

**THE EFFECT OF SERVICE QUALITY AND
MARKETING STRATEGY ON INTERNATIONAL
POSTGRADUATE STUDENTS' LOYALTY
TOWARDS MALAYSIAN PUBLIC
UNIVERSITIES MEDIATED BY
EMOTIONAL SATISFACTION**

HAYDER ALWAN KADHIM

UNIVERSITI PENDIDIKAN SULTAN IDRIS

2023

THE EFFECT OF SERVICE QUALITY AND MARKETING STRATEGY ON
INTERNATIONAL POSTGRADUATES STUDENTS' LOYALTY
TOWARDS MALAYSIAN PUBLIC UNIVERSITIES

HAYDER ALWAN KADHIM

THESIS SUBMITTED IN FULFILLMENT OF THE REQUIREMENT
FOR THE DEGREE OF DOCTOR OF PHILOSOPHY

FACULTY OF MANAGEMENT AND ECONOMICS
UNIVERSITI PENDIDIKAN SULTAN IDRIS

2023



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ACKNOWLEDGEMENT

First and foremost, my sincerest thanks to Allah for giving me the strength to complete this study.

From the depths of my heart, I would like to express my special gratitude to DR. ARSLAN MUJAHID GHOURI as my research supervisor for his guidance, patience and sincerity in supervising this dissertation. Your deep knowledge of the subject, excellent experience and enthusiasm have always been a source of motivation for me. Your discussions and valuable suggestions on this research have been hugely beneficial for me. I am so profoundly grateful for all the help given, and I have no words to express my deep and sincere appreciation to my supervisor. I want to express my special thanks to the lecturers involved in the evaluation of the proposal presentation for their guidance and knowledge that they have shared. I would also like to thank all department staffs and other lecturers in University Pendidikan Sultan Idris (UPSI).

I express my sincere appreciation to my parents. I thank my parents, who have sacrificed so much for my study and have encouraged me towards all education. Finally, I want to express my heartfelt thanks to my dear wife and daughters for giving me the love, happiness and encouragement to complete this thesis.





ABSTRACT

This study aimed to determine the effect of service quality and marketing strategy on international postgraduate students' loyalty towards Malaysian public universities mediated by emotional satisfaction. This study used Social Exchange theory to explain the phenomenon. A quantitative approach was utilised as the primary research design. Data were collected from a random sample of 380 international postgraduate students using a questionnaire. Structural Equation Modeling (SEM) was used to analyse the data. The findings indicated a significant relationship between service quality and customer loyalty ($\beta = 0.103$, $p < 0.05$), the marketing strategy significantly and positively affects the positive emotional satisfaction ($\beta = 0.509$, $p < 0.05$). Service quality affects the positive emotional satisfaction ($\beta = 0.214$, $p < 0.05$). Moreover, the findings showed that positive emotional satisfaction significantly mediated the relationship between service quality and customer loyalty. The negative emotion satisfaction was found to be minimally affected by the service quality. In conclusion, the marketing strategy was found to be a significant dominant factor that affects customer loyalty as mediated by emotional satisfaction. The key implication of this study is that public universities in Malaysia needs to focus on the emotional satisfaction of the students in order to improve their customer loyalty.





**KESAN KUALITI PERKHIDMATAN DAN STRATEGI PEMASARAN
TERHADAP KESETIAAN PELAJAR LEPASAN IJAZAH
ANTARABANGSA TERHADAP UNIVERSITI
AWAM MALAYSIA DITENGAHKAN
OLEH KEPUASAN EMOSI**

ABSTRAK

Kajian ini bertujuan untuk menentukan kesan kualiti perkhidmatan dan strategi pemasaran terhadap kesetiaan pelajar pasca siswazah antarabangsa terhadap universiti awam Malaysia yang dimediasi oleh kepuasan emosi. Kajian ini menggunakan teori Pertukaran Sosial untuk menjelaskan fenomena tersebut. Pendekatan kuantitatif digunakan sebagai reka bentuk penyelidikan utama. Data dikumpul daripada sampel rawak 380 pelajar pasca siswazah antarabangsa menggunakan soal selidik. *Structural Equation Modelling (SEM)* digunakan untuk menganalisis data. Dapatan kajian menunjukkan hubungan yang signifikan antara kualiti perkhidmatan dan kesetiaan pelanggan ($\beta = 0.103$, $p < 0.05$), strategi pemasaran secara signifikan dan positif mempengaruhi kepuasan emosi positif ($\beta = 0.509$, $p < 0.05$). Kualiti perkhidmatan mempengaruhi kepuasan emosi positif ($\beta = 0.214$, $p < 0.05$). Selain itu, dapatan kajian menunjukkan bahawa kepuasan emosi positif secara signifikan menjadi pengantara hubungan antara kualiti perkhidmatan dan kesetiaan pelanggan. Kepuasan emosi negatif didapati terjejas secara minimum oleh kualiti perkhidmatan. Kesimpulannya, strategi pemasaran didapati merupakan faktor dominan yang signifikan yang mempengaruhi kesetiaan pelanggan seperti yang dimediasi oleh kepuasan emosi. Implikasi utama kajian ini ialah universiti awam di Malaysia perlu memberi tumpuan kepada kepuasan emosi pelajar bagi meningkatkan kesetiaan pelanggan mereka.



TABLE OF CONTENT

	Page
DECLARATION OF ORIGINAL WORK	ii
DECLARATION OF THESIS/DISSERTATION/PROJECT	iii
ACKNOWLEDGEMENT	iv
ABSTRACT	v
ABSTRAK	vi
TABLE OF CONTENTS	vii
LIST OF TABLES	xiv
LIST OF FIGURES	xvi
LIST OF APPENDIXES	xvii
CHAPTER 1 INTRODUCTION	
1.1 Research background	1
1.2 Problem Statement	6
1.3 The Conceptual Framework	13
1.4 Research Objectives	16
1.5 Research Questions	16
1.6 Hypotheses	17
1.7 Significance of the Study	18
1.8 Scope of The Study	19
1.9 Operational Definition	20
1.10 Thesis Outlines	21
1.11 Chapter summary	22

CHAPTER 2 LITERATURE REVIEW

2.1	Introduction	23
2.2	Higher Education in Malaysia	24
2.3	Internationalization in Higher Education	2
2.4	Underpinning Theory (SET)	31
2.5	Conceptualization of investigated variables	35
2.5.1	Service quality (SQ)	35
2.5.1.1	Service Quality In Higher Education	38
2.5.1.2	HEdPERF	37
2.5.1.3	E-Service Quality	43
2.5.1.4	Services Quality Challenges	44
2.5.2	Marketing Strategies (MS)	46
2.5.2.1	Divination of marketing strategies	46
2.5.2.2	The Role of Marketing in Higher Education	48
2.5.2.3	The Important Constructs of Marketing Strategy in the Previous Studies	53
2.5.2.4	The Challenges of Marketing Strategies In Higher Education	62
2.5.3	Emotion Satisfactions (E.S)	65
2.5.3.1	Operational Definition of Emotions	65
2.5.3.2	Positive and Negative Emotions	66
2.5.3.3	Emotions Satisfaction, Customer Satisfaction	67
2.5.3.4	The Link Between Emotions Satisfaction and Customer Loyalty	69
2.5.3.5	The Important Contract of Positive and Negative Emotion Satisfaction	70

2.5.3.6 Emotional Satisfaction Challenges in Higher Education	71
2.5.4 Customer Loyalty (CL)	72
2.5.4.1 The Importance of Customer Loyalty contracts	74
2.5.4.2 Measuring Customer's Loyalty	75
2.6 Theoretical Background and Research Hypotheses	76
2.7 Research gap	94
2.8 Summary of Chapter	95

CHAPTER 3 RESEARCH METHODOLOGY

3.1 Introduction	96
3.2 Research Design	97
3.3 Quantitative Methods	99
3.4 Research Population and sampling	100
3.4.1 Population of the framework	100
3.4.2 Sample Size	102
3.4.3 The Sampling Technique	104
3.4.4 Stratified Random Sampling	107
3.5 The Research Instrument	110
3.5.1 Questionnaire Design	110
3.5.2 Source of Constructs	111
3.5.3 Reflective and Formative Measurement Models	114
3.5.4 Developing the items of questionnaire	117
3.5.4.1 Developing the Instrument for Dimension of Service Quality	117
3.5.4.2 Developing the Instrument for Dimension of Marketing strategy	121

3.5.4.3	Developing the Instrument for Dimension of Emotion Satisfaction	123
3.5.4.4	Developing the Instrument for Customer Loyalty Dimension	124
3.6	Questionnaire Validity and Reliability	126
3.6.1	Validity	126
3.6.1.1	Pre-Testing of the Questionnaire	127
3.6.2	Reliability	127
3.6.2.1	Pilot Study	128
3.7	Data collection	134
3.8	Data Analysis	134
3.8.1	Reliability Analysis	136
3.8.2	Descriptive Statistics Analysis	138
3.8.3	Correlation Analysis	139
3.9	Factor Analysis	140
3.9.1	Exploratory Factor Analysis (EFA)	142
3.9.2	Demographic Characteristics of EFA	143
3.9.3	Descriptive Statistics of EFA	145
3.9.4	Reliability Test of EFA	147
3.9.4.1	Internal Consistency Test	147
3.9.4.2	Inter-Item Correlation	148
3.9.5	EFA Test and Results	151
3.10	Data Analysis Using SmartPLS-SEM	154
3.10.1	Assessment of Measurement Model	156
3.10.1.1	Convergent Validity	156

3.10.1.2 Outer Loading	157
3.10.1.3 Composite Reliability (CR)	157
3.10.1.4 Average Variance Extracted (AVE)	157
3.10.1.5 Discriminant Validity	157
3.10.1.6 Cross Loading	158
3.10.1.7 Latent Variable	158
3.10.2 Assessment of Structural Model	158
3.10.2.1 Coefficient of Determination (R ²)	159
3.10.2.2 Effect Size (F ²) Analysis	159
3.10.2.3 Construct Cross Validated Redundancy (Q ²)	160
3.10.2.4 The goodness of Fit of the Model (GOF)	160
3.10.2.5 Path Coefficient of the Research Hypothesis	161

3.11 Mediator Testing	162
3.12 Summary of chapter	164

CHAPTER 4 RESEARCH FINDINGS

4.1 Introduction	165
4.2 Response Rate	166
4.3 Data Analysis Using PLS-SEM Smart PLS	166
4.3.1 Demographic Characteristics	167
4.4 Assumptions for Statistical Analysis	169
4.4.1 Missing Data	170
4.4.2 Univariate Outlier	173
4.4.3 Data Screening Prior to Analysis	175
4.5 Common Method Variance CMV	177

4.5.1	Statistical Remedy for Common Method Variance	177
4.6	Assessment of Measurement Model (outer model)	180
4.6.1	Convergent Validity	181
4.6.2	Data Normality	182
4.6.3	PLS Initial Model Full Model with 78 (Measurement Model)	185
4.6.4	PLS Modified Model with 68items (Measurement Model)	188
4.6.5	Internal Consistency Reliability	189
4.6.6	Indicator Reliability	192
4.6.7	Discriminant Validity	193
4.6.7.1	Fornell and Larcker Criterion	193
4.6.7.2	Cross Loadings	193
4.6.7.3	Heterotrait-Monotrait Ratio (HTMT) Criterion	195
4.7	Data Assessment of Structural Model (inner model)	195
4.7.1	Coefficient of Determination (R ²)	195
4.7.2	Effect Sizes (f ²)	196
4.7.3	Predictive Relevance Q ²	197
4.7.4	Goodness of Fit of the model GOF	198
4.7.5	Path Coefficient of Hypothesis Testing	199

CHAPTER 5 DISCUSSIONS AND RECOMMENDATIONS

5.1	Introduction	202
5.2	Major Finding of the Research	203
5.3	Discussion	205
3.5.1	Direct relation Hypotheses	205

5.3.2	Mediating relation Hypotheses	212
5.4	Theoretical implications	216
5.5	Practical Implications	218
5.6	Limitations and Future Research Directions	222
5.7	Conclusion	224
	REFERENCES	226
	APPENDIX	232

LIST OF TABLES

Table No		Page
3.1	University Name	102
3.2	Sample Size	104
3.3	Comparison between Non-probability and probability sampling (Dana, 2020)	106
3.4	The distribution of study sample	109
3.5	Seven Likert – scales	111
3.6	The questionnaires scale and measurement	112
3.7	Developing the items of questionnaire related to service quality	118
3.8	Developing the items of questionnaire related to Marketing	121
3.9	Developing the items of questionnaire related to Emotion	124
3.10	Developing the items of questionnaire related to Customer	125
3.11	Coding of Constructs Items	130
3.12	Reliability of Instrument based on the Pilot Test	133
3.13	The Criteria for Alpha Levels	138
3.14	Cohen's Guidelines of Correlation Strength	140
3.15	EFA Demographic Characteristics	143
3.16	Descriptive Statistics of the Items	146
3.17	KMO and Bartlett's Test	149
3.18	Total Variance Explained	151
3.19	The Criteria for R-squared	159
3.20	The Criteria for F-squared	160
3.21	The Criteria for Goodness of Fit Model	161

3.22	Summary of direct effect and indirect effect and mediation	163
4.1	Response Rate	166
4.2	EFA Demographic Characteristics	168
4.3	Missing data	171
4.4	Outlier Identification (Minimum and Maximum Z-score values)	174
4.5	Descriptive Statistics	176
4.6	Total Variance Explained	178
4.7	Average Variance Extracted	181
4.8	Descriptive Statistics	183
4.9	Outer Loading	187
4.10	Deleted Items	188
4.11	Item Loading, Internal Consistency, Average Variance Extracted and R Square	190
4.12	Discriminant Validity using Fornell and Larker's criterion	194
4.13	R-Squared Values for the Latent Endogenous Variables	196
4.14	Effect Sizes of the Latent Variables on Cohen S (1988) Recommendation	197
4.15	Constructs Cross-validated Redundancy	198
4.16	Goodness of Fit of the Model (GOF)	199
4.17	Path Coefficient Assessment	201



LIST OF FIGURES

Figures No		Page
1.1	Conceptual Framework of study	17
2.1	Taxonomy and Classification of Research Literature	27
3.1	Methodology Process	98
3.2	Number International postgraduates in Malaysian public universities	101
3.3	Reflective and Formative Measurement Models. Source	116
4.1	Initial full Model Showing Items Outer Loading	186
4.2	Modified Model 68 items (Measurement Model)	189





APPENDIX LIST

A Publication

B Questionnaires





CHAPTER 1

INTRODUCTION



Globally, the importance of service marketing commerce is known to dominate the worldwide market by offering more than 70% of employment in the public and private fields (Ingrams & Holzer, 2016). Conceivably, this changes the marketing theory and practice from manufacturing or goods marketing to the marketing of services (Brkanli et al., 2020a). Current studies suggest that in the context of service, the strategies of marketing are crucial as the services are viewed as intangible, fragile, and less consistent (Foroudi et al., 2020a). In addition, the consumption and the service production involve the customers and companies than for manufactured products. (Kotler & Keller, 2009).





The essential features of this service indicate that users cannot affirm the claims made by service providers by merely executing an inspection (Angulo-Ruiz et al., 2016). Therefore, a significant decision-making restriction in the services of production and consumption is needed (Mohammed Manzuma-Ndaaba et al., 2018). In the context of industrial services, the main constituent is given to the education sector as it plays a crucial part in the development states' agenda (UNESCO, 2016). A university is a social institution that has the mandate to register and qualify students in several scientific and educational areas that bring excellence in character and knowledge for the survival and advancement of the community (Chien, 2015). Thus, the university must encourage and support the appearance of marketing strategies as it promotes both social and economic connections between the universities and the students (Pucciarelli & Kaplan, 2016).



private sectors. It is challenging nowadays to attract and retain the students, who are the clients, especially undergoing significant increment in the numbers of universities and colleges around the world. In today's educational context, many tertiary institutions are competing to discover innovative solutions to attain competitive advantage to enhance their efficiency and retain their students in their institutions (Hsiao & Chen, 2013). The loyalty of the customers leads to a significant influence on universities' performances (Badeggi & Muda, 2021). Thus, it is viewed to be a vital aspect in attaining a competitive advantage (Kim & Stepchenkov, 2018). Therefore, educational providers need to have unique offerings to cultivate a long-term connection with the clients to obtain a competitive advantage (Foroudi et al., 2020a).





Effective marketing strategies by the educational institutions will reflect in various aspects, such as the rise in the numbers of students' admission, institutions at the tertiary level, the government expenditure for the education sector, additional government policies to promote the country's education, and constant requirement for human resources (Balaji et al., 2017). However, there has been a global issue of students' loyalty and retention to universities due to the fundamental changes in the higher education sector (HES), such as policy changes in university ownership, scholarship, globalization, and student mobility (Woodall et al., 2014). Globally, developed countries earn the benefit of using marketing approaches in educational services to incorporate key causes that influence student loyalty to a particular destination regardless of the threat of competitive alternatives, such as other tourism services, highly price-sensitive and low competitive international education with the low level of loyalty by the customers (Mohammed Manzuma-Ndaaba et al., 2018). An internalization of higher education can be seen from the worldwide movement of students internationally across borders (Petruzzellis, 2010).

As nations and economies become more interrelated, people are starting to be aware of the chances to study other cultures and people globally, realizing the advantages they gain from studying abroad (Escadas et al., 2019). Government policies have led to the growth in higher education as it was designed to attract students and migrants with skills (S. Z. Ahmad & Hussain, 2017). In Malaysia, universities are becoming financially independent and competitive in the vibrant Malaysian education market (Daud et al., 2020). Their academic withstanding of public universities, and thus, their economic power, depends on their capacity to attract undergraduate and postgraduate students. Nevertheless, more than universities or colleges. This indicates





the competitiveness of these institutions is increasing, and branding is one of the aspects that applicants look into to differentiate each university. In the education sector, the government is committed to carrying out its role in higher education, with an annual expenditure equal to 7.7% of the government's expenditure. Based on the benchmark set by UNESCO, the highest-developed economies are Malaysia's peer-developed Asian economies, such as Hong Kong, Japan, South Korea, and Singapore, while the neighboring countries Thailand, Indonesia, and Singapore are countries with comparable GDP per capita (Chile, Mexico). Malaysia has been expending the largest allocation of RM52.6 billion, which equals 26 percent annually on education in 2022 (MOHE, 2022).

Malaysia is aiming for 250,000 international students by 2025, particularly from transnational from SE Asia + China, India & Gulf Region. Impliedly, universities in Malaysia need to register and sustain sufficient international students to function successfully and attain their order, as it is the critical standing of student loyalty. The concept of marketing has been taken to a great extent in the HES of Britain and the United States, particularly. The UK, Australia, and the US show the highest number of transnational education providers, followed by emerging numbers from Europe, Canada, and New Zealand and even non-traditional international education provider countries, such as China, India, Malaysia, and Singapore. More than 623,000 international students, which accounted for 21.5% of all international students globally. Thus, education is the largest contributor to the USA's net exports, following the royalties and license fees such as business, professional, technical, and financial services. Australia has become a leading exporter of (higher) education, and Australian institutions rely heavily on the income from foreign students".





The number of international students in higher education has increased from just over 100,000 to more than 250,000 between 2000 and 2009. Meanwhile, In Taiwan, the number of international students continuously increased from 111,000 in 2015 to 132,000 in 2019. Indeed, trading in educational services leads to rapid growth of international business. In Canada, the total income earned from international students was \$6.5B, more significant than exporting coal, with \$6.05B in 2008. In the UK, the personal (off-campus) spending of international students attending higher education institutions was £1.5B in 2004, which equals 9% of all earnings from international visitors to the UK that year. The same data for 1999-2005 showed a significant increase of 173% in Australia, 177% in Canada, 48% in the UK, and 47% in the USA.

Despite the issues above, universities and colleges are focusing more on student admissions and enrolment instead of managing admission. In the US, over 40 percent of college students leave tertiary education before earning a degree, and from this number, 75 percent are dropouts in the first year. In Australia, a similar situation occurred when 50 percent of all attributions at the tertiary level occurred to students in the first year, and 30 percent of these students were disappointed with their experience.

In Malaysia, anecdotal evidence discloses a significant rise in the number of international students. Many of those students are pursuing undergraduate or postgraduate. Despite this improvement, international students reported only a moderate level of satisfaction with their former university, which may indicate a degree of shift away from their previous institution. As a direct consequence of the problems discussed previously, it is of the greatest priority to establish a plan to recruit and keep undergraduate and graduate students in the institutions of Malaysia. However, the





transformation required to a student-based model requires the use of marketing plans. After looking at the practical motivations for this study, the next paragraph highlights theoretical motivations. Much empirical evidence highlights the role of student satisfaction with the university's services, reputation, and service quality in promoting student loyalty to the university. Nevertheless, little empirical evidence occurs of the role of critical marketing strategies, such as perceived brand orientation, university brand, and location to the university's loyalty.

1.2 Problem Statement

The research is reinforced due to the intense competition and the challenge of delivering education to diverse students in lifelong learning (A & D, 2020). Among the consequences of a rise in reduction rates or lack of loyalty are a reduction in financial results, extra expenditure in recruiting new students, and loss of free word-of-mouth advertising, particularly for the providers of the educational institution using online or combined learning strategies (Daud et al., 2020). Therefore, the loyalty of the students is becoming a significant matter to the providers of lifelong learning (Thoo et al., 2022).

Consequently, the anecdotal and empirical evidence support the strategic importance of customer loyalty in improving organizational efficiency and competitiveness (Susanti, 2019). E-service quality (Daud et al., 2020), customer satisfaction (Uysal, 2021), university image (Sultan, 2018), reputation (Dursun & Gumussoy, 2021), marketing strategies such as location (Al-sadly, 2020), marketing communications (Sultan & Wong, 2012), information sources (Shahijan et al., 2018),





marketing mix (Brkanli et al., 2020a). However, the results of the earlier studies concerning the relation between key quality of service, marketing strategies, and the loyalty of the customer are inconsistent. For example, mainstream studies have reported a negative significance between the dimensions of service quality and customer satisfaction (Anabila et al., 2022). Another study has reported that perceived service quality was positively and significantly associated with student loyalty (Daud et al., 2020). Furthermore, another study showed that students' satisfaction was significantly correlated with university loyalty. Similarly, mainstream study has found a significant positive relationship between location and satisfaction, which also leads to customer loyalty (Farhat et al., 2021a). The inconsistency of these findings recommends that the research should connect between service quality, marketing strategies, and customer loyalty, which is not convincing (Elgarhy et al., 2022). As suggested by Khalid et al., (2021) the HEI should be aware of the reason for the disloyalty of the foreign students. By doing so, the HEI can identify the root of the problem and improve the quality of the service to possibly satisfy the needs of the foreign students and, therefore, retain them (Thoo et al., 2022). Moreover, the loyalty of foreign students can be interpreted based on a complex approach, as it involves emotions, commitment, and word-of-mouth recommendations (Shahijan et al., 2016).

Meanwhile, based on the reviews of literature, it is challenging to determine the quality of service as no framework is general or widely accepted that can be operationalized to make an accurate valuation of service quality (Susanto & Herdinata, 2022). However, the research on the quality of services is still current compared to the commercial sector (Arguello et al., 2020). Furthermore, one of the key challenges encountered by HEIs is to discover and apply the most suitable instrument to measure





the service quality of the HEIs (Susanto & Herdinata, 2022). Nevertheless, universities and colleges are facing new challenges due to globalization and the liberalization of higher education around the world (Tsuruta, 2013). For instance, the number of student enrolment is declining; there is poor planning of strategic marketing and strong competition between other colleges or universities that put forward similar courses and service quality (A. Ahmad et al., 2021). Therefore, future study needs to identify the factors of service quality that can impact student satisfaction to enhance their services (Hashim et al., 2020). Furthermore, based on the literature reviews, most of the research on the quality of services are done in developed countries, such as the UK, Spain, Australia, South Korea and Taiwan, and less in developing countries partially in Malaysia.



There is a lack of studies in public higher education institutions, especially on

international postgraduate students (Shafaei & Razak, 2016a). Thus, future studies need to discover more information on service quality in the context of public higher education (Thoo et al., 2022). Over the past two decades, international student enrollment in Malaysian higher education has steadily increased but recently saw a sharp decline of 40,000 students or 30% from 2017 to 2019, potentially hindering the national goal of 250,000 international student enrollment by 2025 (MoHE, 2022). Figure 1 depicts the trend of international student enrollment in various Malaysian higher institutions from 2002 to 2019.



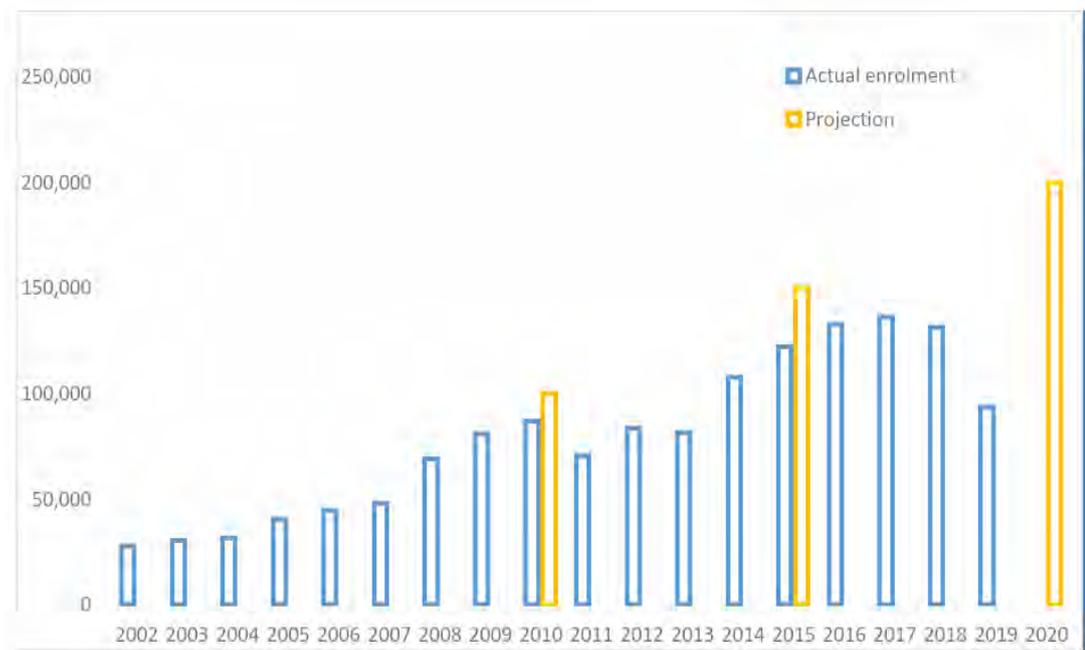


Figure 1.1. International student enrolment from 2002 to 2019. (Source: MOHE 2020)

In addition, the literature reviews reveal that international postgraduate students

are less content with the quality of service provided by Malaysian public universities because the performance of educational services needs to live up to the expectations, they have set for themselves (Badeggi & Muda, 2021). For instance, a study measured the perception and expectation of the quality of services in higher education (A. M. Rasli et al., 2014). They found a negative perspective of Iranian postgraduate students on service quality. They confirmed that the case study on 353 international postgraduates showed the outcome of the low service quality dimension: tangible, consistency, assurance, and compassion. Meanwhile, studied on Turkish students to measure the quality of service in Malaysian higher education (A. M. Rasli et al., 2014). The findings uncovered high expectations and low perception value to indicate a negative gap in service quality. This reflects the dissatisfaction of Turkish students studying in Malaysian public universities.



According to (Mustaffa Wan Salmuni et al., 2019) the study to evaluate the service quality, they surveyed 381 international graduate students. According to the results, international students from Africa and the Middle East are less satisfied with the quality of education they receive at Malaysia's public institutions than those from other Asian countries.

Therefore, universities must know how international students experience campus life and what they cherish the most (Hakeem et al., 2021). Moreover, universities should exhibit an excellent image to enhance their image as it can attract and give a positive perception among international students to select their preferred universities (Tin et al., 2015). The universities must also know the students' expectations to offer them an appropriate learning setting (Pucciarelli & Kaplan, 2016).

HEIs can benefit from satisfying international students in several ways, such as fewer dropouts, getting higher grades, engaging positively through word of mouth, and partnering with the institution (Farhat et al., 2021a).

Nevertheless, inadequate studies on the quality of service, emotional satisfaction, and the loyalty of students in the public education industry, particularly in Malaysian universities, recommended future research to confirm this connection and discover the factors that add more to the international postgraduate perception towards the public universities in Malaysia. while paucity of studies on the constructs of reputation, quality of program academic aspects and non-academic, access to the lack of the studies of e-service quality specially on international postgraduate students in Malaysian public universities as suggested by Daud et al., (2020) .





Furthermore, the second part of inconsistent findings is marketing strategies. Several authors have dealt with this topic based on a review of the theoretical literature and a discussion of the results (Camilleri, 2021). There are conflicting views on the impact of specific marketing strategy tools on student loyalty; there needs to be more research that analyses the impact of marketing strategies on emotional satisfaction, and the university brand is evident (Riccomini et al., 2021).

In addition, based on the literature review, the key marketing strategies of the brand, perceived brand orientation, and location were scarcely validated by international postgraduate students in Malaysian public universities (Omar et al., 2022). These issues are expatiated subsequently. On the other hand, many of the previous marketing strategies need to be more cohesive; either they investigate the impact of marketing strategies on customer loyalty separately, or they neglect other related mediating devices that may affect the perceptions and loyalty of the customers (Sharif & Lemine, 2021). As suggested by previous empirical research, the mediating mechanisms were incorporated (Riccomini et al., 2021). This research aims to present a more significant explanation concerning the relationship between marketing strategies and the loyalty of customers.

Based on the review of the literature, it was discovered that the marketing strategies involve location, image, university logo, and promotion to disregard the expected brand orientation and university brand (Foroudi et al., 2020b). The paucity of studies on the construct of expected brand orientation and university brand postulate that adequate measurement and estimation of the effect of perceived brand orientation and university brand are lacking in the literature (Balaji et al., 2016). Therefore, this





study aims to add to the theory and practice by investigating the connective impacts on the perceived brand orientation and university brand along with other marketing strategies on customer loyalty, as recommended by Sharif & Lemine, (2021). The review of literature also revealed that past marketing strategies studies were primarily set up in developed countries such as the UK, Spain, and Latvia to the less of the Malaysian continent in general and international postgraduate students in particular(Lim et al., 2020). Nonetheless, the HES and its strategic importance to the global development plan function to observe customer loyalty in the higher education setting (Foroudi et al., 2020a). The globalization of HIEs affected student retention and loyalty, leading to the decline of public funding of HEs, privatization and commercialization of HEIs, student mobility, and intense competition for student enrolment among HEIs, especially universities (Eresia-Eke et al., 2020). Each of the practical issues highlighted significantly impacts the university's ability to attract and retain students and achieve academic, pedagogical and financial targets through the loyalty of students(Dennis et al., 2016).

The governing body of higher education institutions encourages a 'customer-oriented' approach to ensure quality in service delivery by including student experience as one of the evaluation criteria for quality review. Service quality is a key factor in the commercialization of higher education, not only for the sustainability of an institution but also as a source of national competitive advantage. Therefore, this study fills in the gap by introducing the intervening impact of emotional satisfaction on the relationships between the quality of services, marketing strategies, and the loyalty of the customers. Most previous studies have examined the direct connection between the quality of service and customer loyalty.





While disregarding the significant role of emotional satisfaction, previous studies discussed the concepts of service quality and customer satisfaction to assess the customer experience in the service context. However, this concept only assesses the cognitive angle of customer service, neglecting emotional details. Understanding emotional satisfaction can guide service providers to improve international students' experience. Emotional satisfaction influences future purchases, recommendations, satisfaction, and loyalty intentions.

1.2 The Conceptual Framework

In the present study, the first part of the independent variable for this conceptual framework is service quality, which includes academic, non-academic, program issues, access, reputation, and e-service quality. The service quality was hypothesized to be associated with customer satisfaction and loyalty. Concurrently, satisfaction emotion may influence customer loyalty and is a variable that mediates the connection between the quality of service and loyalty of the customer. The focus of this study is on customer loyalty, which is the variable being analysed. Below is the explanation for the association between the independent, mediator, and dependent variables.

The proposed research framework demonstrates that service quality of academic, non-academic, reputation, program issue, access, reputation, and e-service quality have a positive connection with the customer's loyalty through the intervening impact of satisfaction. According to Dropulić et al. (2021), the emotion of satisfaction can reduce the cost of marketing and increase the loyalty of the customers towards





organizations. For example, the influence of academic issues (Yuan et al., 2016; Santos & Ruiz-Esteban, 2020), non-academic (Chong & Ahmed, 2015; McLeay et al., 2017; Moslehpour et al., 2020), program issues (Salmuni et al., 2016; Osman & Ashraf, 2019), access (McLeay et al., 2017), reputation (Salmuni et al., 2016), e-service quality (Um & Ph, 2021; Daud et al., 2020) on the satisfaction of the customer, and eventually, the loyalty of the customer was described by empirically by the previous studies.

Nevertheless, empirical proof can also happen due to the insignificant connection between service quality and the satisfaction of the customer (Narang, 2012; Ushantha & Kumara, 2016; Md et al., 2017) and customer loyalty (Subrahmanyam, 2017; Chandra et al., 2018). However, the second part of the independent variable for this conceptual framework is marketing strategies, which comprise the university's brand, location, and perceived brand orientation. The marketing strategies were hypothesized to be associated with emotional satisfaction and customer loyalty. Concurrently, the emotion of satisfaction may influence customer loyalty and act as a mediator variable that links the marketing strategies- customer loyalty relationship.

The proposed research framework demonstrates that marketing strategies of the university's brand, location, and perceived brand orientation positively connect with customer loyalty via the intervening effects of satisfaction. For example, the fluence of the brand of the university (Daud et al., 2020; Sultan & Wong, 2014c), location (J. et al., 2013; Noaman et al., 2013), and perceived brand orientation (Casidy, 2014b; Susilo, 2016) influence the student satisfaction, which eventually reported the loyalty of the customer by previous empirical research. However, the empirical proof shows the irrelevant connection between marketing strategies and customer satisfaction (Lim et



al., 2018). In other words, satisfaction is not enough to permit the customer's loyalty to a service provider or brand. This scheme spins around the empirical evidence that some satisfied customers will still shift (Wilkins et al., 2017), and customers who rely on the association are often disloyal (A. et al., 2012a). These mixtures of findings recommend examining the viable role of a contingent variable between the predictor and the criterion variables. Thus, customer satisfaction may be sufficient to guarantee customer loyalty in Malaysian public universities as it relies on the emotion of international postgraduate satisfaction, which requires empirical proof (Dropulić et al., 2021). In other words, emotional satisfaction is hypothesized to lessen the impact of marketing strategies and the quality of service on customer loyalty in Malaysian public universities.

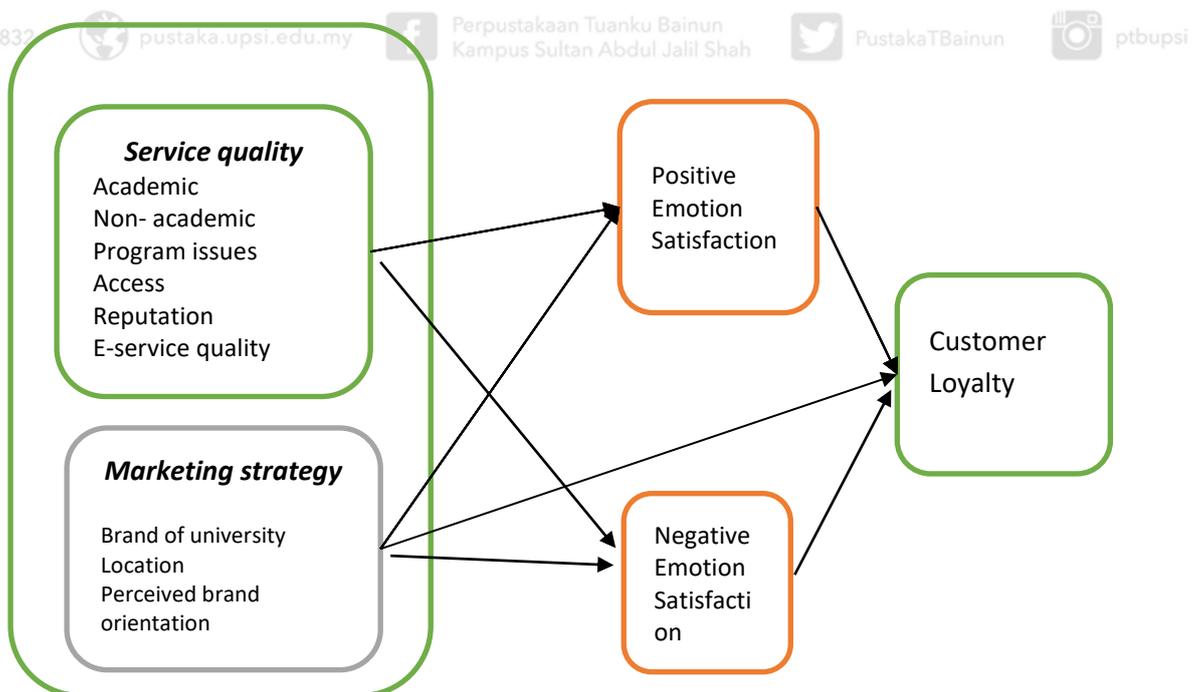


Figure 1.2. Conceptual Framework of study



1.3 Research Objectives

- 1- To examine the effect of service quality on positive emotional satisfaction.
- 2- To examine the effect of service quality on negative emotional satisfaction.
- 3- To examine the effect of marketing strategy on positive emotional satisfaction.
- 4- To examine the effect of marketing strategy on negative emotional satisfaction.
- 5- To examine the effect of service quality on customer loyalty.
- 6- To examine the effect of marketing strategy on customer loyalty.
- 7- To examine the effect of positive emotional satisfaction on customer loyalty.
- 8- To examine the effect of negative emotional satisfaction on customer loyalty.
- 9- To examine the effect of positive emotional satisfaction as a mediator between service quality and customer loyalty.
- 10- To examine the effect of positive emotional satisfaction as a mediator between marketing strategy and customer loyalty
- 11- To examine the effect of negative emotional satisfaction as a mediator between service quality and customer loyalty.
- 12- To examine the effect of negative emotional satisfaction as a mediator between marketing strategy and customer loyalty.

1.4 Research Questions

- 1- What is the effect of service quality on positive emotional satisfaction?
- 2- What is the effect of service quality on negative emotional satisfaction?





- 3- What is the effect of marketing strategy on positive Emotional satisfaction?
- 4- What is the effect of marketing strategy on negative Emotional satisfaction?
- 5- What is the effect of service quality on customer loyalty?
- 6- What is the effect of marketing strategy on customer loyalty?
- 7- What is the effect of positive emotional satisfaction on customer loyalty?
- 8- What is the effect of negative emotional satisfaction on customer loyalty?
- 9- What is the effect the effect of positive emotional satisfaction as mediator between service quality and customer loyalty?
- 10- What is the effect the effect of positive emotional satisfaction as mediator between marketing strategy and customer loyalty?
- 11- What is the effect of negative emotional satisfaction as mediator between service quality and customer loyalty?
- 12- What is the effect of negative emotional satisfaction as mediator between marketing strategy and customer loyalty?

1.5 Hypotheses

- H₁:** There is a significant connection between service quality and positive emotional satisfaction.
- H₂:** There is a negative connection between service quality and negative emotional satisfaction.
- H₃:** There is a positive relationship between marketing strategy and positive emotional satisfaction.



H4: There is a negative relationship between marketing strategy and negative emotional satisfaction.

H5: There is a positive relationship between positive emotional satisfaction and customer loyalty.

H6: There is a negative relationship between negative emotional satisfaction and customer loyalty.

H7: There is a positive relationship between service quality and customer loyalty.

H8: There is a positive relationship between marketing strategy and customer loyalty.

H9: Positive emotional satisfaction mediator the relationship between service quality and customer loyalty.

H10: Positive emotional satisfaction mediator the relationship between marketing strategy and customer loyalty.

H11: Negative emotional satisfaction mediator the relationship between service quality and customer loyalty.

H12: Negative emotional satisfaction mediator the relationship between marketing strategy and customer loyalty.

1.6 Significance of the Study

This study hopes to contribute significantly to theory, practice, and methodology knowledge. From a theoretical point of view, the results of this study will provide empirical evidence on the relationship between the quality of service, marketing



strategy, emotional satisfaction, and the loyalty of customers in the context of HEIs by reviewing the existing marketing strategy literature specifically and service quality in general given the lack of studies on the construction of perceived brand orientation even in mainstream marketing strategies in the literature.

1.7 Scope of the Study

The proposed conceptual model was used to determine the emotional satisfaction of international postgraduate students in Malaysian public universities. The study revealed a significant correlation between four important variables, including service quality, marketing strategy, emotional satisfaction, and customer loyalty.

In Malaysia, there are 20 public universities which offer diploma, undergraduate, and post-graduate programs in various fields. These universities are fully funded by the federal government and comprise 5 research universities, 4 comprehensive universities, and 11 focused universities. To meet the demand for tertiary education, the number of public HEIs increased in 2008 to provide placement for new admissions.



1.7 Operational Definition

This study was conducted to find out the impact of marketing strategies and service quality based on emotional satisfaction and customer loyalty by implementing a model for international post-graduate students in public universities in Malaysia. This quantitative study involves the structure and self-administered questionnaire based on the sampling method of data collection facilities from Public Universities in Malaysia.

1.7.1 Service Quality: extending the service concept to five dimensions of service quality; Academic, Non-Academic, Quality of program, physicality, Reputation, and E-service quality. Enhanced investigation of the concept has established other dimensions of service quality (Abdullah, 2006)

1.7.2 Marketing strategy: The application of loyalty strategies has proven to multiply the level of customer retention while lessening marketing expenses and for this marketing strategy, the key points are the brand of the university, location, promotion, and marketing communication.

1.7.3 Emotional satisfaction: The significance of emotional satisfaction and dissatisfaction linked to the achievement of university success and the occurrence of failure in fulfilling the hopes of both students. Previous research discovered that positive emotions, such as pleasant surprise, interest, and joy, as well as negative emotions, such as hostility, anger, disgust, contempt, shame,

guilt, fear, and sadness, influence a person's satisfaction level during consumption experiences. (Dean, 2001).

1.7.4 Customer Loyalty: There are various critical points in customer loyalty, one of which refers to customer-developed behavior, i.e., repurchase behavior. It considers all the experiences customers face when using products and services from suppliers.

1.8 Thesis Outlines

This research comprises of four chapters. The followings explain the content of each

Chapter One: Provides basic background of study with problem statement, objectives, and scope of study with summary.

Chapter Two: Presents the literature review to analyse the measurement of service quality model and specify the problem for the research articles in the area of student Emotional satisfaction.

Chapter Three: This chapter presents the research method, and proposed a new model, to measure the service quality in Malaysian universities with the described steps.

Chapter Four: In chapter three analysis and results has been interpreted



1.9 Chapter summary

This chapter presents the background, problem statement, objectives, and research questions of a study on customer satisfaction, loyalty, emotional satisfaction, and marketing strategy in Malaysian public universities. Chapter Two provides a literature review related to the study's focus on international postgraduates.

