Antecedents of Word of Mouth and Positive recommendations in University Higher Education Context

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1. INTRODUCTION

In the last decade, the education industry has experienced a paradigm shift in student enrolments. Dynamics of demand and supply have changed drastically, the growth of self-financed institutions has seen an upward trend, and more corporate groups are now eyeing a greater share of education enrolments. These trends are causing an upheaval among government institutions and other small self-financed institutions. The last few years have seen many institutions being closed down because of no admissions, and the situation is going to go from bad to worse. Only a select few institutes will be able to survive, and the ones that will, would be the ones who give special attention to brand image, service quality, and student satisfaction (Elliott & Shin, 2002). A university with a well crafted brand image and focus on service quality will be able to attract quality students, which is of paramount importance for the success and survival of the university (Palacio et al., 2002). An added advantage of a good university brand image is its ability to attract quality faculty resources and collaborations in the form of research and

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consultancy projects (Mainardes, Alves, and Raposo, 2011). The bigger challenge for universities remains, the inherent characteristics of intangibility and inseparability that make branding a bigger challenge (Erdem and Swait 1998). As per a recent trend, marketing spends of private universities have skyrocketed; still there are no clear indicators suggesting the effectiveness of these spends (Williams,2014). Previous studies on this topic have suggested that the service quality of educational institutes has an effect on student satisfaction and so does brand image. This study combines both, the constructs of brand image, and service quality on student satisfaction and consequences of student satisfaction on word of mouth and recommendation to others. Previous studies have shown that word of mouth is the most prominent source of building a positive brand image in the context of educational institutes. This study considers brand image, service quality, and word of mouth as variables and examines the moderating effect of student satisfaction. The results of this study will give a branding framework to educational institutes, which can be leveraged to attract quality students and faculty and thus will play an indispensable role in building a premium brand image.

2. LITERATURE REVIEW

Brand image is of vital importance as far as consumer behavior is concerned. This is true for all kinds of purchases, be it tangible goods or intangible services. Different definitions have been put forward by authorities in the area of Brand Management, but the most suitable one in the context of educational services has been given by Park, Jaworski, and MacInnis (1986) where they have explained brand image as having three components — functional brand image, experiential brand image, and symbolic brand image. Functional brand image tends to fulfill the utilitarian needs of customers and relates to infrastructure, facilities, teaching resources, placement services, and the like. Experiential brand image relates to the overall learning experience, educational experience, and life experience. It aims to satisfy the need of overall excitement. Symbolic brand image aims to connect individuals with specific groups that they relate to self image or aspirational self image. Brand image has also been defined as a set of strong, unique, and favorable associations that consumers have in mind with respect to a product/service. As per Pate (1990) students' satisfaction with a university will have an effect on their word of mouth behavior and intentions to recommend the university to others. It will also have an impact on future engagements in the form of higher studies or donations. For improving the overall satisfaction of students, educational institutes have to put efforts into improving the teaching-learning environment, teaching pedagogy, infrastructure, facilities, career enhancement and development facilities, and development of overall

interests of students in learning and self-improvement. Service quality plays a dominant role in influencing student satisfaction for an educational institute. To assess and improve the service quality of a service organization, a SERVQUAL tool was established by A Parasuraman, Valarie Ziethalm, and Leonard Berry (1988); this became a widely used tool in the service industry.

However, the SERVQUAL scale was later modified by researchers for application in the education industry and the 5 dimensions as per the original SERVQUAL scale have been modified to fit the context of education. Earlier studies have proven that brand image and service quality have an effect on student satisfaction; that has been taken as one of the hypotheses in our study. To extend the study further, word of mouth has been included as a variable in our study. Word of mouth refers to the verbal/oral recommendation of a brand without commercial intentions. This information exchange affects the product validation and usage intentions (Bansal & Voyer, 2000; Wirtz & Chew, 2002). Word of mouth is effective because it is live, experiential, direct, and without any commercial intentions; hence it is more effective and powerful, and trusted more by receivers (De Bruyn & Lilien, 2008; Gruen, Osmonbekov, & Czaplewski, 2006). It can play an indispensable role in brand building. Word of mouth has both, pros and cons (Richins, 1983). However, in education branding, positive word of mouth and negative word of mouth can have a major effect on the brand image of said institution. With this in the background, this paper focuses on identification of premises of word of mouth in the context of university education.

3. OBJECTIVE OF THE STUDY

This study examines the influence of Brand Image and Service Quality of an educational institute, on the word of mouth and recommendation of students, through the mediating effect of student satisfaction.

4. RESEARCH METHODOLOGY

A research framework was designed, where 5 constructs were identified and an attempt was made to identify the relationships among these constructs. These constructs included Brand Image, Service Quality, Satisfaction, Word of Mouth, and Recommendation to Others. The proposed model is depicted in Figure 1.
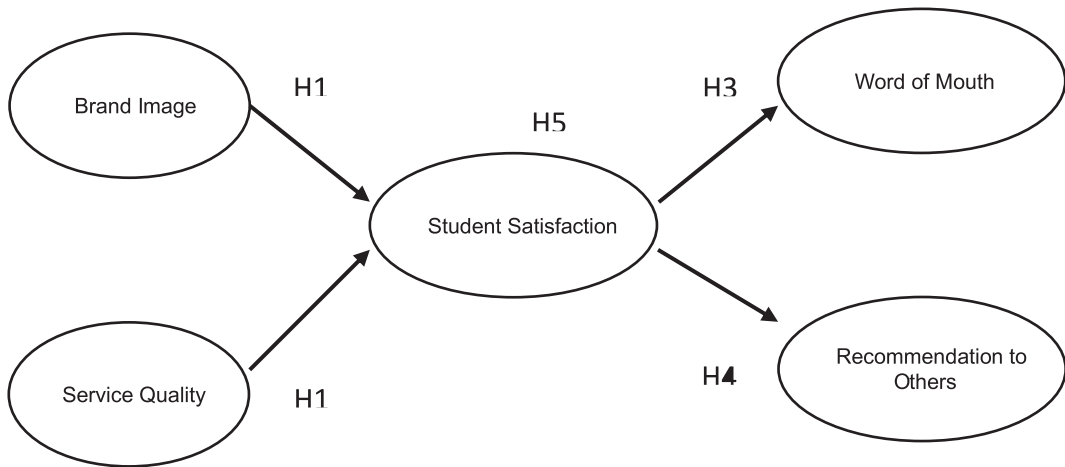
Figure 1: Research Framework

4.1 Hypotheses

After analysis of the Literature Review, the following hypotheses were framed:

H1: Brand Image has a significant and positive influence on student satisfaction.

H2: Service Quality has a significant and positive influence on student satisfaction.

H3: Student Satisfaction has a significant and positive influence on word of mouth.

H4: Student Satisfaction has a significant and positive influence on recommendation to others.

H5: Student Satisfaction has a mediating effect on the influence of Brand Image and Service Quality on Word of Mouth and Recommendation to Others.

H5a: Student Satisfaction has a mediating effect on the influence of Brand Image on Word of Mouth.

H5b: Student Satisfaction has a mediating effect on the influence of Brand Image on Recommendation to Others.

H5c: Student Satisfaction has a mediating effect on the influence of service quality on Word of Mouth.

H5d: Student Satisfaction has a mediating effect on the influence of service quality on Recommendation to Others.

4.2 Measurement Tools

Data in this research was collected through a questionnaire with six sections that included basic information, and consisted of information on the five constructs in the research framework, namely brand image of the university, service quality of the university, satisfaction with the university, word of mouth, and recommendation to others. Items for measurement of service quality were taken from the instrument developed by Mahmoud, Khalifa (2015), which he had used to measure service quality, developed in the context of Syrian higher education. Student satisfaction and university image were drawn from Alves, Raposo (2010). Word of mouth was adopted from Teo, Soutar (2012). Items for measuring word of mouth were taken from a study done by Swan and Oliver (1989). Basic questions were measured using a Nominal Scale, and data on constructs was collected on a 5 point Likert Scale.

4.3 Sample Size and Methodology

Questionnaires were distributed to 700 students of MSU Baroda from different disciplines. Sample was selected on the basis of Non-Random Convenience Sampling. Out of 700 students, 676 questionnaires were considered for data analysis. This study was in the duration between September 2018 and February 2019.

4.4 Statistical Procedure

Data was analyzed using SPSS and AMOS.

4.5 Sample Analysis

The study included current students of different disciplines of MSU Baroda as respondents. Among the overall valid respondents 303 were females and 373 were males. 219 Respondents were from Faculty of Engineering, 168 were from Faculty of Arts, 289 were from Faculty of Commerce.

5. RESULTS

5.1 Confirmatory Factor Analysis to Test Model Fit

The reliability and validity of the measurement model was measured using confirmatory factor analysis as shown in Table 1. The chi-square value in the measurement model was χ^2 (48) = 309.14 (p = 0.00<.05), this result rejects the chi-square criterion for model fit. However, chi-square values are sensitive to large samples which is true in this study, hence we focus more on other fitness indices. The residual analysis measure value was (RMSEA) = 0.067 which suited the fitness criterion of 'less than .07'. The other fitness indices also suited the fitness criterion. The goodness of fit index (GFI = .913), the normed fit index (NFI = .959), and the comparative fit index (CFI = .989), all the mentioned fitness indices were above the fitness criterion of >.90, and hence indicated that the model fit was good. The scale reliability and internal consistency of the questionnaire was tested using Cronbach's alpha, which was greater than .07 for all constructs, i.e. brand image, service quality, satisfaction, word of mouth, and recommendation to others; this indicated good scale reliability and internal consistency. In addition, the internal consistency of the latent variables was measured using Composite Reliability (CR), which was higher than the limit of .60 for all latent variables, indicating good internal consistency. As far as validity was concerned (as results in Table 1 indicate), all factor loadings were greater than .653, indicating a good relation between observed and latent variables. The convergent validity and discriminant validity were tested using Average Variance Extracted and square roots of AVE, which, for all variables were above 0.5, indicating good convergent validity and good discriminant validity.

Table No.1: CFA of Measurement Model

Dimensions	Items	Loading	Errors	α	CR
Brand Image	In general, I think this is a good University to study	.876	.002	.777	.786
	This is an innovative University and tuned to the future	.889	.123		
	This is a University with a good academic reputation	.854	.043		
	This University gives students good preparation	.912	.122		
	This university is involved with the community	.872	.089		
Service Quality	Faculty maintains error free records	.801	.110	.891	.882

	Faculty behavior instills confidence in you	.864	.112		
	Faculty understood your specific needs	.802	.232		
	Faculty gave you individual attention	.756	.111		
	Support staff responds to your requests all the time	.723	.087		
Satisfaction	My University is perfect and has fulfilled my expectations	.866	.151	.865	.877
	I made a good decision by choosing this University	.890	.167		
	The curriculum and support facilities are perfect	.762	.004		
	If I get a choice, I would like to study in this university again	.878	.136		
Word of Mouth	I feel proud to tell others that I study in this University	.913	.060	.843	.865
	I speak favorably about this university whenever I get an opportunity	.894	.212		
	I often share my positive experiences on social media platforms and with people during face to face interactions	.888	.008		
Recommendation to others	Whenever somebody seeks my recommendation, I suggest them to enroll in my university	.834	.017	.831	.802
	I recommend my University to all my juniors, friends and relatives	.872	.082		
Model fit measures	χ^2 = 309.14, RMSEA=0.067, GFI=.913, NFI= 959, CFI= 989				

Table No.2: Square Roots of the Correlation Coefficient Matrix and AVE

	Brand Image	Service Quality	Satisfaction	Word of Mouth	Recommendation to Others	AVE
Brand Image	.873					.712
Service Quality	.745	.787				.865
Satisfaction	.653	.875	.806			.589
Word of Mouth	.557	.774	.793	.889		.741
Recommendation to others	.769	.873	.770	.774	.981	.870

5.2 Validation of the Structural Model and Hypothesis

Validation of the structural model was done in two stages. In the first stage, the research framework model was tested to check the overall model fit (Results are indicated in Table 3), and in the second stage the causal relationship between the constructs was tested followed by validation of hypotheses (results are shown in Table 4 and Table 5).

5.2.1 Test of the Structural Model

The test of the structural model was done using the model fit indicators — χ^2, RMSEA, GFI, NFI, and CFI. All these indicators were found to be fit according to the fitment criteria, except chi-square, which was found outside the acceptable limits due to a large sample size. Results of the above indicators are summarized in the table below.

Table No.3: Measures of Overall Model Fit

Fit Measure	Test Result	Judgment of Model Fit
χ^2	309.14	No
RMSEA	0.067	Yes
GFI	.913	Yes
NFI	.959	Yes
CFI	.989	Yes

5.2.2 Validation of Causal Relationships

Path Values were computed on the basis of Maximum Likelihood Estimates to find out if hypotheses were significant. The results of hypotheses validation are shown in Table 4. The hypothesis path of Brand Image and Satisfaction was 0.246 (p<.001); this entails that Brand Image has a positive influence on satisfaction, hence supporting Hypothesis 1.

The hypothesis path of Service Quality and Satisfaction was 0.845 (p<.001). It was found to be significant, indicating that Service Quality significantly and positively influences Satisfaction, hence supporting Hypothesis 2.

The hypothesis path of Satisfaction and Word of Mouth was 0.794 (p<.001). It was found to be significant, indicating that Satisfaction significantly and positively influences Word of Mouth, thereby supporting Hypothesis 3.

The hypothesis path of Satisfaction and Recommendation to others was 0.889 (p<.001). It was found to be significant, indicating that Satisfaction significantly and positively influences Recommendation to Others supporting Hypothesis 4

Table No.4 Hypotheses and Validation Result

Path	Path Value	Corresponding Hypothesis	Hypothesis Relationship	Hypothesis Results
Brand Image→Satisfaction	.246*	H1	Positive	Supported
Service Quality →Satisfaction	.845*	H2	Positive	Supported
Satisfaction →Word of Mouth	.794*	H3	Positive	Supported
Satisfaction→Recommendation	.889*	H4	Positive	Supported
Note: * p<.001				

5.2.3 Validation of Mediating Effect

The bootstrap method was used to test the mediating effect of satisfaction on the influence of brand image and service quality on word of mouth and recommendation to others. Results indicated that brand image is significantly affected by the mediating effect of the path from satisfaction to word of mouth, and then to recommendation to others (95% confidence interval). Similarly, service quality was significantly different from zero due to the mediating effect of the path from satisfaction to word of mouth, and then to recommendation to others. On the basis of this, H5 (H5a-H5d) was supported.

Table No.5 Bootstrap and Validation Results

Path	Confidence Interval 95%	Path Value	Corresponding Hypothesis	Results of Hypothesis
Brand Image-→Satisfaction → Word of Mouth	(0.062,0.276)	0.177**	H5a	Supported
Brand Image-→Satisfaction → Recommendation to others	(0.073,0.363)	0.209**	H5b	Supported
Service Quality-→Satisfaction → Word of Mouth	(0.569,0.563)	0.613**	H5c	Supported
Service Quality →Satisfaction → Recommendation to others	(0.456,0.861)	0.787**	H5d	Supported
Note: ** p<.001				

6. DISCUSSION

As per the results of this study, Brand Image, Service Quality, and Satisfaction positively and significantly influence positive word of mouth and recommendation to others. The research framework was validated using model fit indicators, whereby all model fit indicators supported the model. The correlation path coefficient and p value of the constructs stood significant, supporting the proposed hypothesis. Satisfaction had a mediating effect that explained the relationship of Brand Image and Service Quality on Word of Mouth Behavior and Recommendation to Others.

The results of the study showed that brand image and service quality had a positive and significant influence on satisfaction, thus supporting H1 and H2, and establishing that if universities work on Brand Image and Service Quality, they can increase the satisfaction of students. Further, it showed that satisfaction has a positive and significant influence on Word of Mouth and Recommendation to Others, thus supporting H3 and H4, also giving a clue to universities that if they satisfy the students, it can lead to positive word of mouth and positive recommendation to future students. The study further revealed that satisfaction had a mediating effect on the influence of Brand Image and Service Quality on Word of Mouth and Recommendation to Others. This supports H5 (H5a-H5d).

Based on the above findings, it would be safe to conclude that if universities pay attention to cultivate the right brand image, and work on improving and maintaining service quality, they will be able to satisfy students which will in turn make them their brand ambassadors, who

will silently spread positive word of mouth and recommend the university to prospective students.

7. MANAGERIAL IMPLICATIONS

There have been a number of studies in the past that have spoken about brand image and service quality in the context of universities, but they have been conducted separately. This is a one of a kind study, and will add to the literature on research studies related to branding of educational institutes. It also brings attention to the notion that Brand Image, Service Quality, and Student Satisfaction are Antecedents of Word of Mouth and Positive Recommendation in the university education context. This study will give guidelines to marketing and brand managers of universities on building strong, unique, and favorable associations using functional, experiential, and symbolic benefits. It will also give them a clue or two to focus on Service Quality. It has been reported widely in literature that the most effective media in service business, high on credence and experience attributes is Word of Mouth.

8. LIMITATIONS OF THE STUDY

The sample size chosen in this study was not appropriate for Stuctural Equation Modeling, due to which the chi-square value was high and not within the acceptable model fit limits. However, this can be ignored, given that the other model fit criteria were within the acceptable limits.

9. CONCLUSION

This paper presents the results of the effect of brand image and service quality on student satisfaction. There have been many studies in the past that have measured the impact of brand image and service quality on student satisfaction, but those studies have been conducted separately. This is the first attempt to measure the impact of both constructs on satisfaction in a single study. Results of the structural equation model confirm all our hypotheses, and prove that brand image and service quality have an impact on student satisfaction, which in turn has an impact on word of mouth and recommendation to others.

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