use", "freedom from variation", "zero defects – doing it right the first time" (Parasuraman, Zeithaml, & Berry, 1985, p. 41-42) and more sophisticated ones such as: "totality of features and characteristics of a product or a service that bear on its ability to satisfy stated or implied needs" provided by American

Society for Quality Control (Kotler, Wong, Saunders, & Armstrong, 2005, p. 472). It can be easily observed that all these definitions are product-related quality definitions that apply more for the products producing sector than for services sector. The reason behind it is that as a subject quality has much longer history with products than with services (Abari, Esteki, & Yarmohammadian, 2011).

Specialists in the field of quality have identified five types of product quality: transcendent, product-based, user-based, manufacturing-based and value-based (Garvin, 1988; Kreitner, 2007). Transcendent quality is the excellence of the product instantly apparent to the buyer as only he understands it, which might not be special for another buyer. An example of transcendent quality being a piece of art such as paintings. Product-based quality is when the special attribute or feature of a product is present or is missing, for example, cashmere sweaters or a crystal glass. User-based quality is when a product meets consumer expectations, preferences and tastes. For example, food in a restaurant or a new oven. Manufacturing-based quality is when a product conforms to its specifications and functionality demands. The closer the product is according to the way it was planned to be, the higher the quality of the product is. This view deals first with engineering and manufacturing, because the specifications of the product quality are set by the producing organization. Value-based quality is when the consumer judges the quality of a product or a service in terms of its price and cost. The saying "I got a lot for my money" describes this strategy precisely (Garvin, 1988).

Although some of these definitions can be used to explain service quality, it is a more complicated concept than product quality because of its features, such as lack of intangibility. Moreover, it is easier to measure quality of products than that of services. Consumers can use several tangible or physical cues of a product to judge its quality, such as color, packaging, style or material for a reference point (Parasuraman, Zeithaml, & Berry, 1985). Service is a more individualistic experience and it differs from one person to another. For this reason, several researchers and practitioners were trying to define service as a separate concept from product quality and offered several definitions. Eshghi, Roy and Ganguli (2008) defined service quality as the general evaluation of a service by the customer. Parasuraman, Zeithaml and Berry (1988)

suggested that service quality is a comparison or a difference between customer's expectations of the service and the performance of the service delivered. Dursun, Oskaybas and Gökmen (2013) referred to service quality as an ability of a company to fulfill and even go beyond the expectations of their clients.

2.4 Service quality

It is not enough to possess knowledge about product quality alone and assume that service quality must be the same concept. Three characteristics of a service can help in gaining more knowledge and understanding about service. The three characteristics are: intangibility, heterogeneity and inseparability (Zeithaml, 1981; Parasuraman, Zeithaml, & Berry, 1985; Kotler, Wong, Saunders, & Armstrong, 2005; Kreitner, 2007). Intangibility means that service is a performance and that uniform quality target is harder to set than for other tangible products which are manufactured in factories. Service cannot be counted, measured, tested or stored before it is delivered or sold to guarantee high quality. Heterogeneity in service means that especially if it is performed by many laborers, it will be different from producer to producer, from consumer to consumer and from one day to another (Trott, 2012). The third characteristic, inseparability means that the service is produced and consumed at the same time and that it is not possible to rehearse before it is delivered, therefore it is harder to set the quality target (Carmen and Langeard, 1980). Kotler and his colleagues (2005) have added one additional characteristic of the service to these three original ones. Lack of ownership means that the consumer only has access to the service for a limited time. This is contrary to products, when the individual buys any product he or she owns it for an unlimited period of time and has access to it at any time he or she wants. For instance, if a person is renting an apartment he or she only has a contract for a year or two unless they decide to renew it. Another example of the lack of ownership is buying holidays from a travel agency (a short trip of one or two weeks) where the service ends after the customer experiences it after one or two weeks. Because of the lack of ownership characteristic, service companies need to make more effort in retaining their clients.

Moreover, in many cases the process of the service depends a lot on the customer himself, for example, at the hair-dresser's salon or at the dentist's office where the customer plays a huge role in how the service should be performed (the description of a

haircut), the input from the customer becomes very important to the quality of a service performance (Parasuraman, Zeithaml, & Berry, 1985).

By looking at the literature of service quality, three themes become very apparent. First, that product quality is much easier to evaluate and measure for the customer than the quality of service. Second, that the service quality results from what the customer expects compared to what he or she actually experiences. Finally, quality of service depends not only on the outcome but also on the process of service delivery (Grönroos, 1982; Lewis & Booms, 1983; Parasuraman, Zeithaml, & Berry, 1985).

2.5 The importance of service quality

After reviewing some literature on service quality one question in particular arises, why is it so important for organizations to have knowledge about service quality? In recent years the growth in the services sector and products sector that need servicing has been staggering. One of the reasons for growth in services is the difficulty that companies experience in differentiating their physical products. Therefore, they turn to differentiating their services that help the company to retain their customers through upper-level quality of service delivery (Kotler, Wong, Saunders, & Armstrong, 2005). Researchers have estimated that if the service firms are “doing things in a wrong way” it usually results in 30 to 40 percent of their operating costs. If managers want to get rid of these unnecessary costs they should improve their service quality and meet their customer expectations (Ghobadian, Speller, & Jones, 1994).

Parasuraman and his colleagues (1985) claim that quality has several strategic benefits for service organizations, such as contribution to the market share and the return on investment, as well as improving productivity and lowering costs of manufacturing. Other researchers found out that service quality helps the companies to gain sustainable competitive advantages, such as positive word-of-mouth, increased financial performance and profitability, customer retention, lower level of employee migration, decreased costs of attracting new clients and greater consumer satisfaction (Lee & Hing, 1995; Buttle, 1996; Kotler & Armstrong, 1997; Cronin, Brady, & Hult, 2000; Yoon & Suh, 2004; Seth, Deshmukh, & Vrat, 2005; Kotler, Wong, Saunders, & Armstrong, 2005; Gibson, 2009; Clow & Vorhies, 1993; Daniel & Berinyuy, 2010; Purcarea, Gheorghe, & Petrescu, 2013; Orel & Kara, 2013; Chen, 2013).

Higher levels of quality of both service and product delivered by the company results in higher customer satisfaction which is directly connected to higher profitability. Customers do not tolerate poor quality anymore even when the price is lower. Therefore, companies are forced to adapt total quality management programs and constantly improve their service or product quality if they want to keep up with their competition and stay profitable in the market (Kotler, Wong, Saunders, & Armstrong, 2005). On the other hand, to achieve higher quality means to incur higher costs of production. However, in the long run it pays off for the companies because higher customer satisfaction leads to more loyal customers and higher sales. Usually, regular customers who are loyal to one company are willing to pay more to get better quality products or services (Kotler, Wong, Saunders, & Armstrong, 2005).

In order to improve and manage service quality, organizations have to measure it first. Although as it was mentioned before, to measure quality in services is much more difficult due to its intangibility which means that services cannot be seen, tasted, or felt before it is bought and experienced. It is difficult to define standards or decide on reference points against the service delivery process and outcome compared to the quality of a product because the product can be measured by its functional performance, features and costs of production and maintenance. Even though it is complicated to measure service quality it is not an impossible task. Companies have to analyze first what customers expect from the service before they buy it and what their opinion is after they have experienced the service. The mismatch between expected quality and experienced quality is called the quality gap. There are several quality gaps that can result in unsuccessful service performance and delivery. Gap 1 is called consumer expectation and management perception gap. Managers of the company might not correctly understand what customers want. Gap 2 is management perception and service quality specification gap. Managers might understand correctly what customers want but fail to set specific standards for their employees on how to deliver the service. For example, if they tell their employees to deliver pizza quickly, but do not specify how much time they have to deliver it. Gap 3 is service quality specification and service delivery gap. This gap could happen when there are specific quality standards set but employees are not trained well enough to match up those standards or are unwilling to meet those standards. Gap 4 deals with service delivery and external

communications. Gap 4 can occur when customers do not get the expected service. For example, when they read about a restaurant in the information leaflet, brochure or see commercial on the TV, go to that restaurant and experience something else than they had expected. Sometimes information in advertisements can be misleading or misunderstanding can occur. Gap 5 is called perceived service and expected service gap. The last gap can happen when customers misunderstand performed service. When they go to the store and they expect to walk around and choose what they like but the shop assistant or a seller is continuously asking if they need help or is walking around with them and helping customers to choose something. Even though it is supposed to be a quality service some customers might perceive it as an irritating service rather than high quality service (Kotler, Wong, Saunders, & Armstrong, 2005; Zeithaml, Parasuraman, & Berry, 1990).

2.6 Determinants of service quality

Originally, ten key determinants of service quality were identified. Using these determinants, managers can find out how customers rate their service from what they experienced against what they expected. Also, by looking at this list, managers can ask themselves whether their service includes all these determinants or if it lacks some of them. If the offered service lacks some of these determinants it would suggest that the quality of service that the company is providing is not as good as it could be. All ten determinants can be seen in figure 1.

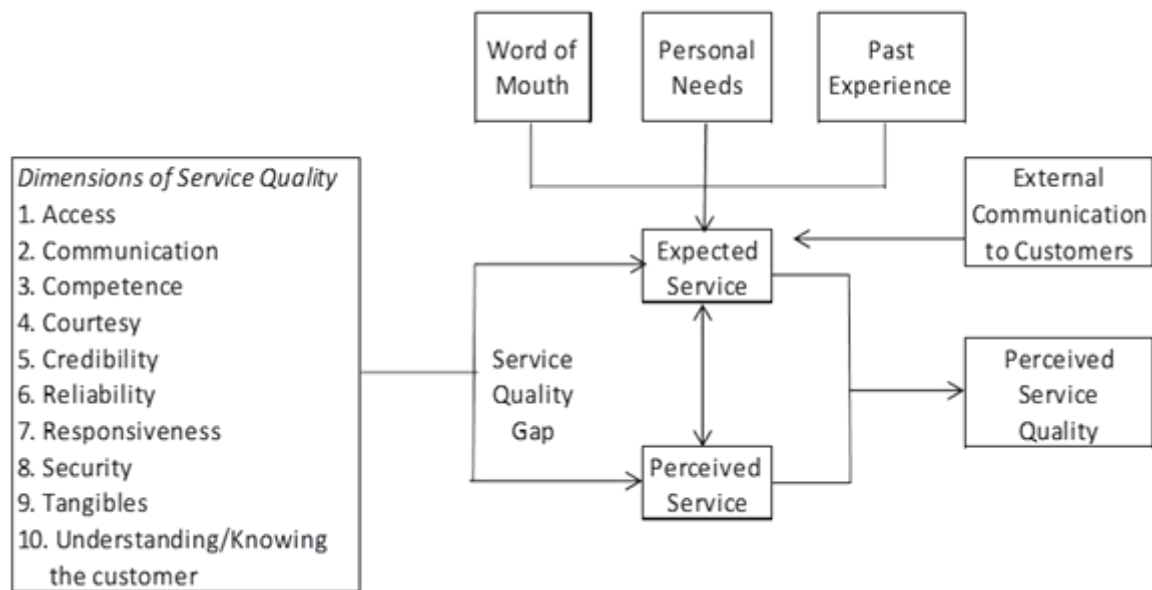


Figure 1: Determinants of service quality (Parasuraman, Zeithaml, & Berry, 1985)

These factors have different importance depending on what kind of service the company is offering. Some service providers might use the list in figure 1 to identify their service, but some dimensions might be very specific to particular industry or the company and it could be added to their list. However, if the company has never tried to measure and define the quality of their service, this original list of service determinants can be a good guide in the beginning (Hayes, 1998).

The first determinant is access. Is the service easy to get access to and is it delivered on time? For example, the telephone line is not busy and the phone is answered frequently or the queue to get service is not too long and the hours of service are convenient for the customers. The second determinant, communication, deals with how well has the organization explained its service to its customers and is the organization listening to its customers? It could happen that some customers need more information about the service than the others; new customers may need more detailed explanation than the regular ones. The next determinant deals with the competence of the employees. Are the employees qualified enough and do they have the knowledge required to deliver the service? It involves the skills and competences of all levels of employees and managers in the organization, not only the staff that connects directly to the customers. The fourth determinant is courtesy. Are the employees friendly, polite and sensitive to customers? Courtesy deals with the contact personnel's ability in giving the service in a friendly and polite way. Courtesy can also be when the employees give

more assistance than required to some customers who need their help, such as providing additional information not only about the service but also about the company etc. The fifth determinant is credibility. Can the organization be trusted and is it credible? For e.g. the brand name and the reputation of the company can add to its general trustworthiness. The next factor, reliability, involves dependability and consistency. It means that the organization respects its promises, such as delivering service on time and keeping its records error-free. Seventh determinant is responsiveness that deals with how quick and willing employees are in providing the service. For e.g. calling the customer back quickly, answering an e-mail the same day. Security deals with whether the service is not dangerous and not risky to customers. Can the company promise confidentiality and security to their clients both in financial and physical terms? The next determinant, tangibles, covers the environment, surroundings and the employees who represent high quality of service. For e.g. the way employees are dressed, the tools and equipments they use for the service and physical environment where the service is performed. The last factor is understanding and knowing the customer that involves the efforts made by the service organization in learning and knowing their customers' needs. For e.g. giving personalized service, recognizing regular customers and remembering their needs (Parasuraman, Zeithaml, & Berry, 1985; Kotler, Wong, Saunders, & Armstrong, 2005).

After few years, when the original service determinants were published, several researchers including Parasuraman, Zeithaml and Berry (1988) decided to redefine the ten original determinants into five service dimensions, because they thought that some of the terms overlap each other. The new five dimensions were: tangibles, reliability, responsiveness, assurance and empathy. The last two dimensions (assurance and empathy) combine seven of the original factors (communication, credibility, security, competence, courtesy, understanding/knowing the customer and access). Reliability, tangibles and responsiveness remained unchanged because they were thought to be distinct from each other and not overlapping (Parasuraman, Zeithaml, & Berry, 1988; Hayes, 1998).

3 Service quality models and research

In this chapter, research in service quality over the past decades is briefly discussed. Later, the SERVQUAL model is introduced and discussed. This model was chosen as an instrument to measure service quality at a chosen company in this research. The SERVQUAL model is one of the most popular instruments used for quality measurement, although it is not the only one. Therefore, several other models are also introduced and compared in this chapter.

3.1 Research in service quality

Quality has been studied and researched for a long time in the business world, although this topic has gotten more attention after the 1980s. Academics and researchers realized that there is not a lot of literature concerning service quality; rather most of it was about product quality which is not the same concept as service quality. During that time few researchers, such as Christian Grönroos (1983), Parasuraman, Zeithaml and Berry (1985), Cronin and Taylor (1992) proposed several models to evaluate service quality that became widely accepted and used in many service industries (Seth, Deshmukh, & Vrat, 2005). Moreover, other researchers carried out many studies on service quality and added up the significant input on the subject. Most significant research is listed in chronological order in table 2 that has been done in the last 30 years. It is interesting to see that the research on service quality is still ongoing and the researchers are still trying to come up with improved and more practical models to measure quality in services. For example, Parasuraman, Zeithaml and Berry started studying the subject of service quality in 1985 when they published their first article and it can be seen from the table 2 that they kept on improving and finding new material up until 2002. The same names of researchers appear in the table again and again, such as Dabholkar, Grönroos, Cronin, and it shows that people are interested in this subject and its refinement.

Table 2: Service quality research (Rodrigues, 2009)

Year	Researchers	Research Outcomes
1976	Anderson, Cox, Fulcher	Recognized the importance of selection as priority for obtaining and retaining customers
1982	Churchill and Suprenant	Service satisfaction is similar to attitude
1982	Christian Grönroos	Significance of processes and outcomes in defining service quality; Satisfaction is similar to attitude
1983	Lewis and Booms	Noted the significance of processes and outcomes in defining service quality; Difference in service quality and attitude is seen as general, comprehensive appraisal of some specific product or service
1984	Christian Grönroos	Quality is a function of expectations, outcomes and image
1985	Holbrook and Corfman	Defined perceived quality as a global value judgment
1985	Maynes	Viewed service quality as the extent to which a product offers the characteristics that individual desires
1985	Parasuraman, Zeithaml and Berry	Established ten service quality determinants known as SERVQUAL
1988	Parasuraman, Zeithaml and Berry	After substantial factor analysis and testing reduced the ten service quality determinants to five: tangibles, responsiveness, reliability, assurance and empathy
1988	Zeithaml, Parasuraman and Berry	Noted that firms not only have a difficulty in delivering a consistent level of quality service, but also had a difficult time understanding what service quality really means; Perceived service quality as an attitude; Found through focus groups that good service quality is meeting customer expectations
1989	Babakus and Mangold	Developed serious reservations about SERVQUAL's scales reliability and discriminant validity
1990	Mary Bitner	Noted that service quality is being similar to an attitude
1991	Bolton and Drew	Introduced the concept of value in quality assessment
1992	Cronin and Taylor	Found that perceptions of service quality explains better customer evaluations of provided service
1992	Howcroft Barry	Noted that customer preferences of service quality is based on comparison between expectations and actual service performance
1993	Kenneth Teas	Found that interpretation of SERVQUAL expectations was flawed
1993	Brown, Churchill, Gilbert, Peter	Questioned if five service quality dimensions capture all possible determinants of service quality
1993	Parasuraman, Zeithaml and Berry	Disagreed with Brown et al.; Research supports disconfirmation as valid since it allows service providers to establish gaps in provided service
1994	Cronin and Taylor	Found flaws with SERVQUAL and developed SERVPERF scale based on customer satisfaction
1996	Dabholkar and Rentz	Used multi-item measures to ascertain overall service quality with factors as antecedents
1996	Francis Buttle	Questioned face validity and construct validity of SERVQUAL
1999	Chong Chee-Leong and Lee and Tan	Studied the dynamic behavior of SERVQUAL and SERVPERF dimensions and studied the model behaviors

2000	Dabholkar, Shepherd and Thorpe	Found that perceptions and measured disconfirmations are more advantageous than computed disconfirmation
2000	Bahia and Nantel	Developed measurement system modifying SERVQUAL to examine specific service context on a 6 dimensions scale called BSQ. Researchers admitted their model had limitations
2000	Becket, Hewer, Barry	Developed consumer behavior matrix to determine impact of electronic- based delivery systems on service quality
2000	Oppewal, Harmen and Vriens	Used integrated conjoint experiments to measure perceived level of service quality to avoid measurement pitfalls of SERVQUAL
2001	Karin Newman	Acknowledged acceptance of SERVQUAL, but questioned composition of sample and insensitivity to customer
2001	Sureschandar, Rajendran, Kamalanabhan	Emphasized on core services, systemization of service delivery and social responsibility dimensions to SERVQUAL scale factors
2001	Oliva Roggelio	Studied the effect of critical factors on quality erosion in service quality by using System Dynamics
2002	Dabholkar and Bagozzi	Noted that technology has had a remarkable influence on the growth of service delivery option and profound effect on service marketing
2002	Parasuraman	Proposed a conceptual framework for understanding the inter-linkages among service quality and the various components on the company-customer perspective of productivity
2003	Surjadaja et al.	Developments in communication and information technology have provided a platform by which companies can design, develop and deliver that can be seen by customers as superior
2004	Jayawardhena Chanaka	Devised measurement for service quality in internet banking using the dimensions: Access, Web Interface, Trust, Attention and Credibility
2005	Lewlyn Rodrigues	Used quality function deployment on Paired SERVQUAL dimensions using 15 variables to enhance service quality in engineering education
2006	Schofield and Katies	Identified five service quality factors: technical, functional, environmental, technological, convenience and technological product dimensions which supports the Northern European service quality model with the addition of technological dimensions
2007	Chowdhary and Prakash	Generalizations of quality dimensions are not possible among all types of services taken together, but important insights are available pertaining to each service type
2008	Ronnback and Witell	Observed several inconsistencies in previous research when it comes to the relationship between quality managements and business performance when comparing manufacturing and service organizations
2009	Rodrigues, Gopalakrishna and Varambally	Deduced through empirical investigation that there is a significant difference in service quality and customer satisfaction perceptions. Their study revealed that service quality alone does not lead to customer satisfaction.

3.2 The SERVQUAL model

The SERVQUAL model was designed to measure service quality as perceived by the customers (Asubonteng, McCleary, & Swan, 1996). This model was first proposed by Parasuraman, Zeithaml and Berry in 1985 with 10 quality dimensions, but later reviewed by the same authors in 1988 where the 10 dimensions were reduced to 5 (tangibles, responsiveness, assurance, empathy and reliability). The model can be seen in figure 2.

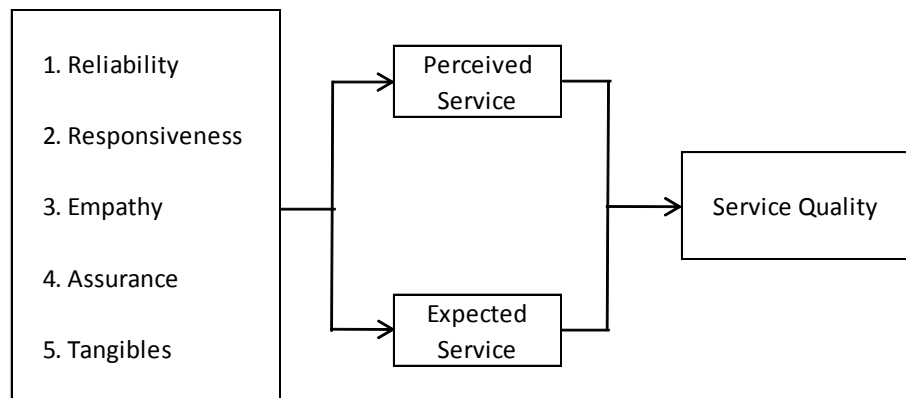


Figure 2: SERVQUAL model (Parasuraman, Zeithaml, & Berry, 1988)

Researchers developed the conceptual SERVQUAL model using qualitative research. They interviewed executives and started focus groups where they interviewed consumers of four nationally recognized service firms: retail banking, credit card firm, securities brokerage and repair and maintenance firm (Parasuraman, Zeithaml, & Berry, 1985). The SERVQUAL model is a framework composed of two main parts. The first part contains 22 items that measure customers' perceptions "how service quality should be" according to them in the service industry and the second part includes 22 variables that evaluate the experience that customers have within a specific organization (Wu & Cheng, 2013). The two parts are compared and if the received service meets expectations or is better than what customers expected, the service is considered as quality service in that firm. If service that was received does not meet their expectations, however, customers will be dissatisfied. This comparison is called Gap analysis (Dursun, Oskaybas, & Gökmen, 2013).

Despite popularity and wide usage of the SERVQUAL model its reliability and validity is still debated and criticized by a number of researchers and practitioners. One of the criticisms of the SERVQUAL model is that its authors failed to base their findings on previous social science research such as economics, statistics and psychology (Buttle, 1996). Another criticism is that the model fails to interpret the changing expectations of customers, because they tend to rise and fall over time for certain service providers or service industries. Some researchers argue that SERVQUAL's scale items are not applicable for all service industries, meaning that 4 or 5 items per dimension are not enough to measure the service quality at some specific service providers such as banks or hospitals. Therefore, researchers need to adjust dimensions according to different service contexts (Buttle, 1996; Asubonteng, McCleary, & Swan, 1996). For example, in the study by Carman (1990) of hospital services, he used 40 items instead of 22 as proposed in the SERVQUAL model and Bouman and van der Wiele (1992) used 48 items in their car service study.

3.3 Other models of service quality

There are many other models that can be applied for quality measurement, but only the most well known and interesting ones are chosen for discussion. The models described in this paragraph are: "Technical and functional quality model", the SERVPERF model, RSQS model and "Three-component model".

The SERVQUAL model is one of the most popular instruments for service quality measurement. However, throughout the years some scholars and researchers have developed various other models to measure and analyze service quality in different service industries. One of these models is SERVPERF, which was developed by Taylor and Cronin in 1992. The authors changed the gap-based SERVQUAL scale into SERVPERF scale by using the same 22 scale items of SERVQUAL model but using only perceptions scale and not expectations scale. The SERVPERF model is shown in figure 3. It can be seen that it is only slightly different from the SERVQUAL model.

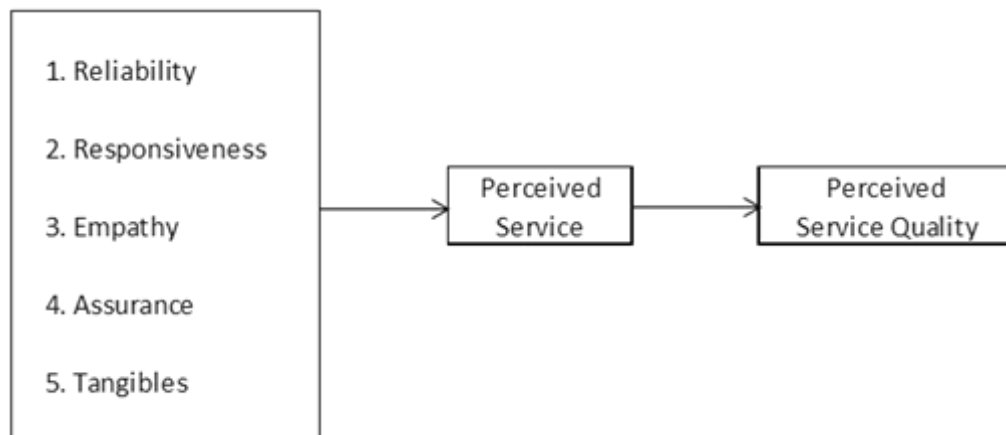


Figure 3: SERVPERF model (Cronin & Taylor, 1992)

SERVPERF became a simple performance based construct that measures the customer's perception of the quality provided by the service firm (Orel & Kara, 2013). Authors believed that the better predictor of quality is the perceptions only, not perceptions-expectations as in SERVQUAL model, because service quality is a form of a consumer attitude (Cronin & Taylor, 1994). As a result, the main difference between SERVQUAL and SERVPERF instruments is that in SERVPERF there are only 22 scale items instead of 44 and it excludes any considerations of service expectations. Some scholars such as Lee (2006) and Brady (2002) have shown in their studies that SERVPERF is actually superior to the SERVQUAL scale.

Grönroos created another model in 1984 called "Technical and functional quality model". He claimed that an organization must have an understanding of how its customers perceive their service quality and what influences it. Grönroos determined three components of service quality: technical quality – what the customer receives as a result of his/her interaction with the service provider; functional quality – how she or he gets the technical outcome which determined customer's perception of the quality; image - when the customer makes up his or her mind from the technical and functional quality about the firm or service provider. Image is very important to the firm because it influences other factors such as word-of-mouth, pricing and public relations (Seth, Deshmukh, & Vrat, 2005). The technical and functional quality model can be seen in figure 4 and how it is linked to perceived service quality.

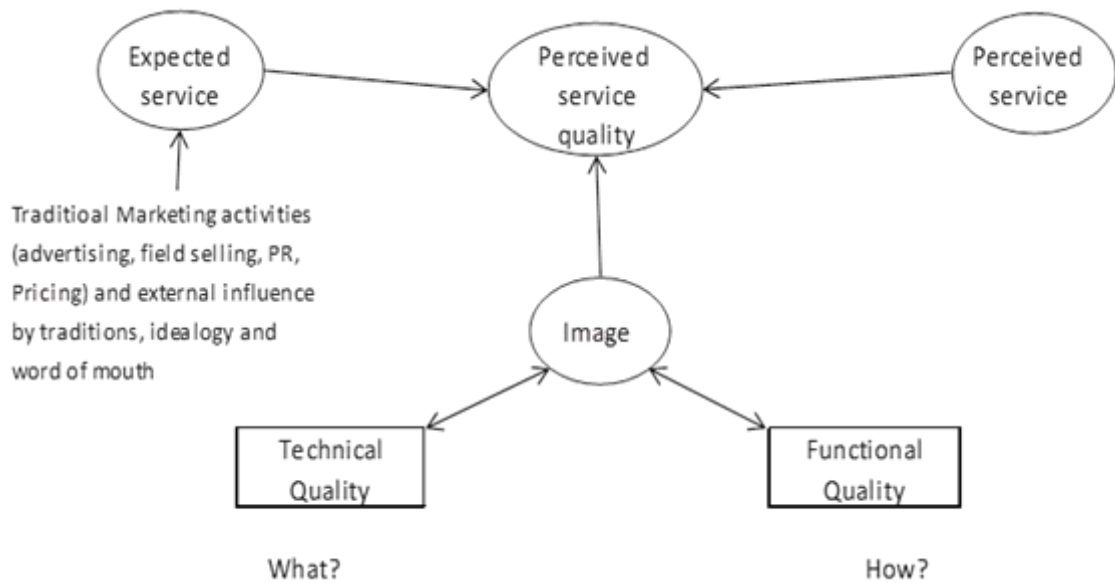


Figure 4: Technical and functional quality model (Grönroos, 1984)

Another model called RSQS was developed by Dabholkar in 1996 to measure quality of retail stores. The author believed that the SERVQUAL scale does not successfully apply to the service quality in retail setting, therefore he decided to try another model that could better measure the quality in retail stores, especially in the apparel sector (Dabholkar, Thorpe, & Rentz, 1996). The reason why SERVQUAL model is not very efficient in retail settings is because customer satisfaction in retail stores depends a lot on the products they sell and also on the suppliers and the quality of the good that they offer in particular. RSQS model based on SERVPERF model and 17 scale items are directly taken from SERVPERF scale and 11 were created and added by conducting a qualitative research. As can be seen in figure 5, RSQS model has five dimensions: physical aspects, reliability, personal interaction, problem solving and policy (Xiao & Chernetskaya, 2010).

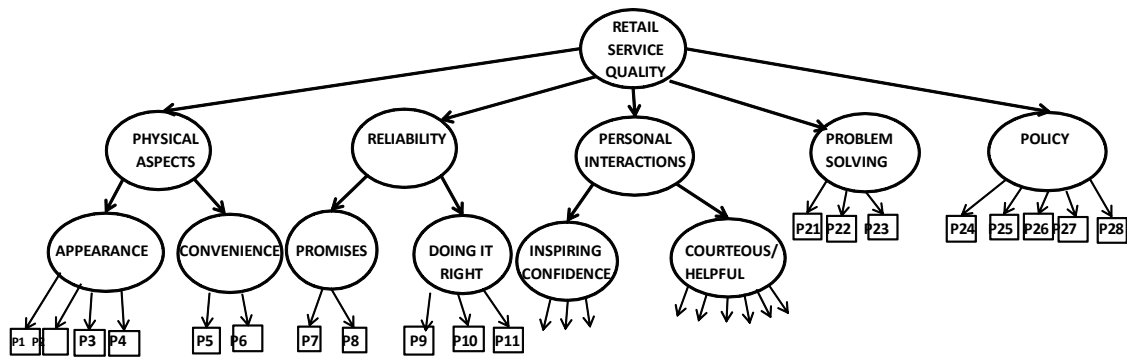


Figure 5: RSQS model (Dabholkar, Thorpe, & Rentz, 1996)

The last model discussed in this chapter is called “Three-component quality model” and was proposed by Rust and Oliver in 1994. This model is different from the other models mentioned above, because it wasn’t based on SERVQUAL scale. Authors suggested that quality of service is a function which is made up of three main components: service product, service delivery and service environment that are shown in figure 6. Service product is the result and the customer’s perception of the service delivered. Service delivery is the consumption process and any relevant events that occur during this process are included. Finally, the service environment is the internal and external atmosphere where the customer’s perception is developed about the service quality (Rodrigues, 2009).

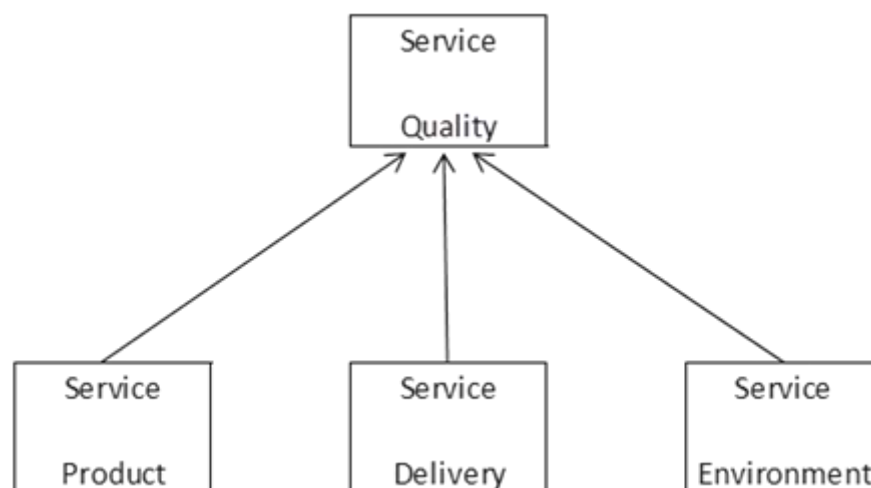


Figure 6: Three-component quality model (Rust & Oliver, 1994)

4 The company – Sandholt Reykjavík

In this chapter, the researcher introduces the company that is being investigated. A short history is given on how the company was created. Later in this chapter, the management team, employees, products and finally the daily activities are described. The research also talks about the importance of the service in Sandholt's bakery and the importance of serving the international community during the high season of tourism.

4.1 History of Sandholt

Sandholt is a small family owned bakery with a coffee house which is located in the center of Reykjavik city. The company was founded on the 4th of April in 1920 by two bakers Stefán Sandholt and Guðmundur Ólafsson under the name "G. Olafsson and Sandholt". Both Stefán and Guðmundur were educated bakers who received their diplomas from foreign institutions, as well as Icelandic ones, and gained their experience from working in other bakeries in Iceland, such as Björn's bakery which is still active today.

In its early years the bakery had two locations, the store in which all the products were sold was located in Laugavegur 42. The production happened on another street called Frakkastígur, which is close by Laugavegur. In 1925, the bakery went under construction and both facilities were moved to the same location in Laugavegur 36. Both colleagues were running one very successful and advanced bakery in the country (Brauð og kökur í 100 ár, 2012).

Ásgeir, the son of Stefán started learning how to bake at his father's bakery in 1926 when he was only 13 years old. Around 1950, Ásgeir bought part of the company from Guðmundur's widow. Around the same time the name of the company was changed to Sandholt. Stefán and Ásgeir were running the bakery together in the following years until Stefán's death in 1957. Then Ásgeir took over the business and ran it together with his brothers and sisters. After few years, the son of Ásgeir, who was also called Stefán, studied baking in the same bakery and graduated in June 1965. Stefán started running the business between 1980 and 1990 with his father Ásgeir, who died in 2003.

Between 1990 and 2000 big changes were happening in the bakery. Owners invested part of the capital and opened another bakery unit in Hverafold with modern machinery and six years later added a sales outlet in Langirimi. In November of 2000, the main bakery in Laugavegur 36 was renovated and European design café was added to the same location. At that time, the management tried to preserve the 'old' look and atmosphere in the bakery and the café. The same baking oven is still in use and is almost one hundred years old now, which is most likely the only of its kind in the whole country.

Today the café shop is very popular among native Icelanders and tourists as well and they have the opportunity to take a look at the stone oven and also bread making and baking processes in the bakery.

Sandholt's bakery puts a lot of effort in developing and improving its products and has received many awards. Ásgeir, the son of Stefán, is currently running the bakery in Laugavegur after completing his confectioner's diploma in Copenhagen in 1999 (Brauð og kökur í 100 ár, 2012).

4.2 Employees and products

Currently the management team in Sandholt consists of one head manager, Ásgeir Sandholt and operations manager – Elisa Gelfert. Ásgeir Sandholt is a professional baker and pastry chef who is responsible for all baking operations and processes in the bakery, as well as teaching new bakers. Ásgeir is famous in Iceland for his hand-made chocolates and also for participating in several chocolate Master's competitions where he received high places among the winners. Elisa is a pastry chef by profession who is highly skilled and talented and has a lot of interest in food production. She is running the daily operations of the bakery and is also involved in hiring processes of new employees. Currently there are three experienced bakers and three baking and pastry chef students working and learning at the bakery. There are between 20-25 staff members working in the service at the bakery shop and the café both full and part time, however the number of employees increases during the high season of tourism in the summer and can be between 30 to 40 employees.

As mentioned above, the bakers are always improving the products and developing new varieties of pastries, therefore the bakery has many kinds of pastries to offer from

different cultures such as French, Italian, Austrian and Icelandic. Other products include chocolates, cakes, jams, desserts and various other products that are all made in the same bakery and are mostly high quality hand-made products. Moreover, Sandholt offers catering services and custom-ordered cakes for weddings, birthday parties and other special occasions. Currently, Sandholt is selling only one kind of bread – sourdough bread, and is becoming famous for it. People like the old-fashioned countryside bread look and its taste. The demand of sourdough bread is so high that the breads are not only sold in the bakery shop but are also distributed to other stores in Reykjavik such as Frú Lauga. Several restaurants, hotels and cafés are ordering breads daily either for personal consumption or for sale; examples include Loft Hostel, Kex Hoster, Fiskimarkaðurinn, Háma, K-Bar, Pancake Café, Lifandi Markaður and Osta Búrið (E. Gelfert, personal interview, February 10, 2014).

In Sandholt's coffee shop customers have an opportunity to buy different types of coffee and tea which they can enjoy with fresh pastries, cake slices, chocolates or even ice-cream. In the mornings, customers are offered the breakfast menu with freshly baked bread, bread rolls, home-made muesli and several kinds of sandwiches.

4.3 Near future

The near future is very promising for Sandholt's company, the high season of tourism in the summer attracts a lot of foreign customers for breakfast and afternoon coffee. The location is very convenient for travelers as well as native Icelandic customers who like to go shopping in the downtown area and stop for quick refreshments. Recently, Sandholt bakery started expanding its coffee shop and the managers are planning to renovate the kitchen where the baking processes are being held. Currently, part of the building is under construction and the new café is planned to be opened shortly after Easter. At the moment, the café has around 25 seating places which will be expanded to 40 places. Having a bigger café will have significant influence on daily operations in Sandholt. The company will need more staff for the café and the shop, more bakers to prepare pastries and breads and more pastry chefs to prepare cakes, chocolates and other desserts (E. Gelfert, personal interview, February,10, 2014).

4.4 Service in Sandholt

Delivering customer service is a big part of daily processes in Sandholt's bakery and a café. Making breads and other products is one of the core activities, but selling it to the customers is very important as well. As many customers enter the bakery in one day as many service interactions occur. Service interactions in the bakery can happen at several levels. Customers who come in to buy breads and pastries for take away need to be served at the cash register. Customers who come for a cup of coffee or to have their lunch in the café need to be served by preparing the order and delivering it to them. And finally, there are the customers who need to be served over the phone that have all kinds of requests, for example, special cake orders, special bread orders or just daily questions that need to be answered for example: "what breads do you have today?", "how long are you open today?", "when do you open tomorrow?". At all three levels Sandholt's employees have to have different knowledge and skills that are required for delivering the service to be able to satisfy customers' needs. For example, at the cash register servicing activities include putting the pastries in the bag, cutting the bread and charging the customers and giving information about the products. At the café, employees have to know how to make coffee and how to serve it in a right manner (polite, friendly, and courteous). Employees who are answering the phone need to have a lot of knowledge to be able to take the cake and bread orders and give all kinds of information to the customers regarding bakery and café and do it in a polite and friendly manner.

As a result, Sandholt's bakery has to not only produce high quality products to retain and attract customers, but also improve and keep their service quality high, because customer service is a big part of their daily operations. In order to improve and have high service quality they should also learn how to measure it to check where they stand according to quality measures. As Fogli (2006) puts it "exemplary customer service should matter in organizational performance to those who create and manage organizations to remain competitive" (p. 6). As long as the organization is delivering service to the customers, service quality will always be important, no matter how big the organization is.

4.4.1 Serving the international community

Increasing tourism in Iceland greatly affects bakery's daily operations during the end of the spring and the whole of the summer. Having convenient location in downtown area where there are many attractions for tourists and convenient opening hours in the bakery attract many foreign customers for the early breakfast and coffee in the afternoon. One of the reasons why the management of Sandholt decided to expand the café part of the bakery was the increasing number of tourists each year. The bakery was not able to serve all the customers anymore, because of the small number of seats in the café. The customers were waiting in line to get seats and eat their breakfast. Serving the international community means that the bakery has to adapt to the needs of their foreign customers as well, not only the native Icelanders. First of all, the opening hours in the summer have to be changed from 7:30 to 6:30 in the morning, because foreigners come for the early breakfast before their trip to the countryside. The closing hours have to be changed from 19:00 to 20:00, because there are still many customers walking around in downtown area who want to stop and have a cup of tea and a dessert in the evenings. The bakers and pastry chefs have to double the amount of products that they are producing every day in the late spring and the summer. For example, foreigners buy a lot of products, such as chocolates packed in the boxes, cookies and chocolate bars, because they want to bring it back home as gifts from Iceland. Moreover, the employees working in the store and the café who directly interact with foreign customers must be able to speak in at least one foreign language and have to have good communication skills that are required to serve people from different cultures.

5 Empirical background

In this chapter, the former studies that were made on service quality using the same SERVQUAL model as in present study are reviewed and their results are discussed. A few interesting studies were found that were made in Iceland, therefore those studies are also reviewed.

5.1 Former research

According to Google Scholar database (in March, 2014) service quality has been a keyword in more than 600 thousand publications in the period between 1994 and 2014. The SERVQUAL model was a keyword in around 19.300 publications during the same period. Mentioned publications include research articles, theoretical discussions on both topics, application of SERVQUAL model in different industries and also the comparison and analysis of SERVQUAL model with other models that are designed for service quality measurement (Google Scholar, 2014). Examples of published studies using SERVQUAL model include dental services (Carman, 1990), banking services (Wong & Perry, 1991), hospital services (Babakus & Mangold, 1992), car services (Bouman & van der Wiele, 1992) from the older studies and more recent studies include public health care in Romania (Purcarea, Gheorghe, & Petrescu, 2013), library services (Cook & Thompson, 2000), e-learning experience (Udo, Bagchi, & Kirs, 2011) and higher education in Italy (Lupo, 2013).

As seen above, the variety of studies that were carried out by using SERVQUAL model is huge and it covers many service industries. The results of these studies are also very different. One of the researches was carried out in Romanian public health care in 2013. The authors of this study used a self-administrated questionnaire which was sent out to female customers in a gynecological department in Bucharest, because according to the authors, women are the biggest health care spenders and also most active in health care forums. Their questionnaire was answered by 183 women. The results of their study showed that the biggest service gap is in the tangibles dimension, followed by responsiveness and reliability dimensions (Purcarea, Gheorghe, & Petrescu, 2013).

Another interesting research was carried out by Lee and Hing in 1995. They compared service quality of two restaurants in Australia: Chinese and French that were run by the same managers. They randomly selected 50 participants to answer their survey. Half of the participants rated the service at the Chinese restaurant and the other half rated the service at the French restaurant. The results were very similar for both restaurants, where the biggest gap in their service was found to be in the assurance and reliability dimensions (Lee & Hing, 1995).

Another study was made by Abari, Esteki and Yarmohammadian in 2011. They were measuring service quality of post graduate studies at the Islamic Azad University – Khorasgan branch. They distributed a descriptive survey to 92 postgraduate students and found out that there was a significant difference between students' expectations and students' current perception of service quality in the responsiveness dimension, which was followed by empathy and assurance dimensions (Abari, Esteki, & Yarmohammadian, 2011).

There has been some research done in Iceland using SERVQUAL instrument. Most of the research includes unpublished theses of university students at Master's and Bachelor's levels. Some examples of such studies are service quality of Icelandic savings banks (Vignir Guðjónsson, 2009), service quality of universities in Iceland (Helga Dögg Björgvinsdóttir, 2006), quality of service banks (Ásdís Björg Jóhannesdóttir, 2012) and service quality of physiotherapists in Iceland (Ingibjörg Ólafsdóttir, 2010).

Vignir Guðjónsson (2009) carried out his study by sending out a SERVQUAL survey which was translated into Icelandic and sent to random e-mails of people who are using bank services. He received 268 replies. The results of the study showed that customers of savings banks are most satisfied with the services they have been provided by their banks. The results also showed that the biggest service gap between expected and perceived service that customers have experienced was at Kaupþing's bank.

Ingibjörg Ólafsdóttir (2010) made a study on how customers rate service quality delivered by physiotherapy facilities in Iceland. She chose then physiotherapy facilities to send her questionnaire out of 27 that were available during that time in Iceland. She received 439 answered surveys from customers of physiotherapy facilities. Her study results revealed that the quality of service delivered by physiotherapists exceeded

expectations of their customers and that the delivered service was of similar quality in all researched offices.

Helga Dögg Björgvinsdóttir (2006) was examining what expectations students have from their university's service, the impact of tuition fees and the relationship between the loyalty and satisfaction of students. Helga sent her questionnaire to 214 business students from five universities around Iceland. Results showed that students consider service quality at the Business and Economics department to be lowest at the University of Iceland and highest at the University of Reykjavik. The results also showed that students in the University of Reykjavik are most satisfied and loyal compared to the other four universities and that tuition fees have an impact on expectations of the service quality which is expected to be higher with the higher tuition fee.

Ásdís Björg Jóhannesdóttir (2012) did her research on Iceland's banks where she was trying to find out how customers perceive the service quality at their banks. The survey in this research was sent out to all the students at the University of Iceland of which 405 responded. The outcome of this study was that the customers of Arion banki, Íslandsbanki and Landsbankinn do not think that the service quality at these banks is as good as the service quality at MP banki.

Unfortunately, no studies were found on bakery's service quality, therefore the results cannot be compared with current study on Sandholt's bakery.

6 Methodology

In this chapter, the method is described how the research was carried out, which includes formation of the questionnaire, selection of participants, data collection and research design. Each of these parts is discussed separately in detail.

6.1 Research method

The purpose of this study is to find out how customers perceive service quality at Sandholt's bakery and café. The research should show what kind of service Sandholt's customers expect to get and whether their expectations are fulfilled. Also by analyzing the collected data it is possible to see exactly in which areas of the five quality dimensions the service at Sandholt's bakery is not as good as the customers expect it to be, and in which areas the managers should consider making improvements.

This is a descriptive research which in general tries to discover answers to such questions as who, what, why, when, where and often how. Using descriptive research method the researcher attempts to observe the phenomenon or a problem and find the interaction between two or more research variables, in this case the customers and service quality. Descriptive study is a good method for a research because it defines a problem where management can use the data to plan, analyze, evaluate the information and examine the efficiency and effectiveness of the processes or operations in their company (Cooper & Schindler, 2011). In this case, the managers can use collected data to evaluate the quality of their service delivered.

Quantitative method was chosen to carry out this research, which is a numerical method in which data is collected through questionnaires and later analyzed using statistics (O'Leary, 2004). According to Cooper and Schindler (2011) the purpose of the questionnaire is to obtain comparable data across subsets of the sample where the similarities and dissimilarities can be found. Later, when the analysis is done out of the collected data the results and conclusions can be projected to the larger population (O'Leary, 2004; Cooper & Schindler, 2011). Quantitative method allows collecting data in a much shorter time and also embraces a much bigger audience than the qualitative

research method and it can easily guarantee anonymity and confidentiality to the participants.

6.2 Participants

Convenience sampling was used in this research. Convenience sampling means that the researcher can use any participants that are available for participation in the study. It could be random people that are passing by on the street or in the shopping mall; it could also be colleagues at work and at the university, school, as well as relatives and friends. Convenience sampling also means that the researcher has a regular and easy access to the participants (Crossman, 2014). In this case all participants were the customers of Sandholt bakery and café who agreed to take part in this research by completing the survey both at the bakery and some customers completed the online version of the survey. The researcher also asked all the customers that she had direct access to through Facebook in the bakery's Facebook website and through e-mail to participate in this study by filling in the questionnaire. All the participants had a free choice of completing the survey. Many customers agreed willingly to spend several minutes to fill in the survey while having coffee and pastries at Sandholt's café while others refused to do the survey for different reasons, such as little kids who were disturbing, couldn't complete the survey because they did not bring their glasses, or were in a hurry. There were many customers who agreed to do the survey at the coffee shop but later the researcher noticed that they did not fill it in at all, or only filled in part of the questionnaire which was not valid for the research. The total number of answered and useful surveys was 185. 17 surveys were not valid and were eliminated from the study because the respondents did not fill it in completely.

Figure 7 shows the gender distribution in this study. It can be seen that the gender ratios are not equal. Women participants were the bigger part of the sample representing 60% or (n=111) of respondents and males were representing 40% of the sample or (n=74).

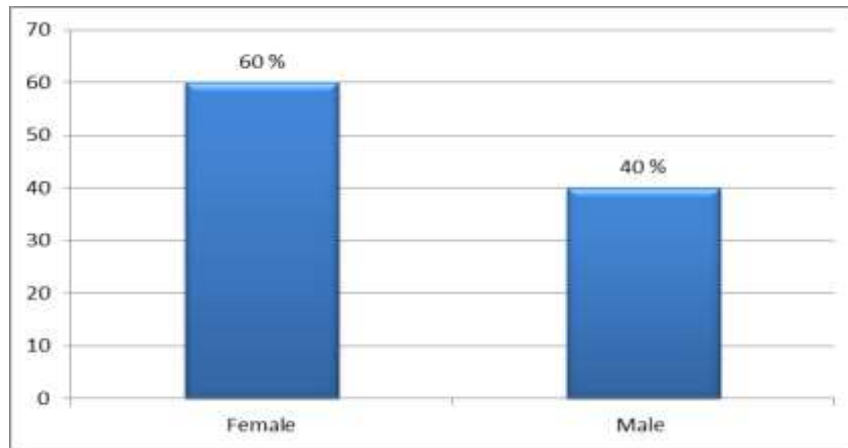


Figure 7: Sample distribution by gender

Originally, participants were grouped into seven categories according to age. The groups were: [18 or younger], [19 -25], [26-35], [36- 45], [46-55], [56 – 65], [66 or older]. However, the percentage of the respondents in some of the groups was very small, therefore the researcher decided to combine the groups into bigger intervals. As a result, the respondents were categorized into four age groups: [25 years or younger], [26-35], [36-55] and [56 years or older]. Figure 8 shows the age distribution of the participants. It can be seen that the age distribution was not equal. There were 40 people in the age group of [25 years or younger] which is 21.6% of the sample, 69 people in the age group of [26-35] which is 37.3% of the sample, 48 people in the age group of [36-55] which is 25.9% of the sample and in the last group [56 years or older] there were 28 respondents which was 15.1% of the sample.

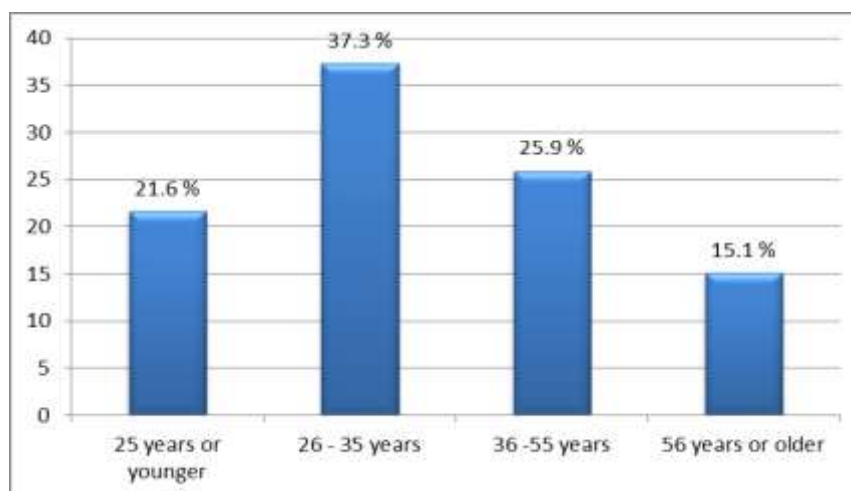


Figure 8: Sample distribution by age groups

Both Icelandic and foreign customers at Sandholt bakery were asked to participate in this research. Not surprisingly most of the participants had their residency in Iceland which was approximately 51.3% (n=95 out of 185) of the sample. Other respondents who answered the survey had residency in the United States – 15.1% (n=28), the United Kingdom – 14.9% (n=27), Germany – 3.7% (n=7), Norway – 2.1% (n=4), France – 2.1% (n=4), Holland – 2.6% (n=3), Ireland – 2.6% (n=3).

There were many customers who participated in this study, but the number of responses was very insignificant, therefore the percentage was not calculated. Although, it is worth mentioning that participants came from many different countries such as Canada, Ukraine, Sweden, Poland, Denmark, Portugal, Australia, Netherlands, Japan, Lithuania and Malta. The reason for this huge variety of cultures participating in this study could be explained by the increasing tourism in Iceland. According to Statistics Iceland, the number of overnight hotel stays increased by 36% in January 2014 compared to the same month in 2013. The increased number of foreign hotel guests can be seen in figure 9.

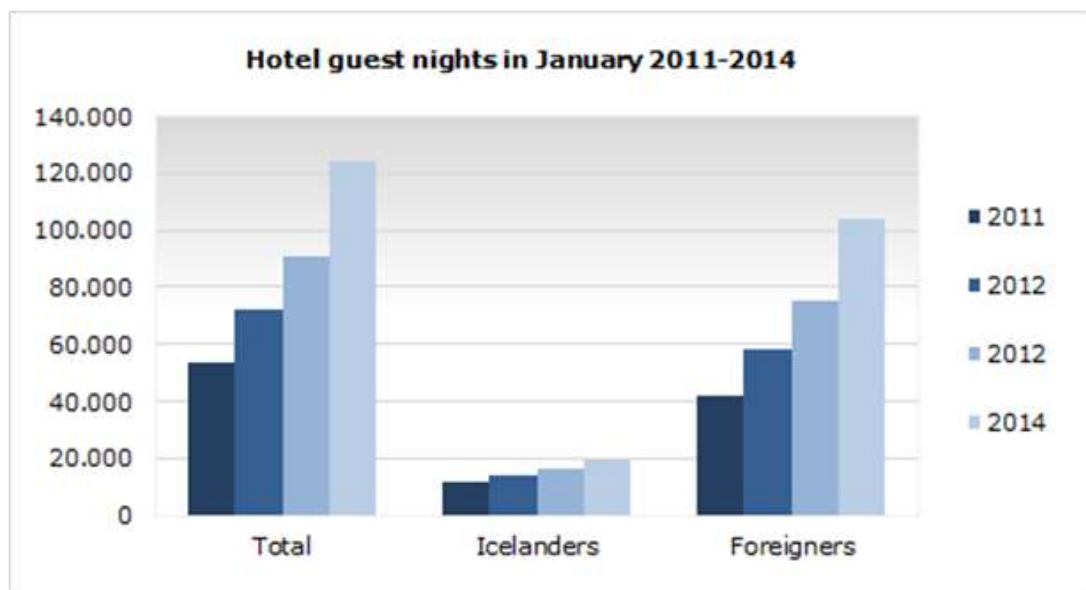


Figure 9: Hotel guest nights in January 2011-2014 (Statistics Iceland, 2014)

Figure 9 clearly shows that the number of foreign visitors has been increasing every year. In 2011, there were around 43 thousand foreigners staying in hotels in January and in 2014 the number grew to more than 100 thousand tourists.

6.3 Instrument

In this research study data was collected by using structured questionnaire. All the questions in this questionnaire were close-ended and multiple choice. Close-ended questions are easy to compare and analyze with statistical programs. Two versions of the questionnaire were used in this research: in print and online version. The questionnaire consisted of two sections, A and B. Section A included 22 statements which described how service should be in a high quality bakery/café. Section B consisted of 22 statements about service quality that apply to Sandholt's bakery. The difference between section A and B is that A deals with expectations of the service that customers have towards all the bakeries and cafés in general and section B deals with perceptions of delivered service at Sandholt's bakery and café. All 44 statements were developed by Parasuraman, Zeithaml and Berry (1988). The original SERVQUAL model was used for this research but all the statements were rephrased to fit into the context of the bakery and café service. For example, instead of "excellent bank should have modern looking equipment", the researcher used - "excellent bakery/café should have modern looking equipment". Statements 1 to 4 were meant to measure the tangibility aspect of service in the bakeries. Reliability dimension is measured in statements from 5 to 9, responsiveness from 10 to 13, assurance dimension - 14 through 17 and finally empathy is measured in the statements from 18 to 22. In both sections A and B the participants were asked to mark or circle the most appropriate answer for them in a scale of 1 to 5. 1 denoted strongly disagree, 2 – disagree, 3 – neutral, 4 – agree, 5 – strongly agree. In the original SERVQUAL scale, a 7 point Likert scale is used, however in this research the researcher decided that it is enough to have a 5 point Likert scale instead of 7, because it might confuse the respondents by having too many choices. After sections A and B, there were three background questions included in the questionnaire. Participants were asked about their gender, age and legal residency with the intention to collect demographic information and to observe the differences between customers at Sandholt's bakery. In the online version of the questionnaire, all the questions were mandatory to answer thus there were no missing values from that part. However, as it was mentioned before the print version which was distributed at the bakery resulted in some missing data, because customers did not complete or did not fill in the questionnaire at all. All the questions were first created in English and later

translated into Icelandic. The Icelandic version of the questionnaire was then translated back into English by a different person to assure that the meaning did not get lost in the process, because both versions had to be exactly the same. The complete questionnaire can be seen in the Appendix 1A (English version) and Appendix 1B (Icelandic version) attached in the end of this thesis.

6.4 Procedure

The researcher started creating the questionnaire in the beginning of March in 2014. When the survey was completed, it was given to five people for a pilot test to make sure all the questions are clear and participants of the research would know right away what it is expected from them. Some suggestions were made by the testing people. One of the suggestions was to change one of the background question from “where are you from?” to “in which country do you have your residence?” It is more accurate to ask in which country do you have your residence, because many people live in different countries than the ones they have been born into, and If they have lived in a foreign country for a long time they will have expectations of service quality in reference to the country where they have lived longest and not the country where they were born.

On the 14th of March 150 copies of the questionnaire were printed out, which consisted of three pages. In the beginning of the survey the researcher included the cover letter, where she introduced herself and explained the purpose of the questionnaire and thanked all the participants in advance for their help. It was also explained in the cover letter that this questionnaire is absolutely anonymous and all the answers are confidential. It is not possible to link the answers to individual people. Some of the participants who were also regular customers of the bakery were not only happy to help by filling in the survey but also gave some very valuable comments about how to improve service in the bakery and the café. Because the confidentiality was guaranteed for participants it might have motivated them to share their personal views and opinions. 75 copies were in English and 75 copies were in Icelandic. On the 15th of March the online version of the same questionnaire was created using Google Docs Forms which is free of charge and a user friendly online tool for creating surveys. On March 15th, 16th and 17th, researcher spend the bigger part of the day distributing printed version of the questionnaire to all the customers that were sitting down for a

cup of coffee at Sandholt bakery which is located on Laugavegur 36 in Reykjavik. Unfortunately, all the customers who were buying bread and pastries at the counter and did not sit down in those three days were not included in the research, because the researcher thought it wasn't convenient for the customers to answer the survey while standing and also there are only limited space at the bakery and few tables which were taken most of the time by other customers. On the other hand, customers who did not visit the café during these three days had a chance to participate in the research by filling up the online version of the questionnaire which was posted online on the Facebook webpage of Sandholt bakery and stayed there for a week. After one week there were 185 questionnaires collected that are considered valid and are being used for analysis and 17 questionnaires were not completed and were eliminated from this research.

6.5 Data analysis

Collected data was transferred from Google Forms to MS Excel. In MS Excel all the answers from the questionnaire were changed to numerical values and later transferred to Statistical Analysis program called SPSS Statistics software package. First, frequency tables and descriptive statistics analysis were run into SPSS where it is possible to see the maximum and minimum values for each question as well as mean and standard deviation. From frequency tables it is possible to compare the percentage of males and females that participated in this research and to see how many people belong to each of the age groups. Later, several tests were run using SPSS to calculate and see if there is any significant difference between variables. Paired samples t-test was used to calculate the differences in means between expectations and perceptions. Independent t-test was used to calculate if there is any significant difference between expectations, perceptions and gender. And finally, one-way ANOVA regression analysis was used to calculate if there is any significant difference between expectations, perceptions and age groups.

7 Results

In this chapter, all the results that were obtained through the help of Microsoft Excel and SPSS Statistics tools are presented in a numerical way using descriptive statistics. The tests that were used to calculate the results for this research were reliability analysis, paired samples t-test, independent t-test and one-way ANOVA regression analysis.

7.1 Reliability analysis

Before all tests were run in SPSS, the researcher did internal consistency reliability analysis, also known as computing Cronbach's alpha. Cronbach's alpha tells us how reliable the data is if different items are combined under a single scale. It is used most commonly when the questions/statements in a questionnaire are formed by using Likert scale and someone wants to determine whether such a scale is reliable to use. In this research, Cronbach's alpha was computed for all five dimensions: tangibles, responsiveness, reliability, assurance and empathy, and in both parts of the model perceptions and expectations separately.

Table 3: Reliability analysis

	Expectations	Perceptions
	Cronbach's alpha	
Tangibles	0.705	0.673
Reliability	0.822	0.871
Resposiveness	0.744	0.853
Assurance	0.806	0.83
Empathy	0.836	0.844

Alpha has a mean range between 0 and 1. It means that when there is 0 there is no internal reliability of the scale and when there is 1, it is a perfectly reliable scale, in other words perfect internal consistency. In science, 0.7 alpha is considered adequate (DeVellis, 2003). Table 3 shows that in most cases Cronbach's alpha is higher than 0.7 therefore it is safe to say that most of the items used in this model are reliable. However, one alpha was below 0.7 in tangibles dimension (alpha = 0.673) in perceptions scale. When alpha is lower than 0.7, there are two items that need to be looked at. One is called corrected item total correlations, which should be in range from 0.3 to 0.7

(Ferketich, 1991), and Cronbach's alpha if the item is deleted. In table 4, it can be seen that all items have correlations in the range between 0.3 and 0.7, therefore it can be concluded that even with Cronbach's alpha below acceptable range, tangibles scale is also reliable in this research. This conclusion can be proved by looking at the second item, if any of the items would be deleted in tangibles dimensions, Cronbach's alpha would result in even lower and not higher mean, which proves that no item in tangibles scale can be deleted.

Table 4: Item-Total Statistics

	Scale mean if item deleted	Scale variance if item deleted	Corrected item-total correlation	Squared multiple correlation	Cronbach's Alpha if item deleted
Sandholt bakery/café has modern-looking equipment.	11.74	3.302	0.452	0.233	0.609
Physical facilities (shelves, counters, fridges, lights, tables, chairs) in this bakery/café are visually appealing.	11.51	3.023	0.486	0.272	0.587
Employees at Sandholt's bakery/café are neat in their appearance.	11.25	3.373	0.54	0.314	0.555
Materials associated with the service (bags, statements, advertisement brochures) are visually appealing in Sandholt.	11.44	3.889	0.355	0.295	0.665

7.2 Expectations vs. perceptions – gap score

Expectations and perceptions were calculated using a 5 point Likert scale where higher numbers indicate higher expectations or higher perceptions of the service. The results in the table 5 show clearly that in most cases expectations by customers exceeded the perception of the service provided.

Table 5: Expectation means, perception means and gap score

Statements	Expectations	Perceptions	Gap Score
Tangibles			
1	3.54	3.57	0.03
2	4.26	3.8	-0.46
3	4.52	4.06	-0.46
4	4.05	3.88	-0.17
Reliability			
5	4.59	3.68	-0.91
6	4.58	3.72	-0.86
7	4.41	3.95	-0.46
8	4.57	3.77	-0.8
9	4.14	3.57	-0.57
Responsiveness			
10	4.05	3.58	-0.47
11	4.37	4.06	-0.31
12	4.56	4.04	-0.52
13	3.99	3.67	-0.32
Assurance			
14	4.39	3.94	-0.45
15	4.59	4.14	-0.45
16	4.73	4.17	-0.56
17	4.46	3.77	-0.69
Empathy			
18	4.23	3.72	-0.51
19	4.08	3.94	-0.14
20	4.08	3.81	-0.27
21	4.39	3.82	-0.57
22	4.17	3.7	-0.47

Table 5 shows calculated scores for each of 22 statements in each of the five service dimensions. In the second column there are the mean numbers for expectations and in the third column there are the means for perceived service in Sandholt's bakery. In the last column there is a gap score between perceived service and expected service. All gap score numbers have negative results but one, which means that in Sandholt's bakery customers expect to get better service than what they have experienced. In the tangibles dimension the first statement has a positive gap score which means that perceived service was slightly higher than what customers expected. The first statement is as follows: "Sandholt bakery/café has modern-looking equipment" in perceptions scale and "excellent bakery/café should have modern equipment" in expectations scale

which can be interpreted as customers do not consider higher service in the bakery if it has modern looking equipment. They do not think that it is very important in order to perform high quality service or it can also mean that high quality service can be performed with not as modern equipment as long as it is functioning correctly.

The highest rated expectation items were “an ideal bakery/café promises to do something by a certain time, they do so” with the mean of ($M = 4.59$) and “when a customer has a problem, an excellent bakery/café should show a sincere interest in solving it” ($M = 4.58$) in reliability dimension and “customers of an excellent bakery/café should feel safe when making transactions” ($M = 4.73$) and “the employees of an excellent bakery/café should be polite and show courtesy” ($M = 4.59$) in assurance dimension. Customers have highest expectations for these four items in the bakeries and coffee stores.

The items with highest perception means were “employees at Sandholt’s bakery/café are neat in their appearance” with the mean of ($M = 4.06$) in tangibles dimension, “employees give prompt service to customers at Sandholt bakery/café” with the mean of ($M = 4.06$) in responsiveness dimension, “customers at Sandholt bakery/café feel safe when making transactions” ($M = 4.14$) and “Sandholt’s employees are polite and always show courtesy” ($M = 4.17$) in assurance dimension.

The means were calculated for each dimension for expectations scale to examine for which dimensions customers have highest expectations. It can be seen in table 6 that customers have highest expectations for reliability and assurance dimensions with the means of ($M = 4.46$) and ($M = 4.54$) respectively. The lowest expectations are for tangibles and empathy dimensions with the means of ($M = 4.09$) and ($M = 4.19$) respectively.

Table 6: Means for expectations scale

Expectations scale	Mean
Tangibles dimension	4,09
Reliability dimension	4,46
Responsiveness dimension	4,24
Assurance dimension	4,54
Empathy dimension	4,19

7.3 Paired samples t-test

Paired samples t-test was used to calculate if there is a significant difference between the five service dimensions. Results showed that there is a significant difference between expectations and perceptions in all five dimensions. In the tangibles dimension the mean and standard deviation for expectation scale is ($M = 4.09$, $SD = 0.613$) and ($M = 3.83$, $SD = 0.583$) for perception scale where $t(184) = 4.786$, $p < .05$. The gap score between the means is - 0.26. In the reliability dimension the mean and standard deviation for expectations scale is ($M = 4.46$, $SD = 0.543$) and ($M = 3.74$, $SD = 0.725$) for perception scale where $t(184) = 11.360$, $p < .05$. The gap score between the means is - 0.72. In the responsiveness dimension the mean and standard deviation for expectation scale is ($M = 4.24$, $SD = 0.612$) and for perception scale ($M = 3.84$, $SD = 0.722$) where $t(184) = 6.189$, $p < .05$. The gap score between the means is - 0.4. In the fourth assurance dimension the mean and standard deviation in expectations scale is ($M = 4.54$, $SD = 0.507$) and ($M = 4.00$, $SD = 0.684$) in perceptions scale where $t(184) = 9.173$, $p < .05$. The gap score for this dimension is - 0.54. In the last empathy dimension the mean and standard deviation for expectations scale is ($M = 4.19$, $SD = 0.603$) and ($M = 3.80$, $SD = 0.624$) in perceptions scale where $t(184) = 6.870$, $p < .05$. The gap score is - 0.39.

The gap scores between service dimensions were calculated by subtracting the means of expectations from the means of perceptions. The biggest mean gap was found in reliability dimension (-0.72) following by assurance dimension (-0.54) and responsiveness (-0.4). Quality improvements should first and foremost be made in these three dimensions where the biggest service gap exists. However, since all gap scores were negative it means that perceived or experienced service in Sandholt's bakery is less than what customers expect from the service.

7.4 Gender and age

Independent t-test was used to find out if there is any significant difference between female and male customers and between any of the five service dimensions. According to the results there was no significant difference found between these variables. Therefore, it is possible to conclude that female and male customers of Sandholt bakery perceive and experience service quality at a very similar way.

One-way ANOVA test was used to find out if there is any significant difference between service dimensions and age groups. There was no significant difference found in any of the five age groups. The reason for this could be that the response rate in some groups was lower than in others, and it did not show any difference in the opinion of the service quality. If it would have been for e.g. 200 responses for each age group it could have provided more variability in the results of this study.

8 Discussion

In this chapter, the conclusions will be drawn from the results that were presented in the previous chapter about the service quality in Sandholt's bakery and a coffee shop. The attempt will be made to answer research questions of this study and later the recommendations will be provided for the management of Sandholt's bakery.

This thesis was written based on the following research questions: 1) Is there a service quality gap at Sandholt's bakery? 2) Does perceived service exceed customer expectations or is it less than what customers expect? 3) Which service dimension has the biggest service gap between expected and perceived service at Sandholt's bakery? 4) Is there any significant difference between gender and service dimensions? 5) Is there any significant difference between customer age groups and service dimensions?

The results showed that in fact there is a quality gap in service at Sandholt's bakery and a café. Overall mean for expectations scale was 4.304 out of 5, which means that customers have rather high expectations for service in bakeries and in the coffee houses in general. Overall mean for perceptions scale for service in Sandholt was 3.842 out of 5, which means that delivered service has flaws in its quality. According to Parasuraman, Zeithaml and Berry (1988) it is very common in service industries that customer expectations exceed their perceptions, because there is always a need for even a slight improvement in services. Further analysis of the results showed that the biggest quality gap in Sandholt's company is in reliability (-0.72), assurance (-0.54) and responsiveness (-0.4) dimensions, therefore most improvements should be done in these three dimensions. As it was explained before, reliability dimension means that the service providing company has an ability to perform service accurately and without making a lot of mistakes in the process. Assurance means that all employees in the company including management are polite, show courtesy to customers, have the capability and knowledge to perform the service and are trustworthy. Responsiveness involves willingness of the employees to help customers and give them fast service. Although, these three dimensions had biggest quality gaps and needs most attention, all of the

five dimensions had negative gap scores in their means, which also suggests that all service dimensions lack in quality and could be improved.

Calculations were made to examine for which service dimensions customers have highest expectations. According to the results, customers in the bakery have highest expectations for reliability and assurance dimensions. These results support the findings of Parasuraman, Zeithaml and Berry (1988) and Lee and Hing (1995) even though they made their studies on different service companies. Moreover, the results showed that the customers have lowest expectations for tangibles and empathy dimensions, tangibles being the lowest and it is in accordance with the findings of Lee and Hing (1995). However, Parasuraman, Zeithaml and Berry (1988) found out that the empathy dimension has the lowest expectations from the customers in all four of their researched companies. One explanation could be that any of their four companies did not include food providing services and Lee and Hing (1995) made their research on food providing companies – two restaurants that have more similarities with bakery and café services. Even though, tangibles dimension has the lowest expectations, it should not be implied that managers can ignore this dimension and focus on the other four instead, because it is not important to their customers. It is also very important service dimension, but slightly less than reliability and assurance dimensions.

Analysis was made to investigate if there was any significant difference between female and male customers to check if they perceive delivered service differently at Sandholt's bakery. According to the results, there was no significant difference found, therefore, the conclusion can be made that both female and male customers experience service in the same way. It also could be that 185 responses were not adequate enough to find any differences in the service dimensions. If there were 200 female participants and 200 male participants, it could have shown different results in some of the dimensions.

Analysis was also made to investigate if there was any significant difference between customer age groups. It is interesting to find out whether younger generations for e.g. age 20 to 30 experience service delivery in a different way than the customers that are for e.g. 50 to 60 years old. There were five age categories in this research and according to results there was no significant difference between older and younger customers of

different ages and service dimensions at Sandholt's bakery. Therefore, it can be concluded that all customers experience service quality in the same way. It could have also happened that there was no significant difference found because the sample of each age group was not big enough to make a difference.

8.1 Recommendations for management

As it was mentioned above, the biggest quality gaps were found in reliability, responsiveness and assurance dimensions. All these dimensions have to do with the performance of employees and managers in the company. This means that the company is struggling to deliver service as promised or is making errors while delivering the service. It can also mean that employees do not always have the knowledge to answer customer questions or do not have enough competence to help customers with their requests. One solution that managers can implement in this situation is to re-train their employees who are delivering the service to the customers. In this case, re-training those who are selling pastries, breads and serving coffee and cakes. Kotler, Wong, Saunders, & Armstrong (2005) state in their book that consistent and reliable service in the company is achieved through continuous investment in improving the performance and quality of employees. For example, if customers are complaining about the quality of coffee, managers should consider sending all employees to a short coffee seminar where they would be taught how to make and serve better quality coffee. They could also hire one person who is a professional barista and let that person teach everyone else who is serving coffee to customers. It could also help to improve service if managers would set specific quality standards and all employees would have to follow those standards. For example, if customers are complaining that the front line employees do not always know what kind of breads they are selling and what are the exact ingredients in the bread, managers could make a short brochure with all the information considering breads and bread making process. Each new employee should take the brochure home and read it, which would result in more competence at work. Managers at Sandholt bakery and coffee shop could consider encouraging and rewarding their employees for good service delivery. It could motivate employees to try even harder next time they come to work. For example, if a customer sends a thank you note via e-mail for a good service or a pleasant time in the coffee house, managers

should share such information with all employees for e.g. in the Facebook group of Sandholt, thus all employees would feel that they are doing something right. Managers at Sandholt could also closely monitor service performance and if they notice some mistakes they should give feedback right away and explain how to do it in the right way to those employees instead of letting it go and having the same mistakes being repeated again and again. For example, Sandholt managers could hire a separate individual to supervise all the employees in the café who are communicating directly to the customers. The supervisor could always work in line with all the employees and let them know right away what mistakes they make. If for example, they don't remember how to serve soup or coffee in the proper way. Managers of Sandholt should always record all the complaints that they receive about the service and keep track on what mistakes are being repeated most often or what problems with service occur most often and take action in correcting those mistakes. It could happen that it is not the employees that are making mistakes but the system of delivering the service has flaws and they should consider changing the system and not changing the employees. Managers should also observe whether most complaints come from native customers or foreign customers. If more complaints are coming from foreigners, they should consider about adapting the service to satisfy both the needs of Icelanders and tourists. For example, if customers complain about employees not being able to explain the ingredients of the pastries in English, managers could hire several new employees who are very skilled in English who could serve only English speaking customers or they could also teach all the current employees how to say all the ingredients of all the pastries and breads both in Icelandic and in English. Last but not least, the managers must have commitment for improving service quality at their company and be willing to implement changes if necessary for service improvement, because if managers will not care enough, their employees will not have the commitment and motivation for quality improvement either (Kotler, Wong, Saunders, & Armstrong, 2005).

8.2 Limitations

There are several limitations in this research. First, the survey was too long. It included 44 statements and 3 background questions. Many participants who were answering the survey at the coffee shop did not finish it, or left it blank once they saw how many

questions the survey consisted of. However, the specific model was used to conduct this research called the SERVQUAL model, which consists of 22 expectation statements and 22 perception statements. Therefore, if the same model is used again it is not possible to delete some statements without altering the model. Another model could be used to investigate service quality in the company such as SERVPERF or RSQS.

Another limitation considering this research was that the researcher printed out 75 copies of Icelandic version and 75 copies of English version. The English survey was answered much faster than Icelandic because of the higher number of foreign visitors in the coffee house. Many more responses could have been obtained if the researcher had more English copies during the data collection process.

Another limitation was that data was collected when the bakery and the coffee house was being renovated and some part of it was under construction which resulted in less space, more disorganization and noise at times. It could have influenced significantly the results for tangibles dimension which involves physical aspects of the service.

8.3 Suggestions for further research

It would be interesting to do the same research again on the same company but after they made renovations and opened the bigger café to see if any of the results would change. It could be that tangibles dimensions would exceed expectations of customers since everything would be new and would have a modern look. In the future research it would be good to add a products dimension to find out customers' opinion not only of service, but also about the products of the company. It would also be interesting to collect bigger samples of foreign respondents from different countries and analyze if there are any cultural differences between native Icelanders and other cultures in the way they perceive service delivery at Sandholt's bakery. And lastly, it would be interesting to investigate not only Sandholt's service quality but also all the bakeries that are currently operating in Iceland and compare the results of which bakery has best service quality according to customers and which one needs most improvement.

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Appendix 1A – Questionnaire (English)

Dear participant,

My name is Judita Virbickaite. I am doing a research for my master's thesis in Strategic Management at the University of Iceland. In this research, I want to find out how the customers rate the quality of the service at Sandholt bakery. It would be a lot of help for me if you could answer this survey. It is a short survey which should not take more than 7 minutes of your time. The answers cannot be attributed to individual persons.

Thank you for your participation.

Best Regards,

Judita Virbickaite (juv3@hi.is)

This survey consists of two parts: expectations and experience.

Expectations: This section deals with your opinion of bakeries/café. Rate to what extent you think bakeries/café should have the following features.

	Statement	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
1	Excellent bakery/café should have modern equipment.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
2	Its physical facilities (shelves, counters, fridges, lights, tables, chairs) should be visually appealing.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
3	Employees at an excellent bakery/ café should be neat in their appearance.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
4	Materials associated with the service (bags, statements, advertisement brochures) should be visually appealing at an excellent bakery/café.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
5	When an ideal bakery/café promises to do something by a certain time, it does so.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
6	When a customer has a problem, an excellent bakery/café should show a sincere interest in solving it.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
7	Excellent bakery/café should perform the service right the first time.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
8	Excellent bakery/café should provide the service at the time it promises to do so.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
9	Excellent bakery/café should insist on error-free service.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
10	Employees of an excellent bakery/café should tell customers exactly when services will be performed.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
11	Employees should give prompt service to customers.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
12	Employees should always be willing to help customers.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
13	Employees in an excellent bakery/café should never be too busy to respond to customers' requests.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
14	The behavior of employees in an excellent bakery/café should instill confidence in customers.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
15	Customers of an excellent bakery/café should feel safe when making transactions.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
16	The employees of an excellent bakery/café should be polite and show courtesy.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
17	Employees of an excellent bakery/café should have the knowledge to answer customer's questions.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
18	Excellent bakery/café should give customers individual attention.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
19	Excellent bakery/ café should have operating hours convenient to all their customers.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
20	Employees should give customers personal service.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
21	Employees should have their customers' best interest at heart.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
22	Employees should understand the specific needs of their customers.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5

Perceptions: This section deals with the perception of service experienced in the bakery/café Sandholt Reykjavik. Show to what extent these statements reflect your experience of service in Sandholt's bakery.

	Statement	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
1	Sandholt bakery/café has modern equipment.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
2	Physical facilities (shelves, counters, fridges, lights, tables, chairs) in this bakery is be visually appealing.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
3	Employees at Sandholt's bakery/café are neat in their appearance.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
4	Materials associated with the service (bags, statements, advertisement brochures) are visually appealing in Sandholt.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
5	When Sandholt promises to do something by a certain time, they do so.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
6	When a customer has a problem, employees at Sandholt show a sincere interest in solving it.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
7	Bakery/café Sandholt performs the service right the first time.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
8	Sandholt provides the service at the time they promised to do so.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
9	Sandholt bakery/café insists on error-free service.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
10	Employees at Sandholt tell customers exactly when services will be performed.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
11	Employees give prompt service to customers at Sandholt bakery/café.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
12	Employees at Sandholt are always willing to help customers.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
13	Employees at Sandholt bakery/café are never too busy to respond to customers' requests.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
14	The behavior of employees in Sandholt instills confidence in customers.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
15	Customers at Sandholt bakery/café feel safe when making transactions.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
16	Sandholt's employees are polite and always show courtesy.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
17	Employees in Sandholt have the knowledge to answer customer's questions.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
18	Sandholt always gives its customers individual attention.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
19	Sandholt bakery/café has operating hours convenient to all its customers.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
20	Employees at Sandholt give customers personal service.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
21	Sandholt has its customers' best interest at heart.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
22	The employees at Sandholt understand the specific needs of their customers.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5

Background questions:

What is your gender?

- ☐ Female
- ☐ Male

How old are you?

- ☐ 18 or younger
- ☐ 19 - 25
- ☐ 26 - 35
- ☐ 36 - 45
- ☐ 46 - 55
- ☐ 56 - 65
- ☐ 66 or older

In which country do you have residence?

Thank you for participation!

Appendix 1B – Questionnaire (Icelandic)

Kæri þátttakandi,

Ég heiti Judita Virbickaite og er að vinna rannsókn fyrir meistaraverkefnið mitt í Stjórnun og stefnumótun við Háskóla Íslands. Rannsóknin felst í því að kanna gæði þjónustu sem er veitt í bakaríinu Sandholt. Mér þætti vænt um að fá aðstoð þína með þátttöku í könnuninni. Þetta er stutt könnun sem tekur um það bil 6-8 mínútur að svara. Svör er ekki hægt að rekja til einstakra þáttakenda.

Takk fyrir þátttökuna.

Með fyrirfram þökk og bestu kveðju,

Judita Virbickaite (juv3@hi.is)

Fyrri hluti:

Merktu við eina tölu þar sem (1) merkir að mikilvægi sé lítið en (5) merkir að mikilvægi sé mikið.

	Fullyrðingar	Mjög ósammála	Ósammála	Hvorki né	Sammála	Mjög sammála
1	Fullkomið bakarí/kaffihús ætti að vera búið tækjum og innréttingum sem uppfyllir nútíma kröfur og staðla.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
2	Húsnæði fullkomins bakarís/kaffihúss ætti að vera aðlaðandi (hillur, kæli, ljós, borð, stólar).	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
3	Starfsfólk fullkomins bakarís/kaffihúss ætti alltaf að vera snyrtileg í útliti.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
4	Kynnigarefni um þjónustu fullkomins bakarís/kaffihúss ætti að vera aðlaðandi í útliti (heimasíða, innkaupapokar, auglýsingar).	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
5	Ef fullkomið bakarí/kaffihús lofar að gera eitthvað fyrir tilsettann tíma, þá stendur það við það.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
6	Ef viðskiptavinur á við vanda að stríða, þá sýnir bakarí/kaffihús einlægan áhuga á að leysa hann.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
7	Þjónustan sem fullkomið bakarí/kaffihús veitir ætti að vera skilvirk í fyrsta skipti.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
8	Fullkomið bakarí/kaffihús ætti að veita þjónustu á þeim tíma sem það lofar.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
9	Fullkomið bakarí/kaffihús ætti að legja áherslu á villulausa þjónustu.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
10	Starfsfólk fullkomins bakarís/kaffihúss ætti alltaf að segja viðskiptavinum nákvæmlega hvenær þjónusta verði veitt.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
11	Starfsfólk ætti að veita skjóta þjónustu.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
12	Starfsfólk ætti alltaf að vera reðubúið að aðstoða viðskiptavini.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
13	Starfsfólk fullkomins bakarís/kaffihúss ætti aldrei að vera of önnum kafið til að bregðast við beiðni um aðstoð.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
14	Framkoma starfsfólks ber vott um fagmennsku í fullkomnu bakarí/kaffihúsi.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
15	Viðskiptavinir finna til trausts í viðskiptum sínum við fullkomið bakarí/kaffihús.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
16	Starfsfólk fullkomins bakarís/kaffihúss ætti alltaf að sýna kurteisi við viðskiptavini.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
17	Starfsfólk fullkomins bakarís/kaffihúss ætti að hafa þekkingu til að svara spurningum um hverskyns þjónustu.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
18	Fullkomið bakarí/kaffihús ætti að veita persónulega þjónustu.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
19	Fullkomið bakarí/kaffihús ætti að bjóða upp á hentugan opnunartíma fyrir alla viðskiptavini.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
20	Hver viðskiptavinur fær einstaka athygli í fullkomnu bakarí/kaffihúsi.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
21	Fullkomið bakarí/kaffihús ætti að bera hag viðskiptavinna sinna fyrir brjósti.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
22	Starfsfólk ætti að skilja sérstakar þarfir viðskiptavinna sinna.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5

Seinni hluti:

Merktu við eina tölu þar sem (1) merkir að mikilvægi sé lítið en (5) merkir að mikilvægi sé mikið.

	Fullyrðingar	Mjög ósammála	Ósammála	Hvorki né	Sammála	Mjög sammála
1	Sandholt bakari/kaffihús er búið tækjum og innréttingum sem uppfyllinútíma kröfur og staðla.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
2	Húsnæði hjá Sandholti er aðlaðandi (hillur, kæli, ljós, borð, stólar).	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
3	Starfsfólk hjá Sandholti er alltaf snyrtilegt í útliti.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
4	Kynningarefni um þjónustu er aðlaðandi í útliti (heimasíða, innkaupapokar, auglýsingar) hjá Sandholti.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
5	Ef Sandholt lofar að gera eitthvað fyrir ákveðin tíma, þá stendur Sandholt við það.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
6	Ef viðskiptavinur á við vanda að stríða, þá sýnir starfsfólk hjá Sandholti einlægan áhuga á að leysa hann.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
7	Þjónustan sem Sandholt veitir er skilvirk í fyrsta skipti.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
8	Sandholt veitir þjónustu á þeim tíma sem það lofar.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
9	Sandholt leggur áherslu á villulausa þjónustu.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
10	Starfsfólk hjá Sandholti segir viðskiptavinum alltaf nákvæmlega hvenær þjónusta verði veitt.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
11	Starfsfólk hjá Sandholti veitir skjóta þjónustu.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
12	Starfsfólk Sandholts eru alltaf reðubúnið að aðstoða viðskiptavini.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
13	Starfsfólk Sandholts er aldrei of önnur kaffið til að bregðast við beiðni um aðstoð.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
14	Framkoma starfsfólks ber vott um fagmennsku hjá Sandholti.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
15	Viðskiptavinir finna til trausts í viðskiptum sínum við Sandholt.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
16	Starfsfólk Sandholts sýnir alltaf kurteisi við viðskiptavini.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
17	Starfsfólk Sandholts hefur þekkingu til að svara spurningum um hverskyns þjónustu.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
18	Sandholt veitir persónulega þjónustu.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
19	Sandholt býður upp á hentugan opnunartíma fyrir alla viðskiptavini.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
20	Hver viðskiptavinur fær einstaka athygli hjá Sandholti.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
21	Sandholt beri hag viðskiptavinna sinna fyrir brjósti.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
22	Starfsfólk hjá Sandholti skilur sérstakar þarfir viðskiptavinna sinna.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5

Bakgrunnsspurningar:

Hvert er kyn þitt?

- ☐ Kona
- ☐ Karl

Hver er aldur þinn?

- ☐ 18 eða yngri
- ☐ 19-25 ára
- ☐ 26-35 ára
- ☐ 36-45 ára
- ☐ 46-55 ára
- ☐ 56- 65 ára
- ☐ 66 eða eldri

Í hvaða landi ert þú búsett(ur)?

Takk fyrir þátttökuna!