

## **Competitive Advantage On Higher Education Study Program In Maluku – Indonesia (Case Study)**

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### **Abstract**

The quality of higher education in Maluku still not reckoned, both on the national or international level. Therefore, this study aims to determine the competitive advantage through the service mix. The characteristics of this research are descriptive and verification, with the Structural Equation Modelling analysis technique being used. Data collection through a questionnaire distributed to 242 study programs in Maluku, with an observation unit from the Chair of the Study Program. The results of the study found the competitive advantage of universities in Maluku could be improved through a service mix. The education industry has core product services, thus the implementation of the service mix will represent the key strategy. However, its implementation in the education industry is nevertheless rarely used, although it expresses a distinct relationship with the achievement of competitive advantage.

### **Keywords**

Competitive Advantage, Higher Education, Case Study, Maluku Province, Indonesia

## 1. Introduction

Developments from the agreement of several international forums occurred globally, such as the China-A-Countries (CAFTA) established in 2010 and India-A-Countries (I-AFTA) in 2011. At the end of 2015, AE-Countries (AEC) known as the ASEAN Economic Community (AEC 2015) presents a single market and production base policy (free flow of goods, free flow of services, free flow of capital, free flow of professional and skilled labors), and in 2020 WTO with 130 member countries has formed (Directorate General of Higher Education, 2013). This means that Indonesia is open to a significant level of free competition among forum countries and is required to prepare, particularly in preparing its Human Resources to compete globally.

The Indonesian Ministry of Research, Technology and Higher Education (Kemenristek dan Dikti) shows from 2,694 colleges in Indonesia, only 95 colleges are superior accreditation, 831 colleges are very good accreditation, and 1,457 colleges are good accreditation, the rest have been unaccredited. While only 2,512 study programs have accredited as A or only about 12% are superior accreditation from a total of 20,254 accredited study programs (A, B, and C). Furthermore, based on the results of the 2021 ranking of 300 colleges in Asia (The Times Higher Education, 2021) only three A-accredited colleges from Indonesia are on the Top 300 in Asia (and even moreover it is still above the Top 200), namely Universitas Gadjah Mada, Universitas Indonesia and Institut Teknologi Bandung.

Based on PDPT DIKTI, the national number of the Higher Education (Public Higher Education, Religion Higher Education, and Service Higher Education), the amount of Public Higher Education is 424, Private Higher Education is 4113 and with the total number is 4537. Concurrently, the 2021 annual recapitulation shows the highest numbers of students are located in State Colleges. This can be understood since, among other things, State Colleges provide a broader number of study programs and furthermore, it maintains relatively affordable prices. The combined number of State Higher Education students in 2017 is 823,222 and Private Higher Education is 338,452 (the number of Private Higher Education is only 41.11% of the total State Higher Education students or 29.13% of the total number of students nationwide).

The number of State Higher Education and Private Higher Education in Maluku Province hitherto is 6 State Colleges (1 University, 3 Technical School, 1 College, and 1 Institute) and 36 Private Colleges, consists of 3 Universities, 1 Institute, 29 Colleges, and 3 Academies. Of the 242 study programs, undergraduate study programs were offered more by universities namely 173 study programs (72%), following 29 (12%) associate's degree study programs. A total of 161 study programs are in Ambon City, the rest are scattered in the cities and regencies in Maluku province.

Higher Education Service Institutions (LLDIKTI) data shows a degradation trend of the number of students from the 2018-2021. Initial survey monitoring from 50% of study programs in Maluku Province found Higher Education in there still fall behind in several areas on competitive advantages, such as lack in implementation of virtual face or social technologies (websites that do not nonetheless exist or have not operated optimally or updated, operators services that not available yet or less functioning, online service and e-learning class), the creation of sense of communities, routine competency activities and lack of knowledge sharing, as well as efforts to create internationalization culture, international cooperation and the lack of international programs.

Insufficient facilities, inferior service processes which lead to numerous consumers complain, and also training activities and workshops funds and other development programs scarcity. Not to mention the lack of competence and lack of unique competencies possessed by universities in Maluku. It can be instantly seen, for example, from the number of professors and doctors in universities in Maluku. The unique competencies possessed by lecturers in Maluku province also limited, and most are still on undergraduate level (specifically for Private College).

Field monitoring results indicate most Private College lecturers in the district are civil servants who are aided as structural officials, or teachers doubled as a lecturer. This will become problematic because of the lack of their time availability in the morning since they have to wait after their official operational hour at their government agency. This is slightly risky considering the presence of lecturers on campus and lecture hours is needed. Most structural officials or heads of study programs are appointed due to the element of closeness or kinship, and not because of their capability, and this is frequently found from the results of field monitoring.

The geographical locations of Maluku, which consists of islands and separated by oceans aggravate the conditions of education there. This creates its own challenges for the information, knowledge and technology dissemination. The number of honoraria received is also completely inadequate. This causes many lecturers go after side jobs as fish sellers, farmers or part-time worker on other campuses. This is also parallel with the amount of education which

particularly very affordable compared to the cost of education in other cities or provinces in Indonesia and only less than 10% conduct study tracer.

Based on the national ranking, there are two state universities as reorientations of Maluku province: Pattimura University in 112th national rank and 7065th in world rank, while the Ambon State Technical School is ranked 681st in national rank and 21133rd in the world rank (data from Kemenristekdikti and webometric ranking, 2017). The total score results are based on the quality of human resources, management quality, quality of student activities, quality of research and publications.

In recent years, profound changes in policy, governance, structure, and status of higher education have occurred throughout the world. Environmental changes, such as privatization, diversification, decentralization, internationalization, and rising number of competition in higher education are common in most countries. This change causes an effect on how higher education institutions operate today and they are seen as a driving force for marketization of higher education (Khan, 2020).

The university's marketing strategy as a higher education institution is carried out in several ways such as directing efforts and resources to achieve the mission and strategic objectives, facilitating decision making in the marketing mix component (Olson et al., 2018), and identify the market as a whole and decide through smaller segments, select more promising segments, and focus on serving and satisfying customers in this segment (Nguyen et al., 2018).

Thus far, there are still many parties who think that the application of marketing concepts to universities, including the concept of market orientation and marketing strategies is inappropriate. This opinion is due to the application of the marketing concept exist in animosity with the purpose of education, since this activity is intended to pursue maximum profit, through all the necessities and needs of the customer. Regardless of the fact that though in today's global competition, every university, both private and public, is required to have competitiveness or competitive advantage (Agasisti, 2017; Bolton & Landells, 2019).

The competitive advantage of a college would depend on four essentials resources conditions: value, awareness, inability, and non-substitutability (Mohammad AlAyoubi, 2020). The influence of resources base view in strategic marketing is on the dimensions of marketing capabilities (Varadarajan, 2020), competitive advantages (Lin et al., 2020; Lee & Yoo, 2021), a framework for analyzing performance in the international market (Lobo et al., 2020), and the dimensions of positioning strategy representation (Karadeniz, 2009; Schuwey, 2021).

## 1.1 Objectives

This research objectives are to explain the relationship between the funding strategies of service mix activities with the achievement of competitive advantage at the university.

## 2. Literature Review

### Service

Purcarea & Purcarea (2017); and Wirtz (2020), describe services on the dictionary as the act of serving, helping or providing benefits, doing the welfare or benefits of others. The definition of early marketing, services as acts, deeds, performances or efforts. Thus, it can be said services are all activities either processes or performance that create benefits for customers by producing changes that the recipient wants.

### Service Mix

Service marketing mix or service mix in the service marketing mix or service mix is a set of tools or key marketing elements that can be controlled by the company or organization to achieve marketing objectives, through 4 P from the company side (process, people, visible evidence and productivity & quality) and 4 C in terms of perceived customer (capabilities, caliber or champion, charisma or collateral and customer experience) However, due to the analysis unit of this study is the study program limited only to the company side, this writing only optimized the 4P (process, people, visible evidence and productivity & quality). This study also adopted the opinion of Othman et al. (2019), Azhar et al., (2019) and Wirtz (2020), because it was considered to possess characteristics that could and had been done in higher education.

### Competitive Advantage

"Organizations could obtain a competitive advantage simply by managing current day effectively while producing innovation for the future" and suggest that "there might be no urgent managerial problems in the management of

sustainable innovation" (Urbancová et al., 2020). The innovation dimension in the concept of competitive advantage is embraced by several researchers such as N. Singh & Hong (2017), Gupta, A., & Kumar (2018), Hosseini et al., (2018), Granata et al. (2018), Singh et al. (2019), Y. Y. Lee & Falahat (2019), Dymitrowski & Mielcarek (2021), Vukelic (2021).

According to Philip Kotler (2012) competitive advantage obtain an advantage which exceeds competitors obtained by offering consumers greater value. A resource or set of resources can be used to produce a competitive advantage (Y. Y. Lee & Falahat, 2019). Competitive advantages can come from a focus on key competencies, those which the firm specializes in or which it does well (Bari, M. S., & Park-Poaps, 2020). Lin et al. (2020), summarizes the definition of competitive advantage from prominent contributors to this concept and describes the conceptual framework between the source of CA-CA and Superior Performance.

Junquera & Barba-Sánchez (2018), use competitive social technology and conduct extensive research on organizations and higher education (MBA students at State University) using questionnaires with a total of 178 questions to 80 organizations including higher education. Social technologies (like Facebook, Twitter, Instagram, LinkedIn, YouTube, etc.) can be typically used for customer service, increasing and acquiring new consumers, marketing and networking and professional relationships.

Lin et al. (2020), conducted a study of competitive advantage in higher education in China that will undoubtedly influence the country's competitive advantage through the internationalization of higher education, called international cooperation and communication between various countries, through among others, study abroad, student exchanges, international studies, regional studies and technical support. While internationalization of education typically includes all activities in higher education, the content of courses, methods of learning, the ability to properly use foreign languages and recognize many cultures and expand international institutions of higher learning.

Several other researchers who critically examined competitive advantage and empirical research at higher education, are Ramdhany et al. (2019), that examine an sustainability competitive advantage that has not utilized learning communities, Lipunga (2015) and Mohammad AlAyoubi (2020) on the role of intellectual capital in forming competitive advantage, Lawson et al., (2015) on information systems strategic planning to improve competitive advantage, Hamadat & Hamadat (2021), on mobilizing claims of university excellence for competitive advantage, and Sawyer et al. (2020) on properly using websites or the virtual face of planning to assess competitive advantages.

It can be concluded that competitive advantage represents a business concept that enables organizations to outperform their competitors and achieve superior performance. Furthermore, this study will utilize the concepts from Junquera & Barba-Sánchez (2018), Lin et al. (2020), Sawyer et al. (2020), Mohammad AlAyoubi (2020) and Hamadat & Hamadat (2021), with dimensions of virtual face or social technologies, learning communities and internationalization, taking into account that the concept has already been applied and can be used on objects of college or higher education or universities which are suitable with current conditions and in accordance with the academic field.

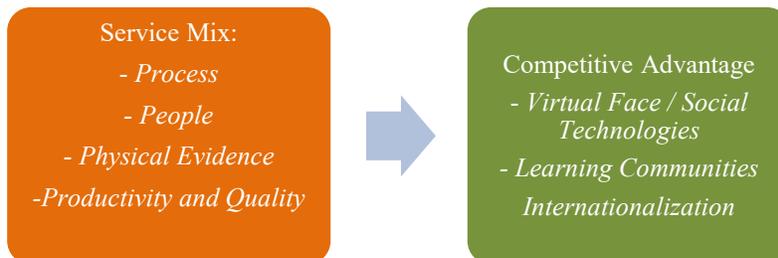
Virtual face or social technologies are defined as "applying technology used for certain purposes, primarily social ones: to facilitate social procedures through social software" (Toumi et al., 2021). In the published article by Al-Saqaf & Seidler (2017), the term 'social technology' was first introduced to the University of Chicago by A. W. Small and Ch. R. Henderson around the 19th century. Schmuck, (2018) typically utilized the word 'social art' for the method through which community development was initiated; "Social scientists are people who provide predictions and social arts that give direction." The term 'social technology' contains two specific interpretations (Aldahdouh et al., 2020): as a term of introduction related to 'social engineering' and since the 21st century has been traditionally defined as a 'social software'.

Learning Communities is professional learning that increases the potential effectiveness of educators. Learning communities aim to develop each and every student incorporated in learning communities that are voluntarily committed to continuous improvement, collective responsibility, and seeking towards harmony. Shirley Hord in lookingforward.com (The Professional Learning Association) explains that learning communities typically apply a cycle of continuous improvement to be incorporated in, action research, data analysis, planning, implementation, reflection, and evaluation.

Internationalization is "the process of increasing company involvement" (Sharipov, 2020). According to Y. Y. Lee & Falahat (2019), internationalization of higher education is international cooperation and communication among

numerous countries, including foreign studies, international student exchanges, international studies, regional studies, and technical support. While 'internationalization of educations includes all activities in higher education, content, teaching methods, cognitive ability to utilize foreign languages and recognize some cultures and typically extend the internationalization of higher education. In Knight & De Wit (2018), the definition of internationalization are perchance the most widely accepted term, as the international integration process, cross-cultural and global dimensions oriented, functions (teaching, research, and service), and higher education services. Figure 1 shows the competitive advantage model through service mix in higher education services.

Figure 1 Competitive Advantage Model through Service Mix in Higher Education Services



### 3. Methods

This research utilized descriptive and verification in reviewing service mix and competitive advantage in the education industry, i.e. Universities in Maluku. The research methodology was carried out by a survey of 242 Study Program Chairmen, with time horizon and data collection time. Retrieval of data on respondents proceeded via questionnaires, and questionnaire information is processed through Structural Equation Modeling (SEM) analysis techniques. Next, the measurement model for each variable and research model is presented in Figure 2, and Figure 3.

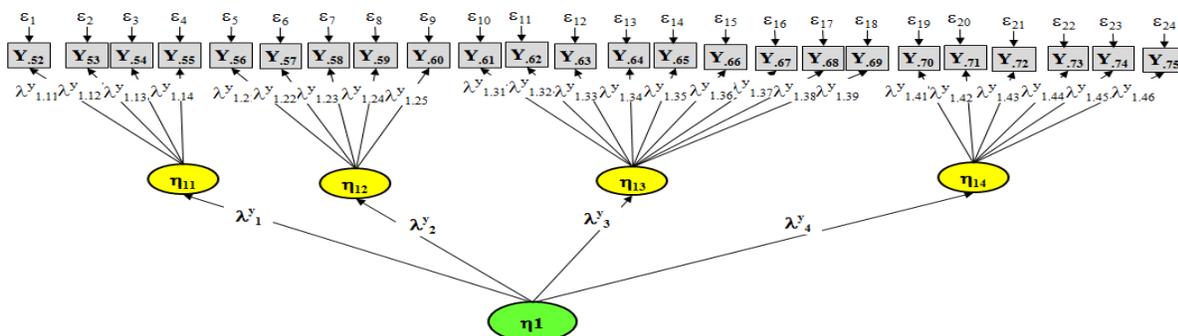


Figure 2 Variable Measurement Model of Service Mix

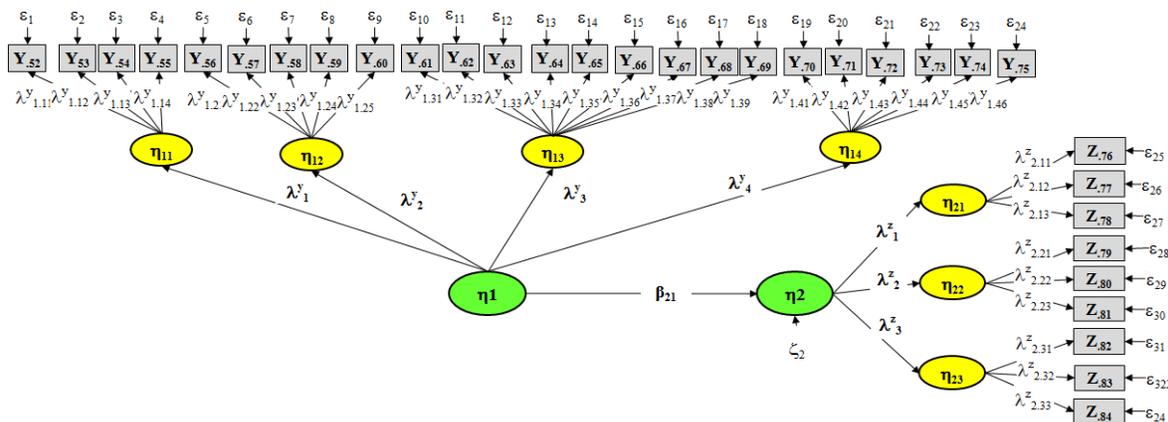


Figure 3 Model of Effect of Service Mix against Competitive Advantage

## 4. Results and Discussion

### Profile of Respondents

Questionnaires were distributed to the Head of Study Programs as many as 242 in Maluku. Among those 242, only 221 questionnaires were properly filled, consisting merely of 108 Private College study programs and 113 State College study programs. The data is processed and tested through a research model. Hitherto, the profile data of respondents who completed the questionnaire were submitted. It was found that based on the average year of 2-5 years = 77 (35%), the accreditation value was C = 148 (67%). The number of graduates per year was over 100 people = 159 (72%). The number of active students was admittedly below 500 people = 84 (38%), on the age of study of 35-45 years = 117 people (53%). It was then found extensive time working in study programs, 10-20 years = 104 people (47%), with the academic background of Master Degree only by 161 people (73 %). In the previous 3 years, the critical condition of applicants to study programs constantly dropped by 75 = 34%. In the previous 3 years, the conditions of active students in study programs were unstable and tend to fall by 75 = 34%. Meanwhile, in the prior 2 years, the number of students graduating in study programs inevitably tended to be rarely of the target graduates was 75 = 34%.

### Results of Confirmatory Factor Analysis (CFA) for Second Order Measurement Models

Financing variable (funding) service mix activities consist of 4 dimensions. The measurement model of loading factors for the relationship of dimensions to the financing latent variable (funding) of service mix activities as shown in Table 1. While the competitive advantage variable consists of 3 dimensions. The outcomes of the loading factors measurement model for the dimensional relationship to the latent variables of competitive advantage are shown in Table 2.

Table 1. Results of Loading Factors Funding for Service Mix activities

Dimension	Loading Factor	t	R <sup>2</sup>	Error Variance	VE	CR
PQ.SM	0.8140	8.2434	0.6626	0.3374	0.6824	0.8934
PRO.SM	0.8803	8.9012	0.775	0.225		
PEO.SM	0.9586	9.4090	0.9188	0.0812		
PE.SM	0.6107	7.6259	0.373	0.627		

Table 2. Results of Factors Competitive Advantage Loading

Dimension	Loading Factor	t <sub>count</sub>	R <sup>2</sup>	Error Variance	VE	CR
VF.CA	0.8951	5.5843	0.8012	0.1988	0.7961	0.9213
LC.CA	0.9194	5.5854	0.8453	0.1547		
INT.CA	0.8613	5.5437	0.7418	0.2582		

Studying from the likely results in Table 1 and Table 2, it can be recognized that there are remarkably priority scales that need to be prioritized by Universities in Maluku. Moreover, the implementation of funding (service) for service mix activities needs to prioritize human factors (PEO.SM) and processes (PRO.SM) compared to evidence (PE.SM) and productivity (PCQ.SM). Conveyed the value of loading factors, it sufficiently demonstrates a valuable contribution to human factors and processes. Whereas competitive advantage needs to be prioritized in learning communities (LC.CA) compared to Virtual Face or Social Technologies (VF.CA) and Internationalization (INT.CA).

### Service Mix Descriptive Analysis

The average process dimension score is still weak, with a value reaching barely 46.15%. The cost of implementing SOP socialization and ease of processes represent sufficiently as 52.13. Study program service processes only reach 42.35% and employee services 38.01% which are considered weak.

In people dimension, the average score is still weak, which is 49.79%. The quality of lecturers which tentatively reached 61.36% and mentor ability of 59.91% can be categorized as sufficiently. While those that are still weak represent the abilities according to the job description which only reaches 51.76%. Furthermore, the consistency of the presence of lecturers is categorized as very weak, with scores reaching merely 33.94%,

Data from respondents' profiles shows on average, they were still young with ages span of 35-45 years = 117 people (53%) and under 35 years old = 51 people (23%). Adolescent or productive age should bear two consequences, namely energetic and/or inexperienced. It also shows that the experience of working under 10 years comprise of 49 people (22%).

In the physical or material dimension, the average score is still weak at 43.12%. In the physical, the feasibility indicator of the lecture hall reaches 51.76% and building ownership is at 41%. At the feasibility of a library, canteens, and supporting facilities, a score of 36.65% was reached. The feasibility of the discussion room and the internet or Wi-Fi availability reached 47.24%, while the feasibility of toilet facilities and the feasibility of parking facilities reached 41.09%.

On the dimensions of productivity and quality, the average score is still low at 40.94%. The efficiency of implementation was able to reach 51.86%. Study program productivity scores were only 49.59%, of which 38.28% students were able to graduates on schedule according to their financial capacity. At the same time service costs to improve general quality are still significantly weak at 41.09%.

From the respondents' profile data in the previous 3 years, the conditions of active students in study programs tend to unstable and decline by 34%. Likewise, the target of graduates in the prior 2 years inclines to be lower than the target of graduates, which is 34%. Only 33.03% included qualified graduates who briefly acquired works or extend their studies. Based on the results of the assessment of each dimension in Service Mix variables, the funding conditions of Service Mix activities in study programs at Higher Education in Maluku Province can be described through the recapitulation of the scores of the four dimensions of the measured variable.

Table 3. Average Recapitulation and Score of Funding Distribution for Service Mix Activities

No	Dimension	Mean Score	% score	Category
1	Process	2,31	46,15	Low
2	People	2,49	49,79	Low
3	Physical Score	2,16	43,12	Low
4	Productivities & Qualities	2,05	40,94	Low
	Average Funding Variable on Service Mix Activity	2,22	45,04	Low

Table 4. Hypothesis Testing Results of Service Mix Descriptive

Variabel	Median	Deviation	t <sub>count</sub>	t <sub>table</sub>	Explanation
Funding of Service Mix Activities	2,2234	-1,17658	-34,458	1,652	Not Significant (Accepted H0)

Calculation of the statistical test of the average score for the funding variable of the Service Mix activity using t test statistics for one sample shows t<sub>count</sub> by -34.458. The obtained results show a smaller t<sub>count</sub> than the t<sub>table</sub> value (-34.458 < 1.653). It can be concluded that received H0 of the average funding score of the Service Mix activity is

less than 3.4. Hence, it can be concluded from the results of the test that the implementation of funding of the service mix activities in the study programs at the Maluku Province Higher Education Institution is however weak.

### Descriptive Competitive of Advantage Analysis

The average score of the virtual face or social technologies dimension is considerably low at 38.07%. This is due to the lack of availability of website usage or social technologies with a score of 41.09%, availability of operators of 36.56% and availability of e-learning classes with a score of 36.56%. This is allegedly supported by the limited internet network and the slow distribution of information in Maluku province. In the learning community's dimension, the average score is low at 36.80%, with efforts to evoke an excessively limited sense of communities at 33.03%. The score of agenda activities is 40.90% and sharing knowledge of 36.47% are also still extremely weak. In the internationalization dimension, the average score was low at 36.47%. This is due to the obscure amount of international cooperation by 40.90% and the availability of international programs only by 36.56%. The effort to create an internationalization culture also remains extremely low by 31.95%.

Based on respondents' profile data, the highest value of BAN-PT for college in Maluku is 67% C accreditation, but as many as 13% have barely received accreditation. In the last 3 years, the conditions of applicants to study programs tended to decrease by 34%. Based on the results of the assessment of each dimension of the next competitive advantage variable, it can be described the Competitive Advantage conditions in the PT study program in Maluku Province through the recapitulation of the scores of the three dimensions measured.

Table 5. Average Recapitulation and Competitive Advantage Distribution Score

No	Dimension	Mean Score	% score	Category
1	Virtual Face/Social Technologies	1,90	38,07	Low
2	Learning Communities	1,84	36,80	Low
3	Internationalization	1,82	36,47	Low
	Average Variable of Competitive Advantage	1,86	37,11	Low

Based on table 5, it can be seen that the results of the calculation of the combined average score (grand mean) of the Competitive Advantage of 1.86 are between intervals 1.8 - 2.6. Thus, it can be concluded that Competitive Advantage in study programs at Maluku Province colleges is categorized as low.

Table 6. Hypothesis Testing Results of Descriptive Competitive Advantages

Variabel	Median	Deviation	t <sub>count</sub>	t <sub>table</sub>	Explanation
Funding of Service Mix Activities	1,8557	-1,54429	-38,616	1,652	Not Significant (Accepted H0)

Calculation of the statistical test of the average score for the Competitive Advantage variable using t test statistics for one sample shows a tcount of -38,616. The results obtained show a value of smaller tcount than the value of t table (-38,616 < 1,652). It then can be concluded that H0 is accepted, which the average score of Competitive Advantage is less than 3.4. It shows from the test results that the implementation of competitive advantage in PT study programs in Maluku Province can be categorized as poor.

### The effect of the Service Mix funding on Competitive Advantage

Activities funding for Service Mix activities is hypothesized to affect Competitive Advantage. The hypothesized influence model calculations were obtained using Software Lisrel 8.8.

Table 7. Path Coefficient Value

Variable of Latent Endogen	Variable of Exogenous Latent	Path Coefficient	$t_{count}$	$R^2$	Error Variance
<i>Competitive Advantage</i> ( $\eta_2$ )	<i>Service Mix</i> ( $\eta_1$ )	0,6077	3,7971	0,3693	0,6307

The results of the calculation of standardized path coefficients for the structural model of the effect of funding Service Mix activities on Competitive Advantage are shown in Figure 4.

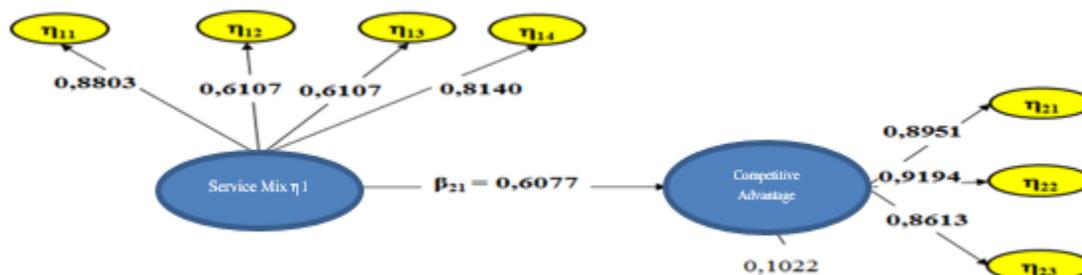


Figure 4. Results of the Structural Model of the Effect of Service Mix on Competitive Advantages

After the results of model evaluation it can be stated that the model meets the criteria of a suitable model (FIT), then the research hypothesis is tested based on the t value of each causality relationship from the SEM processing results as in Table 8.

Table 8. Significance Test Results

Variable	Coefficient of Influence	$t_{count}$	$t_{critical}$	$R^2$	Conclusion
Funding for Service Mix activities against Competitive Advantage	0,6077	5,1372	1,96	36.93%	No Significant Influence

The results of the calculation on the partial hypothesis statistic examination of funding of Service Mix against Competitive Advantage are summarized and can be seen in Table 9.

Table 9. Results of the Research Hypothesis

Hypothesis	Path Coefficient	$t_{count}$	$t_{critical}$	Decision	Explanation
Funding for Service Mix activities affect Competitive Advantage	0,6077	3,7971	1,96	$H_0$ rejected	Significant

Based on the calculation results obtained by the value of  $t_{count}$  for funding Service Mix activities is 3.7971. The value of the t-test statistic obtained is in the area of  $H_0$ , i.e. that  $t_{count}$  is greater than  $t_{critical} = 1.96$ . ( $t_{count} = 3.7971 > 1.96$ ). Subsequently, a decision to reject  $H_0$  could be made. The conclusion represents the results of statistical tests shows funding of Service Mix activities affects Competitive Advantage.

This research focuses on reviewing the implementation of funding for service mix activities at universities in Maluku and their influence on the achievement of competitive advantage. Based on the results of processing statistical data it is recognized that a competitive advantage can be improved through a service mix. This finding is in line with previous research studies, which explain the existence of a relationship between service mixes and competitive advantages (Knight & De Wit, 2018). However, the previous study was not exclusively for the service industry (education), so this study was able to refine previous studies.

In the implementation of service mixes, especially in the education industry like universities, it is necessary to prioritize the priority scale of funding activities or service mix strategies themselves. The strategy in humans (people) in universities and the processes that are running at universities remain as a substantial thing that needs to be improved. Humans, in this case, are related to the quality of teachers, namely lecturers with academic skills through teaching and research. However, this subsequently would not run completely, if no support available from the appropriate process.

This means there is a need to deliver services from lecturers to students, and the delivery process for the external environment should be noted. The two elements in funding the service mix activities are in fact currently least implemented by Universities in Maluku. It appears from the percentage value of the implementation of funding for service mix activities, and it was realized that this would produce an impact on the competitive advantage.

Furthermore, studies on the achievement of competitive advantage appear as least. The Chair of the Study Program assessed a low value of the achievement percentage. This is because the implementation of the service mix is also still not optimal. Besides that, in the competition, there seems to be a strategy wrongly focused. It is known based on the results of the priority scale assessment through loading factors, the practice of Learning Communities need to be prioritized.

Nevertheless, in its implementation, Universities are still focused on Virtual Face or Social Technologies only. This, moreover, suffers an impact on the competitive advantage of the University. This finding could be a future input as an evaluation material in the implementation of strategies in the competitive advantage and funding strategy of service mix activities. The published findings of this study could contribute positively to the education industry in general, the effective implementation of funding strategies for service mix activities and their relation to competitive advantage.

## 6. Conclusion

The results of the study explain the relationship between the funding strategies of service mix activities with the achievement of competitive advantage at the university. In the implementation of funding for service mix activities and competitive advantages, universities require to prioritize dimensions that demonstrate the most significant contribution. Funding implementation of service mix activities should focus on people and processes, while the competitive advantage in Learning Communities.

This research is still rarely done especially in the education industry, therefore it needs the implementation of the research model. However, this study contains limitations in the assessment of the competitive advantage that would be achieved by the education industry. The education industry is judged by changes in the organizational environment, like global changes and government policies. This exists since the external environment of the organization greatly impacts the implementation of strategies in the organization.

The following suggestion that also needs to be considered in further research is comparative studies on different core product education industries and consumer focus. It is possible with different core products and consumer focus additionally provides funding assumptions for different service mix activities that are tailored to the characteristics of the consumers, specifically students.

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