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SERVICE QUALITY AND LOYALTY OF INTERNATIONAL STUDENTS STUDYING IN THE FIELD OF HOSPITALITY AND TOURISM

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ABSTRACT

Malaysia is changing its market/ industry status from a commodity-based to knowledge-based economy driven by knowledge creation, innovation and development. Teaching is one in every of the information-based industries that sells knowledge through the availability of academic services to local and international students. It has been observed that in most of the private institutions in Malaysia, 10% to 12% students are from overseas (MOHE, 2012). The current study attempts to identify the satisfaction level of international students, the determinants of satisfaction for international students and the relationship between satisfaction and student loyalty. The study was based on the School of Hospitality, Tourism and Culinary Arts (HTCA) at Taylor's University, Malaysia. Seven (7) independent factors -- 'Administrative Aspects', 'Academic Aspects', 'Reputation', 'Tangibles', 'Access', 'Program issues' and 'Career Prospects' were used to evaluate two (2) dependent factors -- 'Satisfaction' and 'Loyalty'. Quantitative research approach, on-site survey was conducted with 275 international students studying in HTCA on the basis of a non-probability convenience sampling technique. Findings report that the current study was found to be reliable and the measurement scale had reliability more than the required aggregate level, cut-off point .70, except for one dependent factor 'Loyalty'. Four determinant factors named as Reputation, Access, Program Issues and Career Prospects were found to be determinant factors for satisfaction of international students in HTCA with an average of 3.5 on a 5-point Likert scale and 40% students would like to continue for further studies at HTCA. It was also found that Satisfaction exerts positive significant effect of 57% on Loyalty.

Keyword: Service Quality, Satisfaction, Loyalty, International Students, Higher Education

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MALAYSIAN ONLINE JOURNAL OF EDUCATIONAL MANAGEMENT (MOJEM)

INTRODUCTION

Malaysia is moving from a commodity-based towards a knowledge-based economy which is driven by knowledge creation, innovation and commercialization. Higher education is one of the knowledge-based industries that sell knowledge by providing educational services to both local and foreign consumers/students. Since 2006, the Malaysian government has targeted to become a regional higher education hub with its first genesis in the “Ninth Malaysia Plan” (Down, 2009). The result was prominent with Malaysia ranking 11th in terms of international student population in 2010. The population of foreign students surged from 580 in 1995 (The Edge, 2011) to 93,000 students from more than 100 countries in 2011 (Chi, 2011).

The internationalization of Malaysian higher education has led to drastic competition, especially among the private institutions of which 10% to 12% of their students are foreigners (Ministry of Higher Education, 2012). Taylor’s University which was established in 1969 is one of the most popular private universities in Malaysia based on the Malaysian Student Survey (Taylor’s University, 2014). The percentage of international students in Taylor’s University is above the par, which stabilizes at 25%. Within the university, School of Hospitality, Tourism and Culinary Arts (HTCA) has the highest number of foreign students with a percentage of 40%. It implies the importance to investigate the perceived service quality and satisfaction among these students in order to sustain its market share and maintain its leadership position in the field of tourism and hospitality.

Like any other service industry, service quality is the key of success in the higher education sector (Abdullah, 2005; Zeithaml, Berry, & Parasuraman, 1996). Past study has also proposed satisfaction as one of the key competitive advantage for a university as it will eventually lead to profitability and customer loyalty (Russell, 2005). In this light, this study examines the relationship between service quality, satisfaction and customer loyalty of international students from HTCA.

The objectives of this study are threefold: (1) to measure the satisfaction level of international students; (2) to identify the main factors that influence international students’ satisfaction; and (3) to examine the relationship between satisfaction and loyalty of international students.

BACKGROUND OF THE STUDY

Marketing Higher Education to International Students

The higher education market of international students has become increasingly competitive. In some countries, overseas students are one of the main income generators as they pay higher tuition fees which help lessen the financial burden of universities (Soutar & McNeil, 1996). Past studies suggested that foreign students are more likely to experience disappointment due to the poor service support (Barron, 2005; Bekhradnia, Whitnall, & Sastry, 2006; Pereda, Airey, & Bennett, 2007). Indeed, students from different countries are distinct in their preference, for instance, Asian students prefer



MALAYSIAN ONLINE JOURNAL OF EDUCATIONAL MANAGEMENT (MOJEM)

teacher-centered teaching whereas Western students favor student-centered learning (Howarth, 2003). The key challenge for an international tourism and hospitality school to market international students lies in the diverse background of these students. Russell (2005) opined that a tourism school is likely to attract more extrovert students who are willing to study abroad and to learn about new cultures, and thus, it attracts more foreign students. As Jayawardena (2001) pointed out, hospitality school is preparing multi-national students for careers in international business which further contribute to the complexity of the situation. Therefore, it is valuable to examine the quality perception and satisfaction of international students in order to cater to the market effectively, which in turns increases profitability of the school.

Service Quality

Booms and Bitner (1981) proposed additional three Ps to the traditional four Ps marketing mix, which are participants, physical evidence and process of service. It is clearly important for universities to understand how international students experience their campus life and what they value the most. In fact, an increasing number of studies focus on service quality in a higher education context (Abdullah, 2005, 2006b; Athiyaman, 1997; Barnes, 2007; Clewes, 2003; Leblanc & Nguyen, 1999; Marković, 2006; Nadiri, Kandampully, & Hussain, 2009; Russell, 2005). Service quality is defined as the gap between expectation and perception (Parasuraman, Zeithaml, & Berry, 1985). Cronin and Taylor (Cronin & Taylor, 1992) described service quality as the perceived performance. In a more recent study, Abdullah (2005) defined service quality as an attitude over the judgment of service superiority. In brief, service quality defines the image of a higher learning institution. As Keever (1998) aptly stated, it is either the company creates its own image or the competitors will do the favor for it. In this study, service quality refers to the perceived service performance as consumers' purchase decision for service is based on perceived excellence and reputation rather than the actual quality (Russell, 2005).

Satisfaction

Perceived service quality is the general assessment of the quality of a service whereas satisfaction is a short-term attitude based on a particular consumption experience (Athiyaman, 1997). As discussed earlier, international students are likely to experience more dissatisfaction than the local students. Sam (2001) suggested that the possible dissatisfaction for international students could be attributed to limited friends, insufficient or misleading information before enrolment, and discrimination. Satisfaction has a direct impact on perceived quality and profitability (Cronin & Taylor, 1992). Athiyaman's (1997) research on Australian universities discovered that perceived quality is a consequence of satisfaction, which in turn determines the behavioral intention. The existing literature proposed that satisfaction stimulate return purchase, customer loyalty and relationship commitment (Nadiri et al., 2009; Russell, 2005).



Customer Loyalty

Rusell's (2005) study revealed that reputation is the most important factor for international students when choosing an institution. Reputation builds upon a series of measures of which word-of-mouth, a zero cost marketing strategy is included. Past studies revealed that delighted students are likely to promote the service experience to potential students (Barnes, 2007; Dado, Petrovicova, Riznic, & Rajic, 2011; O'Neill & Palmer, 2001; Pariseau & McDaniel, 1997; Russell, 2005) and are unlikely to change their perceptions based on a single unsatisfactory experience (Russell, 2005). Dado, Petrovicova, Riznic, and Rajic (2011) did research on service quality using a modified version of the SERVQUAL questionnaire in which they included questions on the willingness of recommendation and possibility of choosing the same institutions if given a choice. Nevertheless, only minimum research, if there is any, discusses the relationship between satisfactions and the likeliness of continuing further degree in the same institutions, which is known as the repeat-purchase loyalty in the marketing literature.

The Model – HEdPERF

This study adapted the HEdPERF (Higher Education PERFormance) model rather than the renowned SERVQUAL (SERViceQUALity) or SERVPREF (SERVicePERFormance) model. HEdPERF is a relatively new instrument developed and tested by Abdullah (2005, 2006a, 2006b). It was designed specifically for measuring service quality in the higher education context. The archetype of HEdPERF consists of 41 items categorized under six dimensions, namely, non-academic aspects, academic aspects, reputation, access, program issues and understanding (Abdullah, 2005, 2006a, 2006b). The model was built upon the SERVPREF model with additional input from the literature and qualitative study. The difference between SERVQUAL and SERVPREF is that the former compares the gap between expectation and perception toward service quality whereas the latter measures only the perceived service quality (Abdullah, 2005). As HEdPERF is the modified version of SERVPREF, only perceived service quality will be measure in this study, instead of the expectation gap emphasized in the SERVQUAL model.

The HEdPERF adapted in this study comprised five out of the six dimensions of Abdullah's (2005, 2006a, 2006b) model: non-academic aspects, academic aspects, reputation, access, and program issues. The non-academic dimension was renamed as administrative aspects whereas the understanding aspect was incorporated in the administrative and academic dimension to test if the administrative staff and academic staff have an understanding attitude toward the students. The limitation of HEdPERF is that the model does not consider the dimensions of career prospect and tangibles, which have been highlighted in existing literature. Scholars have proposed career prospect as one of the determining factors of perceived service quality in higher education (Dado et al., 2011; Ford, 1999). Past studies also suggested tangibles as an important aspect in the perception of service quality (Ford, 1999; Russell, 2005). Hence the HEdPERF model adapted in this study consisted of seven factors defined as follows:



MALAYSIAN ONLINE JOURNAL OF EDUCATIONAL MANAGEMENT (MOJEM)

Independent Variable	Working Definition
Administrative Aspect	This factor covers items, which are related to the administrative function and service provided by the institution. It includes the aspects of attitude, empathy, competence, credibility, accessibility and timeliness.
Academic Aspect	This factor measures variables similar to the administrative factor. The only difference lies in the subject, which are academic staffs in this case.
Reputation	This factor refers to the image of the institution, including the reputation of the programs offered and the reputation of the graduates.
Tangibles	This factor includes the tangible facilities provided by the institution, such as library, IT, classroom, health, counselling and recreational facilities, as well as campus location and layout.
Access	This factor deals with issues related to fair treatment, freedom, respect, and confidentiality of the service experienced by the students.
Program Issue	This factor examines the comprehensiveness and competency of program provided.
Career Prospects	This factor covers perceived career prospect, including self-perceived competence of the students, anticipated employability and career counselling service provided.

METHODOLOGY

Research methodology refers to the nature of research design and methods. Methodology guides the way researchers gain knowledge about the world and instructs the researchers in the way the research is constructed and conducted (Sikes, 2005). The sample of the study consisted of undergraduate students (diploma, advanced diploma and degree) in HTCA (Hospitality, Tourism and Culinary Arts) at Taylor's University Lake side Campus. The percentage of international students in Taylor's University is above average, which stabilizes at 25%. Within the university, the School of Hospitality, Tourism and Culinary Arts (HTCA) has the highest percentage of foreign student. According to the deputy dean of HTCA, the student population of the school falls around 2700 of which 40% are overseas students, which means international students number between 1,050 to 1200.



MALAYSIAN ONLINE JOURNAL OF EDUCATIONAL MANAGEMENT (MOJEM)

The sample size is chosen based upon the general guidelines for sample size that depends upon the population size involved in the study. i.e. maximum international students were 1200 so 10% of the population size is 120 sample size required (Nunnally, 1978). A group of four junior researchers from the university masters students were trained by the researchers for data collection from different undergraduate students in different time duration and different places such as class room, library and cafeteria. For the current research 300 survey questionnaires were distributed on the basis of a non-probability convenience sampling technique (Amick & Walberg, 1975). Of these, 275 questionnaires were returned representing 92% response rate to the original sample of the study.

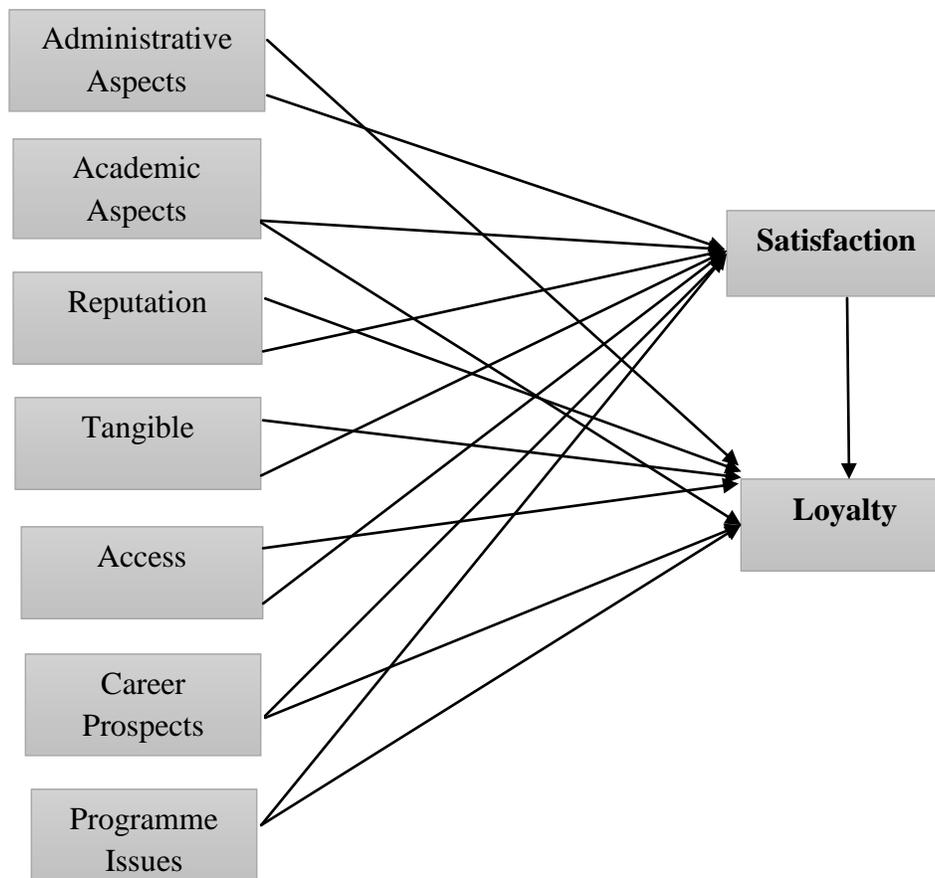


Figure 1. Conceptual framework of the study



MALAYSIAN ONLINE JOURNAL OF EDUCATIONAL MANAGEMENT (MOJEM)

A structured questionnaire has been used to collect and gather the data. The measurement scale of questionnaire for all items was based on 5-point Likert scale, ranging from '1' for 'strongly disagree' to '5' being 'strongly agree'. The current measurement scale was based on seven (7) independent variables such as 'Administrative Aspects (12-items)', 'Academic Aspects (9-items)', 'Reputation of HTCA (3-items)', 'Tangibles (8-items)', 'Access (7-items)', 'Program Issues (2-items)' and 'Career Prospects (4-items)' has been used to evaluate the two (2) dependent factors 'Satisfaction (10-items)' and 'Loyalty (3 items)' (see Appendix A).

All variables have been derived/adapted from Abdullah (2005, 2006a, 2006b) and Athiyaman (1997). There were a total of 58-items measuring seven (7) independent and two (2) dependent variable, related to particular study to test hypotheses respectively.

Hypothesis of the Study

- H1_a** 'Administrative Aspects' exerts significant positive effect on 'Satisfaction' of undergraduate students of HTCA.
- H1_b** 'Administrative Aspects' exerts significant positive effect on 'Loyalty' of undergraduate students of HTCA.
- H2_a** 'Academic Aspects' exerts significant positive effect on 'Satisfaction' of undergraduate students of HTCA.
- H2_b** 'Academic Aspects' exerts significant positive effect on 'Loyalty' of undergraduate students of HTCA.
- H3_a** 'Reputation of HTCA' exerts significant positive effect on 'Satisfaction' of undergraduate students of HTCA.
- H3_b** 'Reputation of HTCA' exerts significant positive effect on 'Loyalty' of undergraduate students of HTCA.
- H4_a** 'Tangible' exerts significant positive effect on 'Satisfaction' of undergraduate students of HTCA.
- H4_b** 'Tangible' exerts significant positive effect on 'Loyalty' of undergraduate students of HTCA.
- H5_a** 'Access' exerts significant positive effect on 'Satisfaction' of undergraduate students of HTCA.
- H5_b** 'Access' exerts significant positive effect on 'Loyalty' of undergraduate students of HTCA.
- H6_a** 'Programme Issues' exerts significant positive effect on 'Satisfaction' of undergraduate students of HTCA.



MALAYSIAN ONLINE JOURNAL OF EDUCATIONAL MANAGEMENT (MOJEM)

- H6_b** 'Programme Issues' exerts significant positive effect on 'Loyalty' of undergraduate students of HTCA.
- H7_a** 'Career Prospects' exerts significant positive effect on 'Satisfaction' of undergraduate students of HTCA.
- H7_b** 'Career Prospects' exerts significant positive effect on 'Loyalty' of undergraduate students of HTCA.
- H8** 'Satisfaction' exerts significant positive effect on 'Loyalty' of undergraduate students of HTCA.

The SPSS 21.0 for Windows software was employed for the scale measurement. Descriptive analysis, such as means, standard deviation and frequencies were calculated. Regression analysis was employed to observe the effects of independent variables on student satisfaction and loyalty. Reliability issues and correlation of the study were tested.

FINDINGS

Demographic Breakdown of the Sample

Demographic breakdown of the sample in Table 1 shows that 63.6% of the respondents were female. Majority of the respondents fall under the age group '20 or below' (60%) followed by '21-25' (36%) and majority of the students are doing bachelor's degree (74.5%) in different areas such as tourism, hospitality and culinary arts on full time basis (94.9%). In terms of year of study, 47.6% of students just got enrolled this year and are studying in year one followed by 35.3% in year two. Some 62.2% of the students want to work for industry after getting their degree, while the rest want to pursue higher qualification, with 48.4% of them planning for a master's degree and 36.9% for bachelor's degree. In terms of nationally, the majority of the respondents are found to be Indonesians (37.5%) followed by Chinese (33.5%).

Table 1
Demographic Breakdown of the Sample (n = 275)

	Frequency (F)	Percentage (%)
Gender		
Female	175	63.6
Male	100	36.4
Total	275	100.0
Age		
20 or below	165	60.0
21-25	99	36.0



MALAYSIAN ONLINE JOURNAL OF EDUCATIONAL MANAGEMENT (MOJEM)

26-30	11	4.0
Total	275	100.0
Level of Study		
Diploma	62	22.5
Advanced diploma	8	2.9
Bachelors Degree	205	74.5
Total	275	100.0
Study Mode		
Full Time	261	94.9
Part Time	14	5.1
Total	275	100.0
Current Year of the Study		
Year 1	131	47.6
Year 2	97	35.3
Year 3	41	14.9
Year 4	4	1.5
Year 5	2	0.7
Total	275	100.0
Plans After Graduate		
Work for Industry	171	62.2
Further Study	104	37.8
Total	275	100.0
Higher Qualification Planned For		
Diploma	18	6.5
Advanced Diploma	3	1.1
Bachelors Degree	109	39.6
Masters Degree	133	48.4
PhD	12	4.4
Total	275	100.0
Nationality		
Brunei	3	1.1
China	92	33.5
France	3	1.1
India	6	2.2
Indonesia	103	37.5
Iran	4	1.5



MALAYSIAN ONLINE JOURNAL OF EDUCATIONAL MANAGEMENT (MOJEM)

Japan	3	1.1
Kazakhstan	6	2.2
Korea	21	7.6
Libya	1	0.4
Maldives	8	2.9
Namibia	2	0.7
Nepal	2	0.7
Oman	1	0.4
Pakistan	9	3.3
South Africa	1	0.4
Sri Lanka	6	2.2
Taiwan	1	0.4
Tanzania	1	0.4
Vietnam	1	0.4
Yemen	1	0.4
Total	275	100.0

Factor Analysis

An exploratory factor analysis had been performed using principal components analysis with varimax rotation utilized to test the hypothesis. As shown in Table 2, all the items were properly loaded into their corresponding dimension with the factor loading of greater than 0.6. which is quite acceptable (Nunnally, 1978).

Table 2
Exploratory Factor Analysis

Components									
	1	2	3	4	5	6	7	8	9
A1	0.814								
A2	0.780								
A3	0.735								
A4	0.710								
A5	0.634								
A6	0.648								
A7	0.469								
A8	0.712								
A9	0.665								
A10	0.674								
A11	0.734								



**MALAYSIAN ONLINE JOURNAL OF
EDUCATIONAL MANAGEMENT
(MOJEM)**

A12	0.685								
B1		0.696							
B2		0.686							
B3		0.697							
B4		0.776							
B5		0.768							
B6		0.723							
B7		0.603							
B8		0.684							
B9		0.694							
C1			0.682						
C2			0.743						
C3			0.789						
D1				0.853					
D2				0.854					
D3				0.649					
D4				0.716					
D5				0.708					
D6				0.700					
D7				0.656					
D8				0.832					
E1					0.866				
E2					0.841				
E3					0.694				
E4					0.611				
E5					0.696				
E6					0.734				
E7					0.697				
F1						0.645			
F2						0.882			
G1							0.620		
G2							0.664		
G3							0.642		
G4							0.808		
H1								0.668	
H2								0.656	
H3								0.654	
H4								0.653	
H5								0.853	
H6								0.705	
H7								0.753	
H8								0.659	
H9								0.773	



MALAYSIAN ONLINE JOURNAL OF EDUCATIONAL MANAGEMENT (MOJEM)

H10								0.783	
I1									0.812
I2									0.773
I3									0.620

Reliability of the Study

Table 3 demonstrates that the overall reliability (internal consistency) of the study as given by a coefficient alpha .96, was deemed acceptable (Churchill, 1979; Nunnally, 1978), which suggests that the “measures [were] free from random error and thus reliability coefficients estimate the amount of systematic variance” (Churchill, 1979). Reliability analysis is well known as to test the “degree of consistency between measures of the scale” (Mehrens & Lehman, 1987), when each factor (study variables) such as ‘Administrative Aspects’, ‘Academic, ‘Aspects’, ‘Reputation of HTCA’, ‘Tangibles’, ‘Access’, ‘Program Issues’, ‘Career Prospects’, ‘satisfaction’ and ‘loyalty’ were examined, it was found to be reliable with coefficient alpha more than .70 at aggregate level, cut-off point (Churchill, 1979; Nunnally, 1978). The high alpha values indicate good internal consistency among the items, and the high alpha value for the overall scale indicates that convergent validity was met (Parasuraman, Berry & Zeithaml, 1991).

Table 3
Reliability of the Study

Variables	Cronbach Alpha (α)	Number of Items	Mean
Administrative Aspects	.92	12	2.90
Academic Aspects	.92	9	3.31
Reputation Of HTCA	.91	3	3.49
Tangibles	.89	8	3.44
Access	.91	7	3.27
Programme Issues	.87	2	3.38
Career Prospects	.87	4	3.33
Satisfaction	.83	10	3.51
Loyalty	.65	3	3.26
Overall	.96	58	



Correlations of the Study Variables

In the present study correlation analysis was employed since “correlation analysis involves measuring the closeness of the relationship between two or more variables; it considers the joint variation of two measures” (Churchill, 1995). In Table 4, the results of correlation analysis are significant at the .01 level. When the correlation coefficients matrix between study variables is examined, no correlation coefficient is equal to .90 or above. This examination provides support for the discriminant validity about this study, which means that all the constructs are different/distinct (Amick & Walberg, 1975).

Table 4
Correlation of the Study

Scale	1	2	3	4	5	6	7	8	9
Administrative Aspects	1								
Academic Aspects	.510**	1							
Reputation of HTCA	.413**	.673**	1						
Tangibles	.393**	.626**	.672**	1					
Access	.588**	.635**	.571**	.662**	1				
Programme Issues	.384**	.625**	.646**	.672**	.650**	1			
Career Prospects	.439**	.629**	.703**	.656**	.680**	.702**	1		
Satisfaction	.521**	.641**	.701**	.702**	.729**	.728**	.744**	1	
Loyalty	.432**	.519**	.634**	.594**	.607**	.593**	.616**	.753**	1

Note: ** All the correlations are significant at the .01 level (2- tailed)

Regression Analysis

Since regression analysis is “the technique used to derive an equation that relates the criterion variables to one or more predictor variables; it considers the frequency distribution of the criterion variable, when one or more predictor variables are held fixed at various levels” (Churchill, 1995, p. 887). As in this study there are two dependent variables regression was analyzed two times by using satisfaction and loyalty as dependent variable respectively with all independent variables.



MALAYSIAN ONLINE JOURNAL OF EDUCATIONAL MANAGEMENT (MOJEM)

Table 5a shows that the regression analysis was analyzed having 'Satisfaction' as the dependent variable and Administrative Aspects', 'Academic Aspects', 'Reputation Of HTCA', 'Tangibles', 'Access', 'Program Issues', 'Career Prospects' as the independent variables. It was necessary to use the regression analysis to predict the 'Satisfaction' level of students and the obtained results showed that there was a positive correlation with R^2 of 0.720 and F -value of 95.9 at a significance level $p < .001$. There is not such autocorrelation as the Durbin-Watson value is 1.94 and variance inflations factor is also below 3, which is clearly showing there is no multicollinearity problem.

It was found that, 'Academic Aspects ($\beta = -0.018$)', does not exert significant effect on 'Satisfaction' of the undergraduate students in HTCA, hence hypothesis H2 is rejected. However, it was found that 'Administrative Aspects ($\beta = 0.108$)', 'Reputation of HTCA ($\beta = 0.584$)', 'Access ($\beta = 0.333$)', 'Program Issues ($\beta = 0.107$)', 'Tangibles ($\beta = 0.208$)' and 'Career Prospects ($\beta = 0.526$)' exert significant positive effect on 'Satisfaction' of the undergraduate students in HTCA, thus making Hypothesis H1, H3, H4, H5, H6 and H7 accepted.

Moreover, all the independent variables jointly explain 72% of the variance (R^2) in the 'Satisfaction', which is very good. Overall, the results indicate that reputation of the HTCA, access, program issues and the career prospects are the predictors of 'Satisfaction' of the students in HTCA at Taylor's University.

Table 5a
Regression Analysis (Dependent Variable: Satisfaction)

Variables	B	t- value	p- value	Hypothesis
Administrative Aspects	0.108	2.720	.007	Accepted
Academic Aspects	-0.018	-.266	.790	Rejected
Reputation Of HTCA	0.584	3.248	.001	Accepted
Tangibles	0.208	2.701	.007	Accepted
Access	0.333	3.698	.000	Accepted
Programme Issues	1.07	3.937	.000	Accepted
Career Prospects	0.526	3.613	.000	Accepted

Note: $R^2 = 0.720$, $F = 95.9$, $p < .05$

Table 5b shows the results of regression analysis by using 'Loyalty' as the dependent variable and all other independent variables used previously with satisfaction. It was found that 'Administrative Aspects ($\beta = 0.028$)', 'Academic Aspects ($\beta = -0.034$)', 'Tangibles ($\beta = 0.60$)', 'Program Issues ($\beta = 0.181$)' and 'Career Prospects ($\beta = 0.096$)' do not exert significant effect on 'Loyalty' of the undergraduate students in HTCA, making hypotheses H1b, H2b and H4b, H6b and H7b rejected.



MALAYSIAN ONLINE JOURNAL OF EDUCATIONAL MANAGEMENT (MOJEM)

Only two hypotheses H3b and H5b for 'Reputation of HTCA ($\beta = 0.300$)' and 'Access of university services ($\beta = -0.96$)' were accepted. All the independent variable jointly explain 52% of the variance (R^2) in the 'Loyalty', which is acceptable. Results also show that only Reputation of HTCA and Access are the predictors of 'Loyalty' of the students in HTCA at Taylor's University. There is no such multicollinearity problem as the VIF is below 2.

Table 5b.
Regression Analysis (dependent variable: Loyalty)

Variables	B	t- value	p- value	Hypothesis
Administrative Aspects	0.028	1.760	.080	Rejected
Academic Aspects	-0.034	-1.277	.203	Rejected
Reputation Of HTCA	0.300	4.107	.000	Accepted
Tangibles	0.060	1.938	.054	Rejected
Access	0.096	2.633	.009	Accepted
Programme Issues	0.181	1.654	.099	Rejected
Career Prospects	0.096	1.624	.106	Rejected

Note: $R^2 = 0.516$, $F = 39.85$, $p < 0.05$

Table 5c
Regression Analysis (Dependent Variable: Satisfaction)

Variables	B	t- value	p- value	Hypothesis
Loyalty	2.42	18.9	0.00	Accepted

Note: $R^2 = 0.567$, $F = 356.8$, $p < .05$

Table 5c shows the results of regression analysis by using 'Satisfaction' as the dependent variable and 'Loyalty' as independent variable. It was found that loyalty ($\beta = 2.42$) exerts significant effect on 'Satisfaction' of the undergraduate students in HTCA, making hypotheses H8 to be accepted.

CONCLUSION AND MANAGERIAL IMPLICATIONS

The purpose of this study is to measure the satisfaction level of international students and to identify the main factors, which influence international students' satisfaction, as well as to examine the relationship between satisfaction and loyalty. Thus far, the study has achieved all three objectives. The average satisfaction level of the international students in HTCA falls on 69% with a mean score of 3.5.



MALAYSIAN ONLINE JOURNAL OF EDUCATIONAL MANAGEMENT (MOJEM)

Four (4) determining factors were revealed, namely, Reputation, Access, Program Issues and Career Prospects. Findings also show that satisfaction exerts significant positive effect on student loyalty. Further the results of the study highlight that there is good potential in HTCA for international students; overall reliability of the study is at an acceptable level. Students of HTCA are loyal due to “reputation of the HTCA”. Furthermore, nearly 40% of the undergraduates plan to pursue a higher degree, which implies an optimistic market for HTCA to attract and retain these students in the masters’ programs as well as bachelor courses for those currently enrolling in the diploma program. The existing literature has lent support to the assumption that a satisfied customer is likely to show repeat purchase commitment (Nadiri et al., 2009; Russell, 2005). Applying to the higher education context, repeat purchase presents as the enrolment in a higher qualification program in the same institution. It has been found that Malaysia is famous among Indonesians and Chinese as an education destination. This study provides useful guideline for institutes, universities and third party enterprises (education consultants), which are engaged in marketing and attracting education tourism for Malaysia.

Thus, this study is significant for providing the baseline information and references for the marketing and management team to develop effective strategies to enhance the overall perceived service quality and satisfaction as satisfied students were found to be loyal in this study. This research will be also helpful for the Ministry of Education to market Malaysia as an education destination. One of the apparent limitations of this study is the sample size, which is very small and also limited to one school (HTCA) Malaysia. A study with different sample size and several locations in Malaysia may provide fruitful results to check the service quality and loyalty of the international students in Malaysia. Further, students from tourism and hospitality stream are stereotypically assumed to have a relatively outgoing personality and thus possess higher adaptability to a different environment and culture. Therefore future studies comparing hospitality and tourism with other entities such as business, medical or engineering schools will be fruitful.

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MALAYSIAN ONLINE JOURNAL OF EDUCATIONAL MANAGEMENT (MOJEM)

APPENDIX A. Survey Questionnaire

Dear Respondents,

We are currently carrying out a survey as a part of our PhD course work – Advanced Research Methods to understand “Service quality and loyalty of international students: a case study of HTCA, Malaysia. All information collected will be strictly confidential and will be used only for our course work and some journal publications. The approximate time for the completion of this questionnaire will take only 5 minutes. Thank you in advance for filling out this questionnaire and wish you all the best.

The questionnaire is related to certain aspects of the services that you experience in HTCA. For each of the following statements, please circle the number which best reflects your opinion of such service.

5 – Strongly Agree; 4 – Agree, 3 – Neutral, 2 – Disagree, 1 – Strongly Disagree

Section A

S. No.	A - ADMINISTRATIVE ASPECTS	1	2	3	4	5
A1	When I have a problem, administrative staff shows a sincere interest in solving it					
A2	Administrative staff provides caring and individual attention					
A3	My Inquiries/complaints are dealt efficiently and promptly					
A4	Administrative staff are never too busy to respond to a request for assistance					
A5	Administrative offices keep accurate and retrievable records					
A6	When the staffs promise to do something by a certain time, they do so					
A7	The opening hours of administrative offices are personally convenient for me					
A8	Administrative staffs show positive work attitude towards students					
A9	Administrative staffs communicate well with students					
A10	Administrative staffs have good knowledge of the system /procedures					
A11	I feel secure and confident in my dealings with this institution					
A12	The institution provides services within reasonable/expected time frame					
S. No.	B - ACADEMIC ASPECTS	1	2	3	4	5
B1	Academic staffs have the knowledge to answer my questions relating to the course content					
B2	Academic staffs deal with me in a caring and courteous manner					
B3	Academic staffs are never too busy to respond to my request for assistance					
B4	When I have a problem, academic staffs show a sincere interest in solving it					
B5	Academic staffs show a positive attitude towards students					
B6	Academic staffs communicate well in the classroom					
B7	Academic staffs provide feedback about my progress					



MALAYSIAN ONLINE JOURNAL OF EDUCATIONAL MANAGEMENT (MOJEM)

B8	Academic staffs allocate sufficient and convenient time for consultation					
B9	Academic staffs are highly educated and experienced in their respective disciplines					
S. No.	C – REPUTATION of HTCA	1	2	3	4	5
C1	HTCA has a reputable image					
C2	HTCA runs excellent quality programmes					
C3	HTCA is reputable for the competency of the graduates					
S. No.	D - TANGIBLES	1	2	3	4	5
D1	The IT facilities are adequate and necessary					
D2	The library facilities are adequate and necessary					
D3	Recreational facilities are adequate and necessary					
D4	Reasonable class size (No. of students in the class)					
D5	HTCA has been located strategically					
D6	HTCA has excellent campus layout and appearance					
D7	The university has adequate and necessary health services					
D8	The university has adequate and necessary counseling & psychological service					
S. No.	E - ACCESS	1	2	3	4	5
E1	Students are treated equally and with respect by staffs					
E2	Students are given fair amount of freedom					
E3	The staffs respect my confidentiality when I disclosed information to them					
E4	The staffs are easily contactable by phone and email					
E5	HTCA encourages and promotes the setting up & activities of the Student Council					
E6	HTCA values feedback from students to improve service performance					
E7	HTCA has a standardized service delivery procedures					
S. No.	F – PROGRAMME ISSUES	1	2	3	4	5
F1	HTCA offers a wide range of programmes with various specializations					
F2	HTCA offers programmes with With competence syllabus and structures					
S. No.	G – CAREER PROSPECTS	1	2	3	4	5
G1	HTCA offers programmes which is relevant to my career pathway					
G2	Enrolling myself into the programme offered by this institution secures my job & career prospects					
G3	I intend to further my studies into post graduate programmes offered by this institution					
G4	HTCA provides adequate career counseling services for me to plan my education and career					
S. No.	H – SATISFACTION	1	2	3	4	5
H1	I'm satisfied with the services provided by the administrative staffs in the HTCA					
H2	I'm satisfied with the performance level of academic staffs in the HTCA					



MALAYSIAN ONLINE JOURNAL OF EDUCATIONAL MANAGEMENT (MOJEM)

H3	I'm satisfied with the image/reputation of this institution					
H4	I'm satisfied with the IT facilities available in the institution					
H5	I'm satisfied with the library services in this institution					
H6	I'm satisfied with the career prospects of the programmes available in the HTCA					
H7	I'm satisfied with the accessibility of the service in this institution					
H8	I'm satisfied with the overall service quality of HTCA					
H9	I made the right decision in enrolling into the programmes offered by HTCA					
H10	I am happy that I have chosen HTCA					
S. No.	I – LOYALTY	1	2	3	4	5
I1	I would recommend HTCA to others					
I2	I would be more than happy to participate in the HTCA alumni activities					
I3	If I were to continue a further degree, I would choose HTCA					

Section B – Demographics

The following personal information is necessary for validation of the questionnaire. All responses will be kept confidential. Your co-operation in providing this information will be greatly appreciated. Please tick the relevant responses.

Gender

- Female
 Male

Study Mode

- Full Time
 Part Time

Age

- 20 years or below
 21 - 25
 26 – 30
 31 - 35
 35 or above

Current year of the year

- Year 1
 Year 2
 Year 3
 Year 4
 Year 5

Nationality _____

Plan After Graduate

- Work for Industry
 Further Study – High Qualification

Course enrolled in

- Tourism
 Hospitality
 Events
 Culinary Arts

Higher Qualification planned for

- Diploma
 Advanced Diploma
 Bachelor's Degree
 Master's Degree
 PhD

Level of study

- Diploma
 Advanced Diploma
 Bachelor's Degree
 Master's Degree
 PhD