

The Impacts Of Marketing Mix Factors On Decisions To Choose Pharmaceutical College Pharmacy

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Abstract: The aim of this study is to analyze the effect of marketing mix factors on the students' decision to choose a Pharmacy College of Jember of East Java, Indonesia. The samples consist of Year I, year II, and year III students amounting to 100 people. Results using multiple regression analysis show that only two factors, namely products and promotion, from the service marketing mix that influence the decision to choose the Pharmacy College of Jember. Further study is needed to use more specific characteristics of students and to use other organizations to test the external validity of the findings reported in this study.

Introduction

Private Higher Education is one of the Higher Education Institutions which has a very tight level of competition, especially at the time of admission of new students. Based on data from Private Higher Education Coordinator Region VII of East Java, until 2017 there were 325 Private Higher Education with a total of 1892 study programs. This situation has made the competition to get prospective students is intensifying. Each institution is required to take actions to win the competition of incoming new students. Thus, the management of the institution shall utilize any type of efforts to succeed in marketing his organization. Achievement of a business is depends on the consumer behavior, because of more intense competition requires universities to emphasize their orientation on how to satisfy customers, as student. Higher education institutions must strive to find out consumer interests by understanding consumer behavior precisely in order to achieve their goals (Tjiptono, 2001). The marketing concept is needed by educational institutions in designing strategies and policies to deal with the intense competition. The concept of marketing has become a necessity for universities if they want to survive and develop in an era of very tight competition (Schuller and Rastinova, 2011). Universities that want maximum student growth and are able to adapt to change, both to student interests and market demands, must use marketing as part of the strategy of an institution (Alipour et al., 2012). This phenomenon occurs not only in the higher education market in Indonesia, but also in the global education market. Higher education at this time leads to consumer needs through regulations stipulated by the government (Brown and Oplatka, 2006).

Therefore, many foreign universities want to enter the Indonesian education market as part of their business development. The marketing function in Indonesia universities has actually been implemented for a long time, but it has not become a special activity and only becomes a part of activities carried out by other fields related to the Three Principles of Indonesian Higher Education. A tertiary institution must be oriented towards student or customer satisfaction to face competition and the smarter prospective students in choosing advanced studies. This goal can be achieved if a higher education institution, especially Private Higher Education, can understand and be able to meet consumer interests. The development of a business is largely determined by the behavior of its consumers (Tjiptono, 1997) Marketing Mix is an easy and flexible marketing communication. Marketing mix in service companies, namely 7P marketing mix (Product, Price, Place, Promotion, People, Process, and Physical evidence). The marketing mix is the most suitable tool used in the service marketing approach, especially in the field of marketing education services (Ioan and Constatin, 2011). The Pharmacy College of Jember is the first and one and only College pharmacy that has been accredited 'B' both the institution and study programs. In the 2018/2019 academic year, Pharmacy College of Jember had a capacity of 354 students. Pharmacy College of Jember strives to introduce the community to its existence in the hope that the student quota can be fulfilled or increased every year Mehboob et al. (2012) explain the dimensions that influence students in choosing a college without involving measuring the influence of dimensions on the decision to choose. Li and Hung (2008) discuss five marketing tactics towards school image in general. marketing mix variables encourages researchers to examine the Jember Pharmacy College as an educational institution. The lack of discussion about marketing mix variables encourages researchers to examine the Pharmacy College of Jember as the first pharmacy College institution in Jember. The results of this study will be a meaningful input for the Pharmacy College of Jember in determining appropriate strategies and steps to be able to compete in the global market and attract students to continue their studies.

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Research Methods

The population of this study are year I, year II, and year III students Academic Pharmacy of Jember the 2018/2019

academic year. The sampling technique in this study used Stratified Random Sampling. There are a total of 100 students selected for being used the samples of the study. This study uses primary data obtained from the distribution of questionnaires to respondents. Distribution of questionnaires is given directly to students to obtain valid and accurate data. The distribution of the questionnaire was carried out directly and awaited. Multiple linear regression analysis is done to prove the hypotheses proposed and see the extent to which products and promotions have an effect on non-independent variables, namely the decision to choose. The multiple linear regression equation is as follows

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \beta_6 X_6 + \beta_7 X_7$$

Where Y is decision to choose, X1 is Product, X2 is Price, X3 is Place, X4 is Promotion, X5 is person, X6 is Process, and X7 is Physical evidence

Result & Observation

Table 1 presents the characteristics of the respondent based on a number of items. As can be seen in the table, only seven out of 100 respondents are male students. The distribution of the students is relatively equal based on their year of intake.

Table 1 Responden Characteristic Description

Responden Characteristic	Description	Jumlah	Percentage (%)
Type	Female	7	7
Gender	Male	93	93
Degree	Student Level I	34	34
	Student Level II	37	37
	Student Level III	29	29

Source : primer data, 2018

Prior to testing the hypotheses, the study perform the three classical assumption test, the normality of model, the homoskedasticity, and the multicollinearity. Our analysis

shows that all the three assumptions are satisfied. Tabel 2 shows the summary of results of test using multiple regression analysis.

Table 2: Results of Multiple Linear Regression Analysis

Variable	Coefisien	t	(p-value)	A	Meaning	Keterangan
Konstan	4,310	1,147	-	-	-	
Product (X ₁)	1,075	3,033	0,003	0,05	S	H1 accepted
Price (X ₂)	-0,221	-1,166	0,247	0,05	TS	H1 rejected
Place (X ₃)	0,016	0,067	0,947	0,05	TS	H1 rejected
Promotion (X ₄)	0,935	3,722	0,000	0,05	S	H1 accepted
People (X ₅)	0,327	1,038	0,302	0,05	TS	H1 rejected
Process (X ₆)	-0,418	-1,368	0,175	0,05	TS	H1 rejected
Physical Evidence (X ₇)	0,307	1,832	0,070	0,05	TS	H1 rejected

Based on Table 2 the results of the seven variables, there are only two significant variables. These two variables are Product Variables (X₁) and Promotion Variables (X₄). The product has a positive and significant effect on the decision to choose (t = 3,033; p = 0,003). Promotion has a positive and significant effect on the decision to choose (t = 3.722; p = 0,000). The other five independent variables are not influential to the decision to choose the Pharmacy College of Jember.

Discussion

Effect of Products on Decision to Choose

Student perceptions of the product were found to have a significant positive effect on the decision to choose. This indicates that the indicators in the product in the form of absorption of graduates and waiting periods to get short jobs can improve the decision to choose. The result of this study confirms that the product is one of the main factors

that influence the decision to choose. The Pharmacy College of Jember must continue to strive so that the graduates produced are competent and bridging between graduates and stakeholders. It is expected that graduates can easily get jobs that will improve their decision to choose. Product variables have two indicators. From the two indicators, it is known that the indicator of market absorption towards good graduates has a higher average score of perception than the waiting period indicator of getting a short job. This means that the Pharmacy College of Jember must place more emphasis on indicators that have a lower average perception value. This finding supports the theory of the importance of products to the decision to choose. As stated by Kotler and Armstrong (2013), products function to attract attention, takeover, use, and consumption to satisfy consumer needs. Empirically the results of this study are in line with previous research conducted by Widjaja and Purnama (2016) which states that the product has a positive effect on the decision to choose a college. So, it can be concluded that the decision to choose the Pharmacy College of Jember is influenced by the products offered.

Price Influence on Decision to Choose

Student perceptions on Price were found to have no effect on the decision to choose. Price variable coefficient (X₂) is found to be negative. This indicates that the indicators in prices in the form of affordable primary education costs, additional affordable education costs and flexible tuition payment systems are not able to improve the decision to vote. The result of this study confirms that the price given cannot add to the decision to choose. The price variable has three indicators. Of the three indicators, it is known that the indicator of affordable primary education (SPP) has a higher average value of perception than the indicator of additional education costs (development money, laboratory costs) is affordable and the system of payment of education costs (SPP, development money, laboratory fees) flexible. This means that students perceive the Pharmacy College of Jember to have affordable tuition fees and not be a factor to be considered when students decide to choose to enroll in the Pharmacy College of Jember. Shah and Nair (2010) stated that price as a representation of a value is related to the use and quality of a product, as well as the image formed through distribution and service networks. Empirically, the results of this study are not in line with previous research conducted by Widjaja and Purnama (2016) which states that prices influence the decision to choose a college. So, it can be concluded that students are more influenced by other factors than the price factor when deciding to choose the Pharmacy College of Jember.

Effect of Location on Decision to Choose

Student perceptions on the location were found to have no effect on the decision to vote. This indicates that campus location indicators are easily accessible and reachable by public transportation and educational institutions have websites / sites that are easily accessible as information providers unable to improve their voting decisions. Location variable (X₃) has two indicators. From the two indicators, it is known that indicators of educational institutions have websites / sites that are easily accessed as information providers have higher average scores than campus location

indicators are easily accessible and reachable by public transportation. That is, although location factors are easy to reach but not able to improve the decision to choose. Thus, the Jember Pharmacy College must emphasize indicators that have lower perceptions. Tjiptono (2014) stated, place or distribution decisions that facilitate access to services to customers. Empirically the results of this study are not in line with previous studies conducted by Alipour et al. (2012) which states that location influences the decision to choose a college. So, it can be concluded that the location has no effect on the decision to choose the Pharmacy College of Jember.

Effect of Promotion on Decision to Choose

Student perceptions on Promotion were found to have a significant positive effect on the decision to choose. This indicates that the indicators in promotion in the form of advertising information delivery, educational institutions conducting public relations activities and educational institutions interact directly with prospective students and prospective student schools are able to improve their decision to vote. The results of this study confirm that the promotion carried out proved attractive so that it can add to the decision to choose Promotion variable (X₄) has three indicators. Of the three indicators, it is known that the indicators of educational institutions conducting public relations activities (such as events and visits) have a higher average perception value than the indicators of the delivery of information on advertising (through newspapers, tv, radio, brochures) and educational institutions. with prospective students and in prospective student schools. As stated by Butterick (2011), promotion is an activity that uses techniques under the control of the seller or manufacturer, to convey information about products offered directly or through other parties to influence buyers. Empirically, the results of this study are in line with previous research conducted by Shah and Nair (2010) which states that promotion influences the decision to choose a college. So, it can be concluded that promotion influences the decision to choose the Jember Pharmacy College.

Influence of People on Decision to Choose

Student perceptions on people were found to have no effect on the decision to vote. This indicates that the indicators in the form of qualified lecturers, competent administrators and administrative personnel and staff of educational institutions have competencies that are in accordance with their fields unable to improve their decision to vote. Person Variable (X₅) has three indicators. Of the three indicators, it is known that indicators of educational institutions having qualified lecturers have higher average scores than indicators of educational institutions having competent administrators / leaders and administrative staff and staff (Education Personnel) educational institutions have competencies that are in accordance with their fields. This means that the Pharmacy College of Jember must put more emphasis on indicators that have low perceptions Tjiptono (2014) states that in-service marketing, people function as service providers that have an influence in determining the level of quality of services provided. Empirically the results of this study are not in line with previous studies conducted by Alipour et al. (2012) which states that people influence the decision to choose a college. So, it can be concluded

that people do not influence the decision to choose the Pharmacy College of Jember.

Effect of Process on Decision to Choose

Student perceptions of the process did not affect the decision to choose. This indicates that the indicators in the process in the form of clear and timely lectures and fluent administrative services are unable to improve the decision to vote. Person variable (X6) has two indicators. From the two indicators, it is known that the indicators of current administration services have a higher average value of perception than the indicators of lecture implementation (learning process) are clear and timely. This means that the Pharmacy College of Jember must put more emphasis on indicators that have a low perception average. That is, students have not felt the implementation of lectures is clear and timely. So that it can be concluded that the process factor does not improve the decision to choose. Empirically the results of this study are not in line with previous research conducted by Drewees and Michael (2010), the process has a direct influence on the decision to choose. As research conducted by Widjaja and Purnama (2016) which states that the process affects the decision to choose a college. In this study it was concluded that the process did not affect the decision to choose the Jember Pharmacy College.

Effect of Physical Evidence on the Decision to Choose

Student perceptions of physical evidence (X.7) were found to have no effect on the decision to vote. This indicates that the indicators in physical evidence in the form of building design / style and classrooms combine aesthetics and functionality, facilities and infrastructure that support well and the availability of high technology (modern) both are unable to improve the decision to choose. The results of this study confirm that the existing physical evidence cannot add to the decision to choose. Process Variable (X7) has three indicators. Of the three indicators, it is known that indicators of supporting facilities and infrastructure (halls, libraries, laboratories, places of worship, parking lots) both have higher average values of perception than indicators of building design / style and classrooms blending aesthetics and functionality. and Availability of good high-tech devices. This means that the Pharmacy College of Jember must put more emphasis on indicators that have a low perception average. The results of this study are different from the results of the research of Mehboob, Shah and Butto (2012) which state that facilities significantly influence the decision to choose. Empirically the results of this study are not in line with previous studies conducted by Alipour et al. (2012) which states that physical evidence affects the decision to choose a college. So it can be concluded that physical evidence does not affect the decision to choose the Pharmacy College of Jember.

Conclusion

In summary, the result of this study examines the effect of the product, price, location or place, promotion, people, process, physical evidence of the decision to choose the Pharmacy College of Jember. Sample of this study was 100 respondents from first, second and third level. Data obtained were analyzed using multiple linear regression

analysis. Based on the results of the analysis and discussion can be concluded such as:

- a. Service marketing mix factors that have an influence on the decision to choose the Jember Pharmacy College are product factors and promotion factors. Products and Promotions have a significant and positive influence on the decision to choose.
- b. The product has a significant and positive influence on the decision to choose. These results reflect that the products produced by the Pharmacy College are in accordance with stakeholder needs.
- c. Promotion has a significant and positive influence on the decision to choose. This result shows that the promotion strategy carried out by the Jember Pharmacy College has been effective and right on target. The information submitted was able to increase the number of student interests in choosing the Pharmacy College of Jember.

Research limitation

There are two things that should be observed and can be stated as limitations of research.

1. The majority of respondents in this study were female, so the results could not reflect a balanced perception between female students and students.
2. Almost one third of respondents were first level students believed to not fully be able to judge properly because they were only through lectures in the first year.

Suggestion

Based on the results and conclusions of the research, the suggestions that can be given both to the next researcher or to the institution are as follows. Firstly, for the researchers, it is expected that in the next study the respondents used can be balanced between male and female students, and it is expected that the next study will use respondents in one college class. For the Pharmacy College of Jember, it is expected to increase the interest of prospective students to choose the Pharmacy College of Jember as an educational institution by paying attention to price factors, location factors, people factors, process factors and physical evidence factors which from the results of these five variables have a low average value.

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