

SERVQUAL IN HIGHER EDUCATION INSTITUTIONS

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ABSTRACT

Many researchers use SERVQUAL to measure service quality in higher education institutions (HEI). They believe that students are customers and that higher education institution should exceed their expectations. This article uses a literature review to investigate the causes and effects of that paradigm shift. The findings show many negative impacts on treating students as customers such as degrading students-HEI relationship, diverting the orientation of teaching and learning, and contrasting with academic performance. This article suggests that SERVQUAL should not be used to measure the quality of service in higher education institutions.

Keywords:

SERVQUAL, Service Quality, Higher Education, Students as Customer

INTRODUCTION

SERVQUAL is an effective tool utilized by many business services, including higher education institutions. It helps provide customers with reliable and consistent service quality that meets their expectations. By measuring customer satisfaction and service quality, organizations can take steps to improve existing services and develop new ones. This, in turn, leads to increased customer satisfaction and better customer outcomes. Additionally, SERVQUAL helps organizations quickly identify areas of improvement and target those areas to enhance service quality further. Many researchers believe it can be used to improve operational processes and customer-centric initiatives, making it an invaluable tool in higher education.

Higher education institutions are one of the world's most basic forms of business services. They provide students with the skills, knowledge, and experience necessary to excel in their chosen fields. Higher education institutions also provide students with career opportunities and other resources to help them achieve professional success. These institutions are also responsible for creating a culture of learning and collaboration among students, faculty, and staff. As such, higher education institutions are vital to any country's economic growth and development.

Furthermore, they are essential for advancing research, technology, and innovation, enhancing a country's competitive edge. Thus, it is clear that higher education institutions are fundamental to the success of a society. However, can the SERVQUAL concept be used to measure service quality in higher education institutions?

METHOD

The author conducted a literature review to answer the research question involving SERVQUAL, higher education institutions, and students as customers. The Dimensions scientific database was utilized to search for pieces of literature on the subjects, using the keywords "SERVQUAL" and "higher education". A filter was set to the Publication Type only to show research articles, while the Publication Year filter was set to 2017-2023 to get the most up-to-date publications. The keyword "students

as customers" was used to get literature about the Students as Customers Paradigm. After collecting the necessary literature, the author synthesized and analyzed them.

RESULTS AND DISCUSSION

Introduction to SERVQUAL

SERVQUAL stands for "Service Quality", a system used to evaluate the perceptions and expectations of customers regarding the services they receive. It is used in measuring and managing the quality of services. The model was introduced in 1988 by three American marketing experts, Parasuraman, Zeithaml, and Berry. The core theory is the "service quality gap model" which is the difference between consumers' actual perception and their expectation of service quality. The model has five dimensions and 22 items: tangibility, reliability, responsiveness, assurance, and empathy (Parasuraman et al., 1985).

The SERVQUAL model was developed by Parasuraman, Zeithaml, and Berry in 1985 and primarily used in marketing. The Parasuraman research team created a 10-dimension "service quality gap model" to study consumer evaluations of service providers' quality of service. These dimensions are reliability, sensitivity, convenience, competence, politeness, communication, trustworthiness, security, danger, and empathy (Parasuraman et al., 1988).

Parasuraman (1988) conducted an in-depth qualitative study on service quality and determined that it is the difference between customers' perception of service and their expectations. This is represented by the equation $SQ \text{ (Service Quality)} = P \text{ (Perception of Service)} - E \text{ (Expectation of Service)}$.

The Parasuraman research team has conducted extensive research and development on the SERVQUAL model and found through multiple experiments that in the marketing service industry, the improvement of customer perceptions of service mainly includes five key areas:

- a. tangible, which includes the physical structure of equipment, service facilities, and the appearance of service personnel;
- b. reliability, which includes the consistency and accuracy of service quality and the ability to fulfill service commitments;
- c. responsiveness, which includes the promptness of service and responses to customers;
- d. assurance, which includes building trust and rapport with customers; and
- e. empathy, which includes providing emotional care and support to customers.

The SERVQUAL model is used to monitor the dynamic changes in service quality over time as customer expectations of service quality evolve. Parasuraman (1991) found a correlation between the five dimensions of SERVQUAL through factor analysis, further refining the SQ model. The model was then tested on five independent customer samples, which showed that the SERVQUAL model is universally applicable. As a result, Parasuraman established the SQ as the core and standard for measuring service quality (Parasuraman et al., 1991a, 1991b).

In subsequent research, scholars have frequently used the SERVQUAL model and have confirmed its applicability. Carman (1990) conducted scale tests in four different scenarios such as dental school patient clinic, business school placement center, tire shop, and emergency hospital, and found that reliability, tangible and safety had a high correlation with customer perceptions of service (Carman, 1990). Cronin

and Taylor (1994) also conducted a survey on hospital patients within 45 days and used the SERVQUAL scale to evaluate the relationship between customer satisfaction and service quality. As a result of these studies, the five dimensions and 22 variables of the SERVQUAL model were established (Taylor & Cronin Jr, 1994).

Measuring Service Quality in Higher Education with SERVQUAL

There are many research about Service Quality in Higher Education that use SERVQUAL. Our research used the keywords "SERVQUAL" and "higher education" to search for relevant articles in Dimensions within last five years. We identified 84 articles from the search results. Moreover, 67 articles were identified that measured service quality using students as respondents. In 2017, there are 11 articles and in 2023 there is 1 article. Highest number in 2018, it have 18 articles. However, overall, the data suggests that the number of articles has been declining over the past five years

We can said that many researchers believe that SERVQUAL can be used to measure the quality of service in higher education institutions. Most of them surveying students and capturing the gap between their expectation and their perception. Based on the history of the development of SERVQUAL, it can be said they believe that students are customers. In the following section, rise of students are customers paradigm will be discussed.

Commercialization of Higher Education Rising Students-Customers Paradigm

The view that students are customers was born from the commercialization of higher education. Commercialization refers to the process of bringing new products or services to the market by combining a variety of functions such as production, distribution, marketing, sales, customer support and other important steps to achieve commercial success. It is a subset of the broader process of innovation and is primarily driven by market and profit motives. Companies and other entities aim to gain a positive return on investment through research, licensing, product development, and marketing, including the creation of niche markets. The Oxford English Dictionary defines commercialization as the principles and practice of commerce with an excessive focus on financial return as a measure of worth. Investopedia defines it as the process of introducing a new product or service to the general market and taking into account the various steps required to achieve commercial success. The Merriam-Webster dictionary defines it as managing a business for profit, developing commerce, exploiting for profit or degrading quality for greater profit.

Bakan (2005) argues that professional competence is the standard by which all values are judged. However, corporations' drive for profit and power can lead to the exploitation of anything and anyone. This mindset can be as harmful as historical fundamentalism. In a world where everything and everyone can be bought and sold for profit, the integrity of the university system will be compromised. The commercialization of higher education will ultimately be its downfall (Bakan, 2005).

The commercialization of higher education is said to have negative consequences, one of which is that students begin to view themselves as customers and education as a product. This view of education is problematic as it reduces the value of education to a means to an end and not something valuable in and of itself. The focus shifts to the capability of the education to bring about a better standard of living. This has led to teachers being seen as service providers and education being

tailored to the market perspective. The involvement of various stakeholders such as government, community, and parents in this process has only added to the support of the commercialization of higher education. The market forces have negatively impacted the assurance of quality, particularly in countries where the government's role is limited and private actors are dominant. The emergence of multiple providers, both domestic and foreign, many of which are not accredited in their home country, has further complicated the situation. This has led to a decline in the autonomy and freedom of people as the concept of higher education as a joint effort between students and teachers for the betterment of society has been lost with the marketization principle (Rathod, 2022).

Negative Impact of Students are Customers Paradigm

By studying Keith Burgess-Jackson's article entitled *You Are Not My Customer*, treating students as customers can reduce and degrade lecturers and students. The teacher-student relationship in higher education is unique and special in many ways. It is a relationship that is built on trust, respect, and mutual understanding. The teacher is not only responsible for imparting knowledge and skills to the student, but also for guiding and mentoring them on their journey of self-discovery and personal growth. The student, in turn, is not only responsible for learning and absorbing the knowledge and skills that the teacher provides, but also for actively engaging with the material and using it to form their own unique perspectives and ideas.

Treating students as customers in higher education would fundamentally alter this special relationship. It would reduce the teacher to a mere service provider, whose primary responsibility is to satisfy the needs and demands of the student-customer. It would also reduce the student to a passive consumer of education, who is only interested in receiving a product or service that will help them achieve their goals.

This approach would not only devalue the role of the teacher and the student, but it would also undermine the very purpose of education. Education is not just about acquiring knowledge and skills, but about fostering critical thinking, creativity, and intellectual curiosity. It is about developing the whole person, not just the mind. Treating students as customers would limit the potential for personal and intellectual growth, as it would focus solely on meeting external goals and expectations, rather than fostering internal curiosity and development (Burgess-Jackson, 2020).

Javier Paricio Royo in 2017 argues that the higher education market being increasingly competitive, students now more than ever demand value for their money. An academic degree is a valuable investment in their future, and both the institution and the student understand this. The tuition fees reflect the cost of the product (the degree) as well as the personal economic value that it will bring in the future.

Within this changing landscape, institutions strive to ensure student-customer satisfaction and loyalty in order to establish their reputation and selectivity. As such, they need to ensure that their curricula are designed to prepare the students for professional success and meet the customer's expectations.

At the same time, responsibility for the results lies with the institution, while the student takes on the role of the recipient. The student and the institution form a contractual relationship, with both parties having their own set of expectations as to what should be delivered. This relationship is seen as essential for the successful completion of the degree program (Royo, 2017).

Higher Education Institutions are Different with Common Business Institutions

Though universities and commercial organizations share similarities in terms of branding and reputation management, the ways in which universities approach branding can be distinct. Universities tend to focus on building long-term relationships with alumni, establishing their presence and importance within the local community, highlighting student life, and showcasing partnerships with industries. They may also be more invested in the idea of lifelong learning and education (Harvey, 2018).

The classroom experience in education should not be compared to a paid service. If it is, the higher education sector becomes a marketplace where commodification persists. Naidoo and Jamieson have also expressed concerns about the commodification of teaching and learning and its negative impact on universities. This raises questions about the university's organizational structure and its shift from a focus on teaching students to one that prioritizes efficiency, productivity, and performance indicators, which are more suited to business models than the learning process. This means that the primary purpose of universities to prepare students for the future world of work, lifelong learning, and global citizenship is no longer the only or true focus of such institutions, which may have other goals that require attention (Alexander et al., 2009; Naidoo & Jamieson, 2005).

Students are not Customers

User of a product or service as a customer is different with a student. While businesses rely on customers to sustain their activity, it is argued that defining students as customers reduces the perception of their role in the learning process. Instead of viewing students as customers who purchase an educational experience, they should be viewed as learners who engage in the process and co-create their own education.

Viewing students as customers cannot be accepted. By viewing the learning process as an economic commodity, students are reduced to constantly seeking value for money and are seen as economic beings rather than learners. This approach dismisses the fact that students participate in higher education to explore and be a part of the process, not just to purchase an experience (Kirschner & van Merriënboer, 2013).

A customer-focused education is contrast with a student-focused education. A customer-focused education reduces the student to an object and only prioritizes results and performance, while a student-focused education prioritizes the student as a participant in the educational process who is willing to be challenged and improve. The customer should not be reduced to a mere driver for improvement, but remain a willing participant in the educational process (Guilbault, 2016).

Meeting Expectation for Students and Customers are Different

Angelito Calma and Camille Dickson-Deane, in their article *The Student as Customer and Quality in Higher Education*, examines some of the challenges of applying business management concepts to the field of higher education. They argues that many of these concepts, when imported into the education context, lack substance or are not easily applicable. Additionally, there may be negative consequences, such as reducing the educational experience to a mere transaction. The use of the metaphor of "student as customer" is problematic as it can shift the focus of quality improvements in teaching and learning to satisfying the student's

wants and needs, rather than the inherent value of the educational experience. The emphasis becomes on the cost of the experience rather than its worth.

Their paper presents the argument that certain management concepts from business are not well-suited for application in higher education. The idea of treating students as customers, for example, can lead to an emphasis on satisfying the student rather than on providing a valuable educational experience. Furthermore, the quality of the student experience cannot be accurately measured by student evaluations alone. To address these issues, their paper suggests re-focusing on the student as a learner and active participant in the learning process, rather than as a customer (Calma & Dickson-Deane, 2020).

Treating Students as Customers is Contrast with Academic Performances

Higher education institutions rely heavily on students for their income, and they began to approach them as customers in order to make sure they are satisfied. Bilal Safdar, Aqib Habib, Ahsan Amjad, and Jawad Abbas conduct a research to explore the effect of this attitude on academic results. A quantitative survey was taken from 153 pupils studying at universities in Islamabad, Pakistan with a five-point Likert scale. The inquiry concentrated on customer orientation, grade goal, student identity, and academic performance.

Their research shows that treating students as customers can lead to a decrease in academic performance. Paying tuition fees makes them view themselves as customers and this view leads to a mindset where they expect universities to meet their high expectations. However, as we know, education requires the involvement and effort of students in academic activities.

Therefore, universities must be careful when they treat students as customers in order to avoid any negative impact on academic results. To ensure this, universities should more focus on high educational standards than provide a customer-oriented services. Additionally, universities should create initiatives that encourage active participation from students in the learning process and develop supportive relationships to help them achieve their academic goals (Safdar et al., 2020).

Students are not Reliable to Measure Service Quality

Daniela Feistauera and Tobias Richter, in 2017, conduct a research about reliability of students to measuring service quality. Their study looked at the reliability of university students' evaluations of teaching quality through a cross-classified multilevel model. The data was collected from 480 students over three years and 4224 data points, with the total variance being broken down into the variance components of courses, teachers, students and the student/teacher interaction.

The results indicate that while the variance components of teachers and courses suggest reliability, a similar proportion of variance was due to students, and the interaction of students and teachers was the strongest source of variance. It is suggested that these results indicate that individual perceptions of teaching and their fit with the particular teacher can heavily influence student evaluations, thus making it questionable as to whether student evaluations are accurate indicators of teaching quality and that aggregated evaluation scores (Feistauer & Richter, 2017).

CONCLUSION

SERVQUAL has been used to measure the quality of service in businesses. However, higher education institutions differ considerably from regular businesses, especially when it comes to the relationship between students and higher education institutions. Students in higher education are not customers. Therefore, their expectations must be met differently from those of customers in other services. Empirical research has proven that treating students as customers can actually decrease their academic performance. Additionally, students have proven to be unreliable in measuring service quality in higher education institutions. Therefore, it is suggested that higher education institutions should not use SERVQUAL to measure their services quality.

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