

# Factors That Affect the Election of Higher Education in Holistic Marketing Point of View

Nurfitriansyah<sup>1,\*</sup>, Ratih Hurriyati<sup>2</sup>, Puspo Dewi Dirgantari<sup>3</sup>

<sup>1</sup> Universitas Pendidikan Indonesia

<sup>2</sup> Universitas Pendidikan Indonesia

<sup>3</sup> Universitas Pendidikan Indonesia

\*Corresponding author. Email: [nur@upi.edu](mailto:nur@upi.edu)

## ABSTRACT

The research goal is to determine the factors that influence students' selection in choosing universities. The study used a quantitative approach using questionnaires and using Partial Least Square for data processing. The results of the study indicated that all the holistic components of marketing influenced the selection of Higher Education (HE) and performance marketing had the greatest impact on student decision making in selecting HE, the ease of entry to universities, and a large number of enthusiasts become the factors in attracting prospective students in addition to the quality of education and research institutions. , Other vari-ables that are quite influential are relationship and integrated marketing, which have sufficient influence on students in deciding the choice of HE.

**Keywords:** *higher education, holistic marketing, marketing.*

## 1. INTRODUCTION

Global competition among HE institutions maintains and attracts students to share an important role [1]. Therefore, marketing in HE must be carried out comprehensively, market orientation practices adopted by faculties and HE institutions increase in-novation in teaching and learning activities, delivery methods, and serving students [2].

What is needed is to rethink the HE management approach, moving from product orientation to holistic marketing with a clear stakeholder orientation [3]. The holistic marketing concept is based on developing, designing, and implementing broad and interdependent programs, processes, and activities. Holistic marketing considers that everything is important in marketing. The four components of holistic marketing are Relationship marketing, Integrated marketing, Internal marketing, and social responsibility marketing [4]. For universities, attracting the interest of prospective students to study in their in situations is also influenced by factors that influence prospective students in choosing HE, the influence of parents, social media, electronic Word of Mouth (e-WOM) are factors that influence student

decisions in choosing universities [5-7] geographic proximity, academic reputation, distance from residence and location [8-9].

### *1.1. Internal marketing in higher education*

As a process, internal marketing consists of attracting, developing, motivating, and retaining quality employees through work products that make employees happy [10]. A review of the IM literature on public higher education shows serious concerns about the impact of increasing competition and the demand for quality in education [11]. Internal marketing through job satisfaction positively affects organizational performance, and internal marketing positively affects organizational performance [12-13]. Internal Marketing has a significant impact on employee performance, so it implies that HE must focus on internal marketing initiatives so that it can help to improve its performance [14].

**1.2 . Integrated marketing in higher education**

Integrated marketing has an impact on the consumer decision-making process [15]. Integrated marketing has a positive relationship with product purchase decisions, especially in WoM communication [16]. Integrated Marketing is the most effective and economical way for organizations [15]. Consumers believe that integrated marketing affects their overall purchasing decisions and persuades them to buy certain products or services [17].

**1.3. Performance marketing in higher education**

Performance marketing is reunderstanding the business sector based on marketing programs and activities and addressing broader issues and their legal, ethical, social, and environmental impacts [18]. Performance marketing is usually characterized by a modular structure with different performance channels. Each of these channels generates its measurable results (key performance indicators, KPIs), thus providing room for improvement to Offerings. Therefore, optimization is important for performance marketing, so that campaign results are stable over time and gradually improve [19].

**1.4. Relationship marketing in higher education**

Customer relations are essentially a paradigm shift in marketing from an acquisition/transaction focus to a retention/relationship focus. This shift is driven by much evidence that shows very clearly that building a committed customer relationship generates satisfaction, loyalty, positive word of mouth, business referrals, references, and promotions [20], the relationship between alumni and universities have a significant impact on loyalty, relationships with alumni must be built during the learning period [21]. The university image and brand influence individual engagement and thus shape alumni relationships. University prestige (for example, recognized academic programs, newsworthy cultural or sports performance) influences alumni to support directly [22].

**1.5. Factors affecting students in choosing higher education**

Job prospects after the lecture, learning quality, staff expertise, and learning content are things that become factors for students in choosing HE [7], family, friends, personality, school of origin, campus image, and prospects work influence the decision to choose a study program [23]. The three main factors that influence student selection are academic reputation, distance from home, and location [24], academic-university reputation, geographic proximity, guidance from tutors,

personal influence from university students, and family influence [8], factors of proximity to home, job opportunities, university reputation [25].

This study explores the holistic application of marketing carried out by higher education as a whole, especially on the factors that affect the interest of prospective students in choosing the next level of education

**2. METHODS**

**2.1. Research Design**

The indicators of the determining variables were taken based on the research results related to the factors that influence student decisions in choosing HE institutions Table 1.

**Table 1.** Factors and Indicators Affecting Student Selection Decisions

<b>Variable</b>	<b>Indicator</b>	<b>Reference</b>
<i>Internal Marketing</i>	<i>excellent service from the University</i>	Giovanni Azzone (2019), Tri D. Le (2019) Katrin Obermeit (2012),
	<i>Amenities</i>	
<i>Integrated</i>	<i>Reputation/ image</i>	Mahendra Fakhri (2017), Briggs (2007), Simoes (2010), Katrin Obermeit (2012), Tri D. Le (2019),
	<i>Promotion</i>	
	<i>Website/Social Media</i>	
<i>Relationship</i>	<i>Scholarship Prospects of Graduates</i>	Giovanni Azzone (2019), Tri D. Le (2019) ,
<i>Performance Marketing</i>	<i>Activities of university</i>	Briggs (2007), Simoes (2010); Tri D. Le (2019), Giovanni Azzone (2019)
	<i>Ease of entry to the University / Number of enthusiasts</i>	
<i>Factors Affecting Students in Choosing Higher Education</i>	<i>Cost</i>	Giovanni Azzone (2019), Tri D. Le (2019) Katrin Obermeit (2012), simoes (2010), Briggs (2007)
	<i>Location</i>	
	<i>The origin of the school</i>	
	<i>Family Factors</i>	
	<i>Friend</i>	

Based on the literature review that has been stated, the proposed hypothesis is as follows:

H1: There is an influence of internal marketing on student decisions in choosing universities

H2: There is an effect of integrated marketing on student decisions in choosing tertiary institutions

H3: There is an influence of Social Responsibility marketing on student decisions in choosing universities

H4: There is an influence of Relationship marketing on student decisions in choosing tertiary institutions.

The research model built in this study is as follows in fig. 1.

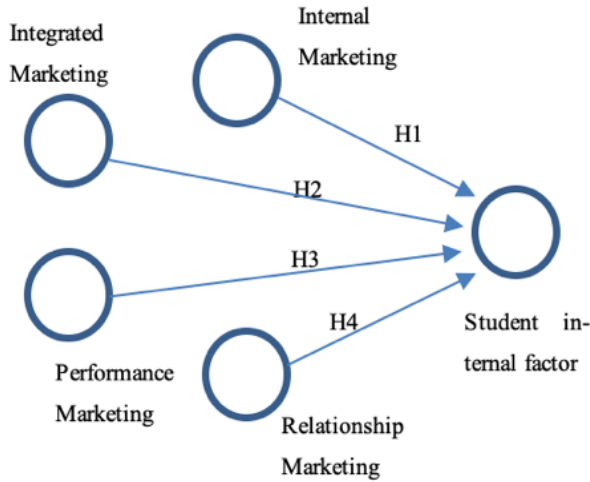


Figure 1. Model research

**2.1. Reseach Methods**

The quantitative approach was employed. The questionnaire was distributed to first-semester students at 3 (three) universities in Bandung and Purwakarta online.

The sampling technique used is the purposive sampling technique, the criteria determined by the researcher were that the sample had experience in choosing HE Institution. The number of respondents who filled out the questionnaire was 424 respond-ents

**3. RESULTS AND DISCUSSION**

Data analysis was performed using PLS. Testing analysis using PLS was carried out in two stages (1) conducting model testing (2) conducting structural model testing [26-27].

**3.1. Model testing**

As shown in Table 2, the results of model testing show that the model meets the specified criteria. In testing the indicators' reliability, the loading value must be at least 0.60 and ideally higher than 0.70 [28, 26]. In this study, a cross-loading value of 0.70 was used so that items with a cross-loading value be-low 0.70 were excluded from the next analysis.

Each construct's processing results have met the requirements with indicator values ranging from 0.713 to 0.902 Table 2.

**Table 2.** Reliability indicator

	integrated	Internal	Student internal	performance	relationship
X13	0,777				
X14	0,828				
X15	0,793				
X16	0,79				
X17	0,755				
X18	0,75				
X19	0,793				
X2		0,772			
X21	0,783				
X22					0,823
X23					0,871
X24					0,79
X25					0,829
X26					0,786
X27					0,713
X28					0,737
X29					0,776
X3		0,82			
X31				0,868	
X32				0,902	
X33				0,875	
X4		0,829			
X5		0,772			
X6		0,772			
X7		0,753			
X8		0,727			
Y10			0,76		
Y11			0,775		
Y12			0,857		
Y18			0,749		
Y19			0,768		
Y9			0,795		
X1		0,724			

**3.1.1. Internal Consistency Reliability**

To measure Internal Consistency Reliability, test results using Cronbach's Alpha are used with a stand-ard value of at least 0.70. The composite value of 0.70 is acceptable in exploratory research [29, 30]. The test results show that the Cronbach's Alpha val-ue is above 0.70 Table 3.

**Table 3.** Cronbach's Alpha, CR, AVE

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
<i>Integrated</i>	0,911	0,915	0,927	0,614
<i>Internal</i>	0,903	0,908	0,922	0,596
<i>Internal siswa</i>	0,875	0,883	0,906	0,616
<i>Performance</i>	0,857	0,858	0,913	0,777
<i>Relationship</i>	0,915	0,925	0,931	0,627

**3.1.2. Convergent validity**

The measurement of convergent validity uses the Average variance Extracted (AVE) value with a minimum value for each indicator is 0.50 [29] AVE

measurement results for integrated variables are 0.614, internal variables are 0.596, student internal variables of 0.875, the performance variable is 0.857, and the relationship variable is 0.915 show by table 3.

3.1.3. Discriminant Validity

Measuring discriminant validity uses the cross-loading test's value, where this test is to measure that a construct is different from other constructs based on empirical standards [29, 31]. Table 4 shows that the indicator value is the largest compared to the correlation value for other indicators

Table 4. Cross Loading Factors

	Integrat ed	Internal	Inter nal siswa	Performan ce	relatio nship
INT 1	0,428	0,724	0,199	0,442	0,369
INT 2	0,447	0,772	0,157	0,402	0,444
INT 3	0,446	0,82	0,188	0,428	0,472
INT 4	0,519	0,829	0,229	0,471	0,514
INT 5	0,488	0,772	0,235	0,42	0,517
INT 6	0,44	0,772	0,188	0,395	0,473
INT 7	0,431	0,753	0,235	0,459	0,484
INT 8	0,366	0,727	0,175	0,322	0,504
INTR 13	0,777	0,346	0,355	0,608	0,38
INTR 14	0,828	0,449	0,394	0,621	0,451
INTR 15	0,793	0,385	0,393	0,565	0,469
INTR 16	0,79	0,357	0,379	0,566	0,369
INTR 17	0,755	0,592	0,286	0,546	0,507
INTR 18	0,75	0,516	0,29	0,544	0,475
INTR 19	0,793	0,552	0,322	0,55	0,488
INTR 21	0,783	0,512	0,393	0,651	0,507
PER 31	0,643	0,552	0,437	0,868	0,541
PER 32	0,69	0,458	0,466	0,902	0,484
PER 33	0,634	0,435	0,435	0,875	0,484
REL 22	0,428	0,52	0,268	0,408	0,823
REL 23	0,48	0,547	0,281	0,441	0,871
REL 24	0,501	0,512	0,29	0,469	0,79
REL 25	0,477	0,514	0,338	0,465	0,829
REL 26	0,401	0,448	0,27	0,397	0,786
REL 27	0,362	0,379	0,278	0,413	0,713
REL 28	0,523	0,487	0,426	0,553	0,737
REL 29	0,424	0,457	0,271	0,384	0,776
SIS 10	0,289	0,139	0,76	0,316	0,309
SIS 11	0,281	0,167	0,775	0,355	0,262
SIS 12	0,38	0,215	0,857	0,416	0,353
SIS 18	0,301	0,175	0,749	0,37	0,228
SIS 19	0,412	0,244	0,768	0,456	0,279
SIS 9	0,434	0,276	0,795	0,443	0,402

Another approach that can measure discriminant validity is to use the Fornell-Larcker criterion [29] Table 5. The Fornell-larcker test results show that the value of the indicator.

Table 5. The Fornell-larcker test results show that the value of the indicator

	Integra ted	Intern al	Intern al Studen ts	Perfor mance	Relatio nship
Integrated	0,784				
Internal	0,581	0,772			
Internal siswa	0,454	0,265	0,785		
Performance	0,744	0,546	0,506	0,882	
Relationship	0,577	0,614	0,395	0,57	0,792

3.2. Structural model testing

After ensuring that the model testing is following acceptance criteria, structural model testing is carried out in the second stage. This test is carried out to see the relationship between the constructs, the obtained significance value, and the R-square of the model show by Fig. 2.

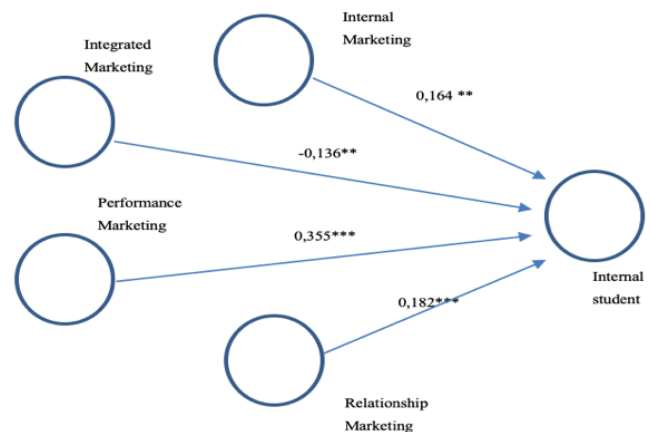


Figure 2. SEM test Result

Coefficient determination (R2) is used to measure the predictive strength of the determined model, the value of R2 is in the range of 0 and 1, in marketing studies, the value of R2 is categorized into 3 categories, namely 0.75 for substance, 0.50 for moderate and 0, 25 for the weak category [29]. The results of the calculation of R2 obtained results of 0.290. This indicates that the model built is moderate enough to predict the factors that influence HE's choice show by Table 6.

Table 6. Coefficient determination

	Path coefficient	R <sup>2</sup>	T Statistics	P Values	F <sup>2</sup> effect	Result
Internal Siswa		0,3				
Internal - > Internal siswa	-0,136		2,323	0,02	0,014	Hypothesis accepted

<i>Integrated -&gt; Internal siswa</i>	0,164		2,382	0,017	0,015	Hypothesis accepted
<i>Performance -&gt; Internal siswa</i>	0,355		5,094	0	0,073	Hypothesis accepted
<i>Relationship -&gt; Internal siswa</i>	0,182		3,338	0,001	0,025	Hypothesis accepted

The results of hypothesis testing showed that internal marketing had an effect of -0.136 at  $p < 0.05$ , integrated marketing had an effect of 0.164 at the 0.05 level, performance marketing had an impact of 0.355 at  $p < 0.01$ , and relationship marketing had an effect of 0.182 at  $p < 0.01$  on student decisions in choosing PT.

The results of the  $f_2$  test are used to see the effect size of one construct on another, using the criterion value of 0.02 for a small effect, 0.15 for a medium effect, and 0.35 for a large effect [32, 29]. The test results show that the performance variable has a large effect, the relationship and integrated variables have a medium effect, while the internal marketing variable has a small effect on students' decisions in determining HE's choice.

#### 4. CONCLUSION

The research conducted focused on the Holistic marketing model that influenced the choice of student decisions in choosing HE. The results showed that the variable performance marketing was a factor that greatly influenced student selection. Ease of entry to universities and a large number of enthusiasts are a competitive advantage for universities in attracting prospective students and the quality of education and research institutions. At the same time, relationship and integrated variables have sufficient influence on students in deciding the choice of HE.

#### REFERENCES

- [1] Ø. Helgesen, "Marketing for higher education: A relationship marketing approach," *J. Mark. High. Educ.*, vol. 18, no. 1, pp. 50–78, 2008.
- [2] S. Vaikunthavasan, C. Jebarajakirthy, and A. Shankar, "How to Make Higher Education Institutions Innovative: An Application of Market Orientation Practices," *Journal of Nonprofit and Public Sector Marketing*, vol. 31, no. 3, pp. 274–302, 2019.
- [3] A. Lafuente-Ruiz-De-Sabando, J. Forcada, and P. Zorilla, "The marketing orientation as a university management philosophy: A framework to guide its application," *Cuad. Gest.*, vol. 18, no. 2, pp. 37–58, 2018.
- [4] P. Mahajan and S. Golahit, "Downcast Enrollments: A Desperate Need of Holistic Marketing for Technical Education," vol. 2, no. 8, pp. 7–14, 2017.
- [5] E. S. Amelita Lusita, Pijar Suciati, "( Studi Pada Mahasiswa Baru Program Vokasi Universitas Indonesia Angkatan 2015 )," 2015.
- [6] A. Baskara and N. Ernasari, "PENGARUH WORD OF MOUTH (WOM) DAN BRAND IMAGE TERHADAP KEPUTUSAN CALON MAHASISWA MELANJUTKAN STUDI DI PERGURUAN TINGGI (Survei pada siswa kelas XII SMA Negeri Sekecamatan Tanah Putih)," vol. 6, no. 2, pp. 171–178, 2018.
- [7] T. D. Le, L. J. Robinson, and A. R. Dobeles, "Understanding high school students use of choice factors and word-of-mouth information sources in university selection," *Stud. High. Educ.*, 2019.
- [8] C. Simões and A. M. Soares, "Applying to higher education: Information sources and choice factors," *Stud. High. Educ.*, vol. 35, no. 4, pp. 371–389, 2010.
- [9] S. Briggs, "An exploratory study of the factors influencing undergraduate student choice: The case of higher education in Scotland," *Stud. High. Educ.*, vol. 31, no. 6, pp. 705–722, 2006.
- [10] M. C. Cătălin, P. Andreea, and C. Adina, "A holistic approach on internal marketing implementation © Society for Business and Management Dynamics © Society for Business and Management Dynamics," *Bus. Manag. Dyn.*, vol. 3, no. 11, pp. 9–17, 2014.
- [11] A. Hernández-Díaz, T. Calderon-Abreu, M. Amador-Dumois, and M. Córdova-Claudio, "Marketing interno y las actitudes de los empleados de contacto con los clientes," *Acad. Rev. Latinoam. Adm.*, vol. 30, no. 1, pp. 124–143, 2017.
- [12] [12] Y. M. Shiu and T. W. Yu, "Internal marketing, organisational culture, job satisfaction, and organisational performance in non-life insurance," *Serv. Ind. J.*, vol. 30, no. 6, pp. 793–809, 2010.
- [13] G. Hogg, S. Carter, and A. Dunne, "Investing in People: Internal Marketing and Corporate Culture," *J. Mark. Manag.*, vol. 14, no. 8, pp. 879–895, 1998.
- [14] U. F. Sahibzada, C. Jianfeng, F. Latif, and Z. Shafait, "Development and validation of a multidimensional instrument for measuring internal

- marketing in Chinese higher education,” *J. Enterp. Inf. Manag.*, vol. 32, no. 3, pp. 413–435, 2019.
- [15] C. Mihart, “Impact of Integrated Marketing Communication on Consumer Behaviour: Effects on Consumer Decision – Making Process,” *Int. J. Mark. Stud.*, vol. 4, no. 2, pp. 121–129, 2012.
- [16] G. Tibebe and T. Ayenew, “The Effectiveness of Integrated Marketing Communication for High Involvement Product Purchase Decision: In Case of University of Gondar Employees,” *Pacific Bus. Rev. Int.*, vol. 11, no. 4, pp. 17–29, 2018.
- [17] Dr. Bandar Khalaf Alharthey, “Understanding Decision Making of Consumers through Advertising Strategy and Integrated Marketing,” *J. Mark. Manag.*, vol. 3, pp. 47–54, 2015.
- [18] P. Kotler and K. L. Keller, *MarkKotler, P., & Keller, K. L.* 2016.
- [19] I. Kamps and D. Schetter, *Performance Marketing*. 2018.
- [20] B. A. M. Al-alak, “The impact of marketing actions on relationship quality in the higher education sector in Jordan,” *J. Mark. High. Educ.*, vol. 16:2, no. September 2008, pp. 1–23, 2008.
- [21] J. H. Mcalexander and H. F. Koenig, “Journal of Marketing for Higher Education Relationship , and Alumni Support University Experiences , the Student-College Relationship , and Alumni Support,” no. October, pp. 37–41, 2014.
- [22] R. Arambewela, J. Hall, S. Zuhair, and A. A. (Braam) Rust, “Factors influencing satisfaction postgraduate international students from Asia: factors influencing satisfaction,” *J. Mark. High. Educ.*, vol. 1241, no. 1, pp. 37–46, 2015.
- [23] M. Saputro, “analisis faktor-faktor yang mempengaruhi keputusan mahasiswa dalam memilih program studi,” *J. Pendidik. Inform. dan Sains*, vol. 6, no. 1, pp. 83–94, 2017.
- [24] S. Briggs and A. Wilson, “Which university? A study of the influence of cost and information factors on Scottish undergraduate choice,” *J. High. Educ. Policy Manag.*, vol. 29, no. 1, pp. 57–72, 2007.
- [25] G. Azzone and M. Soncin, “Factors driving university choice: a principal component analysis on Italian institutions,” *Stud. High. Educ.*, vol. 0, no. 0, pp. 1–13, 2019.
- [26] S. Amaro, L. Andreu, and S. Huang, “Millenials’ intentions to book on Airbnb,” *Curr. Issues Tour.*, vol. 22, no. 18, pp. 2284–2298, 2019.
- [27] M. Pérez-Pérez, A. M. Serrano-Bedia, and G. García-Piqueres, “An analysis of factors affecting students’ perceptions of learning outcomes with Moodle,” *J. Furth. High. Educ.*, vol. 00, no. 00, pp. 1–16, 2019.
- [28] W. W. Chin, “Commentary: Issues and Opinion on Structural Equation Modeling,” *MIS Quarterly*, 22(1), vol. 22, pp. Vii–Xvi, 1998.
- [29] J. Joseph F. Hair, G. T. M. Hult, C. M. Ringle, and Marko Sarstedt, *A primer on partial least squares structural equation modeling (PLS-SEM)*, vol. 38, no. 2. 2017.
- [30] R. P. Bagozzi and Y. Yi, “On the evaluation of structural equation models,” *J. Acad. Mark. Sci.* 16(1), vol. 16, no. 1, pp. 74–94, 1988.
- [31] J. Henseler, G. Hubona, and P. A. Ray, “Using PLS path modeling in new technology research: Updated guidelines,” *Ind. Manag. Data Syst.*, vol. 116, no. 1, pp. 2–20, 2016.
- [32] J. Cohen, *Statistical Power Analysis for behavioral science*, Second edition. Lawrence Erlbaum Associates, 1988