See discussions, stats, and author profiles for this publication at: https://www.researchgate.net/publication/345505482

### THE INFLUENCE OF SERVICESCAPE UNIVERSITY AND RELATIONSHIP QUALITY ON STUDENT SATISFACTION THROUGH UNIVERSITY IMAGE IN ISLAMIC UNIVERSITIES

Article · September 2019

CITATIONS 0	;	READS	
4 autho	rs, including:		
٩	Hardi Mulyono University of Muslim Nusantara Alwashliyah, Medan Indonesia 27 PUBLICATIONS 145 CITATIONS SEE PROFILE		Beby Karina Fawzeea Sembiring University of Sumatera Utara 110 PUBLICATIONS 198 CITATIONS SEE PROFILE
	Parapat Gultom University of Sumatera Utara 10 PUBLICATIONS 60 CITATIONS SEE PROFILE		

### THE INFLUENCE OF SERVICESCAPE UNIVERSITY AND RELATIONSHIP QUALITY ON STUDENT SATISFACTION THROUGH UNIVERSITY IMAGE IN ISLAMIC UNIVERSITIES

### <sup>1</sup>HARDI MULYONO, <sup>2</sup>PRIHATIN LUMBANRAJA, <sup>3</sup>BEBY KARINA SEMBIRING, <sup>4</sup>PARAPAT GULTOM

<sup>1,2,3,4</sup>Doctor of Management Science Program, Faculty of Economics and Business, University of Sumatera Utara, Medan, Indonesia E-mail: <sup>1</sup>hardimulyono2019@gmail.com, <sup>2</sup>titienlbnraja@yahoo.com, <sup>3</sup>beby@usu.ac.id, <sup>4</sup>parapat@usu.ac.id.

**Abstract** - Competition for universities in Indonesia is increasingly competitive. This is due to the very high growth rate of the university. Therefore, private universities must formulate various strategies. Al Washliyah Association which has three universities formulated a strategy to make Islamic universities nuanced. The nuance of the Islamic is reflected in the service scape university, relationship quality, and university image. The respondents of this research were 352 students of three universities who are at the last semester. Structural Equation Model of this research is implemented using SmartPLs 3.2. This research concluded that directly, service scape has a significant effect on university image but has no effect on student satisfaction. Directly, relationship quality has a significant effect on university image and student satisfaction. Likewise, university image has a significant effect on student satisfaction through university image. Similarly, relationship quality has a significant effect on student satisfaction through university image.

Index Terms - Servicescape University, Relationship Quality, University Image, and Student Satisfaction.

#### I. INTRODUCTION

In today's competitive academic environment, delivery of high quality educational services and satisfied customers can be viewed as critical for successful existence of any higher education institutions (HEIs). They compete among each other to attract potential students for different programs to be enrolled in their HEI. Many factors influence student satisfaction. Student satisfaction is an important factor in ensuring student loyalty to a university. Customer satisfaction has a measurable impact on customer purchases and retention, which results in increased customer loyalty, positive wordof-mouth, improved image and financial results (Anderson and Mittal, 2000). Understanding and measuring variables that affect customer satisfaction will help companies develop new strategies to attract customers' attention and encourage them to continue to buy their products (Menorca, et.al., 2015). Several factors can influence the satisfaction of a student.

Al Washliyah is an Islamic Organization which operates three universities in Medan, namely: University of Muslim Nusantara Al Washliyah, University of Al Washliyah Medan, and University of Al WashliyahLabuhanBatu.These three universities establish Islamic nuances as their characteristics and strengths. Servicescape in these universities is designed to include islamic symbols and signs.

The Islamic nuances in academic policy, teaching and learning process, and relationship as well. The major question that the present study tried to investigate is – which dimensions of Islamic university affect student satisfaction? This university implements an Islamic

values-based education system that emphasizes not only knowledge but also spiritual. Spiritual intelligence is moral intelligence that gives the ability to distinguish right from wrong, which can be used to make good and truth in life (Zohar and Marshal, 2004).

The development of spiritual intelligence is very necessary in the face of the rapid development of technology, currently mainly in the era of industrial revolution 4.0. In this era, superior attitudes, skills and knowledge are demanded.

### **II. REVIEW OF LITERATURE**

Servicescape are signs, symbols, artifacts and other objects in an environment that do not directly communicate, but provide implicit signals to consumers about the meaning of the place and the norms in that place. Bitner (1992) divided the Servicescape dimension into three parts, namely: ambient conditions, spatial layout and functionality, and signs, symbols, and artifacts.

# 1) The Effect of Servicescape University on University Image

Mahadzirah and Awang (2009) divided the university image into 3 dimensions namely academic image, university image and recognition. In addition to the university's image, Radcliffe et. al. (2008) emphasize the importance of designing Servicescape in higher education (universities) given the increasing interest in learning at universities and to improve better teaching interactions. Kloosterman (2017) concluded that there is a influence of servicescape on brand image.

The Influence of Servicescape University and Relationship Quality on Student Satisfaction Through University Image in Islamic Universities

**H1:** Servicescape university has positive influence with university image

# 2) The Effect of Quality Relationship on University Image

According to Yang et al. (2008) Relational quality will depend on academic quality and student activity programs at the university. Their findings show that good student-university relations have the potential to enhance the reputation and positive image of universities in the education market

**H2:** Relationship quality has positive influence with university image

# 3) The Effects of Servicescape University on Student Satisfaction

The concept of Servicescape was introduced by Bitner (1992) that divided the Servicescape dimension into three parts, namely: (1) Ambient Conditions, (2) Spatial Layout and Functionality, and (3) Signs, Symbols, and Artifacts. Then Leonard (2018) states that the main factors that influence student satisfaction are real and reliable, namely: (1) comfortable lecture halls, (2) adequate library facilities, (3) neat staff appearance, (4) nondiscriminatory treatment by staff and lecturers, (5) high abilities and knowledge provided by staff and lecturers, and (6) appropriate academic services provided by universities. Student satisfaction with these factors indirectly raises student satisfaction.

# H3: Servicescape university has positive influence with student satisfaction

# 4) The effect of Quality Relationship on Student Satisfaction

According to Bergamo et. al. (2012) relationship marketing is very important for creating and maintaining relationships between institutions and students, the relationship can lead to loyalty. The results show that students tend to be loyal to their higher education institutions. The factors behind student loyalty are: Institutional quality, student satisfaction, emotional and belief behavior.

## H4: Relationship quality has positive influence with student satisfaction

## 5) The effect of University Image on Student Satisfaction:

The influence of brand image with customer satisfaction has been conducted many researchers. Research conducted by (Methaq, 2016, Suratno, et al., 2016; Kai and Mei, 2011; Chung and Mei, 2011; Majid, 2016) found that corporate image had a positive and significant impact on customer satisfaction.

**H5:** University image has positive influence with Student Satisfaction

Volume-5, Issue-9, Sep.-2019

**H6:**Servicescape university has positive influence on student satisfaction through university image

**H6:** Relationship quality has positive influence on student satisfaction through university image

### III. RESEARCH METHODOLOGY

Respondents of this research were students in semester VII from three universities under Al-WashliyahOrganization. There were 352 students as the sample of this research. Samples were selected using Proportional Cluster Sampling Technique where respondents from three universities were selected proportionally. Data were collected using questionnaire which covered four variables: servicescape university, relationship quality and university image, and student satisfaction

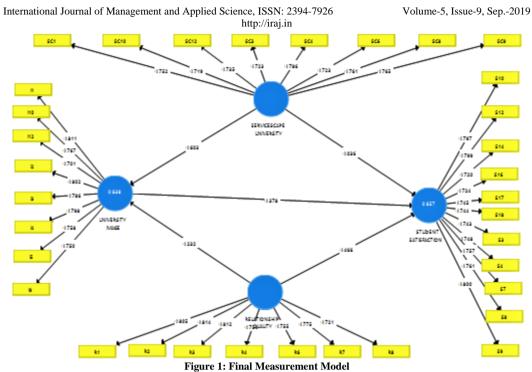
SmartPLS 3.2 was used to analyze the data collected. This included path modeling and then bootstrapping (Chin, 1998; Gudergan, Ringle, Wende, & Will, 2008; Wong, 2013). A total of 300 re-samples were used to generate the standard error of the estimate and p-values.

### IV. RESEARCH FINDINGS

### A. Construct Validity

For the purpose of this study, composite reliability coefficient was chosen to ascertain the internal consistency reliability of the measured adopted. The main motives for the justification of the use of composite reliability coefficient is because its, provides a much less biased estimate of reliability than Cronbach's alpha coefficient because the later normally assumes all items contribute equally to its latent variable without considering the actual contribution of each individual loading (Barclay, 1995; Compeauand Higgins, 1995; Götz, Liehr-Gobbers, andKrafft, 2010; Lutz & Thompson, 2003). The confirmatory factor analysis (CFA) was conducted to test the reliability, convergent validity and discriminant validity of all the items in the measurement scale. As shown below in Tables 1.2.3 and 4, all the items loading exceeded the minimum cut off point of 0.50 (Anderson andGerbing, 1988; R. P. Bagozzi, Yi, and Phillips, 1991; Gefen, Straub, & Boudreau, 2000); therefore, the internal consistency was achieved. However, in order to testify the reliability of the constructs, Cronbach's alpha (see Table 1) was also used to validate the reliability of the variability of the variable and also the minimum cut off points must be above of 0.70 (Cronbach, 1951). Therefore, from the table below all the internal reliabilities of the scales were ranged from 0.890 to 0.926 which was clearly acceptable. In conclusion therefore, the measurement model wassatisfactory and provided sufficient evidence from the previous literature to accept its reliability, convergentvalidity and discriminant validity.

The Influence of Servicescape University and Relationship Quality on Student Satisfaction Through University Image in Islamic Universities



Source: Researcher

Table 1 Reliability and Validity of Constructs

	Average Variance Extracted (AVE)	Composite Reliability	Cronbach's Alpha	Loading Range	Number of Item
Relationship Quality	0.604	0.914	0.890	0.721-0.814	7
Servicescape University	0.556	0.909	0.886	0.719-0.786	8
Student Satisfaction	0.575	0.937	0.926	0.720-0.800	11
University Image	0.596	0.922	0.903	0.701-0.811	8

Source: Researcher

Table 2 Loadings and Cross-Cross Loadings

Indicators	University Image	Relationship Quality	Student Satisfaction	Servicescape University
I1	0.811	0.594	0.675	0.598
I2	0.802	0.590	0.672	0.593
I3	0.786	0.539	0.558	0.586
I4	0.798	0.561	0.547	0.617
I5	0.758	0.461	0.471	0.626
I9	0.750	0.500	0.482	0.622
I10	0.767	0.548	0.558	0.609
I12	0.701	0.558	0.549	0.611
R1	0.550	0.805	0.572	0.642
R2	0.568	0.814	0.590	0.585
R3	0.532	0.812	0.665	0.594
R4	0.566	0.754	0.583	0.690
R6	0.633	0.755	0.566	0.728
R7	0.489	0.775	0.616	0.540
R8	0.497	0.721	0.542	0.485

The Influence of Servicescape University and Relationship Quality on Student Satisfaction Through University Image in Islamic Universities

International Journal of Management and Applied Science, ISSN: 2394-7926 http://irai in Volume-5, Issue-9, Sep.-2019

Indicators	University Image	Relationship Quality	Student Satisfaction	Servicescape University
<b>S</b> 3	0.567	0.509	0.743	0.508
S4	0.500	0.510	0.748	0.456
<b>S</b> 7	0.595	0.599	0.757	0.576
<b>S</b> 8	0.548	0.608	0.761	0.576
<b>S</b> 9	0.605	0.640	0.800	0.594
S10	0.656	0.592	0.797	0.559
S12	0.656	0.622	0.799	0.599
S14	0.446	0.538	0.720	0.447
S16	0.501	0.567	0.724	0.477
S17	0.499	0.575	0.745	0.490
S18	0.521	0.571	0.744	0.518
SC1	0.628	0.551	0.505	0.752
SC3	0.532	0.545	0.520	0.723
SC4	0.614	0.586	0.559	0.786
SC6	0.600	0.647	0.623	0.723
SC8	0.601	0.597	0.517	0.761
SC9	0.633	0.585	0.489	0.765
SC10	0.516	0.566	0.470	0.719
SC12	0.547	0.613	0.470	0.735

### **B.** Convergent validity

To test the convergent validity, which is the degree to which multiple items to measure the same concept are in agreement.

In the Table 1 above shows the composite reliability (CR) of the latent variables. All the CR coefficient of each of the latent variables ranged from 0.909 to 0.937 and each exceeding the minimum acceptable level of 0.70 suggesting adequate internal consistency reliability of the measures used in this study (Bagozziand Yi, 1988). Similarly, in terms of convergent validity, all the composite reliability (CR) values are all above 0.70 Henseler and Chin (2010) and while the average variance extracted (AVE) value meet the minimum criteria of 0.50 (JörgHenseler, Ringle, andSinkovics, 2009).

### C. Discriminant validity

To test the discriminant validity in which the measures are not a reflection of some other variables and it is indicated by low correlations between the measure of interest and the measures of other constructs (Cheung and Lee, 2010). In PLS discriminant validity can be examined by comparing the squared correlations between constructs and variance extracted for a construct (FornellandLarcker, 1981). Similarly, for the discriminant validity Table 4 below ,the value of AVE was square rooted and tested against the intercorrelations of the construct with other constructs in the research model Henseler& Chin, 2010; Komiak, Wang, and Benbasat, (2004) and all the values noted as greater than each of the constructs correlations Chin(2010), therefore, the satisfactory of the measurement model was achieved.

	Table 3 Result of Measurement Model									
Construct	Item	Loadings	CR	AVE	Construct	Item	Loadings	CR	AVE	
	I1	0.811	0.922	0.596		<b>S</b> 7	0.757			
University Image	I2	0.802				<b>S</b> 8	0.761			
	I3	0.786				S9	0.800			
	I4	0.798				S10	0.797			
	I5	0.758				S12	0.799			
	I9	0.750				S14	0.720			
	I10	0.767				S16	0.724			
	I12	0.701				S17	0.745			

Table 3 Result of Measurement Model

The Influence of Servicescape University and Relationship Quality on Student Satisfaction Through University Image in Islamic Universities

International Journal of Management and Applied Science, ISSN: 2394-7926 http://iraj.in Volume-5, Issue-9, Sep.-2019

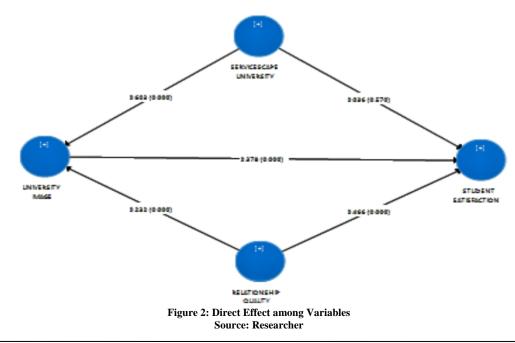
Construct	Item	Loadings	CR	AVE	Construct	Item	Loadings	CR	AVE		
	R1	0.805					S18	0.744			
Relationship Quality	R2	0.814				SC1	0.752	0.909	0.556		
	R3	0.812			Servicescape	SC3	0.723				
	R4	0.754	0.914	0.604	University	SC4	0.786				
	R6	0.755			SC6	0.723					
	R7	0.775						SC8	0.761		
	R8	0.721				SC9	0.765				
Sudent Satisfaction	<b>S</b> 3	0.743	0.937	0.575		SC10	0.719				
Sudent Satisfaction	<b>S</b> 4	0.748				SC12	0.735				

Table 4: Discriminant Validity											
Variables	Relationship Quality	Servicescape University	Student Satisfaction	University Image							
Relationship Quality	0.777										
Servicescape University	0.737	0.746									
Student Satisfaction	0.751	0.699	0.759								
University Image	0.707	0.766	0.735	0.772							

Note: Entries shown in bold face represent the square root of the AVE Source: Researcher

Table 5 Direct Effect, Indirect Effect, and Total Effect

Table 5 Direct Effect, findirect Effect, and Total Effect										
	Direct Effect		Indirect H	Effect	Total Effect					
Relationship	Coefficien t	P Value s	Coefficien t	P Value s	Coefficien t	P Value s				
Servicescape University →University Image	0.603	0.000			0.603	0.000				
Relationship Quality $\rightarrow$ University Image	0.232	0.000			0.232	0.000				
Servicescape University → Student Satisfaction	0.036	0.570	0.228	0.000	0.264	0.000				
Relationship Quality $\rightarrow$ Student Satisfaction	0.466	0.000	0.088	0.001	0.554	0.000				
University Image $\rightarrow$ Student Satisfaction	0.378	0.000			0.378	0.000				



The Influence of Servicescape University and Relationship Quality on Student Satisfaction Through University Image in Islamic Universities

Volume-5, Issue-9, Sep.-2019

International Journal of Management and Applied Science, ISSN: 2394-7926 http://iraj.in Table 6 Path Coefficient and Hypothesis Testing

Hypothesi s	Relationship	Coefficien t	p- value	Decision
H1	Servicescape University $\rightarrow$ University Image	0.603	0.000	Accepte d
H2	Relationship Quality $\rightarrow$ University Image	0.232	0.000	Accepte d
Н3	Servicescape University $\rightarrow$ Student Satisfaction	0.036	0.570	Not Accepte d
H4	Relationship Quality $\rightarrow$ Student Satisfaction	0.466	0.000	Accepte d
Н5	University Image $\rightarrow$ Student Satisfaction	0.378	0.000	Accepte d
H6	Servicescape University $\rightarrow$ University Image $\rightarrow$ Student Satisfaction	0.228	0.000	Accepte d
H7	Relationship Quality → University Image → Student Satisfaction	0.088	0.001	Accepte d

#### **V. DISCUSSIONS**

Based on Structural Equation Model in Figure 2 and Table 5, the study presents the result of the hypotheses testing. The results showed that university image exists to be a mediating the effect of servicescape university (H6) and relationship quality(H7) on student satisfaction in three Islamic universities under Al Washliyah Organization. Servicescape University positive and significantly effects on university image. Thus, hypothesis 1 is accepted. This conclusion in line with Winter and Chapleo (2015) that reveal the need for restorative servicescape to provide a sense of escape and feeling of belonging. this research contributes to broadening the application of servicescape models and greater understanding of the impact of the environment on prospective students, and creates opportunities to inform policy by providing university marketing decision makers with a better understanding of what constitutes a university environment and what makes it attractive to prospective students. Also, research conducted by Paza (2017) concluded that servicescape has a positive influence on the image.

This study also shows that relationship quality positive and significantly effects on university image. It means, hypothesis 2 is accepted. This conclusion is related to Wilkins and Huisman (2014) concluded that recommendations and feedback generated from personal relationships are the most influential factors in shaping the image of universities built by students. Servicescape university effects on student satisfaction but not significant (H3). Meanwhile, Abbasi (2011) concluded that student satisfaction with their university is based on relatively stable peopleenvironment relationships. Thus, student satisfaction seems to reflect differences in quality perceived to be good enough from the services offered and the wider environment. The students were very satisfied with the placement and atmosphere of the university among the students. Most students are not satisfied with the university building and the quality of the lecture hall.

However, Servicescape has positive and significant effect on student satisfaction through university image (H6).

It is shown that both servicescape and university image have a direct and significant effect on student satisfaction as such, the validity of Hypothesis 4 and Hypothesis 5 is demonstrated.

This means that Islamic relationship in these universities is a factor that makes a student satisfies. It also shows that relationship quality has positive and significant influence on student satisfaction through university image (H7). This study shows that university image is the most factor that influences student satisfaction.

# VI.CONCLUSIONS AND RECOMMENDATIONS

This study mainly focused on the discussion and analysis of universities as the core service provider to its student satisfaction. Particularly, the study focused to examine the perception of university student on servicescape university and relationship quality and university image as well in universities under Al Washliyah organization on their satisfaction with the universities.

As a result, the mediating effect of student satisfaction was also examined. The study used the structural equation modeling to shows the servicescape university, relationship quality, and university image on student satisfaction. Servicescape university and relationship quality directly and positively influence on university image. The servicescape university has positive influence with student satisfaction but it is not significant. It means that Islamic environment in the Al-Washliyah university image exists to be a mediating the effect

The Influence of Servicescape University and Relationship Quality on Student Satisfaction Through University Image in Islamic Universities

International Journal of Management and Applied Science, ISSN: 2394-7926 http://iraj.in Volume-5, Issue-9, Sep.-2019

of servicescape university and relationship quality on student satisfaction.

The implications of these findings can be very significant and purposive to all stakeholders in the

Al Washliyah organization in education sector. The strength and unique factors in their universities as Islamic nuance universities are still not significant on their student satisfaction. However, student satisfaction is considered from relationship between HEIs and students in Islamic nuance.

Based on this study, it is suggested to stakeholders of Al Washliyah organization to improve their Islamic environment to be the uniqueness and strength in order to attract the students. It shows that the Islamic nuance is still not optimal, it is only shows symbol and signs.

#### REFERENCES

- Anderson, J. C. "Relationship in business markets: exchange episode, value creation and their empirical assessment". Journal of the Academy of Marketing Science, 23(4), p. 346-350, 1995.
- [2] Menorca, L. G., Rubén Fernández-Ortiz, Guadalupe Fuentes Lombardo & Mónica Clavel San Emeterio): "The EPSI model as the main factor for identifying customer satisfaction: empirical research", Total Quality Management & Business Excellence, DOI: 10.1080/14783363.2015.1053805, 2015.
- [3] Zohar, D and Marshal, I. (2004) Spiritual Capital, Berrett-Koehler Publishers, San Francisco.
- [4] Bitner M. J., "Servicescapes: the impact of the physical surroundings on customers and employees", Journal of Marketing, 56(2): 57-71, 1992.
- [5] Mahadzirah, M dan Awang, Z. "Building Corporate Image and Securing Student Loyalty in the Malaysian Higher Learning Industry", The Journal of International Management Studies, Volume 4, Number 1, p 30-40, 2009.
- [6] Radcliffe, d., Wilson, H., Powell, d., and Tibbetts, B. Designing Next Generation Places of Learning: Collaboration at the Pedagogy-space-technology Nexus. Sydney: Australian learning and Teaching Council. 2008.

- [7] Kloosterman, Marjolein Eliza, "The Impact of Servicescape on the Brand Image and Brand Identity of Boutique Hotels", Thesis. Haaga-Helia University of Applied Sciences, Finland.,2017.
- [8] Yang, Ssung-Un, Sue Westcott Alessandri, and Dennis F. Kinsey, "An Integrative Analysis of Reputation and Relational Quality: A Study of University–Student Relationships," Journal of Marketing for Higher Education, 18 (2), 145–170., 2008.
- [9] Bergamo, F. V. M., Giuliani, A. C, Camargo, S. H. C. R. V., Zambaldi, F. dan Ponchio, M. C., "Student loyalty based on relationship quality: an analysis on higher education institutions", Brazilian Business Review, Volume 9, Number 2, 2012 | 26-46., 2012.
- [10] Anderson, J. C., andGerbing, D. W. "Structural equation modeling in practice: A review and recommended twostepapproach". Psychological Bulletin, 103, 411–423. 1988.
- [11] Bagozzi, R. P., Yi, Y., & Phillips, L. W., "Assessing Construct Validity in Organizational Research". Administrative Science, Quarterly, 36(3), 421–458., 1991.
- [12] Gefen, D., Straub, D. W., & Boudreau, M.-C. "Structural Equation Modeling and Regression: Guidelines for Research Practice". Communications of the Association for Information Systems, 4 (October), 7. 2000.
- [13] Cronbach, L. J. "Coefficient alpha and the internal structure of tests". Psychometrika, 16, 297–334, 1951.
- [14] Bagozzi, R., & Yi, Y.,"OnThe Evaluation Of Structural Equation Models", Journal of the Academy of Marketing Science, vol.16, 1988,
- [15] Henseler, J., Ringle, C. M., and Sinkovics, R. R., "The Use Of Partial Least Squares In Path Modeling In International Marketing", Advances in International Marketing, 20, 277– 319, 2009.
- [16] Cheung, C. M. K., and Lee, M. K. O, "A Theoretical Model of Intentional Social Action in Online Social Networks", DecisionSupport Systems, 49(1), 24–30, 2010.
- [17] Fornell, C., andLarcker, D. F., "Structural Equation Models with Unobservable Variables and Measurement Error: Algebra and Statistics", Journal of Marketing Research, 18, 382–388, 1981.
- [18] Henseler, J., and Chin, W. "A Comparison of Approaches for the Analysis of Interaction Effects Between Latent VariablesUsing Partial Least Squares Path Modeling", Structural Equation Modeling A Multidisciplinary Journal, 17(1), pp82–109, 2010.

\*\*\*