

The Effect of Service Quality on Customer Satisfaction (EMU)

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ABSTRACT

This thesis is an evaluation of the effect of service quality on customer satisfaction with a specific focus on Eastern Mediterranean university of North Cyprus. This study examined the academic such as the teaching system, course curriculum and non-academic factors such as Accounts office, Registrar s office, Transportation system and lastly the Library system, these factors were examined in order to find out if they had an effect on the student s satisfaction.

The methodology used in the study is the Descriptive research. The questionnaire that was administered in the field survey was the abbreviated version of.

The results of the analysis showed that: the respondents s response according to the program level had enough evidence that students believed that the university management was not giving enough attention on prompt/dealing with the students s complaints this affects the students s satisfaction because they are not helped to their expectations and their complaints are not given attention.: the results also showed that there is a positive relationship between service quality and customer satisfaction.

The recommendations made in the study are that university: must carry out training and seminars for the staff in order to improve on promptly dealing with complaints with the help of the seminars the staff will be able to give good and enough information on the students s complaints and install confidence: should also continue improving the academic and non-academic factors because they have a positive relationship with the students s satisfaction.

Keywords: Student Satisfaction , Service Quality, Eastern Mediterenean University

ÖZ

Çalışmamızın amacı hizmet kalitesi anlayışının öğrenci memnuniyeti üzerine etkisini Doğu Akdeniz Üniversitesine yoğunlaşarak değerlendirmektir. Çalışma öğrenci memnuniyetini etkileyebilecek etmenleri akademik ve akademik olmayan başlık altında incelemiştir. Akademik etmenler altında öğretim sistemi, ders içerikleri, akademik-olmayan etmenlerde ise muhasebe ofisi, öğrenci işleri, ulaşım ve kütüphane sistemidir.

Çalışmamızda tanımsal yöntem kullanılarak literatürden faydalınarak hazırlanan anket alanda yüz yüze yöntemle dağıtılıp veriler toplanmıştır.

Analizimizin ana sonuçlarından birisi de üniversite yönetiminin öğrencilerin şikayetlerine zamanında ve etkin bir şekilde yanıt verebilmelerinin öğrencilerin buldukları programın seviyesine göre algılarının farklı olduğudur. Ayrıca öğrenciler, üniversite yönetiminin sorunlarına, yaptıkları şikayetlere yeterli duyarlılığı göstermediği bulgusuna da rastlanmıştır. Araştırmanın sonuçlarından birisi de hizmet kalitesi ile öğrenci memnuniyeti arasında güçlü bir ilişki olduğudur.

Çalışmamız sonucunda elde edilen bulgulara göre önerilerimiz: çalışanların öğrenciye zamanında ve etkin bir şekilde cevap verebilmeleri için sürekli eğitime tabi tutulmalarıdır. Verilecek eğitimlerde, çalışanların öğrencilerin şikayetlerini nasıl çözebilecekleri konusunda özgüven ve yeterli bilgi üzerinde durulmalıdır. Öğrenci memnuniyeti ile akademik ve akademik-olmayan etmenler arasında güçlü bir ilişki olduğundan bu etmenlerin geliştirilmesi çalışmalarına başlanmalıdır.

Anahtar kelimeler: Öğrenci memnuniyeti, hizmet kalitesi, Doğu Akdeniz Üniversitesi

DEDICATION

I dedicate this thesis to my late sister Hanifa Suedi Kagasheki.

ACKNOWLEDGEMENT

First and for most I would like to thank Allah, my parents for the support that they have given me throughout my academic years in the university ad lastly my lecturers who took me throughout my studies.

I give special thanks to my supervisor Assoc. Prof. Dr. Mustafa Tümer and not forgetting Research Assistant Olatunji Olaoke.

Finally, I give thanks to all my family and friends. Thank you for the love and support.

TABLE OF CONTENTS

| | |
|---|------|
| ABSTRACT | iii |
| ÖZ | v |
| DEDICATION | vii |
| ACKNOWLEDGEMENT | viii |
| LIST OF TABLES | xi |
| LIST OF FIGURES | xii |
| 1 INTRODUCTION | 1 |
| 1.1 Background of the study | 1 |
| 1.1.1 Service quality..... | 2 |
| 1.1.2 The need for customer satisfaction | 2 |
| 1.2 Research objectives..... | 3 |
| 1.3 Research questions | 3 |
| 1.4 The structure of the study..... | 3 |
| 1.5 Significance of the study..... | 5 |
| 1.6 Hypothesis statement | 5 |
| 2 LITERATURE REVIEW..... | 6 |
| 2.1 Preface..... | 6 |
| 2.2 Measuring Service Quality and Students' Satisfaction..... | 7 |
| 2.2.1 Measuring Service Quality and Students' Satisfaction..... | 12 |
| 2.2.2 Customer loyalty | 16 |
| 2.2.3 Customer satisfaction | 16 |
| 2.2.4 Value creation | 17 |
| 2.3 Conceptual Framework | 17 |

| | |
|---|----|
| 3 METHODOLOGY | 20 |
| 3.1 Conceptual Design | 20 |
| 3.2 Data Collection..... | 21 |
| 3.3 Proposed Analysis | 22 |
| 3.4 Importance and Limitation | 22 |
| 3.5 Pilot Study | 23 |
| 3.6 Sample Design | 23 |
| 3.7 Research Strategy and Design..... | 23 |
| 4 DATA ANALYSIS, PRESENATION AND INTERPRETATIONS..... | 25 |
| 4.1 Reliability Analysis | 25 |
| 4.2 Hypothesis test | 26 |
| 4.2.1 Testing the Attitude Difference according to Program Level..... | 26 |
| 4.3 Regression Analysis | 31 |
| 5 SUMMARY, CONCLUSION AND RECOMMENDATIONS..... | 34 |
| 5.1 Findings Summary | 34 |
| 5.2 Conclusion | 35 |
| 5.3 Recommendations | 36 |
| REFERENCES | 39 |
| APPENDIX | 45 |

LIST OF TABLES

| | |
|---|----|
| Table 1: Atitude differences according to programe levels..... | 27 |
| Table 2: Questionaire responses o behavioral intetions..... | 30 |
| Table 3: Equation..... | 32 |
| Table 4: Model summary..... | 31 |
| Table 5: Coeffeciet table..... | 33 |

LIST OF FIGURES

| | |
|----------------------------------|----|
| Figure 1: Conceptual model | 19 |
|----------------------------------|----|

Chapter 1

INTRODUCTION

1.1 Background of the study

Purpose of this study is to investigate the levels of students' satisfaction with the services rendered in the education sector of North Cyprus. The education sector is one of the most important sectors in any economy, mostly as industrialized nations are shifting their economic focus from production and manufacturing to service. In addition, economic integration and globalization has also driven educational globalization to its heights. This is evident in the large flow of students from east to west and most parts of Sub-Sahara Africa seeking to have quality education outside their home country. Altbach (2004) argue that over two million students are studying across the globe and this number is expected to increase to over eight million by 2025. Arguably, the US is largest provider of international education globally. In the later part of the twentieth century, most Asian students studied in the US. Students from countries like China, Japan, and Taiwan. Whilst France had most of their international students from the Middle East and North African countries like Iraq, Morocco, and Algeria; Germany had most of her students from Turkey, Iran, and Greece (Mazzarol and Hosie, 1996).

The competitive global economic environment businesses operate in today have given the education sector the needed attention to develop a marketable workforce with the required skill set to drive organizational sustainability and competitiveness.

This sector is responsible for the training and development of specialist that will handle the expectations of stakeholders and increase profitability in organizations. Similarly, there is serious competition amongst organizations within this sector with the services they provide and how best their customers can be satisfied.

1.1.1 Service quality

Service quality and customer satisfaction have been given great attention in literature of marketing (Spreng and Mackoy., 1996). For organizations in today's competitive business environment to stay competitive in business, the quality of service they deliver to their customers must be given great attention because quality service is a key driver of customer satisfaction and organizational sustainability (Shemwell et al. 1998).

However, because of the characteristics of service quality, (inseparability, perishability, and intangibility). It is always difficult to measure it. (Bateson, 1995). Therefore for an organization to develop an efficient marketing strategy, it is important for that organization to evaluate customer response to their service quality. In addition, service quality is driven by the perception and expectation the customer holds (Lewis and Mitchell, 1990). A customer's perception of service quality is driven by the customer's comparison of his/her expectations with the service delivered. If the service received exceeds the customer expectation, such service is considered an excellent service and it will be regarded as a good service if it is at par with the customer's expectation; and the service will be perceived as poor when it is below expectation. (Vazquez et al., 2001)

1.1.2 The need for customer satisfaction

Today's organization have come to terms with the reality that maintaining their current customer base is more cost effective than winning new ones to replace the

old thus the importance of customer satisfaction as a driver of business profitability and sustainability cannot be over emphasized. (McColl-Kennedy and Schneider, 2000). In addition, Gilbert and Veloutsou, (2006) highlighted that an improved service delivery increases customer loyalty which have a direct impact of the organizations revenue.

Furthermore, research has shown that organizations that provide high service quality are leaders in the industries they operate in with regards to their sales revenue and customer loyalty (Anderson and Sullivan, 1993).

1.2 Research objectives

- To determine whether the non-academic factors such as the accounts office system, the bus transportation have an effect on student satisfaction
- To determine whether the academic factors such as teaching system, library and course curriculum have an effect on student satisfaction.

1.3 Research questions

1. Do the non-academic factors such as the accounts office system, registrar s office and transportation system have an effect on the student satisfaction?
2. Do the academic factors such as teaching system, library system and course curriculum has an effect on the student satisfaction

1.4 The structure of the study

This thesis contains five chapters, chapter one to chapter.

Chapter one: “Introduction” This chapter contains a general overview and goes to present the background of the study, research objectives, and significance of the study, researchquestions and the structure of the work.

Chapter two: “Literature Review” This chapter takes a critical review current body and this entails recent body of knowledge on service quality and customer satisfaction, models of service quality and customer satisfaction needs and analysis.

Chapter three: “Research Methodology” The research methodologies includes quantitative and qualitative methods.

Chapter four: “ Results and Analysis” the study discusses the findings of the SPSS analysis with a view of determining what influences the choices of the students and overall satisfaction international students get under the different variables that was reviewed and the perceived quality of education un Northern Cyprus. The study further evaluates comparative performance of education sector in the overall Northern Cyprus economy.

Chapter five: “Conclusion and recommendation for future research” This chapter presents the summary of the study findings discussion, conclusion and recommendation.

The dimension of service quality and customer satisfaction this study seeks to investigate is not limited to the quality of education offered, however we seek to investigate the academic components services and non-academic components in higher institution with regards to students satisfaction in terms of social support after graduation, scholarship, and other determinants.

1.5 Significance of the study

This research study will attempt to examine the effect of service quality on customer satisfaction at Eastern Mediterranean University with the purpose of evaluating the academic and non-academic factors in order to improve their services where necessary. The aim of this research study at the Eastern Mediterranean University is to help the university understand factors that lead to choice of EMU and its overall services by evaluating the students.

The results of this study will contribute to getting effective measures in improving services in the academic and non-academic factors of the university that show less satisfaction from the students, and therefore it will help them in the market of their services for the future students.

1.6 Hypothesis statement

H1: There is significance difference among students from different program level in relations to academic and non-academic factors.

H2: There is positive relationship between the academic and non-academic factors on overall student satisfaction at equal measures.

Chapter 2

LITERATURE REVIEW

2.1 Preface

There is a direct positive relationship between customer satisfaction and profitability in any organization. According to (Griffin, 1995) an organization can have a 25% increase in revenue if that organization put adequate measures to retain their customers. A study carried out in the University of Michigan highlighted that a percentage increase in levels results in a 2.37% return on investment for that organization. (Keiningham and Vera 2001) because customers naturally pay more attention to goods and services from organizations that give them a priority attention and are willing to pay more for their services.

However, the lack of customer satisfaction has a far reaching effect on the organizations' revenue; on the average most United States organizations lose between 15 to 20% of their customers annually to competitors (Griffin, 1995). (Gitomer, 1998) argue that it is more cost effective for an organization to retain existing customers than to scout for new ones. In addition, 91% of retail customers won't return if they receive a poor service from any retail outlet and the effect of this dissatisfaction will can linger for a very long time because the customer will continue to recount the negative effect repeatedly and this experience will be shared with others. (Gitomer, 1998; Reck, 1991). Thus is very important for organizations to satisfy their customers as satisfied customers will increase the organization's profit

margin whilst dissatisfied customers will weaken their growth. (Anderson and Zemke, 1998).

Customers are assets to any organization, thus customer satisfaction should be monitored and managed effectively like every other asset of the organization in order for the business of the organization to prosper and stay competitive, (McColl-Kennedy and Schneider, 2000). This holds for assertion holds for product and service based organizations.

Products and services are the two main dimensions of business organizations. By product, this study is making reference to physical goods that are outputs of business units that are tangible and can be felt, they are developed by organizations and are sold to customers and they include amongst other things mobile phones, wrist watches and computers. (Sureshchander, Ragendran, and Kamakanabhan, 2001). Service on like products are tangible and cannot be touched. Thus the main distinction between a product and service is its intangible nature (ibid). In addition, (Berry, 1980) highlights that service consist of a social interaction between the parties involve; the producer and the consumer. Services are also consumed as they are produced instantaneously (Carman and Langeard, 1980). Some examples are getting your hair done in a saloon, fixing your mobile phone or an airport pick up service upon arrival.

2.2 Measuring Service Quality and Students' Satisfaction

The unique characteristics of service have made its measurement a lot difficult; 'perishability', 'intangibility', 'inseparability', and 'heterogeneity', (Bateson, 1995) the above statement is true because service driven by customer expectations and

perception (Lewis and Mitchell, 1990). A customer's view of service quality depends on his experience of events and expectations. On this premise, (Parasuraman et al 1985) developed a framework to measure service quality. This framework is the first to mathematically evaluate the difference between customer perception and customer expectation, using 22 different items to represent five service quality variables, which are tangibility, reliability, responsiveness, empathy and assurance. This framework, also known as **SERVQUAL** has been extensively used in literature across different cultures, testing a broad spectrum of services. From hospitals to banking, and from business schools to tourism and hospitality (Babakus and Mangold, 1989). Although this **SERVQUAL** framework has come under criticism because of its generalization.

However, for the purpose of this service, the Parasuraman et al (1985) **SERVQUAL** framework shall be adopted to test service quality and customer satisfaction level at the Eastern Mediterranean University, Northern Cyprus. In addition, the dimension to service quality is not limited to the quality of education, but the post student service the institutions offer to their graduate students in terms of post study on the job training to gain first hand industry experience to face and provide solutions to real like business and innovative challenges.

Arguably, the students in any institution are some of the most important stakeholders of that institution. Thus students' satisfaction is paramount for any institution to gain recognition and stay competitive. Therefore they should be seen as the most important customers and assets of any institution. (Gold, 2001). Low (2000) highlighted that institutions rely on students for finances whilst students count on the

institution for the impartation of knowledge and character to prepare them for the challenges of the future.

Furthermore, in the last two decades, different scholars and researchers have researched service quality in the education section looking at different determinants. Anderson (1995) estimated the quality of administration in departments using SERVQUAL. Banwet and Datta (2000) in their research investigated the impact of service quality in library. (Gronroos, 1982) contends that service quality holds two dimensions, the first being the technical dimension relating to the (outcomes) and the second is the functional dimension relating to the (process). (Athiyaman, 1997; Ahmed et al, 2010) he concludes that there is a positive relationship between customer satisfaction and service quality therefore customer satisfaction should be effectively managed with a view of increasing and satisfying the customer. (Spreng and Singh, 1993). Define customer satisfaction as the emotional reaction to a product or service experience. However, Veloutsou et al (2004) contends that what informs a student on his/her choice of university is first the quality of education that institution offers and other incentives. Low (2000) highlighted that when institutions provide quality service for students, it drives students' satisfaction, attraction of potential students and retention and a positive impact of the sustainability of that institution. Therefore the issue of providing quality service should be part of the institution's organizational culture, from the teaching staff, to the staff members in accounts department, registrar's office, library, and dormitories. (Gold, 2001; Low, 2000) argue that it is the responsibility of the entire staff of the institution to make service quality a priority. It is important for the university administration to lay emphasis on quality of service, increase facilities and improve on existing infrastructure with a view of satisfying the students and (Helgensen and Nettet, 2007).

Furthermore, effective communication and receptiveness are the most important factors of students' satisfaction in any university. However, the absence of these key factors leads to dissatisfaction (Douglas, 2008). Similarly, students who are more likely to be satisfied in their universities if they have positive experiences than those who do not have such experiences (DeShieldJr et al., 2005) as earlier highlighted, expectations and experiences are key determinants of service quality and customer satisfaction. Every student is looking forward to certain things in any institution he/she enrolls in and how well these are met affects the students' satisfaction level with the school and perception regarding the school's values (Juillerat and Schreiner, 1996). Service quality and students satisfaction have a positive relationship.

There is a direct positive relationship between customer satisfaction and profitability in any organization. According to (Griffin, 1995) an organization can have a 25% increase in revenue if that organization put adequate measures to retain their customers. A study carried out in the University of Michigan highlighted that a percentage increase in customer satisfaction levels results in a 2.37% return on investment for that organization. (Keiningham and Vera 2001) state that, because customers naturally pay more attention to goods and services from organizations that give them a priority attention and are willing to pay more for their services.

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2.2.1 Measuring Service Quality and Students' Satisfaction

According to Asthiyaman, (1997) service quality is defined as “perceived service quality is the overall evaluation of goodness or badness of a product or service”. In addition, ISO 9004-2 states that quality is the ability of a service to satisfy a customer. Definitions of service quality hold that “it is the consequence of the assessment that customers make between their expectations about a service and their perception of the way the service has been performed” (Lehtinen&Lehtinen, 1982; Lewis & Booms, 1983; Caruana, 2002). Service quality is defined as “the degree of inconsistency between customers’ normative expectation for service and their perceptions of service implementation “(Parasuraman et al., 1985).

The unique characteristics of service have made its measurement a lot difficult; ‘perishability’, ‘intangibility’, ‘inseparability’, and ‘heterogeneity’, (Bateson, 1995) the above statement is true because service is driven by customer expectations and perception (Lewis and Mitchell, 1990). A customer’s view of service quality is driven by the customers’ service expectation with the actual experience. On this premise, Parasuraman et al (1985) developed a framework to measure service quality. This framework is the first to mathematically evaluate the difference between customer perception and customer expectation, using 22 different items to represent five service quality variables, which are tangibility, by this we mean those physical things, equipment and facilities; reliability here refers to the ability of the service provider to perform as expected and in time, responsiveness here refers to the willingness of the service provider to help and assist a customer in whatever form in an agile manner, empathy here refers to giving individualized attention to customers and finally, assurance this is the guaranteed competence and the ability of the service provider to stimulate a high level of certainty and demonstrate credibility

This framework, also known as SERVQUAL has been extensively used in literature across different cultures, testing a broad spectrum of services. From hospitals to banking, and from business schools to tourism and hospitality.(Babakus and Mangold, 1989).Although this SERVQUAL framework has come under criticism because of its generalization.

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Furthermore, most academic literatures have used the SERVQUAL framework to investigate perceived service quality; most of these studies however, concluded that there is a gap and emphasized on the comparative importance of the five variables of the framework. Smith et al (2007) the study contends that reliability is the most important component of service quality; similarly, Khan et al (2011) highlighted that

responsiveness, reliability, and empathy have a positive effect on service quality; whilst reliability and empathy have effect on customer satisfaction, but opined that responsiveness does not have a direct positive correlation on student s satisfaction. Khan et al (2011) in their study argue that the higher the level of satisfaction the students' have, the greater their dedication and commitment towards their studies.

In today's tightly competitive economic environment, education is a major driver of economic growth and sustainability globally. Research has highlighted that quality education is a good predictor of any nation's development and economic sustainability both in public and private sector. Therefore, administrators of universities should take this into consideration whilst formulating strategies to attract and retain students Malik et al (2010). Bahadori et al (2011) in their study highlighted the need for effective communication skills with a view of minimizing the quality gap. The reputation of an educational institution is a major element for customers; as every customer seeks to evaluate the overall positive impact of a product or service before taking purchase decision (Archambault, 2008). Education is capital intensive, thus investment decision is not taken on automatically, but extensively processed. Therefore, the quality of education with regards to academic and non-academic components are is a challenge to public and private universities in Cyprus including Eastern Mediterranean University (EMU).

Different studies have been conducted and researchers have identified factors that control students' satisfaction in universities. Ijaz et al (2011) in their study investigated four public business schools evaluating students' perception to service quality; using the SERVQUAL framework. The study concluded that students who are self-sponsored have higher expectations of service quality and were less satisfied

relative to those who are on scholarships have sponsorship from family. However, (Kayastha, 2011; Archambault, 2008) contends that there is a very positive relationship between service quality and students satisfaction that can help most institutions of higher learning to forecast and gauge students' satisfaction and retention.

2.2.2 Customer loyalty

For a customer to be loyal to any product or service, that product or service must be consistent in meeting, and or surpassing the customer's expectation over a period of time (Teich, 1997). Kotler et al (1999) contends that it is easier for and more cost effective for an organization to retain an existing customer and keep him /her happy than drawing new ones because attracting new ones is five times the cost of retaining an existing customer. (Gremler and Brown, 1996) defined customer loyalty as the degree to which a customer repeat buying behavior from a product or service providers, and shows a positive behavior towards that product or service and considers using it over and again when the need arises. However, Zeithaml et al (1996) contends that there is a positive and negative dimension to loyalty thus; a loyal customer may not necessarily be a satisfied customer. In addition, Colgate et al (1996) in their study highlighted that customers can switch cost based on other factors and that does not in itself translate to disloyalty, Levesque and McDougall (1993) emphasized that switching cost, location constraint on choice, money constraint or time are not related to loyalty.

2.2.3 Customer satisfaction

Perceived service quality is an overall conclusion relating to the advantage of the service, whilst satisfaction is related to the particular deal or business from which quality is expected Parasuraman et al., (1988) furthermore, studies contend that

customer satisfaction is a key element of loyalty (Lam & Burton, 2006). Different studies have concluded that there is a significant positive relationship between service quality and customer satisfaction, loyalty and retention. Thus customer satisfaction is the moderating variable of this study.

2.2.4 Value creation

Value creation and the concept of value in use, this concept holds that value is created during the conversion of resources; which implies that value creation takes place in a shared usage process through which the customers benefits improve to a certain degree (Gronroos, 2008). Holbrook, (1994) states, “Value is an interactive relativistic preference experience” which implies that value experience is the definitive impacts of consumption. According to (Gronroos, 2008) value is a not created and delivered to customer, it emerges during the usage of that product or service by the customer. In addition, Consumption could then be viewed as a method for value creation, as customers are not mainly concerned in what they buy and consume as such. They are more concerned in the positive effects entrenched in their goods or in the service activities they exploit. For instance, taking your spouse on a ride supported by a dependable car makes it possible for you to enjoy a nice evening spent together him or her. Value here emerges from the time spent together in the long ride and the conversation not the car used in the process.

2.3 Conceptual Framework

The conceptual framework was built out of the independent and dependent variables. In which in my study I want find out if the academic and non-academic factors have a positive relationship with the overall satisfaction. The independent variables are the academic factor and non-academic factor while overall student satisfaction was the dependent variable. The result of this relationship is overall satisfaction. The

academic and non-academic factors have been shaped by the interests of the school management. The criteria of the academic and non-academic factors have an effect on the overall student satisfaction. The factors result in to a positive relationship with the overall satisfaction which will lead to customer satisfaction and customer loyalty. Based on Juillerat& Schreiner(1996), we believe that every student is looking forward to certain things in any institution he/she enrolls in and how well these are met affects the students' satisfaction level with the school and perception regarding the school's values. Service quality and students satisfaction have a positive relationship. In my study the academic and non-academic factors are the factors that student look at in order for them to have the overall satisfaction.

Furthermore, (Berry, 1980) highlights that service consists of a social interaction between the parties involve; the producer and the consumer, in my study this is seen with both the academic and non-academic factors where the services are an interaction between the consumer (students) and employees (staff). However, for the purpose of this service, Parasuraman et al (1985) SERVQUAL framework shall be adopted to test service quality and customer satisfaction level at the Eastern Mediterranean University, Northern Cyprus.

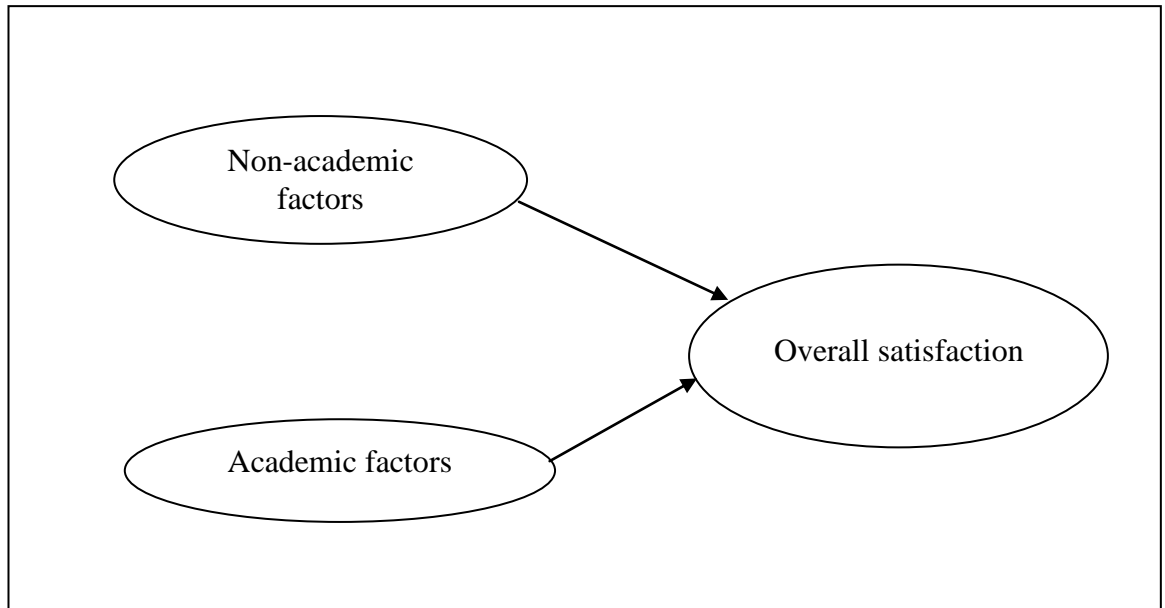


Figure 1: Conceptual model

H1. There is no positive relationship between the academic and non academic factors on overall student satisfaction at equal measures.

H2: There is a positive relationship between the academic and non academic factors on overall student satisfaction at equal measures.

$$\text{Equation: } Y = \alpha + \beta_1 X_1 + \beta_2 X_2$$

- α = Overall satisfaction
- X_1 = Academic
- X_2 = Nonacademic
- β = coefficients of X_1 and X_2 .

Chapter 3

METHODOLOGY

3.1 Conceptual Design

In this study I will use the quantitative research; this is because the study it will involve a large population. The survey instrument will be used in the study; the tool for collecting data will be the questionnaires that will be distributed to students at the university. The students will be from different faculties of the university. The respondents were given a one day window to respond to the survey due to time constraints.

These subjects will be involved because the case study of my study is the specifically Eastern Mediterranean university. The questions of the questionnaires will be formed from the academic and non-academic factors, the study will base on the accounts office system, registrar s office, library system, transportation system and the teaching system that will be divided on the academic and non-academic factors.

The questionnaires had three sections one containing the academic and non-academic factors, section two had the demographic questions and section three had behavioral intentions. The independent variable of the study will be the academic and non-academic factors and dependent variable will be the overall customer satisfaction.

3.2 Data Collection

The study will use questionnaires for collecting primary data. The questionnaires will be distributed to the respondents for filling. A questionnaire is a technique in which various people are asked to answer the same set of questions; the random selected respondents will be the sample that will represent the rest of the population. The data will be collected in a structured questionnaire which comprises of two sections; section 1 having questions on non-academic factors such the accounts office system, transportation and registrar s office and also questions on academic factors such as the teaching system and the library system and the second section will have the demographic questions and section three has behavioral intentions. The sample size of the study is 99; the students will be selected randomly inside and outside the university. I went to the most visited places in the university with the students where I would find large numbers of students such as the library, the university faculties and also the lecture halls. This helped me to save time and finish my data collection on time.

I will use a non-probability sampling strategy called the convenience sampling technique. I decided to use this sampling technique because I want to get a good feedbackrate for my study.

Altogether the study will distribute 99 questionnaires to the subjects, expecting 95% of the questionnaires to be filled and brought back. A Likert scale measurement ranging from one to seven (1-7) labeled Extremely Disagree (1) to extremely Agree (7) respectively will be used on the questionnaires on all the questions.

3.3 Proposed Analysis

The data analysis method that will be used in the study will be the SPSS (spreadsheet). This a software package used for statistical analysis. It was established by SPSS Inc., it was acquired by IBM in 2009. Data will be stored in the SPSS data sheet ready for analyzing, the analyzing will be done depending on the questions and the type of data that we had on the questionnaires. This system will show will show possible differences in different statistical data by carrying out different statistical tests. In the case of my study we did test for the ANOVA for the Hypothesis, Reliability test for the competence of the scale and also the multiple linear regression analysis.

3.4 Importance and Limitation

The main aim of this study is to find out the effect of service quality on customer satisfaction in the education sector, in a place like an institution students don't get the chance to express themselves about their everyday services and being at the institution so if the students are not satisfied then this means that the service quality is not good vice versa. So by carrying out this research we will know what most affects the satisfaction of the students whether are the academic factors such teaching system, course curriculum and library while the non-academic factors are the accounts office, registrar's office and the transportation system.

The challenge that was faced during the study is the unwillingness of respondents to give information due to time factor and language barrier.

3.5 Pilot Study

The study will give 5 questionnaires to respondents to carry out a pilot study in order to test the reliability of the instruments before launching a full survey. This will help to convince other subjects that the instrument is worth using and supporting. This implies that the instrument used will perform well in the pilot study, then it will assure the researcher to be confident with the instrument and no implications will occur regarding the instrument.

3.6 Sample Design

The sample design discusses about the number of sample size and how the sample was selected. A sample is a subset of a population element, where a population is specified of an element. The sample of the study is 99; it is made of students from different faculties, programs of education and department of Eastern Mediterranean University. This sample included students from different faculties and different program levels of education in the university. I have decided to use this sample number because the study area has a large number of population in which I could not carry out a survey to the whole population because it will be a waste of time and waste of resources. The sample size was favorable because I got a feedback of response from the exact number of the sample size.

3.7 Research Strategy and Design

This research used the quantitative method. A research that focuses primarily on the Construction of quantitative data will also follow a quantitative method. In the study I will use the single data collection technique and corresponding analysis procedure. This is known as a mono method. Based on this research method, the deductive approach led me to use a mono method. In my study the questionnaire was designed in two structure the first structure had the academic and non-academic factors which

had a total of 24 questions, the second part is the demographic questions and lastly is the behavioral intentions which had a total of 4 questions labeled beh1 to beh4. the questionnaire had a Likert scale ranging from one to (1-7) from one to seven extremely disagree (1) to extremely agree (7) respectively will be used on the questions on the questionnaires. The questions were formulated from an article, (Fridaus Abdullah, 2006), by selecting the questions that coordinate with my research and the questions were categorized into academic, non-academic, reliability and empathy factors. He (Fridaus Abdullah, 2006), highlighted the academic and non-academic factors with different variables, likewise the reliability and empathy factors.

Chapter 4

DATA ANALYSIS, PRESENTATION AND INTERPRETATIONS

4.1 Reliability Analysis

The reliability analysis is a statistic measure to describe the reliability of an item or a scale the index reliability in terms of the proportion of the score variability that is captured across the subjects or respondents relative to the total observed variability. In the case of my study we are going to test the reliability of my scale for the questionnaire ranging from one to seven (1-7) labeled extremely disagree (1) to extremely agree (7) respectively.

The more items are in a scale designed to measure a particular concept the more reliable the measurement will be. In this case, in my study the reliability test the Cronbach α was computed to the two factors academic and non-academic factors. The usefulness of the scale should depend only on the Unidimensionality. Composite score should be assessed after establishing unidimensionality. In this study Cronbach α was computed for two factors, academic and non-academic factors. The Cronbach α for the non-academic factor is 0.81 and academic factor is 0.905. The overall results for the academic and non-academic factors Cronbach α is 0.915. The Cronbach α is satisfactory and reliable. The higher the value the better, we would like high levels of agreement between independent raters and good stability of scores overtime in the

absence of change. The alpha should not be too high it should have a maximum of 0.90 because too high values can point to redundancy among the items and unnecessary duplication of content across items and point more to redundancy than to homogeneity (Streiner, 2003).

4.2 Hypothesis test

4.2.1 Testing the Attitude Difference according to Program Level

The hypothesis is tested using one-way ANOVA.

The One way ANOVA test is used to measure whether there is a significance difference between the means of three or more independent different groups in my study this is seen in the program level such as undergraduate, graduate and post graduate of the students. It comprises of the mean of the different groups, we determine and interested in knowing if the means are significantly different from each other and specifically tests for the null hypothesis. In my study we will accept the alternative hypothesis because there is a difference in the attitude difference according to Program Level, whereby there was a significance difference in Q6. We used this test in order to recruit a group of students and then randomly split this group in to 3 such as undergraduate graduate and, postgraduate in order to make the groups smaller each student is allocated to one and only one group you then get each group to undertake different tasks.

Below are the results from the questionnaire of whether testing the attitude difference according to Program Levels such as Bachelor, Graduate or Post graduate.

Table 1: Showing the Questionnaire Responses on Academic and non-academic Factors

| | | Sum of Squares | df | Mean Square | F | Sig. |
|---|-----------------------|----------------|-----------|--------------|--------------|-------------|
| q1 sympathetic and reassuring in solving problems | Between Groups | .805 | 2 | .403 | .193 | .824 |
| | Within Groups | 199.881 | 96 | 2.082 | | |
| | Total | 200.687 | 98 | | | |
| q2 Instill trust | Between Groups | .267 | 2 | .134 | .081 | .922 |
| | Within Groups | 158.642 | 96 | 1.653 | | |
| | Total | 158.909 | 98 | | | |
| q3 feel secured with transactions | Between Groups | 1.233 | 2 | .616 | .402 | .670 |
| | Within Groups | 147.313 | 96 | 1.535 | | |
| | Total | 148.545 | 98 | | | |
| q4 good communication flow between | Between Groups | 1.171 | 2 | .585 | .296 | .744 |
| | Within Groups | 189.557 | 96 | 1.975 | | |
| | Total | 190.727 | 98 | | | |
| q5 knowledge in covered job | Between Groups | .252 | 2 | .126 | .091 | .914 |
| | Within Groups | 133.707 | 96 | 1.393 | | |
| | Total | 133.960 | 98 | | | |
| q6 efficient prompt dealing with problems | Between Groups | 10.912 | 2 | 5.456 | 3.006 | .054 |
| | Within Groups | 174.260 | 96 | 1.815 | | |
| | Total | 185.172 | 98 | | | |
| q7 equal treatment and respect | Between Groups | 5.387 | 2 | 2.694 | 1.164 | .317 |
| | Within Groups | 222.249 | 96 | 2.315 | | |
| | Total | 227.636 | 98 | | | |
| q8 easily contacted by phone | Between Groups | .767 | 2 | .384 | .152 | .859 |

| | | | | | | |
|--|----------------|---------|----|-------|-------|------|
| | Within Groups | 242.526 | 96 | 2.526 | | |
| | Total | 243.293 | 98 | | | |
| q9 confidentiality of information | Between Groups | 5.868 | 2 | 2.934 | 1.869 | .160 |
| | Within Groups | 150.677 | 96 | 1.570 | | |
| | Total | 156.545 | 98 | | | |
| q10 convenient working hours | Between Groups | 5.590 | 2 | 2.795 | .974 | .381 |
| | Within Groups | 275.521 | 96 | 2.870 | | |
| | Total | 281.111 | 98 | | | |
| q11 knowledge of systems procedures | Between Groups | 2.268 | 2 | 1.134 | .514 | .600 |
| | Within Groups | 211.732 | 96 | 2.206 | | |
| | Total | 214.000 | 98 | | | |
| q12 the non-academic factors make me satisfied with the university | Between Groups | 6.243 | 2 | 3.122 | 1.362 | .261 |
| | Within Groups | 220.080 | 96 | 2.292 | | |
| | Total | 226.323 | 98 | | | |
| q13 good communication between lectures and students | Between Groups | 1.089 | 2 | .544 | .264 | .768 |
| | Within Groups | 197.659 | 96 | 2.059 | | |
| | Total | 198.747 | 98 | | | |
| q14 flexible syllabus and structure | Between Groups | 3.483 | 2 | 1.741 | .911 | .406 |
| | Within Groups | 181.578 | 95 | 1.911 | | |
| | Total | 185.061 | 97 | | | |
| q15 showing positive attitude | Between Groups | 3.642 | 2 | 1.821 | 1.079 | .344 |
| | Within Groups | 161.995 | 96 | 1.687 | | |
| | Total | 165.636 | 98 | | | |
| q16 modern equipped facilities lecture halls projectors, computers | Between Groups | 1.438 | 2 | .719 | .319 | .728 |
| | Within Groups | 216.521 | 96 | 2.255 | | |

| | | | | | | |
|---|----------------|---------|----|-------|-------|------|
| | Total | 217.960 | 98 | | | |
| q17 educated and experienced academicians e.g. librarians, lectures | Between Groups | 3.228 | 2 | 1.614 | .790 | .457 |
| | Within Groups | 196.186 | 96 | 2.044 | | |
| | Total | 199.414 | 98 | | | |
| q18 variety of programs specialization | Between Groups | 7.643 | 2 | 3.822 | 2.071 | .132 |
| | Within Groups | 177.104 | 96 | 1.845 | | |
| | Total | 184.747 | 98 | | | |
| q19 reputable academic programs | Between Groups | 1.171 | 2 | .585 | .268 | .765 |
| | Within Groups | 209.557 | 96 | 2.183 | | |
| | Total | 210.727 | 98 | | | |
| q20 providing service within reasonable time e.g. consultation time | Between Groups | 2.551 | 2 | 1.275 | .834 | .438 |
| | Within Groups | 146.863 | 96 | 1.530 | | |
| | Total | 149.414 | 98 | | | |
| q21 counseling hours | Between Groups | 1.551 | 2 | .775 | .403 | .670 |
| | Within Groups | 184.772 | 96 | 1.925 | | |
| | Total | 186.323 | 98 | | | |
| q22 regular feedback on progress | Between Groups | .164 | 2 | .082 | .033 | .968 |
| | Within Groups | 239.492 | 96 | 2.495 | | |
| | Total | 239.657 | 98 | | | |
| q23 willingness to help students | Between Groups | 7.154 | 2 | 3.577 | 2.209 | .115 |
| | Within Groups | 155.472 | 96 | 1.620 | | |
| | Total | 162.626 | 98 | | | |
| q24 the academic factors make me satisfied with the university | Between Groups | 1.513 | 2 | .757 | .389 | .679 |
| | Within Groups | 186.931 | 96 | 1.947 | | |
| | Total | 188.444 | 98 | | | |

From the above table Q1 to Q24 there is an existence of evidence that shows no significance difference in the attitude difference in the program level such as bachelor, graduate and postgraduate with the exception of Q6 which indicated a slight change in the response of the students. Therefore, only the proposed Ho was rejected, concluding in Q6 that efficient prompt dealing with complaints differs according to the program levels.

Table 2: Questionnaire responses on behavioral intentions

| | | Sum of Squares | Df | Mean Square | F | Sig. |
|------|----------------|----------------|----|-------------|-------|------|
| beh1 | Between Groups | 2.449 | 2 | 1.224 | .407 | .667 |
| | Within Groups | 288.905 | 96 | 3.009 | | |
| | Total | 291.354 | 98 | | | |
| beh2 | Between Groups | 9.782 | 2 | 4.891 | 1.724 | .184 |
| | Within Groups | 272.400 | 96 | 2.838 | | |
| | Total | 282.182 | 98 | | | |
| beh3 | Between Groups | 7.421 | 2 | 3.711 | 1.090 | .340 |
| | Within Groups | 326.761 | 96 | 3.404 | | |
| | Total | 334.182 | 98 | | | |
| beh4 | Between Groups | 4.864 | 2 | 2.432 | .745 | .477 |
| | Within Groups | 313.318 | 96 | 3.264 | | |
| | Total | 318.182 | 98 | | | |

From the above beh1 to beh4 there is a clear evidence that there is no significance difference in the altitude difference in the program level such as bachelors, graduate and postgraduate on behavioral intentions.

4.3 Regression Analysis

The purpose of this measure is to learn more about the relationship between several independent or predictor variable and a dependent variable. This information will be used in the formation of a regression equation. The multiple regression procedures to determine a number equitable compensation, a number of factors can be determined, in the case of my study the academic factors and non academic factors are believed to contribute to the overall customer satisfaction. As seen in the equation below.

The deviation of a particular point from the line is called the Residual value. The R square or coefficient of determination in the regression analysis is for evaluating the model this can be seen in table 3 the R square is of 0.4 so then we know the variability of the (Y) values around the regression is 1-0.4 times the original variance.

Table 3: Model summary

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------------------|----------|-------------------|----------------------------|
| 1 | .641 ^a | .411 | .399 | .92214 |

a=Predictors: (Constant), nonacademic, academic

When the R value is around the regression line relative to the overall variability is small the predictions from the regression equation are good. If there is no relationship between the (X) and (Y) variables then the ratio of the residual variability of the (Y) variable to the original variance is equal to 1.0 automatically the R square is 0, in this case in my study table 3 the residual score is 0.641 which is equivalent to 1 and the R square is 0.411 which is equivalent to 0. And if (X) and (Y) are perfectly related then

there's no residual variance and the ratio variance would be 0.0 making the R square 1.

The correlation coefficient is when two or more predictors (X) variables are related to the dependent (Y) variable. If the R value is positive then the relationship of these variables and it is negative relationship between the independent variables and dependent variable is negative. In this case the R value is positive at 0.641 which is estimated to 1 as shown in table 3.

Therefore we can say that 40% of the total variability of overall satisfaction is explained by academic and non-academic factors.

Therefore we conclude that the null hypothesis will not be rejected because there is enough evidence that the model has enough explanatory power.

Table 4: coefficient table

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|---------------|-----------------------------|------------|---------------------------|-------|------|
| | B | Std. Error | | | |
| 1 (Constant) | .323 | .589 | | .548 | .585 |
| 1 Academic | .429 | .132 | .352 | 3.259 | .002 |
| 1 Nonacademic | .510 | .159 | .346 | 3.204 | .002 |

a=Dependent Variable: overall satisfaction

Therefore, concluding that there is enough evidence that the academic factors and non-academic factors have a positive relationship with the overall customer satisfaction.

Table 5: ANOVA

| Model | | Sum of Squares | Df | Mean Square | F | Sig. |
|-------|------------|----------------|----|-------------|--------|-------------------|
| 1 | Regression | 56.444 | 2 | 28.222 | 33.189 | .000 ^b |
| | Residual | 80.783 | 95 | .850 | | |
| | Total | 137.227 | 97 | | | |

a. Dependent Variable: overall satisfaction

a. Predictors: (Constant), nonacademic, academic

In conclusion, we will conclude that, there is enough evidence to support that the there is a positive relationship between the independent and dependent variable. This is to say that the academic factors and non-academic factors have a positive relationship with the overall satisfaction. This is also proved in the literature in Chapter 2.

Chapter 5

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Findings Summary

This project investigated the effect of service quality on customer satisfaction. This project provided different service quality and customer satisfaction definitions and also studied different arguments. The arguments in the literature review have proved that customer satisfaction has a positive relationship with the service quality. The main objective in the literature review is service quality and customer satisfaction in the education sector definitions and measurements. The work moved further to review.

Some literature available on service quality and customer satisfaction on education sector to find the effects of service quality on customer satisfaction it has. Service quality effects on customer satisfaction are mostly impacted on the academic and non-academic factors such as the teaching system, library system, accounts office, course curriculum and transportation system as a whole. The motive of the study topic is as a result of concern on the effect of service quality on student satisfaction in the academic non-academic factors such as teaching system, library system, accounts office, course curriculum and registrar's office on overall student satisfaction. This is the main purpose of this thesis. The knowledge will bring about effective measures

that are to be implemented in the academic, non-academic on overall satisfaction factors of the university.

The highlights of the results of this study are as follows:

- i. It was discovered that there is an attitude difference according to program level. It clearly indicates that students have different attitude is about the academic and non-academic factors according to their program levels. From the respondents answers it was discovered that the in Q6 (the efficient prompt dealing with problems that there is a slight change in difference the attitude response difference in the program level.
- ii. The second testing hypothesis reveals that there is a positive relationship between the academic and non-academic factors and overall satisfaction it has been found out. This confirms that it is widely believed that good service quality (academic and non-academic factors) will have a positive effect on the overall satisfaction of the students and will lead to student satisfaction and loyalty which will consequently improve the students and university performance.

5.2 Conclusion

The study has been conducted to determine the effect of service quality on customer satisfaction. The literature review reviewed provided concrete proof that there is a positive relationship between service quality and customer satisfaction. The results of the study have reflected the empirical evidence of the earlier researches regarding this topic. There is an indication from the results that the efficient prompt dealing with complaints in the determination of the study also indicate that the firm does not solve or deal with the students complaints effectively. This has affected students

satisfaction with the university in handling and committed they indicated. The study indicates that the university with its employees are not dealing with the students complaints promptly this is in both academic and non-academic factors .this will lead to students dissatisfaction, bad spread of mouth and also show less confidence with it is employees and university. In order for the institution to maintain improvement in the organizations general performance and lead to student satisfaction and in other had to remain competitive market it should integrate service quality practice on how to handle the students complaints efficiently and promptly. Through this strategy formulation the relationship will create a good communication between the students and the employees.

5.3 Recommendations

In accordance to findings of this study recommendations are suggested as follows:

- i. The university should give more attention and deal with the students complaints promptly. The university management alongside with its employees has to carry out seminars and training on the employees on how to handle the students' complaints. Through the seminars and training the employees will be able to provide vivid information or solution about complaints from the students and it will encourage and give confidence to the students that the university is aware of the actions that there taking. The university and its management should try as much as possible to listen to the students complaints and solve the complaints because these are the problems that students are facing inside and outside the university so in order for them to be satisfied with the university services they need to be listened and attended for them to be loyal to the university.

- ii. The university management has to focus on improving and making the academic and non-academic factors and continue maintaining its standards, this is by modernizing its facilities, accessibility of equipments for the students, effective advertising, giving more attention to the students, knowing the students interest at heart and also try to carry out surveys at the university for the students In order for them to have knowledge on what the students think about the university. The study proved the there is a positive a relationship between the academic factors and non-academic factors with the overall satisfaction, meaning that these factors should be efficient to continue giving a positive overall satisfaction for the students. Because of the positive relationship between the two factors will lead to students' satisfaction, students' loyalty and good word of mouth.

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APPENDIX

EASTERN MEDITERRANEAN UNIVERSITY

Thank you for making out time to take this survey. The survey is carried out by a student of the department of marketing for Academic research purpose only. I fully assure you that all of the answers you provide in this survey will be kept confidential. The survey data will be reported in a summary fashion only and will not identify any individual person.

I) In the following statements, I am interested in your feelings about the non-academic factors such as the accounts office system, registrar s office and academic factors such as the teaching system, course curriculum and the library in the area of this university. For each statement, please use the scale:

1)Extremely Disagree 2) Strongly Disagree 3) Somewhat Disagree 4) Neutral 5) Somewhat Agree 6) Strongly Agree 7) Extremely Agree

| Item | | Disagree.....Agree | | | | | | |
|-----------------------------|--|--------------------|---|---|---|---|---|---|
| Non-academic factors | | | | | | | | |
| | | ☹ | | | ☺ | | | ☺ |
| Q1 | Sympathetic and reassuring in solving problems | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| Q2 | Instill trust | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| Q3 | Feel secured with transactions | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| Q4 | Good Communication flow between students and employees | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| Q5 | Knowledge in job covered e.g. accounts officers, drivers | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| Q6 | Efficient/prompt dealing with complaints | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| Q7 | Equal treatment and respect | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| Q8 | Easily contacted by phone | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| Q9 | Confidentiality of information | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| Q10 | Convenient working hours | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| Q11 | Knowledge of systems/procedures | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| Q12 | The non academic factors make me satisfied with the university | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| Academic factors | | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| Q13 | Good communication between the lectures and students | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| Q14 | Flexible syllabus and structure | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| Q15 | Showing positive attitude | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| Q16 | Modern equipped facilities lecture halls, projectors, computers | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| Q17 | Educated and experienced academicians e.g. lecturers, librarians | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| Q18 | Variety of programmes specialization | 1 | 2 | 3 | 4 | 5 | 6 | 7 |

| | | | | | | | | |
|-----|--|---|---|---|---|---|---|---|
| Q19 | Reputable academic programmes | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| Q20 | Providing service within within reasonable time e.g. consultation time | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| Q21 | Counseling services | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| Q22 | Regular Feedback on progress | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| Q23 | Willingness to help students | | | | | | | |
| Q24 | The academic factors make me satisfied with the university | | | | | | | |

II) .DEMOGRAPHIC QUESTIONNAIRE

Please tick the right box and fill the blank

1. Age: 18-27 28-37 38-47 48-57
58-67 68+,

2. Studying:
Bachelor degree Graduate degree Post graduate degree

3. Marital status: Single Married

4. Faculty:

1.Art and science 2.Business and Economics 3.Artechture 4.Communication and media studies 5.Education 6.Engineering 7.Law 8.Health sciences 9.Medicine 10.Pharmacy 11.tourism

5. Nationality

2) Behavioral intentions:

In the following statement, I am interested in your feelings about your behavioral intentions in relation to this University. For each statement, please use the scale that best reflects your opinion. (1 denotes extremely disagree, 4 denotes neutral, 7 denotes extremely agree).

1) I would like to come back to this university in the future. 1 2 3 4 5
 6 7

- 2) I would recommend this university to my friends or others 1 2 3 4
 5 6 7
- 3) I would like to stay longer than I planned at this University. 1 2 3 4
 5 6 7
- 4) I am willing to spend more than I planned at this University. 1 2 3 4
 5 6 7

Your responses are for research purposes only. They will be kept confidential and reported as aggregate data only.