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# The Effect of Marketing Mix to increase the Satisfaction of Magister Management Student in Universitas Negeri Padang

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#### **Abstract**

This study aims to analyze the Effect Of Marketing Mix Magister Management To Satisfaction University Padang State University Student. The population in this study are all students of the Master Program of Management who are currently active in the Faculty of Economics, State University of Padang, amounting to 214 people. While the sampling in this study is determined by accidental sampling technique, so that obtained 175 samples of people. The data analysis method used is Structural Equation Modeling (SEM) using AMOS version 24. The result of this research indicates that (1) The product has no significant effect to the satisfaction of the students of the Master Program of Management UNP (2) UNP (3) The location has no significant effect on the satisfaction of the students of the Master Program of Management of UNP (4) The promotion has a significant effect on the satisfaction (5) The employees have a significant influence on the satisfaction (6) The process has no significant effect on Satisfaction (7) Physical Evidence influence siginfikan to Satisfaction of student of Master Program of Management of UNP. The management master program is a public education institution that provides educational services to students to get a bachelor's degree, if the study program is not able to combine the marketing mix, as a real implication in the future, it will have an impact on the existence of the study program, which makes students dissatisfied with the performance and service of study programs. Master of Management Study Program Padang State University in Padang City which is a Postgraduate Program.

**Keywords**: Satisfaction, Product, Price, Location, Promotion, Employee, Process, Physical Evidence

## Introduction

Customer satisfaction is quite important, both in business organizations and non-business organizations. State University of Padang in particular the Master of Management Program which provides academic and non academic education services that satisfy the service for students. Customer satisfaction is an attitude that is decided based on experience gained. According to Lovelock and Wirtz (2011) Customer satisfaction is an assessment of the characteristics or privileges of products or services or products themselves, providing the level of consumer pleasure associated with the fulfillment of customer needs. Customer satisfaction can be created through quality, service and value. The key to generating customer loyalty is delivering high customer value.

Customer satisfaction is the response or customer response regarding the fulfillment of needs. Satisfaction is an assessment of the characteristics or features of the product or service, or the product itself, which provides the level of consumer satisfaction with regard to meeting consumer consumption needs (Zeithaml and Bitner, 2000). According to Kotler and Armstrong (2011), understanding the needs, desires, and demands of customers, it will provide important input for companies to design marketing strategies in order to create satisfaction for their customers. Satisfaction is an assessment of the characteristics or privileges of the product, service or product itself that provides the level of consumer pleasure associated with the fulfillment of consumer consumption needs.

Customer satisfaction is an attitude that is decided based on the experience gained. Satisfaction is an assessment of the characteristics or privileges of a product or service or product itself, providing

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the level of consumer pleasure associated with the fulfillment of consumer consumption needs. Consumer satisfaction can be created through quality, service and value. The key to generating customer loyalty is delivering high customer value (Lovelock and Wirtz, 2011) Zeithaml and Bitner (2003) suggest that marketing services need an expanded marketing mix for services with the addition of non-traditional marketing mix elements (process), people (people), and physical evidence (physical evidence).

The Magister Program of Management of State University of Padang in Padang City is a Graduate Program (Srata 2), Master of Management Program was established based on Decree of Directorate General of Higher Education number 2596 / D / T / 2001 dated August 6, 2001. Master Program of Management UNP which has motto "Student Service Is Our Commitment" which in the motto explains Prodi Master of Management is committed to provide good service for students. In accordance with the motto Prodi Magister of Management is expected to understand the needs and provide excellent service for students, and still must pay attention to Satisfaction in Marketing mix consisting of Product, Price, Location, Promotion, Process, People and physical proof so that Prodi Magister Management UNP can give satisfaction service well, Marketing mix is a strategy by combining elements of marketing in an integrated effort to influence the target market to achieve the desired goals. In line with that Kotler (2000) suggests that the marketing mix (marketing mix) is a set of marketing tools that can be used by companies to achieve marketing objectives. While Zeithaml and Bitner (2000) suggested that the marketing mix is the elements that can be used by companies to communicate and satisfy consumers.

## Methods

This research uses quantitative approach. The analytical technique used is Structural Equation Model (SEM) which is statistical analysis method used to explain the effect of Destination Image, Tourist Satisfaction and Perceived Value to Revisit Intention. Technique of collecting data of this research is questionnaire. The number of samples in this study was 175 respondents.

# **Results and Discussion**

#### Measurement model

The purpose of overall measurement model is to analyze the convergent validity and fit models of the three latent variables simultaneously. If the overall measurement of this model can meet the requirements of convergent validity and model fit then the model can be continued to the next stage of the structural model. The results of the overall measurement model.

The Measurement Model shows how the manifest variable (indicator) presents the latent variable to be measured by testing the validity and reliability of the latent variable through a confirmatory factor analysis (CFA). On the confirmation factor analysis value of Chi Square 195,829 degrees of freedom value 175 and probability Level 0,000 <0.001 indicates that this model is in accordance with the data or fit. In this study the value of degrees of freedom is 175. If the value of degree of freedom is smaller, then the value of chi square will decrease.



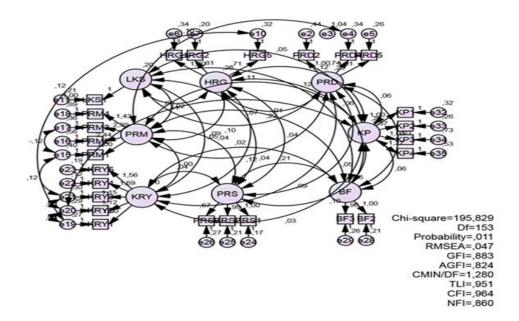


Figure 1 Overall Measurement Model

#### Structural model results

The structural model displayed a good fit with the data, compared with the suggested fit criteria. The structural model above shows a chi-square of 195,829 and a degree of freedom of 175. The results show that the values of CMIN / Df, RMSEA, TLI and CFI correspond to the criteria. Although the value of GFI and is marginal, but according to Hair et al (1998: 623), the value of CFI, GFI, and AGFI close to the recommended value, then the model is still eligible to continue. This means the model is fit and feasible to use. Analysis of data processing result at full stage of SEM model is done by conducting fit test (goodness of fit). The test results of goodness-of-fit model are described in Table 1.

From Table 1 it can be explained that some Goodness-of-Fit-Index constructs overall CFA shows the results in accordance with the recommended cut-off value that is the CMIN / DF value of  $1.28 \le 2.00$ , the RMSEA value of  $0.05 \le 0.08$ , the value TLI is 0.95 > 0.90, and the CFI value is  $0.96 \ge 0.90$ . Thus, exogenous variables in the research model can be accepted as fit model builders.

Table 1 Test Results Goodness-of-fit Model

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Goodness of Fit Indices	Statistic	Cut Off Value	Interpretation	
Chi-square $(x^2)$	195,829	Highest	Better fit	
Df	153	-	-	
Probability (p-value)	0,01	≥ 0,05	Marginal	
CMIN/DF	1,28	≤2,00	Better fit	
GFI	0,88	≥ 0,90	Marginal	
RMSEA	0,05	≤ 0,08	Better fit	
AGFI	0,82	≥0,90	Marginal	
TLI	0,95	≥0,90	Better fit	
NFI	0,86	≥0,90	Marginal	
CFI	0,96	≥ 0,90	Better fit	

Source: Primary Data Processed (2018)

#### **Hypothesis**

Based on the output structural statistics the model shows that the model is fit. Chi-square is not the only criterion for determining the fit model because chi-square is very sensitive to sample size. Large samples can cause significant chi-square so that the null hypothesis which states the model is fit with the data is rejected. The purpose of the SEM model is to accept the null hypothesis that the



model is fit with the data. This research uses  $x^2$  / df ratio, RMSEA, GFI, CMIN / DF AGFI, TLI, CFI and NFI. Following is the GOF table from the structural satisfaction model:

Table 2 Goodness of Fit Indices Structural Model

Goodness of Fit Indices	Statistic	Cut Off Value	Interpretation
Chi-square $(x^2)$	195,63	Highest	Better fit
Df	153	-	-
Probability (p-value)	0,02	≥ 0,05	Marginal
CMIN/DF	1,27	≤ 2,00	Better fit
GFI	0,88	≥ 0,90	Marginal
RMSEA	0,05	≤ 0,08	Better fit
AGFI	0,83	≥0,90	Marginal
TLI	0,95	≥0,90	Better fit
NFI	0,86	≥0,90	Marginal
CFI	0,97	≥ 0,90	Better fit

Source: Primary Data Processed (2018)

From Table 2 it can be explained that some Goodness-of-Fit-constructs construct model indices show results in accordance with the recommended cut-off value of CMIN / DF 1.27 <2.00, RMSEA value 0.05 < 0.08, TLI value is 0.95 > 0.90, and CFI value is  $0.97 \ge 0.90$ . Thus, exogenous variables in the research model can be accepted as fit model builders.

As with measurement models, the structural model is also modified based on modification indices. When the model is modified it is advisable to correlate the latent construct or indicator which has the highest modification indices value.

## Discussion

Product does not affect the satisfaction of UNP Master of Management Study Program students. This influence is indicated by a p-value of 0.564 (> 0.05). More offers for the number of Masters Management Programs and facilities available to offer are also varied, product quality is indeed very important for all Masters Management Programs to satisfy students. However, the results of this study prove that product quality does not guarantee the creation of satisfaction of students of Master of Management Study Program. The results of this study are in accordance with the research conducted by Triska, et al. (2014) regarding the effect of the marketing mix on the satisfaction of BPR customers which shows that the better the product the bank's customer satisfaction decreases.

Prices do not have a significant effect on student satisfaction. This is evidenced by obtaining a probability value of 0.537 which is greater than the conditions set at 0.05. From the above results, the rejection of this hypothesis indicates that the satisfaction of UNP Master of Management Study Program students is not influenced by the price. This is due to differences in each student. The higher the benefits obtained, the more people will not see how much value must be paid. This means that individuals in utilizing a product / service no longer only look at price value but prefer how much benefit is expected to satisfy their needs. The results of this study are relevant to research conducted by Farida, et al (2016) which states that prices do not have a significant impact on the satisfaction of Gojek users in Indonesia.

The location does not affect the satisfaction of Master of Management Study Program students, Becauseprobability value or significance value of 0.986 is greater than 0.05. The results of this study are relevant to research conducted by Farida, et al. (2016) which states that location does not have a significant impact on Gojek customer satisfaction in Indonesia as well as research conducted by Risal (2016) that conducts consumer satisfaction research on culinary industry customers in cafes and culinary in Pelopo which states that the location has no significant effect on satisfaction.



Promotion has a significant positive effect on the satisfaction of UNP Master of Management Study Program students. This influence is indicated by a p-value of 0.000 (<0.05). The results of this study are not in line with the research conducted by Risal (2016) which states that promotion has no significant effect on satisfaction where promotion is seen as a variable that contributes to each product offered, considering that cafe owners and restaurants often promote both print and social media. , so that consumers have already seen, speed reading knows information about the cafe and restaurant.

People from the results of the analysis it is known that the probability value or significance value of 0.026 is smaller than 0.05, which means that employees have a significant effect on the satisfaction of Master of Management Study Program students. The results of the study are in line with the research conducted by Alnaser (2017), Putra (2016) and Mohideen (2015) where people or employees have been proven to have a significant influence and contribution to the level of customer satisfaction.

Proses From the results of the analysis, it is known that the probability value or significance value of 0.325 is greater than 0.05, which means that the process does not have a significant impact on the satisfaction of UNP Master of Management Study Program students. The results of this study are supported by research conducted by Farida, et al (2016) which states that location does not have a significant impact on customer satisfaction Gojek.

Physical evidanceon the results of this study indicate that the physical evidence variable influences the satisfaction of UNP Master of Management Study Program students. This can be seen from the results of the t sig value of 0.013 <0.05 which means that the physical evidence variable has a significant effect on the satisfaction of Master of Management Study Program students. This research is not supported by research conducted by Mohideen (2015) which states that physical evidence has a significant effect on the satisfaction of undergraduate students in the laptop industry in Sri Lanka.

### **Conclusions**

Product variables have no significant effect on satisfaction. The results of this study indicate that the product is not in line with the satisfaction of students of the UNP Master of Management Study Program. Another factor that felt influenced the satisfaction of other UNP Management Master Program students such as service quality, price and others. Price variables have no significant effect on satisfaction because of value. The results of this study indicate that good price competition does not affect the satisfaction of students of the UNP Master of Management Study Program. Location variables have no significant effect on satisfaction. The results of this study indicate that it is not proven that location access is easily able to influence student satisfaction. Promotion variables have a significant effect on satisfaction. The results of this study indicate that the promotional movement carried out by MM UNP has an important role in bringing out the success of MM UNP students, based on the fact currently there is still a lack of forms of promotion carried out by the UNP Management Master Program so that it becomes a consideration in generating student satisfaction. Employee variables have a significant effect on satisfaction because. The results of this study indicate that the services that have been applied by the employees of the UNP Master of Management Program are able to influence the students of the UNP Master of Management Study Program. Process variables have no significant effect on the satisfaction of students of the UNP Master of Management Study Program because. The results of this study indicate that the processes and procedures carried out both during academic and non-academic activities by UNP's Master of Management Program employees do not affect the satisfaction of UNP Master of Management Study Program students. Physical evidence variables have a significant effect on satisfaction. The results of this study indicate that the facilities and infrastructure available or offered by the UNP Master of Management Program have an important role in the formation of satisfaction of UNP Master of Management Study Program students. Large factors that play an important role in forming student satisfaction MM UNP Study Program is a promotion variable based on the estimated results of 60%



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