

ANALYSIS OF STRATEGY POSITIONING, SEGMENTING, INSTITUTIONAL IMAGE AND SERVICE QUALITY ON SERVICE PURCHASING DECISIONS
(Case Study at Muhammadiyah Elementary School 18 Surabaya)

Yekti Winarsih¹, Wiwiek Harwiki²

^{1,2}Faculty of Economics and Business, Universitas Dr. Sutomo, Jl. Semolowaru No.84, Menur Pumpungan, Sukolilo, Surabaya, Jawa Timur, 60118 , Indonesia

DOI: <https://doi.org/10.33005/jasf.v1i01.36>

Received: September 02, 2018. Revised: October 21, 2018. Accepted: October 25, 2018

Abstract

This study aims to identify the influence of positioning, segmenting, institutional image and service quality strategies on service purchase decisions. The population in this study were all the guardians of Muhammadiyah 18 Surabaya elementary school students, consists of 537 student's guardians. The sampling technique is cluster random sampling, then obtained 100 guardians of students to be asked to fill out the research questionnaire. The analytical method used to answer the hypothesis in this study is multiple regression analysis. The results of this study indicate that positioning, segmenting, and institution image do not affect service purchasing decisions, while the quality of service influences the purchasing decisions of education services at SD Muhammadiyah 18 Surabaya. The ineffectiveness of positioning, segmenting, and agency image strategies may be due to the inability of the school to determine and implement the strategy. Another possibility is that the influence of the strategy is mediated by the interest of students attending Muhammadiyah Elementary School. Future studies are expected to be able to use intervening variables or other measurements to identify the direct and indirect effects of positioning, segmenting, institutional image, service quality and student interest in service purchasing decisions.

Keywords: *Positioning, segmenting, institutional image, service quality, service purchasing decision*

How to cite (APA 6th style)

Winarsih, Y. & Harwiki, W. (2018). Analysis of Strategy Positioning, Segmenting, Institutional Image and Service Quality on Services Purchasing Decisions (Case Study at Muhammadiyah Elementary School 18 Surabaya) . *Journal of Accounting and Strategic Finance*, 1 (01), 69– 81

INTRODUCTION

Along with the development of science and technology that took place in Indonesia, making all business sectors in Indonesia experience progress and competition in all fields of business, both transportation, food and beverages, and education. The condition of competition in the world of education, especially primary education has begun to be felt by every elementary school (SD). Table 1. shows the number of primary schools, the number of elementary school students and the number of elementary school teachers in East Java and Surabaya in 2017.

Table 1. Data on Number of Schools, Students and Primary School Teachers in 2017

No	Area	Unit Elementary School	Elementary School Students	Elementary School Teacher
1	East Java	19.533	3.170.002	217.693
2	Surabaya City	775	45.201	12.969

Source: East Java Provincial Statistics Agency (2017)

²Wiwiek Harwiki
Email: harwiki@yahoo.com

Based on the data in table 1, it is known the number of schools, students and elementary school teachers in 2017, especially in Surabaya area there are 775 school units so parents must be more selective in making purchasing decisions for educational services for their children. In contrast to ancient times, where parents send their children to an elementary school close to home, but along with the times, people want their children to go to elementary school in a place that has better quality credibility and teaching methods. The importance of decision making on education services by parents is influenced by several factors offered by schools such as positioning, segmenting, institutional image and the quality of services provided by the elementary school (Karamoy, 2013; Hasan, 2013; Citrawati & Sulistiono, 2014; Rakhmanita, 2015; Maziah, 2016).

Determining the position of the education services market is a psychological concept related to how existing education service customers, as well as prospective education service customers, can receive schools and their products compared to other schools. The background of the idea of determining the position of the education services market is to create the expected school image. That is, directly related to how education service customers who are in the market segment of certain education services perceive education services. All schools almost certainly have questions in the form of "what kind of customers should be sought to become the target of the services offered?" Questions like this must be answered before school starts other marketing activities. One of the keys to educational success lies in the segmentation process which is the root of the question. School success is of course very dependent on the violation, starting from who the customer is, how the characteristics of the customer will affect the buying process, to how the customer's purchasing power and to all that is determined by the service market segmentation process.

Service quality is a measure of how well the level of service provided can be under customer expectations (Tjiptono, 2008: 85) One school in Surabaya is SD Muhammadiyah 18 Surabaya. This Elementary School has specific strategies applied in attracting the interest of buying student guardians to send their children to school at the Muhammadiyah 18 Elementary School. The application of strategy, namely positioning, segmenting, promoting the image of institutions owned by the school and collecting quality services following the SOP (Company Operational Standards) that have been implemented by the school. Table 2 shows data on the development of the number of Muhammadiyah 18 elementary school students in Surabaya.

Table 2. Data on PSB SD Muhammadiyah 18 Surabaya

Academic Year	2013-2104	2014-2015	2015-2016	2016-2017	2017-2018
Student submission	95	106	106	0	95
Student acceptance	90	104	7	85	90

Source: Documents of SD Muhammadiyah 18 Surabaya

Based on table 2, it can be seen that the number of new students received at Muhammadiyah Elementary School 18 Surabaya in the academic year 2013-2014 is as many as 90 students, experiencing an increase in the 2014-2015 school year as many as 14 students. In the 2015-2016 academic year, suffering a decline of 7 students, then in the 2016-2017 school year experienced a decline of as many as 12 students and in the 2017 - 2018 school year experienced an increase of 5 students. The data above shows that the purchase decision of education services every year has increased and decreased, purchasing decisions depend on the views of consumers regarding specific attributes that are perceived by the school, which is different from other schools although similar. For this reason, education service providers need to prepare appropriate strategies for the educational services they market.

The competition for education services is rigorous, providing superiority and differentiation from other schools to become a benchmark for trustees of students to send their children to school, besides the quality of teaching, facilities and infrastructure is needed in supporting the increase in selling prices in the field of education services. Therefore, the formulation of the problem in this study is whether the positioning, segmenting, institutional image, and service quality strategies influence purchasing decisions at Muhammadiyah 18 Surabaya Elementary School? Thus, the purpose of the study was to prove the influence of positioning, segmenting, institutional image, and service quality strategies on purchasing decisions at Muhammadiyah Elementary

School 18 Surabaya. The results of this study are expected to be useful in managing strategic school management so that a competitive advantage is achieved for the school.

According to Tjiptono (2014: 28) the characteristics of education services, broadly speaking, education consists of a) intangibility (intangibility). Educational facilities have a physical nature that causes education service customers not to be able to see, smell, hear, feel, and feel the output of education before they consume it into a sub-system of the school; b) Inseparability. Educational services cannot be separated from the source, namely school; c) Variability. Educational facilities have variable properties because they are non-standardized outputs, which have many variations in form, quality, and type that depend on who, when, and where educational services are produced; d) Not durable (perishability). Educational services are communities that are not durable and cannot be stored, and d) Ownership. These characteristics are the most challenging characteristics. Students pay tuition fees upfront which at first they do not have any investment ownership. However, they can receive one facility, namely a library card. Thus, students will get the right to access the library when showing library cards to library officers.

Based on these characteristics, purchasing decisions in the education industry are unique. Decision making is the process of choosing from two or more choices. In other words, decisions are a choice of several possible alternatives (Kanuk and Schiffman, 2009: 485). According to Kotler (2008: 212), purchasing decisions are an activity of individuals who are directly involved in obtaining and using the goods offered. Indicators of decision making include public needs, benefits, other people's attitudes, and satisfaction. The results of the study by Karamoy (2013), Hasan (2013), Kamau & Wafula (2015), and Kholis & Darya (2016) show that positioning strategies influence consumer decisions in making purchasing decisions and customer satisfaction. Karamoy (2013) proved that in making purchasing decisions for KPR BNI Griya products, the product positioning strategy is in the form of good credit quality with credit requirements and penalties that do not burden consumers. Research by Kholis and Darya (2016) proves that positioning strategies influence the decision to buy Starbucks products, with competitors as the strategies that most influence decision making. Positioning strategies relate to how the company name occupies a unique position in the minds of consumers. The first hypothesis in this study is formulated as follows:

H₁: Positioning strategies influence the purchasing decisions of educational services at SD Muhammadiyah 18 Surabaya.

Another strategy that influences buying decision making and consumer loyalty is a segmenting strategy (Rusnah et al., 2012; Karamoy 2013; Susilo, 2016). Kotler (2016: 49) states that the market segmentation process includes three essential tasks, namely identifying the basis of market segmentation, developing a profile of the market segments produced, and developing a measure of market segment interest. There are 5 (five) benefits that can be obtained after segmenting strategy, especially in the education industry, including 1) Designing educational services that are more responsive to the market needs of educational services; 2) Analyzing the market for education services; 3) Finding opportunities for education services; 4) Mastering the superior and competitive position of educational services; and 5) Determine effective and efficient communication marketing services. Karamoy (2013) proved that the ease of obtaining KPR BNI Griya information, the accuracy of Information regarding mortgage products so that it helps respondents in making credit decisions. Susilo (2016) proves that in the higher education industry, segmentation of consumer behavior influences customer loyalty, which in his research is postgraduate and doctoral program students. Loyalty will affect consumer purchasing decisions. The second hypothesis in this study is formulated as follows:

H₂: The Segmenting Strategy influences the purchasing decisions of educational services at SD Muhammadiyah 18 Surabaya.

Purchasing decisions are also influenced by company image (Lubis, 2013; Harsono, 2014; Hashim et al., 2015; He & Zhang, 2018; Suparjo & Sunarsih, 2018). According to Kotler & Keller (2016: 49-58) identity is the way companies or organizations present themselves to society. The identification can be in the form of a company logo, institutional vision, and mission, or the

physical appearance of an institution that distinguishes it from competing institutions. the distiquis can be employee uniforms, interior/exterior of buildings, transportation equipment, environment, brochures and so on) Various forms of corporate identity will cause or give an impression to the public or emit an image to the parties (stakeholders) or it can be said that identity is a symbolic character that contains differentiation and represents the image of the organization. The image of the institution is the general attitude of the consumer towards the company that is obtained from the impression that is formed that arises because of the perceptions and judgments of consumers based on their experience of products and services. Harsono (2014) proves that institutional image has a positive effect on the dissemination of information by word of mouth, which in turn the perception of positive institutions will influence the purchasing decisions of educational services. Also, Suparjo & Sunarsih (2018) in their research at private universities, concluded that a good institutional image would influence the level of student confidence and the decision to choose an institution. The third hypothesis in this study is formulated as follows:

H₃: Institutional image influences the purchasing decision of educational services at SD Muhammadiyah 18 Surabaya.

Alex & Thomas (2015) prove that service quality affects the perceived value and willingness to buy. According to Tjiptono (2011: 85), service quality is a measure of how well the level of service provided can meet customer expectations. There are 5 (five) service quality components, namely reliability, assurance, tangible, empathy, and responsiveness. Furthermore, Wijaya (2016: 184) argues that achieving customer satisfaction through service quality can be improved by four approaches, which include: 1) Reducing the gap that occurs between school leaders and education service customers. 2) Schools must be able to build a shared commitment to creating a school vision in the form of improving the education service process. 3) Provide opportunities for customers of educational services to submit complaints. 4) Develop and determine marketing that can be accounted for, proactive and partnerships according to the marketing situation. Maziah (2016) proves that service quality influences the decision to purchase English language education services. The fourth hypothesis in this study is formulated as follows:

H₄: Service quality influences the purchasing decisions of education services at SD Muhammadiyah 18 Surabaya.

RESEARCH METHODS

This study uses a quantitative research approach. The reason is that in acting on the object of research, it is prioritized in a detailed explanation of positioning, segmenting, service quality and institutional image to measure the purchasing decisions of users of education services in SD Muhammadiyah 18 Surabaya.

The variables used in this study are independent variables and dependent variables. The dependent variable (Y) used in this study is the education service purchase decision at Muhammadiyah Elementary School 18 Surabaya. The purchasing decision indicators in this study consist of 1). The confidence of students guardian to send their children to school with consideration of independent variables. 2) Trustees of students to SD Muhammadiyah 18 Surabaya who appeared spontaneously.

Independent variable in this study is Positioning (X1), Segmenting (X2), Institutional Image (X3), and Service Quality (X4). Positioning indicators in this study consisted of 1) Positioning based on attributes, by associating effectively the advantages possessed at Muhammadiyah Elementary School 18 Surabaya with prospective guardians of students who purchased the education services. 2) Positioning based on price, where the price offered is more affordable compared to other private schools and arranged in detail, clearly and easily understood by prospective guardians of students of SD Muhammadiyah 18 Surabaya.

Segmenting indicators in this study consisted of 1) Demographics (gender, age, and family size of students of Muhammadiyah Elementary School 18 Surabaya). The description of the income criteria can consist of less (Rp. 1,000,000 - Rp. 3,000,000), simple (Rp. 3,000,000 - Rp. 5,000,000), able (Rp. 5,000,000 - Rp. 10,000,000)), very capable (> Rp. 10,000,000). 2) Measurement of the geographical market of educational services, which is based on the level of population density, environmental atmosphere, and consideration of where the education services of Muham-

madiyah 18 Surabaya Elementary School are conducted. 3) Psychography is measured by group-behavior and lifestyle of guardians of elementary school students Muhammadiyah 18.

The indicators of the institutional image in this study consist of 1) Impressions formed by Muhammadiyah Elementary School 18 Surabaya in the world of education that can attract guardians of students to purchase these educational services. 2) Build belief in the guardians of the students about the consistency that has been built by Muhammadiyah Elementary School 18 Surabaya so that it grows the trustworthiness of the students' guardians spontaneously. 3) Islamic-based schools that produce the output of superior, polite and high-achieving students' attitudes.

The indicators of service quality in this study consist of 1) Tangibles (physical appearance of service providers): satisfaction of the guardian of students on the availability of school infrastructure, the availability of facilities that support the learning process. 2) Reliability: Satisfaction of guardians of students towards the implementation of the curriculum in the learning process, assessment of children's learning outcomes, extracurricular activities organized by the school and handling of fast information responses. 3) Responsiveness: the guardian's satisfaction with the teacher's ability to guide children at Muhammadiyah Elementary School 18 Surabaya. 4) Assurance (certainty): gratification of the guardian of the student towards the development achieved by the child. 5) Empathy (Empathy): the satisfaction of the guardian of the student towards communication made by the teacher, the employee to the student, satisfaction with the teacher behaving and behaving to the student.

The measurement technique of variables uses a questionnaire with a "Likert scale" approach. The scale used is the Likert scale by using alternative answers as follows:

SA (Strongly Agree)	: 5
A (Agree)	: 4
AD (between agree and disagree)	: 3
D (Disagree)	: 2
SD (Strongly Disagree)	: 1

The population in this study were all 537 student's guardian from elementary school Muhammadiyah 18. This sampling technique uses the cluster random sampling method, which is a sampling technique in this type of sampling group based on a particular group or area. The sample in this study was 100 of the guardians of the Muhammadiyah 18 Surabaya elementary school students who occupied class 1 which consisted of 3 categories namely one fruits, one plant, and one vegetable — taking class 1 samples because the response to the purchase of educational services is still new. The sampling technique is done randomly.

The data analysis method used in this study is a multiple linear regression analysis methods. Regression analysis is an analysis to find out the relationship between two independent variables or more to one dependent variable. Hypothesis testing uses t-test to determine the effect partially with the confidence level used is 95%, alpha value (α) = 0.05. The multiple linear regression equation is intended to analyze the effect of positioning (X1), segmenting (X2), institutional image (X3), and service quality (X4) on service purchase decisions (Y) with the formula:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_4 + e \dots\dots\dots (1)$$

RESULTS AND DISCUSSION

Results

Descriptive Statistics of Respondents

Table 3 shows the descriptive statistics of respondents (frequency) which include the criteria for family, gender, age, education level, type of work, and income level. Based on table 3, it is known that 1) respondents with the criteria of capable families are 16 people (16%) and respondents with simple family criteria are 84 people (84%). Thus it can be concluded that most respondents have simple family criteria. 2) Respondents male sex amounted to 29 people (29%) and respondents female sex numbered 71 people (71%). Thus it can be concluded that the majority of respondents in this study were female. 3) Respondents aged 18-28 years amounted to 1 person (1%), aged 29-39 years amounting to 62 people (62%), aged 40-49 years amounting to 34 people (34%), and more than 50 years amounting to 3 people (3%). Thus it can be concluded that the majority of respondents in this study were aged between 29-39 years. 4) Respondents with junior high school

education / equivalent to 1 person (1%), high school education / equivalent to 27 people (27%), D3 educated as many as 17 people (17%), S1 education with 45 people (45%), S2 education a total of 9 people (9%) and other education were 1 person (1%). Thus it can be concluded that most of the respondents in this study had S1 education. 5) Respondents who work as civil servants amount to 25 people (25%), work as private employees as many as 28 people (28%), work as entrepreneurs as many as seven people (7%) and work as others as many as 40 people (40%).

Table 3. Descriptive Statistics of Respondents

Description	Frequency	Percent	Valid Percent	Cumulative Percent
Family criteria				
Less capable	0	00.00	00.00	00.00
Capable	16	16.00	16.00	16.00
Simple	84	84.00	84.00	100.00
Sex				
Man	29	29.00	29.00	29.00
Woman	71	71.00	71.00	100.00
Age				
18-28 year	1	01.00	01.00	01.00
29-39 year	62	62.00	62.00	63.00
40-49 year	34	34.00	34.00	97.00
> 50 year	3	03.00	03.00	100.00
Education				
Junior High School	1	01.00	01.00	01.00
High School	27	27.00	27.00	28.00
Bachelor	17	17.00	17.00	45.00
Undergraduate	45	45.00	45.00	90.00
Postgraduate	9	09.00	09.00	99.00
Other	1	01.00	01.00	100.00
Occupation				
Civil Service	25	25.00	25.00	25.00
Private	28	28.00	28.00	53.00
Entrepreneur	7	07.00	07.00	60.00
Other	40	40.00	40.00	100.00
Revenue				
Less than Rp1.000.000	4	04.00	04.00	04.00
Rp3.000.000 – Rp5.000.000	22	22.00	22.00	26.00
Rp5.000.000 – Rp10.000.000	24	24.00	24.00	97.00
More than Rp10.000.000	3	03.00	03.00	100.00

Source: Primary data processed (2018)

Thus it can be concluded that the majority of respondents in this study worked as others. 6) respondents with the income level of <Rp. 1,000,000 in 4 people (4%), income level of Rp.

1,000,000-Rp. 3,000,000, amounting to 47 people (47%), the income level of Rp. 5,000,000-Rp. 10,000 .000 a total of 24 people (24%) income level> Rp.10,000,000 in 3 people (3%). Thus it can be concluded that the majority of respondents have an income level of Rp.1,000,000-Rp.3,000,000.

Table 4 shows descriptive statistics for independent variables (positioning, segmenting, Institutional Image, service quality, and dependence (purchasing decisions) based on the indicators used in the research questionnaire instrument.

Table 4. Descriptive Statistics of Research Variables

Description	SD	D	AD	A	SA	Average
Positioning (X1)						
Based on attributes	0	15	32	45	8	3,46
Based on price	1	7	23	58	11	3,71
Average (X1)						3,59
Segmenting (X2)						
Based on geography	0	0	16	70	14	3,98
Based on lifestyle	0	4	24	46	26	3,94
Based on psychographic	0	8	22	42	28	3,90
Average (X2)						3,94
Institution Image (X3)						
Based on the impression	0	3	25	65	7	3,76
Based on trust	1	1	23	63	12	3,84
Based on Islamic	0	4	21	66	9	3,80
Average (X3)						3.80
Service Quality (X4)						
Physical appearance	0	0	2	46	52	4,50
Reliability	0	2	1	45	52	4,47
alertness	0	1	22	60	17	3,93
Certainty	0	0	9	70	21	4,12
Empathy	0	1	12	69	18	4,04
Average (X4)						4,26
Service Purchased Decision (Y)						
The best school	0	3	8	45	44	4,30
Students benefit	0	2	4	49	45	4,37
Positive Image	0	0	23	59	18	3,95
Facility	0	4	15	61	20	3,97
Education need	0	2	1	45	52	4,47
Islamic Basis	0	0	2	46	52	4,50
Average (Y)						4,26

Source: Primary data processed (2018)

Descriptive statistics on positioning variables (X1) in table 4 show an average value of 3.46 and 3.71 which means that most respondents agree with the positioning of extracurricular

attributes and the plus curriculum offered and price positioning. The average amount of X1 of 3.59 provides information that the positioning strategy in the form of extra-curricular attributes and extra curriculum and based on the price is reasonable. Respondents thought that the extra-curricular attributes, characteristics of the curriculum plus and the affordable prices offered were quite impressive. Thus, SD Muhammadiyah 18 Surabaya was quite successful in implementing its positioning strategy

Descriptive statistics on segmenting (X2) variables based on geography show an average value of 3.98, which means that the geographical segmenting strategy is quite good. The lifestyle segmenting approach with an average value of 3.94, shows that lifestyle of segmenting in the form of long holiday psychography is quite relevant information for student guardians. Psychographic segmenting strategies with an average value of 3.90, indicating psychographic segmentation of student guardian behavior is quite relevant information. The average amount of X2 of 3.94 provides information that the segmenting strategies based on geography, lifestyle, and psychography carried out by SD Muhammadiyah 18 Surabaya have been carried out quite successfully.

Descriptive statistics of the Institution Image (X3) variable based on impressions show an average value of 3.76, which means that the institutional image strategy is based on good impressions. The average value of institutional images based on a trust of 3.84 indicates that respondents have a reasonably high level of confidence. The average value of institutional images based on an Islamic base of 3.80 suggests that the support as an Islamic school is quite good. Overall, the average value of the institutional image of 3.80 which shows the image of the institution has been quite successfully built by SD Muhammadiyah 18 Surabaya.

Descriptive statistics of Service Quality variables (X4) based on physical appearance have an average value of 4.5, which means the student's guardian is interested in the physical presence of Muhammadiyah 18 Surabaya Elementary School. The average value of service quality based on the reliability of 4.47 indicates that respondents think positively about reliability in the form of the school's ability to manage information systematically. The average value of service quality based on the reliability of 4.47 indicates that respondents think positively about reliability in the form of the school's ability to manage information systematically. The average value of service quality based on alertness of 3.93 indicates that respondents think positively towards the readiness of teachers and school employees. The average value of empathy-based service quality of 4.04 demonstrates that respondents think positively towards empathy that is shown by school employees to their students. Overall, the average value of service quality of 3.9 which indicates SD Muhammadiyah 18 Surabaya has successfully built the quality of service.

Descriptive statistics of Service Purchase Decision variables (Y) based on the best choice of school beliefs have an average value of 4.30; based on student benefits 4.37; based on a positive image of 3.95; based on facilities provided 3.97; based on educational needs 4.47, and based on Islamic basis 4.50. Overall, the average value of service purchase decisions is 4.26 which shows that purchasing decisions have been carefully considered by the guardians of elementary school students Muhammadiyah 18 Surabaya

Test of Validity and Reliability

Table 5 shows the validity of the research variables with each indicator while Table 7 shows the reliability test of the research variable. From table 5, it can be seen that the correlation between scores of questions with a total score of variables (Pearson correlation) each statement on all dependent and independent variables is higher than 0.05, so the statements on the dependent and independent variables are declared valid and appropriate to use for research

From table 6 it can be seen that the alpha Cronbach value of each positioning variable (X1), segmenting (X2), institutional image (X3), service quality (X4), and purchasing decision (Y) is higher than 0.05 so the answer is given respondents are trustworthy or reliable.

Multiple Regression Analysis and Determination Coefficient

From the results of multiple linear regression tests, the regression equation is obtained:

$$Y = 5,545 + (-0,071)X_1 + 0,46X_2 + (-0,302)X_3 + 0,901X_4 \dots\dots\dots(2)$$

A constant value of 5.545 This means that if the value of the positioning variable (X1), segmenting (X2), institutional image (X3), service quality (X4) is zero, then the value of the purchase decision (Y) will be 5.545. The positioning regression coefficient (X1) is -0.071. If the value of the

positioning variable (X1) changes by one unit, it will result in changes in service purchase decisions (Y) of -0.071 units assuming the value of variable segmenting (X2), institutional image (X3), service quality (X4) is constant. Segmenting regression coefficient (X2) is 0.046. If the value of the segmenting variable (X2) changes by one unit, it will result in changes in service purchase decisions (Y) of 0.046 units assuming the value of positioning variable (X1), institutional image (X3), service quality (X4) is constant. Institutional image regression coefficient (X3) is -0.302. If the value of the institutional image variable (X3) changes by one unit, it will result in changes in service purchase decisions (Y) of -0.302 units assuming the value of positioning variable (X1), segmenting (X2), service quality (X4) is constant. Regression coefficient value of service quality (X4) is 0.901. It means that if the value of service quality variable (X4) changes by one unit, it will result in changes in employee performance value (Y) of 0.901 units assuming the value of positioning variable (X1), segmenting (X2), institutional image (X3) is constant

Table 5. Test of Validity

Description	Sig (2 tailed)	R table	Pearson Correlation	Result
Positioning (X1)				
Based on attributes (X1.1)	0.000	0.196	0.871	Valid
Based on price (X1.2)	0.000	0.196	0.853	Valid
Segmenting (X2)				
Based on geography (X2.1)	0.000	0.196	0.762	Valid
Based on lifestyle (X2.2)	0.000	0.196	0.855	Valid
Based on psychography (X2.3)	0.000	0.196	0.837	Valid
Institution Image (X3)				
Based on impression (X3.1)	0.000	0.196	0.826	Valid
Based on trust (X3.2)	0.000	0.196	0.846	Valid
Based on Islamic (X3.3)	0.000	0.196	0.858	Valid
Service Quality (X4)				
Physical appearance (X4.1)	0.000	0.196	0.672	Valid
Reliability (X4.2)	0.000	0.196	0.764	Valid
Alertness (X4.3)	0.000	0.196	0.784	Valid
Certainty (X4.4)	0.000	0.196	0.652	Valid
Empathy (X4.5)	0.000	0.196	0.734	Valid
Service Purchased Decision (Y)				
The best school (Y1.1)	0.000	0.196	0.757	Valid
Students benefit (Y1.2)	0.000	0.196	0.867	Valid
Positive image (Y1.3)	0.000	0.196	0.618	Valid
Facility (Y1.4)	0.000	0.196	0.755	Valid
Education needs (Y1.5)	0.000	0.196	0.675	Valid
Islamic basis (Y1.6)	0.000	0.196	0.576	Valid

Source: Primary data processed (2018)

The multiple determination coefficient values (R²) or R Square is 0.541 or 54.1%. This means that the magnitude of the influence of positioning variables (X1), segmenting (X2), institutional image (X3), service quality (X4) on service purchase decisions (Y) is 54.1% while the remaining is other variables outside the research influence 45.9% (100% - 54, 1%). This result is supported

by testing the feasibility of the model with the F test and obtained F_{count} value of 27.980 with a significance level of 0.000 less than 0.05. This value indicates that the multiple regression model used is stated to have matched or matched the results of the data (goodness of fit).

Table 6. Reliability Test

Variable	Cronbach's Alpha	Decision
Positioning (X1)	0.653	Reliable
Segmenting (X2)	0.736	Reliable
Institution Image (X3)	0.797	Reliable
Service Quality (X4)	0.761	Reliable
Service Purchased Decision (Y)	0.825	Reliable

Source: Primary data processed (2018)

Hypothesis testing

Table 7 shows the results of testing the first hypothesis (H1) to the fourth hypothesis (H4) with the conclusions of H1, H2, and H3 rejected, and H4 accepted.

Table 7. Hypothesis test results

Variable	t_{count}	Sig.	Decision
Positioning (X_1)	-0,531	0,597	H_1 rejected
Segmenting (X_2)	0,485	0,629	H_2 rejected
Institution Image (X_3)	-2,586	0,110	H_3 rejected
Service Quality (X_4)	10,487	0,000	H_4 accepted

Source: SPSS Output (2018)

The results of the t-test of multiple regression analysis in table 7 show that the t-count of the Positioning variable (X_1) is smaller than the t-value ($-0.531 < 1.985$) and the significance value is greater than α ($0.597 > 0.05$). The test results indicate that positioning has an adverse but not significant effect on service purchase decisions. Therefore, the first hypothesis which states that positioning affects the service purchase decision is statistically rejected. The t-count value of the Segmenting variable (X_2) is smaller than the value of t table ($0.485 < 1.985$) and the significance value is greater than α ($0.629 > 0.05$). The test results indicate that Segmenting has a positive but not significant effect on service purchase decisions. Therefore, the second hypothesis which states that Segmenting has an impact on service purchase decisions is rejected statistically. The count value of the Institution Image variable (X_3) is smaller than the t-value ($-2.5861 < 1.985$) and the significance value is greater than α ($0.110 > 0.05$). The test results indicate that the Institution Image has an adverse but not significant effect on service purchase decisions. Therefore, the third hypothesis which states that the Institutional Image influences the service purchase decision is rejected statistically. The t-count value of the variable Service Quality (X_4) is higher than the value of t table ($10.487 > 1.985$) and the significance value is greater than α ($0,000 < 0.05$). The test results indicate that Service Quality has a positive and significant influence on service purchase decisions. Therefore, the fourth hypothesis which states that Service Quality affects service purchase decisions is accepted statistically.

Discussion

Effect of Positioning on education service purchasing decisions at SD Muhammadiyah 18 Surabaya

The results of the study state that positioning does not have a positive or influential impact in the opposite direction to service purchase decisions. It is influenced by several reasons such as the lack of knowing some price discounts for student guardians who enroll their children in Muham-

madiyah Elementary School 18, including a 10% discount on development money for the first wave of registrants. Development money deductions for prospective students from ABA kindergarten graduates and deduction of 15% of tuition fees for prospective students who have relatives who are still actively studying at SD Muhammadiyah 18. Some potential guardians still lack in this information so that the perceptions of student guardians on the cost of education at Muhammadiyah Elementary School are still relatively expensive. In addition to the cost of knowledge based on research that the competitiveness of schools and alumni of elementary school students of Muhammadiyah 18 cannot be optimally implemented. From this, it was concluded that SD Muhammadiyah 18 was still not maximal in showing the advantages and promotion of schools. The results of this study are supported by research by Wulan (2013) which states that positioning strategies do not have a positive effect on consumers' decisions to buy BNI Griya KPR products.

Effect of Segmenting on education service purchasing decisions at SD Muhammadiyah 18 Surabaya

The results of the study state that segmenting does not have a positive or opposite effect on service purchase decisions. It is influenced by some reasons such as a safe, comfortable and conducive environment conditions that attract the guardians of their children to send their children to school. If the status of the school is comfortable, it will increase students' interest in learning, unlike the case with the environment that is crowded with the sound of vehicles which can cause a decrease in student concentration. In addition to the environmental conditions of this study influenced by behavioral factors the higher the income, the behavior and lifestyle increases, because it is classified as a simple income level so that the student guardian behavior decreases seen from the majority of guardians taking a long holiday at home, this influences the choice of decision to go to school, because it feels like if the income level is high, but it doesn't compete in schools that are middle to upper class. The results of this study are supported by research by Wulan (2013) which states that segmenting strategies do not have a positive effect on consumers' decisions to buy BNI Griya KPR products.

Effect of Institutional Image on education service purchasing decisions at SD Muhammadiyah 18 Surabaya

The results of the institutional image research state that the institution's image does not have a positive or opposite effect on service purchase decisions. It is influenced by some environmental reasons such as the view of the surrounding environment which assesses that "enough" the school is often a reference for guardians to choose schools. If the look of the environment is positive for the school, the guardian will easily take the service purchase decision and vice versa. Most student guardians are more familiar with Muhammadiyah 4 Elementary School which is in the spotlight so that other Muhammadiyah Elementary Schools look less good for some student guardians but are mainly of the same quality. Then the image of Islamic schools is often in the spotlight of the guardians of students choosing schools, the better the religious values taught, the guardians of the students will feel confident sending their children to school so that the image of Islamic schools that are built must be positive. The results of this study are supported by research by Hasan (2013) which states that institutional image does not have a positive effect on student college decision making at LP3I. In Hasan's research there was a positive effect, and in this study, it had an opposite effect.

Effect of Service Quality on education service purchasing decisions at SD Muhammadiyah 18 Surabaya

The results of the study state that service quality has a positive effect on service purchasing decisions. What is received by student guardians exceeds the guardian's expectations because the quality of service offered is very satisfying starting with the availability of adequate facilities, diverse extracurricular activities, information on teaching and learning activities that receive rapid responses, systematic delivery and transparent evaluation and teacher who gives an example of proper ethical behavior and is responsible to students. The results of this study are supported by research by Maziah (2016) which states that service quality has a positive effect on decision making for purchasing English language education services at BEC.

The results of this study indicate that the positioning related to the price offered is rela-

tively unreachable and the school has high competitiveness with other schools, segmenting is related to the condition of the school environment and lifestyle of student guardians, institutional image in the form of a favorable view of the environment towards schools and excellent quality Islamic schools. Moreover, the quality of services related to the availability of adequate facilities, diverse extracurricular activities, information on teaching and learning activities that receive a rapid response, delivering systematic material and transparent assessment and teachers who provide examples of ethical good behavior and responsibility to students will affect the decision to purchase educational services.

CONCLUSION

Based on the results and discussion of the research that has been done, it can be concluded that positioning, segmenting, and institutional image have no effect on the purchasing decisions of education services at SD Muhammadiyah 18 Surabaya. In contrast, service quality has a positive effect on purchasing decisions for education services at SD Muhammadiyah 18 Surabaya. It indicates that the guardians of the Muhammadiyah 18 Surabaya Elementary School students when making decisions on choosing schools were more concerned with the quality of school services.

The effect of the positioning, segmenting, and institutional image variables on decision making for purchasing educational services at Muhammadiyah Elementary School 18 Surabaya may be due to the lack of school strategies for positioning, segmenting and school imaging. Therefore, some suggestions for the school are: 1) Improving the way of promotion so that information about the price and excellence of the school is known by the community or parents who will put their children in SD Muhammadiyah 18 Surabaya. 2) Creating a safe, comfortable school environment and adding registration quotas oriented to student guardians with simple family criteria. 3) Building a school image to be more superior, polite and achiever so that the public's view is positive to decide on purchasing services at Muhammadiyah Elementary School 18 Surabaya. 4) Increasing the quality of services related to facilities, teaching and learning information delivered well, delivering systematic material and teachers giving more attention to students and guardians of students. 5) Combining positioning, segmenting, institutional image and service quality so that student trustees are more confident in deciding school at Muhammadiyah 18 Surabaya Elementary School.

For further researchers, they can consider mediating variables, namely the interest of students to attend school, so that direct and indirect effects of positioning, segmenting, institutional image, service quality, and student interest in education service purchase decisions can be tested.

REFERENSI

- Alex, D. & S. Thomas, (2015). Impact of Product Quality, Service Quality, and contextual Experience on Customer Perceived Value and Future Buying Intentions, *European Journal of Business and Management*, Vol.3, No. 3, pp. 307-315.
- Citrawati, D. & Sulistiono, (2014). Pengaruh Bauran Pemasaran Jasa terhadap Keputusan Pembelian, *Jurnal Ilmiah Manajemen Kesatuan*, Vol. 2, No.1: pp. 19-28.
- Harsono, S., (2014). The Institution Image and Trust and Their Effect on the Positive Word of Mouth, *International Research Journal of Business Studies*, Vol. 7, No. 1, pp. 69-78.
- Hasan. M (2013). Pengaruh Strategi Pemasaran dan Citra Institusi terhadap Pengambilan Keputusan Kuliah Mahasiswa di Politeknik LP3I Jakarta Kampus Jakarta Utara, *Jurnal Lentera Bisnis*, I (2): pp. 132-157.
- Hashim, N.A.B., A.O. Abdullateef, & B.N. Sarkindaji, (2015). The moderating influence of trust on the relationship between institutional image/reputation, a perceived value on student loyalty in a higher education institution, *International Review of Management and Marketing*, 5 (3), pp. 122-128
- He, X., & J. Zhang, (2018). Emerging market MNC's cross-border acquisition completion: Institutional image and strategies, *Journal of Business Research*, <https://doi.org/10.1016/j.jbusres.2018.04.014>.
- Kamau, A.N. & M.K. Wafula, (2015). Effects of Strategic Positioning of Service Delivery on Customer Satisfaction – A Case Study of FINA Bank, *International Journal of Scientific and Research Publications*, Vol. 5, Issue 5, May: pp. 1-15.
- Kanuk dan Schiffman. (2009). *Perilaku Konsumen*, Edisi Ketujuh Terjemahan. Jakarta: Indeks

- Karamoy, S.W, (2013). Strategi Segmenting, Targeting, dan Poitions Pengaruhnya terhadap Keputusan Konsumen Menggunakan Produk KPR BNI Griya, *Jurnal EMBA*, Vol.1, No.3, September: pp. 562-571.
- Kholis, N. & I.G.P. Darya, (2016), Analisis Pengaruh Strategi Positioning terhadap Keputusan Pembelian pada Konsumen Starbucks Cofee Balikpapan, *Jurnal Akuntansi dan Manajemen Madani*, Vol. 2, No. 2: pp. 93-116.
- Kotler, P. & K.L. Keller, (2016). *Marketing Managemen*, 15th Edition, Pearson Education Inc.
- Lubis, M.H. (2013). Pengaruh Strategi Pemasaran dan Citra Institusi Terhadap Pengambilan Keputusan Kuliah Mahasiswa Dipoliteknik LP3I Jakarta Kampus Jakarta Utara, *Jurnal Lentera Bisnis*, Vol. 2, (1), pp. 132- 159
- Maziah, N.L. (2016). Pengaruh promosi, Lokasi, Daan Kualitas Pelayanan Terhadap Keputusan Pembelian Jasa Pendidikan Kursus Bahasa Inggris Di BEC Pare Kediri Periode 1 (Bulan Januari-Juni). *Jurnal Ekonomi*. I (1): pp. 1-17
- Rakhmanita, A. (2015). Pengaruh Harga, Promosi, Lokasi, Dan Sarana Terhadap Proses Keputusan Memilih Sekolah Pada Sekolah Alam tanggerang. *Jurnal Ekonomi*, Vol.VII, (2): pp. 114- 123
- Rusnah, M., T.C. Melewar, & S.F.S Alwi, (2012). Segmentation and brand positioning for Islamic financial services, *European Journal of Marketing*, Vo. 46, Issue 7/8, pp. 900-921. <https://doi.org/10.1108/03090561211230061>
- Sugiyono, (2016). *Metode Penelitian*. Bandung: Alfabeta
- Suparjo & E.S. Sunarsih, (2018). The Role of Service Quality and Institutional Image in Establishing Relational Commitment between Private Universities and the Student, *Journal of Entrepreneurship Education*, Vol. 21, Issue 3, pp. 1-13.
- Susilo, W.H., (2016). An Impact of Behavioral Segmentation to Increase Consumer Loyalty: Empirical Study in Higher Education of Postgraduate Institution at Jakarta, 5th International Conference on Leadership, Technology, Innovation, and Business Management. *Procedia – Social and Behavioral Sciences* 229, pp. 183-195.
- Tjiptono, F. (2011). *Service Qualiyy and Satisfaction* Edisi kedua. Yogyakarta: penerbit Andi
- Tjiptono, F. (2008). *Strategi Pemasaran*. Yogyakarta: Penertbit Andi.
- Wijaya, D. (2016). *Pemasaran Jasa Pendidikan*. Jakarta: Salemba Empat.
- Wulan. S. (2013). Strategi Segmenting, Targeting dan Positioning Pengaruhnya Terhadap Keputusan Konsumen Menggunakan Produk KPR BNI GRIYA. *Jurnal EMBA*, Vol.1, (3): 562-571