Effective Promotion Tool in New State-Owned University

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Abstract—Revolutions of business and educations nowadays have forced university in the whole world think critically. Universitas Singaperbangsa Karawang (Unsika) as a new state-owned university is being faced highly competition which will be seen by quality. Good university therefore is that the place which has delivered satisfaction to students. In this case, satisfaction starts from good service and brand image. In short, good service will make good image of University also excellent services quality and good brand image will give students satisfied where now they are study. On the other words, if students have reached satisfaction, good prespective from students will give highly positive result to university. The purpose of this study was to obtain empirical evidence and found the phenomenon as well as the conclusions about the effects of both of these variables that have an impact on student’s satisfaction on word of mouth students of Unsika. Furthermore, from the results of this study, is expected to increase word of mouth as an effective promotion by increasing student’s satisfaction through service quality and institution image. Based on result of research, obtained some conclusions as follows: there is effect between service qualities to students satisfaction, there is effect between institution image to students satisfaction and there is effect between students satisfaction to word of mouth. In testing the hypothesis in mind there is positive and significant. So if a university wants to increase positive word of mouth of the students, then the university should be able to provide the best quality service, maintaining the institution’s image and increase students satisfaction.

Keyword: Service Quality, Institution image, Students Satisfaction, Word Of Mouth, Effective promotion, New State-owned University

I. INTRODUCTION

University is one of services provider agencies that will not be apart from services to students as their consumers. Therefore the university has to be able to compete with other universities. The university must have a competitive advantage to be able to win the competition. One of these advantages can be reflected in the quality of services delivered to students of the university. Service quality and customer satisfaction with the service given by the university are important because they relate to the next purchase. If consumers are satisfied then this will result in consumer’s loyalty to the institution

Satisfaction is one of efforts to create a good relationship between company and customers. Consumers who acquire products or services which meet or even exceed their expectations, will likely give positive responses to the company. One of them is to give word of mouth to their colleagues. Word of Mouth (WOM) is not only an effective way to build a positive image for the company, it can also increase the number of customers.

As a new state-owned university in Karawang, Unsika has a vision that it becomes a highly competitive college at the national level in 2020. There is a big necessity for the institution to improve the quality of service in order to compete at the national level. Therefore, it needs various efforts to improve its quality so that it can match the quality of other state-owned universities. If it wishes to be in the same level as other reputable public universities, as well as to continue to retain its position the largest university in Karawang, then it should boost the quality of its service.

The growth of number of students at the Unsika from year to year has showed a positive trend. Especially supported by nationalization process, university increasingly attracts students who plan to continue their education to university level. In 2009 the number of students hit 4978. It then grew by 53.01% to 7617 in 2010. In 2011 the number of students are rising to as many as 9297 which was equivalent to an increase by 21.8% from the previous year. The increasing number of students from year to year shows that university increasingly gains the trust of the community as a good place to pursue their study in college. This also shows that university has developed a good image in the eyes of society so that the public trust in university has also continued to go up.

There are still many complaints of students regarding quality of services among cleanliness of the classroom, supporting facilities are inadequate, data errors administrative, bureaucratic administration convoluted, less service hospitable and friendly, information systems that are not integrated it makes students feel less satisfied with the service received. According to a mini survey that was conducted on 150 students obtained the data that most student complaints is less maintained clean toilet as much as 6.9%, which is less flexible class schedules as much as 6.8%, inadequate facilities 6.8%, hygiene elas 6.4% and administrative services that are less friendly to 6.3%. It needs to get the attention of the leadership of the university in order to be the subject of improvement if the university wants oriented students satisfaction.

Students are customers or consumers in higher education institutions. Institutions should be able to guarantee student satisfaction, not only in teaching and learning, but also in administration service. Therefore, strategies are needed to improve quality of service by knowing the level of student satisfaction on quality of services which students have felt. If
the students have been satisfied with the quality of services provided by the college, the students will have positive impressions of it and will pass these to friends, family and the outside communities.

Various studies show that consumers tend to be silent if satisfied with the services provided, but if not satisfied, they'll make a scene. Dissatisfied customers will tell the bad experience to 8 or 10 people (friends or family) [1]. Word of mouth is an effective communication media so that the information will be more trusted by the consumer [2]. Quality of service negatively associated with the negative word of mouth and the quality of service is positively related to positive word of mouth [3]. Quality of service was shown to significantly and strong effect on interest referenced or WOM through customer satisfaction first [4]. Positive impressions will enhance the reputation of the college among the campus community. Quality of service and a positive image will also cause positive words. Therefore the college must have a strong brand image, services and products that satisfy consumers, as to create word of mouth as an effective promotion tool.

II. LITERATURE REVIEW AND HYPOTHESIS

Organizations are created to achieve a certain goal. Organizational goals can be to improve customer service, to fulfill market demand, to improve product or service quality, to enhance competitiveness, and to boost organizational performance [5].

Service quality can be interpreted as a measurement of how good the level of service provided capable accordance with customer expectations [6]. Based on this definition, the service quality is determined by the ability of the company to fulfill the needs and the desires of the customers. Other words the factors that effect the quality of service are services that meet the perceptions of service. There are five determinants of service quality. They are reliability, responsiveness, assurance, empathy, and tangibility [7].

Consumers buy products not only due to their needs of the item, but they also purchase because of their other expectation from the image associated to the products. One cannot form image just like making a product in the company, but this image is the impression obtained in accordance with one's knowledge and understanding about something. The image is formed on how the company carries out its operations. It has a main runway that is terms of service. The image of the college, in this case, is made up of several components [8]. University image is usually seen as Gestalt (organized whole). Therefore university image is often composed of ideas about the faculty, the curricula, the teaching qualities and the tuition-quality relationships [9].

Consumer satisfaction is the main objective of every company. University as an education provider for students, should put satisfaction as one of the main objectives in maintaining consumers. Consumer satisfaction as a subjective evaluation of students to various outcomes and experiences related to education [10]. Student satisfaction is formed continuously from everyday life in a university environment. Consumer satisfaction is a cognitive assessment regarding a product, so that the product is in accordance with the purpose of the user [11]. The creation of customer satisfaction will benefit the companies because consumers feel that their needs and desires have been fulfilled and they feel the need to repurchase the product or service. This creates loyalty to the product or service. Not only will they become more loyal to price, they will also spread the good facts about the product or service and provide recommendations by word of mouth to the community around them to use the product or the service of the company. High level of satisfaction or the pleasure following the purchase of it will lead to emotional bond between the consumers and the brand or the service provider company.

Word Of Mouth (WOM), is an informal communication between a speaker who is not commercially hired by the person receiving information about a brand, product, company, or services [12]. It can be defined as activities in marketing communication which indicates how a customer will tell others about their experiences in the process of purchasing or consuming the product or service. The experience can be positive or negative. WOM can be very effective for small businesses in which customers can feel more personal relationship [13]. It can become an important force in the marketing business to consumer and business to business marketing. Finally, positive WOM can be an effective promotional tool for the company. WOM can be either positive stories from consumers to the products in the consumption of others or recommendation to others who need information about quality products inviting others to consume products they have previously consumed [14].

To create customer satisfaction, company should be able to improve the quality of service. The higher of the quality of services provided, the higher the customer satisfaction to the company. The high quality of service is also dependent on the company's internal support, especially the support of human resources. Brand image is able to have a considerable effect on customer satisfaction [15]. Brand image, which is accompanied by customer satisfaction, is the value of the company. This will certainly be amplified by word of mouth as an effective and efficient means of communication. Service quality and corporate image affects customer satisfaction and positive means that the increase in service quality and corporate image will be followed by an increase in customer satisfaction [16]. Customer satisfaction will establish Word of mouth (WOM) is positive for the company [17]. This can reduce the cost of the company to attract new customers. In other words, the cost of marketing to attract new customers can be suppressed by increasing satisfaction. Satisfaction decreases, then the word of mouth has also experienced the same thing [18]. To the satisfaction of a determinant remains subdued word of mouth from one person to another.

The hypothesis of this research are:

1. There is a partial effect between service quality and institution image to students satisfaction in Unsika.
2. There is a simultaneous effect between service quality and institution image to students satisfaction in Unsika.
3. There is an influential relation student satisfaction on word of mouth of students in Unsika.

III. RESEARCH METHODOLOGY

Based on the variables being researched, the research method used in this study is descriptive and verificative research methods. In this study, descriptive method is used to explain the variable service quality ($X_1$), image of the institution ($X_2$), student satisfaction ($Y$) and explaining word of mouth (WOM) ($Z$) in Unsika, whereas the verificative method is to test the truth of something (knowledge) in a field that already exists and is used to test hypothesis using statistical calculations. Using descriptive and verificative methods, this analysis is expected to obtain current and accurate overview of the facts and the properties of the relationship between the phenomena observed object.

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As for the design of the study or research groove begins with a preliminary study and then search for previous research on the variables studied as a reference. Then identify problems, develop framework and prepare the research hypothesis. The next step is to develop a conceptualization of research variables, prepare the operationalization of variables. Further define the sample of the population that tela determined. The next step the data were collected through questionnaires distributed to a sample. The next step is to analyze the data by firstly testing the validity, reliability and normality test of the study variables proposed in the questionnaire. After a statement in the variable is valid, reliable and normally distributed, the data in the analysis and the result made a conclusion.

Research variables explained of Service Quality ($X_1$) used five determinants of service quality, are: Reliability, Responsiveness, Assurance, Empathy, and Tangible [7]. Variable of Institution image ($X_2$) used the dimensions are faculty, the curriculum, the teaching quality, and the tuition-quality relationship [9]. Student Satisfaction variable ($Y$) uses the dimensions are comparison between expectations and performance [8]. Then to the variable word of mouth (WOM) uses the dimensions are story positive, recommendations, and persuasion [14].

Primary data in this study are the data collected from the questionnaires, while secondary data are gathered from a variety of library study, books, journals and other documents that have things to do with the study: the number of administrative staff, and the number of students.

The population of this study is all active students of the Unsika. Based on the data from the Student Affairs Section, the number of active students until November 2012 was 9,522 students. For the sample size in this research used formula proposed by Isaac and Michael [19]. By using a significance level of 5% then we obtain the minimal sample size for a population of 10,000 people, that is 336 people. Technical sampling used in this study is the probability sampling with proportional stratified random sampling.

Data collection methods are conducted through interviews, literature study, observation and questionnaire. Data processing techniques through editing, coding and tabulation. Testing of measuring instruments used validity, reliability test, and normality test. Data analysis technique used to describe the problems in this research is path analysis.

Furthermore, path analysis model can be illustrated in the diagram below:

![Path Analysis Model](image)

**Figure 3.1**

Notes:
- $X_1$ = Service Quality
- $X_2$ = Institution image
- $Y$ = Student Satisfaction
- $Z$ = Word of Mouth

IV. RESULTS AND DISCUSSION

Based on validity test results on variable of service quality, there are 24 valid statement, and 22 valid items because the value of $r$ is higher than the critical value of correlation ($r$). Whereas 2 items are invalid because the value of $r$ count is less than the critical $r$. Validity test results of variable image of the institution, the overall statement items of total 15 items are valid because the value of $r$ is higher than the critical value of $r$. Validity of test results variable student satisfaction or overall statement items of total 21 items are valid because the value of $r$ is bigger than the critical value of $r$. Validity of test results variable word of mouth or the whole statement items of total 20 items are valid because the value of $r$ is higher than the critical value of $r$.

Based on reliability test result on the four variables: service quality, image of the institution, student satisfaction and word of mouth, it is indicated that the value of count $r > 0.600$. Thus the three variables are unreliable.

Normality test results show that all variables have normal distribution of data for $p$-value of all variables $> 0.05$.

Descriptive data show that the variable service quality is on a scale of quite well with the score of 992.0. This means that during the time students assume that the quality of services in Unsika is sufficient to meet their needs, but Unsika needs to improve its service in order to support its vision, that is to compete at the national level in 2020. As for the variable image of the institution, it can be concluded that it is at a quite well scale, scoring 1003.1. This means that students assume that the image of the institution is good enough, representing the variables of student satisfaction scale. This suggests that during the time the students are satisfied with their decision to choose...
Unsika as a place to gain knowledge. Then variable Word of Mouth is at a good scale with a score of 1066.5. This means that students assume that their discussions about the Unsika is good enough.

Verificative test uses path analysis to determine the causal direct or indirect effect of the influencing variables. SPSS 20.00 is used to analyze the effect of independent variables on the dependent variable. The results of the calculation can be viewed below:

<table>
<thead>
<tr>
<th>Variable</th>
<th>Direct Effect</th>
<th>Indirect Effect</th>
<th>Total Effect</th>
</tr>
</thead>
<tbody>
<tr>
<td>X1</td>
<td>22.0%</td>
<td>15.3%</td>
<td>37.3%</td>
</tr>
<tr>
<td>X2</td>
<td>17.7%</td>
<td>15.3%</td>
<td>33.0%</td>
</tr>
</tbody>
</table>

Total Effect X to Y = 70.3% Another Variable Effect Outside = 29.7%

The total size of the effect of variables X1 and X2 to Y is expresses by the coefficient of determination (Ryx)² of 70.3%, which the effect of other variables outside the model was 29.7%.

The result of calculation effect each independent variable on the dependent variable effect either direct or indirect effect can be viewed below:

Calculation above can be explain that the size of the partial effect between variable X1 and X2 on Y are as follows:

1. The size of partial effect between service quality variables (X1) as direct effect and indirect effect to student satisfaction (Y) is 37.3%.
2. The size of partial effect between institution image variables (X2) as direct effect or indirect effect to student satisfaction (Y) is 33.0%.

Overall can be described as follows:

Calculations using SPSS acquires Beta value which shows the size of partial effects between independent and dependent variable. Beta value = 0.897, it means that the affect of service quality to word of mouth is 0.897. For more details, illustrated...
there is a linear correlation between service quality and institution image to which student satisfaction also means that there are significant simultaneous effect between service quality and institution image to student satisfaction.

<table>
<thead>
<tr>
<th>Model</th>
<th>Coefficient</th>
<th>F_{crit}</th>
<th>Sig</th>
<th>α</th>
<th>Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>( \rho_{yz} )</td>
<td>0.897</td>
<td>0.000</td>
<td>0.05</td>
<td>H₀ denied, there are significant influence</td>
<td></td>
</tr>
</tbody>
</table>

Table 4.6

From the table above shows that sig value 0.000 more less than \( \alpha \) (0.05). Thus H₀ denied so that it can be conclude that have effect of service quality to word of mouth.

The size of Partial effect between service quality to student satisfaction is 0.469 and institution image to student satisfaction is 0.421. It shows that service quality contribute more to satisfaction students compare institution image. Customer establish an expectation of the value and act on it, and they take into account or evaluate the bids which will provide the highest value [14]. Offers meeting the expectations of customer value affects customer satisfaction and possibility re-buying. If the perceived service quality beyond expectations means that the service provides a high value that will encourage the creation of a very high satisfaction. Conversely, if these expectations are not achieved then the defined service quality does not meet customers what they want or the company fails to serve its customers. If the same customer expectations with the obtained mean that customer are satisfied. Furthermore, the services quality has affect to customer satisfaction, image of institution also has an effect to customer satisfaction. Brand image is able have a considerable effect to customer satisfaction [20].

The direct effect of service quality variable to student satisfaction is 0.220. While the direct effect of institution image variable to student satisfaction is 0.177. Total direct and indirect effects between service quality variable to student satisfaction is 0.373. While, total direct and indirect effects between variable institution image to student satisfaction is 0.300. Total direct and indirect effect between the variables of service quality and institution image to student satisfaction is 0.703. Thus, it means there is effect outside variables were not examined is 0.297. The findings in this study indicate that the service quality has affects on student satisfaction as much as 0.373 or 37.3% compared to the institution image on student satisfaction as much as 0.300 or 30.0%. Satisfaction is the emotional idea that may affect the valuation of the services provided [21]. Evaluation of service quality will create emotional satisfaction ratings [22]. The company must provide satisfactory service to consumers because if consumers are satisfied with the services provided by the company will be able to create a relationship strong and profitable company. Service quality contribute significantly on customer satisfaction, repurchase, customer loyalty, and profitability [23].

The size of the direct effect on student satisfaction variable to word of mouth as much as 0.804. It means that there are
effect of outside variables studied at 0.196. This shows that satisfaction has a very strong effect on word of mouth. When a marketer is able to offer the maximum level of satisfaction to the consumer, then the consumer will have a tendency to positive word of mouth. In addition, he also states that there is a positive effect between customer satisfaction and word of mouth [24]. Satisfaction has a positive impact word of mouth. At the time satisfaction has decreased, then the recommendation of mouth (word of mouth) through the same thing [18]. If the higher the satisfaction perceived by the customer, then the customer will do WOM to others by telling things that are positive, recommend to others and invite people other [25].

V. CONCLUSION AND SUGGESTIONS

Based on descriptive and verificative analysis, it can be conclusions of this study that service quality in Unsika is quite well on scale. Institution image is quite well on scale. Student satisfaction is quite satisfied on scale. Word of Mouth students is good on scale. Service quality has positive and significant effect to student satisfaction. Institution image has positive and significant effect to student satisfaction. Service quality and institution image positive have significant effect to student satisfaction. Student satisfaction has significant and positive effect to word of mouth.

To improve the service quality should be have the standard of cleanliness university make the maintenance facilities to provide guidance janitor and held regular assessment of cleanliness. Then it also equip each unit with a suggestion box to facilitate students submit suggestions / complaints for service improvement and evaluation of services held each year where the results can be use as material to conduct repair service in the future towards excellent service. Training of excellent service should also be carried out to all components and regularly held training so that the skills of personnel service in providing services increases. Unisuka should also create a Standard Operating Procedure (SOP) or service flowchart to facilitate students get services and ease of personnel service to provide services. It also install in every part of the service. Completing each unit of service with the business hours of service in order don’t make confuse the students when they want a particular service or academic and administrative services.

University also should immediately add to and complement the physical facilities, especially related to academic facilities and infrastructure, such as lecture halls and tools such as InFocus, air conditioners, and so on. Then held the maintenance and regular checks of existing facilities to be maintained so that it can create a comfortable learning environment for students.

Quality of personal service also repaired because in the service industry, that can be different tools from other then it will be assess the image of public. The products of the service industry is service, so if you want a good image in the public, service quality must also be improved. University should make IT-based service system by using computer integrated to improve service as currently existing information systems in campus still not integrated despite already computerized. Further university should also be able to develop a service system such as cyber campus that could be one solution service which allows students and employees in providing services.

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