



A FRAMEWORK FOR ASSESSING RETAIL SERVICE QUALITY AND INTEGRATING IT INTO MANAGERIAL DECISION MAKING

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Abstract

This article develops a methodological approach to managing retail service quality by combining customer evaluations with operational process outcomes. Its purpose is to propose an assessment system that supports both aggregate comparison and the identification of service weaknesses and managerial priorities. The study uses a conceptual synthesis of purposively selected scholarly literature, indicator operationalization, and formal modelling. It proposes a two-block architecture that distinguishes perceived service quality from process reliability, together with normalization rules and a separate control criterion for critical service requirements. The aggregate index should be interpreted alongside individual indicators and data coverage. The contribution is an assessment and decision protocol suitable for subsequent testing, rather than an empirically validated measurement scale.

Keywords: retailing; service quality; composite assessment; customer evaluation; operational reliability; managerial priorities.

Introduction

In retailing, service quality extends beyond interpersonal treatment at the moment of sale. Customers experience information search, product selection, payment, receipt of goods, and subsequent support as interconnected activities. A correctly displayed price followed by delayed fulfilment, or courteous treatment accompanied by a billing error, illustrates how service dimensions can diverge. An overall satisfaction score alone therefore provides limited guidance about where a service failure originates.

The research question is how subjective customer evaluations and verifiable retail process outcomes can be combined to make quality assessment useful for managerial decisions. The central argument is that a composite index can support comparison, but cannot substitute for information on individual indicators, critical requirements, and data quality. The article contributes by connecting these information layers within a single decision protocol.

Literature and conceptual foundations

Cronin and Taylor (1992) examine relationships among service quality, satisfaction, and purchase intentions and discuss a performance-based measurement approach. Dabholkar, Thorpe, and Rentz (1996) develop a hierarchical scale for retail settings that combine goods and services. These studies provide a rationale for adapting assessment content to the retail format rather than transferring a general service scale unchanged.

Lemon and Verhoef (2016) connect customer experience with touchpoints and organizational functions across the customer journey. Parasuraman, Zeithaml, and Malhotra (2005) treat electronic service quality as a distinct measurement domain. Tax, Brown, and Chandrashekar (1998) emphasize outcome, procedural, and interpersonal fairness in

complaint handling. Service quality consequently involves both perceived experience and the processes supporting it; these layers should not be treated as identical constructs.

The article does not claim to introduce an entirely new concept of quality. Its methodological task is to express the connection among customer evaluations, operational evidence, and managerial action through transparent calculation rules. Satisfaction, service quality, and repeat purchasing are distinguished: the first evaluates an experience, the second concerns service attributes, and the third is a behavioural outcome also influenced by price, need, and competing alternatives.

Research methodology

The study is conceptual and methodological. Sources were purposively selected for their direct relevance to service quality measurement, retail characteristics, customer journeys, and service recovery. Their conceptual content was compared and translated into indicators aligned with managerial tasks. This is not an exhaustive systematic literature review; no bibliometric findings or claims about the size of the research field are reported. No new survey, experiment, or company dataset was used.

The proposed assessment unit is a retail outlet or business unit over a specified period. Comparisons require alignment in retail format, product category, observation period, and service channels. Customer surveys should include recent service users, while transaction records should correspond to the same period. Sampling only complainants or highly engaged customers can produce a distorted assessment.

Proposed assessment model

The first block represents perceived quality, and the second represents service process reliability. Customer indicators use a five-point response scale, whereas operational indicators are obtained from records or observation. Sales and profit are excluded from the quality index because they are multi-determined economic outcomes rather than direct measures of quality. They may instead serve as outcome variables in subsequent external validation.

Table 1 Assessment blocks and data sources

Block	Indicator	Data source
Customer evaluation	Information accuracy and clarity of terms	Short post-purchase survey
Customer evaluation	Interpersonal treatment, advice, and convenience	Survey and structured observation
Customer evaluation	Fairness of returns or complaint handling	Survey of customers with relevant experience
Process reliability	Share of error-free transactions completed as promised	Transaction register
Process reliability	Waiting time and frequency of billing errors	Time records and audit
Process reliability	Share of cases resolved within the specified period	Complaint register

For a mean customer rating p_i on criterion i , the normalized score is $z_i = (p_i - 1) / 4$. This maps the minimum rating to zero and the maximum to one. Customers without complaint or return experience must not automatically receive the highest score on the corresponding item.

Their responses are coded as not applicable, and the coverage of the relevant subsample is reported separately.

For a beneficial operational indicator with target τ_j , normalization uses $u_j = \min(1, x_j / \tau_j)$. For an indicator where a lower value is preferable, it uses $u_j = \min(1, \tau_j / x_j)$. Targets must be positive and specified before analysis. A zero value on an adverse indicator is assigned a normalized score of one only when complete observation is confirmed. Missing records must not be interpreted as an absence of errors.

$$Q_p = \sum a_i z_i; \quad Q_o = \sum b_j u_j; \quad Q = \sqrt{(Q_p Q_o)}.$$

Here Q_p denotes perceived quality, Q_o operational reliability, and Q the composite index. Weights within each block are non-negative and sum to one. A geometric mean assigns equal weight to the two blocks and gives greater prominence to low scores than an arithmetic mean. It does not eliminate compensation or measure causal effects. The index is treated as a formative managerial composite; its indicators are not assumed to be interchangeable manifestations of one latent factor.

Weights may be established through an actual expert exercise, stakeholder deliberation, or a justified equal-weight baseline. Because this study did not conduct an expert survey, no particular weight vector is presented as an empirical parameter. Ranking stability should be examined under alternative weighting schemes. A block with inadequate coverage should be flagged rather than automatically scored; the required coverage threshold must be specified in advance.

Managerial interpretation and validation

Critical service requirements are assessed separately from the aggregate index. For example, a violation of an established mandatory requirement concerning personal information or billing is not remedied by a high average score. Reports should therefore include both the composite index and the status of critical requirements. This prevents favourable interpersonal treatment or an attractive environment from obscuring a serious process failure.

Table 2 Managerial interpretation of the two blocks

Perceived quality	Process reliability	Priority investigation
Relatively high	Relatively low	Investigate errors, workload, and controls
Relatively low	Relatively high	Improve information, treatment, and convenience
Relatively low	Relatively low	Review service standards and processes jointly
Relatively high	Relatively high	Monitor stability and transfer effective practices

High and low categories in the table are not universal numerical thresholds; they are defined against comparable units or predefined targets. Action selection should consider the extent of a weakness, harm severity, recurrence, and remediation cost. Violations of critical requirements receive first attention, followed by widespread and recurring failures. Selecting only easily improved indicators may raise the composite score while leaving the central problem unresolved.

Empirical validation should begin with cognitive interviews to assess item comprehension. Factor structure and reliability should be examined for reflective subdimensions of the customer scale; internal consistency alone cannot validate the entire formative composite. Operational measures should be reconciled with registers. Measurement comparability must be established before comparing retail formats or language groups. Intervention evaluation should use comparison groups, repeated observations, and prior trends where feasible; a simple before-and-after difference should not be reported as a causal effect.

Discussion and limitations

The practical advantage of the model is its connection of customer-centred assessment with verifiable process evidence. Small retailers may use a simple register and short survey, while larger networks may use an information system with consistent definitions. However, differences in assortment, service complexity, and customer expectations make universal targets or weights inappropriate. Survey nonresponse, incomplete records, and suppressed complaints can distort assessment.

The proposal is limited by the absence of empirical testing of predictive validity, weight stability, and applicability across retail formats. Application in Uzbekistan may require semantic alignment of Uzbek and Russian questionnaire versions and separate consideration of small stores and retail chains. These are recommendations for future research design, not established country-level findings.

Conclusion

Comprehensive retail service quality management requires separate reporting of perceived quality, process reliability, and compliance with critical service requirements. The proposed model connects an aggregate index with individual indicators, data coverage, and managerial actions. Its theoretical contribution is to treat quality assessment as an information system extending beyond a single ranking; its methodological contribution is an explicit set of normalization, weighting, and decision rules. Future research should test the protocol using actual retail data and examine assessment stability and its relationship with service improvement outcomes.

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