

Relationship Between Customer Service and Students' Enrollment Into Private Universities

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Abstract

Students' enrollment into private universities is becoming highly competitive, thereby forcing universities to develop strategies that will not only retain current students but also prospective students' enrollment decision. This study examined the relationship between customer service and student enrollment in a leading Nigerian private university, as well as the readiness of the already enrolled students to make recommendations about the private university to others. A survey of 125 undergraduate students of American University of Nigeria (AUN), Yola was conducted in order to find out the dimensions that are considered important by students in their enrolment decision, and the relationship between the services offered by the university and enrollment decision. Pearson's correlation analysis was used to test the relationship between customer service and students' enrolment as hypothesized in the study. It was found that faculty expertise, friendly attitude by faculty and staff, convenience, accessibility and environment are the favourable dimensions regarded by students as constituting good customer service that influence enrolment into private universities. Overall, the study found a significant positive relationship between customer service and students' enrolment decision. The study showed that customer relation has great impact on the enrolment of students into private universities in Nigeria as well as making favourable word-of-mouth recommendations to future enrollees. The study recommends that private universities should incorporate a greater customer care orientation into their strategic planning and frequently revise working relations tools to determine their effectiveness in order to have a competitive advantage and gain a big market share of the higher education industry.

Keywords: Customer service; enrollment; students; private university; Nigeria

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1.0 INTRODUCTION

Students' decision making process has assumed importance in research in higher education. In the pursuit of higher education, students are faced with decisions regarding course of study and type of institution to enroll, either public or private. According to Samsinar *et al.* (2003), students attach weights to service offerings by institutions of higher learning before making enrolment decisions.

In previous studies by Brown (1991) and Plank and Chigouris (1998), it was reported that the choice of universities depends on factors such as academic programmes offered, leadership opportunities in the universities, perceived job prospects after graduation, financial aid, value for money, quality of education, recreational facilities, educational facilities and faculty members.

However, from a service marketing perspective, consumers, through an interactive process, will experience or receive a bundle of benefits that influence their choice decisions (Hoffman and Bateson, 2003). In this context, universities to develop customer services that will not only retain current students but also attract prospective students' enrollment. If higher educational institutions are able to know the process of the student choice of institutions and subsequent enrolment, they would be able to properly target them with appropriate services that may exceed their expectations. This will result to favourable word-of-mouth referrals by current students as customers. Against this background, this study sought to identify those factors regarded as important dimensions of customer service by students of a leading private university in Nigeria and correlation with students' enrollment.

2.0 CUSTOMER SERVICE IN HIGHER EDUCATION

Assessing the relationship between customer service and students' enrollment requires understanding what customer service entails and its dimension, albeit within the context of private higher education institutions (Al-Fattal, 2010). According to Turban *et al.* (2002), customer service involves those organizational activities that are designed, created and offered, aimed at customer satisfaction, that is a feeling that a service meets or even exceeds customers' expectations (Rasli *et al.*, 2011; Ibrahim and Rasli, 2013). Customer service is an important

corporate phenomenon, such that many higher education institutions have established departments dedicated to students' services aimed at influencing enrolment and retention.

However, providing customer service aimed at satisfaction involves more than establishing a department or a handful of personnel entrusted with persuasive communication. According to Boyd (2012), students are often attracted to those higher education institutions that meet their customer service needs, implying that there are dimensions which define their expectations as customers. Customer service dimensions vary from industry-to-industry and the nature of services offered (Bejou, 2005). But as explained by Kotler and Keller (2009), those attributes considered by customer as influencing their choice decisions about a given service constitute the customer service dimensions.

Within the context of higher education institutions, customer service dimensions may vary based on students' perceptions (Ewers, 2010). Previous studies have identified several dimensions underlying customer service in private higher education institutions (PHEIs): convenience, cost, location, environment, attitude, faculty expertise, duration, future employability, academic integrity and teaching quality (Ween and Thinavanan, 2013; Coccari and Javalgi, 1995; Atarah and Peparah, 2014). However, the previous studies failed to rank the aforementioned dimensions in order of importance towards influencing enrollment decisions. The present study was able to demonstrate this importance by ranking five top-most dimensions of customer service from the perspectives of students as customers.

Over the years, private universities (PUs) in Nigeria have witnessed tremendous growth in enrollment. For instance, enrollment into American University of Nigeria (AUN) has been phenomenal. Specifically, students' enrollment has grown from 500 in 2005 to more than 6000 in 2013 (AUN Bulletin, 2013). Could this phenomenal increase be attributed to services offered by the institutions to both current and prospective students, meaning is there any correlation between the services offered by the institution and the rise in enrollment? How do students, as customers, rank the service dimensions of the institution?

2.1 Study Objectives

The main objective of this study was to investigate the relationship between customer service and students' enrolment in private universities. Students from a leading Nigerian private university were the targeted respondents. In addition, the students' ranking of customer service dimensions in order of importance was investigated.

This study was guided by two research questions in order to achieve the above objectives:

1. How do students, as customers, rank the dimensions of customer service in private universities?
2. Are there any significant relationship between customer service and students' enrollment into private universities?

Similarly, a null hypothesis was stated aimed at attaining the major objective of this study, thus:

Ho: *There are no significant relationships between customer and students' enrollment into private universities in Nigeria.*

3.0 METHODOLOGY

3.1 Sampling, Data and Instrumentation

The sampling frame for this study was the undergraduate students of American University of Nigeria from all the three schools: SAS, SBE and SITC. Data for this study was collected from a stratified sample of 125 students on a disproportionate basis. An instrument, code-named customer service questionnaire (CUSERQ) was developed to collect quantitative data for this study. The instrument was subjected to content and face validation by 2 professors of service marketing and vice-president of marketing and enrollment services, who found it to be adequate. The instrument contained 30 items that measured the five ranked dimensions of customer service as independent variables and students' enrollment decisions as dependent variables. A 5-point Likert-type scale, ranging from 1 (Least important) to 5 (Highly important) was adopted. A mean ranking of the dimensions by the students was carried out prior to development and administration of CUSERQ (refer to Table 2).

3.2 Administration of the Instrument

The CUSERQ was self-administered during various class sessions involving the sampled respondents. The in-class strategy of administering the instrument was adopted because of its potentials for returning high response rate (Nulty, 2008; Shah *et al.* 2013). In explaining the merit of in-class strategy, James *et al.* (2005:4) posit that in-class survey administration was associated with high response rate because "professors designate their instructional time to a captive audience in a quiet and distraction-free environment". Thus, in this study, course lecturers assisted by dedicating 30 minutes of their class time for the respondents to fill-in the questionnaire, which ensured a 100% response rate.

3.3 Methods of Analysis

To achieve the main objectives of this study, data was descriptively and inferentially analysed using SPSS, version software. Mean ranking of the customer service dimension was undertaken, while Individual and overall dimensional means were computed for the independent and dependent variables accordingly. Pearson's correlation analysis was used to test the relationship between customer service and students' enrolment as hypothesized in the study.

■4.0 RESULTS AND DISCUSSION

4.1 Demographic Characteristics

Majority of the respondents (65%) were Nigerian citizens, and 52.5% were males, while 80% of the respondents were less than 25 years old. Also majority of the respondents (61.6%) were *seniors* and 55% of the respondents were from School of Business and Entrepreneurship (SBE) as shown in Table 1.

Table 1 Profile of respondents

| Demography | Frequency (n = 125) | Percentage |
|---------------------|---------------------|------------|
| Nationality | | |
| Nigerian | 81 | 64.8 |
| Non-Nigerian | 44 | 35.2 |
| Gender | | |
| Males | 66 | 52.8 |
| Females | 59 | 47.2 |
| Age | | |
| 16 to 20 Years | 38 | 30.4 |
| 21 to 25 Years | 62 | 49.6 |
| More than 25 Years | 25 | 20 |
| Category of student | | |
| Freshman | 23 | 18.4 |
| Sophomore | 25 | 20 |
| Senior | 77 | 61.6 |
| School | | |
| SAS | 20 | 16 |
| SBE | 70 | 56 |
| SITC | 35 | 28 |

4.2 Mean Ranking and Correlation

A comparison of means for each dimension of customer service was performed to analyse the order of importance attached to each dimension by the respondents as influencing their enrollment decisions. It was found out that expertise demonstrated by faculty accounted for the most important factor influencing students' enrollment decisions and retention, while environment was the least considered factor, as shown in Table 2.

Table 2 Mean ranking of customer service dimensions

| Dimension | Mean Value | Rank |
|-------------------|------------|-----------------|
| Expertise | 4.75 | 1 st |
| Friendly attitude | 4.53 | 2 nd |
| Convenience | 4.33 | 3 rd |
| Accessibility | 4.18 | 4 th |
| Environment | 4.15 | 5 th |

Pearson's correlation analysis was performed to test the null hypothesis (H_0) which states that, *there is no significant relationship between customer service and students enrollment in private universities*. The analysis revealed a significant positive correlation [$r = 0.78$, $p < 0.005$, $n = 125$]. The null hypothesis was rejected, meaning that strong relationship exist between customer service and students' enrollment into private universities. This implies that the ranked dimensions have significant influence in university choice decisions by students.

■5.0 IMPLICATIONS OF THE STUDY

This study has demonstrated that enrollment into private universities is an important decision by students and it does not just occur by chance. It is often influenced by service factors that provide customer satisfaction. Overall, students want to have good value for their investments in higher education (Wee and Thinavan, 2013). With many institutions competing for students, those that fail to fulfil the expectations of students stands the risk of being rejected. In this regard, Alridge and Rowley (2001), posit that inability of most higher education institutions to meet up with expectations of students is the major reason for withdrawal even after enrolling. Thus, it is imperative for private universities to find out the expectations of students in order to design services that can significantly influence future enrollment and retention of current students.

Most of the previous studies failed to rank the customer service dimensions in order of importance towards influencing enrollment decisions. This study was able to demonstrate the importance by ranking five top-most dimensions of customer service from the

perspectives of students as customers: *Expertise, friendly attitude, convenience, accessibility and environment*. Overall, it is recommended that private universities should incorporate a greater customer care orientation into their strategic planning. In addition, they need to be frequently revising their customer relations tools to determine their effectiveness in order to have a competitive advantage and gain a big market share of the higher education industry.

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