

Effect of Location, Services, and Costs on Study Interest of Students at Universitas Prima Indonesia with Facilities as Intervening Variables

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ABSTRACT

The background of this research is due to a decrease on study interest of students at Universitas Prima Indonesia in 2020. The purpose of this study is to determine whether location, services, costs affect the increase in study interest of students at Universitas Prima Indonesia with facilities as intervening variables. This type of research is descriptive quantitative, the nature of this research is descriptive exploratory, the number of samples of this study were 100 respondents and the research data collection used a Google form (online) questionnaire, data analysis in this study was multiple linear analysis using smartPLS. The results showed that location has no and insignificant effect on facilities, services has a positive and significant effect on facilities, costs has a positive and significant effect on facilities, location has a positive and significant effect on study interest, services has no and no significant effect on study interest, costs has an effect positive and significant effect on study interest, facilities have a positive and significant effect on study interest, location through facilities has no and insignificant effect, services through facilities have a positive and significant effect, costs through facilities have a positive and significant effect. Goodness of fit (GOF) value is 0.897.

Keywords: Location, Services, Costs, Facilities, Study Interest

INTRODUCTION

Higher education is the next level that will be taken by a child who has

completed his studies at the high school/vocational/mechanical engineering school level. According to Arif Rohman (2009:225), "Higher education includes diploma, bachelor, master, specialist and doctoral education programs organized by tertiary institutions".

According to Soedomo Hadi (2008:133), higher education is a continuation of secondary education and is held to prepare students to become members of society with academic and professional abilities who can apply, develop and create science and technology.

Universitas Prima Indonesia is a private university located in Medan, North Sumatra, Indonesia. The university was founded in 2001 as the Academy of Nursing and the Academy of Midwifery Prima and in 2002 changed its name to the Prima Husada College of Health Sciences Medan in 2005 to become Universitas Prima Indonesia.

Universitas Prima Indonesia is one of the private universities whose progress is very fast, both in terms of the number of students, and also seen from the facilities owned by Universitas Prima Indonesia. Recently, a 20-story campus building has been built on the road covering the Medan city.

The interest in continuing their studies at higher education institutions is a tendency that leads students to continue

their studies in higher education with enthusiasm. Crow in Djaali (2012:12).

In 2020, the number of students at Universitas Prima Indonesia has decreased drastically when compared to the number of new students in 2019. The number of new students in 2019 is around 3,500 students, while in 2020 it is only around 2,800 students.

The purpose of this study was to determine whether the location, services, costs and facilities have an effect on increasing student interest in student study at Universitas Prima Indonesia.

LITERATURE REVIEW

2.1 Higher Education Services

Higher Education Services When viewed from the point of view of higher education institutions, the important characteristics contained in higher education services, according to Lambat Lupioyadi and A. Hamdani (2006:148), are:

- a. Higher education is included in pure services where the provision of services is supported by work tools or supporting facilities, such as classrooms, tables, chairs and books.
- b. The services provided require the presence of service users (students), in which case the customer comes to the educational institution to get the desired services (although in its development there are also those that offer distance learning programs).
- c. The recipient of the services is a person, so it is a person-based jaa giving. Or in services, it is usually referred to as high contact (high contact system), namely the relationship between service delivery and high customers. Customers and service providers continue to interact during the service provision process.
- d. Relationship with customers is a membership relationship (member relationship) where the customer has become a member of the educational institution. The system provides services continuously and regularly according to the predetermined curriculum.

2.2 Study Interest

Study interest can also be said to be a child's interest in choosing which university he will choose to continue his next education. In the marketing mix, study interest can also be termed buying interest or interest in choosing a university. Study interest is the behavior of a person who wants to continue his education to a higher level by considering several things, this can also be said to be a component of behavior in choosing a university. Annafik and Rahardjo (2012) that buying interest is part of the behavioral component of consuming attitudes. According to Sardiman (2011:76), interest is defined as "a condition that occurs when a person sees the characteristics or temporary meaning of a situation associated with his own wants or needs". According to Muhibbin Syah (2011:152), "interest means a tendency and high enthusiasm or a great desire for something". According to Slameto (2010: 180), "interest is a feeling of preference and a sense of attachment to something or activity, without being asked".

According to Sulastiyono in Kusuma (2015:3) Defining "Facility is the provision of physical equipment to make it easier for guests to carry out their activities or activities". Facilities can be in the form of tools, objects, equipment, money, and also work space (Lupiyoadi, 2013:148). Facilities are the appearance, the ability of infrastructure and the condition of the surrounding environment in showing their existence to the external which includes physical facilities (buildings), equipment, and equipment Heriyanto (2017).

According to Kotler (2008:51) "One of the keys to success is location, location starts with choosing a community". This decision is highly dependent on the potential for economic growth and stability, the competitive political climate, and so on.

According to Utami (2014) "Service quality is a unit of activity and programs carried out by retailers as a tribute to customers by building a pleasant shopping experience". Good service is a must so that

students feel satisfied with what they get. Good service forms a positive perception of each individual student. Perceptions will be followed by various actions of appreciation and recommendation for the higher education institution which will have an impact on the sustainability and competitiveness of the current and future universities Heriyanto (2017).

Someone in using educational services will be charged a certain fee. Cost in terms of marketing mix is also said to be a price. According to Kotler and Armstrong (2012:314) what is meant by price is "The amount of money being charged for a product or service, the sum of the value that customers exchange for the benefits of having or using the product or service". What has the meaning is the amount of money charged for a product or service, the amount of value that customers exchange for the benefit of owning or using the product or service.

2.3 Study Interest Indicator

According to Slameto (2010:180) several indicators of interest in learning (studies) are:

1. Happy Feelings
2. Interest
3. Acceptance
4. Student Involvement

According to Hurlock (2011:116) indicators of interest are

1. Likes
2. Interest
3. Attention
4. Engagement

Dimensions of facilities in higher education include flexibility, arrangement, good quality, feasibility of use, completeness, as needed, academic support, good design, ease of operation, and availability of information systems. According to Tjiptono (2006), location indicators are as follows:

1. Location Affordability
2. Smoothness to Location Access
3. Proximity to Location

According to Zheithalm et al in Ariani (2009:180) there are five main

dimensions of service arranged in order of their relative importance as follows:

1. Reliability

Relates to the ability to provide promised services promptly, accurately and satisfactorily.

2. Responsiveness

Regarding the willingness and ability of service providers to help customers and respond to requests promptly and responsively.

3. Assurance

With regard to knowledge and courtesy of employees and the ability to foster customer trust and confidence.

4. Empathy

Means understanding the problems of customers and acting in the interests of customers, as well as giving personal attention to customers.

According to Kotler and Armstrong, translated by Bob Sabran (2012:278), there are four indicators that characterize prices, namely:

1. Price Affordability
2. Price Compatibility with Product Quality
3. Price Competitiveness
4. Price Compatibility with Benefits

RESEARCH METHODS

3.1 Place and Time of Research

The research was conducted at Universitas Prima Indonesia, Jalan Sekip No.01 Medan. Research time is November 2020.

3.2 Types and Nature of Research

This type of research is descriptive quantitative. According to Sugiyono (2012:13) in Januardin and Samosir, quantitative research can be interpreted as a research method based on the philosophy of positivism, used to research on certain populations or samples, sampling techniques are generally carried out randomly, data collection uses research instruments, analysis quantitative or statistical data with the aim of testing predetermined hypotheses.

The nature of this research is descriptive exploratory research. According to Sedarmayanti and Hidayat (2011:50), "Exploratory research is research conducted to find causes or things that influence the occurrence of something."

3.3 Population and Sample

The population of this study were students of bachelor degree management at Universitas Prima Indonesia in the final semester

Sampling using a non-probability sampling approach. According to Morrison (2014), the type of sampling chosen was accidental sampling with the type of qualified volunteer sample, meaning that respondents met by researchers were willing to voluntarily become respondents and met the criteria of researchers as many as 100 respondents.

3.4 Data Collection Techniques

The data collection techniques used in this study were: interview, questionnaire and study.

3.5 Types of Data Sources

According to Sugiyono (2009:193), collection can use primary sources and

secondary sources. Primary sources are data sources that provide data directly to data collectors and sources that do not directly provide data to data collectors, for example through other people or through documents. Primary data sources were obtained by distributing questionnaires using google form (online).

3.6 Research Analysis Model

The data analysis model of this study uses multiple regression analysis using Smart PLS.

Hypothesis testing in this study is as follows:

1. Partial/Individual Test (t-test)

According to Ghazali (2013), the partial test or t-test is to test whether an independent variable individually affects the dependent variable.

2. Assessing the Goodness of Fit (GOF) Criteria

According to Ikrom (2019) assessing Goodness of Fit is the main objective in structural equation modeling (SEM) to determine the extent to which the model is hypothesized (fit) or fits the data sample.

RESULT

4.1 Descriptive Statistics

Table 1. Descriptive Statistics

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
X ₁ (Location)	100	4	15	11.31	2.604
X ₂ (Services)	100	5	20	13.14	3.769
X ₃ (Costs)	100	4	20	13.74	4.306
Z (Facilities)	100	11	45	32.00	8.685
Y (Study Interest)	100	6	20	14.52	3.067
Valid N (listwise)	100				

Source: Data Processing (2020)

From Table 1 above, it is obtained that the minimum value data is on location and cost, namely 4, the maximum value is at the facilities which is 45 and the number of samples is 100.

4.2 Flow Diagram

Based on Figure 1, it can be seen that there are 5 latent variables and 22 indicator variables with their latent variable codes.

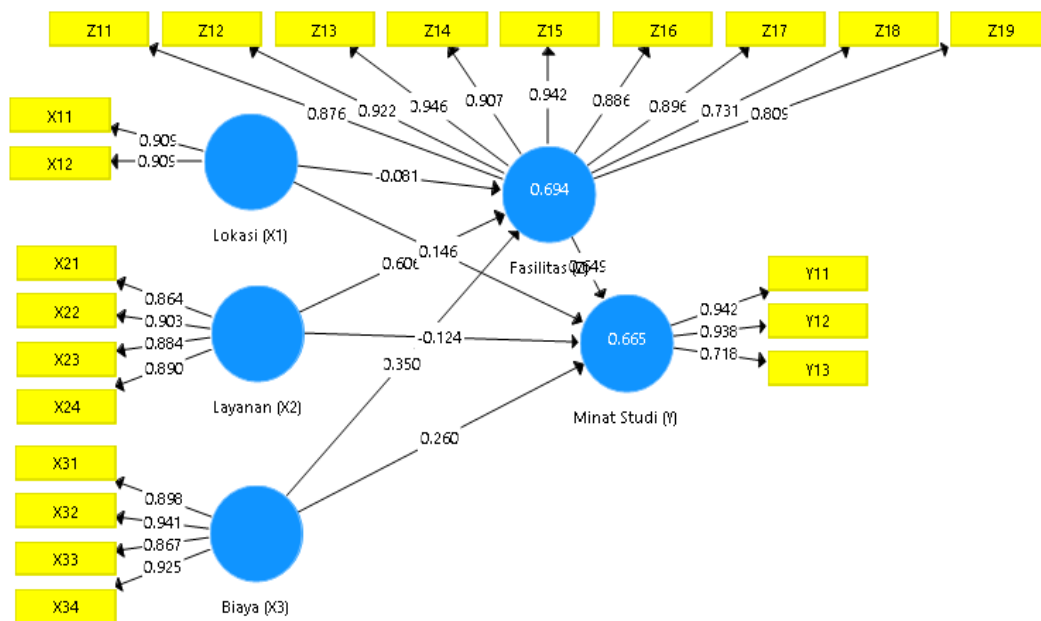


Figure 1. Flow Diagram

4.3 Validity and Reliability Test

Table 2. Validity Test

	Biaya (X3)	Fasilitas (Z)	Layanan (X2)	Lokasi (X1)	Minat Studi (Y)
X11				0.909	
X12				0.909	
X21			0.864		
X22			0.903		
X23			0.884		
X24			0.890		
X31	0.898				
X32	0.941				
X33	0.867				
X34	0.925				
Y11					0.942
Y12					0.938
Y13					0.718
Z11		0.876			
Z12		0.922			
Z13		0.946			
Z14		0.907			
Z15		0.942			
Z16		0.886			
Z17		0.896			
Z18		0.731			
Z19		0.809			

Source: SmartPLS Output (2020)

According to Ikrom (2019), in Smart-PLS, data is said to be valid if the variable indicator data value > 0.7. According

to the smartPLS output results obtained, all indicator values are above 0.7, meaning that all data are valid.

Table 3. AVE and Composite Reliability

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Costs	0.929	0.933	0.949	0.824
Facilities	0.963	0.967	0.969	0.778
Services	0.908	0.909	0.936	0.784
Location	0.790	0.790	0.905	0.826
Study Interest	0.839	0.892	0.904	0.761

Source: SmartPLS Output (2020)

Based on Table 3, it is known that the AVE values of all variables >0.5 and it can be said that all variables have good discriminant validity.

Based on Table 3, it is known that the composite reliability value of all variables >0.7 . This shows that all variables

have met the composite reliability standard, so it can be concluded that all variables are reliable.

4.4 Partial Hypothesis Test (t Test) Direct Effects

Table 4. Path Coefficients

	Original Sampl...	Sample Mean (...)	Standard Devia...	T Statistics (O...	P Values
X1 -> Y	0.146	0.155	0.071	2.066	0.039
X1 -> Z	-0.081	-0.075	0.062	1.304	0.193
X2 -> Y	-0.124	-0.124	0.102	1.211	0.227
X2 -> Z	0.606	0.600	0.070	8.668	0.000
X3 -> Y	0.260	0.257	0.088	2.960	0.003
X3 -> Z	0.350	0.354	0.094	3.740	0.000
Z -> Y	0.649	0.646	0.121	5.371	0.000

Source: SmartPLS Output (2020)

According to Table 4, the effect of location (X_1) on facilities (Z), where the significant value is $0.193 > 0.005$, which means that the location has no and insignificant effect on the facilities, the hypothesis is rejected.

According to Table 4, the effect of services (X_2) on facilities (Z), where the significant value is $0.000 < 0.005$, which means that services has a positive and significant effect on facilities, the hypothesis is accepted.

According to Table 4, the effect of costs (X_3) on facilities (Z), where the significant value is $0.000 < 0.005$, which means that costs have a positive and significant effect on facilities, the hypothesis is accepted.

According to Table 4, the effect of location (X_1) on study interest (Y), where the significant value is $0.039 < 0.005$, which means that location has a positive and significant effect on study interest, the hypothesis is accepted.

According to Table 4, the effect of services (X_2) on study interest (Y), where the significant value is $0.227 > 0.005$, which means that services has no and insignificant effect on study interest, the hypothesis is rejected.

According to Table 4, the effect of costs (X_3) on study interest (Y), where the significant value is $0.003 > 0.005$, which means that costs have a positive and significant effect on study interest, the hypothesis is accepted.

According to Table 4, the effect of facilities (Z) on study interest (Y), where the significant value is $0.000 < 0.005$, which means that facilities have a positive and significant effect on study interest, the hypothesis is accepted.

Indirect Effects

According to Table 5, the effect of location (X_1) through facilities (Z) on study interest (Y), where the significant value is $0.218 > 0.005$, which means that location through facilities has no effect and is not significant, the hypothesis is rejected.

According to Table 5, the effect of services (X_2) through facilities (Z) on study interest (Y), where the significant value is $0.000 < 0.005$, which means that services through facilities has a positive and significant effect, the hypothesis is accepted.

According to Table 5, the effect of costs (X_3) through facilities (Z) on study interest (Y), where the significant value is

0.006<0.005, which means that costs significant effect, the hypothesis is through facilities have a positive and accepted.

Table 5. Total Indirect Effects

	Original Sampl...	Sample Mean (...)	Standard Devia...	T Statistics (O...	P Values
X1 -> Y	-0.052	-0.049	0.042	1.235	0.218
X1 -> Z					
X2 -> Y	0.393	0.387	0.081	4.846	0.000
X2 -> Z					
X3 -> Y	0.227	0.230	0.081	2.785	0.006
X3 -> Z					
Z -> Y					

Source: SmartPLS Output (2020)

4.5 Assessing Criteria Goodness of Fit (GOF)

Table 6. R Square

	R Square	R Square Adjus...
Y	0.665	0.650
Z	0.694	0.684

Source: SmartPLS Output (2020)

According to Ikrom (2019) the assessment of goodness of fit (GOF) is known from the Q-Square value, the Q-Square value has the same purpose as coefficient determination (RSquare) in regression analysis, which is that the higher the Q-Square value, the better. the model that is formed or can be said to be more fit with the data. The following is a calculation of the Q-Square value:

$$\begin{aligned}
 \text{Q-Square} &= 1 - [(1 - R^1) \times (1 - R^2)] \\
 &= 1 - [(1 - 0.694) \times (1 - 0.665)] \\
 &= 1 - [(0.306 \times 0.335)] \\
 &= 1 - 0.102 = 0.897
 \end{aligned}$$

CONCLUSION

The results showed that location has no and insignificant effect on facilities, services has a positive and significant effect on facilities, costs has a positive and significant effect on facilities, location has a positive and significant effect on study interest, services has no and no significant effect on study interest, costs has an effect positive and significant effect on study

interest, facilities have a positive and significant effect on study interest, location through facilities has no and insignificant effect, services through facilities have a positive and significant effect, costs through facilities have a positive and significant effect.

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