

Quality

Key concepts

The main concepts covered in the chapter are:

- Definitions of quality
- The concept of the 'service gap'
- Quality management systems
- The links between quality and the Marketing Mix
- Quality and different audiences
- Official quality standards.

Introduction

Quality has been perhaps one of the most fashionable words of marketing. However, while it is often used, it is rarely defined.

In this chapter, we will take a broad view of the concept of quality in leisure. To do this a number of issues will be examined, including:

- what the term 'quality' means in the context of leisure;
- the nature of quality in service industries;
- the different types of quality management systems that exist, including quality Control, Quality Assurance, Total Quality Control and Total Quality Management;
- quality and the marketing mix;
- official measures of quality such as ISO 9000;
- constraints on the operation of quality management systems in leisure.

There is no universally accepted definition of quality, but certain principles do appear to be quite widely agreed upon. First, the idea that quality is about those features and characteristics of a product or service that affect its ability to satisfy the needs and desires of consumers.

Secondly, there is the concept of 'fitness for purpose' whereby quality is judged in terms of the extent to which a product measures up to its expressed purpose, usually defined in terms of a set of consumer needs. Both approaches put the customer at the centre, which fits neatly with the concept of customer-led marketing which is so popular at present.

Quality and service industries

Most theory and practice in quality management grew out of the experience of manufacturing industries where the emphasis is on product standardisation. The usual aim of manufacturing companies is to have every product coming off the production line identical, with no faults.

Furthermore, this is an attainable goal, most of the time, providing that the right machinery is purchased, it is well maintained and its operators are correctly trained.

However, in service industries, such as leisure, this standardisation is generally not attainable, and it may not even be desirable, for three main reasons. First, the main element of the product is the individual who perform the service, and all staff are different. They have different abilities or attitudes, and their moods are constantly changing. Secondly, in service industries, the production process involves an interaction between consumers and staff, and the consumers are separate individuals with their own specific attitudes and expectations which they contribute to the process. Finally, most customers do not want to feel they are receiving a standardised product, with the possible exception of fast-food outlet customers and hotel-chain clients. Most customers want to feel that the product will, at least in part, be tailor-made to meet their own particular needs and desires. This customisation of the product is also important as a standardised product does not usually carry the status value that many customers seek from leisure products.

It may also be that standardisation is not an attainable aim in some parts of leisure because in these specific parts of our industries we do not give our customers a finished product. Instead, we give them a set of 'raw materials' and invite them to construct their own final product. For example, it could be argued that a tourist destination simply offers a range of attractions, accommodation, restaurants, bars and transport systems from which tourists can create their own 'do it yourself' holiday experience which will be unique.

The 'service gap'

Quality management systems in service industries like leisure tend to focus on the intangible service element of the product and the people who deliver it. Quality enhancement is often viewed in terms of reducing gaps between perceptions of service quality held by an organisation and its customers.

In 1985, Parasuraman, Zeithaml and Berry identified the following five types of potential service gaps, with which most leisure managers will probably empathise:

- (i) gaps between consumer expectations and management perceptions of consumer expectations;
- (ii) gaps between management perceptions of consumer expectations and service quality specifications;

- (iii) gaps between service quality specifications and the service which is actually delivered;
- (iv) gaps between service delivery and what is communicated about this service to consumers which will shape their expectations;
- (v) gaps between consumer expectations and their perceptions of the actual quality of service rendered.

Quality management systems

Most quality management systems originated in manufacturing industries, but they can be applied to some extent in service industries such as leisure. This part can be illustrated if we look at the case of a restaurant meal in relation to the four most common types of quality management systems as follows:

1. *Quality control* – This is where the production process is monitored so that problems are eradicated before the product is delivered to the customer. This is well suited to manufacturing companies where problems are often easy to identify and there is a relatively long period between production and delivery to the customer. The equivalent in a restaurant meal situation would be an inspection of the dishes before they left the kitchen to be presented to the customer. However, while this does happen in some restaurants, the speed required to serve the dish while it is still at its best makes such careful inspection difficult. Furthermore, just because the dish looks and smells right, it does not follow automatically that it will satisfy the client. They may already have negative views about the restaurant because of its decor or how they were greeted. Or they may not like the chef's selection of vegetables, no matter how well they have been cooked. Even if quality control is possible in the case of our restaurant meal, it does not prevent waste arising in the first place, for if the dish is deemed not satisfactory, it may well be thrown away.
2. *Quality assurance* – Here the emphasis is on prevention rather than cure. The aim is to prevent the problem arising in the first place, and rather than making quality the responsibility of one or two 'inspectors', the system places the onus on each member of staff involved to get it right first time. This prevents waste and removes the need for 'inspectors'.
3. *Total quality control* – Under this system, a broader view is taken of the production or service delivery process. All possible factors that affect the final product or service are considered. In the case of our restaurant meal, this might include the quality of raw materials being provided by suppliers to the training of the kitchen staff. The aim is to ensure that by looking at these wider issues the quality of the product can be maintained and enhanced on every occasion.
4. *Total quality management (TQM)* – This is undoubtedly the most fashionable quality management system at present. It is predicated on the idea that quality must permeate the whole culture of an organisation and involve every employee. It argues that organisations need to strive to make continuous improvements in quality.

In other words, this approach acknowledges that quality is not an absolute standard which can ever be attained. Instead, it is a continuous journey to an ever-changing destination. In terms of our restaurant meal therefore, a 'TQM' approach would involve looking constantly at how the meal might be improved in terms of its content, presentation, delivery and price, for example.

The marketing mix and quality in leisure

We will now consider the implications of the concept of quality for the four elements of the 'Marketing mix' which marketers in leisure manipulate to achieve their objectives. We will begin with the product.

The *product* is crucial in that it is what the customer purchases in order to satisfy their needs and wants. A quality product is one which satisfactorily performs the task for which it was purchased and bestows the expected benefits on the purchaser. There are a number of ways in which quality and the product are linked in leisure, as follows:

- (i) There is what we might term the quality of the designed characteristics of the product, in other words, those physical attributes of the product that have been deliberately designed. These might include the location and leisure facilities of a hotel, and the comfort and pitch of the seating in the business class cabin of an airliner.
- (ii) The service element, including the service the customer receives and the attitudes and competence of the people who deliver this service.
- (iii) The reliability, or lack of it, of the product. How often does the product promised to the consumer by the organisation fail to materialise. For example, it is not satisfactory to promise that a room rate includes a free morning newspaper each day if the person responsible forgets to deliver it to the room.
- (iv) The issue of what happens when things go wrong, and the systems which have been put in place to correct errors. For instance, if a guest complains that they have no clean towels in their room when they first arrive, how long will the guest have to wait before fresh towels are provided.
- (v) Finally, there is the image and reputation of the product in the outside world at large. This is often an important factor in the decision-making process for first-time purchasers who have no previous personal experience of the product. It is also the basis on which some organisations are able to charge premium prices for their product. This image and reputation may derive from a variety of sources including popular culture and the media, together with the views of previous customers.

There is always a rapport between quality and *price*, for quality is not an absolute. We tend to buy the level of quality we can afford so that there is a trade-off between price and quality. However, contrary to some views, which seem to equate quality with expense, quality exists at all price levels although its precise nature will vary at these different price levels. Ultimately it is quality if it meets the desires and needs of the customer.

A good example of this argument is the accommodation sector. Many overseas visitors are as thoroughly satisfied when they stay in private homes offering 'bed and breakfast' accommodation for say £30 per person per night as other people are when staying in a prestigious £300-a-night hotel in central London. The different prices will lead the customer to expect different benefits from purchasing each product but they will probably see both each as a quality product if it meets their individual needs and expectations.

However, it is important to note that the relationship between quality and price in leisure can be complicated in the following ways:

- (i) No charge is made, directly, to those who use some products such as some local authority museums and most tourist destinations.
- (ii) Some prices charged are not true market prices and reflect a level of public-sector subsidy, for instance many opera performances.

- (iii) For many customers it is not the price that matters but rather whether they feel they have received 'value for money'. Thus, many of the most expensive visitor attractions around the world also have the highest visitor numbers.

Quality is also an issue in the *place* or distribution element of the marketing mix, as follows:

- the ease with what potential consumers are able to purchase the product, through theatre ticket agencies and travel agencies;
- the quality of service offered by the operators who distribute the organisation's product and their reliability;
- the accuracy of messages given by these agents to potential customers about the organisation's product. Inaccurate messages may, in the short-term, increase sales but in the longer term they may well lead to customer dissatisfaction and a lack of repeat purchases.

Many leisure organisations are seeking to develop tighter relationships with their distributors, partly because they are aware of these issues. However, these moves are also often a result of government legislation regarding product liability under which producers are held liable, increasingly, for the actions of their intermediaries.

There is, finally, clearly a quality dimension to the issue of *promotional* techniques, most notably brochures and advertisements, and also face-to-face selling. Quality in promotional activities in the leisure industry has often been seen in terms of the glossiness of brochures and the ability of advertising campaigns and selling to persuade people to buy a product. However, this is an industry view of quality in promotion. Consumers may see quality in a different way in relation to the promotional activities of organisations, namely:

- (i) Honesty in brochures and advertisements such as claims made about the quality of beaches in resort brochures, noise levels in hotels and walking times from accommodation to beaches in tour operator's brochures. To some extent the lack of self-regulation on the part of industry has led, at least in the tour operation field, to European Commission legislation to enforce such standards of honesty on the industry. Hence, the 1990 European Union's Directive on Package Travel, Package Holidays and Package Tours.
- (ii) Organisations providing advice for customers to help them enjoy the organisation's product safely. This might include, for example:
 - advice on areas of cities which should be avoided because of crime levels;
 - information about potentially hazardous activities such as scuba diving, and how those trying these activities for the first time can do so safely;
 - advice about how to avoid skin cancer;
 - suggesting people should not hire mopeds or ride horses if no safety helmets are provided.

However, such advice could obviously dissuade some customers from purchasing the organisation's product, particularly in the tour operation sector. It is unlikely, therefore, that any organisation would undertake such an approach alone. Instead it would probably only do so if competitors agreed to do likewise or there were government legislation.

Finally, *operations management* too has a vital role to play in achieving and enhancing quality. It is concerned with how the customer experience is managed on a day-to-day basis. Its contribution to quality covers a number of areas, including:

- ensuring that the organisation's products are 'user-friendly' for all groups of customers whether they are disabled people, families with children or customers who speak a different language;

- keeping customers as safe and secure as possible from potential threats ranging from fire to food poisoning;
- operating an effective complaints procedure so that complaints are quickly resolved. On occasions, it could be argued that a well-handled complaint might enhance an organisation's reputation more than would have been the case if all had gone well in the first place, when the consumer might have taken the service for granted!

It is clear therefore that quality is a team game and the responsibility of all management functions within an organisation.

Quality and different audiences – clearly the most important audience an organisation needs to address in terms of the quality of what it sells is the customer. However, there are many other audiences which have an interest in the concept of quality in relation to any organisation and its products. Each of these audiences will have their own particular interest in quality and will have different criteria for evaluating quality.

These criteria can be at odds with each other. If we look at a hypothetical example, a theme park, we can see how many different audiences there might be and what their likely definition will be of what constitutes quality at a theme park:

1. Customers who will see a quality theme park as one which is user-friendly and offers the most enjoyment for the least cost. However, customers are not a homogenous category for there are ex-customers, nonusers, first-time users and regular customers.
2. Theme park managers, on the other hand, view quality in terms of the smooth operation of the theme park together with its visitor numbers and financial performance.
3. For the staff, a quality theme park is one which provides good working conditions and where there are not too many customer complaints to handle.
4. Investors and shareholders evaluate quality as how good a rate of return on investment the theme park earns for them.
5. Suppliers might see quality in terms of a theme park that pays its bills promptly.
6. For marketing intermediaries such as coach tour operators and tourist information centres, a quality theme park is likely to be seen as one which offers generous group discounts to the operator and keeps the centre regularly supplied with brochures, respectively.
7. Government regulators who will judge quality in terms of the safety consciousness of the operator, for example.

In many sectors within leisure, a major audience which needs to be convinced about the quality of an organisation's product is the media. Guidebooks, television programmes and journals aimed at providing information and advice for leisure customers have grown rapidly in recent years. Managers, therefore, have to be aware of the need to impress this audience.

In terms of *official quality standards* public-sector bodies play an important role in quality within leisure in a number of ways. These bodies may be local authorities, national governments, the European Commission, or international bodies such as the International Air Transport Organisation (IATO). The various official standards of quality in leisure include the following:

- national government official classifications of hotel standards such as the 'star' system in France;
- the licensing of premises such as restaurants to indicate that they meet certain health standards;

- the licensing of tour operators which often is in recognition of the fact that they have adequate financial resources;
- the licensing of tourist guides where knowledge is thought to qualify them to act as guides.

As one can see, these different standards of quality all have different purposes and use different criteria. They can therefore be very confusing, particularly for the customer.

Furthermore, some of them are highly subjective, particularly hotel classification systems. Not only are the symbols different in the various countries (stars, crowns, letters of the alphabet) but so too are the criteria on the basis of which they are awarded. These criteria might include:

- price
- facilities in the hotel and/or individual rooms
- location
- services available and when they are available
- size of the establishment.

This, again, is clearly very confusing for the customer, hence the intention of the European Commission to attempt to harmonise these systems and produce a single European hotel classification system.

Public bodies may also try to improve quality through the use of voluntary codes of practice which they try to encourage organisations to follow. For example, in the UK the government's domestic tourism agency, the English Tourist Board, has introduced a voluntary code of practice for quality management at visitor attractions.

In addition to these official standards which are specific to our area, there are also official measures of quality itself which are applicable across all industries, including leisure. The most obvious example of this is ISO 9000 in the UK, the internationally recognised standard of quality. It is a documentation-driven system that has given rise to the criticism that it is more concerned with production processes than consumer satisfaction. There is also a worry that it might become a 'lowest common denominator' to which all organisations can aspire rather than a recognition of outstanding quality which only a few organisations will be able to attain at any one time.

Finally, if governments or supra-governmental bodies feel there are quality problems in particular industries, they may seek to introduce legislation to raise standards by regulation. For example, the honesty of tour operators advertising in brochures has been increased by the European Commission's Package Travel Directive.

There are a number of *constraints* which affect the ability of leisure managers to develop totally effective quality management systems. These include:

1. Those factors which while contributing to the quality of the consumer's experience are largely outside the control of the organisation. Such factors might include the following:
 - The weather which can delay flights and ruin holidays, or where it rains and sunbathing is the main aim of the customer, or where skiing is the purpose of the holiday and there is no snow.
 - The attitudes and expectations of the customers themselves. They may arrive with negative feelings because of dissatisfaction with their everyday life, or their expectation may be unrealistic. A couple may, for example, take a weekend break holiday in Paris thinking it will bring romance back into their failing marriage.
 - Industrial action which can ruin a holiday or business trip, such as the almost annual industrial action of air traffic controllers somewhere in Europe!

2. Limited financial resources with which organisations can fund product improvements. This is particularly a limiting factor where the capital cost of product improvements may be very high, such as in the hotel and airline sectors, or where the organisation is a local authority whose expenditure is controlled by central government.
3. The customer's willingness, or lack of willingness, to pay for quality. The level of quality an organisation provides must be in equilibrium with the price its customers wish to pay for the product. A guest may dream of a centrally located plush hotel suite with porters to carry their luggage, 24-hour room service and expensive complementary items which guests may take away, such as bath robes.
However, the same individual may only be able to afford a budget, out-of-town 'motel-style' hotel with neither porter nor room service and no complementary gifts.
4. Some organisations can be constrained when they seek to be seen as providers of a quality product if their history and existing culture has given them the opposite reputation.
5. The lack of agreement on what quality achievement is and its purely subjective nature in leisure makes it very difficult to develop effective, simple performance indicators for quality in our industries.
6. The concept of quality is always changing, and today's effective quality management system will become tomorrow's obsolete system.

Quality as an explicit, defined subject within management is not an equally developed concept across the world. Yet the idea of quality is well understood in the leisure industry across much of the world, by consumers and professionals. The quality of French and Italian restaurants, Greek beaches and Irish hospitality are well known throughout Europe, while Eastern European professionals readily recognise the need to improve service quality in their countries, and Europeans are usually very impressed by service standards in Southeast Asia.

The concept of quality probably does vary from country to country. For example, healthy food in the UK may be seen as diet and low fat processed foods, while in Mediterranean countries it may be equated with fresh produce rather than processed foods. However, attitudes towards what constitutes quality in leisure are probably quite similar for certain segments which are almost global, such as international business travellers.

There can, though, be an element of patriotism involved here, which can lead to large proportions of a population taking a similar view of quality in relation to the products in their own country, most notably food, and also cultural events for instance.

Conclusion

Quality is clearly an important issue for all leisure organisations, but it is a highly subjective concept. It could be said that quality is in the eye of the beholder and every beholder sees it differently. Furthermore, the concept of quality is constantly changing and evolving. The 'benchmark' of what constitutes quality has to be continuously moved in response to the changes in consumer expectations and the ability of organisations to improve their product.

However, there is a danger that the current obsession with quality may debase the whole idea of quality, particularly if quality becomes seen as a focus for marketing hype rather than reality.

Discussion points and essay questions

1. Define what is meant by the term 'quality' and examine its application to service industries.
2. Identify the four main quality management systems and discuss their application to a leisure product of your choice.
3. Evaluate the relationship between quality and price, using examples.
4. Discuss the different 'audiences' that exist in relation to quality and consider how their concepts of quality may differ.

Exercise

Choose a leisure organisation which you consider to be of particular high quality and whose product you have never used. Identify the reasons why you hold this view of the organisation. For example:

- (i) Is it because of your own experience or the experience of your friends and relatives, or have your views been influenced by the media or by the promotional activities of the organisation itself?
- (ii) Is the quality reputation of the organisation a result of the nature of its product, its pricing policies, its marketing methods, its culture and history, or the quality of its suppliers?

The next stage is to find several people who have used the products of your organisation and ask them if they view the organisation as of high quality or not, based on their experience of its products.

You should then contact people within the organisation, namely its managers and staff. Ask them if they think the organisation is of high quality, and if they do you should ask them on what basis they hold this view.

You should then endeavour to identify differences and similarities in your view, that of customers and that of people within the organisation.