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SOCIO-DEMOGRAPHIC CHARACTERISTICS AS A FACTOR OF STUDENT LOYALTY: A MARKETING APPROACH

СОЦИО-ДЕМОГРАФСКЕ КАРАКТЕРИСТИКЕ КАО ФАКТОР ЛОЈАЛНОСТИ СТУДЕНАТА: МАРКЕТИНШКИ ПРИСТУП

Summary: This paper focuses on student loyalty in higher education. In higher education, loyalty primarily means building a stronger connection with students, shaping a positive perception, and spreading positive publicity about the institution. Loyalty in higher education also involves retaining students until the completion of their studies and maintaining the relationship through enrollment in subsequent study cycles or alumni organizations. Building relationships with students and adopting a student-oriented approach will strengthen the bond with them and provide the foundation for building their loyalty. This paper analyzes the relationship between socio-demographic characteristics (gender and socio-economic status) and status characteristics of students (years of study, whether they pay for their studies or not, whether they are domestic or foreign students) with dimensions of student loyalty (satisfaction with the service, intention to stay at the institution, and attachment). The research has shown that gender and socio-economic status of students do not have a significant impact on any dimension of loyalty. On the other hand, the analysis results indicate that factors which are related to student status significantly influence all dimensions of student loyalty to the institution. The research results in this paper imply that marketing approaches in higher education can enhance relationships with students, their loyalty, and assist the management of these institutions in making decisions that will impact student retention at the educational institution.

Keywords: marketing, higher education institutions, students, loyalty, student retention

JEL Classification: M30, M31, A23, I23

Резиме: Овај рад тежиште ставља на лојалност студената. У високом образовању лојалност примарно значи јачу везу са студентима, формирање позитивног мишљења и ширење позитивног публицитета о институцији. Такође, лојалност у високом образовању подразумева задржавање студената до краја њиховог студија и наставак везе преко уписа наредног циклуса студија или преко алумни организација. Изградња односа са студентима и прихватање приступа усмјереног на студенте учврстиће везу са њима и дати основу за изградњу њихове лојалности. У овом раду анализиран је однос између социо-демографских карактеристика (полних и социо-економског статуса) и статусних карактеристика студената (године студија, да ли плаћају студије или не, да ли су домаћи или инострани студенти) са димензијама лојалности студената (задовољства услугом, намјере да се остане на факултету и привржености). Истраживање је показало да пол и социо-економски статус студената немају значајног утицаја ни на једну димензију лојалности. Са друге стране, резултати анализе су показали да фактори који се односе на статус студената значајно утичу на све димензије лојалности студената институцији. Резултати истраживања у овом раду имплицирају да маркетиншки приступ у високом образовању може унаприједити односе са студентима, њихову лојалност, те помоћи менаџменту ових институција у доношењу одлука које ће утицати на задржавање студената на образовној институцији.

Кључне ријечи: маркетинг, високошколске институције, студенти, лојалност, задржавање студената

JEL класификација: M30, M31, A23, I23

1. INTRODUCTION

The application of marketing concepts in higher education is unique. However, the specificity of these institutions presents a challenge for marketing. This is because, on the one hand, they are non-profit institutions of public importance, while on the other hand, the functioning of these institutions requires the application of a market-oriented approach to business. Higher education institutions in Bosnia and Herzegovina are in transition from traditional to modern, and the question is how they adapt to the new business system in accordance with the Bologna system of higher education. The

most significant change brought about by the new education system is a new and different approach to students compared to the past. The first step in adaptation is accepting the fact that students are consumers of higher education services. They are customers, but customers of a service that is enduring and known as knowledge. Students choose, consider, and decide which faculty to enroll in, guided by numerous motivations. Every student is important to universities. The survival of study programs and faculties depends on students. The number of students in teaching-normative groups of lectures and exercises is contingent upon the existence of study programs. Therefore, these institutions must pay attention to attracting and retaining students within their institutions. Promotional activities by universities in Bosnia and Herzegovina in recent years, aimed at attracting students, have had some effect but have not proven to be the sole or best solution. One of the major issues faced by universities in the Republic of Srpska is student attrition, i.e., students leaving their faculties before completing their studies. This is a problem that requires special attention, given that at some universities, it accounts for nearly 10% of the total student population in a single year. These numbers are concerning. The issue of study abandonment is present at all European universities, however, European universities offset this by attracting international students, while the proportion of foreign students at Bosnian-Herzegovinian universities remains relatively low. In service organizations, consumers have the most significant impact on decision-making. This can be applied to higher education services as well. Students are precisely the consumers of educational services, and their perception of the service represents the path to their retention and loyalty. They come to the institution with formed expectations, and the institution provides them with a service that can either meet or fall short of their expectations. Student loyalty should not be limited to the period when students have an active status at the university; rather, its positive impact can be seen after graduation, through the spread of positive communication and their involvement in alumni organizations. Therefore, student loyalty should be viewed as a multi-phase concept that extends from enrollment into their studies and beyond, without a limited duration. Building student loyalty involves strengthening interpersonal relationships through emotional commitment, cognitive commitment, and the development of trust in the institution. Unlike customer satisfaction, which can be short-lived and reflect the current state, loyalty is formed based on long-term, overall performance evaluation, in this case, the institution's relationship with the student. Loyalty of students is the subject of investigation in this study. The aim of this study is to demonstrate the impact of specific personal and status-related factors on student loyalty. This paper analyzes the relationship between socio-demographic characteristics (gender and socio-economic status) and status characteristics of students (years of study, whether they pay for their studies or not, whether they are domestic or foreign students) with dimensions of student loyalty (satisfaction with the service, intention to stay at the institution, and attachment). Additionally, the goal of this study is to improve the field of marketing for non-profit institutions, specifically in the realm of higher education. The hypothesis in this paper is as follows: Personal factors such as gender, socio-economic status, study program, and year of study influence the retention of students and their loyalty to the higher education institution. Therefore, this research, along with the applied methodology, can contribute to the field of service marketing, both in a scholarly and practical sense, and enhance the approach of higher education institutions to student satisfaction and loyalty through various marketing programs and tools.

2. LITERATURE REVIEW

Yi-Ting and Dean (2001) conclude that there is a strong connection between consumer satisfaction and loyalty. They start from the assumption that it is more cost-effective to retain existing customers than to attract new ones. The authors propose a relationship management model for retaining students in the same way that companies do to retain customers. As early as 1998, research was conducted in the field of satisfaction and loyalty in higher education (Aldridge and Rowley, 1998). The questions were divided into various categories: personal information, teaching and learning, support services for teaching and learning, services related to teaching and learning development, services and content for students, including campus accommodation, career development services, hospitality services, and counseling services. The goal was to gather feedback from students and demonstrate the impact of various factors on student loyalty. Maxwell-Stuart et al. (2018) the dimensions of the questions are divided into different categories: participation in value creation, student support, and satisfaction in accordance with student status (Maxwell-Stuart et al.

2018). The results showed a significant influence of student status on their satisfaction with the service they receive. Similarly, another study examined differences in student status (between domestic and international students) regarding variables that affect student intentions and their retention at the institution. Variables related to personal matters were equally important for both groups, while the significance of institutional and performance-related variables varied between the groups. Social integration, ineffective study skills, difficulties in adapting to university life, poor extracurricular activities, and inadequate housing arrangements were considered significantly more important by international students, while poor teaching quality was significantly more important for domestic students. This research shows that domestic and international students require different retention strategies at institutions (Haverila et al. 2020). Additionally, according to a student satisfaction study from 2015 (Relja et al. 2015), a higher level of satisfaction was observed at the graduate level compared to the undergraduate level, as well as among male students compared to female students. Marketing research in the field of education is less prevalent in Bosnia and Herzegovina and neighboring countries, but the substantial volume of literature in this area attests to the relevance and significance of this topic at the world's largest and most prestigious universities. We will mention just a few of the numerous authors who have addressed this issue: Aldemir and Gulcan 2004; Hennig-Thurau et al. 2001; Oldfield and Baron 2000; Kotler and Fox 1995; Mazzarol et al. 2001; Štimac and Šimić 2012; Molesworth et al. 2011; Maringe and Gibbs 2008; Harrison-Walker 2009; Brown and Oplatka 2016; Raaper 2019; Chua 2004; Clark et al. 2016; Wagner et al. 2017; Weisha et al. 2018; Todd et al. 2016; Abdelhamid et al. 2020; Alves and Raposo 2006; Lerbin and Aritonang 2014; Rojas-Mendez et al. 2009. Through the results of these studies, one can gain the impression that students are users of educational services but not ordinary consumers. Since students' participation in the educational process directly affects the quality and outcome of higher education through their invested time and effort, they cannot be treated as ordinary consumers. Embracing a relationship-based marketing approach will show students that creating value for them is of great importance. This approach will also demonstrate that their needs are being taken into account. Creating value for students is an ongoing process throughout their studies.

3. METHODOLOGY OF RESEARCH

As a data source for this research, a sample database was used, created for the purposes of N. Elez's doctoral dissertation titled "The Role of Marketing Concepts in Ensuring Customer Loyalty in Higher Education Institutions," defended at the Faculty of Economics, University of East Sarajevo (Elez 2021). The research involved surveying students from the University of East Sarajevo and the University of Banja Luka. Students from all three study cycles and all study statuses were surveyed, based on their availability (attendance at lectures). The sample is a purposive convenient sample, meaning it is formed from available units of the population. The number of surveyed students is 1,032, with 520 students from the University of East Sarajevo and 512 students from the University of Banja Luka. This indicates that the sample is representative, describing the phenomenon as a whole, and in terms of its structure and general characteristics, it is similar to the phenomenon as a whole (Dragović 2008, 57). The survey was anonymous and conducted during the winter and summer semesters of the academic year 2018/19. The questionnaire used to measure satisfaction and loyalty of users of higher education services is specific to these institutions. The questionnaire employs a Likert scale with ratings ranging from 1 to 5, where 1 represents "completely inaccurate," and 5 represents "completely accurate" for a given statement. Students were able to circle numbers between 2, 3, and 4 based on their opinions. The first part of the questionnaire relates to personal and other information about the students (gender, study status, year of study, number of employed family members, etc.). The collected data were processed using the statistical package SPSS20. Data analysis on satisfaction, loyalty, and future intentions of service users was performed using descriptive statistics. Inferential statistics were used to test the hypothesis. This methodology ensures that the survey captures a range of opinions and demographic information from students, and the use of both descriptive and inferential statistics allows for a comprehensive analysis of the data to test the research hypothesis. The statements in the questionnaire are distributed across three dimensions (satisfaction and participation in value creation, future intentions of students, and attachment) as follows:

- Statements 1–10 pertain to the dimension of satisfaction with the service and participation in value creation.

- Statements 11–15 relate to the dimension of students' intentions for the future.
- Statements 16–20 are associated with the emotional dimension and attachment.

Within this task, the research aimed to examine the relationships between personal and socio-status characteristics (gender, student status, socio-economic status, year of study) and all dimensions of loyalty (satisfaction with the service, intentions to continue studying, and attachment). The essence of this research is to identify personal factors that can be useful in understanding the problem of student attrition. Personal factors selected based on previous research include gender, student status, and socio-economic status (operationalized through family employment). Additionally, the goal is to determine the impact of the year of study on loyalty. Student loyalty is operationalized through three dimensions of the loyalty questionnaire: satisfaction with the service, intentions to continue studying, and attachment.

4. RESULTS

In this study, differences among participants were first tested in relation to the gender variable and three dimensions related to loyalty (satisfaction with the service, intention to continue the study, and commitment). The testing was conducted using the Mann-Whitney U test, which is a non-parametric alternative to the independent samples t-test. The results are presented in Table 1.

Table 1. Relationship between students' gender and loyalty dimensions

| Testing with the Mann-Whitney U test. | | | | | | |
|---------------------------------------|--|------------|--|------------|----------------------------------|------------|
| Gender | Intention of students in the future period | | Satisfaction with the service and the opportunity to participate in value creation | | Emotional dimension - commitment | |
| | Mann-Whitney U | 123237.000 | Mann-Whitney U | 121948.000 | Mann-Whitney U | 117110.500 |
| | Wilcoxon W | 197542.000 | Wilcoxon W | 331576.000 | Wilcoxon W | 326738.500 |
| | Z | -.284 | Z | -.562 | Z | -1.611 |
| | Asymp. Sig. (2-tailed) | .776 | Asymp. Sig. (2-tailed) | .574 | Asymp. Sig. (2-tailed) | .107 |

Source: Author

By examining the results presented in Table 1, it is evident that the Mann-Whitney U test did not reveal a statistically significant difference in student loyalty in any dimension between males and females. Looking at the values for the variable "intention of students in the future period," the significance level is 0.776 with a Z value of -0.284. For the variable "satisfaction with the service and the opportunity to participate in value creation," the significance level is 0.574, and for the variable "emotional dimension of commitment," the significance level is 0.107. All of these significance levels are greater than 0.05. These results indicate that there is no difference between males and females in terms of students' intentions for the future, satisfaction with the service, the opportunity to participate in value creation, and commitment to the higher education institution they attend.

Regarding the examination of the relationship between student status and student loyalty, student status was operationalized based on whether the student is on a budget, co-financed, self-financed, in the status of an irregular student, or a foreign national. Loyalty was operationalized through the three dimensions mentioned earlier. Testing was conducted using the Kruskal-Wallis test, which is a non-parametric alternative to one-way analysis of variance for different groups. The key question is whether there are differences in the levels of loyalty in three dimensions among individuals with different student statuses. The results of the testing are presented in the following table.

Table 2. Relationship between student status and intention in the future period.

| Kruskal-Wallis test - Intention of students in the future period | | | | |
|--|----------------------------|-----------|-----------|---------|
| | What is your study status? | N | Mean Rank | Median |
| Intention of students in the future period | budget | 502 | 534.94 | 21.0000 |
| | co-financing | 431 | 505.54 | 21.0000 |
| | self-financing | 94 | 449.24 | 20.0000 |
| | part-time | 3 | 828.83 | 25.0000 |
| | foreign national | 2 | 942.50 | 25.0000 |
| | total | 1032 | | |
| Chi-Square | 14.816 | Asymp.Sig | .005 | df 4 |

Source: Author

Upon examining the results presented in Table 2, it is evident that there is a statistically significant difference in the variable "intention of students in the future period" based on the study status. In the mentioned testing, it can be observed that the Chi-square test is statistically significant at the 0.01 level with a value of 14.816 with 4 degrees of freedom. By looking at the values of the mean and median, it can be noticed that part-time students and foreign nationals achieve higher scores on the variable "intention of students in the future period." In practice, this would imply that students with this status have more serious intentions regarding staying at the faculty and completing their studies. However, what is significant is that budget and co-financing students, who make up the majority of the surveyed population, also achieve quite high results on the variable "intention in the future period."

In the context of considering student status as a factor that can explain loyalty across three dimensions, satisfaction with the service and the opportunity to participate in value creation were tested. The results are presented in the following table.

Table 3. Relationship between student status and satisfaction.

| Kruskal-Wallis test – Satisfaction with the service and opportunities for value creation participation | | | | |
|--|----------------------------|-----------|-----------|---------|
| | What is your study status? | N | Mean Rank | Median |
| Satisfaction with the service and opportunities for value creation participation | budget | 502 | 542.51 | 37.0000 |
| | co-financing | 431 | 501.73 | 36.0000 |
| | self-financing | 94 | 434.91 | 34.0000 |
| | part-time | 3 | 568.00 | 34.0000 |
| | foreign national | 2 | 929.50 | 47.0000 |
| | total | 1032 | | |
| Chi-Square | 15.875 | Asymp.Sig | .003 | df 4 |

Source: Author

The presented results support the idea that there is a statistically significant difference in the level of satisfaction with the service and the opportunity to participate in value creation based on student status. This conclusion is drawn because the Chi-square test is statistically significant at the 0.01 level. Median values indicate that foreign nationals (47.00) and budget students (37.00) are the most satisfied compared to other groups, while part-time and self-financing students (34.00) show the lowest level of satisfaction with the service and the opportunity to participate in value creation.

The last of the mentioned dimensions of loyalty that is related to student status is the emotional dimension or commitment. From the presented table, it is noticeable that there is a statistically significant difference in this dimension based on student status. The value of the Chi-square test is 9.572 with 4 degrees of freedom, with statistical significance at the 0.05 level. If we look at the median values, it can be observed that foreign nationals and part-time students, followed by budget and co-financing students, are more committed to the faculty than self-financing students (18.00).

Table 4. Relationship between student status and commitment.

| Emotional dimension or attachment | | | | | |
|-----------------------------------|--------------|----------------------------|-----------|-----------|---------|
| | | What is your study status? | N | Mean Rank | Median |
| Emotional attachment | dimension or | budget | 502 | 532.61 | 20.0000 |
| | | co-financing | 431 | 510.44 | 20.0000 |
| | | self-financing | 94 | 448.84 | 18.0000 |
| | | part-time | 3 | 570.00 | 22.0000 |
| | | foreign national | 2 | 877.25 | 24.0000 |
| | | total | 1032 | | |
| Chi-Square | | 9.572 | Asymp.Sig | .048 | df 4 |

Source: Author

From all the information provided, it is possible to conclude that all dimensions of loyalty show statistically significant differences based on student status. In other words, the Kruskal-Wallis test indicates that student groups differ in terms of their level of loyalty.

As part of the research related to the personal characteristics of respondents and their loyalty to the faculty they attend, relationships between the socio-economic status of students and all dimensions of loyalty were examined. Socio-economic status was operationalized through questions related to family employment (possible answers being one member, two members, more members, none, no response). The first part of the task relates to examining the relationship between the intention of students in the future period and socio-economic status. Like in previous situations, testing was conducted using the Kruskal-Wallis test. The results are presented in the following table.

Table 5. Relationship between the socio-economic status of students and future intentions.

| Kruskal-Wallis test - Intention of students in the future period | | | | | |
|--|--|--------------------------------|-----------|-----------|------|
| | | Who in your family is employed | N | Mean Rank | |
| Intention of students in the future period | | one member | 464 | 500.31 | |
| | | two members | 441 | 535.45 | |
| | | several members | 81 | 496.36 | |
| | | without statin | 31 | 557.69 | |
| | | none | 15 | 483.63 | |
| | | total | 1032 | | |
| Chi-Square | | 4.339 | Asymp.Sig | .362 | df 4 |

Source: Author

Upon examining the results in the table, it can be seen that the Chi-square value is 4.339, indicating that there are no statistically significant differences among the respondents regarding the variables "students' intentions in the future period" and "socio-economic status." In practice, this would mean that respondents, regardless of the number of employed family members, have similar intentions for the future period.

The second part of the research on this relationship involves examining the relationship between the number of employed family members and satisfaction with the service and opportunities for value creation participation. Testing was performed as in the previous section, and the results are presented in the following table.

Table 6. Relationship between the socio-economic status of students and satisfaction

| Kruskal-Wallis test – Satisfaction with the service and opportunities for value creation participation | | | | | |
|--|--|--------------------------------|-----------|-----------|------|
| | | Who in your family is employed | N | Mean Rank | |
| Satisfaction with the service and opportunities for value creation participation | | one member | 464 | 502.15 | |
| | | two members | 441 | 538.45 | |
| | | several members | 81 | 499.86 | |
| | | without statin | 31 | 491.40 | |
| | | none | 15 | 456.77 | |
| | | total | 1032 | | |
| Chi-Square | | 4.548 | Asymp.Sig | .337 | df 4 |

Source: Author

As in the previous example, in this case, the Chi-square value indicates statistical insignificance (0.337). Therefore, it is evident that there are no statistically significant differences

among the respondents regarding satisfaction with the service and opportunities for value creation participation concerning the number of employed family members.

The last in a series of tests related to this part of the research involves testing differences among the respondents concerning the variables "socio-economic status and emotional attachment" by faculty. The test results are presented in Table 7.

Table 7. Relationship between the socio-economic status of students and attachment

| Kruskal-Wallis test – Emotional dimension or attachment | | | | |
|---|--------------------------------|-----------|-----------|------|
| Emotional dimension or attachment | Who in your family is employed | N | Mean Rank | |
| | one member | 464 | 510.68 | |
| | two members | 441 | 525.53 | |
| | several members | 81 | 495.68 | |
| | without statin | 31 | 526.23 | |
| | none | 15 | 523.27 | |
| | total | 1032 | | |
| Chi-Square | 1.024 | Asymp.Sig | .906 | df 4 |

Source: Author

As in previous cases related to socio-economic status, in this case as well, it is evident that there are no differences among the respondents regarding the variables "emotional dimension of attachment and the number of employed persons in the family." This result is reflected in the statistical insignificance of the Chi-square test. As part of the research concerning the relationships between the year of study and all dimensions of loyalty, the results are provided in the following tables.

Table 8. Relationship between the year of study and satisfaction

| Satisfaction with the service and opportunities for value creation participation | | | | |
|---|--------------------------------|-----------|-----------|---------|
| Satisfaction with the service and opportunities for value creation participation. | What year of study are you in? | N | Mean Rank | Median |
| | First year | 262 | 616.60 | 40.0000 |
| | Second year | 193 | 546.61 | 37.0000 |
| | Third year | 275 | 465.97 | 35.0000 |
| | Fourth year | 229 | 473.19 | 35.0000 |
| | Fifth year | 22 | 266.59 | 28.5000 |
| | Sixth year | 7 | 369.71 | 29.0000 |
| | Seniors | 44 | 477.91 | 34.5000 |
| | Total | 1032 | | |
| Chi-Square | 62.242 | Asymp.Sig | .000 | df 6 |

Source: Author

Upon examining the results in Table 8, it is evident that the Chi-square test has a value of 62.242 with 6 degrees of freedom and a significance level of 0.000. Based on these Chi-square test values, it can be concluded that the difference in satisfaction with the service and opportunities for value creation participation, considering the differences in years of study, is statistically significant. By reviewing the mean ranks of the groups and the median values on the variable "satisfaction with the service and opportunities for value creation participation," it is noticeable that students in the first year have the highest values, while students in the sixth year show the lowest values on this variable.

Table 9. Relationship between the year of study and future intentions

| Students' intentions for the future period | | | | |
|--|--------------------------------|-----------|-----------|---------|
| Students' intentions for the future period | What year of study are you in? | N | Mean Rank | Median |
| | First year | 262 | 624.43 | 23.0000 |
| | Second year | 193 | 535.44 | 21.0000 |
| | Third year | 275 | 481.08 | 20.0000 |
| | Fourth year | 229 | 428.95 | 19.0000 |
| | Fifth year | 22 | 480.68 | 21.0000 |
| | Sixth year | 7 | 411.79 | 18.0000 |
| | Seniors | 44 | 502.35 | 20.0000 |
| | Total | 1032 | | |
| Chi-Square | 60.657 | Asymp.Sig | .000 | df 6 |

Source: Author

Upon examining the results in Table 9, it is evident that the Chi-square test has a value of 60.657 with 6 degrees of freedom and a significance level of 0.00. Based on these Chi-square test values, it can be concluded that the difference in the obtained values for the variable "students' intentions for the future period" is statistically significant. By reviewing the mean ranks of the groups and the median values, it is noticeable that students in the first year have the highest values on the variable "students' intentions for the future period," while students in the sixth year show the lowest values on this variable.

Table 10. Relationship between the year of study and attachment

| Emotional dimension or attachment | | | | |
|-----------------------------------|--------------------------------|-----------|-----------|---------|
| | What year of study are you in? | N | Mean Rank | Median |
| Emotional dimension or attachment | First year | 262 | 613.96 | 21.5000 |
| | Second year | 193 | 529.24 | 20.0000 |
| | Third year | 275 | 465.32 | 18.0000 |
| | Fourth year | 229 | 472.05 | 19.0000 |
| | Fifth year | 22 | 351.66 | 16.0000 |
| | Sixth year | 7 | 514.36 | 20.0000 |
| | Seniors | 44 | 514.27 | 20.0000 |
| | Total | 1032 | | |
| Chi-Square | 50.372 | Asymp.Sig | .000 | df 6 |

Source: Author

If we look at the results in this case, a statistically significant difference among respondents regarding the variables "emotional dimension or attachment and the year of study" is noticeable. This difference is evident based on the statistically significant Chi-square test at a level of 0.00. The value of the Chi-square test is 50.372 with 6 degrees of freedom. If we examine the median values, it is evident that these differences indicate that first-year students are the most attached to the faculty they are studying at, while fifth-year students show the lowest level of attachment.

5. DISCUSSION

In the analysis of personal factors and their influence on dimensions of loyalty, it was observed that gender and socio-economic factors do not have a significant impact on loyalty. The results indicate that there is no significant difference between men and women in terms of students' intentions for the future period, satisfaction with the service and opportunities for value creation participation, and attachment to the higher education institution they are studying at. Additionally, socio-economic factors do not have a significant impact on any dimension of loyalty. These results partially coincide with earlier research that confirmed different perceptions of male and female students of certain dimensions of quality, while it did not significantly affect overall satisfaction with studies (Parahho et al. 2013). Regarding the status of studies (budget, co-funding, self-funding, part-time, and foreign students), it is important to consider the financial aspect of the cost of education, which relates to how much students bear the expenses of their studies themselves. The results have shown a strong correlation between students' status and all dimensions of loyalty. For example, part-time and foreign students (who also pay the highest tuition fees) achieve higher scores in the variable of future intent and institutional attachment. In practical terms, this means that students with this status have more serious intentions regarding staying at the faculty and completing their studies. This is understandable considering that these categories of students pay the highest tuition fees for their studies, and therefore, they have a stronger attachment to the institution. The research has indicated that budget, co-funding, and self-funding students achieve lower values in the variable "intent for the future," meaning they are more willing to leave their studies before completion. A similar study showed that student satisfaction is positively influenced by students' access to support mechanisms and their active participation in the co-creation of value activities, and that students who pay tuition fees are more satisfied when they participate in co-creation activities and need more support (Maxwell-Stuart et al., 2018). In terms of the satisfaction variable, part-time and self-funding students achieved the lowest results, which can be explained by the fact that these categories of students are the most sensitive to the possibilities of changes in the cost of education, such as tuition fee increases and other fees they have to pay. The highest scores were obtained by foreign students and budget-funded

students. When analyzing the relationship between the year of study and loyalty dimensions, it was found that students in earlier years (first-year students) are more satisfied and more attached to the institution compared to students in later years (third, fourth, and fifth years), which coincides with earlier research that showed that satisfaction with teaching is the most significant determinant of the overall satisfaction of first-year students (Al-sheeb, et al. 2018). They are more willing to stay until the end of their studies and to spread positive word-of-mouth, thereby attracting more students to enroll. They are also more willing to continue their studies at the same institution in subsequent study cycles. This result differs from the real data at these institutions, where the highest dropout rates are observed in the first year of study. This remains a problem that should be analyzed at these institutions, and mechanisms should be found to help first-year students adapt more easily and meet their expectations to a greater extent. This research demonstrates that different years of study and different student statuses require different retention strategies at the institution.

6. CONCLUSION

The correlation between student loyalty and their personal and status-related characteristics in higher education is addressed by the hypothesis that states: Personal factors such as gender, socio-economic status, study status, and year of study influence student retention and loyalty to the higher education institution. The obtained results have shown that:

- There are no gender differences in students' intentions for the future period, satisfaction with the service, opportunities for value co-creation, and attachment to the higher education institution where they study.
- Student status indicates statistically significant differences across all dimensions of loyalty.
- Socio-economic status of students does not influence the variables of emotional dimensions of attachment, satisfaction, and loyalty.
- There is a statistically significant difference among respondents in terms of the year of study and the dimensions of student loyalty.

In accordance with the above, the partially confirmed hypothesis is related to the domain of student status and year of study, where a significant impact on student loyalty and retention at universities has been observed. It is a significant success for the institution to retain students until the completion of their education, especially retaining them at the next level of study (master's or doctoral programs). Therefore, it is important to emphasize the care for students from the moment of enrollment to the completion of their studies, and even beyond that. Additionally, caring for students, their individual affinities, and inclinations towards specific educational fields should be the responsibility of the teaching staff in secondary and even elementary schools, especially from a counseling perspective. A key aspect of relationship marketing is focusing on the customer/student. Although every university claims to be "student-centered," few of them actually grasp the essence of this relationship. Faculties and universities must treat students as their most valuable customers. It then becomes important for faculties to make an effort to learn about students, their needs, preferences, and the criteria they use to make decisions, and provide them with alternatives other than leaving as the most acceptable way of expressing dissatisfaction. This research shows that there are different factors influencing student loyalty and that they require different retention strategies within the institution.

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