

The Influence of Higher Education Service Marketing Mix on Student Decision In Selecting Higher Education Institution (Survey on Economics' Student Indonesia Education University).

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INTRODUCTION

In Indonesia higher education is conducted by the government/state own institution (PTN) and private owned institution (PTS). Currently many Foreign Higher Education Institution (PTA) have opened its branches in Indonesia. According to data from BAN Kopertis Wilayah IV (2007) there are 45 private universities in West Java and most of the universities held economics education program with management and accounting major. The competition facing higher education institution will increase in 5 years ahead, making it much more fierce and only the institution that have competitive advantage will sustain and prosper. A company/institution will not only count on market power or the product market, but in order to obtain competitive advantage must develop value creation that have relative advantage over the competitor. Value creation can be developed through inventing the proper education service marketing mix.

In education service there are seven elements of the marketing mix that is created by the higher education institution which can be perceived by its' customer (students), they are: (1) education facilities and environment, (2) promotion, (3) education process, (4) education cost, (5) human resources, (6) education product, and (7) location/education place. The performance of seven marketing mix perceived by customer will influence their decision to buy the education service and remain loyal until they graduate by being an active student. The seven marketing mix above must become the leader of higher education institution attention, especially for University of Education Indonesia (UPI) in developing their work program to obtain student and also maintain them as active student.

This research was conducted with the following objectives: (1) education service description of marketing mix performance at UPI;(2) description of student decision making which consisted of five stages they are awareness of problem, information seeking, evaluation of alternatives, decision making and after purchase behavior; (3) measure the influence of education service marketing mix simultaneously on student decision making process in Selecting higher education institution and finding out the rate of conformity between student's level of importance and education service marketing mix performance.

CONCEPTUAL BACKGROUND

Kotler and Fox in *Strategic Marketing for Educational Institutions* (2000:5) stated, the higher education institution found that they have problems in marketing, starting from the declining number of students that enroll in the institution, grants for education and other income generation activities decline while operating cost increased. The phenomena shows that higher education institution have a depended on the market in which they operate. Many higher education institution face the changing expectation and needs of students, while competition increased to obtain new students and new funding sources. In the marketing orientation, the main purpose of the institution is to decide the target market wants and needs and to satisfy them through developing, communication, price and delivery of their program and service so that it has competitive advantage.

Most of the decisions on education are decisions that are high involvement decisions. This can occur in the following consequences:

- § Consumer decision will influence their image and have long term consequences.
- § The cost to follow up their decision involve personal/financial sacrifice.
- § Private and social risk if they make a wrong decision.
- § There are pressure reference group that make some decisions or act in a certain way and individual consumer are highly motivated to fulfill this group's expectation.

Implementing the complex decision making process on Selecting the higher education institution consisted of several steps, which are: problem statement, collecting information, evaluation of alternatives, decision, implementation of decision and evaluation/post purchasing behavior. In Selecting the higher education institution the decision making process consist of a high involvement rate for individual and their first

experience will influence how complex and timely the decision making process can be. Consumer will make the service decision making based on their experience on the institution. The program offered, delivery and other marketing mix elements developed by the institution can be perceived/assessed by customer. It therefore can be stated that the service marketing mix performance determine the consumer decision making process in Selecting their education institution

RESEARCH METHOD

Observation is done towards students and management of UPI. The research nature consisted of deskriptive and verifikative conducted through data collection in the field, where the research method used are the descriptive survey and explanatory survey. The assessment type used the correlation and causality. The unit analysis are individual students in the economic department, specifically management and accounting major in UPI. The time observation used "one shoot" / cross sectional. To find out the research variables influence, the data were tabulated and analyze using the Path Analysis. This method was chosen because it can show and measure the relationship between research variables. The analysis can be used to determine the variables influence on other variables.

RESULTS AND GENERAL FINDINGS

The education service quality given by UPI was perceived to be quite sufficient but not optimum performance. The education cost performance received a high score by respondents. The tuition cost at UPI is considered to be the lowest compared to other institution in Bandung. Although the flexibility to pay for the cost received a low score from respondents. The respondents gave high marks for the performance of campus location, easy access to campus, and availability of transportation is good. The level of standardization for academic service process/procedure and discipline/time conformity are elements that were given high marks by respondent. Students found that it is difficult to complain if they receive poor service from the institution.

The decision making process in Selecting higher education have several factors that were considered by students. Awareness of their need/problem statement to obtain higher education become the first step in Selecting education. The need for education product/service was stimulated through information received. In the education service, the decision to become a student was started by an individual awareness towards education and Selecting their study program/major and institution. Most of the respondents stated that they decide to continue their education after high school by attending higher education institution because they are aware of their need for more specialized education. Most of them have the opinion that high school diploma is not sufficient enough as their equity in the future labor industry.

Students can obtain information sources about higher education from all sorts of sources such as friends, family member or other parties. The consumer search information and evaluate the alternatives that can fulfill their wants and needs. Most respondents obtain information about UPI from brochures in their school and from their High School alumni that are UPI'S students.

The respondents in selecting their higher education institution consider highly the following elements: information service, tuition cost, parent's ability to finance them, lecturer's quality and flexibility to study. Name brand/ higher institution reputation are what differentiate the institution from their competitor. Most students consider reputation and institution brand name to be important to consider, they also consider the institution's location must be in a place that is tranquill, have complete facilities, have a brand name that is widely known and have a high quality of human resources (lecturer). UNPAD and ITB are the respondents first choice of higher education institution, because of their reputation/brand name and alumni quality that is proven in the labor industry.

The respondents chose UPI to be their higher education institution because of its' low price/cost compared to other institution, other than that family/ parents consider UPI'S safety campus to be the main reason they trust their children to attend. After enrolling as students, many respondents are not satisfy on their decision. The human resources performance at UPI needs to increased, compared to other university. Campus facilities still needs to be increase especially in the information technology and the building's interior.

SUMMARY

The education service marketing mix at UPI generally was perceived as quite good by students. In the student's decision making process Selecting higher education institution they went through the step problem statement, where students have a high awareness about their need for education. In the decision making stage, students stated that they have made quite a good choice in picking UPI as there place of study. In the post purchase behavior it was found that students were quite satisfactory to become UPI students and remain active in their program study. The influence of education service marketing mix silmutaneously on student's decision making process in Selecting the higher education institution is very high. Process and price are the two variables that contibute the largest in the higher education decision making process. In assesing the conformity between student's importance rate and peceived performace of service marketing mix it was found that the process, promotion and human resources performance should be increased.

RECCOMENDATION

1. In developeing the promotion program for higher education institution Upi should consider ther following: selection of the correct media to reach the target market effectively and increase the active role of service personnel in giving service excellence while promoting education services.
2. Giving training to frontliners and also a chance to attend formal education, so that they may conduct service excellence to students. Training on customer care for education service is needed so personnel can communicate the service better to students.

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