

# **Transnational higher education: The importance of institutional reputation, trust and student-university identification in international partnerships**

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## **Abstract**

This research assesses the extent to which the critical relational variables of university reputation, student trust, and student-university identification influence student behaviour towards transnational education partnerships. Students undertaking British degrees at two transnational partnership locations (Hong Kong,  $n = 203$  and Sri Lanka,  $n = 325$ ) completed a quantitative survey questionnaire. A conceptual model was developed and tested using structural equation modelling. University reputation and student trust were found to be significant predictors of student identification with each partner institution, and student-university identification was a significant predictor of student satisfaction, loyalty, and extra-role behaviours toward both the local and foreign educational organisations. The findings suggest that student relationship management strategies should focus on strengthening the higher education institution's reputation, and increasing the students' trust and identification with the institution. Moreover, universities should also assess potential partners for these qualities when entering into transnational education partnerships. Drawing on theories of social and organisational identification, this is the first study to consider student-university identification as the linchpin between the exogenous constructs of reputation and trust, and the endogenous constructs of student satisfaction, loyalty, and extra-role behaviours in both the international education and international business literatures.

**Keywords** – Transnational education, University reputation, Co-branded products, Organisational identification, Student satisfaction, Extra-role behaviours

## **Introduction**

Transnational higher education (TNHE) has seen unprecedented growth since the new millennium (Levatino, 2017), to the extent that many universities are now integrating a TNHE strategic focus into their core missions (HEGlobal, 2016). Whilst there are a range of different forms and typologies for TNHE (Healey, 2015), they can be broadly grouped into distance/online learning, local delivery partnership and physical presence. Local delivery partnerships are arguably the largest by student number; however, they are the most vulnerable to reputational damage (Healey, 2015). These international partnerships encompass various levels of control and risk for both partners, and can range from basic validation to more complex franchise partnerships (Heffernan and Poole, 2004). The selection of TNHE partners and the relational development of these partnerships are critical for their success (Heffernan and Poole, 2005). However, there has been no research that has examined students' perceptions of these

co-branded educational products. Consequently, this research seeks to explore TNHE student perceptions of each partner institution's reputation and trustworthiness, and how this influences student identification with the two TNHE partners. Finally, the relationships between student-university identification and student loyalty, satisfaction and extra-role behaviours are examined.

With the genesis of this research in the business literature, we sometimes use the word 'consumer' as our theoretical framework is based on consumer-organisation identification, as proposed by Bhattacharya and Sen (2003). However, the study has been contextualised for TNHE students, and as such, we are not implying that students are indeed consumers; nonetheless, they do hold some shared characteristics when deciding on, and undertaking, a TNHE programme.

According to the resource-based view, a firm's sustainable competitive advantage is derived primarily from its intangible capabilities, such as its reputation (Briggs, 2006) and its ability to gain the trust of consumers (Barney, 1997). Abratt and Kleyn (2012) claim that although every organisation develops a reputation over time, strong reputations are rare and impossible to imitate in totality owing to the unique sets of assets, skills and choices made by organisations, and the broad number of dimensions used by consumers to evaluate reputations. Particularly in the service sector, such as higher education, reputation and trust play important roles in pre-purchase evaluations because students often lack the information and experience to make accurate judgements about service quality (Su *et al.*, 2016). Institutional reputation and trust have also been found to be determinants of student satisfaction and loyalty (Schlesinger *et al.*, 2016). However, the interplay between student trust, institutional reputation and service quality become more complex when a student enrolls in a programme with dual identities, such as a co-branded product offered by two higher education institutions (HEIs) in a TNHE partnership. For any co-branded product or service, the extent to which each partner is perceived by consumers to have a favourable reputation and to be trustworthy will influence consumers' product judgements (Walchli, 2007).

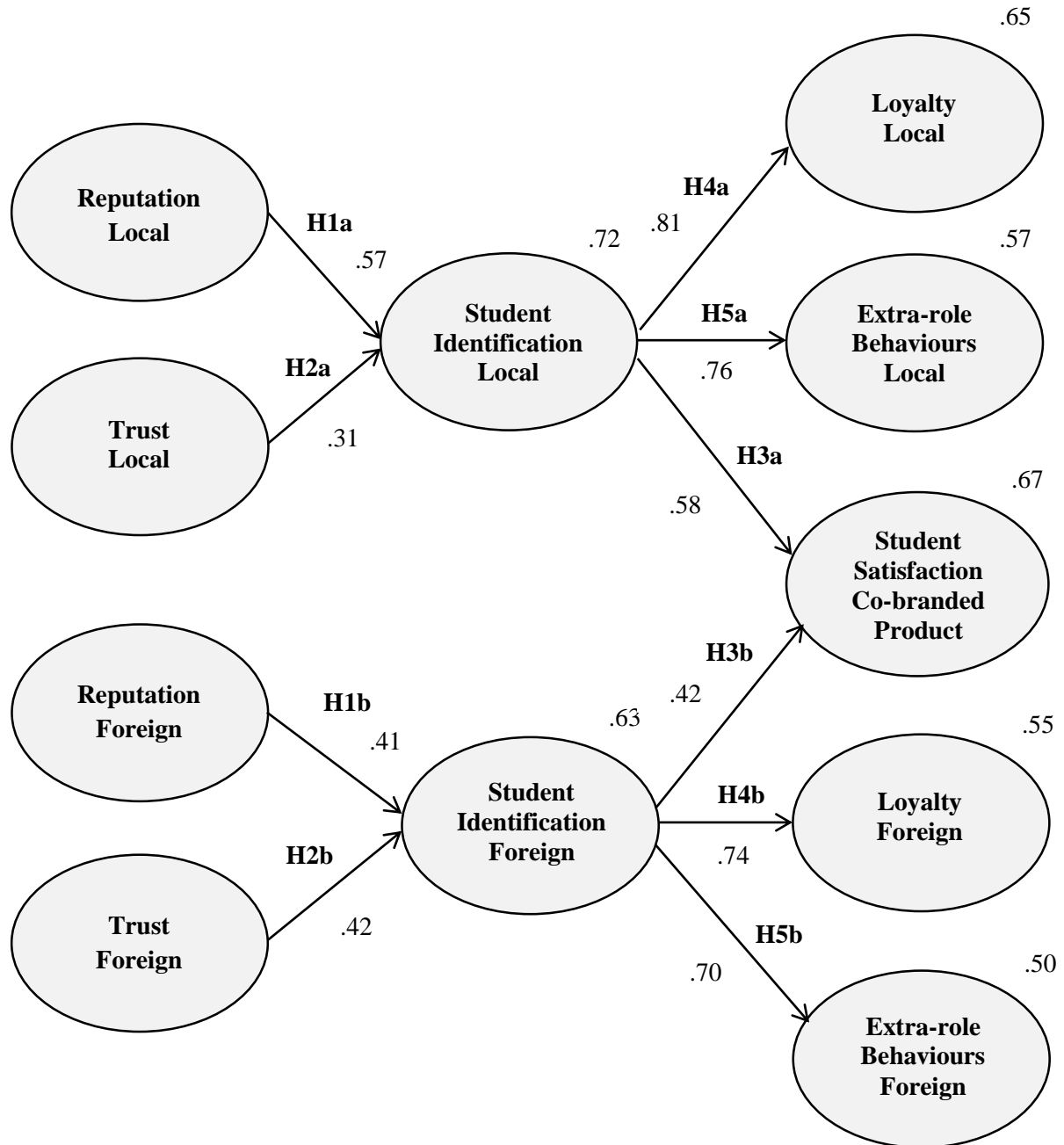
Research relating to social and organisational identity theories has found that the strongest consumer-organisation relationships occur when the consumer identifies with an organisation that satisfies one or more of their self-definitional needs (Su *et al.*, 2016). However, when organisations operate in partnership, offering a co-branded product, as the majority of TNHE students do, it is not possible to know the extent to which students identify with each partner organisation or the extent to which such identification determines overall satisfaction with the product (i.e., the educational programme and overall study experience).

Based on consumer-organisational identification theory (Bhattachaya and Sen, 2003), this research explores student-university identification in the context of students enrolled in a TNHE programme. We hypothesise that students may identify simultaneously but independently with the two institutions that provide the co-branded TNHE programme. The extent to which the reputation of each partner and the student's trust in each partner translates into student loyalty and extra-role behaviours is assessed. The results will be of interest to higher education institutions that engage, or plan to engage, in partnerships, as reputation, trust and student identification might be validated as concepts that should be considered in the critical step of evaluating potential partners.

### **Literature, conceptual model and hypotheses**

Literature from the marketing, organisational behaviour and applied psychology fields were used to develop a conceptual model, which is presented in Figure 1. The model identifies proposed antecedents and consequences of dual student identification with the two higher education institutions that are delivering a co-branded TNHE degree programme. Figure 1

shows the hypothesised relationships between constructs that were tested in this study. A key objective of the study was to discover if the relationships between student-university identification and student satisfaction/ loyalty/ extra-role behaviours held for both the local education provider and the foreign partner university.



**Figure 1.** Proposed conceptual model.

**University reputation**

From a business perspective, corporate reputation can be defined simply as an overall evaluation of the extent to which an organisation is substantially good or bad (Weiss *et al.*, 1999), or as a collective assessment of an organisation’s ability to provide valued outcomes to a representative group of stakeholders (Fombrun *et al.*, 2000). A number of studies have found

a relationship between corporate reputation and organisational identification, among both employees and consumers (e.g. Su *et al.*, 2016). Individuals are inclined to identify with organisations they perceive as having favourable reputations as in doing so they can satisfy their self-esteem and self-enhancement needs (Bhattacharya and Sen, 2003). Fombrun and Van Riel (2003) claim that corporate reputation is one of the key antecedents of consumer-organisation identification.

In an educational context characterised by an increasingly marketised system (Meek and Wood, 1998), the reputation of universities, built upon strong brands, has become an important factor in determining institutional competitiveness and positioning (Chapleo, 2007). Further, university reputation has been shown to influence students' supportive behavioural intentions (Sung and Yang, 2009), loyalty and student satisfaction (Brown and Mazzarol, 2009). Within the TNHE sphere, student selection of TNHE programmes has often been linked to the perceived quality and reputation of the institution awarding the qualification (Pyvis and Chapman, 2005). In other words, the Pyvis and Chapman (2005) study only examined students' perceptions of the foreign partner, and inferences were made using a qualitative case study methodology. But in reality, students also consider the quality of the local institution that will actually deliver the programme, and they make judgements about the quality of premises, learning technology and equipment, as well as the teaching staff. For example, a student would perceive very differently a large, well-resourced federal university offering a foreign franchised programme and a small private institute occupying one floor in an office block offering the same programme.

More importantly, in context of brand partnership arrangements in general and in the higher education context in particular, past studies have tended to ignore the importance of separately measuring the strength of relationships for each partner. This is important as organisations need to understand the magnitude of the relationships between reputation, identification and satisfaction for each partner to build a marketing strategy for strong and long term relationship with their customers.

Hence, we expect:

*H1a:* Perceived reputation of a local TNHE partner is positively related to student identification with the local TNHE partner.

*H1b:* Perceived reputation of a foreign TNHE partner is positively related to student identification with the foreign TNHE partner.

### ***Student trust***

Although the concepts of reputation and trust are quite separate and distinct, organisations that have a favourable reputation are likely to command higher levels of confidence among consumers, which results in increased feelings of trust towards the organisation and reduced perceptions of risk (Keh and Xie, 2009). Trust may be defined as a consumer's expectation that an organisation will not behave in an opportunistic manner and that it will deliver its products at the quality expected by the consumer (Anderson and Weitz, 1992). In other words, the consumer expects that the organisation will act with integrity and that it will be reliable (Morgan and Hunt, 1994). Trust is a complex construct that comprises a cognitive element, which is based on the consumer's knowledge of the organisation and its capabilities, and an affective component, which is the emotional bond between the individual and the organisation that develops over time (Dowell *et al.*, 2015).

Students' trust in an educational institution has been shown to have numerous positive outcomes, including confidence to select and enrol in a programme, increased student loyalty

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and engagement (Meer and Chapman, 2015). Bhattacharya and Sen (2003) suggest that the link between consumers' perceptions of an organisation's identity and their reactions to it depend on the extent to which they know and trust the identity. It is expected that this would be the same for student-university identification. International alliances in higher education are driven on the assumption of gaining secondary brand leverages from a more reputable and trustworthy foreign brand partner. It is important to establish the unique contribution of each partner to subsequently establish the contribution of identification with the local and foreign brands in building student satisfaction. On the basis of this literature, we hypothesise the following:

*H2a:* Student trust in a local TNHE partner is positively related to student identification with the local TNHE partner.

*H2b:* Student trust in a foreign TNHE partner is positively related to student identification with the foreign TNHE partner.

### ***Student satisfaction***

When making post-purchase product evaluations, consumer-organisation identification will likely encourage the consumer to perceive that the product and organisation's performance exceeded their expectations (Bhattacharya and Sen, 2003). Consumers with high levels of consumer-organisation identification will likely be more satisfied with their product selection since a positive product evaluation will reassure them that they made the right choice, and this will further strengthen their attachment and feelings of oneness with the organisation (Aquino and Reed II, 2002). Also, consumers who identify with an organisation will often overlook and downplay negative information and experiences, so they are more likely to be satisfied even when their expectations are not fully met (Bhattacharya and Sen, 2003). In an educational context, Wilkins *et al.* (2016) found that student identification with a university was related to both student commitment to study and satisfaction.

The relationship between brand identity and brand satisfaction with a co-branded product can be determined in one of two ways. First, consumers may use the pre-existing identities they hold of each partner to form an overall/joint brand identity of the co-branded product, and this may subsequently influence the consumer's overall satisfaction with the co-branded product. This is likely to happen only if both partners exert effort to build a joint brand identity for the co-branded product. In the context of TNHE, partnership arrangements tend to be more of a service delivery mechanism for a foreign brand through a local partner, thus the focus of building a joint brand identity is rarely visible. In such cases, we propose that each brand's identity will independently contribute to the overall satisfaction of its customers.

Thus, we hypothesise that consumer identification with each of the two partners that sell a co-branded product will impact upon the consumer's level of satisfaction with the product.

*H3a:* Student identification with a local TNHE partner is positively related to students' satisfaction with the co-branded TNHE partnership.

*H3b:* Student identification with a foreign TNHE partner is positively related to students' satisfaction with the co-branded TNHE partnership.

### ***Student loyalty***

Every organisation wants loyal customers because loyal customers deliver higher 'profits' for the organisation through loyalty, and possibly repeat purchases. Oliver (1997, p. 392) defines loyalty as 'a deeply held commitment to re-buy or re-patronise a preferred product or service

consistently in the future, thereby causing repetitive same-brand or same brand-set purchasing.’ A consumer’s loyalty towards an organisation will strengthen when the consumer becomes psychologically attached to the organisation and cares about it. Loyalty is a natural consequence of consumer-organisation identification because consumers become more committed to the organisation in order to strengthen their own social identity (Xiao and Lee, 2014).

Within the educational literature, student loyalty has been shown to be influenced by university reputation (Helgesen and Nettet, 2007) and student satisfaction (Ahmad, 2015). Although a number of studies in the business literature have found a significant relationship between consumer-organisation identification and consumer loyalty (Martínez and del Boque, 2013), no previous research has examined the link between student-university identification and student loyalty.

The success of an educational institution depends on its student loyalty that can manifest into commitment, repurchase intentions, and brand advocacy/positive word of mouth (Tuškej *et al.*, 2013). As we have already argued, given the existence of two brand identities in a partnership arrangement independently influencing consumers, it is important to separately examine the consequences associated with the consumer’s identification with each partner. As the focus of this study is to empirically establish the existence of dual loyalties among the consumers of HEIs in partnership contexts, we expect:

*H4a:* Student identification with a local TNHE partner is positively related to loyalty toward the local TNHE partner.

*H4b:* Student identification with a foreign TNHE partner is positively related to loyalty toward the foreign TNHE partner.

### ***Students’ extra-role behaviours***

Loyalty is typically analysed in terms of consumer preferences and intentions, which might be regarded as attitudinal loyalty (Martínez and del Boque, 2013). Attitudinal loyalty results when the consumer holds a favourable view of an organisation and feels an emotional attachment to the organisation. It is useful for researchers to consider both the attitudinal and behavioural aspects of consumer loyalty since the consequences of consumer-organisation identification may result in a wide range of supportive behaviours. Supportive behaviours may include making repeat purchases, spreading positive word of mouth, providing constructive feedback, and providing useful suggestions, so critical in the current higher educational context.

A considerable body of research exists that has demonstrated how employee identification with an organisation can lead the employee to exert extra effort and go beyond their contractual obligations to engage in extra-role behaviours that benefit the organisation (e.g. Millward and Postmes, 2010). Similarly, a smaller number of studies in the marketing field have considered how and why consumers may engage in extra-role behaviours (e.g. Karaosmanoğlu *et al.*, 2011). Consumers may even decide to punish an organisation if they do not identify with it or support its objectives and actions (e.g. Antonetti and Maklan, 2016).

In the higher education sector, students are required to perform in-role behaviours as partners in the service delivery, for example, attending lectures, undertaking the reading advised by professors, and participating in class discussions. However, institutions can also benefit from extra-role behaviours, such as students volunteering to participate in activities organised by the institution, passing on information given by others outside the institution, and providing suggestions that may improve the institution’s services to students (Karaosmanoğlu *et al.*, 2011; Wilkins and Huisman, 2013). Previous research has found that consumer identification with an organisation is significantly related to consumers’ supportive and extra-role behaviours (Balaji

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*et al.*, 2016). Given that for a co-branded product we expect the consumer to identify with each partner separately and independently, we also expect the identification with each partner to produce its own behavioural outcomes. Hence, we hypothesise:

*H5a*: Student identification with a local TNHE partner is positively related to intended extra-role behaviours for the local TNHE partner.

*H5b*: Student identification with a foreign TNHE partner is positively related to intended extra-role behaviours for the foreign TNHE partner.

## **Method**

### ***Sample and data collection***

To test our proposed conceptual model and the associated hypotheses, we selected institutions of higher education that operate in collaboration with a foreign partner university. This enabled us to analyse the antecedents and consequences of dual student identification with the two HEIs that were responsible for marketing, selling and delivering a co-branded educational service. Our results were strengthened and validated by using two different institutions located in Hong Kong and Sri Lanka to represent the local TNHE providers. Both partners are among the biggest providers of TNHE in their respective countries. Hong Kong and Sri Lanka were selected as two locations with contrasting cultures and levels of higher education development and competition. For example, we were interested to see whether identification with the local institution would be higher in Hong Kong (with the higher level of higher education development) than in Sri Lanka, and whether this would affect identification with the foreign partner, i.e., would identification with the foreign partner be higher in the country with a lower level of educational development? Both of the local TNHE providers operate with the same partner university that is based in the UK. The UK university was a large multidiscipline university ranked by the Times Higher Education World University Ranking in 2017 as in the top 50 UK universities and globally between 351-400.

A structured pen and paper questionnaire distributed to undergraduate students at the two institutions of higher education in Hong Kong and Sri Lanka provided the data for the study. Using a convenience sampling approach, a total of 650 questionnaires were distributed at the two institutions. A usable sample of 528 respondents was obtained, representing a response rate of 81.2%. Both samples were believed broadly representative of the student profile in their institution. Of the 528 respondents, 263 (49.8%) were male and 265 (50.2%) were female; 203 (38.4%) were based in Hong Kong and 325 (61.6%) were residents of Sri Lanka.

### ***Measures and questionnaire development***

Scales used in this research were adopted, and adapted where necessary, from previously validated scales. A 7-point Likert scale (1 = disagree strongly and 7 = agree strongly) was used for all items, except demographics questions. The four item scales for institution reputation and student trust were taken from Keh and Xie, (2009). We added one item to the reputation scale, which was 'This institution is respected by employers', because participants in the pretest suggested that this was an important component of the reputation construct and that it was a factor that had influenced their choice of institution and programme. Student trust was operationalised as a unidimensional construct. In other words, consumer trust was considered as an overall judgement that captured the components of ability, benevolence, and integrity.

Student-university identification was measured using a seven item scale that was adapted from Abrams *et al.*, (1998) consumer-organisation identification scale. Items included 'I feel strong ties with this university' and 'Belonging to this university is a part of my self-image'.

The scale for student satisfaction was modified from Wilkins *et al.* (2012). Among the seven items were ‘So far, my course has met all of my expectations’ and ‘My choice of university was a wise decision’. The three item scales for loyalty and the extra role behaviours were adopted from Karaosmanoğlu *et al.* (2011). Items were contextualised for the higher education market and one item was dropped from the extra role behaviours scale, as participants in the pretest believed that it was not relevant in our research context (I would let my company sales representative know if a competitor was badmouthing the company).

A pretest of the questionnaire was undertaken with 20 university students at one of the local institutes. The survey instrument appeared to work well in the pretest and, following suggestions made by the participants, two changes were made to the questionnaire (adding one item to the reputation scale and deleting one item from the extra role behaviours scale).

### ***Preliminary analysis and measurement model***

IBM SPSS Statistics and SPSS Amos (version 23.0) were used to analyse the data. This section provides details of the preliminary series of statistical analyses conducted to establish the reliability and validity of the scales. Confirmatory factor analysis was conducted to establish the convergent and discriminant validity of the measurement scales. The results of our measurement model indicate a very good fit between the data and the model:  $\chi^2(883) = 2030.45$ ,  $p < .001$ ;  $\chi^2/df = 2.29$ ; CFI = .96; NFI = .93; IFI = .96; RMSEA = .050.

Using the common latent factor (CLF) method, we tested for the existence of common method bias in our data. In this method, an unmeasured first order latent factor is added in the measurement model. This new unmeasured latent factor is reflected by all the existing indicators in the measurement model (Podsakoff *et al.*, 2003). The standardised factor loadings of all the measurement indicators are compared when CLF is present in the measurement model against the loadings without a CLF. The results indicated that the difference between the two sets of standardised factor loadings was less than .20, thus establishing that there was no common method bias in the data.

Table I reports the Cronbach’s alpha scores, the composite reliability scores, the average variance extracted, and the correlation between each pair of constructs. The Cronbach’s alpha values for the scales ranged from .86 to .96, indicating that they possessed strong internal reliability. The average variance extracted was greater than .50 for all the scales; similarly, construct reliability was above .70, thus establishing convergent reliability (Yap and Khong, 2006). The Fornell-Larcker (1981) criterion was used to establish the discriminant validity of the measurement scales. The bold and italic numbers on the diagonal represents the square root of average variance extracted (AVE) for each construct. The off diagonal numbers represent the correlations between the constructs. The results suggest that there is no issue of discriminant validity for the data, as all constructs have lower correlations than the square root of AVE for their respective construct (Yap and Khong, 2006).

## **Results**

### ***Descriptive statistics***

An interesting phenomenon from the descriptive analysis is that respondents in both countries gave higher scores to the foreign institution for reputation, trust, organisational identification, loyalty and extra-role behaviours. Local cultural issues and a general country of origin effect for British higher education may explain some of the higher ratings given to the foreign institution (Chee *et al.*, 2016). A summary of the results are presented in Table II. The differences between country samples are significant at the  $p < .001$  level for all constructs.



**Table I.** Construct reliability, average variance extracted and correlations.

	Alpha	CR	AVE	REPL	TRUL	SUIL	LOYL	EXRL	SAT
REPL Reputation (Local)	.95	.95	.83	<b>.91</b>					
TRUL Trust (Local)	.93	.93	.79	.84	<b>.89</b>				
SUIL Identification (Local)	.96	.94	.74	.79	.75	<b>.86</b>			
LOYL Loyalty (Local)	.93	.94	.84	.83	.86	.76	<b>.91</b>		
EXRL Extra-Role Behaviours (Local)	.86	.87	.69	.76	.71	.72	.77	<b>.83</b>	
SAT Satisfaction (Overall)	.89	.87	.58	.73	.61	.72	.68	.70	<b>.76</b>
REPF Reputation (Foreign)	.95	.96	.85	.51	.34	.42	.36	.47	.66
TRUF Trust (Foreign)	.93	.93	.79	.49	.36	.40	.38	.46	.64
SUIF Identification (Foreign)	.96	.95	.79	.39	.22	.50	.29	.40	.64
LOYF Loyalty (Foreign)	.92	.92	.81	.47	.35	.41	.47	.49	.65
EXRF Extra-Role Behaviours (Local)	.92	.92	.80	.43	.24	.35	.30	.58	.57

Notes: All correlations are significant at  $p < 0.01$  level (2-tailed). REP – Reputation; TRU – Trust; SUI – Student-University Identification; SAT – Satisfaction; LOY – Loyalty; EXR – Extra-Role Behaviours; L – Local TNE partner; F – Foreign TNE partner.

**Table II.** Mean scores and standard deviations.

	Overall $n = 528$		Hong Kong $n = 203$		Sri Lanka $n = 325$	
	Mean	SD	Mean	SD	Mean	SD
Reputation local	5.25	1.36	4.73	1.19	5.57	1.36
Reputation foreign	5.80	1.02	5.02	0.84	6.28	0.80
Trust local	5.10	1.35	4.99	1.05	5.17	1.51
Trust foreign	5.79	0.96	5.11	0.84	6.22	0.76
Student identification local	4.89	1.36	4.58	0.94	5.23	1.43
Student identification foreign	5.54	1.11	4.72	0.86	6.12	0.84
Student satisfaction	5.38	1.04	4.85	0.83	5.71	1.02
Loyalty local	5.04	1.48	4.80	1.28	5.18	1.58
Loyalty foreign	5.78	1.00	5.09	0.93	6.21	0.78
Extra-role behaviours local	5.03	1.25	4.46	1.02	5.39	1.25
Extra-role behaviours foreign	5.46	1.06	4.73	0.84	5.92	0.92

Note: All mean values are significantly different between the two country samples at  $p < .001$ .

### **Structural model and hypotheses testing**

A multigroup confirmatory factor analysis (MGCFA) was conducted to establish the configural invariance of the measurement model. Based on the battery of fit indices, it can be argued that the data and model fit well:  $\chi^2 (1766) = 3423.73$ ,  $p < .001$ ;  $\chi^2/df = 1.93$ ; CFI = .93; NFI = .88; IFI = .93; RMSEA = .042. Then, we tested the metric invariant structure by comparing the baseline multigroup measurement model with a constrained model, in which all the factor loadings were assumed equal. The results suggested that the measurement model was not invariant across two groups ( $\Delta\chi^2 = 106.30$ ,  $\Delta df = 34$ ,  $p < .001$ ), and the multigroup invariance test of the measurement model revealed a partial invariance measurement structure. The step-by-step process of constraining and unconstraining regression weights revealed that of the

eleven latent constructs, four were fully invariant across the two groups, while the other constructs had partial metric invariance.

In order to test the overall fit of the conceptual model, as well as the individual hypotheses, we proceeded with full structural equation modelling (SEM) using maximum likelihood estimation (MLE). The results indicated that the data has a reasonably good fit with the proposed model:  $\chi^2$  (922) = 3267.22,  $p < .001$ ;  $\chi^2/df = 3.51$ ; CFI = .91; NFI= .91; IFI = .89; RMSEA = .068. All the paths in the model were significant. Table III presents the structural model results. The values of squared multiple correlation indicate that the model explains variance ranging from .50 to .72 among the endogenous constructs (See Figure 1).

**Table III.**  
Structural model results

		Standardised estimates	Standard error	Critical ratio	Result
H1a	REPL to SUIL	.57***	.04	9.90	Supported
H1b	REPF to SUIF	.41***	.06	6.44	Supported
H2a	TRUL to SUIL	.31**	.04	5.48	Supported
H2b	TRUF to SUIF	.42***	.08	6.44	Supported
H3a	SUIL to SAT	.58***	.03	11.14	Supported
H3b	SUIF to SAT	.42***	.02	9.75	Supported
H4a	SUIL to LOYL	.81***	.05	18.27	Supported
H4b	SUIF to LOYF	.74***	.03	18.26	Supported
H5a	SUIL to EXRL	.76***	.04	16.90	Supported
H5b	SUIF to EXRF	.70***	.03	17.71	Supported

Notes: \*\*  $p < .01$ , \*\*\*  $p < .001$  (2-tailed). REP – Reputation; TRU – Trust; SUI – Student-University Identification; SAT – Satisfaction; LOY – Loyalty; EXR – Extra-Role Behaviours; L – Local TNE partner; F – Foreign TNE partner.

Finally, country of service partner (country where the student undertakes their study) and gender were tested as control variables. The overall model fit was almost identical to the model without controls:  $\chi^2$  (996) = 3424.40,  $p < .001$ ;  $\chi^2/df = 3.43$ ; CFI = .91; NFI= .88; IFI = .91; RMSEA = .068. Further analysis indicated that neither variable has a significant effect on the relationships in our model.

## Discussion and conclusion

### *Summary of findings*

Our results indicate that student-university identification was a significant predictor of student satisfaction, loyalty, and extra-role behaviours. Importantly, we also found that students identified simultaneously with both of the partners responsible for the design and delivery of the co-branded TNHE programme. However, in both Hong Kong and Sri Lanka, the respondents identified more with the foreign institution than the local service provider. The proposed conceptual model had a good fit with the data and all of the paths were significant. HEI reputation and student trust were significant predictors of student identification with each institution. The model was successful in explaining 67% of the variance in student satisfaction and 50-65% of the variance in student loyalty and extra-role behaviours for each TNHE partner institution, which is an important finding for TNHE literature.

### *Theoretical contributions*

Our research context enabled us to investigate antecedents and consequences of student-university identification when a student invests in and consumes a co-branded educational service that is sold and delivered by two TNHE partners. Given the growth of international partnerships in higher education, this research provides a much needed insight into how students perceive and react to local and foreign institutions in international markets. The organisational behaviour and human resource management literatures have concluded that organisations can have multiple identities. For example, an individual might identify with his/her department, division, product group/brand, or the organisation as a whole. Furthermore, the individual might identify simultaneously with two or more of these entities (Podnar *et al.*, 2011). However, the possibility of dual consumer-organisation identification has been largely ignored in the marketing and higher education literatures. Thus, using the student-university identification scale, a contextualisation of the consumer-organisation identification scale (Abrams *et al.*, 1998); we provide empirical evidence that students can indeed identify with two TNHE partner institutions simultaneously, just as an employee might identify with two or more parts of their organisation.

Reputation, and related constructs such as prestige, brand personality and identity attractiveness, have been well-established as predictors of consumer-organisation identification (e.g. Balaji *et al.*, 2016), but fewer researchers have considered the influence of consumer trust. In product purchases that involve a high cash outlay or that result in long term impacts, such as higher education, trust is used by students to provide reassurance and reduce perceived risks when making purchase decisions. We found that trust was as effective as HEI reputation in predicting student identification with the foreign partner, but perhaps more importantly, we found that students' dual identification with the local TNHE provider and foreign TNHE partner explained 67% of student satisfaction with the co-branded product. Thus, the theoretical importance of student-university identification in markets where co-branded TNHE partnerships are common is emphasised.

### ***Managerial implications***

Our findings suggest that HEI managers should develop and implement strategies that strengthen the institution's reputation and the student's trust in the institution. Building a strong reputation requires strategic choices by the institution that align decisions on strategy, culture and corporate communication (Abratt and Kleyn, 2012). Managers should agree and be clear about how they want students (and other stakeholders) to see the institution, and then they should establish how students (and stakeholders) actually perceive the institution, so that the gap between intended and actual perceived identity can be narrowed (Brown *et al.*, 2006). Communications targeted at students that emphasise the institution's prestige, distinctiveness and similarity with the student may increase the individual's perceived identity attractiveness of the institution. An institution's reputation develops over time and it requires students to have positive experiences so that they become loyal and engage in extra-role behaviours. Positive word of mouth will actually contribute to the development of an institution's reputation, so staff involved with service delivery and quality must ensure that every student has a positive purchase and consumption experience.

A student's trust in a particular institution will increase when the individual perceives that s/he holds appropriate knowledge and information, and when s/he has positive experiences with the institution. Managers must ensure that their institution delivers programmes and services efficiently and effectively, and in a way that satisfies student expectations. Then, managers should communicate information about the quality of their institution's products and services so that the students will possess the knowledge that will promote trust in the institution (Kharouf *et al.*, 2015). Students need information that will confirm to them that the institution is

competent, credible and ethical. In summary, trust-building activities must be a component in any student relationship management programme. However, in international marketing contexts, marketers need to be aware that individuals exposed to different cultures may have different dispositions or propensities to trust (Mayer *et al.*, 1995). Thus, different approaches and strategies may be needed in different TNHE markets.

Our findings indicate that when an institution decides to sell and deliver a co-branded TNHE product with a partner institution, it is important to consider the partner's reputation and the extent to which students trusts the partner, since these will both impact upon student-university identification with the partner and overall student satisfaction with the co-branded TNHE product. It should be recognised that student identification with the local institution might have a strong impact on overall student satisfaction because the local institution is more likely to be responsible for the programme and service delivery. Nevertheless, having the right partner can be a critical factor that impacts upon the financial performance of the institution; therefore, partner selection should be an activity always undertaken with great care (Heffernan and Poole, 2005).

### ***Limitations and further research***

This study advances our understanding of how institutional reputation, student trust and student-university identification influence student satisfaction with co-branded TNHE products and subsequently, students' extra-role behaviours in the context of international partnerships. However, when considering the findings, it would be prudent to recognise that only two local TNHE partners were selected in this study. Although Hong Kong and Sri Lanka are both 'hotbeds' of TNHE activity, generalisation of our findings may be supported by conducting similar research in other TNHE destinations such as China, Malaysia and Singapore, or even in emerging TNHE locations like India, Kenya and Mauritius.

In conclusion, by taking the theory of consumer-organisation identification (Bhattacharya and Sen, 2003) and applying it to students in a TNHE context (student-university identification) an important contribution has been made in understanding the student mind-set when they engage with a partnership style TNHE operation. As TNHE continues to grow at a rapid pace around the globe, a stronger understanding of the antecedents and consequences of student identification of both TNHE partners is highly beneficial for HEI managers. It is anticipated that this research has gone some way to developing this knowledge base.

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