

An Assessment of Service Quality Gap: The case of Ride

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1. Introduction

1.1. Background of the Study

“Every business is a service business,” (Kotler, 2005). In reality, we live in a service driven economy where the size of the service sector is increasing in almost all countries around the world (Lovelock, 2016). According to Kotler (2006), service is any act or performance - that is essentially intangible and does not result in ownership of anything - that one party can offer to another

Quality is one of the most expected items by customers. Almost all service products that offer high and unique quality are the means to win customers and make them loyal for a long time (Urban, 2009). On that account, service quality is a measure of how well the service level delivered matches customer expectation (Parasuraman., 1985). As for Wirtz (Wirtz, 1988) excellent service quality means that a firm consistently meets or exceeds customer expectations.

Service quality is an elusive and abstract concept that is difficult to define and measure. If a service, no matter how good it is, fails repeatedly to meet a customer's expectations, the customer will perceive the service to be of poor quality (Bateson, 2010). On the condition where services fail, situations give rise to the creation of gaps (Parasuraman *et al.*, 1985). Therefore, for a better understanding of how a firm can improve its overall service quality, the service quality process can be examined in terms of five gaps between expectations and perceptions on the part of management, employees, and customers (Bateson, 2010).

As Urban (2009) cited from a significant article (Parasuraman et al) that formulated a service quality model that highlights the main requirement for delivering high quality service, the model consists of the following gaps: GAP₁ (knowledge Gap) customer expectations vs Management perception; GAP₂ (Standard Gap) managers perception vs service quality specification; GAP₃ (Delivery Gap) service quality specification vs service delivery; GAP₄ (Communication Gap) service delivery vs external communication; and GAP₅ (Customer Gap) customer perceived service vs expected service.

Transportation is one of the basic necessities in cities. Mammo (2010) mentioned that the population of Addis Ababa is increasing significantly because the size of the city is expanding horizontally. As the number of population increases, the number of people using transportation increases.

Transportation is grouped under the category of services (Saba, 2005, Rosander, 1985, Daniels, 1993); and Zeithaml and Bitner (2004). In recent years, transportation methods have been arranged to be based on a mobile application. These methods make people take benefit of comfortable rides rather than using traditional taxis and public buses. This smart application of transport facilitates to identify the location of passengers, move them to their

destination with the shortest path, then calculate the total cost that depends on the distance and the time covered (Murad, 2019).

This paper attempts to assess the service gaps observed in such transportation sectors, with a focus on Ride Share Company. RIDE is the first ride sharing transport company in Ethiopia that operates by phone-based booking platform. It was launched in December 2014 G.C as a project under Addis Ababa-based software development company hybrid system.

1.2. Statement of the Problem

In the growing service sector, following up and dealing with service quality is the most serious challenge (Wiesław, 2009). Service quality is an elusive construct because of three unique features of the service: intangibility, heterogeneity, and inseparability of production and consummation (Parasuraman, 1985). Among many concepts of service quality, the service quality gaps model plays an unquestionably significant role in the service management literature (urban, 2009). Gap at any point in the service design and delivery can damage relationship with customers (Lovell, 2016). Therefore, the goal of the service firm is to close the service gap, or at least narrow it as much as possible. Before the firm can close the service gap, it must close or attempt to narrow the four gaps, hence service gap is the function of other four internal gaps (Bateson, 2010).

Based on the preliminary investigation conducted, the following gaps have been identified. Satisfying customers is no longer enough to meet their expectations; the firm should rather delight them. Meeting customer expectation is difficult. Even if the Company accurately perceives the customers' expectation, it is not capable enough to deliver superior service or thinks that the customers' expectations are unreasonable, whereby the service quality can be compromised. Even though RIDE is the first ride sharing company in Ethiopia, competitors have been providing better substitute service. According to the customers and drivers, the company lacks the effort to retain existing customers and drivers. Drivers earn greater commission working with the rivals of the company. Apart from that, customers get different incentives while using other competitors' services. Moreover, the company is not serving the customer with the convenience of e-service payments. Customers of RIDE complained that online payment gives them assurance in that it will help them to overcome trust related issues. In addition, e-payment is more convenient.

Furthermore, customers are unable to make a call with voice package. Perhaps, this is a factor that forces customers to switch to substitute service providers. On the other hand, the firm's system and technology have great impact on the service quality. Following that many customers have complained about RIDE Company not replying their call order. Moreover, after receiving call orders, there is a constant cancellation. What is more, their mobile application, in most cases, doesn't work; and the Company does not a website, which is a good cause for customers' irritation. Therefore, this might lead to a creation of standard gap, emanating from absence of customer driven standard, poor service design, and insufficient planning process.

The service being inseparable from employees, it is difficult to deliver high and unique quality, without addressing the problem that customers encounter. In light of this, employees

must be evaluated and compensated on the basis of performance and standard because employees are the perfect representatives. Customers of the company have pointed out fraudulent activities related with payments at start points; drivers set the meter before they arrive at the specific location given by customers. In addition, some drivers disregard customers and create an uncomfortable environment. This consequently leads to a gap in delivery, originating from problems with service intermediaries, deficiencies in human resource such as lack of training, and ineffective recruitment. Thus, this paper assesses the gaps mentioned above with respect to the gap models.

1.3. Research Questions

The Paper has identified the following research question that is captured from the stated problems under the statement of the problem:

1. To what extent is the company's service designed as per the customers' expectation?
2. What is the enforcement mechanism that the company takes in retaining existing customers?
3. What are the challenges that the company faces while delivering its service?

1.4. Objectives of the Study

1.4.1. General Objectives

The main objective of this study is to assess the service quality of RIDE Company through gaps model on ride sharing transportation?

1.4.2. Specific Objectives

The specific objectives are:

1. To analyze the service design of the company as per the customers' expectations;
2. To identify whether the company has mechanisms to retain existing customers; and
3. To assess the challenges that the company faces while delivering the service.

1.5. Significant of the Study

RIDE was the first and leading company in the ride sharing transportation sector. However, in the past several months, competitors have identified the weakness and the gap of the company and increased their performance through different strategies. On that account one significance of this paper is to assess and identify the gap that exists in the Ride Company so that it may give them some idea on which gap they have to focus on. In addition, it will enlighten customers about ride sharing service in order for them to compare and judge the service with other competitors. On top of that, drivers and employees will benefit from this paper since they play the main role in delivering and consuming the service. Moreover, competitors are the most beneficiaries from this assessment, because they always investigate their rivals' weaknesses and gaps to deliver superior service.

It will also serve as a reference and secondary data for other researchers on this area. Predominantly, this study helps the researcher in having a clear understanding on how research is conducted.

1.6. Delimitation of the Study

Although service gap models have 4 provider gaps and one customer gap, this paper revolves around service gap (Gap 2) and Delivery Gap (Gap 3) of the company because during preliminary investigation, the problems identified were related with those two gaps.

Among the several branches of the company, only Bole branch office, located at Sheger Building, was selected for the interview. Questionnaires to the drivers and potential customers were distributed at Bole, Megenagna and Mexico areas. Even though the company started operating in 2014 G.C, this paper assessed only from 2019 G.C-2021 G.C.

2. Research Design and Methodology

2.1. Research Design

As mentioned in the introduction, the major concern of this study is to assess the service quality gap in Ride Company, and in doing this, a descriptive design deemed to be appropriate because the study is basically concerned with explaining the actual situation.

The use of numerical data in the survey gives the study a positivist perspective in a normative dimension (Abate, 2020). Thus, Quantitative approach was used to interpret closed ended questions (questionnaire); whereas, Qualitative approach was used to help interpret the open-ended questions such as interview.

2.1.1. Population, Sample Size and Sampling Technique

The target population for this study was the drivers, customers and head manager of the RIDE Company. Regarding data collection from potential consumers and drivers, non-probability sampling approach through convenience technique method was used. The reason for using convenience sampling is that it provides readily available and easy access to the subjects because the sample frame is not available; moreover the locations of customers and drivers are scattered. On the other hand, purposive sampling technique was used to collect data from the manager because the manager is the one with the needed information and knowledge

Based on the recommendation of Malhotra (Malhotra, 2006) ,this paper used the size of 150 customers and 50 drivers as a sample. The reason is that the precise number of the target population was not known because access to the sample frame of the organization was not acquired due to the constraints caused by the Covid 19 pandemic.

2.1.2. Types of Data

In order to gather relevant information for the study, this paper used both primary data from customers, drivers and managers of Ride Company, and secondary data form books, journals, articles and reports.

2.1.3. Methods of Data Collection

The data for this study was collected through questionnaire and interview. Two types of structured questionnaire were employed to gather data from the selected customers and drivers. The questionnaire that was filled by customers was prepared using 5-point Likert

scale, and dichotomous questions were answered by the drivers. The reason dichotomous questions were used was because it makes the question easy and simple to comprehend. For the data collected from Head of Marketing Department, interview questions were prepared.

2.1.4. Methods of Data Analysis

Quantitative and qualitative data analysis techniques were used in this study. Quantitative data analysis technique specifically, descriptive data analysis technique, which includes frequency, percentages, mean, variance and standard deviation, in a table form, were used to analyze customers' responses. The graphs were used to interpret and analyze drivers' responses. To summarize the findings, percentages were computed to get the total picture of the data.

To analyze the response obtained from interview questions, qualitative data analysis technique, specifically narrative, was used. Quantitative techniques were also used at both the data collection and data analysis stages of the research project.

3. Data Presentation, Analysis and Interpretation

This section contains the presentation and interpretation part of the primary data gathered through questionnaires and interviews (both open and close ended). The questionnaires were distributed to customers and drivers of Ride. The questionnaires for customers were distributed through derivers while the customers were using the service. For research credibility purpose, 150 copies were distributed to targeted customers. Out of 150 questionnaires 137 (91.3%) have been filled out thoroughly and returned. 50 copies to full-line drivers were distributed, out of which 44 (88%) were carefully filled and returned. An interview was administrated to the Head Marketing Manager.

The data, which was collected through closed ended questions, has been analyzed using the statistical software SPSS version 26 which include percentages, frequency, mean, and standard deviation. The analysis contains descriptive statistics and model based analysis and the data, which was gathered through open ended questions and interview, was narrated to support the findings of quantitative ones.

3.1 Demographic Characteristics of Customers

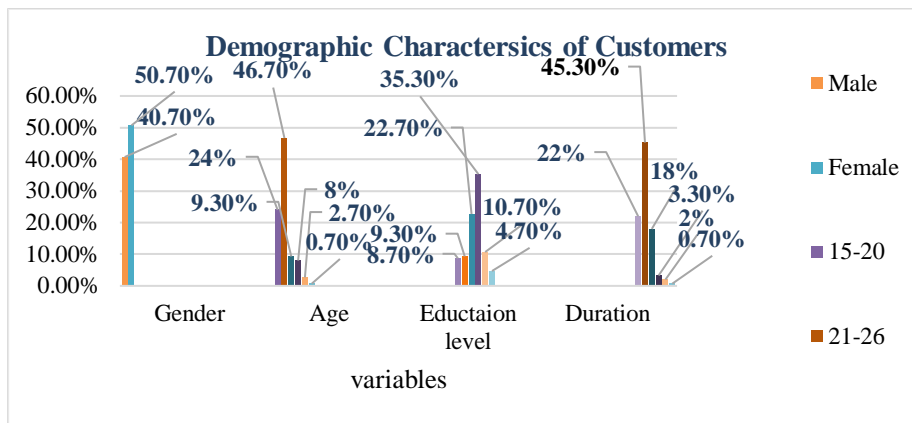


Figure 1 Demographic Characteristics of customers.
Source: (Primary Data, 2021)

From the above survey, the majority 76 (50.7%) out of 137 were female between 21 and 26 accounting to 70 (46.7%), and 53 (35.3%) of them with the educational level of bachelor degree. Customers were also asked how long they have been using Ride service. Accordingly, the data shows that 68 (48.3%) of the respondents have been using the service for two years.

3.2. Provider Gap Two Analysis: (Design Gap) (From Customer’s Perspective)

3.2.1. Service Design Variable Analysis

Table 1: Service Design Analysis

Service Design	Perception					Expectation					DIF
	Min	Max	SD	VAR	μ	Min	Max	SD	VAR	μ	
My interaction with service provided by Ride is good	1	5	1.372	1.881	3.03	2	5	0.593	0.352	4.68	-1.65
The Mobile application of Ride is clear and simple	1	5	1.341	1.798	2.84	3	5	0.647	0.419	4.27	-1.43
The absence of company’s website is not an issue for me.	1	5	1.288	1.660	2.44	1	5	1.033	1.06	4.01	-1.57
I can easily Differentiation the service of ride from competitors.	1	5	1.410	1.989	2.82	1	5	0.843	0.710	4.26	-1.44
Mean score					11.13					17.22	-6.09

Source: (Primary Data, 2021)

Poor service design is assumed to be one variable that affects the standard gap. In relation to this, this variable, the customers were asked four questions. As Table 1 shows that customers’ expectation is higher than that of the actual perception. Moreover, on every question the difference mean value for each of them shows negative which accounts -1.65, -1.43, -1.57, and -1.44, respectively and its overall mean score is -6.09.

Interaction between customer and Ride provider is -1.65 which is low. One of the major marketing processes is to have a good relationship with your target customer. Regarding the mobile applications of Ride, the Table shows negative result, i.e., -1.43. Customers responded

that they don't understand the mobile application well. Hence, they prefer to order by phone call. Furthermore, Ride Company doesn't have a website. Customers mentioned they sometimes forget the short phone number and they can't find it on search engine. Therefore, the absence of a website is a problem for customers. Differentiation is one competitive advantage in the market place. If customers do not recognize the unique features of our product or service then they can't be loyal to us because they think they will find the same value and service from another provider. Customers have been asked what they expect and what they perceive regarding the differentiation of RIDE from other competitors. Table 1 shows negative result accounting to -1.44, which means consumers use any kind of RIDE-sharing company without noticing RIDE's effort. This can be considered a threat to Ride Company. The overall mean score in service design variables indicates 6.09, which means that RIDE Company doesn't improve service quality and interaction between them and customers by planning, organizing frontline people, infrastructure, communication and material components.

3.2.2. Customer Driven Standard Variable Analysis

Table 2: Customer Driven Standard Analysis

Customer-Driven Standard Variable	Perception					Expectation					DIF
	Min	Max	SD	VAR	μ	Min	Max	SD	VAR	μ	
My call order to ride operators are answered in a timely manner	1	4	1.532	2.353	2.63	1	5	0.703	0.495	4.42	-1.79
The application waiting time is accurate	1	5	1.306	1.705	2.45	1	5	0.772	0.596	4.24	-1.79
Ride fulfils my requirement	1	5	1.341	1.798	2.61	1	5	0.900	0.809	4.26	-1.65
The inability to call with voice package is not an issue for me	1	5	1.287	1.655	2.17	1	5	1.045	1.093	4.05	-1.88
Ride gives me incentives for using its service	1	5	1.331	1.772	1.98	1	5	0.686	0.471	4.54	-2.56
I am compensated when my call order is cancelled	1	5	1.204	1.451	1.93	2	5	0.593	0.352	4.64	-2.71
Mean score					13.77					26.45	-12.68

Source: (Primary Data, 2021)

Understanding customers' requirement is the first step in delivering high service quality. Another variable that can affect service design gap is lack of customer driven standard. Even when a manager understands the customers' expectation, service companies often face challenges in setting standard to meet those expectations. Customers were asked if their call order to RIDE operator is answered in a timely manner, but the result shows negative - 1.79. The core value of RIDE is to appropriately receive order and deliver the service up to the time, and customer losing this core benefit means the fundamental need from the service is unfulfilled. From this perspective, RIDE couldn't fulfill the expected value.

Based on the finding, the application waiting time is not accurate. Customers mentioned that, in most cases, they receive the service behind schedule of the application waiting time. Also not being able to call with voice package irritates them because in the above table understanding mobile applications of ride is negative as well as the operators responding in

timely manner to call order, meaning ordering to RIDE in both ways, is not trouble free. This implies that RIDE defines standard that does not meet customers' expectations. As mentioned in the introductory part, RIDE is a pioneer in ride-sharing industry in Ethiopia. However, consumers stated that they prefer to use competitors' service because they provide many incentives for using their service. The survey indicated that customers expect to get incentives as those of other providers but what they actually perceive is none.

RIDE service failed due to the above reason - not replying orders in a timely manner. The mobile application is not robust, just to mention some. Therefore, service provider is obliged to compensate users for failed service. Table 2 demonstrates that customers expect to get compensated for the inadequate service but the perception is -2.71, which is very low.

As a result, the overall mean score of the variable customer driven standard reveals negative accounting to -12.68, which makes it the lowest perception in the standard gap. Customer driven standard should be based centrally on customer requirements that are visible and measured by customers, and these standards of operation related to customer expectation should not be on companies' concerns like profit.

3.2.3. Physical Evidence and Service Gap Variable Analysis

Table 3: Physical Evidence and Service Gap Analysis

Physical Evidence	Perception					Expectation					DIF
	Min	Max	SD	VAR	μ	Min	Max	SD	VAR	μ	
The transportation vehicles of Ride are clean	1	5	1.223	1.497	2.75	3	5	0.659	0.435	4.31	-1.56
The transportation vehicles of Ride are comfortable	1	5	1.211	1.467	2.58	1	5	0.702	0.493	4.24	-1.66
The mobile application of the Ride is well Designed	1	5	1.331	1.772	2.79	2	5	0.811	0.658	4.28	-1.49
The logo of Ride is well designed	1	5	1.377	1.896	2.68	1	5	0.702	0.658	4.50	-1.82
Mean score					10.8					17.33	-6.53

Source :(Primary Data, 2021)

Service by its nature is intangible, so it is backed by a tangible cue. Also customers often rely on tangible cue or physical evidence to evaluate the service before its purchase and to assess their satisfaction with the service during and after the experience. In this paper the physical evidences were considered the transportation vehicle, aesthetic of Ride logo, and mobile application. Because, customers almost have no contact with the office, they consume the service on the vehicle. Consequently, they were asked whether the transportation vehicle is clean and comfortable. In response, the outcome of both manifests negative mean result accounting to -1.56 and -1.66, respectively.

Aesthetics has quite a secured place in the service market. Effective design of physical evidence is important for closing standard gap. The physical evidence of the service will influence the flow of the experience, the meaning customers attach to it, their satisfaction,

and their emotional connections with the company delivering the experience, and their personal and social interactions with others experiencing the service. From the above survey, customers perceived their logo as of poor representation. Accordingly, the mobile application and the logo design show negative result accounting to -1.49 and -1.82. Thus, physical evidence in service marketing has a big role. It is a way for companies to show their service with tangible aspect. As a result, RIDE’s physical evidence, from customers perspective, shows negative mean score i.e -6.53.

3.3. Provider Gap Three Analysis (Performance Gap) (From Customer’s Perspective)

3.3.1. Human Resource Variable Analysis

Table 4: Human Resource Analysis

Human Resource	Perception					Expectation					
Variable	Min	Max	SD	VAR	μ	Min	Max	SD	VAR	μ	DIF
The drivers of Ride are appropriate and disciplined	1	5	1.375	1.891	2.65	1	5	0.816	0.666	4.23	-1.58
The drivers of Ride take too long to arrive	1	5	1.371	1.880	2.87	1	5	0.927	0.860	3.99	-1.12
Drivers of Ride understand the specific need of customers	1	5	1.289	1.661	2.55	2	5	0.848	0.719	4.04	-1.49
Drivers have knowledge to answer my questions about the service	1	5	1.245	1.551	2.60	1	5	0.702	0.658	4.55	-1.95
The drivers of Ride are willing to help me	1	5	1.377	1.896	2.68	1	5	0.702	0.658	4.50	-1.82
Mean score					13.35					21.31	-7.96

Source: (Primary Data, 2021)

The second gap that has been investigated in this study was Delivery Gap (Gap 3). This gap is the discrepancy between the development of customer driven service standards and actual service performance by company employees. Firms must have systems, processes, and people in place to ensure that service delivery actually matches (or is even better than) the designs and standards in place. Based on the survey, the first variable that can cause the Delivery Gap is deficiency in human resource policies, since service is inseparable, meaning, the production and consumption of a service cannot be separated from the provider of that service.

In the case of RIDE, service is delivered through drivers; almost always customers have no contact with office operators and managers. Thus, customers rank RIDE’s service with the people (drivers). The drivers are not appropriate while delivering the service; sometimes they show rude behaviors and girls being harassed by them; they are also not open to help

customers. These happen because drivers lack appropriate communication from the firm; likewise, they know little or no information about how the ride service operates. All the human resource variable questions provided to customer indicate negative result accounting to -1.58, -1.12, -1.49, -1.95, -1.82. Frontline providers (drivers) should show appropriate behavior to match customers' expectation. In this variable, the overall mean score indicates negative (-7.96), meaning Ride's human resource lacks suitable training to serve the customer.

3.3.2. Roles of Customer Variable Analysis

Table 5: Roles of Customer Variable Analysis

Roles of Customer Variable	Perception					Expectation					DIF
	Min	Max	SD	VAR	μ	Min	Max	SD	VAR	μ	
I know my roles and responsibilities when I am using Ride	1	4	1.375	1.891	2.65	2	4	0.816	0.666	4.23	-1.58
I have enough knowledge of how the service of ride operates	1	5	1.406	1.978	2.91	1	5	0.838	0.702	4.22	-1.12
Mean score					5.56					8.45	-2.89

Source: (Primary Data, 2021)

Service can be produced and consumed with the existence of both parties, the provider and consumer, because service is inseparable. Customers have a role to play on the service process, and firms should educate and communicate customers on how they can consume the service and their roles. From the above data Table 5, customer knowledge and responsibility while using the service shows negative result with a mean score of -1.58 and -1.12. This implies that these customers are not fully aware and informed about the process of RIDE service. Customers mentioned that sometimes they face and they think the problem is from ride providers neglecting the fact that they may not know their roles. As a result, roles of customer variable mean score is -2.89.

3.3.3. Supply and Demand Variable Analysis

Table 6: Supply and Demand Analysis

Supply and Demand Variable	Perception					Expectation					DIF
	Min	Max	SD	VAR	μ	Min	Max	SD	VAR	μ	
Ride is sufficiently available on weekends	1	5	1.344	1.807	2.96	1	5	1.029	1.058	3.97	-1.01
Ride is sufficiently available on holidays	1	5	1.351	1.826	2.80	1	5	1.027	1.055	3.72	-0.92
Ride is sufficiently available on midnights	1	4	1.519	2.307	2.85	1	5	1.260	1.587	3.45	-0.6

There is change of price on weekends	1	5	1.193	1.423	2.64	1	5	1.306	1.706	3.01	-0.37
There is change of price on holidays	1	5	1.438	2.067	2.57	1	5	1.438	2.067	3.17	-0.6
There is change of price on midnights	1	5	1.369	1.875	2.76	1	5	1.398	1.954	3.18	-0.42
Mean score					16.58					20.5	-3.92

Source (Primary Data, 2021)

Another variable in the service performance is the need on service firm to synchronize demand and supply. Because services are perishable and cannot be stored, service companies frequently face situations of over or under demand. Regarding the availability of the Ride service on holidays, weekends and midnight, mean value is negative showing -1.01, -0.92, and -0.6. Customers presume that on holidays, RIDE service becomes less available because apart from other weekdays, cancellations highly occur. RIDE providers become unresponsive on call order; in addition to that, the mobile application becomes slow on weekends. Consumers in most cases are rational when it comes to price. However, RIDE Company's service price fluctuates on holidays, weekends and midnight without giving incentive and decrease price on weekdays to balance demand and supply. Related to this, customers stated that within the same pickup and destination, price fluctuates many times. Moreover, because they cannot negotiate they just pay and leave. As a result this affects the service quality.

3.4 Overall Analysis

Table 7: Overall Analysis

Overall Variable	Perception					Expectation					DIF
	Min	Max	SD	VAR	μ	Min	Max	SD	VAR	μ	
I feel secure when I am using Ride service	1	5	1.383	1.911	2.45	1	5	0.802	0.643	4.39	-1.94
Ride gives me quick service	1	5	1.329	1.766	2.33	1	5	0.901	0.811	4.29	-1.96
Ride always shows a sincere interest in solving my service problem	1	5	1.274	1.622	1.95	1	5	0.802	0.643	4.36	-2.35
Mean score					6.73					13.04	-6.31

Source (Primary Data, 2021)

Questions of Overall nature have been provided to customers to strengthen the study. These questions indicate if customers feel secure while using Ride service, but the mean value indicates negative. This is because customers feel that the driver is deceiving them by taking a long road. They also fear that drivers may practice fraudulent activities on startup payment counter. For whatever reasons service may fail, what matters is how we handle the customer

during that moment. Customers were asked if RIDE shows sincere interest in solving difficulties in the service process. Nonetheless, the result is negative.

3.5. Overall average and Analysis of Provider Gap Two and Gap Three

3.5.1. Summary Analysis of Gap two (Standard Gap)

Table 8: Summary Analysis of Standard Gap

Standard Gap	Perception					Expectation					DIF
	Min	Max	SD	VAR	μ	Min	Max	SD	VAR	μ	
Service Design	1	4	2.71	7.328	11.13	1	5	1.59	2.541	17.22	-6.09
Customer -Driven standard	1	5	3.27	10.734	13.77	1	5	0.772	3.816	26.45	-12.68
Physical Evidence and Service Cape	1	5	2.57	6.632	10.8	1	5	1.497	2.244	17.33	-6.53
Mean score					35.7					61	-25.3

Source: (Primary Data, 2021)

The variables that have the potential to affect Standard Gap emanate from poor service design, absences of customer driven standard and inappropriate physical evidence. As shown and interpreted in the above tables, all three variables show negative result. From among the variables, absence of customer driven standard shows higher negative result.

3.5.2. Summary Analysis of Gap Three (Performance Gap)

Table 9: Summary Analysis of Delivery Gap

Delivery Gap	Perception					Expectation					DIF
	Min	Max	SD	VAR	μ	Min	Max	SD	VAR	μ	
Human Resource	1	5	2.97	8.878	13.35	1	5	1.887	3.561	21.31	-7.96
Role of Customers	1	5	1.965	3.869	5.56	1	5	0.772	1.368	8.45	-2.89
Supply and Demand	1	5	3.362	11.306	16.58	1	5	3.070	9.427	20.5	-3.92
Mean score					35.49					50.26	-14.77

The variables that can affect Performance Gap include deficiencies in human resource policies, customers not fulfilling their roles and, failure to match supply and demand. As the above tables show, the different variables have been interpreted separately. However, all variables show negative result and from the above three variables, deficiency in human resource indicates the highest negative result.

3.6. Demographic Characteristics of Drivers

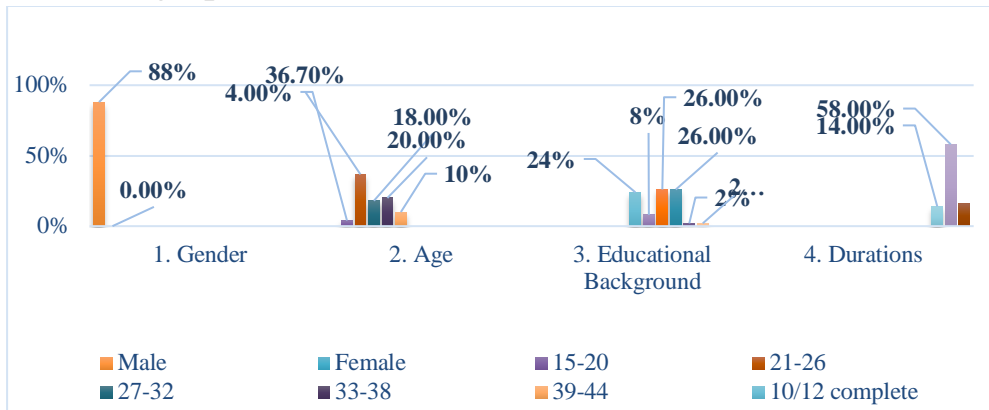


Figure 2 General Characteristics of Drivers

Source: (Primary Data, 2021)

As indicated in Figure 2, 44 respondents (88%) of the drivers were male. No female driver was included in this study. Concerning age category, the majority were between 21 and 26. In relation to educational level, the majority possess Diploma and Bachelor degrees. The duration of the drivers in the Company shows that the majority of respondents have been working for 2 years.

3.7. Gap Two Analysis (Standard Gap) (From Drivers Perspective)

3.7.1. Service Design Variable Analysis

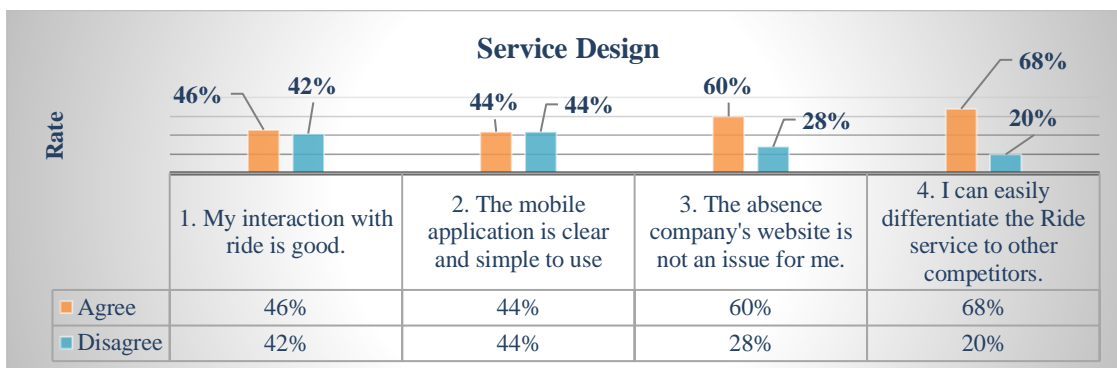


Figure 3: Service Design Variable Analysis source: (Primary Data, 2021)

The Graph demonstrates drivers' perspective on the service design of Ride service. For Question number one, the drivers have almost equal proportion percentage on their interaction with Ride Company. However, on the customers' perspective RIDE interaction is low. Regarding the second question, which shows the mobile application serviceability, both Agree and disagree with equal percentage i.e half of the respondents think Ride mobile application is clear and simple to use, whereas the other half think otherwise.

For the third question, 60 % of the drivers do not care much about the absence of Ride's own website This is because they are active in the job and know all the information needed. 28%

are against the claimed statement, because new employees cannot find the needed information to join the company. Concerning the fourth question, the majority of Drivers agreed with the statement that they can easily differentiate Ride with respect to other competitors, but 20% disagreed because the drivers work with not only RIDE but also with other competitors, so sometimes they get confused. From the above data, we can conclude that from the driver's standpoint Ride has good service design.

3.7.2. Customers Drivers- Driven Standard Variable Analysis

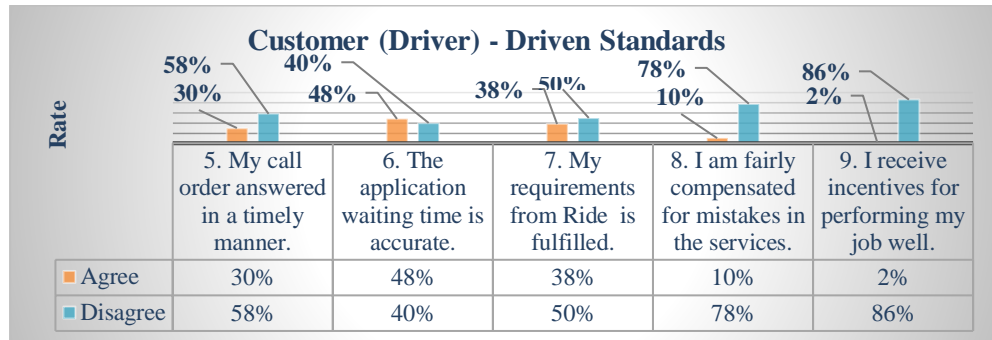


Figure 4: Drivers Driven Standard

Source: (Primary Data, 2021)

The above table explains to what extent the service design is according to Drivers standard. The first question is related to call order timing. When customers randomly come to Ride, drivers without system can be involved and they call to RIDE operators. The majority respondents claimed that operators do not answer promptly; even sometimes the call order response gets after half a day. The majority of drivers think the application waiting time is accurate while customers do not. As per the seventh question 50% of respondents felt that they are missing what they need from RIDE provider. Similarly customers do not feel that their requirement is fulfilled.

Mistakes during RIDE service process arise from customer cancellation after drivers arrive at the pickup place, or from the operator's mistake. Drivers however, mentioned that they are not fairly compensated. Lastly, any service organization should have mechanisms to motivate their employees or front line service providers, but RIDE does not give incentive to drivers for performing their job well.

3.7.3. Physical Evidence and Service Cap

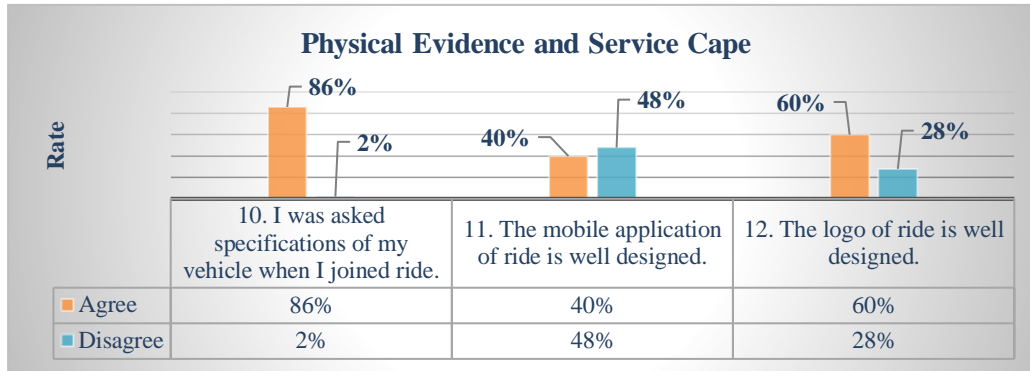


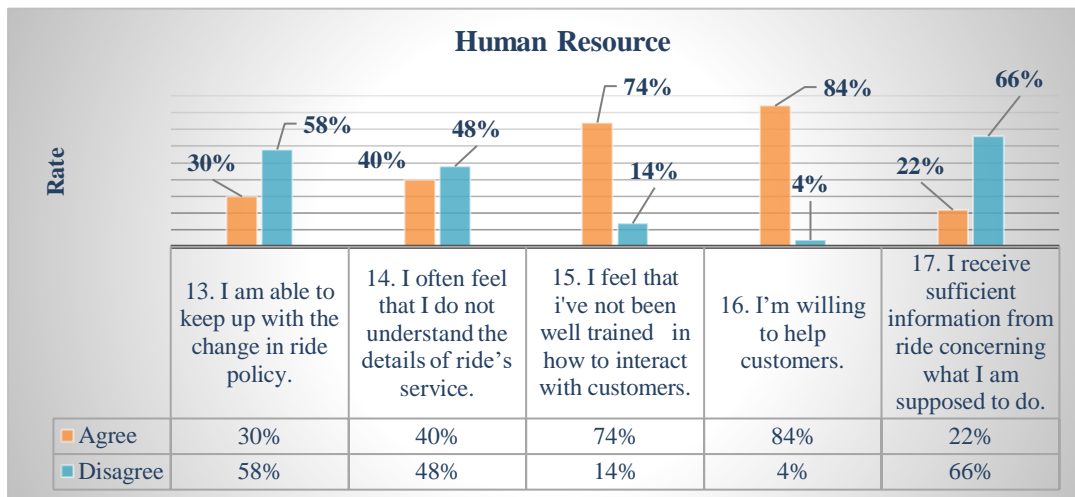
Figure 5: Physical Evidence And Service Cape

Source: (Primary Data, 2021)

The third variable explains the physical evidence from the driver’s perspective. Accordingly, the vast majority answered that they were asked specification of vehicle when they enrolled to work with RIDE. However, customers mentioned that sometimes when they order Ride and the vehicle comes, it does not match their expectation and status. They feel they paid money not worthy of the service they expected. Correspondingly drivers feel that the mobile application of RIDE is not well designed. However, most drivers believe that the logo of Ride is well designed-though most customers think otherwise.

3.8. Gap Three Analysis (Performance Gap) (From Drivers Perspective)

3.8.1. Human Resource Variable Analysis



Source: (Primary Data, 2021)

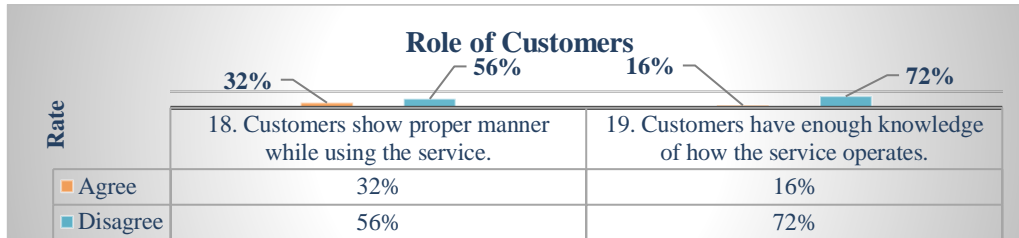
Figure 6: Human Resource Variable Analysis

The above figure shows human resource related issues to the drivers’ performance. Question 13 was if drivers keep up with the change of policies that RIDE make. Nonetheless, majority (58%) of them feel they do not keep up with the updated policies, and this consequently will affect the service quality.

Customers have many questions related to RIDE service. However, they do not ask RIDE providers directly; they ask frontline drivers. Therefore, drivers should have the knowledge to communicate with customers. On the other hand, 48% of the drivers disagreed with the

statement. Although from the data it shows Ride Company trains drivers on how to interact with customers, still there is a gap in the implementation process. Regarding the 16th question, drivers believe they are willing to help customers. Finally, the 17th question was if the drivers receive sufficient information on how to perform their job. Nonetheless 66% disagreed saying they cannot deliver the expected service from both RIDE providers and customers.

3.8.2. Roles of Customers Variable Analysis

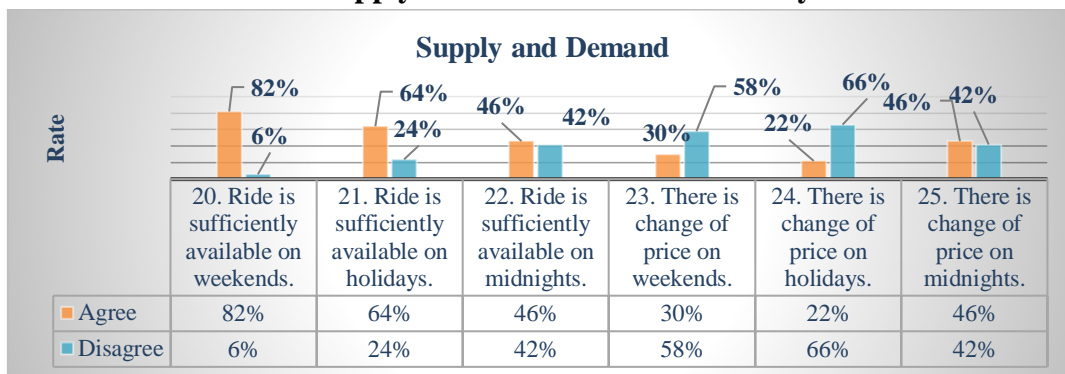


Source: (Primary Data, 2021)

Figure 7: Roles of Customers Variable Analysis

In the above figure, the survey indicates what the roles of customers in the ride service process look like. In this regard, 56% of the drivers are against the statement that customers show proper manner while using the service. Because sometimes RIDE price comes up high and customers think that the driver is deceiving them and thus, insult drivers or they feel that drivers take long roads and think that the driver does not know what he is doing concerning the service. On the other hand, 72% of drivers believe customers do not have enough knowledge how the service operates.

3.8.3. Supply and Demand Variable Analysis



Source: (Primary Data, 2021)

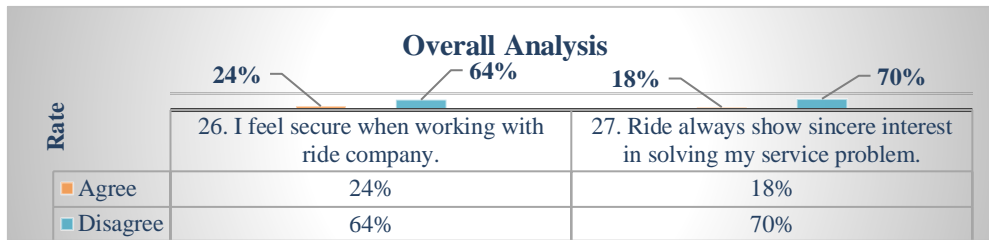
Figure 8: Supply and Demand Variable Analysis

Figure 8 expresses the supply and demand of Ride service from the perspective of drivers. According to the data, 82% of the drivers think Ride is available on weekends; similarly 64% believe Ride service is available on holidays and 46% of the drivers answer the availability of Ride at midnight. This is because most drivers do not work during mid-nights for several reasons.

With regard to price fluctuation, drivers were asked if there is a change of price during weekends, but 58% believe there is no price change in these days. Similarly, 66% believe

there is no price change on holidays. However, at midnights 46% agreed with the statement claiming that there is a change of price, while 42 % disagreed with the statement.

3.9. Overall Analysis (From Drivers Perspective)



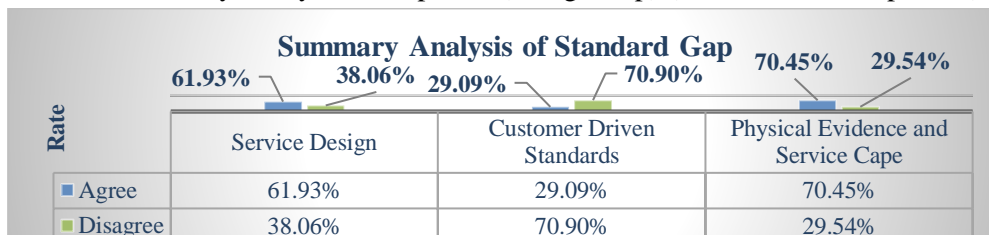
Source: (Primary Data, 2021)

Figure 9: Overall Analysis (From drivers Perspective)

The overall questions were prepared for drivers to enhance this study. The questions included if drivers feel secure while working with Ride Company. But the vast majority disagreed because there were news spreading through word of mouth that Ride was vulnerable to theft and other crimes. Additionally, they were asked during the service process if Ride shows sincere interest in solving problems when they are face difficulties. Consequently, 70% of respondents disagreed with the statement.

3.10. Overall Average and Analysis of Gap Two and Three (From Drivers Perspective)

3.10.1 Summary Analysis of Gap Two (Design Gap) (From drivers Perspective)



Source: (Primary Data, 2021)

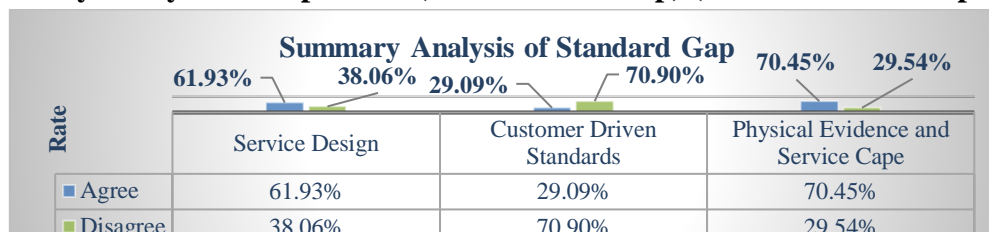
Figure 10: Summary Analysis of Standard Gap

In the above survey the response to each question was briefly described from drivers' perspective. Figure 10 indicates the overall result of the standard gap variables. As the survey demonstrates, for service gap variables from derivers' perspective, 61.93% agreed with the statement while 38.06% disagreed. This indicates that service design from driver's perspective shows low gap. Customer (drivers) driven standard on the other spectrum expresses that 29.45% agreed but 70.90% disagreed. This shows that there is a gap in this variable as well. Ride Company is not designed as per the drivers' perspective.

The last variables in standard gap from driver's perspective are physical evidence and Service Gap. In these variables, the physical evidence is related to the transportation vehicles and the discipline of drivers. The survey shows that 70.45% agreed while 29.54% of the customers' survey shows otherwise. This is because even if the drivers have inappropriate behavior or their vehicles are not clean and comfortable, they do not reveal the exact fact. From this we can conclude that there exists a standard gap from the drivers' perspective.

From the Company’s perspective on standard gap the Head of Marketing Department responded saying that in order to provide superior quality service they have to understand customers’ expectation from the service. In order to do that, they conduct research from time to time and receive feedback from drivers and operators. Based on the collected data, they design their service. However, the customers survey shows otherwise, i.e, their expectation is higher than what they actually perceive. In this way, the researcher finds a gap between them.

3.10.2. Summary Analysis of Gap Three (Performance Gap) (From Drivers Perspective)



Source:(Primary Data, 2021)

Figure 11: Summary of Performance Gap

The above figure shows the overall summary for performance gap from drivers’ perspective. According to the survey, 56.81% agreed while 43.18% disagreed regarding human resource variable. Regarding roles of customers’ variable, the drivers responded that 72.72% disagreed and 27.27% agreed; meaning, customers of Ride do not know or perform their role well. The other variable concerning performance gap is related to supply and demand and 54.90% of drivers agreed while 45.06% disagreed. From this we can conclude that performance gap is low from drivers’ perspective.

However, from company’s perspective, as articulated by the Head, they have three different places, but close to each other. The reason for this is to decrease conflict between departments and to make each department to stand alone. Furthermore, the manager said they are close to each other because if –the different departments need to communicate or exchange information, the location is not that far.

The Department Head claimed that because they are developing a new program, they cannot specify the enforcement mechanism that they are taking in retaining their existing customers. He also claimed that admiring, appreciating and providing incentives is the basis to motivate their frontline drivers, employees and operators. We give incentives to our drivers whose performance is higher. Also, we give oral and written appreciation and sometimes, financial support to our employees. He also stated how they know that customers need is fulfilled. They have now developed a new system in which a customer can write and give us feed back about their experience in the service process from the operators to derivers. He also said that previously they have been taking customers’ feedback from drivers which sometimes were not reliable.

4. Summary, Conclusion and Recommendation

4.1. Summary of the Major Findings

The major findings of the study are summarized according to customers' response on Standard Gap variables: service design, customer driven standard, and physical evidence. The mean score is -6.09, -12.68 and -6.53, respectively. Among all variables the customer driven standard has the most negative value which is -12.68. On the other hand, driver's response on standard gap related to service design is 38.06% disagreed and 61.93% agreed; customer (driver) driven standard 70.9% disagreed and 29.09% agreed; physical evidence and service gap 29.54% disagreed and 70.49% agreed. Among the variables for drivers driven standard, the majority disagreed that the ride company has drivers driven standard. However, the company's response shows otherwise.

Regarding customer response on performance gap, the variables were human resource, roles of customers, and supply and demand with mean score of 7.96, -2.89, and -3.92, respectively. From the variables used in this study, deficiency in human resource has highest negative (-7.09). However, drivers and head manager believe otherwise. On the other spectrum the majority of driver respondents on the variables that customers do not know their roles was 72.72%. But for the other two variables: human resource 56.81% agreed and 43.18% disagreed; and supply and demand 45.06% disagreed and 54.90% agreed. Even though the survey shows the majority agreed, the second majority, with close proximity, have disagreed with ride human resource, and supply and demand. This implies that customers and drivers are not getting the expected service. Nonetheless Ride's head manger believes they provide adequate service.

4.2. Conclusion

This paper aimed to assess the service quality gap of Ride Sharing Company with respect to the Gap Model. The study stated in the first chapter that from preliminary investigation it has spotted lack of retaining existing customers and drivers, lack of convenient e-service payment, the inability to call order with voice package, not replying call order in a timely manner, deficiency of the mobile application, and lack of company's website emanated from absence of customer driven standard, lack of service design and poor physical evidence. There was also fraudulent activity at start point, and poor behaviors of drivers.

According to the finding all the variables used in two gaps from customers perspective show negative result meaning that the company lacks retaining existing customers, their service design is not as per the customers expectation, and there is a problem in delivering service. From drivers perspective, the Company has a good service design, physical evidence, human resource, and balanced supply and demand. However customer driven standard and roles of customers have low acceptance. In general the data shows that the Company needs to close the two provider gaps in order to deliver expected service for the users.

4.3. Recommendations

Research has shown that for a company to close the standard gap, there are several strategies including employing well-defined new service development and innovation practice. In order to provide expected service Ride Company, should design their service according to the customers and drivers need by doing what they can build for long lasting interaction between

them. The application should be robust; it should work in a country like ours with 3G and 2G speeds; and it should be easy for customers to comprehend.

Ride should let customers order their service with voice package because many people tend to use packages rather than using the raw credit. This improvement will result in customers' convenience when they are in urgent situations. Apart from these, Ride shall give incentives for using the service because competitors have been doing it well, eg., free mile. Moreover, Ride should compensate drivers and customers for the service failure because drivers are the ones who deliver the service to final consumers.

When customers visit a service facility, they expect to be user friendly, simple to use, and staffed by helpful personnel (Rao, 2019). Since Ride customers consume the service through transportation vehicles, Ride Company should make the vehicles as comfortable and clean as expected. Furthermore, ride shall make their logo and application attractive because customers value the service from tangible cue.

Regarding the performance gap, (Zeithaml, 2017) recommend to close this gap a firm should align human resource practice around delivering service excellence, define customer role and helping them to understand and perform effectively, motivate and incentivize intermediaries to perform service according to firm standard, and manage fluctuation in supply and demand. In light of this, Ride should train drivers with professional manners and equip them with the needed information about the service; help drivers to answer questions posed by customers; and appreciate and give them appropriate incentives to deliver the service properly.

To minimize the service failure and maximize complements from customers, the company should educate customers on how the service operates because if they do not understand their roles and responsibility, they might affect the service process. Finally, Ride should try to balance the supply and demand on weekends, holidays, and midnights by giving incentives and by lowering the fare on weekdays.

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