# Service Quality Perceptions of Students at a South African University

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#### Abstract

Universities all over the world are realigning themselves with service quality and customer orientated practices. To increase student intake universities are now using their excellence in service quality as a competitive advantage to increase their share of local and international student segments. To improve service quality within a university and create a competitive advantage universities have to be more market driven. Universities have to tailor their service offerings to cater to student needs. Understanding student needs is not easy. Understanding specifically student perceptions of a university's' service quality is also very complex. The complexity lies in students having very different insights into how they view a service offering within a university. Therefore, the importance of quality surveys being conducted on students is very crucial. These surveys can shed more light on what makes students dissatisfied with a university's service offerings. Secondly, these surveys can indicate student service quality gaps in tangibles, reliability, responsiveness, assurance or empathy in student encounters with the service delivery process. This study was conducted at a top-ranking South African university and investigated students' perceptions of service quality. The results of the empirical survey indicated that students were dissatisfied with the university's' service offerings. In this paper the researcher comments on quality gaps that students identified in the service delivery process. Recommendations to close these quality gaps and improve service quality within the university are also outlined and highlighted.

Keywords: Servqual, Gaps, students, service quality, customer satisfaction

#### 1. Introduction

The marketing department within any organization should at all times keep abreast of the customer's perceptions of service quality. This is especially important as poor service quality places a firm at a competitive disadvantage and results in driving away dissatisfied customers that once formed part of the firm's market segment and contributed to its overall market share within that industry. The idea, therefore, is to develop marketing programmes around the concept of quality within a firm's service offerings. Universities in South Africa can also adopt similar approaches. Attempts to improve the quality of service can be achieved within a university structure if staff is motivated, educated and trained to deliver quality services. Quality improvements by means of customer care initiatives can also be introduced within universities'. For a South African university to market itself, it first needs to tap into issues of service quality and how they impact on its students' levels of customer satisfaction.

## 2. Problem Investigated

Measuring service quality within tertiary institutions is an indicator of whether students are satisfied or dissatisfied with the services offered.

## 3. Research Objectives

For this study on student perceptions on service quality at the top-ranking South African university the following research objectives were put forward:

- To conceptualize marketing issues associated with service quality.
- To comment on the model/s of service quality that has been applied to tertiary institutions.
- To identify student perceptions of service quality between the different age group categories of students
- To identify student expectations of service quality between the different age group categories of students

- To identify student quality gap scores in the university's service delivery.
- To analyse the results of an empirical survey undertaken amongst students at the university and to report thereon.

## 4. Marketing Issues Associated with Service Quality

In the literature discussion that enfolds below the researcher discusses the various marketing issues associated with service quality. Baron and Harris (1995: 167) argue that issues of service quality and customer satisfaction lie at the heart of service marketing and management and that both are seen as desirable outputs of any service strategy. Best (2005: 209) adds that if one were to look at dimensions of product quality, this should include customers' expectations with respect to conformance, reliability, performance and durability. According to Naidoo¹ (2011:4), quality dimensions within a tertiary institution refer to quality in terms of well skilled academic staff; programme offerings and their value and relevance to the labour market; good facilities, equipment, lecture and recreational venues; good administration staff who are efficient in administration and dealing with student affairs; safety of the students on campus; increased research output; scholarships and funding facilities available to students at the campus; the ranking of the university within the country; the global recognition of the university and the university's commitment to international student enrolments.

According to Zeithaml, Bitnern and Gremler (2009: 104), customer satisfaction can be viewed as contentment, pleasure or ambivalence depending on the particular context or type of service. Zeithaml et al (2009: 105) go on to state that customer satisfaction is influenced by specific product or service features, perceptions of product and service quality, and price. This view implies that perceptions of service quality have a direct bearing on the end result, which is customer satisfaction.

Kasper, van Heldsdingen, and Gabbot (2006: 182-182) comment that quality refers to some attribute of what is offered, provided and produced, whereas satisfaction or dissatisfaction refers to a customer's reaction to that offer. In this sense they are separate; quality is something that an organization is responsible for, whereas satisfaction is in the customer's domain. However, these two concepts are clearly related in that one might use customer response (satisfaction or dissatisfaction) as a means of assessing whether quality has been delivered.

One market consideration is planning and creating service products. According to Lovelock and Wirtz (2011: 105), when designing a service concept, service marketers must take a holistic view and include the core product, supplementary services, delivery processes, and document the delivery sequence over time. In the case of the South African university in this study, the core service is teaching by academics as well as the support services that include registration of students, library services, residence services, and providing security on campus. Academics and support staff deliver their respective services to students.

Another crucial marketing consideration with regards to quality is the issue of branding. According to Lovelock and Wirtz (2011: 117), providers of intangible services also offer a menu of products, representing an assembly of carefully prescribed value added supplementary services built around the core product. Bruhn and Georgi (2006: 275), posit that brands are important assets of a firm and are the source of competitive advantage and firm value. Brands drive customer behaviour in many purchasing decisions, as the customer decides on the best brand. An organizational brand image whose core foundation is quality service delivery would be a winning formula in the service industry. A branding strategy uses the name and logo of the organization, colour, design and a phrase to distinguish itself from other service organizations.

Naidoo (2011: 528) argues that the South African university on which the study was based has a brand that is synonymous with quality education, skilled academics and state-of-the-art resources, systems and technologies that form the core of delivering quality education to its students. Best (2005:210) indicates that the appearance of the product and its reputation can also serve as a source of product differentiation. This university's diverse range of degrees, diplomas, and certificate courses and its high research output, coupled with strong community outreach programmes have indeed set it apart from other tertiary institutions (University of KwaZulu-Natal (UKZN²), 2007: 24). Best (2005: 212) further argues that brand differentiation provides a way to position a business' products relative to competitors and to create incremental benefits and value.

Brand equity is another important consideration. According to Aaker (2001: 15), brand equity is defined as a set of brand assets and liabilities linked to a brand name and symbols that add to, or subtract from the value provided by a

<sup>&</sup>lt;sup>1</sup> Naidoo, V. (2011). Service quality a defining characteristic in service delivery –the case of the University of KwaZulu-Natal. SAIMS Conference, Durban, SA, 11-14 September 2011.

<sup>&</sup>lt;sup>2</sup> UKZN. (2007). Annual Report. Durban: UKZN.(unpublished source)

product or service. Bhattacharjee (2010: 301) notes that Aaker, one of the leading authorities on brand equity, observes that a service organization's brand equity has the following crucial variables: brand awareness, brand association, customer loyalty, perceived quality, and proprietary assets.

According to Naidoo<sup>3</sup> (2013: 49) if a university is to promote brand equity, the management and public relations office of that university has to develop marketing programs that can build a strong, positive and inspiring consumer association and experience. Kerin, Hartley, Berkowitz and Rudelius (2006: 301) identify four steps that can be taken to create brand equity within an organization. The first step is to develop positive brand awareness and association of the brand in the consumers' minds with a product class. In other words, there is a need to give the brand an identity. In step two, the marketer must establish a brand meaning in the minds of consumers. Meanings arise from what a brand stands for and can have two dimensions, viz., a functional performance, related dimension, and an abstract, imagery-related dimension. The third step is to elicit the desired consumer responses to a brand identity and meaning. Here attention is placed on how consumers think and feel about a brand. Thinking focuses on a brand's perceived quality, credibility and superiority relative to other brands. Feeling relates to the consumer's emotional reaction to the brand. The final and most difficult step is to create consumer brand resonance evident in an intense, active, and loyal relationship between consumers and the brand. A deep psychological bond characterizes consumer brand resonance and the personal identification consumers have with the brand. In 2010, the university's corporate relations division indicated that the university's brand required reinforcement from both an internal and corporate perspective, (UKZN4, 2010: 70-71). This recommendation was made after the division conducted a survey among the university's various stakeholders to ascertain their perceptions and views of the university.

Another important consideration that goes hand in hand with branding and positive brand promotion is the advertising and public relations function. All these services are managed by the corporate relations division of the university. When launching new technologies, or research and when hosting conferences and other prestigious events, the university uses television, radio, magazines, newspapers, and the internet to promote its five campuses locally and abroad. The development and distribution of brochures to school learners at open day events are also used to help promote the university, its brand and positive image in KwaZulu-Natal (UKZN, 2010: 70-72). Kasper et al (2006: 410) emphasize that communication about services will impact on the perceived quality of the service among customers. Communication affects the various dimensions of service quality as well as the overall service quality. An organization must therefore learn to communicate the service offering to customers in its marketing programmes in the right manner.

Kasper et al (2006: 410) argue that a promotion strategy has a direct impact on service quality. They observe that in the SERVQUAL Model, customers' expectations are strongly affected by four factors: word of mouth communication, personal needs, past experiences, and external communications. When developing promotional programmes to promote the services of the organization, it is important that particular attention be paid to these four areas, as they have a direct impact on customer perceptions, which in turn, directly affect the overall service quality aspect of the service.

According to Naidoo (2013: 50), the university uses its Corporate Relations Division extensively to communicate its service offerings. Since public relations forms part of this division, this study also examines public relations. According to Payne (1993: 159), public relations is concerned with a number of marketing tasks that include building or maintaining image, supporting other communication activities, handling problems and issues, reinforcing positioning, influencing specific publics, and assisting with the launch of new services.

Payne (1993: 160) identifies a wide range of tools that can be used in the design of a public relations programme. These include press releases, annual reports, brochures, posters, articles, employee reports, press conferences, seminars, speeches, and conferences. Another useful tool used by public relations is investor relations. This aims to gain the support of investors and analysts. Stories which increase media coverage, exhibitions and displays and sponsorship of charitable causes and community projects are further tools that can be used in a public relations programme.

The university on which the study was based on can use all the above tools in the design of its public relations programme. Shanker (2010: 578) argues that promotion of education services relies more heavily on publicity than any other element. It is important that the marketers of tertiary education services identify the correct segment for their service offerings. A university needs to accumulate significant data on student expectations of the university. Research surveys can be carried out to identify the consumer behaviour of the student market segments. Pricing and how it would affect the quality of the service offerings can also be identified.

According to Bruhn and Georgi (2006: 193), price can play the role of a quality indicator. For the customer, price is

<sup>&</sup>lt;sup>3</sup> Naidoo, V. (2013). Investigating service quality perceptions in tertiary institutions: a case of University of KwaZulu-Natal. PhD Thesis, Unpublished. Durban: South Africa.

<sup>&</sup>lt;sup>4</sup> UKZN. (2010).UKZN- Annual Report-2010. Durban: UKZN.(unpublished source)

a signal of the quality level of the service. A high price signals a high quality level, while a low price signals a low quality level. Due to their intangibility and heterogeneity, services are more difficult to evaluate than many tangible products, and therefore customers look for quality indicators such as price, to estimate the quality level of a service. In the case of this university under study, the manner in which a student perceives value for fees paid is often subjective. Lovelock and Wirtz (2011: 163) suggest that value is subjective and that not all customers have the expertise to assess the quality and value they receive. Therefore, to manage the perception of value, effective communication and even personal explanations are needed to help customers understand the value they receive.

It is important to note that customers do compare prices; therefore the customer's needs should always be taken into account when pricing the service. Bennett et al (2003: 278) indicate that one of the difficulties with customer perceptions as to what represents good value is that customers are all different. Therefore, setting a price for a service product that will be perceived by customers as good value for money, requires considerable market research to determine the price range for a particular service that the target segment of customers considers to be good value.

According Kurtz and Clow (1998: 275), distribution involves the availability and accessibility of a service to consumers. From a customer's viewpoint, availability means the service is available to the consumer when the need arises. Accessibility means that it is relatively easy for the consumer to conduct a transaction with the service vendor. The SERVQUAL Model identifies the availability of the service and accessibility as strong quality indicators that affect customer expectations. The use of internet technologies, can also help improve the availability and accessibility of the service, especially in the case of tertiary education.

#### 5. Methodology

A quality survey was conducted on students at a top-ranking South African university. The overall student population at the university was 40000. According to Cavana, Delahaye and Sekaran (2002:278), for a student population of 40000 the sample size should be 380 student respondents. The sample size was calculated using Krejcie and Morgan (1970) tables on the sample size for a given population. The students were randomly chosen to take part in the survey and convenience sampling technique was applied in the study. A response rate of 100% was achieved.

A structured questionnaire was administered to a sample of 380 students at all five campuses of the university that was surveyed in this study.

The questionnaire was adapted from the SERVQUAL instrument developed by Parasuraman, Zeithaml and Berry (1985). Soutars and McNeil (1996: 75) indicate that there is merit in evaluating the performance of tertiary education institutions with a service marketing instrument such as the SERVQUAL Model. Hittman (1993: 77- 80) further suggests that the use of the SERVQUAL Model would seem rational as it not only evaluates the teaching component of a tertiary institution, but includes aspects of the total service environment experienced by the student. The researcher used the SERVQUAL Model for this study since this model encompassed the total service environment experienced by students and not just the teaching component.

The questionnaire was designed using closed-ended questions. A five-point LIKERT scale was used in the design of the questionnaire.

A major limitation of the study was that due to the use of the convenience sampling technique by the researcher the results of the study cannot be generalized to other universities. However, the results provided crucial information relevant to this university's marketing executive management and its staff, as it brought to light the university's quality gaps that were identified by students in the study.

The study used the Cronbach's Co-efficient Alpha to measure reliability. According to Litwin (1995: 31), a reliability coefficient of less than 0.5 is considered unacceptable. If the measure falls between 0.5-0.6, it is regarded as significant, and if it is above 0.7, it is regarded as good, and above .9, is regarded as excellent. The Cronbach's Alpha for overall student perceptions was 0.974, representing an excellent level of internal reliability of the measuring instrument.

Both descriptive and inferential statistics were used in the study. Table I, in the findings section below, indicates the different age groups of students at the South African university's five campuses. Tables 2 and 3 present the perceptions and expectations of students of different age groups at the South African university. Table 4 indicates the students' quality gaps scores for tangibles, responsiveness, assurance, reliability and empathy.

#### 6. Findings of the Empirical Study and Discussion

## 6.1 Descriptive statistics

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The age groups of the student respondents are shown in Table1 below.

**Table 1:** Age of student respondents

Age	Count	%
< 20	126	33.2%
21-30	237	62.4%
31-40	15	3.9%
41-50	2	.5%
>50	0	.0%
Total	380	100%

(Naidoo, 2013:296)

Table 1 indicates that most of the student respondents (62.4%) were between the ages of 21 and 30 years. This was followed by 33.2% who were 20 years or younger; and 3.9% between the ages of 31 and 40; the remaining 0.5% were in the 41-50 years age category.

The majority of the student respondents (95.6%) were between the ages of < 20 to 30 years. The remaining 4.4% of student respondents were between the ages of 31 to 50 years.

#### 6.2 Inferential statistics

## 6.2.1 Perceptions and expectations of service quality dimensions by age

## 6.2.1.1 Hypothesis 1: There is a statistically significant difference in student perceptions of quality between the different age group categories of students

**Table 2:** Kruskal-Wallis Test – Perceptions of service quality dimensions by age

	Chi-square	df	р
Tangibles Perception	3.475	3	0.324
Reliability Perception	11.412	3	0.010*
Responsiveness Perception	7.969	3	0.047
Empathy Perception	3.986	3	0.263
Assurance Perception	4.791	3	0.188
Overall Perception	7.008	3	0.072

<sup>\*</sup>significant at 95% level (Naidoo, 2013:148)

There is a statistically significant difference in the perceptions of the reliability dimension between the age groups representing the student sample (p < 0.05). Although all the age groups in the student sample perceived the university to be reliable, the strongest perceptions were recorded by the 31-40 year age group, followed by the 21-30 year age group. The students in these age categories possibly have strong perceptions related to the university honouring the service promise made to them. These students have been on the campus far longer than first-year students; therefore they understand the procedures in place and they know how the university operates.

There is a statistically significant difference in the perceptions of the responsiveness dimension between the age groups representing the student sample (p < 0.05). Although all the age groups in the student sample perceived the University to be responsive, the strongest perceptions were recorded by the 31-40 year age group followed by the 21-30 year age group. These students possibly have the strongest perceptions that the university assists them in providing prompt services as they have developed a relationship with the university contact staff over the years and know what timeous services they provide.

There is no statistically significant difference in the perception of the other service quality dimensions between the

age groups representing the student sample.

# 6.2.1.2 Hypothesis 2: There is a statistically significant difference in student expectations of quality between the different age group categories of students

**Table 3:** Kruskal-Wallis Test - Expectations of service quality dimensions by age

	Chi-square	df	р
Tangibles Expectation	10.254	3	0.017*
Reliability Expectation	4.585	3	0.205
Responsiveness Expectation	7.105	3	0.069
Empathy Expectation	5.832	3	0.120
Assurance Expectation	10.309	3	0.016*
Overall Expectation	7.653	3	0.054

<sup>\*</sup>significant at 95% level (Naidoo, 2013:156)

There is a statistically significant difference in the expectations of the tangible dimension between the age groups representing the student sample (p < 0.05). Although all the age groups in the student sample expected the university to have high quality tangibles, the strongest expectations were recorded by the 31-40 years age group, followed by the 21-30 years age group.

These students have been at the university for a long time and possibly have strong expectations that the university's buildings, furniture and equipment should be well maintained over the years and made more visually appealing.

There is a statistically significant difference in the expectations of the assurance dimension between the age groups representing the student sample (p < 0.05). Although all the age groups in the student sample expected the university to have proper assurance, the strongest expectations were recorded by the 31-40 years age group, followed by the 21-30 years age group. These students had been at the university for a long time and possibly have strong expectations that the University contact staff should have had the necessary knowledge and courtesy when providing them with services. These students also expected contact staff to provide high levels of trust and confidence in their service encounters.

There is no statistically significant difference in the expectation of the other service quality dimensions amongst the age groups representing the student sample.

#### 6.2.2 GAP scores for students

Table 4, below indicates the Gap scores for student respondents.

**Table 4:** The Gap scores for students respondents

Student respondent	Gap Scores		
Tangibles GAP score (P-E)	-0.7881		
Reliability GAP score (P-E)	-1.1368		
Responsiveness GAP score (P-E)	-1.2493		
Empathy GAP score (P-E)	-1.0342		
Assurance GAP score (P-E)	-0.8498		
Overall GAP score (P-E)	-1.0117		

The Gap scores for student respondents are indicative of the difference between their respective perceptions and expectations of the university's service quality in respect of tangibles, reliability, responsiveness, empathy and assurance.

Table 4, illustrates that the Gap scores for the student respondents are all negative. This indicates that the student respondents' expectations far exceeded their perceptions. Therefore students were very dissatisfied with the quality of services provided by this top- ranking South African university.

The highest Gap score rated by students was responsiveness (-1.2493), followed by reliability (-1.1368), empathy (-1.0342), assurance (-0.8498), and tangibles (-0.7881).

## 7. A Way Forward in Closing the Quality Gaps

The short- and medium-term recommendations for this top- ranking South African university are to close the largest quality gap for students, which was responsiveness. It is recommended that:

- Management should implement standardized procedures to maximise responsiveness to service situations that may occur reasonably regularly.
- Management must insist that academic and support staffs are trained well, so that they can respond when necessary.
- Management should develop procedure manuals to help staff respond to customer questions, complaints and requests.
- Contact staff must at all times ensure that students do not have to wait too long for assistance or to receive the service.
- Where possible the marketing management team at the university should individualize or customizing the service as much as possible.
- Management's marketing and public relations division must have knowledge of how the service process and outcomes are viewed by the students, (Naidoo:215)

The long-term orientated recommendations for this top-ranking South African university are to develop strategies and related policies that tie in with the marketing issues associated with service quality. The following recommendations are made:

Staff must be motivated, educated and trained to deliver quality services:

- Embark on quality improvements by means of customer care initiatives.
- Develop superior branding for this South African university.
- This university brand should be synonymous with quality education, skilled academics and state-of-the art resources, systems and technologies that are at the core of delivering quality education to students.
- Develop a sound advertising and public relations strategy for this South African university.

To enhance the South African university's corporate relations division:

- Publications including press releases, annual reports, brochures, posters, articles and employee reports should be released by the university on a regular basis.
- Events at the university, including press conferences, seminars, speeches, conferences, exhibitions, sponsorship of charitable causes, community projects that attract investors and overseas grant sponsorships should be covered in print, TV and radio media.
- Develop and distribute brochures on the university to school learners and hold open day events to promote the university, its brand and positive image in the community of KwaZulu-Natal.

#### 8. Conduct Continuous, Relevant and Current Market Research on Various Aspects of Service Quality

Conduct staff surveys or student surveys (this could overlap with the staff customer relationship management (CRM) system).

## 9. Conduct Market Segmentation

Conduct market segmentation to ascertain the variables that affect segments of the student population. Affordability of a degree (price) and the availability of student residences and easily accessible campuses (distribution) are important considerations that impact on the different segments of the student population.

#### 10. Concluding Remarks

This study investigated students' perceptions of service quality at a South African university. The study adapted the SERVQUAL and Gaps model to the tertiary education service sector. This model enabled the researcher to measure student perceptions and expectations of the various quality variables/dimensions of this top-ranking South African university's services. Quality Gaps that arose from the empirical study involving students were identified and discussed. Based on the results obtained in line with this study's research objectives and key hypotheses, it was shown that students were very dissatisfied with the quality of services provided by the university. The study's results can be used by the university's management to formulate marketing strategies for each service offering made to students at the university.

Management can harness this information to improve the quality of services offered to students by closing the quality gaps that exist in the service offerings. At the end of the day the students are the lifeblood of the university. Management, academics and support staff are there to cater to the students. The way the students view a university's service quality can be the catalyst for increasing student enrolment or ensuring students continuity within the university.

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