

Importance of Servicescape in Services Industries

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ABSTRACT

For services operations, favorable experience at customers' end evolves when an organization designed and constructed alluring locale. Physical surroundings of service environment often referred as servicescape, firstly introduced by Bitner in 1992, that highly influenced the consumers' perceptions towards an organization. Servicescape considered as commercial exchanges, embedded cues in consumers' experiences and are created by taking communicative staging into considerations. Recent literature pointed out significant impact of servicescape in terms of atmosphere, environment, facilities and equipment on satisfaction, intentions to repurchase and word-of-mouth communication. Hitherto, studies did not highlight the importance of servicescape in services industries properly. Hence, the purpose of this research is to explain servicescape, its various dimensions, roles in marketing mix, relationship with service quality, customer experiences and suggested further exploration in servicescape domain.

KEYWORDS: Servicescape, Service Quality, Services Industry

1.INTRODUCTION

For survival and long term growth of any service organization, servicescape is considered as future's form of intense competition in service environment. Servicescape term coined by Bitner (1992) as "the physical surroundings as fashioned by service organizations to facilitate the provision of service offerings to spectators which comprise both tangible and intangible aspects". Aspects included in intangible aspects of servicescape are music, scent, color and temperature whereas tangible characteristics included fixtures, decorations and buildings (Hoffman & Turley, 2002; Hoffman & Bateson, 2006). Appearance and style of physical surroundings where audience and service provider interact with each other. Kotler and Armstrong (2010) explained servicescape as "the environment in which the service is assembled and in which spectators interact with tangible commodities that facilitate performance or communication of the service offering". Research explained servicescape as packaging of services offered by an organization (Nguyen, 2006). Since service is intangible in nature, hence its evaluation and assessment cannot analyzed while consuming it (Pantouvakis & Lymperopoulos, 2008) but can measure through service quality and other customer experiences (Ishaq, 2011a,b; 2012; Ishaq et al., 2014).

Numerous empirical researches done recently in leisure settings, casinos, festivals, theaters, bars, restaurants, telecommunications, venue selection, banking sector and hotels (Wakefield and Blodgett, 1994; Lam et al., 2011; Stuart and Tax, 2004; Lin and Mattila 2010; Liu and Jang, 2009; Kim and Moon, 2009; DiPietro et al., 2007; Nelson, 2009; Hilliard and Baloglu, 2008; Whitfield and Webber, 2011; Khan et al., 2014). Mari and Poggesi (2013) summarized the publications on servicescape in management journals in following table # 01.

Table # 01: Publication of Servicescape in Management Journals

Journal Title	No. of Articles	Journal Percentage
Journal of Service Research	04	2.13%
Journal of International Consumer Marketing	04	2.13%
European Journal of Marketing	04	2.13%
Journal of Retailing & Consumer Services	05	2.66%
International Journal of Service Industry Management	05	2.66%
Advances in Consumer Research	05	2.00%
Journal of Marketing Management	06	3.00%
Journal of Consumer Research	06	3.00%
Journal of Marketing Research	07	3.00%
International Review of Retail, Distribution & Consumer Research	07	3.72%
Psychology & Marketing	10	5.32%
Journal of Marketing	10	5.32%
Journal of Services Marketing	11	5.85%
International Journal of Retail & Distribution Management	11	5.85%
Journal of Retailing	19	10.11%
Journal of Business Research	33	17.55%

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2.COMPARITIVE ANALYSIS OF SERVICESCAPE

Multiple components of servicescape offered by different researchers including Bitner (1992), Baker (1987) and Wagner (2000). One component of servicescape of functional, which is coincide among Baker (1987) and Bitner (1992) model that referred as the servicescape's design. In terms of design factor, there is some dissimilarity regarding aesthetics that include shape, style, material and architecture as compared to functional component that encompasses layout and comfort. Conceptual model of Baker (1987) also stated that "servicescape stimuli exist from a design factor internally and externally and there is inclusion of social factors pertaining to consumers in the servicescape". Based on the conceptual framework of Baker (1987) and Bitner (1992), Wagner (2000) also proposed servicescape's framework on aesthetic value that incorporate design, marketing and architecture where visual aspect got paramount importance in Wagner's (2000) conceptual framework. Wagner (2000) model represented the overall design of servicescape and present global view that can manipulated during service environment at retailer's end. Table # 02 indicated the comparative analysis of different servicescape models.

Table # 02: Servicescape Model Comparative Analysis

Baker (1987) Model	Bitner (1992) Model	Wagner (2000) Model
1. Majorly focuses on design factors. 2. Inclusion of architectural design in model. 3. Enclosure of exterior and interior environment of servicescape. 4. Concentrate on physical environment as well services marketing. 5. Spotlight significant value of people component in service environment.	1. Impact on affective and cognitive behavioral responses of consumers. 2. Consisted on holistic framework. 3. Concentrate on internal environment of servicescape. 4. Spotlight significant value of people component in service environment. 5. Adapt approach-avoidance behavioral response from employees and customers.	1. Majorly focuses on design factors. 2. Consisted on holistic framework. 3. Inclusion of architectural design in model. 4. Enclosure of exterior and interior environment of servicescape. 5. Impact on affective and cognitive behavioral responses of consumers. 6. Model take aesthetic value as positive characteristic.

3. SERVICESCAPE DIMENSIONS

In delivery process, different dimensions of servicescape considered as key ingredients and services as cues for intangible aspect of services. Service quality rated as important aspect that satisfy the consumers from different service encounters aspects (Ishaq, 2011a,b; 2012; Ishaq *et al.*, 2014). Service organization should transform their environment uniquely by adapting creative marketing strategies and effective implementations subsequently (Naeem *et al.*, 2011, 2012; Ishaq, 2013; Khan *et al.*, 2014). Harris and Ezech (2007) argued that "to be competitive, servicescapes should be based on what a target audience seeks from the sports experience and the ability of the servicescape to compete with servicescapes of competitors. Servicescape is rich in cues". Servicescape is outward of an organization's appearance hence initial impression should come up as per consumers expectations. In services marketing literature, various dimensions of servicescape available in the literature where Bitner (1992) considered as most cited topology in the literature (Ryu and Jang, 2007; Rosenbaum & Massiah, 2011; Turley & Milliman, 2000; Jain & Bagdare, 2011; Tombs & McColl-Kennedy, 2003; Frew and Ali-Knight, 2009). Skandrani, Mouelhi and Malek (2011) summarized the dimensions of servicescape as follows:

Table # 03: Dimensions of Servicescape

Publication	Servicescape Dimensions	Notes
Kotler 1973-1974	Consisted on four dimensions (olfactory, tactile, aural, and visual).	Kotler model did not include employee and crown dimensions.
Baker 1986	Designed three dimensions (social, design and ambient).	Despite including social dimensions in typology, author missed the exterior design.
Bitner (1992)	Suggested dimensions of servicescape include artifacts, symbols, signs, functionality, spatial layout and ambient conditions.	This typology considered as most comprehensive model.
Berman and Evan (1995)	Layout, interior design, landscaping, internal and external variables included in their model	This model did not include the human component.
D'Astous (2000)	Irritant social factor, irritant design factor and irritant ambient factor included in his model.	This framework developed after inspiration from Baker (1986) model.
Turley and Milliman (2000)	Five dimensions suggested in their model comprised of human variable, decoration, point of purchase, design and layout, general interior and exterior.	This model developed on Berman and Evan (1995) framework that also include human aspect of servicescape.

Physical dimensions includes stimuli that is observable and measureable and other manufacturing aspects that can easily comprehend because of its controllable by employees. In physical dimension, ambient considered that affect human sensations represent environmental stimuli (Grayson and McNeil, 2009). These stimuli included auditory like noises and music elements (Oakes and North, 2008; Morin *et al.*, 2007), ambient (Reimer and Kuehn, 2005), olfactory, aesthetic cleanliness that comprised on fragrance, air quality, scent (Mattila and Wirtz, 2001) and visual aspects e.g. shapes, brightness, colors and lighting (Dijkstra *et al.*, 2008). Another aspect of physical aspect is space availability that

explained the way equipment, physical machinery, arrangement, furnishing, accessibility, layout, comfort and technology designed in a place that directly influenced the consumers' purchasing decisions (Edvardsson et al., 2010; Khan et al., 2014).

Consumers are not only fulfilling their utilitarian needs but psychological and social needs as well that turned the marketplace exchanges as mixed exchanges (Bagozzi, 1975). Rosenbaum and Montoya (2007) argued that consumers' decision are not only influenced through physical aspects but also humanistic and social stimuli and conceptualized social servicescape that defined as "customer and employee elements that are encapsulated in a consumption setting". Edvardsson et al. (2010) explained three other elements of social dimension as interaction of employees, customer involvement and customer placement and further categorized this dimensions as emotions, social density (Tombs and McColl-Kennedy, 2003), customers (Rosenbaum et al., 2007) and employees (Zomerdijk and Voss, 2010; Khan et al., 2014).

4. SERVICESCAPE AS SOCIALIZER, DIFFERENTIATOR, FACILITATOR AND PACKAGING

McGoldrick and Pieros (1998) argued that servicescape can act as image differentiation among other service provider organization. Andreu et al. (2006) suggested that "with competition among various industries, managers are encouraged to take into account spectators' experience in the service provider's environments as a potential tool for differentiation". Through servicescape, organizations can repositioned itself through alluring messages and communicating positive messages in new markets to capture more share, profit and customer base. Harris and Eze (2007) asserts that "physical facilities are visible manifestations of the intangible services that inexperienced audience rely on to make judgments on its competence and its appropriateness and the same can be said for experienced spectators because in certain instances they may find it difficult to evaluate services even after the consumption of an experience". Outward appearance of an organization is considered as packaging of service, because of its visualization, which is another important aspect of servicescape (Liu & Jang, 2009). Mofoka (2012) claimed that physical surroundings of service organization played the same role as physical goods are communicated to the consumers.

Hoffman and Bateson (2006) contented that "physical evidence used to package the service sends quality cues to spectators and adds value to the service in terms of image development". Elements of servicescape like packaging act like a bridge that communicate the organization's message to the customers. Research studies claimed that pleasure environment always lead to positive endorsement from customer side and employees also act positively but inefficient and poor infrastructure and design will leads to frustrate both employees and customers. That is why Bitner and Zeithaml (2003) declared servicescape as the facilitator that assist the employee performance in organization. Liu and Jang (2009) declared the servicescape as "the facilitator's role is demonstrated when the physical environment increases or restricts the efficient flow of activities during the service encounter". They also explained socializing factor of servicescape as "the design of the servicescapes helps to socialize employees and spectators in the sense that it conveys the expected roles, behavior and relationships between them". A Lovelock (2011) argued that servicescape is designed to facilitate productivity rise, service encounter, reduce service failure and improve service delivery process. Garland et al. (2004) argued that physical surroundings helped in endorsing respect, care, relieve stress to the customers.

5. CONCLUDING REMARKS

Various researchers further endorsed the practical applicability in services industries and suggested various changes as servicescape's exploration (Morin et al., 2007; Whitfield & Webber, 2011; Khan et al., 2014). Reimer and Kuehn (2005) further explored the servicescape elements as brochures, business card, odor, noise, temperature, ambient conditions, interior and exterior design and other advertising material. Tangibles, facility interior and facility exterior are other three different segregation of servicescape endorsed by Mudzanani (2009). Extended the discussion of servicescape, it is clear from the literature that servicescape highlight influenced the consumers perceptions toward the service organization (Eze and Harris, 2007). Hence, the organization should take consider of unique design by adopting creative strategies of marketing and their effective implementation successfully (Naeem et al., 2011, 2012).

Servicescape also act as antidote of counterfeit purchasing. Despite the significant importance of servicescape in services marketing literature (Eze & Harris, 2007), empirical evidences are still very scarce. The importance of servicescape in any type of organization cannot neglected because it impart positive aspect of an organization, service delivery process, service quality, strong positive image that subsequently affect the customer satisfaction, service experience, repurchase intentions, and loyalty (Hoffman & Turley, 2002; Ishaq, 2012; Ishaq et al., 2014; Pareigis et al., 2011; Khan et al., 2014). Newman (2007) demonstrated the importance of servicescape in service industry as "the helpful signage and pleasant spatial arrangements influence customers' behavior by inducing positive moods and positive images of the service organization". Accordingly, numerous researchers confirmed that servicescapes directed physiological, emotional and cognitive behavior of consumers. If an organization failed to satisfy the customers then it termed as service failure that caused due to incorrect billing, product problems, unfriendly staff, unavailable service, slow service, inefficient staff. Therefore, to avoid any service failure, organization should install all aspect of servicescape (Dutta et al, 2007). Numerous researchers challenged the traditional aspect of servicescape due to

conceives services (Gronroos and Ravald, 2011;Edvardsson et al., 2010). Hence, it is suggested that further studies should add other aspect of co-creation and value interaction.

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