

The Relationship between Perceived Distinctive Competencies and Student Satisfaction in Private Higher Education Institution: The Case of Asia-Pacific International University (AIU)

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Abstract

In this study, the relationship was examined between distinctive competencies and different demographic groups of the target population of Asia-Pacific International University (AIU), a higher educational institution in Thailand. In the research, the relationship also was explored between the university's distinctive competencies and student satisfaction. Data were obtained from 260 respondents (students and alumni of AIU), who answered the questionnaire developed for this research. It was analyzed using descriptive statistics, a *t*-test, one-way ANOVA, Pearson's correlation analysis, and regression analysis to test the hypotheses.

The results revealed a statistically significant difference in the distinctive competencies among students from different years of study, specifically between sophomore students and senior students. However, no statistically significant differences were found among students from different programs of study, religion, regions of origin, or gender. Furthermore, the results revealed that the overall distinctive competencies positively affected student satisfaction. Brand image, organizational expertise/quality of employees, organizational culture, and effective use of information technology positively affected student satisfaction. Among those

dimensions that did exhibit a positive relationship with student satisfaction, the highest predictor of student satisfaction was organizational expertise/quality of employees. Other dimensions—namely partnership and foreign market entry strategy—did not affect student satisfaction.

These research findings may benefit practitioners in the higher education industry. The findings suggest that employing and developing distinctive competency strategies may generate or enhance competitive advantages through customer satisfaction. The research findings imply that higher educational administrators need to develop marketing strategies at several levels to generate or enhance distinctive competencies.

Keywords: distinctive competencies; satisfaction; private higher education institution

1. Introduction

In the field of education there has been a surge of new opportunities and its fair share of challenges over the past century. This set of circumstances brings an increase in competition in the higher-education environment. As competition increases, higher education institutions need to identify and improve the quality of their distinctive competencies and evaluate their services. In the “education industry,” as it is with most industries, developing or identifying distinctive competencies is key to establishing and maintaining competitive advantage because it helps the entire organization support that advantage (Mazzarol & Soutar, 2012; Prahalad & Hamel, 1990). Successfully combining distinctive competencies to respond to opportunities and threats results in sustaining a competitive edge over rivals and market success (Mazzarol & Soutar, 1999; Mooney, 2007). Essentially, identifying and developing distinctive competencies establishes competitive advantage that can result in market success.

Mazzarol and Soutar (1999) showed that executing proper strategies that establish distinctive competencies results in developing competitive advantage, which, in turn, ultimately leads to market success. Mooney (2007) also concluded that, when successfully implemented, competitive advantage and the ability to outperform competitors can stem from distinctive competencies that an organization establishes.

Despite it being a topic introduced in the early 1990s, core competence, distinctive competence, and competitive advantage in Higher Education, or education services in general, is still a relatively new research field. There has been a lack of research of education as a specific marketing problem. And education, among other

professional services, has been overlooked in research because of its intangible nature—it was, like marketing, practical only in supporting the selling of goods (Mooney, 2007; Mazzarol, 1998; Mazzarol & Soutar, 1999).

Universities are different from typical business organizations; however, they still have to involve strategic management to pursue competitive advantage (Mintzberg & Rose, 2003). In the past 30 years, higher education institutions have slowly begun to utilize marketing strategies, but most still lack strategic management in their marketing (Mazzarol & Soutar, 2012). Education is its own field of professional service and has its own challenges. The competitive strategies recommended in the literature review are not all suitable in the context of education services (Kufaine, 2014; Mazzarol & Soutar, 1999). Administrators and managers in education institutions need to find marketable distinctive competencies that can bring market success to their organization.

A comprehensive definition of core competence and distinctive competence is still lacking in literature review, but there is a general consensus on what these concepts are and what they mean. Mooney (2007) explained:

Core competence [is] a capability that is central to a firm's value-generating activities. Distinctive competence [is] a capability that is visible to the customer, superior to other firms' competencies to which it is compared, and difficult to imitate. (p. 112)

Distinctive competencies should be capabilities that differentiate and distinguish an organization from others in the same field. Examples of distinctive competencies include Google's superior search-engine technology and Amazon's economy of scale. While distinctive competencies have been studied in industrial organizations, there is not as much research on the same topic in the education industry. Mazzarol and Soutar (1999) proposed brand image, strategic alliance formation, forward integration, organizational expertise, organizational culture, and effective use of information technology as a set of distinctive competencies that can become a source of competitive advantage and bring about market success. Mooney (2007) echoed the idea that competitive advantage, and doubtlessly market success, can stem from an organization's distinctive competencies.

Competitive advantage cannot be measured directly, but what can be measured is how competitive advantage reveals itself through market success. An indicator and measure of market success in educational institutions is customer

satisfaction as a function of marketplace performance (Bharadwaj et al., 1993; Ballard, 2013).

Competitive advantage is an indispensable factor in remaining competitive in any business field, and being competitive often entails some form of market success. Core competence, distinctive competence, or superior resources (assets) can potentially become a competitive advantage for any business (Mooney, 2007). Mazzarol and Soutar (1999) developed a model for sustainable competitive advantage for educational institutions. They proposed that educational institutions could achieve competitive advantage by designing strategies to create or enhance several distinctive competencies that, in-turn, provide sources of competitive advantage. The distinctive competencies Mazzarol and Soutar (1999) discussed include brand image, strategic alliance formation, forward integration (i.e., foreign market entry), organizational expertise, organizational culture, and effective use of information technology (IT). If these distinctive competencies are successfully developed by institutions, they become a competitive advantage that consequently translates into market success, which can be predicted with levels of student satisfaction (Bharadwaj et al., 1993; Mazzarol & Soutar, 1999; Ballard, 2013).

The population of this study consists of the students and alumni of Asia-Pacific International University (AIU). Asia-Pacific International University is a private higher education institution located in central Thailand. The higher education market in Thailand has become more competitive as enrollment has dropped because of lower birth rates and an aging population (Michael, 2018) and increases in international competition (Lamubol, 2017). This increase in supply-demand gap and foreign competition has universities in Thailand doubling down on recruitment and marketing efforts to avoid the risk of closure (ICEF Monitor, 2017).

2. Definition of Key Concepts

Researchers (Selznik, 1957; Prahalad & Hamel, 1990; Schoemaker, 1992; Hamel, 1994; Hamel & Heene, 1994; Sanchez, 2002) have maintained that careful consideration of an organization's distinctive competencies and core competencies are correlated with the analyzing and managing, and therefore the success, of the organization.

2.1 Distinctive Competence

Distinctive competencies are competencies that are distinguishing and highly visible to consumers (Neil, 1986). A firm's distinctive competencies usually arise from successful branding, unique business processes, or technology. Some examples of distinctive competencies include Amazon's brand recognition and distribution, Google's superior search-engine technology, and Kodak's premium film. Though it is not always the case, as in the case of Kodak, distinctive competencies can become a competitive advantage (Hofer & Schendel, 1978; Mooney, 2007). A distinctive competency is simply a business's highly visible capability, and it may stem from the business's core competence or other unique competencies that separate the business from its competitors (Mooney, 2007).

2.2 Customer Satisfaction

Mittal and Frennea (2010) defined customer satisfaction as "customer's post-consumption evaluation of a product or service." Higher education students are the recipients of the service an institution provides and are considered the primary customer of a university (Crawford, 1991). Education institutions seek their students' opinions about all aspects of academic life, typically, through satisfaction feedback questionnaires. Customer satisfaction is a marketplace performance metric (Chi & Gursoy, 2009; Mittal & Frennea, 2010; IGI Global, 2021), and it has a positive and significant relationship with financial performance.

3. Objectives of the Research

Mazzarol and Soutar (1999) proposed that distinctive competencies led to market success by leveraging strategies that became competitive advantages in the education industry. In the present study an attempt was made to understand the model that Mazzarol and Soutar (1999) proposed. The main objective of the research was to study the relationship between distinctive competencies and customer satisfaction. Customer satisfaction has been shown to positively affect market success. In the present study, an examination of Mazzarol and Soutar's (1999) model was instituted for its applicability to educational institutions.

The aim of the research was to analyze the relationship, if any, between distinctive competencies and different demographic groups of the target population. The relationship was also investigated between distinctive competencies and student satisfaction, a contributing factor to market success.

The descriptive information derived from this research will help administrators carry on an informed discussion about distinctive competencies that could be included in discussions of marketing strategies to promote education industry success.

4. Research Questions and Hypotheses

A review of the literature showed that developing on distinctive competencies, which are often core competencies that customers perceive to be distinguishing, is a sustainable plan for success (Bogner & Thomas, 1994; McGee & Petterson, 2000). Insights into distinctive competencies of any education institution helps administrators assess operations and make plans for improvement. Such insights also reveal marketing opportunities. Management teams should consider organizational competencies that set them apart from the competition because distinctive competencies are a factor that contributes to sustained performance (Eden & Ackermann, 2010).

4.1 Research Questions

Q1: What differences in distinctive competencies of AIU are perceived by students with different demographic characteristics (year of study, religion, gender, region of origin, program of study)?

Q2: What relationship (if any) exists between perceived distinctive competencies and the level of student satisfaction in AIU?

4.2 Working Hypotheses

H1: Significant differences in distinctive competencies of AIU are perceived by students with different demographic characteristics (H1a: year of study; H1b: religion; H1c: gender; H1d: region of origin; and H1e: program of study).

H2: There is a significant positive relationship between AIU's perceived distinctive competencies and the level of student satisfaction (H2a: dimensions of distinctive competency and H2b: overall distinctive competencies).

5. Sample

The survey population for this study refers to current students and alumni of AIU. The researcher estimated an average of 150 students graduated from the university each year over the past 10 years. With 1,000 current students, the population for this study was estimated at 2,500 people. The researcher utilized the Population Proportion—

Sample Size method to calculate the sample size appropriate for the research (Israel, 2003). Based on the formula with an error of 5%, a confidence coefficient of 95%, and a sample proportion of 25% (Daniel, 1999), the sample size for this study was calculated to be 259 (see below for the formula utilized). After distributing the online version of the interview (via departmental social media groups, mass email, group chats, and personal communication on Facebook), the final number of responses was 260.

In the calculation alluded to above the following formula was used to calculate the sample size n :

$$n = \frac{N \times X}{X + N - 1}$$

where,

$$X = \frac{(Z_{\alpha/2})^2 p(1-p)}{MOE^2}$$

MOE is margin of error or error level, $Z(\alpha/2)$ is the critical value of the normal distribution at $\alpha/2$ (e.g., for a confidence level of 95%, α is 0.05 and the critical value is 1.96), p is the sample proportion, N is the population size, n is a sample size. Note that a Finite Population Correction was applied to the sample size formula.

6. Instrument

The Quantitative Research Method was used to gather the data needed for this descriptive research, where questions were developed based on the six distinctive competencies and their literature review. These questions were adapted for physical, printed-out forms and online surveys, using Microsoft 365 forms. The final questionnaire included two sections. In the first section, respondents provided information about demographic characteristics. In the second section, respondents were asked to rate different possible distinctive competencies of AIU and state the level of satisfaction with specified services of the University. The survey included a total of 38 question items, and it was estimated that respondents would need 5–10 minutes to answer all questions. Because the study population included Thai and English speakers, the survey was made available in English and Thai. The Thai version was translated with the help of a freelance translator and then verified by the

research advisor. At distribution, the respondents could choose between the two languages on the landing page of the online questionnaire.

7. Results: Demographic Information, Distinctive Competencies, Student Satisfaction

7.1 Demographic Information

The personal information retrieved from the sample comprises student and alumni data of AIU regarding their role at the university, their region of origin, program of study, religion, and gender. This information is shown in Table 1.

Table 1 Demographic Information (*N* = 260)

Demographic	Frequency	Percentage
Year of study/Role	17	6.5
Freshman	59	22.7
Sophomore	25	9.6
Junior	107	41.2
Senior	39	15.0
Alumni (Graduated between 2020–2015)	13	5.0
Alumni (Graduated before 2015)	17	6.5
Program of Study		
Faculty of Arts & Humanities	18	6.9
Faculty of Business Administration	33	12.7
Faculty of Education	16	6.2
Faculty of Information Technology	7	2.7
Mission Faculty of Nursing	137	52.7
Faculty of Religious Studies	24	9.2
Faculty of Science	25	9.6
Religion		
Seventh-day Adventist	140	53.8
Other Christian	8	3.1
Buddhist	108	41.5
No religion	4	1.5
Gender		
Male	72	27.7
Female	188	72.3

Region of origin		
Northern Asia (e.g. Japan, Korea, China)	12	4.6
Southeast Asia (ASEAN countries)	204	78.5
Other Asia	34	13.1
Other Continent	10	3.8

Table 1 shows that a majority of participants were junior students and most respondents were students from the Mission Faculty of Nursing. A greater number of the respondents were Seventh-day Adventists, followed by Buddhists. Most participants were female. A larger part of the respondents was from Southeast Asia countries.

7.2 Distinctive Competencies of Asia-Pacific International University

The mean and standard deviation values were adopted to assess the level of distinctive competencies of AIU. Table 2 shows the descriptive analysis of the level of distinctive competencies.

Table 2 Mean and Standard Deviation of Distinctive Competencies

Distinctive Competencies Variable	Mean	<i>SD</i>	Level
Brand Image	3.81	.64	High
Partnerships (Alliance Formation)	3.69	.66	High
Foreign Market Entry Strategy—Forward Integration	3.83	.62	High
Organizational Expertise Quality of Employees	3.99	.57	High
Organizational Culture	3.87	.63	High
Effective use of Information Technology	3.98	.61	High
Overall Distinctive Competencies	3.95	.59	High

The analysis showed that the level of overall distinctive competencies of AIU was at all levels. Organizational expertise/quality of employees was the highest scored distinctive competency, followed by effective use of information technology, organizational culture, and foreign market entry strategy. Partnerships or alliance formation had the lowest distinctive competencies level.

7.3 Student Satisfaction

Mean and the standard deviation was adopted to assess the student satisfaction level of AIU. This student satisfaction serves as a benchmark of market success and marketplace performance. The descriptive analysis of the student satisfaction level is shown in Table 3.

Table 3 Mean and Standard Deviation of Student Satisfaction

Student Satisfaction Variable	Mean	SD	Level
Physical & Facilitating Goods	3.90	.65	High
Explicit Service (sensual service provided)	4.07	.60	High
Implicit Service (psychological service)	4.09	.64	High
Overall Student Satisfaction	4.03	.64	High

As shown in Table 3, the overall student satisfaction level at AIU was high. All sub-dimensions of student satisfaction also were at high levels. The implicit service, which relates to the satisfaction in the psychological service, was the highest student satisfaction, followed by explicit service, which pertains to the satisfaction in the sensual service provided, and satisfaction in physical and facilitating goods.

8. Hypothesis Testing: Distinctive Competencies Compared by Year of Study

The results of ANOVA showed a statistically significant difference in the distinctive competencies among students with a different year of study or role ($p < .05$). The data are given in Table 4.

Table 4 Distinctive Competencies Compared by Year of Study

Effect	SS	df	MS	F	p
Between Groups	6.001	5	1.200	3.601	.004**
Within Groups	84.648	254	.333		
Total	90.649	259			

Note. ** $p < 0.01$, * $p < 0.05$

The distinctive competencies was further tested with Scheffe's method (see Table 5) to determine which mean scores for the year of study or role were significantly different from the others. Statistically significant differences were found for sophomore students and senior students. Senior students scored AIU's distinctive competencies higher than sophomore students.

Year of study/Role	Mean	1	2	3	4	5	6
		4.03	3.70	4.02	4.08	3.90	4.00
1. Freshman	4.03		.33	.01	-.05	.13	.03
2. Sophomore	3.70			.33	-.38*	-.02	-.31
3. Junior	4.02				-.06	.12	.02
4. Senior	4.08					.18	.08
5. Alumni (Graduated between 2020-2015)	3.90						-.10
6. Alumni (Graduated before 2015)	4.00						

Table 5 Post hoc Comparisons of Year of Study/ Role

Note. ** $p < 0.01$, * $p < 0.05$

Results: Hypothesis Testing

Analysis of variance showed no statistically significant difference in the distinctive competencies among students with different programs of study, in the distinctive competencies among students with a different religion, in the distinctive competencies among students with a different region of origin, and in the distinctive competencies among students with different gender.

9. Hypothesis Testing: Analysis of Relation between Distinctive Competencies and Student Satisfaction

To test Hypothesis 2, the researchers regressed AIU Students’ level of satisfaction from both the dimensions and overall distinctive competency. The correlation matrix (Table 6) showed that all variables were associated with each other. The relationship between student satisfaction and foreign market entry strategy was not as strong as the other correlations.

Table 6 Correlation matrix for Student Satisfaction and related variables

Variables	1	2	3	4	5	6	7
1. Student Satisfaction	1.000						
2. Brand Image	.529**	1.000					
3. Partnerships	.500**	.704**	1.000				
4. Foreign Market Entry Strategy	.499**	.663**	.753**	1.000			
5. Organizational Expertise / Quality of Employees	.613**	.571**	.672**	.580**	1.000		
6. Organizational Culture	.572**	.610**	.672**	.579**	.620**	1.000	
7. Effective use of Information Technology	.593**	.545**	.611**	.588**	.572**	.593**	1.000

Note. ** $p < 0.01$, * $p < 0.05$

The multiple regression analysis (Table 7) showed partnership and foreign market entry strategy did not affect the satisfaction of students. Nevertheless, from the individual dimension, Hypothesis 2:1a was supported. The dimensions of AIU's distinctive competency positively affected student satisfaction in AIU.

As shown in Table 7, dimensions of distinctive competency, including brand image, partnerships, foreign market entry strategy, organizational expertise/quality of employees, organizational culture, and effective use of information technology, positively affected student satisfaction. The highest predictor is organizational expertise/quality of employees (.699) and the lowest predictor was partnerships (.490).

Table 7 Regression results of Dimensions of Distinctive Competency as predictors of Student Satisfaction

Variables	DV: Student Satisfaction						
	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6	Model 7
Brand Image	.537**						.170*
Partnership		.490**					-.145
Foreign Market Entry Strategy			.523**				.084
Organizational Expertise / Quality of Employees				.699**			.340**
Organization Culture					.586**		.194**
Effective use of Information Technology						.626**	.245**
R ²	.280	.250	.249	.376	.327	.352	.484
Adjusted R ²	.277	.247	.246	.373	.324	.349	.472
F	100.43**	86.15**	85.69**	155.25**	125.29**	139.97**	39.52**

Note. ** $p < 0.01$, * $p < 0.05$

As shown in Table 8, AIU's overall distinctive competency positively affected student satisfaction. Therefore, hypothesis 2b was supported.

Table 8 Regression results of Overall Distinctive Competency as predictors of Student Satisfaction

Variables	Student Satisfaction
Distinctive Competency	.650**
R ²	.356
Adjusted R ²	.354
F	142.748**

Note. ** $p < 0.01$, * $p < 0.05$

The analyses showed support for all of the hypotheses. A summary of results of the hypotheses testing is given in Table 9.

Table 9 Summary of Hypothesis Testing

Hypothesis	Description	Result
$H_{1:1a}^{**}$	A significant difference in distinctive competency levels is perceived by AIU students with differences in year of study.	Supported
$H_{1:1b}$	A significant difference in distinctive competency levels is perceived by AIU students with differences in religion.	Not Supported
$H_{1:1c}$	A significant difference in distinctive competency levels is perceived by AIU students with differences in gender.	Not Supported
$H_{1:1d}$	A significant difference in distinctive competency levels is perceived by AIU students with differences in region of origin.	Not Supported
$H_{1:1e}$	A significant difference in distinctive competency levels is perceived by AIU's students with differences in the program of study.	Not Supported
$H_{2:1a}^{**}$	AIU's dimensions of distinctive competency are positively related to AIU students' level of satisfaction.	Supported
$H_{2:1b}^{**}$	AIU's overall distinctive competency is positively related to AIU students' level of satisfaction.	Supported

Note. $** p < 0.01$, $* p < 0.05$

10. Discussion

10.1 Hypothesis 1

Hypothesis 1 of this research indicated that significant differences were anticipated in distinctive competency levels among AIU's students with differences in demographic characteristics (H1a: year of study; H1b: religion; H1c: gender; H1d: region of origin; H1e: program of study). After analyzing demographic factors

towards distinctive competencies, only H1a was supported; there was a significant difference in distinctive competency levels among AIU's students with differences in the year of study. Statistically significant differences were found between sophomore students and senior students.

The analysis results show that students in different year of study have different perceptions towards AIU's distinctive competencies. Senior students scored AIU's distinctive competencies higher than sophomore students. This indicates that senior students perceived the distinctive competency strategies executed by the University. The results suggest that over time the students were more aware of the strategies utilized by AIU. The findings imply that it takes time for students to become aware of the competencies that AIU does well. It may be the case that after four years of studying in AIU, senior students have more experience and are better able to reflect on their observations through the years. Comparably, the first two years may not be adequate time for a majority of students to recognize the competencies that are distinct to AIU. However, based on this conclusion—that more time affects the perception of distinctive competencies—a more significant difference is to be expected from alumni, but the disparity was not a significant one.

Descriptive analysis of the distinctive competencies showed that the level of overall distinctive competencies of AIU was high. So, despite the significant difference in perception between senior and sophomore students, all students and alumni had a high-positive perception of the six distinctive competencies.

10.2 Hypothesis 2

Hypothesis 2:1 stated that AIU's distinctive competency was expected to be positively related to the level of student satisfaction at AIU (H2:1a: dimensions of distinctive competency; H2:1b: overall distinctive competency). Upon analysis, the data supported the assumption that the individual dimensions of distinctive competency (H2:1a) and overall distinctive competency (H2:1b) positively affected student satisfaction. These findings are in line with those of researchers such as Mazzarol and Soutar (1999), who developed a model for sustainable competitive advantage for higher education institutions, which proposed that educational institutions can achieve competitive advantage by creating or enhancing several distinctive competencies.

As a result of the data obtained in this research, it is suggested that developing and continued utilization of brand image, strategic alliance formation, forward integration, human resource management, organizational culture, and effective use of IT will positively affect student satisfaction and potentially AIU's market success.

11. Implication

The research findings were taken to imply that it takes time for students to observe or come to a realization of the distinctive competencies that AIU uses. The significant difference between sophomore and senior students showed that only later in their course of study do students become aware of AIU's distinctive competencies. Managers may wish to employ approaches that are more visible so that students perceive distinctive competencies sooner than later. The marketing department will need to develop advertising content that reminds and maybe convinces its students of the strategy and direction administrators have chosen.

Forward integration (the university's foreign market entry strategy) does not affect the experience of already enrolled students. However, other distinctive competencies (i.e., brand image, partnerships, quality of employees, organizational culture, and effective use of IT) strategies impacts the students' overall experience in the university. The sooner students realize that they have enrolled in an institution that can put these strategies into effect, the likelihood of sharing their suboptimal experience is also reduced. Students will spend more time satisfied with the AIU's services and presumptively tell people in their social circle about the university that they enrolled in.

The findings also show that administrators and managers also need to consider new marketing strategies that advertise the distinctive competencies more effectively, so there is no delay in students' perception. Innovative internal marketing and brand awareness campaigns can affect the emotional connection students and employees have with the institution. Incorporating marketing messages into students' everyday experiences ensures that students are more aware of the University's marketing strategies. The correlation matrix (Table 6) showed that all variables are associated with each other. However, the relationship between student satisfaction and foreign market entry strategy is not as strong as the other correlations. Administrators

can begin by communicating to students the approaches they take to reach out internationally.

12. Suggestions and recommendations for future research

This research used a list of distinctive competencies developed by Mazzarol and Soutar (1999) for education institutions in a very general context. Future research should include customized distinctive competencies that stem from an individual institution or a group of institutions. Large-scale survey distribution and data collection will also yield a clearer picture of the findings and analysis. While the analysis indicated that students are more aware of the university's distinctive competency strategies as time goes on, the significant difference is only evident between sophomore students and senior students. If time and experience with the institution truly affect student perception, one would assume alumni would score the university distinctive competencies higher than any currently studying student group. Perhaps the lack of significant difference in distinctive competency levels can be attributed to alumni being more exposed to other institutions and education services only after graduating and joining a workforce. Future research can consider this and further explore, in detail, the factors that affect students' perception.

The use of a case study approach, designed to explore different types of institutions in the education market, would also be a benefit in future research. Furthermore, future research can include a more elaborate definition of market success. In this research student satisfaction was measured to determine the institution's market success, but more can be learned by evaluating and measuring a broader, more accurate assessment of market success.

13. Conclusions

In this research the relationship, if any, was explored between distinctive competencies of AIU and different demographic groups of its students. The relationship between distinctive competencies and student satisfaction was examined, which was taken as an indicator of market success. The findings indicated that students are not immediately aware of or initially perceive the distinctive competencies of the institution they are enrolled in. For educational institution managers and administrators engaged in international marketing, the findings indicate

that, albeit all the students still recognize the distinctive competencies that the university applies, greater efforts can be allocated to help the students see the value of their enrollment earlier. The sooner students, the customer, see an institution's value, the more likely they will be satisfied with the service and share their positive experience with others.

This study was also designed to explore the relationship between levels of distinctive competencies and student satisfaction. Data analysis shows that individual dimensions of AIU's distinctive competencies and AIU's overall distinctive competency were positively related to AIU students' satisfaction. The findings suggest that employing and developing distinctive competency strategies (brand image, partnerships, forward integration, organizational expertise / quality of employees, organizational culture, and effective use of IT) generate or enhance competitive advantage through customer satisfaction. This finding implies that education institution managers and administrators engaged in marketing need to develop marketing strategies at several levels to generate or enhance distinctive competencies.

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