

Customers' Expectation and Services Performance in Pension Fund Administration (PFA) in Southeast Nigeria

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Abstract

This paper examines service quality from the perspective of consumers' expectations of the quality of service delivery contrasted with actual service delivery (or service performance) in pension fund administration (PFA) marketing. Three hundred and eighty four respondents from various ministries, departments and agencies in Enugu participated in the survey. A modified version of SERVQUAL questionnaire instrument was used to elicit response on the service quality attribute and satisfaction. Two hypotheses were developed and tested using the student t-test statistics and Regression Analysis. The results showed that significant difference exist between customer perception and expectations of pension services. The assurance attribute was found to have the greatest influence on satisfaction and tangible cues with the least influence. It

was therefore, recommended that pension managers should adopt strategies to influence customer perception such as measuring and managing satisfaction and service quality, making promises they can keep and keeping them and managing the service evidence and providing training and empowerment to their employees.

Keywords: Pension, Pension fund administration, Customers' expectation, Service quality, Service delivery, Service performance.

1. Introduction

In the face of increasing competition and customer sophistication, service companies are continually inundated with the challenge of meeting the dynamic expectations of consumers thus thrusting customer satisfaction into a dominant role in achieving a sustainable competitive advantage.

Essentially, service quality is a necessary prerequisite for achieving success in an organization and it is defined typically in relation to exceeding customer expectation (Humphrey, 2004). Customer perceives services in terms of *quality* and how *satisfied* they are overall with the service experience (Zeithaml & Bitner, 2000). Customer expectations are beliefs about service delivery that functions as standards or reference points against which performance is judged. Knowing what customers of pension service expects and matching it with their perception of actual delivery of pension service has become important for companies to stay ahead competitively in the pension service industry.

The Pension Reform Act (PRA) 2004, established the need for Contributory Pension Scheme (CPS) and consequent management and (or administration of pension fund cum pension assets in Nigeria). Prior to PRA 2004, pension and gratuities were being managed solely by the government in the case of public service and for private companies either contracted to private pension firms or contributed to the defunct National Social Insurance Trust Fund. However, the systems were grossly mismanaged, unregulated, unfunded and uncompetitive; thus, the need for the reform. Following the reform, the Pension industry has become 'passively' competitive and more recently there has been overt agitations and clamor for regulatory authorities (PENCOM) to provide the modalities for the transfer of Retirement Savings Account (RSA) from one Pension Funds Administrator (PFA) to another, as evidence of switching behavior, has started to emerge.

The problem thrust of this paper is in line with unraveling the most influential determinants of customer satisfaction and loyalty in pension service marketing; thus, closing the gap between customer expectation and actual service delivery/service performance. With the expectations of transfer window opening up, and the market tensed up for a more 'active' competition, it has become imperative for investigation to be executed in order to gain insight and understanding regarding RSA holders expectations of pension services in Nigeria.

The major objective of this research paper is to examine service quality from the perspective of consumers' expectations of the quality of service delivery contrasted with the perceptions of the actual service delivery in PFA within south east Nigeria with focus on Enugu state. Specifically, objectives of the study includes; to test the reliability of the SERVQUAL

instrument in pension service; to ascertain if differences exist between actual delivery of pension services and customer expectations and to gain some insight and understanding into the dimensions of service quality customers consider more important in determining satisfaction.

2. Literature Review

2.1 Conceptual Framework

The framework for this research is premised on the expectancy-disconfirmation paradigm (Oliver 1980; Parasuraman, Zeithaml & Berry, 1988; 1994; & Gronroos, 1994) and the expectancy-disconfirmation comparison judgment as determinants of customer satisfaction and perceived service quality. Consumers' evaluation of service quality is a function of the magnitude and direction of the gap between the customer's expectations of services and customer's assessment (perception) of the service actually delivered. (Parasuraman et al., 1990 cited in Schiffman & Kanuk, 2009). While perception are subjective assessment of actual service experiences, customer expectations are the standard or reference points for performance against which service experiences are compared.

Customer satisfaction is the result of an evaluation process whereby the customer compares his or her expectations of how the service should perform with actual experience with the service. The SERVQUAL Scale Parasuraman et al., (1991) was used to measure the gap between customers' expectations of services and the perceptions of actual service delivered, based on the *process dimensions*- responsiveness, assurance, empathy tangibles and *outcome dimensions*- service reliability. Perceived service quality, is believed to be the foundation for forming satisfaction judgment.

Service quality is an antecedent of customer satisfaction (Parasuraman et al., 1998, 1991, 1994; Woodside, Lisa & Robert, 1989). Service expectations are formed based on two different comparison standards for service quality assessment: *desired services* (level of service a customer believes can and should be delivered) and *adequate service* (the level of service the customer consider acceptable) (Parasuraman et al., 1991). In keeping with the disconfirmation paradigm, positive, negative or share confirmation of expectation of service quality based on evaluations of customer will either results in customer satisfaction, favourable word of mouth, customer loyalty, increased profitability or customer dissatisfaction, negative word of mouth and disloyalty. The research intent is to discuss the disconfirmation paradigm (customer gap) in relation to customer satisfaction and service quality.

Customers form positive disconfirmation to the extent that perceived service tends towards expected services with respect to the magnitude and direction of the existing gap. Chances are that perceived services may exceed expected services in single transactions; the net effect is that the customer expectation of services increases with time and magnitude to the extent above the current service performance due to decline in favorable perceptions of service dimensions (quality) overtime (Oliver, 1980).

2.2 Empirical Review and Hypotheses Formulation.

The concept of perceived service quality has been developed in the services marketing

literature during the past three decades. Based on the work by Parasuraman *et al.*, (1985, 1988), perceived service quality is frequently referred to as the comparison between the customer's expectations and perceptions of the service provider's performance. Parasuraman *et al.*, (1988) has also suggested that service quality consists of five generic dimensions: tangibles, reliability, responsiveness, assurance, and empathy. The disconfirmation model of perceived service quality, and the derived measure SERVQUAL, have, however, been questioned (Cronin & Taylor, 1992, 1994; Brown *et al.*, 1993; Teas, 1993). Cronin and Taylor (1992) state that the Perception-Expectation operationalization of service quality 'confounds satisfaction as attitude' (p. 55) and suggest that service quality should be measured by performance measures only.

Customers compare perceptions of actual service delivery with expectations when judging a firm's service performance (Parasuraman *et al.*, 1991) especially when the difference is significant enough to have consequences for the service provider. Customers form expectations from promises, past experiences, advertisement, word of mouth etc while their perception is basically influenced by the process dimensions (responsiveness, assurance, empathy and tangibles) and outcome dimensions (reliability) of services. Firms therefore, attempt to influence the perception of service customers by matching it with their expectations thereby closing the customer gap. The extent by which service firms are able to close the gap therefore leads to either positive disconfirmation, mere disconfirmation or negative disconfirmation.

Thus, In line with seminal literature in service quality measurement (Bradly and Cronin 2001; Churchill & Suprenant 1982; Olson & Dover in Bexley, Hower And Sparks 2005) the following hypothesis is proposed:

H₁: There is no significant difference between the mean score of service perception and the mean score of service expectation of pension service.

Researchers have encountered several challenges in their effort to measure service quality. First, service quality is best defined and evaluated from the customer's perspective, yet customers often have difficulty articulating their expectations and evaluations of services (Takeuchi & Quelch, 1983), particularly professional services (Rogerson, 1983). Second, customers often form their opinions of a firm's service quality based solely on one service provider's performance (Berry, Conant & Parasuraman, 1991; Gronroos, 1990); in pure service firms, frontline employees are the company. Finally, customers' evaluations of service quality involve not only the outcome, but also, the process of service delivery (Parasuraman *et al.*, 1985).

In services marketing research many service quality models have been developed. Lehtinen and Lehtinen (1982) suggest three guidelines for service quality: (1) physical quality, (2) corporate quality, and (3) interactive quality. Furthermore, LeBlanc (1992) indicates six factors of customer perceptions of service quality, in order of importance. These are corporate image, competitiveness, courtesy, responsiveness, accessibility, competence. Grönroos (2000) integrates several previous studies and proposes a service quality model based on seven criteria: professionalism and skills, attitudes and behavior, accessibility and flexibility, reliability and trustworthiness, service recovery, atmosphere (physical surrounding/environment), reputation and credibility.

Among existing service quality models, the dominant model is SERVQUAL which was developed by Parasuraman et al., (1988). The SERVQUAL instrument is a multiple-item scale to measure service quality along five distinct dimensions as perceived by customers. These five dimensions of service quality are described as follows: *Reliability: Ability to perform the promised service dependably and accurately; Assurance: Knowledge and courtesy of employees and their ability to convey trust and confidence; Responsiveness: Willingness to help customers and to provide prompt service; Tangibles: Appearance of physical facilities, equipment, personnel, and communications material; Empathy: Provision of caring, individualized attention to customers.*

SERVQUAL as an instrument has been widely recognized and tested in various service industries for measuring service quality, and for customer satisfaction. The instrument is used to ascertain the level of service quality and to identify where and to what extent gaps in service exist. Although the SERVQUAL instrument has been widely used (Pizam & Ellis, 1999), it has received many criticisms. In reviewing the criticisms of the five dimensions, some have found empirical support for the five dimensions (Boulding et al., 1993; Parasuraman et al., 1988), but some question the five service dimensions (Carman, 1990; Williams, 1998). Reliability has consistently been found to be the primary influence for the service outcome and is recognized as the most critical service quality among the five service dimensions (Parasuraman et al., 1988). Reliability represents the service outcomes and the core service attribute, which is the customers' primary concern and the other four dimensions represent the process of service delivery, which may be viewed as peripheral by consumers (Walker & Baker, 2000). The dimension of assurance can be particularly important for services such as banking, insurance, and legal services, which involve high risk to customers where the feeling of trust and confidence are important in order to further strengthen their relationship with the firm.

Customers perceive services on the basis of service employee attributes and those of the firm. Customer-oriented attributes of employee are reliability, responsiveness, assurance and empathy otherwise called the human aspect (Usha, Damodar and Pratap, 2009). Reliability helps employees to respond consistently to customer needs and meet deadlines; employees with responsiveness and assurance have a greater knowledge about company's products, services and customer needs; empathy helps in improving communication process between employees and customers. While the attribute of the service firm is the tangible cues which includes physical environment like exterior and interior facility of the firm, parking space, décor, furniture and equipment used. Because services are intangible and customer often present during service delivery process, the physical environment can have an influence on customer perception of service quality (Baker et al., 2002; Parasuraman et al., 1988). Accordingly, the following hypotheses are proposed.

H₂ :The reliability attribute of service quality will have a greater influence on customer satisfaction than the tangible, assurance, responsiveness and empathy attributes.

3. Methodology

This study investigates the contrast between customer perception of actual service delivery and expectation of service quality by analyzing responses generated through a modified version of the SERVQUAL measurement instrument (a two sets 20-item scale measurement, one for expectation and another for perception). The data were generated through a set of structured questionnaire and the comparative nature of the study calls for quantitative research method. RSA holders constituted the unit of analysis. Statistically determined sample size of 384 respondents made up of holders of Retirement Savings Account (RSA) across Federal Ministries, Departments and Agencies (MDAs) in Southeast Nigeria were examined. The choice of MDAs was informed due to the mandatory nature of Pension scheme in the Federal Civil Service. The questionnaire for this study was the result of the modification made on SERVQUAL items otherwise known as PENSERV items. A pilot test was executed on a small sample of customers and several revisions made so as to have high reliability and validity for the instrument. The construct was validated by senior academics in marketing while reliability for the constructs was tested by Confirmatory Factor Analysis (CFA) alongside descriptive statistics for the scales were obtained. The result showed expectation 0.991, perception 0.992, reliability 0.963, tangibility 0.987, responsiveness 0.976, assurance 0.975, and empathy 0.985 (Cronbach alpha > .60). The questionnaires were likert-scale questions ranging from 5 *strongly agree* to 1 *strongly disagree*. Data collected were analyzed using SPSS version 15 to generate needed information and findings using simple percentages, charts, descriptive statistics, and student t-test for paired mean, and Regression Analysis.

4. Results

RSA holders' expectations of service quality for all dimensions of pension services indicate that reliability has the highest expectation followed by assurance, then responsiveness with the least expectation relating to empathy. The result showed that RSA holders share similar expectation irrespective of their ministry, department and/or agency but varied in their perception of pension services from their PFA. This can be attributed to the fact that they belong to different PFAs. The mean score for expectation is highest on the reliability dimension with a mean score of 4.64 but conversely the least in terms of perception with a mean score of 3.51. In other words, while customer hold high expectation for the reliability dimension, PFAs performed far below expectation compared to other dimensions on the reliability dimension. This findings supports earlier studies by Heung and Wong (1997) in the hotel service industry in Hong Kong and Usha et al., (2009) in the Banking service Industry in India but contradicts the studies by Alka and Vesha (2005) and Gayathri, Vinaya and Laskshmisha (2005) in the banking and insurance industry respectively in India.

Furthermore, Just about thirty percent of the respondents were either satisfied or very satisfied with the pension services received from PFAs while thirty two point two percent (32.2%) are neither satisfied nor dissatisfied with the services received.

The figure 1 below shows the graphical representation of customer perception compared with their expectation.

Table 1. Pension Service Expectation contrasted with Performance.

Variables	N	Mean Perception	Mean Expectation	(P - E)
Regular delivery of services promises	382	3.06	4.87	-1.82
PFAs interest in solving customers problems	382	3.54	4.8	-1.29
Error free records	382	3.80	4.60	-0.80
PFA is on-line real time	382	3.66	4.27	-0.61
<i>Reliability</i>	382	3.51	4.64	-1.13
PFA have state of the art technology	382	3.87	4.74	-0.87
Visually appealing physical facility	382	2.87	3.98	-1.11
Employees look tidy and clean	382	4.52	4.85	-0.34
Visually appealing materials	382	3.37	4.04	-0.67
<i>Tangibility</i>	382	3.66	4.41	-0.75
Employees are never too busy to respond to customers' request	382	4.22	4.55	-0.33
PFAs tell customers exactly when services will be delivered	382	3.5	4.23	-0.67
Employees are always willing to help	382	4.28	4.56	-0.27
PFAs give prompt services	382	3.66	4.69	-1.03
<i>Responsiveness</i>	382	3.93	4.51	-0.58
Customers feel safe in all transactions	382	4.13	4.79	-0.66
Employees behavior instills confidence in customers	382	3.90	4.43	-0.52
Employees are consistently courteous with customers	382	3.79	4.43	-0.65
Employees have knowledge to answer customers questions	382	3.53	4.76	-1.23
<i>Assurance</i>		3.84	4.60	-0.77
PFA have customers' best interest at heart	382	4.14	4.74	-0.59

PFA understand customers specific needs	382	3.93	4.72	-0.79
Employees give personal attention	382	4.04	4.09	-0.05
Convenient operating hours	382	4.13	4.46	-0.33
<i>Empathy</i>	382	4.06	4.50	-0.44

A wide gap is referred here as one with P-E above -0.5100 and a narrow gap as one with P-E below -0.5000.

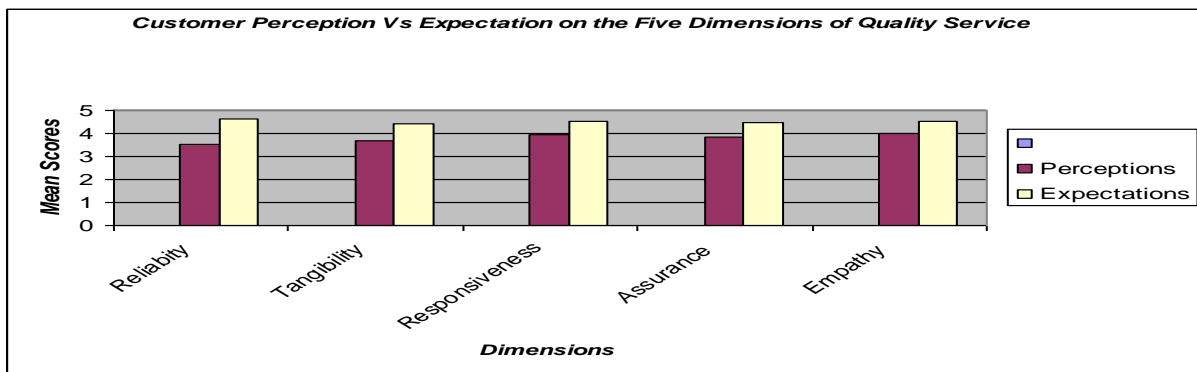


Figure 1. Customer’s Perception of Actual Service and Expectation compared.

The overall ranking of the five dimensions of services (in descending order of their mean) shows for consumer perceptions- empathy, responsiveness, assurance, tangibility, and reliability respectively and for expectations- reliability, responsiveness, empathy, assurance, and tangibility respectively.

While customers placed much emphasis on attribute *reliability*, it is disappointingly the least in terms of customer perception of actual service delivery with an average mean score of 3.51 for perception and 4.64 for expectation. Customers expect regular delivery of services (e.g. rendition of statement of account)- ranked first on the expectation list with an average mean score of 4.87; sincere interest in solving customers problems ranked third, maintaining error-free records ranked tenth, expectation on PFAs’ online accessibility ranked sixteen.

The average mean score on *tangibility* dimension were 3.66 for perception and ranked fourth and 4.41 for expectation and ranked fifth with a provider gap of -0.75. However, customers expect PFA employees to look neat and tidy and the PFAs to have state-of-the art technology. Incidentally, customer perception and expectation were both ranked second on *responsiveness* dimension with average mean scores of 3.93 and 4.51 respectively and with a provider gap of -0.58. Customers expect employees to give prompt services, to be always willing to help and never too busy to respond to their request. Customer expectation is ranked fourth on this assurance dimension and third on perceived /actual performance with average mean scores of 3.84 and 4.46 and provider gap of -0.62 mean score. The *Empathy* dimension ranks first on perceived performance with an average mean score of 4.01 and third on expectation with an

average mean score of 4.50 and with the least provider gap of -0.44.

5. Analysis and Discussion

In order to test the first hypothesis, a paired sample “t” test was performed to test for significance difference between the mean score for pension service perception and the mean score for pension service expectation. The result of the t-test statistics is shown in Table 4.1.1. The result shows that there is significant difference between customer perception of actual delivery of quality pension service and expectation of quality pension service. The result corroborates earlier findings of the existence of service gap between perception of actual service delivery and service expectation (Parasuraman et al., 2002; Zeithaml et al., 2000). In order words, it is important to note that like most services e.g. banking, insurance, auto repairs, and telecommunication. Service gaps also exist between customers’ expectation of services and their perception of actual service delivery for pension services. That is, the actual delivery of pension services (service performance) by PFAs falls below expectation of customers.

Table 2. Result of paired sample t-test to check for difference in means for service expectation and perception.

Paired samples test									
		Paired differences					t	df	Sig. (2-tailed)
		Mean	Std. Deviation	Std. Error mean	95% confidence interval of the difference				
					Upper	Lower			
Pair 1	Mean perception -Mean expectation	-0.72	0.15	0.017	-0.75	-0.68	-42.09	75	0.000

The second hypothesis consists of a set of hypotheses to test for the SERVQUAL dimension (reliability, assurance, responsiveness, empathy and reliability) with the greatest influence on customers’ satisfaction. A regression analysis was performed; the result is shown in Table III below. The result shows that the *assurance* attribute of the service quality dimension has greater potency on customer satisfaction judgment with unstandardized beta of 1.166 followed by *reliability* (unstandardized beta 1.085). While the *tangible* attribute (unstandardized beta 0.852) is least perceived to influence customer satisfaction; the result also showed the influence of *responsiveness* attribute with unstandardized beta 0.980 and *empathy* attribute 0.997.

Therefore, it can be inferred from the table that customers most importantly wants to feel safe in all their transactions, wants employees to be courteous, and instill confidence and trust by their behavior and be knowledgeable enough to provide answers to their questions.

Table 3. Result for Two-Stage Least Square Regression for service quality dimension with greatest influence on satisfaction.

Coefficients					
	Unstandardized Coefficients		Beta	t	Sig.
	B	Std. Error			
Empathy	0.997	0.019	0.965	53.541	0.000
Responsiveness	0.980	0.016	0.958	62.675	0.000
Assurance	1.166	0.024	0.954	49.479	0.000
Tangibility	0.852	0.013	0.962	64.518	0.000
Reliability	1.085	0.016	0.970	65.843	0.000

a. Dependent Variable: Constant: Customer Satisfaction

b. Predictors (constant): Empathy, Responsiveness, Assurance, Tangibility and Reliability.

The analysis of responses showed that the assurance attribute has the greatest influence on satisfaction. As expected, this finding corroborates earlier findings (Gayathri et al., 2006; Parasuraman et al., 1988) in the insurance and banking services industry. It however, contradicts the findings by Alka et al., (2005) in the banking industry. This is so because the pension industry involves high risk to customers as such requires the feeling of trust and confidence to strengthen relationship with PFAs. Also, the latent nature of pension services and customers experience with defunct pension schemes has raised concerns and doubts amongst customers as to the security of their pension asset with PFAs and as such they are more than ever before interested in the security of their funds and wants assurance from the PFAs to guarantee that by instilling confidence by their behavior, showing courtesy in all transactions and their employees knowledgeable enough to supply answers to pertinent questions concerning their pension fund. Next to assurance, is reliability which lends support to the study by Yin and Hing (1995) for restaurant services and Usha et al., (2009) for banking services but contradicts studies by Gayathri et al., (2006) and Alka and Vasha (2005) for insurance and banking services respectively. It is pertinent to note that while the relative influence of each of the dimension of service quality ranges from assurance, reliability to empathy respectively for pension services, It differs in the order of its potency for banking services – responsiveness, assurance and reliability (Alka & Vasha, 2005) and for insurance services – assurance, empathy and reliability (Gayathri et al., 2006). The difference in the order of the degree of their relative influence on satisfaction is a reflection of the nature of the services in the banking, insurance and pension service with respect to customers' perceived importance and trust. While the nature of pension services in Nigeria are mandatory for Public civil servant and occurring almost throughout the entire working life of a customers', thus the issue of trust and confidence in a service provider becomes of utmost importance to the customer and as reflected in the assurance dimension of service quality.

In reality, the dimension of tangibility- visually appealing physical facilities, neat and tidy employees, and visually appealing materials and state of the art technology- should be considered as important service quality for pension services- as most PFAs and service organizations consider it important to build trust and confidence at the beginning of service encounter.

Empirical investigation has also reveal that customer, especially for business customer evaluates office location, physical facilities and materials and state-of technology as an important attribute in choosing a PFA. This is supported by Zeithaml and Bitner (2003), who argue that tangibles elements provides customers especially new customers physical evidences for evaluating quality. This study, however found that the tangibility dimension has less influence with customers and less salient compared with other dimensions. The outcome might be due to the fact that most PFAs leverage on commercial banks physical facilities to distribute their services and in most cases are not allocated office space in such banks. Also, the nature of pension services requires that PFAs employees may often have to go to customers to deliver services rather than the customers coming to them.

The intangible nature of pension service makes it heavily dependent upon PFAs image and word of mouth in choosing a pension service. The ability to perform promised services- such as ensuring proper and timely rendition of account statements, payment of retirement benefits and pension etc – accurately is crucial for customers to join a PFA.

The result shows that earning customer's trust and confidence are significant for service providers in terms of service quality and repeat businesses. Providing personal care and attention are highly expected from PFAs. This is especially so because pension service involves latent service encounter- thus building and maintaining customer relationship is paramount for customer retention and loyalty.

In examining the five specific dimension of service quality – reliability, responsiveness, assurance, empathy and tangibility – developed by Parasuranam et al., (1988), this research confirms that except for 'tangibility' which is ranked fifth in expectations by customers- thus, does not show much significance in terms of services quality, the other four dimensions are considered crucial to service quality by consumers of pension services.

6. Conclusion

The research finding reveals that the importance of quality pension service appears important to PFA clients and such cannot be minimized. There is nothing to suggest however, that if the PFAs met all of the customers' expectation that customers would not change to another PFA. While satisfaction with service quality delivery might be an important factor, the study cannot predict its importance in retaining customers. Other findings that could impact on how customers choose their PFA revolves around the findings that revealed the gap that exists between expectations and perception amongst the issues raised in the questionnaire. Failing to meet the customers' expectations would appear to be a factor in choosing a PFA or deselecting an existing one and this would have significant consequences for subsequent corporate performance.

In terms of service quality strategy, narrow gaps were indicated on such attributes as employees give personal attention to customer. Employees look tidy and clean, employee are never too busy to respond to customers request, convenient operating hour, PFA have customers best interest at heart and employees are always willing to help customers. However, areas which service quality needs to address are where wide gaps exist between expectations and perceptions. These areas can result in substantial problems for PFAs seeking to retain their existing customers and obtain new ones. Areas where gap exist between expectations and perceptions are such area as regular delivery of service promises, PFA showing sincere interest in solving customers problems, visually appealing physical facilities and materials, lack of insistence on error free records, lack of state-of-the art technology, lack of prompt services, employee behavior did not instill confidence in customers, lack consistent courtesy, lack of knowledge to answer customers' questions, PFA do not understand customer specific needs, PFA do not have the best interest of customers' at heart, customers' do not feel safe in all transactions, service timing not adequately explained to customers and PFA do not give prompt services.

The result also showed that the assurance attribute influence satisfaction the most, therefore PFAs should channel more of its resources on the items in this attribute by providing trainings on customer services and customer experience management, product and service knowledge training continuously. Finally, it can be concluded that significant difference exist between customer perception and expectations of quality pension service.

7. Managerial and Theoretical Implication

The result of this study offers theoretical implications for marketing researchers and managerial implications for pension fund administrators or pension service managers.

For marketing researchers, the study advanced the debate on the service quality (SERVQUAL) measurement construct by empirically verifying and validating the service quality multi dimensional scale in the pension services industry in an emerging market economy such as Nigeria. Extant studies have been on the banking, insurance, airline, hotel, auto repairs, health care and restaurant services in Europe and Asia.

For pension service managers, the study reveals the presence of service gap between customers' expectation and service providers' performance of pension services. This has far reaching implication for pension managers and constitutes a major challenge for pension managers to meet customers' expectations and ensure satisfaction thereby guaranteeing their loyalty. Considering that customers' expectations is high for the dimensions of reliability and assurance respectively, PFAs can manage customers' expectations more efficiently by under promising and over delivering services especially with respect to service reliability and assurance (Zeithaml & Bitner, 2003). As an example, PFAs should ensure regular and timely rendition of statement of account, provide on-line real time and seamless platforms for service encounters, regularly update and maintain customers' data to reduce incidence of errors on customers records; recruit and select employees with strong service orientation and inclination, periodically train and empower employees on developments and trends in the industry and in the firm, effectively supervising and monitoring employees, feeding

employees back to control the seeming randomness of employee behavior, obtain feedback from customers' to confirm if expectations are met, exceeded or otherwise.

Furthermore, since the dimension of assurance followed by reliability were found to be stronger predictors of customer satisfaction, pension managers should aim for utmost satisfaction of customers by deploying more resources towards providing service assurance and reliability (as in the example above). To gain competitive advantage, the front-line employees with service orientation should be employed and empowered to deliver service to customers. Training should be provided to employees on problem solving and coping skills to handle difficult customers and also customers must be made to know what to expect and appropriate behavior expected from them in any given situation.

7.1 Limitation and Suggestion for Further Research

The study was limited to Pension Fund Administrators clients (customers) in Enugu. Pension services involve encounters between customers and PFAs, using report from customers' alone limits understanding of the encounter. Future studies should focus on a more robust understanding of the encounter by collecting information from both customers and pension service providers on a larger scale to ensure more generalization. In addition, other party that directly or indirectly affects customer expectation formation and service delivery should be incorporated into further studies. For instance the National Pension Commission (PENCOM) and the pension department of clients' organizations might facilitate or impair the quality of pension services.

Also, the constructs were measured at one point in time which relates to static approach. Thus, the possibilities of variation of expectation overtime were unaccounted for. A repeat of the study overtime could provide a more reliable and accurate information. The study focused on 'active customer' of pension services hence, it would be necessary to include 'retiree customers' in further studies. Finally, the effect of quality on actual behavior such as word-of-mouth and repeating buying were not included in the study.

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