

The Relationship Between the Service Quality and The Brand Equity of the Master of Business Administration Program (Marketing), School of Management Science, Sukhothai Thammathirat Open University

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ABSTRACT

The objectives of this research are to (1) exam expectation and perception of the Master of Business Administration Program (Marketing students to the service quality of Sukhothai Thammathirat Open University; (2) exam the perception of the student to the brand equity of Sukhothai Thamma thirat Open University; (3) analysis the relationship between the service quality and the brand equity of the Master of Business Administration Program (Marketing); and (4) study the problems and suggestions of master's degree students and students of the Master of Business Administration Program (Marketing) of School of Management Science, Sukhothai Thammathirat Open University (STOU).

The population of this research comprised 185 master's degree students and students of the Master of Business Administration Program (Marketing) of the School of Management Science, STOU. The research sample consisted of 127 randomly selected students. The sample size was determined based on the sample size formula. Research data were collected with the use of a questionnaire. Research data were analyzed with descriptive statistics, t-test, and Pearson's correlation.

The results indicate that (1) the overall service quality of the Master of Business Administration Program (Marketing) was not at the satisfaction level; when specific dimensions of the service, namely, tangibility, reliability, responsiveness, assurance, and empathy were considered, it was found that the service quality of every dimension was also not at the satisfaction level; (2) the brand equity of the Master of Business Administration Program (Marketing) was at the good level; (3) the service quality correlated positively with the brand equity at the moderate level; and (4) the main problems of the Master of Business Administration Program (Marketing) were the marketing data retrieval problem and the late delivery of learning documents problem; consequently, the suggestions of master's degree students and students of the Program were that the Master of Business Administration Program (Marketing) of the School of Management Science, STOU should improve the service quality of the two matters.

Key words: Service quality, Brand equity, Master of Business Administration Program (Marketing), Sukhothai Thammathirat Open University

INTRODUCTION.

Open universities use distance learning for teaching. The educational services and brands of open universities are interested. Therefore, this research The objectives of this research are to (1) exam expectation and perception of the Master of Business Administration Program (Marketing students to the service quality of Sukhothai Thammathirat Open University; (2) exam the perception of the student to the brand equity of Sukhothai Thammathirat Open University; (3) analysis the relationship between the service quality and the brand equity of the Master of Business Administration Program (Marketing); and (4) study the problems and suggestions of master's degree students and students of the Master of Business Administration Program (Marketing) of School of Management Science, Sukhothai Thammathirat Open University (STOU).

The results of this study should help the university in making decisions on marketing activities for brand strategy to succeed and survive in a competitive environment. This research consists of Introduction, Review of Literature, Methodology, Analysis and Presentation of Findings, and Summary and Conclusions. It includes the background of the problem, purpose of the study, information on the MBA (Marketing) program of the university, limitations, definitions of key terms, contributions of the research, and a summary.

LITERATURE REVIEW.

Service Quality

The definition of quality may vary from person to person and from situation to situation. The definitions of service quality vary only in wording but typically involve determining whether perceived service delivery meets, exceeds or fails to meet customer expectations (Cronin and Taylor, 1994; Oliver, 1993; Zeithaml, Berry and Parasuraman, 1993).

Parasuraman, Zeithaml and Berry (1988) define service quality as the degree and direction of discrepancy between the consumer's perceptions and expectations, or the extent to which a service meets or exceeds customer expectations. The quality of a service depends on that service consistently conforming to customers' expectations (Witt and Stewart, 1996).

Parasuraman, Zeithaml, and Berry (1988, 1990) projected a service quality model that identified perceived service quality into five dimensions: tangibility, reliability, responsiveness, assurance, and empathy. Tangibles involve the appearance of physical facilities, including the equipment, personnel, and materials. Reliability involves the ability to perform the promised service dependably and accurately. Responsiveness involves the willingness to help customers. Assurance involves the knowledge and courtesy of employees and their ability to convey trust and confidence. This assurance includes competence, courtesy, credibility and security. Empathy involves the provision of caring,

individualized attention to customers. This empathy includes access, communication, and understanding the customer.

Brand Equity

Brand equity is the positive marketing result from a certain good or service that has a brand name, such as high brand preference, market share or profit. Consumers consider brand equity by comparing products with brands to products without brands. The products with brand names take advantage of customers more than the products without brand names. Companies believe that brand equity enhances products with brand names.

Aaker (1991) defines brand equity as a set of brand assets and liabilities linked to brand, its name and symbol, that add or subtract from the value provided by a product or service provided to a firm and/or to that firm's customer. For assets or liabilities to support brand equity, they must be linked to the name and /or symbol of the brand. If the brand's name or symbol should change, some or all of the assets or liabilities could be affected and even lost. However, some might be shifted to a new name and symbol.

Keller (1993) defines brand equity in terms of the marketing effects uniquely attributable to the brand. Biel (1999) explains that brand equity can be thought of as the additional cash flow achieved by associating a brand with the underlying goods or services. Aaker (1996) also explains that the price premium should be the best measurement of brand equity and best indicate the strength of the brand. Beyond the physical assets related to the manufacture or provision of the product, brand equity involves the value of a brand as defined generally in economic or financial terms.

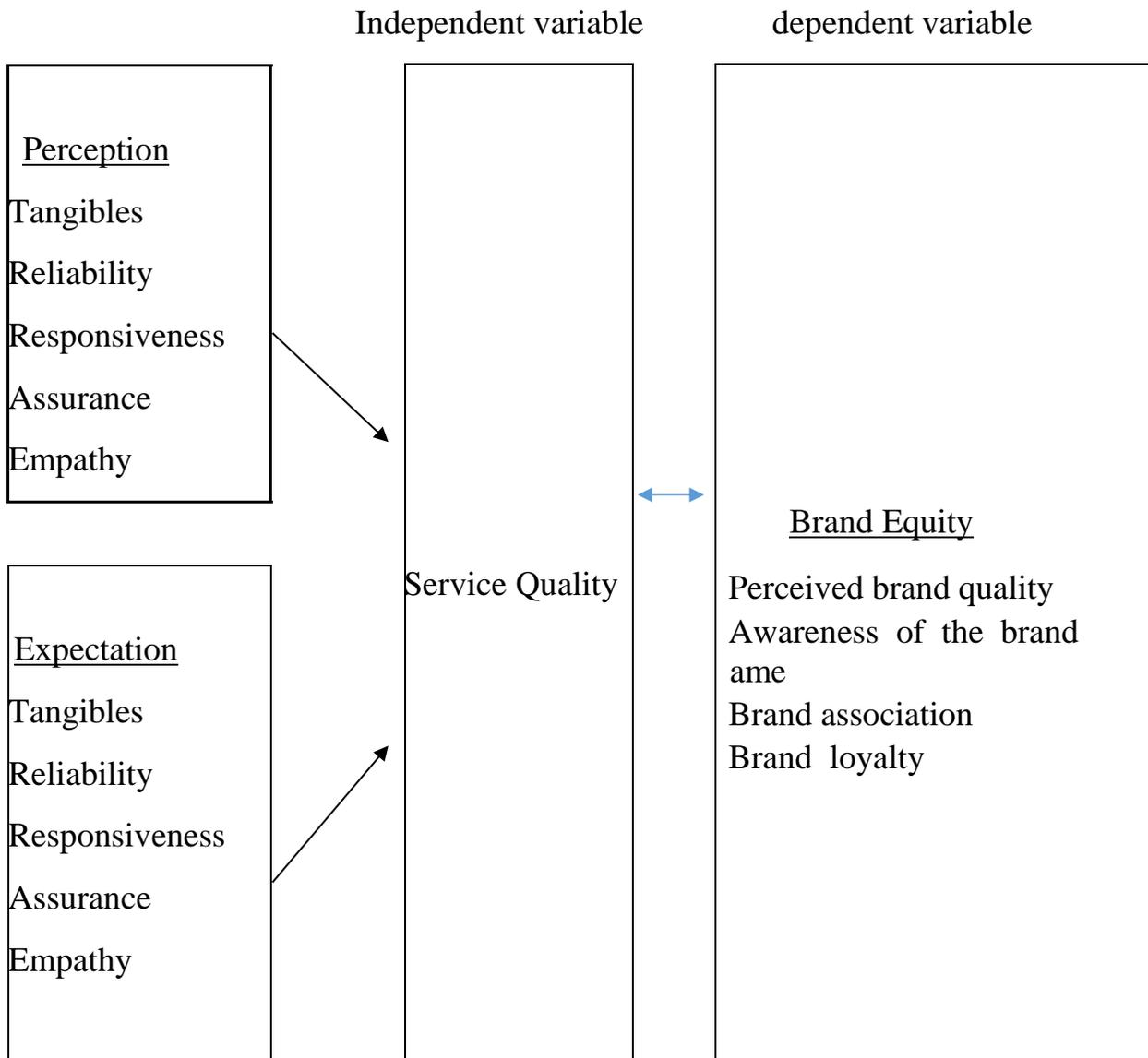
Biel (1999) states that brand equity is a result of the brand-building process. Brand image is broadly accepted as a key driver of equity. Brand equity is the additional discounted future cash flow achieved by associating a brand with an underlying product or service. The additional future cash flow at the end of the day is predicated on a buyer response to the branded offering which exceeds the response that same offering without brand identity would achieve.

Jarrell, Charles M (2012) examined a new model and possible relationships between the quality of Internet- and human-delivered support services and online brand equity using the Gaps Model of Service Quality and the Online Retail/Service (ORS) Model of brand equity. The service environment was online courses and programs at colleges and universities in the United States. College administrators and marketers have struggled to articulate and differentiate their online brands in the intangible and often undifferentiated educational services market. The research design was a single-stage, cross-sectional survey using a non-probability, proportional quota sample. The 364 qualified responses were assigned to six age and gender categories to form a quota sample ($n = 177$)

proportional to the population of college and university students in the United States. Analysis of the data demonstrated a strong positive correlation between service quality and brand equity, $r(176) = 0.88, p = 0.000$.

Research Framework

This Research Framework was developed from the works of Parasuraman, Berry and Zeitham. (1985, 1988 and 1990) and Aaker (1991).



Parasuraman, A., Zeithaml, V., and Berry, L. (1985). A Conceptual Model of Service Quality and Its Implications for Future Research. *Journal of Marketing*, 49 (4), 41-50. and Aaker, D.A. (1991).

Managing brand equity: Capitalizing on the value of a brand name. New York, NY: Free Press, p. 17- 6.1

MEASUREMENT AND INSTRUMENT

Measurement

Service quality will be measured according to how well perceptions of service quality match expectations of service quality. The multiple dimensions of service quality will be captured using the SERVQUAL instrument. Parasuraman, Zeithaml, and Berry (1988, 1990) identify the five dimensions of service quality which are tangibles, reliability, responsiveness, assurance and empathy. SERVQUAL will be used to assess customer expectations and perceptions based on the service quality gap model. Parasuraman and his colleagues (1993, 1994) concluded that the expectation section of the SERVQUAL survey instrument also questioned the perception section to capture the customer's opinions of expectation. Subtracting the expected items from the perceived items will produce a gap score. Brand equity will be measured by using the brand equity concept of Aaker (1996) and Keller (1993) as the basis for the measurement. Instrument A questionnaire was developed and administered to a sample of 127 students of the Master of Business Administration Program (Marketing) of the School of Management Science, Thai Open University. The development of the instrument is based on a thorough literature review, and investigated by three experts. The questionnaire, which was using in this study, describes the expectations and the perceptions of service quality and brand equity. The survey questionnaire includes four parts. Part I contains information involving classification variables. The classification variables are gender, age, degree and field, GPA and income. Part II contains 10 items, which represent 5 dimensions of service quality: tangibles (item 1 and 2), reliability (item 3 and 4), responsiveness (item 5 and 6), assurance (item 7 and 8) and empathy (item 9 and 10). This part represents both the expectation of service quality and the perception of service quality. Part III contains 12 items, which represent 4 components of the brand equity: perceived brand quality (item 1, 2 and 3), awareness of the brand name (item 4, 5 and 6), brand association (item 7, 8 and 9), brand loyalty (item 10, 11 and 12).

POPULATION AND STUDY SAMPLE SIZE

The population of this research was 185 students of MBA (Marketing) Program of School of Management Science, a Thai Open University. The sample target for the study was 127 students computed by formula.

$$n = \frac{N}{1 + N(e)^2}$$

n = Size of sample

N = Population

e = Error

TESTING THE QUALITY OF INSTRUMENT

To test the quality of instrument, three Experts considered the content of the instrument. Then 30 students of school of management science was requested to collected data to test the reliability of the questionnaire.

Table 1. The Reliability of Instrument

Section	ค่า Reliability
EXPECTATION	0.993
Perception	0.987
Brand Equity	0.991

DATA COLLECTION

The researcher explained the purpose of the study and research process to the students of the Master of Business Administration Program (Marketing) of the School of Management Science, Sukhothai Thammathirat Open University who were the population of this research. The 127 questionnaires were distributed to the students in April 2015.

The questionnaires were given to the students by E-mail. Complete confidentiality of responses was assured and maintained. The response rate was 100% or 127 completed questionnaires.

DATA ANALYSIS

The demographic classification of current study respondents analyzed frequency, percent, valid percent and cumulative percent. Expectation Scale, Perception Scale and Brand Equity Scale compute Cronbach's Alpha for reliability Test.

Paired samples t-statistics test method will be used to test the differences and similarities of the mean response between service quality expectations and students' perceived service quality. The research used descriptive statistics, correlation analysis and ANOVA to test the hypotheses.

OVERVIEW OF RESULTS

The results of this research show that the expectation of the students of the Master of Business Administration Program (Marketing), Sukhothai Thammathirat Open University is high in overall and each dimension: tangibles, reliability, responsiveness, Administration Program (Marketing), Sukhothai Thammathirat Open University is also high in overall and each dimension: tangibles, reliability, responsiveness, assurance, empathy. However, when compare expectation and perception of service. The perception is higher than expectation of service in overall and each dimension. Therefore, the students is not satisfaction. Service of the Master of Business Administration Program (Marketing), Sukhothai Thammathirat Open University is no quality because of the higher expectation than perception of the students. According to Brand equity, brand equity of the Master of Business Administration Program (Marketing), Sukhothai Thammathirat Open University is high in overall and each dimension: perceived brand quality, awareness of the brand name, brand association and brand loyalty. Furthermore, this study also finds there is a relationship between service quality and brand equity in the same direction.

There is a low relationship for 4 dimensions of service quality: tangibles, reliability, responsiveness and empathy for each components of brand equity: perceived brand quality, awareness of the brand name, brand association, and brand loyalty. However, there is a medium relationship for assurance dimension and each components of brand equity. The result of this research confirm the study of Jarrell, Charles M (2012) who exam a new model and possible relationships between the quality of Internet- and human-delivered support services and online brand equity using the Gaps Model of Service Quality and the Online Retail/Service (ORS) Model of brand equity. Analysis of this data demonstrated a medium positive correlation (r) between service quality and brand equity = 0.566.

Table 1. The relationship between service quality and brand equity

ตัวแปร	r	Sig.	Relationship	Direction
Service quality				
Band equity	.566	.000*	medium	positive

*Sig 0.05

In conclusion, the overall service quality of the Master of Business Administration Program (Marketing) was not at the satisfaction level. The brand equity of the Master of Business

Administration Program (Marketing) was at the good level. The service quality correlated positively with the brand equity at the moderate level.

The results of this research support the former studies. Malik, M.E. (2011) study hotel service and brand loyalty. The study reflected that customers' perceptions on tangibles, empathy and reliability contributed to fostering their loyalty with hotel brands. Jarrell, C. (2012) studied an examination of possible relationships between service quality and brand equity in online higher education. Analysis of the data demonstrated a strong positive correlation between service quality and brand equity. Hardeep Chahal, H. and Bala, M. (2012) examine three significant components of service brand equity :perceived service quality, brand loyalty, and brand image and analyze relationships among the components of brand equity and also their relationship with brand equity, which is still to be theorized and developed in the healthcare literature. The findings of the study support that service brand equity in the healthcare sector is greatly influenced by brand loyalty and perceived quality. However, brand image has an indirect effect on service brand equity through brand loyalty (mediating variable).

MANAGERIAL IMPLICATIONS.

Based on the results from this research, several suggestions for the executive of the Master of Business Administration Program (Marketing), of School of Management Science, Sukhothai Thammathirat Open University can be made. First, the executive of the program should try to assess the expectations for service quality of their students. This can be achieved by monitoring quality perception using the SERVQUAL dimensions of tangibles, reliability, responsiveness, assurance, and empathy. The better service quality can enhance brand equity.

Create perception of service quality and little or no gap between service perceptions and expectations does. Therefore, the executive of the program should use measures of quality perception to help increase brand equity, especially, assurance dimension. The executive of the program should integrate measures of service perceptions and expectations to generate information on the nature of the gaps, if any, between these two elements to develop programs targeted at eliminating this gap. At the same time, they should endeavor build on the strengths of perceived quality to encourage students. It is important to note that service quality and expectations are not static items. They will change over time so a continuous monitoring of these dimensions and appropriate managerial responses are critical to the long term success of the program. The results of this study seem to validate the usefulness of the SERVQUAL model for use within the Master of Business Administration Program (Marketing). Therefore, this approach is valuable in marketing and should also be considered as a useful tool in courses directed at providing information on how to improve service quality and the benefits from doing so. In a very competitive market, university need strategies to attract and keep students. University can achieve this by providing how better students services and a more consistent students' experience. In order to ensure that the match between perceptions and expectations is maintained university need remember not to neglect the basics. These include making sure the program is update, quick material delivery and high responsibility. Quality management solutions

provide the framework to manage students' experiences efficiently. Students are requiring and demanding better services and the goals of all Universities must be to make the students feel special. This will lead to students' perceptions exceeding their expectations and greater student satisfaction.

A personal, proactive approach, such as knowing student history, issues and preferences are vital to impressing students. The people responsible for university marketing need to be aware that knowledgeable students demand value for their investment for education. There is a need to uphold high levels of service and to maintain a progressive attitude. Upgrading levels of service, offering service assurance, or the high responsibility can enhance student's loyalty. Sukhothai Thammathirat Open University is moving toward higher standards of education. As a result, lower levels of service that previously allowed smaller properties to remain competitive are no longer acceptable. The executive of the program must recognize the competitive trends in education service and value addition as well as students' increased awareness of the value of the education they are receiving. The study results demonstrate opportunities for marketing the executive to expand their commitment to student's service. Management should research their students base to generate valuable student information and insights that can be used to create and tailor highly specialized services to meet the explicit needs of their students. The executive of the Master of Business Administration Program (Marketing), of School of Management Science, Sukhothai Thammathirat Open University should develop the learning medias and delivery on time. The faculty of the program should pay more attention to all students and listen the voice of the students. The staff of the program should understand the need of the students and take more responsibility.

LIMITATIONS OF THE STUDY

This study focused on a limited number of students. This has not been the case in related studies conducted in other programs in the Sukhothai Thammathirat Open University, other universities in Thailand and other universities in other countries. The results are therefore limited in usefulness to the particular program in Sukhothai Thammathirat Open University.

This study only considered a Thai University. There is evidence that different market segments generate different expectations and perceptions. Since planning of services and facilities appear to be driven by key attributes for the segments that the university is serving, this is another limitation of the current study.

It should be noted that the conclusions are based on a relatively small sample of students. In addition, the research design in this study included only a program in an open university. Therefore, the generalizability of these results may not be appropriate for the educational industry as a whole. Extending these findings should be done only with careful consideration to the application of the appropriate variables like the service quality level of the program and the market segmentation which the program wishes to serve.

FUTURE DIRECTIONS FOR RESEARCH

With the limitations discussed above in mind, it is worth suggesting some areas for potentially useful future research. First, more studies on service quality and brand equity should be undertaken to firmly establish if there is a consistent relationship between service quality and brand equity. If such a relationship exists it will provide good direction for marketing and related issues, for the education industry. It would be useful to use variables other than service quality and brand equity such as brand loyalty.

This study looked at only one aspect of the education industry. It is reasonable to assume that program are just one part of education total experience and that other experiences may play a role and impact the university service quality perceptions. For example, since some students in the program are alumni, loyalty may also play an important role in service quality issues. Furthermore, researchers might investigate the possible impact of loyalty on service quality. Lastly, future studies might consider the information of lecturer. In addition, studies of the relationship, if any, between name awareness, brand loyalty, brand and other propriety assets and brand equity should be considered. Furthermore, the relationship between brand equity and performance in service brands has received little attention in this research literature and this is a relationship that should be more fully explored and understood.

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