

CHAPTER I

INTRODUCTION

1.1 Background of the Study

Education has become one of the key essential parts which play a crucial role in society. Good education may bring people towards an opened door of opportunities, a high level of competence, financial security, lives transformation, living quality improvement, and contribution to the community (Habitat, 2020). In today's competitive era, the presence of education is crucial in enabling people to survive and creating a better society with good moral and ethical values.

According to Sukirno and Poernomo (2019), a school is an educational institution consisting of various components of human resources who are educators, learners, administrative staff, and employees who support the learning processes. The school acts as a forum in delivering the educational service to young people through the activities and learning processes supported with good facilities, qualified teachers, the right methods, and learning materials. The function of these educational institutions is undoubtedly significant for the development of individuals.

The success of a school is measured by how the learners are satisfied with the educational service. Service quality is one of the variables influencing learners' satisfaction. It is determined by the difference between the service expected and received by customers who are learners or guardians in this research. All customers who decide to use a service must have their hopes and expectations.

When the service quality exceeds the expectation, satisfaction is created and will bring numerous benefits for the organization. There is also a possibility for them to share their experiences with others resulting in Word-of-Mouth Marketing. Ultimately, the institution will benefit from this action. On the other side, poor quality of service will dissatisfy and lead consumers to disappointment causing them to end the service usage.

Another factor affecting learners' satisfaction is the brand image. Brand image is important for all organizations as it is the overall impression consumers have towards the institution (Fitriani, 2019). Organizations need to foster a good brand image as this is the factor that differentiates an institution from the others. Brand image can also serve as an added value that customers notice and experience. Because there is an increasing number of private English schools and national schools established in Medan operating with the same program and curriculum, guardians may have had references and comparisons of those schools thus affecting their perception.

Every organization must have the goal to achieve the highest level of customers' satisfaction. Schools need to show efforts in designing the best service learners can hardly obtain from any other providers. When learners are satisfied with the service quality and brand image they receive from a school, they are more likely to stay and have lower chances to switch to other service providers. This opportunity will bring profitability to the organizations both short and long-term.

These days, the increasing need for early education in the ecosystem has enhanced the opportunities for private sectors to participate in the efforts of providing educational services. YP. Winfield Hasanuddin is one of the private schools in Medan which is striving to give a good educational service to young people in Medan. This school was established in 1988 by three leaders: Daisy Phandi, Mariaty Yananto, and Moniju Teh with the vision to become a Christ-centered school teaching English and encouraging the young generation to pursue their dreams in the hope of God. This school also has the motto to do the work of service as it glorifies the Lord over the ministry of caring, cultivating, and educating learners.

The phenomenon of this competitive society has led YP. Winfield Hasanuddin to keep on innovating and upgrading its service to attract more learners, especially during the pandemic. As a private school, YP. Winfield Hasanuddin must be able to market and enhance its service so consumers will see the value of its organization or else the schools will not be able to operate for a long period in the society. The reality of this competitive landscape even in educational institutions is a catalyst for this school to sustain and compete by not only providing good physical facilities but also giving good service quality to satisfy the learners.

Guardians are parents who entrust their children to the school or individuals who have the responsibility for cooperating with the school to achieve the best interests of the children during the educational process, especially during

the pandemic. Since YP. Winfield Hasanuddin Medan has many learners of younger age, guardians' involvement is highly required in this research.

For the past year, there has been a decline in learners' numbers studying at YP. Winfield Hasanuddin. This can be seen by the learners' increasing number of resignations during 2020 and the first half-year of 2021 which lead to the declining amount of learners studying at this school. This phenomenon may happen mainly due to the current pandemic era which then causes the lowering satisfaction of learners.

Table 1.1 Total Learners' Resignations of YP. Winfield Hasanuddin Learners

	YP. Winfield Hasanuddin
Total Learners in 2020	513
Total Resignations (July – December 2020)	119
Total Resignations (January - June 2021)	34

Source: Data Obtained from YP. Winfield Hasanuddin (2021)

These learners' resignations came from different levels in YP. Winfield Hasanuddin which are Kindergarten, *TK Nasional*, Primary, and Courses. The details of the resignations are as below.

Table 1.2 Learners' Resignations Based on Educational Level

Educational Level	Month (Year)	Number of Resignations
Kindergarten	July 2020	36
<i>TK Nasional</i>		6
Primary (<i>SD Nasional</i>)		33
Courses		37
<i>TK Nasional</i>	August 2020	1
Primary (<i>SD Nasional</i>)		1
Courses		1
Courses	September 2020	1
Primary (<i>SD Nasional</i>)	October 2020	1
Courses		1
Courses	November 2020	1
Total Resignations	July – November 2020	119
Kindergarten	January 2021	3
<i>TK Nasional</i>		4
Primary (<i>SD Nasional</i>)		5

Courses		7
Kindergarten	June 2021	4
<i>TK Nasional</i>		4
Primary (<i>SD Nasional</i>)		3
Courses		4
Total Resignations	January – June 2021	34

Source: Data Obtained from YP. Winfield Hasanuddin (2021)

From the figure above, the author prepared a chart portraying the decrease of learners from June 2020 until June 2021 in YP. Winfield Hasanuddin Medan.



Figure 1.1 Decreasing Number of Learners

Source: Data processed by the author (2021)

It can be seen from the graphic that in the beginning period of pandemic year in 2020, there is a 23.20% decrease of learners in YP. Winfield Hasanuddin Medan. At the start of 2021, there is a further decrease by 3.70% in the numbers of learners continuing to June 2021 with a decrease of 2.92%. In total, there is a 29.83% decrease in the total amount of learners. This results in the number of learners dropping from 513 learners in the year 2020 to only 360 learners currently.

These percentages show that learners' satisfaction may be significantly dropping and this matter needs to be reviewed immediately. Therefore, further evaluation needs to be done on the factors influencing the decreasing number of

learners during pandemic which are service quality and brand image in YP. Winfield Hasanuddin Medan. This is the reason why this research is essential to be conducted.

Table 1.3 Age of Learners

Educational Level	Age of Learners
Kindergarten	1.5 – 6
<i>TK Nasional</i>	3-6
Primary (<i>SD Nasional</i>)	6-12
Course	12-18

Source: Data Obtained from YP. Winfield Hasanuddin (2021)

The table above contains the age range of learners on different educational levels as well as consists of information about their ability to make a judgment. In the conduct of this research, guardians' participation will be crucial to represent some younger-level learners which are Kindergarten, *TK Nasional*, and *SD Nasional*. At the Course level, guardians' representation is not required as learners are perceived to be able to share ideas and make judgments comparing to the younger ones. Not again during the pandemic, guardians are hoped by the school to accompany younger learners while having online classes. Guardians then have a clear knowledge of how the classes are being conducted and how the materials are delivered to the younger learners. Guardians are also in a great place to have an expectation in service quality teachers give and brand image the school has as well as how these variables are beneficial and in the best interests of their

children. Thus, guardians are just in the right position to be involved in this research representing the younger learners.

The decreasing number of learners shows that customers' satisfaction which is guardians' or learners' satisfaction at the same time experienced a reduction. The two variables influencing satisfaction are service quality and brand image. In recent months, objections are showing up from guardians about the assurance when learners are having online classes in YP. Winfield Hasanuddin Medan. As guardians are mostly occupied during day time, they have difficulties in monitoring their children.

When teachers are not responsive enough to understand and meet learners' needs during virtual meetings, learners can hardly focus in classes. Moreover, some comments about the physical learning tools like unstable Internet connection and monotone teaching equipment also exist. Similarly, greater empathy of teachers is expected to rise in order to hinder miscommunication with guardians regarding the service. These phenomena highlight the need of reviewing the service quality in YP. Winfield Hasanuddin Medan.

In addition, there is also a raise of issues in the brand image of this school. Realizing that guardians are able to make comparisons between schools with similar programs in Medan, guardians' concern about the school fee in YP. Winfield Hasanuddin has risen. This issue appears along with guardians' perception that online classes may be unattractive and interactive programs for learners are needed to differentiate itself from other schools in Medan. All of

these matters can critically form a poor brand image on learners' or guardians' minds about YP. Winfield Hasanuddin Medan thus leading to dissatisfaction.

Dissatisfaction may also happen when guardians feel that the school fee or price of the service in this school is uneven with the quality and program they receive. Not again when the school fee is categorized as high, guardians may have high expectation as well so when the school is not able to provide the service they expect, it then leads to dissatisfaction. Alongside, guardians and learners may feel inconvenient and not at ease when using the service that cannot meet their needs. Consequently, YP. Winfield Hasanuddin Medan needs to realize the importance of quality education services and their brand image towards their learners' satisfaction by providing the service and image following the expectation of guardians and learners in particular.

Additionally, the author also carried out preliminary interviews with some of the guardians in YP. Winfield Hasanuddin Medan. Most of the interviewed guardians mentioned similar concerns related to how they feel unassured leaving learners from smaller levels having online classes by themselves without any helper accompanying them. Besides, guardians also shared that they hope teachers' responsiveness during or even after teaching time can be improved as teachers act as their main source of information about the service. In other respects, the guardians further objected to the school fee despite the pandemic situation where learners are yet not able to attend class onsite as well as their expectation that this school can specially design and create attractive programs or activities to stimulate learners' motivation to study.

All of these objections may appear mainly because the pandemic has hit all individuals in this era especially the guardians and learners in this school leading them to be even more evocative in showing up their preferences of the best service they want to receive or else deciding to stop using the service until this pandemic is over. School including the teachers may not be prepared yet in facing the current educational system that is shifted to online-based service which caused the previously stated matters.

From then on, evaluation needs to be done by listening to the customers' voices to understand the critical expectation of service quality and the perception of brand image consumers have with the current reality at YP. Winfield Hasanuddin. Hence, deeper research needs to be done to find out what YP. Winfield Hasanuddin can do to improve its service quality and brand image to increase the learners' satisfaction. Following the background of this study, the author is concerned to do the research titled **“The Influence of Service Quality and Brand Image on Learners' Satisfaction in YP. Winfield Hasanuddin Medan”**.

1.2 Problem Limitation

The exploration of this research is limited to three variables which are service quality, brand image, and learners' satisfaction. For the variable of service quality, the author limits the indicators to five elements of responsiveness, assurance, tangibility, empathy, and reliability (Dharanipriya, 2019). Concurrently, the limitation for brand image indicators is built on three aspects of

strength, favorability, and uniqueness (Raharjo, 2019). As for the learners' satisfaction, the indicators will be limited to three points which are the emotional factor, price, and convenience (Suwarsito et al., 2020).

In addition to that, to represent certain younger-level learners, such as Kindergarten, TK Nasional, SD Nasional, and Primary, guardians' participation will be critical in the conduct of this research. No representation of guardians is necessary at the course level since learners are regarded to be able to exchange ideas and make decisions in comparison to the younger ones (Sary, 2017). Lastly, this research only focuses on YP. Winfield Hasanuddin Medan.

1.3 Problem Formulation

Based on the background of the study explained, the problem formulation in this research are as below:

1. How is Service Quality being implemented in YP. Winfield Hasanuddin Medan?
2. How is the Brand Image being perceived by learners in YP. Winfield Hasanuddin Medan?
3. How is Learners' Satisfaction in YP. Winfield Hasanuddin Medan?
4. Does Service Quality have an influence on Learners' Satisfaction in YP. Winfield Hasanuddin Medan?
5. Does Brand Image have an influence on Learners' Satisfaction in YP. Winfield Hasanuddin Medan?

6. Do Service Quality and Brand Image simultaneously have an influence on Learners' satisfaction in YP. Winfield Hasanuddin Medan?

1.4 Objective of the Research

Based on the explanation about the problem formulation, this research has several objectives as follows:

1. To know how Service Quality is being implemented in YP. Winfield Hasanuddin Medan.
2. To know how the Brand Image is being perceived by learners in YP. Winfield Hasanuddin Medan.
3. To know how learners are satisfied in YP. Winfield Hasanuddin Medan.
4. To know whether Service Quality has an influence on Learners' Satisfaction in YP. Winfield Hasanuddin Medan or not.
5. To know whether Brand Image has an influence on Learners' Satisfaction in YP. Winfield Hasanuddin Medan.
6. To know whether Service Quality and Brand Image have an influence simultaneously on Learners' Satisfaction in YP. Winfield Hasanuddin Medan.

1.5 Benefit of the Research

There are two types of benefits obtained through this study, namely theoretical benefit, and practical benefit.

1.5.1 Theoretical Benefit

This study provides several theoretical benefits as follows:

1. For Academic Uses

This research is expected to provide supplementary understanding and knowledge for readers. Moreover, this study can also be used as a reference and additional literature contributing to the further researches in the major of Marketing Management related to the influence of two variables which are service quality and brand image on customers' satisfaction, especially in the academic field.

2. For the Author

The results and findings of this study are expected to be additional knowledge for the author to implement the values in this major of Marketing Management related to service quality, brand image, and customers' satisfaction during the study in Universitas Pelita Harapan.

1.5.2 Practical Benefit

The practical benefits gained from this study are as follows:

1. For YP. Winfield Hasanuddin

This study delivers benefits for YP. Winfield Hasanuddin as the object researched in this study. The results of this study can be considered by this institution to make decisions regarding the areas researched which are service quality and brand image. The actions taken based on the findings of this research will lead to development and service innovation to meet the expectation of the learners at YP. Winfield Hasanuddin. The recommendations given can also be used as a

reference for future decision-making activities in Marketing regarding the brand image, service quality, as well as increasing the learners' satisfaction in these schools.

2. For Other Educational Firms

This research can also give insights that the variables researched, service quality and brand image, need to be taken seriously in its field and acts as a reference for other educational firms on the ways to increase its learners' satisfaction.

