

# Understanding Customer Expectations and Perceptions with Regards to the Selected Services in India



Kurapati Kavitha, P.Sai Taniya

**Abstract:** Services play a vital role in not only individual's life but also in the GDP contribution and form of a good or service. Services are those which cannot be seen, touched or stored, they have to be experienced. For example education, banking, transportation, healthcare, etc. In services, simultaneous production and consumption take place. Customer perceptions and expectations differ for goods and services. Also differ based on the type of services. Customer may expect different set of attributes when he is buying a service. Understanding and satisfying customer expectations is the top most challenging task for the service providers. As part of my study I have selected Educational services, Health care services, Consumer banking services and Tourism services to study consumer opinions and expectations in selecting and using them.

This study aims to understand what are customers opinions and what they mainly expect while buying the selected services. A survey has been conducted with the help of a questionnaire aiming to collect data relevant to study objectives. Data has been collected to assess opinions and influences of their buying behaviour.

**Keywords :** customers opinions, Expectations, Perceptions, Buying behavior, influences.

## I. INTRODUCTION

Customers buy services with some set of expectations. If services performance matches with the expectations they feel satisfied, If not it results dissatisfaction. Understanding customer expectations in delivering services is the difficult task for the service providers. Expectations can be developed based on the variety of factors. On the other hand after buying the services how consumers are perceiving them is also important aspect for the service providers.

Customer perception can be defined as the way in which something is regarded, understood, or interpreted. It varies from person to person.

Customer expectations and perceptions may be mainly affected by advertising, reviews, public relations, social media, own experiences and other channels. Understanding expectations and perceptions play a very important role in attracting new customers and retaining existing customers.

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There are certain factors which are making Understanding expectations and perceptions further difficult in case of services compared to goods are:

1.Characteristics of services compared to goods

1. Heterogeneity
2. Simultaneous consumption
3. Intangibility
4. Inseparability
5. Perishability

2.Some other Challenges for services:

1. Defining
2. Improving quality
3. Ensuring the delivery of consistent quality
4. Communicating and maintaining a consistent image
5. Accommodating fluctuating demand
6. Motivating and sustaining employee commitment
7. Setting prices
8. Finding a balance between standardization versus customization

## II. OBJECTIVES OF THE STUDY

- A. To understand customer expectations and perceptions about selected services.
- B. To evaluate and compare customer expectations about the selected services.
- C. To identify the main factors considered by the customers while buying the selected services.
- D. To analyse whether there is any influence of the gender in selecting reference media.
- E. To analyse whether the age group of the respondents influences the ranking of service importance

### Research questions:

- 1.Is there any relationship between media selection and gender in educational services?
- 2.Is the type of service influences type of reference selected?

### Research hypothesis:

- 1.H<sub>0</sub>:- There is no influence of the gender of the respondents on media selection in educational services.  
H<sub>a</sub>: There is an influence of the gender of the respondents on media selection in educational services.
2. H<sub>0</sub>:- There is no relation between the age group of the respondents and the perception of importance of the services.  
H<sub>a</sub>: There is a relation between the age group of the respondents and the perception of importance of the services.



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## Research Methodology:

The study has been conducted by Structured Questionnaire Collected from the respondents. A structured questionnaire consists of Closed ended Questions.

**Tools For Analysis :** Analysis is made based on the primary data.

Sample size: 100

Data collection method: Questionnaire

Sampling technique: Random sampling

## III. REVIEW OF LITERATURE

Customers expectations:

**According to Ojasalo, 2001 Unrealistic outlooks are those that can non be fulfilled by the service supplier and even the clients themselves. Realistic outlooks are precisely the antonym of unrealistic outlooks . All these types of outlooks are likely to be expected by the clients at the same clip.-**

According to Lovelock and Wright (2001), customers` expectations about what constitutes good service vary from one business to another. Expectations are also likely to vary in relation to differently positioned service providers in the same industry. Customer expectation may also vary from one industry reputations and past experience to another, and from country to country. - [https:// ukessays.com](https://ukessays.com)

### Customer perceptions:

As per Weber's Law it suggests that consumer's ability to detect changes in stimulus intensity appear to be strongly related to the intensity of that stimulus to begin with. That is, if you hold an object weighing one pound in your hand, you are likely to notice it when that weight is doubled to two pounds. However , if you are holding twenty pounds, you are unlikely to detect the addition of one pound-a change that you easily detected when the initial weight was one pound.

Berry and Parasuraman (1994) stated that organisations need to be fair when offering services which are too technical for customers to judge whether they are being carried out appropriately.

In general customer expectations are of different types

**1.Explicit Expectation:** It is mental target customers who have it towards the performance, services rendered and quality of products.

Example: If expectations for a Xerox machine were 15 pages per minute with quality printing, but the product actually delivers 8 pages per minute and with good quality printing, then the comparison of the product performance and expectations would be 15- 8 (per minute performance) .It is associated with each item weighted importance.

**2. Implicit Expectation:** It is based on real norms of performance. They are built on involvement of industries, comparison with competitors, cultures, product and alterness of the service. This comprises working such as " Correlate with other companies..." or " Correlate to the leading brand." Example: Hindustan Unilever Ltd. Performance with ITC.

**3. Static Performance Expectation:** Static Performance Customer expectation sees how the quality and performance are elucidated for a specific application. It measures the performances related to the customization, dependability,

timeliness, accuracy and user friendly interfaces for quality outcomes.

Static Performance Expectation is just like the top of ice berg, performance are seen like ice berg.. and often spuriously guessed to be the only dimensions of performances that exist . Example: Any software like ERP and mobile devices.

**4.Dynamic Performance Expectation:** Dynamic Performance Expectation is atype of expectation which leads to growth of a product (or) services bovver a period of time. The modification done to the product (or) services is to meet the wants and needs sof customer and to achieve the business goals comes under the dynamic expectations.

Example: Television

Black and White- Colour – LCD- Plasma –LED- OLED.

**5.Technological Expectation:** Technological Expectation focuses on the progress state of the product category.

Example: 5G.

**6.Interpersonal Expectation:** Interpersonal Expectation reflects the association between the customer and the product and service providers. Person to person association is important, particularly where products need support for functioning and proper use.

Support expectations comprises ability to solve problems, ability to communicate, courtesy, patience, enthusiasm, helpfulness and customer perception.

Example: After sale services, follow up...etc

**7.Situational Expectations:** Situational Expectations is raising a customer satisfaction survey, this is also used to assess why pre purchase expectation (or) post purchase satisfaction may or may not be accomplished or even quantifiable.

Example: Purchasing the gold at the time of price fluctuations.

### Selected services :

#### 1.Educational services:

Education is the process of facilitating learning, or the acquisition of knowledge, skills, values, beliefs and habits.

To facilitate the above said, people may use the methods like Teaching, Discussion, storytelling, training, Direct research etc.Governments like India made a right to education. Now a days with the invention of internet it has become very easier to get access and learn from multiple channels.

Software packages are also available to learn courses.These all are increasing the customer expectations in selecting services..

But educational service organizations are facing a major challenge of understanding fully what actually a customer is expecting out of their services. But all the time there is a common word used by the customer is service quality. Service organizations like schools, colleges, institutes, universities are trying to define the term educational service quality and its dimensions as follows.

According to customers the educational service quality can have the dimensions like or people evaluate it as follows.

Service quality of education:

Service quality is a measure of how well the delivered level of service matches

customer expectations.

Dimensions evaluated:

1. Reliability: ability to perform the promised service dependably and accurately
2. Tangibles: program quality, physical facilities, equipment, appearance of personnel
3. Responsiveness: willingness to help and provide prompt service
4. Assurance: courtesy of staff and ability to inspire confidence
5. Empathy: caring, individualized attention the academic staff provides its “customers”
6. Communication: one to one communication and in class; dissemination of information
7. Knowledge/Expertise: subject knowledge and research orientation
8. Systems/Secondary services: enrolment procedures, parking facilities, library, etc.
9. Social Responsibility: fair and equal treatment, ethical behavior
10. Self-development: Intellectual development, character building, etc

**2.Tourism services:**

Tourism in India is going very rapidly and it is very important for the economical development of the nation. The World Tourism Organization defines tourists as people “travelling and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes”(3). Over time tourism industry has undergone many changes in India. The tourism in India is flourishing and intense due to various supportive aspects like varied cultures and heritage sites, tourists spots and diverse topography. Some of the trends in the tourism sector are destination insights help attract more customers, growing options for low budget travelers, exploring new destinations, visas on arrival boosting tourism, technology is a game changer, experienced based travelling and customization. With the increase in the growth of technology and income of household, the industry is observing steady growth.

**3.consumer Banking services:**

The retail banking services include services of savings, transactional accounts, loans, mortgages, debit cards and credit cards. After the globalization, they have been many changes in the banking industry. The whole process of banking is made easy with the trends in the banking sector. The following are the few trends in the banking:  
 RTGS(Real Time Gross Settlement)- This was introduced in the year 2004.It is an electronic form of transferring the funds from one account to another account.  
 E-Cheques- It was developed in USA and this replaces the conventional paper cheques in India.  
 Automatic Teller Machine- This is the most popular trend in our country and these services can be enabled by the customer to withdraw the money 24 by 7.  
 Biometrics- This services is to ensure the sophisticated security to the customers account with the potential of the powerful technology.  
 UPI(Unified Payment Interface)-It was launched in the year 2016. This is one of the most secure and the fastest payments

gateways which was developed by National Payment Corporation of India . Others like Cloud Banking, Block Chain, Enhanced mobile banking, Digitalization( IMPF and NEFT)..etc. The banking sector is playing a major role by providing the improvised services to the clients and enhancing the overall experience of the customer as well giving a competitive edge to the banks.

**4.Health care services.**

These are the services which are useful in the maintenance or improvement of health through the prevention, diagnosis and treatment of disease, injury ,illness or other impairments in people. There are various factors affecting health the access of healthcare services in India. Those are like financial limitations like insurance coverage, awareness, transportation, literacy rate, etc. People consider variety of factors while choosing healthcare services. The trends emerging in the health care services like Artificial Intelligence(AL), Cloud Technology, wearable devices(sensor based accessories), electronic health record(it gives information on medication and notifies providers of healthcare with upcoming diseases and threatening), Internet of thing[IOT](it is for asset tracking and the inventory management system, it improves the operational efficiency, patient’s safety and staff satisfaction) and the contribution of the technology is for the uplifting of the health care sector. This sector must adapt to the changes to provide the best health outcome. Below is the table of details collected and presented through the help of a structured questionnaire in our study.

**IV. RESULTS & DISCUSSION**

**Table 1:Depicts the gender of the respondents**

PARTICULARS	Gender	RESPONDENTS /PERCENTAGES
NO. OF RESPONDENTS	MALE	44
	FEMALE	56

Study consists responses of 56% female and 44% male.

**Table 2: Depicts the age groups of the respondents**

AGE GROUP	OPTIONS	RESPONDENTS /PERCENTAGES
	20-35	56
	36-45	28
	46-56	16

From the respondents 56% are in between the age group of 20 to 35,28% are in between the age group of 36 to 45,16% are in between the age group of 46 to 56.

**Table 3:Depicts the ranking of the services according to their importance:**

How would you rank the services as per your importance?	OPTIONS	RESPONDENTS /PERCENTAGES





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1)Health care services	A)1,2,3,4	72%
2)Educational services	B)1,2,4,3	10%
3)Banking services	C)2,3,1,4	14%
4)Tourism services	D)3,2,1,4	4%

It shows that majority of the people are perceiving that the most important services among the given four are healthcare services. Next are the educational services followed by banking and tourism services.

**Analysis for the question whether there is any relationship between the age group and perception of importance of services.**

Age group	1,2,3,4	1,2,4,3	2,3,1,4	3,2,1,4	Total
20-35	42	6	6	2	56
36-45	18	2	8	0	28
46-60	10	4	0	2	16
Total	70	12	14	4	100

$\chi^2$  calculated value is 14.282

$\chi^2$  table value is 12.5

Since  $\chi^2$  calculated is greater than  $\chi^2$  table value,  $H_a$  will be accepted.

Hence There is an influence of the age groups of the respondents in perceiving or ranking the importance of the services.

**Table 4:**

On which basis do you select educational services?	OPTIONS	RESPONDENTS /PERCENTAGES
	A)Internet	6%
	B) TV and Print media	12%
	C)Friends	72%
	D)All of the above	

While choosing educational services, very few 6% use internet reference,10% use TV and print reference,12% use friends reference and majority 72.% are using all the above references

**Analysis for the question whether there is any relationship between reference media selection and gender of the respondents in selecting educational services.**

Gender/Reference	Internet	TV and Print media	Friends and Family	Total
Male	14	7	35	56
Female	7	28	7	42
Total	21	35	42	98

$\chi^2$  calculated value is 4.04

$\chi^2$  table value is 3.841

Since  $\chi^2$  calculated is greater than  $\chi^2$  table value,  $H_a$  will be accepted.

Hence There is an influence of the gender of the respondents on media selection in educational services.

**Table5:**

On which basis do you select healthcare services?	OPTIONS	RESPONDENTS /PERCENTAGES
	A)Internet	19%
	B) TV and Print media	14%
	C)Friends	16%
	D)All of the above	51%

While choosing health care service, very few 14% use TV and Print media,16% use friends reference,19% use internet reference and majority 51% are using all the above references.

**Table6:**

On which basis do you select banking services?	OPTIONS	RESPONDENTS /PERCENTAGES
	A)Internet	39%
	B) TV and Print media	12%
	C)Friends	6%
	D)All of the above	43%

While choosing banking services, very few 6% use friends reference,12% use TV and print media reference,39% use internet reference and majority 43% are using all the above references

**Table7:**

On which basis do you select tourism services?	OPTIONS	RESPONDENTS /PERCENTAGES
	A)Internet	12%
	B) TV and Print media	10%
	C)Friends	25%
	D)All of the above	53%

While choosing tourism service, very few 10% use Tv and print media reference,12% use internet reference,25% use friends reference and majority 53% are using all the above references

**Table8:**

For health care service which of the following you prefer the most?	OPTIONS	RESPONDENTS /PERCENTAGES
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	A)Quality treatment with nominal fees.	76%
	B)Quality treatment with fame of hospital.	24%

While choosing health care services majority 76% said that they look for Quality treatment with nominal fees.

Table9:

For educational service which of the following do you prefer?	OPTIONS	RESPONDENTS /PERCENTAGES
1.Structural environment	A)1&2	29%
2.Extra courses with core subjects.	B)2&3	20%
3.Special achievements (or)recognition of institute	C)1&3	12%
	D)All of the above	39%

For the question about the people preference for educational services majority 39% said structured environment, special learning needs ,extra courses in addition to the core subjects; and special achievements (or) recognition of the educational institute all are important .

Table10:

For banking services which of the following do you prefer?	OPTIONS	RESPONDENTS /PERCENTAGES
1.Interest rates and fees		
2.Loan disbursal in terms of loan	A)1,2&3	19%
3.Ease of banking customer	B)2,3&4	12%
4.Assesability	C)1,2&4	16%
	D)All of the above	53%

For banking services majority 53% said they consider Interest rates and fees,Loan disbursal in terms of loan, Ease of banking customer and Assesability

Table 11:

For tourism services which of the following services do you prefer?	OPTIONS	RESPONDENTS /PERCENTAGES

	A)Online travel agencies	29%
	B)Tour operators	29%
	C)Other organizations	12%
	D)All of the above	30%

For the question for tourism services selection preference majority 30% said they consider all three options of Online travel agencies, Tour operators and Other organizations.29% said they opt Online travel agencies, and same response for Tour operators.

Table 12:

Which services do you think gives the best services at present?	OPTIONS	RESPONDENTS /PERCENTAGES
1.Educational services.	A)1,2,3&4	24%
2.Health care services.	B)3,2,1&4	31%
3.Banking services.	C)2,1,3&4	17%
4.Tourism services.	D)1,3,4&2	20%
	E)4,3,1&2	8%

For the question about the best services offered at present highest 31% gave ranking banking service first, health care service second, educational service third and tourism service fourth.

Table 13:

Do you think having more options for these services is needed?	OPTIONS	RESPONDENTS /PERCENTAGES
	A)Yes	43%
	B)No	8%
	C)Sometimes	49%

For the question about the people opinion on having more options for these services, majority 49% said sometimes, few 43% opted yes and very few 7.8% said no need .

V. CONCLUSION

From the above analysis I can say that people expectations and perceptions differ from one type of service to the other. So service providers have to study and understand the effective reference media, expectations with reference to their particular service clearly to plan for the service provision in an effective and efficient manner.



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One can understand that , For educational services, people mostly prefer with structural environment, extra courses with core subjects and special achievements (or) recognition of institute. For banking services, people prefer interest rates, charges and fees; loan disbursal in terms of loans; ease of banking customer service and accessibility.

For health care services people prefer quality treatment with nominal fee over quality treatment with fame of the hospital. For tourism services, people prefer online travel agencies over tour operators and other organizations. For banking services and tourism services people prefer internet as they can access the information easily which removes the hurdle of time factor. For the educational services and health care services people prefer both internet and other sources of media..

## VI. CONCLUSION

A conclusion section is not required. Although a conclusion may review the main points of the paper, do not replicate the abstract as the

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