IOSR Journal Of Humanities And Social Science (IOSR-JHSS)
Volume 23, Issue 7, Ver. 10 (July. 2018) PP 08-19
e-ISSN: 2279-0837, p-ISSN: 2279-0845.
www.iosrjournals.org

Service Quality and Business School Image using SEM: A Mediating of Relationship Quality Variable on Students Loyalty

Imam Nuraryo, Suwandi Sumartias, Husein Umar, Agus Rahmat
Universitas Padjadjaran, Indonesia
Corresponding Author: Imam Nuraryo

Abstract: The main purpose of this research is to measure the influence of service quality and higher education image through relationship quality on students loyalty in three business schools in Jakarta and the influence of higher education image through relationship quality on students loyalty in three business schools in Jakarta. Social Exchange Theory were incorporated in this study.
An explanatory survey was conducted in the best three business institutes based on the Private Higher Education Association in Jakarta Area in the year 2016. The sample size in this research were 362 respondents which was collected through multistage random sampling. The data analysis in this research used both in descriptive statistics with SPSS 20. and inferential statistics Structural Equation Models (SEM) with Smart Partial Least Squares (SmartPLS).
The results showed that the service quality have a significant influence through relationship quality on students loyalty.The higher education image also has a significant influence through relationship quality on students loyalty. However, the service quality do not have a significant influence on students loyalty. In addition, The higher education image also does not has a significant influence on students loyalty in these three business institutes.
Keywords : Service Quality, Higher Education Image, Relationship Quality, Students Loyalty

---

Date of Submission: 16-07-2018 Date of acceptance: 31-07-2018

I. INTRODUCTION

Private universities/colleges' studentsare regarded as customers in marketing perspective(Schmatz et al., 2015: 2-3, Melewar and Akel, 2005: 48). The principle of customer satisfaction is built in order to build trust and confidence. Therefore, the main principle of private universities/colleges are also to provide satisfaction and maintain student loyalty as a customer. Student loyalty is believed to be an important factor for the sustainability of a higher education institution.

The openness of the economy allow the government to open opportunities for the entry of foreign universities.This will be increasingly tightened competition among universities in Indonesian higher education industry. Consequently, university or college needs to pay attention to the quality in order to compete with other private universities. In this case, the university or college must provide assurance of satisfaction and service to the students.

For the improvement of quality, of course will improve the image and reputation of the college itself both in the eyes of students and in the eyes of society in general. The improvement of higher education quality will enable to improve its image. With the positive image will give the positive impact to education institution such as positive word-of-mouth communication and increased student retention. A good understanding of the concept of student loyalty becomes an important thing to be considered the manager of the Higher Education Industry.

In marketing communication studies, institutional image and institutional reputation have an important role to understand customer buying behavior. For example, Institution image is very important in building and maintaining customer loyalty. This concept is extended to college institutions, where it can measure students' attitudes toward the campus. For instances, the image of the campus has an impact on the student's decision to continue or not to study. This suggests that the interaction, support, service, and imagery can be a method or way to increase satisfaction.Customer satisfaction eventually affects loyalty or student retention(Nguyen and LeBlanc, 2001: 303 - 305).

Effective communication in serving the students also can be trusted to improve the image of the college. If the positive image has been achieved by the Higher Education Institution, then it is expected to increase student satisfaction. This is expected to increase the loyalty or retention of students.

This is in line with what stated by Stanford and Bowers (2008) that good training and communication will address issues related to loyalty and student satisfaction. Given the high loyalty and good retention will also provide a positive image in education institutions.

Training and improved communication at all levels of higher education can help overcome these hurdles. Retention contributes significantly towards presenting a positive image to current and potential students about the institution's programs as well as the institution as a whole. Ultimately, high student retention rates improve the overall profitability of the institution. As a result, institutions have recognized the cost/benefit of implementing effective student retention programs (Stanford-Bowers, 2008).

If a student is loyal, then most likely will complete his or her studies and continue his or her studies at the graduate level on the same campus. Indirectly, Students who are loyal will also be able to increase the number of new students by promoting it through speech or word of mouth communication (Hennig-Thurau et al, 2001).

Previously many studies related to student loyalty. Nevertheless, these studiesoutside the communication science. For example, in educational sciences perspective, the concept of student loyalty is closely related to academic goals, students' support programs, curriculum and institutional quality (Palmisano, 2012).Research on student loyalty is generally discussed in marketing disciplines. As mentioned earlier, the concept of student loyalty is how to keep customers in a way to establish good relationships with customers in order to keep these customers loyal.

II. THEORETICAL FRAMEWORK

The theory of social exchange is able to explain a wide range marketing activities. West and Turner (2009: 229) suggest that marketing communications researchers use social exchange theory to explain the process of strategic alliances among firms and customer loyalty. Social exchange theories become the foundation for shaping organizational relations theory-stakeholders interests (Organizational - Stakeholder Theory) and relationship marketing theory (Pervan and Johnson, 2002: 4).

This theory is also the foundation for the formation of the concept of Relationship Management, the concept discusses the communication activities that connecting the organization and the public (Ledingham, 2005 in Kriyantono, 2014: 278). Relationship Management explains how to measure the quality of organizational and its public which was formulated by Hon and Grunig (1999: 3-5). This method consists of four dimensions; trust, commitment, satisfaction and control of togetherness or control of mutuality. According to Ardianto (2014: 121) the theory of social exchange is one theory of social psychology that can be used to explain the phenomenon of public relations activities.

The early development of a theory of social exchange is largely attributed to the work of Homans (1961) in Sociology and Thibaut and Kelley (1959) in psychology. The Basic premise of which social exchange theory has been developed is that social behavior presents an exchange of activity, tangible or intangible, and more or less rewarding or costly, between at least two persons (Pervan dan Johnson, 2002:4).

There are elements of reward, sacrifice (Cost) and profit. Rewards are all things gained through sacrifice. According to Taylor et al (2003: 10) the theory of social exchange is also often called the Interdependencetheory by Thibault and Kelley. This theory is useful for analyzing the interaction between individuals in terms of reward and cost.

A prominent example of an interdependence approach is social exchange theory. The principles of social exchange build on the work of both learning theorists and decision making theorits. Social exchange theory analyze s the interaction between people in terms of the benefits and costs the individuals exchange with each other. Sometimes people make explicits exchanges (Taylor et al, 2003:10)

One example of research that applies the theory of social exchange is research conducted by Shiau and Luo (2012). They conducted research on the factors that influence the interest and satisfaction of online purchases made by a group. In their research, it is said that the theory of social exchange encompasses the basic concepts of modern economics as the basis for analyzing human behavior and relationships to determine the complexities of social structures.

Other studies using social exchange theory are from Sierra and McQuitty (2005). They claim that customers who get a positive reward in the form of good service, they will increase the positive response of high loyalty. This research was conducted by distributing questionnaires to customers in 15 (fifteen) types of service industries. This study also reveals the existence of customer emotional connection with loyalty.

Another finding related to the application of the social exchange theory is from Lee (2001) regarding Trust as a reward of a two-party transactional relationship. Lee (2001: 323-335) states that the concept of trust (Trust) underlies social exchanges. Therefore, this study provides findings that the process of sharing knowledge and degree of knowledge have a significant positive effect through the quality of partnership which is based on high trust factor to the success of outsourcing process.

The linkage of the social exchange theory with this research can be seen from marketing communication of education services perspective. When students enroll in a college, there is a cost that has been issued by students, so that students will expect a reward. The kind of reward that received by students among other things a good service from the lecturer and the pride of being a student at the college due to his positive image or reputation.

If the student as a customer feels the appreciation he or she receives is much greater or in accordance with the sacrifice, it will certainly produce a positive relationship with the college/university (profit). On the contrary, if the student feels that the reward received is not as big as his or her sacrifice, it will produce a negative relationship with his college/univeristy.

The social exchange theory is one of three theories used to identify the characteristics of producer and customer relationships besides transactional cost analysis theory and interaction theory. The application of social psychology and sociology theory in marketing has changed the view that marketing activity is no longer merely a transaction but also a relationship (Wong and Leung, 2001 in Susanta, 2011: 78).

Service Quality

Many determinants of services quality in education fields. Joseph (1998, in Tjiptono and Chandra, 2016: 113-117) states that there are seven major determinants of service quality in New Zealand Higher Education, namely; issues of study program, academic image or reputation, cost aspects, career opportunities, location, time and other factors.

Meanwhile, research on the perception of college services quality in the United States Higher Education system conducted by Hampton in 1993, shows that there are seven determinants of college services quality, namely; quality of education (lecturers competence, quality of lecture material), quality of teaching (personal attention of lecturers to students, lecturers' willingness to discuss, how lecturers convey to students if students ask for help, opportunities to participate in class, opportunity to know lecturers closer), social life - personal, campus facilities, make an effort needed to graduate, campus social life and student guidance (Tjiptono and Chandra, 2016: 113-117).

The factors that could potentially cause poor service quality include; unskilled staff in serving customers, poorly staffed manner, disrespectful staff words, staff odor in disruptive customer service, or staff who always scowl or put on a haunted look. In addition, there is no support for top management staff. For example, staffs are not equipped with tools or media that can assist them in dealing with customers and not providing skill training how to convey good and honest information to customers. Generally, front-line or customer-related staffs are low-educated staff with the lowest wages among other staff.

Meanwhile, in relation to the communication process between service providers and customers, there is often a gap in communication. For example, the excessive promise of the service provider to the customer or prospect, so he or she may not be able to fulfill it. Service providers who cannot always provide updated information for their customers. The messages delivered are not understood by the customer. Service providers do not respond promptly or even pay attention to customer complaints and suggestions.

Servicequality depends on three things; system, technology and human. A popular service quality concept is ServQual which is an instrument used to measure customer perceptions of service quality within service provider organizations initiated by Parasuraman, Zeithaml and Berry. This variable has five dimensions of tangible, reliability, responsiveness, assurance and empathy (Zeithaml, Parasuraman and Berry, 1977 in Irawan, 2008: 37).

These dimensions are also applied in research related to service quality in universities. Including the following; quality of lecturers (Hennig-Thurau et al., 2001; Clemes et al., 2007), quality of academic administration services (Carvalho& Motta, 2010; Ghosh et al, 2001). In addition, this service quality variable considers aspects of the physical environment (Bennet, 2003; Helgessen&Nesset, 2007), curriculum (Elliot & Healy, 2001; Howell & Buck, 2012) and social environment (Thomas, 2011).

Many studies have discussed the relationship between the quality of lecturers' service and the variables such as trust, value perceptions, student satisfaction and loyalty. One of them is from Lin & Tsai (2009). They examines the perceptions of lecturer service quality and student loyalty. The findings of the study suggest that there is a direct correlation between service quality and student loyalty even though the relationship is weak.

Fernandez et al (2010) also states that the perception of value is the interaction between the lecturers and students. Meanwhile, student satisfaction becomes the most mentioned construct in research related to the quality of lecturers services in universities. For example, research from Helgesen&Nesset (2007), Thomas (2011), Fredrickson (2012), Howell and Buck (2012), and Opdecam and Everaert (2012).

Besides the quality of lecturers, the quality of academic administration / student affairs in universities also plays an important role in improving the positive experience of the students. According to Thomas (2011), administrative activities play a major role in supporting a positive academic environment. Without an orderly

administrative process in college, the process of service to students will not be maximized. These administrative services include registration services, course information, students counseling and school payment.

Other studies related to the influence of academic administration services were also conducted by Hennig-Thurau et al (2001), Thomas (2011), and Mendez et al (2009). In addition, there are also studies of the effect of academic administration services on student beliefs (Trust) conducted by Carvalho and Mota (2010).

Higher Education Image

The image and reputation of universities are not always associated with building mutual understanding between managers and students, but the image of universities can also be related to external factors such as family / parents of students, friends, and media influence on student perceptions towards college.The image of a college, especially private universities can be seen from how big the interest of students in choosing universities, how much research and dedication generated. On the other hand, the image can be formed due to the shape and status of the universities itself. Typically, higher education in the form of universities and institutes more have a positive image compared to high school in Indonesia (Desfiandi& Aziz, 2007).

Kennedy (1977, in Duarte et al, 2010) states thathigher education images can be viewed in two dimensions: cognitive or functional dimensions and emotional dimensions. Image is a conceptual phenomenon interpreted by logic and feeling. The cognitive dimension is trust and confidence. The emotional dimension is what concerns feelings. Functional dimensions are real and measurable characteristics. While the emotional dimension relates to feelings and attitudes toward the organization. This feeling comes from individual experiences with the organization and from the processing of information about the perceived institution (Duarte et al, 2010).

In the context of university research in general, image, satisfaction and loyalty variables are related to each other, where satisfaction is the antecedent variable of loyalty (Dick and Basu, 1994). In the context of higher education as a service institution, the concept of college image, student satisfaction, and student loyalty there is a causal relationship that affect each other (Helgesen, Nesset, 2007).

According to Sun and Yang (2008, in Wilkin and Huisman, 2013: 612) the image of a college or university can be measured through three dimensions or sub-variables: firstly is the nature or personality of the personal who runs the college organization such as hospitality and the warmth of the lecturers, administrative staff and other staff. The second dimension is the prestige or external dignity of the college which consists of the campus's popularity level among other campuses, high rank and positive coverage by the media. The third dimension is the reputation of the college which consists of the attention or concern of the campus to the students, the future prospects, well-management, social responsibility, and financial problems.

Meanwhile,Kazoleas et al (2001, in Wilkin and Huisman, 2013: 612) defines the college image of the entire set of personal, campus environment and organizational factors. The dimensions of the personal set are the socioeconomic background. Campus environment dimension consisting of quality, location, financial reason, registration requirement. While dimensions of organizational factors consist of the form of building, landscape, campus size and facilities contained in it.

The image or reputation of the institution is the aggregate result of the amount of information used by consumers to perceive the organization. Even by someone who has never had the experience of interacting with the organization, perception can be formed from information sources through advertising and Word of Mouth Communication. For example, we know that Harvard University in the United States has a very good reputation even though we never study or visit there. As a person who has never visited the college, then we form a positive perception because of the information we can either from the media or word of mouth communication.

Positive image of higher education can be an important driving factor in maintaining student loyalty. Both the image of a higher education and the image of the study program are assumed to have a positive effect on student loyalty (Bush et al., 1998; Standifird, 2005, in Helgesen&Nesset, 2007). The dimensions of the image used in this study are adapted from the research that has been done by Helgesen and Nesset (2009), Dib and Alnazer (2013) which have been modified by Owino (2013: 31)

Relationships Quality

The relationship quality is the antecedent variable of the loyalty of the students, which is the application of the concept of evaluation of relationship quality measurement in the Public Relations area (Hon and Grunig, 1999).Relationship quality is actually adopted from the concept of relationship marketing in education services in universities level(Hennig-Thurau, 2001 ; Taecharungroj, 2013).

The dimensions contained in the variables of relationship quality are adopted from previous researchers who developing a student loyalty model. Here are three models that involve relationship quality in relation to student loyalty. First, the RSQL model (Relationship Quality-based Students Loyalty) developed by Hennig-Thurau et al (2001) that places an important element of relationship marketing in the context of higher education.

This proposition underlies the relationship quality dimensions in this study to determine student loyalty. In addition, the dimensions incorporated in the quality of relationships are the quality of service (especially teaching from teachers / lecturers) and commitment, which is divided into three, namely cognitive commitment, emotional commitment and goal commitment. As a result, the quality of relationships has a positive effect on student loyalty improvement.

The next model is developed by Mendez et al (2009) which states that long-term student loyalty is a key element of college success in terms of competitive advantage. The reason is that the high loyalty of students will save the cost to attract new students because of the donation (from students or alumni) and the promotion of word of mouth communication done by the loyal students.The last is a model developed by Brown and Mazzarol (2009) on the influence of college image in Australia on customer loyalty (student) through perception of student value and satisfaction. This model explains the strong influence of student satisfaction on student loyalty.

In addition, Hon and Grunig (1999) wrote a well-known paper entitled "Guidelines for Measuring Relationship in Public Relations". They identified four outcomes of the quality of a positive long-term relationship related to the initial step in conducting public relations audit with the organization.These four outcomes are;

1.Control Mutuality: the degree of agreement of both parties regarding who has control to influence each other

2.Trust: the level of trust of one party in the desire to open up to the other party

3. Satisfaction: the extent to which one party feels satisfied and comfortable with another because of the positive expectation of a confirmed relationship

4. Commitment: the extent to which one party has the trust and feel that the relationship will be more meaningful with the energy that has been used to maintain and enhance that relationship.

The four final results of Hon and Grunig serve as the basis for the quality dimensions of relationships on student loyalty models (Taecharungroj, 2013: 47). Especially for the dimension of Control Mutuality very related to energy, cost and time spent, then in this research is analogous as dimension of perception value. Here is a detailed description of the four dimensions of student confidence in universities, study commitments, perceptions of value and student satisfaction.

Firstly is the student's confidence in college. In the context of higher education, trust is defined as the degree to which a student has confidence in his college, that the college provides benefits for him in his learning process and in achieving his career success goals (Ghosh et al, 2001). According to Hennig-Thurau et al (2001) students' beliefs are based on the personal experience of each student with members of the Faculty Members.

Student trust is built on integrity, competence, consistency / reliability and openness (Carvalho&Mota, 2010). Thereby, the indicators used in this study follow the indicators from previous studies of integrity as measured by personal character and impetus to move forward, then the measured competence of good work behavior and good personal communication skills. Two other indicators of reliability are measured by how well colleges are to keep their promises to students, prioritizing customer interest and evaluating ability and ability to open up (Leonard et al, 2014).

Secondly is student commitment. Morgan and Hunt define commitment as a person's belief in the ongoing relationship is a very important thing, which guarantees the maximal effort to defend it. A committed party believes that a relationship is a worthwhile endeavor to ensure something uncertain. Commitment is generally categorized as sustainability, something that is calculative (Huang, 2001). A sustained commitment occurs when a person feels attached to an entity (Fullerton, 2003; Bowden, 2011). Thus, it can be said that someone who is committed to an institution, then he will continue the relationship because the benefits derived from the relationship. Commitment is measured by ownership of identification, belonging, joy, involvement, trust, shared values, and personal equality (Fullerton, 2003 and Moore & Bowden-Everson, 2012).

Thus, the indicators used in the study commitment dimension in this study is to adopt from Fullerton (2003) namely self-identification, mutual ownership, and a sense of love on campus. Other indicators adopted from Hennig-Thurau et al (2002) include involvement in campus activities, awareness of the campus and maximum service for the institution.

Third is the perception of value. Values or perceptions of value are one of the quality constructs of the relationships studied in this study. The role of cost, energy and time spent during the study are the things considered in this concept (Taecharungroj, 2013). Perception of value is a cognitive ability that explains the perception of quality in terms of sacrifice over all the resources that have been issued (Dodds et al, 1991).

In the context of higher education, cost, time and energy are the fundamental resources that students have to get the maximum and satisfactory education services. Dodds et al (1991) also stated that,

Price can be both an indicator of the amount of sacrifice required to purchase a product and an indicator of the level of quality. Higher prices lead to higher perceived quality and consequently to a great willing to buy. At the same time, the higher price represents monetary measure of what must be sacrificed to

buy the good, leading to a reduced willingness to buy.Thus, the indicators used in this dimension of value perception are the study time, education and energy costs incurred during the study of Clemens et al (2007) and Carvalho& Motta (2010).Last is the satisfaction of students as customers. Customer satisfaction has been widely debated in various literature, whether in business or management. However, there is no agreement on the definition of the concept of satisfaction with service, especially in higher education (Hartman, Schmidt, 1995, in Helgesen&Nesset, 2007).Elliot and Healy (2001) define student satisfaction as a short-term attitude resulting from the evaluation of their experience of received educational services.

Student satisfaction means the evaluation of their experiences on their experiences of interacting not only with faculty and staff, but also the information they need and the facilities they use to support their teaching and learning process. The indicators contained in each dimension in relationship quality, as found in the service quality variable and the college image mentioned earlier, are adopted from some previous studies.

For example, the students' belief dimension consisting of the integrity indicators of Carvalho and Mota (2010), the consistency and openness of Leonard et al's (2014) research applied to the relationship between universities (mainly from lecturers and administrative staff) with their students. Similarly, the dimensions of commitment, trust and satisfaction of students as customers of universities that adopt indicators in previous studies.

III. STUDENT LOYALTY

Student loyalty has become an important factor for the survival of higher education institutions (Helgesen&Nesset, 2007). Maintaining a lasting relationship between college and student will be able to create competitive advantage for college (Henning-Thurau et al., 2001). Lin and Tsai (2008) indicated that there is a strong influence between the perception of retention signal (commitment) and the perception of lecturers' service quality on student loyalty.

However, in this study also shows the weak effect of the quality of academic/administration services on student loyalty. Sung and Yang (2009, in Wilkin and Huismann, 2013) in their research of "Reputation and Relationship between Students - Colleges", indicated that there is influence of students' supportive behavior on higher education image. The student's supportive behavior is similar to the general understanding of student loyalty (Taecharungroj, 2013: 35).Thestudents' supportive behaviors referred to in their study consist of three dimensions that are similar to the student loyalty; the desire to provide assistance to his almamater after being an alumnus, the desire to continue his studies at the same college/school, and the desire to provide college reference/recommendations this to others. The research conducted by Sun and Yang is involving 336 student respondents who underwent study at universities in Seoul, South Korea. The findings suggest that there are three major implications of active student communication behavior significantly influencing the quality of their educational experience.

One of the most agreed dimensions by researchers or scholars regarding student loyalty as a customer or consumer of higher education is the Positive Word of Mouth dimension, which recommends distributing customers based on the experience it receives. The other dimensions used in measuring student loyalty as a customer are certainly a bit different from measuring customer loyalty in general. In this study, several dimensions were taken from research conducted by Sun and Yang (2009), Helgesen and Nesset (2009), and Taecharungroj (2013).

The dimensions of student loyalty as a customer in this research include Positive Word of Mouth Communication, the participation of training / continuation of advanced study to post-graduate level as a modification of the repurchase behavior dimension, and fostering relationships characterized by the willingness to provide assistance to college after graduation.

Based on the above explanation, the first hypothesis is formulated as follows;

H1: Higher education service quality has a significant effect on relationship quality

H2: Higher education image has a significant effect on relationship quality

H3: Relationship qualityhas a significant effect onstudent loyalty

H4:Higher educationservice quality has a significant effect on student loyalty

H5: Higher education image has a significant effect on student loyalty

H6:Higher education service quality has a significant effect on student loyalty
through relationshipsquality

H7:Higher education image has a significant effect on student loyalty
through relationshipsquality

IV. RESEARCH METHOD

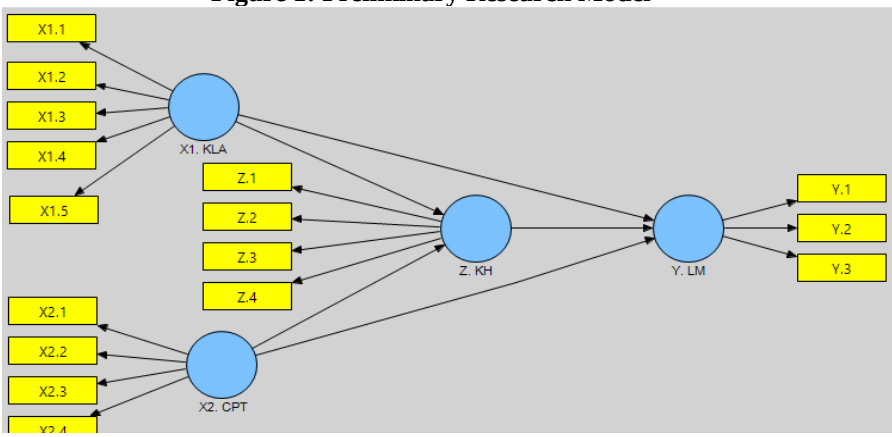
The method used in this research is explanatory survey. Explanatory is used when researchers want to know why a particular situation or condition occurs or what affects the occurrence of something. Researchers do not just describe the occurrence of phenomena but try to explain why the phenomenon occurred and what its

influence (Kriyantono, 2014: 60).The structural equation model in this research is used to show the influence of service quality and image through relationshipquality to student loyalty at three business institutes/school in Jakarta. The sample size of this study is 362 students from the Accounting and Management study program, which is registered in three business colleges/institutesin Jakarta in 2016.

Finding and Discussion

The following is presented inferential analysis results to see the causal effect of any exogenous latent variable on endogenous latent variables. Data analysis using Structural Equation Modeling (SEM) on SmartPLS V3.2.4. The model used is first order confirmatory factor analysis.

Figure 1: Preliminary Research Model



Service Quality Variable (X1/ξ_1) :	**Relationship Quality Variable (Z/ η_1) :**
X1.1 : Reliability	Z.1 : Student Trust
X1.2 : Responsiveness	Z.2 : Student Commitment
X1.3: Assurance	Z.3 : Perceive Value
X1.4: Empathy	Z.4 : Student Satisfaction
X1.5: Tangible	
Higher Education Image Variable (X2/ξ_2) :	**Student Loyalty Varible (Y/ η_2) :**
X2.1 : Public Perception	Y1 : Positive Word of Mouth Communication
X2.2 : Social Responsibility	Y2 : Sustainability Study/Retention
X2.3 : Alumni Achievement	Y3: Relationship Maintenance
X2.4 : Media Report	

Evaluation of Structural Model

Evaluation of Structural Model or Inner Model serves to see the relationship between structural and the influence of latent variables and the quality of the model formed. Research evaluation consists of R-square, GoF and Q square. Latan and Ghozali (2012: 85) state that GoF<0.10 shows poor (small) model quality, GoF 0.10 - 0.25 as medium, GoF 0.25 - 0.36 as large, and GoF>0 , 36 as strong. Vinzi& Chin (2010: 471 and 680, in Latan and Ghozali, 2012) state that Q square is more than 0 is considered good (having predictive relevance), whereas if Q square is less than 0 expressed bad (no predictive relevance)

Table 1:Inner Model Evaluation

Variable	*R Square*	*Communality*	*GoF*	*Q Square*
Academic Service Quality	-	0,668663	0,677	0,878
Higher Education Image	-	0,683285		
Relationship Quality	0,625213	0,731818		
Student Loyalty	0,673308	0,741785		

Source : Research Result ofSmartPLS V.2.0.M3 Software

Based on table 1 it is known that GoF value is 0.677> 0.360 so that the resulting structural model is stated to have strong (good) quality. Similarly, the Q square value of 0.878 greater than 0 indicates the model has predictive relevance or has good predictive power. To sum up, the overall structural model that has formed can be accounted for its quality. Structural model that formed from result of PLS analysis is as follows:

Figure 2:Structural Model*(Loading Factor)*

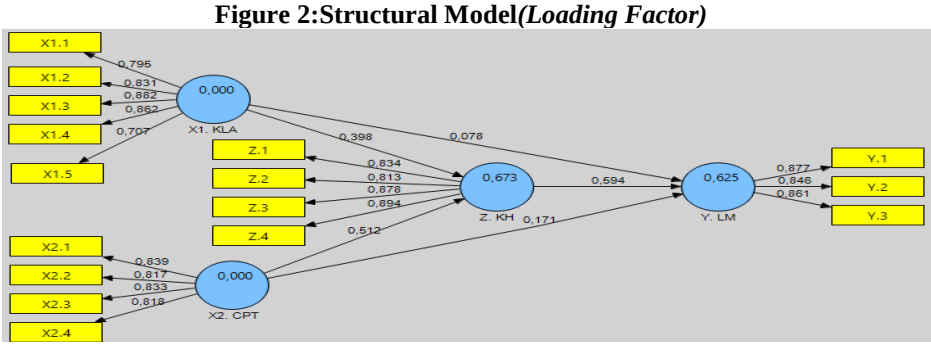
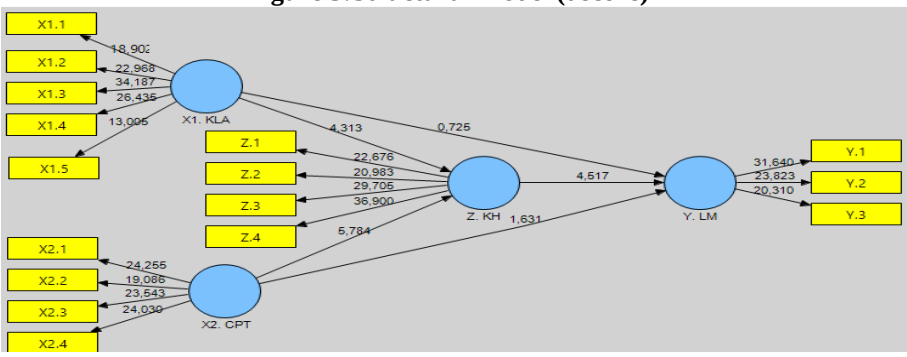


Figure 3:Structural Model (t score)



The first hypothesis of this study is theservice quality has a significant effect on the relationship quality. Based on the result of inner model above, the path coefficient γ11 is 0,398. The R-square value is obtained from the squared coefficient of (0,398) 2 x 100% = 15,8%. Based on the criteria proposed by Hair et al (2011, in Latan and Ghozali, 2012: 85), the R-square value between 10% to 25% is sufficient influence.From hypothesis test by using t test known that t count (4,313)> t table (1,645) so that H0 refused. This means that the influence of servicequality on relationshipquality is significant. It can be concluded that the service quality give influence enough to Relationship Quality with influence of 15,8% (significant).These results reinforce previous research by Hennig-Thurau et al (2001), Thomas (2011), and Mendez et al (2009) which was the service quality have a significant effect on student satisfaction (part of the relationship quality). These results also reinforce the finding that there is an effect of academic administration services on student beliefs (Trust) undertaken by Carvalho and Mota (2010).

The second hypothesis of this study is the higher education image have a significant effect on relationshipsquality. Based on the result of inner model above, the path coefficient γ11 is 0.512. R-square value is obtained from quadratic result of coefficient that is equal to (0,512) 2 x 100% = 26,2%. Based on the criteria proposed by Hair et al (2011, in Latan and Ghozali 2012: 85), the R-square value between 25% and 36% is a moderately strong influence (medium).

From hypothesis test by using t test known that t count (5,784)> t table (1,645) so that H0 rejected mean influence of higher education image onrelationship qualityexpressed significant. It can be concluded that the higher education image gives a sufficient influence on relationshipquality with the influence of 26.2%, and the influence is stated significant. The image of universities is not always associated with building a good relationship between managers and students, but the image can also relate to how external factors such as family / parents students, friends, and media influence the perception of students on his or her campus. Helgesen and Nesset (2007: 38) states that the university image has a positive relationship with student satisfaction, which is the construct of relationship quality. This implies that the higher education image can also be predicted to determine student satisfaction, and vice versa.

The third hypothesis of this study is relationship quality has significant effect on student loyalty. Based on the result of inner model above, the coefficient of β 21 line is 0,594. R-square value is obtained from quadratic result of coefficient that is (0,594) 2 x 100% = 35,3%. Based on the criteria proposed by Hair et al (2011) in Latan and Ghozali (2012: 85), the R-square value between 25% and 36% is a moderately strong influence (medium).From result of hypothesis test by using t test known that t count (4,517)> t table (1,645) so that H0 rejected. It means that influence relationshipquality to student loyalty expressed significant. It can be concluded that relationships quality give a strong influence on student loyalty with the effect of 35.3%, and the influence is expressed significantly.

The fourth hypothesis of this study is service quality has a significant effect on student loyalty. Based on the result of inner model above, the path coefficient γ21 is 0,078. R-square value is obtained from quadratic coefficient of (0,078) 2 x 100% = 0,6%. Based on the criteria proposed by Hair et al (2011) in Latan and Ghozali (2012: 85), the R-square value of less than 10% is a relatively small influence.From result of hypothesis test by using t test known that t count (0,725) <t table (1,645). It means that H0 accepted. The result means that the influence of service qualityonstudentloyalty is not significant. It can be concluded that service qualitygives a weak effect on student loyalty with the influence of 0.6%, but the influence is not significant.

Dick and Basu (1994) state that customer loyalty is strongly influenced by the relative strength of the relationship between attitudes and behavior. Customer loyalty is the result of customersatisfaction obtained after getting of services products that have been obtained. This statement implies that customer loyalty is not directly affected by the service quality. Tjiptono and Chandra (2016: 202-203) stated that loyal customers can be very satisfied or just the opposite of very satisfied customers but not loyal (for example if there are many brand alternatives). This means that loyalty is a behavior that arises, not because of the direct influence of service quality provided, but through other variables, such as variable satisfaction.

The fifth hypothesis of this study is higher education image has a significant effect on student loyalty. Based on the result of inner model above, the path coefficient γ22 is 0,171. R-square value is obtained from quadratic result of coefficient that is (0,171) 2 x 100% = 2,9%. Based on the criteria proposed by Hair et al (2011) in Latan and Ghozali (2012: 85), the R-square value of less than 10% is a relatively small influence. The result of hypothesis test by using t test known that t count (1,631) <t table (1,645). It means that the result indicated that H0 accepted. This means that the influence of higher educationimage on studentloyalty is not significant. It can be concluded that the higher education image gives a weak effect on Student Loyalty with the influence of 2.9%, but the influence is not significant. The result is in line with the findings of Sung and Yang (2009, in Wilkin and Huisman, 2013). Their finding explains the relationship between reputation and student support behavior on university image. The student's supportive behavior is similar to the general understanding of student loyalty (Taecharungroj, 2013: 35).

The sixth hypothesis of this study is service quality has a significant effect on studentloyalty through relationship quality. Based on the result of inner model above, it can be calculated the influence of service quality through relationship qualityonstudent loyalty as follows: Indirect Influence = 0,398 x 0,594 x 100% = 23,6%.

The contribution of the influence of service quality of through relationship quality onstudentloyalty is 23.6% (moderate / moderate). While the level of significance can be seen from the first hypothesis test of the influence of service qualityon relationships quality that show significant results. Likewise, the third hypothesis is the influence of relationshipsqualityon Student Loyalty that shows significant results.This shows that the influence of service quality through relationshipsquality onstudentloyalty is stated significant. It can be concluded that the service quality through relationshipsqualityon studentloyalty with the effect of 23.6%. This suggests that the effect of the service quality on Student Loyalty will be significant when mediated with relationship quality variable, whereas if it directly shows an insignificant outcome.

The seventh hypothesis of this study is the higher education image have a significant effect on studentloyalty through relationshipsquality. Based on the result of inner model above, can be calculated the influence of college image through relationships qualityon studentloyalty as follows: indirect effect = 0,512 x 0,594 x 100% = 30,4%.The contribution of the influence of the higher education image through the relationshipsqualityon studentloyalty is 30.4% (moderate / moderate). While the level of significance can be seen from the second hypothesis test that the influence of higher education image onrelationships quality that shows significant results, as well as the third hypothesis of the influence of relationships qualityon studentloyalty that showed significant results.

This shows that the influence of higher education image through relationshipsqualityon student loyalty is stated significant. It can be concluded that higher education image through relationships qualityon studentloyalty with the influence of 30.4%.This suggests that the effect given by higher educationimage on studentloyalty will be significant when mediated relationshipqualityvariable, while directly indicating a non-significant result. Corporate image itself is an important thing that should be considered by higher education managers to be able to attract prospective students.

Higher education image of college can be a stimulus for students to encourage students to be loyal to universities. This is in line with the statement of Duarte et al (2010: 22) which states that the image of Higher Education (University) is an important factor that can attract the best student candidates, staff and potential funding sources. The table of t test results which states the results of testing of the hypothesis, are as follows

Table 2:Hipothesis Results

Hipotesis	R^2	t score	t table	results
Service Quality → Relationship Quality	15,8%	4,313	1,645	RejectedH_0
Higher Education Image → Relationship Quality	26,2%	5,784	1,645	RejectedH0
Relationship Quality → Student Loyalty	35,3%	4,517	1,645	Rejected H0
Service Quality → Student Loyalty	0,6%	0,725	1,645	Accepted H0
Higher Education Image →Student Loyalty	2,9%	1,631	1,645	Accepted H0
Service Quality → Relationship Quality→Student Loyalty	23,6%			Rejected H0
Higher Education Image → Relationship Quality→Student Loyalty	30,4%			Rejected H0

V. CONCLUSION

In conclusion, the structural equation model (SEM) analysis indicated that academic service quality through relationship quality significantly affects the loyalty of students in these three business schools/institutes by 23.6 percent. The remaining 75.4 percent is influenced by other factors. It can be said that the influence of service quality through relationship quality can result in high student loyalty to these business schools. A high level of effectiveness on the aspect of service quality through significant relationship quality, will result in high student loyalty as well.

In addition, higher education image through relationship quality affects the loyalty of students in these three universities by 30.4 percent. The rest of 69.6 percent is influenced by other factors. It also can be said that the influence of higher education image through relationship quality can produce high student loyalty to these business school. The high level of effectiveness on the aspects of college/institutes image through relationship quality of significant relationships, will result in high student loyalty.

Inthisstudyanattempthasbeenmadetounderstandthe student loyalty in three business schools/institutes in Jakarta, Indonesia, this included doing positive word of mouth communication to others, continuing to study advance and maintaining relationship after graduation.Theresultalsoimplies thatthe relationship quality is an important factor as a mediating variable to increase student loyalty.Thisfurthersuggests thatbusiness institutes managers have to pay attention more in considering in shaping positive image of higher education and improving service quality to their students besides finding other ways to increasing the students loyalty.

To this end, this study is limited to using only few of the service quality, higher education image, relationship quality dimensions in validating students loyalty. This calls for future research which will use other variables or dimensions such as facilities, communication climates, or lecturer behavior to validate a new model or extended to the current model. Similarly, a future research may look at corporate (university/institution/college) culture on student loyalty in enhancing mutual relationship between education institution and the students.

About the Authors

Imam Nuraryo is a lecturer in Kwik Kian Gie School of Business. Suwandi Sumartias is a lecturer in Padjadjaran University. Professor Dr. Husein Umaris a professor of Marketing in Kwik Kian Gie School of Business. Agus Rahmat is a lecturer in Padjadjaran University.
For further enquires,pleasee-mail: imam@kwikkiangie.ac.id

REFERENCE

[1]. Ardianto, Elvinaro. 2014. Metodologi Penelitian untuk Public Relations: Kuantitatif dan Kualitatif, Bandung : Remaja Rosdakarya.
[2]. Bennet, R. 2003. Determinant of Undergraduate Student Drop Out Rates in UniversityBusiness Studies Department. Journal of Further and Higher Education, 27 (2).
[3]. Brown, R.M. and Mazzarol, T.W. 2009. The Importance of Institutional Image to Student Satisfaction and Loyalty Within Higher Education. Higher Education. Vol.58
[4]. Carvalho, S.W. and Mota, M.O. 2010. The Role of Trust in Creating Value and Student Loyalty in Relational Exchanges Between Higher Education Institutions &Their Students. Journal of Marketing for Higher Education. Vol 20 No.1
[5]. Clemes, M.D.; Gan, C.E.C and Kao, T.H. 2007. University Student Satisfaction: An Empirical Analysis. Journal of Marketing for Higher Education, Vol: 17. No.2

[6]. Desfiandi. Andi., RZ Abd Aziz, 2007, Analisa Pengaruh Perubahan Status dan Bentuk Perguruan Tinggi, Seminar Nasional Teknologi Informasi Darmajaya, Bandar Lampung https://rzabdulaziz.wordpress.com/2013/06/04/421/ diakses 16 Januari 2017.
[7]. Dib, H. And Alzamer, M. 2013. The Impact of Service Quality on Student Satisfaction and Behavioral Consequences in Higher Education Services, International Journal of Economy, Management and Social Sciences, Vol. 2, No.6, ISSN 2306-727
[8]. Dick, A.S.,Basu, K.1994. Customerloyalty:Towardanintegratedconceptualframework", Journal of theAcademyof MarketingScience, 22, 2,1994,pp.99-113
[9]. Dodds, W. B.; Monroe, K. B. and Grewal, D. 1991. Effects of Price, Brand, and Store Information on Buyers' Product Evaluations. Journal of Marketing Research.Vol. 28. No.3.
[10]. Duarte, P.O, Alves, H.B, Raposo, M.B. 2010. Understanding University Image : A Structural Equation Model Approach, International Rev Public Non Profit Mark
[11]. Elliott, K. M. and Healy, M. A. 2001. Key Factors Influencing Student Satisfaction Related to Recruitment and Retention. Journal of Marketing for Higher Education. Vol. 10. No. 4.
[12]. Fernández, R. S.; Bonillo, M. Á. I.; Díaz, W. S. and Torres, P. R. 2010. Analysis of the Value Creation in Higher Institutions: A Relational Perspective. Theoretical and Applied Economics. Vol.10. No. 551.
[13]. Fredrickson, J. E. 2012. Linking Student Effort to Satisfaction: The Importance of Faculty Support in Creating a Gain-Loss Frame.Academy of Educational Leadership Journal.Vol.16 (Special Issue).
[14]. Fullerton, G. 2003. When Does Commitment Lead to Loyalty?Journal of ServiceResearch. Vol. 5. No.4.
[15]. Ghosh, A. K.; Whipple, T. W. and Bryan, G. A. 2001. Student Trust and Its Antecedents in Higher Education. The Journal of Higher Education. 72 (3): 322-340.
[16]. Helgesen, Øyvi& Nesset, E. 2007. Images, Satisfaction and Antecedents: Drivers of Student Loyalty? A Case Study of a Norwegian University College, 2007, Journal Corporate Reputation Review 10**,** 38–59, Oslo
[17]. Henning-Thurau, T., Langer, M.F., Hansen, U. 2001. Modellingandmanagingstudent loyalty. An approachbasedontheconceptofrelationshipquality",JournalofServiceResearch,3,4, 2001, pp. 331-344
[18]. Hon, L.C. dan Grunig, J.E. 1999. Guidelines for Measuring Relationships in Public Relations, Institute for Public Relations, http://www.instituteforpr.org/wpcontent/uploads/Guidelines_Measuring_Relationships.pdf diakses tanggal 3 Januari 2017
[19]. Howell, G. F. and Buck, J. M. 2012. The Adult Student and Course Satisfaction: What Matters Most? Innovative Higher Education. 37: 215-226.
[20]. Huang, Y. H. 2001. OPRA: A Cross-Cultural, Multiple-Item Scale for Measuring Organization-Public Relationships. Journal of Public Relations Research. 13 (1): 61-90.
[21]. Irawan, Handi. 2008. Sepuluh Prinsip Kepuasan Pelanggan, Cetakan Pertama, Jakarta : PT. Elex Media Komputindo.
[22]. Kriyantono, Rachmat. 2014. Teknik Praktis Riset Komunikasi, Cetakan Perdana, Jakarta : Kencana Prenada Media Group.
[23]. ----------. 2017. Teori Public Relations Perspektif Barat Dan Lokal: Aplikasi Penelitian dan Praktik, Cetakan Kedua, Jakarta : Kencana Prenada Media Group, Jakarta.
[24]. Latan, Hengky&Ghozali, Imam. 2012. Partial Least Squares, Konsep, TeknikdanAplikasiSmartPLS 2.0 M3 untukPenelitianEmpiris. 2012. Semarang :BadanPenebitUniversitasDipenogoro.
[25]. Lee, J.N. 2001. The Impact of Knowledge Sharing, Organizational Capability and Partnership Quality on IS Outsourcing Success, Information and Management, Elsevier, 38 (2001) 325-335
[26]. Leonard, Daryanto, Heny., Sukandar, D., Yusuf, E. 2014. The Loyalty Model of Private University Students,Leonard, Heny Daryanto, Dadang Sukandar Eva Yusuf, International Research Journal of Business Studies, Vol.7 No.1
[27]. Lin, C. P. and Tsai, Y. H. 2008. Modeling Educational Quality and Student Loyalty: A Quantitative Approach Based on the Theory of Information Cascades. Quality & Quantity. 42: 397-415.
[28]. Melewar, T. C. & Akel, S. 2005. 'The Role of Corporate Identity in the Higher Education Sector'. Corporate Communications: An International Journal, vol. 10, no. 1, pp. 41 – 57. www.emeraldinsight.com/1356-3289.htm diakses tanggal14 April 2016.
[29]. Mendez, Jose R.,Parraga A.ZV., Kara, A., and Urrutia, AC. 2009. 'Determinants of Student Loyalty in Higher Education: A Tested Relationship Approach in Latin America', Latin America Business Review, Vol. 10 pp 21-39.
[30]. Morgan, R.M. & Hunt, S.D. 1994. The Commitment-Trust Theory of Relationship Marketing, Journal of Marketing, Vol.58, 20-36
[31]. Nguyen,N.,LeBlanc,G. 2001. Imageandreputationof highereducationinstitutionsinstudents' retention

decisions", The International Journal of Educational Management, 15, 6,pp.303-311
[32]. Opdecam, E. and Everaert, P. 2012. Improving Student Satisfaction in a First-Year Undergraduate Accounting Course by Team Learning. Issues in Accounting Education. 27 (1): 53-82.
[33]. Owino, EO. 2013. The Influence of Service Quality and Corporate Image on Customer Satisfaction among University Students in Kenya, Dissertation, School of Business, University of Nairobi, Kenya
[34]. Palmisano, Victoria M. 2012. A Case Study to Examine Student Retention at a Less Selective University with a High Rate of Retention. Disertasi. Doctor of Philosophy in Educational Administration. Faculty of Education, the University of New Orleans.
[35]. Schmatz, Raphael., et al. 2015. 'Students as Customers: The Net Promoter Score as A Measure of Satisfaction and Loyalty in Higher Education', The European Higher Education Society Linking Research, Policy and Practice, EAIR 37th Annual Forum in Krems, Austria.
[36]. Shiau, W.L & Luo, M.M. 2012, Factors Affecting Online Group Buying Intention & Satisfaction: A Social Exchange Theory Perspective, Journal Computers in Human Behavior, Vol.28 Issue 6
[37]. Sierra, J.J. and McQuitty, S. 2005. Service Providers and Customers: Social Exchange Theory and Service Loyalty, Journal of Service Marketing, 19/6, Emerald Group Publishing Ltd.
[38]. Stanford-Bowers, D.E. 2008. Persistence in Online Classes:A Study of Perceptions among Community College Stakeholders. Journal of Online Learning and Teaching, 4(1). http://jolt.merlot.org/vol4no1/stanford-bowers0308.pdfdiakses tanggal 27 Maret 2017
[39]. Sung, M. and Yang, S. 2009. Student - University Relationships and Reputation: A Study of The Links Between Key Factors Fostering Students' Supportive Behavioral Intentions Towards Their University. Higher Education**.** Vol:57.
[40]. Susanta, 2011. Relationship Marketing, Prosiding Ilmu Administrasi Bisnis – Universitas Brawijaya, Malang
[41]. Taecharungroj, Viriya. 2013. University Student Loyalty Model : Structural Equation Modelling of Student Loyalty in Autonomous, State, Transformed, and Private Universities in Bangkok, Dissertation in School of Public Administration, National Institute of Development Administration, Thailand
[42]. Taylor, S.E., Peplau, L.A., Sears, D.O. 2003. Social Psychology, Eleventh Edition, New Jersey: Prentice Hall.
[43]. Thomas, Sam. 2011., What Drives Student Loyalty in Universities: An Empirical Model from India, International Business Research Vol.4 No.2
[44]. Tjiptono, E. & Chandra, G. 2016. Service Quality dan Satisfaction, Edisi 4, Yogyakarta : Andi
[45]. West, R dan Turner, L.H. 2009. Pengantar Teori Komunikasi : Analisis dan Aplikasi. Buku Ke-1, Edisi ke-3, edisi Terjemah Bahasa Indoensia, Jakarta : Salemba Humanika:
[46]. Wilkin, S. & Huisman, J. 2013. Student Evaluation of University Image Attractiveness and Its Impact on Student Attachment to International Branch Campuses, Journal of Studies in International Education, Vol. 17 No.5, SAGE

Imam Nuraryo "Service Quality and Business School Image using SEM: A Mediating of Relationship Quality Variable." IOSR Journal Of Humanities And Social Science (IOSR-JHSS). vol. 23 no. 07, 2018, pp. 08-19