

Service Encounter Paper:

A Closer Look at Two Service Providers



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INTRODUCTION

Even though I have experienced countless service encounters throughout my life, they have served as nothing more than a means of acquiring something that I wanted or needed. I have always been able to recognize good or bad service, but I was unaware of the plethora of factors that affect both customer satisfaction and dissatisfaction. Throughout the semester, I have been exposed to a number of principles that have increased my awareness with respect to service quality. The Services Marketing course has helped me make more educated evaluations of service experiences and attempt to uncover the underlying reasons for their success or failure. After reviewing all ten of the entries in my Service Encounter Journal, I was able to identify two experiences that definitely stuck out from all the others.

WORST SERVICE

Throughout the semester, most of my service encounters were extremely positive. However, my experience with Verizon Wireless was the exact opposite of positive. As stated in Entry 2 of my Service Encounter Journal, I traveled to the Verizon Wireless store in Perrysburg, Ohio because my phone had not been working properly, and I needed to purchase a new one. My two-year contract had recently expired, so I was also planning to renew that during the same visit.

When I arrived at the store, I was greeted by an employee and he informed me that the next available representative would be with me momentarily. It only took me about two minutes to decide which phone I wanted, but I had to wait 30 minutes before one of the representatives helped me. A customer even came into the store after me, and his problem was taken care of way before my name was even called. When I told the Verizon employee that I wanted to purchase a new phone and renew my contract, he asked for my cellular phone number. Once he

accessed my information in the system, he told me that I could not do that because I was not an authorized user on my family's account. I asked him if I could get around this by giving him my mother's social security number and cellular telephone number, but he said there was nothing he could do about it. I was very angry about the whole situation, and I just left.

After reflecting upon my experience at the Verizon Wireless store, I believe there were a couple of things that went wrong during this encounter. The first thing that made me angry was the length of time that I had to wait before I was helped. I interpreted this as not matching performance to promises, also known as Gap 4 of the Gaps Model of Service Quality. The employee that greeted me said that I would be helped momentarily, but I would not consider a 30 minute wait as "momentarily." The external communication of the Verizon employee raised my expectations, but those expectations were not met because I had to wait for so long.

I also believe that Gap 3 of the Gaps Model of Service Quality was evident in this situation. Gap 3 occurs when there is a difference in the customer-driven service designs and standards and the actual service delivery, and one of the key factors leading to this gap is deficiencies in human resource policies. The Verizon Wireless representative that I came in contact with was very robotic and condescending. He was very rude when describing why he could not allow me to purchase a new phone and renew my contract. This is a very serious problem because service employees are the service, the organization, and the brand in the customer's eyes.

Another source of my displeasure was the absence of adaptability within the firm. The request that I made was very reasonable because I was even told at a Verizon Wireless store in Bowling Green, Ohio that I could renew the contract if I had my mother's social security number. I had all of the information that was necessary in order to prove that I am, in fact,

related to my mother and have permission to renew the contract and purchase a new phone. Even though I did present a special request that placed a demand on the process, I expected the firm to understand the situation and process my request. However, they did not and it proved to be a large source of my dissatisfaction.

In order to correct these problems and improve the satisfaction of Verizon Wireless customers, there are a number of important actions that management should take. First, management should determine whether or not they are providing internal service quality. One reason why the Verizon Wireless employee may have been unpleasant was due to the fact that he did not feel satisfied. The Service Profit Chain shows that satisfied employees make for satisfied customers. When there is high internal service quality, this leads to employee satisfaction, and this eventually leads to external service value and customer satisfaction. Management should find more ways to make their internal customers feel more valued and satisfied so they can deliver the same service to their customers.

Next, management should focus more on relationship marketing instead of transactional marketing. If Verizon Wireless is treating customers simply as transactions, this will not lead to service loyalty. Instead, they should focus on relationship marketing which follows a pattern of acquiring, satisfying, retaining, and enhancing the relationships with customers. One way to automatically increase the chances of customer loyalty would be adapting to their special needs every once in a while. Customers will feel more valued if the firm is willing to work with them and process their reasonable requests. If Verizon Wireless shifted their focus to relationship marketing and adapting to special needs, they would be able to experience the four different components of service loyalty (cognitive, affective, future intention, and behavioral) and be more profitable.

Finally, management should emphasize recovery for their service failures. 95% of customers that experience a service failure do not complain, and only 9% of those will buy from the same service provider again. This is bad news for Verizon Wireless because they are slowly losing customers due to their service failures. One service recovery strategy that would be most effective for Verizon Wireless would be to fail-safe the service from the beginning.

Management should attempt to redesign their service standards in order to fail-safe the encounters with customers. Two other service recovery strategies that may be useful to Verizon Wireless would be to provide adequate explanations and treat the customers fairly. I would have been much happier if the employee would have given me an adequate explanation of why he could not renew my contract, but he simply stated, "I can't do that for you today." Most customers want what is fair, so this would not be that big of a change for Verizon Wireless.

I was extremely dissatisfied with my service encounter at Verizon Wireless, and I have even sought opportunities to spread negative word-of-mouth communication to my friends and classmates because I was so angry about the situation. However, I have chosen to continue using their cellular service because I am satisfied with the actual cell phone service that I get and my parents pay for it!

BEST SERVICE

Even though I was very dissatisfied with my service encounter at the Verizon Wireless store, I was very pleased with almost all of my other experiences. The firm that I was the most satisfied with was the Bowling Green State University Student Health Center, and they demonstrated a number of services marketing concepts that resulted in the excellent service that I received while I was there.

As described in Entry 4 of my Service Encounter Journal, I called to make an appointment because I had not been feeling well for about a week. I figured there would be no openings for that day, so I prepared myself in case I would have to wait until the end of the week. The receptionist was very pleasant when she answered the telephone, and after I explained all of my symptoms to her, she informed me of an appointment opening for that same day through their FlexCare program. A patient that schedules a FlexCare appointment will be seen first by a nurse, and the nurse will decide if the patient should meet with the doctor that day based on the seriousness of their symptoms. Even though I was afraid that I would be sent away after meeting with the nurse, I decided to take the appointment for later that afternoon.

When I arrived at the Student Health Center later that afternoon, I was asked by the receptionist to fill out paperwork. After this had been completed, I was escorted back to the FlexCare waiting area. Almost immediately I was brought back to an examination room, and the nurse took my temperature and blood pressure and asked me about all of my symptoms. She then told me that I was going to be seen by the doctor because my condition sounded like it could be somewhat serious. Sue Perkins, a nurse practitioner, made her way into the room almost immediately after the triage nurse left. She diagnosed me with pneumonia after considering my symptoms and listening to my lungs. She prescribed two different medications and an inhaler, and she actually described what each medicine would do and how it would help me. After only waiting about ten minutes at the pharmacy, I received my medicine and left.

Due to the quality of their service, it seems that management has already taken a number of actions in order to deliver such high-caliber service. One human resource strategy that is used to deliver service quality through people is to empower employees. Empowerment gives employees the authority to make decisions, as well as giving them the skills, tools, and desire to

serve the customer. Within the medical field, I believe that most employees are empowered because they are given the authority to diagnose diseases and prescribe medications based on their judgment alone. Management at the Student Health Center is developing people to deliver service quality because they are allowing their employees to make very important decisions based on their knowledge and insights. There are a number of benefits of empowerment, and they are as follows: quicker responses, employees feel more responsible, and employees tend to interact with warmth and enthusiasm. My interactions with both the triage nurse and Sue Perkins ensured me that they felt empowered. The triage nurse demonstrated her authority by deciding whether or not I should see the doctor and Sue Perkins also utilized her authority by diagnosing me with pneumonia and prescribing the appropriate medication. This was considered empowerment because they were able make decisions on my behalf without consulting someone else before doing so. The result of this was a quick visit to the Student Health Center and warm interactions with everyone I encountered.

Management has also emphasized the importance of the five drivers of service quality. The five dimensions are as follows: reliability, responsiveness, assurance, empathy, and tangibles. The Student Health Center performed the promised service accurately and dependably, and they were very reliable in this manner. I was extremely surprised by the responsiveness of the Student Health Center; I was expecting to wait at least a few days before having an appointment, but I actually got one for the same day that I called. I really enjoyed this because I was very sick and needed prompt service. I was assured by the knowledge and courtesy of the employees, and I was very confident that they were able to perform the promised service. Everyone was definitely caring and empathetic because they understood that I was not feeling well and just wanted to find out what was wrong. Finally, the appearance of the Student

Health Center, equipment, personnel, and written materials reinforced my assessment of service quality. Management has done an excellent job stressing the importance of all five dimensions, and I believe that they have a concrete understanding that customers perceive quality in a multi-dimensional way.

Finally, the three additional P's in the expanded services marketing mix are very evident in the services that are provided at the Student Health Center. Management realizes that they offer a service and that they must implement a plan that includes more than product, pricing, distribution, and promotion strategies. The three additional P's in the expanded service marketing mix along with how the Student Health Center demonstrates them are as follows:

- **People:** The service employees are the firm in the customer's eye, and management has done a superb job with training their employees to provide excellent service.
- **Physical Evidence:** The servicescape and other tangibles at the Student Health Center conveys the message that management understands that the physical evidence of a firm helps the customer formulate their overall satisfaction.
- **Process:** The operational flow of activities at the Student Health Center allows students to get in and get out as quickly as possible. The FlexCare program also stresses the idea of being flexible rather than standardized. I think management understands that students are looking for convenience and flexibility, and they have designed their service to meet those needs.

Based on my experience at the Student Health Center, I think that they are doing a number of things exceptionally well. I do not normally visit a doctor when I am sick unless it becomes more than I can handle. I was not overly excited about going to the Student Health Center because I had preconceived notions that it was not going to be helpful because it was an

on-campus facility. I had also heard some negative word-of-mouth communication with regards to the doctors not really caring and simply prescribing “rest and lots of fluids” to medicate other students’ symptoms. After my experience, I can definitely say that the Student Health Center exceeded my expectations. I feel this way because they were very responsive, caring, and able to perform the service they promised. The Student Health Center is also very focused on the student, and they do everything that they can to be of better assistance to them. They have designed their business in a way that closes Gap 2 of the Gaps Model of Service Quality. Gap 2 consists of not having the right service quality designs and standards. The Student Health Center has attempted to close this gap by offering a wide variety of services that are customer-driven, such as men’s and women’s health services, the Wellness Connection, and a pharmacy.

I was very impressed with the quality of service that I received at the Bowling Green State University Student Health Center, and I am convinced that I can go back there any time and experience the same level of satisfaction. Although I would not particularly enjoy visiting the Student Health Center due to the circumstances that would bring me there, I would definitely be willing to go back if I get sick again.

LESSONS LEARNED

The main thing that I have learned from this experience is the importance of being aware of the quality of my service encounters. I will be able to better judge my experiences while also aiming to provide quality service so others will judge encounters with me as exceeding their expectations. Starting this summer, I am interning with TNS, a global marketing research firm, and I will definitely be able to apply all the concepts I have learned in the Services Marketing course because I will be interacting with clients on a daily basis and providing them with the level of service that they desire.

APPENDIX A:

Service Encounter Journal Entries

Service Encounter

Journal Entry: 2

Your Name: Danielle Trautman
Name of Firm: Verizon Wireless
Date of Encounter: January 23, 2007

Type of Service: Cellular Phone Service Provider
Time Encounter Occurred: 4:15pm

What specific circumstances led to this encounter?

My phone had not been working properly for awhile, so I decided to go to the Verizon Wireless store to look for a new phone. My two-year contract with Verizon Wireless ended earlier this year, so I wanted to renew my contract by purchasing a new phone.

Exactly what did the firm/employee say or do?

I was greeted by an employee as soon as I walked in the door. He welcomed me to the store, asked me what type of service I needed, asked for my name, and told me that the next available representative would be with me momentarily. I looked at the phone selection and decided on the one that I wanted to purchase. I walked around the store a little longer, but the two representatives were still busy with customers. After waiting for about 15 minutes, the employee that I spoke with earlier approached me and apologized for the wait. He tried to start conversation but it was just awkward. Another customer had come into the store after me, and when one of the representatives was available, his name was called. This made me angry. I waited a total of 30 minutes before I was helped. I was told at a Verizon Wireless store in Bowling Green that I could renew my contract if I had my mother's social security number. When I told the representative that I wanted to purchase a new phone, he said that I couldn't because I was not an authorized user on the account. He said he could not do anything about it, and then I left.

How would you rate your level of satisfaction with this encounter? (Circle the most appropriate number.)

1 2 3 4 5 6 7
extremely extremely
dissatisfied satisfied

What exactly made you feel that way?

The amount of time I waited to be helped was way too long. Even though the representatives were busy with customers, I was the only other person in the store at the time. They were not very helpful either, and they were not willing to adapt to my needs. I had driven 30 minutes to get to the store, so it was basically a wasted trip for me.

What could the employee/firm have done to make you happier with the encounter?

The representative that I spoke with could have been more helpful. When I explained that I had been told at a different store that all I needed was my mom's social security number, he was not very empathetic and simply said that it was not possible to get a new phone. I would have liked for the representative to make a small exception because I had all the information about the account and he knew that my phone was under my mom's plan.

How likely is it that you will go back to this service firm?

1 2 3 4 5 6 7
extremely extremely
unlikely likely

Why?

Although I was not satisfied at all with my encounter at the Verizon Wireless store, I will still use Verizon as my service provider. I have a contract with them, and the switching costs are too great. However, I will probably not return to the same store that I experienced this encounter.

