

An Empirical Study on the Influence of Students' Awareness on the Brand Identity: A Case of Telkom University Indonesia

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Abstract—Mergers made by IT Telkom and other higher education institutions such as IM Telkom, Telkom Polytechnic and STISI Telkom, have an impact on IT Telkom brand image. IT Telkom together with these institutions created a new brand name of Telkom University. The Brand of Telkom University uses a different brand identity from previous brand identity. The use of this new brand identity affects brand awareness and brand image of the previous brand of IT Telkom. This research is conducted to find out the people's brand awareness of IT Telkom merger. The numbers of sample are 781 respondents. Data processing was performed using Chi - Square test. The results indicated that awareness of this mergers influences perceptions of competence and brand reputation, awareness of vision, mission, and motto affect all brand identity, and awareness of the logo affects the perception related to the relevance of brand identity as a whole.

Keywords—Merger, University, Awareness, Brand Identity

I. INTRODUCTION

Dynamic and strong changes in education environment increase competition among higher education institutions [1]. These changes, among others, covers privatization, internalization, and diversification of higher education. The tight competition among higher educations compels changes from higher education management to business company management. It is in line with findings in a research by Brookes [2] revealing that changes from education services to quasi-commercial services is exist. This condition places higher education as education services to have a unique characteristics compared to other services [3].

Data from Association of Private Higher Education of Indonesia (2015) demonstrated that the number of higher education in Indonesia reaches 3.151 consisting of 3.068 or 97% of private higher educations and 83 or 3% of public higher education. Apart from that, the number of the students accomodated by private universities is 2.298.830 (72%), while that by public universities is 907.323 (20%). Despite the fact that private universities provide more seats than those public universities, more people are interested in public universities than

private ones. It is attributed to society's perceptions that gives higher credits to public than to private universities. This condition shows that branding in higher educations (public and private) becomes one of the determinant factors for consumers to select [4]. Another source taken from the Ministry of Education and Culture (2014) demonstrates that among levels of education, gross enrollment rates of higher education are still under the gross enrollment rates of other levels of education. This data indicates that marketing competition among private higher educations is high. In private higher education, it is understood that students are the main source for financing, or in other words, students are the determinant factor for private higher educations to survive financially.

Further, higher educations also face many different challenges such as the decline number of students who register or lack of budget allocated by the government that triggers higher educations to use marketing strategies to gain competitive advantages [5]. The success of marketing in education environment depends on the ability of educational institutions to gain and maintain their students and to provide qualified education, so that their graduates can have good career. Similarly, educational institution should also build and gain public support as well as build good network with alumni and benefactors. In order to attain this goal, it is important for higher education institutions to create consistent and strong brand identity to give competitive advantage [5]. Brand identity facilitates the relation between brand and consumers through value proposition formed by brand identity system which is known as brand as product (product attributes), brand as organisation (organisation attributes), brand as person (personality), and brand as symbol (visual imagery, brand heritage) [6]. Brand can be the sources of competitive advantage and can be used as a symbolic device [7]. Hence, branding is used as one of the solutions to respond the challenges of the present changes in educational environment [1].

Telkom University, as one of private higher educations in Bandung, Indonesia has attempted to make its brand well known after the merger in 2012.

Telkom University is a private university resulting from the merger of four educational institutions under Telkom Education Foundation (YPT) including Telkom Technology Institute (IT Telkom), Telkom Management Institute (IM Telkom), Polytechnic of Telkom, and Telkom College of Arts and Design (STSI Telkom). The changing name from the merger done by Telkom University (started from STT Telkom, to IT Telkom and the merger of three other educational institutions), is likely to weaken society's brand awareness toward Telkom university. Societies apparently find it difficult to distinguish the educational institutions under Telkom Education Foundation and the new Telkom university. Likewise, they cannot clearly make a differentiation between Telkom University and other universities. The changing name from the merger institutions done by Telkom University risks in weakening the strength of the university's brand value especially identity brand that has been built under the name of STT Telkom [8].

Therefore, it is necessary to find out the influence of students awareness to Telkom University brand identity. This research was conducted to find out the influence of students awareness of identity attribute to brand identity of Telkom University. Brand identity later known as university identity is one of dimensions of university's value-brand of Telkom University. The research studied the influence of students' identity awareness attribute on university identity by focusing on students awareness related to components of brand identity viewed from the side of organization, covering vision, mission and motto as well as brand symbol attribute, and students awareness regarding merger done by IT Telkom – Telkom University.

II. THEORETICAL BACKGROUND

Brand is expression of mental or a sign of quality. Brand is a product that facilitates consumers to evaluate quality before seeing the features [9]. American Marketing Association defines brand as "name, term, sign, symbol or design or their combinations, in order to identify products or services from one of the sellers or groups of sellers and distinguish them from competitors". Therefore, brand is product or services which differentiating the brand by using several ways from other products or services designed for satisfying similar needs [10].

One of the concepts of branding is admittedly potential and has been widely used as the basic strategy as well as branding analysis called brand Equity. Research on brand equity has been conducted by many researchers. The most popular brand equity

models used for analysis and strategy among others are brand equity model defined by [11], and customer based brand equity model developed by [12]. Apart from that, university brand value model is found and is developed from brand equity model in Telkom University by [8].

Study by [11] identified five dimensions of brand equity, they are brand name awareness, brand associations, perceived quality, brand loyalty and other proprietary assets. Dimension of brand equity in the first level is brand awareness. Finding by [11] defined brand awareness as an ability of potential buyers to recognize or remember a brand and relate it to one specific category of a certain product. However, he also explained that the most important thing regarding concept of brand equity is the uniqueness from brand association, describing functions of the brands and warranty to consumers. Aaker showed that brand identity consists of 12 dimensions based on four perceptions, namely brand as product (*product scope, product attribute, quality or value, uses, users, country of origin*), brand as organization (*organization attribute, local vs global*), brand as personal (*brand personality, brand-customer relationship*) and brand as symbol (*visual imagery/metaphors and brand heritage*).

From another perspective, literature study finds that nowadays, there is a change from only building awareness to building difference that becomes the identity of the brand or what so called as brand identity [4]. The core character of the brand is brand identity [13]. Brand identity defines as the uniqueness and enduring characteristic of the brand [14]. Organization have to manage the brand identity internally before brand presented externally to audience [13]. Suggested by [12] in the model he developed known as customer-based brand equity, also used brand salience – brand identity as dimension in the first level of the model he developed.

The owner of organization has to maintain their brand identity to ensure that customers would be able to identify the brand wherever they are [15]. Brand reflects consumers intended personality and identities [16]. Brand reflects the identity of the organization, brand must be simple but not so simple at all, so consumer can remember the brand easily [17]. The study on literature shows that brand identity is an important concept as the basic to build brand equity. Brand identity holds a central role in building strong brand equity, strong brand identity is needed for the foundation of brand equity building. In the research by [18] stated that when a brand faces an aggressive competition, brand personality and brand reputation become the factor to differentiate it from other

competitors. Apart from that, a strong brand identity is a brand that can be easily understood and trusted by the consumers, making the brand different from its competitors. Brand identity should be clear and consistent by relating brand attribute that relevant to consumers and communicate it in a simple way to attract consumers [18].

Good brand identity is able to reflect business strategies and as foreground for consumers to see the potential of a product [18]. One of the keys for success in building brand identity is the understanding of brand identity, why it is made and how effectively it is to express the identity (ibid). To make it effective, a brand identity needs to resonance with the customers, to differentiate the brands from competitors and to represent what can be done and what it is wanted to be done by organization within a period of time [18]. In [19] research found that many researchers understand that creating a brand identity which resonates with the target market of the brand is important.

This research used variable of brand identity in university brand value model developed by [8]. The model is the results of development of brand equity model using students of Telkom University as the sample of the research. Therefore, variable of brand identity from university brand value model constituted a relevant model with the object of this research. Below is the explanation of variable of brand identity manifest based on university brand value model, as follows.

TABLE 1
VARIABLE OF UNIVERSITY IDENTITY MANIFEST

| Indicator | Statement Items | Manifest |
|-----------------------|---|----------|
| Brand as product | In my opinion, "Creating The Future" motto describes the symbol of Telkom University as qualified university | BI1 |
| | In my opinion, the vision of Telkom University shows that the university is a qualified one. | BI2 |
| Brand as organisation | In my opinion, the missions of Telkom University represent efforts to picture education in a qualified university | BI3 |
| | I think Telkom University is a competent university in the field of higher education. | BI4 |
| Brand as person | I think Telkom University is believed to be able to produce qualified graduates. | BI5 |
| | I think the logo of Telkom University is in line with the identity of Telkom University (Motto, vision, mission & competency in higher education) | BI6 |

III. RESEARCH METHOD

3.1. Problem Formulation

This research is aimed to analyze the relation or influence of awareness factors of respondents' perception regarding identity and condition of Telkom University brand identity. Output of this research can be used as a consideration in strengthen Telkom University brand identity. Therefore, it is necessary to find out students awareness regarding Telkom University brand, including vision, mission, moto, and logo as well as students awareness regarding merger decision of Telkom University. In [19] literature study, found that internal organization characteristics such as the mission, ethos, values, goals and culture are reflecting a brand's identity. Brand identity also signifies what the organization can and will do over time as long as the organization exist [20].

The results were evaluated by viewing whether there was influence on respondents' awareness factor on Telkom University brand identity. The research was also to find out types of manifest variable of brand identity university that shows the influence.

By having those purposes, research questions are formulated as follows.

1. To what extent is students knowledge on Telkom University brand identity attribute?
2. What are the identifications of relation between brand identity manifest variable to awareness factor?
3. Which brand identity manifest variables do show the biggest influence?

3.2. Data Collection and Processing

The research sample were undergraduate students of 16 programs –in Telkom University and 781 respondents were involved. Primary data were taken by disseminating questionnaire using judgmental sampling. Questionnaires distributed consist of two sections. The first section contains questions on respondents profiles, namely sex, age, study program (faculty and study program) and year of entry.

The first section of the questionnaire is also in the form of multiple choice and is using nominal scale. The second section of the questionnaire contains respondents' perception statements on the components of Telkom University brand identity. Assessment on the second section was done by employing likert ordinal scale using score ranging from 1 to 6. Data taken from the questionnaire were analyzed by using SPSS. The data were analyzed by crosstab, Chi-square testing in order to find out the relation between students awareness and brand

identity manifest variable. Criteria of crosstabs by Chi-square testing with its significance value are illustrated below.

- 1). Hypothesis testing
 H_0 : There is no relation between line and column
 H_1 : There is relation between line and column
- 2). Level of Significance $\alpha = 0.05$
- 3). Acceptance Criteria can be seen in Table 2 explained below.

TABLE 2
ACCEPTANCE CRITERIA CROSSTABULATION

| Criteria | Probability | Nilai x^2 |
|----------------|-------------|---------------------------------------|
| H_0 Accepted | Sig. > 0.05 | $x^2 \text{count} < x^2 \text{table}$ |
| H_1 Accepted | Sig. < 0.05 | $x^2 \text{count} > x^2 \text{table}$ |

IV. RESULT AND DISCUSSION

4.1. Descriptive Data Awareness Factor

Table 3 below illustrates percentage data on respondents awareness on Telkom University identity and merger attribute.

TABLE 3
DATA OF RESPONDENTS' AWARENESS REGARDING IDENTITY OF TELKOM UNIVERSITY

| Awareness Factor | Percentage (%) |
|------------------|----------------|
| Merger | 91.7 |
| Vision | 38.7 |
| Mision | 30.9 |
| Motto | 36.2 |
| Logo | 85.4 |

Data in Table 3 shows that most respondents understand merger condition of Telkom University (91.7%). Most students also recognize the new logo of Telkom University (85.4%). The table also demonstrates that students awareness on vision, mission, and motto of Telkom University is 38.7%, 30.9%, and 36.2% respectively. These percentages are under 50%, indicating that most respondents or students of Telkom University do not recognize vision, mission, and motto of Telkom University.

4.2. Cross Tabulation Data Awareness Factor – Manifest Brand Identity

The results on crosstab between merger condition, vision, mission, motto, and logo of Telkom University and all brand identity manifest variables can be seen from Table 4 to Table 8. The analysis of crosstab refers to criteria of chi-square testing.

Table 4 illustrates that two crosstabs, resulting in the rejection of H_0 . the crosstab between merger awareness and manifests of B14 and B15, indicating that awareness of merger influences Manifests of B14 and B15. Crosstab between merger awareness and

manifest BI1, BI2, BI3, and BI6 results in a conclusion that H_0 is accepted, meaning that there is no influence between merger awareness on manifests of BI1, BI2, BI3, and BI6. The data shows that respondents awareness regarding Telkom University merger decision influenced on two items of brand identity manifest variable statements. Those are “I think Telkom University is a competent university in the field of higher education” (BI4); and “I think Telkom University is believed to be able to produce qualified graduates” (BI5).

TABLE 4
RESULTS OF CHI-SQUARE TESTING BETWEEN RESPONDENTS AWARENESS ON MERGER AND BRAND IDENTITY MANIFEST VARIABLE

| Manifest BI | x^2 Count | x^2 Table | Sig. | Conclusion |
|-------------|-------------|-------------|------|----------------|
| BI1 | 2.47 | | 0.78 | H_0 accepted |
| BI2 | 2.76 | | 0.74 | H_0 accepted |
| BI3 | 4.62 | 11,070 | 0.46 | H_0 accepted |
| BI4 | 35.67 | | 0.00 | H_0 rejected |
| BI5 | 13.18 | | 0.02 | H_0 rejected |
| BI6 | 9.33 | | 0.1 | H_0 accepted |

Merger of four institutions of higher education ends with rebranding those higher educations becoming Telkom University. Rebranding refers to a process of giving a new name, term, sign, symbol, design or combinations of all form of new brand elements to existing brands in order to expose values made by higher education institutions and to make a difference from other competitors [5]. In one side, rebranding gives positive values as aforementioned, yet in another side, rebranding changes identity, values, [5] and differentiation in one element of higher education that leads to one indicator of brand identity, namely brand as person represented by manifest variables BI4 and BI5.

The analysis results of crosstab in the research was strengthened by statements from Judson, Aurand, Gorchels, and Gordon (2009) referenced in Makgosa dan Molefhi [5], stating that respondents awareness on merger condition – rebranding - will change consumers perspectives on identity, values and differentiation element of higher educations, in this case, respondents evaluation on higher education competence is interpreted by manifest variable of BI4, and trust in producing qualified graduates interpreted by manifest variable of BI5.

TABLE 5
RESULTS OF CHI-SQUARE TESTING BETWEEN RESPONDENTS AWARENESS ON VISION AND BRAND IDENTITY MANIFEST VARIABLE

| Manifest BI | χ^2 Count | χ^2 Table | Sig. | Conclusion |
|-------------|----------------|----------------|------|----------------|
| BI1 | 40.48 | 11.070 | 0.00 | H_0 rejected |
| BI2 | 34.81 | | 0.00 | H_0 rejected |
| BI3 | 45.26 | | 0.00 | H_0 rejected |
| BI4 | 35.25 | | 0.00 | H_0 rejected |
| BI5 | 24.05 | | 0.00 | H_0 rejected |
| BI6 | 30.1 | | 0.00 | H_0 rejected |

TABLE 6
RESULTS OF CHI-SQUARE TESTING BETWEEN RESPONDENTS AWARENESS ON MISSION AND BRAND IDENTITY MANIFEST VARIABLE

| Manifest BI | χ^2 Count | χ^2 Table | Sig. | Conclusion |
|-------------|----------------|----------------|------|----------------|
| BI1 | 29.70 | 11.070 | 0.00 | H_0 rejected |
| BI2 | 28.84 | | 0.00 | H_0 rejected |
| BI3 | 39.3 | | 0.00 | H_0 rejected |
| BI4 | 30.38 | | 0.00 | H_0 rejected |
| BI5 | 30.84 | | 0.00 | H_0 rejected |
| BI6 | 24.09 | | 0.00 | H_0 rejected |

TABLE 7
RESULTS OF CHI-SQUARE TESTING BETWEEN RESPONDENTS AWARENESS ON MOTTO AND BRAND IDENTITY MANIFEST VARIABLE

| Manifest BI | χ^2 Count | χ^2 Table | Sig. | Conclusion |
|-------------|----------------|----------------|------|----------------|
| BI1 | 36.69 | 11.070 | 0,00 | H_0 rejected |
| BI2 | 22.7 | | 0,00 | H_0 rejected |
| BI3 | 22.32 | | 0,00 | H_0 rejected |
| BI4 | 24.30 | | 0,00 | H_0 rejected |
| BI5 | 22.79 | | 0,00 | H_0 rejected |
| BI6 | 30.02 | | 0,00 | H_0 rejected |

Table 5, 6, and 7 respectively outline the results of chi square testing on respondents awareness regarding vision, mission, and motto to manifest variables of brand identity. The results, as shown on the aforementioned tables, demonstrate that all crosstabs results between respondents awareness and all manifests of BI (BI1, BI2, BI3, BI4, BI5, and BI6) result in H_0 rejection. The data revealed that there is influence of respondents awareness regarding vision, mission, and motto on all manifests of BI.

Those data showed that respondents awareness on vision, mission and motto of Telkom University Influences on all items of brand identity manifest variables statements. Those are “In my opinion, *Creating The Future* describes the symbol of Telkom University as qualified university” (BI1).; “In my opinion, the vision of Telkom University shows that the university is a qualified one” (BI2); “In my opinion, the missions of Telkom University represent efforts to realize education in a qualified university” (BI3); “I think Telkom University is a competent university in the field of higher education” (BI4); “I think Telkom University is believed to be able to

produce qualified graduates” (BI5); and “I think the logo of Telkom University is in line with the identity of Telkom University (Motto, vision, mission & competency in higher education)” (BI6).

The data resulted from crosstab is in line with branding concept as outlined by Makgosa and Molefhi [5] stating that universities branding specifically constitutes “who the university is” and “what it stands for rather than what a particular product offers to the market place”. The statement shows that respondents awareness on higher education identity such as vision, mission, and motto represents the basic of the development of a higher educations, and therefore it is crucial for higher educations to build a strong branding, especially for consumer evaluation on higher education identity. In this case is the evaluation of respondents on brand identity manifest variables, including brand as product, brand as organization, brand as person, and brand as symbol [6].

TABLE 8
RESULTS OF CHI-SQUARE TESTING BETWEEN RESPONDENTS AWARENESS ON LOGO AND BRAND IDENTITY MANIFEST VARIABLE

| Manifest BI | χ^2 Count | χ^2 Table | Sig. | Conclusion |
|-------------|----------------|----------------|------|----------------|
| BI1 | 6.84 | 11.070 | 0.23 | H_0 accepted |
| BI2 | 5.39 | | 0.37 | H_0 accepted |
| BI3 | 5.05 | | 0.41 | H_0 accepted |
| BI4 | 6.46 | | 0.26 | H_0 accepted |
| BI5 | 5.74 | | 0.33 | H_0 accepted |
| BI6 | 17.84 | | 0.00 | H_0 rejected |

Table 8. illustrates that crosstab between logo awareness and manifest of BI6 results in H_0 rejection, meaning that respondents’ logo awareness influences ~~on~~ manifests of BI6. On the contrary, crosstab between respondents logo knowledge and other manifests (BI1, BI2, BI3, BI4, BI5) results in H_0 acceptance. It indicates that respondents logo awareness has no influence on those manifests

Respondents awareness on Telkom University logo will influence respondents answer on items brand identity manifest variable – BI6: “I think the logo of Telkom University is in line with the identity of Telkom University (Motto, vision, mission & competency in higher education)” (BI6). This is in congruence with the results of research done by Makgosa and Molefhi [5] revealing that students who have better knowledge on new logo will give better attitude towards university (in this case, University of Botswana (as the sample) (after rebranding). Fung So, et al [20] also revealing that consumers who have favorable perceptions of a brand’s identity are lead to stronger identification with the organization. Therefore, a conclusion can be drawn that respondents

awareness on Telkom University logo will influence their evaluation on logo adjustment to Telkom University identity represented by manifest variable of BI6.

V. CONCLUSION

The results taken from crosstab showed that respondents awareness regarding Telkom University brand identity attribute mostly influenced the perception of Telkom University brand identity. Merger awareness done by Telkom educational institutions influenced students evaluation on competency and reputation of Telkom University as a higher education. The analysis on the crosstab also demonstrated that students awareness regarding vision, mission, and motto of Telkom University influenced all brand identity components, indicating that building awareness of brand identity attribute as an organization is a crucial marketing activity in order to build the strength of brand identity. Despite the fact, students awareness on logo evidently influenced by students evaluation and perception on Telkom University identity attributes entirely.

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