

## **The Relation Between ‘Student Loyalty’ and ‘Student Satisfaction’ (A case of College/Intermediate Students at Forman Christian College)**

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### **Abstract**

Due to the increase in the number of educational institutions in the past few years, the competition has significantly increased. This change in the environment has shown the declining trends in enrollments and also in low quality students. It is becoming extremely important that policy makers of educational institutions find ways to increase the loyalty of their students. Such type of student loyalty can help in marketing the institutions by spreading a good word of mouth. In order to do so, institutions should find the areas which contribute more in student loyalty towards their institution. This would also help to identify ways of attracting prospective students with tailored and aggressive marketing programs. The study was conducted with College/Intermediate students of Forman Christian College (FCC), a two-year data has been considered to find the relationship between “student satisfaction” and “student loyalty” (spreading a good word of mouth and recommending their institution to others). 2,309, FCC students were surveyed, and correlation and regression analysis was performed to establish a model to predict “student loyalty” as a dependent, using “student satisfaction” as an independent variable. After performing the data analysis it was discovered that some of the satisfaction areas contribute in student loyalty as compared to others. Based on the results some suggestions and recommendation were made by the author that can help in creating a positive word of mouth among their alumni students, which can help in attracting good students for FCC.

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**Keywords:** Student satisfaction, student loyalty, factor analysis, regression analysis

Government of Pakistan is making a lot of effort to improve the education system in Pakistan and improve the literacy rate. In order to make this happen, the government needs to strengthen the primary, secondary and intermediate education, this will lead to a good number of students in higher education for improving the literacy rate. The Government of Pakistan announced PKR 64,014 million budget for education for the year 2014-15 (Government of Pakistan Finance Division Islamabad, n.d.).

Almost 4,515 intermediate colleges are operating in Pakistan for the years 2011-12 and the government is very hopeful that this number would increase (Ministry of Finance Government of Pakistan, n.d.). Intermediate education connects secondary education with higher education. In Lahore only about 136,433 students took the intermediate examinations in 2014 (“Inter exam toppers,” 2014). Other way to get into higher education is through an A-Level Cambridge examination, and high school which is opted by very few as compared to the number of students appearing in intermediate examination.

The competition amongst educational institutions is becoming crucial because a lot of institutions are offering Intermediate education. It is highly desirable for any institution to attract students with good academic standing and at the same time meet enrollments benchmark in order to run operations of the institution smoothly. In such a competitive marketplace, student satisfaction (with the campus life) is considered to be a key element in attracting good students. The administration works hard to provide its students with the best campus life experience. On the contrary, it also very important for the administration to find tools which can monitor, and also know what matters more to its students.

Student (customer) satisfaction and student (customer) loyalty have become buzz words for any university for devising strategies in attracting good students. The importance of customer satisfaction has already been recognized by the education industry. And a lot of success stories can be seen of the companies who have monitored and improved satisfaction; because they realized the importance of these activities in increasing their image, as well as their profits. Many organizations earn 80% of their profit from 20% of the customers (Lavinsky, 2014). If we talk about student satisfaction specifically, a lot of research has been conducted to measure student satisfaction in a past two decades. One of the earlier researchers in the field used a Likert scale of five choices to measure student satisfaction on six things: working conditions, policies and procedures, compensation, quality of education, social life and recognition. However, in the development of this field satisfaction scales have been developed through reliability scales and factor analysis to measure student satisfaction, and the factor varied from three to nine (Betz, Menne, & Klingensmith, 1970).

This study has built a framework to find the relationship between “student satisfaction” and “student loyalty” of intermediate students in Pakistan. Student (customer) loyalty is a very important concept in marketing, which details the ‘customer repeat purchasing behavior’ and ‘customer word of mouth’ (Carson, n.d.). Students are the major concern for an educational institution, and the satisfaction of them shows the success or failure of the institution’s operation and its working. Many studies have been conducted on student satisfaction and customer loyalty in the context of business. Very few have worked on this relationship in an educational institution. Therefore, this study has attempted to find relations between student satisfaction with the student loyalty of intermediate students at FCC in Pakistan.

### **Research objectives**

This study was conducted to find the relationship between ‘student satisfaction’ and ‘student loyalty’. The main areas which we would be focusing on in this study are briefly described as follows:

- Find the relationship of student satisfaction and student loyalty, considering student satisfaction as independent variable and student loyalty as dependent variable.
- Construct a valid and reliable scale to understand the level of student satisfaction.
- Suggest some guidelines and proposition to the administration and policy makers, to better market their institution.

### **Literature Review**

This study is conducted to find the relationship between student satisfaction (which is customer satisfaction) and their loyalty. Following literature has been reviewed about the customer or student satisfaction and customer or student loyalty.

### **Customer (Student) satisfaction**

Customer satisfaction is considered to be the key concept of marketing and it is considered to be a main key to measure the marketing success (Burnett, 2008). Marketing is basically meeting the needs and requirements of the consumer (Keith, 1960). Marketing can be explained, as the art of discovering, making and delivering values to satisfy the needs and demands of the customer for making profit. He further explains marketing processes and argues if the company manages it well then it will survive otherwise the company will fail. The key processes included in it are identification, product development, attracting customers, retaining customers, a loyalty building of the customer, and finally fulfilling the order

(Kotler Marketing Group, n.d.).

Many organizations put a lot of effort to improve customer satisfaction and interest in this field and this is increasing. The number of articles on customer satisfaction have been considered to be over 15,000 (Peterson, & Wilson, 1992). Different studies have shown that it always costs more to get a new customer, then retaining the old. It was estimated that it costs five times more to gain a new customer, then retaining the old one (Naumann, 1995). Now-a-days a lot of companies are focusing on the non-financial measure to increase the profits. A study done on 78 state-owned enterprise shows that customer satisfaction as a non-financial measure is significantly associated with the future and present profitability (Zhang, & Pan, 2009). This implies that the CEO performance is directly related with the customer satisfaction in a sense; if customer satisfaction increases then the profitability also increases. And one of the evaluation criteria of CEO's performance is to see how company is making profit (Ittner, Larcker, & Rajan, 1997). It also greatly impacts the corporate image of the company (Pizam, & Ellis, 1999) and has a positive impact on the purchasing behavior of the customer (Seiders, Voss, Grewal, & Godfrey, n.d.).

Customer satisfaction depends on the offer made by the company and the expectation buyer has from that product or service. In general satisfaction of the customer can be said to be the feeling of preference or displeasure that result from comparing a product or service perceived performance to expectations. If the performance is less than expectation then the customer is dissatisfied and vice-versa (Kotler, & Keller, 2009). A lot of research has been done for understanding the process or approach to monitor and evaluate customer satisfaction (HM Government, 2007).

In this study we are measuring student satisfaction and the concept of student satisfaction is derived from customer satisfaction. However, the above mentioned concepts about customer satisfaction are related to business world. It was argued that customer satisfaction content should be modified in order to address the satisfaction in educational institution. It should include constitutional amendments, policies, goals and processes of education (Stone, & Thomson, 1987).

Student satisfaction is defined as the assessments of the students regarding the services provided by the university (Stoltenberg, 2011). When a student is happy with the services (education, facilities, etc.) provided by the university then it will have a good impact on the attitude and it is considered to be satisfied. When the student is unhappy with the services then it will have a negative impact on the student attitude so it would be considered dissatisfied.

Due to increase in a number of educational institutions, the focus of

educational institutions is not only imparting educational knowledge but also to focus on the student's overall experience for student development (Kezar, & Kinzie, 2006). One way to monitor and ensure students are getting the right mix of services which they look in their institution is to keep track of student satisfaction.

Educational institution use student satisfaction to identify, improve and change the less satisfied services by the institution which helps in creating an environment which is more prone to adjusting and retaining good students (Kara, & Jr. DeShields, 2004). This is also an indicator that the institution thinks and becomes respondent to the student needs for creating institutional effectiveness.

### **Customer (Student) loyalty and purchasing behavior**

Developing loyalty among the customers is considered to be one of objectives in marketing (Surrige, 2009). The customer loyalty is said to be in existence when customers tend to purchase product or service of the same brand or shop over an extended period of time, if such behavior prevails in the customer then it is considered to be loyal customer (Financial Times. n.d.).

Customer loyalty is based on the positive attitude towards product or service and buying behavior and does not include the customer attitude and value systems (Sudharshan, 1995). Study performed on 14 million stores, in person meeting over 1 million customers and studying the result of 2,000 business's loyalty program found that 20% of the company customers are loyal customer which accounts for 80% of total revenue and 72% of the visits for buying (Jarski, 2013).

Increasing customer loyalty is very crucial to any company as it directly affects the bottom line of the business. It helps in cost saving of the company in at least six areas. 1) lower marketing costs, 2) reduce transaction cost such as order processing and contract negotiation, 3) lower customer turnover expenses, 4) more positive word of mouth, 5) increase cross selling success, which leads to a large share of customer and 6) reduce failure cost (Griffin, 2002).

The behavior of loyal customers can be articulated in different aspects. One aspect, can be that the customer is considered loyal if he makes regular purchases of the product or service in question. They would be willing to buy all the things that a company would be offering, willing to make an image of the company and not be bothered with other company marketing campaign and ads (Griffin, 2002). And the other aspect is of recommending the product or service to others, for this a loyal customer will do the following things; recommend the company to others, praise the company in front of other people, regularly perform business with the

company, give priority to the company for buying product and encourage people off and on for consuming products of the company (Parasuraman, Zeithaml, & Berry, 1994).

If we put these different aspects in perspective we can say that loyalty can be seen in two ways, 1) doing purchases with the company, and 2) recommending the company to others. For the education institution ,customer (student) loyalty can be better explained by recommending their institute to the others. Student Loyalty is defined as a student favorable attitude toward the higher educational institution through positive word-of-mouth by recommending the institution to others (Sim, 2011).

### **Customer Loyalty and Customer Satisfaction**

A lot of literature has been published on the relationship between the customer satisfaction and customer loyalty. Most of the researchers focused on studying the correlation or association between customer satisfaction and their loyalty. It is evident from the studies that a positive relationship exists between customer loyalty and satisfaction.

The research done on the banking industry in Iran, suggests that a positive relationship does exist between customer satisfaction and loyalty. It was further reported that the loyalty of the customer is strongly associated with the financial performance of the bank. This indicates that satisfied customer gives rise to loyal customers and this helps in increasing the financial performance of the company (Nayebzadeh, Jalaly, & Shamsi, 2013).

Another study was conducted on pharmacies of the Portuguese for determining the relationship between customer satisfactions, service quality and behavioral intentions (which are basically linked with repeat purchase behavior which is the indicator of loyalty). The study suggests that the customer satisfaction direct affects the loyalty of the customers (Bastos, & Gallego, n.d.).

Dissatisfied customer will do the following: spread a negative word of mouth about the service, launch a complaint about bad service to the company or the supplier and even decide to switch the company or supplier due to the bad service that purchases service from other businesses. The study also showed that a correlation exists between dissatisfied customer and purchasing behavior (Gull, & Ifikhar, 2012).

The study done by using data of 151 retailers in Gauteng Province of South Africa shows that, customer satisfaction has association and effect on customer loyalty. The customer loyalty has a positive correlation with the customer buying intentions (Chinomona, & Dubihlela, 2014).

According to the above stated literature it can be concluded that customer satisfaction has strong association with customer loyalty. And

satisfied customer gives rise to loyalty and that result in good financial performance.

## Methodology

The Intermediate classes of 2013 and 2014 were surveyed about their satisfaction and loyalty with Forman Christian College (FCC). All students were asked to participate in the survey. 2,896 Intermediate students were asked to participate in this survey and 2,309 completed the survey questions regarding their satisfaction with different things and their willingness to recommend FCC to others. The students were notified about this survey through the FCC Academic Office and the Intermediate Coordinator. Students filled the survey forms and submitted their responses online and were assured that their responses would be confidential and anonymous and they were encouraged to give their honest opinions.

The survey included background questions, satisfaction questions regarding satisfaction with faculty, accounts, facilities, discipline, activities, food and student life on campus. It also has questions on the willingness to join FCC and recommend FCC to others. Students were asked to respond on five-point Likert-scale to these questions.

## Demographics

Following are demographics of the students as compared to the population who have responded the survey for analysis:

Table 1: Number and percent of respondents by program:

Intermediate Program	Sample		Population	
	n	%	N	%
Foundation in Arts (FA)	258	11	381	13
Foundation in Science (FSc) -Pre-Medical	509	22	616	21
Foundation in Science (FSc) -Pre-Engineering	858	37	1043	36
General Science	217	9	281	10
Intermediate in Computer Science	242	10	308	11
Intermediate in Commerce	225	10	267	9
Total	2309	100	2896	100

The table suggests that the sample is a good representation of the overall population and the response rate is 80%.

## Analysis of data

### Reliability and Validity

The survey instrument and its results were found to be reliable to run analysis on it. In order to check the reliability of the survey, split-half reliability analysis was performed. The split-half reliability test was considered to be a superior method of checking the reliability in comparison to test-retest reliability (Explorable, n.d.). Results of the test are as follows:

Table 2: Split-half reliability analysis:

Reliability Statistics			
Cronbach's Alpha	Part 1	Value	0.934
		N of Items	36
	Part 2	Value	0.952
		N of Items	35
	Total N of Items		
Correlation Between Forms			0.882
Spearman-Brown Coefficient	Equal Length		0.937
	Unequal Length		0.937
Guttman Split-Half Coefficient			0.937

As shown in table 1, the correlation is 0.882 which approaches to 1, this shows that there is a strong correlation which tells that there is an internal consistency of the survey results, and it is a good data to run further analysis on it.

### Factor analysis

Factor analysis was performed on the data to construct scales from items. The Kaiser-Meyer-Olkin and Bartlett's test was performed for measuring the sampling adequacy. The KMO value of 0.974 and Bartlett's significance shows that the sample is adequate to perform factor analysis as shown in Table 3 (Eyduran, Karakus, Karakus, & Cengiz, 2009).

Table 3: KMO and Bartlett's Tests:

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.974
Bartlett's Test of Sphericity	Approx. Chi-Square	29486.41
	Df	1830
	Sig.	0.000

Principal component analysis was performed in order to make factors from the items, as the correlations between questions were not strong. As a general rule Eigen values greater than one were considered to make factors student satisfaction items from the rotated component matrix. The items with factor loading greater than 0.2 were retained and others were deleted. Factor loading 0.3 or above is recommended (MacCallum, Widaman, Zhang, & Hong, 1999), but we have chosen 0.2 as a cutoff. Out of 69 items in satisfaction scale 61 were retained and nine factors were made explaining 54% of the variance, which is considered to be fine percentage variance explained (Beavers, Lounbury, Richards, Huck, Skolits, & Esquivel, 2013). Table 4 illustrates initial and extracted Eigen values as shown below:

Table 4: Initial and Extracted Eigen values using Principal Component Analysis:

Total Variance Explained									
Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	21.637	35.471	35.471	21.637	35.471	35.471	6.359	10.424	10.424
2	2.295	3.762	39.232	2.295	3.762	39.232	5.799	9.507	19.931
3	1.734	2.843	42.075	1.734	2.843	42.075	4.894	8.024	27.955
4	1.438	2.358	44.433	1.438	2.358	44.433	4.006	6.567	34.522
5	1.357	2.225	46.658	1.357	2.225	46.658	3.433	5.627	40.149
6	1.301	2.133	48.791	1.301	2.133	48.791	2.743	4.497	44.646
7	1.107	1.814	50.605	1.107	1.814	50.605	2.689	4.408	49.054
8	1.081	1.773	52.378	1.081	1.773	52.378	1.672	2.742	51.796
9	1.011	1.657	54.035	1.011	1.657	54.035	1.366	2.239	54.035
10	.966	1.584	55.618						
11	.936	1.534	57.153						
12	.895	1.467	58.620						
13	.885	1.452	60.072						
14	.857	1.404	61.476						
15	.849	1.392	62.868						
16	.837	1.372	64.239						
17	.807	1.323	65.562						
18	.755	1.238	66.801						
19	.746	1.222	68.023						
20	.722	1.184	69.207						

Extraction Method: Principal Component Analysis.

Seven factors were made from 61 items; these factors were extracted through the rotated component matrix. The factor name and items with factor loading are shown in the following table 5:

Table 5: Items, factor name and factor loading:

Factor Loading	Factor Name and Items
	<i>Satisfaction with College Administration</i>
0.7	4. My money is handled accurately by the Accounts Office.
0.6	49. The Accounts Office answers my questions accurately.
0.5	17. The administration is cooperative.
0.4	11. Fines are given in a fair way when students break the rules.
0.2	12. Events on campus are well organized.
	<i>Satisfaction with Discipline and Values</i>
0.6	38. The "No smoking on campus" policy is enforced well.
0.6	45. The non-academic staff demonstrates the Core Values of FCC.
0.5	34. Students demonstrate the Core Values of FCC.
0.4	44. The faculty demonstrates the Core Values of FCC.
0.4	37. The administration demonstrates the Core Values of FCC.
0.2	64. I developed a personal sense of values while at FCC.
	<i>Satisfaction with Courses and instruction</i>
0.7	54. My classes are enjoyable.
0.6	60. I increased in my knowledge.
0.5	55. Class sizes are appropriate.
0.4	40. My classes are interesting.
0.2	70. Attendance records are well kept.
0.2	66. Attendance policy is strictly enforced.
0.2	7. The time tables of classes are good.
	<i>Satisfaction with College facilities</i>
0.6	5. There are places for prayer on campus.
0.6	42. FCC does a good job in saving electricity.
0.6	9. Overall condition of classrooms is good.
0.6	24. Good co-curricular activities are available for students.
0.5	22. There is good communication on campus.
0.5	27. Science labs are well equipped.
0.5	6. The campus has good athletic grounds.
0.5	31. The campus is beautiful.
0.4	19. The bookstore in Lucas Center has what I need.
0.3	26. The dispensary helps students who are sick.
0.3	8. The tennis courts are good.
0.3	18. Computer labs have good timings.
0.2	14. Good parking is available on campus.
0.2	53. FCC has a safe campus.
0.2	32. Computer labs have good equipment.
0.2	47. The swimming pool on campus is good.
	<i>Satisfaction with College faculty</i>
0.6	57. Teachers use English for teaching.
0.6	41. Food is available on campus for a reasonable price.
0.5	20. Faculty members are well qualified and experienced.
0.5	46. Quality of food on campus is good.

0.4	28. Faculty members convey knowledge to students in a good way.
0.3	13. Monthly exams grading are fair.
0.3	69. Faculty respect students from different backgrounds.
0.3	50. Faculty members are cooperative.
0.3	58. Teachers provided fair feedback on my progress.
0.3	67. Faculty members are punctual attending class.
0.2	63. Teachers returned tests in a timely way.
0.2	68. Faculty effectively manage difficult students.
0.2	25. Teachers complete the syllabus in time.
0.2	71. Teachers speak respectfully to students
0.2	61. Teachers made their expectations clear to students.
0.2	51. I can buy food on campus when I am hungry.
<i>Satisfaction with harmony</i>	
0.5	21. Students from all financial backgrounds are treated with respect.
0.5	33. Students of all religions are treated with respect.
0.4	15. Students from villages are given equal chances at FCC.
0.3	62. I was not threatened by different religious/ethnic/political groups.
0.3	59. Students made me feel welcome.
0.2	39. Students are given individual attention at FCC.
<i>Satisfaction with Skills development</i>	
0.6	23. FCC properly grooms students' personalities.
0.6	16. My leadership skills have improved.
0.4	43. At FCC my level of confidence has increased.
0.4	29. My ability to communicate in English has improved being at FCC.
0.3	48. My communication skills have improved.

Cronbach alpha reliability has been calculated from the factors which show the conformity of the factor grouping. The following rule of thumb for cronbach alpha values greater than 0.9 is considered excellent, between 0.9 to 0.8 is considered good, between 0.8 to 0.7 is considered acceptable, between 0.7 to 0.6 is considered questionable, between 0.6 to 0.5 is considered poor and less than 0.5 is considered unacceptable (Chiu, & Liu, 2008). All show cronbach alpha value greater than 0.7 which shows that the constructs reliabilities are at the acceptable level as shown in table 6.

Table 6: Cronbach Alpha Reliabilities:

Factor Name	Cronbach Alpha Reliability	Items	Number of Items
Satisfaction with College Administration	0.702	4, 49, 17, 11, 12	5
Satisfaction with Discipline and Values	0.780	38, 45, 34, 44, 37, 64	6
Satisfaction with Courses and instruction	0.803	54, 60, 55, 40, 70, 66, 7	7
Satisfaction with College facilities	0.902	5, 42, 9, 24, 22, 27, 6, 31, 19, 26, 8, 18, 14, 53, 32, 47, 41, 46, 51	19
Satisfaction with College faculty	0.902	57, 20, 28, 13, 69, 50, 58, 67, 63, 68, 25, 71,	13

		61	
Satisfaction with harmony	0.748	21, 33, 15, 62, 59, 39	6
Satisfaction with Skills development	0.817	23, 16, 43, 29, 48	5

**Student Satisfaction**

The intermediate students were satisfied most with the ‘skills development’ (mean = 4.20) and least satisfied with ‘college administration’ (mean = 3.80). Remaining factors have a mean above 3 (both satisfied and dissatisfied). Table 7 shows the mean values with standard deviation of different factors.

Table 7: Satisfaction of students on factors:

Factor Name (Satisfaction with)	Mean	Standard Deviation
Skills development	4.20	0.595
Harmony	4.19	0.544
Courses and instruction	4.14	0.572
College facilities	4.13	0.513
College faculty	4.07	0.563
Discipline and Values	3.99	0.630
College Administration	3.80	0.729

**Regression Analysis:**

Regression analysis was performed in order to establish a relationship between student satisfaction and student loyalty. Student satisfaction factors were considered as independent variables and used as a predictor of student loyalty. A student loyalty scale was made by using the responses on the following questions, willingness to recommend their institution to others, willingness to join their institution again; overall satisfaction to be part of the institution and this scale has a Cronbach alpha reliability of 0.690. Linear regression analyses were performed to establish a relationship between student satisfaction factors and student loyalty. Seven student satisfaction factors were considered as independent variable and student loyalty is considered as dependent variable. It can be represented by the following factors:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \beta_6 X_6 + \beta_7 X_7$$

Y: student loyalty, which is defined as the willingness of students to join or recommend their institution to others and overall satisfied for being part of this institution.

X<sub>1</sub>: Satisfaction with the college administration, X<sub>2</sub>: Satisfaction with Discipline and Values, X<sub>3</sub>: Satisfaction with courses and instruction, X<sub>4</sub>: Satisfaction with College facilities, X<sub>5</sub>: Satisfaction with College faculty, X<sub>6</sub>: Satisfaction with Harmony, X<sub>7</sub>: Satisfaction with the Skills development

Table 8 shows the results of the regression analysis, from the following result the equation can be written as follows:

$$Y = 1.023 + 0.151 X_1 + 0.078 X_2 + 0.162 X_3 + 0.018 X_4 + 0.059 X_5 + 0.096 X_6 + 0.157 X_7$$

Table 8: Regression analysis results

Variable		Beta	t	Sig.
Name	Symbol			
(Constant)	β <sub>0</sub>	1.023	11.056	0.000
Satisfaction with College Administration	β <sub>1</sub>	0.151	6.393	0.000
Satisfaction with Discipline and Values	β <sub>2</sub>	0.078	2.822	0.005
Satisfaction with Courses and instruction	β <sub>3</sub>	0.162	5.092	0.000
Satisfaction with College facilities	β <sub>4</sub>	0.018	0.521	0.602
Satisfaction with College faculty	β <sub>5</sub>	0.059	1.707	0.088
Satisfaction with Harmony	β <sub>6</sub>	0.096	3.297	0.001
Satisfaction with Skills development	β <sub>7</sub>	0.157	5.606	0.000
R = 0.618 Adjusted R <sup>2</sup> = 0.381 F-value = 203.599, D-W = 2.034				

In the regression analysis the adjusted r<sup>2</sup> values show that 38% of the variability in the dependent variable can be explained by the independent variables. The value of r<sup>2</sup> greater than 20% is considered to be meaningful in behavioral and social sciences (Harper, Li, Chen, & Konstan, n.d.), and it shows that regression analysis depicts good results and no multicollinearity and autocorrelation problem exists (D-W = 2.034). The analysis illustrates that all the satisfaction factors (college administration, discipline and values, courses and instructions, harmony and skills development) have significant positive influence on student loyalty except ‘college faculty and college facilities’. The findings of this study are consistent with the study results of previous studies done on customer satisfaction and customer loyalty and shows that a positive linear relationship exists.

## **Conclusion and implications**

This study was conducted to determine and establish a relationship between student satisfaction and student loyalty. 2,309 intermediate students of Forman Christian College were surveyed about the satisfaction with different aspects of study life and their loyalty with their institution.

According to the results shown in table 8, all the satisfaction factors are above 3 which indicate that students were satisfied with their institution's performance. Students were most satisfied with skills development (mean 4.20) at FCC and least satisfied with the college administration (mean 3.80). However, in both cases they are considered to be satisfied as they are above the mean value.

Five of out of seven satisfaction factors namely satisfaction with courses and instruction, skills development, administration, harmony and discipline and values have a greater positive impact on student loyalty. According to the results satisfaction with "courses and instruction" has the largest influence on a student's loyalty. This depicts that students emphasized on the education standards which college has to offer during their stay of study here. They are interested in enriching their academic knowledge. This also shows that appropriate class size, the timing of classes and knowledge gained in classes are key components to satisfied students. The second factor which has the largest positive influence on the student loyalty is "skills development". A lifelong skill such as communication, leadership and confidence tends to contribute in creating student loyalties. Students are more interested in learning skills which will help in their grooming instead only academic knowledge; FCC should think of activities or seminars which can help students in this. The college administration should be organized and ready to help students in every best possible way they can; it also has good influence on the students. FCC should also think of ways to maintain harmony among different religion and financial background students. They can make more diverse demographic classes to increase harmony among students. Special consideration should be given maintaining the discipline and value system in the college. FCC should provide training to their professors to improve their teaching skills and professional knowledge. Moreover, FCC should maintain the level of facilities in order to built an environment for the students which can help them in learning and growing in number.

In order to attract good students, a lot of things can be shown to the students about courses and instruction such as class size, appropriate class timings, etc. Different activities can be explained to the students which show apart from academics a lot of other things such as, extracurricular activities etc., that are also integral part of life. Testimonials or presentation sessions from the old students can be a very useful marketing strategy in conveying an effective message to the potential candidates about the institution. Every satisfied customer brings at least four new customers through word of mouth advertising (Jain, 2012). Therefore, satisfied students lead to loyal students' which can bring new students for admission to the university for free by advertising through word of mouth.

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