

Word of mouth antecedents in non-profit preparatory schools: a structural equation modeling approach in the Brazilian educational context

Guilherme Shiraishi
Universidade de São Paulo
Isabelle Andreotti
Universidade de São Paulo

Cite as:

Shiraishi Guilherme, Andreotti Isabelle (2020), Word of mouth antecedents in non-profit preparatory schools: a structural equation modeling approach in the Brazilian educational context. *Proceedings of the European Marketing Academy*, 49th, (63731)

Paper from the 49th Annual EMAC Conference, Budapest, May 26-29, 2020.



Word of mouth antecedents in non-profit preparatory schools: a structural equation modeling approach in the Brazilian educational context

Abstract:

Word of mouth is a factor for the promotion of educational institutions due to the intangibility of the service. This work aims to investigate the educational consumer's positive word of mouth antecedents in a non-profit-preparatory school context. For that, an initial SEM of word of mouth antecedents was proposed, in which functional quality, satisfaction, confidence, and affective commitment relate in order to influence such behavior. The observable variables of each construct were evaluated by students from a non-profit preparatory school in São. From these answers, the measurement model and the structural model were evaluated and, with satisfactory results on all the tested measures, the proposed model was fitted. It, therefore, presents an effective way to influence positive word of mouth and obtain the intended promotion results without the costs of traditional media.

Keywords: word of mouth; non-profit preparatory school; Brazilian context

Track: Public Sector and Non-Profit Marketing

1. Introduction

From the end of 20 century, there was an increase in the demand for higher education in Brazil due to changes in society, including a higher aspiration for education, which began to be seen as essential to achieving professional success and social rise (D'Avila, 2006). It led to an increase in the candidate per vacancy ratio in Brazilian universities, that could no longer accommodate all of its applicants. As criteria to select their students, the universities started using a general knowledge test called *vestibular* to rank the candidates by their grade. The exam got more challenging and competitive as the number of applicants increased through the years, leading to the creation of preparatory schools focused on *vestibular* position (Netto, 1985). The high demand for these preparatory courses made this market attractive to investments, turning these institutions into businesses (Whitaker, 2010). Currently, this is a well-developed, relevant market in the country, and most of the university students were once part of a preparatory school (Whitaker, 2010).

Given the relevance of these institutions in the country and the increasing competition in the educational sector, they must structure an adequate marketing strategy to engage consumers (Symes, 1998). However, because the services offered are intangible, traditional marketing communication methods struggle to gain credibility with the public, that trust more the information obtained by word of mouth communication (WOM). It poses a challenge to the institutions since this kind of communication is not controlled by them (Bravin, 2009). Thus, word of mouth being so crucial for the engagement of consumers and maintenance of competitiveness, but so difficult to control, it is relevant to study how the institutions can articulate actions and structure marketing strategies aiming to stimulate WOM and obtain a competitive advantage in the sector (Haywood, 1989). In this context, this working paper aims to propose an initial study to discuss the aspects that positively influence word of mouth communication among preparatory school students.

2. Revision of literature

The modern consumers are less influenced by traditional marketing, which leads many organizations to reduce investments in these tools and drive more attention to word of mouth

communication (McDonnell, 2005; Sweeney, Soutar, & Mazzarol, 2012). WOM, the exchange of positive or negative information about a specific product or service, has a high impact on business success, especially in services, which are the intangible and present difficulty of experimentation before the purchase (Haywood, 1989). A better understanding of the word of mouth behavior and its formation can help institutions to focus on essential antecedents (Teo & Soutar, 2012). Also, influencing WOM can lead to a competitive advantage, increasing engagement with lower costs (Haywood, 1989).

For this working paper we summarized our literature review and construction of hypothesis in a model that includes functional quality, confidence, satisfaction, affective commitment and WOM. Figure 1 presents the path model.

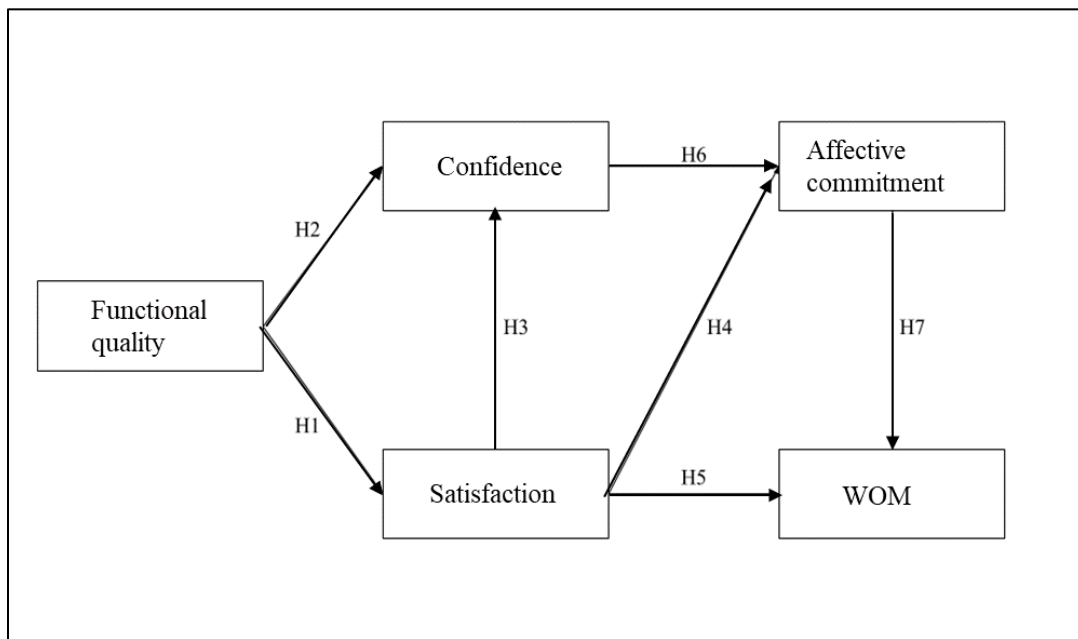


Figure 1. Path of WOW model

To the first two hypothesis we revised the further authors: Grönroos (1984), Casidy (2014), Ahmadi (2019), Han and Ruy (2012), Teo e Soutar (2012), Mangold, Miller & Brockway (1999), Ng, David and Dagger (2011), Jalilvand, Salimipour, Elyasi and Mohammadi (2017).

H1: Functional quality of service influences satisfaction positively.

H2: Functional Quality of Service Influences Confidence Positively.

To the hypothesis number three to five, we revised the additional authors: Matos (2011), Heckman & Guskey, (1998), Hennig-Thurau, Gwinner, & Gremler (2002), Brown, Barry, Dacin, and Gunst (2005).

H3: Satisfaction influences trust positively.

H4: Satisfaction influences Affective Affection positively.

H5: Satisfaction influences Mouth to Mouth positively.

To the hypothesis number six we revised the additional authors: Morgan & Hunt (1994), Jalilvand et al., (2017), Morgan & Hunt (1994), Borges, Constante, Domingues, and Añaña (2014), Han and Ryu (2012) and Jalilvand et al. (2017), Torres and Brazil (2009) and Oliveira and Rosa (2017).

H6: Confidence influences Affective Commitment positively.

Finally, To the hypothesis number six we revised the additional authors: Evanschitzky, Iyer, Plassmann, Niessing, & Meffert (2006), Meyer and Allen (1991), Rego & Souto (2004), Jalilvand et al. (2017), Terres, and Santos (2013), Harrison-Walker (2001) and Teo and Soutar (2012).

H7: Affective commitment influences Mouth to Mouth positively.

3. Research Method and initial results

The study was conducted with students from a low-income school entrance exam course run by a student nonprofit organization in São Paulo. The variables that constitute each hypothesis of this study were constructed from the literature review. Data collection generated 141 validated samples. The method chosen to construct the SEM was SmartPLS.

For the analysis of the measurement model, the measures of validity and reliability of the constructs were obtained. The indicator of AVE of each latent variable was more than 0,59, indicating that the model converges to a satisfactory result. The Cronbach's alpha had values above 0.81 for all constructs. In the tested model, the square roots of the AVE of all constructs were more substantial than the correlations with other constructs, presenting discriminant validity by the Fornell-Larcker criterion.

Figure 2 presents the Pearson determination coefficients. The results predict that 47.6% of the variation in Wom can be justified by Affective Commitment and Satisfaction, with the most considerable effect coming from the second variable (0.404). Thus, increasing 1 in Satisfaction and 1 in Affective Commitment results in an increase of 0.476 in WOW. Affective Commitment, in turn, has 70% of the variability explained by Confidence and Satisfaction, the latter one has a more considerable influence than the first variable. Satisfaction has a variation of 26.3% justified by Functional Quality. Finally, 55.3% of the reliability variability is explained by Functional Quality and Satisfaction, but mainly by Functional Quality. From this, it is noted that to increase mouth to mouth, satisfaction has more effects both directly and indirectly, with functional quality as its predecessor. Overall, Functional Quality indirectly influences Mouth to Mouth through mediators Satisfaction, Confidence, and Affective Commitment. With all R^2 greater than 26%, it can be stated that the relationships between the constructs are strong and that, therefore, the model has satisfactory quality by this parameter.

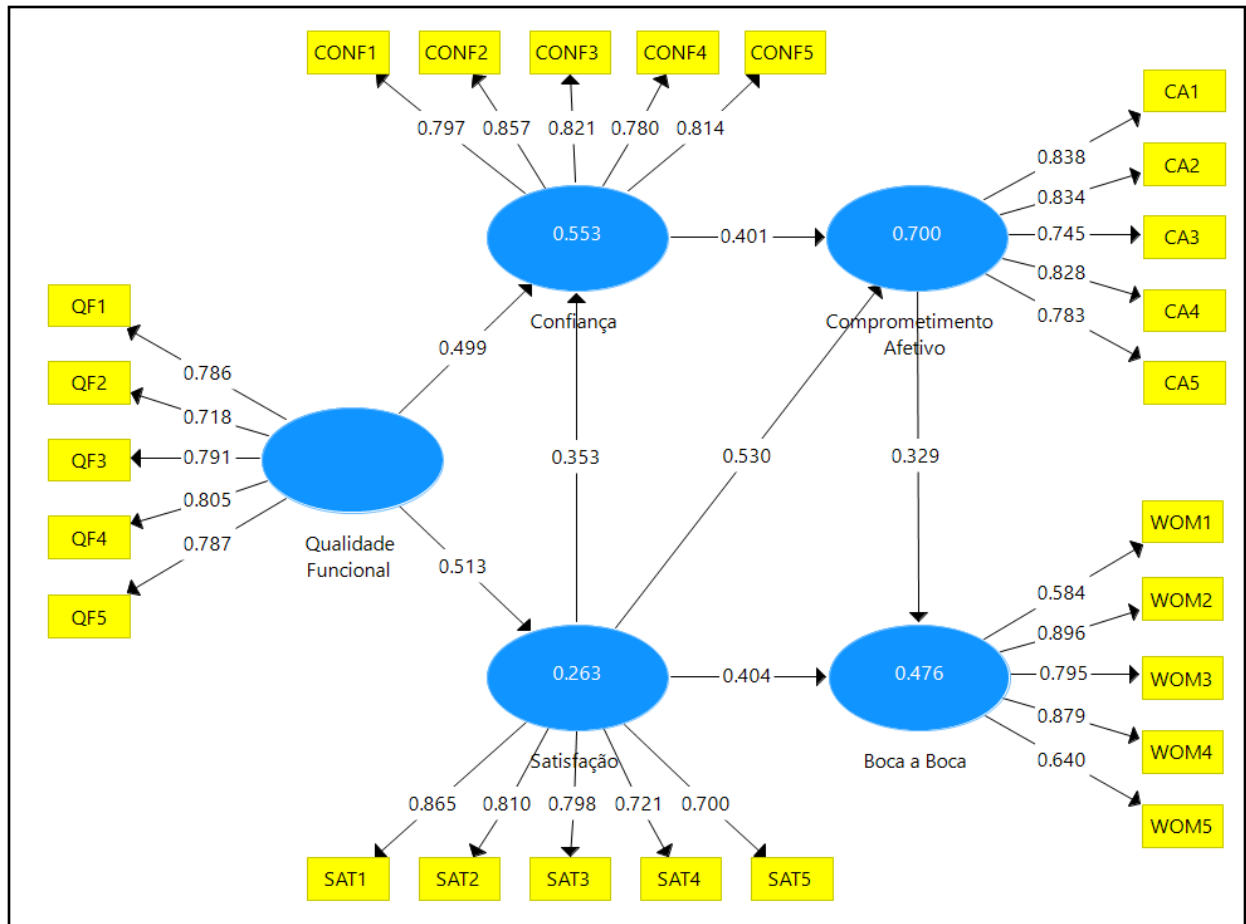


Figure 2. Pearson's coefficients of determination of the model

In the presented model, the significance (ρ) of the correlations and regressions were less than or equal to 0.05 in all SEM paths. Table 2 summarizes the result set.

		Original sample	Sample Average	Standard deviation	T test	ρ
Affective commitment	→ WOM	0,329	0,331	0,145	2,273	0,023
Confidence	→ Affective commitment	0,401	0,395	0,062	6,414	0,000
Functional quality	→ Confidence	0,499	0,501	0,065	7,694	0,000
Functional quality	→ Satisfaction	0,513	0,522	0,063	8,097	0,000
Satisfaction	→ WOM	0,404	0,401	0,167	2,416	0,016
Satisfaction	→ Affective commitment	0,530	0,536	0,054	9,739	0,000
Satisfaction	→ Confidence	0,353	0,354	0,079	4,454	0,000

Table 2. Path coefficients and significance of correlations and regressions

4. Discussions and Management Implications

The proposed model thus presents an initial outcome to see the influence of positive word-of-mouth behavior to obtain the desired dissemination results by the institutions, pointing out which variables are essential for this and how they relate in order to generate such an effect. To perform proper monitoring of the constructs and the necessary actions according to the indicated relationships, the model also points out which observed variables form each construct, in order to bring the conceptual model to the reality of the institutions. The model indicates the institution's assessment parameters from word-of-mouth measurement: if there is student word-of-mouth behavior, there is evidence that the service is adequate according to the model metrics (quality function, confidence, satisfaction, and affective commitment).

Given that the focus of the research was a nonprofit pre-college entrance exam, the issue of cost optimization is essential. Therefore, it is necessary to find the most effective and least expensive way to publicize the institution and reach more and more students with the desired socioeconomic profile of the course, whose mission is to bring education to potential clients. Thus, when dealing with a non-profit institution with a social mission, the present study has a positive impact on society, proposing a solution to a problem faced by a lack of resources to communicate and promote a school in a developing country or region.

5. Final considerations

This research was based on a sample of students from a popular pre-university entrance exam, which essentially has an audience with adverse socioeconomic conditions. Therefore, the results presented here were based on a specific audience and may not be representative of the population of pre-university students. Therefore, it is suggested as a possibility of future research a study covering different social classes, to assess whether the pattern of behavior is changed. Increasing the perspective of the study would also make it possible to obtain a better sample, bringing more reliable results. For this research, some variables were chosen to be tested based on the literature. However, variables that were not relevant in other studies were not included in the proposed model, such as technical quality. The focus of the study was also positive word of mouth, which is the goal of the institution, but negative word of mouth and what may lead to it were not evaluated. In future research, the inclusion of such and other variables in the model is

suggested to evaluate further the specifics of the educational context and what should be avoided in order not to generate harmful behavior to the institution.

References.

Ahmadi, A. (2019). Thai Airways: key influencing factors on customers' word of mouth. *International Journal of Quality & Reliability Management*, 36(1), 40-57.

Borges, G. R., Constante, A. K., Domingues, M. J. C. S., & Añaña, E. S. (2014). Analisando o apego e a recomendação como consequentes da confiança em uma instituição de ensino a distância. *Revista Pretexto*, 15(4), 100-113.

Bravin, F. H. D. A (2009). *Comunicação do posicionamento de marketing das instituições de ensino superior*. Tese de doutorado, Universidade de São Paulo, São Paulo, SP, Brasil.

Brown, T. J., Barry, T. E., Dacin, P. A., & Gunst, R. F. (2005). Spreading the word: investigating antecedents of consumers' positive word-of-mouth intentions and behaviors in a retailing context. *Journal of the Academy of Marketing Science*, 33(2), 123-138.

Casidy, R. (2014). Linking brand orientation with service quality, satisfaction and positive word-of-mouth: evidence from the higher education sector. *Journal of Nonprofit & Public Sector Marketing*, 26(2), 142-161.

Chen, Y., Liu, F., Fang, C., & Lin, T. M. Y. (2013). Understanding the effectiveness of word-of-mouth: an elasticity perspective. *Journal of Research in Interactive Marketing*, 7(1), 57-77.

D'Avila, G. T. (2006). *O ensino superior como projeto profissional para "ser alguém": repercussões de um cursinho pré-vestibular popular na vida dos estudantes*. Dissertação de mestrado, Universidade Federal de Santa Catarina, Florianópolis, SC, Brasil.

Elliott, K. M., & Healy, M. A. (2001). Key factors influencing student satisfaction related to recruitment and retention. *Journal of Marketing for Higher Education*, 10(4), 1-11.

Evanschitzky, H., Iyer, G. R., Plassmann, H., Niessing, J., & Meffert, H. (2006). The relative strength of affective commitment in securing loyalty in service relationships. *Journal of Business Research*, 59(12), 1207-1213.

Grönroos, C. (1984). A Service Quality Model and its Marketing Implications. *European Journal of Marketing*, 18(4), 36-44.

Han, H., & Ryu, K. (2012). Key factors driving customers' word-of-mouth intentions in full-service restaurants: the moderating role of switching costs. *Cornell Hospitality Quarterly*, 53(2), 96-109.

Harris, P., & Khatami, N. A. (2017). Antecedents of word of mouth behaviour among female grocery shoppers in Iran. *Journal of Islamic Marketing*, 8(1), 2-15.

Harrison-Walker, L. J. (2001). The measurement of word-of-mouth communication and an investigation of service quality and customer commitment as potential antecedents. *Journal of Service Research*, 4(1), 60-75.

Haywood, M. K. (1989). Managing word of mouth communications. *Journal of Services Marketing*, 3(2), 55-67.

Hennig-Thurau, T., Gwinner, K. P., & Gremler, D. D. (2002). Understanding relationship marketing outcomes: an integration of relational benefits and relationship quality. *Journal of Service Research*, 4(3), 230-247.

Jalilvand, M. R., Salimipour, S., Elyasi, M., & Mohammadi, M. (2017). Factors influencing word of mouth behaviour in the restaurant industry. *Marketing Intelligence & Planning*, 35(1), 81-110.

Keiningham, T. L., Rust, R. T., Lariviere, B., Aksoy, L., & Williams, L. (2018). A roadmap for driving customer word-of-mouth. *Journal of Service Management*, 29(1), 2-38.

Mangold, W. G., Miller, F., & Brockway, G. R. (1999). Word-of-mouth communication in the service marketplace. *Journal of Services Marketing*, 13(1), 73-89.

Matos, C. A. (2011). Uma generalização empírica sobre comunicação boca a boca usando metanálise. *Revista de Administração Contemporânea*, 15(5), 877-896.

Matos, C. A., & Rossi, C. A. V. (2008). Word-of-mouth communications in marketing: a meta-analytic review of the antecedents and moderators. *Journal of the Academy of Marketing Science*, 36(4), 578-596.

McDonald, P. K., Mayes, R., & Pini, B. (2009). Organizational rhetoric in the prospectuses of elite private schools: unpacking strategies of persuasion. *British Journal of Sociology of Education*, 33(1), 1-20.

Morgan, R. M., & Hunt, S. D. (1994). The commitment-trust theory of relationship marketing. *Journal of Marketing*, 58(3), 20-38.

Murray, K. B. (1991). A test of services marketing theory: consumer information acquisition activities. *Journal of Marketing*, 55(1), 10-25.

Netto, A. R. (1985, dezembro). O vestibular ao longo do tempo: implicações e implicâncias. *Seminário "Vestibular Hoje"*, Brasília, DF, Brasil.

Ng, S., David, M. E., & Dagger, T. S. (2011). Generating positive word-of-mouth in the service experience. *Managing Service Quality: An International Journal*, 21(2), 133-151.

Oliveira, T. L., & Rosa, F. (2017, novembro). Fatores determinantes da retenção de estudantes: estudo em uma instituição pública federal. *Seminário XX SemeAd*, São Paulo, SP, Brasil.

Rego, A., Souto, S. (2004). Comprometimento organizacional em organizações autênticas: um estudo luso-brasileiro. *Revista de Administração de Empresas*, 44(3), 30-43.

Sweeney, J. C., Soutar, G. N., & Mazzarol, T. (2012). Word of mouth: measuring the power of individual messages. *European Journal of Marketing*, 46(1), 237-257.

Symes, C. (1998). Education for sale: a semiotic analysis of school prospectuses and other forms of educational marketing. *Australian Journal of Education*, 42(2), 133-152.

Teo, R., & Soutar, G. N. (2012). Word of mouth antecedents in an educational context: a Singaporean study. *International Journal of Educational Management*, 26(7), 678-695.

Torres, L. M., & Brasil, V. S. (2009). Validação de um modelo de lealdade do estudante com base na qualidade do relacionamento. *Revista FACES*, 8(3), 119-137.

Whitaker, D. C. A. (2010). Da "invenção" do vestibular aos cursinhos populares: um desafio para a orientação profissional. *Revista Brasileira de Orientação Profissional*, 11(2), 289-297.