The Effort to Increase Loyalty through Brand Image, Brand Trust, and Satisfaction as Intervening Variables

Martin 1,* and Nasib 2,

1 Department of Computerized Accounting, Politeknik Unggul LP3M, 20156, Medan, North Sumatra Province, Indonesia
2 Department of Management, Sekolah Tinggi Ilmu Ekonomi Mahkota Tricom Unggul, 20241, Medan, North Sumatra Province, Indonesia

* Corresponding Author: m4rt1n.myrafa@gmail.com

ARTICLE INFO

Publication Info:
Research Article

How to cite:

DOI: 10.33019/society.v9i1.303

ABSTRACT

Polytechnic is a university focusing on vocational education. Politeknik Unggul LP3M is to provide an appropriate vocational education in supporting industrial demand. This study focuses on maximizing students’ loyalty influenced by brand image and trust, where students’ satisfaction is an intervening variable. Path analysis was chosen for this study. As many as 125 people were chosen as respondents, and the technique sampling used purposive random sampling. The study showed that brand image and trust significantly impact students’ loyalty and satisfaction in Politeknik Unggul LP3M. Students’ satisfaction has a crucial role in mediating brand image and brand trust on students’ loyalty.

Keywords: Brand Image; Brand Trust; Loyalty; Satisfaction; Student
1. Introduction

The competition among universities has grown rapidly, where both state universities and private universities attempt to improve their quantity and quality. All universities, state universities, or even private universities compete to improve their superiority (Ramadhan, 2020). The superiority is expected to provide a different value from other universities (Haryono & Octavia, 2020). The aim is to increase the number of students based on alumni recommendations (Mujahidin et al., 2018). Considering this situation, universities have to act promptly and accurately to decide marketing strategies (Putera & Wahyono, 2018). Moreover, many universities have changed their status from educational institutions to universities (Kristianto & Wahyudi, 2019). However, all universities have the same purpose: to improve human resources (Darma et al., 2018).

Students’ loyalty will be influenced by students’ satisfaction who expect what they want (Ambartiasari et al., 2018). Therefore, university management must carefully grasp students’ expectations (Iswara & Pratomo, 2018). The students’ expectations are according to the regulation, so the university is responsible for improving the educational system (Rohana, 2020). Students’ loyalty can be seen through the pride of their alma maters (Candra & Herudiansyah, 2019). When someone spreads bad news about their university, students will clarify the truth about their university (Yamani et al., 2017).

Having students willing to recommend the university they choose is not an easy problem (Hafafi, 2018). This requires management to continue to improve to minimize students’ complaints (Cahyoadi & Loisa, 2019). In this case, students’ loyalty is crucial for university management (Lewa, 2020). Thus, students who recommend their university to their companies deserve an appreciation from the university (Sihombing & Nasib, 2020). Involving students in assisting marketing programs in increasing public enthusiasm for higher education has been done by many universities (Nafil & Nasib, 2019). Students’ loyalty can also minimize the cost of promoting a university (Fadli et al., 2020).

Students’ satisfaction is a success indicator of a university in carrying their duties and function as an educational institution (Nikmah, 2015). Students’ satisfaction will influence their behavior in recommending to the public (Juandi, 2018). University must keep surveying teacher and staff performance satisfaction in providing an expected grade to students (Nugroho, 2020), so the survey result can improve the service, especially students (Lestari, Nasib, Chaniago, & Effendi, 2019). This is proof of commitment to students and foundation in providing satisfaction to all parties.

Brand image owned by the university cannot be separated from promotion received by many people all this time. Giving valid information about the superiority of universities is required by the public (Syahлина & Nasib, 2019). Therefore, stakeholders must notice what information will be used in marketing strategy to create a brand image in people’s minds. Brand image will be very supportive, especially for prospective new students deciding which universities have the best quality (Pramudyo, 2016). This decision is certainly not easy, considering that prospective students will compare all brand images of other universities (Lestari, Nasib, Nirmalasari, & Effendi, 2019).

Brand trust also has a crucial role. Students’ trust in the university should not be misunderstood because it will be a huge consequence in the future (Syaifullah, 2018; Kusdibyo & Februadi, 2019). However, as long as the university can keep its credibility, it helps promote the university to the public.
Politeknik Unggul LP3M is not widely known as a university. So far, people assume that polytechnic is a program of study that offers health program study. This case makes the marketing team have difficulties in explaining that polytechnic is not a health program study. This case also causes a decrease in students’ interest. The effort made to introduce Politeknik Unggul LP3M is counseling the public through community dedication activity. However, this program is not optimal enough to increase students’ quantity. The list of new students admission for five last years is presented below:

<table>
<thead>
<tr>
<th>Year</th>
<th>Sum</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>335</td>
<td>450</td>
</tr>
<tr>
<td>2017</td>
<td>329</td>
<td>400</td>
</tr>
<tr>
<td>2018</td>
<td>316</td>
<td>400</td>
</tr>
<tr>
<td>2019</td>
<td>327</td>
<td>400</td>
</tr>
<tr>
<td>2020</td>
<td>315</td>
<td>350</td>
</tr>
</tbody>
</table>

Source: Politeknik Unggul LP3M Medan (2021)

According to Table 1, it can be stated that the target determined by management has not been completely achieved, especially in increasing the number of students. For five years, the program of new students admission has not been carried out maximally by the marketing team of Politeknik Unggul LP3M. There are many factors which cause it, considering the activity of new students admission involves many parties including lectures and staff.

Furthermore, the number of students’ complaints regarding dissatisfaction during 2020 is presented below:

<table>
<thead>
<tr>
<th>Month</th>
<th>Complaints Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>January</td>
<td>5</td>
</tr>
<tr>
<td>February</td>
<td>7</td>
</tr>
<tr>
<td>March</td>
<td>12</td>
</tr>
<tr>
<td>April</td>
<td>13</td>
</tr>
<tr>
<td>May</td>
<td>9</td>
</tr>
<tr>
<td>June</td>
<td>6</td>
</tr>
<tr>
<td>July</td>
<td>10</td>
</tr>
<tr>
<td>August</td>
<td>12</td>
</tr>
<tr>
<td>September</td>
<td>14</td>
</tr>
<tr>
<td>October</td>
<td>17</td>
</tr>
<tr>
<td>November</td>
<td>7</td>
</tr>
<tr>
<td>December</td>
<td>12</td>
</tr>
<tr>
<td>Sum</td>
<td>124</td>
</tr>
<tr>
<td>Average</td>
<td>10.33</td>
</tr>
</tbody>
</table>

Table 2. Students Complaints
The table above shows that the number of students’ complaints during 2020 is still fluctuating. The average score for students dissatisfaction is ten complaints. The most complaints occurred in September, reaching 14 complaints and the least complaints occurred in January, reaching five complaints. Generally, students who have a complaint are those who work. However, the management and lecturers do not give the solution to the problem. This dissatisfaction will affect the team marketing program where one of the strategies chosen by management is involving students. Brand image and brand trust that people have perceived so far are not good enough from reality on the ground. This can be a suggestion that the complaints felt by students can be feedback for management in optimizing the loyalty of students.

The results of this study are expected to be a foundation in deciding the marketing strategy for Politeknik Unggul LP3M to maximize students’ loyalty through brand image, brand trust, and students’ satisfaction that will increase the competition among universities.

2. Literature Review
2.1. Consumer’s Loyalty
The loyal attitude showed by consumers can be seen from future purchase decisions according to their perceived needs (Sutisna, 2012). Loyalty makes it difficult for consumers to switch to other products or services (Rangkuti, 2013). Even though consumers get a recommendation from other products or services, they will not be easily influenced to switch to the other products or services (Durianto et al., 2013). Furthermore, consumers will be glad to recommend the product and service to their relations and companions (Griffin, 2010). Therefore, every company has to improve consumers’ loyalty, which can decrease the operational cost incurred by the company, one of them is the cost of marketing and transaction.

2.2. Consumer’s Satisfaction
The concept of consumers satisfaction has been discussed in several studies. Consumers will evaluate the result performance offered by products and services they consume this far in looking for satisfaction. The satisfaction will be felt when the products and services can give consumers’ expected value (Minor & Mowen, 2012). Consumers who have a good response indicate that they are satisfied with the products and services they use (Tjiptono & Chandra, 2011). They will be proud to use the products and services and feel confident (Irawan, 2009). They are also willing to pay more if the products and services have the expected performance (Lupiyoadi, 2013). Thus, the company must understand products and services expected by consumers, and it aims to minimize the complaint (Tjiptono & Chandra, 2011).

2.3. Brand Image
Creating a good brand has to be done by the company to create consumers’ loyalty (Semuel & Wibisono, 2019). Having a great and recognizable brand makes the company easily win the competition (Sinurat et al., 2017).

University brand can be recognized from the slogan and vision (Tjiptono & Chandra, 2011). Maintaining the image of the university brand remains good in public society is necessary undertaken, especially for all university parties (Nurhayati, 2017), that expected to increase people to choose the university (Setiadi, 2013).
2.4. Brand Trust

Brand trust will be considered good if consumers feel safe when consuming the product or using the service. The credibility of the products and services will give a strong trust to consumers (Keller & Kotler, 2012). Putra & Sin (2020) stated that three factors build brand trust: brand characteristic, company characteristic, and the correlation between brand and consumer. Those three factors are crucial to predict consumers’ trust in brand trust, which led to loyalty to the brand. One of the efforts taken to increase brand trust is maintaining the credibility of the product and service (Kurniawan, 2017). The university’s capability to build brand trust will increase students’ satisfaction and loyalty (Shin et al., 2019; Amron, 2018; Bernarto et al., 2020; Tong et al., 2017; El Naggar & Bendary, 2017; Wongsuphasawat & Buatama, 2019).

3. Research Methodology

This research was conducted by using a quantitative method. The target of the population is 125 high school graduate students period 2019-2020 in Medan City. The sample used purposive random sampling. The selected sample was in the category that can answer questionnaire will be filled to answer the list of questions, especially related to brand image variable, brand trust, satisfaction, and loyalty. The data analysis used path analysis, which is used to evaluate whether there is an influence from brand image, brand trust, and satisfaction on students’ loyalty who choose Politeknik Unggul LP3M.

4. Results and Discussion

![Diagram showing the relationship between Brand Image, Brand Trust, Students' Satisfaction, and Students' Loyalty]

**Figure 1. The Result of the Study**

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>t-statistic</th>
<th>t-table</th>
<th>p-value</th>
<th>Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand Image - Students’ Satisfaction</td>
<td>3.259</td>
<td>1.657</td>
<td>0.000</td>
<td>Significant</td>
</tr>
<tr>
<td>Brand Trust - Students’ Satisfaction</td>
<td>2.261</td>
<td>1.657</td>
<td>0.002</td>
<td>Significant</td>
</tr>
<tr>
<td>Brand Image - Students’ Loyalty</td>
<td>2.039</td>
<td>1.657</td>
<td>0.000</td>
<td>Significant</td>
</tr>
<tr>
<td>Brand Trust - Students’ Loyalty</td>
<td>1.875</td>
<td>1.657</td>
<td>0.001</td>
<td>Significant</td>
</tr>
</tbody>
</table>

Table 3. The Result of Research Data Processing Tabulation

Copyright © 2021. Owned by Author(s), published by Society. This is an open-access article under the CC-BY-NC-SA license. https://doi.org/10.33019/society.v9i1.303
The Effort to Increase Loyalty through Brand Image, Brand Trust, and Satisfaction as Intervening Variables

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>t-statistic</th>
<th>t-table</th>
<th>p-value</th>
<th>Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Students’ Satisfaction - Students’ Loyalty</td>
<td>2.628</td>
<td>1.657</td>
<td>0.004</td>
<td>Significant</td>
</tr>
<tr>
<td>Brand Image - Students’ Satisfaction - Students’ Loyalty</td>
<td>1.951</td>
<td>1.657</td>
<td>0.000</td>
<td>Significant</td>
</tr>
<tr>
<td>Brand Trust - Students’ Satisfaction - Students’ Loyalty</td>
<td>1.837</td>
<td>1.657</td>
<td>0.000</td>
<td>Significant</td>
</tr>
</tbody>
</table>

Brand image variable in this study has a significant influence on students’ satisfaction in Politeknik Unggul LP3M. Table 3 marked that the score of the t-statistic is 3.259 > t-table value of 1.657 and the signification score of brand image variable is <0.005, that when brand image is increased, then the students’ satisfaction will be increased. Management’s attention towards brand image becomes the main focus on building a good brand on students’ perception. Increasing the university’s brand image will impact students’ satisfaction (Wymer & Casidy, 2015; Sumartias & Nuraryo, 2017; Simatupang & Purba, 2020). Furthermore, based on the result, the brand image of Politeknik Unggul LP3M is quite good. There is no indication of doing administration fraud, such as buying and selling college certificates and inappropriate education system.

Brand trust variable has a significant impact on student’s satisfaction in Politeknik Unggul LP3M. Based on the table above, the score of the t-table is 1.657 < t-statistic value of 2.261, and the signification on alpha level is 5%. This indicates that the brand trust variable significantly impacts students’ satisfaction to choose Politeknik Unggul LP3M. There is a big opportunity to increase students’ satisfaction for universities capable of improving their brand trust. The increase of brand trust will be balanced with increasing students’ satisfaction (Setyawan et al., 2015; Murtiningsih et al., 2016; Dayanti et al., 2019). Students’ satisfaction with lecturers’ quality in providing the education will also create a good perception.

Brand image in this study has a significant impact on students’ loyalty to Politeknik Unggul LP3M. Based on Table 1, the score of brand image variable t-statistic is 2.039 > t-table value of 1.657, and the signification score is < 0.05. A positive brand image will improve students’ loyalty in introducing university to public society (Putra, 2018; Tong et al., 2017; Wongsuphasawat & Buatama, 2019; Apriliani, 2019). Brand image has an impact on increasing students’ loyalty. The study results show that Politeknik Unggul LP3M has to provide an internal certificate in creating a good brand image. Every graduate will be facilitated with seven certificates. The certification program is very useful, especially for alumni, so almost all alumni recommend Politeknik Unggul LP3M to their relations.

Brand trust variable has a significant impact on students’ loyalty. The score of p-value is 0.001 > 0.05 and the score of t-statistic is 1.875 > t-table value of 1.657. This indicates that the increase of brand trust is the increase of students’ loyalty. Good cooperation is required, especially from lecturers and staff, in maintaining brand trust in students. Great brand trust will positively influence student’s loyalty (El Naggar & Bendary, 2017; Amron, 2018; Ariyanti & Semadi, 2018; Shin et al., 2019; Wongsuphasawat & Buatama, 2019). Based on the result of the study, in creating a good brand trust, Politeknik Unggul LP3M must give valid and clear information to prospective students who will register. The staff will clearly explain the advantages of the program of the study, and they will guide the prospective students to choose a proper major that suits students’ abilities.
The students’ satisfaction variable has a significant impact in increasing students’ loyalty in Politeknik Unggul LP3M. The score of students’ satisfaction t-statistic is 2.268 > t-table value of 1.657, and the score of signification is 0.004 < 0.05 on rejection alpha level, this result accord with the last result. Kunanusorn & Puttawong (2015), Chandra et al. (2018), and Chandra et al. (2019) stated that the ability to understand what is expected by students would influence loyalty. The result shows that the academic ability of staff and lecturers in providing expected services will reduce student’s complaints. This kind of ability is not owned by all people, considering that lecturers and staff have different educational backgrounds. Thus, the standard of service in handling the students’ complaints is required.

Students’ satisfaction variable has a role in mediating brand image to students’ loyalty in Politeknik Unggul LP3M. The path analysis showed the coefficient value of the indirect effect P1 x P5 > P4 (0.376 > 0.362). This indicates that students’ satisfaction has a role in mediating brand image on students’ loyalty. Creating loyalty started from students’ satisfaction (Radiman et al., 2018; Hassan et al., 2019; Cahyono et al., 2020). One of the efforts in providing the satisfaction of students in maintaining the university’s brand image. Students’ satisfaction tends to change day by day. Thus, it would be good for Politeknik Unggul LP3M management to figure out what is expected by their students.

Like brand image variable on students’ loyalty, the role of students’ satisfaction can mediate brand image on students’ loyalty. The path analysis showed that the coefficient value does not directly affect P2 x P5 > P35 (0.347 > 0.274), so it can be concluded that satisfaction has a role in mediating brand trust on students’ loyalty. A strong trust in a brand can minimize the level of concern, especially the students on their expectations (El Naggar & Bendary, 2017; Tong et al., 2017; Ismanova, 2019; Shin et al., 2019). Based on the result, during this time, to build brand trust, Politeknik Unggul LP3M maintains the quality of vocational education offered to students. Many instructors have National Agency for Professional Certification certificate, especially in accounting. In addition, Politeknik Unggul LP3M always gets a great score in the competence test among other universities. The concept of education college based on problem-solving is management’s effort in maintaining credibility, especially among students and alumni.

5. Conclusion

From the result of the study can be concluded that: 1) Brand image has a significant impact on students’ satisfaction, 2) Brand trust has a significant impact on students’ satisfaction, 3) Brand image has a significant impact on students’ loyalty, 4) Brand trust has a significant impact on students’ loyalty, 5) Students’ satisfaction has a significant impact on students’ loyalty, 6) Students’ satisfaction has a role in mediating brand image on students’ loyalty, 7) Students’ satisfaction has a role in mediating brand trust on students’ loyalty.

The management party should continue to be committed to maintaining the university’s brand image through developing the quality of education and the training program of 7 certifications. Furthermore, evaluating an internship program on an ongoing basis, in this case, the management party establishes cooperation with companies so the graduate students can apply their skills based on their major. In building brand trust, the management party has to keep promotion activity and the services rendered because students need to get what they expect. Therefore, brand trust will run well.
The Effort to Increase Loyalty through Brand Image, Brand Trust, and Satisfaction as Intervening Variables

6. Acknowledgment
The authors are grateful to express gratitude to those who have had the pleasure to cooperate during this research.

7. Declaration of Conflicting Interests
The authors have declared no potential conflicts of interest concerning the study, authorship, and/or publication of this article.

References


The Effort to Increase Loyalty through Brand Image, Brand Trust, and Satisfaction as Intervening Variables


Copyright © 2021. Owned by Author(s), published by Society. This is an open-access article under the CC-BY-NC-SA license. https://doi.org/10.33019/society.v9i1.303
The Effort to Increase Loyalty through Brand Image, Brand Trust, and Satisfaction as Intervening Variables


Pramudyo, A. (2016). Pengaruh Citra Merek Terhadap Loyalitas Melalui Kepuasan Sebagai Intervening (Studi pada Mahasiswa Perguruan Tinggi Swasta di Yogyakarta). *Jurnal...
The Effort to Increase Loyalty through Brand Image, Brand Trust, and Satisfaction as Intervening Variables


The Effort to Increase Loyalty through Brand Image, Brand Trust, and Satisfaction as Intervening Variables


About the Authors

1. **Martin** obtained his Master’s degree in Management from Universitas Muhammadiyah Sumatera Utara in 2014. The author is an Assistant Professor at the Department of Computerized Accounting, Politeknik Unggul LP3M, Indonesia.
   E-Mail: m4rt1n.myrafa@gmail.com

2. **Nasib** obtained his Master’s degree in Management from Universitas Muhammadiyah Sumatera Utara in 2013. The author is an Associate Professor at the Department of Management, Sekolah Tinggi Ilmu Ekonomi Mahkota Tricom Unggul, Indonesia.
   E-Mail: nasibwibowo02@gmail.com