# An International Journal





Indonesian Journal of Economics,
Business, Accounting, and Management

E-ISSN: 2988-0211 | Vol. 02, No. 04, 2024, pp. 92-108

Journal Homepage: https://journal.seb.co.id/ijebam/index

# Examining the Effects of Higher Education Service Quality (HESQUAL) on Student Loyalty and Word-of-Mouth at an Indonesian Private University

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# ARTICLE INFORMATION Sections Research Articles Article History Article Submitted: 23/02/2024 Accepted: 25/02/2024 Available online: 13/05/2024 Keywords university service quality student satisfaction perceived value student loyalty word of mouth

# **ABSTRACT**

The purpose of this study is to investigate the elements that spur the growth of word-of-mouth and loyalty and to further explore the significance of perceived value and student happiness as motivators. This research methodology employs a quantitative approach and employs questionnaire-based surveys for data collection. The Islamic University of Indonesia's 295 active students enrolled in various study programs served as the study's samples. For this study, SPSS and PLS-SEM with SmartPLS software are used for data analysis. The results of this study show that perceived value, student loyalty, contentment, and word-of-mouth are all positively impacted by the quality of university services. These findings advance our knowledge of the process by which student behavior, such as loyalty and word of mouth is influenced by the quality of university services, as measured by satisfaction and perceived value.

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# **INTRODUCTION**

Science education has undergone tremendous transformation in the globalization period, and it is now a vital tool for raising the caliber of human resources. In order to draw in new students and stay competitive, institutions use university marketing as a standard. Because of this, academic institutions strive to manage excellence in the areas of study programs, facilities, and human resources as well as marketing tactics to draw in potential new students (Arpah, 2021).



Other challenges that colleges encounter force them to actively manage their student body in order to keep them comfortable, encourage them to finish their study, and avoid dropout rates brought on by unsatisfactory service. This has a significant effect on comfort, which can keep students from quitting the university. It also affects loyalty and makes it simpler for students to tell potential students about the university (Syamsuddinnor, 2021). Assessments from students following their use of the university's services demonstrate their level of satisfaction. This typically has the effect of encouraging students to remain and further their education at the same institution, fostering a favorable word-of-mouth culture. Word-of-mouth influences student decisions, attitudes, and behavioral intentions, as well as decision making at colleges. This choice will always be based on how satisfied students are with the services the university offers them (Preko *et al.*, 2021).

High levels of student satisfaction are associated with positive behavioral intentions, such as encouraging others to promote excellent word of mouth. Consequently, it's critical to offer a top-notch experience and a high degree of student satisfaction in order to preserve the university's defense (Vesci *et al.*, 2021). In order to measure student satisfaction, educational institutions must enhance their offerings to current and potential students by being approachable, streamlining administrative procedures, and making sufficient infrastructure available. This may affect student satisfaction, which in turn affects the dissemination of favorable word about the university (Alzoubi *et al.*, 2022). Student loyalty to their university is influenced by their level of satisfaction. A higher number of new students will be admitted to the university as a result of word-of-mouth referrals brought about by built-in contentment.

Furthermore, students who want to seek a higher degree at the university may be influenced by satisfaction, which impacts loyalty. Value is determined by weighing the benefits against the expenses. The relationship between behavioral intentions and perceived service quality and satisfaction is mediated by the value variable (Teeroovengadum *et al.*, 2019). Adding value to the services offered to students is a crucial component of university marketing strategy since it fosters student happiness. In order to satisfy current and potential students, universities must find the most efficient ways to market their services and identify the most compelling ways to convey their unique selling propositions to consumers. Students share pleasant experiences through word-of-mouth due to the perceived increase in service, which may have an impact on future student happiness.

In order to meet needs, service quality is a way to satisfy the parties being serviced, both inside and externally. University research focuses on the Higher Education Service Quality (HESQUAL), or service quality model in higher education (Teeroovengadum *et al.*, 2019). Students' opinions of the real service circumstances they encounter and their expectations might be compared to determine the quality of university services. University quality's functional component results in services connected to the process of delivery. One aspect of university marketing involves establishing commercial relationships with current and potential students. A good marketing plan results in high-quality services, which in turn lead to happy students. If the institution offers high-quality services, including learning systems, administrative procedures, staff and lecturer attitudes and behaviors, and reasonably priced public infrastructure, student satisfaction will rise (Teeroovengadum *et al.*, 2019).

High satisfaction will be impacted by offering students or potential students high-quality services. Student perception of value is a crucial component of service quality. The services that students appreciate varies depending on what the university offers and admits. This results in a balance between how students behave toward the university and how they perceive the benefits of value. According to Río-Rama *et al.* (2021), students' assessment of the value of a service rises when they feel that the service's quality justifies its cost, which in turn raises their degree of pleasure. Better service quality can provide students a sense of

perceived worth, which helps them recognize what sets this university apart from others. Excellent staff and lecturer attitudes and behaviors, efficient administrative procedures, reasonably priced public infrastructure, and a learning system that can meet the needs of current and potential students are all attributes of the institution.

Numerous researches have examined the connection between promoting student loyalty and providing high-quality university services, as was previously mentioned. Research indicates, for instance, that service quality can impact student loyalty and word-of-mouth attitudes by producing a number of important aspects, including perceived value (Kervenoael *et al.*, 2020). The loyalty and word-of-mouth attitude variables from earlier studies are frequently generalized in this situation. Furthermore, the majority of study that has been done has not looked into the correlations between variables in great detail, and the results are frequently inconsistent. The purpose of this study is to investigate the relationship between word-of-mouth and loyalty in the context of higher education by elucidating the elements that encourage student loyalty to the university, including perceived value, service quality, satisfaction, and word-of-mouth.

# LITERATURE REVIEW & HYPOTHESIS

# **Theoretical Foundation**

Service quality Refers to consumers' assessment of the extent to which the service they receive meets their expectations. If the service received is in line with expectations, it is considered good and satisfactory service quality. The satisfaction created can be an encouragement for consumers to make repeat purchases and even form loyal customers in the future. Quality is currently an important thing that can be used as a benchmark, any business can be measured by the quality of service, if the service is good service then it can be said that the business is good. Service is something that can be seen directly by external parties, so this service becomes an important pillar when it comes to external parties (Andriyani and Ardianto, 2020). This quality can be measured by physical evidence. Physical evidence here is the service provided directly by a business or service to external parties, in this case it can be consumers or other people who want to collaborate.

Then the reliability, or consistency of service is measured whether the service provided is the same from one day to the next so that it can be said to be of quality, then the responsiveness, responsiveness of the business or service gives an idea that the service is quality. Service quality is not only seen from businesses engaged in product sales, but service businesses can also be measured by this, one of the universities. Quality at universities has now become a benchmark for whether the university has good quality or not, because service is basically service at universities is an important thing that must be provided optimally so that relations between students and external parties and others are very good. Services are considered quality academic if they meet the needs of students. The quality of university services is the value given by students regarding the extent to which academic services comply with the specifications they desire.

# **Hypothesis Development**

The quality of service at universities is one of the most important parts in building and maintaining satisfying relationships with students. The satisfaction felt by students is certainly a factor in the quality of services provided by the university. The quality of university services is a driver of a person's behavior to experience the benefits provided so that it has an impact on

student satisfaction (Osman and Saputra, 2019). Salam and Farooq (2020)believes that if the quality of university services provided is higher, the level of student satisfaction will also increase, thereby being able to influence decision making. The experiences felt by students then become a benchmark for the positive or negative image of a university. Service quality is the level of excellence that a university can provide, so it must cover all the needs that students expect in order to achieve a sense of satisfaction.

Thus, the activities carried out by the university and the provision of high quality services as well as additional supporting facilities will influence student satisfaction with the university. In other words, the functional quality of services provided by universities influences the satisfaction of students and prospective students in making decisions. Based on this discussion, the following hypothesis can be proposed.

 $H_1$ : University service quality has a positive effect on student satisfaction.

The value felt by students refers to the decision making that will be carried out. When the quality of the service provided does not match what is paid for, this results in the students' perceived value being lower (Konuk, 2019). Understanding value arises from the interaction of giving and receiving in reciprocal exchanges involving both tangible and intangible exchange ratios. The quality of technical and functional services provided by universities has a positive impact on students' perceived value (Diharsya and Roostika, 2022).

Grades can be generally interpreted as a comprehensive evaluation carried out by students regarding the effectiveness of a service based on experience. In the context of higher education, perceived value can be taken as the overall outcome of services on a student's life during their stay and the extent of the benefits of that impact. Students can use a variety of clues from the quality of the university to the quality of additional services available to assess the overall value of the university experience. In this case, the value felt by students can be triggered by the quality of services that provide benefits according to what is spent. Thus, service quality is believed to be able to influence the value felt by students at the university. Based on this discussion, the following hypothesis will be proposed:

 $H_2$ : The quality of university services has a positive effect on students' perceived value.

In a marketing context, perceived value leads to customer judgments that will estimate how much value is in a given offer (Rohwiyati and Praptiestrini, 2020). Student behavior is an important factor in considering satisfaction because students' verbal assessments reflect their potential for success and success at the university. Ensuring satisfaction is one of the significant keys for students to influence future intentions. If the quality of the service provided exceeds expectations, then students will feel satisfied (Tukirana, Sunaryoa and Widodo, 2021). Due to tight competition among universities, various efforts are needed to retain students to continue their studies at the university and attract psrospective students who focus on satisfaction. In this case, students satisfaction can be triggered by the perceived value provided by the university. Thus, the value felt by students is believed to be able to influence the satisfaction they feel during their studies at the university. Based on this discussion, the following hypothesis can be proposed.

 $H_3$ : Perceived value attachment has a positive effect on student satisfaction.

Satisfaction at the university includes technical and functional satisfaction. Student assessment is important as evaluation feedback for (Bakrie, Sujanto and Rugaiyah, 2019). In measuring satisfaction, universities need to include the benefits of providing services that will impact student loyalty. Satisfaction refers to a measure to determine the level of student

satisfaction and dissatisfaction after entering a university and enjoying the services provided. Student satisfaction refers to the impact of their loyalty and is able to cause the university to produce good performance in the long term (Windasari, Soedjarwo and Mutohir, 2021). Forming satisfaction from a university is able to generate loyalty thereby increasing commitment and decision making among students. From this perspective, the level of student satisfaction at the university is the key to building loyalty. This is also able to influence the decision making of prospective new students towards universities. In this way, student satisfaction is considered capable of fostering loyalty in the university context. Based on this discussion, the following hypothesis can be proposed.

 $H_4$ : The relationship between satisfaction has a positive effect on student loyalty

When a student is satisfied with the university services provided, they are likely to engage in positive word of mouth (Torres, Augusto and Neves, 2022). Student satisfaction will have an impact on continuing to study at the university and being involved in promoting it through positive word of mouth which influences prospective students to enter the university. Student satisfaction is driven by the fulfillment of needs carried out by the university. The impact of this is able to encourage students to spend more money, to continue their studies at the university and spread positive information by word of mouth (Khoo, 2022). Thus, student satisfaction with the university can influence word of mouth behavior. Therefore, student satisfaction can increase students' positive word of mouth intentions. Based on this discussion, the following hypothesis can be proposed.

*H<sub>5</sub>:* Student satisfaction has a positive effect on word of mouth.

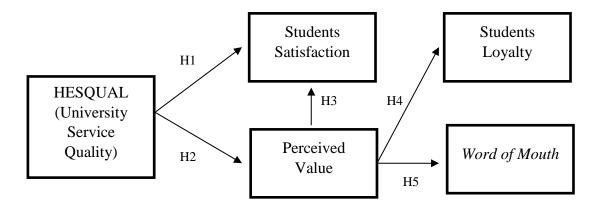


Figure 1. Research Framework

Source: Processed by The Author (2024)

## RESEARCH METHODS

The research method used involves analyzing cause-and-effect relationships between related variables with hypothesis testing. This study's data gathering approach distributes online questionnaires via Google forms in a quantitative manner. The primary data that was evaluated came straight from the original sources—respondents who took part in the study, in this case. The convenience sampling method, which allows for the random distribution of questionnaires via email and Whatsapp to people who fit the responder requirements, is the sample selection methodology used in this research. The purpose of this approach is to facilitate writers' access to study samples.

**Table 1.** Descriptive Analysis of Demographic Variables

Demographic Variables	N	%
Gender	·	
Man	167	56,7
Woman	128	43,3
Age		
15-20 Years	259	87,8
21-25 Years	36	12,2
≥ 25 Years	0	0
Average Pocket Money per Month		
$\leq$ IDR 1,000,000/month	73	24,8
IDR 1,000,001 - IDR 2.000.000/month	133	45,0
IDR 2,000,001 - IDR 3.000.000/month	57	19,4
IDR 3,000,001 - IDR 4.000.000/month	18	6,1
IDR 4,000,001 - IDR 5.000.000/month	9	3,0
Which school are you from		
Private	135	45,8
Country	160	54,2
People Who Influence Admission to UII		
Self	160	54,2
Parent	90	30,5
You	34	11,6
High school teacher	5	1,7
Other	6	2,0
UII Entrance Options		
First choice	75	25,4
Second Choice After Failing PTN	220	74,6
Faculty at UII		
Faculty of Business and Economics	76	25,8
Medical School	26	8,9
Industrial Technology Faculty	38	12,9
Faculty of Psychology and Social and	75	25,4
Cultural Sciences	13	25,4
Faculty of Law	15	5,0
Faculty of Islamic Studies	32	10,8
Faculty of Civil Engineering and Planning	11	3,8
Faculty of Mathematics and Natural Sciences	22	7,4
Registration Scheme at UII		
CBT (Computer Based Test)	87	29,4
CYBER (Report Based Selection)	163	55,2
PSB (Achievement Student Search)	33	11,1
PBT (Paper Based Test)	8	2,7
SBMPTN value	4	1,3

Source: Primary Data Processed (2024)

# **RESULTS OF ANALYSIS**

The research results of this research are the results of the outer model test and the results of the inner model test using SmartPLS. In the image below is the output value of the PLS results:

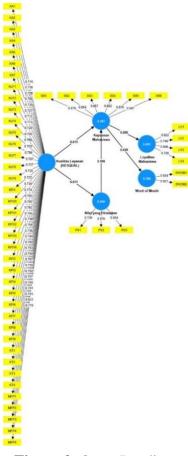


Figure 2. Outer Loadings

Source: Primary Data Processed (2024)

# **Convergent Validity Test**

A study examined can be said to be valid if the average variance extracted (AVE) produces > 0,5 and out (Hair Jr. *et al.*, 2019).

**Table 2.** Validity Test Results

	Research Variable			(AVE)		
	HESQUAL	SS	PV	LY	SWOM	(AVE)
KA1	0,715					0,557
KA2	0,718					0,557
KA3	0,728					0,557
KA4	0,755					0,557
KA5	0,735					0,557
KA6	0,727					0,557
KA7	0,712					0,557
KLF1	0,772					0,557

		Re	esearch Varia	ble		
	HESQUAL	SS	PV	LY	SWOM	(AVE)
KLF2	0,729		·			0,557
KLF3	0,708					0,557
KLF4	0,768					0,557
KLF5	0,703					0,557
KLF6	0,786					0,557
KLF7	0,707					0,557
KLF8	0,727					0,557
KLF9	0,720					0,557
KPI1	0,722					0,557
KP12	0,730					0,557
KPI3	0,774					0,557
KPI4	0,760					0,557
KPI5	0,790					0,557
KPI6	0,762					0,557
KPI7	0,744					0,557
KPI8	0,736					0,557
KPI9	0,755					0,557
KPI10	0,736					0,557
KPI11	0,744					0,557
KPI12	0,765					0,557
KPI13	0,763					0,557
KPI14	0,740					0,557
MFP1	0,769					0,557
MFP2	0,741					0,557
MFP3	0,751					0,557
MFP4	0,812					0,557
MFP5	0,779					0,557
KT1	0,787					0,557
KT2	0,750					0,557
KT3	0,762					0,557
KT4	0,707					0,557
SS1		0,879				0,761
SS2		0,855				0,761
SS3		0,887				0,761
SS4		0,891				0,761
SS5		0,876				0,761
SS6		0,846				0,761
PV1			0,765			0,682
PV2			0,864			0,682
PV3			0,852			0,682
LY1				0,804		0,610
LY2				0,25		0,610
LY3				0,833		0,610
LY4				0,770		0,610
SWOM1					0,932	0,851
SWOM2					0,913	0,851

# **Discriminant Validity Test**

The discriminant validity test parameters are based on the square root AVE value and HTMT value. The results of measuring the Fornell-Lacker Criterion values are shown below.

**Table 3.** Values Fornell Larcker Criterion

	HESQUAL	SS	PV	LY	SWOM
HESQUAL	0,746				
SS	0,748	0,873			
PV	0,662	0,600	0,826		
LY	0,626	0,667	0,645	0,781	
SWOM	0,550	0,630	0,572	0,687	0,923

Source: Primary Data Processed (2024)

Table 3 shows the square root AVE value in the Fornell-Larcker Criterion. The square root AVE value for each variable has a greater result than the value of the variable below it. This indicates good results based on measurement criteria (Fornell and Larcker, 1981). For example, the word of mouth (SWOM) variable has a value of 0,923, which is a larger value. Thus, all variables were declared discriminantly valid in this test.

Table 4. Values Heterotrait-Monotrait

	HESQUAL	SS	PV	LY	SWOM
HESQUAL					
SS	0,778				
PV	0,743	0,685			
LY	0,711	0,773	0,830		
SWOM	0,610	0,714	0,705	0,844	

Source: Primary Data Processed (2024)

Based on table 4, the HTMT value for each variable is below 0,85 (Henseler, Ringle and Sarstedt, 2015). The HTMT test results show that the HTMT value of all variables meets the criteria, namely below 0,85. Therefore, the results of this test are accepted. Thus, all variables in this research can be declared discriminantly valid.

# **Reliability Test**

The reliability test parameters in this study are based on Cronbach alpha and Composite Reliability (CR) values which are greater than 0,7 so that the variables can be said to be reliable (Hair Jr. *et al.*, 2019).

**Table 5.** Reliability Test

Variabel	Cronbach Alpha	Composite Reliability (CR)
Service Quality	0,979	0,980
Student Satisfaction	0,937	0,950
Perceived Value	0,772	0,865
Loyalty	0,789	0,862
Word of Mouth	0,825	0,920

Source: Primary Data Processed (2024)

Table 5 shows that all variables have Cronbach alpha and Composite Reliability (CR) values of more than 0,7 or meet the criteria used in this research. This means that the results of

this test are accepted. The higher the Cronbach alpha and Composite Reliability (CR) values, indicates a high level of reliability. For example, the service quality and student satisfaction variables have Cronbach alpha and Composite Reliability (CR) values well above 0,9. Thus, it can be concluded that all variables are declared reliable.

# **Collinearity Test**

Table 6. Collinearity Test

	HESQUAL	SS	PV	LY	SWOM
HESQUAL		1,818	1,000		
SS				1,000	1,000
PV		1,818			
LY					
SWOM					

Source: Primary Data Processed (2024)

Based on table 6, the collinearity test findings of this study indicate the existence of a significant multicollinearity problem. This situation arises because the variance inflation factor (VIF) value for all variables does not exceed 5 (VIF < 5). In fact, all the VIF values recorded were far below 3, which means that the test results are far from critical multicollinearity problems. For example, the variables of service quality and student satisfaction (1,818), the variables of perceived value and student satisfaction (1,818) and so on. Thus, these results state that there is no problematic multicollinearity between the research variables.

# **Coefficient of Determination Test**

**Table 7.** Coefficient of Determination Test (R-Square)

Variabel	R-Square	R-Square Adjusted
Student Satisfaction	0,581	0,579
Perceived Value	0,450	0,448
Student Loyalty	0,463	0,461
Word of Mouth	0,396	0,394

Source: Primary Data Processed (2024)

Table 7 explaining the results of the coefficient of determination test using R-Square shows that the endogenous variables in this study can be explained well by exogenous variables. This is indicated by the R-Square value of the four endogenous variables exceeding 0.330 and being in the moderate category  $(0.33) < R^2 < 0.67$ .

# **Q-Square Test**

Table 8. Q-Square Test

Variabel	Q-Square (Q <sup>2</sup> ) predict
Student Satisfaction	0,554
Perceived Value	0,444
Student Loyalty	0,383
Word of Mouth	0,289

Source: Primary Data Processed (2024)

The results of the Q-Square test show that all endogenous variables including student satisfaction, perceived value, student loyalty and word of mouth have a value  $Q^2$  greater than zero ( $Q^2 \ge 0$ ). This means that all endogenous variables are declared predictive.

# **Path Coeffisient**

#### **Path Coefficient Test**

The results of the path coefficient test show the direction of the relationship between variables which is shown in the values  $\beta$  as well as the results of hypothesis testing. The direction of the relationship between variables is considered positive or negative depending on the orientation of the hypothesized variable, and its comparison with the path coefficient value which ranges from -1 to +1. In addition, hypothesis testing involves considering the T-statistic value of more than 1,96 (T-statistic > 1,96). Furthermore, the hypothesis is declared significant if the P-value is less than 0,05 (P-value < 0,05).

Hypothesis β T-statistic P-value Conclusion **HESOUAL SS** 0,615 10,146 0.000 H<sub>1</sub> is Accepted and Significant. 0,000 H<sub>2</sub> is Accepted and Significant. **HESOUAL PV** 0,671 17,738 3,470 H<sub>3</sub> is Accepted and Significant. LY SS 0,199 0,001 H<sub>4</sub> is Accepted and Significant. SS LY 0,680 17,797 0.000 S.S. SWOM 0,629 13,614 0,000 H<sub>5</sub> is Accepted and Significant.

Table 9. Path Coefficient Test

Source: Primary Data Processed (2024)

The results of hypothesis testing in table 9 show that all directly related hypotheses are accepted and significant. In addition, the direction of the relationship for all hypotheses is stated to be positive with a value  $\beta$  greater than zero.

## **Discussion**

This study examines the impact of several key factors triggering loyalty and word of mouth attitudes among students. Additionally, the study explores the role of student satisfaction and perceived value on loyalty and word of mouth attitudes of 295 respondents, namely active students of the Islamic University of Indonesia, class of 2023, who serve as the research sample. Overall, the findings of this research indicate that service quality is believed to significantly promote the formation of loyalty and word of mouth attitudes.

# **Influence of University Service Quality on Student Satisfaction**

The results of this study found a positive and significant influence on student satisfaction. This indicates that the better the quality of services provided at the Islamic University of Indonesia, the higher the potential for increasing student satisfaction. These findings contradict previous research (Supriyanto, Wiyono and Burhanuddin, 2021; Budiarno, Udayana and Lukitaningsih, 2022) that rejected the positive relationship between service quality and satisfaction. This suggests that regardless of the frequency of service quality, it will not have an impact on an individual's satisfaction level. On the other hand, other studies (Slack and Singh, 2020; Balinado *et al.*, 2021) have shown similar results to this study, indicating that students may be more satisfied due to the extra care and attention provided by staff, leading to student satisfaction.

University service quality can be achieved by providing higher quality service intensity to students (Subawa and Sulistyawati, 2020). For example, through the construction of adequate infrastructure in each faculty and providing friendly and helpful staff services to students. Additionally, universities can enhance service quality to students by creating a conducive and supportive learning environment. The most important factor in service quality is the provision of infrastructure such as cafeterias, libraries, and sports facilities accessible to all active university students. Collaboration between infrastructure and friendly service attitudes will increase student satisfaction. This is because existing infrastructure can be utilized by students, making them feel that the effort expended is balanced with what they receive.

Meanwhile, friendly service attitudes can provide students with a positive experience, leading to their satisfaction. In this study, the discussion regarding the relationship between university service quality can be seen from those who most influence enrollment at the Islamic University of Indonesia. The number of students who choose based on their own preferences can indicate the high level of university service quality, which can trigger student satisfaction. Respondents who choose based on their own preferences have likely conducted prior research on the quality of services at the Islamic University of Indonesia to determine if it meets their needs.

The majority of influencers in this study are themselves. This means that respondents influenced by themselves believe that the quality of services at the Islamic University of Indonesia is good and balanced with what they expend. This can also be evidenced by the number of respondents in the questionnaire, 295 people, who answered the items of the HESQUAL variable, with the majority stating "Strongly Agree" regarding the quality of services at the Islamic University of Indonesia.

# Influence of University Service Quality on Perceived Value

University service quality has a positive and significant effect on the perceived value of students at the Islamic University of Indonesia. The better the quality of university services provided, the higher the value perceived by the students. Additionally, students will be more confident that what they have strived for will receive service quality commensurate with their efforts. Thus, the level of university service quality will bring forth the perceived value felt by the students. This finding is rarely done by previous research. However, this study is consistent with previous research (Pebriany, Yahya and Kania, 2021). Research within the scope of higher education indicates that good university service quality will affect the perceived value of students in a university (Teeroovengadum *et al.*, 2019).

The influence of university service quality on perceived value in the context of this study can be seen based on the average monthly allowance. The data in this study is dominated by respondents with an average monthly allowance of Rp1,000,001 - Rp2,000,000. Individuals with low-level allowance tend to find it difficult to perceive the benefits provided by the university commensurate with the efforts expended. Therefore, the issue of university service quality becomes very important to consider. Thus, individuals with low monthly allowances will be more likely to consider university service quality as a major factor in making them perceive the benefits they receive at high risk.

# **Influence of Perceived Value on Student Satisfaction**

Perceived value is considered to have a positive and significant influence on student satisfaction. Perceived value can be manifested in the fact that the trade-off between what they give and what they receive is adequate, thus providing positive emotions towards the university

(Teeroovengadum *et al.*, 2019). The higher the benefits students receive during their studies, the lower the risk of negative emotional experiences towards the university. This finding is consistent with and reaffirms previous research results Vicramaditya (2021), where perceived value is directed towards students who are already experiencing the service quality provided and feeling that they have received what they deserve.

The discussion regarding perceived value can be related to the average monthly allowance. The data in this study is dominated by respondents with a low average monthly allowance from the scale provided, namely Rp1,000,001 - Rp2,000,000 per month. The emotional patterns associated with the level of allowance as per the provided scale are very different. Individuals with low income levels tend to perceive value far from what they expected, making the issue of perceived value very important to consider. This can also be related to the average respondent results in this study, where the majority of the 295 participants stated "Agree" with the questionnaire items related to the perceived value variable. Thus, individuals with low monthly allowances will consider perceived value as a major factor in making them satisfied with the university at high risk.

# **Influence of Student Satisfaction on Student Loyalty**

The attachment of student satisfaction is considered to have a positive and significant influence on student loyalty. This means that no matter how much student satisfaction is felt, it will motivate their loyalty to the university. These results contradict previous research (Vicramaditya, 2021; Helmyzan and Roostika, 2022) that rejected the relationship between satisfaction and student loyalty. This suggests that no matter how high the frequency of existing student satisfaction is, it will not affect loyalty. On the other hand, other studies (Teeroovengadum *et al.*, 2019; Pertiwi, Pratiwi and Meitasari, 2022) have results consistent with this study, showing that student satisfaction is closely related to loyalty, where satisfied students will create loyalty within themselves.

This will also affect their voluntary attitudes in providing recommendations and positive information to others. In the context of this study, the discussion regarding student satisfaction can be seen based on the choice of enrollment at the Islamic University of Indonesia, which is dominated by the second choice after failing to enter a state university. Individuals who make the Islamic University of Indonesia their second choice tend to reconsider in choosing a university for their further studies. Additionally, individuals who choose it as their second choice tend to find it difficult to recommend the Islamic University of Indonesia to others. Therefore, student satisfaction becomes very important to consider. This can also be related to the average respondent results in this study, where the majority of the 295 people participating in the questionnaire stated "Agree" with the items of the student loyalty variable. Thus, individuals who choose the Islamic University of Indonesia as their second choice after failing to enter a state university will consider student satisfaction as one of the main factors in making them loyal to the Islamic University of Indonesia in their future studies.

## **Influence of Student Satisfaction on Word of Mouth**

This study found that student satisfaction at the university can significantly and positively influence word of mouth attitudes. In other words, a well-maintained relationship between student satisfaction and the university will affect students' willingness to market the university by providing positive word-of-mouth information. High levels of student satisfaction at the university will reduce the risk of negative information being spread about the university. Research results (Heryanto, Hidayati and Wahyuni, 2021; Rehman *et al.*, 2022) on student

satisfaction with the university can indicate that this attachment affects word-of-mouth attitudes among their students. In the context of this study, the influence of the relationship between student satisfaction and word of mouth on the Islamic University of Indonesia may vary based on the frequency of province coverage.

The largest contributor to this research is respondents from Central Java province. This means that information about the Islamic University of Indonesia is likely to be easily disseminated in the Central Java region. This can also trigger reactions from others to seek more detailed information about the faculties and services available. If there is information that meets their needs, they will be willing to seek further information about the Islamic University of Indonesia. This can be seen based on the average respondents in this study, where the majority strongly agreed with the questionnaire items related to the word of mouth variable. Thus, it can be said that the more satisfied students are with the university, the higher the level of information dissemination about the Islamic University of Indonesia to others.

# **CONCLUSION**

This research can add insight into the key factors that trigger loyalty and word of mouth attitudes, especially in the university context. In addition, this research indicates that universities provide great opportunities to create meaningful relationships between students and involve the quality of university services in them. The results of this research show that student satisfaction and perceived value can trigger loyalty and word of mouth attitudes among students directly. In this case, the quality of university services is a triggering factor in student satisfaction and perceived value. Practically, these results encourage businesses to provide the best quality service to their students to make them stay and provide good information about the university to others. The findings of this research have both theoretical and managerial implications that can be beneficial for the involved parties. In terms of theoretical implications, this study contributes by expanding and complementing the marketing literature related to student loyalty and word of mouth attitudes that can emerge among students.

Meanwhile, from a managerial perspective, the implications of this research focus on practical benefits, especially for marketing managers in maintaining the sustainability of their businesses in the service environment, especially in higher education institutions. The advancement of technology in the world will continue to progress. Therefore, businesses operating in the service sector, especially in higher education institutions, need to keep up with these developments to compete with other universities. This research suggests further studies on the level of student loyalty and word of mouth. Future research can examine the quality of university services by comparing one university with another. Additionally, respondents in research on university service quality can be expanded based on the student cohorts in those universities to obtain more significant results. Furthermore, for more realistic research outcomes, future studies can focus on phases when students are freshmen and seniors, thus explaining levels of loyalty and word of mouth more accurately.

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