

## A Strategic Marketing Evaluation of Customer Service Expectations from Alcohol Beverage Suppliers

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**ABSTRACT** This paper reports on the influence the volume an organisation buys from alcoholic beverage suppliers has on their service quality expectations. The primary alcoholic beverage focus areas used in this study in the North West Province were Rustenburg, Mafikeng and Potchefstroom. A non-probability judgment sample method was used, and the sample size quantity was 220 respondents. The questionnaire requested respondents (high and low-volume) to rank their customer service expectations and opinions with reference to Parasuraman's service delivery dimensions. Ranking was done using a five-point Likert scale. The findings of the study indicated that both the high and low-volume customers felt that alcoholic beverage supplying companies had to deliver on all five service delivery dimensions but failed to do so to full satisfaction. There were also differences between the high and low-volume customers' opinions and expectations. Thus, the results indicated that there are differences between customers' (high and low-volume) expectations and opinions of service delivery from alcoholic beverage supply companies. These findings, if used strategically and as a guideline, can improve an alcoholic beverage supply company's retention and profit growth.

### INTRODUCTION

The purpose of this paper is to evaluate what influence the volume an organisation buys (this is also referred to as their size) from alcoholic beverage suppliers has, on their service quality expectations. Many original researchers (Cronin and Taylor 1992, 1994; Gronroos 1984; Parasuraman et al. 1985, 1988) devoted considerable attention to the development and testing of models for the measurement of service quality in retail banks, long distance telephone companies and credit card companies. Previous empirical research has focused primarily on the measurement of service quality in hotels (Erto and Vanacore 2002: 165), for domestic airlines (Chang and Yeh 2002: 166), tourists' judgements on service quality and retailers' perceptions of the service levels at a tourist destination (Weiermair and Fuchs 1999: 1004). It is evident that previous empirical research focused on service quality research in other sectors of the industry. Limited attention has been given to investigating the influence that volume/size of organisations that receives stock from numerous alcoholic beverage suppliers has on their customer service expectations and service quality expecta-

tions. Marketing is regarded as an essential set of principles and practices which are necessary in order to attract and retain customers (Fadahuni and Pelsers 2013: 838). This paper is derived from findings from Beukes et al. (2013), and if used strategically, can improve an alcoholic beverage supply company's retention and profit growth.

This study is based on the results from the SERVQUAL questionnaire to compare what the effect of buying volume is on customers of alcoholic beverage supplying companies, and their service quality expectations. For the purposes of this study, the SERVQUAL model plays a more important role in the measurement of the service quality at a service firm due to the five service quality dimensions: (1) tangibility; (2) reliability; (3) responsiveness; (4) assurance and (5) empathy as identified by Parasuraman et al. (1988: 23). Parasuraman et al. (1988: 23) hypothesise that the dimensions are related to the discrepancy between customers' perceptions and their expectations. The SERVQUAL method mentioned above focuses on the customer's perception of service quality (Jiang et al. 2002: 145; Kassim and Bojei 2002: 845). This plays an important role in the measurement of service quality at a service delivery company, due to the five dimensions noted before. SERVQUAL further

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also encompasses several unexplored dimensions that have lately attracted research attention into other disciplines (Casadesus et al. 2002; Jiang et al. 2002; Kang et al. 2002; Zhao et al. 2002).

Some of these unexplored service dimensions or “gaps” in the SERVQUAL method appear to be important and worthy of investigation in the context of an alcoholic beverage supplying company. These include: the gap between service specifications and service delivery, the discrepancy between customer expectations and their perceptions of the service delivered, the discrepancy between customer expectations and employees’ perceptions, and customers’ expectations versus management perceptions.

### Objectives

The primary objective of the study is to investigate the relationship between volume of alcoholic beverages purchased and customer service expectations. This objective is reached by means of the following secondary objectives:

- ♦ Ascertain whether customers perceive customer service differently based on their purchase quantity.
- ♦ Establish the perceptions customers have regarding service quality in relation to quantity purchased.
- ♦ Establish whether customer service is of equal importance for customers with different purchase quantities.

### Literature Review

Service quality has been of interest to marketing academics and managers since the early 1960’s. Whilst products, process quality and total quality emerged as a prime concern in the manufacturing sector, service is acknowledged to be critical for all types of organisations (Ennew et al. 1993: 59). Definitions of service quality, prior to 1985, focused on the complexity of customers to evaluate service quality, the forming of service quality expectations in evaluation with the actual service and the involvement of quality assessment in the process of service delivery rather than the discrepancies that exist in the perception of expectations in the delivery of quality service to the customer (Parasuraman et al. 1985: 42)

### *Defining Service Quality*

Defining service quality is essentially difficult as the nature of services, particularly intangibility, complicates the meaning (Dhurup 2003: 68). The result is that a generally agreed upon definition of what constitutes service quality does not exist (Gronroos 1984: 36). As a result of the non-existence of a universally accepted definition of service quality, some researchers have used basic theories in an effort to conceptualise service quality, namely, the Attribute Theory, Satisfaction Theory and the Interaction Theory (Boshoff 1990: 143). The Attribution Theory views service quality from a product-quality viewpoint by describing the attributes of the service delivery system and assumes that the attribute can be manipulated by management. According to Pelsler et al. (2014: 260) for value to be created, consumers must be convinced that there are meaningful differences among brands in the specific product or service category. Gummesson and Gronroos (1987), for instance, identify four “qualities” that establish apparent quality: design quality, production quality, delivery quality and relational quality. These qualities are regarded by the authors as being equally applicable to services. For example, Groenewald et al. (2014: 525) argues that businesses may feel that they cannot afford the expense of advertising their services because of limited financial resources. Such an approach has the potential to significantly lessen the business’ probability of success.

The Customer Satisfaction Theory regards service quality as a perception of quality, whereby a service only meets the desired criterion if the customer sees it as quality. In this theory, service quality is defined as the distinction between expected service and actual service received (Marx 2005). This argument has been supported by Zeithaml et al. (2009) who sees service quality as a dominant element in customers’ evaluations. Delivering quality service means conforming to customer expectations on a consistent basis. The Interaction Theory claims that service quality is shaped through personal interaction between the service firm workers and customers, and that both parties benefit through the mutual satisfaction of desires. In addition it is also evident that researchers (Weitz and Wensley 2006; Zeithaml et al. 2009) in their attempt to define service quality identi-

fied various dimensions or determinants of service quality.

Parasuraman et al. (1988: 12-35) originally developed ten dimensions and later reduced the number by correlation to five dimensions of service quality (SERVQUAL) namely, tangibles, reliability, responsiveness, assurance and empathy. These authors describe service quality in terms of perceived service quality as the degree and direction of difference between customers' perception and expectation. Service quality is therefore viewed as a worldwide judgement of an attitude relating to the superiority of the service. Weitz and Wensley (2006: 340) state that service quality comprises different elements, namely, physical quality, personnel, functional quality, corporate quality and interactive quality. To obtain good service quality, the suitable mix of these elements must be found and carefully balanced.

Gronroos (1984: 37) also maintains that the most important part of a service company, which customers see and perceive, is its services. Therefore, the corporate image can be built mainly by the technical and the functional quality of its services, and he also posits the view that in some cases the functional quality is more important than the technical quality dimension. Central to his dispute is that the conceptualisation of service quality should be customer based and that customer perceptions of quality should thus be the main ingredient of a model of service quality. Placing greater emphasis on the functional quality dimensions is seen as a main drawback of this model. Throughout the creation of the SERVQUAL model it has given rise to some service quality gaps.

### *Service Quality Gaps*

There are seven major gaps in the service quality concept (Stromgren 2007; Shuttleworth 2006; van Heerden 2010). According to the following description (Luk and Layton 2002), the three important gaps, which are more associated with the external customers, include Gap 1, Gap 5 and Gap 6, since they have a direct relationship with customers.

- ♦ *Gap 1:* Customers' expectations versus management perceptions: as a result of the lack of a marketing research orientation, insufficient upward communication and too many layers of management.

- ♦ *Gap 2:* Management perceptions versus service specifications, as a result of insufficient commitment to service quality.
- ♦ *Gap 3:* 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.
- ♦ *Gap 4:* Service delivery versus external communication, as a result of inadequate horizontal communications and propensity to over-promise.
- ♦ *Gap 5:* The discrepancy between customer expectations and their perceptions of the service delivered, as a product of the influences 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.
- ♦ *Gap 6:* The discrepancy between customer expectations and employees' perceptions: as a result of the differences in the understanding of customer expectations by front-line service providers.
- ♦ *Gap 7:* The difference between employees' perceptions and management perceptions: as a result of the differences in the understanding of customer expectations between managers and service providers.

Parasuraman et al. (1988: 12-35) through scale purification and successful elimination of substance, reduced the number of dimensions to five, namely: tangibles, reliability, responsiveness, assurance and empathy. This resulted in a twenty-two item scale.

This study is based on the results from the SERVQUAL questionnaire to compare what the effect of buying volume is on customers of alcoholic beverage supplying companies, and their service quality expectations.

### *Servqual*

The SERVQUAL method mentioned previously focuses on the customer's perception of service quality (Jiang et al. 2002: 145; Kassim and Bojei 2002: 845). This plays an important role in the measurement of service quality at a service delivery company, due to the five dimensions noted before. SERVQUAL further also

encompasses several unexplored dimensions that have lately attracted research attention into other disciplines (Casadesus et al. 2002; Jiang et al. 2002; Kang et al. 2002; Zhao et al. 2002). Some of these unexplored service dimensions or “gaps” in the SERVQUAL method appear to be important and worthy of investigation in the context of an alcoholic beverage supplying company. These include: the gap between service specifications and service delivery, the discrepancy between customer expectations and their perceptions of the service delivered, the discrepancy between customer expectations and employees’ perceptions, and customers’ expectations versus management perceptions.

In today’s highly competitive FMCG (fast moving consumer goods) market there is huge emphasis on service delivery and customer service, due to the fact that these two aspects can be the determining factor on overall customer satisfaction and on overall business performance. Within the market as shown in Figure 3, it is clear that it is divided into two main areas, namely food and beverages. For the purposes of this paper emphasis was on the beverage side of the industry. The beverage industry is divided into two sectors namely alcoholic beverages and non-alcoholic beverages. Again for the purposes of this study emphasis will be on alcoholic beverages. The alcoholic beverage industry is categorised by way of the different categories of alcohol it produces (beer, ciders, wine and spirits). In this market segment of South Africa there are four main entities all of these companies competes within the market to deliver their products with the best possible customer service and service delivery to their respective customers.

### *Industry Importance of Service Quality Service Delivery*

Providing dependable service has many benefits for a retail company. Companies that provide reliable service have elevated levels of customer retention and benefits from positive word of mouth advertising (Dhurup 2003: 82; Zeithaml 2009). Providing superior quality service can boost a company’s performance through increased market share. Reliable services can also lead to lesser costs (through having to re-perform the service less often), and improved productivity (resulting from higher employee morale and lower employee turnover). The follow-

ing benefits are derived from service quality according to Dhurup (2003: 83):

- ♦ Improved service.
- ♦ Higher profits.
- ♦ Increased retention and business from existing customers.
- ♦ Improved positive word of mouth communication.
- ♦ More opportunities to demand higher prices.
- ♦ Increased sales.
- ♦ Lower cost and higher productivity.
- ♦ Lower staff turnover.
- ♦ Higher morale and enthusiasm among staff.
- ♦ Reduced cost resulting from less redoing.

Pelser (2014a: 779) argues that strategic management is *inter alia* a process of managing a company’s relationship with the environment. A critical concern of this discipline is optimising returns to the company’s stakeholders over the long term. Zeithaml et al. (2009: 546) reflect that companies offering superior service achieve higher than ordinary market share. These authors further argue that service quality and profitability affiliation take time to verify, part of the delay being due to the unfounded expectation that the connection was simple and straight.

The cost of not delivering quality service is also high. If the retail company falls short of performing services at levels expected by a customer, the cost may go well beyond losing a single transaction. Customers who have received poor quality service will seldom tell the offending firm of their occurrence, but instead spread word about the experience to friends and family. The value of service quality can be best appreciated by analysing its relationships among profitability, price, market share and productivity.

## METHODOLOGY

### **Study Population and Sampling**

The target population comprised customers of alcoholic beverage supplying companies situated in the North West province of South Africa. The sample frame selected for this study was obtained from a list of customers serviced by numerous alcoholic beverage supplying companies based in the North West province. The primary alcoholic beverage focus areas in the North West Province are in Rustenburg, Mafikeng and Potchefstroom. A list of customers serviced by alcoholic beverage supplying com-



panies was acquired by using secondary data available on the customer database of the alcoholic beverage supplying companies. The quantity customers serviced by the different alcoholic beverage suppliers was established, the list was then divided into high/middle/low volume customers. For the purposes of this study the middle-volume customers was removed due to the research focussing on the two extremes (big and small volume customers).

From the sample frame, a non-probability judgment sample method was chosen, which involves choosing sample units subjectively. The identified geographical areas (Rustenburg, Mafikeng and Potchefstroom) have each 772, 738 and 690 customers respectively which receive deliveries from the alcoholic beverage supplying companies. This added to 2200 customers (total population). Out of this total customer (population) base, 10% was targeted within each area. This reflects a sufficient representation within each area. Customers (respondents) in these areas were then further divided into equal numbers of big and small volume customers. This sampling approach brought the quantity of targeted respondents to 220, which is a 10% representation of the total population. The sample size selected for the study was 220 alcoholic beverage supplying companies' customers in total. This again was equally divided between geographical areas and volume size.

### Data Collection

The focus of this study was to obtain information regarding the influence that the volume of product that an organisation buys from alcoholic beverage suppliers, has on their service quality expectations. This resulted in a descriptive research method being implemented. A cross-sectional survey design was used to reach the objectives of this study. Data was collected by means of a structured questionnaire. 220 questionnaires were distributed and all were received back. Fifteen questionnaires were returned not fully completed. They were returned to the customers for completion. Items in the questionnaire were based on the SERVQUAL method adapted to fit this specific study. All questions were adapted to be applicable to the sample population of this study, which was collated into a book format with a cover page explaining the purpose, objectives, and application of the study. Section A comprised of the demographic details of the respondents. Section B consisted

of a Likert scale based on the 22 items in the SERVQUAL method questionnaire. Responses on this scale ranged from 1 = strongly agree to 5 = strongly disagree. A pilot study was done on 1% or 22 of the total customer base to establish the reliability and validity of the questionnaire.

### Statistical Analysis

The Statistical Package for Social Sciences (SPSS) Version 20.0 for Windows was used for the data processing and analysis. Empirical findings were presented within different contexts. Firstly, descriptive statistics are graphically presented with numerics included. Secondly, cross tabulation or comparative statistics are graphically depicted. Lastly, statistical tests were depicted in table format with detailed explanations of the analysis.

## RESULTS AND DISCUSSION

### Bartlett Test of Sphericity and the KMO Measure of Sample Adequacy

Questionnaires were grouped into different factors based on the 5 dimensions of service quality, namely: tangibility, reliability, responsiveness, assurance and empathy. Expectations and opinions were treated as separate units within the context of the factor analysis.

For the first dimension, namely tangibility, based on respondents expectations and opinions, the factor analysis is displayed in Table 1.

**Table 1: Tangibility expectations and opinions factor analysis**

<i>Tangibility –Expectations Communalities</i>		<i>Tangibility–Expectations Communalities</i>	
B1	0.650	C 23	0.653
B2	0.715	C 24	0.758
B3	0.587	C 25	0.649
B4	0.362	C 26	0.531
<i>Total variance explained</i>		<i>Total variance explained</i>	
<i>Factor</i>	<i>% of variance</i>	<i>Factor</i>	<i>% of variance</i>
1	69.746	1	76.343
<i>Determinant<sup>a</sup></i>		<i>Determinant<sup>a</sup></i>	
0.115		0.710	
<i>Kaiser-Meyer-Olkin Measure of Sampling Adequacy</i>		<i>Kaiser-Meyer-Olkin Measure of Sampling Adequacy</i>	
0.740		0.784	
<i>Bartlett's Test of Sphericity (Sig.)</i>		<i>Bartlett's Test of Sphericity (Sig.)</i>	
P value < 0.001		P value < 0.001	

High and low-volume questionnaires were combined. The returned determinant on the dimensions was 0.115 for tangibility expectations and 0.710 for tangibility opinions. This indicates that there was no severe multicollinearity between the dimensions items. The Kaiser-Meier-Olkin (KMO) result on tangibility expectations of respondents was 0.740 and 0.784 for the tangibility opinions. This indicates that both of the sample sizes were seen as acceptable. Both dimensions returned a p-value of <0.05. This shows a high enough correlation between the section items. All the communalities were above 0.3 for each dimension section and this shows that the proportion variance of the item as explained by the factors is sufficient. Tangibility's expectations returned a variance value of 69.746% as one factor, and opinions 76.343%.

Table 2 displays the factor analysis of the second dimension of service quality namely reliability expectations and opinions. All the communalities in this table (expectations and opinions) returned a value higher than 0.3, which shows that adequate variances of all items are explained by the factors. The factors explained 77.453% of reliability expectations' total variance and 67.060% of reliabilities opinions' total variance. The determinants for respondents' expectations and opinions were 0.110 and 0.370 respectively which is higher than the 0.00001 required to show no severe multicollinearity. The

**Table 2: Reliability expectations and opinions factor analysis**

<i>Reliability-Expectations Communalities</i>		<i>Reliability - Opinions Communalities</i>	
B5	0.680	C 27	0.640
B6	0.832	C 28	0.740
B7	0.793	C 29	0.650
B8	0.785	C 30	0.700
B9	0.675	C 31	0.580
<i>Total variance explained</i>		<i>Total variance explained</i>	
<i>Factor</i>	<i>% of variance</i>		<i>Factor % of variance</i>
1	77.453	1	67.060
<i>Determinant<sup>a</sup></i>		<i>Determinant<sup>a</sup></i>	
0.110		0.370	
<i>Kaiser-Meyer-Olkin Measure of Sampling Adequacy</i>		<i>Kaiser-Meyer-Olkin Measure of Sampling Adequacy</i>	
0.790		0.752	
<i>Bartlett's Test of Sphericity (Sig.)</i>		<i>Bartlett's Test of Sphericity (Sig.)</i>	
P value < 0.001		P value < 0.001	

KMO measure was returned as 0.790 and 0.752 for the reliability dimensions expectations and opinions respectively. This results shows that both expectations and opinions in this dimension illustrate sample adequacy. Both factors in the expectations and opinions section of the dimension returned a p-value of < 0.05 on the Bartlett's test.

The factor analysis of the third service quality dimension is reflected in Table 3. All communalities in the responsiveness dimension, expectations and opinions returned a value higher than 0.3. The p-value returned for the Bartlett's test on both sections was also below 0.05. The KMO measure for responsiveness expectations was returned as good due to it being 0.719 and opinions as medium due to the item being between 0.5 and 0.7. The two sections, expectations and opinions total variance explained by the factors returned a value of 64.17% and 59.24%. Both factors returned a determinant of higher than 0.00001.

**Table 3: Responsiveness expectations and opinions factor analysis**

<i>Responsiveness-Expectations Communalities</i>		<i>Responsiveness-Opinions Communalities</i>	
B 10	0.386	C 32	0.426
B 11	0.547	C 33	0.524
B 12	0.557	C 34	0.529
B 13	0.360	C 35	0.505
<i>Total variance explained</i>		<i>Total variance explained</i>	
<i>Factor</i>	<i>% of variance</i>	<i>Factor</i>	<i>% of variance</i>
1	64.169	1	59.237
2	17.472	2	25.560
<i>Determinant<sup>a</sup></i>		<i>Determinant<sup>a</sup></i>	
0.226		0.224	
<i>Kaiser-Meyer-Olkin Measure of Sampling Adequacy</i>		<i>Kaiser-Meyer-Olkin Measure of Sampling Adequacy</i>	
0.719		0.627	
<i>Bartlett's Test of Sphericity (Sig.)</i>		<i>Bartlett's Test of Sphericity (Sig.)</i>	
P value < 0.001		P value < 0.001	

As depicted in Table 4, all communalities on assurance' expectations and opinions returned a value higher than 0.3. The p-value returned for Bartlett's test was also <0.05 on both factors' response. The determinant figures returned on both sections of the dimension was > 00001. The assurance expectations determinant result returned was 0.620 and assurance opinions 0.080.

The KMO measure result returned was 0.776 on assurance expectations and 0.779 on opinions respectively, indicating sample adequacy on both accounts. The total variance of both assurance expectations' and opinions' items explained by the factors returned a value of 64.280% on assurance expectations and 63.463% on assurance opinions.

**Table 4: Assurance expectations and opinions factor analysis**

<i>Assurance - Expectations Communalities</i>		<i>Assurance - Opinions Communalities</i>	
B 14	0.589	C 36	0.442
B 15	0.657	C 37	0.601
B 16	0.639	C 38	0.690
B 17	0.600	C 39	0.644
B 18	0.481	C 40	0.334
<i>Total variance explained</i>		<i>Total variance explained</i>	
<i>Factor</i>	<i>% of variance</i>	<i>Factor</i>	<i>% of variance</i>
1	64.280	1	63.463
<i>Determinant<sup>a</sup></i>		<i>Determinant<sup>a</sup></i>	
0.620		0.080	
<i>Kaiser-Meyer-Olkin Measure of Sampling Adequacy</i>		<i>Kaiser-Meyer-Olkin Measure of Sampling Adequacy</i>	
0.776		0.779	
<i>Bartlett's Test of Sphericity (Sig.)</i>		<i>Bartlett's Test of Sphericity (Sig.)</i>	
P value < 0.001		P value < 0.001	

The last dimension of service quality factor analysis is displayed in Table 5. Empathies' com-

**Table 5: Empathy expectations and opinions factor analysis**

<i>Empathy - Expectations Communalities</i>		<i>Empathy - Opinions Communalities</i>	
B 19	0.558	C 41	0.373
B 20	0.726	C 42	0.514
B 21	0.763	C 43	0.637
B 22	0.665	C 44	0.620
<i>Total variance explained</i>		<i>Total variance explained</i>	
<i>Factor</i>	<i>% of variance</i>	<i>Factor</i>	<i>% of variance</i>
1	79.182	1	70.124
<i>Determinant<sup>a</sup></i>		<i>Determinant<sup>a</sup></i>	
0.520		0.144	
<i>Kaiser-Meyer-Olkin Measure of Sampling Adequacy</i>		<i>Kaiser-Meyer-Olkin Measure of Sampling Adequacy</i>	
0.813		0.777	
<i>Bartlett's Test of Sphericity (Sig.)</i>		<i>Bartlett's Test of Sphericity (Sig.)</i>	
P value < 0.001		P value < 0.001	

munalities were above 0.3 on respondent questionnaire sections, expectations and opinions. The p-value reflected a high enough correlation between the items due to it being < 0.05 on both respondents' expectations and opinions of the empathy dimension. One factor explained 79.182% of the total variance on expectations and 70.124% of the total variance of opinions. The determinant returned 0.520 on empathies expectations and 0.144 on opinions. A KMO figure was returned of 0.813 on empathy expectations, which falls in the very good category of the measure. A KMO figure of 0.777 was returned on the opinions customer questionnaire section for the empathy dimension, which also is viewed as good for sample adequacy.

**Reliability**

All of the scales tested returned Cronbach alphas values above 0.70 (see Table 6), which indicates good internal reliability (Pallant 2010: 100). The results for the standard deviation were between 0.46 and 0.68 across the five service quality dimensions opinions and expectations. This indicates that there was a small variation between the respondents' answers and that their opinions correspond on most of the items within the service quality dimensions on expectations and opinions. The mean values returned ranged between 1.72 and 1.88 on the five dimensions pertaining to the respondents' expectations. The result indicates that a relatively high number of the respondents agreed with the factor and that alcoholic beverage supply companies must deliver on these dimensions. The mean

**Table 6: Reliability of service quality dimensions**

<i>Expectations</i>	<i>Cronbach's alpha</i>	<i>Mean</i>	<i>Std. deviation</i>
Tangibility	0.84	1.81	0.52
Reliability	0.92	1.88	0.62
Responsiveness	0.80	1.77	0.46
Assurance	0.86	1.72	0.49
Empathy	0.91	1.72	0.49
<i>Opinions</i>	<i>Cronbach's alpha</i>	<i>Mean</i>	<i>Std. deviation</i>
Tangibility	0.89	2.73	0.68
Reliability	0.87	2.74	0.61
Responsiveness	0.76	2.78	0.51
Assurance	0.85	2.82	0.56
Empathy	0.85	2.94	0.55

value returned on the opinions dimensions was in the range of between 2.73 and 2.94. This indicates that most of the respondents had a neutral opinion about the actual service delivery from alcoholic beverage supply companies.

### High-Volume Dependant t-Test

Table 7 illustrates the difference in high-volume respondents' opinions versus their expectations. Most of the high-volume respondents of alcoholic beverage supply companies felt that the companies must deliver on all five service quality dimensions, but in their opinions the companies did not necessarily deliver to the full satisfaction of the respondents.

Most of the respondents can't state if they are getting satisfactory service or not, seeing that most dimensions (assurance, responsiveness, reliability, tangibility and empathy) were closer to the neutral result than the agree result based on the Likert scale. A practically significant difference between the means of high-volume respondents' expectations and opinions on all five dimensions, can be observed. This re-

flects that most of the high-volume respondents felt that the alcoholic beverage supply companies must deliver on the respondents' expectations.

The effect size clearly indicates that there is a difference between the expectations and opinions on all five dimensions for the high-volume respondents. The largest effect size was on the empathy ( $d=2.20$ ) and assurance dimension ( $d=1.99$ ). This indicates that most of the high-volume respondents expected good service delivery on these dimensions but in contrast they could not indicate whether the alcoholic beverage supply companies do deliver on the dimensions or not, hence the returned result is neutral from the high-volume respondents.

### Low-Volume Dependant t-Test

Table 8 illustrates the difference in low-volume respondents' opinions versus their expectations. Most of the low-volume respondents of alcoholic beverage supplying companies felt that the companies must deliver on all five service quality dimensions, but in their opinions

**Table 7: High-volume opinions versus expectations**

<i>High-volume</i>		<i>Mean</i>	<i>Std. deviation</i>	<i>Effect size</i>	<i>p-value</i>
<i>Tangibility</i>	Expectations tangibility	1.71	0.51	1.45	p value < 0.001
	Opinions tangibility	2.76	0.73		
<i>Reliability</i>	Expectations reliability	1.72	0.57	1.71	p value < 0.001
	Opinions reliability	2.80	0.63		
<i>Responsiveness</i>	Expectations responsiveness	1.68	0.51	1.86	p value < 0.001
	Opinions responsiveness	2.77	0.58		
<i>Assurance</i>	Expectations assurance	1.65	0.48	1.99	p value < 0.001
	Opinions assurance	2.80	0.58		
<i>Empathy</i>	Expectations empathy	1.65	0.53	2.2	p value < 0.001
	Opinions empathy	3.00	0.62		

**Table 8: Low-volume opinions versus expectations**

<i>Low-volume</i>		<i>Mean</i>	<i>Std. deviation</i>	<i>Effect size</i>	<i>p-value</i>
<i>Tangibility</i>	Expectations tangibility	1.92	0.52	1.23	p value < 0.001
	Opinions tangibility	2.70	0.64		
<i>Reliability</i>	Expectations reliability	2.05	0.64	0.99	p value < 0.001
	Opinions reliability	2.69	0.59		
<i>Responsiveness</i>	Expectations responsiveness	1.87	0.39	2.19	p value < 0.001
	Opinions responsiveness	2.80	0.43		
<i>Assurance</i>	Expectations assurance	1.81	0.5	1.93	p value < 0.001
	Opinions assurance	2.85	0.54		
<i>Empathy</i>	Expectations empathy	1.80	0.44	2.32	p value < 0.001
	Opinions empathy	2.89	0.47		



the companies did not deliver to full satisfaction of these expectations. Most of them can't state whether they are getting satisfactory service or not, seeing that most dimensions (assurance, responsiveness, reliability, tangibility and empathy) were closer to the neutral result than the agree result, based on the Likert scale. There are large or practically significant differences within each service quality dimension for low-volume respondents. There is a clear difference between the expectations and opinions of low-volume respondents. The effect size displays that across all the dimensions the low-volume respondents mostly expected good quality service delivery from alcoholic beverage supply companies but failed to indicate whether this was actually the case, due to the result returned being neutral. The largest paired difference is also on the empathy dimension, with the result being  $d = 2.32$ . This indicates that respondents mostly felt that the alcoholic beverage supply companies should deliver on their expectations within this dimension but the respondents couldn't indicate whether the companies delivered to their satisfaction or not. The second largest difference was on the responsiveness dimension,  $d = 2.19$ . This indicates again that the respondents mostly expected good service de-

livery on this dimension, but returned a result of neutral on the opinions dimension. This reveals that low-volume respondents mostly couldn't indicate whether they were getting satisfactory service delivery or not.

**High and Low-Volume Respondents' Expectations**

In Table 9 it emerges that in all the expectations dimensions it is clear that the respondents felt the same around what they expect alcoholic beverage supply companies should deliver on the five service quality dimensions. This was primarily due to a mean value ranging between 1.65 (strongly agree to agree) and 2.05 (agree). This shows that the respondents mostly agreed that they expected the alcoholic beverage supply companies to deliver on the dimensions. Further to this, it shows that all the respondents felt the same regarding the dimensions, and what they expect alcoholic beverage supply companies to deliver at a level to satisfy their expectations.

**High and Low-Volume Respondents' Opinions**

Table 10 displays the independent t-test results for high and low-volume of respondents'

**Table 9: High and low-volume expectations**

High/Low		Mean	Std. deviation	Effect size	p-value
Expectations Tangibility	High	1.71	0.51	0.41	0.002
	Low	1.92	0.52		
Expectations Reliability	High	1.72	0.57	0.52	0.000
	Low	2.05	0.64		
Expectations Responsiveness	High	1.68	0.51	0.36	0.003
	Low	1.87	0.39		
Expectations Assurance	High	1.65	0.48	0.33	0.015
	Low	1.81	0.50		
Expectations Empathy	High	1.65	0.53	0.28	0.022
	Low	1.80	0.44		

**Table 10: High and low-volume opinions**

High/Low		Mean	Std. deviation	Effect size	p-value
Opinions Tangibility	High	2.76	0.72	0.08	0.516
	Low	2.70	0.64		
Opinions Reliability	High	2.80	0.63	0.17	0.187
	Low	2.69	0.59		
Opinions Responsiveness	High	2.77	0.58	0.06	0.599
	Low	2.80	0.43		
Opinions Assurance	High	2.80	0.58	0.08	0.552
	Low	2.85	0.54		
Opinions Empathy	High	3.00	0.62	0.19	0.111
	Low	2.89	0.47		

opinions. It is clear from the results that most of the dimensions had small or practically non-significant differences and both sections high and low agree that they feel the same about the reality of the alcoholic beverage supply companies' service delivery on all five dimensions. This, as mentioned in previous sections, was a returned result of neutral. This was due to the means on all the opinion dimensions being between 2.69 and 3.00, and the standard deviation between 0.43 and 0.72, which shows agreement between the respondents' answers.

In a dynamic global market, companies that generate competitive advantages by effectively integrating marketing activities tend to ultimately succeed (Pelser 2014b: 238). This study investigated the relationship between the volume a customer buys from an alcoholic beverage supply company and what influence it has on their customer service expectations. The study revealed that the satisfaction level experienced by customers in both sections of the study (high and low), with a considerable gap between expectations and opinions within the empathy dimension.

The majority of the customers of beverage supply companies indicated that their expectations aren't being met within this dimension. There were also gaps between the mean values of the expectations and opinions in the balance of the dimensions (tangibility, responsiveness, reliability and assurance). Alcoholic beverage supply companies must evaluate which items within these dimensions are of importance to the customers, and work on improving them one by one.

### CONCLUSION

The findings of the study indicated that both the high and low-volume customers felt that alcoholic beverage supplying companies had to deliver on all five service delivery dimensions but failed to do so to full satisfaction. There were also differences between the high and low-volume customers' opinions and expectations. Thus, the results indicated that there are differences between customers' (high and low-volume) expectations and opinions of service delivery from alcoholic beverage supply companies.

The recommendations from the study, if used strategically and as a guideline, can improve an

alcoholic beverage supply company's retention and profit growth. However, improved customer service can only be achieved if there is a paradigm shift away from the previous ways of interaction between companies and customers. Greater emphasis must also be placed on employee commitment and customer involvement. This requires challenging and engaging tasks, good human relations with customers, co-workers and management. These factors play a very important role in satisfying customer needs and to deliver a service that is of a high quality. It is of utmost importance that the service that is offered to the customer gets done to the highest level of customer satisfaction. However important customer satisfaction and service quality are, they cannot be bought at any price, it must be earned.

### RECOMMENDATIONS

The recommendations follow the conclusions drawn and they should be interpreted with the matching conclusion in mind.

1. It is recommended that the alcoholic beverage supply companies should address the problem areas exposed in this study to avoid defection of customers and other repercussions associated with customer dissatisfaction.
2. It is recommended that the alcoholic beverage supply companies must strive for satisfactory levels of service delivery.
3. It is recommended that employees at alcoholic beverage supply companies must be made aware that their responsiveness, reliability, attitude, skills and knowledge are key and important to the customers.
4. It is recommended that the alcoholic beverage companies provide customer service training for all their call centre agents and employees that work in the trade and face-to-face with the customer.
5. It is recommended that an adapted SERVQUAL model be used internally at alcoholic beverage supply companies to measure customer satisfaction on dimensions that they feel they are lacking in their service delivery to their customers.
6. It is recommended that an adapted SERVQUAL model be used that will assist the alcoholic beverage supply companies in identifying gaps and to monitor improvements made on the gaps.

7. It is recommended that managers at alcoholic beverage supply companies should view all customers (high and low-volume sections) as equally important.
8. It is recommended that suppliers should not only focus on high-volume customers' needs but also view low-volume customers as equally important.
9. Finally, it is recommended that the same marketing, logistics and customer service levers be implemented and used within the low-volume section as in the high-volume section of the industry.

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