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MANAGING CUSTOMER EXPECTATIONS OF SPORT ORGANIZATIONS

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Introduction

Over the last three decades the management of service quality has been of paramount importance to managers of sport organizations. However, more recently the concept of customer expectations has grown in prominence for a number of reasons. First, in many countries there has been a sustained government drive for improved satisfaction with public services amongst the general public. Second, sport funding agencies such as Sport England have become increasingly concerned with stakeholder satisfaction with National Governing Bodies. Satisfaction, as we will see below, is based on expectations. Finally, expectations of some sport organizations have grown to such an extent that they may be impossible to meet and thus need to be carefully managed (Robinson, 2006). Therefore understanding customer expectations is an issue of importance to contemporary sport managers. This is because expectations impact both on assessments of the quality of a sport organization and on customers’ satisfaction with the organization.

This chapter begins by setting out the relationship between expectations, satisfaction and quality. It goes on to discuss the types of expectations that customers have and how these are formed. The chapter then sets out a framework to assist with the management of customer expectations. Finally, the chapter presents a case study of research carried out with the membership of the Amateur Swimming Association, in England, which demonstrates how important it is to manage customer expectations.

Expectations, service quality and customer satisfaction

Coye (2004) has argued that expectations are beliefs about a future event that are developed from information received from a variety of sources. These expectations then act as comparators in the evaluation of the service received (Coye, 2004; Niedrich et al., 2005; Parasuraman et al., 1985). Walker (1995) has suggested that expectations are predictions about what is likely to happen in the service exchange and that these are used as a reference against which comparisons of performance are carried out. Thus they are used by customers to evaluate whether they are happy with the service or not.

Customers have two different types of expectation for services. First, customers expect services to provide certain attributes and use these expectations to make judgments about
service quality (Bolton and Drew, 1991; Boulding et al., 1993; Grönroos, 1984; Parasuraman et al., 1985, 1994a, 1994b). Knowledge of what customers expect from sport organizations allows managers to identify what is important to customers when they use these services. For example, if a customer expects a facility to provide activities for children and these are not provided, the customer will be unhappy with the service no matter how good other aspects are.

Second, customers have expectations of each service encounter and these shape feelings of satisfaction with the service (Coye, 2004; Murray and Howat, 2002; Wong, 2004). These expectations are perceptual in nature, as satisfaction with a service is determined by the customer’s perception of how well the service encounter has met their expectations of it, rather than by any attributes provided by the service. For example, although a facility may provide a car park, if a customer has to park at the far end of the car park and misses the start of their activity, they are likely to feel dissatisfied with the service, perceiving the car park not to have met their expectations. Alternatively, if they do not miss the start of their activity the fact that they had to park at the far end of the car park is likely to have little or no impact on their satisfaction with the service.

The distinction has been made between the two concepts by arguing that expectations leading to satisfaction consist of what a customer thinks a service firm has to offer, while expectations leading to perceptions of service quality are what a customer thinks a service firm should offer (Parasuraman et al., 1994b). Alternatively, satisfaction can be considered as an outcome that emerges from the experience of the service, while service quality is concerned with the attributes of the service itself (Crompton and MacKay, 1989). Using the example above, a car park has been provided to meet expectations of quality, but whether a customer is satisfied with the car park is determined by the impact of car parking on their service encounter. Perceived service quality is generally accepted as a long-run, overall evaluation of the service and customer satisfaction as a transaction-specific measure of the experience (Cronin and Taylor, 1994; Parasuraman et al., 1994a; Wong, 2004).

**Types of customer expectations**

Research carried out by Boulding et al. (1993) demonstrated that expectations are not one-dimensional. They argued that expectations can be divided into will expectations and should expectations. Will expectations refer to what customers perceive will happen in their next service encounter, while should expectations are what customers expect should occur. For example, when watching an international rugby match, spectators expect that they will be able to see the entire pitch, but will also expect that other spectators will be able to as well. Walker (1995) differentiated between active expectations that are consciously anticipated by the customer and passive expectations that customers are not aware of until they are not met. In this instance, a spectator would actively expect to be able to buy refreshments at the match, but only become aware of their expectations about the range of refreshments if this range was either limited or extensive.

A more detailed typology of expectations has been developed by Ojasalo (2001) through research carried out with recruitment services. Ojasalo (2001) has argued that customers have six types of expectations: fuzzy, implicit, unrealistic, precise, explicit and realistic. Customers have fuzzy expectations when they expect the service provider to deliver ‘something’, but they do not have a precise picture of what this may be. For example, customers consider that the service is not value for money, but are not sure why. Implicit expectations are rarely thought about by customers as these refer to situations or characteristics of the service that are
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perceived to be so self-evident that they are only noted if they are missing. This type of expectation, which is similar in concept to passive expectations (Walker, 1995), is difficult to manage as they often become obvious when something has gone wrong. Unrealistic expectations cannot be met and these are the main reason why managers need to establish what customers expect of their sport services.

On the positive side, precise expectations are the opposite of fuzzy expectations, as customers know exactly what they expect to be delivered. Explicit expectations, similar in nature to those Walker (1995) called active, can be identified and expressed. Most importantly, realistic expectations are those that sport providers can actually deliver to customers. In his discussion of the management of customers’ expectations Ojasalo (2001: 210) concluded that managers need to ‘focus fuzzy expectations, reveal implicit expectations and calibrate unrealistic ones’.

Influencing and shaping customer expectations is a complex process (Boulding et al., 1993; Coye, 2004; Ojasalo, 2001; Robinson, 2006). However, the delivery of required levels of service relies upon customers having expectations of services that are precise, explicit and realistic, rather than fuzzy, implicit and unrealistic (Ojasalo, 2001; Robinson, 2006). The following section discusses the ways in which customer expectations are formed.

Influences on customer expectations

A number of arguments have been made for attempting to influence customer expectations. Parasuraman et al. (1988) proposed that perceptions of services could be improved either by increasing perceptions or by managing expectations to a lower level. As mentioned earlier, Boulding et al. (1993) also supported the need for the management of expectations in order to improve perceptions of services. Ojasalo (2001) suggested that expectations management would allow the creation of long-term customer relationships through the provision of long-term high quality, while Coye (2004), Robinson (2006) and Robledo (2001) have all argued for the need to influence expectations to ensure that they remain realistic.

Perhaps the most compelling argument for attempting to influence expectations is that not only do customers expect more than they perceive they get, but they are becoming increasingly demanding of service providers (Douglas and Connor, 2003; Donnelly and Shiu, 1999). Arguably, quality management strategies have been responsible for increasing customer expectations of services. Robinson (1999) found that as quality management techniques raised the level of service offered to customers, they began to expect ongoing improvements. Walsh (1991) also identified that as people become used to a service they begin to expect more. The current level of quality becomes the norm, forcing levels of quality to increase to align themselves with rising expectations. For example, if a health and fitness facility supplies members with clean towels, this is initially seen as adding value, and thus quality, to the service. Over time, however, this becomes the expectation and instead of valuing the towels, members may begin to complain about their colour, texture or size. Managers then have to respond to these complaints in order to meet expectations.

In order to prevent this from occurring, managers need to be able to work with expectations in order to prevent or to slow down this rise in expectations. Control of customer expectations is arguably unrealistic (Robinson, 2006) and therefore what managers should do is attempt to manage, influence and shape customer expectations of service quality to bring these into line with the levels of service they are able to deliver. In order to do this, managers need to understand how expectations are created and updated. Although the process of expectation formation is not clearly understood (Coye, 2004; Robledo, 2001) there are a number of other factors that are believed to be instrumental in influencing customer expectations.
Past experience

Past experience of the organization is considered to be the main factor that shapes experience of a service (Bolton and Drew, 1991; Boulding et al., 1993; Coye, 2004; Douglas and Connor, 2003; Grönroos, 1982; Kang and James, 2004; MORI, 2002; Parasuraman et al., 1994a; Robledo, 2001). Familiarity with the service will increase the likelihood of realist expectations, although O’Neil and Palmer (2003) have identified that prior users of a service have more complex expectations of it than those without prior use. It would appear that more detailed knowledge of a service promotes multifaceted expectations, although these may be more realistic due to experience.

Previous experience of similar services is also useful in forming expectations, particularly if a customer has no prior experience of the service (Bolton and Drew, 1991; Boulding et al., 1993; Coye, 2004; Douglas and Connor, 2003; Grönroos, 1982; Kang and James, 2004; O’Neil and Palmer, 2003; Robledo, 2001). The assumption is that the service to be received will reflect that experienced elsewhere. From a service provider perspective this is not always beneficial as high levels of service experienced elsewhere create high expectations for all similar services (Boulding et al., 1993).

Customer needs

Ojasalo (2001) considers customer needs to be the natural trigger for expectations as needs provide the reason for choosing to make use of a service. It is also suggested that the more important the need, the higher the expectation of the service (Bolton and Drew, 1991; Grönroos, 1982; MORI, 2002; Parasuraman et al., 1994b; Ting and Chen, 2002). Arguably, if sport providers are able to identify the most important needs of their customers they can influence expectations (Ting and Chen, 2002). However, the impact of needs on expectations may not be this simple, as O’Neil and Palmer (2003) have established that not only do customers have diverse needs, but the relative priority of their needs may change, causing a change in expectations. This may occur over time, or because of a change in circumstances such as visiting with friends or children.

Word of mouth

Word of mouth communications from family, friends, staff or other credible sources allows people to form an expectation of services they have yet to use. Word of mouth also acts to change or reinforce existing expectations (Bolton and Drew, 1991; Boulding et al., 1993; Coye, 2004; Grönroos, 1982; Parasuraman et al., 1994a). Indeed, Robledo (2001) has argued that this is the most influential source of expectations, an argument supported by Clow et al. (1997) and Grace and O’Cass (2005), who noted that consumers rely heavily on this type of communication when forming impressions about an organization.

Due to the personal nature of this type of communication (Clow et al., 1997; Grace and O’Cass, 2005), customers are more likely to believe information they are told from sources they perceive to be credible than information they read. In some cases word of mouth information will override a customer’s past experience of an organization. Consequently, Ojasalo (2001) and Grace and O’Cass (2005) have argued that word of mouth has the highest potential of all antecedent factors to generate unrealistic expectations.
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Market communications

Advertisements, publicity material, personal selling and contracts make explicit promises to customers about the attributes of the service the organization will deliver (Grace and O’Cass, 2005; Ojasalo, 2001; Zeithaml et al., 1993). Implicit promises are also made about quality, value for money, reliability and reputation through the image, branding and price communicated in market communications. As promises are antecedents to expectations (Ojasalo, 2001; Zeithaml et al., 1993) customers use these promises in the formation of their expectations.

In their discussion of expectations Boulding et al. (1993) outlined the importance of market communications on expectations, arguing that if the communications of an organization promise high quality, or to increase services, then customers will expect this to happen, raising their expectations in anticipation. Rosen et al. (2003) noted that if the marketing function promises too much, expectations are likely to exceed perceptions of the service delivered. Thus, market communications impact on the formation of expectations by establishing how services can be accessed, what will be experienced and at what level of quality (Boulding et al., 1993; Coye, 2004; Grönroos, 1982; Parasuraman et al., 1994b; Robledo, 2001).

Image

Research carried out by Clow et al. (1997) found that image was an important antecedent of customer expectations and for some service organizations it was the most important influence. Clow et al. (1997) argued that this is because image allows customers to ‘see and perceive’ an organization and thus has a significant impact on expectations. This argument had been previously made by Grönroos (1982, 1984, 1988), who argued that the positive or negative view of an organization created by its image impacts on what customers expect. In addition, the research carried out by Ojasalo (2001) showed that image is particularly important in terms of unrealistic expectations as it can both create and overcome this type of expectation.

The management of expectations

In terms of sport organizations, a number of these factors act and interact on customer expectations and allow them to develop a framework that they then use to evaluate the service in terms of service quality and customer satisfaction. Figure 5.1 outlines these and proposes a number of areas where managers can intervene in an attempt to influence customer expectations of their service.

It is important to note that managers will not necessarily want to lower expectations. Coye (2004: 63) noted that the management of expectations may have the intention of ‘raising, lowering or making salient, initial expectations’ of a service. Ojasalo (2001) argued that expectations should be realistic, neither too high nor too low. Boulding et al. (1993) discussed the need to manage will expectations upwards and should expectations downwards in order to improve perceptions of service quality. In addition, low expectations of services may lead customers to choose other providers and therefore managers may wish to raise expectations in order to be considered competitive. For example, UK public sport providers offering health and fitness services have had to raise customer expectations of their services in order to be perceived as a viable alternative to the high-quality commercial market.
Past experience

As can be seen from Figure 5.1, managers have the opportunity to directly influence expectations formed by past experience of the organization through their quality management strategies, although they have no control over past experiences of competitor organizations. Quality management strategies can also influence expectations formed by word of mouth, as can organizational image (Grönroos, 1984; Ojasalo, 2001). Determining the needs of customers by market segment is an activity that most sport organizations carry out as a matter of course (Chelladurai, 2005; Nichols and Robinson, 2000; Taylor, 2011), although this may be an area that the voluntary sector needs to address more fully (Weed et al., 2005). Research that allows the needs of different segments to be established makes it more likely that customer expectations will be met as, first, managers can establish what the needs are and second, they can tailor services to meet these.

Customer education

In addition to this type of customer research, direct intervention in the formation of expectations is required. Described by Robledo (2001) as a consumer education programme and by Robinson (2004) as dialogue, strategies that expose customers to the realities of what can be offered will facilitate the development of realistic expectations (Ojasalo, 2001). It is apparent that customer education strategies can take a variety of forms. Douglas and Connor (2003)
discuss the need for a partnership between provider and consumer so that both understand the needs of the other. Nichols and Robinson (2000) have provided evidence of UK public sport and leisure providers using focus groups to ask customers to make choices about the funding of certain services, while Zeithaml and Bitner (1996) propose communicating the realities of the industry to the customer.

What is clear is that customer education is more than the collection of customer opinions. The goal of this intervention is to increase customer understanding of the constraints facing the organization and the impact of expectations on this. In sport organizations this may be accomplished by ‘encouraging a customer to increase his/her level of participation in the delivery system so that he/she understands better the capabilities of the delivery process’ (Coye, 2004: 66).

**Market communications**

Managers can use marketing communications to directly influence expectations. (Yu, 2007). Material on websites or social media, such as Facebook and Twitter, as well as printed materials such as leaflets allows managers to set realistic expectations of the service. These provide an opportunity for pricing policies to be stated, programming objectives to be communicated and standards of service to be set. They also provide the opportunity to provide information about the attributes of the service provided and to highlight future service changes and the rationale for these.

**Image**

Finally, it is also apparent that managing the image of the organization allows providers to influence expectations as an organization’s image creates expectations of what a customer can expect. Clow et al. (1997: 241) argued that managing image is a critical function as

 Customers with a high image of a service firm will tend to believe they are being treated well by the firm’s personnel. They will also tend to believe the service outcome either meets or exceeds what they expected. The reverse is true for firms or organizations for which consumers have a low image.

Therefore the careful management of an appropriate image appears to allow providers to influence expectations. In her paper evaluating models of corporate identity, Stuart (1999) noted that organizational image can be constructed by the careful control of the messages that are delivered by market communications and brand, strategic documents, the physical tangibles of the organization (i.e. facilities, equipment, logos or mascots) and staff (Stuart, 1999; Ojasalo, 2001). Clow et al. (1997) highlight how price, advertising and tangible cues will have an impact on how customers view and use a service and therefore what they expect.

For example, as mentioned earlier, in order to compete in the health and fitness market, UK public providers had to raise expectations of the service they could offer. In order to do this, providers created an image of the service that was intended to be perceived by customers as being as good as that of commercial providers. This was done by a number of mechanisms. First, the service was offered on a membership basis only; second, state of the art equipment was purchased or leased; third, the ABC1 market was targeted; and finally, managers created a physical or conceptual separation of the health and fitness service from other services offered by the public facilities.
Case study

Member expectations of the Amateur Swimming Association (ASA)

Stakeholder satisfaction is of natural concern to all organizations that wish to function effectively. It is of greater concern to those organizations, such as the ASA (the governing body for swimming in England), which need to consider the satisfaction of both member and non-member groups, as this often leads to diverse and conflicting stakeholder objectives. It is therefore important that solid research evidence is available regarding stakeholder satisfaction to understand stakeholder requirements and to plan effectively.

In order to do this, the ASA commissioned a five-year, longitudinal assessment of satisfaction with its services, which is intended to understand satisfaction with and knowledge of the organization’s activities and to generate recommendations for improvements in performance. The findings of the first stage of the research are set out below, and primarily constitute a benchmarking of levels of member satisfaction in order to identify areas for development and to provide a standard against which to assess future levels of satisfaction.

The research was carried out via an online questionnaire survey made available to all members. Members were asked about themselves (age, gender, length of membership), their knowledge of the activities of the ASA and their satisfaction with the organization. The sample completing this questionnaire was 1,142, which means the findings are statistically representative of the current ASA membership. The findings of the questionnaire were subject to SPSS analysis and the results below focus on knowledge and satisfaction.

Knowledge of ASA activities

Respondents were asked to indicate how much they knew about the work of the ASA across various areas. Table 5.1 shows that there is a limited understanding of some areas of the ASA and thus a need

<table>
<thead>
<tr>
<th>Area of work</th>
<th>I know about it</th>
<th>I’ve heard about it</th>
<th>I haven’t heard about it</th>
</tr>
</thead>
<tbody>
<tr>
<td>With pool providers to improve the swimming</td>
<td>28</td>
<td>39</td>
<td>33</td>
</tr>
<tr>
<td>experience</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Learn to swim</td>
<td>39</td>
<td>44</td>
<td>17</td>
</tr>
<tr>
<td>Developing and education of teachers, coaches,</td>
<td>59</td>
<td>31</td>
<td>10</td>
</tr>
<tr>
<td>volunteers and officials</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Young volunteers</td>
<td>35</td>
<td>37</td>
<td>28</td>
</tr>
<tr>
<td>Equality</td>
<td>36</td>
<td>35</td>
<td>29</td>
</tr>
<tr>
<td>Child safeguarding and protection</td>
<td>67</td>
<td>24</td>
<td>9</td>
</tr>
<tr>
<td>Promotion of health for the government</td>
<td>34</td>
<td>45</td>
<td>21</td>
</tr>
<tr>
<td>Facility advice and expertise</td>
<td>24</td>
<td>41</td>
<td>35</td>
</tr>
<tr>
<td>Lifelong participation and recreational swimming</td>
<td>38</td>
<td>44</td>
<td>18</td>
</tr>
<tr>
<td>Developing talent</td>
<td>61</td>
<td>29</td>
<td>9</td>
</tr>
<tr>
<td>Fundraising to support activities</td>
<td>22</td>
<td>39</td>
<td>39</td>
</tr>
<tr>
<td>Developing clubs</td>
<td>46</td>
<td>37</td>
<td>17</td>
</tr>
<tr>
<td>Staging competitions</td>
<td>64</td>
<td>25</td>
<td>11</td>
</tr>
<tr>
<td>Pool operators and local authorities</td>
<td>28</td>
<td>39</td>
<td>33</td>
</tr>
</tbody>
</table>
for greater information and communication about the work of the ASA. There is familiarity with the work that directly impacts on members, such as child safeguarding and competitions, but there are a number of aspects that are less well known that are important to the objectives of the ASA, such as work with pool providers. Increasing awareness of all of the activities of the ASA seems important to ensure that members understand the activities their membership supports. In addition, this lack of knowledge of the work of the ASA makes it difficult for members to assess satisfaction with their membership as they lack expectations that can be used for comparison.

**Satisfaction with membership**

Respondents were asked to indicate their overall level of satisfaction with their membership. Table 5.2 shows that only 40 per cent of members were satisfied with their membership, although only 19 per cent were dissatisfied. Interestingly, a significant percentage of members rated themselves as neutral in terms of satisfaction, a finding that was replicated when asking in more detail about specific services.

There are a number of possible reasons for these findings. First, members may not know what to expect of their membership and therefore have not considered in any detail whether they are satisfied or not. Once again, this suggests a need to create member expectations so that they have a comparison for assessing satisfaction with the service. Second, it is possible that many members do not consider their membership to be with the ASA, but with their club. Therefore, they have no strong feelings about their ASA membership and thus are neither satisfied nor dissatisfied. Finally, as Table 5.1 suggests, the work of the ASA is not particularly well known or understood and therefore some respondents may have been cautious about assessing satisfaction in light of a perception of limited knowledge.

**Discussion and recommendations**

This research indicates that a significant number of members are neutral about their satisfaction with the ASA services, opportunities and their membership. When this is considered alongside the number of respondents who did not know about aspects of the ASA, it is clear that there is a need to create expectations, which provides an opportunity for the organization to actively manage them. Converting the ‘neutrals’ and ‘don’t knows’ to ‘satisfied’ appears a more worthwhile strategy than trying to make those who are dissatisfied more satisfied.

<table>
<thead>
<tr>
<th>Level of satisfaction</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very dissatisfied</td>
<td>4</td>
</tr>
<tr>
<td>Dissatisfied</td>
<td>15</td>
</tr>
<tr>
<td>Neutral</td>
<td>37</td>
</tr>
<tr>
<td>Satisfied</td>
<td>33</td>
</tr>
<tr>
<td>Very satisfied</td>
<td>7</td>
</tr>
<tr>
<td>Don’t know</td>
<td>3</td>
</tr>
</tbody>
</table>

N = 1142
In line with this, the main recommendation that emerges from the above results is a need for much greater communication, information and education about the work of the ASA, particularly its activities with external stakeholders. This will raise awareness of what the organization does and allow members to create expectations that can be used to assess satisfaction. Most importantly, this will create expectations that reflect the reality of the current operating context of the organization.

Conclusion

This chapter has argued that managers need to take a proactive approach to the management of customer expectations of sport organizations. Although *a posteriori* measures of service quality are common, managers should seek to influence customer expectations of service quality prior to service experience. This will facilitate the formation of realistic customer expectations of the level of service quality to be offered by the organization.

The model discussed in this chapter proposed a number of ways in which managers can seek to influence expectations prior to experience. Quality management activities form an important part of this process; however, consultation needs to become educational so that service issues can be debated and resolved to the satisfaction of both customers and the organization. In addition, although no doubt already considered by many managers, more attention should be paid to creating and/or maintaining a good image of the organization. The interventions proposed will lead to levels of service that are appropriate for both the customer and the organization.

References


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