Marketing Strategy for the Master of Management Program in the Vuca Era in Influencing Student Decisions

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ABSTRACT

In today's modern world, universities face uncertainty due to VUCA (Volatility, Uncertainty, Complexity, Ambiguity) which describes a rapidly changing educational environment, which is the new normal in global higher education. One of the VUCA conditions that has been felt is the Covid-19 Pandemic, where the whole world is hit by uncertainty. Marketing is one thing that has an important role in maintaining stability. Through good marketing strategies, it is hoped that the problem of decreasing numbers of students in universities due to VUCA conditions which has an impact on decreasing university revenues can be resolved. The aim of this research is to analyze the influence of the services marketing mix on student decisions and to analyze marketing strategies in the Master of Management Study Program at Ibn Khaldun University (UIKA), using quantitative methods. The data collection technique uses a questionnaire with a saturated sampling method where all members of the

population are used as samples, in this case 69 Education Personnel are used as research samples. Data were analyzed using Partial Least Square (PLS) based on Structural Equation Model (SEM) using SmartPLS 3.0 software. Of the 8 marketing mixes that are exogenous variables in this research, there are 2 variables that have a positive and significant influence on student purchasing decisions. These two variables are Promotion and Customer Service. The Promotion and Customer Service variables obtained statistical T values and p values of 2.222 and 0.026 and 2.733 and 0.006 respectively. When compared with the provisions that the T-Statistics value of a research model must be > 1.96 and the p-value must be < 0.05, then these.

Keywords: *Covid-19; Revenue impact; Marketing mix.*

INTRODUCTION

Today's global universities face what may be their greatest challenges as they confront globalization, expansion, and economic uncertainty, layered on top of new technologies that enable tech-savvy students to interact in new ways with content and each other (Altbach & Reisberg 2018: p.65). These changes occurred as a result of the impact of rapid technological and socio-economic developments, including developments in information technology, the trend towards a service-based economy and a knowledge society (Siddiqui 2014: p.12). The Covid-19 pandemic, which is one of the VUCA conditions that has occurred, has resulted in the financial condition of universities becoming unhealthy, one of which is caused by the decline in students' interest in continuing their studies at the tertiary level, both at the diploma, bachelor's, master's and doctoral study program levels.

Santi and Dewi (2022: p. 481) quote data submitted by the

Secretary General of the Association of Indonesian Private Universities (APTISI) Region III in Jakarta which shows that the number of students in their region has decreased by 50% -90%.

The occurrence of the Covid-19 Pandemic accompanied by advances in digital technology requires study program managers at every university in Indonesia to carry out marketing strategies that adapt to existing technological changes. Faishal (2020: p.1) stated that as a solution to the Covid-19 Pandemic conditions, the management of Educational Institutions must package information about educational institutions as well and as attractively as possible, then promote it through radio, television and especially social media, considering that almost the majority During this Covid pandemic, people are doing their activities at home.

According to Musafar (2020: p.5), marketing strategies for educational services that can be used and implemented in educational marketing can use a marketing mix strategy. The marketing mix is a good marketing tool in the marketing of educational institutions, where educational institutions are able to control it so that it can influence the response of the target market. By using a marketing mix strategy, educational institutions can find out what needs to be created or planned by looking at the various needs of educational service customers. In reality, like the Master of Management Study Program at Ibn Khaldun University, there are quite a few educational institutions that have not been optimal in marketing their educational institutions, or the products they have have not been able to attract customers. This will have an impact on two different sides, on the university side, causing a reduction in the number of

students. On the other hand, there may be a loss of opportunities for prospective students to study at credible universities.

The derivative impact is that the aggregate number of management master's graduates will decrease, even though the job market demand for management masters in the Greater Bogor area and its surroundings is increasing.

RESEARCH METHODS

This research was carried out at MM UIKA in Bogor City. The research was carried out for 3 months from February 2024 to April 2024, using mixed methods. Where the approach is quantitative and reinforced with qualitative data. The population of this research are people, organizations or institutions related to the marketing system at MM UIKA, namely the Head of the Study Program, the Study Program Secretariat, Administration and students. In this research, all members of the population are examined (census research/population research), because the population is less than 100 people.

In the data analysis process, using the Structural Equation Modeling (SEM) data processing application with the Partial Least Square (PLS) approach. Some experts state that the ideal sample size for PLS is more than 100 samples. However, according to Ghozali (2014), PLS is an analysis method that is soft modeling because it does not assume the data must be on a certain scale of measurement, so the number of samples can be small, it can be under 100 samples. This is in line with the thoughts of Sholihin (2021), who states that in PLS there are no identification problems or the model can still be estimated with a small sample size (35-50 samples). With a small sample size, PLS can still

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achieve fairly high statistical power.

Data obtained from the field through questionnaires is ordinal scale data. For statistical analysis purposes, it is necessary to transform the data into interval scale data. This transformation is used to calculate the diversity value that occurs in each variable on an ordinal scale.

2.1. Descriptive Analysis

Data were analyzed descriptively statistically using percentages, average scores, and total average scores. Score calculation results to see the distribution of each variable. Data interpretation is carried out based on the results of score calculations using the interval interpretation criteria presented in Table 1 as follows:

Table 1. Interval Scale

Category	Interval Scale	Presentage (%)
Strongly Not Good	1,80	< 36%
Not Good	2,60	37 - 52%
Neither Good Nor Not Good	3,40	53 -68%
Good	4,20	70 - 84%
Strongly Good	5,00	85 -100%

Source : Sugiono (2013)

2.2. Structural Equation Modeling (SEM)- Partial Least Square (PLS) Analysis

a. Outer model

The measurement model (outer model) is used to test the validity and reliability of the instrument. Reliability testing was carried out using two methods, namely through Composite Reliability and Cornbach Alpha values (Hair et al. 2014). Validity tests include convergent validity and discriminant validity tests. The convergent validity test parameters are carried out through the outer loading value of each indicator on the construct and the

Average Variance Extracted (AVE) value. Discriminant validity was tested using the cross loading and Fornell Larcker value method, namely by comparing the correlation value between latent variables with the AVE root value (Hair et al. 2014) and Ghozali (2014). The criteria for the measurement model can be presented in Table 2.

Table 2. Evaluation of models, parameters and conditions

Evaluation Model	Parameter	Condition
Convergent Validity	Outer loading	≥ 0,7
	Averange variance extracted (AVE)	> 0,5
Discriminant Validity	Cross loading	The loading value of each indicator block with a construct is > the loading value with other constructs
	Fornell-Larcker Criterion	The correlation value with the construct itself must be > than the correlation value with other constructs

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Reliability	Composite reliability	> 0,7
	Cronbach's alpha	

Source : Ghazali (2014)

b) Inner Model

Evaluation of the structural model (inner model) includes path coefficient and P-values tests. The structural model aims to determine the relationship between latent variables and provide an estimate of the strength of exogenous variables in influencing endogenous variables. The hypothesis test was carried out through bootstrapping and measuring the path coefficient using the test parameters t-statistic value and p-value. The hypothesis can be accepted if the p-value <0.05. P-values indicate a measure of the probability of the power to accept or reject a hypothesis or often known as the significance level. The smaller the P-values, the greater the influence on accepting the hypothesis.

The structural model measurement parameters were carried out by taking into account the value of the determinant coefficient (R2) and the significance level of the path coefficient and t-statistic value. The R2 value is used to measure the level of variation in changes in exogenous to endogenous variables. The higher the R2 value means the proposed research model is better. Cohen (1992) classifies the R2 value for endogenous variables into three criteria, namely: 0.12 (low effect), a value of 0.13 to 0.25 (medium effect) and 0.26 (high effect).

2.3. Variable Operation

This research consists of two variables, namely service

marketing mix (X variable) and consumer decisions (Y variable). These two variables are then given operational definitions, translated into indicators and research questions. The service marketing mix variables are measured by the indicators Product, Price, Promotion, Place, People, Process, and Physical Evidence, Customer Service. Consumer decision (Y) is a process where consumers decide to buy a product or service they like, measured based on several indicators, namely need recognition, information search, alternative evaluation, purchase decision and post-purchase stage. The indicators for each variable were developed into statement items outlined in the questionnaire using a Likert scale (1-5) for each indicator, namely (1) Strongly Disagree, (2) Disagree, (3) Neutral, (4) Agree, (5) Strongly Agree

RESULTS & DISCUSSION

This section begins with outlining grand theory as the fundamental theory covering the research, and next by outlining the theory of each variable applied. This theoretical review will comprise the relationship among variables, relevant research, research framework, and research hypothesis built.

After going through various stages of testing on the outer model, research results are obtained which can be seen in the inner model through path coefficients and t-statistics (T Test)

3.1. Path Coefficient

*The path coefficient values are shown in **Table** 3 below.*

Table 3. Path Coefficient

Correlation	Path coefficients

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Product → Student Decision	-0.186
Price → Student Decision	0.022
Promotion → Student Decision	0.264
Place→ Student Decision	-0.231
People → Student Decision	0.120
Process→ Student Decision	0.146
Physical Evidence → Student Decision	0.095
Customer Service → Student Decision	0.685

Source: Analysis by SmartPLS 4.0

Based on the results of the path coefficient analysis in Table 3 above, it can be concluded as follows:

1. *The correlation of the Product variable with purchasing decisions is -0.186. Since the correlation value is negative, it can be said that the correlation between the two constructs is weak or negative.*

2. *The correlation between the Price variable and purchasing decisions is 0.022. The path coefficient value is positive, meaning that if price increases by one unit, there will be an increase in purchasing decisions by 2.2%. Thus Promotion has a positive influence on purchasing decisions.*

3. *The correlation of the Promotion variable with purchasing decisions is 0.264. The path coefficient value is positive, meaning that if promotion increases by one unit, there will be an increase in purchasing decisions by 26.4%. Thus Promotion has a positive influence on purchasing decisions.*

4. *The correlation between the Place variable and purchasing decisions is -0.231. Since the correlation value is negative, it can be said that the correlation between the two constructs is weak or negative.*

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5. *The correlation between the People variable and purchasing decisions is 0.120. The path coefficient value is positive, meaning that if People experiences an increase of one unit, there will be an increase in purchasing decisions by 12.0%. Thus People have a positive influence on purchasing decisions.*

6. *The correlation between the Process variable and purchasing decisions is 0.146. The path coefficient value is positive, meaning that if the Process experiences an increase of one unit, there will be an increase in purchasing decisions by 14.6%. Thus the Process has a positive influence on purchasing decisions.*

7. *The correlation between the Physical Evidence variable and purchasing decisions is 0.095. The path coefficient value is positive, meaning that if Physical Evidence increases by one unit, there will be an increase in purchasing decisions by 9.5%. Thus Physical Evidence has a positive influence on purchasing decisions.*

8. *The correlation between the Customer Service variable and purchasing decisions is 0.685. The path coefficient value is positive, meaning that if Customer Service increases by one unit, there will be an increase in purchasing decisions by 68.5%. Thus, Customer Service has a positive influence on purchasing decisions*

3.2. T-Statistics (t-Test)

The rule used in this model is the t-statistic > 1.96 with a significance level of 0.05 (5%). The results of t-statistic calculations carried out by bootstrapping in PLS can be presented in Table 4 below.

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Table 4. T-Statistics (t-test)

Path	Original sample (O)	Standard deviation (STDEV)	T statistics (|O/STDEV|)	P values
Product → Student Decision	-0.186	0.167	1.113	0.266
Price → Student Decision	0.022	0.159	0.140	0.889
Promotion → Student Decision	0.264	0.162	1.628	0.104
Place→ Student Decision	-0.231	0.274	0.842	0.400
People → Student Decision	0.120	0.264	0.454	0.650
Process→ Student Decision	0.146	0.241	0.608	0.543
Physical Evidence → Student Decision	0.095	0.148	0.641	0.522
Customer Service → Student Decision	0.685	0.207	3.309	0.001

Source : Analysis by SmartPLS 4.0

From the results of testing T statistical data using PLS in the table above, it shows that only the Customer Service variable has a significant influence on Purchasing Decisions, because in accordance with the provisions that T Statistics must be > 1.96 and p value must be < 0.05. Meanwhile, the statistical T value and p value of other variables do not meet the requirements and are stated to have no significant effect on purchasing decisions.

3.3. Hypothesis testing

Based on testing the inner model (structural model), hypothesis testing can then be carried out, which in research is tested by looking at the R Square value, path coefficient and comparing t-statistics with t-table or p-value with α (0 .05) where the path coefficient indicates the

form of influence (positive or negative) and the p-value indicates the significance of the influence. The initial hypothesis states that there is an influence of marketing mix actions carried out by managers in VUCA conditions on students' decisions to choose to enter the UIKA Masters in Management. The results of testing the PLS data, show that this is proven, although the effects are not all significant. There is one variable that influences it significantly, namely Customer Service. Meanwhile, the remaining variables, namely Promotion, Product, Price, Place, People, Process and Physical Evidence, do not have a significant influence.

From the eight findings above, a common thread can be drawn, that the marketing mix has a very important role in the operations of a service business, including educational services. According to Hadi et al. (2015), the services marketing mix has an important role as part of company strategy and policy in influencing sales. When making a purchasing decision, a consumer will consider the elements in the services marketing mix so that the company can stimulate consumers to make purchasing decisions regarding the services offered. The services marketing mix can also be assessed as one of the factors that can influence consumer purchasing decisions.

CONCLUSION & SUGGESTION
4.1. Conclusion

Based on the results of this research and discussion, it can be concluded as follows:

1. *The results of data analysis through the SEM-PLS 4.0 multivariate data processing application show that of the 8 (eight) marketing mix variables that are*

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exogenous variables in this research, there is only 1 (one) variable that has a positive and significant influence on student purchasing decisions . This variable is Customer Service which obtained a statistical T value and p value of 3.309 and 0.001 respectively. When compared with the provisions that the T-Statistic value of a research model must be > 1.96 and the p-value must be < 0.05, then these two variables meet the criteria for being variables that have a significant influence on student purchasing decisions. There are 7 (seven) exogenous variables that do not have a significant influence on student purchasing decisions, namely the Product, Price, Promotion, Place, People, Process and Physical Evidence variables. According to the results of data analysis, the T-statistic values of the 7 exogenous variables are below/less than the specified provisions (>1.96). Likewise with the p-value, the 7 variables have values above/more than the specified provisions (<0.05).

2. *The results of the analysis of descriptions related to the marketing strategy of the Master of Management Study Program at Ibn Khaldun University (UIKA) which are in accordance with VUCA conditions, show that the score for the marketing mix variable instrument has a very good and good interval scale category. The variable score values for Product are 4.17 (good), Price 3.93 (good), Promotion 3.83 (good), Place 4.29 (very good), People 4.35 (very good), Process 4.17 (good), Physical Evidence 3.84 (good) and Customer Service 4.24 (very good).*

4.2. Sugestion

Based on the conclusions, the author can suggest the

following things:

1. *Strengthening the promotional variables of the marketing mix strategy carried out by Master of Management managers must be improved, especially through the use of social media and promotional/marketing agents.*

2. *Increasing the quantity of students will certainly not be separated from the quality possessed by universities, because quality is a dynamic condition related to products, services, people, processes and the environment. For this reason, although the research model shows that 7 variables related to quality do not have a significant influence on purchasing decisions, to face and anticipate other VUCA conditions, improving quality must be a concern in the marketing strategy carried out by MM UIKA managers.*

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