

## **Relationship between Customer Value and Customer Satisfaction in Face to Face Tutorial at Universitas Terbuka**

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### **Abstract**

This article discusses a relationship between Customer Value and Customer Satisfaction in face-to-face tutorial at Universitas Terbuka, Indonesia. The idea was derived from marketing theory for tangible products. In this study, the theory was implemented for face to face tutorial services. There were 200 students in the sample. The respondents were students who were involved in face-to-face tutorials. Students' perception on tutors' performance, tutorial result, tutorial cost, and students' satisfaction were measured by using six scales. Customer Value consists of Tutors' Performance, Tutorial Result, and Tutorial Cost. Customer Satisfaction was derived from SERVQUAL. The result showed that there is significant and positive correlation between Customer Value and Customer Satisfaction. This finding shows that marketing theory for tangible product could also be used for face to face tutorial as an intangible product.

Keywords: Customer value, face to face tutorials, students' perception, tutors' performance, customers' satisfaction

### **Introduction**

At the beginning, important arguments in building distance education (DE) are the opportunities to adults to learn anywhere, at any time suitable to them. Individualization, flexibility, student friendliness and student autonomy were considered to be fulfilled by DE (Nanda, 1997).

According to Kumar & Rao (1998), formal education is usually offered in the class rooms at schools, colleges, or university where students and teachers meet regularly as schedule stated. Assumption about education is that there is someone who needs it and there is someone who offers it. If teaching and learning are to take a place, those two parties must regularly meet. However, this is not the only way of giving education. Knowledge, attitudes, and skills can be effectively taught without learner and teacher to be in the same classroom at fixed hours.

Instructors/teachers and students in distance education are at a distance to each other (Bufford, 2005). Because the distance to students was regarded as a deficit, the first pedagogic approach on distance education was finding ways on how that distance could be bridged, or reduced.

Basically, the two-way communication between students and tutors could be bridged by using technology. However, Printed courses are still important for the DE students. The printed materials should be as self-instructional as possible. By having that kind of materials, the students can learn by themselves without any help from other people (Nigam & Kaushik, 1996).

In general, communication between students and tutors happened in a tutorial process either in face to face or in online tutorials. The focus of tutorials is on individual students. Tutorial is more on learning rather than on teaching. Learning is fully active for the student (Bork and Gunnarsdottir, 2001).

There are at least two types of tutorials, face-to-face or by distance. Face-to-face tutorial is almost similar to teaching and learning in regular class. Distance tutorial can be asynchronous by using email/online learning or synchronous by using video conference.

## Face to Face Tutorial at Universitas Terbuka

One of the open and distance education institutions is Universitas Terbuka (UT), in Indonesia. Since 1984 when UT was established, it has already offered face-to-face tutorials to the students. However, the number of students who attended these tutorials were low (Belawati, 1996). UT then decided to halt them. Now, face-to-face tutorials are provided only if the number of participants is at least 20. Tutorials for some courses are fees-based and provided according to demand (Belawati, 2001).

The targets of face-to-face tutorials are students who need it and who have access to the closest locations of face-to-face tutorials (Belawati, 2001). The students can ask regional center if they want to be in face-to-face tutorials. Face-to-face tutorials' scores contribute 50% to the courses' final scores. In UT, the number of meetings in face-to-face tutorials is eight times/semester. For traditional university, the number of meetings in a class is 16. These meetings are only half of regular universities. Therefore, tutor should manage the meetings efficiently since he/she should cover many materials. Tutors also need to give three assignments in the meetings and give tutorial scores/grades to the students.

## Customer Value and Customer Satisfaction

Quality is an important thing in education. Students who fail in schools or universities are an example of the failure of fulfilling society demand. If quality needs to be improved, then human resources and tools in supporting education also need to be improved. The vehicle for improving them is quality management (Arcaro, 1995).

According to marketing theory, every customer has a customer-value. Product quality, service quality, and price of product are three parts in building customer value. Customer value has a relationship with customer satisfaction (Nauman & Giel, 1995). This theory is for tangible product that sale in the market. Product quality can be measured from endurance, life-time, etc. Service quality is a service which is given by the sales person, teachers, trainers and cannot be measured directly. Quality is a construct/latent variable. Therefore, service quality is measured from customer's perception (Parasuraman, et al., 1988). Price of product is the price when the product is being sold.

Customer in face to face tutorial is the student. Product quality is the tutorial result. Service quality is the tutors' performance. The price of product is the cost of face to face tutorial. In general, quality of tangible product can objectively be measured from indicators such as endurance and numbers of products failure. However, service quality and customer satisfaction cannot be measured as easy as a tangible product. Since they are latent variables, all of them were measured from indicators in students' perception on how face-to-face tutorials were implemented.

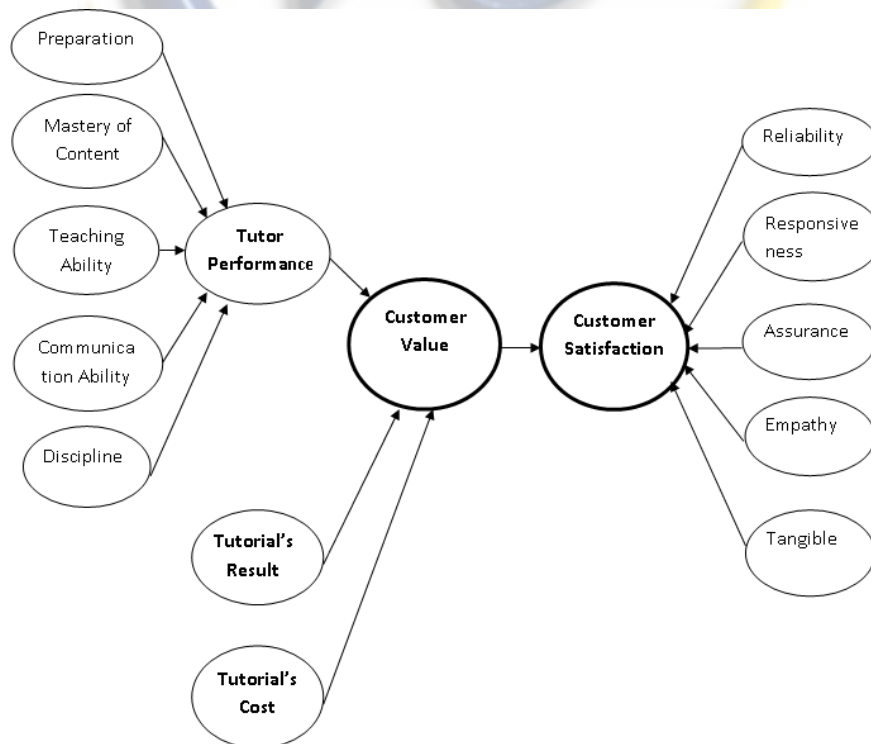
Tutors/lecturers work to help students in mastering the course content (Mulyasa, 2005). Many things need to be prepared for teaching. Tutors need to prepare content materiel (Arends, 1989). Tutors need to master the course content (Cruickshank, et al, 2009). Tutors need to have the ability in explaining concepts in content (Arends, 1989). Tutors also need to have good communication skill (Taylor, 2003). Tutors need to have a skill in evaluating students' progress (Arends, 1989). If tutors have all of these qualities, it is expected that they can give their best performance to the students. In this article, tutors' performance consists of tutorial preparation, mastery of content, teaching ability, communication ability, and tutor's discipline in implementing face to face tutorials.

Teacher's performance influence students' success (Mulyasa, 2005). It is unquestioned that teachers play an important role in helping students to master their courses. Teachers/tutors need to have an understanding that teaching and learning are a way to develop students' competencies and to improve students' behavior. That is why the teachers need to prepare themselves to help the students reach a curriculum's goal. It is expected that after finishing the programs, the students can reach competencies as curriculum stated. Besides, teachers will also improve their teaching ability year after year as their experience increases. However, students need to work hard in studying if they want to be success.

Through tutorials, students understanding in course materials should be better. Learning course materials should not be a big problem anymore. By doing a lot of exercises, students' ability in solving problems should be improved. Students' motivation in learning is also expected to be higher. At the end of the semester, students will be ready to do exams and will get good results and pass the exams. Product's price should be competitive. It means good services and also good products but not expensive, especially if the same products are also available from other competitors. Hanif, Hafeez, and Riaz (2010) found that price fairness had the larger impact on customer satisfaction than customer services. Products' price basically is determined by product's quality and service quality (Nauman & Giel, 1985).

In the case of face-to-face tutorials at UT, there are some considerations in determining the price. These considerations are cost for renting rooms and electronics' tools, fees for tutors, and fees for persons who are involved in managing tutorials. However, tutorial's price should consider students' economic background (Ratminto & Winarsih, 2005). In addition, students also need to spend some money in copying handouts, problems solving, and other written materials. UT offers a fair price for face to face tutorials.

Customer satisfaction is customers respond on what they expected and what they experienced from a product/process (Hallowell, 1996). Service and performance influence the customer satisfaction. Performance is a result of activities from a work plan (Rivai & Basri, 2005). Service quality is influenced by perceived service and expected service. If perceived service is less than expected service, the customer will not be satisfied. On the other hand, if perceived service is more than expected service, the customer will be satisfied. There are five dimensions that build customer satisfaction. These dimensions are reliability, responsiveness, assurance, empathy and tangible (Parasuraman, et al., 1988). As stated above, all the variables were measured based on students' perception. In terms of face-to-face tutorials, it was hypothesized that customer value and customer satisfaction were positively correlated.



**Fig 1. Relationship between Variables**



## Methods

Population was all students who were involved in face-to-face tutorial in Jakarta and Bandung. Sample was taken by purposive, which were 100 students from Jakarta and 100 students from Bandung. These respondents were the students who attended the class at the end of face to face tutorial activities.

To collect the information, some statements were developed and measured by six scales. Tutor's performance which consisted of five sub-variables was measured by 38 items, the tutorial result was measured by five items and it cost was also measured by five items. The scales were from 1=strongly disagree to 6=strongly-agree. Customer satisfaction which consisted of reliability, responsiveness, assurance, empathy was measured by 25 items. The scales were from 1= extremely-not-satisfied to 6=extremely-satisfied.

Two techniques which are factor analysis, and correlation were used in analyzing the data. Exploratory factor analysis was used to form latent variable (construct) from measurable variables (statements). Correlation was used to see the degrees of linear relationship between Customer Value and Customer Satisfaction.

## Result and Discussion

Test of validity showed that correlation coefficient between each statement and total score were between 0.389 and 0.886. All of them were significant at  $p < 0.05$ . Most of the correlation coefficient was greater than 0.780. This information showed that all statements were valid. In addition, Alpha Cronbach value for each variable was between 0.759 and 0,915. This information also showed that the instrument was reliable.

Descriptively, students gave a positive response to almost of all statements. Mostly, the means values of statements were between 4.27 and 5.37 where the scores were from 1 to 6. Only one statement which was about the availability of an overhead projector had an average score = 3.47. Although it was the smallest mean value but it was still greater than 3.00. There were 10%-13% of respondents who gave "negative" response (response score was  $\leq 3$ ) on some statements. From descriptive information, most of the students did not face difficulties in following face-to-face tutorials. Moreover, they were also satisfied with the process of face-to-face tutorials. All statements in each variable/sub-variable formed one factor. When five factors in Tutor Performance and in Customer Satisfaction were factorized by using factor analysis, they also formed one factor. Also when three factors in Customer value were factorized, one factor was produced (Herman, 2012).

Finally, when data in Customer Value and Customer Satisfaction were correlated, the correlation coefficient was 0.596 and significant at  $p < 0.001$  (see Table 1). Therefore, data in this research supported the theory that Customer Value and Customer Satisfaction have relationship (Nauman & Giel, 1995). Another study conducted by Akbar and Parvez (2009) found that customer satisfaction influences customer loyalty. They also mentioned that service quality should be improved in order to create customer loyalty. It is expected that by giving good services and fairness of price, students will learn harder and will have good grades in the examinations. If this thing happens, at least students' expectations were reached. They could tell other students to be in face-to-face tutorials. Besides their loyalty, they will ask others to be new customers in face-to-face tutorial.

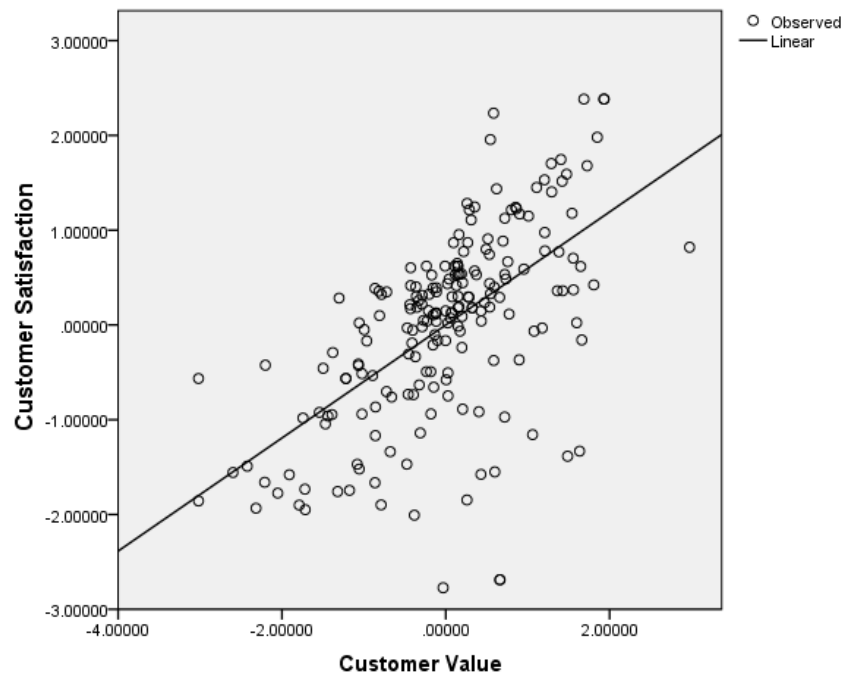
**Table 1. Correlations Between Customer Satisfaction and Customer Value (N=200)**

	Customer Value	Customer Satisfaction
Customer Value	1	.596**
Customer Satisfaction	.596**	1

\*\* Significant at  $p < 0.01$

This correlation coefficient showed that linear relationship between Customer Value and Customer Satisfaction was strong enough ( $r = 0.596$ , significant at  $p < 0.001$ ). Theory says that customer value has a relationship with customer satisfaction. As stated before, the theory is for tangible product. Since

face-to-face tutorial is a service, it is intangible. Therefore, this finding showed that the theory still worked for an intangible product (face to face tutorial).



**Fig 2. Scatter Plot between Customer Value and Customer Satisfaction**

Fig 2, shows the pattern of linearity between customer value and customer satisfaction. Some data are a bit far from the center. However, in general, their linear relationship is still strong.

## Conclusion

The students gave positive responses to almost of all statements in the instrument. The majority of means values of statements were between 4.27 and 5.37 where the maximum score was 6.00. In addition, most of the students were satisfied by the implementation of face-to-face tutorials, even though some facilities still did not exist. The students demanded that facilities such as Over Head Projector/ Image Projector must be available in tutorial classes.

The data supported the hypothesis that correlation between Customer Value and Customer Satisfaction in UT's face-to-face tutorial was positively significant. Based on this finding, theory in marketing for tangible products, which was used in this article could also be used for intangible products such as face to face tutorial.

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