



The Total Relationship Marketing Approach to Higher Education: A Review

Nur Aziz Sugiharto¹, Vanessa Gaffar², Disman³, Puspo Dewi Dirgantari⁴

¹Universitas Logistik dan Bisnis Internasional, Bandung, Indonesia

^{1,2,3,4} Economic and Business Education Faculty, Universitas Pendidikan Indonesia, Bandung, Indonesia

Corresponding author: azizsugiharto@gmail.com

Abstract

Attracting student interest is becoming increasingly important for institutions offering higher education. Thus, the ideas of relationship marketing (RM) became a major concern in university management. The RM approach means that students' value creation is very important. This research was conducted by examining the conceptual foundations of relationship marketing (CRM) in the higher education sector through an extensive search of relevant educational and business management databases. The aim is to identify some of the most relevant literature. The findings in this study found that marketing theories and concepts in the business world recognized by researchers in the field of marketing can also be applied to marketing in higher education. In particular, this paper advances the idea that higher education institutions need marketing programs based on strong relationships with loyal customers, which will help them deal with changing environments, and better deal with the challenges and threats that are present in the future. The substantial literature on higher education marketisation and consumer behaviour, scholarships to provide evidence of marketing strategies that higher education institutions have implemented on the supply side is still limited, and this is relatively uncharted territory. This paper reviews the literature in the field, focusing on marketing strategies in the rapidly growing higher education market.

Key Words: Higher Education, Relationship marketing, University, Literature Review

1. INTRODUCTION

In the context of increasingly fierce competition to attract students, higher education institutions now realize that they need to market themselves in a competitive climate. Marketing techniques have evolved from "transactional" to "relationship" marketing over the last four decades (Badwan et al., 2017). The underlying idea behind relationship marketing (RM) is that the level of satisfaction of stakeholders with their relationship is very high. Relationship marketing uses several related events to engage customers. Customer Retention Score is a

consistent indicator of customer retention and profitability. It seems that the longer the relationship between the seller and the manufacturer, the more likely it is to continue doing business with them, even from a single source. (Möller & Halinen, 2000).

The main principles when planning marketing campaigns are customer satisfaction and retention. Successful and creative companies increase their efforts to follow through and increase satisfaction because they know how important this practice is to improve their image, understand their customers, and increase their sales (Kotler, 2000). Student

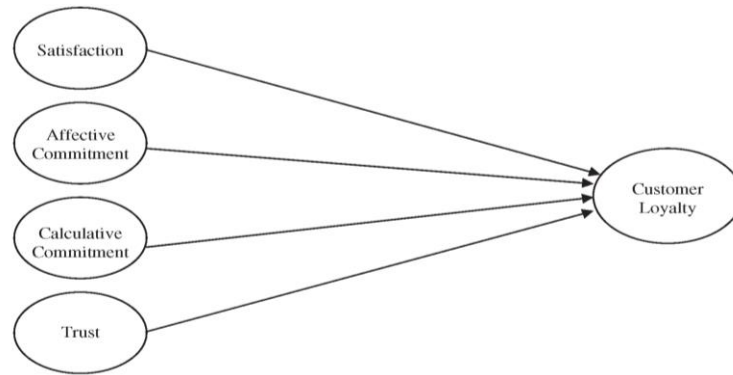
happiness can have a huge impact on future behaviour. Several recent studies have measured student satisfaction (Guilbault, 2018). Customer satisfaction and retention are the main goals of relational marketing and even relational marketing itself. Customer repeat purchase behaviour and customer word-of-mouth advertising are key factors in customer loyalty, satisfaction, and retention (Dey et al., 2020; Rita et al., 2019). Satisfaction is a focal point in customer loyalty studies (Andaleeb & Conway, 2006; Argimbayeva et al., 2020; Bowden, 2011; Dash et al., 2021; Jimenez et al., 2016; Lee & Lee, 2020; Sampaio et al., 2017; Weiss et al., 2004). In higher education, student satisfaction is defined in various ways short-term attitudes resulting from student evaluations of educational experiences which define it as a subjective outcome of various outcomes and experiences at the institution (Ogunnaike et al., 2014; Rashid & Raj, 2006, 2006; Susilawati et al., 2021). Several studies have shown that satisfaction is an important indicator of student loyalty. Satisfaction is strongly associated with positive outcomes, such as positive recommendations from students. Several studies have shown that student satisfaction explains most of the variation in students' willingness to recommend institutions. Benefits of secondary loyalty can also come from high happiness, such as: for example, attracting new students, retaining existing students, giving behavior, and alumni membership. The literature shows that customers highly weigh and value ex ante satisfaction when deciding to patronize a higher

education provider. Customer satisfaction affects customer loyalty (Hung & Yen, 2022).

2. LITERATURE REVIEW

2.1. Customer satisfaction and relationship marketing

Temuan menarik dari penelitian yang dilakukan oleh (Bowden, 2011) ini adalah bahwa kekuatan hubungan yang dilaporkan mahasiswa dengan perguruan tinggi tidak mempengaruhi pentingnya konstruksi hubungan. Hasil ini menunjukkan bahwa semua siswa memiliki kebutuhan yang sama mengenai pengalaman universitas mereka, terlepas dari kuatnya hubungan mereka dengan institusi tersebut. Temuan bahwa komitmen afektif, misalnya, memiliki efek serupa dalam menentukan loyalitas pelanggan bagi mahasiswa yang melaporkan memiliki hubungan yang kuat atau lemah dengan institusinya menggarisbawahi pentingnya strategi layanan yang mengakui kesuksesan mahasiswa. kedekatan emosional dengan institusi tempat mereka belajar. Institusi harus secara aktif membina dan mengembangkan hubungan psikologis ini dengan siswa mereka untuk memastikan tingkat rujukan positif yang tinggi dan pembelian berulang melalui pendidikan berkelanjutan. Dari segi fungsional, mengembangkan rasa memiliki yang kuat sangat penting untuk mengembangkan keterikatan siswa. Dengan Model pengembangan dalam pembentukan Loyalitas pelanggan ditentukan oleh faktor kepuasan, commitment dan trust.



**Fig 1. Effect of Relational Constructs on Loyalty
(Bowden, 2011)**

This study shows that it would be beneficial for the higher education sector to take a relationship marketing approach to higher education services and also see students as customers of their brand. Interestingly, this study found that affective commitment and satisfaction together were the most important determinants of student loyalty. This is true regardless of whether the students themselves have a strong or weak connection with their institution. Strong and attractive relationships in higher education appear to be due more to the quality of psychological and emotional attachment to the institution and high levels of satisfaction with its performance. Interestingly, this research also shows that calculated trust and commitment in this area do not determine loyalty. The statement is presented with confidence, which is basically an assumed and expected feature of the decision-making process in this industry. At the same time, the results related to calculated commitment suggest that perceived switching costs and inertia are not primary considerations in students' decisions to attend their chosen institutions. Overall, the research findings emphasize the importance of developing proactive rather than passive or reactive management strategies in developing student-

institution relations. This strategy requires careful consideration of students' prior expectations and levels of satisfaction relative to those expectations. It also requires active management of student-university relations through targeted relationship building mechanisms. In particular, educational institutions must recognize the development of strong psychological and emotional bonds between students and educational institutions in the development of lasting loyalty.

2.2. E-Relationship Marketing in Higher Educational Institutions

The E-Relationship Marketing model described by (Rashid & Raj, 2006) follows and the hypothesis for Higher education that will assist in the development of relationships between universities and their students in the context of e-learning. Information technology has a major effect on the nature of interactions between partners. Rich exchange of information is possible at the touch of a button and every core relationship variable is, in some way, influenced by technology. (Babić et al., 2019; Hemsley-Brown & Oplatka, 2006; Ogunnaike et al., 2014). that the growth of e-relationships was driven by the adoption of the Internet and e-mail by companies into their

business processes. Highlighting the advantages of e-relationships, the authors further propose that e-relationships can be considered as a further layer of interaction that partners can "wrap" with each other to create a wall of competitive advantage.

Value creation in a relationship can be seen as a strategic choice or in the case of close relationships, as a strategic imperative (Xu & Gao, 2021). The e-relationship component can add an extra layer of value in a relationship that is difficult to replicate. Value can be added in the exchange of information that enables knowledge to be pooled for mutual benefit, in tight and dense communication patterns, in integrated business processes, through new products and services that are created or developed electronically and bonded with consumers which create extra value in the brand. (Nikunen et al., 2017)

Relational Driver Identifying the key dimensions of relationship marketing is important because it is through understanding these dimensions that relationships can be developed and made successful. From the literature research the following relational drivers in the context of e-learning have been

identified: Customer Orientation, Service quality, Experience, Trust, Shared values, Communication, Commitment and Loyalty

Poor loyalty impacts the economic and financial viability of each institution itself, as well as sending negative signals to new students. This prospective scenario not only creates internal problems for establishments, but also has the potential to further tarnish the image and reputation of the entire high-tech sector. In seeking new and innovative ways to enhance the student experience and in efforts to facilitate retention, the higher education sector needs to ensure that stronger relationships are created between education providers and students.

As a retention tool, e-learning needs to be used with a raft of alternative actions to ensure that retention is facilitated. This paper has conceptualized a model and proposed that to develop relationships with students in the context of e-learning service quality, customer orientation, experience, trust, shared values, communication, commitment and loyalty are important variables as shown in Figure 2 below.

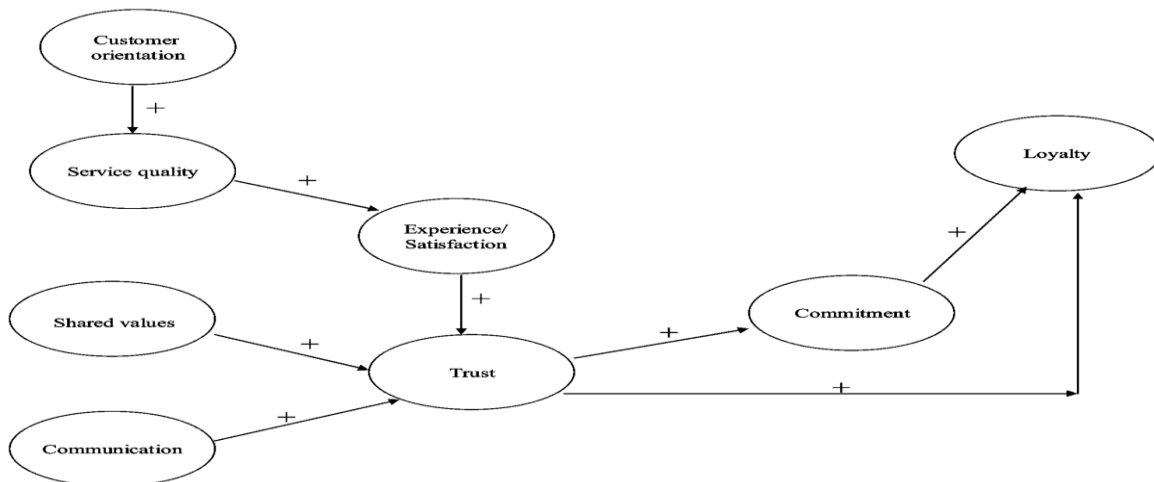


Fig 2. E-relationship marketing (Rashid & Raj, 2006)

When a community of people will meet together on a regular basis by participating in newsgroups, chat forums on the university's website, the kind of social bond that builds the relationship between the university and its students can be expected. In addition, the availability of chat rooms, bulletin board systems and voice and video conferencing facilities on the Internet will also provide opportunities for universities to hold online meetings or conferences with their students, regardless of geographic location. As a result, understanding and applying these variables will enable universities to increase student loyalty.

2.3. Technology for Customer Relationship Management in Higher Educational Institutions

CRM strategy that combines three basic dimensions namely organization, strategy

philosophy and technology. In addition, the success of a CRM strategy depends on the right balance between three key organizational resources: people, technology, and processes. Only by working effectively with these three resources can companies use CRM to achieve high levels of customer satisfaction, retention and loyalty (Glavee-Geo et al., 2019; Mahakittikun et al., 2021). A customer management implementation model that combines the three main dimensions of people, process and technology into a customer-centric, technology-integrated, enterprise-wide multidisciplinary organization is proposed Figure 3. Managing a successful customer relationship management implementation requires an integrated and balanced approach to technology, processes, and people (Chen & Popovich, 2003)

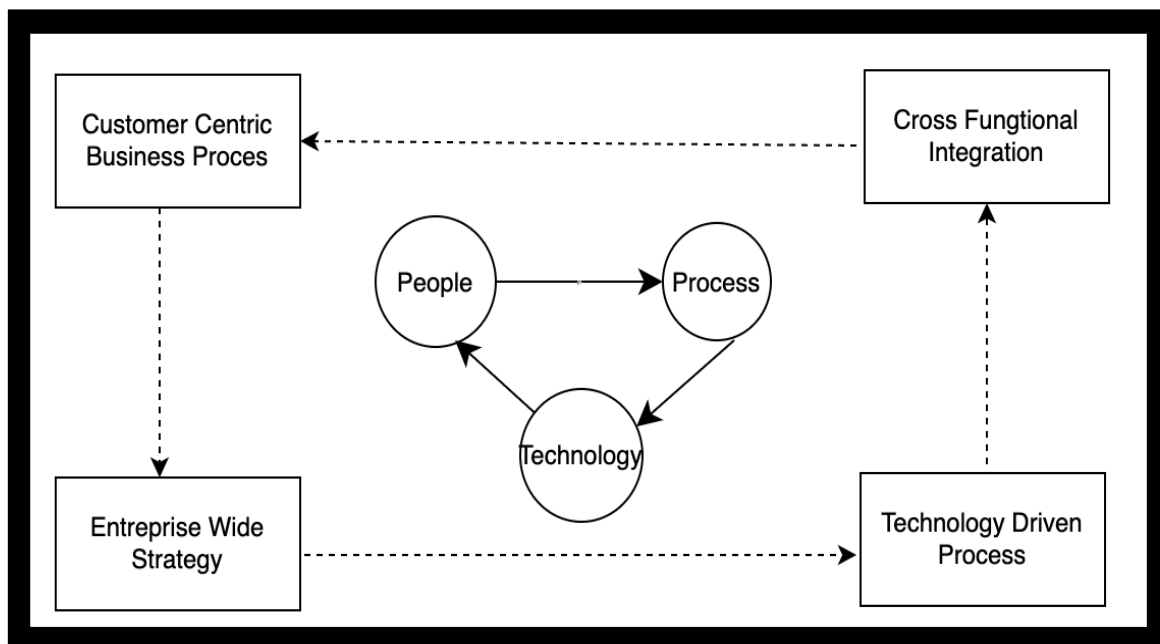


Fig 3. Technology for Customer Relationship Management (Chen & Popovich, 2003)

The educational environment is not only very dynamic, but also challenging. Competition in PT is getting tougher. There is much debate in the academic literature about how the current state of higher education shapes students as customers. Student satisfaction and loyalty are part of the university's strategy. To achieve this, they implement e-CRM. Questions about e-CRM increasingly point to successful CRM implementations that enable Organizations to get the most value out of their e-commerce investments. Implement e-CRM initiatives to increase efficiency, encourage better management practices. (Babić et al., 2019). Communicating with current and potential students is an important endeavour. The ability to implement electronic customer management in universities plays an important role. Successful electronic customer relationship management. Customer relationship management is currently seen as the application of technology to all organizational processes. The study results show that good implementation is due to well-developed infrastructure. This as a reflection leads to high process effectiveness (Babić et al., 2019).

2.4. Relationship Marketing on Customer Retention in Higher Educational Institutions

This research was conducted to measure the impact of relational marketing on customer retention in universities. trust found; Engagement and social connection are important predictors of customer focus. Trust, commitment and social ties are also important predictors of customer satisfaction. Customer orientation and customer satisfaction also have a positive effect on customer loyalty. This research is consistent with (Möller & Halinen, 2000) which states that customer orientation of service personnel leads to customer satisfaction and customer loyalty. It can be stated that there is a significant positive relationship between relationship marketing, customer orientation, customer satisfaction and customer loyalty. This study states that relational marketing has an impact on customer loyalty. Thanks to successful relationship marketing in organizations, customers are always loyal to the organization and ready to accept the organization's products and services, which increases customer satisfaction and retention (Hung & Yen, 2022)

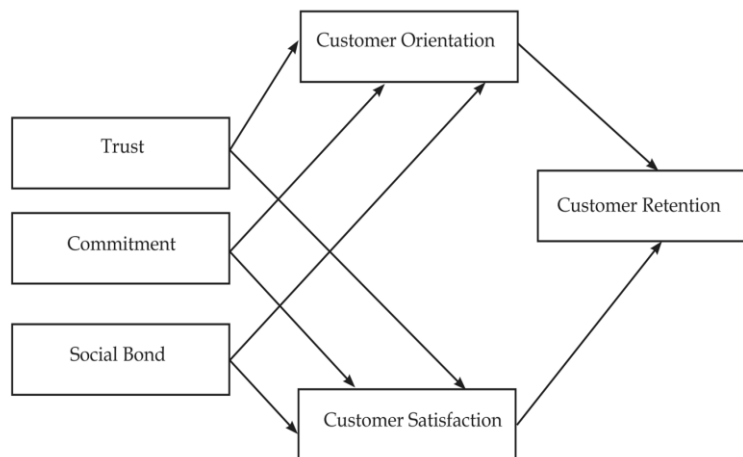


Fig 3. Relationship Marketing on Customer Retention in Higher Educational Institutions (Hung & Yen, 2022)

Educational marketing enables Universities to identify students' needs and prepare Actions to increase their competitiveness. However, most of the marketing strategies implemented by universities around the world have failed to consider the characteristics of the education sector. In particular, universities in Asia use almost the same business strategy, regardless of the importance of marketing in the context of globalization. This causes universities to face more competition when enrolling students, especially in terms of international recruitment. The reason behind this is the lack of suitable theories and models for Educational marketing.

2.5. Customer Relationship Management Approach and Student Satisfaction in Higher Education

This study aims to achieve its main objective in determining customer relationship management practices and their impact on student satisfaction. The specific objectives

are: Find out whether student life cycle management affects students' willingness to recommend their university to others. Test whether there is a relationship between student life cycle management and students' recurrent patronage intentions. To find out whether nurturing parental relationships affects students' willingness to recommend their university to others. Test whether there is a relationship between parental care and students' recurrent patronage intentions. Find out if customer relationship management affects student satisfaction (Ogunnaike et al., 2014)

Stakeholder theory is a business theory according to which the goal of a company is to create as much value as possible for its stakeholders. The theory is related to morals and values that must be followed in managing an organization. Based on the conceptual, theoretical and empirical explanations presented above, the following hypotheses were formulated and empirically validated according to the schematic model below.

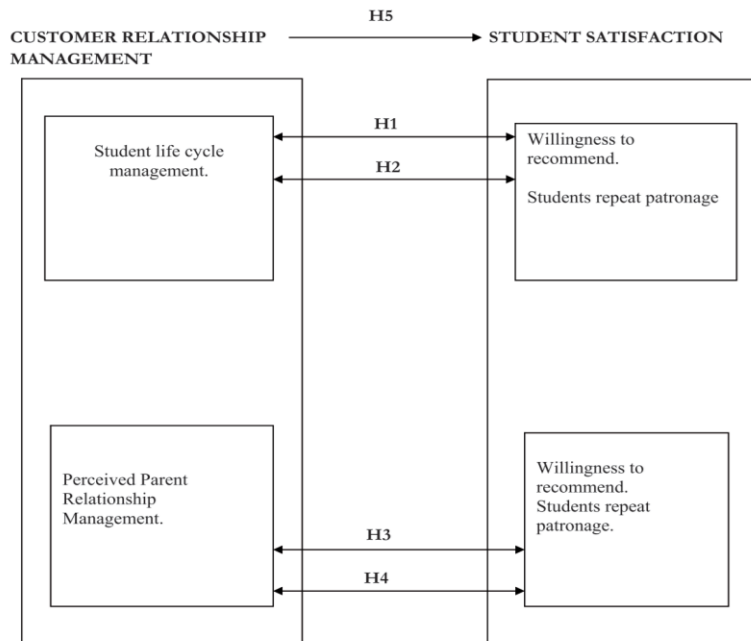


Fig 4. Customer Relationship Management Approach and Student Satisfaction (Ogunnaike et al., 2014)

Based on the results of this study it is known that the willingness of students to recommend increases if the student life cycle at the university is managed properly. It was also found that strong parental relationship management at the university led to students positively recommending their university to others. It was also found that the presence of effective parent relationship management in tertiary institutions increased students' intention to repeat customer relationships. Therefore, this study recommends the following: Universities must implement an effective customer relationship management strategy to achieve student satisfaction. Universities should provide service levels that exceed customer expectations through effective student life cycle management, such as: High quality application processes and regular communication and support for students in university operations. In addition, universities should maintain a healthy relationship with parents by holding regular meetings with parents to discuss their concerns; This ensures that both parents and students are satisfied. University leadership must have a strong alumni base that effectively monitors the progress of graduates in their various careers.

3. RESEARCH METHODOLOGY

Research methodology can help keep the fundamentals in mind research The growth and development of research depends on the effectiveness of research methodologies. The research methodology was carried out by incorporating some of these effective components. Research philosophy, research approach, research design, Data Collection and Data Analysis Process. On the other hand, research This method consists of justifiable

ethical aspects research ethics. Sources and types of research are maintained with the help of research philosophy. The researcher's belief is increases with research philosophy. Philosophy is divided into four categories, such as positivism, interpretivism, realism, and pragmatism. This research is done with a research philosophy of positivism. Objective Research supported by research positivism Philosophy. Research stability is enhanced with the help of positivism research philosophy. Study development is well maintained with support of research philosophy. The research approach is also discussed in a Defensible components of an effective research methodology research hypothesis. The research method is divided into two parts inductive and deductive research methods research approach. Research plans and procedures were maintained. This research was conducted deductively research approach. Mixed data types are also described using a deductive research approach. On the other 2 types The process of data analysis used in this study is as primary and secondary. Primary data collected from fresh sources such as Focus groups, interviews, surveys and observations. Secondary Information from secondary sources such as published journals, Articles, government and media reports. The research plan determines the chosen research framework methods and techniques. Descriptive research design was used in research because research requires the collection and analysis of secondary data types. For the time being, a descriptive research design was used We have received information from existing studies and trials. the data is from two types of primary and secondary data and this research uses secondary data. Secondary data is data received

or collected through published journals, books, websites, etc.

Research materials were collected and analysed to answer these questions investigate problems, achieve goals and provide quality.

4. RESULT AND DISCUSSION

Themes and research areas on higher education marketing. Several areas of research emerge from the current review, and support the argument of this article as they represent issues and research agendas that appear to be more on par with industrial/commercial/business marketing features and processes and services than with features and processes from higher education institutions and services.

In recent years, it has been recognized that relationship marketing strategy appears to be a good fit with the nature of higher education services, (and other education sectors) because this approach promotes student involvement in marketing and building the image of their institution (Hemsley-Brown & Oplatka, 2006) After all, even the best marketers and advertisers cannot promote colleges if service staff (eg lecturers, office managers, secretaries) are not responsive to students' needs and expectations. Future research on higher education marketing, it is suggested, needs to broaden our understanding of relationship marketing strategies and various tactics for implementing them in higher education institutions.

Market positioning The authors have suggested that universities may need to reposition themselves to attract successive generations of students which may involve conducting a situation analysis to ensure that market positioning is established and strategies

are implemented. in place to effectively present the image of the institution and develop its position in the public's mind acknowledge that little research has been conducted on the market. This study uses a problem solving design and supports the importance of image and resources identified in previous studies, which have used problem identification designs, to explore the effectiveness of marketing communications and information dissemination. Here again, however, the researcher has borrowed models that have been developed in the non-educational sector to explain the needs/marketing processes of higher education institutions.

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