THE INFLUENCE OF SERVICE QUALITY AND CORPORATE IMAGE ON CUSTOMER SATISFACTION AMONG UNIVERSITY STUDENTS IN KENYA

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ABSTRACT

The primary objective of this study was to identify the nature and significance of the relationship between service quality, corporate image and customer satisfaction. The specific objectives of the study were to determine the dimensions of service quality that influence customer satisfaction; establish the difference in service quality perception amongst universities students; determine the relationship between service quality and corporate image; determine the relationship between service quality and corporate image; establish the relationship between corporate image and customer satisfaction and assess the extent to which corporate image mediates the relationship between service quality and customer satisfaction. The research hypotheses were derived from the research objectives. A positivist paradigm guided the study. A cross sectional sample survey was used to collect data from stratified randomly selected respondents. A seventy seven item scale instrument designed for universities with specific focus on performance was self-administered to 750 respondents. Descriptive analysis was used to profile the respondents, while factor analysis was employed to determine potent service quality dimensions in universities. Analysis of Variance (ANOVA) test was used in comparative analysis linear regression analysis was used to test the research hypotheses and hierarchical regression analysis was employed to ascertain the predictive power of the service quality dimensions on customer satisfaction. An examination of the first research objective revealed four dimensions of service quality as human elements reliability, service blue print, human element responsiveness and non-human elements. The four dimensions had eigenvalues greater 1 and Cronbach’s alpha greater than 0.700, they were considered adequate and reliable in explaining variations in customer satisfaction. Human elements reliability with a Cronbach’s alpha of 0.931 and corporate image with Cronbach’s alpha of 0.909, had the greatest influence on customer satisfaction. The study established the existence of a significant difference in the dimensions of service quality that influence customer satisfaction between public and private university students along the four service quality dimensions. A statistically significant relationship was established between service quality and customer satisfaction. The relationship between service quality and corporate image was statistically significant. Further findings revealed that a statistically significant relationship existed between corporate image and customer satisfaction. A test of the mediated relationship confirmed that the relationship between service quality and customer satisfaction was partially mediated by corporate image, an observation that adds to existing literature by uncovering the mediating effect of corporate image on the relationship between service quality and customer satisfaction amongst university students. The study recommends that the regulatory authority should standardize the human and non-human elements in the learning environment to assure all students of equal value irrespective of where they experience the service. The results of the study imply that university management has to invest in service reliability and corporate brand building because the two have profound influence on university publics. It is further recommended that the industry regulator adopts the research instrument as a standard index of measuring student satisfaction and hence as a tool of evaluating and ranking service quality in universities. The study concluded that service quality has a strong influence on customer satisfaction; however there may be other factors that affect customer satisfaction.