

ABSTRACT

Competition among higher education institutions in Indonesia occurs as a result of the fast growing number of private higher education institutions. State higher education institutions are encouraged to become state-owned institutions (BHMN) so that they become more aggressive in recruiting new students by opening new diploma and extension programs. Penetration from foreign university and fast development of communication technology that enable distance learning program has also growing up in Indonesia. This condition is not equivalent with the development of the number of new students that tends to be decreasing as the present economic condition has not been fully recovered. Therefore private education institutions will be more naturally selected and in turn this situation will lead to an extreme competition among them in recruiting new students which finally it will influence their existence.

Based on the above fact, it is essential to conduct a research concerning the best strategy to win the competition in recruiting new students. The strategy that is concerned with this research is "Brand Image" where offer is considered to be more relevant with the target market. Since brand is believed as a major defense in today's competition, a strong brand will create bigger trust as well as image of better quality compared to another brand. This research is aimed at looking into the application of "Brand Image" at PKN and STMIK LPKIA.

The research methods used in this study are descriptive and explanatory survey. The data are collected through questionnaires, interviews, and field observations. Data collection from primary sources are obtained from a population consisted of 138 new students of PKN LPKIA from various study programs in 2008/2009 academic year. This research uses path analysis as the analysis method.

The result of this research shows that the six aspects/dimensions of LPKIA's Brand Image do influence the decision-making process of student candidates to become students of PKN and STMIK LPKIA. The percentages of the influence are: service quality of the job market 15%, facilities 11%, the quality of remuneration 9.5 %, the intensity of work field 9.31%, student affairs 9.06 %, and the teaching and learning process 7.65 %.

Based on the above results, it is concluded that PKN and STMIK LPKIA Bandung as a higher education institution that belongs to pure service category, where the product offered by the institution is intangible, has been successful in marketing its product with three levels of comprehensive offer: Core Offer that offers students relatively easy access to employment after graduation, Tangible Offer that offers students buildings for teaching and learning process, facilities, and high-quality lecturers/teaching and learning process, and Augmented Offer that offers students student affair activities and assistance to get a job soon after graduation. LPKIA's Brand Image offer, "Its graduates are easy to get a job and qualified", is suitable with LPKIA's target market: students from Middle Lower socio-economic status who tend to choose higher education institutions that can give them easy access to employment soon after graduation so that they can help their family's economic condition immediately.