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MEASURING SME'S SERVICE QUALITY WITH SERVQUAL

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Abstract
Customer plays a significant role in business world both big and small industry. Small and medium enterprises ought to make effort in measuring the service quality delivery to their customers, and this would make them to business adjustment, therefore encouraging more sales.

Small and medium enterprises play significant roles to the development and sustainability of the nation's economy. It contributes about 50% to 70% of the GDP. Measurement of service quality is required to improve the quality of service delivery. The research work uses the SERVQUAL model in Orilampi resort center.

The aim of the study is to know maybe SERVQUAL model can be used for measuring small business. Also the study research on how service quality is view by customers and company in term perception and the expectation

The research method was interview. Interview was used for the research work because the concept of measuring service quality has not been well adopted by enterprises in Kymenlaakso region.

The main result of the study shows that small and medium scale enterprise can measure the quality of service rendered using SERVQUAL, which can be tailored to serve the purpose of the measurement. This will helps in meeting customers' expectation and improving on the services that is rendered.

Keywords
SERVQUAL, customer perception and expectation, service quality

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1 INTRODUCTION

My interest in this thesis topic can be said to be based on/rooted in the observed trend of service delivery in small businesses. Generally, in most cases, sole proprietors are only focused on satisfying the interest of the clients from the point of view of what is exchanged for the services as against the bigger businesses who are more interest in taking the bigger picture of customer satisfaction and other benefits realized from the services. Small and medium enterprises (SMEs) are a big scope of the economy in any nation with other smaller business thriving on the business potential of the tourism which is exploited at any national or local level. SME's industry thrives on customer satisfaction; the profit that is generated by these businesses is often as a result of the business is thriving and customers paying for the services delivered. The quality of the service that is delivered in the SME's business is therefore important, customer service delivery is often of utmost priority and keeping the customers happy and satisfied is what guarantees business success and sustenance (Atilgan et al. 2003, 414). One of the tools and indexes that have been used for measuring service delivery quality in SME's industry is SERVQUAL. My interest will therefore be to observe and use SERVQUAL tool available to measure the quality of services delivered by these small businesses and assess how that measures up to the expected service quality expected in the bigger industry. Kymenlaakso businesses are at the focal point of research, as the suitability of service quality measures are evaluated from small business perspective.

While there are many research studies on service quality available, there are no standard measures for service quality in hospitality industry. This prompts the researcher to suggest SERVQUAL; this method of measurement has been globally used by big organizations in different industries. This serves as a yardstick to be used in evaluating quality of service in Orilampi Oy in Kymenlaakso. Therefore, the usage of the SERVQUAL model for measuring business service quality is paramount to every successful business. This will assist in enhancing the delivery of quality service to customers and ultimately achieving customer satisfaction. There are other service measuring tools like SERVPERF, total quality management, but SERVQUAL has been the most

acceptable tool; and this is why it is being used in tourist business (Orilampi). The service quality is a concept in business management. Frochot & Hughes (2000, 158-160) states that measuring service quality for a tourism business is a complex task because the characteristics of services are heterogeneous, inseparable and intangible.

1.1 Research objectives

The research objective is to use SERVQUAL to measure service quality in small hospitality industry in Kymenlaakso region with the regard to the delivery of quality services aimed at finding ways service delivery measurement can be used as a catalyst to boost the potential of the businesses or industries.

The research work is to use a service quality measurement (SERVQUAL) in small hospitality business that could provide a lasting solution to the traditional idea in practice.

1.2 Research question

Some businesses in the SME's industry, especially the smaller companies wanting to expand their businesses, often consider measuring the quality of their service delivery. However, more often than not, these businesses do not measure the quality of their service holistically; rather, they put so much emphasis on whether the efforts at measuring all the constraints are worth the benefits expected. The objective of this research work is to find the answer to the problems that the researcher believes can affect the growth of small and medium enterprises businesses in Kymenlaakso. The aim is to structure the research questions with hope of finding solutions to the problem that small businesses in hospitality industry might be confronted with and it may spur further quality measurement in the industry aimed at better valued and service quality delivering. The research question for the thesis is:

How could the customers rate quality service measurement (SERVQUAL) in relation to the service provided?

1.3 Research methods

The research method that would be used for the thesis shall be qualitative method (face to face interview) shall be conducted.

Qualitative research is the type of research method that is generally expressed mostly in words and it is inductive in nature (Bryman 2012, 379).

1.4 The structure of the research

The thesis has five part parts. The first part is introductory and explains the basic information on the thesis. The second part is the theoretical part, which discusses the concept of service quality using Orilampi Oy in Kymenlaakso as a case study. Various aspects of customer satisfaction were also examined and how customer satisfaction and quality of service delivery can be improved using SERVQUAL instrument. This knowledge on the topic is examined and references made to differently scholarly articles. The third part discussed how the researcher intended to achieve the objective and the research methods. The fourth part is the empirical part that focuses on gathering data and analysis of the gathered data. The concluding part makes reference to the findings of the author and the conclusion made.

1.5 Limitations of the study

The main limitation of this research study is that the result could not be explored beyond measuring the quality of service of small and medium scale enterprise beyond the use of SERVQUAL, and the various gaps and limitation of the SERVQUAL instrument due to time and financial constraints.

2 COMMISIONER ORILAMPI OY

2.1 Briefly Description of Orilampi

Orilampi is a small business in Voikoskentie 138, Hillosensalmi, Kymenlaakso region Finland. It is a family business. Irja and Vaino Siikava started the business with bus cruises in 1957 and later expanded its operations to hospitality business in 1969. The convectional family tree of children managing the business is shown in Figure 1. It is a tourist centre located in between Repovesi Park and beautiful Finnish nature (clean water). It offers accommodation in hotel rooms, summer camping services, and ship's cabins services. The company has the framework for indoor and outdoor sporting facilities. It has excellent opportunities for tourists who love outdoor activities such as tennis court, canoeing children playing ground, hiking and fishing. There is also a sauna on the shore of a small pond. It has permanent and temporary employees, Most of the temporary employees are works in summer when there are high customers' patronages for the cottage.
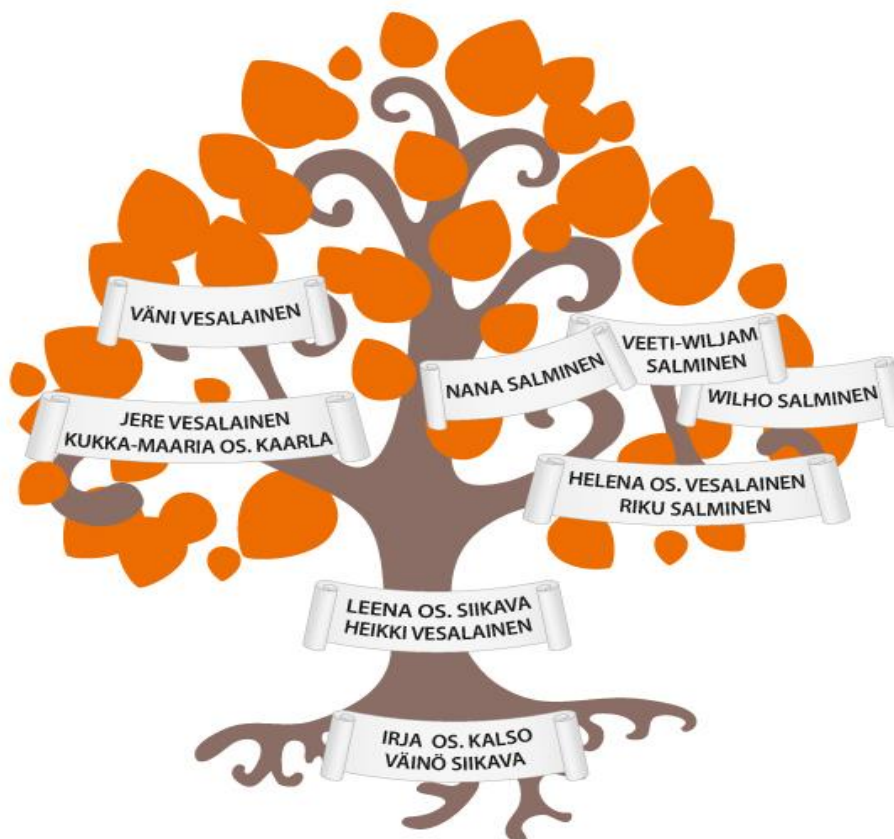
Figure 1. Orilampi business tree (OrilammenMaja 2015)

Figure 2 shows the main building of Orilampi Oy and some of the areas were renovated in 2014. There are receptionist desk, rooms, kitchen, and restaurant space inside the building. The environment is tidy.

Figure 2. Resort building (OrilammenMaja 2015)

Gold route

The sailing season is in the summer. Group charter cruises are normally arranged in the summer between 15 May and 19 September every year. There are also cruise services from 10 June -20 August every year. Figure 3 shown below is the cruising boat that convey tourists to the Repovsi park.

Figure 3. Company's boat (orilammen Maja 2015)

Table 1 shows the company pricelist. It is valid till 1 May 2016; tourist can check their website for an update from 2 May 2016.

Table 1. Orilampi pricelist (orilammen Maja 2015)

Pricelist	Valid till 01/05/2016
Check-in after 15.00 Check-out 12.00	Bed and breakfast for two
Hotel rooms and cabins 16 and 17	€84
Hillside cottage	€92
Family cottage	€102
Guard house cottage	€115
The bosses cottage	€145
Room for one	

Single bed and breakfast	€64
Pampering package with your loved one for two people, Including dinner, and champagne in the room	€152
Family room	
Family room (2 adults and 2 children)	€115
Cottages without amenities (does not include breakfast and bed linen)	
The yard house and granaries	€50
Camping cottage	€30
Pets	€7
Extra bed including breakfast	€30
Breakfast	€9
Half board	€20
Midsummer	
Bed and breakfast	€153 / person /3days
Person fee campground	€39 / 3days
One night camping at midsummer	€32 / family, €28/person
Gold package for groups min 25 people	
Finnish golden route cruise + saw cartridge smorgasbord	€39 / person
Summer season	
Oldies & Goldies	€99 / person

2.2   Finland Small and medium-sized enterprises (sme's)

SME's contribute to the economic development of a country. The developing nations are still having major threats to their economy because governments and the citizenry pay less attention to the significance of SME's. SME's contributes 50% or more to the economy of the developed country. Although Orilampi is a small company; it has its impacts Kymenlaakso economy and Finland in general. According to table 2, the number of enterprises in Kymenlaakso region was 9600 in 2010 and they created 58,850 jobs.

Table 2. Kymenlaakso key figures (Kymenlaakso chamber of commerce 2011)

Kymenlaakso key figure	2010
Population	182400
Workplaces	69,000
Gross domestic Product (million euros)	5,400
Establishment of enterprises	9600
Enterprise turnover (million)	8760
Personnel	58,850

Business enterprises are the backbone of any economy globally. Individuals and groups with different interests invest in different industries, with the aims of providing services. To stay relevant, every business needs to complete with one another in the same industry. The rivalry brings about improvement in the quality of services that is rendered to customers (Kangethe 2012, 1).

Table 3 shows both Finnish SME's and large companies for 2014. SME's contributed 99.7% to Finnish enterprises and employs 63.2% of the total workforce. There is no gainsaying that SME's has positively influenced the economy.

Table 3. SME in Finland (Enterprises and industry 2014)

	Number of enterprises			Number of employees			Value added		
	Finland		EU-28	FINLAND		Eu-28	FINLAND		EU-28
	Number	Proportion	Proportion	Number	Proportion	Proportion	Billion €	Proportion	Proportion
Micro	204307	91.8%	0.24%	345045	24.5%	29.1%	18	21.2%	21.6%
Small	15145	6.8%	0.4%	294877	20.9%	20.6%	17	19.6%	18.2%
Medium-sized	2580	1.2%	1.0%	250323	17.8%	17.2%	16	18.6%	18.3%
SMEs	**222032**	**99.7%**	**99.8%**	**890254**	**63.2%**	**66.9%**	**51**	**59.4%**	**58.1%**
Large	587	0.3%	0.2%	517971	36.8%	33.1%	35	40.6%	41.9%
Total	222619	100%	100%	1408225	100%	100%	86	100%	100%

2.3   SME's and Finnish economy

Expatriate management and practices in SME's are difficult to describe because of its complexity but to understand it, we must involve interpersonal skills, human management and multicultural communication within the framework. Economic activities in Kymenlaakso and Finland have been on an onward trend. This is because there have been significant business developments in recent times.

Control measures employed after the 2008 crises by both the large enterprises and, small and medium-sized enterprises in Finland varies and brought out various results. SME's business outlook was found to be positive and substantive growth recorded. Large enterprises however were constrained to increase productivity and reduce labour force. SME's on the other hand were not willing to cut employment but decided to make do with smaller profits to keep their crucial staffs (Statistics Finland 2012).

Orilampi Oy is one of the hospitality businesses in Kymenlaaso, it contributed to its development in terms of employment, and value added tax. Hospitality business has significantly contributed to Finland's national economy. In 2014, the total sum of €14.2 billion was spent on tourism. This includes the consumption spending of both foreign and Finnish tourists. According to

Ministry of employment and the economy, 139,200 people were employed in 2014 by the tourism sector (Ministry of employment and the economy 2014).

Also, in Kymenlaakso region, the recession period (2002 to 2008), most service companies were affected but tourism sectors (travel agencies, car hire, hotels, amusement park) was least affected in these years. The Kymenlaakso economy was significantly influenced by Russian tourist and the turnover generated 2010 was 17% more than the amount of 2006 (Kymenlaakso chamber of commerce 2011).
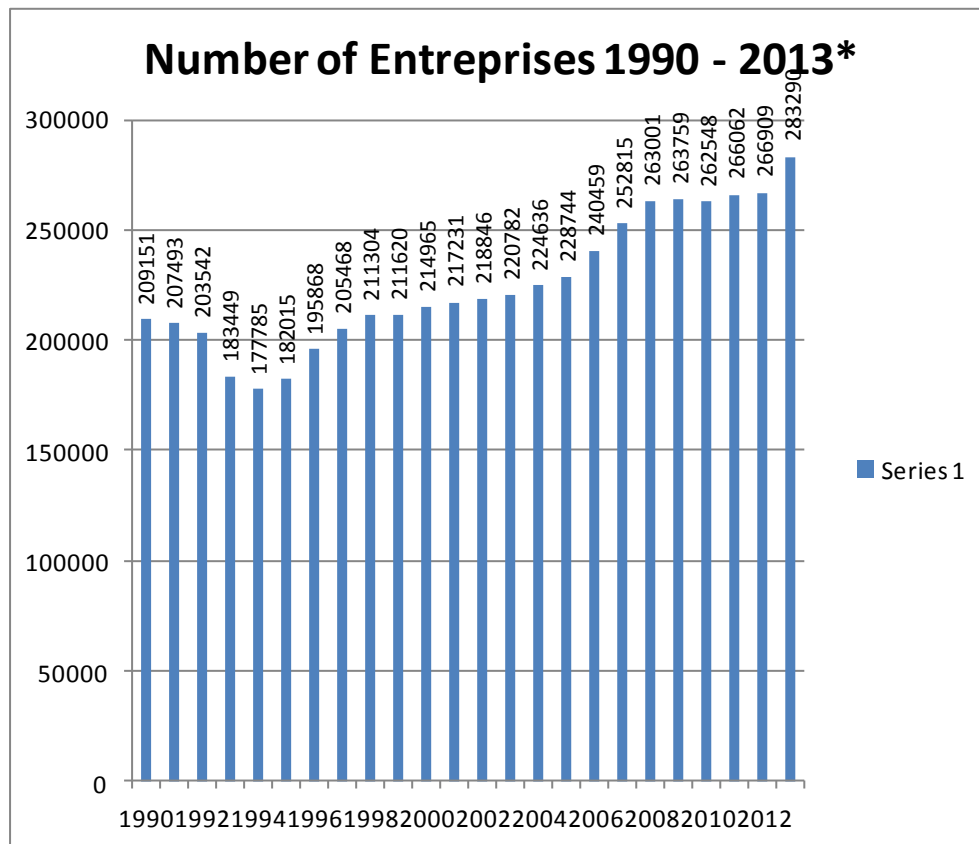
Number of Entreprises 1990 - 2013*

Figure 4. Number of Finnish Enterprises: Statistics Finland

Figure 4 above shows the statistics of Finnish enterprises between 1990 – 1013. It does not include those of agriculture, forestry and fishing. Apart from 1992 to 1996, when there was an economy crisis, there have been increases in the data of the enterprises.

2.4   The spirit of entrepreneurship

The entrepreneurial spirit could be seen as spontaneous reaction between the entrepreneur and the employees that induce both to see the hidden opportunities, and standardizing other forms of production in order to build on products and services values which unfold customers' enquiries (Ulijin el al 2007, 103-104). The spirit of entrepreneurship is the zeal that evokes functional action of someone desire to new things and trying new ideas so as to set up businesses as well as taking the business threats before becoming a successful businessman (Frane 2005, 109).

According to Dietlin (2001, 21-22), it takes a strong spirit to achieve the goal of SMEs, entrepreneurial spirit is the inclination of the businessman to invest on business despite the risks and menace that might be encountered in achieving the benefits of the investment. SME's are expanding their businesses across the border, thereby making it significant for the world in general.

Globalisation has, on the one hand, created challenges, but also provided golden opportunities for people who can see it. SME's have benefited from international conferences and meetings that brought together members of international business communities like OECD-APEC global conference. This was aimed at achieving SME access to international markets and removing all forms of barriers.

3   MEASURING SERVICE QUALITY

3.1   Service Quality

Wang and Shieh (2006) citing the works of some authors explored the term service quality. He explored the definition of Parasuraman et al. (1985) who defined service quality as "the global evaluation or attitude of overall excellence of services". Wang and Shieh (2006) deduced that service quality is the difference between customers' expectation and perceptions of services delivered by service firms. They also cite the work of Nitecki et al. (2000) who defined service quality in terms of "meeting or exceeding customer expectations, or as the difference between customer's perception and expectations of services". The conclusion therefore is that service qualities encompass meeting the expectations of customers so as to ensure that the outlook of the firm is that of a positive perception of the quality of services rendered (Wang and Shieh 2006, 195).

Knowing how customers perceive the quality of service rendered is important to any business. Service quality measurement is important in every customer service focused environment and being able to measure service quality can benefit industry professionals in both quantitative and qualitative ways (Shahin 2006). The measurement of service quality provided an organization or firm with data necessary for their growth. It can provide specific data that can be used for quality management purposes; hence, service organizations would be able to monitor and maintain quality service delivery. Assessing service quality and better understanding how various dimensions affect overall service quality would enable organizations to efficiently design the service delivery process (Shahin 2006, 6).

There are a number of numerous explanations in literature trying to explain what is meant by service quality. One that is generally used defines service quality as "the extent to which a service meets customers' needs or expectations (Shahin 2006; Lewis and Mitchell, 1990; Dotchin and Oakland 1994; Asubonteng et al. 1996; Wisniewski and Donnelly 1996). Service quality can be described as the distinction that exists between customer's expectations in terms of service delivery and what is perceived as good service by the customers. Any time that the customer's expectations are

greater than performance or service rendered, and then the perceived quality is regarded as less than satisfactory leading to customer dissatisfaction (Parasuraman et al., 1985; Lewis & Mitchell, 1990).

Attitudes or behaviours of employees are found to have a strong correlation with customers' perceptions of quality of services (Schneider & Bowen1985) which is supported by the responses of those interviewed in this research analysis. Tornow and Wiley (1991, 106) also found out that "customer satisfaction is directly related to the attitude and perceptions of employees, in turn, the attitude and perceptions of employees relate to the organization and its management practices". This buttress the fact that the quality of service rendered by an organization is related to the quality of employees in terms of attitude and other values like trust, empathy, reliability and dependability. The value of a small and medium scale enterprise can therefore be measured using SERVQUAL measurement; however, it must be adapted to the need of the enterprise.

It is noteworthy to state that scholarly articles on customer satisfaction and quality of service has not been able to expressly put forward the relationship that exists between the two concepts, even though it is established that the two concepts are interchangeably used. Assessment of where expectations are highest facilitates prioritization of performance improvement. This assessment will show the gaps that are created in service delivery. These gaps identified can be negative or positive. When negative, the customers are dissatisfied with the services rendered and this will affect the outlook of any organization whether small or medium scale. This might then allow for re-allocation of efforts to areas of deficiencies. However when the gaps are positive, that implies that expectations met and in some instances expectations might be exceeded.

Measuring customer perceptions of service may increase expectations and measuring too often may well result in customers losing their motivation to answer correctly. Finally, there is no point in measuring service quality if one is not willing to take appropriate action on the findings. One of the questions that scholars and practitioners have often asked includes;

Why are businessmen measuring service quality?

Something that is not measurable cannot be improved. Measurement makes it possible to: Make comparison before and after changes had taken place in services rendered and to establish for the sources of quality related problem.

3.2 Customer satisfaction

Kotler and Armstrong (1996) defined customer satisfaction as the level of satisfaction that is derived from a person's interaction with a customer by comparing a product's perceived performance or outcome against his or her initial expectations. It can be said to be an evaluation of service rendered; customer satisfaction could be considered a comparative behavior between inputs beforehand and deliverables or output received.

Gibson (2005, 202-209) put forward that satisfied customers are likely to become loyal customers and that means that they are also likely to spread positive words of mouth. Understanding which factors that influence customer satisfaction makes it easier to design and deliver service offers that corresponds to the market demands.

In a similar study carried out by Grönroos (1983, 11), he affirmed that the customers' perception of what quality is, often is dictated by the expectations which are compared with what they had in mind prior to the services rendered. Once these initial expectations are met or surpassed, then the service rendered in this situation is considered satisfactory and of good quality.

Sureshchandar et al, (2002, 15) pointed out that customer satisfaction should be viewed as a multi- dimensional construct and the measurement items should be generated with the same dimensions of service quality.

Sureshchandar et al, (2002, 15) pointed out that customer satisfaction should be viewed as a multi- dimensional construct and the measurement items should be generated with the same dimensions of service quality.

Examining the various works of scholars across the globe, attempts were made to identify if there is any relationship between service quality and customer satisfaction, Wang and Shieh (2006) considered the works of Ruyter et al, (1997); Brady et al. (2001); and Sureshchander et al, (2002). Sureshchander cited the outcome from a modified SERVQUAL scale in health care service. A relationship was identified between service quality and

customer satisfaction. A similar analysis was carried out in a fast food restaurant using a different instrument, the same outcome was achieved, and showing there is a relationship between the two concepts. Sureshchander et al, (2002, 19) found that service quality and customer satisfaction were highly related. Wang and Shieh (2006) concluded that service quality have significant impacts on customer satisfaction.

According to Sureshchandar et al. (2002, 15), customer satisfaction has a multi- dimensional construct, which makes it complex to measure and that achieving a good measurement of this construct will involve generating the measurement items with the same dimension of service quality. In the works of Zeithaml et al (1993), both the words 'quality' and 'satisfaction' were used interchangeably as synonyms in empirical studies, within the service business, this makes it difficult to separate the two terms or concepts.

3.3   SERVQUAL model

SERVQUAL as the most often used approach to measuring service quality has been to compare customers' expectations before a service encounter and their perceptions of the actual service delivered (Grönroos, 1983; Berry et al 1983; Parasuraman et a l., 1985). The SERVQUAL instrument has been the predominant method used to measure consumers' perceptions of service quality.
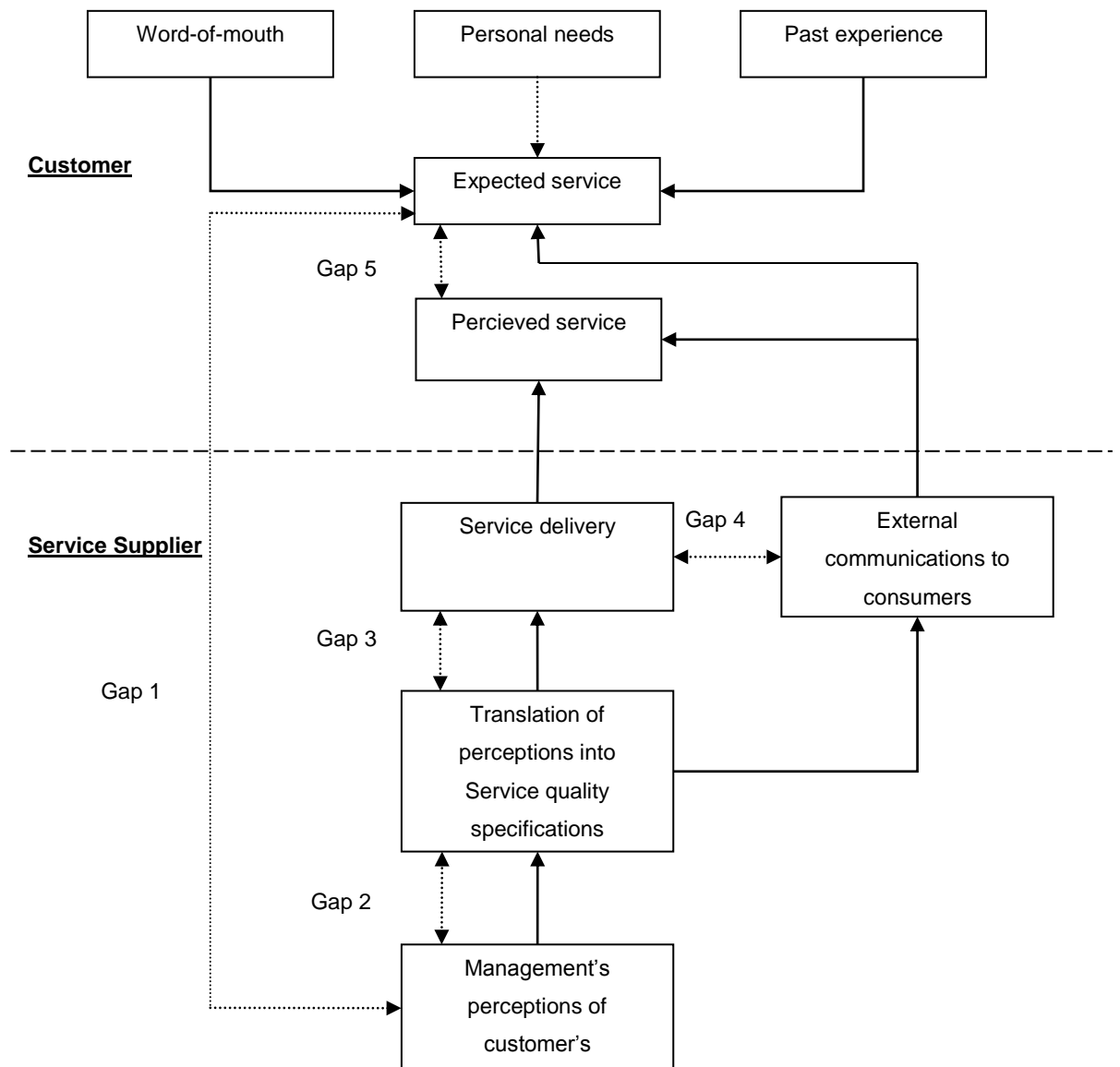
Figure 5. SERVQUAL MODEL (Parasuraman et al. 1985)

According to Parasuraman et al, (1985), there are seven major gaps recognisable in the service quality concept. These gaps are summarized as;

• Gap1: It examines customers' expectations versus management perceptions: as a result of the lack of a marketing research orientation, inadequate upward communication and too many layers of management. It is also known as management perception gap

• Gap2: It is known as the quality specification gap. It examines management perceptions versus service specifications: as a result of inadequate

commitment to service quality, a perception of unfeasibility, inadequate task standardization and an absence of goal setting.

 • Gap3: This is also known as the service delivery gap. It examines service specifications versus service delivery: as a result of role ambiguity and conflict, poor employee-job fit and poor technology-job fit, inappropriate supervisory control systems, lack of perceived control and lack of teamwork.

 • Gap4: It is also known as the market communication gap. It examines service delivery versus external communication: as a result of inadequate horizontal communications and propensity to over-promise.

• Gap5: This is known as the perceived service quality gap. It examines the discrepancy between customer expectations and their perceptions of the service delivered: as a result of the influence exerted from the customer side and the shortfalls (gaps) on the part of the service provider. In this case, customer expectations are influenced by the extent of personal needs, word of mouth recommendation and past service experiences.

Shahin (2006) quoting the work of Brown and Bond (1995), "the gap model is one of the best received and most heuristically valuable contributions to the services literature". He further explained that "the model identifies seven key discrepancies or gaps relating to managerial perceptions of service quality, and tasks associated with service delivery to customers. The first six gaps (Gap 1, Gap 2, Gap 3, Gap 4 and Gap 5) are identified as functions of the way in which service is delivered, whereas Gap 5 pertains to the customer and as such is considered the true measure of service quality" (Shahin, 2006). The aspect of the Gap on which the SERVQUAL methodology which is the focus of this research relies on is Gap 5.

Parasuraman et al. (1985; 1988) proposed the SERVQUAL scale for measuring service quality. This is in agreement with the assertion of Cronin and Taylor (1992) who indicated four different measurement models, including SERVQUAL, SERVPERF, Weighted SERVQUAL, and Weighted SERVPERF.

According to Buttle (1996) and Asubonteng et al. (1996) SERVQUAL is about the only instruments used today in service quality analysis. It however, comes with its limitation in that it SERVQUAL by itself, will not give a complete picture or assessment of what the need, expectations and perceptions are in a

service oriented organization. In business, SERVQUAL is the most acceptable measuring tool despite its criticisms (Buttle 1996, 11).

3.4   SERVQUAL rater

These are the factors that influence the gaps. It has five generic dimensions or factors (van Iwaarden et al., 2003):

(1)Tangibles (Physical facilities, equipment and appearance of personnel): In view of the conclusion of Gronroos (1983, 11-12), this study can affirm that the expectations of different customers are different in terms of the tangibles, this therefore makes measurement of service quality difficult to quantify, and however, SERVQUAL instrument will help in appropriately ranking quality of service rendered on a scale.

(2) Reliability: Reliability refers to the company's ability to perform the promised service dependably and accurately.

(3) Responsiveness (willingness to help customers and provide prompt service): In one of Grönroos (1993) conclusions, he observed that two main components are of necessity in the response of any service oriented organizations; service process and service outcome.

(4) Assurance (including competence, courtesy, credibility and security): Knowledge and courtesy of employees and their ability to inspire 'trust' and 'confidence'. Lovelock and Wirtz (2007, 420) clearly identified the difficulties in separating services from products because of the intangibility nature of services, customers are part of service production as a whole , hence there must be clarity as regards service delivery, which in other words is the quality of service anticipated and the actual output called technical quality.

(5) Empathy (including access, communication, understanding the customer): Caring and individualized attention that the firm provides to its customers. As Gaster (1995) comments, service provision is complex, it is not simply a matter of meeting expressed needs, but of finding out unexpressed needs, setting priorities, allocating resources and publicly justifying and accounting for what has been done

Discussion on the research on measuring service quality is focused primarily on meeting or exceeding customer's expectations (internally or externally),

and the manner of service delivered whether it meets or surpass the customer expectation will account for service quality (Kang et al. 2002). Level of service quality is often assessed using SERVQUAL gap score which will help in measuring the difference that exists between customer expectation and customer perceptions.

SERVQUAL can be adapted in any service-oriented organization according to Parasuraman et al., information on service quality gaps helps to clarify where improvement can be made in service quality delivery after diagnosis is carried out. Performance improvement can best be achieved when SERVQUAL gap score is properly analyzed and information reliably made use of. An assessment of where expectations are highest will further help in performance prioritization which can lead to immense improvement in service quality. SERVQUAL is a tried and tested instrument applicable to use comparatively for the point of reference purposes (Brysland and Curry, 2001).

The argument for the use of SERVQUAL in any service rendering organization whether small or big is that it has benefitted immensely from being a statistically valid instrument due to its extensive field testing and refinement and therefore makes its adaptability in any service organization achievable

It is noteworthy to state that good understanding of what to be measured is important, most of the deficiencies that have come from this measurement systems are often as a result of insufficient comprehension of what is being measured by the model designers (Shahin 2006).

Moreover, measurement of service quality cannot be done in isolation of two underpinning concepts of customer's expectations of services as well as the perception of such services offered. This is well taken care of by a common service quality measurement methodology known as SERVQUAL as this take a good look at the service quality measurement from the Best Value perspective (Shahin, 2006). There are a lot of discussions around what methodology is the best in service quality measurement, but the generally accepted methodology has been the SERVQUAL model developed by Parasuraman et al. (1985, 1988).

There is ambiguity as regards the description of what good service quality is as it is on the basis of external controls which are mostly the perception of

customers. Managers in the service sector, especially hospitality industry, are continuously preoccupied with the thought of how to improve on their service delivery with the aim of satisfying the aspirations of their customers, all this within the meagre resources available to them. It is thus imperative that customers' expectations are understood and can be adequately measured taking care of customer's perceptions, and the gaps identified appropriately attended to (Shahin 2006, 3-7).

4   RESEARCH METHODOLOGY

4.1   Research approach

This chapter briefly expatiates on the methodology that is deemed appropriate and chosen for this particular study. This is done by thoroughly considering the research problem and the most appropriate method that suits this research, and will aid in achieving the objective as planned. The research approach adopted for the research is captured in the literature. Data collection method compliance of the analysis with the best practices and research ethics are discussed.

In research context, the form of approach is qualitative. The research method used is interview and limited numbers of interviewees were chosen. Before the interview, email was sent to the manager of Orilampi and appointment was booked on the 24 November 2014, the manager later postponed it by a week. The researcher later made some calls to the manager to remind her of the appointment. The interview was carried out on 29 November 2014.

4.2   Qualitative research

According to Altinay & Paraskevas (2008, 167-172) qualitative research is a theoretical basis of knowledge which demands inquisitive approach to convert primary data obtained from field to straight-thinking solution on a particular research project work. Qualitative approach was used for the research and limited numbers of user were chosen.

Qualitative research consists of different procedures which are flexible in nature to allow the interviewers express their views on the subject matter (Malhotra and Brinks, 2006, 133). Saunders et al., (2009, 38) argued that interpretation form ought to be an ideal way particular, where less research works have been carried out, qualitative research might be the best approach. The goal is to achieve one of the basic features of qualitative research. According to Payne and Payne (2004, 176), the features of qualitative research are:

- Generalization level of explanation and attractiveness of less abstract.

- Focusing on human life
- Seeking and interpreting the meaning of people opinions on the ground of observation rather than remodifying or in measurement descriptive or statistical mode
- Observation and treatment of actions of sense of organs in the social process, which does not give rooms to isolation.
- Observation of occurrence in natural form.
- Utilization of small number of people and non-representation instead of using large number to achieve the aim.
- Examining the raw data in the process and give way for ideas to emanate from them rather trying to test the data.

4.3   Justification of the research method

The qualitative research method was chosen as the best suited for this research study based on the fact that the research problem is better explored by seeing through the eyes of the customers so as to clearly understanding what their perception of quality service is, this will involve qualitative form of interviews managers and clients alike in the hospitality industry. With the use of in-depth interviews, the author was able to encode some of the data received from the research sites for proper interpretation.

 A quantitative research method could have been used but would have only allowed the interviewees to answer in a certain pattern which might not give an indication of the observed pattern expected. Through oral conversation in an informal way, interviewees will often say things subconsciously which are better in the overall research process.

4.4   Limitation of Research Methodology

Limitation of the research methodology is that participants might not be absolutely truthful with their answers and could have said things that will protect their business in a positive way than negative; however, the interview was conducted in a relaxed way so as to get undiluted or altered responses from the interviewees.

5 DATA ANALYSIS

The total number of respondents for the survey was 6 out of 10 respondents targeted for the interview. Respondents were those who are at one point or the other received services from the tourism sector either as first time visitors or repeat visitors.

5.1 Research data presentation

This research is established using the SERVQUAL Measurement constructs. According to Shahin (2006), the measurement of service quality should take into consideration customer's service expectations as well as perceptions of service. The SERVQUAL instrument has five generic dimensions or factors namely; Tangibles, Reliability, Responsiveness, Assurance and Empathy. In the SERVQUAL instrument, 22 statements measure the performance across these five dimensions, and these are captured in the interviewee's responses. It is noteworthy to reiterate the importance adequate information on both the quality of services expected and perceptions of services received otherwise it will affect the credibility of the research. The research shall be presented in a qualitative way under the five dimensions or factors identified above.

5.1.1 Tangibility

There are 4 questions designed by Parasuraman on SERVQUAL model, Tangibles category in services denotes company's outward appearance not limited to the condition of operational equipment used in service provision as well as exterior of the facilities (External) and the general outlook of the marketing materials connected with the services being offered. It does not leave out the professional look of the employees, how their look and perceived by customers is considered as tangibles within the service sector. (Bruhn & Georgi 2006, 54-55.) The respondents were asked whether they expected to see up-to- date equipment as part of the quality of services being delivered to them.

The respondents gave different views about what their expectations were. Each response differed slightly from each other. The respondents were of the view that Orilampi appearance (physical facility, equipment material) is

obsolete. Since the equipment available is old and the part that is new is mostly not the sophisticated.

Competitions are stiffer nowadays; different thing appeal to different customers, hence all organizations or businesses, whether small or big are looking for ways of appealing to the taste of their customers. This is achieved by putting in place an appealing physical infrastructure. Hospitality business is about beauty, good scenery and appreciation, so therefore anything less than appealing facilities could have effect on the expectation.

Also, the respondents gave their opinion about the significance of appearance of stewards or employees that attend to their needs; they were of the view that neatness of staff is core to the credential of the service provider. Knowing that hospitality business is all about best services provided by the good and hygiene maintaining staff dressed in clean dress. The first impression of the customers lasts long. The staff is the first point of contact with the customer and if staff is not dressed well, it will make a very bad impression in the eyes of the customers.

The perceptions of the customer exceed their expectation on tangibility, and it could be concluded that it is less satisfaction at tangibility (measuring dimension).

5.1.2 Reliability

There are five questions under this measuring dimension; reliability is connected to the consistency of performance and dependability. Here it is determined if the company give the service in the right way the first time and keeps to its promises to its customers.

The customers are very sensitive to companies' promises. The fulfillments of these promises are very important to the survival of the business, because no customer wants to keep a provider who does not keep or fulfill their promises. Orilampi strive hard to make every promises made to their customers count. Also, the company is time-conscious; because the fact that every customer wants the service to be delivered on time and this could lead to good service. The respondents were of the view that the Orilampi manager is in best position to answer the question on proper documentation. The responses showed that some SME's lacks this and they should keep to their promise and

accurate documentation should be kept for our future reference and easily to give feedback. This company must attend to our customers on time; this may encourage customers to come again. The companies should be aware that customers are the reason why they are in business. Hence it is very expedient to be empathetic about their challenges and always reassure them of our commitment and resolves to work out the best for them at all time.

On the issue of record keeping, everyone in business must keep records. Keeping good records is very important to your business. This can help monitor the progress of our business. Records can show whether the business is improving, which items are selling or what changes we might need to make. Good records can increase the likelihood of business success. Orilampi company assists customers when they have problems, the company try to solve the problem as soon as possible. It also sympathizes and reassures them when the need arises. If a firm is not dependable, customers will stop patronizing it. Service organizations have responsibilities to their esteemed customers. The customer's perceptions exceed their expectation on reliability and it could be concluded that there is less satisfaction on this measuring dimension.

5.1.3 Responsiveness of quality of service

Responsiveness of quality of service concerns to what extent the employees are prepared to provide service. This involves factors such as mailing a transaction slip immediately, calling a customer back in short time and giving prompt services and so on. Service outcome is based on the expectations that the service provider expects to have after a particular service is rendered and which is believed will meet the service quality expectations of the customers.

Result from the finding shows that the employees are tactful for friendly services to customers; the workers are always there for customers and willing to help them. Time management is one of the key factors to satisfy customers. This company owes the customers access to some basic information and one of such is what time a particular service will be provided. This is often done when the service delivery is prioritized to meet customer's expectations. For example, the company prompts to customers' requests. They were responsive and willing to solve customer issues but the supervision to provide the services in good time is lacking. There exist two types of service quality:

quality at the level where the regular service is delivered and the quality level where expectations or problems are handled. The perceptions of the customers are equivalent their expectations on responsiveness. It could be concluded that satisfaction on this measuring dimension is occurs and customers are satisfied.

5.1.4 Assurance of quality of service

Understanding of customer about quality of service differs from quality of the product. There is a clear distinction between these two concepts from the perspective of the customer, and the approach to measuring service quality in this respect is distinctive.

This service – based component makes SERVQUAL instrument a useful tool in appropriately classifying the quality of service within the different gaps.

Trust is very important for businesses and employees should treat the customers in a way that the customers will trust them, feeling safe and trust in the transaction is what the customers are looking for everywhere. The staff should provide a safe environment so that the customers should not feel puzzled and scared in doing the money transaction. Politeness and friendly atmosphere is needed to keep the customers and retain the good image of the hotel, when the employees are polite, the customers feel relaxed.

The respondents found that employees are part of the company. Employees are the intermediary between the business managers and the customers and they should do their best for the growth of the company. The customers feel safe and the trust makes them to believe than their luggage are safe too. The perceptions of the customers are at the same level their expectation on this measuring   dimension is the same and this could be concluded that there is satisfaction.

5.1.5 Empathy of quality of service

In business world, either big or small company, they customers feel, they should be treated equally, or individual attention will discourage some of the customers. After the analysis of the replies, the researcher found out that

every customer should be respected and treated well. Most of the respondents believe that it may be difficult for the employees to know the needs of all customers, but most needs of customers are related in this type of hotel. Most of the respondents are family friends. The company tries to please them, in some cases, treat them more than other customers. It also attends to its customers very well. The employees can not know the needs of every customer's needs are not the same but our employees attend to them once the needs are known.

Moreover, the company trains its staff to have the interest of its customers at heart. The operating time may not be convenient for all the customers, the business can check online for the operating hours or call our customers service line so that they do not come at wrong time. The perceptions of the customers and their expectations on empathy are equal.

6   CONCLUSION

This section is the concluding part of the research study. It pinpoints the main findings and observation of the research work and answers the question of why the research study was conducted. The goals of the research are examined to ensure it is in harmony with the findings, while contributions of the research are also examined. Further suggestions are made on the areas where future research works could be undertaken.

6.1   Summary of the main Finding

The main objective of the research was to use SERVQUAL to measure service quality in hospitality industry in Kymenlaakso region with the regard to the delivery of quality services aimed at finding ways service delivery measurement can be used as a catalyst to boost the potential of the businesses or industries.

Observations made from the research suggest that most Small and Medium Scale enterprises are aware of the need for ensuring service quality or achieving increasing customer satisfaction so as to have a long lasting and profitable business.

It was however discovered from the study that in as much as customer satisfaction is at the fore front of the business operations of most SME's, there is little effort towards measuring it at intervals and using the data got from such to improve on the areas of weakness in their business. All the respondents admitted that service quality is paramount to the success of their business; however, no particular effort is put towards a direction.

Service organizations should be able to effectively monitor and maintain high standard of quality of service to stay relevant in the industry, also it would enable them to design the kind of service delivery process that meets the expectations of their customers.

An observed trend from the research is that record keeping among small and medium scale enterprise is poor and this makes it difficult for business owners to observe business trends over time, which can help to attribute some factors for the quality of service that is rendered. It can then be said that poor record keeping is a major factor that affects service quality measurement.

6.2 Answer to research question

The research question for this study is: How can quality of service be measured to identify the gaps in customer satisfaction experience?

It can be concluded that SERVQUAL is a useful instrument that can be effectively adopted by small and medium enterprises in Kymenlaakso region. The merit for this assertion is based on the theoretical theory that underscores its wide use in different organizations and the fact that it can be tailored to measure any particular construct or gaps as was identified in literature hitherto discussed in this research. The reliability of SERVQUAL is accepted to be well established from various research works where it has been extensively used, and in this research study where it was tailored and used for the hospitality industry.

In this research study, SERVQUAL method was used to measure the quality of service rendered by Orilampi Oy and it was found out that various aspects were overlooked in the areas of customer satisfaction which affects the perceived quality of service from the customer end. The adoption of SERVQUAL reveals that it is a tool that can be effectively used by any organization in any industry, whether small or big.

SERVQUAL model of measuring service quality is therefore useful as established in this research study and more research should be propagated I order to be adopted more by the SME's business owner, especially the hospitality industry which this research study is focused on.

6.3 Contribution to research

This study has contributed to research by exploring the concept of service quality and how interconnected it is with the concept of customer satisfactions. It is sometimes difficult to establish clear line of distinction between these two concepts; however, this study has established that there is a relationship between customer satisfaction and quality of service.

Similarly, this study has been able to establish the potency and usefulness in the use of measuring instrument to establish the quality of service delivered to customers, especially involving Small and Medium scale business owners.

SERVQUAL as one of the available instruments had been tested and the result shows its suitability for the hospitality industry.

This research study has contributed to the body of knowledge by establishing that most SME's businesses do not have a methodology of measuring the service quality, however, it has been established the SERVQUAL methodology will fill this void, if the awareness is created. Most business owner has to be educated on the benefit that will accrue to them if they use an acceptable standard, globally accepted to measure the quality of service, rather than depending on their own opinion or few words they get from trusted customers.

6.4   Suggestion for further research

The author suggests that further research should be conducted among the entrepreneurs to establish the level of use of SERVQUAL model in SME's Finland. The level of awareness of the use of the instrument like SERVQUAL could be investigated and similarly, the areas where assistance might be needed by the small and medium business owners could be identified.

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APPENDICES

APPENDIX 1. Interview question

Should SME's have up-to-date equipment?

Should SME's Physical facilities should be visually appealing to customers?

Should SME's employees should be well dressed and appear neat?

Should SME's appearance of physical facilities be in keeping with the type of services provided?

Should SME's do things by the time they promise certain time?

When customers have problems, should SME's be sympathetic and reassuring to customers?

Should SME's be dependable?

Should SME's provide their services at the time they promise?

Should SME's keep accurate records?

Customers should not be expected be SME's to tell exactly when the services will be performing?

Not realistic for customers to expect prompt service from SME's?

SME's Employees do not always have to be willing to help Customers?

Is OK if SME's employees are too busy to respond to requests promptly?

Should Customer be able to trust SME's employees?

Should Customer be feeling safe in their transactions with these stores' employees?

Should SME's employees should be polite?

Should SME's Employees get adequate support to do their jobs well?

Should SME's not be expected to give customers individual attention?

SME's employees cannot be expected to give customers personal attention?

Is it realistic to expect SME employees to know what the needs of their customers are?

Unrealistic for SME's to have their customers' best interests at heart?

SME's should not be expected to have operating hours convenient to all customers?

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