THE IMPACT OF HIGHER EDUCATION SERVICE ON INSTITUTIONAL BRAND IN THAILAND: THE MEDIATING ROLE OF CHINESE STUDENTS’ SATISFACTION

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This study aims to explore the impact of higher education services in Thailand on the brand of institutions and investigate the mediating role of Chinese students’ satisfaction. Through a qualitative and quantitative survey, the author interviewed ten senior administrators and marketers from eight Thai universities and conducted a questionnaire survey among 450 Chinese students studying in China or Thailand. Data were analysed for quantitative analysis and content analysis of in-depth interviews. The results demonstrate a close relationship among academic services, non-academic services, student satisfaction, and institutional brand. Through a literature review and relevant data analysis, the research finds that higher education services play a key role in shaping the brand image and reputation of institutions. Excellent academic services have a direct impact on student satisfaction, and the improvement in satisfaction further enhances the recognition and influence of the university brand. In recent years, China has emerged as a leading global source country for international students. As one of the major education providers in the ASEAN region, Thailand's higher education sector faces intense competition from its peers in attracting Chinese students. This research reveals that many Thai universities recognize the potential value of brand awareness in attracting more students. However, the prioritisation of brand building is not a common practice among these institutions. This study was designed to identify successful branding and communication strategies for Thai universities. The findings will also prove valuable for universities aiming to target the Chinese student market, enabling them to assess and refine their marketing strategies.
Keywords: higher education service; academic service; non-academic service; institutional brand; students’ satisfaction

Introduction

According to “Star Siam Daily”, the Thailand educational institutions achieved ranking on the two influential online platforms Baidu.com and Juesheng.com, and became one of the top 10 providers of quality education for international students in 2018. Thailand is currently a popular destination in attracting overseas students in the ASEAN regions. International students can make an important contribution not only to the growth of a university but also the national economy.

China is now one of the world's largest and fastest growing economies, and is also the largest source of international students in the world. The research report of “Forecasting International Student Mobility” predicts that Asia will represent some 70% of total global demand for international students by 2025.

The United States, the United Kingdom, Australia and other European countries are performing extremely well in recruiting international students, with their growing competitiveness in education services, teaching quality and strategy in marketing. Thus, how Thailand retains its competitive advantage and ensures sustainable market growth is a significant research topic that challenges both scholars and marketers of Thailand education.

To this end the author has developed this paper to address the impact of higher education service on Thai university brand and the mediating role of Chinese students’ satisfaction.

Scholars such as Kim et al. (2021) conduct research on educational brands through two experiments. The results provide evidence that consumers' perception of brand fit mediates between brand alliance type and consumers' perception of emotional value of the alliance. Results also suggest that world awareness moderates the relationship between brand alliance type and perception of emotional value.

Many universities attach great importance to the building of a brand because they need a good image in people’s minds that can help differentiate them from others. University brand, in fact, is the university reputation developed in the higher education market. It is the remarks in the mind of the people when they hear or see the name or logo of a university. Since universities are now acting as businesses, and paying unremitting efforts to attract more customers---international students, it is very important for the universities to sustain their competitive advantage within the international education market.

According to Rao & Monros (1989), brand awareness could lead to the introduction of premium prices, for universities, their competitive brands can give them confidence to charge higher tuition fees.

McPherson & Schapiro (1998) argued that since most universities offer quite similar programmes, facilities and services, each university needs to have its own differentiation and strategic positioning.

What is a university brand? The author believes that the brand of a university refers to the degree of social recognition across time and space that is gradually accumulated in the name of a university in the process of establishment and development of a university.

Although there may be some changes in the ranking in the social order, it is rare to see big ups and downs, because once a university is in the hearts of the world and if a country
occupies a corresponding position in its development, it will receive corresponding social resources to consolidate its position, such as wealth, power, outstanding students, outstanding scholars, research funding, and so on.

In the past decade, Thailand has been paying unremitting efforts to comprehensively improve the quality of higher education, and different strategies have been implemented. In line with the strategic objectives of Thailand's second 15-Year Long Range Plan on Higher Education.

First of all, increase the investment in education; improve the allocation and utilisation efficiency of educational resources. Secondly, reform the education system, promote the modernization of education, and improve the quality and level of education. In addition, the Thailand government also encourages private capital to enter the field of education and promote the diversification and marketization of educational resources. Even though Thailand's education system is evolving and improving, there are still some big problems and challenges existing in Thailand universities, and these issues make it very challenging to maintain competitive advantages in the ASEAN higher education area.

It is a pity that very few researches have been done before on building the international brand, analyze the impact of higher education service on university brand and analyze the problems and barriers existing in the Thailand higher education in the process of internationalisation, particularly attracting international students. Higher education services should be conducted on the basis of understanding the needs of students. The study of service quality and student satisfaction in higher education can not only promote the development of institutions of higher learning, but also have far-reaching significance to society.

Based on the study of the impact of higher education service and the mediating role of Chinese students’ satisfaction, this paper analyses the problems reflected in the service quality of higher education and students' satisfaction, and then puts forward some suggestions to improve the service quality of higher education and students' satisfaction, and finally improve the brand image of the institution.

**Research objectives**
- to study the relationship among academic service, non-academic service, students’ satisfaction and institution brand;
- to analyze the mediation role of students’ satisfaction in the relationship between academic service and institution brand;
- to examine the mediation role of students’ satisfaction in the relationship between non-academic service and institution brand.

**Literature review and hypothesis**

**Education brand**
Building a successful brand helps to improve communication between universities and students. Clear messages whereby prospective students can easily understand a university’s values and objectives are very important when targeting international markets. Therefore, this suggests that brands make the prospective student’s choice easier. A well-established brand of a university not only helps increase revenue, but also helps decrease costs. University professional service differs in many respects from other services.
Because of similar courses and facilities universities have been offering to their students, finding effective ways to differentiate themselves from their competitors is essential. They need to define their image clearer and acknowledge what are the unique and valuable attributes within the universities.

**Customer satisfaction**

Customer satisfaction is a measure of a customer's satisfaction with a product, service, or overall purchasing experience.

Zeithaml et al. (1996) pointed out that service quality has an important impact on customer behavior. They found that satisfaction is a key response to service quality, and customer satisfaction is closely related to behavioral outcomes such as repurchase intention, word-of-mouth communication, and loyalty.

According to Attribution-Expectancy Theory, students' satisfaction will affect their evaluation and attitude towards university brand. According to this theory, students rate how hard they have worked to achieve satisfaction based on their satisfaction and attribute this effort to the characteristics and nature of the university brand. This attribution process will influence their perception and loyalty to the university brand.

**Theories about higher education service**

According to Wang et al. (2017), high-quality teaching and academic experience are key elements of university brand building. Providing a quality teaching and research environment, employing excellent faculty and scholars, can help the university to establish a good academic reputation and attractiveness, and enhance its brand value and position.

There are some theories about the impact of educational services on university brands related to the study. One of the famous theories is the Quality of Service theory (SERVQUAL) (Parasuraman, et al., 1988).

The SERVQUAL theory was first proposed by Parasuraman et al. It defines service quality as five dimensions: Tangibles, Reliability, Responsiveness, Assurance and Empathy, and emphasizes the importance of service quality to customer satisfaction and customer loyalty.

According to the theory, providing quality educational services can enhance students' satisfaction, thereby enhancing students' recognition and loyalty to the university brand.

Cronin & Taylor (1992) reevaluated the SERVQUAL model and proposed the SERVPERF model (also known as the Performance-only model). They argue that the desired dimension in the SERVQUAL model is not necessary, and that only an assessment of actual experience is more independent and accurate. The study was published in the Journal of Marketing in 1992.

Dabholkar et al. (1996) proposed an improvement to the SERVQUAL model called the SERVPERF optimization Model. They believe that actual experience is the factor that customers care more about, and expectations are less important.

Carman (2000) conducted a retrospective study of the SERVQUAL model and found that the actual effects of the SERVQUAL model were not consistent with the extent of its widespread use. He recommends careful consideration of the applicability and purpose of SERVQUAL before using it.
Current practices and research hypothesis

In practice, some universities have already started the branding programs. The new brand and logo for Southampton Solent University have been chosen to express both the qualities and values that have already made the University successful. The Deputy Vice-Chancellor of the university Professor Van Gore expressed that they have been deliberately bold, both in the colors chosen and the imagery adopted seriously, and they need to be different and distinctive in an increasingly competitive higher education market.

Jevons (2006) studies some recent literature about university branding, and encourages universities to develop and communicate differentiated brands. He argues that university brand managers should seek to clearly offer different products from the competitors. If the brand management were properly implemented, the large amounts of expenditure on university marketing would be more efficiently used.

It is difficult to identify what is a clear principle of branding, and how to differentiate product and service. Fink (2019) argues that ensuring academic reputation and quality management are important factors in the success of the university brand. Student reputation and satisfaction are crucial to the shaping and influence of a university's brand.

The author has reviewed relevant literature on the topic. It has shown that many higher education institutions have done some planning and research on the relationship among academic service, non-academic service, students’ satisfaction and institution brand, particularly; education brand building has been put on the agenda in many universities.

However, in the current literature the questions that still remain are not just about whether it is important for higher education institutions to realize the importance of higher education service and building institutional brand, but how to perfect the academic and non-academic services to improve the student satisfaction, sequentially attract more students in the international market, with a specific focus on the Thailand universities.

Considering these gaps, in this study, the author investigates the importance of university brand with a particular focus on exploring the perceptions of the Thailand university leaders, marketers and Chinese students about the Thailand universities’ brands.
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Based on the above research and analysis, the author states that there is a positive and important relationship among academic service, non-academic service, students’ satisfaction and institutional brand. Therefore the authors propose the following research hypothesis:

H1: There is a positive and significant relationship between academic service and institutional brand.

H2: There is a positive and significant relationship between academic service and students’ satisfaction.

H3: There is a positive and significant relationship between non-academic service and students’ satisfaction.

H4: There is a positive and significant relationship between non-academic service and institutional brand.

H5: There is a positive and significant relationship between students’ satisfaction and institutional brand.

H6: Students’ satisfaction mediates the relationship in between academic service and institutional brand.

H7: Students’ satisfaction mediates the relationship in between non-academic service and institutional brand.

Research methodology

The research of this paper involves interviews of 10 marketers from 8 Thailand universities, and 450 questionnaires from Chinese students who are/were studying in Thailand and prospective Chinese students in China at the moment. Due to the nature of this research, both qualitative research and quantitative research were adopted. In addition, to other methods, such as primary research that was carried out prior to the data collection. Then, the secondary data was applied in order to facilitate the design of questionnaires and interviews, and furthermore, it was assumed to corroborate the findings.

Sampling frame was carefully set in order to minimize the differences between samples and researching targets. However, the size of the Chinese student population is very large and it is definitely impossible for the author to get feedback from all of them. The author contacted three Chinese agencies known to them in China. They introduced prospective students to participate in this research. All the students were encouraged to introduce their friends and classmates to participate in this research. The research aimed to reach a high number of respondents in order to gain a wide range of perspectives and explore the general behavior of Chinese students.

After filling the questionnaire, the respondents needed to click the submitting button. Then the result was automatically saved in the original website where the questionnaire was built, and the responses were reflected with charts and tables, and also could be downloaded and saved in Excel format. Finally, all data was explored by employing special software, in which the responses were coded to identify and examine patterns and relationships.

A non-probability sampling method was applied in this section, and due to the nature of this study, a combination of convenience sampling and judgments sampling was applied in this research.

The researcher contacted individuals known to them, and some individuals the author assumed to be authentic or interested in this area and will agree to participate in the research. The author targeted 8 familiar Thailand universities and invited them to join in this research,
and finally interviewed 10 marketers, many of whom were vice presidents or directors, project managers of international offices in these universities, in order to get an insight into the strategies behind their brand effects.

This research used a survey questionnaire to gather the data for the quantitative research. The answer is given in Likert scale from strongly agree to strongly disagree. This research used in-depth interviews to collect the data of qualitative research. The index of item-objective congruence is a procedure used in exam creation for evaluating content validity during the item development stage. Five experts are given the questions to be tested. According to (Rovinelli & Hambleton, 1976), the acquired result from the IOC test should not be less than 0.50 to be considered qualified. The overall average score is 1. As a result, questionnaires are right for future study. Pilot study is termed as the pre-testing. The 30 respondents are collected to do the pretesting. Given that the Cronbach's Alpha acceptable requirement should be at least 0.70 (Nunnally & Bernstein, 1994), and the result is 0.963 which is suitable. Data has been analyzed by SPSS and AMOS for Quantitative and content analysis of in-depth interviews.

Research result and analysis of data

The research objectives are to study the relationship among academic service, non-academic service, students’ satisfaction and institution brand. And to analyze the mediating role of student’s satisfaction in the relationship between academic service and institution brand. Lastly, to examine the mediating role of student’s satisfaction in the relationship between non-academic service and institution brand.

Demographic analysis

In the demographic analysis, here discuss about the gender, age, marital status, and educational level of Chinese students studying in China or in Thailand. The gender of students is divided into two group: 341 are female and 109 are male, which shows that female is in majority, about 3 times of the number of male. The age of students is divided into four groups and 56.9% of the respondents are under 20 years old.

Path analysis is a statistical method used to study relationships between variables and quantify their role in causal models. It helps researchers understand the direct and indirect effects of variables on the outcome of interest. In path analysis, variables are represented by nodes, and the relationships between variables are represented by paths or arrows. When conducting path analysis, researchers usually first determine a theoretical model that represents the relationship between the variables they hypothesized.

Statistical methods are then used to estimate the parameters in the model to verify the rationality of these relationships. Path analysis can help answer a variety of questions, such as direct and indirect influences between variables, mediating effects, moderating effects, etc. Path analysis is considered a powerful tool for understanding complex relationships between variables.

It allows researchers to simultaneously examine direct and indirect effects, mediating and moderating effects, and to quantify the strength of these relationships (Hayduk, 2014).
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Figure 3 - Path analysis
(Source: Data and information from this research)

Table 1 - Direct Effect of Path Analysis
(Source: Data and information from this research)

<table>
<thead>
<tr>
<th>Direct Path</th>
<th>Standardized path coefficient</th>
<th>S.E</th>
<th>CR</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Academic Service-&gt;Student Satisfaction</td>
<td>0.342</td>
<td>0.041</td>
<td>8.974</td>
<td>***</td>
</tr>
<tr>
<td>Non-academic Service-&gt;Student Satisfaction</td>
<td>0.559</td>
<td>0.045</td>
<td>14.665</td>
<td>***</td>
</tr>
<tr>
<td>Academic Service-&gt;Institutional Brand</td>
<td>0.263</td>
<td>0.037</td>
<td>7.498</td>
<td>***</td>
</tr>
<tr>
<td>Non-academic Service-&gt;Institutional Brand</td>
<td>0.176</td>
<td>0.045</td>
<td>4.488</td>
<td>***</td>
</tr>
<tr>
<td>Student Satisfaction-&gt;Institutional Brand</td>
<td>0.519</td>
<td>0.039</td>
<td>12.982</td>
<td>***</td>
</tr>
</tbody>
</table>

***P<0.001

In Tab. 1, the path coefficient and p value for the relationship between academic service and student satisfaction (Beta = 0.342, p<0.001) shows that hypothesis H1 is accepted. For the relationship between non-academic service and student satisfaction, the path coefficient and p value (Beta = 0.559, p<0.001) indicates that hypothesis H2 is accepted. The path coefficient and p value for the relationship between academic service and institutional brand (Beta = 0.263, p<0.001) which shows that hypothesis H3 is accepted. The path coefficient and p value for the relationship between non-academic service and institutional brand (Beta = 0.176, p<0.001) which shows that hypothesis H4 is accepted. For the relationship between student satisfaction and institutional brand, the path coefficient and p value (Beta = 0.519, p<0.001) indicates that hypothesis H5 is accepted.

Mediating effect

When a mediating variable fully or substantially explains the relationship among an independent variable as well as a dependent variable, this is referred to as a mediating effect, also known as an indirect impact.

To put it another way, the mediating variable acts as a mechanism or a route through which the independent variable influences the dependent variable.

The direct and indirect effect is shown in Tab. 2.
Table 2 - Indirect effect path analysis
(Source: Data and information from this research)

<table>
<thead>
<tr>
<th>Indirect Path</th>
<th>Estimate</th>
<th>Lower</th>
<th>Upper</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Academic service-&gt;Student satisfaction-&gt; Institutional Brand</td>
<td>0.188</td>
<td>0.130</td>
<td>0.260</td>
<td>***</td>
</tr>
<tr>
<td>Non-Academic service-&gt;Student satisfaction -&gt; Institutional Brand</td>
<td>0.333</td>
<td>0.265</td>
<td>0.424</td>
<td>***</td>
</tr>
</tbody>
</table>

***P<0.001

In the Tab. 2, it shows that path coefficient and p-value in the mediating effect of student satisfaction in the relationship between academic service and institutional brand (Beta = 0.188, p<0.001) which shows that hypothesis H6 is accepted. And, the path coefficient and p-value in the mediating effect of student satisfaction in the relationship between non-academic service and institutional brand (Beta = 0.333, p<0.001) which shows that hypothesis H7 is accepted.

All of the hypotheses are tested as accepted.

As for qualitative research results, the findings reveal that many Thai universities accept that it is good if a university has brand awareness in the Chinese market, and to some extent a brand name can help differentiate themselves from competitors and can contribute to attract more Chinese students. Meanwhile, many university marketers do not suggest universities only rely on brand building to improve the recruitment of international students.

The findings indicate that branding a common Thailand university is not effective and necessary in the Chinese market. Moreover, to a common Thai university, it is very difficult to build brand awareness throughout the large Chinese market as only world top universities already have, whereas creating brand awareness in part of the Chinese market through building various channels like partnership programs is very practical and effective.

**Conclusion and recommendation**

**Discussions**

As discussed in the literature review, brands can help a company differentiate itself from its competitors, and they are ‘pivotal’ resources for generating and sustaining competitive advantage (Aaker, 1996).

In an age of increasing competition among Thailand universities, a strong brand of a university can help students reduce their risks and uncertainty when choosing to study abroad. Therefore, a university with a strong brand is assumed to be more competitive and attractive to students than peer universities.

However, Chinese students become much cost conscious, and both product and price are very influential to their decision making. The findings of this research give suggestions to many common universities in Thailand that effective strategies such as building academic partner networks and word of mouth communication should be designed and applied in the Chinese market, instead of investing much time and cost on building a brand.

The international education market becomes significantly competitive within the main English-speaking countries. Furthermore, domestic education gains unprecedented development in non-English speaking countries, like in China which has more than 1,000 universities and 1500 higher vocational colleges.
A strong brand can endow a university with competitive advantages and continuously increase its market share. However, universities without powerful brands can still achieve satisfying results in the international education market, so long as successful marketing strategies are adopted.

Conclusions

The conclusion of research is rendering to the objectives are:

Objective 1 - to study the relationship among academic service, non-academic service, students’ satisfaction and institution brand. Academic services, non-academic services and student satisfaction are important components of the university brand. Studies have shown that these factors are directly related to a university's brand reputation and perception. The high quality of academic and non-academic services is crucial to shaping the university brand.

One study points out those academic and non-academic services are important drivers of university brand success (Jehad, 2020). Quality academic services include excellent curriculum, high standards of teaching and research, while outstanding non-academic services include excellent campus facilities and student support systems. When universities are able to provide excellent services in these areas, students tend to have positive evaluations and satisfaction with them.

There is a close relationship between student satisfaction and university brand. Satisfied students are more likely to become active brand advocates and increase word-of-mouth for the university. One study pointed out that there is a significant positive correlation between students' satisfaction with universities and their brand loyalty (Hanaysha et al., 2020).

Therefore, improving student satisfaction is one of the important strategies to consolidate and enhance the reputation of the university brand. In summary, academic services, non-academic services, and student satisfaction are directly linked to the university brand. By providing quality academic and non-academic services that meet student needs, universities can increase student satisfaction, which in turn enhances their brand reputation and recognition.

Objective 2 - to analyze the mediating role of student’s satisfaction in the relationship between academic service and institution brand.

Research shows that student satisfaction plays an intermediary role between academic services and university brands. Academic services have a significant impact on the image and reputation of the university brand, and student satisfaction plays a bridging role in this relationship. A study pointed out that student satisfaction plays an intermediary role between academic service and university brand, that is, academic service has an impact on student satisfaction, which in turn affects university brand (Li & Zhang, 2019). This means that academic services directly affect student satisfaction, and student satisfaction indirectly affects the development of the university brand.

The quality of academic services has a direct impact on students' learning experience and outcomes. First-class teaching and teacher quality can provide quality learning resources and support to promote the academic growth of students. When students are satisfied with academic services, they are more inclined to have a positive evaluation of the university and actively promote the university's brand reputation.
Therefore, by providing high-quality academic services, universities can increase student satisfaction, which in turn enhances the influence and recognition of the university brand. The mediating role of student satisfaction between academic services and the university brand reinforces the coherence and influence of this relationship.

Objective 3 - to examine the mediating role of student’s satisfaction in the relationship between non-academic service and institution brand.

Research shows that student satisfaction plays a mediating role between non-academic services and university branding. Non-academic services have a significant impact on the image and reputation of the university brand, and student satisfaction plays a bridging role in this relationship.

A study pointed out that student satisfaction plays an intermediary role between non-academic services and university brand, that is, non-academic services have an impact on student satisfaction, and then on university brand (Hanaysha et al., 2020).

This means that non-academic services directly affect student satisfaction, which indirectly affects the development of the university brand. Quality non-academic services can provide a good campus environment and life support, helping to enhance the quality of life and sense of inclusion of students. When students are satisfied with non-academic services, they are more willing to express positive comments about the university brand and actively promote the university's reputation.

Therefore, by providing high-quality non-academic services, universities can increase student satisfaction, which in turn enhances the influence and recognition of the university brand. The mediating role of student satisfaction between non-academic services and the university brand reinforces the coherence and influence of this relationship.

Recommendations

This was an exploratory study and further research can be carried out by enlarging the sample sizes in order to strengthen the outcomes in terms of statistical robustness.

Some particular issues that may be in need of further exploration include:
- Research based on wider sample sizes could be carried out, such as investigate more students and marketers from different places, levels and types of universities;
- Research specifically on the barriers of improving the academic service and non-academic service for branding university, and try to identify the key issues.
- Seek for some cases of successful strategies of improving the student satisfaction and branding the Thailand universities in the Chinese market.
- Identify key problems of current marketing theories and practices applied in the Thailand higher education sector.

Research limitation and further study

Due to the limitation of face to face contacts and international flights during the pandemic period, the sample size of universities selected is very small, with only 10 marketers from 8 universities being interviewed, which may not properly indicate the true situation of all universities in Thailand.

Anyway, the relatively small sample size (n=450) used in the research could be seen as a limitation of the findings, but in order to explore the true picture of the situation, the study
has employed both primary research, includes qualitative analysis (semi-structured interviews) and quantitative research (questionnaires), and statistical analysis of secondary data to support the findings.

This study is expected to be a modest spur to induce others to come up with more valuable opinions in this area.

Further research can be carried out based on wider sample sizes, such as investigating more students and marketers from different places, levels and types of universities in order to strengthen the outcomes in terms of statistical robustness. Some particular issues that may be in need of further exploration include:
- Research specifically on the barriers of branding university, and try to identify the key issues.
- Seek for some cases of successful strategies of higher education service in improving university brand and student satisfaction.
- Identify key problems of current marketing theories and practices applied in the Thai higher education sector.

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