

BRAND IMAGE AND SERVICE QUALITY ON STUDENTS' LOYALTY IN LAGOS STATE-OWNED UNIVERSITIES

OYENIYI, Omotayo J¹ BALOGUN, Mustapha T² LAWAL, Ademola I³

ABSTRACT:

This paper examines the effect of brand image and service quality on student loyalty in Lagos State owned Universities. This study employed descriptive research to examine the relationship between brand image, and service quality on students' loyalty at Lagos State-Owned Universities. The study population comprised students from Lagos State University and students from Lagos State University of Science and Technology, students from Lagos State University of Education. This study examined the brand image and service quality on students' loyalty in Lagos State owned Universities. The objective was actualized, and it was revealed that brand image has a significant effect on Students' loyalty in Lagos State owned Universities. It was also revealed that service quality has a significant positive effect on students' loyalty in Lagos State Owned Universities. The study employed Linear Regression Analysis to test hypotheses and utilised descriptive statistics, including percentages, tables, and frequencies, to analyse the sample characteristics.

Author's Affiliation:

Department Of Marketing,
Faculty of Management Sciences,
Lagos State University, Ojo

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Corresponding Mail:

ibraheemademola47@gmail.co

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1.1 Introduction

Students' loyalty enhances sustainability and survival rate of higher education institutions. Successful university and higher education thrive to improve service quality and to build loyalty among local and international students to sustain under the globalization.

It is the key success for universities to keep up with the state of art relationship marketing strategies to survive in the highly competitive environment (Curth et al., 2019; Helgesen, 2008). University management feel the urge to scrutinize and build student loyalty in order to develop fruitful long-term relationships between students and alma mater (Pedro et al., 2017).

Universities has been considered a service to students. In the 21st century, institutions of higher education hold one of the most important roles in shaping the future of our society. Research indicates that a strong system of higher education is a significant contributor to the country's ability to compete in the global marketplace and is critical to our economic strength, social well-being, and position as a world leader ([Tomlinson, 2017](#)). Successful university managers and higher education state policies thrive to improve service quality and to build loyalty among students to have sustainable progress. The intensifying competition among higher education institutions to recruit new students has heightened the focus on fulfilling student expectations and needs (Thomas, 2011). Consequently, higher education institutions are compelled to adhere to certain quality standards and implement market-oriented tactics to distinguish themselves from competitors by delivering superior services that have enduring impacts on both the institutions and the students they serve (Thomas, 2011). Poole et al. (2000) assert that institutions confronted with intense competition frequently adopt methods focused on enhancing service quality and associated characteristics to attain a competitive edge in today's increasingly demanding market.

Service quality, in this context, is recognized as a key performance measure for excellence in education and a key strategic variable for universities as service providers (Donaldson and Runciman, 1995). The service quality from an institution can give satisfaction to students (Sumaedi, 2011).

Brand image is a major determinant of customer loyalty (Tarus and Rabach, 2013), hence the vision of student loyalty as well as the factors responsible for their loyalty behavior must be a major concern when determining the most suitable organizational strategy (Yap et al., 2012). According to Deghan et al. (2014) student loyalty is very important for academics and has been the subject of strategic attention for higher education institutions. Student loyalty is greatly

influenced by brand image and service quality of the university itself (Fares, 2013). Therefore, this paper investigated the effect of brand image and service quality on student loyalty in Lagos State owned Universities.

2.1 Literature Review

2.1.1 Brand image

University image also affects prospective students in choosing schools for their higher degree (Alves and Raposo, 2010). According to Landrum, Turrisi, and Harless (1998), university image is a precious aspect that helps a university win over the tight market competition. Moreover, Philip (1995) emphasized that the stronger effects of university image and reputation of a university in winning the market competition compared to the quality for perceived image have stronger influences on students in choosing universities to attend.

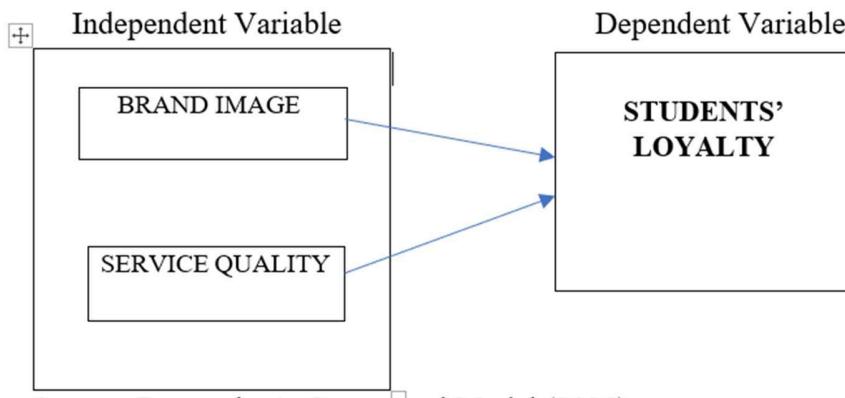
2.1.2 Service Quality

Zeithaml and Bitner (2018) define service quality (SQ) as an evaluative focus that encapsulates customer views regarding specific elements of the delivered service. Perceptions of service dimensions are shaped by various elements, including the quality of service, product quality, pricing considerations, and both situational and personal influences. Five dimensions of service quality determinants: Tangibles, Reliability, Responsiveness, Assurance, and Empathy (Zeithaml and Bitner, 2018). Lemay et al. (2009) identifies two primary elements influencing service quality: a) customer views of the actual service received (perceived service), and b) the services that are anticipated or sought (expected service). The quality of service significantly influences various institutions in retaining student enrolment and capturing the educational market (Yeo, 2008).

2.1.3 Students loyalty

In an educational context, student loyalty exerts both short-term and long-term effects on educational institutions. Dedicated students enhance the quality of instruction via active engagement and steadfast conduct (Rodie and Kleine, 2000). Prepared to endorse institutions to others. Furthermore, an increasing number of graduates are pursuing advanced education inside the same higher education institution to enhance their knowledge (Marzo-Navarro et al., 2005). The primary focus of any organisation is to cultivate, sustain, and improve client loyalty towards its products or services (Mulyono, 2020). Research on student loyalty aids in sustaining and cultivating enduring ties with both current and alumni students (Annamdevula & Bellamkonda,

2016). Loyalty necessitates the cultivation of a robust relationship with students. Simultaneously, universities will gain advantages from both present students and the allegiance of alumni.



Source: Researcher's Conceptual Model (2025)

2.2. Empirical review of the Study

Zakirullah, Z., Camlibel, B. B., & Ying, H. H. (2025) carried out a study to investigate how the caliber of services affects the standing of education and the general contentment of students at Hohai University concentrating on how student motivation functions as a mediator in this relationship. The study examines how elements of service quality, such as tangibility, reliability, responsiveness, assurance, and empathy, affect students' satisfaction and opinions about the university's reputation in society by referencing theories such as Self Determination Theory (SD) and Expectancy-Value Theory (EVT). Based on earlier study, the researcher created a questionnaire. 378 students made up the convenience sample drawn from Hohai University's foreign student body depending on availability, which was then analyzed using SPSS and Smart PLS and Structural Equation Modeling (SEM); The results show the importance of top-quality services across areas such as support and campus facilities in improving students' contentment and overall happiness and significantly boosting the institution's standing. Significantly, it found the role of motivation to be a factor in this process by strengthening the impact of service quality on both student happiness and institutional prestige and reputation. Students who perceive robust support services tend to exhibit levels of extrinsic motivation, which further enhances their academic involvement and satisfaction levels while fostering a positive bond with the university. Oyeniyi, Balogun, & Lawal (2024) conducted a study on Brand Trust, Institutional Commitment, and Student Loyalty among Selected Tertiary Institutions in Lagos State, Nigeria. The objective was to ascertain the impact of brand trust and institutional commitment on student loyalty in Lagos-owned universities. A survey method was employed to gather data from a sample of 213

students from universities owned by the Lagos State government. Data analysis utilised correlation and hierarchical regression techniques. The findings indicated that brand trust indicators, including reliability, credibility, integrity, and benevolence, exhibited a positive correlation with organisational commitment, which in turn positively influenced brand loyalty. Hierarchical regression analysis revealed that both brand trust and organisational commitment significantly affect student loyalty to universities.

A study conducted by Balogun, Oyekunle, Tijani, and Adebayo (2024) examines the corporate reputation of higher educational institutions, focusing on selected universities in Lagos State, Nigeria. The aim of the study was to investigate the impact of business reputation at certain universities in Lagos State. It further delineated the variables utilised and applied Institutional Theory as the foundation of the theoretical framework. The study demonstrates substantial impacts of service quality on the academic programs of the chosen universities in Lagos State. Furthermore, student satisfaction greatly impacts the retention rates of selected universities in Lagos State. Similarly, public opinion substantially impacted the graduation and employment prospects of specific universities in Lagos State. The report recommended that universities enhance their academic programs, improve career services, and actively promote the achievements of their students and alumni to leverage public perception for improved graduation and job results. Yousaf, Mishra, and Bashir (2020) conducted a study on brand trust, institutional commitment, and their effects on student loyalty within the context of higher education in India. The study aimed to examine the influence of four aspects of brand trust—reliability, credibility, benevolence, and integrity—on student loyalty, as well as the mediating effect of institutional commitment in this relationship. Findings indicate that reliability is the most significant direct factor influencing loyalty, succeeded by integrity, although compassion can foster loyalty only when commitment is apparent. These findings, along with others, have significant consequences for the top management and administrators of higher education institutions (HEIs), namely highlighting the need of trust in fostering greater student loyalty

2.3. Theoretical Framework- Signaling theory

Signaling theory is a framework in economics and social sciences that explains how individuals or organisations can convey information about themselves or their products to others to reduce

information asymmetry. Developed by Michael Spence (1973), this theory has been widely applied in various contexts, including education, the job market, and consumer behaviour. The idea of information asymmetry, which occurs when one person has more or better information than another, is the foundation of the signaling theory. To close the information gap and promote more effective decision-making in such circumstances, a party with more information can utilise signals to communicate that information to the other party.

According to Spence (1973), individuals or organisations can signal their quality or attributes through various observable characteristics or actions. For example, in the job market, applicants may use their educational qualifications, work experience, or certifications as signals to convey their competence and productivity to potential employers. Employers can use these signals to make informed hiring decisions.

Similarly, in the context of higher education, the University can use their qualities such as, brand image and service quality to win the loyalty of students because these qualities are some of the traits parents, guardians and students look out for in any University. Therefore, this theory is relevant to this study because any University that has a positive brand image that is well known by the public and offers good services will gain more students' loyalty and attract more students to their Institution.

3.1 Methodology

This study employed descriptive research to examine the relationship between brand image, and service quality on students' loyalty at Lagos State-Owned Universities. The study population comprised 43,362 students from Lagos State University (LASU official website, 2024), 6,000 students from Lagos State University of Science and Technology (<https://lasustech.edu.ng>, 2024), and 3,300 students from Lagos State University of Education (<http://lasued.edu.ng>, 2023). Their aggregate student enrolment is 52,662, distributed among various university faculties. The sample size comprised 397 students from several universities in Lagos State, calculated using Taro Yamane's (1967) formula. The research depended on responses from a meticulously designed questionnaire administered to certain demographic groups as its primary data source. Subsequent to the validation of the instruments, the data were examined utilising SPSS version 25.0. The study employed Linear Regression Analysis to test hypotheses and utilised descriptive statistics, including percentages, tables, and frequencies, to analyse the sample characteristics.

4.1. Results

H_01 : Brand image has no significant effect on students' loyalty in Lagos State owned Universities

Table 1: Model Summary of Hypothesis One

Models		Unstandardized Coefficients		T	Sig.	R	R ²	Adjusted R ²	Std. Error of the Estimate
		B	Std. Error						
1	(Constant)	4.562	.350	13.015	.000	.746 ^a	.556	.555	2.42469
	Brand image	.673	.038	17.635	.000				

Source: Researcher's computation (2025).

To analyze the hypothesis, the linear regression was employed at 5% significance level. The analysis showed a significant model summary: $P < 0.05$, $R = 0.746$, $R^2 = 0.556$. The analysis showed that brand image have significant positive effect on students' loyalty in Lagos State owned Universities. With an R-squared of 0.556 and an adjusted R-squared of 0.555, the model in this regression analysis shows statistical significance ($p < 0.05$). The regression analysis model that is being presented fits the data well and accounts for approximately 55.6% of the variance in students' loyalty and the remaining 44.4% is due to other factors that are not captured in the regression equation. Also, the p-value of (0.000) which is less than the level of significant at the 0.05 level (2-tailed) indicate that the result is statistically significant; therefore, the null hypothesis is rejected and it can be concluded that brand image have significant effect on Students' loyalty in Lagos State owned Universities. This is in line with the study of Chandra et al (2019) that University image has a significant effect on student loyalty.

H_02 : Service quality has no significant effect on students' loyalty in Lagos State owned

Universities

Table 2: Model Summary of Hypothesis Two

Models		Unstandardized Coefficients		T	Sig.	R	R ²	Adjusted R ²	Std. Error of the Estimate
		B	Std. Error						
1	(Constant)	4.524	.328	13.800	.000	.771 ^a	.595	.593	2.31711
	Service Quality	.649	.034	19.082	.000				

Source: Researcher's computation (2025).

To analyze the hypothesis, the linear regression was employed at 5% significance level. The analysis showed a significant model summary: $P < 0.05$, $R = 0.771$, $R^2 = 0.595$. The analysis showed that Service quality have significant positive effect on students' loyalty in Lagos State owned Universities. With an R-squared of 0.595 and an adjusted R-squared of 0.593, the model in this regression analysis shows statistical significance ($p < 0.05$). The regression analysis model that is being presented fits the data well and accounts for approximately 59.5% of the variance in students' loyalty and the remaining 40.5% is due to other factors that are not captured in the regression equation. Also, the p-value of (0.000) which is less than the level of significant at the 0.05 level (2-tailed) indicate that the result is statistically significant; therefore, the null hypothesis is rejected and it can be concluded that service quality has significant effect on Students' loyalty in Lagos State owned Universities. This result supports the opinion of Doan (2021) and Chandra et. al (2019) that service quality positively influences students' loyalty.

5.1 Conclusion

This study examines the brand image and service quality on students' loyalty in Lagos State owned Universities. The objective was actualized, and it was revealed that brand image has a significant effect on Students' loyalty in Lagos State owned Universities. It was also revealed that service quality has a significant positive effect on students' loyalty in Lagos State Owned Universities.

6.1 Recommendation

The study recommended that in other to continue building students' loyalty, Universities should ensure they keep up with a positive brand image and ensure that they improve on their service quality at all times to help them stay relevant and keep up with the competitive University environment within the country. One of the ways the Universities can ensure good service quality is to make sure there is a continuous training and development programmes for their staff members.

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