

CONSUMERS' PERCEPTION OF QUALITY TOWARDS PRIVATE UNIVERSITIES IN BANGLADESH

ABSTRACT:

This study primarily investigates the underlying factors that help to form consumer perception of quality toward private universities in Bangladesh. Five beliefs have been identified as salient to perceive the quality of private universities of Bangladesh. These are quality faculty members, university environment, campus facility, quality education and university image/reputation. Multi-item measures were used for data collection. Results revealed that three factors: campus facility, quality education and university image/reputation have positive and significant influence on perceived quality of private university in Bangladesh. Quality faculty members and university environment do not have significant influence on perceived quality of private university in Bangladesh.

INTRODUCTION:

Higher education in the university level has been imparted through two major types of institutions, namely: public university and private university. The concept of private university in Bangladesh is not a very ancient one. The emergence of private university in Bangladesh began with the enactment of a series of laws governing higher education in 1992. To fulfill the ever-growing demand of institutions of higher studies, at present there are 85 universities in Bangladesh where only 29 of those are public universities and remaining 56 are private (University Grants Commission Website).

Establishment of private universities released the pressure of large-scale admission seekers for the limited number of seats available in public universities. The Private University Act 1992 mentions that the main objectives of private universities are to meet the growing demand of higher education and to create skilled manpower for the economic development of the country.

The present study analyzes the perceived quality of private universities in Bangladesh focusing on some salient beliefs like quality faculty members, university environment, campus facility, quality education, image/reputation.

Private universities in Bangladesh, no doubt, have contributed to responding to the social demand for higher education by absorbing a good number of students who otherwise could not have received university degree. The private universities are attracting a large number of students, while it seems that the reputation and teaching-learning process of the public universities are secularly on the decline,

despite the fact that their worldwide reputation is higher than some of the private universities. The state has to form some sort of "accreditation council" and those private universities that satisfy certain critical minimum requirements of inputs, processes, and outputs will be given accreditation by the proposed council.

RELATED CONSTRUCTS OF THIS STUDY:

Faculty Members: Faculty members are one of the most important and crucial factors for any private universities. In order to evaluate perceived quality the key factor to be considered is the quality of the faculties as it has a significant influence on the perceived quality of private universities. Also to provide quality education the faculty members are also chosen from a pool of excellent academic background with national and foreign degrees. For ensuring the sound academic environment, now private universities are emphasizing research work of the faculty members.

University Environment: The university environment is another factor for choosing university and perceiving the quality of a particular university. Therefore it is important that the university must have a congenial environment that will ensure friendly student-teacher relationship, politics free and no session jam or delay in achieving graduation, well organized authority, zero discrimination and good and healthy premises.

Campus Facility: The campus facility of any private university must have the basic facilities as well as some value added facilities as the students of private universities are paying some premium price in getting the education here.

Quality Education: The students who get enrolled in private universities must have a minimum educational background to qualify for the admission test and finally enrolled in the university. The curriculum is designed to meet the international standard as well as the students should be able to take part in any competitive examination with full confidence as compared to those of public universities. The student-teacher ratio and the grading policy also have an impact on the quality education.

Image / Reputation: The image or reputation of the university has an impact in the job market. The private universities like North South University, East West University, BRAC University, Independent University, Bangladesh (IUB), American International University, Bangladesh (AIUB) have been able to create an acceptance to the students and guardian community by their image and reputation.

OBJECTIVES OF THE STUDY:

The objective of this study therefore is to identify, analyze, and explore how the students perceive quality of the private universities and what are the extrinsic factors (faculty strength, university environment, campus facility, brand image, and quality of education) influencing perception of quality to the students and guardians. Each of these extrinsic cues has positive or negative impact on the students' evaluation of private universities in

Bangladesh. Having identified all the cues we need to find out which cue/s has/have more influence on the students while evaluating the perceived quality of a particular private university.

REVIEW OF THE LITERATURE:

Given the importance of the topic, it is not surprising that a great deal has been written about quality. Consistency limitation preclude a comprehensive review (Castleberry 1985), only the literature that is relevant to the objectives of this exploratory study will be discussed here.

Unlike the approach taken in this paper, many authors have offered definitions of quality. For example, Crosby (1979) defined it as "conformance to requirements," while Kotler (2006) defined it as "the rated ability of the brand to perform its functions."

Others have highlighted aesthetic considerations. Thus, Bohr (1980) notes that quality "...also means aesthetic and sensuous pleasure as well...it is timeless style, simple elegance and a sensation that makes people feel comfortable and satisfied to be near it." Garvin (1984), however, concedes that the definition of quality "remains a source of confusion." He states that quality often is equated with conformance to tight manufacturing standards but that there are many other dimensions of quality as well, to wit: performance, durability, reliability, serviceability, the "bells and whistles," and aesthetic elements. In a similar view, Gronroos (1984) acknowledges the need to define quality of services in terms of consumer perceptions and suggests that service quality may be a function of a number of variables, i.e., consumer expectations, technical and functional characteristics, and image.

After classifying definitions of quality that have appeared in marketing and other disciplines, Holbrook and Corfman (1985) developed a definition of quality within the framework of value theory, specifically: quality is the "extrinsic, self-oriented, passive value." An empirical test of their conceptual definition was only marginally successful and the authors concluded that they had provided only a partial answer to the question of the meaning of quality. Years ago Wittgenstein (1953) stated that to understand quality from the consumer's standpoint, one must be concerned with the everyday use of the word. However, as evidenced by examples from the literature, researchers generally have not adopted this approach. Moreover, no study was found which explored the extent to which consumers' definitions of quality depend upon the product or service being considered.

Another line of inquiry in the current study is whether consumers evaluate quality before and/or after purchasing a product or service and, if so, how. Economists, who probably have contributed most to this topic, are divided into two groups. Wilde (1981) represents those who feel quality is a search attribute (i.e., quality perceptions are formed before purchase). Others (e.g., Hey and McKenna 1981), however, feel that perceptions of quality are formed only after purchase and hence quality is an experience attribute.

Of the many issues relating to quality, consumer researchers seem to be most interested in how consumers evaluate quality. Most work has explored the effects of various cues and cue combinations on perceptions and evaluation of quality (Olson 1972, Olson 1977, and Monroe and Krishnan 1985). Recently, Gronroos (1984) and Parasuramen, et al. (1984) have developed conceptual models of service quality and have identified possible determinants of perceived service quality. The fact that these are service quality models suggests that the evaluation, as well as the definition, of quality is likely to be context-bound. Gronroos, however, has only tested his model with a sample of service business executives, and the Parasuramen, et al. model is now being tested empirically. Therefore, considerable work must be done before a better understanding of the meaning and role of quality from the consumer's perspective is achieved.

ATTITUDE TOWARDS PRIVATE UNIVERSITY:

As a purpose of the study, we examine the information integration process by which consumers form Attitudes toward Private University (APU). As per cognitive process of consumer decision-

making, consumers combine some of their knowledge, meanings, and beliefs for choosing private university to form an overall evaluation. These considered beliefs might be formed by interpretation processes or activated from memory.

All Beliefs about Private University:

The pretest is conducted to identify the salient beliefs towards private university. Convenience sample of 26 students from North South University and East West University have been provided a survey question asking the attributes they consider to perceive the quality of private university. The following table shows all the beliefs that are considered by the students:

Exhibit-1: Summary of the pre-testing

SI. No	Beliefs about Private University	Frequency	
1	Quality Faculty Member	22	
2	University Environment	19	
3	Campus Facility	18	

4	Quality Education	17	
5	University Image/Reputation	15	
6	Standard Curriculum / Education Program	12	
7	Job Market Value	10	
8	Tuition Fee	09	
9	Location of the University	08	
10	No Session Jam	05	
11	Foreign Affiliation/Recognition	04	
12	Politics free	03	
13	Financial Aid/Scholarship	01	
14	Grading Policy	01	

Cut off line

Salient Beliefs:

Through consumers' varied experiences, they acquire many beliefs about private university from the environment. *Exhibit- 1*, presents all of the beliefs that have been found through conducting pre-testing among 26 respondents about the factors for choosing private university. However, these beliefs constitute an associative network of linked meanings stored in the memory. As we know, people's cognitive capacity is limited, only few of these beliefs can be activated and consciously considered at once. And the activated beliefs are called salient beliefs and we have come to know these salient beliefs through verifying the data from respondents. The following table shows our findings:

Exhibit-2: Salient Beliefs about Private University

SI. No	Salient Beliefs about Private University	Frequency
---------------	---	------------------

1	Quality Faculty Member	22
2	University Environment	19
3	Campus Facility	18
4	Quality Education	17
5	University Image/Reputation	15

Exhibit-3: Different dimensions to determine the perceived quality about private universities in Bangladesh

All Beliefs about Private University

- Quality Faculty Member
- University Environment
- Campus Facility
- Quality Education
- Image/ Reputation
- Standard Curriculum
- Job Market Value
- Tuition Fee
- University Location
- No Session Jam
- Foreign Recognition
- Politics Free
- Financial Aid
- Scholarship
- Grading Policy

Salient Beliefs about Private University

HYPOTHESES OF THE STUDY:

The hypotheses have been developed to test the direct positive, negative or less influence effect of the variables on the evaluation on perceived quality of private universities.

Hypothesis 1 ((H₁): Quality faculty member is associated with perceived quality of private universities in Bangladesh.

Hypothesis 2 (H₂): University environment is associated with perceived quality of private universities in Bangladesh.

Hypothesis 3 (H₃): Campus facility is associated with perceived quality of Private Universities in Bangladesh.

Hypothesis 4 (H₄): Quality education is associated with perceived quality of private universities in Bangladesh.

Hypothesis 5 (H₅): Image/Reputation is associated with perceived quality of private universities in Bangladesh.

RESEARCH METHODOLOGY:

In order to attain the aims of the study both the qualitative and quantitative methods were used. There are two reasons for using both methods. First of all, an exploratory phase of pre-test was needed in order to identify the most salient beliefs about private university and to develop hypotheses of the study. Secondly, questionnaire survey was required in order to obtain answers to the research questions/aims of the study and test of the hypotheses.

Pretest: The purpose of conducting the pretest is to obtain a list of factors that influence the perceived quality measurement of private universities. The sample size of the pretest was 26 respondents. In the pretest 14 factors were identified out of which we have chosen 5 factors based on the frequency.

Sample: A random sample of 40 respondents from two private universities namely North South University and East West University were selected based on convenience sampling to conduct both pretest and questionnaire survey. After the survey was conducted the result was calculated for making an inference regarding consumer perception of quality towards private universities in Bangladesh. Coefficient Alpha (Cronbach's Alpha) value was drawn to measure the internal consistency reliability and then content validity and criterion validity were tested to understand whether the results were drawn are valid.

Data Collection Method and Procedure: A two-phase approach of data collection was required for the study. In secondary data the result of the pretest was used in order to collect qualitative data. In primary data collection process we designed a closed-ended questionnaire to collect quantitative data. The questionnaire was served as a data-gathering instrument. The cover page of the questionnaire described the purpose of this study. The subsequent pages contained information of perceived quality of the private universities of Bangladesh and the 5-point Likert

Scale technique was (non-comparative scaling techniques) used to conduct this study and collecting data.

Measurement of Variables: Multi-items were used to get the data on the constructs considered. A total of 21 items were constructed for the questionnaire for five different dimensions. Reliability/internal consistency of the multiple-item scales for each of the constructs was measured using Cronbach's coefficient alpha. This coefficient varies from 0 to 1, and a value of

- or less generally indicates unsatisfactory internal consistency. Reliability is necessary, but not sufficient condition for validity. If a measure is perfectly reliable, it may or may not be perfectly valid. On the other hand, if a measure is perfectly valid, it is also perfectly reliable.

Based on the assessment, a total of 18 items measuring the constructs were finally retained for final use. We ignore the item *North_ American_ Degree* from the *Quality Faculty Members* dimension because in reliability test the Cronbach's alpha represents higher value (0.881) if the item is deleted and also in the validity test the component matrix of *Quality Faculty Members* dimension represents the value for the item *North_ American_ Degree* is significantly low (0.262) than other items. We omit the item *Clean_Premise* from the; *University Environment* dimension because in factor analysis this item extracted two components in component matrix, if we ignore this item then factor analysis become more valid and the Cronbach's alpha value (0.698) in reliability test also increases little more. For the similar reason we also ignore the item *Student_teacher_Ratio* from *Quality Education* dimension where Cronbach's alpha value represents (0.760) if the item is deleted. After conducting all these reliability and validity test individually for each dimensions our coefficient alpha values ranges from 0.698 to 0.881 (see *Exhibit: 4*)

Exhibit-4: The Summary of the Reliability Measurement

Dimensions	Number of items	Cronbach's coefficient Alpha values
Quality Faculty Members	3	0.881
University Environment	3	0.698
Campus Facility	4	0.859
Quality Education	3	0.760
Image/Reputation	5	0.815

The qualitative analysis provided support for the importance of some of the variables thought to affect the respondents' evaluations. To address these effects more formally, we estimated a regression model motivated by the hypotheses.

RESULTS:

The independent variables for those hypotheses are developed, listed in *Exhibit-5*. The first variable is quality faculty members (H₁), followed by the university environment (H₂), campus

facility of the university (H₃), quality education maintained by the university (H₄) and university image/reputation (H₅). The regression analysis of the 40 participants is reported in *Exhibit-5*.

Exhibit-5: A regression model of the perceived quality of private university of Bangladesh

Independent	Regression coefficient	SE Regression coefficient	t –value	p-value
--------------------	-------------------------------	----------------------------------	-----------------	----------------

Variables				
Quality faculty member	- 0.10532	0.09981	-2.08	0.299
University environment	0.16876	0.09977	-1.06	0.100
Campus facility	0.4351	0.1111	1.69	0.000
Quality education	0.2488	0.1173	3.92	0.041
Image/reputation	0.39512	0.09364	2.12	0.000
Sample size = 40	R = 0.906			
$R^2 = 0.821$	Adjusted $R^2 = 0.795$			

As shown in the above table the multiple coefficient of determination (R^2) indicates that over 82% of the variation in the dependent variable overall perceived quality of the private universities in Bangladesh can be explained by the multiple regression model that we have developed.

Hypothesis 1 (H_1) predicts that quality of faculty member has positive influence on the perceived quality of private universities of Bangladesh. *Exhibit-5* shows that quality faculty member has no significant ($t = -2.08$; $p = 0.299$) influence on the perceived quality of the private university. Thus, H_1 is not accepted.

Hypothesis 2 (H_2) predicts that university environment has positive influence on the perceived quality of private universities of Bangladesh. But Records in the *Exhibit-5* shows that university environment has no significant ($t = -1.06$; $p = 0.100$) influences on perceived quality of private universities in Bangladesh. Thus, H_2 is not accepted.

Hypothesis 3 (H_3) predicts that campus facility has positive influence on the perceived quality of private universities of Bangladesh. Records in the *Exhibit-5* shows that campus facility influence perceived quality of private university positively and significantly ($t = 1.69$; $p = 0.000$). Thus, H_3 is supported

Hypothesis 4 (H_4) predicts that quality education has positive influence on the perceived quality of private universities of Bangladesh. Records in the *Exhibit-5* shows that quality education influence perceived quality of private university positively and significantly ($t = 3.92$; $p = 0.041$). Thus, H_4 is supported.

Hypothesis 5 (H_5) predicts that university image/reputation has positive influence on theperceived quality of private universities in Bangladesh. Records in the Table 2 shows that

image/reputation influences perceived quality of private university positively and significantly ($t = 2.12$; $p = 0.000$). Thus, H_5 is supported.

DISCUSSION:

This study was conducted to unveil how the consumers or potential private university students process information to evaluate the perceived quality of private universities in Bangladesh. It shows that five factors that are considered to develop perception about the quality of private universities. The five factors that influence the formation of perceived quality about the private universities are quality faculty

member, university environment, campus facility, quality education and university image/reputation. In general, this study allowed analysis of direct influence of these factors on perceived quality. Therefore, the direct effects of quality faculty member, university environment, campus facility, quality education and university image/reputation on perceived quality were tested. The results proposed a model where three factors (campus facility, quality education and image/reputation) were shown direct influence on perceived quality of private universities. Other two factors (quality faculty member and university environment) do not have significant influence on perceived quality. It is perhaps people gave more importance to campus facility, quality education and image/reputation or other attributes to perceive the quality of private university in Bangladesh.

RECOMMENDATIONS:

In accordance with the research findings it can be recommended that the private universities should focus on the following factors for ensuring quality education of their students because we have found that out of the five salient beliefs campus facility, quality education, and university image/reputation have significant influence on perceiving quality of private university and remaining two factors, quality faculty members and university environment, do not have significant influence on the students' perception of quality towards private universities:

- Campus facility is the first prerequisite for perceiving the quality of the university. This is why, the university authority should establish such a campus facility that will include rich library, well-equipped laboratory, computer lab with full time internet facility, provision for co-curricular activities, play ground for the students, student common room, prayer room, multimedia projector for each class room, proper evacuation system and all other modern equipments which are necessary for a university.
- Quality education is one of the most vital preconditions in perceiving quality of private university that has been proved in our research results. A standard admission procedure, quality faculty members, a good student - teacher ratio, and a world - wide accepted grading policy could ensure quality education of a private university that should be strictly practiced by any private university.
- Though university image/ reputation is an abstract factor, our research result says that it has a very significant influence in perceiving the quality of a private university to the students. The better and proper placement of the university graduates can help increase the university image/reputation. So if possible, the university authority can take an initiative for the placement of their graduates. But, above all, quality education is much more important than any features that will automatically lead the university students for

better placement and eventually it will help the university increase its image/reputation within the potential consumers.

CONCLUSION:

In this study, private university's perceived quality evaluation process was tested using five independent variables such as quality faculty members, university environment, campus facility, quality education and university image/reputation. This study measured the effect of quality faculty members, university environment, campus facility, quality education and university, image/reputation on how individuals subjectively evaluate perceived quality of private university of Bangladesh.

The results of this study have shown that campus facility, quality education and university image/reputation have positive and significant influences on respondents' evaluation. The other two factors quality faculty members and university environment have insignificant influence on quality evaluation of private university.

LIMITATIONS AND FUTURE RESEARCH:

This study spawns a number of limitations and potential specific directions for future research. Most of the respondents in this study were students from private universities. The study would have been more effective if the group of respondents included some guardians because guardians have an important role in choosing the educational institute for their children's higher studies. The time constraint is another issue for taking the pretest value from secondary sources. It would better if we could have the same respondents group for pretest and research design. Finally, the large number of respondents we selected from only two private universities. It could be more realistic if the proportion of the respondents were selected from different private universities.

However, the regression model shown that our R^2 value is 82.1 %. This phenomenon suggests that other variables also influence the perceived quality measurement of private university. Sometimes cost of education is considered as a signal of quality of private universities that has not been focused in this study. Further study should include other variables that have not been considered.

REFERENCES:

- Castleberry, Stephen B. (1985), *"Perceptions of Quality: A Review,"* Working Paper, Theuniversity of Georgia.
- Enis, Ben M., and J. E. Stafford (1969), *"Consumer's Perception of Product Quality As A Function of Various Information Inputs,"* in Marketing Involvement in Society and the Economy, P. McDonald, ed., Chicago: American Marketing Association, 413-421.
- Garvin, David A. (1984), *"Product Quality: An Important Strategic Weapon,"* Business Horizons, (March/April), 40-43.
- Gronroos, Christian (1984), *"A Service Quality Motel and Its Marketing Implications,"* European Journal of Marketing, Vol. 18, No. 3, 36-44.

- Hey, John D. and Chris J. McKenna (1981), "*Consumer Search with Uncertain Product Quality*," *Journal of Political Economy*, 89 (1), 54-66.
- Holbrook, Morris B. and Kim P. Corfman (1985), "*Quality and Value in the Consumption Experience: Phaedrus Rides Again*," *Perceived Quality: How Consumers View Stores and Merchandise*, Jacob Jacoby and Jerry C. Olson, eds., Lexington, MA: D. C. Heath, 31-57.
- Holbrook, Morris B. and Elizabeth C. Hirschman (1982), "*The Experiential Aspects of Consumption: Consumer Fantasies, Feelings, and Fun*," *Journal of Consumer Research*, 9 (September), 132-140.
- Jacoby, Jacob, Jerry C. Olson, and Rafael A. Haddock (1971), "*Price, Brand Name, and Product Composition Characteristics As Determinants of Perceived Quality*," *Journal of Applied Psychology*, 55, 570-579.
- Kotler, Philip (2006), *Principles of Marketing*, 12th Ed., Englewood Cliffs, NJ: Prentice- Hall, Inc.
- Monroe, Kent B. and R. Krishnan (1985), "*The Effect of Price on Subjective Product Evaluations*," *Perceived Quality: How Consumers View Stores and Merchandise*, Jacob Jacoby and Jerry C. Olson, eds., Lexington, MA: D. C. Heath, 209-232.
- Olshavsky, Richard W. and Donald H. Granbois (1979), "*Consumer Decision Making -- Fact or Fiction?*", *Journal of Consumer Research*, 6 (September), 93-100.
- Olson, Jerry C. (1977), "*Price As An Informational Cue: Effects on Product Evaluations*," in *Consumer and Industrial Buying Behavior*, A. Woodside, J. Sheth, and P. Bennett, eds., New York: Elsevier North Holland, Inc., 267-286.
- Olson, Jerry C. (1972), "*Cue Utilization in the Quality Perception Process: A Cognitive Model and An Empirical Test*," Unpublished Ph.D. dissertation, Purdue University. *Marketing Research*, 9 (February), 19-21.
- Parasuraman, A., Valarie A. Zeithaml, and Leonard Berry (1984), "*A Conceptual Model of Service Quality and Its Implications for Future Research*," Cambridge, MA: Marketing Science Institute, Report number 84-106.
- Phillips, Lynn W., Dae R. Chang, and Robert D. Buzzell (1983), "*Product Quality, Cost Position and Business Performance: A Test of Some Key Hypotheses*," *Journal of Marketing*, 47 (Spring), 26-43.

Title of Article

CONSUMERS' PERCEPTION OF QUALITY TOWARDS PRIVATE UNIVERSITIES IN BANGLADESH

Author:

Md.

Muzakkeeru

I Huda

Assistant

Professor

School of

Business

Presidency University

**11/A, Road 92, Gulshan –2,
Dhaka-1212 Phone: 8857617-8,
8831182-4 Cell:01913-802888**

E-mail: muzakkeerrajbd@yahoo.com