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## ABSTRACT.

The aim of this study is to focus on the customers' expectations and perceptions of service quality and to determine the discrepancy in the service gap, and suggest ways to improve service quality in the three selected groupage cargo service providers in the Pratunam area of Bangkok, Thailand. Qualitative research method is employed because the researcher wants to understand how customers perceive the service quality of the groupage cargo shipping management in a natural setting or real life business situations. Therefore, the researcher in an attempt to observe the reactions of both the customers and the staff of "ANO" companies in a natural environment does not need to control certain behavioural events but would rather prefer to understand how human beings interpret their experiences and the world around them in their own words, and how they give meaning to their experiences regarding their expectations and perceptions of service quality in groupage cargo shipping management in a natural setting (Merriam, 2009). This is based on in-depth interviews conducted with the participants from both the "ANO" companies and their customers with reference to service quality. The companies used in this study as case study were tagged "ANO" in order to honour the confidentiality agreement, the researcher had with the management of those companies. The companies were selected based on the number of their customers and their market share. The researcher tends to understand the difference in the customers' expectations and perceptions of service quality as well as the discrepancy in the service gaps in the groupage cargo shipping service.

Hence, in-depth interview was conducted using semi-structured questionnaires as a research instrument to gather the necessary information from the interviewees in order to measure the customers' expectations and perceptions of service quality, as well as determine the discrepancy in the gaps. A total of 30 participants were used in the interview and data collected were content analyzed. Out of the 30 participants, three Managing Directors/CEO, three senior managers, and three middle executives (operational managers); six front desk employees and 15 focus group members, five members from each company were interviewed.

The result of the findings showed that there is a difference between the customers' expectations and perceptions of service quality. **Zeithaml & Bitner (1996) state that "customers' expectations are beliefs about service delivery, that functions as standards or reference points against which performance is judged. According to Oliver (1981) expectations are viewed as desires and wants of customers in the service quality literature that is, what they feel a service provider 'should offer' rather than 'would offer.'** The result established that different customers have different expectations. This finding is supported by Reising and Chandek (2001) which state that different customers have different expectations as a result of their knowledge of a product or service, past experiences and needs. These expectations are always influenced by the way and manner in which the service is performed and delivered and advertising on the part of service provider and the customers' past experiences, the word of mouth (WOM) which could be either positive or negative, and above all the personal needs of the individual

customer. **This is also in line with Voss et al. (1998) who state that service expectations can be formed by customers from many sources which may include past experience, word of mouth, personal needs, and advertising.**

Again, the result of the findings also revealed that there is a difference in the gap between the customers' expectations and perceptions of service quality in the groupage cargo shipping service. Here, the customers' expectations were higher than their perceptions; hence customers' expectations were given priority. The result of this finding is supported by Kushwa and Bhargava (2014). The result of their findings revealed that there was statistically significant difference in the gap between the customers' expectations and perceptions of mobile phone services with the arithmetic mean of expectations being 6.4413 and perceptions 5.8393. The result of this study indicated that the service quality of the groupage cargo service providers in the Pratunam area of Bangkok is low. This could be attributed to the fact that groupage cargo service providers rather than embracing programs that will shore up the service quality, they prefer to engage in price wars by way of discounts instead of improving on the services rendered to their customers. However, having knowledge of these findings and analyses will help managers especially in service oriented companies meet the challenges of improving the service quality in the day to day running of their businesses.

Keywords: Service quality, Customers' expectations, Customers' perceptions, Discrepancy in the gap, Groupage cargo shipping.

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