

# Building University Reputation through Experiential Marketing in the Industry Revolution ERA 4.0 (Survey of Several Private Universities in the City of Bandung)

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Changes in the world mean we are now entering the era of industrial revolution 4.0; this is a challenge that must be responded to quickly and precisely. Strategic policies need to be formulated in various aspects of institutions ranging from fields of study, curriculum, resources, and innovation research, so that university reputation in the eyes of stakeholders are increasing, especially students as university customers. It is essential to build students' personal experiences with universities.

This study used 120 students as respondents from four Private Universities in Bandung as a sample. The research data were analyzed descriptively and verification method involved simple regression. The results of the study show that experiential marketing has a positive effect on the university's reputation.

**Key words:** *University Reputation, Experiential Marketing, Higher Education, Private Universities.*

## Introduction

Changes in the world mean we are now entering the era of industrial revolution 4.0, where information technology is the basis of human life, extending to all facets of life with without limits. Thus, the development of the internet and digital technology is massive to modern life. The era of the Industrial revolution 4.0 is a challenge that must be responded to quickly and precisely. This era impacts various human activities, including higher education.

In Indonesia, this change is increasingly strengthened by government policies with the existence of the ASEAN Economic Community (AEC) which has an impact on universities in Indonesia. At least 5-10 foreign universities open their representatives in Indonesia. Competition for Higher Education, especially private universities, is increasingly fighting for students, with the growth of Universities in Indonesia thriving like mushrooms in the rainy season (Gunarto, 2016), where Private Universities must fight hard to get students.

Higher education is a product with a high relationship product, meaning that it requires a long and complex consideration before someone chooses a particular campus. The reputation is a major point to compete. Private Universities are expected to have a competitive advantage in terms of reputation in order to win the competition (Terblache, 2009). The study illustrates how the dynamics of reputation development in a university (Aula and Tienari, 2011), where competition between universities is not only happening locally and nationally, but also globally. In the global economy, building reputation and branding is very important, therefore future studies that focus on the context of higher education will be very useful (Ja'rvinen and Suomi, 2011). The same thing was stated by Ma'rquez et al., (2013), who explained that competition in the world of education makes reputation an important issue for current institutions of higher education.

Reputation is the accumulation of impressions received by stakeholders due to communication and interaction with universities. The reputation of a college does not only refer to having a good name, but also relates to other factors that influence the way people perceive them (O'Rourke, 2010).

Higher education as an educational institution needs to pay attention to its quality so that its reputation in the eyes of stakeholders improves. The reputation of higher education can be seen from several perspectives including, the ranking in the media, the number of students, accreditation, and the quality of teachers. University's reputation according to previous research influenced the ranking of the university nationally and internationally, and included public assessments based on the characteristics of universities and their advantages compared to other universities (Rindova, 2005).

The following are the 10 best universities in Indonesia version of Webometric Universities Ranking (WUR) in 2019.

**Table 1:** 10 Best Universities in Indonesia

No.	University Name
1.	Universitas Telkom
2.	Bina Nusantara
3.	Mercubuana

4.	Narotama Surabaya
5.	Dian Nuswantoro
6.	Universitas Katolik Parahyangan (Unpar)
7.	Gunadarma
8.	Universitas Islam Indonesia
9.	Atma Jaya
10.	Muhammadiyah Yogyakarta

**Source:** Kompas.com

From table 1, it can be seen that the universities of West Java, especially the city of Bandung, are included in the 10 best universities, namely Telkom and Parahyangan University. Various studies have recognized the importance of reputation in universities even though reputation plays an important role, in fact the Gaultier Study - Gaillard and Louisot revealed that only 16% of universities have formalized the quantification process to measure and monitor reputation. Others use informal information and published rankings (Jarvinen and Suomi, 2011). In the academic world, global ranking and accreditation have gained important positions and reputation has become a major concern for decision making (Abratt, 2009). Number of Private Universities in West Java those who were registered in the Dikti IV Institution in the region of 2018 which were actively accredited were 470 Private Universities, covering 364 Private Universities (West Java) and 106 (Banten).

**Table 2:** Private Universities Accreditation Status based on the form in 2018

No.	Type	Accreditation			
		A	B	C	TA
1	University	5	25	15	16
2	Institute	0	5	1	3
3	High School	0	35	91	127
4	Polytechnic	0	3	10	18
5	Academy	0	6	30	77
6	Community Academy	0	0	0	3
	<b>TOTAL</b>	<b>5</b>	<b>74</b>	<b>147</b>	<b>244</b>
	<b>Number of active Private Universities Accredited</b>	<b>470</b>			

**Source:** LL Dikti, 2018.

From table 2 above, it can be seen that out of 61 total universities in West Java, only 5 universities have an A. According to Walsh and Beatty (2009), the university's reputation should be based on students as university customers, so it is important to emphasize efforts to build students' personal experiences with universities, and students' positive perceptions of universities. But from the results of the initial survey conducted by the author on university

students in Bandung, it was indicated that the university had not been able to provide memorable experiences to its students, both in the study programs offered, campus facilities provided, or promotions carried out, etc. The purpose of creating customer experience by the university is to build university reputation (Terblache, 2009). In the context of research on universities in Indonesia, especially the city of Bandung, there has been no research on the impact of experiential marketing on university reputation. Based on the explanation above, this study aims to examine "Building a University's Reputation through Experiential Marketing in the era of the Industrial Revolution 4.0"

## Literature Review

Experiential marketing is the ability of products/services to offer emotional experiences to touch the heart and feelings of experiential marketing customers in higher education, including the following dimensions (Lily Wibowo, 2009):

- Communication/promotion carried out can create a deep impression on students.
- The name/logo displayed giving the impression of quality, enthusiasm and vision to be achieved.
- The study program offered is unique and interesting.
- Collaboration with other parties (institutions, government, community, etc.) both nationally and internationally.
- Campus buildings (exterior and interior) with amenities.
- Availability of the web to carry out educational activities (eg e learning, online guardianship, online attendance, digital libraries, etc.)
- Leaders and lecturers often appear in seminar forums outside campus, write in mass media, and writing books, which can give pride to their students.

The university's reputation should be based on students as university customers, so it is important to emphasize efforts to build students' personal experiences with universities, and students' positive perceptions of universities (Walsh and Beatty, 2009). However, *et al.*, (2011), found that the importance of reputation in higher education institutions decreased consistently. Whereas Gray *et al.*, (2006), stated that the measurement of higher education reputation can be done through achievements, brand names, educational standards, quality of courses, and college experience. The reputation of a college is created because of two main factors, namely experience and achievements. Experience is seen as how long the campus has been established, and who are the graduates and lecturers, while the achievements are about what the academic community has achieved to date (Barus, 2019).

Research conducted by Frow and Payne (2007), states that experiential marketing has a simultaneous influence on the reputation of the bank. Then research conducted by Foroud, *et al.*, (2016) in the retail industry states that experiential marketing has a significant influence

on the reputation of department stores. Terblanche (2009), states that the creation of customer experience by retailers to customers intend to build a retailer's reputation.

**Figure 1.** Theoretical framework



The hypothesis in this study is

Ha: There is an experiential marketing influence on the university's reputation.

### Research Methods

This research is descriptive and verification unit analysis in this study include several private universities in the city of Bandung, including Widyatama University, Bandung Islamic University, Pasundan University and Computer University, with the criteria that the university is known in Bandung and its locations are close together. The sampling technique used was purposive sampling.

The observation unit in this study is university students, of at least 3 semesters, in the city of Bandung. The sample size is 120 students. The technique of collecting data included using a questionnaire. Questionnaire respondents were limited to students of at least semester 3, because they were considered able to give an opinion on what they experienced during college. Analysis involved simple regression using the SPSS version 22.00 windows program.

### Results and Discussion

From 7 questions, the experiential marketing variable and 7 questions regarding the university reputation variable were declared valid, where the value of  $r_{\text{count}} > r_{\text{table}}$  at a significant level of 0.05 with the  $r_{\text{table}}$  value is 0.362. The calculation results of reliability using alpha Cronbach test results on experiential marketing of 0.908 and university reputation variables of 0.902. This value is greater than  $r_{\text{table}}$  at a significant level of 0.05 which is equal to 0.362, so it can be concluded that the instrument used in the questionnaire of this study is reliable ( $r_{\text{count}} > r_{\text{table}}$ ).

### *Descriptive Analysis*

Descriptive analysis through frequency distribution can provide relative and cumulative information on the object of research.

**Table 3:** Experiential Marketing Assessment

No.	Item	%	Remark
1	Communication/promotion creates the impression	41,6%	Agree
2	The logo displays an impression	45%	Agree
3	The offered study programs are interesting	48,3%	Agree
4	Collaboration with other personal and international parties often / good	45%	Agree
5	Campus buildings (interior and exterior) are unique	31,6%	Neutral
6	Availability of web in communication facilities	28,3%	Neutral
7	Leaders and lecturers often appear in seminar forums and write books	36,6%	Neutral

From the table above it can be seen that the majority of university students in Bandung perceive that communication conducted by universities as impressive (41.6%), university logos give the impression of quality (45%), courses offered are attractive (48.3%), universities often cooperate with other parties both national and international (45%), universities in Bandung have unique buildings and interiors and exteriors (31.6%), sufficient webs are available in communication and information facilities (28.3%), although leaders and University lecturers in Bandung rarely appear in seminar forums / writing books/writing in the mass media (36.6%).

**Table 4:** University Reputation Assessment

No.	Item	%	Remark
1	Quality of Alumni is superior	58,3%	Agree
2	The learning atmosphere fosters creativity	43,3%	Agree
3	Has a high ranking at the International level	45%	Neutral
4	Has a high ranking at the National level	50%	Agree
5	Lecture material has a high standard	43,3%	Agree
6	Research produced contributes to society	53,3%	Agree
7	Social responsibility programs benefit the community	48,3%	Agree

From the table above it can be seen that the majority of university students in Bandung perceive that the quality of university Alumni in Bandung as superior (58.3%), the learning atmosphere fosters creativity (43.3%), has a high ranking at the international level (45%), a high ranking at the national level (50%), university lecture material in Bandung is of a high

standard (43.3%), research produced by its lecturers contributes to society (53.3%), and social responsibility programs conducted by the university are beneficial to society (48.3%).

### Simple Regression Analysis

Simple regression models with dependent variables (Y), namely university reputation and independent experiential marketing (X) variables are:

$$Y = 10,832 + 0,577x + e$$

**Table 5:** Simple Linear Regression

		Coefficients <sup>a</sup>	
		Unstandardized Coefficients	
Model		B	Std. Error
1	(Constant)	10.832	1.658
	Experiential	.577	.063

a. Dependent Variable: Reputation

The table above shows the regression equation  $Y = 10,832 + 0,577x + e$  which illustrates that if the variable (independent) experiential marketing (X) changes by 1 and the other is constant, then the change in the university's reputation (Y) is equal to the coefficient (b) from the value of the independent variable. The constant ( $\alpha$ ) of 10.832 gives an understanding that if experiential marketing (X) does not change or equals zero (0) then the university's reputation (Y) is 10,832 units.

If the value of b which is the regression coefficient of experiential marketing (X) is 0.577, then it has a positive influence on the dependent variable (Y). If the experiential marketing variable (X) increases by 1 unit, then the university's reputation (Y) will increase by 0.577 units assuming other variables are constant or constant.

**Table 6:** Hypothesis Test t t Test

		Coefficients <sup>a</sup>			t	Sig.
		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta		
1	(Constant)	10.832	1.658		6.531	.000
	Experiential	.577	.063	.776	9.216	.000

a. Dependent Variable: Reputation

The results of the partial test analysis (t test) on experiential marketing variables (X) are obtained by numbers  $t_{count}$  equal to 9.216 while number  $t_{table}$  is obtained at = 1.660, because

the value of  $t_{count} > t_{table}$  and significance  $0,000 < 0,05$ , then  $H_0$  is rejected and  $H_a$  is accepted. This means that the accepted hypothesis is that positive experiential marketing has a significant effect on the university's reputation.

### *Coefficient of Determination*

**Table 7:** Determination Coefficients ( $R^2$ )

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.776 <sup>a</sup>	.603	.596	2.28978

a. Predictors: (Constant), Experiential

The table above shows that the value of R produced is equal to 0.776, meaning they have a strong relationship. The value of R square ( $R^2$ ) is 0.603 or 60.30%, which means that the influence of experimental marketing variables on university reputation is 60.30% and the remaining 39.70% are influenced by other variables.

### **Discussion**

From the frequency distribution table it can be seen that the university has not been able to provide memorable experiences to its students based on the answers from the majority students who gave good grades, at rates below the 50% figure. Especially for campus buildings, both unique interiors and exteriors, the availability of the web in communication facilities and information in carrying out educational and teaching activities such as e-learning, online guardianship, online attendance, digital libraries and so on, as well as unique leaders and lecturers who appear in forums seminars outside the campus, writing books, or writing articles in the mass media and so on. These issues could be addressed by university managers in Bandung by improving campus facilities, as well as by facilitating and motivating their lecturers to often attend seminars in national and international forums, to write books and so on, so as to increase university ranking at the national and international level, thus positively impacting on the university's reputation in the eyes of the public. The results of research conducted on positive experiential marketing have a significant effect on university reputation, can be seen from the experiential marketing regression coefficient with partial test (t test) with a  $t_{count} > t_{table}$  that is  $9.216 > 1.660$  at a significance level of  $0.000 < 0.05$ .

This result is supported by research conducted by Foroudi and Jin (2016) which states that reputation is formed from customer experience. Then the research conducted by Walsh and

Beatty (2007) states that the university's reputation should be based on students as university customers, so it is important to emphasize efforts to build students' personal experiences with universities, and students' positive perceptions of universities. The results of the study obtained  $R^2$  value of 0.603 which means experiential marketing has an influence on the university's reputation by 60.30% while the remaining 39.70% is explained by other factors outside of the research variable.

## **Conclusion**

Universities in Bandung have not been able to provide memorable and unforgettable experiences to their students, especially in campus buildings both interior and exterior, the availability of the web in carrying out educational and teaching activities, and the lack of leaders and lecturers who appear in the mass media. This results in the university reputation in Bandung not being good, as can be seen from the perceptions of students who are still perceiving the university as low.

Based on the results of a simple regression analysis it can be concluded that positive experiential marketing has a significant effect on the university's reputation.

## **Recommendation**

- Managers of private universities in the city of Bandung, especially university managers must pay more attention to and improve the campus building both interior-and its exterior so as to give uniqueness, which stimulates the five senses so that it is fun and provides a memorable experience to its students.
- Managers of private universities in Bandung, especially university managers, must pay more attention to the availability of the web other than as a means of education and communication information, but also as a college identity in carrying out educational activities, for example e-learning, online guardianship, online attendance, online tuition payments, libraries digital and so on.
- Managers of private universities in the city of Bandung, especially university managers, must facilitate and motivate their lecturers to write books, attend international seminars abroad, or write in reputable international journals or national journals by internally training the lecturers in writing and helping with their funding.
- Managers of private universities in the city of Bandung, especially university managers, must be able to improve international ranking by improving the performance of the university, its lecturers, and student achievement.

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