SEGMENTATION ANALYSIS OF INTERNATIONAL STUDENTS AT ISLAMIC RELIGIOUS UNIVERSITIES TO INCREASE THE NUMBER OF INTERNATIONAL STUDENTS

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Abstract. This research aims to segment the formation of students from the Study Program at the Faculty of Islamic Economics and Business at Islamic Religious Colleges in order to increase the number of international students. To solve the problem of this research, the researcher used a qualitative approach. In this study, the researcher aims to analyze the segmentation of international students at Islamic Higher Education Institutions through segmentation testing by examining four components: demographics, geography, psychographics, and behavior. After obtaining test results based on indicators and segment developments, characteristics, structural segmentation, and similarities, the effectiveness of the market will be evident, and segmentation can be established. Based on the findings and discussions in this study, in the Geographic Segmentation, most of the distribution comes from Malaysia (90%), while the rest comes from Thailand (10%). In the Demographic Segmentation, the majority of respondents attended High School (65%) before entering the university, and the income of international students' parents can be categorized into 4,000 – 6,000 Malaysian Ringgit per month and 34,000 – 36,000 baht per month. In the Psychographic and Behavioral Segmentation, the basis for respondents choosing their target university is mostly due to having a feasibility cooperation with their home country (35%), indicating that the degree obtained can be valid in their home country and curriculum compatibility. Seventy-five percent believe that an English preparation program is necessary to facilitate communication and reading reference books during their studies. Furthermore, the way respondents obtain information and motivation to study at their current university is mostly through recommendations from seniors/alumni (60%). Their expectations of the campus are that the degree can be used for job requirements in their home country (45%).

Keywords: segmentation, **q**uantity, market

I. INTRODUCTION

In higher education institutions, students play an important role in the revenue or income management of BLU unit higher education governance. Similarly, to compete more effectively and precisely, some corporations implement market segmentation. Corporations do not neglect their marketing efforts, but instead focus on consumers whom they strive to satisfy. (Kotler dan Keller, 2009). With that explanation, the Islamic Higher Education Institution with BLU Legal Entity status, which can be equated with a corporation, will strive to optimally satisfy its consumers, in this case, the students. According to Tsiakkiros & Pashlardis (2002), there is an indirect similarity between Islamic Higher Education Institutions that are BLU and the corporate dimension. The similarities include, first, competition among Islamic Higher Education Institutions; second, having clients, where in higher education, the clients are students; third, the need for resources; and fourth, the existence of profit, which in higher education refers to the surplus of operational costs. (Tampubolon, 2002). In enhancing marketing strategies based on the Islamic economic approach, it is explained based on the hadith of the Prophet, which means: The Messenger of Allah (SAW) said: "From Rifa'ah bin Rafi' (may Allah be pleased with him): Indeed, the Prophet Muhammad (SAW) was once asked, 'Which business is the best?' He replied: 'It is the work of a

person with his own hands and all clean transactions.'" (HR. al-Bazzar, and deemed Sahih by Al-Hakim). The explanation of this hadith indicates that in understanding business concepts and implementing marketing strategies, one must consider their alignment with Islamic values. This is also applied by the BLU unit of Islamic Higher Education institutions in managing finances and providing services to the community. In higher education institutions, students play an important role in the revenue or income management of the BLU unit. Similarly, to compete more effectively and precisely, some corporations implement market segmentation. Corporations do not neglect their marketing efforts, but instead focus on consumers whom they strive to satisfy. (Kotler dan Keller, 2009). With that explanation, the Islamic Higher Education Institution, which is a BLU Legal Entity and can be equated with a corporation, will strive to optimally satisfy its consumers, in this case, the students. Based on the segmentation theory, after the Islamic Higher Education Institution identifies opportunities in its market segments, it must determine the number of segments and which market segments will be targeted (targeting). In relation to the evaluation of different market segments, the Islamic Higher Education Institution must consider two factors: the attractiveness of all segments and the goals and resources of the Islamic Higher Education Institution. Then, the need for students from abroad (foreign) and the

expansion of student admissions from Eastern Indonesia, which has become a particular focus for improving the accreditation value of study programs and universities. Based on this, the researcher is interested in analyzing "Analysis Of International Student Segmentation In Islamic Higher Education Institutions To Increase The Number Of International Students." According to Sulekha (2011), all companies that cannot connect with all customers in large numbers, broad or diverse markets. Each corporation wants to focus on consumers within their existing capacity and with consumer intimacy. Related to this market is transforming consumers into groups or segments with one or several desired and possibly different needs. This is a way to classify the market into homogeneous groups, known as segmentation.

(Source: www.muni.cz)

Figure 1. Market Segmentation Levels

Segmentation is defined as the process of dividing the market into groups of customers or consumers with similar needs. The closer the match of needs, the smaller the segment, but the higher the likelihood that premium customers are willing to pay for a product that more precisely meets their needs. (Sign, 2010). Market segmentation can be described as a way to classify a group of consumers who may become different segments. Customers within the same segment share common characteristics that can help the corporation to determine consumers and marketing for the corporation effectively. (Lovelock dan Wirtz, 2011). The consumer market can be segmented based on customer characteristics (Kotler, 2009) as follows:

1) Geographic
   Here are some examples of geographic variables that are often used for segmentation: Region: Based on Continent, Country, State, or also based on environment; Size of metropolitan area: Segmented by population size; Population density; Climate.
2) Demographics
   Demographic segmentation variables include; Age, Gender, Family Size, Family Life Cycle, Income, Occupation, Education, Generation, Ethnicity, Nationality, Religion, Social Class, Psychographics, Behavior.
3) Psychographics

Psychographic segmentation variables include; Interests, Activities, Opinions, Values, Attitudes.
4) Behavior
   Behavioral segmentation is based on actual customer behavior towards the product. Some behavioral variables include; Benefits Sought, Usage Rate, Brand Loyalty, User Status, Readiness to Buy, Occasion. The strategic approach to marketing is based on market analysis and market understanding, which explains that consumers can be categorized into groups using a combination of characteristics, behaviors, their decisions, and how they make choices. (Hemsley- Brown & Oplatka, 2015)

II. RESEARCH METHODS

Demographic segmentation variables include; Age, Gender, Family Size, Family Life Cycle, Income, Occupation, Education, Generation, Ethnicity, Nationality, Religion, Social Class, Psychographics, Behavior. Psychographic segmentation variables include; Interests, Activities. The research approach utilized in this study is a quantitative approach. The quantitative approach is characterized by analyzing research results in numerical form with systematic statistical arrangement and determination. Then, the data is processed using analytical tools to determine the results of the international student market segmentation test in this study. The research locations in this study are the Admissions Office and the International Services Center of UIN Ar-Raniry for interviews and distributing questionnaires to international students at the State Islamic University of Ar-Raniry Banda Aceh to observe the phenomenon of market segmentation among international students at the university. The subjects in this study are the Head of Admissions at UIN Ar-Raniry, Muammar Yulian, M.Si, and the International Services Center of the State Islamic University of Ar-Raniry Banda Aceh, Mrs. Suri Wahyuni, while the objects of this study are the international students studying at the State Islamic University of Ar-Raniry Banda Aceh.

Market segmentation, according to Kotler (2009), is one of the factors that is very beneficial for businesses and useful for the sustainability of an institution. The segmentation consists of 4 (four) dimensions, namely;
1. Demographics (Gender, Age, National Exam Score, GPA, Parents' Occupation, Parents' Salary, Allowance)
2. Geography (Distance, Access, Transportation Means)
3. Psychographics (Reasons for Studying, Motivation, Pride)
4. Behavior (Sumber informasi, Persepsi Mahasiswa). atan, Opinion, Value, Attitude.

Behavioral segmentation is based on the actual behavior of customers towards the product. Some behavioral variables include; Benefits Sought, Usage Rate, Brand Loyalty, User Status, Readiness to Buy, Occasion. The strategic approach to marketing is based on market analysis and market understanding, which explains that consumers can be categorized into groups using a combination of characteristics,

behaviors, their decisions, and how they make choices. (Hemsley- Brown & Oplatka, 2015)

III. RESULT AND DISCUSSION

The Number of International Students at Ar-Raniry State Islamic University Banda Aceh

Based on the image in the graph above, the number of international students at the State Islamic University of Ar-Raniry Banda Aceh was 139 students in 2020, 147 students in 2021, and 133 students in 2022.

Geographic Segmentation

Figure 2

In Figure 2, it can be seen that the majority of international students who filled out the questionnaire are from Malaysia (90%), while the rest are from Thailand (10%). Demographic Segmentation
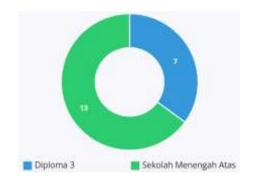

Figure 3: The origin of the schools where respondents studied before entering university

In Figure 3, it can be seen that the majority of respondents' schools before entering university were from Senior High Schools (65%), while the remaining were from Diploma 3 programs (35%).

Figure 4 Origin School Status of Respondents

In Figure 3, it can be seen that the respondents' original school status comes from Public Schools (50%), while the remaining distribution comes from Private Schools (50%).

Figure 5: Types of Parents' Occupations from Respondents

In Figure 5, it can be seen that the majority of respondents' parents are employed in the Private Sector (40%), while the others work as Civil Servants (40%) and Entrepreneurs (20%). The income of international students' parents can be categorized into 4,000 – 6,000 Malaysian

Ringgit per month and 34,000 – 36,000 bth per month. Psychographic and Behavioral Segmentation

Figure 6 Basis of respondents in choosing the targeted university

In Figure 5, it can be seen that the basis of respondents in choosing the targeted university is mostly distributed as follows: Having feasibility cooperation with the home country (35%), which indicates that the degree obtained can be valid in the home country and curriculum compatibility, while other distributions include Affordable/cheaper costs than the home country (30%), Scholarships (25%), and Quality/reputation of the university (10%).
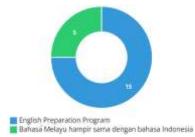

Figure 7 Appropriate Language Use

In Figure 7, it can be seen that the language adjustment of the respondents considers it necessary to hold an English preparation program (75%), although in Indonesia, only a few campuses implement it due to having their own international classes, while (25%) believe that Malay is sufficient for studying because it is similar to Indonesian.

Figure 8 Methods of obtaining information and motivation for studying at the desired University

In Figure 8, it can be seen that the majority of respondents' methods for obtaining information and motivation to study at the desired University are recommendations from seniors/alumni (60%), while other methods include recommendations from the originating school (30%), and cooperation between the home country and the desired campus in the form of scholarships and other facilities (10%).

Figure 9 Respondents' Expectations with the Target Campus

In Figure 8, it can be seen that the majority of the distribution is the diploma that can be used for job requirements in the home country (45%) and the quality that is better or the same as the university in the home country with more affordable tuition fees (35%) and recommendations from successful alumni of the target campus (20%).

IV. CONCLUSSION

Based on the findings and discussions in this research, in the Geographic Segmentation, most of the distribution comes from Malaysia (90%), while the rest comes from Thailand (10%). In the Demographic Segmentation, the majority of respondents' schools before entering university were High Schools (65%), and the parents' income of international students can be categorized into 4,000 – 6,000 Malaysian Ringgit per month and 34,000 – 36,000 baht per month. In the Psychographic and Behavioral Segmentation, the basis for respondents in choosing the university is mostly due to having feasibility cooperation with the home country (35%), indicating that the degree obtained can be valid in the home country and curriculum compatibility. 75% believe that an English preparation program is necessary to facilitate communication and reading reference books during their studies. Furthermore, the way respondents obtain information and motivation to study at the current university is mostly through recommendations from seniors/alumni (60%), and their expectations of the campus are that the degree can be used for job needs in the home country (45%).

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