This paper examines a major determinant of service quality—customer participation—and proposes a model based on literature and social psychology theory to describe the relationship between customer participation and service quality. The model explicates the underlying reasons for this relationship in a series of propositions. The relationship is set up as a causal model with the aid of the outlined propositions in future empirical research. The model is amenable to both survey and experimental research designs and also serves as an illustration for investigating other determinants of service quality.

Introduction

The importance of service quality to consumers and therefore to providers is unquestionable. Consumers are seriously committed to seeking quality in their purchases and in their lives, and in recent years have been demanding higher quality services (Rabin 1983; Berry, Zeithaml, and Parasuraman 1985; Sheriden 1988). For service providers, quality is directly linked to image, sales, and profitability (Berry, Bennett, and Brown 1989; Buzzell and Gale 1987; Lewis & Booms 1983; Rothman 1983; Rudie & Wansley 1985).

Moreover, with the growing role of services in the U.S. economy, service quality is becoming an increasingly important research area for conceptual and empirical applications. It is not surprising then that the Marketing Science Institute has given very high priority to research related to "the perception and evaluation of service quality" (Marketing Science Institute 1986).

Research on service quality has focused mainly on determinants that originate with the service provider. Customer-related variables and their impact on service quality have not received much attention. Yet, due to the interactive nature of services, customers can and do affect the quality of services provided. By applying theoretical insights from various disciplines, conceptual models need to be developed to describe the relationships between service quality and a whole range of customer-related determinants including encounter-related, demographic, and psychographic variables.

Empirical support of such relationships can help in developing services marketing theory, which can then be applied by service firms to improve service quality. Also, past research on service quality has relied mainly on surveys and simple analytical tools such as cross-tabulations. There is a need for more experimental research and sophisticated analytical techniques to enhance our knowledge of service quality and its determinants.

Background

Many services today can be designed with increased customer participation. Examples are food bars in restaurants, home banking, and do-it-yourself services ranging from tax preparation to car washes. Thus, it is worthwhile exploring whether increased customer participation would improve the perceived service quality of the service. There have been some articles describing the concept of customer participation (Silpatik and Fisk 1985; Bateson 1985a; Schneider and Bowen 1985) and one well-known empirical study on customer participation (Langeard et al. 1981). There has also been some discussion about the link between customer participation and service quality (Loveland and Young 1979; Zeithaml 1981; Mills and Moberg 1982), but no conceptual model has been developed to describe the relationship.

Studies have been done on "actual waiting time" in service situations, and queuing theory has been successfully applied to service industries with waiting lines such as telephone service and airlines (Czepiel 1980). This approach is equally applicable to fast-food restaurants, banking, grocery stores, department stores, discount stores, post offices, public health delivery systems, and so on. There has been some research and/or discussion linking customer participation with waiting time and waiting time with service quality (Maister 1985; Langeard et al. 1981; Bateson 1985b) but no conceptual framework has been suggested linking the three variables. Research on perceived control in services marketing (from the customer's perspective rather than the contact person's) has been fairly limited (Bateson 1985a; Langer and Saegert 1977; Langeard et al. 1981) but does establish a link between perceived control and perceived service quality.
Developing a Conceptual Framework

Perceived Service Quality

Bonner and Nelson (1985) point out that the customer's perception of service quality is often different from the producer's evaluation. Jacoby and Olson (1985) support this difference by introducing two separate concepts of quality: actual (objective) quality and perceived (subjective) quality. They propose that perceived quality is more closely tied to sales performance, and therefore merits more attention. In his book, Commit to Quality, Townsend also makes a distinction between "quality in perception" and "quality in fact."

Zeithaml (1988) defines perceived quality as a consumer's judgment about the overall excellence or superiority of a product. Given that the word "product" as used today encompasses both goods and services, perceived service quality can be defined as the consumer's judgment of the overall superiority of a service.

The model developed in this paper is based on the concept of perceived rather than actual service quality. Perceived service quality can be operationalized using a multi-attribute scale to measure customer perceptions of various attributes of service quality (cf. Gronroos 1983; Klaus 1985; Parasuraman, Zeithaml, and Berry 1985).

Customer Participation

"Customer participation" refers to the degree to which the customer is involved in producing and delivering the service. It is a behavioral concept related to the customer's active role in the service encounter (Silpatik and Fisk 1985). Bateson (1985a) writes that it is only in the service industry that the customer has both a "production role and a consumption role." For instance, in a self-service situation such as the use of a bank automated teller machine (ATM), the customer is also the producer.

Schneider and Bowen (1985) illustrate the concept of partial customer participation with examples such as bank customers filling out deposit slips, and tax accountants' customers keeping and bringing their receipts. Full customer participation, on the other hand, occurs in the use of ATMs, or self-service gas-stations, laundromats, and car washes. Even the acquisition of service-related information before the service delivery is a form of customer participation (Schneider and Bowen 1985, Bowen 1986), because it saves the service provider time and effort.

Thus customer participation has two components. One is the option customers have to perform a given service themselves rather than having someone else provide it for them. This component can be operationalized by measuring the extent of the respondent's willingness to participate in service production given that an option to do so is available. The second component of customer participation is the acquisition of service-related information at the site of the service delivery. The ability and willingness of customers to acquire such information can be measured to operationalize this aspect of customer participation.

Customer Participation and Perceived Service Quality

In the past, the issue of customer participation and its benefits for the firm have been discussed mainly in terms of productivity (Lovelock and Young 1979; Mills and Moberg 1982; Silpatik and Fisk 1985; Bateson 1985a; Schneider and Bowen 1985). It has been pointed out that allowing the customer to perform tasks associated with service delivery reduces labor costs and increases the efficiency of the organization. However, there has been some concern about whether the customer would be willing to participate in the production and delivery of the service, and then be expected to pay for it too, i.e. would customers perceive a higher service quality if they had to participate in its production?

Some authors do propose a possible relationship between customer participation and service quality. Zeithaml (1981) explains that customer participation plays a role not only in the production of a service, but also in its definition, which in turn affects the quality of the service. For example, in purchasing financial services, if customers fail to define their investment objectives and/or to communicate them to the service provider, they will not obtain high quality investment advice. Chase (1978) advocates reducing customer contact (which often leads to increases in customer participation), to increase the efficiency of a service operation. For example, the purchase of self-service gasoline reduces customer contact but increases customer participation.

Lovelock and Young (1979) believe that increasing customer participation not only increases productivity, but also results in better service to the customer. For instance, they point out that self-service buffets not only save on labor costs but also allow the customer to select the "food they want, in the quantities they want, and without delay." Mills and Moberg (1982) list the activities that the customer should perform for improving service quality, and suggest that the firm regard the customer as a "partial employee."

It is important to note that for services requiring a high level of expertise, most customers would prefer to have the service performed for them. Similarly, for services that are new and unfamiliar, the majority of customers will not perceive benefits in performing the service themselves. Thus, although the literature seems to indicate a general relationship between customer participation and perceived service quality, it is more likely that this relationship will only hold for highly familiar or low-expertise services. Thus, it is proposed that:

Pi: For highly familiar or low-expertise services, an increase in customer