The Influence of Image, Reputation and Marketing Communication on Student Satisfaction: A Comparison Between South African and Malaysian Higher Education Providers

Johan de Jager
Tshwane University of Technology
South Africa

Gerhard Bezuidenhout
Tshwane University of Technology
South Africa
The Influence of Image, Reputation and Marketing Communication on Student Satisfaction: A Comparison Between South African and Malaysian Higher Education Providers

ABSTRACT

The primary objective of the study is to determine the importance and perceived performance of image, reputation and marketing communication variables of institutions of higher education in Malaysia and to compare it to South Africa. A random sample of three hundred and eighty students at two institutions of higher educations, one in Malaysia and the other in South Africa was chosen. After applying an importance\perceived performance (IP) grid-technique, it appeared that Malaysian and South African higher education institutions should, amongst others, attend to aspects such as the reputation of the lecturers at the institution and the academic reputation of the institution.

Keywords: service marketing; higher education
1 Introduction

The higher education sector in developing countries like Malaysia and South Africa is undergoing major changes resulting from the challenges that are brought about by the globalisation and the marketisation of higher education (HE). As a result, higher Education Institutions (HEIs) should understand their own offerings and how these are perceived in the marketplace; as it could have important marketing and management implications that can make or break the institution. Student decision making in terms of where to study is often influenced by factors including the influence of information communication technology in higher education (Sharma & Baoku, 2013; Sirirak, Islam & Khang, 2011); reputation of academic quality and course specifics (Sayed, Rajendran & Lokachari, 2010; Nguyen & Nguyen, 2010; Ardi, Hidayatno & Zagloel, 2012; Saktival & Raju, 2006); location and access (Akoojee & Nkomo, 2007; Ford, Joseph & Joseph, 1999; Roberts & Allen, 1997) and career opportunities (Ford, Joseph & Joseph, 1999; Krone, Gilly, Zeithaml & Lamb, 1981, Petruzzelli, D’Uggetto & Romanazzi, 2006).

This paper focuses on the role that image, reputation and marketing related issues play in satisfying students of Malaysian and South African institutions of higher education. A study by the Human Sciences Research Council (HSRC 2002) in South Africa has found that the most important influencer of HEI choice is the provider’s reputation; this includes its academic and sport reputation.

2 Globalisation and marketisation of higher education

Vidovich (2013) refers to globalisation as the greater interconnectedness of the world while Hill (2005) describes globalisation as a shift towards a more integrated and inter-dependant world economy. Altbach, Reisburg and Rumbley (2010) distinguish between globalisation
and internationalisation in the following ways: Although the two concepts are interrelated, globalisation refers to the broad economical, technological and scientific trends that are part of the 21st century and that affects higher education directly and are mainly inevitable in the contemporary world. The way in which governments and institutions of higher education react to globalisation is referred to as internationalisation. This includes policies and practices undertaken by academic systems and institutions and individuals to cope with the global academic environments. With the growing and relentless pace of globalisation comes the increasing need for managers who wish to operate effectively in the international arena to demonstrate a wide range of cross-cultural competencies to respond to the present challenges. The ability to be effective in a multicultural environment is a major factor in acquiring a competitive edge (Hurn, 2013).

Similar to developed countries, developing countries such as South Africa and Malaysia has been challenged by the accelerating process of globalisation. Pavlin and Svetlik (2014) contend that in its early phase, certain countries regarded globalisation as a means of market extension, for unloading overproduction and a source of cheap raw material and energy. Globalisation however also brought about opportunities resulting from the abolishment of obstacles to the free flow of capital and goods. When countries like China, India and Russia, amongst others, entered the world market, the supply of labour expanded by 1.4 million and the global supply of labour in the period from 1980-2005 quadrupled (Yu Zang, 2008). Rajkhowa (2013) states that the global movement of international students across borders is regarded as the most visible indicator of internationalisation of HE. The above author further contends that as economies and nations of the world become more interwoven, so do the people become more aware of the possibilities of studying other cultures, people and the benefits that arises from studying away from home. Rajkhowa also mentions that more
students are currently moving across borders than ever before. He states that the number of students studying outside their country of origin in 2010 stood at 4.1 million; an increase of 99 percent since 2000. This phenomenon has significantly influenced the face of higher education across the world.

This phenomenon of increased mobility of students across borders can be viewed in the context of an increasingly globalised world. Mazzerol and Souter (2012) state that a number of push and pull factors have influenced the flow of international students. For example Key push factors, for example, include a perception that an overseas qualification is superior in comparison it to a local one, difficulties in entering the domestic education system and a desire to learn about other countries and cultures. Pull factors include, for example, the image and awareness of a destination country, social and cultural links between sending and receiving countries, cost of living and geographic proximity. Major factors determining student’s choice of education institution include reputation for quality and a HEIs links or alliances with institutions in a students’ home country. Other considerations include acceptance of a student’s prior qualifications and the gaining of international experience (Mazzarol & Souter, 2012). Rajkhowa (2013) contends that the biggest factor driving the enormous growth in higher education is the increasing recognition, worldwide and in the developing world in particular, of the economic benefits derived from higher education to both individuals and societies.

Rajkhowa (2013) state that, until recently, education used to be considered a public good, but with its inclusion in the General Agreement of Trade and Services of the World Trade Organisation, it has now become an international tradable commodity.
In their study, Mazzerol and Souter (2012) accentuate the need for HEIs seeking to engage in international markets to actively monitor their external environment, while simultaneously managing their internal resources. Like most service providers, HEIs have to develop distinctive competencies to build and maintain a sustainable competitive advantage. This is to benefit from the opportunities brought about by globalisation, including establishing offshore marketing or deliver programs that are supported by a strong network of valuable international alliances. All of these initiatives should be taken to ultimately provide a service offering to satisfy the customers’ needs.

The marketisation of higher education (HE) is well documented (Bezuidenhout & De Jager, 2014; Furedi, 2011; Hemsley-Brown & Oplatka, 2006; Jongbloed, 2013; Wyness, 2013). Marketisation, as described by the above authors, refers to considering the student as a paying customer seeking value for his/her money. Factors like global competition and internationalisation (Hemsley-Brown & Oplatka, 2006), as well as dwindling state funding (Bezuidenhout & De Jager, 2014) are driving the commodification of HE. Over and above economic challenges necessitating marketisation, Furedi (2011) mentions that, on a political level, many governments expect business-like behaviour from HEIs. Gaziel (2012) concurs and suggests that governments have, in the light of budget constraints and the growing demand for HE; moved from “ownership to regulation”. The above challenges force HEIs to explore ways of generating additional income including attracting more paying customers; students (Yooyen, Pirani & Mujtaba, 2011). Modern business philosophy advocates the importance of consumers’ needs (Erasmus, 2013). This philosophy, also referred to as the Marketing Concept, posits that, in satisfying their needs, organisations should create value for their customers (Berndt & Tait, 2014). Organisations that adopt this philosophy aim to provide superior needs satisfaction or value to their customers (Venter, 2009). This bundle of
benefits or value offering thus needs to be superior; this entails the perceived tangible and intangible benefits minus perceived tangible and intangible costs (Kotler & Keller, 2009).

3 Reputation, image and marketing communication

Nguyen and Le Blank (2001) come to the conclusion that reputation results from the past actions of an organisation. The above authors further explain that institutional reputation may be viewed as a mirror of the organisation’s history; this serves to communicate to its target groups the quality of its offerings in comparison with those of its competitors. An organisation may have various reputations or just an overall reputation. Individual reputations may apply to every attribute such as price, service quality, innovativeness, or management quality, amongst others (Nguyen & Le Blank, 2001). Chan (2005), as cited by Jarvinen and Suomi (2011), mention that corporate reputation affects various stakeholders’ behaviour towards an organisation. These influences, according to Chan 2005, include aspects such as reducing stakeholder uncertainty about an organisation’s future performance; influencing employee retention; customer satisfaction and customer loyalty; strengthening competitive advantage and enhancing public confidence.

According to Morrissey (2012), reputation is the outcome of socially shared impressions of the institution or business and that reputation is highly dependent upon social context and social groups. Fombrum and van Riel (1997), as cited in Morrissey 2012, describe reputation as strategic assets that produce tangible benefits such as premium prices for products, lower costs for capital and labour, improved loyalty from employees, greater latitude in decision making as well as a cushion of goodwill when crises hit. Reputation can thus be viewed as an intangible asset with a potential for value creation. Service loyalty represents the customer’s
rejection of competitive offerings aimed at changing buying habit and constitutes one of the
most reliable overall indicators of service organisation’s success (Nguyen & Le Blank, 2001).

Gotsi and Wilson (2001:29) conclude that corporate reputation is a stakeholder’s overall
evaluation of a company over time. The evaluations are, according to the above authors, based
on the stakeholders’ direct experiences with the company and any other form of
communications and symbolism that provides information about a company’s actions and or a
comparison with the actions of other leading rivals. The abovementioned clarifies the
interrelationship between the creation and maintenance of an acceptable corporate reputation
or image and an effective corporate communication system with its publics.

Institutional image is described as the overall impression made in the minds of the public
about an organisation and is related to the various physical and behavioural attributes of the
organisation such as the businesses name; architecture; variety of services; tradition; ideology
and to the impression of quality communicated by each person interacting with the
several factors that can influence the stakeholder group’s image or perception of an
organisation, including, amongst others, persuasive messages issued by the organisation; talks
between friends and family about the organisation; advertising for the organisation and
exposure to the organisation’s facilities. Aspects that may influence image, amongst others,
are commitment to academic excellence; whether graduates are proud of their education,
whether institution has a good national image; whether the faculty has a good national image
and whether the institution makes a cultural contribution to the community.
The importance of increasing an organisation’s image that is transmitted to consumers is emphasized by Da Silva & Batisda (2007). Alsop (2004) explains that the top management’s own reputation affects corporate reputation and states that high profile CEOs like Bill Gates still affect their companies’ image and are ultimately accountable for reputation. This phenomenon is not different in higher education. Effective communication with its publics (stakeholders) about achievements will ultimately raise the image of an institution in the minds of customers and may lead to overall satisfaction (Alsop, 2004). Moody (2007) views the quest for the highest levels of recognition as an intellectual arms race in which institutions of higher education are competing for a place. This place refers to the ranking list of institutions of higher education in a country or globally.

The concepts image and reputation (and quality) are distinct concepts but strongly related and are often used interchangeably as they share certain components (Nguyen & Le Blank, 2001; Jarvinen & Suomi, 2011).

Numerous competitors in a global environment are constantly attempting to offer diversified services to distinguish them from the competition (Jain et al., 2011; Flavian, Torres & Guinaliu, 2004). Da Silva and Batisda (2007) are of the opinion that relationship-building with customers are crucial for surviving. This, according to the above authors, is also applicable to public organisations such as institutions of higher education. The authors point out that the building of corporate reputation has become a strategic issue for organisations and it requires a series of organisation changes. Morrissey (2012) studied four study institutions and found in all four cases that the reputation of the institutions were in all cases considered of immediate importance. In all cases considerable restructuring had taken place in order to re-orientate efforts to enhance reputation. Strategies need to be implemented to build
reputation and to enhance their reputation globally. Morrisey (2012) argues that reputation building, however, requires a strong customer-focused orientation; better performance of an organisations day-to-day management and operating activities; more efficient and effective communication with its publics and a greater emphasis on recognition. The above author found that the word recognition is used interchangeably with reputation.

Skallerud (2011) points out that there is a growing recognition among both academics and educational practitioners that HEIs’ reputation is becoming increasingly important. He continues by stating that these institutions’ reputation, as understood by a range of stakeholders, is critical because it positively influences stakeholders’ attitudes towards the institution. Wilkens and Balakrishnan (2013) state that institutions of higher education that achieve student satisfaction can benefit in a number of ways including, amongst others, that students can engage in positive word of mouth and collaborate with the institution after they graduate. This positive attitude can be spread through electronic word of mouth, expedited by the increasing use of social networking and consumer websites. Business should therefore endeavour to discover what customers really want and satisfy their needs more effectively than their competitors.

Morrisey (2012) states that a high ranking position for a university is a proxy for reputation and that reputation is conferred by a high ranking position and that a rank positioning is a proxy for reputation. That reputation is becoming more important than was previously the case. International reputation is a signifier of propositions regarding the external drivers in educational change (Morrisey, 2012).
Nguyen and Le Blank (2001) state that the understanding of the role of institutional image and reputation helps management to use them more effectively in their marketing communication strategy aimed at enhancing the institution’s positioning statements.

4 Higher education in South Africa and Malaysia

Transition in South Africa takes place in a context of globalisation and economic growth and development is increasingly dependent on knowledge and information. According to Badat (2004), higher education challenges in South Africa are compounded by the integration of equity goals of national policy as a means of redressing inequalities of the inherited educational system that benefitted certain races more than other.

According to Bozalek and Boughey (2012), apartheid impacted on higher education in a number of ways. These authors contend that universities were governed and resourced differently. For example, historically white universities were given much more decision related privileges compared to historical black universities. This includes decision making regarding financial matters and opportunities to develop capacity to manage their own affairs, whereas historically black universities’ facilities were minimal and poorly equipped. Although this has been reversed after 1994, in recent years, various historically black universities and technikons have been placed under administration by the minister of higher education and technology because of their perceived inability to manage their affairs appropriately. Many historically black institutions still have the disadvantage that their campuses are situated in deep rural areas with limited facilities (Badat, 2004, 2007), and are less likely to attract highly qualified staff compared to their urban counterparts. Various challenges resulted after the fall of “apartheid” that left a fractured higher education system that was inherited along a number of lines such as race, location, type of institution and
language of instruction. These divisions had profound implications for the quality of education available to different population groups. After 1994, the policy in higher education aims to develop a single coherent system that will offer quality education to all South Africans that will contribute to economic and social needs (Bozalek & Boughey, 2012). The restructuring process of higher education in South Africa has largely been guided by practices in industrialised countries in an effort to emulate international best practices (Sehoole, 2006).

According to the Department of Higher education (2001), the National Plan for Higher Education (NPHE), represented an attempt to operationalize the program for transformation of higher education. The National Plan for Higher education is one of the driving policies behind the changes in the South African higher education environment. The National Plan for Higher education made provision for three institutional types: traditional universities, universities of technology and comprehensive universities that offers a mixture of traditional and vocational programs (Department of education, 2004). This can be seen as an attempt to reconfigure the higher education system to meet equity and diversity needs in the higher education system and to engage with globalisation.

Hay and van Gensen (2008) state that, due to the challenges that higher education institutions are facing in South Africa, the need arises to be more market orientated. This implies the ability of institutions of higher education to match their organisational capabilities with market needs through a thorough understanding of the market. In this sense marketing segmentation strategies may be considered when recruiting different racial groups. Studies of the importance of choice factors and the decision making process of prospective students before enrolling at an institution of higher education become increasingly important when a university wants to position itself. Petruzzellis et al. (2006) states that increased levels of
competition in the education environment have led to institutions of higher education employing marketing techniques to improve the efficiency and quality of services and switching from a passive to a more active market approach (Ivy, 2008); understanding customer needs and evaluating quality perception in eventually satisfying customers. Universities should be aware of their own offerings and how these are perceived in the marketplace if they are to satisfy students’ requirements. Being aware of the influential factors and the associated impact on potential students is important to institutional policy makers (Moogan et al., 2001).

The non-profit sector such as public higher education in South Africa and globally, amongst other, are undergoing major changes to adjust to the demands and opportunities that globalisation have brought about. According to Maringa (2005), expansion; increasing variety of higher institutions; growing heterogeneity of higher education products and the increasing competition among this growing industry have been the key drivers of higher education marketisation across the world. Where higher education is expanding globally and where new institutions are created to meet growing demand and where the diversity of programmes and products offered by universities are increasingly becoming heterogeneous, students faces more choices and institutions are left competing with one another for the biggest market share. This leads to a situation where institutions of higher education have no choice but to apply some marketing principles that borrow heavily from the marketing philosophy that is practised in the business sector (Maringa, 2005).

Michael (2004) states that the main challenge for developing countries like South Africa and Malaysia lies in the mobilisation of and equipping their human resources with knowledge to exploit the advantages of globalisation.
All public universities are governed by common national regulations which imply a level of homogeneity across all players. South African Universities, like other universities in countries such as the United Kingdom and Australia (that have similar educational systems to South Africa), have experienced a dramatic decline in government subsidies and an increase in student fees (Palihawadana, 1999; Soutar & Turner, 2002). In South Africa, the decline in funding from government subsidies is a direct consequence of the trend of falling pass rates (Naidoo, 2003) and public institutions of higher education subsequently earns less government subsidy.

As an alternative to public higher education in South Africa, the providers of private higher education are meeting a specialised demand, are often highly responsive and provide credentials in areas that the public sector does not (Kruss, 2002). This increased level of competition in the education environment has led to institutions of higher education employing managerial techniques to improve the efficiency and quality of services (Palihawadana, 1999) and switching from a passive to a more active market approach (Naudé & Ivy, 1999).

Most Private higher education institutions (PHEIs) in South Africa are profit-seeking (Department of Higher Education and Training, 2014). Private providers, unlike their public counterparts, receive no state subsidies. Add to this the lingering concerns regarding the quality and intentions of PHEIs (Department of Higher Education and Training, 2014; Jansen, 2007) and it becomes clear that most South African PHEIs are basically businesses trying to survive and prosper in the very competitive arena of higher education in South Africa.
According to Mpinganjira (2011), South Africa as a country stands out amongst most countries in Sub Saharan Africa and is currently the leading exporter of higher education services in Africa. There has been a significant growth of international students from 12,557 in 1994 to 52,703 in 2006. Although it is still increasing, the rate of increase is dropping. Various reasons for this phenomenon apply including a preference for obtaining a qualification from a developed country that might enhance a candidate’s career.

Given the above background, the effects of competition on institutions of higher education, especially in the South African context, can be seen as having far-reaching implications for these institutions. Traditionally, technikons (now universities of technology) and universities have competed indirectly, whereas they now compete directly; ostensibly for the same market. In addition, private institutions of higher education are also competing within the same market. All these institutions should build and rely on competitive advantages to secure their share of the market.

Malaysia has a history of sustained investment in education. This is reflected in figures confirming that in the 1980s the country invested more (expressed as % of GDP) than any other East Asian country on education. In 2011, the investment was 3.8 per cent of GDP compared to an average 3.4 per cent for OECD countries, putting it equal to top-performing higher education systems like South Korea, Japan and Singapore. This trend has continued since then and evidences the commitment of the Malaysian Government to treat education as a national priority (Ministry of Education 2012). Traditionally, Malaysia has seen significant government intervention in the higher education sector as it was and is interpreted as a means to achieve social and economic development (Lee, 2002)
In the early 1970’s, the Malaysian government relaxed its stance on exclusivity of university qualifications limited to public providers by allowing foreign universities to set up campuses. Resulting from this, in the 1980’s, private providers started to deliver degrees in collaboration with foreign universities, expanding the presence of Private Higher Education institutions. According to Marimuthu (2008), these private providers assist the government in shouldering the higher education demands. In addition to meeting the demand for quality higher education which outstrips the supply, this assisted in addressing the biased entry system towards Bumiputra (Indigenous Malay) students into public universities (Lopez, 2011).

According to Sengupta (2015), the progress that Malaysia needs to undertake in becoming a developed nation are fraught with challenges that can partly be addressed by an appropriate and effective higher education policy. In this context, the Malaysian government has committed to place a special emphasis on curriculum research; the use of technology in learning; educational infrastructure and the student character. This in turn complements the intent of the Malaysian government to transform the country into a hub of higher education excellence aimed to attract international students and providers. The subsequent internationalisation is expected to have significant consequences for all HE stakeholders (Morshidi Sirat, 2009). Singh, Schapper and Mayson (2010) contemplate that the introduction of private providers triggered the realisation of a need for education quality control; triggering the introduction of the Quality Assurance Framework (Lee & Gopinathan, 2007). This was followed by the establishment of the Malaysian Qualification Authority (MQA) tasked to implement the Malaysian Qualifications Framework (MQF) as a quality assurance instrument for nationally accredited qualifications (MQA, 2015). Conversely, Marimuthu (2008) reports that the National Accreditation Board oversees a range of aspects of higher education delivery including academic faculty; student learning outcomes; student
support; course quality; curriculum and assessment. The MQA accreditation considers these components for all 20 public universities (both focussed, comprehensive and research) (MOHE, 2015), as well as branch campuses of international universities such as Monash and Curtin from Australia and Nottingham from the UK (MQA, 2015).

The outcomes of the higher education efforts in Malaysia have as recently as April 2015 attracted criticism in considering the employability of graduates. According to Ji (2013), almost half of Malaysian university graduates are either employed in a field outside their field of study or unemployed. Cheong et al. (2015) question the use of a generic perspective towards the skill-set of Malaysian university graduates, labelled questionable by industry. While acknowledging that there are pockets of sub-standard ‘unemployable’ graduates, they do point out those graduates from transnational private education institutions are rated significantly better than those from public universities. Likewise, the World Bank (2013) confirms that the key challenge in the Malaysian education environment is in dealing with quality as it reports deterioration in English language proficiency over the past decade. The Malaysia Economic Monitor: HighPerforming Education (World Bank, 2013) report argues that by giving more power and input to local stakeholders, education outcomes and client satisfaction can be increased.

5 Customer satisfaction in higher education

From the previous sections’ discussion of the marketisation of higher education (HE) and the reasons therefor; it seems inevitable that HEIs need to investigate their customers’ (students) needs, as well as how their value offerings (educational programmes with all the supplementary products and/or services) are perceived. Even though one may question the merits of the above economic and mechanistic approach and argue its possible negative effect
on learning, the worldwide proliferation of customer satisfaction studies in HE is evident in recent literature. Bezuidenhout and De Jager (2014) report on, amongst other, national student surveys in Australia, Canada, Ireland, New Zealand, the United Kingdom and the United States of America. These comparative studies provide students with ranking lists to assist them with their choice of HEI. HEIs also use these studies to benchmark appropriate performance expectations. Failing to, or successfully meeting or exceeding customer expectations may influence aspects like student performance and retention, as well as students’ post-purchase communication. Jia (2014), for instance, reports that a 4.3% increase in applications per faculty associated with one higher subject-level ranking spot in the United Kingdom. Citing numerous authors, Ramaiyah, Zain, Nurulazam and Halim (2007) propose that a student’s satisfaction or dissatisfaction has a significant influence on his/ her overall performance in a HE programme. They also allude to the value of post-purchase communication from satisfied students. Round (2005) concurs by referring to various studies, including her own; reporting on the dropout of students whose expectations are not met. It is thus imperative for HEIs to keep abreast of their and their competitors’ customers’ satisfaction levels to, a), ensure a continued income stream from their customers (students) and to , b), facilitate positive word-of-mouth and subsequent higher (and maybe higher quality) enrolment.

Customer satisfaction refers to the customer’s perception whether a product or service offering has met or exceeded his/ her expectations (Berndt & Tait, 2014). The above authors further mention that various methods exist to measure customer satisfaction. Notwithstanding the absence of a generally accepted customer satisfaction measurement technique in HE (Al-Alak & Alnaser 2012), Bezuidenhout and De Jager (2014) provide a discussion on probably the most widely used techniques in HE:
A. The disconfirmation of expectations model. Developed by Oliver (1980), this theory compares a customer’s pre-purchase expectations with his/her perceived performance rating of a product or service offering. Three outcomes are possible: confirmation of expectations, negative disconfirmation (perceived performance doesn’t measure up to expectations) and positive disconfirmation (perceived performance exceeds expectations). Confirmation and positive disconfirmation supposedly leads to satisfaction and continued patronage and positive word-of-mouth.

B. SERVQUAL. Developed by Parasuraman, Zeithaml and Berry, in 1985, this model examines the gap between expectations and perceived performance ratings of customers. In contrast to the disconfirmation paradigm that investigates specific transactional experiences, SERVQUAL provides for a more overall attitudinal description; dimensions of quality.

C. Importance-performance (IP) model. In contrast to SERVQUAL and the disconfirmation paradigm, this theory, conceptualised by Martilla and James (1977), compares the importance and perceived performance rating that customers assign to different service/product offering-variables.

The authors of this paper have decided to employ the IP model for this study, as it provides a specific description of variables (comparable to the disconfirmation paradigm), as well as an indication of the importance of each service variable and subsequent ranking thereof.
6 Employing the importance-performance model in higher education satisfaction studies

Various authors provide a description of how an importance-performance analysis can be employed to assist managers in improved decision making regarding customer satisfaction (Boshoff & du Plessis 2009, Kitcharoen 2004; Martilla & James, 1977; Olimpia 2012):

In comparing perceived importance and performance ratings of specific variables, the former rating score is subtracted from the latter rating score for each variable, resulting in a performance minus importance (P-I) score. An IP grid displaying the different P-I scores, can subsequently be constructed. These P-I scores can then also be plotted on an IP grid that indicates important areas for organisations to consider in improving their service offerings. This low-cost, easily understood (Martilla and James, 1977) marketing diagnostics instrument facilitates decision making regarding customer satisfaction improvement (Olimpia 2012). The IP grid consists of four quadrants, differentiating among areas requiring varying levels of resource allocation and marketing mix composition (Martilla & James 1977):

- Quadrant A: Concentrate here. This quadrant represents attributes with high importance to customers, but where they report low satisfaction with the organisation’s performance. It is imperative for the organisation to improve its performance regarding these attributes.
- Quadrant B: Keep up the good work. Customers are generally pleased with the organisation’s performance. The organisation nonetheless needs to take cognisance of the fact that all the attributes in this quadrant still display negative P-I gap scores.
- Quadrant C: Low priority. The client does not rate the attributes in this quadrant as being very important. Organisations should thus focus more urgently on the attributes in quadrant A. Considering the propositions of the two-factor theory of Herzberg, as applied to student satisfaction
Quadrant D: Possible overkill. In this quadrant, customers do not rate the attributes as being very important, yet they are pleased with the organisation’s performance.

7 Objectives of the study
The primary objective of the study is to determine the level of importance and the level of perceived performance of image and marketing related service variables of public and private institutions of higher education in South Africa and to determine whether there are significant differences between the two types of institutions.

8 Research Hypothesis
With regards to the objectives, the researchers formulated the following (null) hypothesis: There exist no significant differences between Malaysian and South African institutions of higher education regarding image and marketing related variables. This includes the level of importance as well as the perceived performance of the institutions.

9 Research Methodology
9.1 The sample framework
A sample of 381 students at two universities, one in Malaysia and the other in South Africa, was chosen for the study. Forty two percent of the sample was from a university in Malaysia, while fifty eight percent was from a university in South Africa. The selection process was done after the courses of the two universities management faculties’ were listed and randomly selected. The questionnaires were distributed to students in pre-determined classes that were randomly selected. The sample comprised of 48% male and 52% female students. The attitudes of the two student samples were tested regarding the importance of pre-identified
service quality issues related to image, reputation and marketing when selecting a specific tertiary institution and the perceived performance of the institution regarding these variables.

9.2 The measuring instrument and reliability measures

A structured questionnaire was used as measurement instrument and included thirty nine variables related to service quality at a higher educational institution. The inputs of the questionnaire were finalised after several related questionnaires were consulted as well as the inputs of students and lecturers by means of focus groups. A visual mono scale (five being very important and one not important at all) was used to measure the levels of importance (and perceived performance) with regards to these variables at the two institutions of higher education in the two regions. Only the reputation, image and marketing construct (8 variables) is used for this paper. The reason being that, from the four constructs, including location and access; marketing and image; infrastructure and academic issues tested, marketing and image was pointed out as the second most important construct.

The data was gathered and captured over a period of five months. The SPSS version 21 statistical package was utilised to analyse the data.

An item analysis was carried out to test the validity and the reliability of the questionnaire and an overall Cronbach’s alpha of a 0,940 was measured for both importance and perceived performance.
10 Data analyses and interpretation

10.1 Respondents’ Profile

Table 1: Respondents profile

<table>
<thead>
<tr>
<th>Demographic Variables</th>
<th>Malaysia (n = 159)</th>
<th>South Africa (n = 221)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number of Respondents</td>
<td>% Number of Respondents</td>
</tr>
<tr>
<td>Gender</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>87</td>
<td>55</td>
</tr>
<tr>
<td>Female</td>
<td>72</td>
<td>45</td>
</tr>
<tr>
<td>Age</td>
<td></td>
<td></td>
</tr>
<tr>
<td>18 – 19 years</td>
<td>28</td>
<td>18</td>
</tr>
<tr>
<td>20 – 21 years</td>
<td>83</td>
<td>52</td>
</tr>
<tr>
<td>21 – 22 years</td>
<td>36</td>
<td>23</td>
</tr>
<tr>
<td>Older than 22 years</td>
<td>12</td>
<td>8</td>
</tr>
<tr>
<td>How become aware of institution</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Friend</td>
<td>90</td>
<td>57</td>
</tr>
<tr>
<td>Media</td>
<td>28</td>
<td>18</td>
</tr>
<tr>
<td>Family</td>
<td>41</td>
<td>26</td>
</tr>
<tr>
<td>Institution itself</td>
<td>13</td>
<td>8</td>
</tr>
<tr>
<td>Teachers</td>
<td>5</td>
<td>3</td>
</tr>
<tr>
<td>Reason of Study</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Higher Income</td>
<td>36</td>
<td>23</td>
</tr>
<tr>
<td>Better Job Opportunities</td>
<td>74</td>
<td>47</td>
</tr>
<tr>
<td>Status</td>
<td>8</td>
<td>5</td>
</tr>
<tr>
<td>Personal Development</td>
<td>29</td>
<td>18</td>
</tr>
<tr>
<td>Other</td>
<td>12</td>
<td>8</td>
</tr>
<tr>
<td>Living arrangements</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Own house/flat</td>
<td>11</td>
<td>7</td>
</tr>
<tr>
<td>Parents’ home</td>
<td>100</td>
<td>63</td>
</tr>
<tr>
<td>Relatives</td>
<td>9</td>
<td>6</td>
</tr>
<tr>
<td>Rented flat</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>Rented room</td>
<td>31</td>
<td>20</td>
</tr>
<tr>
<td>Institution’s residence</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>With a friend</td>
<td>3</td>
<td>2</td>
</tr>
</tbody>
</table>

In the questionnaire, a section on the respondents’ profile was included in order to obtain some basic information about them. The first step in the data analyses considered important was to find out sample’s characteristics. For this purpose descriptive statistics were employed. See Table 1 for details.
Overall, 52% of the females responded to the survey followed by 48% of males, indicating a higher influence of the female group. The figures also reveal that 33% of the respondents were between 20 and 21 years old whereas, 20-21 years old is the second major age group with 29% response. Almost 58% of the respondents became aware of the chosen institution by means of a friend. The vast majority of the sample lives with their parents while studying. Lastly, the majority of the students (196 or 56%) stated that the main reason of their study is to get better job opportunities.

10.2 Attributes of the questionnaire and results

Cronbach’s alpha reliability coefficient and the item-to-total correlation were calculated to examine the stability and consistency of the research instrument. According to Nunnally (1978), the value of Cronbach’s alpha closer to 1 indicates greater stability and consistency; however, the threshold value in most research studies is set at 0.60. The present research instrument resulted in an alpha value of 0.94, attesting an acceptable consistency and stability of the research instrument (see Table 2).

<table>
<thead>
<tr>
<th>Cronbach's Alpha Based on</th>
<th>Cronbach's Alpha</th>
<th>No. of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standardized Items</td>
<td>0.94</td>
<td>39</td>
</tr>
</tbody>
</table>

Table 2: Reliability Statistics of the Questionnaire

Table 3 depicts the level of importance of the marketing and image related service variables assessed. Overall expectations (Table 3) were never exceeded and thus may have resulted in dissatisfaction (Khodayari & Khodayari 2011 Yooyen et al. 2011; Yorke & Vaughan 2012). The IP grids in figures 1 and 2 below indicate a clear picture of the current state of affairs and
where attention should be applied immediately. A Mann-Whitney test was performed to test the hypothesis (see Table 3) and it was found that the H₀ hypotheses was accepted regarding the importance of the image and marketing related variables (all except two) as there are no statistical significant differences between Malaysian students and South African students thus do not differ significantly in their importance rating. The only two exceptions are the availability of information about the institution and competitive throughput reputation where significant statistical differences were measured. Respondents from public and private institutions were thus in agreement regarding these two variables.

Table 3: Level of Importance of image, reputation and marketing when choosing an educational institution

<table>
<thead>
<tr>
<th>Item</th>
<th>Item wording</th>
<th>Malaysia</th>
<th></th>
<th>South Africa</th>
<th></th>
<th>Total</th>
<th></th>
<th>Results of hypothesis test</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>M</td>
<td>SD</td>
<td>M</td>
<td>SD</td>
<td>M</td>
<td>SD</td>
<td></td>
</tr>
<tr>
<td>V1</td>
<td>Academic reputation of institution 18</td>
<td>4.16</td>
<td>0.95</td>
<td>4.46</td>
<td>0.92</td>
<td>4.33</td>
<td>0.94</td>
<td>p-value = 0.222 Conclusions: Ho accepted</td>
</tr>
<tr>
<td>V2</td>
<td>Sport reputation of institution 18</td>
<td>3.25</td>
<td>1.13</td>
<td>3.17</td>
<td>1.26</td>
<td>3.20</td>
<td>1.20</td>
<td>p-value = 0.6823 Conclusions: Ho accepted</td>
</tr>
<tr>
<td>V3</td>
<td>Reputation of the lecturers at the institution</td>
<td>4.23</td>
<td>0.79</td>
<td>4.26</td>
<td>0.94</td>
<td>4.25</td>
<td>0.88</td>
<td>p-value = 0.2789 Conclusions: Ho accepted</td>
</tr>
<tr>
<td>V4</td>
<td>Availability of information about the institution</td>
<td>3.99</td>
<td>0.85</td>
<td>4.23</td>
<td>1.01</td>
<td>4.13</td>
<td>0.95</td>
<td>p-value = 0.0006 Conclusions: Ho rejected</td>
</tr>
<tr>
<td>V5</td>
<td>Marketing activities of the institution</td>
<td>4.07</td>
<td>0.87</td>
<td>3.75</td>
<td>1.14</td>
<td>3.89</td>
<td>1.05</td>
<td>p-value = 0.177 Conclusions: Ho accepted</td>
</tr>
<tr>
<td>V6</td>
<td>Reputation of the study programme</td>
<td>4.25</td>
<td>0.80</td>
<td>4.27</td>
<td>0.91</td>
<td>4.26</td>
<td>0.86</td>
<td>p-value = 0.487 Conclusions: Ho accepted</td>
</tr>
<tr>
<td>V7</td>
<td>Career advisors (of institution) are accessible and informed</td>
<td>4.00</td>
<td>0.92</td>
<td>4.11</td>
<td>1.07</td>
<td>4.06</td>
<td>1.01</td>
<td>p-value = 0.053 Conclusions: Ho accepted</td>
</tr>
<tr>
<td>V8</td>
<td>Competitive throughput reputation</td>
<td>3.79</td>
<td>0.80</td>
<td>3.96</td>
<td>0.94</td>
<td>3.88</td>
<td>0.89</td>
<td>p-value = 0.029 Conclusions: Ho rejected</td>
</tr>
</tbody>
</table>
Table 3 further indicates that the most important variable by the combined sample in the image, reputation and marketing construct is the academic reputation of the institution. Respondents from South Africa rated it most important whereas respondents from Malaysia rated it the third most important variable. No statistical significant differences were measured between the two sample groups.

The variable rated second highest by the total sample in terms of importance is the reputation of the study program. It was also rated first by the Malaysian respondents and third by the South African respondents. No statistical significant differences were measured between the two sample groups. The variable that was rated third most important by the total sample is the reputation of the lecturers at the institution. It was rated second most important by the Malaysian sample and third by the South African sample. No statistical significant differences were measured between the two samples.

The variable in this construct that was rated least important by the entire sample is the sport reputation of the institution. Both sample groups rated it as the least important variable in this construct. No statistical significant differences were measured between the two sample groups which imply that they were in agreement regarding this variable.

Table 4 indicates the results of the perceived performance of the variables related to image, reputation and marketing variables between the Malaysian and the South African sample. The overall best perceived variable in this construct is the academic reputation of the institution. The South African sample rated it first while the Malaysian sample rated it second. No statistical significant differences were measured between the two samples.
The second best perceived variable by the total sample is the Reputation of the lecturers at the institution. Respondents from Malaysia rated this first while the sample from South Africa rated this variable second best. Statistical significant differences were measured between the two sample groups. The overall third best perceived variable in this construct is the Availability of information about the institution. While the South African sample rated this third it was rated fifth by the Malaysian sample. Statistical significant differences were measured between the two sample groups.

The least best perceived variable in this construct by the total sample is the sport reputation of the institution. The Malaysian as well as the South African samples are in agreement with the least best perceived performer. No statistical significant differences were measured between the two sample groups.

Table 4: Perceived performance of image, reputation and marketing when choosing an educational institution

<table>
<thead>
<tr>
<th>Image and marketing of institution</th>
<th>Malaysia</th>
<th>South Africa</th>
<th>Total</th>
<th>Results of hypothesis test</th>
</tr>
</thead>
<tbody>
<tr>
<td>Item</td>
<td>Mean</td>
<td>SD</td>
<td>Mean</td>
<td>SD</td>
</tr>
<tr>
<td>Item wording</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>V1 Academic reputation of institution 18</td>
<td>3.47 2</td>
<td>3.75 1</td>
<td>3.63 1</td>
<td>0.96</td>
</tr>
<tr>
<td>V2 Sport reputation of institution 18</td>
<td>3.02 8</td>
<td>3.03 8</td>
<td>3.03 8</td>
<td>0.96</td>
</tr>
<tr>
<td>V3 Reputation of the lecturers at the institution</td>
<td>3.48 1</td>
<td>3.67 2</td>
<td>3.59 2</td>
<td>0.90</td>
</tr>
<tr>
<td>V4 Availability of information about the institution</td>
<td>3.27 5</td>
<td>3.64 3</td>
<td>3.48 3</td>
<td>0.97</td>
</tr>
<tr>
<td>V5 Marketing activities of the institution</td>
<td>3.38 3</td>
<td>3.31 6</td>
<td>3.34 6</td>
<td>0.92</td>
</tr>
<tr>
<td>V6 Reputation of the study programme</td>
<td>3.38 3</td>
<td>3.53 4</td>
<td>3.46 4</td>
<td>0.90</td>
</tr>
<tr>
<td>V7 Career advisors (of institution) are accessible and informed</td>
<td>3.25 7</td>
<td>3.08 7</td>
<td>3.15 7</td>
<td>1.06</td>
</tr>
<tr>
<td>V8 Competitive through put reputation</td>
<td>3.26 6</td>
<td>3.425 89</td>
<td>3.355 83</td>
<td>0.07</td>
</tr>
</tbody>
</table>
Table 5 depicts the importance and performance rating assigned to eight image, reputation and marketing variables by respondents from South African (SA) and Malaysian higher education institutions (HEIs) respectively. The importance rating for each variable was subtracted from the performance rating for each corresponding variable, resulting in a gap score for each variable for SA and Malaysian respondents, respectively. Figures 1 and 2 provide a visual gap analysis (IP matrix) for the Malaysian and SA providers of this study respectively (see the discussion of the four quadrants of the IP matrix in section 6 of this paper). From Table 5, as well Figure 1 and 2, the following noteworthy observations can be made:

Table 5: Gap analysis (Performance-importance)

<table>
<thead>
<tr>
<th>Item</th>
<th>Item wording</th>
<th>Malaysia</th>
<th></th>
<th></th>
<th>South Africa</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>P</td>
<td>I</td>
<td>Sig</td>
<td>Gap</td>
<td>P</td>
<td>I</td>
</tr>
<tr>
<td>V1</td>
<td>Academic reputation of institution</td>
<td>3.47</td>
<td>4.16</td>
<td>0.001</td>
<td>-0.69</td>
<td>3.75</td>
<td>4.46</td>
</tr>
<tr>
<td></td>
<td>Sport reputation of institution</td>
<td>3.02</td>
<td>3.25</td>
<td>0.001</td>
<td>-0.23</td>
<td>3.03</td>
<td>3.17</td>
</tr>
<tr>
<td></td>
<td>Reputation of the lecturers at the institution</td>
<td>3.48</td>
<td>4.23</td>
<td>0.001</td>
<td>-0.75</td>
<td>3.67</td>
<td>4.26</td>
</tr>
<tr>
<td></td>
<td>Availability of information about the institution</td>
<td>3.27</td>
<td>3.99</td>
<td>0.001</td>
<td>-0.72</td>
<td>3.64</td>
<td>4.23</td>
</tr>
<tr>
<td></td>
<td>Marketing activities of the institution</td>
<td>3.38</td>
<td>4.07</td>
<td>0.001</td>
<td>-0.69</td>
<td>3.31</td>
<td>3.75</td>
</tr>
<tr>
<td></td>
<td>Reputation of the study programme</td>
<td>3.38</td>
<td>4.25</td>
<td>0.001</td>
<td>-0.87</td>
<td>3.53</td>
<td>4.27</td>
</tr>
<tr>
<td></td>
<td>Career advisors (of institution) are accessible and informed</td>
<td>3.25</td>
<td>4.00</td>
<td>0.001</td>
<td>-0.756</td>
<td>3.08</td>
<td>4.11</td>
</tr>
<tr>
<td></td>
<td>Competitive through put reputation</td>
<td>3.26</td>
<td>3.79</td>
<td>0.001</td>
<td>-0.53</td>
<td>3.42</td>
<td>3.96</td>
</tr>
<tr>
<td></td>
<td>Averages</td>
<td>3.32</td>
<td>3.97</td>
<td>-0.65</td>
<td>3.43</td>
<td>4.03</td>
<td>-0.60</td>
</tr>
</tbody>
</table>

P = Performance  I = Importance
Figure 1: Performance minus importance matrix for Malaysian higher education institutions

Figure 2: Performance minus importance matrix for Malaysian higher education institutions
All the gaps for the Malaysian and SA HEIs are negative, indicating significant lower perceived performance than perceived importance. This trend is comparable to most customer satisfaction studies in HE (Joseph et al. 2003; Khodayari & Khodayari 2011; Yooyen et al. 2011; Yorke & Vaughan 2012).

Overall, the negative gaps are quite similar for the SA and Malaysian HEIs, with Malaysian students assigning a marginal higher overall negative gap score.

The two largest negative gap variables are similar for SA and Malaysian HEIs. Reputation of the study programme (V6) and career advisors (of institution) are accessible and informed (V7) represent the largest and second largest gap for Malaysian respondents and vice versa for the SA respondents. Reputation of the lecturers at the institution (V3) and academic reputation of the institution (V1) represent the third largest gap for the Malaysian and SA respondents, respectively.

11 Management implications

The selected Malaysian HEIs should firstly address the following image, reputation and marketing related variables as they seem to be rated as very important but exhibit low perceived performance ratings; hence their placement in quadrant A (concentrate here):

- Reputation of the study programme (V6),
- career advisors (of institution) that are accessible and informed (V7),
- academic reputation of the institution (V1),
- reputation of the lecturers at the institution (V3),
- availability of information about the institution (V4),
- marketing activities of the institution (V5).
The SA HEIs have significantly less variables in quadrant A; this could enable them to develop much more focused (in terms of resource allocation) student satisfaction strategies:

- Reputation of the study programme (V6),
- career advisors (of institution) that are accessible and informed (V7),
- competitive throughput reputation (V8).

SA students have assigned the highest performance rating to academic reputation of the institution (V1), reputation of the lecturers at the institution (V3) and availability of information about the institution (V4); hence this issue’s placing in quadrant B (keep up the good work). The Malaysian HEIs have no variables that fall within this quadrant.

The importance of the variables in quadrant B (or C and D, for that matter) should not be underestimated, though. It is just that the variables in quadrant A require urgent attention and should be followed up by attending to the variables in sequence from the biggest to the smallest negative gap.

The sport reputation of the institution (V2) is not deemed as very important by Malaysian and SA respondents alike, hence this variable’s placement in quadrant C (low priority). Additionally, Malaysian HEIs have competitive throughput reputation (V8) and SA HEIs marketing activities of the institution (V5) in quadrant C.

Neither the Malaysian, nor the SA HEIs have variables in quadrant D; possible overkill.
The specific actions to take for HE providers in the areas as stipulated in the above paragraphs; fall outside the scope of this paper. Further studies regarding specific strategies to address the above areas for concern could prove valuable for the relevant organisations.
12 References


Ji, Y. 2013. Close to half of Malaysian graduates either jobless or employed in mismatched fields. Community. Saturday, July 27


Moodie, G. 2007. Changing higher education, Minerva, 45 (1), 73-84


Round, A. 2005. Experiences and expectations on selected vocational courses at the University of Northumbria. Student retention project, University of Northumbria.


