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RELATIONSHIP BETWEEN SERVICE QUALITY AND CUSTOMERS' PROFILE: A CASE STUDY OF IRCTC FOOD PLAZAS

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ABSTRACT :

    Service quality is one of the most crucial ingredient for the success of an organization.The continuously changing customers' expectations and demands are making it difficult to maintain high level of service quality especially in food service sector. On the top customers' demands are evolving separately for each group of demographic profile. Liking and disliking are changed based on age, sex, area, region, income, education or profession which makes it even harder to maintain standards. This study tries to identify the relationship between service quality attributes and customers' profile based on their expectations and perception. The study was conducted on 16 IRCTC food plazas under Northern Railway. 400 sample were collected (25 from each food plaza) through modified structured questionnaire based on DINESERV model.The study would help the management to make suitable strategy for satisfying each group of customers' profile.

KEYWORDS : *Service Quality, Customers' Profile, IRCTC, Food Plazas, DINESERV.*

INTRODUCTION:
Food and Beverage Service Sector

    The food service sectoris one of the most effervescent sectors which represent India as a land of opportunity. Various national and International brandshowsexceptional growth due to globalization, health awareness, changing demographics, urbanization and increase in disposable incomes. Food service sector comprises of various segments such as Fast food outlets, food plazas, fine dining, casual dining, QSR (quick service restaurants), takeaways, cafes, lounges etc. gained popularity among consumers. The FICCI (2015) revealed that hotel and restaurant sector shown growth of INR1, 211.7 billion in FY15. It also predicted that Indian food service sector with a Compound Annual Growth Rate of 23-24% would reach INR 3,80,000 crore by 2017. NRAI (2015) report analyzed byMandola (2016) projected that restaurant business would contribute about 2.1 per cent to the total GDP by 2021. The current size of catering business was measured US$48 billion which was expected to reach at US$78 billion by 2018 (Indian Food Forum, 2016)

    PWC (2016) breakdown the Indian food service market into six different segments. These are Café, QSR, Frozen dessert, Casual Dine, Fine Dine and Others.Themarket share value (In INR) and expected annual growth rate (In Percentage) is displayed in the figure 1 below.

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Figure 1: Market Share Value and Expected Annual Growth Rate of Different F&B Segments
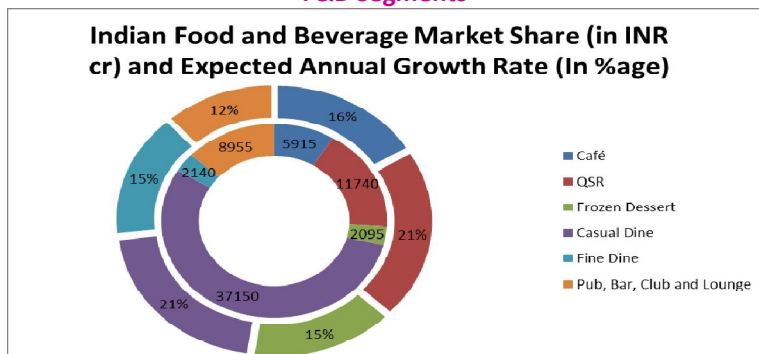
Source: PWC Report 2016 (Indian Food Form)

According to PWC (2016) report, it wasclear that casual dineoutletshas dominance in service sector as it captured nearly half of the of the overall food servcie market with a value of INR 37150 crore. The report also showed highest growth potential of 21% in Casual Dine and QSR.The same indication was given in FICCI (2015) report which showed that 77% market share is held by Quick Service Restaurants (QSR) and casual dining combined.

Introduction of Indian Railway Catering and Tourism Corporation (IRCTC)

Railway was one of greatest achievement in the development of human society advancement. It brought global revolution in form of low travelling cost, reliability and comfortable journey. It is the most preferred mode of transportation in India and significantly contributed in solving many issues related to employment and economy. Indian Railway network is the largest in Asia and second largest in world handled by one management.It has 17 zones with 68 divisions andIt provides jobs to 1.3 millions (www.indianrailways.gov.in).It was a daunting task to handle such huge network under one management as demands of passengers and tourists are continuously changing. So to support Indian Railway in Hospitality and Catering service, IRCTC (Indian Railway Catering and Tourism Corporation) was introduced on 27 Sept, 1999 as a subsidiary of Indian Railway. The objective of IRCTC is to "Enhance customer services and facilitation in railway catering, hospitality, travel and tourism with best industry practices". Today it gains its name in tourism and hospitality related services.

IRCTC manages four major segments for Indian Railway. These areInternet Ticketing, Catering and Hospitality, Travel and Tourism, Packaged drinking Water by the name of RailNeer. Catering services includes food plazas, food outlets,janahars, e-catering etc. The introduction of Internet Ticketing has made the queues shorter.IRCTC also promoted Travel andTourism by taking initiatives like airline bookings, special tourist trains, tour packages, hotel booking etc.

Catering and hospitality business is one of the major revenue generator for IRCTC as it provides 23% of the total earning with 18% (255.6 Cr) in departmental catering and 8% (76.94 Cr) in license catering. IRCTC manages both railway and non-railway catering. There are 198 outsourced food plazas handled by IRCTC along with executive lounges, janahars, minor stalls or units and four major base kitchens.

REVIEW OF LITERATURE:
Concept of Service Quality

In today's world of globalization, liberalization and privatization, service quality has become anunavoidable factor forattracting and retaining customers. This also helps inkeeping upper hand over others competitors in same field (Palmer, 2008). In service sector, customers' expectations have changed and evolved due to health concern, improved education level, social and economic changes and western

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culture influence. This also leads to demand for high quality goods and services. Service quality not only help in beat competition but also provide measurable benefits such as increased profits and market share, customers' satisfaction which influences behavioral pattern (Cronin and Taylor, 1994). Parasuraman et al. (1988) alsointerpret service quality as key success for any organization.Grönroos (1990) described service quality as difference between customer's expectations and perceptions.Parasuraman et al. (1991) also revealed that service quality is the gap between customers' perceptions and expectations. Further, he defined expectation as the willingness or desire of a customer before experiencing the product or its services. On the other side, Perception is based on the experience of the customer after delivery of services. Perception is actual made on the basis of expectation made by customers and the actual services received (Boulding et al., 1993).

Vargo & Lusch (2008)explained that intangible nature of service industry makes it hard to provide high level of service quality and maintain it. It is also difficult to judge service quality but its impact on customers' loyalty, satisfaction, organizations' profit, corporate image and business performance get attention of many researchers', academicians and practitioners to explore this area of service quality (McCleary& Weaver, 1982; Cronin & Taylor, 1994; Lasser et al., 2000).Several studies supported that providing service quality is the only way to win customers' heart and loyalty. This also encourage customers to promote the product or services which in return increases profitability and reputation (Kara et al., 1997). Even the International brands like McDonald's, Subway, KFC, Dominos and Pizza Hut are competing hard to offer better service quality to attract customers. Therefore, it is important to evaluate service quality regularly in order to match the changing demands and expectations of the customers (Gilbert &Veloutsou, 2006).

Measuring Service Quality

Measuring service quality is not an easy as it includes not only service outcomes but also service delivery process. Therefore, service operations needs systematic, standardized, quantitative and quantitative measurements scale to measure their performance. For assessing service quality, its specifications should be identified to help the management and staff to better understand service quality attributes, setting standards and framing policies, formulating training programs and helps the service operators to measure, evaluate and control the performance (Fu and Parks, 2001).One of the widely accepted and popular measurement scale formeasuring service quality from customers' point of view is SERVQUAL which was by Parasuraman et al. (1985) and later modified in 1990. Since 1990, it received serious attention of Industrials, academicians and researchers due to its efficiency for monitoring and measuring the service performance provided by an organization.Many studies and industrial also used modified version of SERVQUAL according to the types of services provided by them (Ladhari 2008).

In 1995, Stevens, Knutson and Patton gave a measurement scale named DINESERV to evaluate the service quality provided by food service outlets. It contain 29 elements based on customers' expectations' and perception grouped into five dimensions same as SERVQUAL(Tangibility, Reliability, Responsiveness, Assurance and Empathy).It is also used and tested by several researchers for various food service providers like QSR (Huang, 2000),Chinese restaurant (Wuet al, 1999),assisted living facilities (Patnaude& Graves, 2000), airport food service(Heung et al, 2000),fine dining restaurants (Knutson, Steven, & Patton, 1995) and casual dining restaurants (Kim, McCahon& Miller, 2000), IRCTC food plazas (Surjeet & Naveen; 2017).

IRCTC also tried to improve the service quality by taking regular feedback and surveys.Organizing food safety quality summit was also a step to improve quality of services. The customers satisfaction survey (2015) conducted by IRCTC also showed more than 80 percent of the customers were satisfied with the service quality which was contrary to the finding of study conducted by Surjeet and Naveen (2017) showing lower level of service quality provided by IRCTC food outlets. Still providing better service quality is considered as the prime concern of IRCTC and a major challenge for railway to ensure the passengers' demands fulfilled (Balakrishna, 2012).

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RESEARCH METHODOLOGY:

DINESERV Model (**(Stevens et al, 1995)** was used to prepare a structured questionnaire with 29 elements and 5 dimensions (tangibility, reliability, responsiveness, assurance and empathy). The data was collected from 16 food plazas outsourced by IRCTC located at 16different Railway stations of North Zonal Railway. These are Chandigarh, HazratNizamuddin, Old Delhi, Delhi Shahdara, AnandVihar, Jaipur, Alwar, Ludhiyana, Kathgodam, Lalkuan, Allahabad City side, Lucknow, Varanasi, Ghaziabad, Kanpur and Agra. From each food plaza 25 samples were collectedresulting in overall400 samples. The present study used stratified convenience sampling and data were analyzed with the help of SPSS 16.0. The level of expectation and perceptions were assessed using five point likert scale, with anchors "Strongly Agree" as5 and "Strongly Disagree" as 1.

For the first objective i.e. "Relationship between Service Quality and Customers' Profile" the overall mean of diners' expectation and perceptions were compared on the basis of their demographic profileto get service quality gap. The null hypothesis "There is no significant relationship between service quality and customers' profile" was tested with the help of one way ANNOVA.

RESULTS AND ANALYSIS:
Objective: Relationship between Service Quality and Customers' Profile

For analyzing the relationship between customers' profile and service quality, service quality was assessed for each part of demographic profile. The demographic profilewas divided into seven parts i.e. Age, Gender, Education, Profession, Income and Nature of residence and these are further subdivided into different groups. The demographic profile based on Nationality was removed as all of the participants were Indians.

For evaluating the service quality based on each demographic attribute based on their expectations and perceptions, descriptive analysis was done with the help of percentage, mean and the service quality gap. The details descriptive analysis is presented in tabulation form below.

Table 1: Overall Customers' Expectations and Perceptions according to Demographic Profile

Demographic Features	Percentage	Overall Mean		SQ GAP
		Expectations	Perceptions	
Age				
15-25 years	32.5	3.86	3.75	-0.11
26-40 years	45.2	3.77	3.69	-0.08
41 and above	22.2	3.82	3.61	-0.21
Total/Overall Mean	100.0	3.81	3.68	-0.13
Gender				
Male	67.8	3.79	3.66	-0.13
Female	32.2	3.86	3.75	-0.11
Total/Overall Mean	100.0	3.82	3.70	-0.12
Education				
Senior Secondary	13.2	3.87	3.72	-0.15
Graduation	50.5	3.80	3.67	-0.13
Post-Graduation	28.8	3.78	3.70	-0.08
Above PG	7.5	3.93	3.77	-0.16
Total/Overall Mean	100.0	3.84	3.71	-0.13
Profession				
Serviceman	33.5	3.74	3.66	-0.08

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Businessman	21.5	3.84	3.67	-0.17
Student	30.8	3.83	3.74	-0.09
Others	14.2	3.89	3.71	-0.18
Total/Overall Mean	100.0	3.82	3.69	-0.13
Income				
Upto 2 Lakh	44.8	3.86	3.75	-0.11
2-5 Lakh	35.8	3.78	3.67	-0.11
Above 5 Lakh	19.5	3.74	3.61	-0.13
Total/Overall Mean	100.0	3.79	3.67	-0.12
Nature of Residence				
Metropolitan	18.0	3.69	3.61	-0.08
Urban	30.5	3.75	3.69	-0.06
Semi-Urban	30.0	3.89	3.70	-0.19
Rural	21.5	3.89	3.75	-0.14
Total/Overall Mean	100.0	3.80	3.68	-0.12

From the above analysis following conclusion could be made based on service quality gap analysis:

- **Age and Service Quality:**Based on gap analysis the middle age group (26-40 years) showed least negative gap(-0.08) as compared to younger's age group (15-25 years, -0.11) and senior people (above 41 years, -0.21). Also this group showed least level of perception (3.68) along with nature of residence.
- **Service quality and gender:**Service quality standards doesn't match the expectations of both males (-0.13) and females (-0.11). This also results into overall negative gap (-0.12) resulting into lower level of service quality was perceived.
- **Service quality and education:**Above post graduates (-0.16) perceived the lowest level of service quality followed by senior secondary (-0.15), graduated (-0.13) and post graduated (-0.08).
- **Service quality and profession:**The experiences or service quality perceived by other profession and businessman group was most unpleasant with widest gap in this group i.e. -0.18 and -0.17. Also the experiences student (-0.09) and serviceman (-0.08) was similar but not as per expectations.
- **Service quality and income:**The lowest level of service quality was perceived by higher income group (5 lakh or above) followed by lower income group (up to 2 lakh, -0.11) and middle income group (2 to 5 lakh, -0.11).
- **Service quality and residence:**Urban population showed least negative gap (-0.06) followed by metropolitans (-0.08), rural (-0.14) and the highest gap was shown by Semi Urban (-0.19).

Hypothesis: There is no significant relationship between service quality attributes and Customers' profile

For assessing the relationship between each service quality attribute and customers' profile, one way ANNOVA was used separately on customers' expectations and perceptions. The hypothesis was tested based on significance level i.e if p>0.05 then null hypothesis is accepted and vice versa. The detailed analysis of variables accepting and rejecting null hypothesis is presented in the table 2 below.

Table 2: Results of Hypothesis Testing

Hypothesis : There is no significant relationship between service quality attributes and customers' profile based on customers' expectations and perceptions (H_0)				
Diners' Profile	**No. of variables accepting H_0 (p>0.05)**		**No. of variables rejecting H_0 (p<0.05)**	
	Expectations	**Perceptions/ Experiences**	**Expectations**	**Perceptions**
Age	28	27	01	02

Gender	28	26	01	03
Education	29	29	00	00
Profession	27	28	02	01
Income	25	23	04	06
Residence	19	27	10	02

Above table clearly indicates that most of the attributes in each demographic group of profile doesn't find any significant relationship between each customers' profileand service quality attributes.

CONCLUSION AND SUGGESTIONS

From the results and analysis, we can conclude that the service quality was perceived low as per customers' expectation. Each demographic attribute showed negative service quality gap (Age, -0.13; Education, -0.13; Profession, -0.13;Gender, -0.12; Income, -0.12; Nature of residence, -0.12) resulting into poor service quality provided by IRCTC food plazas. Also the hypothesis testing found no significant relationship between service quality attributes and each demographic group of profile.

For improving the level of service quality, IRCTC should encourage the more reputed and well established brands to take part in tender systems and should be given assurance by Indian Railway that change in catering policies in between wouldn't impact their contract. Also the entry of international brands like McDonalds, KFC, Dominos etc. in Indian Railway could be an interesting area of research. Researcher also observed unauthorized hawkers and vendors inside the parameters of railway stations which also impact the service quality. Indian Railway and IRCTC should take strict actions against these vendors. Also introduction of a competitive index of IRCTC food plazas help in determining the non-performing outlets where attention is needed. IRCTC should take surprise inspections or review service quality quarterly or half yearly and if any of the food plaza is not obliging catering policies and standards then impose high fine orlicense should be terminated.The findings of the study could also be used by similar food outlets for making suitable catering policy and marketing strategies for each group of demographic profile.

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