

Analysis of Service Quality, Image Institution, and the Price toward Student Satisfaction Jakarta LP3I Polytechnic

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Abstract

This study aims to determine and analyze partially and simultaneously the influence of service quality, image institution, and price toward student satisfaction of LP3I Jakarta Polytechnic. The type of research is quantitative approach, with data processing done using SPSS version 24. The object of this research student, with samples 132 students from levels I, II, and III. The analytical method used in this study is to use multiple linear regression analysis. The results showed that service quality, institutional image and price simultaneously and partially and simultaneously have positive and significant influence toward student satisfaction.

Keywords: Service Quality, Image Institution, Student Prices and Satisfaction.

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INTRODUCTION

Higher education as one of most important parts in our livelihood is partially responsible for efforts to educate citizens of the nation. Competition in Higher Education is marked by a very intense competition whereby universities try to capture as many new students as possible. Various efforts were made through promotion both in terms of offering educational programs accordance with the demands and developments of unique propositions including: time lines of studying time, satisfying educational services, affordable tuition fees, supporting facilities with outstanding infrastructure, competent lecturers, and various offers to make it more convenience and to increase satisfaction level for others. According to the Minister for Research, Technology & Higher Education Mohamad Nasir said too many numbers of institutions have the potential to harm the community, because the academic quality and services did not match the standards. About 14% of private universities find it difficult to fulfil campus operational costs. The number of State and Private Universities is around 4,500 campuses and it turns out that there are many problems in small private universities.

Students are the main customers of Higher Education; higher education services should be oriented towards students. According to Tjiptono [1] service quality is the expected level of excellence and control over the level of excellence to meet student desires. In addition, as a result of the evaluation related to the

decreasing trend of graduates' GPA, they felt the need to evaluate student satisfaction related to education services, so that it could be a reference for further improvements. The level of student satisfaction with service is an important factor developing a service delivery system that is responsive to the needs of students, so that from year to year the number of students increases, if the number of students decreases from year to year there may be several things that need to be improved, especially in terms of service quality.

THEORITICAL REVIEW

Service Marketing

According to Lupiyoadi [2] service marketing is any action offered by one party to another party which is intangible in principle and does not cause any transfer of ownership. The success of a company in achieving its stated goals depends on the composition of the marketing strategy. Every company uses a number of tools to get consumer responses to marketing activities carried out by the company. One of the tools used by companies in compiling a marketing strategy is marketing mix. According to Fandy Tjiptono [3] service marketing mix is a set of tools that marketers can use to shape the characteristics of services offered to customers.

Service Quality

According to Parasuraman *et al.*, [4] service quality is how far the difference between reality and expectations for the service the customers receive.

Meanwhile, according to Kotler [5] service quality is any action or activity that can be offered by one party to another party, basically intangible and does not result in any transfer of ownership. Thus service quality is the ability of a company/institution to satisfy customer expectations in the form of services, in this case student satisfaction. Service quality can be known to consumers after getting service. If the services obtained or felt are in accordance with the expected, the quality of service is perceived as good and satisfying. Conversely, if the service obtained or felt is not as expected, the quality of service is perceived as bad or not in line with expectations.

Institutional Image / Corporate Image

Imagery cannot be embedded the human mind or propagated through mass media, according to Kotler and Keller [6] an image is a set of beliefs, ideas and impressions a person has towards an object. Image is a public perception of the company regarding its services, the quality of products or services, corporate culture, corporate behavior, or the behavior of individuals in the company and others. According to Lupiyoadi and Hamdani [7] the price compares the costs and benefits obtained, where at a certain price level, if the benefits are felt consumers increase, the value will increase as well, and vice versa. If the price compares the costs and benefits obtained is high, consumers usually expect high quality, and the actual perception will be affected by this expectation. Conversely, if the price is low, students can doubt the ability and the image of the organization in terms of service quality.

Student Satisfaction

Student satisfaction according to Kotler *et al.*, [8] is the level of one's feelings after comparing the performance (or results) that he perceives compared to his expectations. According to Park [9] student satisfaction is a feeling as a response to the products of goods or services that have been consumed. Student satisfaction is a positive attitude of students towards the services of higher education institutions because of the compatibility between expectations of service compared to the reality they receive [10]. In general satisfaction can be interpreted as a comparison between services or results received by consumers with the expectations of consumers, services or results received at least must be the same as consumer expectations, or even exceed, student satisfaction in this case includes the difference between expectations and performance or perceived results

FRAMEWORK

The underlying framework is formed in this research is the relationship between service quality, institutional image and price with student satisfaction, with independent variable consists of variables X1, X2, X3, and the dependent is Y variable. The hypotheses of the study in this study is as follows:

- H1 : Service quality has a significant and positive effect toward student satisfaction.
- H2 : Institutional image has a significant and positive effect toward student satisfaction.
- H3 : Price has a significant and positive effect toward student satisfaction.
- H4 : Service quality, institutional image, and price have simultaneously significant and positive effects toward student satisfaction.

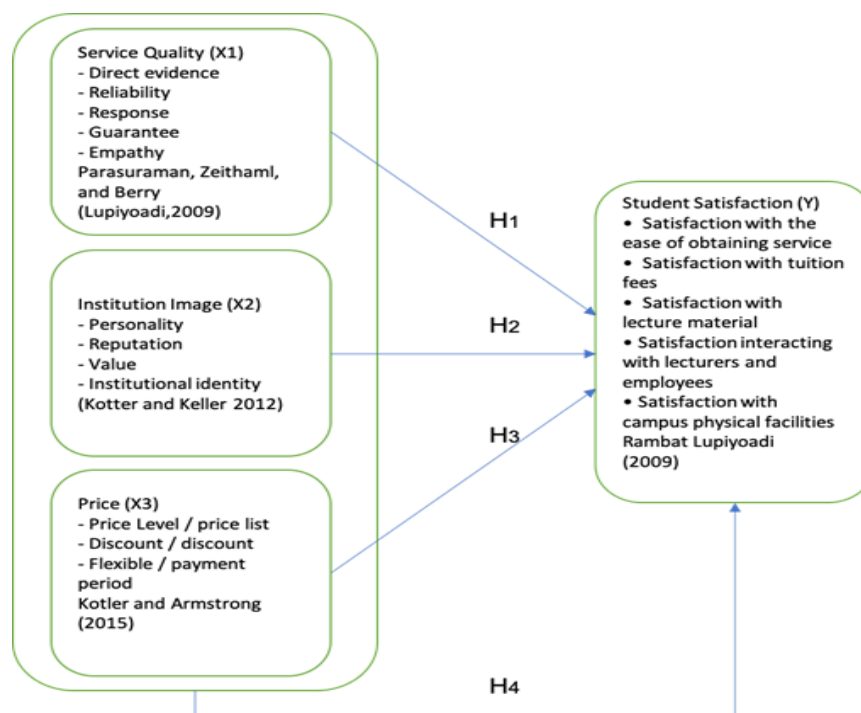


Fig-1: Research Framework

RESEARCH METHODS

The method used in this study is a descriptive method of analysis with a quantitative approach, there is a significant relationship between the variables examined, so as to produce conclusion that will clarify the picture of the object under study. The research design used questionnaires using Likert scale based on respondents' who are students perceptions, with Jakarta LP3I Polytechnic as the main site, data was analyzed using SPSS version 24.0.

Population and Samples

In this study, the population was 197 college student. The number of samples is determined using the Slovin approach with result 132 was completed. Method of collecting data including primary data using questionnaire and interviews, as well as secondary data collection.

DATA ANALYSIS METHOD

Instrument Reliability Test

The instrument used is declared reliable if it is obtained that the value of Cronbach's Alpha is greater than 0.6 or even closer to the value of 1.0. Reliability test can be seen that each variable Quality of Service with a value of 0.872, Institutional Image with a value of 0, 705, Price with a value of 0.677 and Student Satisfaction with a value of 0.894 then the value of Cronbach Alpha ≥ 0.60 . Thus, the reliability test results for all variables are reliable.

Test the Validity of Instruments

Validity testing is used to measure the validity or invalidity of a questionnaire. The basis of decision making used is to carry out a significance test by comparing the value of *r* count with *r* critical with a value of 0.3.

Normality Test

Data normality test can be done using Kolmogorov Smirnov's One Sample, which is if the significant value is above 0.05 then the data is normally distributed. Whereas if the One Sample Kolmogorov Smirnov results show a significant value below 0.05 then the data is not normally distributed.

Multicollinearity Test

To find the presence or absence of multicollinearity in the regression model can be seen from the tolerance value and the value of the variance inflation factor (VIF). Tolerance measures the variability of selected independent variables that cannot be explained by other independent variables. So the low tolerance value is the same as the high VIF value (because of $VIF=1/\text{tolerance}$) and shows a high collinearity. The commonly used cut-off value is the tolerance value of 0.10 or the same as the VIF value above 10.

Heteroscedasticity Test

This test aims to test whether in a regression model variance discomforts occur from residuals, one observation to another observation. If the variant is different, it is called heteroscedasticity. One way to find out whether there is heteroscedasticity in a multiple linear regression model is to look at the scatterplot graph or predictive value of the dependent variable, namely SRESID with the residual error, ZPRED. If there is no particular pattern and does not spread above and below the zero on the y axis, heteroscedasticity does not occur. A good model is that there is no heteroscedasticity

Multiple Linear Regression Analysis Test

This equation derived from the analysis:

$$Y = 21,052 + 0.808 X_1 + 0.696 X_2 - 0.617 X_3$$

Regression value of 0.808, meaning that every increase in 1 unit of service quality, it will increase student satisfaction by 0.808 units, along with increasing service quality it will increase student satisfaction. The regression value is 0.696, meaning that every increase in 1 unit of institutional image, it will increase student satisfaction by 0.696 units, that along with the increasing image of the institution it will increase student satisfaction. The regression value is -0.617, meaning that every increase in 1 unit of price, it will reduce student satisfaction by -0.617 units, that along with the increase in prices it will reduce student satisfaction. Partially this study shows that there is an influence of service quality, institutional image and a significant price on student satisfaction.

Simultaneous Regression Test (F Test)

The results obtained from the calculation of the F test obtained F count value of 2.55. While the F table value is 1.655 (from the calculation of $dk_1 = 3$, $\alpha = 0.05$ and $dk = 132 - 3 - 1 = 128$ obtained by F table 1.655). This means that F count (2.55) > F table (1,655) thus H_0 is rejected and H_a is accepted, meaning that service quality, institutional image and price simultaneously influence toward student satisfaction. While the significance value of the 3 independent variables is $0.029 < 0.05$. Then it can be stated partially there is a significant effect between service quality, institutional image and price toward student satisfaction.

Correlation coefficient value between Service Quality, Institution Image and Price together (simultaneously) significantly influence Student Satisfaction. This is indicated by the *r* value of 0.831, which means the relationship between the two is very strong. The value of the determination coefficient is 0.691 or equal to 69.1%, which means that the contribution of Service Quality variables, Institutional Image and Price together contribute or can explain Student Satisfaction at 69.1%, while the remaining 30.9% influenced by other factors.

Partial Regression Test (T Test)

The calculation results obtained by t value calculated service quality is greater than the value of t table that is equal to $0.989 > 0.650$ ($t \text{ count} > t \text{ table}$), so H_0 is rejected and H_a is accepted. While the significance value of the variable service quality is $0.004 < 0.05$. Then it can be stated partially there is a significant influence between the quality of service toward student satisfaction.

Determination Coefficient Analysis (R²)

The coefficient of determination R² basically measures how far the model's ability to explain the dependent variables, in this research the coefficient obtain is 0,691. The determination coefficient value is 0.691 or equal to 69.1%, which means that the contribution of Service Quality variables, Institutional Image and Price together contribute or can explain Student Satisfaction by 69.1%, while the remaining 30.9% is influenced other factors.

The coefficient of determination is zero and one. The small R² value means the reliability of the independent variables in explaining the variation of the dependent variable is very limited. Values close to one mean that the independent variables provide almost all the information needed to predict variations in the dependent variable

Interdimensional Correlation Analysis

Dimension analysis is used to determine the relationship of dimensions between independent variables and the dimensions of the dependent variable, for this reason it is necessary to analyze dimensional correlations between variables. The symbol of the correlation magnitude is r which is called the correlation coefficient while the symbol parameter is β .

RESULTS AND DISCUSSION

The respondent is the person interviewed who provides information or data to the interviewer. Respondents are required to provide correct information as a requirement for data that will be tested. The main characteristic or characteristic of the respondent is clearly describing what is information that is certainly closely related to the data being collected.

Service Quality Analysis of Student Satisfaction

Service Quality has a positive effect on student satisfaction, this is indicated by the regression coefficient of 0.808 means that if Service Quality is getting better, then Student Satisfaction will increase. This is in accordance with the concepts and theories that support those proposed by Wyckof cited by Tjiptono [11], namely service quality is the expected level of excellence and control over the level of excellence to meet customer desires. If the service or service received or perceived (perceived service) is as expected, then the quality of service or service is

perceived as good and satisfying. As we all know that the main concern in Higher Education Institutions is how to create Student Satisfaction to stay awake. If Student Satisfaction is high or good, it will give a good impact for the University to continue to exist, advance and develop. It is very important for universities to continue to maintain and even improve service quality, because service quality is one of the keys to student satisfaction. Many students are not satisfied with college, one of which is caused by low service quality. As a result, they were lazy to go to college, complained a lot, complained, non-active in college and even dropped out and moved to other universities.

The results of previous studies conducted by Abdullah Taman, Sukirno *et al.*, [12] Analysis of Service Quality for Students at the Faculty of Economics, Yogyakarta State University, concluded that there was a positive and significant effect on reliability (quality of service) on student satisfaction. As well as the opinion on journal of Nismawati [13] states that there is a significant influence between the quality of service to Student Satisfaction. Djumarno, Dian Adi Perdana, Adi Nurmahdi, Hapzi Ali on journal Customer and Satisfaction Models of Customers: Analysis of BTN Co-Creation, Communal Activation and Caring (Case Study on Students of UIN Walisongo Semarang) showed that the better the quality of the products offered, the higher the Bank BTN brand in the eyes of customers. This will be a determining factor for customer satisfaction

Institutional Image Analysis of Student Satisfaction

Institutional image has a positive effect on student satisfaction, this is indicated by the regression coefficient value of 0.696 which can also be seen based on the answers of respondents with the majority giving neutral answers and agreeing. Partially this study shows that there is an influence of institutional image on student satisfaction. This is also in accordance with the results of the t test obtained, so it can be concluded that the image of the institution will affect student satisfaction. The results of this study are supported by previous research conducted by Sukmasari Pitaloka [14] about the relationship of institutional image and satisfaction which concluded that institutional image has a positive and significant effect on student satisfaction. Faizin, Moh [15] Effect of Service Quality, Perceived Price in customer satisfaction Service quality, price perception & brand image simultaneously have a positive & simultaneous effect on customer satisfaction. Brand Image and company image has a positive and significant effect on customer satisfaction through purchase decision [16].

Institutional Image, where it is also one of the factors that also determines student satisfaction. The better the institution's image, the higher the student's satisfaction. Institutional image is a benchmark that the quality of a university is a reflection. The better the

image of the institution, the better the student's assessment of the quality of his education will be, so that it will have an impact on increasing student satisfaction. Competition in the business world in the world of education today is very tight. Colleges compete to become market leaders. One way that can be used to capture market share is to give satisfaction to students so that he will be at home and stay in college, it might even be recommended to other prospective students to study in his place. Brand Image and company image has a positive and significant effect on purchase decision [16].

Price analysis of Student Satisfaction

Other factors that also influence student satisfaction are the price or tuition fees. The tuition fees are very important for them as a determining factor in determining their college choices. If they consider the tuition fees to be too expensive and not worth the benefits, they will certainly be disappointed and dissatisfied. Conversely, if they assess the tuition fees they pay even though they are expensive, the results are worth the benefits, of course they will be satisfied. Thus the price or tuition clearly must be the concern of the institution or institution of Higher Education, if he wants his students to feel satisfied. Determining the right price or tuition fee is the best choice for all, both institutions and students. Anuwichanon, Jirawat [17] the Impact of Price Perception on Customer Loyalty. The effect of perceived prices significantly influences customer loyalty.

Analysis of service quality, instructional image and price simultaneously toward the satisfaction of LP3I Polytechnic Students in Jakarta

Service quality, Institutional Image and Price turned out to have a significant effect on Student Satisfaction. This means that the three independent variables need serious attention from the educational institutions in this case the leadership and management of the LP3I Jakarta Polytechnic, Cilodong Campus, to be maintained, and even improved so that student satisfaction can be maintained and even increased. If student satisfaction is built well, then they will feel comfortable, feel at home to stay in college, may even become external marketing to provide recommendations to other prospective new students to enroll in college at the local campus. This means that the positive impact is not only beneficial for students, but also beneficial for institutions and the wider community in this case new prospective students.

Student satisfaction according to Kotler *et al.*, [6] is the level of one's feelings after comparing the performance (or results) that he perceives compared to his expectations. According to Park [18] student satisfaction is a feeling as a response to the products of goods or services that have been consumed. Student satisfaction is a positive attitude of students towards the services of higher education institutions because of the

compatibility between expectations of service compared to the reality they receive [10].

It can be concluded that in general satisfaction can be interpreted as a comparison between services or results received by consumers with the expectations of consumers, services or results received at least must be the same as consumer expectations, or even exceed, student satisfaction in this case includes the difference between expectations and performance or perceived results. If the quality of service, Institutional Image and Price continues to be well developed, then it will have a major impact on the educational institution itself, in this case the LP3I Jakarta Polytechnic to exist, advance and develop, can even make it superior in the era of global competition.

CONCLUSION

The results of hypothesis testing proved that service quality, institutional image and price both individually and jointly had a positive effect on the satisfaction of LP3I Jakarta Polytechnic students, with the following description:

- Service Quality Variables significantly influence Student Satisfaction. This means that it is very important for universities to continue to maintain and even improve service quality, because service quality is one of the keys to student satisfaction. Many students are not satisfied with college, one of which is caused by inappropriate service quality. As a result, many trade students are lazy to go to college, complaining a lot, complaining, non-active / college leave even going out of college and moving to other universities. Because it is so important, the quality of service is the main thing for universities to continuously maintain and even improve it as much as possible
- Institutional Image Variables significantly influence Student Satisfaction. This means that Institutional Image is one of the factors that also determine student satisfaction. The better the image, the higher the student satisfaction. The institutional image is a measure of the quality of higher education as a reflection. The better the image of the institution the better the student's assessment of quality, so that it has an impact on increasing student satisfaction.
- Price Variables significantly influence Student Satisfaction. That is, the price in this case the tuition fee as a determining factor in determining the choice of college. If students rate it too expensive and not worth the benefits, they will certainly be disappointed and dissatisfied. Conversely, if they judge the price they pay, although it is expensive, the results are worth for paying they will be satisfied. Thus the price or tuition clearly must be the concern of a higher education institution or institution, if he wants his students to be satisfied. Determining the right price

or tuition fee is the best choice for all, both institutions and students.

- Service Quality Variables, Institutional Image and Price together (simultaneous) significantly influence student satisfaction. This means that the three institutions need to get serious attention from the educational institutions in this case the leadership and management of the LP3I Jakarta Polytechnic in Cilodong Campus to be guarded, maintained and even improved so that student satisfaction can be maintained and even increased. If student satisfaction is built well, then they will feel comfortable, feel at home to stay in college, may even become external marketing to provide recommendations to other prospective new students to enroll in college at the local campus. This means that the positive impact is not only beneficial for students, it is also beneficial for institutions and the wider community in this case new prospective students.

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