THESIS WORK

Rahman Afandiyev
2017
BRANDING BUDAPEST AS AN ATTRACTIVE PLACE TO STUDY: ASSESSING THE EFFECT OF CITY ATTRIBUTES ON STUDENT SATISFACTION AND BEHAVIORAL INTENTIONS

Rahman Afandiyev
2017
MSc in Marketing with Tourism Specialization

Thesis Supervisor: Katalin Ásványi
STATEMENT
ABOUT THE PUBLICITY OF THE THESIS WORK

Name (please provide in capital letters): RAHMAN AFANDIYEV

Bachelor program, name of the program: 

Master program, name of the program: MSc in MARKETING

I hereby make the following decision about the publicity of the electronic version (pdf document, reading, saving and printing allowed, processing not allowed) of my Thesis Work.

I allow (please underline your choice):

FULL PUBLICITY
The Thesis Work can be downloaded from the library's website from Thesis Works/ TDK data base (http://szd.lib.uni-corvinus.hu/), from everywhere on the internet in the form of a pdf document.

LIMITED PUBLICITY
The Thesis Work can be downloaded from the Library's website from Thesis Works / TDK database (http://szd.lib.uni-corvinus.hu/), exclusively from the area of the Corvinus University of Budapest in the form of a pdf document.

NOT PUBLIC
The Thesis Work cannot be included in the register of the Central Library of Corvinus University of Budapest in any form (neither bibliographic description nor partial or full text).

Budapest, 12.10.2017

[Signature]

Author's signature
Contents

1. Introduction .................................................................................................................. 1

2. Theoretical Background ............................................................................................... 4
   2.1. General overview of Budapest ............................................................................... 4
   2.2. Higher education in Budapest ............................................................................... 5
   2.3. Marketing of higher education ............................................................................... 7
   2.4. Defining branding ................................................................................................. 8
       2.4.1. Brand Equity .................................................................................................. 9
       2.4.2. Brand image ................................................................................................ 10
       2.4.3. Brand identity .............................................................................................. 10
       2.4.4. Branding in higher education ....................................................................... 10
       2.4.5. Defining city branding .................................................................................. 11
   2.5. Diverse stakeholders of a city .............................................................................. 14
       2.5.1. Role of locals in city branding ..................................................................... 15
       2.5.2. “Student as customer” ................................................................................ 17
   2.6. City attributes ........................................................................................................ 21

3. Research methodology ................................................................................................. 26
   3.1. Research question ............................................................................................... 26
   3.2. Research hypotheses ........................................................................................... 26
   3.3. Research design .................................................................................................. 28
       3.3.1. Questionnaire development and measuring ............................................... 28
       3.3.2. Data collection techniques, procedures and analysis .................................. 30
   3.4. Limitations .......................................................................................................... 31

4. Elaboration of the central topic .................................................................................... 32
Table of Figures

Figure 1: Research Model........................................................................................................25
Figure 2: City attributes by gender. Source: Own chart .........................................................42
Figure 3: City attributes by income ........................................................................................43
Figure 4: Results of descriptive statistics ................................................................................44
Figure 5: Results of descriptive statistics ................................................................................44
Figure 6: The results of descriptive statistics for recommendation .........................................51

Table of Tables

Table 1. City attributes...........................................................................................................23
Table 2: Mean scores of statements........................................................................................33
Table 3: Independent T-test results .........................................................................................36
Table 4: Results of Independent T-test ....................................................................................39
Table 5: Results of Independent T-test ....................................................................................40
Table 6: Variables of equation ...............................................................................................45
Table 7: The results of correlation analysis ..............................................................................48
Table 8: The result of correlation analysis ..............................................................................50
1. Introduction

The topic

The influence of globalization in modern society is noticed everywhere. Individuals feel the impact in every stage of their life when they make decisions regardless of their scale or importance. It has turned into primary component having impact on economies of countries, businesses and whole society. It is obvious fact that globalization brings not only benefits but also different challenges to human life. Innovation, fast improvements in technology and information exchange enable people to know a lot about the society where they live, work and study. To follow rapid changes occurring due to globalization, people have to take into account the different impacts of that.

One of the biggest challenges that globalization triggered is an increasing of competition in every part of life. Regions, countries and cities, and even districts within a city, are in intense competition to be positioned as an attractive destination for foreign investors, tourists, students and creative professionals, higher education institutions are competing to attract talented students, teaching and research staff, students are competing with each other to get scholarships or for better employer.

Today we experience that number of students who are trying to pursue their education abroad increases. Availability of international exchange programs (e.g. Erasmus, Tempus) as well as bilateral exchange agreements foster worldwide flow of students among countries and continents. Various motives and intents stand behind every decision student make to study abroad. All these motives and intents are clubbed by Mazzarol & Soutar (2002) into two different factors, namely “push” and “pull” factors, creating clear background to understand global flow of students. Homeland related reasons, like unavailability of specific program in home country, encouraging student to apply universities abroad are defined as “push” factors. On the other hand, “pull” factors are combination of motives that make a country more attractive for students when they choose destination for higher education (Mazzarol & Soutar, 2002). This research work is focusing on investigation of factors
existing in Hungary, more precisely in its capital city – Budapest, and making the place more attractive for overseas education seeking students.

Hungary is competing to attract visitors from different countries and continents and talented people as well, like other countries. As competition grows among destinations, branding becomes more vital for differentiation. Destination Marketing Organizations (DMOs) aim to build strong and coherent destination brands in order to be positioned differently in minds of targeted people and be successful in fierce competitive environment. By this study the author aims theoretically to contribute place branding process by investigating antecedents of students’ satisfaction. Moreover, the factors influencing students’ future behaviour towards the city are investigated and the researcher tries to determine the relationship between students’ satisfaction and future behavioural intentions.

Budapest is the main focus of the study. There are several reasons behind the decision. Firstly, Budapest is the capital city of Hungary and not only the city where main commercial, industrial and cultural infrastructure and facilities are centred but also it is educational and research centre of the country. Secondly, the author has spent two years for getting a degree from one of the higher education institutions of the city. On the other hand, Generation Y is in the focus as well. Most of the current university students belong to Millennials. In this study, the researcher aims to find answers following research questions. The main research question is:

**Why Generation Y choose Budapest as a destination to study and what are the key antecedents of student satisfaction in regard higher education destination?**

Moreover, sub-questions were formulated to answer main research question in a step-by-step manner:

- What features or factors do Generation Y rate as most-least important in attracting them to Budapest as a study abroad destination?

- What are the relationships between student satisfaction and its antecedents?

- What are the relationships between student satisfaction and behavioural intention?
This study contains five different chapters which can be named as respectively; introduction, theoretical background, research methodology, elaboration of the central topic and conclusion. Introduction part explains importance of the topic and describes the structure of the thesis work. The second chapter gives information about the literature on the topic, more specifically definitions, terms and models were identified, and also previous studies were reviewed to establish the context for this research study. Following Chapter three focuses on the research methodology and hypotheses formulation. It also contains information about research design, questionnaire development as well as data collection procedures. The fourth chapter is discussing the results of online survey. More specifically, it explains demographic characteristics of respondents, participants’ attitudes toward city attributes, associations between city attributes and satisfaction, and their effect on students’ future behavioural intentions. The fifth chapter is conclusion, where the author summarizes main findings of the empirical research.
2. **Theoretical Background**

This chapter gives a general overview of Budapest and information about its higher education institutions. Furthermore, an academic foundation is established to enhance the readers’ understanding of educational marketing, branding and city branding. The chapter also contains list of city attributes to be examined as well as the research model to be tested.

### 2.1. General overview of Budapest

Budapest is not only an administrative centre in Hungary and also that country’s main industrial, commercial and economic infrastructures are centred in the city. Historical and cultural richness of Budapest is the pride for every Hungarian. It was two different cities, namely Buda and Pest, until 1873. Today’s Budapest is the merging of two separate cities. The city is regarded one of Central Europe’s most fascinating cities by its residents and guests. Visitors of Budapest can easily compare it with Prague and Vienna, and often call it the "Queen of the Danube". The city is situated in the northern part of the country. The Danube flows through Budapest and divides it into two parts: the hilly Buda side on the western bank of the river and flatter Pest side on the eastern bank. Nine bridges were built over the Danube in different periods of the history to link two sides. Thanks to its natural thermal springs Budapest is renowned as the “City of SPAs”. The Szechenyi Bath and Gellert Spa are the most popular ones (Ballaro, 2014).

Big differences between two sides are observed not only in terms of geographical features but also differences in daily life and architecture are quite noticeable. Mainly recognized as a residential area Buda side hosts Gothic style churches and most historical monuments. On the other hand, Pest is a noisier and busier part of the city, known as a center of industry and where mostly political decisions are made (Ballaro, 2014).

Geographical location of Budapest enables its residents to enjoy the beauties of four seasons. Summer in Budapest is usually hot and humid, with average temperature of 22 degrees Celsius while average temperature is -2 degrees Celsius in winter (Ballaro, 2014).
**People**

Statistics of 2016 show that roughly 1.7 million people reside in Budapest, and it is 17% of total population in Hungary. In regard ethnicity of people, most of them are Hungarians or Magyars. Romani or Gypsies who mostly live in poor parts of the city, are the largest ethnic minority in Budapest. Besides Romani, Budapest is home of some Germans, Chinese, Slovaks, and Romanians. Regarding religious beliefs of Budapest residents, majority of them are Roman Catholics (Ballaro, 2014).

**Landmarks**

Cultural and historical richness of the city is a big advantage to attract visitors from all over the world. Although the city was occupied in different periods of the history by foreign invaders, Budapest benefited from them as well. Most noticeable attractions are the Hungarian Parliament Building, the Basilica of St. Stephen, the Royal Palace on Castle Hill. There are many museums in Budapest too. The Hungarian National Museum, The Hungarian National Gallery, The Budapest History Museum are some examples among the richest museums of Budapest where the visitors can get deep and valuable information about history, culture, and arts of the city and Magyars. Religious attractions of Budapest are rich as well. The largest synagogue of Europe is located in Budapest. The Saint Stephen is largest church of Budapest. Another important catholic landmark is Matthias Church (Ballaro, 2014).

2.2. **Higher education in Budapest**

Although today Budapest is the main city of Hungary and half of the county’s university students study in the capital city, the first university was opened in Pecs. Since 1367 higher education was available in Hungary. Currently, students have opportunities to pursue their education in 66 institutions. More than half of them offer academic programs in foreign languages, mostly in English and German. Regarding the size of institutions, they range from minor business schools to top research universities (Tempus Public Foundation, 2016).

*Eötvös Loránd University*
Eötvös Loránd University (ELTE) was established in 1635 and started teaching with two faculties, namely the Faculty of Humanities and the Faculty of Technology. Today the university offers wide-ranging programs within eight faculties. ELTE’s diplomas are acknowledged every country in the world, as well as students can transfer their course credits to other universities within European Union. To build international network is an important part of university’s strategy, and students from 80 different countries continue their education thanks to ELTE’s international partnerships (Eötvös Loránd University, 2017).

**Corvinus University of Budapest**

Corvinus University of Budapest (CUB) is one of the most noteworthy universities in Hungarian education system, especially among researchers and students who study economy and business studies. Number of international students was 1048 out of total 10948 for 2015/2016 academic year. CUB offers degree programs in English at Bachelor, Master and PhD level (Corvinus University of Budapest, 2017).

**Semmelweis University**

Semmelweis University was founded in 1769. The first medical school of the country offers its programs in four languages: Hungarian, English, German and Italian. Total number of students was 10803 for 2016/2017 academic year, 3455 of them was international students, mainly from Germany, Norway, Italy and Iran. (Semmelweis University, 2017)

**Scholarship opportunities**

The Stipendium Hungaricum Programme has been offered since 2013 as a part of “Global Opening Policy” initiated by the Hungarian Government. The backbone of the scholarship program is bilateral contracts between Hungary and the partner country. Currently, that agreements were signed with 51 partners from all over the world (Tempus Public Foundation, 2017).

Erasmus+ is the European Union’s programme facilitating its citizens to study, train and work in different countries of the world, but mostly within Europe. The target of the
program is to reach to provide opportunities for 4 million Europeans from 2014 to 2020 (Erasmus+, 2015).

Central European Exchange Program for University Studies (CEEPUS) Program was designed to foster student and researcher mobility in the region. The program enables university students to study one period of their curriculum at a partner higher education institution. University professors can benefit from the program as well. They can get chance to teach abroad. The program plays a great role to build very strong relationships among regional scholars (Tempus Public Foundation, 2017).

2.3. Marketing of higher education

Students have the power to encourage potential students, future visitors and potential movers. They can influence potential stakeholders of a city by spreading word-of-mouth through social channels by sharing photos, videos, or memories about the destinations they study. Therefore, higher education institutions should take the influential power of students over potential ones into account and invest in marketing activities on the environment of increasing competition for attracting students and fund-raising. In current situation, higher education in not an exclusive service for rich population of society as it was in past centuries. “Massification” of higher education enable everyone to pursue their studies (Orîndaru, 2015). It is obvious that many people emphasize power of marketing in the business field considering to apply marketing to increase selling of various products and services, but they do not always see its importance in higher education institutions. The literature review shows that there are many evidences proving marketing is not a new phenomenon in educational institutions. For example, Goldgehn studied the effective usage of fifteen marketing techniques in American universities in 1991. According to Davis & Farrell (2016), universities started to utilize different marketing tools to attract students and their parents approximately 50 years ago.

Several studies have been done to understand marketing activities, advertising and public relations efforts of universities. The process to be market oriented is often called “marketization”. It is an approach of applying free market practices that are used in competitive business world to higher education. Some factors were collected by Davis &
Farrell (2016) that the British and Australian universities are influenced to apply marketing techniques to meet students and their parent needs. Firstly, management of a university believe that they have responsibility for success of the society and economy of a country, and universities have to produce well-skilled and knowledgeable graduates to support that. Secondly, improvement of knowledge economy increased the role of universities. Third, universities needed more sources to be financed due to increase in costs. Finally, competitive environment is pivotal to achieve quality and efficient outcomes. Effective competition encouraged universities to use available marketing tools to emphasize the benefits of choosing their institution (Davis & Farrell, 2016). Moreover, to strengthen the university’s brand image as well as to increase the number of persuaded potential students universities offer programs with high demand, achieve cost reduction by excluding unnecessary and low demanded courses from curriculum (Hemsley-Brown, 2011). Also, some studies investigated failure of utilizing marketing techniques in higher education institutions. For example, Jugenheimer (1995) found the reasons of low quality advertising campaigns done by university itself. According to this study, lack of experience to make good advertising, inaccurate planning, and inadequate marketing plan can result in poor advertising (Jugenheimer, 1995).

2.4. Defining branding

The discussion of branding goes on more than six decades in academic world and practice. Branding as a modern business tool has been utilized by the beginning of the 20th century (Low & Fullerton, 1994). The theory itself, emerged in the literature in the 1950s (Kavaratzis et al., 2015). Branding is one of the concepts that defined by many scholars. According to the American Marketing Association (as quoted in Keller, Aperia, & Georgson, 2012, p. 4) a brand is a “name, term, sign, symbol, or design, or a combination of them, intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of competition”. Furthermore, companies do not only achieve to differentiate themselves in a competitive market with the help of developed strong brand but also a brand is an effective way of communication between brand owners and consumers. From this perspective, the brand concept proposed by De Chertony and Dall’Olmo Riley (1998) differ from the definition offered by AMA. The scholars define the brand as “a
multidimensional construct whereby managers augment products or services with values and this facilitates the process by which consumers recognize and appreciate these values” (De Chertony and Dall’Olmo Riley, 1998, p. 427).

Kavazatis et al, (2015) emphasized that usage of branding initially appeared in the consumer products market. As branding gained popularity due to its power as an effective tool to differentiate, application of branding expanded to other fields like brand-owning corporations, services as well as non-profit organizations (Kavazatis et al, 2015). It is interesting to note that “product brands”, “services brands” and “corporate brands” differ from each other because of their unique characteristics. For example, “corporate brands” target many diverse stakeholder groups, not just its customers. In regard to services branding, several unique characteristics of services make branding process more complex. For example, services are “intangible”, and that feature of services is an obstacle to evaluate a brand in a pre-purchase stage. Moreover, in a non-profit sector branding has a distinctive role because of atypical value exchange process that we do not observe in commercial sector. (Kavazatis et al, 2015)

2.4.1. Brand Equity

The most comprehensive definition of brand equity was proposed by Aaker (1991). He defines brand equity as “a set of brand assets and liabilities linked to a brand, its name and symbol, that add to or subtract from the value provided by a product or service to a firm and/or that firm’s customer”. (Aaker, 1991, p 15). There were several reasons to study brand equity. The most challenging issue was how to evaluate brand from the accounting point of view. On the other hand, the second most noteworthy potential of studying brand equity concept was strategy related perspective. The second perspective is more important motivation for companies than the first one while making customer-focused decisions. Keller (1993) initially started to debate “customer-based brand equity” concept in the academic world. The scholar views new concept as “the differential effect of brand knowledge on consumer response to the marketing of the brand.” (Keller K., 1993, p. 8)
2.4.2. Brand image

According to Park et al., (1986) discussions of brand image started nearly in the middle of the last century. The study of Dobni and Zinkhan published in 1990 revealed that academic world could not find any comprehensive definition for “brand image” and they tried to identify the most important elements of that. Although there are disagreements how to define the concept of “brand image”, most scholars accept that it is a perception of a brand created by sum of brand values and associations in the mind of customers. These subjective associations are formed and shaped through brand owners’ marketing activities. (Keller, Aperia, & Georgson, 2012).

2.4.3. Brand identity

David A. Aaker in his “Building Strong Brands” named book defines brand identity “a set of associations that the brand strategist aspires to create or maintain.” (p. 68) Brand owners aim to explain meaning of a brand through the associations and create a promise that will be delivered. Brand identity is an integral part of company’s customer-brand relationship building efforts. Brand identity is formed by two kind of identities, including the “core” and the “extended”. “Core identity” represents “the central, timeless essence of the brand,” and it does not change when market expansion or category extension occur. The “extended identity” provide “texture and completeness” and by adding details to “core identity” it contributes to complete whole picture describing and communicating the promises of a brand to customers (Aaker D., 1996).

2.4.4. Branding in higher education

As competition growths among universities to attract talented students and sources to finance research activities, creating strong brand becomes more important issue in education world. Several scholars showed interests to investigate brands in higher education. Chapleos (2015) found out that organizational and cultural structure of the universities hinder to apply all practical brand concepts to higher education institutions, practical concepts which are used in business field. Dholakia & Acciardo (2014) suggested brand positioning for a state university. Strong brand and reputation of university have an influence on students’ attitudes
when they apply to the respective institution (Goi, Goi, & Wong, 2014). Besides developing strong university brand, higher education institutions try to be in highest position in globally accepted university rankings. These rankings are powerful frame to evaluate universities quality (Marginson & Van der Wende, 2007). According to Dennis, et al. (2016) universities should not focus mainly on prestige improvement, but also achieving better results in students’ satisfaction can contribute brand equity.

2.4.5. Defining city branding

Cities are places where people live, do business, study, explore and enjoy culture as well as leisure activities. Cities have diverse stakeholder groups, including residents, businesses, visitors, investors etc. City managers and authorities, municipalities are working hard to satisfy needs of all these groups. On the other hand, competition is growing among cities in order to attract investment, tourist and talented residents. In practice marketing as well as branding activities of these cities are growing rapidly due to fierce competition. Academic researchers are interested in this field as well (Warnaby et al., 2002). Currently, almost every place (e.g. country, region, town, city) is investing in branding activities for developing a prestige in order to survive in a competitive world. For the places, these campaigns enable to position themselves differently and to reach target customers (Sevin, 2014).

As a subdivision of place branding, city branding aims to market as well as brand cities as an attractive place to reside or invest (Merrilees et al, 2009). In academic world early debates about place branding came from two dimensions: urban policy and tourism and vacation marketing. Unique characteristics and development of the place throughout history are the main focus of urban planning literature. The role of marketing here is to facilitate to achieve macro-level goals (Hankinson, 2004). According to Kavaratzis et al (2015), three domains (1950-1980), namely urban policy, tourism and marketing, are the foundation for development of “place branding” as an independent discipline.

In most cases, existing literature studies a broad notion - place or destination branding. Although branding is not a new idea in literature, still discussions go on identifying the most comprehensive definition of a place brand, definition to be accepted by everyone.
(Kavaratzis & Ashworth, 2005; Zenker S., 2011). However, Merrillees et al. (2009) argues that destination and place brands are “interchangeable” concepts. But mostly destination branding has been discussed from tourism point of view, and essential role of it is to differentiate destination in visitors’ mind (Merrilees, Miller, & Herington, 2009). Thus, according to Pike (2016), definition of destination branding suggested by Blain et al. (2005), is the most detailed one:

“Destination branding is the set of marketing activities that (1) support the creation of a name, symbol, logo, word mark or other graphic that readily identifies and differentiates a destination; that (2) consistently convey the expectation of a memorable travel experience that is uniquely associated with the destination; that (3) serve to consolidate and reinforce the emotional connection between the visitor and the destination; and that (4) reduce consumer search costs and perceived risk. Collectively, these activities serve to create a destination image that positively influences consumer destination choice” (Blain et al., 2005, p. 337). As a conclusion, if a city’s branding campaigns aim to attract visitors and tourists, in that case city branding can be accepted as a subdivision of destination branding.

This study focuses on the concept of place branding which aims to make an attractive place not only to stay for a short period for tourism purposes but also for those who choose destination for a long term. Long term intentions may include living, working, or studying plans. The term city branding will be used as a “sub-field of place branding”. Braun and Zenker (2010) define a place brand as “a network of associations in the consumers’ mind based on the visual, verbal, and behavioural expression of a place which is embodied through the aims, communication, values, and the general culture of the place’s stakeholders and the overall place design” (p. 5). According to Morgan et al. (2002: 4), as cited in Boyne & Hall, (2004) places are “potentially the world’s biggest brands”. Place branding has been discussed in literature from different aspects. One approach to place branding is to investigate power of brand to the economy of the place. Gnoth (2002) was a first scholar who investigated how the development of a country’s brand as a tourism destination stimulates exporting of its products and services. His model contains four levels. On the first level stands attractions that is core of a country brand. Attractions should be extended through high
quality tourism services on the second level and primary and secondary industry of the country on the third level in order to gain success. If all levels of brand extension work well, country gains a good prestige for export products (Gnoth, 2002). Moreover, there are several studies that investigated the contribution of tourism attractions to place branding process. For example, Boyne & Hall (2004) examined the role of gastronomy tourism in the development of rural brands as well as the contribution of online tools to whole branding process. The study of Ho (2017) analyzed the impact of tourism festivals on the branding of a city in Taichung example.

According to Papadopoulos (2004), “place branding” is the set of activities done by authorities of the place to achieve several goals, including to stimulate exports of the place, to provide protection for local businesses, to attract resources for facilitating development in the place, and to achieve better positioning worldwide. Kotler and Gertner (2002) highlighted the power of branding for places to gain competitive advantage to persuade talented workforce, businesses and FDI. Several attributes influence the power of the place brand. Word-of-mouth recommendations, tourists’ previous memories gathered in the destination as well as their level of satisfaction support the effectiveness of the brand. Especially, WOM communication is very important as most of the first time visitors receive information about the destination from their friends or relatives that already have been there (Tasci & Kozak, 2006).

Scholars who engage in city marketing and city branding studies believe that wide-range branding and re-branding activities have to contribute to the creation and representation of the city brand, but these are just the part of city’s marketing and promoting strategy and whole branding process. That is why a brand has to represent both “physical or tangible experiences of the city” (visual triggers like symbol, logo, slogan), and also the “intangible and value-based attributes” (Hankinson, 2001).

**City brand image**

Individuals have various views about cities. A city could leave positive impressions for some people while others could get negative impressions from that city. All these perceptions influence individuals’ decision making process while they choose a city to visit
or study. Several academic disciplines, including social psychology, sociology or consumer behaviour studies questioned these individual differences. The general consensus that academic disciplines accepts is the concept of image (Frías, Rodriguez, & Castañeda, 2008). Since individuals have various opinions about the same place, countries have to invest in marketing activities to continuously develop favourable images (Che-Ha, et al., 2016). Image of a city is an essential part of the city brand, the part which is strengthening positioning of the brand and contributes brand to be successful in the competitive environment (Tasci & Kozak, 2006). Ashworth and Voogt’s 1990 study (cited in Herstein, et al. 2014) distinguished product brands from place brands based on three unique characteristics. First, place’s brand images can be developed as “holistic entity” as well as individual elements of the place can formulate reputation independently. Second, stakeholder groups of a place perceive it differently based on their unique experience gained from the destination. Third, places’ wide range offerings make them “multi-functional” (Herstein, Jaffe, & Berger, 2014).

City brand identity

Although the number of studies about city branding is growing, still there is a lack of agreement to define city brand identity. Florek et al., (2006) consider place identity as similar as corporate identity and set of place’s authorities activities to differentiate place from other ones. As city branding is a part of place branding, we can define that city brand identity as a set of characteristics to distinguish city from other cities and make it different; city brand identity represent how DMOs want their city to be perceived (Florek, Insch, & Gnoth, 2006). Baxter et al., (2013) argue that places’ brand identity is “rigid and unitary”.

2.5. Diverse stakeholders of a city

Cities have diverse stakeholder groups with potentially different motivations and expectations, so their future attitudes differ from each other. City policy makers should consider the requirements of stakeholders including both internal and external ones. Internally, stakeholder groups are inhabitants who choose the city as a home, existing businesses generating employment for residents, cultural and sporting entities, educational facilities (schools, colleges and universities), and the city government. Furthermore, these categories of stakeholders have additional complexities (Zenker, 2009). In multi-cultural
cities, although some group of people may share some values, their motivations, expectations and needs can be quite different (Grof, 2001). There may be differences in terms of educational and religious expectations. External stakeholders include tourists, prospective investors, potential residents and students. According to Zenker (2009) city marketing practitioners mainly target four groups:

1) tourists and visitors;
2) current and potential residents;
3) business and investors;
4) external markets (Kotler et al., 1993 cited in Zenker, 2009).

2.5.1. Role of locals in city branding

City marketing organizations should take into consideration all segments while setting short-term and long term strategic goals to be achieved. Local population of a city “require” most of attention, and this is why they are the most irreplaceable segment. To satisfy residents and creating better environment for them should be vital destination to be reached for municipalities or authorities of the cities. Also, authorities should invest to provide safe and high quality residency opportunities for locals to retain them in the city. It is very essential for the city’s sustainability. Residents play an important role in economic, cultural and social development of cities. If residents are satisfied, they will continue living in their current cities. In order to achieve desirable resident satisfaction, municipalities have to understand inhabitants’ needs and their expectations. On the other hand, residential satisfaction is an important scale for potential visitors and migrants to evaluate the city (Insch & Florek, 2008). To choose destination to live in long-term is similar to make choices in consumer products market. While making decision people consider the most attractive offers. Key factors are salary levels and value for money housing offers (Florida, Mellander, & Stolarick, 2011).

It is clear that residents of cities are not homogeneous groups and locals’ previous living experiences influence their needs, expectations and attitudes towards the city they live. There are some necessities of living that are shared by majority of residents, including accessible and good price/value ratio flats or houses to rent or to buy, high quality of
education and health care system, opportunities for free-time spending and social bond (Insch & Florek, 2008). Florida et al., (2011) found that beautiful and aesthetic neighbourhood alongside with other key factors, like economic and social opportunities, influence satisfaction of locals. The scholars also revealed that there is a positive and significant relationship between quality of education system and community satisfaction. At least, city authorities can work hard to provide those basic requirements in order to achieve high resident satisfaction. Satisfied locals play an essential role in branding process of a city by spreading favourable WOM. On the other hand, there is a big challenge for city managers that they cannot control the interactions between locals and visitors. Unhappy and dissatisfied inhabitants who have potential to damage positive image of a city communicated through various channels are real threat for DMOs (Insch & Florek, 2008).

According to Zenker, (2009) students are included residents group, but existing literature does not examine students’ role in city branding process. Zenker and Beckman (2013) found out that stakeholder groups of a city perceive its brand differently. The role of residents in city branding process has been discussed by several scholars. For example, Braun et al., (2013) emphasize that city residents are not just “passive beneficiaries”, but also locals could participate in producing public goods, services and policies in an active way. The scholars tried to understand how residents participate in city branding process and summed up three-fold roles of them. Firstly, city residents are an “integrated part of the city brand”. Hospitality of local people, their attitudes towards visitors and migrants are an important factor to evaluate a city as a brand (Braun, Kavaratzis, & Zenker, 2013). The next contribution of locals to city branding process is their role as a “city ambassador”. As locals know better every nook and corner of a place, and possess more authentic and informative knowledge, they become a source for information to foreigners. Above-mentioned fact is the reason explaining why we experience celebrity-status residents in city promoting campaigns. But not only celebrities, also all locals in fact can send messages about their cities via wide-range channels. (Braun et al., 2013). Zenker and Rutter (2014) studied that residents spread positive word-of-mouth messages about a city if they are satisfied. Finally, residents are citizens who have rights to vote and determine local administrators. Residents are taxpayers too. Launching branding campaigns are funded with money coming from taxpayers. 
Residents as citizens have rights to participate and contribute decision-making process regarding to city branding (Braun et al., 2013).

2.5.2. “Student as customer”

The literature review reveals that there are not many studies investigating students’ satisfactions in the context of city branding. Mainly literature contains studies discussing student’s satisfaction in terms of university and academic life. Some researchers studied “student as customer” model. To spend money for education in one of individual’s most important investment throughout his or her life. When people purchase a service from bank, restaurant, or airline company, it is clear that the service providing companies understand their position as a seller, but in higher education context it was hard to treat “students as customer” in past centuries. Currently, when we speak about “student as a customer model”, the question arises: “Is student a customer?” In modern society, there are several reasons influencing our approach to accept “students as customers” of universities. For example, international university rankings have impacts on students’ decision making process as well as on the image of universities, and competition among universities is growing rapidly.

According to Furedi (as cited in Davis & Farrell, 2016) to accept “student as a customer” means that “students are always right”, but this way of thinking is more effective and beneficial for higher education universities compare with students. Therefore, the model pushes universities to control regularly both their academic services and management policy of universities. In this section the research work tries to reveal factors having impacts on students’ decision making process when they choose university to pursue their study and influences on students’ satisfaction.

Factors influencing students’ decision to study abroad

The literature contains many works investigated the factors influencing students’ decision making process while to choose host country for higher education. To study abroad is not only beneficial for students’ future life but also universities benefit from attracting international students: financial contribution to host countries economy; foreign students increase competition and their experience and knowledge leads to diversity and quality in
education; the image of the universities is strengthening when they become choices of talented students (Bodycott, 2009).

Abubakar et al., (2014), studied students’ motivation in education tourism context, which is sub-filed of tourism. From this perspective only students who pursue their study in foreign country less than one year are accounted. They defined fifteen factors having impact on students’ decisions, namely image and reputation of the universities as well as job opportunities after graduation; quality of education; being unsuccessful in university application in students’ country; hospitable residents in host city; affordable fees and availability of grants and scholarships; discrimination rate and safety issues in host country; living expenses; political uncertainty in student coming country; easiness of university application process and getting visa; degree and diploma recognition in the home country; quality of academic staff; natural and environmental factors; lack of availability of program in the home country; geographical closeness and political relations between countries. Baas (2006) found out that reputation and prestige is not always driving factor when students make decision to study abroad. He investigated student migration issue to Australia from India. Mainly the programs offered by high ranked universities are more expensive. Programs offered by low rank universities are more affordable for price conscious Indian students. Students from India prefer Australia for better job opportunities and getting resident permit from Australian authorities is main motivation for them (Baas, 2006).

Bodycott (2009) revealed ten factors that motivated students from China to pursue their education in foreign countries:

- Having more information about prestige and image of universities and host country itself
- Welcoming attitude toward foreign students in host country
- Advices and recommendations from friends and parents
- School fees, and other living costs
- Environmental issues, like safety, climate
- Cultural and geographical closeness of a host country
- Social ties and familiarity with someone living in a host county
Opportunities to remain in a host country after graduation

Positive perceptions towards education system and economy of a host country

Scholarships opportunities for international students

The study done by Lesjak et al., (2015) investigated Erasmus students and the research paper had two-fold aim, firstly, to analyse the driving factors of student mobility within European Union and secondly, to reveal motivations standing behind city choice. The results show that students’ willingness to improve their individual and career-focused skills is the main factor explaining students’ flow in European countries. Regarding city choice of students, it depends on cities’ image as a touristic destination. Cubillo et al, (2006) analysed decision-making process while students go abroad to study and the proposed model illustrate how five factors, namely “personal reasons, the effect of country image, the effect of city image, institution image and the evaluation of the programme of study”, influence students’ final choice.

Darchen and Tremblay (2010) found that career prospects are more important criteria than city’s environment for attracting students and motivating them to stay in the city. Pimpa (2003) found that to make study abroad decision is not a “one-step” process and several factors affect this decision. In decision making process students first identify the country and city that they want to pursue their education. The next step is to determine program and university. Also, the study found that parents also participate in choosing process in all stages, and their interaction is more than financial contribution and advices to choose (Pimpa, 2003).

Student satisfaction

Although universities’ main service is teaching students, other supplementary services and facilities influence students’ whole impressions as well. The author clubbed all these services into three groups. First group components are “physical and facilitating goods” which includes indoor and outdoor facilities like lecture halls, library, IT rooms, and other teaching materials. The next group of elements is “the explicit service” that includes teaching staff, its quality, their availability when students need support, giving regularly feedback that is essential for students’ development. “The implicit service” is the third group that
representing friendly attitudes of both administrative and teaching staff, degree of warmth in relationships between students and university staff. One of this group elements or combination of them influence students’ level of satisfaction. On the other hand, individuals’ demographic and lifestyle characteristics influence their satisfaction level. Moreover, students’ expectations from university and study programs have impact on their degree of satisfaction, more precisely, if students’ expectations are met, they are more satisfied and having positive attitudes towards universities’ services (Davis & Farrell, 2016). The managers of the universities should take into account the findings to manage students’ expectations. In order to understand the consequences and contribution of satisfied students to city branding process and universities’ economy, the advantages of satisfied customers are collected from literature:

- Loyalty: “highly satisfied customers” become more loyal to services and products of a company, and rebuying occasions will increase
- Attitudes towards “price elasticity”: “highly satisfied customers” are more tolerant to price changes, especially when prices increase.
- Resistance to lucrative campaigns of competitors: “highly satisfied customers” do not change to competitors’ service if they experience attractive offerings from competitor of the company.
- Contribution to image building: “highly satisfied customers” spread positive WOM about the company and its services (Davis & Farrell, 2016).

The literature review showed that there are not many studies measuring students’ satisfaction from the cities where they study at least one semester. The study done by Insch and Sun (2013), investigated place attributes that are very essential for students of Otago University. The scholars found that students consider “accommodation, socializing and sense of community, safety and cultural scene” elements more crucial. Moreover, the findings that demonstrate the influential power of city brand elements on “overall satisfaction” revealed that “shopping and dining, appeal and vibrancy, socializing and sense of community and public transport” were the most important antecedents’ of overall student satisfaction. All findings show that how being social and building networks are important for students. According to these results, we can conclude that vibrant city atmosphere and city’s spirit
which contribute city’s reputation as an enjoyable destination to study play an important role in students’ overall satisfaction.

2.6. City attributes

The literature review revealed that there is a lack of agreement on how to evaluate city brand’s success. Since needs and expectations of city’s stakeholder groups are different, to determine single evaluation criteria still remains as a challenging question for academic world. Zenker (2009) studied the differences between “creative class” and “non-creative class” based on four factors, namely “urbanity and diversity”, “nature and recreation”, “job chances” and “cost-efficiency”. Their previous year study revealed that above-mentioned factors explain approximately half of the general residential satisfaction (Zenker, 2009). Anholt (2006) uses six categories in his City Brand Hexagon: “The presence” edge of the Brand Hexagon represents the reputation and fame of a city at the global level. “The place” point of the Hexagon explores how individuals perceive the physical location of each city, including city’s natural beauty, climate, etc. “The potential” part of the city brand hexagon shows city’s attractiveness as a place doing business or pursuing higher education. “The pulse” section of the city brand hexagon considers the richness and availability of entertainment and leisure time facilities. “The people” point of the hexagon describes the perceptions of individuals towards the city’s residents as well as how easily people adapt to local community. “The prerequisites” edge of the hexagon is about people’s impressions at and expectations from city’s public service, including health care, public transport, public schools and so on (Anholt, 2006).

Hankinson, in his study published in 2005, analysed destination brand image concept from business travellers’ point of view. The scholar identified eight “clusters of brand image attributes” for business tourism field. These clusters are “physical environment”, including natural and man-made attractions of a place, “economic activity”, representing current industrial and economic conditions of a location as well as future perspectives of that, “business tourism facilities”, meaning availability and sufficiency of destination offerings, like conference halls, technological devices, “accessibility”, meaning how easily business travellers reach to the location, availability of international airport or railway stations,
effectiveness of local transportation system, “social facilities”, including sport facilities, free-time activities etc., “strength of reputation”, meaning how people are familiar with the place from business tourism point of view, “people characteristics”, hospitality of locals, average age, lifestyle so on are included, and “destination size”, how big or small a city is perceived by targeted market. Identified eight attribute clusters do not differ considerably from those which evaluate destination image from leisure tourism perspective (Hankinson, 2005).

Merrilees et al, (2009) listed nine city attribute items when studied city branding process from residents’ perspective. These items are: “nature” (availability of recreational zones, parks and green areas, accessible picnic and outdoor grilling opportunities), “business creativity” (opportunities for doing business, availability of innovation friendly business environment, expansion opportunities for local businesses and freelancers), “shopping” (richness of shopping malls, luxury shops, access to global fashion brands, wide range of coffee shops and restaurants), “brand” (prestige of living in that city, residents’ sense of pride in their city), “intention” (continue living in a city for a short or long period of time, having retirement plans or not), “transport” (convenience in public transport, situation of traffic during rush hours, quality of roads), “cultural activities” (leisure time activities for those who interested in arts and music, festivals during weekend or holiday, richness of cultural events and live shows, concerts), “government services” (bureaucracy in government, condition of public schools and quality of education system, health care quality, adequate retirement system), “social bonding” (how easy local people acquire friends, attractiveness of a city for families, multiculturalism) (Merrilees, Miller, & Herington, 2009). Zucco et al., (2017) applied above-mentioned scale to their study, and investigated a Brazilian city’s attributes as well as their effects on locals’ future intentions.

Kaya and Marangoz (2014) examined seven city elements having impacts on attitudes of entrepreneurs in Mugla province of Turkey. These elements are: “local transportation”, “accessibility of city”, “nature”, “business opportunities and networking”, “social bonding”, “cultural and social activities” and “governmental services”. Li & Hudson (2016) tried to investigate key destination image elements of three Chinese cities from perspective of domestic tourists. The researchers tested six image elements, namely
“beautiful nature”, “history & heritage”, “safety”, “cultural events”, “food & accommodation” and “transportation”, to evaluate attractiveness of predetermined cities.

Cop and Akpınar (2014) studied the perceptions of students about the cities they live and study. They tested seven factors, namely city-related plans, expectations from city administration, leisure and shopping activities, contribution to city branding process, local people, nature of the city, and infrastructure.

In this study, considering previous studies eight city attributes were examined:

**Table 1. City attributes**

<table>
<thead>
<tr>
<th>Own chart</th>
<th>Reputation of universities, proud to study in Budapest, quality of education as well as university services, scientific achievements of Hungary, and degree (including content and structure)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attractions of the city</td>
<td>Man-made and natural attractions, culture, gastronomy, originality of Hungarian traditions.</td>
</tr>
<tr>
<td>Intentions</td>
<td>Networking and job/business opportunities, planning to live in Budapest after graduation</td>
</tr>
<tr>
<td>Leisure and cultural activities</td>
<td>Shopping facilities, sport facilities, events and festivals, and nightlife.</td>
</tr>
<tr>
<td>Government and local people</td>
<td>Hospitality of local people, their attitudes towards foreigners, level of prosperity and equality, knowledge of other foreign languages, current situation of health and well-being.</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>Transportation, accessibility of the city, accommodation facilities, access to clean picnic and recreational areas.</td>
</tr>
<tr>
<td>Price/Value ratio</td>
<td>Price of study and living</td>
</tr>
<tr>
<td>Geopolitical situation</td>
<td>International peace and security, political environment, relationships with home country</td>
</tr>
</tbody>
</table>
The model developed by Qu et al., (2011) illustrates how three different image components affect positive tourists’ attitudes towards destinations. The model proposes that destination’s brand image is a “multi-dimensional construct”, and it contains three factors, namely “the cognitive, unique, and affective images” which altogether constitute the overall image of the place. The past studies found that “cognitive and affective evaluation” affect the whole image of the location. If a place is evaluated based on tourists’ knowledge, it is called a “cognitive evaluation”. “Affective evaluation” refers what tourists feel about the place. The researchers add third image factor, set of unique city brand elements, which is communicated to differentiate place in visitors’ minds. On the model overall brand image plays a “mediating role” between the three image factors and tourists’ future behavioural intentions. The scholars conclude that to develop a strong city brand is not enough to achieve differentiation, but should have impact on tourists’ future decision that leads to success of the place. Thus, places have to build a strong and distinctive image, framed from the “cognitive, unique, and affective image associations”, to stimulate spreading positive messages and re-visit intentions (Qu, Kim, & Im, 2011).

Lee T. H. (2009) based on literature review identified three components, namely the image of the place, visitors’ motives to travel and their attitudes towards place, and tested the impact of them on “tourist satisfaction” and future behaviour of tourists. The results show that the influence of the image of a destination on satisfaction is direct but future behaviour of visitors is indirectly affected by the brand image. The same tendency was observed on interrelations among attitudes, satisfaction (direct) and future intentions (indirect). Also, visitors’ satisfaction stands as mediating effect in the model between three components and future behaviour, tourist satisfaction has a significant impact on future behaviour (Lee, 2009).

Based on literature review, the research model was developed. It illustrates the main factors or features influencing student decision while choosing a destination for higher education. The model also illustrates the structural relationships between city attributes, student satisfaction and their future behavioural intentions. Eight city attributes, based on literature review, were defined that have an impact on decisions of students. The model includes eight city attributes to examine their effects to students’ satisfaction. It also suggests
that students’ future behavioural intentions are associated with student satisfaction, and satisfaction in itself is also influenced by some of the other antecedents:

Own chart

The aim of the model is to examine whether motivating factors of choosing a destination lead to satisfaction or not. Moreover, the literature review showed that there are examples investigating the determinants of student satisfaction and moderating role of satisfaction between determinants and behavioural intentions. The suggested model will examine moderating role of satisfaction between city attributes and behavioural intentions, including willingness to recommend and re-visit intentions. The next section will explain research methodology to test hypotheses and research model.

Figure 1: Research Model
3. Research methodology

This chapter will discuss the research methodology utilized for the study. Firstly, research questions are formulated. Based on the theoretical framework discussed in the previous section and according to the research questions, several hypotheses of the research work are developed. The chapter also discusses the formulation of a suitable methodology to answer the research questions and achieve the research objectives.

3.1. Research question

The research questions to be answered are:

Main research question:

Why Generation Y choose Budapest as a destination to study and what are the key antecedents of student satisfaction?

Sub-questions:

What features or factors do Generation Y rate as most-least important in attracting them to Budapest as a higher education destination?

What are the relationship between student satisfaction and its antecedents?

What are the relationship between student satisfaction and behavioural intention?

3.2. Research hypotheses

To check research questions, the following hypotheses developed to be tested based on extensive literature review:

The literature review has revealed that price/value ratio is empirically proved as an essential element when students evaluate their options in choosing a destination for studies. For example, Abubakar et al. (2014) found that affordable education and living costs are one of
the driving factors for students who come North Cyprus to study. Gonzalez et al, (2010) explained that distinction between students’ home city and host city in terms of living expenses is one of “the determinants of international student mobility”. Mazzarol and Soutar (2002) discussed the “cost” criterion which students and their family use as an essential dimension when compare their country or city choices. Lesjak et al, (2015) found that Erasmus students consider “living expenses” criteria before choosing place to study. The following hypotheses were formulated, based on the findings of previous empirical research:

H1. Price/Value ratio is the most important city element that attracts Generation Y students to Budapest for higher education.

H1 is limited only to investigate the most important factor. Sub-hypotheses are formulated to see top three factors that have an effect on students’ decision:

H1.a Leisure and cultural attractiveness of the city is one of the top three city attributes that attracts Generation Y students to Budapest for higher education.

H1.b Geopolitical situation (safety) is one of the top three city attributes that attracts Generation Y students to the city for higher education.

Based on literature review we can say that current literature does not contain many studies that investigates relation between city attributes and student satisfaction. The research done by Insch and Sun (2013) investigated the degree of satisfaction students gained from the city they studied. Ryu et al., (2008) investigated “customer satisfaction” concept in a restaurant context and found that satisfaction positively affect future behavioural intentions. Liaw (2008) revealed that “perceived satisfaction” was positively correlated with behavioural intention. Research done by Nesset and Helgesen (2009) in the higher education institutions of Norway showed that “student satisfaction” positively influences “student loyalty”. To take into account the findings from literature review, the following hypotheses are formulated:

H2. There are relationships between student satisfaction and its antecedents.

H3. There are associations between overall student satisfaction and behavioural intentions.
3.3. Research design

The data were collected through a quantitative research method in order to answer the research questions and test the hypotheses formulated. This kind of study design is descriptive research (Malhotra, 2010), which in this research work had as an objective to investigate city attributes influencing students’ decision and interrelationships between attributes, satisfaction and recommending behaviour.

3.3.1. Questionnaire development and measuring

To design questionnaire is an essential stage of research design. Malhotra (2010) defines questionnaire “as a formalized set of questions for obtaining information from respondents”. There are several objectives that questionnaire should reach. First, a well-designed survey form should transform the information to be collected into a specific question that participants express willingness to answer them. Secondly, form must encourage respondents to participate in survey and this must result in growth of response rate. A well prepared questionnaire can decrease number of situations when survey participants answer inaccurately to the questions (Malhotra, 2010). In this study, an online questionnaire survey approach has been chosen. There are several advantages of utilizing electronic questionnaires:

- Much larger number of respondents can be reachable via online surveys within limited time due to its fastness (Jones et al., 2008).
- it is more economical than telephone interviews, postal surveys and experiment (McPeake, Bateson, & O’Neill, 2014).
- The results can be easily analysed by using online available survey packages (McPeake, Bateson, & O’Neill, 2014).

Although several advantages of online survey are known, there are several disadvantages of online survey:

- Researchers can encounter “potential selection bias of participants” problem while conducting online survey (McPeake, Bateson, & O’Neill, 2014).
- Response rate is lower than other research methods (McPeake, Bateson, & O’Neill, 2014).

Questionnaire starts with ‘Have you ever studied in Budapest, at least for one semester or summer school?’ question created to confirm that respondent had educational experience in Budapest. By creating such question for respondents, the author ensures that respondents relate to the research area. The first part of the questionnaire contains questions designed to obtain demographic factors of respondents. The first question was about gender. Gender question has two choices, male and female. The following question was about age. The main target of research area is students of generation Y so choices were divided into 4 groups namely 16-22, 23-29, 30-36, and other. Highest education question has 4 choices. Monthly income has been divided in 5 groups from less than 500€ to above 2001€ as well as ‘I do not want to answer’ for those who do not want to reply this question. The next question was about source of income to see the share of scholarship and family contribution. The last question was about nationality.

In the next section (Q7-Q11) respondents were asked to give information about revisit plans as well as willingness to recommend, aiming to measure future behavioural intentions. 12th and 13th questions were designed to measure importance of city attributes, while making decision to study in Budapest. Moreover, eight city attributes determined as a result of literature review were measured using a five-point Likert-scale (strongly disagree = 1, disagree = 2, neither agree nor disagree= 3, agree = 4, strongly agree = 5). Although to complete Likert-scaled questions takes longer time, it has several benefits make this type of questions popular (Malhotra, 2010). In this study, city attributes were measured as following: attractions of the city were measured by 1 item, reputation and quality of education element was measured by 3 items, leisure and cultural activities were measured by 1 item, intentions element was measured by 1 item, government and local people element was measured by 1 item, price value ratio element, geopolitical situation and infrastructure of the city elements were measured by 2 items respectively.
3.3.2. Data collection techniques, procedures and analysis

The research work targets Generation Y (individuals born between 1980 and early 2000s) students, OECD 2016 statistics show that more than 80% of students who enter tertiary education institutions are under the age of 25. Currently, most university students are part of Generation Y and they were first generation used PC in their school life. Millennials believe that by being multitasking they can accelerate learning process (Shatto & Erwin, 2017). Raslie et al., (2016) studied the expectations of Malaysian millennials and found several interesting outcomes. The findings show that most of millennials expect deadline extensions from their professors and they are reluctant to spend most of their personal time to complete the task on time. According to statista.com, Millennials spend a large amount of time on the internet. It is not surprising that statistics of the highest average of being online belong to Generation Y during last year. Facebook is the most widely-known social networking site among the Millennials. In 2016, approximately 41% of the 25 to 29 age group of Americans mentioned that they spend time on Facebook most while this indicator was 36% for individuals aged between 18 and 24 (Statista Inc., 2017). The facts come from US, but we hypothesize that Generation Y have similar online behaviour globally. According to above mentioned facts, the questionnaire was spread through Facebook.

The internet is an effective alternative tool to carry out questionnaires because in such a way a researcher can achieve fast results than oral surveys or hand-filled questionnaires. No additional data entry work needed, so the collected that is already on a computer can be used by the researcher. The data of the questionnaire was collected using Google Docs Form. The questionnaire was written in English.

Snowball sampling approach was used. Online survey was conducted from 17 March to 23 March 2017. Next, the data collected from the online survey were coded and edited. The Statistical Package for Social Sciences (SPSS version 22) was utilized to analyse the data collected and to generate the results. The following statistical techniques were used:

- frequencies
- cross tabulation
- mean
- mode
- Pearson correlation
- multiple regression
- independent T-test
- one-way ANOVA

3.4. Limitations

As with any research, this research has limitations. Firstly, only quantitative analysis was run on the research. Content analysis and qualitative analysis could not be done due to limited resources and time. Second, the number of respondents that completed the online survey was too small. Within a short time frame just 139 participants could answer the questionnaire. The author reached respondents thanks to his personal relationships, this is why most participants are students of Corvinus University of Budapest. When sample is too small, in most cases it is disadvantageous to find significant associations between variables from the data collected, as a larger sample size needed to guarantee a “representative distribution of the population”. By utilizing short online survey, the author encouraged students to participate in survey and tried to minimize errors. Only thirty questions and statements were formulated to find answers for research questions and test hypothesis. Because of the limited amount of questions and respondents, it is obvious that this research cannot be regarded as representative in relation to this topic. Next, the topic of the thesis is definite and concrete and not much data concerning the motivations of students as well as antecedents of satisfaction, based on academic research, has been written in the past. The author combined information from relevant fields in order to provide the appropriate literature framework for the study.

The research work focuses only on students’ motivations who study in Budapest. As researcher relied on his personal relations, access to students studying in other Hungarian cities like Debrecen, Pecs, Szeged was limited. The study investigated only students who represent Millennials, access to other generations was limited as well.
4. Elaboration of the central topic

4.1. Introduction

To investigate the forces that drive international students to pursue their education in universities of Budapest as well as antecedents of student satisfaction from the city attributes. Generation Y students born from 1980-1999 was targeted. In total, the survey collected 139 responses. Subsequently, thirty-three cases were excluded because they did not have reliable information. 106 responses were analyzed. The main findings of this research are discussed in this section.

4.2. Respondent Profile

4.2.1. Age

As consumers grow old they change, their motivations, preferences and expectations change as well. In addition, their behavioral processes and purchase decisions change. Marketing scholars and practitioners have revealed that age category is a very useful demographic characteristic to differentiate consumer segments as young adults’ choices change from older age groups’ changes. People will choose different types of destinations at different ages. In this study, the largest number of respondents represented the older age segment of Generation Y, namely 23-29 (69%) while the younger category aged 16-22 years old respondents were 22%.

4.2.2. Gender

Gender is also an important factor that influences the marketing strategies since male needs are different from those of females. There are a number of differences between the genders in their consumption behaviours. In this study, men were 46% of the sample and women were 54%, experiencing not huge differences.
4.2.3. Nationality

Nationality of respondents was diverse, that is why answers were re-coded according to continents in order to eliminate diversity. 57% of the participants were from Europe and 43% were from non-European countries.

4.2.4. Socio-economic variables

Income can be a very convenient way of allocating markets because it strongly stimulates people's product and service needs. It impacts their ability to purchase and their targets for a certain style of living. Monthly income was reported by 95 people, which was 90% of the respondents. 55% of respondents indicated their monthly income less than 500 Euros. In regard to source of income, scholarship (44%) is the most frequently mentioned source by respondents. Family’s contribution is playing second role in students’ financing (24%). Regarding education, 39% of participants had Bachelor’s degrees and 50% had Master’s degrees.

4.3. Students’ attitudes towards city attributes

As mentioned in the research methodology part, 13 statements were used to test students’ impressions towards defined city attributes. Table 2, shows mean values of each statements. ANOVA and independent T-test analysis were utilized to examine whether attitudes of students differed based on different demographic characteristics:

Table 2: Mean scores of statements

Source: Own chart

<table>
<thead>
<tr>
<th>Statement</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budapest is a cultural/historical city</td>
<td>4.31</td>
</tr>
<tr>
<td>Prices are reasonable for shopping/living</td>
<td>4.08</td>
</tr>
</tbody>
</table>
- Budapest is a safe city | 3.96
- Governmental relations between my home country and Hungary are good | 3.95
- Budapest has no problems concerning its infrastructure. E.g.: local transportation, water, electric system etc. | 3.87
- Budapest is a student city | 3.78
- Budapest has no problems concerning its superstructure. E.g.: recreation areas, parks, lodgings, restaurants etc. | 3.75
- I think most people have a positive opinion about Budapest as a destination to study | 3.58
- It is easy to find accommodation in Budapest for a long stay | 3.39
- People living in Budapest are kind and hospitable | 3.23
- Prices are reasonable for housing (flat/dormitory) | 3.21
- I am proud to study in Budapest, rather study here than any other place | 3.18
- “Plan to live in Budapest for another 5-10 years” | 2.83

### 4.3.1. Attractions of the city

According to the results of descriptive analysis, attractions of the city as an element influencing students’ decision played an important role. The findings show that this element is the second most important criterion (21%) when respondents defined top three elements. It is also the second most frequently mentioned reason when participants defined the most
important one out of top three reasons. Cross tabulation test indicated that attractions of the city is the most important reason for 16-22 age group respondents and for students who have monthly income above 2001 Euros.

Regarding statements, ‘Budapest is a cultural/historical city’ was formulated to clarify the impressions of the students towards historical and cultural sites of Budapest. From the table we can see that it is the statement which has the highest mean value. It means most of the respondents “strongly agree” that Budapest is a cultural and historical city.

ANOVA and independent T-test analysis were run to examine whether this element differs in various demographic groups. The study indicated that both male and female respondents perceive Budapest same in terms of cultural attractiveness. Although there is not significant association between gender and cultural attractiveness variables, the mean value show that women (4.42) perceive Budapest more cultural attractive compare with men (4.18).

The study indicated that there is significant relationship between age groups and perceived cultural attractiveness of the city using an independent T-test analysis. The test revealed that 23-29 age group students have different attitudes in terms of cultural attractiveness of Budapest city. Mean value for 23-29 age group is 4.44, higher than other age group which has 3.87 mean value.

Independent T-test analysis was run to examine the question whether students with different educational backgrounds have different attitudes of the cultural attractiveness. The test defined that there is a significant difference in attitudes of students with different educational background. Thus, master students perceive Budapest as a more cultural and historical city compare with bachelor students.

Regarding associations between cultural attractiveness and income variables, the researcher took into consideration two groups, namely monthly income less than 500 euros and 501-1000 euros. Other income groups were deleted because of small number of respondents. Independent T-test analysis indicated that significant different attitudes do not exist between two groups with different monthly income. Mean value for 501-1000 monthly
income group is 4.56, while it is 4.28 for those who have monthly income less than 500 Euros.

Independent T-test analysis was utilized to examine differences between students who are from Europe and out of Europe in terms of their attitudes of cultural attractiveness. According to the results, there are significant differences at the .056 level between students from Europe and non-European countries.

4.3.2. Leisure and cultural activities

The study revealed that leisure and cultural activities element is defined as a third most important element by respondents when they selected top three reasons out of eight influencing their decision to study in Budapest. The previous studies revealed the importance of leisure time activities for students as well. For example, Insch and Sun (2013) found that city’s cultural scene which includes wide-range local and regional festivals, live shows, nightlife etc., is rated as a forth important attribute. Moreover, the scholars revealed that shopping and dining attribute is predictor of student satisfaction, and explained 26% of overall satisfaction.

The statement ‘Budapest has no problems concerning its superstructure. E.g.: recreation areas, parks, lodgings, restaurants etc.’ was used to test attitudes of students towards leisure time opportunities. Table 2, show the statement has 3.75 mean value which means most of respondents “Agree” with the statement. Independent T-test results show that there are not any significant differences between gender groups in regard to attitudes towards leisure time opportunities of Budapest. Significant associations were not revealed between other three demographic groups (age, income, education level and nationality) and leisure time activities attitudes. It can be seen in Table 3:

Table 3: Independent T-test results

Source: Own chart
<table>
<thead>
<tr>
<th>City element</th>
<th>Demographic groups</th>
<th>F</th>
<th>Sign.</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leisure and cultural activities</td>
<td>Age</td>
<td>2.834</td>
<td>.096</td>
<td>-1.846</td>
<td>.141</td>
</tr>
<tr>
<td></td>
<td>Education</td>
<td>.926</td>
<td>.338</td>
<td>-1.199</td>
<td>.234</td>
</tr>
<tr>
<td></td>
<td>Income</td>
<td>2.001</td>
<td>.161</td>
<td>-1.433</td>
<td>.156</td>
</tr>
<tr>
<td></td>
<td>Nationality</td>
<td>4.102</td>
<td>.045</td>
<td>1.650</td>
<td>.102</td>
</tr>
</tbody>
</table>

### 4.3.3. Reputation

Two statements were used to measure students’ attitudes towards reputation of Budapest as a higher education destination. Both of statements had mode score of 4, meaning that students are proud to study in Budapest as well as agreed that most people have a positive opinion about city in regard higher education destination. Other studies also found that reputation is a very important factor. For example, Abubakar et al. (2014), revealed that reputation is the most frequent factor when students decide to study abroad. It is interesting to note that reputation and quality of education element was the sixth (8.5%) when students selected top three reasons influencing their decision. On the other hand, 11% of the students decided to study in Budapest due to its reputation and high quality of education. Moreover, arithmetic mean was calculated for reputation variable in order to apply independent T-test for examining significant differences between demographic characteristics. The study did not find any significant differences. While talking about reputation we should take into account image of universities as well. Temizer and Turkyilmaz (2012) found that there is a positive correlation between the image of the university and students’ level of satisfaction from the university. In their study, Darchen & Tremblay (2010) found that the quality of university is the most influencing criterion to attract students to Montreal and Ottawa. Moreover, the image and reputation of a city positively influence the number of loyal and retained students. After graduating, students may continue to support the city through WOM communication to other potential or previous students and through other way of collaboration. Moreover, students can suggest the destination to their friends, family members as tourist destination. The service offered by universities is a composite service, designed together with other intangible and tangible components, this is why tangible elements are important as well.
These tangible elements include facilities and furniture of universities (María Cubillo, Sánchez, & Cervino, 2006). Accordingly, the students’ attitudes towards the university will affect the decision process as well as the image of the city where the university is located. It is fact that students more likely recommend the city if the image is positive and student have positive impressions towards the city.

4.3.4. Government and local people

The statement ‘People living in Budapest are kind and hospitable’ was used to examine students’ attitudes towards hospitality of locals and government services. Respondents stated 3.23 mean score for this statement. Independent T-test was utilized to examine whether different demographic groups have different attitudes of local community. Significant differences between groups were not detected. Moreover, it is interesting to note that this city element was the least important factor when students made decisions to come Budapest for their studies. There could be several reasons behind this decision. Students cannot get enough information about local people and government services before coming. The impressions toward locals are shaped in the destination. Attitudes of local people, their hospitality and friendly habits positively influence foreigners’ impression. The language problem is more intense and acute for students who come Budapest for higher education, this why students rated this element lower compare with attractions or cultural attractiveness element. There are not many researches that study the attitudes of locals towards international students. Mainly, previous research has largely focused on measurement of student satisfaction index for service quality performed by the university. Although city environment plays an important role in student life, the government and educational institutions together are responsible for the quality of education services. The government has an essential impact on educational success of the country. There are only a few studies that focus on governmental services, quality of service and its influence to student satisfaction.

4.3.5. Price/Value ratio

Students attitudes towards price/ratio element were measured by two statements. Table 2, shows that there are some differences between statements in terms of mean score. The statement ‘Prices are reasonable for shopping/living’ was stated at 4.08 mean score,
which is close to ‘Agree’ On the other hand, students stated the second statement ‘Prices are reasonable for housing (flat/dormitory)’ 3.21 mean score, close to ‘Neither agree, nor disagree’ answer. Arithmetic mean was calculated for price/value ratio variable in order to apply independent T-test for understanding whether attitudes towards price/value ratio differed based on demographic characteristics. The study found that there are significant differences between male and female respondents’ attitudes towards price/value ratio. It can be seen in Table 4. Female respondents consider Budapest more reasonable in terms of price/value ratio. Other significant differences were detected according to age. There were not significant differences in regard attitudes towards price/value ratio based on educational background, income and nationality characteristics.

**Table 4: Results of Independent T-test**

Source: Own chart

<table>
<thead>
<tr>
<th>City element</th>
<th>Demographic groups</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Price/Value ratio</td>
<td>Gender</td>
<td>.008</td>
</tr>
<tr>
<td></td>
<td>Age</td>
<td>.066</td>
</tr>
</tbody>
</table>

**4.3.6. Infrastructure**

Students’ attitudes towards the infrastructure of the city as a city element was measured by two statements. First, statement was designed to examine impressions about general infrastructure of the city including transportation, water and electricity supply. Second statement investigated students’ accommodation finding concerns. Accommodation is very important city attribute that students concern about. The study done by Insch and Sun (2013), found that accommodation was the most important city brand attribute when students rated 13 attributes. In most cases, students begin search accommodation facilities before coming the destination. In accommodation choosing process, students evaluate them not only according to price, but also closeness of flat to university, city center and other facilities. To find right accommodation that satisfy students’ need easily is the another parameter for students. This study examines how easily students find accommodation in Budapest. Moreover, Independent T-test was utilized how various demographic groups perceive
easiness of finding accommodation in Budapest. Significant differences were detected between male and female respondents. The answers coming from female respondents describe that women agree with the statement. On the other hand, male participants neither agree nor disagree with the given statement. The same tendency was found in terms of age categories, more specifically, older Generation Y age group agree that it is not difficult to find accommodation in Budapest, on the other hand, younger students neither agree nor disagree with the statement. Table 2, shows that most of students agree with both statements concerning infrastructure of the city. Arithmetic mean was calculated for infrastructure variable in order to apply independent T-test for understanding whether attitudes of city infrastructure differed based on demographic characteristics. The study revealed that participants have significant different attitudes toward infrastructure of the city based on their educational level. The significance value is at .037 level, meaning master students have more positive opinions about infrastructure of Budapest. Significant differences also were detected based on age, income and nationality characteristics. Table 5 below shows significance level for each group:

**Table 5: Results of Independent T-test**

Source: Own chart

<table>
<thead>
<tr>
<th>City element</th>
<th>Demographic groups</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infrastructure</td>
<td>Age</td>
<td>.031</td>
</tr>
<tr>
<td></td>
<td>Income</td>
<td>.010</td>
</tr>
<tr>
<td></td>
<td>Nationality</td>
<td>.058</td>
</tr>
</tbody>
</table>

### 4.3.7. Intentions

The statement “Plan to live in Budapest for another 5-10 years” was used to detect students’ future plans in Budapest. Table 2, shows that respondents stated intentions element with the lowest mean score (2.83) which was close to “Neither agree nor disagree”, which means students had not any future plans before coming Budapest, or while staying in the city they did not decide their intentions. Significant relationships were not revealed between different demographic groups and ‘intentions’ element. This study investigates pull factors
of Budapest that attracts students. In regard to intentions, push factors also should be taken into consideration. Push factors can be different, and according to study done by Gouda, et al., (2015), students of different citizenships have different push factors. It includes factors like, lack of career opportunities in home country, poverty, inappropriate working conditions. Darchen & Tremblay (2010) found that graduates’ retaining plans mostly depend on career prospects that the host country offer and on the students’ social network. The study revealed the criteria like level of tolerance in the city or acceptance of new ideas do not play a critical role to persuade graduating students to retain when compared to career opportunities, like promotion prospects and salary increment.

4.3.8. Geopolitical situation

Two statements were used to examine students’ attitudes towards safety and security issues of the city. Participants stated high mean scores for both statements. Independent T-test was run to examine whether city safety attitudes of respondents differed based on different demographic groups. From the results, it appears that significant differences in terms of city safety attitudes exist based on age (significance level at .005) and educational background (significance level at .003). It is interesting to mention that students ranked safety element in the fourth place when defined top three city elements. But on the next question, when they defined the most important element, only 4.7% of participants answered that safety factor was the most influencing one in their decision. The studies also proved that safety is an important element in choosing destination. Insch and Sun (2013) asked students to rank importance of 13 city attributes, as a result, safety stood at the third place. Abubakar et al. (2014), found that safety and low rate of discrimination criteria drove students to pursue their higher education in universities of North Cyprus.
Perception of city attributes. Individual’s demographic characteristics such as age, gender, ethnicity and mode of study appear to influence perceptions of students. Figure 2, shows mean responses on attributes by gender. The ratings of females were higher than the ratings of males on six factors, but were lower than men on people and intentions factor:

Figure 2: City attributes by gender.  Source: Own chart

Figure 3, indicates means responses on eight city attributes regarding income level. The graph clearly shows that eight city attributes have different responses from the income level groups. For example, students who have monthly income above 2001 Euros considered some of the elements more important than other income groups. More specifically, attractions, people and reputation elements were more important elements for those who earn above 2001 Euros per month. Furthermore, the graph shows that some elements were perceived similarly based on income level. For example, people and safety elements almost similarly were perceived by students with different income levels. On the contrary, on intensions element there is big differences on mean values. It is interesting to note that students who have higher income level, does not have plans to live in Budapest for 5-10 years. Students with lower income level more likely tend to have future plans living in Budapest.
One of the research questions of the study was to define most important factors or features that attract Generation Y students to Budapest for higher education. In order to answer research questions H1, H1.a and H1.b hypotheses were formulated. To test hypotheses two questions were asked to students through online questionnaire. Firstly, students were asked to select top three most important factors or features that influenced their decision when they decide to study in Budapest. Descriptive statistics were run. The results can be seen in Figure 4.

The figure illustrates the answers to question 12 as to top three factors or features that having an impact on students’ decision to study in Budapest. The answers relate to the first three hypotheses. According to results, we can see that students consider that price/value ratio, attractions of the city, and leisure and cultural attractiveness of the city were top three
factors or features that had an effect on their decision. Next, students were asked (Q13) to select the most important one out of three factors that they decided on Q12. Figure 5 demonstrates the results.

According to the results, price/value ratio was the most important factor that influenced decision of students. 41.5% of the respondents think that Budapest is a destination where prices are affordable and it was most influencing factor for their studies. In relation to
results of above-mentioned question we can conclude that H1 is supported. The second hypotheses questioned whether leisure time and cultural attractiveness of Budapest is included to the list of top three elements for attracting students to the city. Figure 4, shows that respondents included leisure time and cultural attractiveness of the city to the top three list. Based on descriptive statistics, we can conclude that H1.a is supported.

As discussed in second section safety and to be secure is very important factor not only for tourists but also for students when they choose destination for travel or study. This is why H1.b was formulated to question students’ motives in terms of safety. From the figure, we can see that safety as a motive for choosing a destination for higher education was rated on only fourth place. Based on descriptive statistics, it can be concluded that H1.b is not supported.

4.4.1. Multiple Regression Model Estimations

The H2 of the thesis poses that student satisfaction as a construct, is dependent on several other constructs. In order to test H2, an Ordinary Least Square (OLS) regression model was estimated using SPSS 22 statistical software. Estimated regression model shows a relationship between dependent variable, student satisfaction; and the independent variables eight city attributes. The model is given by the equation:

$$\text{Satisfaction} = b_0 + b_1\text{Attractions} + b_2\text{Reputation} + b_3\text{People} + b_4\text{Leisure} + b_5\text{Price} + b_6\text{Infrastructre} + b_7\text{Intentions} + b_8\text{Safety} + e$$

Table 6: Variables of equation

Source: Own chart

<table>
<thead>
<tr>
<th>Where:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dependent variables:</td>
</tr>
<tr>
<td>Satisfaction</td>
</tr>
<tr>
<td>Independent variables:</td>
</tr>
</tbody>
</table>
The null hypothesis is that there is no correlation or no effect of the independent variables on the dependent one when this statistical technique is performed, or that the independent variables, more specifically eight city attributes, chosen in this case have no effect on students’ satisfaction. In other words, the null hypothesis argues that the model used to describe the variability in student satisfaction through the influence of eight attributes is unfit.

To verify the hypotheses, several statistics related with multiple regression will be considered. An overall evaluation of the model, based on “p-value” from ANOVA is significant at $p < .001 \ (P = 0.000$, which is very good). The adjusted $R$ square is an essential statistic to determine the influence of independent variables on the dependent variable. More precisely, the adjusted $R$ square is 0.289, meaning that 28.9% of the variance Satisfaction is explained by the independent variables and the rest is represented by non-included variables. $R$ square (0.343) indicates that the regression model explains 34.3% of the variance in the student satisfaction. The significance level of the $F$ statistic, or the $p$ value will be looked at. Thus, the significance level is 0.000 which is lower than 0.05 (cut off value). In this case, we are getting a convincing argument to reject the null hypothesis that the model is unfit. Actually, we can perfect with strongly proved evidence that defined eight city attributes are essential factors that jointly influence student satisfaction and H2 is supported.
The findings generated from ANOVA output show two antecedents of student satisfaction out of the eight are significant. Reputation element at $t = 5.395$, can be considered as significant at 0.01 two-tail, People element at $t = 1.821$, can be considered as significant at 0.05 one-tail. The other six antecedents of student satisfaction are not significant.

On the other hand, to explain more the author is going to use “the unstandardized coefficients B” from the coefficients table. These coefficients are utilized to clarify changes in the dependent variable will occur if a unit change happens in one of the independent variables; other independent variables remain stable or controlled. From the regression analysis generated coefficients revealed the relationship between people element and student satisfaction and reputation element and student satisfaction are positive: as the value of the independent variables increases one unit, their effect on the dependent variable will also increase.

The findings of this study show that there is a positive relationship between the image of the city and students’ level of satisfaction to the city. This means that the higher the image of the city, the more satisfied the students will be from Budapest. The findings of this research work are consistent with studies conducted by Termizer and Turkyilmaz, (2012).

4.4.2. Correlation between city attributes and student satisfaction

To investigate associations between city attributes and student satisfaction correlation analysis was utilized. Pearson correlation coefficient explains how strong the relation is between two variables and if the $r$ value between -1 and 0 the association is negative and if the value between 0 and +1 means that there is a positive sign of the association between two variables (Malhotra, 2010, p. 532). The study revealed that student satisfaction is associated not all of the city attributes. More specifically, significant associations were not detected between satisfaction and attractions, leisure time activities, infrastructure, price/value ratio and safety elements. It is interesting to note that, based on empirical research, price/value ratio, attractions and leisure time activities are more important factors than other five ones when students make decisions to study in Budapest. Based on the results of the correlation analysis, we can say that these three elements do not contribute to student satisfaction. On the other hand, the results show that the rest of elements are significantly associated with
student satisfaction. These elements are people of the city, future plans about city and reputation and quality of education. Table 7, shows Pearson correlation values:

**Table 7: The results of correlation analysis**

Source: Own chart

| Source: Own chart |

<table>
<thead>
<tr>
<th>Correlations</th>
<th>Student_satisfaction</th>
<th>People</th>
<th>Intentions</th>
<th>Reputation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student_satisfaction Pearson Correlation</td>
<td>1</td>
<td>.229*</td>
<td>.245*</td>
<td>.512**</td>
</tr>
<tr>
<td>Sig (2-tailed)</td>
<td>.018</td>
<td>.011</td>
<td>.000</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>106</td>
<td>106</td>
<td>106</td>
<td>106</td>
</tr>
</tbody>
</table>

As shown in the Table 7, $r$ value is positive for people element and satisfaction. It means that student satisfaction is positively associated with people factor at a Pearson correlation coefficient .229 at a significance level which means that it's not bigger than cut-off value 0.05. Moreover, significant relationships exist between intentions element and satisfaction as well. The association is positive at .245 $r$ value, with .011 significance level.

According to the results, stronger significant association was detected between reputation element and satisfaction. Reputation and satisfaction variables are significantly associated at .512 $r$ value.

4.4.3. Behavioral intentions

Behavioural intentions include customer loyalty, customer re-purchase intentions, customers’ complaint and switching to other brands. The study focuses only on positive behavioural intentions. To measure behavioural intentions three questions (Q7, Q10, Q11) were asked. Q7 aimed to find students’ re-visit intentions. The aim of asking Q10 and Q11 was to examine students’ recommending behaviour.

According to results, more than 85% of the respondents would like to visit Budapest after graduate. Students have several motivations to re-visit the destination they studied. Xu
and Huang (2016) studied the re-visit motivations of students from China who choose Hong Kong for their studies. The scholars categorized students’ motivations into five areas: “nostalgia, socializing, place mediation and interpretation, seeking in-depth experiences and shopping”. This study does not focus on re-visit motivations of the students.

The study revealed that students will recommend Budapest to their friends or family member after returning home country. 96% of the students will recommend Budapest as a must-see city (Q10), and 64% of the respondents tend to recommend the city as a higher education destination. It is interesting to note that 36% of the respondents will not recommend Budapest as a destination to study. The next step was to test whether there were differences in terms of students’ willingness to recommend the city based on their demographic characteristics. Specifically, independent T-test was run to test for differences based on gender, age and education level.

According to the results, significant differences were detected based on gender and income characteristics. The study investigates that there is a significant difference between male and female respondents because the sig. level is 0.024 which is below from the cut-off value (0.05). More than 75% of male respondents are going to recommend Budapest as a higher education destination. On the other hand, 55% of women will recommend Budapest for studies, the rest 45% of female respondents are not going to recommend which is two times higher than male ones. Significant differences were observed between students with low income (less than 500) and higher income (501-1000) in terms of willingness to recommend Budapest as a higher education destination. Low income students tend to recommend Budapest more compare with higher income students. Other significant differences were not detected.

4.4.4. Student satisfaction and behavioral intentions

H3 questioned the possible associations between student satisfaction and behavioural intentions. The relation between student satisfaction and behavioural intentions was analysed by correlation analysis. The result of the correlation analysis between satisfaction and behavioural intention can be seen in Table 8:
Table 8: The result of correlation analysis

Source: Own Chart

<table>
<thead>
<tr>
<th></th>
<th>Student_satisfaction</th>
<th>revisit intentions</th>
<th>recommending as a must see city</th>
<th>recommending as a HE destination</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student_satisfaction</td>
<td>Pearson Correlation</td>
<td>1</td>
<td>.410</td>
<td>.040</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.684</td>
<td>.000</td>
</tr>
<tr>
<td>N</td>
<td>106</td>
<td>92</td>
<td>106</td>
<td>106</td>
</tr>
</tbody>
</table>

As shown in Table 8, $r$ value is positive for satisfaction and re-visit intentions. Moreover, student satisfaction is positively associated with re-visit intentions at a Pearson correlation coefficient .410 at significance level which means that it’s not bigger than cut-off value 0.05. Pearson correlation coefficient indicates that there is a medium positive correlation with .410 between student satisfaction and students’ re-visit intentions.

Regarding associations between satisfaction and recommending behaviour, it was observed that there is no significant relation between satisfaction and recommending Budapest as a must see city, because significance level was at .684, meaning much higher than the cut-off point of 0.05. On the contrary, the results revealed that there is a positive relationship between satisfaction and willingness to recommend Budapest as a higher education destination. Significance level is lower than cut-off value 0.05. As a conclusion, we can say that H3 is partly supported, there are positive relationships between satisfaction and re-visit intentions as well as satisfaction and willingness to recommend the city as a higher education destination. To recommend Budapest as a must-see city was not associated with student satisfaction. This is why we conclude that H3 is partly supported. The study also investigated whether recommendation of others’ influence student’ decision. For this purpose, two questions (Q8 and Q9) were designed. According to results, recommendation of others influenced decision of 55% of the participants. The rest of respondents made decision themselves. Figure 12, demonstrates the influencing persons regarding the students’ decision to study in Budapest. As shown in 12, we can see that friends and educational...
consultants play an important role to influence decision made by students in terms of choosing Budapest as a higher education destination.

4.5. Managerial implications

In respect to the managerial implications, the findings of this research gives destination management organizations (DMO), higher education institutions’ administrators, policymakers, instructors and the general public insight as to what may drive the students’ decision in choosing Budapest for their studies. The findings of this research obviously reveal that the target population for higher education institutions of Budapest is very price conscious. It means that students know how much education in Budapest would cost and they are looking value for money. However, this does not simply mean that DMOs should communicate this city element in order to attract more students. The study revealed that attractions and leisure time and cultural attractiveness of Budapest are more important elements than reputation and quality of education. While preparing leaflets or other kind of advertising forms, DMO could emphasize attractions and cultural attractiveness of the city more. The study revealed that the reputation and quality of education is the most important antecedent of students’ satisfaction as well. Budapest is the cultural, historical, educational and most prestigious city in Hungary, this is why students prefer to enroll in the higher
education institutions due to its high reputation and quality of education. DMOs of the city must constantly ensure that the image of Budapest is maintained and if possible improved in order to keep the existing students and attract more new students. All efforts should be made to enhance the image of Budapest in the minds of the current students, potential students and the general public. These will make the city, the most preferred choice compared to the other cities of Hungary and region.

Student satisfaction as expected positively influences the future behavioral intentions of students. This means that continue to enhancement to the level of satisfaction of the student, they will in turn recommend the city and its universities to others, and will re-visit the city for various purposes. Furthermore, based on the findings we can conclude that students have faith in other students’ opinion. The literature review unveils that positive messages, experiences and views coming from former or current students affect potential students. The results of this research work suggest that DMOs could benefit from former or present-day students’ support in city branding process. Also, the study found that educational consultants also play influencing role in student’s decision. DMOs should take into consideration their role, and should cooperate with them to attract more students to the city. These acts will lead to the increase in the level of their students’ satisfaction and in turn it will lead to students’ positive intentions.
5. Conclusion

The goal of this research work was to investigate and reveal the factors having impacts on international students’ decisions while coming Budapest to pursue their higher education. There are several reasons to focus on above-mentioned objectives. To investigate city branding concept from higher education destination perspective was the first fact in case of Budapest. While several non-profit organizations or government measure student satisfaction regularly, but to do that in a city context increased significance of this research work. Thus, the study contributes to figure out the “pull factors” which influence students to prefer Budapest and universities for higher education. Moreover, the study aimed to reveal relationships between influencing factors and satisfaction as well as moderating role of satisfaction between city attributes and behavioral intentions.

This research study had main question and several sub-questions as they were laid down in section 3.2. In order to answer the research question, firstly, the author identified from the relevant literature the influencing factors which have effects on student decision while choosing a destination for studies. Section 2.4.6 contains the literature review, which has a role of theoretical background for the study. The analysis of extant literature revealed eight important factors driving student decisions’ which are directly linked with the main purpose of this research. These eight city attributes which were identified and analyzed in the literature review section are the following: attractions of a city, leisure time and cultural attractiveness of a city, reputation and quality of education, government and local people, price/value ratio, infrastructure, intentions towards living in a city after graduation, and geopolitical situation. The behavioral intentions of students are re-visit intentions and willingness to recommend for two purposes, more specifically, recommend Budapest as a must-see city and as a higher education destination.

To answer above-mention questions the author conducted online survey among students who had studying experience in Budapest. The author reached respondents thanks to his personal relations. Because of limited time survey was closed when achieved 139
respondents. Section 3.4 and 3.5 explains the designing of research and limitations respectively.

Chapter 4 contains the results of empirical research. The research revealed that value for money element was the most important factor that students consider while making decision to study in Budapest. Following factors were attractions of the city and leisure time opportunities that online survey analysis revealed. In regard to associations between student satisfaction and city attributes, the study detected that only two elements out of eight are associated with student satisfaction. These elements are: government and local people, and reputation and quality of education.

In regard to relationships between satisfaction and behavioral intentions the study revealed that re-visit intentions and satisfaction are associated. The associations were detected between satisfaction and willingness recommend the city as a higher education as well. According to the results, managerial implications were discussed at the end section of Chapter 4.

**Further research**

It is obvious that there is a need to improve this study not only to endorse its findings, but also to defeat the limitations that the researcher experienced. This study is limited to only Budapest in Hungary, more research is required to improve our knowledge on student motivation, attitudes and experiences in other student cities in Hungary. The most important limitation lies in the fact that the study used a convenience sample of Y generation students. Other generations studying in Budapest was not represented in this sample. It is interesting to study motivations of generation Z. They are future students and DMOs should consider their behavior and decision making process while choosing a destination to study. Moreover, the author utilized online survey method for empirical research. Future research should apply other methods, like focus groups, in-depth interviews with students, their parents as well as with managers from DMOs, measurement instruments and scales. Further research with more student respondents from all the cities of Hungary could be done to further know the interrelationship between student satisfaction and behavioral intentions, and their
antecedents. Finally, further research could include more city attributes and analyze their influence on students’ decision.
6. References

Bodycott, P. (2009). Choosing a higher education study abroad destination: What mainland Chinese parents and students rate as important. *Journal of research in International education, 8(3)*, 349-373.


Zenker, S., & Beckmann, S. (2013). My place is not your place–different place brand knowledge by different target groups. *Journal of Place Management and Development, 6(1)*, 6-17.


Online Survey

Dear respondent,

I am a graduate student at Corvinus University of Budapest and for my master thesis, I am examining impressions of students about Budapest as well as their contribution in the city branding process. By filling out the survey, you will help me to obtain my Master Degree.

Thank you very much for your participation in this survey. Your response is valuable and very much appreciated!

Note: All of the answers will be only used for academic purposes.

Yours sincerely,

Rahman Afandiyev

MSc in Marketing

Corvinus Business School, Budapest

Have you ever studied in Budapest, at least for one semester or summer school?

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
</table>

1. Please indicate your gender

| Male | Female |

2. What is your age?
3. What is the highest level of your education?

- High School
- Bachelor
- Master
- PHD

4. How would you indicate your monthly income? (In Euros)

- Less than 500
- 501-1000
- 1001-2000
- 2001 and above
- I do not want to answer

5. Please specify source of income (you can choose more than one answer)

- Full time job
- Part time job
- Scholarship
- Self-employment
- Family contribution
- Other

6. What is your nationality?

7. Would you like to come to Budapest again?
8. Has anyone recommended you to come Budapest for higher education?

Yes
No

9. If yes, please specify (you can choose more than one)

- Professor
- Educational consultant
- Friends who visited Budapest
- Friends who studied in Budapest
- Other

10. Are you going to recommend Budapest, as a must-see city to your family or friends, when you return to your country?

Yes
No

11. Are you going to recommend Budapest to your family or friends as a destination for higher education?

Yes
No

12. Please choose top 3 reasons for selecting Budapest for your studies.

- Attractions of the city (e.g. gastronomy, touristic places, nature)
- Reputation and quality of education
- Leisure and cultural activities (e.g. shopping/ sport/ nightlife facilities)
- Intentions (plan to live in Budapest after graduation)
Government and local people (e.g. hospitality, prosperity and equality, knowledge of other foreign languages)

Price/value ratio (Price of study/living)

Geopolitical situation (e.g. international peace and security, political environment)

Infrastructure of the city (e.g. transportation, accessibility of the city, accommodation)

13. Please indicate the most important reason that you selected on previous question:

<table>
<thead>
<tr>
<th>Attraction of the city</th>
<th>Reputation and quality of education</th>
<th>Leisure and cultural activities</th>
<th>Intentions</th>
<th>Government and local people</th>
<th>Price/value ratio</th>
<th>Geopolitical situation</th>
<th>Infrastructure of the city</th>
</tr>
</thead>
</table>

14. To what extent do you agree with the statements given below about Budapest?

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neither Agree Nor Disagree</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budapest is a cultural/historical city</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Budapest is a student city</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>People living in Budapest are kind and hospitable</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Budapest has no problems concerning its</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
infrastructure. E.g.: local transportation, water, electric system etc.

Budapest has no problems concerning its superstructure. E.g.: recreation areas, parks, lodgings, restaurants etc.

Prices are reasonable for shopping/living

It is easy to find accommodation in Budapest for a long stay.

Prices are reasonable for housing (flat/dormitory)

Plan to live in Budapest for another 5-10 years

I am proud to study in Budapest, rather
15. How would you rate the following aspects of student life in Budapest:

<table>
<thead>
<tr>
<th>Aspect</th>
<th>Poor</th>
<th>Fair</th>
<th>Good</th>
<th>Very Good</th>
<th>Excellent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value of the education for the price</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restaurants and nightlife facilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sport and recreational facilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

16. Overall, how satisfied are/were you with your educational experience in Budapest?
<table>
<thead>
<tr>
<th>Satisfaction Level</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very satisfied</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Satisfied</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Neutral</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dissatisfied</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Very dissatisfied</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Gender of respondents**

<table>
<thead>
<tr>
<th>Gender</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>49</td>
<td>46.2</td>
</tr>
<tr>
<td>Female</td>
<td>57</td>
<td>53.8</td>
</tr>
<tr>
<td>Total</td>
<td>106</td>
<td>100.0</td>
</tr>
</tbody>
</table>

**Age of respondents:**

<table>
<thead>
<tr>
<th>Age</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>16-22</td>
<td>23</td>
<td>21.7</td>
</tr>
<tr>
<td>23-29</td>
<td>73</td>
<td>68.9</td>
</tr>
<tr>
<td>30-36</td>
<td>9</td>
<td>8.5</td>
</tr>
<tr>
<td>Other</td>
<td>1</td>
<td>.9</td>
</tr>
<tr>
<td>Total</td>
<td>106</td>
<td>100.0</td>
</tr>
</tbody>
</table>

**Education level of respondents:**

<table>
<thead>
<tr>
<th>Education Level</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>High school</td>
<td>9</td>
<td>8.5</td>
</tr>
<tr>
<td>Bachelor</td>
<td>41</td>
<td>38.7</td>
</tr>
<tr>
<td>Master</td>
<td>52</td>
<td>49.1</td>
</tr>
<tr>
<td>PhD</td>
<td>4</td>
<td>3.8</td>
</tr>
<tr>
<td>Total</td>
<td>106</td>
<td>100.0</td>
</tr>
</tbody>
</table>

**Income level of respondents:**

<table>
<thead>
<tr>
<th>Income</th>
<th>Less than 500</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 500</td>
<td>58</td>
<td>54.7</td>
<td></td>
</tr>
<tr>
<td>Source of income:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>------------------</td>
<td>--</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Scholarship</td>
<td>43.9%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Family contribution</td>
<td>23.7%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Full time job</td>
<td>13.7%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Part time job</td>
<td>10.8%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other income source</td>
<td>4.3%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Self employment</td>
<td>3.6%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
City attributes by nationality

![Chart showing city attributes by nationality for European and Non-European countries.](chart.png)