PERCEIVED SERVICE QUALITY, PERCEIVED VALUE FOR MONEY, SATISFACTION AND REPURCHASE INTENTION: AN EVALUATION ON PRIVATE UNIVERSITY SERVICES

Dr. Leonnard, S.E., M.Comm
Sekolah Tinggi Manajemen IPMI
E-mail address: leonnard.ong@ipmi.ac.id

Abstract

Repurchase intention is a very important goal for private universities in the very high competition in the world of education today with fellow private universities and state universities. The students' decision to do repurchase intention is influenced by many factors. The success of private universities in identifying and focusing the university's marketing and development strategies based on those factors will greatly determine the sustainability of the universities' business. Therefore, this study investigated the private university customers' perception of quality and value for money and its effect on satisfaction and students' repurchase intention. A causal design survey was applied out of 150 students of private universities in Jakarta, Indonesia. The Partial Least Square (PLS) was employed to analyze the data. The research outcome signified that there was a direct positive effect of perceived value for money on satisfaction, perceived service quality on perceived value for money, and perceived service quality on satisfaction and repurchase intention. The total effect of perceived service quality on repurchase intention was higher through an indirect effect of satisfaction. On the contrary, a direct effect of perceived value for money on repurchase intention was not confirmed.

Keywords: *Private universities, perceived service quality, perceived value for money, student satisfaction, repurchase intention, PLS*

1. Introduction

The competition of educational institutions offering educational services is becoming an interesting issue today (Oldfield & Baron, 2000; Hemsley - Brown & Oplatka, 2006). Both public and private universities compete each other to offer high educational service to satisfy consumer need (Maguad, 2007; Abdullah et al., 2014). Increasing demand for higher education services leads to increasing the number of universities that creates high competition in the educational industry. There are different views on the quality of public and private universities. In some developed countries mentioned that in the state of equilibrium, private universities have higher quality than public universities (Epple & Romano, 1998). As quality is linearly related to price, the quality of private universities is highly related to the costs imposed. This principle is in line with customer decision making theory, in which consumers are considered to be behaving rationally will only make a purchase if the amount they sacrifice is proportional to the compensation they earn (Rao, 1984; Tellis, 1986; Dodds et al., 1991).

Another view mentions otherwise that public universities have higher quality than private universities. In some developed countries of the European Union, public universities charge low tuition fees, even zero tuition fees with higher educational quality than private universities (Romero & del Rey, 2004). In this case, the public universities act in a monopolistic competition in the market so that they are able to get the best student candidates through a rigorous entrance test selection. While private universities get the rest of the demand. This condition is also common in Indonesia. Private universities have great challenges in order to compete with public universities and other private universities. Unlike the European Union, however, the costs set by private universities in Indonesia are generally higher than at public universities. The high cost incurred should be proportional to the quality obtained by consumers. Price-quality interaction generates customer value and satisfaction which is the main objective of service industries, including educational services (Zeithaml, 1988; Dodds et al., 1991; Kashyap & Bojanic, 2000; Hu et al., 2009; Kuo et al. , 2009; Fakharyan et al., 2014; Gumussoy & Koseoglu, 2016; Rajaguru, 2016).

In fact, the price and quality used as a basis for consumers to evaluate services are not always objective terms. A similar price can be viewed differently from the point of view of the consumer whether higher or lower depending

on the type of product and service, the situation and the time of purchase (Cooper, 1969a). The price in this case is called perceived value for money. Then the perceived value for money becomes a predictor of the level of quality that consumers receive. High value for money must be followed by high quality as well, so that in the same time can increase or decrease the willingness to purchase. This quality level is a perceived quality that precisely determines the consumer buying behavior compared to the actual quality of the product or service (Doods et al., 1991).

Although, there are growing literatures discussing perceived value for money and perceived quality relationships, however, there was little evidence represented in the educational services (Kashyap & Bojanic, 2000; Rajaguru, 2016; Gumussoy & Koseoglu, 2016; Liu & Lee, 2016). Therefore, this study fills the gap. We examined the interaction of perceived quality and perceived value for money and how they relate to customer satisfaction and repurchase intention in private universities in Indonesia. The outcome will enhance prior literatures by adding a new empirical evicence of the means-end theory in the higher educational services. This study is structured as follows; the next section will explain the previous theories and studies that underlie this research. Based on this foundation, then we built the hypotheses to be tested using Partial Least Square (PLS) method. Furthermore, the next section will explain the data collection method and research results. Finally, this paper will be finalized with discussion, managerial implications and study limitations.

2. Literature
2.1 Perceived value for money, perceived service quality, satisfaction

Perceived value for money is the amount that consumers should sacrifice to consume goods or services (Zeithaml, 1998; Kashyap & Bojanic, 2000). Perceived value for money is a perception that consumers use in evaluating products and making purchases compared to the actual price of the product or service. A product or service can be more expensive, moderate, or cheaper depending on how the product or service provides economic and emotional value to consumers (Rajaguru, 2016). Economic value is the opportunity cost between what is sacrificed by consumers and utility. While the emotional value is the influence of factors outside the value for money that can affect consumer decisions. These factors can take the form of time, the cost of getting a product or service and convenience (Kashyap and Bojanic, 2000). Empirical studies proved that perceived value for money is an indicator that consumers use in deciding to make purchases (Zeithaml, 1998; Kashyap & Bojanic, 2000; Alford & Biswas, 2002; Liu & Lee, 2016).

There are 3 indicators used to measure perceived value of money, according to Brady et al. (2005). Those are whether the product provides the best value, whether consumers receive something that is comparable with the value for money they spend, and whether everything that consumers received and the cost of providing more value for consumers. Meanwhile, according to Howat & Assaker (2013) there are 2 indicators used to measure perceived value for money, i.e. whether the facility is proportional to the value for money and whether the program is proportional to the value for money.

Perceived quality is the result of a comprehensive evaluation of products and services consumed by consumers (Zeithaml, 1998). The evaluation of the products or services will influence the consumer's perception of value for money (economic and emotional) (Kashyap & Bojanic, 2000; Petrick, 2004; Xia & Suri, 2014). There are two indicators used to evaluate perceived service quality following Grönroos (1984), namely technical quality and functional quality. Rust & Oliver (1994) then define technical quality as physical quality of service and functional quality as the delivery quality of service. Prior empirical literatures proved that the application of technical quality and functional quality indicators to assess perceived quality is still rare (De Keyser & Lariviere, 2014; Kasiri et al., 2017). Most of the empirical evidence suggests that SERVQUAL is the most commonly used indicators (Zeithaml et al., 1996). The interaction between perceived quality and perceived value for money will result in customer satisfaction (Zeithaml, 1988; Brady et al., 2005; Kuo et al., 2009; Howat & Assaker 2013; Gumussoy & Koseoglu, 2016; Rajaguru, 2016). Based on the explanation above, hypotheses are proposed as follows:

H1: Perceived service quality positively affects perceived value for money
H2: Perceived service quality positively affects student satisfaction

H3: Perceived value for money positively affects student satisfaction.

2.2. Satisfaction, Repurchase Intention

Satisfaction is a comprehensive evaluation after consuming products and services (Li & Petrick, 2010; Gallarza et al., 2011). The level of satisfaction in the education service sector is different from other service sectors. The level of customer satisfaction resulted from a series of teaching and learning processes during the university where the output of the process is intangible (Taylor, 1996). Satisfied consumers will result in repurchase intention (Gumussoy & Koseoglu, 2016). There are 3 indicators used to measure customer satisfaction that is expectation, emotion, and involvement. Expectation is a consumer's expectation of the products and services they consume. Emotion is a consumer psychological response when consuming products and services. Finally, involvement is the involvement of consumers of products and services when the products and services consumed meet the consumer's expectation and emotion (Vinagre & Nehes, 2008). Based on the explanation above, hypotheses are proposed as follows:

H4: Satisfaction positively affects repurchase intention

2.3 Perceived Value For Money, Perceived Service Quality, And Repurchase Intention
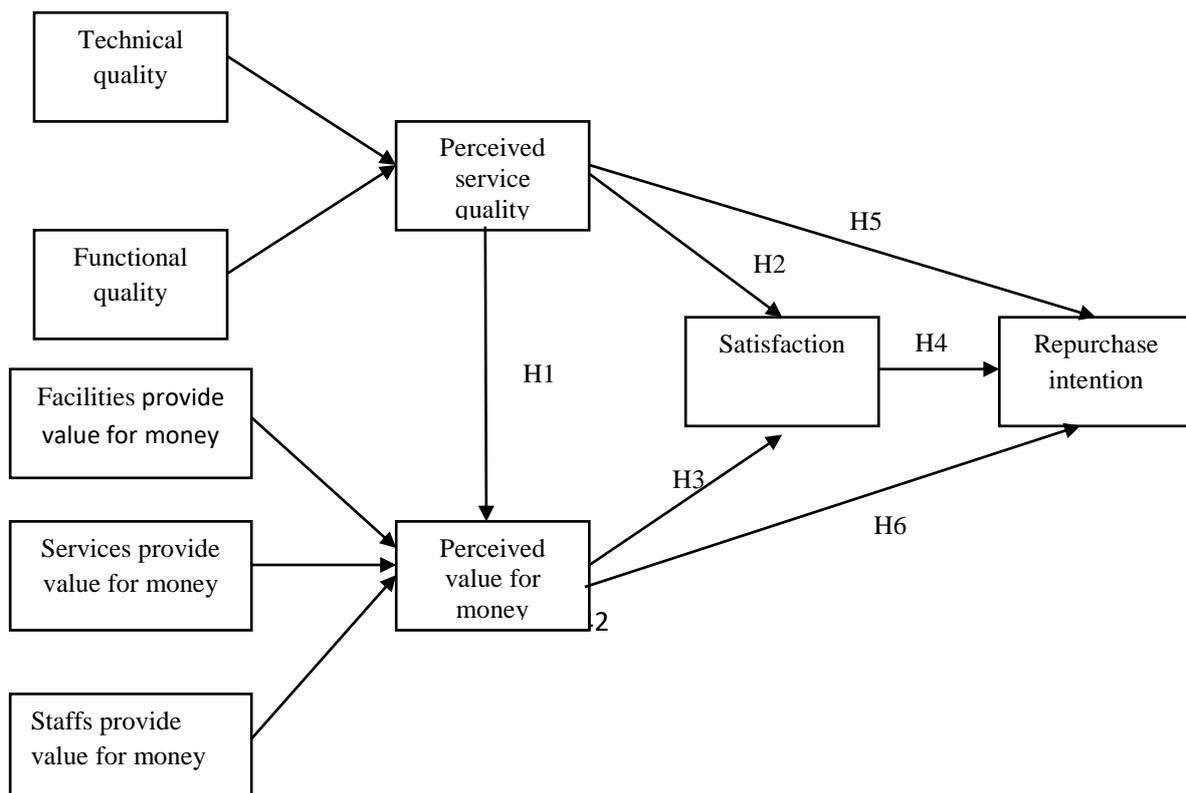
Previous empirical researches proved that there is a positive significant relationship of perceived value for money, perceived quality and repurchase intention (Dodds et al., 1991; Zeithaml, 1988; Kashyap & Bojanic, 2000; Yee & San; 2011; Wang & Tsai, 2014; Gumussoy & Kaseoglu (2016), Rajaguru, 2016). Consumers will be willing to repurchase the products or services if the quality (economic and emotional) is proportional to the amount they sacrifice (economic and emotional). Based on the explanation above, hypotheses are proposed as follows:

H5: Perceived service quality positively influences repurchase intention
H6: Perceived value for money positively influences repurchase intention

3. Conceptual Model

Based on the literature review and the result of previous empirical studies, we propose the relationship analysis of perceived value for money, perceived quality, satisfaction and repurchase intention. The conceptual relationship between the analyzed variables is denoted in Figure 1 below.

4. Methodology

4.1 Measures

In The measurement of the development constructs in this study was adapted from the literatures. Perceived quality was measured by indicators of technical quality and functional quality (Grönroos, 1984; Rust & Oliver, 1994). Technical quality consisted of actual service items received by consumers (outcome quality). Functional quality consists of 3 items of attitude, behavior, and expertise (Rust & Oliver, 1994). Perceived value for money was measured by following Brady et al. (2005) and Howat & Assaker (2013) consisting of facilities providing value for money, services providing value for money, and staffs providing value for money. Satisfaction was measured by indicators of expectation, emotion, and involvement (Vinagre & Nehes, 2008). Finally the repurchase intention was derived from the following 3 items of questions: consumers will remain loyal to the university, consumers take care of the university's shortcomings, and consumers are determined to finish college at the university as best they can (Dick and Basu, 1994).

4.2 Sample and Data Collection

Data were collected from 150 private university students using stratified random sampling with proportional allocation method. The students were from bachelor and master degree from various study programs. The questionnaires included latent variables of perceived value for money, perceived service quality, satisfaction, and repurchase intention. The questionnaires employed the Likert scale with 5 alternative answers, i.e. strongly agree (5), agree (4), disagree/sometimes (3), disagree (2), and strongly disagree (1). Finally, Partial Least Square (PLS) was carried out to analyze the data.

5. Outcomes

5.1 Exploratory Factor Analysis

The evaluation of the convergent validity model indicated that the model has had reliability items viewed from standardized loading (> 0.5) (Table 1).

Table 1. Reliabilty Test Results

Latent variables	Dimensions	Standardized loadings	Standardized loadings (Bootstrap)	Critical Ratios (CR)	Communalities
Perceived service quality	Technical quality	0.955	0.956	121.907	0.912
	Functional quality	0.960	0.959	85.552	0.922
Perceived value for money	Facilities provide value for money	0.804	0.802	18.562	0.646
	Services provide value for money	0.745	0.751	10.506	0.556
	Staffs provide value for money	0.769	0.759	14.325	0.592
Satisfaction	Expectation	0.887	0.884	30.819	0.787
	Emotion	0.877	0.875	34.219	0.768
	Involvement	0.842	0.841	29.565	0.709
Repurchase intention	Repurchase intention 1	0.892	0.890	35.444	0.796
	Repurchase intention 2	0.830	0.825	22.269	0.688
	Repurchase intention 3	0.739	0.748	14.920	0.547

Table 1 above indicated that all dimensions of loading factor values were greater than 0.7 so it could be summed up that the dimensions used in the model were valid and significant (CR value 2.0). The amount of variances that could be explained by the latent variables to its dimensions was explained through the value of communalities. As many as 91.2 % technical quality and 92.2 % functional quality could be explained by the latent variable of perceived service quality. Perceived value for money explained higher on facilities provide value for money, and satisfaction explained higher on expectation

Subsequent evaluations of the cronbach's alpha and D.G rho (PCA) pointed the values above 0.6 indicating the model was sufficient for composite reliability (Nunnally & Bernstein, 1994) (Table 2). The Average Variance Extracted (AVE) values of all latent variables were above 0.5 indicated that all latent variables had good convergent validities.

Table 2. Composite Reliability Test Results

Latent variables	Dimensions	Cronbach's alpha	D.G rho (PCA)	Mean communalities (AVE)	Critical Values	Eigenvalues
Perceived service quality	Technical quality	0.910	0.957	0.917	0.453	0.830
	Functional quality					0.075
Perceived value for money	Facilities provide value for money	0.664	0.817	0.598	0.856	1.537
	Services provide value for money					0.546
	Staffs provide value for money					0.485
Satisfaction	Expectation	0.836	0.902	0.755	0.605	1.369
	Emotion					0.276
	Involvement					0.169
Repurchase intention	Repurchase intention 1	0.759	0.862	0.677	0.832	1.690
	Repurchase intention 2					0.534
	Repurchase intention 3					0.272

Further evaluation of discriminant validity which was carried out by comparing the AVE value with the quadratic correlation between latent variables indicated the loading factor values for technical quality (0.955) and functional quality (0.960) were higher compared with other latent variables. Similarly, the facilities providing value for money dimensions (0.804), services providing value for money (0.745), and staffs providing value for money (0.760) had higher correlations on latent variables perceived value for money. Dimensions of expectation (0.887), emotion (0.877), and involvement (0.842) had higher correlations to the latent variable of satisfaction. Finally, the dimensions of repurchase intention 1 (0.892), repurchase intention 2 (0.830), and repurchase intention 3 (0.739) had higher correlations to the latent variables of repurchase intention. All of the cross comparison results indicated that the model had fulfilled discriminant validity (Table 3).

Table 3. Cross-loading Test Results

	Perceived service quality	Perceived value for money	Satisfaction	Repurchase intention
Technical quality	**0.955**	0.536	0.681	0.611
Functional quality	**0.960**	0.505	0.717	0.655

Facilities provide value for money	0.454	**0.804**	0.414	0.385
Services provide value for money	0.345	**0.745**	0.376	0.290
Staffs provide value for money	0.451	**0.769**	0.442	0.338
Expectation	0.598	0.484	**0.887**	0.650
Emotion	0.660	0.475	**0.877**	0.651
Involvement	0.651	0.427	**0.842**	0.601
Repurchase intention 1	0.566	0.413	0.671	**0.892**
Repurchase intention 2	0.525	0.401	0.597	**0.830**
Repurchase intention 3	0.547	0.256	0.524	**0.739**

5.2 Structural model analysis

5.2.1 Inner model analysis

The results of cross-sectional regressions indicated that the value of R2 for each endogenous variable that could be explained by the model was more than 20 % (R2 of perceived value for money 0.295, R2 of satisfaction 0.559, R2 of repurchase intention 0.397) which means the exogenous latent variables were valid in explaining the endogenous variables. A further evaluation of the effect size f2 indicated the effect size f2 for the model 1 on perceived service quality was 0.418 (moderate effect). In the model 2, the value of f2 for perceived service quality was 0.626 (high leverage), and f2 for perceived value for money was 0.059 (small effect). In the model 3, the value of f2 for perceived service quality was 0.074 (small effect), f2 for perceived value for money was 0.000 (no effect), and f2 for satisfaction was 0.280 (moderate effect). The last evaluation of structural model validation was by looking at the value of goodness of fit (GoF). The absolute GoF value of the model was 0.584 (high) (Table 4).

Table 4. Goodness of Fit Index Result

	GoF	GoF (Bootsrap)	Standard error	Critical ratio	Lower bound (95 %)	Upper bound (95%)
Absolute	0.584	0.586	0.033	17.599	0.507	0.651
Relative	0.987	0.968	0.012	85.328	0.939	0.986
Outer model	1.000	0.997	0.001	983.812	0.993	0.998
Inner model	0.987	0.971	0.011	87.346	0.945	0.989

5.2.2 Path estimates and hypotheses testing

An evaluation of the inner model indicated that 5 of the 6 hypotheses were supported. The supported hypotheses were the hypothesis 1,2,3,4, and 5. Perceived service quality positively influenced perceived value for money with a coefficient of 0.543 (hypothesis 1). Perceived service quality and perceived value for money positively influenced student satisfaction with coefficients of 0.626 and 0.192, respectively (hypothesis 2 and 3). Satisfaction and perceived service quality positively influenced repurchase intention with coefficients of 0.524 and 0.272, respectively (hypothesis 4 and 5).

5.2.3 Direct, indirect, and total effects

Direct, indirect, and total effects in the Table 5 and Figure 1 pointed that perceived service quality had the greatest influence on satisfaction (0.730) and repurchase intention (0.600). The high effect of perceived service quality on satisfaction was obtained through an indirect effect of perceived value for money. While the influence of perceived service quality on repurchase intention was obtained through an indirect effect of satisfaction. The smallest influence was given by perceived value for money on satisfaction (0.192), followed by the influence of satisfaction on repurchase intention (0.524), and the influence of perceived service quality on perceived value for money (0.543).

Table 5. Direct, Indirect, and Total Effects

	Direct effect	Indirect effect	Total effect
Perceived service quality ⟶ Perceived value for money	0.543	-	0.543
Perceived service quality ⟶ Satisfaction	0.626	0.104	0.730
Perceived value for money ⟶ Satisfaction	0.192	-	0.192
Satisfaction ⟶ Repurchase intention	0.524	-	0.524
Perceived service quality ⟶ Repurchase intention	0.272	0.328	0.600
Perceived service quality ⟶ Repurchase intention	0.013*	0.100	0.113

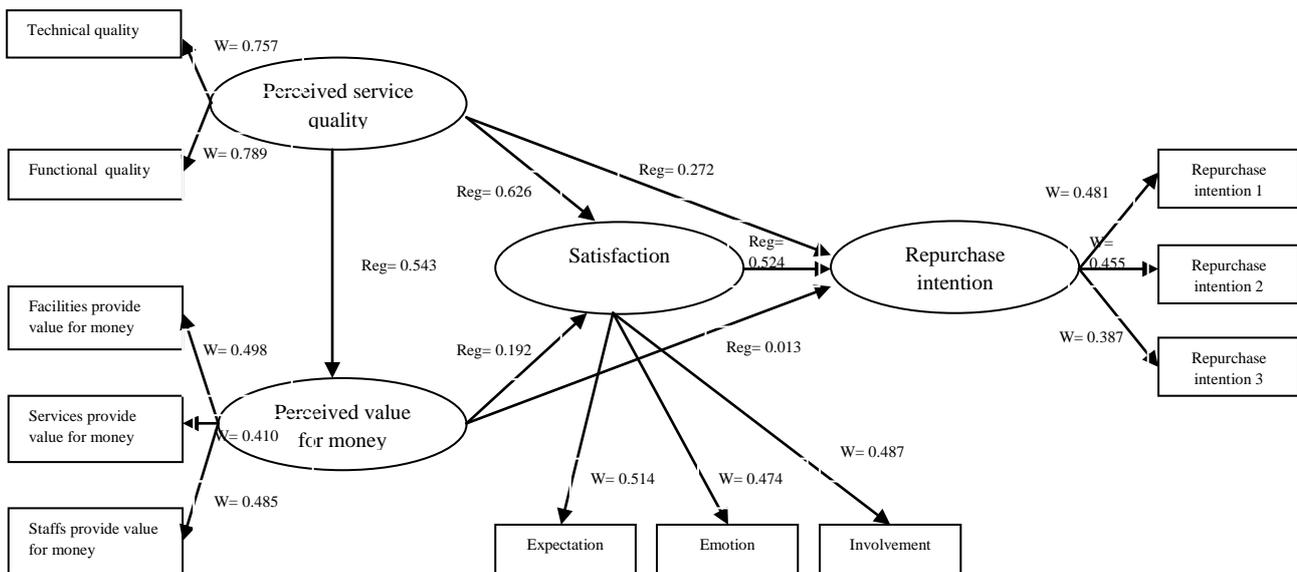Note: * = non-significant effects at the 0.05 level

Figure 1. Results of PLS Model
Note: * =non-significant effects at the 0.05 level

6. Discussions

6.1 Theoretical implications

Results of data processing support theoretical background of the previous empirical studies. From the multidimensional analysis, it was found that each of the significant dimensions influenced latent variables. The dimensions of technical quality and functional quality significantly influenced perceived service quality (coefficients of 0.757 and 0.789, respectively). These results support Grönroos (1984) and Rust & Oliver (1994). Similarly, the dimensions of facilities providing value for money, services providing value for money, and staffs providing value for money significantly influenced perceived value for money (coefficients of 0.498, 0.410, and 0.485, respectively). These results support Brady et al. (2005) and Howat & Assaker (2013). Dimensions of expectation, emotion, and involvement significantly influenced satisfaction (coefficients of 0.514, 0.474, and 0.487, respectively). These results support Vinagre & Nehes (2008). The last dimension of repurchase intention 1, repurchase intention 2, and repurchase intention 3 significantly influenced repurchase intention (coefficients of 0.481, 0.455, and 0.387, respectively). These results support Dick & Basu (1994).

Furthermore, from hierarchy analysis, it was found that perceived service quality significantly influenced perceived value for money. These results support Zeithaml (1998), Brady et al. (2005), Kuo et al. (2009), Howat & Assaker (2013), and Gumussoy & Koseoglu (2016). Perceived service quality and perceived value for money influenced satisfaction. These results support Brady et al. (2005), Kuo et al. (2009), Howat & Assaker (2013), Rajaguru (2016), and Gumussoy & Koseoglu (2016). Furthermore, perceived service quality through indirect effects of perceived value for money influenced satisfaction with a higher total effect. These results support Gumussoy & Koseoglu (2016) and Howat & Assaker (2013). Satisfaction directly influenced repurchase intention. These results support Gumussoy & Koseoglu (2016). Perceived service quality also directly influenced repurchase intention that supports Kashyap & Bojanic (2000), Yee & San (2011), Wang & Tsai (2014), and Rajaguru (2016). In contrast, the results of the analysis do not support Zeithaml (1988), Dodds et al. (1991), Kashyap & Bojanic (2000), Yee & San (2011), Wang & Tsai (2014), Rajaguru (2016) where perceived value for money had no direct effect on repurchase intention. Indirect effects of both perceived service quality variables and perceived value for money against repurchase intention support Gumussoy & Kaseoglu (2016) and Rajaguru (2016).

6.2 Managerial implications

The theoretical implication in the previous discussion reveals not only the direct effect of perceived service quality on satisfaction, but also through mediating variable perceived value for money. This means that the higher the service quality that consumers receive, the higher the perception of the consumer on the perception that the price they pay is proportional to the quality they earn which subsequently will give satisfaction (Howat & Assaker, 2013). Implication for managers is that they cannot set prices in such a way without improving service quality. Then by looking back at the dimensions that constitute perceived service quality where functional quality has the greatest influence, managers need to consider delivery services quality that includes attitude, behavior, and expertise of staffs and lecturers at the University who interact directly with students. According to Howat & Assaker (2003), managers need to set standards for recruitment and training of staff and lecturers so that they provide services in a friendly, non-discriminative manner, provide information quickly, accurately, carefully and easily understood, and especially for lecturers to have knowledge and high teaching ability.

The subsequent implications of the perceived service quality influence on repurchase intention reveal that high service quality will lead to the desire of students to complete and to continue their studies to the higher level in the same universities. In addition, the indirect influence of perceived service quality through satisfaction implies the manager that in order for students to do repurchase intention, they must provide a high service quality that exceeds student expectations (Gumussoy & Kaseoglu, 2016; Rajaguru, 2016).

7. Limitations and future studies

This study has several limitations. First, the model does not distinguish sociodemographic characteristics of students, education levels and fields of study. Therefore, for the advanced research, it is important that these characteristics should be considered because different characteristics can give differences in preference to service quality, value for money, satisfaction, and repurchase intention. Second, the concept of perceived service quality used in this study follows Grönroos (1984) consisting of two dimensions of technical quality and functional quality. Other concepts can be considered for advanced research, such as the three component models by Rust & Oliver (1994) and the multilevel model by Dabholkar, Thorpe, and Rentz (1996). Third, the focus of this research is only on an endogenous variable of repurchase intention as a part of behavioral intention. Further research can consider other variables such as word-of-mouth behavior as well as attitudinal intentions, such as emotional commitment and switching costs (Tanford, 2013).

References

Abdullah, A.H., Wasiuzzaman, S. and Musa, R., 2014. The effects of university quality on emotional attachment: A case from a private higher education institution. Procedia-Social and Behavioral Sciences, 130, pp. 282-292.

Alford, B.L. and Biswas, A., 2002.The effects of discount level, price consciousness and sale proneness on consumers' price perception and behavioral intention. Journal of Business research,55(9), pp. 775-783.

Brady, M.K., Knight, G.A., Cronin, J.J., Tomas, G., Hult, M. and Keillor, B.D., 2005. Removing the contextual lens: A multinational, multi-setting comparison of service evaluation models. Journal of Retailing, 81(3), pp. 215-230.

Cooper, P., 1969. The begrudging index and the subjective value of money. London: Staples Press, Ltd, pp. 122-31.

Dabholkar, P.A., Thorpe, D.I. and Rentz, J.O., 1996. A measure of service quality for retail stores: scale development and validation. Journal of the Academy of marketing Science, 24(3),.

De Keyser, A. and Lariviere, B., 2014.How technical and functional service quality drive consumer happiness: Moderating influences of channel usage. Journal of Service Management,25(1), pp. 30-48.

Dick, A.S. and Basu, K., 1994. Customer loyalty: toward an integrated conceptual framework. Journal of the academy of marketing science, 22(2), pp. 99-113.

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, pp. 307-319.

Epple, D. and Romano, R.E., 1998. Competition between private and public schools, vouchers, and peer-group effects. American Economic Review, pp. 33-62.

Fakharyan, M., Omidvar, S., Khodadadian, M.R., Jalilvand, M.R. and Nasrolahi Vosta, L., 2014. Examining the effect of customer-to-customer interactions on satisfaction, loyalty, and word-of-mouth behaviors in the hospitality industry: the mediating role of personal interaction quality and service atmospherics. Journal of Travel & Tourism Marketing, 31(5), pp. 610-626.

Gallarza, M.G., Gil-Saura, I. and Holbrook, M.B., 2011.The value of value: Further excursions on the meaning and role of customer value. Journal of consumer behaviour, 10(4), pp. 179-191.

Grönroos, C., 1984. A service quality model and its marketing implications. European Journal of marketing, 18(4), pp. 36-44.

Gumussoy, C.A. and Koseoglu, B.,The Effects of Service Quality, Perceived Value andPrice Fairness on Hotel Customers'Satisfaction and Loyalty.

Hemsley-Brown, J. and Oplatka, I., 2006. Universities in a competitive global marketplace: A systematic review of the literature on higher education marketing. International Journal of public sector management, 19(4), pp. 316-338.

Howat, G. and Assaker, G., 2013. The hierarchical effects of perceived quality on perceived value, satisfaction, and loyalty: Empirical results from public, outdoor aquatic centres in Australia. Sport Management Review, 16(3), pp. 268-284.

Hu, H.H., Kandampully, J. and Juwaheer, T.D., 2009.Relationships and impacts of service quality, perceived value, customer satisfaction, and image: an empirical study. The service industries journal, 29(2), pp. 111-125.

Kashyap, R. and Bojanic, D.C., 2000. A structural analysis of value, quality, and price perceptions of business and leisure travelers. Journal of travel research, 39(1), pp. 45-51.

Kasiri, L.A., Cheng, K.T.G., Sambasivan, M. and Sidin, S.M., 2017.Integration of standardization and customization: Impact on service quality, customer satisfaction, and loyalty. Journal of Retailing and Consumer Services, 35, pp. 91-97.

Kuo, Y.F., Wu, C.M. and Deng, W.J., 2009. The relationships among service quality, perceived value, customer satisfaction, and post-purchase intention in mobile value-added services. Computers in human behavior, 25(4), pp. 887-896.

Li, X. and Petrick, J.F., 2010. Towards an integrative model of loyalty formation: The role of quality and value. Leisure Sciences,32(3), pp. 201-221.

Liu, C.H.S. and Lee, T., 2016. Service quality and price perception of service: Influence on word-of-mouth and revisit intention.Journal of Air Transport Management, 52, pp. 42-54.

Maguad, B.A., 2007. Identifying the needs of customers in higher education. Education, 127(3), pp. 332-344.

Nunnally, J.C. and Durham, R.L., 1975. Validity, reliability, and special problems of measurement in evaluation research. Handbook of evaluation research, 1, pp. 289-352.

Oldfield, B.M. and Baron, S., 2000. Student perceptions of service quality in a UK university business and management faculty. Quality Assurance in education, 8(2), pp. 85-95.

Rust, R.T. and Oliver, R.L. eds., 1993. Service quality: New directions in theory and practice. Sage Publications.

Petrick, J.F., 2004.The roles of quality, value, and satisfaction in predicting cruise passengers' behavioral intentions. Journal of travel research, 42(4), pp. 397-407.

Rajaguru, R., 2016. Role of value for money and service quality on behavioural intention: A study of full service and low cost airlines. Journal of Air Transport Management, 53, pp. 114-122.

Rao, V.R., 1984. Pricing research in marketing: The state of the art. Journal of Business, pp. S39-S60.

Rey, E.D. and Romero, L., 2004. Competition between public and private universities: quality, prices and exams (No. we046423). Universidad Carlos III de Madrid. Departamento de Economía.

Tanford, S., 2013. The impact of tier level on attitudinal and behavioral loyalty of hotel reward program members. International Journal of Hospitality Management, 34, pp. 285-294.

Taylor, S.A., 1996. Consumer satisfaction with marketing education: Extending services theory to academic practice. Journal of Consumer Satisfaction Dissatisfaction and Complaining Behavior, 9, pp. 207-220.

Tellis, G.J., 1986. Beyond the many faces of price: an integration of pricing strategies. The Journal of Marketing, pp. 146-160.

Helena Vinagre, M. and Neves, J., 2008. The influence of service quality and patients' emotions on satisfaction. International journal of health care quality assurance, 21(1), pp. 87-103.

Wang, Y.H. and Tsai, C.F., 2014. The relationship between brand image and purchase intention: Evidence from award winning mutual funds.

Xia, L. and Suri, R., 2014. Trading effort for money: Consumers' cocreation motivation and the pricing of service options. Journal of Service Research, 17(2), pp. 229-242.

Yee, C.J. and San, N.C., 2011. Consumers' perceived quality, perceived value and perceived risk towards purchase decision on automobile. American Journal of Economics and Business Administration, 3(1), p. 47.

Zeithaml, V.A., 1988. Consumer perceptions of price, quality, and value: a means-end model and synthesis of evidence. The Journal of marketing, pp. 2-22.

Appendix A

Table A.1. *Variables Selected for Model Analysis*

Dimensions	Attributes
Technical quality	The staffs appearance are neat
	Library facilities are adequate
	The lecture rooms are comfortable
	Service standards promise quality
	Administrative services are adequate
	Academic services are qualified
Functional quality	Staff knowledge is adequate
	Academic services is precise
	Academic service is provided with care
	Staff treatments are non-discriminatory
	Quick response
	Quick complaint handling
	Staffs are friendly
	Staffs provide information that is easy to understand
Perceived value for money	Facilities provide value for money
	Services provide value for money
	Staffs provide value for money
Expectation	Facilities are in line with expectations
	Staffs are in line with expectations
	I am proud to be a part of the university
Emotion	I enjoy studying at the university
	I am delighted to study at the university
	The learning atmosphere is fun

Involvement	I actively contribute ideas to the university
	I actively promote university excellence
	I care about the university
Repurchase intention	I will remain loyal to the university
	I am contributing to the shortcomings of the university
	I am determined to finish my study at the university