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Understanding university brand loyalty: the mediating role of attitudes towards the department and university

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Abstract

For today's competitive academic environment, brand management in higher education is becoming highly important. As students have many options available to them, there is a growing need to study factors that enable higher education institutions to attract and retain students. In literature, there are many factors that foster or challenge branding activities of universities. In this study, the mediating role of attitude on university performance variables and university brand loyalty relationship is investigated. A survey is used as a research instrument and applied to university students. Data is collected from 321university students studying at business administration department of a public university. Hierarchical multiple regression is used to test the hypotheses which revealed partial mediation of attitude between the relationship of university performance and university brand loyalty.

1. Introduction

Universities went through a thorough change since late 20th Century based on the changes in the society's needs and demands. The recent increase in the demand for higher education across the world, the globalization of the job market, and ease of international movement brought about a higher education market based on rivalry and the need for managing universities as brands. Universities had to position themselves as different and desirable brands and increase their image in the eyes of their stakeholders because of this rivalry (Chapleo, 2010; Schee, 2011; Bunzel, 2007). As such, Cornell University developed a new brand programme with students and the management when they weren't placed in the top ten lists of US News and World Report. Beaver University near Philadelphia conducted a questionnaire to students and found out that 30% of the students hadn't preferred it because of its name. Then the university changed its brand name to Arcadia University in 2001 (Bunzel, 2007).

Branding has become an important tool to leverage a university's position in the in the market, increase number of student applications, step up its position in rankings, improve graduate career prospects, or gain institutional support

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of the authorities. Universities now maintain various products and services with their brand and they serve various stakeholder categories to which these brands mean something (Mainardes, Alves, and Raposo, 2013a). Yet, the most important stakeholders of a university are its students (McAlexander, Koenig and Schouten, 2004). Universities, which want to gain competitive edge in the future, should begin searching for effective and creative ways to attract, retain and foster stronger relationships with students. Therefore, it is essential to understand how a strong university brand is created in the minds of the students (Bunzel, 2007; Schee, 2011). For this end, based on theory of reasoned action, a model is proposed and tested to understand the factors that lead to positive brand attitude and then to brand loyalty towards universities. The study is novel in the sense that it is one of few studies in the Turkish context to test the university students' perspectives on what creates loyalty to their universities. The outcomes are believed to shed light on future university brand management practices.

2. Literature Review And Hypotheses

2.1. Branding Universities

Brand management in higher education is an area that has been on the agenda of practitioners for some time (Llanes, Gray, and Fam 2003), but has received comparably limited academic attention (Chapleo, 2007; Balmer et al, 2010; Heaney and Heaney, 2008). Kotler and Fox (1995) claimed in 1990s that universities were faced with the challenge of acting like businesses, managing themselves as brands, and that their image and reputation influenced choices made by prospective students. Since then, many universities started to apply brand management strategies in their institutions. The main impetus behind branding universities is to attract attention and retain loyalty of the students, business world, and society in general. Then the question is which particular issues foster or challenge branding activities of universities. In today's competitive academic environment where students have many options available to them, factors that enable educational institutions to attract and retain students should be seriously studied (Schee, 2011; Tanyeri and Nardallı, 2015).

Studies on university branding have identified many different factors that drive positive brand image, student satisfaction, and success for universities. Some of these studies and their results are as follows. LeBlanc and Nguyen (1999) conducted a study on university students and identified six different values that students obtained from universities. These were functional values related to future career development and good value obtained compared to tuition fees, reputation-related symbolic values, social values associated with fellow students, epistemic values related to gaining knowledge and education, and finally emotional values related to self-fulfillment. Of all these values, functional values and epistemic values had a higher influence on overall evaluation of students. Studies by Cuthbert (1996) and O'Neill and Palmer (2004) showed that the driver of student satisfaction of a university was the process of education (course delivery mechanisms, quality of courses and teaching, interpersonal relationships etc.), and the students mostly cared about knowledge and assurance of the educators as well as the warm relationship and empathy provided by them. The physical appearance of the university (architecture, campus) was also one of the factors that students considered, but comparably it was less important for satisfaction. On the other hand, study by Smith and Ennew (2001) put forward that there were peripheral aspects and the university facilities, which students consumed such as cafeterias and residential areas which had a significant impact on the evaluation of universities. Similarly, in their study, Duarte, Alves and Raposo (2010) found out that university social life atmosphere was an important predictor of positive image towards a university along with employment opportunities. Ali-Choudhury, Bennett and Savani (2009) established a 10-component list of a university brand as: educational identity, institution's location, graduate employment opportunities, visual imagery, general ambience, reputation, sport and social facilities, learning environment, course choices availability and community links. Finally, Mainardes, Alves and Raposo's study (2013b) concluded that the university's environment, motivating lessons and easy university bureaucracy were the key expectations of university students.

Based on these studies, it can be concluded that both performance-related factors (including service given, the process, and physical evidence) of a university and its imagery have an effect on the perception of the students. The performance related factors can be listed as (a) education, (b) teaching staff, (c) course variety, (d) graduate employment opportunities, (e) general social environment, (f) fellow student compatibility, (g) general physical environment. The imagery factors, on the other hand, include general image and reputation of the universities. In order to be successful, universities should outperform others on all or some of these dimensions.

Turkey is a potential promising market for higher education. Each year, the number of new universities is increasing to meet the demand of the young population of the country. However, one cannot say that all of these