

Full Length Research Paper

A consumer analysis of service provision offered by a university to its resident students in South Africa

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The accommodation services sector has emerged as one of the highly demanded service industries in South Africa. The objectives of the study were: To investigate empirically if resident students (customers) are satisfied with the services (accommodation) provided by the University. Secondly, to investigate empirically the perception of resident students (customers) on the use of relationship marketing by the management of the university with respect to accommodation, and thirdly, to investigate empirically if resident students (customers) are loyal to the accommodation services provided by the University. The research used the simple random sampling method. Self-administered questionnaire was utilised for data collection and a sample of 140 respondents was used to obtain information about consumer perceptions and expected levels of accommodation services. The chi-square goodness of fit, T-test and ANOVA were used for data analysis. The research findings indicated that, customers are not satisfied with services provided by the University residence management; there is no relationship marketing and customers are not loyal to the services provided by the University. The results obtained from the survey indicated that, customer relationship marketing is important for service delivery and enhances the ability of the management to effectively deliver on service provision resulting in enhanced customer satisfaction and loyalty.

Key words: Relationship marketing, customer satisfaction, customer loyalty.

INTRODUCTION

There are several reasons why service business deserves special attention. The first is the sheer size and growth of the service sector in a modern economy. Services are also the fastest growing part of the international trade accounting for 20% of total world exports (World Trade organisation, 2010). According to Doyle (2002) a service is the intangible equivalent of an economic good. The benefits of a service, if priced, are held to be self-evident in the buyer's willingness to pay for it. Service providers make up the tertiary sector of the economy. Services differ according to whether they are predominantly people based (e.g. education and health care) or equipment based (e.g. automatic car washes, bank cash dispensers). People based services can rely on highly professional workers or non professionals (e.g. post office, garden care, secretarial).

For the management of universities in South Africa to be able to deliver the best accommodation offering to the students, they need to understand the characteristics of services. According to the European Primer on customer satisfaction, services have some clear characteristics (or at times a lack of them) which makes them special (Thijis, 2003). Services are characterised by the following factors as identified by (Thijis, 2003):

1. Intangibility: This is the distinguishing characteristic of service that makes them unable to be touched or sensed in the same manner as physical goods. Services cannot be stored and cannot be protected with patents.
2. Inseparability: A distinguishing characteristic of service that reflects the interconnection among the service provider, the customer involved in receiving the service and other customers sharing the service experience. The time of production and consumption is almost simultaneous.
3. Heterogeneity: A distinguishing characteristic of services that reflects the variation in consistency from one

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one service transaction to the next one.

4. **Perishability:** A distinguishing characteristic of service is that, they cannot be saved and their unused capacity cannot be inventoried. For example, in a University hostel, rooms cannot be kept vacant for the 2009 academic year saving them for use in 2010.

In view of the earlier discussion, it can be stated that universities in South Africa offer a wide range of services to students which include; accommodation with facilities such as: bathrooms, toilets, kitchen, TV rooms, security, maintenance (repairs) and cleaning (house-keeping). The components of the University resident service offering will be evaluated in the empirical component of this study. Service provision is the core determinant of consumer perceptions on the organisations offerings. Studies in South Africa regarding customer satisfaction, relationship marketing and customer loyalty with specific reference to the service sector have focused on residential properties and the motor vehicle industry. Blignaut and Koch (2004) found that, estate agents engage in activities to ensure consumer satisfaction but less is done to ascertain actual consumer needs, thus creating a gap between actual consumer perception and management perception of the service. In addition, Koch (2008) reports that the most successful measure for achieving customer retention is customer delight, customer satisfaction and customer commitment.

However, no literature exists specifically on institutional accommodation which is also in the service sector. Based on the scarcity of literature, this research adopts the consumer view point, as it empirically investigates the accommodation services delivery concept within institutions of higher learning.

The research is aimed at investigating the extent to which the accommodation services offered by universities in South Africa meet consumer expectations. In addition, the study will investigate empirically whether students perceive the use of relationship marketing by the University authorities and whether students are loyal to the services provided by Universities. The research will be of benefit to both the management and students of universities in South Africa.

The research findings in this study can lead to provision of a better consumer service. This would lead to an increase in customer satisfaction which is the major goal of any competitive organisation. An investigation into service provision can serve as a means to evaluate and control the performance of contracted residential services through analysing actual service provision and comparing it with the set standards, thus establishing service provision which is bound on customer satisfaction. Universities across the world strive to capture the best students, who excel naturally, and the best students choose the best universities, hence service delivery is among the primary consideration for students in their choice of schools.

Objectives of the study

1. To investigate empirically if resident students (customers) are satisfied with the services (accommodation) provided by universities.
2. To investigate empirically the perception of resident students (customers) on the use of relationship marketing by the management of the universities with respect to accommodation.
3. To investigate empirically if resident students (customers) are loyal to the accommodation services provided by the universities.

LITERATURE REVIEW

Customer satisfaction

According to Kotler and Keller (2006) customer satisfaction refers to a person's feelings of pleasure when a firm's offerings matches or exceeds customer expectations. As a performance indicator within an organisation, customer satisfaction measures products and services, in meeting customer expectations. Customer satisfaction is thus a customer response or judgement to a product or service in terms of the extent to which consumption meets their expectations. Lamb et al. (2005) noted that, the main point of the marketing concept is that organisations have to be more responsive to customer needs and demand. Organisations are being reformed to provide better, faster, more reliable services and the customer has a prominent place in these reforms. Lamb et al. (2005) added that, customer satisfaction is a critical requirement for successful marketing and successful firms the world over have got it down to a fine art. Organisations make sure customer needs are known (through research) and then make sure they satisfy those needs well. A famous quote by Kan (1995) as cited in Okasana and Andrius (2003) states that, "a dissatisfied customer will tell 7 to 20 people about their experience. A satisfied customer will tell 3 to 5 people about their positive experience". The concept of customer satisfaction and service quality are closely related. As a result, business organisations aim to develop strong relationships with customers in delivering quality services in order to gain a competitive advantage (Kotler and Keller, 2006).

A theory of customer satisfaction applicable to accommodation services is the Kano theory. The Kano theory is a theory of product development and customer satisfaction developed in the 1980s by Professor Noriaki Kano which classifies customer preferences into 5 categories: Attractive, One-Dimensional, Must-Be, Indifferent and Reverse (Hollows, 2002). According to Vargo (2009) attractive quality is an attribute which provide satisfaction when achieved fully, but does not cause dissatisfaction when not fulfilled. These include services such as the

provision of a visitor's urinary tract in a female residence. Since these types of attributes of quality unexpectedly delight customers, they are often unspoken of. Hollows (2002) points out that, one dimensional quality refers to attributes which result in satisfaction when fulfilled and dissatisfaction when not fulfilled. Must-be-quality are attributes taken for granted when fulfilled but result in dissatisfaction when not fulfilled. Since customers expect these attributes and view them as basic, then it is unlikely that they are going to tell the company about them when asked about quality attributes (Lusch and Vargo, 2007). According to Good-Pasture (2004:49) indifferent quality attributes refer to aspects that are neither good nor bad, and they do not result in either customer satisfaction or customer dissatisfaction. These are features that are usually used as extra services or product components such as extra windows in a residence. Reverse quality refers to a high degree of achievement resulting in dissatisfaction and to the fact that not all have identical needs and wants. The Kano theory has stimulated diverse empirical studies on customer satisfaction. The study on customer service in the residential property market in South Africa by Kloppers and Strydom, as cited in Blignaut and Koch (2004) relates to customer satisfaction. The research results indicate that, the estate agencies seem to be aware of the importance of providing good customer services and of being service oriented, but they do not always seem to realise the need to conduct marketing research and test the actual satisfaction of customers with the services provided. This leaves a potential gap between what the customers want and what the estate agents provide.

Another empirical review is derived from the customer satisfaction marketing research case study in the United States of America (Aeroplane Industry) by Hague and Hague (2007). The study concludes that no company can truly satisfy its customers unless top management is fully behind the programme. This does not just mean that they endorse the idea of customer satisfaction studies but that they are genuinely customer orientated. Results show two companies, both ostensibly committed to customer satisfaction, but one markedly out-performing the other. Thus management commitment to customer satisfaction plays a pivotal role in consumer satisfaction. A study by Silvestro (2008) explores the relationship between customer satisfaction, loyalty and financial performance in the context of the telecommunications industry in Europe. A large European telecommunication companies were studied, comprising four different businesses, one of which serves consumers while the other three being business to business companies. The study indicates that, although customer satisfaction does not drive revenues, they may nevertheless be a link between customer dissatisfaction and financial performance. The results also points to the fact that, dissatisfaction may be more closely related to financial performance than satisfaction.

Siva et al. (2007) contributed to customer satisfaction

literature through their study on the effects of antecedents of customer satisfaction on loyalty: A case of the Hong Kong mobile phone industry. The findings of the study suggest that customer service is a key determinant of satisfaction. The results of the study show that satisfaction plays a particularly important role in competitive environments such as mobile services because of its impact on customer loyalty. The study further concludes that since mobile technology is becoming a common place, a complete understanding of customer-focused services is a necessity for long-term business performance. Further empirical literature is provided by Okasana and Andrius (2003) in the feasibility study commissioned by the National Institute for Advanced Industrial Science and Technology in Japan (AIST) and supported by the Sustainable Consumption Unit (UNEP). The study provides an overview of approaches used in different disciplines for evaluating consumer behaviour. The result of the study shows that all disciplines looked at and addressed consumption from some perspective.

This perspective may be unique to this discipline, or may share common premises with other disciplines. Cross-fertilisation and learning is the key to success. The study further concludes that the key to customer satisfaction is to communicate with the customers to determine their needs and wants so that the same language can be spoken across all disciplines. The literature on customer satisfaction focused on industries such as airline industry and residential accommodation but there is scarcity of studies in the field of institutional accommodation thus this research study strives to provide empirical evidence in that regard.

Customer relationship marketing

Donald and O'Toole (2002) and Brink and Berndt (2004) point out that, relationship marketing implies attracting, maintaining and enhancing customer relationships. Objectives are to identify and establish, maintain and enhance and when necessary terminate relationships with customers at a profit, so that objectives of all parties are met, relationship leads to the creation of value which can lead to trust and loyalty which can be difficult to break. Relationship marketing deals with relationships within the business. Unlike transactional marketing which is mostly concerned about sales, relationship marketing takes the relations of the stakeholders into account. Relationship marketing includes relations with customers, suppliers and employees among others but in this context focuses on customer relations (Doyle, 2002).

Relationship marketing is also a long term, continuous series of transactions between parties. This occurs when each trust the other to deal fairly, reliably and helpfully. When a good working relationship is built, it results in the reduction in negotiating time and costs hence the pattern of transitions become predictable and secure (Brink and

Brendt, 2004).

There are several theories of relationship marketing and they include the social network theory, the stakeholder theory and the commitment-trust theory of relationship marketing. For the purpose of this study, the social network theory will be discussed. The theory encompasses with it the elements of the stakeholder theory. The social network theory is used because it is consistent with the requirements for customer relationship management on institutional accommodation services. Barnes (1954) postulated the social network theory (Furht, 2010). The term social network systematically denotes patterns of ties, encompassing concepts traditionally used by the public and those used by social scientists: bounded groups (tribes, families) and social categories (gender, ethnicity). Lusch and Vargo (2007) observed that the social network analysis views social relationships in terms of network theory consisting of nodes and ties (also called edges, links, or connections). Nodes are the individual actors within the networks, and ties are the relationships between the actors. The resulting graph-based structures are often very complex.

There can be many kinds of ties between the nodes. Research in a number of academic fields has shown that social networks operate on many levels, from families up to the level of nations, and play a critical role in determining the way problems are solved, organizations are run, and the degree to which individuals succeed in achieving their goals. A network consists of a set of nodes, or participants, and the relationships which connect the nodes (Jarvensivu and Moller, 2007). Sorce (2002) investigates the impact of relationship marketing strategy on the demand for customized communication through printing. The survey results show that, to build customer relationship programmes, management need to understand the relationship from the customer's point of view. The study concludes that relationship is the key to customer satisfaction and satisfaction results in loyalty and profitability. In addition, the study finds that several relationship marketing practices can help achieve efficiency, such as customer retention, efficient consumer response (ECR), and the sharing of resources between marketing partners. Each of these activities has the potential to reduce operating costs of the marketer. The study by Anderson (2002) identifies the limitations of relationship marketing, especially with respect to a business to business (B2B) setting. The study was conducted with specific reference to the computer industry in New York. One key limitation is that, customers may be unwilling to commit to a long-term relationship when they consider all of the potential costs and disadvantages. Business customers may prefer to have the option of soliciting bids from a group of qualified vendors. Once these limitations are understood, the author emphasizes that, at each step of the relationship process, the seller must be willing to make some (potentially risky) one-sided investments and sacrifices.

In conclusion, for customer relationship to exist the relationship should provide benefits mutual to both parties. Sheith and Kellstadt (2000) trace the history of marketing practices and illustrate how the advent of mass production, the emergence of middlemen, and the separation of the producer from the consumer in the industrial era led to a transactional focus of marketing. In this study, the authors observed that the paradigm shift from transactions to relationships is associated with the return of direct marketing both in business-to-business and business to-consumer markets. It was only when mass production led to an oversupply of goods that marketers became transaction oriented. However, this transaction orientation in marketing is giving way to the return of relationship orientation in marketing beginning with interests in repeat purchase and brand loyalty (Sheith and Kellstadt, 2000). Thus, in conclusion, relationship marketing is the modern way of exchange, to enhance customer satisfaction and to enable the manufacture of goods that can satisfy customer needs, and hence, sales. Available literature on customer relationship marketing focused on customized printing industry, computer industry and fat oil industry, no known study has examined relationship marketing with respect to institutional accommodation. Based on the gaps in the literature, this study seeks to empirically investigate customer relationship marketing in institutional accommodation.

Customer loyalty

Loyalty is a strong feeling of support or commitment (Nordman, 2004). Customer loyalty is a strong feeling of support and allegiance to a product or service without considering shifting to other alternatives. According to Koch (2008) trust is the important aspect in creating customer loyalty. Trust is the willingness to rely on an exchange partner in whom one has confidence. Trust is the feeling or belief on the part of the buyer that a seller will fulfil the promises made during an exchange transaction. Trust can therefore be developed only through tangible, operational demonstrations of the organisation's competence and fulfilment of promises, supported by qualitative relationship development. There are several theories of customer loyalty, such as the nature advocacy and the commitment-trust theory by Morgan and Hunt. For the purpose of this study, the commitment-trust theory will be used. This is because the theory is consistent with other customer loyalty studies such as Sorce (2002) and Wieldenfels (2009).

The commitment –trust theory was developed by Morgan and Hunt in 1994 with trust and commitment being the key variables to building customer loyalty through customer relationship management (Wieldenfels, 2009). According to Morgan and Hunt as cited in Furht (2010), the commitment-trust theory depends on trust, relationship commitment, switching costs, communication

and relationship benefits. Moorman (2001) defines trust as “when one party has confidence in an exchange partner’s reliability and integrity”. Trust is a willingness to rely on an exchange partner in whom one has confidence. Both definitions highlight the importance of mutual confidence. Trust increases the probability of a trading partner’s willingness to expand the amount of information sharing explore new mutually beneficial arrangements. As trust declines, people are increasingly unwilling to take risks and demand greater protections against the probability of betrayal. Security and reliability refers to positive trust that is shown in the consistency and assurance between what a trading partner says and actually does. Therefore, trust among the trading partners reinforces the prospect of continuity in a relationship and a commitment (Wieldenfels, 2009).

Relationship commitment is defined as “an exchange partner believing that an ongoing relationship with another is so important as to warrant maximum efforts at maintaining it” (Morgan and Hunt, 1994). Commitment is seen as central because it not only leads to such important outcomes as decreased turnover, higher motivation and increased organizational citizenship behaviours but it also results from such things that can be influenced by the firm as recruiting and training practices, job equity and organizational support (Moorman, 2001). There should be an effective and efficient two way channel of communication that provides service feedback and feed forward to both stakeholders. According to Leek and Mason (2009) an assumption in literature is that a terminated party will seek an alternative relationship and have “switching costs,” which leads to dependence. Switching costs are exacerbated by idiosyncratic investments, that is, investments that are difficult to switch to another relationship and they also proposed that the buyer’s anticipation of high switching costs gives rise to the buyer’s interest in maintaining a quality. Most proponents of customer loyalty argue that customers who stick to one company do so because the cost of switching to another supplier is too high. They will be willing to pay a high price up to a point to avoid switching.

Leek and Mason (2009:57) point out that, communication can be defined as “the formal as well as informal sharing of meaningful and timely information between firms”. Communication, especially timely communication, fosters trust by assisting in resolving disputes and aligning perceptions and expectations. Communication is important in order to increase the trust and to boost customer relationship. According to Leek and Mason (2009), social exchange theory explains this casual relationship between commitment and trust through the principle of generalized reciprocity, which holds that “mistrust breeds mistrust and as such would also serve to decrease commitment in the relationship and shift the transaction to one of more direct short-term exchange” Furht (2010) stipulates that, companies succeed by providing superior customer value because partners that

deliver superior benefits will be highly valued and customers will commit themselves to establishing, developing, and maintaining relationships with such partners. Therefore, it is important for customer retention that customers receive superior benefits from their partnership-relative to other options. Empirical evidence on customer loyalty presented by Coyles and Gokey (2002), using data from a two year study on 1200 households regarding the purchase of 16 types of products and services, defined three loyalty segments which are emotive loyalists, inertial loyalists and deliberate loyalists.

Emotive loyalists

These are the most loyal. They feel their current alternative is the best for them and rarely reassess their purchases. This group often spends more money than the consumers who deliberate over purchases.

Inertial loyalists

These are involved with the product, or experience high switching costs, and this leads to inaction and repeat purchase based on inertia.

Deliberate loyalists

Maintain their spending levels for a brand or service because they feel it is superior. They have selected the brand through a rational process such as reviewing the price and performance of the various options. They often reassess the purchase in the light of new information and alternatives to find the new, better alternative. Coyles and Gokey (2002) concluded that, these loyalty patterns are influenced by 5 structural factors within an industry. These factors are:

1. How often purchases are made;
2. The frequency of other kinds of interactions such as service calls;
3. The emotional or financial importance of the purchase;
4. The degree of differentiation among competing offerings; and
5. Costs of switching

Sorce (2002) in a study on the impact of relationship marketing strategy on the demand for customised communication finds that, for businesses where there is little differentiation among brand attributes, creating an environment with high switching costs to create inertial loyalty maybe the only viable strategy to create customer commitment. Sorce (2002) concludes that, even small improvements in customer retention can as much double the company’s profit because of the following reasons; it costs less to serve long term customers; loyal customers

will pay a price premium; loyal customers will provide word of mouth referrals to other customers. Koch (2008) in a research on customer loyalty in the South African motor vehicle industry shows that, the most successful measure for achieving customer retention is customer delight, customer satisfaction and customer commitment. Loyal customers market the company. The study concludes that the more frequent customers are, also the strongest advocates for your company holds a great attraction for marketers, word of mouth marketing is supremely effective, of course, and many companies justify their investments in loyalty programmes by seeking profits not so much from the loyal customers as from the new customers the loyal ones bring.

Bignaut and Koch (2004) contribute to the customer loyalty through their research titled: The influence of length of relationship, Gender and age on the relationship intention of short term insurance clients in South Africa. The results of the study shows that, competence and reliability play a significant role in the establishment of trust. Competence, which is the degree to which clients perceive that the organisation possesses the required skills and knowledge to supply the service needed and reliability is the ability to deliver the promised service dependably and accurately. They further concludes that trust is the underlying basis for customer loyalty and trust is derived from prior contacts and is based on the premise that clients learn more about the organisation and develop trust based on the organisation's competence and the reliability of its services through ongoing interaction.

MATERIALS AND METHODS

The study used the quantitative research approach. Data collection was done in 2010. Data was collected through self-administered questionnaires in a survey. Close-ended (Likert scale) questions were used. The questions were adopted with modifications from previous empirical literature on customer satisfaction, relationship marketing and customer loyalty. The questionnaire was pre-tested with 20 respondents. Data was collected from the resident students of the University of Fort Hare. The simple random sampling method was used to choose three hundred and forty respondents from the population of four thousand four hundred and thirty five resident students obtained from University of Fort Hare Residence Department. The analysis employed the use of statistical procedures and tests to interpret and draw conclusions from the data collected. The packages which were used included Statistical Analysis Software and Microsoft Excel to transform the data into usable information.

The data was analysed using descriptive statistics, Chi square goodness of fit, T-test and ANOVA. Babbie and Monton (2002) point out that, validity determines whether the research truly measures that which it was intended to measure or how truthful the research results are. Validity was ensured by using a statistician and a panel of experts to evaluate the research instrument for conceptual clarity, pre-testing the research instrument in a pilot study and comprehensively reviewing the literature for theoretical constructs and empirical conclusions. Reliability is the degree to which a measurement procedure or scale produces the same result if repeated. The Cronbach's α can be used to measure

reliability. The Cronbach's α is a test for a survey's internal consistency. The Kolmogorov-Smirnov test was to determine the normality of the data. The significance of the Kolmogorov-Smirnov test was greater than 0.05 in all the tests. This implies that the normality of the data can be assumed. Case wise deletion method was used to treat missing values

RESULTS AND DISCUSSION

One hundred and forty questionnaires were administered to the respondents while one hundred and twelve questionnaires were returned. The response rate was 80%. 61% of the respondents were females and 39% were males. The results show that the modal age group of the survey participants was 21 to 30 years 47.3% of the participants, 33% of participants were below 21 years of age while 18% were between 31 and 40 years. The result shows the respondents level of study as follows 3rd year students (25%), second year students (23.2%), first year students (18.8%), Fourth year students (17.9%) and Post graduate students (14.3%).

Customer satisfaction

The scale mean for customer satisfaction is 2.47 (refer to Table 1). The five-point Likert scale was used and 3 is the midpoint. All the measures of customer satisfaction except cleaning have means lower than 3. The scale mean indicates that the students are not satisfied by the accommodation services provided by the University. The Cronbach's α yielded a value of 0.825 indicating the reliability of the scale. The significance was tested through the non-parametric chi-square goodness of fit (Table 2). The chi-square goodness of fit is the sum of the difference between the observed outcome and the expected outcome. Using five point Likert scale, the expected outcome is 20% for each scale. The observed results however significantly reflects strongly disagree and disagree as depicted by the p-values. The results indicate that customers (resident students) are not satisfied with the services (accommodation) provided by the University

Relationship marketing

The scale mean for relationship marketing is 2.135 (Table 3). All the measures of relationship marketing have means lower than 3. The scale mean indicates that students perceive that the management does not use relationship marketing. The Cronbach's α yielded a value of 0.814 indicating the reliability of the scale. The significance was tested through the non parametric chi-square of goodness of fit test (Table 4). Using five point Likert scale, the expected outcome is 20% for each scale. The observed results however significantly reflects strongly disagree and disagree as depicted by the p-values.

Table 1. Customer satisfaction descriptive statistics.

Item	Strongly disagree (%)	Disagree (%)	Neutral (%)	Agree (%)	Strongly disagree (%)	Mean	Standard deviation
The University uses the best criteria to select students into different residences	17.9	53.6	1.8	17.9	8.9	2.46	1.23
The following University accommodation services meet up student expectations:							
Bathrooms	8.9	62.5	2.7	21.4	4.5	2.50	1.07
Toilets	35.7	35.7	1.8	23.2	3.6	2.23	1.26
Kitchen	44.6	17.9	0.9	23.2	13.4	2.43	1.56
TV room	26.8	35.7	4.5	26.8	6.3	2.50	1.31
Room condition	53.6	17.9	4.5	6.3	17.9	2.17	1.56
The following contracted services attached to the University accommodation are delivered effectively and efficiently:							
Cleaning	8.9	35.7	4.5	15.2	35.7	3.33	1.48
Security	35.7	26.8	4.5	25.9	7.1	2.42	1.39
Refuse collection	35.7	31.3	4.5	22.3	6.3	2.32	1.33
To what extent do you agree that your accommodation meet your expectations	44.6	26.8	1.8	22.3	4.5	2.29	1.55
Scale mean						2.47	
Cronbach's α						0.825	

The results indicate that resident students (customers) do not perceive the use of relationship marketing by the management of the university.

Customer loyalty

The scale mean for customer loyalty is 2.1025 (Table 5). All the measures of customer loyalty have means lower than 3. The scale mean indicates

that students are not loyal to the accommodation services provided by the University. The Cronbach's α yielded a value of 0.725 indicating the reliability of the scale. The significance was tested through the non parametric chi-square of goodness of fit test (Table 6). The chi-square goodness of fit is the sum of the difference between the observed outcome and the expected outcome. Using five point Likert scale, the expected outcome is 20% for each scale. The observed results however significantly reflects strongly

disagree and disagree as depicted by the p-values. The results indicate that resident students (customers) are not loyal to the accommodation services provided by the University.

Demographic variables and customer satisfaction, relationship marketing and customer loyalty

The t-test (Table 7) was used to determine whether

Table 2. Customer satisfaction chi-square of goodness of fit test.

Item	Chi-square	Significance level (p-value)
The University uses the best criteria to select students into different residences	89.071	0.003
The following University accommodation services meet up student expectations		
Bathrooms	138.446	0.001
Toilets	61.929	0.001
Kitchen	57.732	0.001
TV room	43.089	0.002
Room condition	87.732	0.004
The following contracted services attached to the University accommodation are delivered effectively and efficiently		
Cleaning	49.349	0.007
Security	41.125	0.001
Refuse collection	45.321	0.001
To what extent do you agree that your accommodation meet your expectations	63.089	0.001
Scale mean	70.046	0.002

Sig. at > 0.05.

Table 3. Relationship marketing descriptive statistics.

Item	Strongly disagree	Disagree	Neutral	Agree	Strongly disagree	Means	Standard deviation
The communication channel used by the management is effective and efficient	44.6	26.8	1.8	22.3	4.5	2.15	1.38
The university management is trust worthy in terms of service expectations	44.6	26.8	1.8	22.3	4.5	2.15	1.32
University management are concerned about good customer relations	53.6	17.9	1.8	25.0	1.8	2.15	1.32
The management attends student grievances in an effective and efficient manner	53.6	17.9	0	23.2	5.4	2.09	1.40
Scale mean						2.135	
Cronbach's α						0.814	

there are differences in the mean scores of male and female (gender) with respect to customer satisfaction, relationship marketing and customer loyalty. ANOVA was used to test the differences in

the mean scores of the age group (Table 8). The results indicate that there is no significant difference in the mean scores of males and female students with respect to customer satisfaction,

relationship marketing and customer loyalty. The results furthermore indicate that, there are no significant differences in the mean scores of the age groups and levels of study with respect to customer

Table 4. Relationship marketing chi-square of goodness of fit test.

Item	Chi-square	Significance level
The communication channel used by the management is effective and efficient	68.982	0.001
The university management is trust worthy in terms of service expectations	68.982	0.001
University management are concerned about good customer relations	101.929	0.003
The management attends student grievances in an effective and efficient manner	56.289	0.002
Scale mean	70.054	0.002

Sig. at > 0.05

Table 5. Customer loyalty descriptive statistics.

Item	Strongly disagree	Disagree	Neutral	Agree	Strongly disagree	Means	Standard deviation
I would switch if new accommodation is offered outside campus	62.5	8.9	1.8	25	1.8	1.95	1.35
Are you willing to retain the accommodation residence offered by the university	53.6	17.9	0	13.4	15.2	2.19	1.56
Would you recommend the university residence to new students	53.6	17.9	0	17.9	10.7	2.14	1.49
Are you satisfied with your current accommodation residence	62.5	17.0	0	1.8	17.9	2.13	2.43
Scale mean						2.1025	
Cronbach's α						0.725	

Table 6. Customer loyalty chi-square of goodness of fit test.

Item	Chi-square	Significance level
I would switch if new accommodation is offered outside campus	140.57	0.001
Are you willing to retain the accommodation residence offered by the university	49.214	0.003
Would you recommend the university residence to new students	50.286	0.004
Are you satisfied with your current accommodation residence	140.946	0.001
Scale mean	70.036	0.002

Sig. at > 0.05

Table 7. T-test results.

Factor	Gender	
	T	Sig.
Customer satisfaction	1.196	0.45
Relationship marketing	1.624	0.39
Customer loyalty	1.246	0.61

Table 8. ANOVA results.

Factor	Age		Level of study	
	F	Sig.	F	Sig.
Customer satisfaction	0.860	0.425	0.727	0.284
Relationship marketing	0.940	0.262	0.836	0.167
Customer loyalty	0.823	0.185	0.766	0.365

to customer satisfaction, relationship marketing and customer loyalty.

MANAGERIAL IMPLICATIONS AND RECOMMENDATIONS

Several suggestions can be made to the University accommodation management. These suggestions, if adopted by the management can improve the levels of customer satisfaction, customer relationship marketing and customer loyalty levels. The results show that students (customers) are not satisfied with the accommodation services provided by the University management. Customer satisfaction can be achieved through closing the gap between customer expectations and actual service provided.

1. The University management should introduce customer perception survey to ascertain the ever changing customer expectations as a measure to close the gap between customer expectations and services provided.
2. The management should employ qualified personnel to deliver the different accommodation service packages such as qualified matrons, technicians and support personnel.
3. The management should provide visually appealing physical facilities through incremental renovation of the facilities to suit the modern consumers. The management should renovate the old residences to create separate kitchens so consumers cannot use toilets as kitchen.
- The research results show that students (customers) perceive that there is no customer relationship marketing between resident students and the University management. Relationship marketing is enhanced through communication, management commitment and trust.
4. The University management should build an effective and efficient two way communication channel between the management and the students (customers) in order to build a mutual relationship that will enhance improvement of service provision.
5. The management should build trust through communicating the actual service package in advance and delivering exactly the pre-stated service standard and quality in order to enhance trust.
6. The University management should be committed to service delivery through provision of quality control

measures such as inspection of physical amenities and contracted service, in order to ensure that service provision meets set standards. The study concludes that resident students (customers) are not loyal to the accommodation services provided by the University management. The most successful measure to achieve customer loyalty is through customer delight, customer satisfaction and customer commitment. Customer loyalty is created through offering services that are superior to those of the competitors both in cost and actual service benefits, hence creating high switching costs resulting to customer loyalty.

7. The management of the University should create a conducive learning environment that enhances the attainment of educational goals within their accommodation service package such as the provision of Internet and Intranet in the residences to enhance academic learning and research.
8. The University should create superior services as compared to those provided by competitors which are mainly residential properties such as security of both students and their property, hence, creation of high switching barriers.
9. The management should provide services, that suit the needs of the students (customers) and this will result in the creation of customer loyalty.

LIMITATIONS OF STUDY

The research was limited to the residence offerings in only one university. Therefore, care should be exercised in the interpretation and the application of the results of this study and the generalisation of the findings to all the Universities in South Africa. Furthermore, the research primarily targeted the consumer (resident students) (demand side) and the researcher did not obtain the views of the University management (supply side).

AREAS OF FURTHER STUDY

The University, being an educational institution offers a wide range of services that affect student as customers. Further research can be conducted on other services offered by the University through contractors such as Xerox and Fedics.

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