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RESEARCH ARTICLE

The Effect of Services Marketing Mix and Customer Value on Satisfaction, Trust, and Loyalty

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Abstract

This study was aimed to find the effect of Service marketing mix, customer value, satisfaction, and trust on students loyalty at the private universities in Kopertis Region III Jakarta. Research design used is a combination of verificative research and descriptive research based on survey approach. Research sample was 300 students from 10 private universities in Jakarta, 30 students taken from each university. Sampling technique is done by means of simple random sampling (SRS). The method of analysis used descriptive statistics on average, the proportions and chi-square as well and structural equation modeling method for hypotheses testing. This study concluded that Service marketing mix, customer value, satisfaction, and trust affect students loyalty. However, this study did not find any evidence of the student satisfaction effect on student loyalty.

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INTRODUCTION

Public awareness on the importance of education has driven the demand for education services, particularly higher education. Act 1945 of Indonesia Section 31 obliges the government to provide education for all Indonesian citizens. However, due to budget constraints owned by the government that only 20% of the state budget, the government gives an opportunity for the private sector to participate in managing education, so that people know the status of public schools and private schools. The opportunities provided by the government was greeted with enthusiasm by the business of private education services. The result is fierce competition in the educational services industry, particularly among private universities.

Referring to APTISI (2013), the number of higher education institutions in Indonesia amounted to 3,184 of about 3,100 private colleges and 84 state colleges. Nuh (2014) explains that since Indonesia's independence until 2009 in Indonesia there are only 84 state colleges, but in 2014 had increased to 120 state colleges. That is, there are 36 new state colleges for five years. Based on data from the Coordinator of Private Colleges in region III (Kopertis/ 2014), the amount of private colleges in Jabodetabek (Jakarta-Bogor-Depok-Tangerang-Bekasi) until the end of 2013 reached 336 institutions.

In the context of higher education, building student loyalty is not an easy task, because in reality has many challenges that require hard work and austerity strategy. Loyalty is built up through many factors, among which are the marketing mix, customer value, satisfaction, and trust. The first is the marketing mix. Zeithaml and Bitner (2011a) and Bateson and Hoffman (2008a) agree that the marketing mix refers to a set of marketing tools used by the organization or company to continuously realize marketing purposes. The instrument formulated with 7P, namely: product, promotion, price, place, people, process, and the physical evidence. While Lovelock and Wright (2011a) suggested the formulation 8P for marketing services with additional "1P" of productivity and quality. However, the discussion in this study is limited only to the concept of the seven elements of marketing mix.

The second factor that may affect student loyalty is customers value, or in this case is the value perceived by the students. According to Kotler and Keller (2012a), customer value is the difference between all the benefits of the evaluation of prospective customers and all the costs of certain bids and alternatives are considered. Arkon (2006a) and Grönroos (2007a) states that the value of the customer also refers to a set of economic benefits, functional, and psychological, which is expected by the customer on a particular market offer.

The third factor is the student satisfaction. Students will feel satisfied if the university can meet the expectations and interests. If college students can meet the goals, then the students will continue to use its products or services. Lovelock and Wright (2011b) argues that customers will be satisfied in the consumption of goods or services offered by the company if baranga or services that are consumed in accordance with the customer's expectations and objectives.

The fourth factor affecting loyalty is trust. Zeithaml and Bitner (2011b) argues that the existence of customer confidence to producers provider of goods or services that have been consumed by the customers is an important pillar that will strengthen customer loyalty. In the context of this study, the establishment of self-confidence in students to college will strengthen loyalty.

The results of pre-study to 110 universities' students find gaps phenomena, including indications of problems associated with loyalty, satisfaction, trust, marketing mix, and customer value. Confidence of students to private universities where they studied and values that has been obtained from the study (consumer value) is still problematic. Results of these studies indicate that pre more than 50% (between 56.79% to 61.40%) of respondents doubted their ease in finding a job soon after graduating from college, doubting their pride in being a student at the college where they learn, their understanding of the doubt science they have learned, to doubt the objectivity of the faculty in judging; and dubious fit between the cost of the education they incur and the quality of education they receive.

The Concept of Services Marketing Mix

Gitman and McDaniel (2009) describe the services marketing mix as a mix of product offerings, pricing, promotion, distribution, people (employees and consumers) who participated in the creation of customer value. The combination of these activities is expected to be the success of marketing activities undertaken by the company's services. While, Kalb (2007) simply explains that marketing mix is a combination of top integrated marketing strategy used to achieve marketing objectives. Some important things that need to be understood are the marketing strategy and marketing plan services. The marketing strategy includes many things such as promotions, choosing distribution channels, pricing, and also the choice of location, employees, consumers, how to process and physical evidence. The combination of various marketing strategies are demonstrated mix or mix of services marketing. Various strategies are made to realize the various plans that have been established in the company's marketing program services.

Kotler and Keller (2012b) and Lamb, Hair, and McDaniel (2012a) revealed that marketing mix is a set of marketing tools used by the company to achieve its marketing objectives. Marketing mix shows the combination or fusion of different strategy or set of marketing tools aimed at realizing the marketing plans set by the company. Cravens and Piercy (2009) describe the company's marketing strategy as a step which includes analyzing, developing strategies, and implement it in order to build a vision about the market that can provide benefits to the company.

The marketing strategy involves choosing the right target market, development, implementation, and management of corporate positioning programs designed to meet the requirements of customer value in each target market. The final goal of the marketing strategy is not focused on increasing sales, but rather on enhancing the performance of the company. The emphasis of the marketing mix in marketing activities that become the spearhead for the company to earn a profit. According to Hamid (2011), the marketing field of higher education is a social and managerial process in which individuals and groups obtain what is needed and wanted by creating, offering and exchanging valuable educational services to individuals or groups.

Marketing mix including education services have been set consists of seven elements: product, where, price, and promotion, implementers, process, and physical evidence, as proposed by Booms and Bitner (1981), Heuvel, J (1993) and Doyle (1994). While the marketing mix including higher education services, used also by Anton (2007), Fitzsimmons and Fitzsimmons (2011), Grönroos (2007a), and Zeithaml and Bitner (2011c). Although there is an additional "1P" more from Lovelock and Wright (2011a), namely productivity and quality, but as stated earlier, the discussion in this study is limited only to the seven elements of marketing mix concept.

The concept of Customer Value

Berry and Parasuraman (1997a) states that the value of the customer reflect the expectation attributes or preferences of customers that would affect the purchase. More comprehensive, consumer-perceived preferences include an evaluation of the three levels of attributes, namely product attributes, consequences, and goals that arise as a consequence of the use of goods or services. Given that customer value is dynamic, Berry and Parasuraman (1997b) suggested that progress needs to be monitored continuously over time as a resource of information for the company or institution.

Joo (2007a) states that the value of customers can be a customer purchases an exchange between what is acceptable and what is sacrificed. What are the expectations and needs of customers is a fundamental element of customer value creation. Customer value is something fundamental covering all marketing activities carried out by the institution. This is important because customer value is the ratio between the whole marketing activity of the company or institution and competitors. The higher the degree of customer value, the higher the degree of motivation of customers to buy products or use services offered by the institution. In line with Joo (2007b), Kotler and Keller (2012c) also describes the customer value as the difference between the evaluation of prospective customers all the benefits and all the costs of certain bids and alternatives considered. Total customer value is considered a monetary value on a set of economic benefits, functional, and psychological, which is expected by the customer on a particular market offer. While the total customer cost is a set fee that customers expect to be issued in order to evaluate, acquire, use and dispose of certain markets offer. Further stated that also the ratio between the value of what is obtained with any given customer.

Joo (2007c) and Kotler and Keller (2012d), Ulaga and Eggert (2006a) convey a trade-off between benefits and sacrifices are better in the product or service compared to the competition will help the company or institution to enhance the creation of sustainable competitive advantage. Products or services offered by the institution will be successful if it delivers value and satisfaction to the target buyer. Buyers choose among a wide variety of bids that are considered to provide the most value.

Referring to (Yang and Peterson, 2004), the basic foundation for the forming of a value is the measurement of market orientation. According to Slater and Narver (1994), customer value is the perceived quality of customers that are tailored to the relative prices of the products produced by a company. Butz and Goodstein (1996) explains that the value of customers can be seen as an emotional bond formed between customers and manufacturers. Once customers use a product or service important produced by the manufacturer and find these products provide an additional value.

Daniel (2012a) measures the value of customers using the four dimensions, namely the advantages of goods or services that are perceived (perceived product benefits), gain strategic perceived (perceived strategic benefits), personal favors perceived (perceived personal benefit), and sacrifice the perceived (perceived product benefits). The perceived benefits of a product such as performance, quality, reliability, and security. Strategic advantages such as in the form of skills, competencies, and new products. Personal advantages like fun, satisfying, and personal values. While the sacrifices in the form of time, effort, and price.

Mosavi and Ghaedi (2012) measure customer value using 5 (five) dimensions, namely perceived sacrifices, the losses resulting from a product or service because of rising costs in the short and long term, monetary value, which is derived of the fulfillment of duties and financial advantage or superiority compared to the alternatives, value comfort (convenience value), which indicates the ease and speed of achieving the tasks effectively and comfortably, emotional value, which is the prospect of uses may be obtained from the result of eating products or services, and the social value which is derived from the ability of the product to improve the social self-concept.

Gale (2013) measures customer value using the six dimensions: products related to the main goods or services sold; consumer services such as care for the consumer activity that supports the delivery of goods or the main services; relationship, namely knowledge pertaining to individual consumers; brand; price, the price that consumers pay for the transaction; and other costs.

The concept of Customer Satisfaction

Chan et al. (2003) classify consumer satisfaction into three perspectives, namely based on product attributes, the seller and the consumer experience. Based on the product perspective, Best (2002a), Kotler and Keller (2012e), and Parasuraman and Grewal (2000) explain that customer satisfaction is a response to the evaluation of the perceived difference between the expectations and the perceived performance of a product. Based on the seller's perspective, Andreason and Kotler (2008a), Best (2002b), Oliver (1997), as well as Bateson and Hoffman (2008b)

essentially explains that consumer satisfaction is an evaluative assessment after eating a particular purchase occasion. Based on the consumer's perspective, Arkon (2006b), Grönroos (2007b) and Fornell (1992a), Johnson (2007c) directs an understanding on a comprehensive evaluation based on the total purchase and consumption experience with a product from time to time. While Zeithaml and Bitner (2011c) describe that customer satisfaction constructed by the perceived value as consumers' overall assessment of the usefulness of a product/ service is based on the perception of what has been gained.

Methods

The design used in this study is a combination of descriptive research and verification. Descriptive research is intended to obtain a description of the characteristics of a variable, while the verification study aims to determine the relationships between variables through a hypothesis testing. the method of collecting data through a survey approach. Kerlinger and Lee (2000) suggested that the survey is a research used in populations large and small, but the data studied are data from a sample that represents the population, so found the events relative, distribution and relationships between sociological and psychological variables.

Research Population and Sample

Data subjects of this study are 10 private universities in Jakarta which has a bachelor (S1) course of management/accounting that has an A accreditation. The study population numbered approximately 1.200 students from all of the selected universities. The research sample was taken by purposive sampling with the minimum criteria to be active students in semester 5 (five), so that a sample of 300 college students found as the unit of analysis. Referring to Hair et al. (2010a), the sample size is adequate for entry in the 200-300 range as required by the SEM method using lisrel application. Thus the study program in Management and Accounting at each university will be represented by each 15 students so that each university is composed of 30 students.

Research Hypotheses

- H₁ : Services marketing mix affects student satisfaction.
- H₂ : Services marketing mix affects student confidence.
- H₃ : Services marketing mix affects student loyalty.
- H₄ : Customer value affect students satisfaction.
- H₅ : Customer value affects student confidence.
- H₆ : Customer value affects student loyalty.
- H₇ : Student satisfaction affects student confidence.
- H₈ : Student satisfaction affects student loyalty.
- H₉ : Student confidence (Trust) affects student loyalty.
- H₁₀ : Services marketing mix affect loyalty through student satisfaction and trust (student confidence) as intervening variables.
- H₁₁ : Customer value affect loyalty through student satisfaction and trust (student confidence) as intervening variables.

Research Model

Descriptive Analysis

This analysis is intended to describe the variables of research using descriptive statistics: (a) based on the statistical proportion; (b) based on weighted average statistics (Rs); (c) by chi-square (χ^2); and (d) validity and reliability of the instrument. Validity test is done to look for correlations between each item with the total item, where the total of the items prior to correction. The formula used: $r_{tt} = n(r) / (1 + (n - 1)(r))$. If the correlation is not significant, the item question can not be used. Reliability test done to measure the level of consistency of the instrument, using Cronbach's Alpha test, using the following formula:

The amount of grain variance is determined by finding the value of the variance of each item, then sum it.

$$r_{11} = \left(\frac{k}{k-1} \right) \left(1 - \frac{\sum \sigma_b^2}{\sigma_t^2} \right)$$

Verificative Analysis

Verificative analysis aimed to examine the relationships between the variables, in this study using the method of Structural Equation Modeling (SEM) aided by software lisrel Version 8.8. According to Hair et al. (2010b) SEM is a statistical technique for multivariate analysis indicator variable, latent variable, and measurement error variable. This model can be used to test whether the theories proposed in accordance with empirical models, so the SEM analysis in accordance with the verification study combines empirical data and theory. This study has been carried out measurement model test.

a. Structural Equation Models:

$$\begin{aligned}\eta_1 &= \gamma_{11} \xi_1 + \gamma_{12} \xi_2 + \zeta_1 \\ \eta_2 &= \gamma_{21} \xi_1 + \gamma_{22} \xi_2 + \beta_{21} \eta_1 + \zeta_2 \\ \eta_3 &= \gamma_{31} \xi_1 + \gamma_{32} \xi_2 + \beta_{31} \eta_1 + \beta_{32} \eta_2 + \zeta_3\end{aligned}$$

b. The Measurement Model Equations:

$$X = \lambda x \xi + \delta$$

where :

Y = the indicator of endogenous variables

λy = the loading factor of endogenous indicator

η = endogenous latent variable

ε = error of endogenous variable

$$Y = \lambda y \eta +$$

where:

Y = indicators of endogenous variables

λy = loading factor of endogenous indicator

η = endogenous latent variable

ε = error of endogenous variables

Results and Discussion

Figure 1: Scematic Research Model

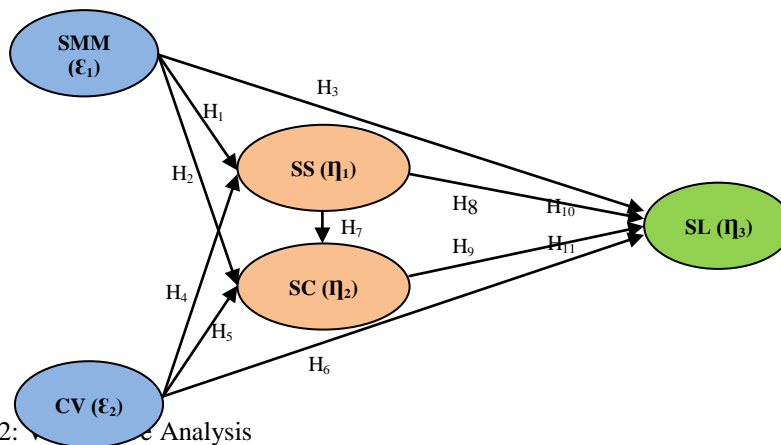


Figure 2: Verificative Analysis

Gambar 1. Model Penelitian

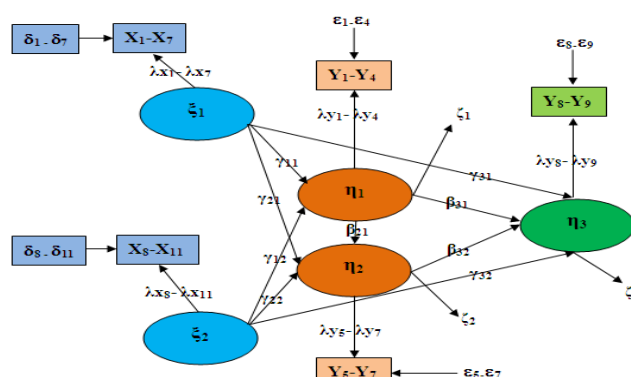
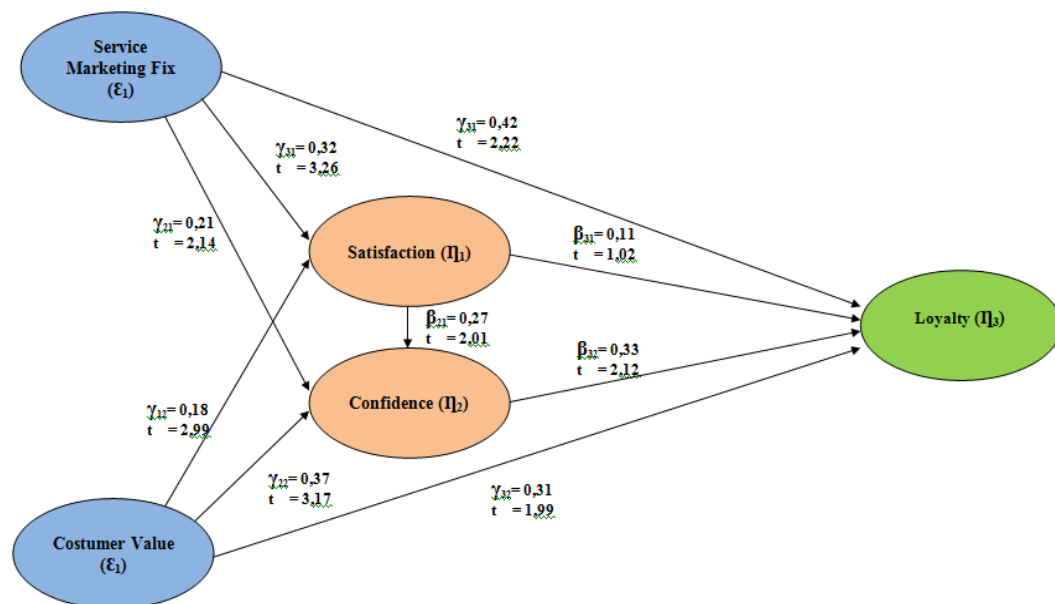


Table 1: Statistics of the Average Investigated Aspects

| No. | Investigated Aspects | Average | Deviation Standard | Response Value |
|-----|-------------------------------|---------|--------------------|----------------|
| 1 | Promotion | 4.0233 | 0.77 | not positive |
| 2 | Product | 4.5860 | 0.69 | positive |
| 3 | Distribution | 4.8178 | 0.49 | positive |
| 4 | Price | 5.3611 | 0.67 | positive |
| 5 | Human Resource | 4.7417 | 0.77 | positive |
| 6 | Process | 4.5200 | 0.68 | positive |
| 7 | Physical Evidence | 4.6850 | 0.94 | positive |
| | Services Marketing Mix | 4.6764 | 0.30 | positive |
| 8 | Transparency | 4.4150 | 0.90 | not positive |
| 9 | Partnership | 3.9650 | 0.97 | not positive |
| 10 | Emotion | 3.8933 | 0.94 | not positive |
| 11 | Brand | 4.8850 | 0.69 | positive |
| | Customer Value | 4.2896 | 0.67 | not positive |
| 12 | On time | 4.4417 | 0.88 | positive |
| 13 | Cost | 4.8033 | 1.00 | positive |
| 14 | Complaint handling | 3.8683 | 0.66 | not positive |
| 15 | Proximity relations | 4.1567 | 0.95 | not positive |
| | Student Satisfaction | 4.3100 | 0.39 | not positive |
| 16 | Integrity | 4.2983 | 0.84 | not positive |
| 17 | Competence | 4.6083 | 1.01 | positive |
| 18 | Consistency | 4.5783 | 0.92 | positive |
| | Confidence | 4.4950 | 0.57 | positive |
| 19 | Attitude | 4.5100 | 1.07 | positive |
| 20 | Action | 4.1400 | 0.53 | not positive |
| | Loyalty | 4.3250 | 0.62 | not positive |

Source: Analysis outputs

Figure 3: Hybrid Models of the Research Results

1. Results of Descriptive Analysis

The questionnaire analysis results found a number of problematic items as follows.

- a. Unequal between theory and practice in the course material contents.
- b. Inadequate services for students in library, language laboratory, and computer laboratory .
- c. Not competing tuition fees for the courses.
- d. Less smooth flow of information from institution information center to students.
- e. Less realistic tuition fees increases periodically.
- f. Lack of professional of non-academic staff in serving students.
- g. Less ideally student attitudes.
- h. Less optimal learning process in the classroom and in the laboratory.
- i. Inadequate classroom and library facilities.
- j. Lack of transparency in assessing assignments and exams as desired by the students.
- k. Lack of students involvement in the faculty research activities.
- l. Lack of availability of a complaint procedure for students.
- m. Lack of information from students about the college and study program where they studies.
- n. Not immediatey students extent their higher level of study in the same college.

2. Results of Verificative Analysis

$$\text{a. SC (Trust)} = 0.27 * \text{SS} + 0.21 * \text{SMM} + 0.37 * \text{CV}, \quad R^2 = 0.68$$

| | | | | |
|---------|---|------|------|------|
| t value | : | 2.01 | 2.14 | 3.17 |
|---------|---|------|------|------|

The value of student confidence (trust) is affected by consumer satisfaction 0.27; affected by the services marketing mix 0.21; and influenced by customer value 0.37. The whole big influence is significant because the t value above the t table for α of 5 percent as of 1.96.

The value of the determinant, ie variation in student confidence (SC) is contributed by variations in the value of student satisfaction (SS), services marketing mix (SMM), and consumer value by 68 percent.

$$\text{b. SS (Satisfy)} = 0.32 * \text{SMM} + 0.18 * \text{CV}, \quad R^2 = 0.59$$

| | | | |
|---------|---|------|------|
| t value | : | 3.26 | 2.99 |
|---------|---|------|------|

The value of student satisfaction is affected by the services marketing mix 0.32; and influenced by customer value 0.18. The whole big influence is significant because t value above the t table for α of 5 percent, which is 1.96.

Value of the determinant, ie variation in student satisfaction is contributed by services marketing mix and customer value by 59 percent.

$$\text{c. SL (Loyalty)} = 0.33 * \text{SC} + 0.11 * \text{SS} + 0.42 * \text{SMM} + 0.31 * \text{CV}, \quad R^2 = 0.52$$

| | | | | | |
|---------|---|------|------|------|------|
| t value | : | 2.12 | 1.02 | 2.22 | 1.99 |
|---------|---|------|------|------|------|

The value of student loyalty influenced by student confidence (trust) 0.33; student satisfaction 0.11; services marketing mix 0.42; and customer value 0.31. Almost all of the whole big influence is significant because t value above the t table for α of 5 percent, which is 1.96, unless student satisfaction which has t value less than the t table.

Value of the determinant, namely student loyalty variation is explained by variations in the student confidents, student satisfaction, service marketing mix, and customer value by 52 percent.

3. Results of Hypotheses Testing

a. The Effect of Service Marketing Mix on Student Satisfaction

The results revealed that the services marketing mix positively affect the students satisfaction. It means that the higher the quality of the marketing mix, it will be increasingly high level of students satisfaction as

their expectations are met to the performance, and vice versa. Performance educational services that were examined by the marketing mix should be optimally pursued, but it do not need promises or excessively promoted. Excessive promotion may increase expectations. If expectations can not be fulfilled, then the disappointment or dissatisfaction will students receive. The perceived value of the marketing mix of students rather good only at the level of student satisfaction and the value has not been assessed positively, then a challenge for management to improve the satisfaction.

This study reinforces a number of previous studies conducted by Leonnard et al. (2013), Lim (2008), Lili et al. (2011), Adey (1997), Silke and Kauffmann (2006), Chun and Chen (2014), Jose and Vasquez-Parraga (2009), Nick (2001) and Nguyen (2012), that the marketing mix positively affect the satisfaction in higher education services.

b. The Effect of Service Marketing Mix on Student Confidence (Trust)

The results revealed that the marketing mix of education offered by institution and accepted by the students has a positive effect on the students confidence (trust). The higher the quality of the marketing mix, the higher the confidence level of students will be, and vice versa. Trust as a willingness among individuals to mutually rely on each other, and it arises as a result of the perception of the credibility of a person to another person. Therefore, the credibility of the study program must do good things with regard to the promised service marketing mix in order to increase trust significantly. The value of students' perceptions on the marketing mix at a rate slightly better and the confidence level they are at a level rather well too. It is clear that efforts to improve marketing performance is needed. This study supports previous studies in the field of education done by Amit, Whipple and Brian (2001), Jose and Vasquez-Parraga (2009), and Omar, Nazri and Yang (2009), that the marketing mix significantly has a positive effect on student confidence (trust).

c. The Effect of Service Marketing Mix on Student Loyalty

The results revealed that the marketing mix of services offered and consumed by the students influence the loyalty of students to the college. The higher the quality of its marketing mix, it will be the higher level of loyalty of students, and vice versa. One can set the level of loyalty to the product or to the manufacturer even without seeing the level of satisfaction because in certain situations the availability of the primary products required more from having a sense of satisfaction. The need for the same products as well as variants of the product provided that the manufacturer must be met, may not be associated with a sense of satisfaction or dissatisfaction.

In the case of the existence of the student loyalty to the study program and the university that have been heavily dependent on the performance of the marketing mix. Results of this study stating that the performance of marketing mix assessed somewhat good, while the loyalty of students approaching toward somewhat better, so the marketing performance must be improved. Improving the quality of higher education can be referred based on quality standards as reflected in the form of national accreditation by the Accreditation Board, may be perceived differently by some students. The results support the hypothesis that the marketing mix affect consumer loyalty. This is in accordance with the results of some previous studies, which have been performed by Nina and Brooks (2008), Nick (2001), Leonnard et al. (2013), Frances (2009) and Olivera (2011).

d. The Effect of Customer Value on Student Satisfaction

The results revealed that the students perceived customer value positively affect student satisfaction. The higher the value of the customer, it will be increasingly high level of student satisfaction. Vice versa, when the customer, the lower the value the lower the level of loyalty of students. The impact of increasing customer value will have an impact on student satisfaction. Increased student satisfaction is a situation that is expected by the management of the university. Based on the results, that the rate customer value preceived by students is still disappointing due to the low of marketing performance, and so did the level of satisfaction is still disappointing, so both should be pursued to be improved. Previous research in the field of education by Wong and Ho (2011), Brown (2006), and Rene, Weinstein and Abratt (2009) states that there is a significant effect of customer value (the students) to the satisfaction of the consumers (students).

e. The Effect of Customer Value on Student Confidence (Trust)

The results revealed that the value of customer (student) influence on their trust in the program of study and university. The higher their perceived values during the study, the higher their trust in the existence of the university, and vice versa. A sense of pride as a student, and a lucky guess on what they receive compared to what has been sacrificed is some of the customer value. Therefore, to build and enhance customer value of the students should be planned and carried out intensively while maintaining the ability of available resources. In accordance with the research results, it is known that the student perceived value is low. It means that they feel the benefits received is still negative compared to the sacrifice incurred. This study supports the previous study done by Leonard et al. (2013), Amit, Whipple and Brian (2001), Chun and Chen (2014), Liza and Jiewanto (2012), that customer value affect customer confidence in educational institution.

f. The effect of Customer Value on Customer Loyalty

This study found that the students perceived value affect student loyalty. The higher the value of the customer, it will be the higher level of loyalty of students on the course and university, and vice versa. Customer value is a customer purchases an exchange between what is acceptable and what is sacrificed. What are the expectations and needs of customers is a fundamental element of customer value creation. Customer value is something fundamental to be formulated based on all the marketing activities of the company. Therefore, study programs should improve the quality of teaching and learning processes that arise pride of the students that what they receive and what they sacrificed much of what they receive. This study found that the value of the customer is still at a level that has not been positive or still disappointing and so did the level of student loyalty. This study reinforces previous research conducted by Liza and Jiewanto (2012), Bahram, Rad and Asgari (2012), and Wong and Ho (2011). They also found that customer value affect customer loyalty in the higher education sector.

g. The Effect of Customer Satisfaction on Customer Confidence (Trust)

The results showed that student satisfaction affect the confidence of students to courses and university where they studied. The more satisfied students on the learning process will increased their trust in the presence of the university, and vice versa. Therefore, the students satisfaction must also be increased by the university to meet their expectations. It is expected to build trust not only students confidence but also the confidence of society at large to the university. Therefore, a form of attention on increasing the marketing mix are the responsibility of management needs to be improved continuously. This study supports previous researches in the field of education done by Amit, Whipple and Brian (2001), Jose and Vasquez-Parraga (2009), Roostika and Ratna (2011), and Dagger, Tracey and O'Brien (2010), that customer satisfaction has a significant and positive effect on the customer confidence.

h. The Effect of Customer Satisfaction on Customer Loyalty

The results showed that the satisfaction of the students had no effect on student loyalty, especially in the unwillingness of students to extend their studies in the graduate program at the same university. It indicates that the level of student satisfaction has not been optimal, because of the relatively high level of satisfaction will have an impact on loyalty. To ensure a high level of satisfaction, that is what is expected of students can be met, then the university should improve services related to the obligations of the university as a college grade, which is related to the following aspects: product, price, place, promotion, people, process and physical evidence. Product aspects, among them that the curriculum and the process of interaction of students and lecturers should be in accordance with the objectives of the curriculum. Price or cost aspects of a student's study of them in accordance with the service received. Place or location of which the atmosphere of the campus environment should still be considered and maintained forget. Similarly, the Promotion, including positive information about the university should be disseminated to the public so that students will feel proud. People, namely the employees both employees of academic (lecturer), non-academic, and the university management must have the motivation, ability to work, and competence good over his duties. In the case of Process aspects, especially the process of academic services directly or indirectly should be improved in order to achieve the level of quality of learning process, especially with regard to lecturers and laboratory personnel in the transfer of education. Lastly, in terms of Physical Evidence, employee

performance, facilities and infrastructure in the classroom and in the campus environment should also be improved to make it look satisfactory in the eyes of students.

This study reinforces some previous researches conducted by Ostergraad and Kristensen (2010), Anderson and Srinivasan (2003), and Omar, Nazri, Abu and Yang (2009). They also failed to find any evidence that prove the effect of customer satisfaction on customer loyalty.

i. The Effect of Customer Confidence (Trust) on Customer Loyalty

The study results revealed that the confidence of students positively affect the students' loyalty to the study program and universitas study. The higher the level of confidence of students to study programs and university where they studied. It means that the higher students confidence, the higher level of their loyalty, and vice versa. Confidence or trust as a willingness of one party to the other party to rely on each other. If it turns out in the future trusted party meets what is promised, it will prove that the party is worthy reliable or trustworthy. Therefore, an increase in the confidence of students in study programs and universities can occur when aspects of their supporters, especially aspects of the marketing mix can also be improved to enhance the institution performance. This study supports previous researches done by Leonnard et al. (2013), Liza and Jiewanto (2012), Brown (2006), Nina and Brooks (2008), as well as Nor, Nazri, Abu and Yang (2009). They found that confidence significantly and positively affect the loyalty.

j. The Effect of Service Marketing Mix on Student Loyalty through Satisfaction and Trust

The performance of marketing mix in education has an impact on student loyalty in different aspects. This study has already found the direct effect of marketing mix on student satisfaction, student confidence, and student loyalty. In the indirect effect of marketing mix on student loyalty, it found that the impact of marketing mix on student loyalty through student satisfaction and student confidence as intervening variable was less than the direct effect of marketing mix on student satisfaction and student confidence. The meaning of this statement is that the student must be adjusted to the satisfaction of the the marketing mix performance that are strongly correlated, as well as the level of loyalty. With the adjustments that will impact or relate strong, the greatest effect will increase even exceed direct influence of marketing mix on loyalty.

k. The Effect of Customer Value on Student Loyalty through Satisfaction and Trust

The high or low customer value will have an impact on various aspects, which in this study the immediate effects of customer value to the student satisfaction, student confidence and loyalty of students. In terms of its impact on student loyalty, customer value, directly or indirectly impacted by aspects of student satisfaction and student confidence. Known based on the research, directly impact customer loyalty value is greater than the indirect impact of the customer value on customer loyalty through student satisfaction first. The meaning of this statement is that the student must be adjusted to the satisfaction of customer value in order to have a strong correlation, as well as the level of loyalty. With the adjustments that will impact or relate strong, the greatest effect will increase even exceed the direct influence of the value of customer loyalty. Similarly, the impact of the value of customer loyalty student. Based on the results which revealed that the direct effect of customer loyalty value is greater than the influence through student confidence. Thus, aspects of student confidence level must be adapted to customer value in order to have a strong relationship, and adapted well to the loyalty of students to have a strong relationship.

Conclusion

Based on descriptive statistics analisis known question items that has been assessed positively by the students. However, quite a lot of question items that are not positively assessed by the students. Based on statistical analysis verification, this study found that services marketing mix positively affects students satisfaction, services marketing mix offered by institution and consumed by student has a positive effect on students confidence, and services marketing mix received by students positively affects the students loyalty to the institution.

Inaddition, customer value perceived by students affected students satisfaction, students confidence, and students loyalty to the institusion where they studied. However, this study did not find any evidence of the students satisfaction effect on the students loyalty. It indicates that the level of satisfaction felt by students has not been optimal.

Performance of educational services marketing mix has an impact on students loyalty in various aspects. The direct impact of services marketing mix on students loyalty is greater than the indirect impact through students satisfaction and students confidence (trust). strong relationship. Moreover, the direct effect of customer value on students loyalty is also greater than the indirect impact of customer value on students loyalty through student satisfaction and students confidence (trust).

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