The Role of City and Host University Images on Students’ Satisfaction with the Assigned Destination

Ratna Roostika
Universitas Islam Indonesia

ABSTRACT

Many cities have actively integrated higher education and local culture as part of city and university image building. Yogyakarta, known as cultural and student city in Indonesia hosts a large number of students from all over Indonesia. Yogyakarta not only offers academic facilities, but the social and cultural environments also offer valuable experiences. When choosing a university, the location of the institution plays an important role in student’s decision making. Life outside university considered as important factor in influencing satisfaction with education experience. The purpose of this study is to investigate the city and university image relationship, and then to determine whether both city and university image could lead to students satisfaction with the assigned destination. Samples are students from five major islands in Indonesia who study in Yogyakarta. 164 valid respondents were tested using Partial Least Square analysis. University and city images are both predictors of students satisfaction with assigned destination. The local governments, place managers and university should strengthen their capacity for city images building synergies. The synergy will strengthen the city and university competitiveness over other places and other competing universities.

Keywords: City image, university image, satisfaction

1. INTRODUCTION

Marketing efforts to places have currently gained more popularity. Not only country, cities also compete with other places in an effort to attract attention, investment, tourists, companies, events, students, talents and qualified workforce (Herget et al., 2015; Kavaratzis and Asworth, 2005). Place marketers focuses on building city image and city branding for gaining higher competitiveness (Braun, 2008). Insch and Sun (2013) study have identified the city’s physical and non-physical attributes with its link to attractiveness. In order to become an attractive city, marketing activities can stimulate city’s image (Strielkowski, 2013). A city needs marketing support to compete with other cities, and as part of marketing promotion strategy, cities are common being treated similar to product (Amatyakul and Polyorat 2016). The attractiveness of city attracts scarce resources to come and to live. In the higher education industry, city attractiveness may attract potential students and foreign students to study. Consequently, city and university should build image building synergy. When searching for tertiary education, students not only seek university image and reputation. They also search for non academic value where city (off campus environment) plays important role in students’ decision making and motivations to study.
In Indonesia, the education market is a very promising growth sector. According to Moeliodihardjo (2014), the number of young population under 25 years comprises 44.7% of its total 250 million Indonesian population. The Indonesian higher education participation constantly grows and in 2020 British Council estimated that higher education enrolment may reach 7.8 million (ICEF-Monitor 2014). Majority of Indonesian most favorite universities are located in the big cities in Java. All these cities are competing for best students. Different cities offer unique environment for supporting their higher education life.

Research on student perceptions with the university and satisfaction with their host cities remained largely ignored (Cubillo et al., 2006; Darchen and Tremblay, 2010; Brandt and Pahud de Mortanges, 2011). Both city and university should be able to fulfill the needs and desires of students because satisfied students are future great partners and word-of-mouth endorser (Gruber et al., 2010). They may also in the future be potential city investors. The aim of this study is to observe students’ perceptions of their university and host city image and how these two determinants will influence their satisfaction on the assigned destination. The city of Yogyakarta, Indonesia is selected as the case study to examine how both city and university image will win students’ heart and thus increase their satisfaction to both city life and academic experiences.

2. LITERATURE REVIEW

Before making decision to enroll higher education, students have many expectations and their expectations are not only about their academic target but also non-academic life. For international students, country image matters when choosing to study overseas. For local students, city images matter as supporting condition to study in the higher education. Students favor different city attributes that will influence their choice for studying in higher education. Students commonly evaluate two aspects, central aspect and peripheral aspect. The central aspect covers the quality of academic programme (Peng et al, 2000) and the peripheral covers the quality of the services of the host university and the attributes of the city (Soutar and Turner, 2002; Darchen and Tremblay, 2010). Since both city and university could gain many benefits from hosting students, both need to build synergy when building image strategies. Florida’s (2005) and Landry’s (2006) have examined the important of developing specific strategies to attract talent in order to fuel the ‘creative’ city. Different researches (Zenker, 2009; Darchen and Tremblay, 2010; Zenker et al, 2013) have highlighted the important of city branding as a key tool to capture talent. Based on these arguments, the ideas of university, city images and students satisfaction are key concepts that are worth to be examined.

Cities are complex bundles of services and complex interactions among residents from different background (permanent and temporary). All of them shape their expectations and satisfaction with the services they received from the city (Insch and Sun, 2013). Satisfaction with city life is a process where it is created from subjective needs, expectations, and perceptions to the attributes and qualities of the city (Insch and Florek, 2008). For example, students may appreciate more on a range of social activities, while a family may value more on safe environment for their children (Insch and Insch, 2011). Different residents would rate a city’s features, attractions, and amenities in the different way (Insch and Sun, 2013). Previous research has indicated ways of measuring residents’ satisfaction with neighborhood...
and urban life involving a combination of objective and subjective qualities of a place. Objective quality image includes: level of urbanism, socio-economic status, income, population density, ethnicity and mobility. Subjective perceptions image includes: noise, traffic, neighbors, safety and security, convenience to shopping and other community facilities. Objective contextual variables were found relatively little influence to satisfaction (Insch and Sun, 2013). It is important to find out other non-objective quality image factors that influence students’ satisfaction with their host cities. On the basis of this information, university administrators in conjunction with city authorities can identify which key features require immediate and ongoing attention.

The image of an institution is defined by some authors as the sum of opinions, ideas and impressions that people have about the organization (Barich and Kotler, 1991; Kotler and Fox, 1995). This is the result of a cumulative process from which individuals evaluate the different attributes of the institution (Nguyen and Leblanc, 2001). Srikatanyoo and Gnoth (2002) define university image based specifically on its perceived quality, which includes variables related to the global reputation of the institution, physical facilities, academic programmes, courses and academic staff (Soutar and Turner, 2002; Simpson and Tan, 2009). The image of the educational institution plays a key role in attracting and maintaining the loyalty of the students (Darchen and Tremblay, 2010), and as a base for the market positioning that influences their decision-making process (Nguyen and Leblanc, 2001). In particular, different authors have found a positive relationship between the perceptions (image) that students have about a university and their preference for a particular institution (Soutar and Turner, 2002), the evaluation of the educational service (Simpson and Tan, 2009) and the general success of the institution (Mazzarol, 1998; Binsardi and Ekwulugo, 2003).

Along with the image of the institution that provides the educational programme, the selection and evaluation of the programme can be conditioned by other factors (Veloutsou et al, 2004), such as the image of the city (Cubillo et al, 2009; Darchen and Tremblay, 2010). According to Barrio et al (2009), the image of a city can be defined as “a group of spontaneously noted adjectives associated with a given stimulus (physical or social), that generates a series of positive or negative associations in the targets”. This image, created as perceptions to the location and the infrastructure (physical stimuli) plays an important role in influencing positive evaluation (Knight, 2011) and choice (Darchen and Tremblay, 2010) of the educational programme. Similarly, Cubillo et al (2006) argue that the city represents a space in which the educational service is provided and consumed and becoming significant consideration when evaluating the educational programme (Patterson et al, 1998). The city’s image allows the rapid identification and evaluation of any local products (Pasquinelli and Teras, 2013). In other words, the city brand and image acts as a signal or as an umbrella to identify the specific products or services from that region (Kavaratzis, 2004; Zenker et al, 2013). City image has been associated with factors such as job opportunities, lifestyle, quality of life, cost of living, safety, security and cultural diversity (Darchen and Tremblay, 2010; Zenker et al, 2013). Students should be more satisfied with the assigned destination if they have a positive image about the city. This leads to the establishment of the following research hypotheses

**Hypothesis 1:** The image of the city positively influences the satisfaction with the assigned destination.
Hypothesis 2: The image of the city positively influences the image of the host university.
Hypothesis 3: The image of the host university positively influences the satisfaction with the assigned destination.

3. RESEARCH SETTING

Yogyakarta or the special region of Yogyakarta is situated in the centre of Java Island. Yogyakarta is the only region in Indonesia that is still governed by a monarchy, called the Sultan of Yogyakarta, who serves as the hereditary governor of the region. Even though the geographical size only represents 0.17% of total Indonesia, it has important historical and cultural contributions to Indonesia independence. It is known as both cultural and students’ city. As a student city, the city image is constantly influenced and shaped by its distinctive student culture. The distribution of institutions in Indonesia is highly skewed toward Java (43.7%) and Sumatera (29.1%) island, whilst Maluku and Papua island only 3.4%. Apart from the university life, Yogyakarta is also famous for its landscape, unique heritage and Javanese culture. The combination between the traditional culture and modern cultures brought by students enriches Yogyakarta unique value. Yogyakarta hosts 104 tertiary institutions ranging from university, institute, college, academy, and polytechnic. According to data from Kopertis V (Kopertis V, 2015), 65% of students in Yogyakarta go for university for tertiary education. The city’s image will allow the rapid identification and evaluation of potential students (Pasquinelli and Teras, 2013). It can be said that the city brand acts as a signal, as an umbrella that helps to identify and evaluate the specific products or services located in that region (Kavaratzis, 2004; Zenker et al, 2013). Figure 1 shows students distribution to tertiary education in Yogyakarta. The place of origin for students who study in Yogyakarta is dominated by students from Java.

4. RESEARCH METHODOLOGY

4.1 Measures

For satisfaction with the assigned destination, we integrate indicators developed by Insch and Sun (2013) and Herrero, et al. (2015). To measure city image and university image, scales from Herrero et al. (2015) were adopted. Likert scale was used ranging from 1 (very dissatisfied) to 5 (very satisfied).

4.2 Study population and sampling

Full-time university students aged 18 years and over were eligible to participate in the survey. A purposive sampling method was applied to maximize the representativeness of the sample. Respondents should not be residents of Yogyakarta.
and they have to study in tertiary educations in Yogyakarta at least one year. The survey was distributed to three public universities and three private universities as well as in students’ dormitories (Papua, Sumatra, Kalimantan, and Bali). This effort is to ensure as many students different background. As many as 200 questionnaires were distributed with students’ assistances, and 164 surveys were valid for further analysis.

4.3 Respondent profile

The sample indicated that 39% (64 students) were male and 61% (100 students) were female. Students as sample were in the age range between 18 to 24 years old. The percentage of students’ place of origin can be seen from Figure 2. All these respondents are studying majority in the university, but some are also studying in the Academy and College.

![Students' Place of Origin](image)

Figure 2. Respondents’ Place of Origins

4.4 Data analysis procedures

The survey data was entered in SPSS for analysis for descriptive analysis. SEM analysis using Partial Least Squares (PLS) methodology in particular was considered to be an appropriate statistical method for this study. Previous satisfaction studies have identified that satisfaction scores were frequently negatively skewed (Anderson and Fornell, 2000; Fornell et al., 1996), in which PLS can accommodate this nature of data by ability to examine non-normally distributed data (Chin, 1998).

5. DATA ANALYSIS

5.1 Measurement Model

The analyses using PLS is conducted in two stages: 1) the assessment of the measurement model, which focuses more on the reliability and validity of the measures; and 2) the assessment of the structural model which is more concerned with the path coefficients, model adequacy, and selecting the best final model (Hulland, 1999). These two-step approaches are commonly employed to ensure that the measures have good psychometric properties before conclusions can be drawn regarding the nature of the structural relationships. Based on the results of the item loadings generated by PLS, two items were dropped due to overlapping value in cross loadings.

PLS provides a reliability test using internal composite reliability (ICR). ICR can be used as a measure for convergent validity since it seeks to ensure that the
indicators that measure the respective construct are highly correlated. The reliability (internal consistency) of the reflective construct measured by ICR should produce a value of 0.7 or higher (Chin, 1998; Fornell and Larcker, 1981). Having all ICR scores higher than 0.7 and ranging between 0.8197 (city image) and 0.8874 (university image), overall the composite reliabilities estimated using ICR were satisfactory. AVE measures the average variance that is shared between a set of items and their respective construct (Hulland 1999). It is used to assess how well a latent construct explains the variance of a set of items that are supposed to measure that latent construct. All constructs have AVEs above 0.5 (Table 2.) except city image (0.4791). Considering that AVE is not the only measure of convergent validity and that other measures of convergent validity such as the item loadings and ICR produced satisfactory results for city image constructs, this construct can be considered as having an adequate convergent validity.

Table 1. PLS results for ICR, AVE, Cronbach Alpha

<table>
<thead>
<tr>
<th></th>
<th>AVE</th>
<th>Composite Reliability</th>
<th>R Square</th>
<th>Cronbachs Alpha</th>
<th>Communality</th>
</tr>
</thead>
<tbody>
<tr>
<td>City Image</td>
<td>0.4791</td>
<td>0.8197</td>
<td>0</td>
<td>0.725</td>
<td>0.4791</td>
</tr>
<tr>
<td>Sat AD</td>
<td>0.6419</td>
<td>0.8775</td>
<td>0.4899</td>
<td>0.8138</td>
<td>0.6419</td>
</tr>
<tr>
<td>Univ Image</td>
<td>0.6652</td>
<td>0.8874</td>
<td>0.3592</td>
<td>0.8298</td>
<td>0.6652</td>
</tr>
</tbody>
</table>

In order to ensure the discriminant validity, we performed two analyses: 1) correlation between item loadings and construct and 2) square root of the AVE. PLS facilitates the first analysis by producing the cross loading table (see Table 2.) to examine whether there are evidences of cross-loadings between the indicators and their constructs. The second was examined by comparing the square root of AVE and the correlation among construct (see Table 3.). The rule-of-thumb states that the square root of the AVE of each construct should be larger than the correlations of the specific construct with any other constructs (Chin 1998). The results indicated that all the square roots of the AVE values were greater than the inter-construct correlations; therefore, the constructs in the model were different from each other and satisfy the requirement of discriminant validity.

Table 2. Cross Loadings

<table>
<thead>
<tr>
<th></th>
<th>City Image</th>
<th>Sat AD</th>
<th>Univ Image</th>
</tr>
</thead>
<tbody>
<tr>
<td>CI1</td>
<td>0.5811</td>
<td>0.3436</td>
<td>0.3779</td>
</tr>
<tr>
<td>CI2</td>
<td>0.7347</td>
<td>0.398</td>
<td>0.4005</td>
</tr>
<tr>
<td>CI3</td>
<td>0.7982</td>
<td>0.5119</td>
<td>0.5249</td>
</tr>
<tr>
<td>CI4</td>
<td>0.6738</td>
<td>0.3349</td>
<td>0.3559</td>
</tr>
<tr>
<td>CI5</td>
<td>0.6534</td>
<td>0.3663</td>
<td>0.3855</td>
</tr>
<tr>
<td>SAD2</td>
<td>0.4408</td>
<td>0.7719</td>
<td>0.5653</td>
</tr>
<tr>
<td>SAD3</td>
<td>0.4457</td>
<td>0.811</td>
<td>0.4922</td>
</tr>
<tr>
<td>SAD4</td>
<td>0.4809</td>
<td>0.8246</td>
<td>0.5266</td>
</tr>
<tr>
<td>SAD5</td>
<td>0.4718</td>
<td>0.7962</td>
<td>0.54</td>
</tr>
<tr>
<td>UI1</td>
<td>0.5104</td>
<td>0.6045</td>
<td>0.879</td>
</tr>
<tr>
<td>UI2</td>
<td>0.4486</td>
<td>0.4535</td>
<td>0.8243</td>
</tr>
<tr>
<td>UI3</td>
<td>0.5323</td>
<td>0.6451</td>
<td>0.8572</td>
</tr>
<tr>
<td>UI4</td>
<td>0.4552</td>
<td>0.4261</td>
<td>0.6886</td>
</tr>
</tbody>
</table>

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ISSN: 2304-1013 (Online); 2304-1269 (CDROM); 2414-6722 (Print)
Table 3. Average Square Root

<table>
<thead>
<tr>
<th>City Image</th>
<th>Preference</th>
<th>Univ Image</th>
</tr>
</thead>
<tbody>
<tr>
<td>City Image</td>
<td>0.6921</td>
<td>0</td>
</tr>
<tr>
<td>Sat AD</td>
<td>0.5648</td>
<td>0.80124</td>
</tr>
<tr>
<td>Univ Image</td>
<td>0.6019</td>
<td>0.6776</td>
</tr>
</tbody>
</table>

5.2 Structural Model

By using the valid and reliable output from the measurement model, the structural model can be further analyzed and used to test the validity of the hypothesized relationships among the constructs. The structural model (inner model) in PLS was assessed by examining the path coefficients, t-statistics, and r-squared value (Chin 1998). R-squared is used to indicate the strength of the predictive model. Figure 3 represents the results of the hypotheses (H1 to H3) and the corresponding beta coefficients.

Figure 3. PLS Final Structural Model

The use of R-squared ($R^2$) is important to determine the predictive ability of the model. The bigger the $R^2$, the more predictive power the model implies. The proposed model shows 49% of the variance in satisfaction with assigned destination was explained by city image and university image. All the path coefficients in the inner model were positive and significant at 0.05 levels. City image contributed the strongest to university image with $\beta=0.599$. The direct effects on satisfaction with assigned destination were shown to be stronger from university image ($\beta=0.499$) than city image ($\beta=0.275$). Based on the examination of structural model, this study supports the hypotheses proposed (H1-H3), that both city image and university image have positive association to students’ satisfaction with assigned destination.

6. DISCUSSION

Based on the result of the statistical analysis using PLS, this study found that all hypotheses proposed were supported. Hypothesis 1 and hypothesis 2 were supported where city image positively influence students satisfaction with the assigned destination. Similarly, this study supported previous studies which have initiated the role of city image in influencing students to choose a place for their
tertiary education. Commonly students evaluate the quality of institutions and the quality of academic programme before deciding to choose university. There were many studies have been done in identifying the attributes and determinants of university that influence students satisfaction and loyalty. However, spending life for tertiary education which on the average requires more than three years makes students also concern on the environment outside campus life. Limited studies have been done in combining both university and city image for predicting students’ satisfaction. The attributes of the city has been studied by Soutar and Turner (2002) and Darchen and Tremblay (2010) as having important role for students to study tertiary level. More specifically, Insch and Sun (2013) have observed the city images and students satisfaction. Zenker et al, (2013) further highlighted the importance in branding the city as a key tool to capture talent. Similarly, parents also have important role for students’ decision to take higher education. Parents usually value more on safe environment for their students to live (Insch and Florek, 2008; Insch, 2011). Insch and Sun (2013) highlighted the importance of finding the factors that influence students’ satisfaction with their host cities before and during their course of study. Further, they suggest the synergy between university administrators and city authorities to identify key features that are valued and satisfied by students.

The city’s image is also considered by some authors to be a factor that contributes to the positive image of the institutions that are located in the city (Tai et al, 2007). Logically, as far as well communicated, the city’s image may assist the identification of any element located in the city (for example products, services or organisations) (Pasquinelli and Teras, 2013). According to the place branding study, the city brand will act as an umbrella brand that helps to identify and evaluate the specific products, services, or organizations from that region (Kavaratzis, 2004; Zenker et al, 2013). The city image plays an important role by influencing the evaluation (Knight, 2011) and choice (Darchen and Tremblay, 2010) when choosing educational programme. The city represents a space in which the educational service is provided and consumed (Cubillo et al (2006). Therefore, the students will take it into consideration when evaluating the educational programme (Patterson et al, 1998). The city image also has been associated with many factors such as job opportunities, quality of life, cost of living, safety and cultural diversity (Cubillo et al, 2006; Darchen and Tremblay, 2010; Zenker et al, 2013). Therefore, students should be more satisfied with the assigned destination if they have a positive perception about the city (city image).

Nguyen and Leblanc (2001) have identified the different attributes of the higher institution. University image is based specifically on its perceived quality. The quality of the university includes variables related to the global reputation of the institution, physical facilities, academic programmes, courses, and academic staff (Simpson and Tan, 2009). The image of the educational institution plays a key role in attracting and maintaining the loyalty of the students (Darchen and Tremblay, 2010), and as a base for the market positioning that influences their decision-making process (Nguyen and Leblanc, 2001). This study support Hypothesis 3 stating that The University Image positively influence satisfaction with the assigned destination. Different authors have found a positive relationship between the perceptions (image) that students have about a university and their preference (Soutar and Turner, 2002) and the evaluation of the educational service (Srikatanyoo and Gnoth, 2002; Simpson and Tan, 2009).
7. CONCLUSION AND RECOMMENDATION

Many cities have actively built their image to attract students and other scarce resources. Yogyakarta, known as cultural and student city in Indonesia hosts a large student population from all over Indonesia. Yogyakarta is important destination for tertiary education level for Indonesian. In order to win students heart as well as leading in competition with other cities in Indonesia, a synergy between university administrators and city authorities is important. Life in tertiary education is not about campus life but also environment outside the campus. This study examined the relationships between city image, university image, and satisfaction with assigned destination. 164 students from outside Yogyakarta were examined to have their perception on their experience with studying in Yogyakarta. All hypotheses were positively supported. This means that city and university have influence on students’ satisfaction on their assigned destination.

This study has theoretical contributions in that the model proposed have evidenced in student city such as Yogyakarta that it is not only higher education quality that satisfy students during their study process. What determine students’ satisfaction is also influenced by the city. Even though university image influence stronger to students’ satisfaction, city image does have significant impact on university image and satisfaction. For the higher education administrators and city authorities, both should build better synergy in education and city image building. The competition is not only about higher education, but it is wider competition for place and space. Cities are competing on talents and scarce resources. Therefore, the image synergy will strengthen the appeal to potential students and the wider benefits for the city stakeholders.

ACKNOWLEDGEMENTS

The author is thankful to Universitas Islam Indonesia, Yogyakarta, Indonesia for supporting this research and providing facilities.

REFERENCES


