

Competitive Strategy of Islamic Educational Institutions Based on Rbv and Porter's Five Forces: A Case Study at Diniyyah Putri Lampung

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ABSTRACT: This Study Aims to analyze the competitive strategy of diniyyah putri lampung, an islamic educational institution in indonesia, in response to a significant decline in student enrollment and increasing competition in the islamic education sector. the research employs a qualitative descriptive approach, using two strategic frameworks: the resource-based view (rbv) and porter's five forces. The rbv analysis identifies internal strengths such as a distinctive islamic curriculum, qualified teaching staff, and a strong institutional reputation, which are valuable and rare resources with competitive potential. meanwhile, porter's five forces reveal high external pressures, particularly from the bargaining power of buyers, threats from substitute educational options, and intense rivalry among similar institutions. the study concludes that a focused differentiation strategy—centered on curriculum innovation, teacher development, and digital transformation—can strengthen the institution's competitive position. these findings offer strategic insights for islamic schools facing similar challenges in a rapidly evolving education landscape.

KEYWORDS: Competitive Strategy, Islamic Education, Resource-Based View, Porter's Five Forces, Institutional Differentiation, Diniyyah Putri Lampung

I. INTRODUCTION

In recent years, Islamic educational institutions in Indonesia have faced increasingly complex challenges in attracting and retaining students. Diniyyah Putri Lampung, a prominent Islamic school in Lampung Province, is experiencing a significant decline in student enrollment across all education levels, from early childhood education (RA/TK) to senior high school (MA). This trend is concerning, especially in a competitive educational landscape shaped by demographic changes, economic uncertainty, and evolving parental expectations.

Islamic schools, including madrasahs and integrated Islamic schools, must now compete not only with each other but also with secular and alternative educational models such as homeschooling and online learning platforms. In this context, identifying the factors behind declining enrollment is essential to formulating strategic responses.

This study adopts two theoretical lenses to analyze the competitive position of Diniyyah Putri Lampung: the Resource-Based View (RBV) and Porter's Five Forces. RBV emphasizes the strategic role of internal resources—such as human capital, curriculum design, and institutional culture—in achieving sustained competitive advantage. Meanwhile, Porter's Five Forces offers a framework to assess external industry pressures, including the threat of new entrants, bargaining power of suppliers and buyers, threat of substitutes, and industry rivalry.

By integrating both models, this study aims to provide a comprehensive analysis of Diniyyah Putri Lampung's strategic environment and offer practical recommendations to strengthen its market position and educational appeal.

II. LITERATURE REVIEW

A. Competitive Strategy in Education

Competitive strategy refers to the actions and approaches institutions take to attract and retain customers—in this case, students and their families—while achieving long-term sustainability and success. In the education sector, competitive strategy includes factors such as curriculum quality, teacher performance, tuition pricing, facility standards, and institutional reputation (Porter, 1980; Johnson & Scholes, 1988). Schools must position themselves uniquely to stand out in a crowded marketplace, particularly when educational options are increasingly diverse.

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B. Resource-Based View (RBV)

The Resource-Based View (RBV) provides an internal perspective on competitive advantage, focusing on the strategic resources a firm controls. According to Barney (1991), an institution can achieve sustainable competitive advantage if its resources are Valuable, Rare, Inimitable, and Organized (VRIO). In the context of Islamic education, valuable resources may include experienced educators, faith-based curricula, community trust, and a strong alumni network. These resources must be effectively managed to generate long-term institutional success.

C. Porter's Five Forces

Porter's Five Forces (1979) framework analyzes the external factors that shape competition within an industry. These five forces include:

1. Threat of New Entrants: The ease with which new schools can enter the market.
2. Threat of Substitutes: The presence of alternative educational models, such as online learning or homeschooling.
3. Bargaining Power of Suppliers: For schools, this may include teacher availability, textbook publishers, or technology vendors.
4. Bargaining Power of Buyers: Parents and students now have more choices, increasing their power in decision-making.
5. Industry Rivalry: The intensity of competition among existing educational institutions in the same region.

Applying this model to Islamic education provides insight into the environmental pressures that institutions like Diniyyah Putri Lampung must address to remain competitive.

D. Strategic Models in Islamic Educational Institutions

Islamic educational institutions often emphasize both religious values and academic excellence. Studies by Anwar et al. (2020) and Ahmad & Haron (2019) highlight that integration of Islamic principles in curricula adds value that resonates with cultural and religious expectations. Institutions that can combine religious depth with modern education are more likely to differentiate themselves in a saturated market.

III. MATERIAL AND METHODES

A. Research Design

This study uses a qualitative descriptive research design to explore the internal and external strategic factors influencing the competitiveness of Diniyyah Putri Lampung. The qualitative approach allows for an in-depth understanding of institutional dynamics, stakeholder perspectives, and the contextual factors affecting enrollment trends.

B. Data Collection

Data were collected through multiple methods:

- In-depth interviews with school leaders, senior teachers, and administrative staff to gather insights on institutional strengths and challenges.
- Document analysis of enrollment data from academic years 2019–2024, strategic plans, and internal reports.
- Questionnaires distributed to selected stakeholders, including parents and alumni, to understand perceptions of institutional value and areas for improvement.

C. Data Analysis

Two main analytical frameworks were employed:

Resource-Based View (RBV): The VRIO framework was used to evaluate the institution's key internal resources and capabilities across four dimensions: Value, Rarity, Imitability, and Organization. Porter's Five Forces Model: This framework was used to analyze the external competitive environment. Each force—threat of new entrants, threat of substitutes, bargaining power of suppliers, bargaining power of buyers, and industry rivalry—was assessed for its impact on the institution's strategic positioning.

D. Research Scope and Limitations

The study focuses specifically on Diniyyah Putri Lampung and its educational units (RA/TK, MI, MTs, MA) within the 2019–2024 period. While findings may be relevant to similar Islamic educational institutions, generalizability is limited due to the unique socio-cultural and organizational characteristics of the case.

IV. RESULTS AND DISCUSSION

A. Internal Analysis: Resource-Based View (RBV)

The RBV analysis of Diniyyah Putri Lampung reveals several internal strengths that contribute to its competitive potential:

- **Valuable:** The institution offers a distinctive Islamic curriculum that integrates religious and general education, meeting both

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spiritual and academic needs of students. This curriculum is considered a key value proposition for Muslim families seeking a holistic educational approach.

- **Rare:** The availability of qualified educators with both pedagogical credentials and strong Islamic knowledge is a critical advantage. These dual-competency teachers are not widely available in the region, making them a rare asset.
- **Inimitable:** The organizational culture, long-standing reputation, and alumni network of Diniyyah Putri Lampung create a history and identity that are difficult for competitors to replicate. The institution's legacy as a pioneer in Islamic education in Lampung adds to its brand equity.
- **Organized:** While the institution has basic structures in place, there is room for improvement in technology integration and professional development systems. Further investment in digital tools and strategic management could enhance organizational readiness to fully leverage its internal resources.

B. External Analysis: Porter's Five Forces

- **Threat of New Entrants (Moderate):** Although regulatory barriers and capital requirements limit new entrants, the growing demand for Islamic education has encouraged the establishment of new schools in the province. Some newcomers offer modern facilities and aggressive marketing, which pose a moderate threat.
- **Threat of Substitutes (High):** Alternatives such as homeschooling, online Islamic courses, and integrated Islamic schools present serious substitutes. These options are often more flexible and sometimes more affordable, making them attractive to parents.
- **Bargaining Power of Suppliers (High):** Recruiting and retaining qualified Islamic educators is increasingly challenging. Teachers with a strong background in both religious studies and pedagogy are in high demand, giving them strong bargaining power.
- **Bargaining Power of Buyers (High):** With over 2,000 Islamic educational institutions in Lampung, parents and students have numerous options. This high availability of alternatives gives them substantial leverage in deciding where to enroll.
- **Industry Rivalry (Very High):** The educational sector in Lampung is highly saturated. Many schools offer similar programs, and the competition is fueled by marketing efforts, tuition discounts, and facility upgrades.

C. Synthesis of Findings

The intersection of strong internal resources (RBV) and intense external pressures (Five Forces) suggests that Diniyyah Putri Lampung must adopt a focused differentiation strategy. This includes strengthening its unique Islamic curriculum, investing in human capital, and embracing digital transformation. To address external threats, the institution should improve parent engagement, enhance brand visibility, and establish collaborative networks with other Islamic education stakeholders.

V. DISCUSSION

A. Conclusion

This study highlights the strategic challenges and opportunities faced by Diniyyah Putri Lampung in an increasingly competitive Islamic education landscape. Internally, the institution possesses key resources—such as a distinctive Islamic curriculum, qualified teaching staff, and a reputable organizational legacy—that are valuable, rare, and partially inimitable. These elements provide a foundation for sustained competitive advantage when properly organized and managed.

Externally, the institution faces significant competitive pressure from new entrants, substitute education options, and the high bargaining power of both suppliers (educators) and buyers (parents and students). The competitive intensity within the Islamic education sector in Lampung requires a clear and proactive strategic response.

The dual-framework analysis using the Resource-Based View (RBV) and Porter's Five Forces provides a comprehensive understanding of both internal strengths and external threats. It shows that while Diniyyah Putri Lampung has inherent advantages, without strategic renewal and targeted improvements, its position could weaken over time.

B. Recommendations

To enhance its competitiveness and reverse the trend of declining student enrollment, Diniyyah Putri Lampung should implement the following strategic actions:

1. Curriculum Innovation and Differentiation

Develop and promote a curriculum that integrates Islamic values with modern competencies such as digital literacy, entrepreneurship, and critical thinking. Emphasizing a unique educational value proposition will help attract families seeking balanced, future-ready education.

2. Talent Development and Retention

Invest in continuous professional development for teachers and offer performance-based incentives to retain top talent. Establish

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partnerships with higher education institutions to create a pipeline of qualified Islamic educators.

3. Technology Integration

Expand the use of digital tools for learning, administration, and marketing. Online platforms can enhance the learning experience, while digital outreach (social media, websites, webinars) can strengthen the institution's public profile.

4. Community and Alumni Engagement

Strengthen ties with local communities and alumni networks to build trust and reputation. Community-based programs, scholarships, and alumni testimonials can boost institutional credibility and visibility.

5. Strategic Marketing and Branding

Develop a branding strategy that communicates the school's legacy, values, and quality. Highlight success stories, facility improvements, and student achievements to position Diniyyah Putri Lampung as a top-tier Islamic educational institution in the region.

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