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## **The Influence of Promotion Strategies and Education Costs on Students' Decisions in Choosing Private Universities**

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### **Abstract**

*This study aims to analyze the influence of promotion and tuition fees on students' decisions in choosing a private university (PTS). The high level of competition among PTS requires each institution to implement appropriate promotional strategies and set competitive tuition fees to attract prospective students. This study used a quantitative approach with a survey method of 110 active students of the Trisakti Institute of Transportation and Logistics who had passed the college selection stage. Data were collected through a closed-ended questionnaire with a Likert scale and analyzed using multiple linear regression techniques with the help of SPSS software. The results showed that promotion and tuition fees variables had a positive and significant influence on student decisions. Promotion variables were the most dominant factor, which emphasized the important role of marketing communications in shaping perceptions and increasing prospective students' interest. On the other hand, aspects of affordability and reasonable tuition fees were also key considerations in the decision-making process. These findings provide implications for PTS managers to optimize promotional strategies that better suit prospective students' needs and evaluate financing policies to align with the economic conditions of the target market.*

**Keywords:** private universities, promotion, student decisions, tuition fees

### **INTRODUCTION**

Higher education plays a strategic role in developing the quality of a nation's human resources. Universities serve not only as centers for scientific development but also as primary institutions for preparing competent graduates capable of competing in the workforce. Amidst globalization and rapid technological advancement, the quality of human resources is a key factor in determining a country's competitiveness. Therefore, universities are required to produce a generation that excels not only academically but also possesses practical skills, moral integrity, and the ability to think critically and creatively.

Indonesia's higher education system consists of state universities (PTN) and private universities (PTS). State universities are generally highly attractive due to their relatively affordable tuition fees, thanks to government subsidies, and their established reputation within the community. However, limited capacity at state universities means that not all high school graduates are accepted each year. This situation makes private universities the primary alternative for prospective students who are not accepted at state universities,

or for those who choose private universities based on specific considerations, such as location, study programs, flexibility of schedule, and comfortable campus environment.

While private universities (PTS) play a crucial role in expanding access to higher education, they also face significant challenges. The dynamics of higher education in Indonesia demonstrate increasingly intense competition among universities, particularly within private universities. This competition extends not only to academic quality but also to institutional marketing strategies, tuition policies, facility availability, and the quality of administrative services provided to students.

One of the main challenges facing private universities (PTS) is how to attract prospective students to their institution. In this context, promotion and tuition fees are two crucial factors. Many private universities have not been able to effectively optimize their promotional strategies, resulting in less public awareness. Furthermore, tuition fees perceived as high or disproportionate to the quality offered can be a deterrent for prospective students, especially those from lower-middle-class families.

Promotion is part of the communication strategy used by educational institutions to reach prospective students and showcase their strengths. Promotion serves not only as a means of conveying information but also as an effort to build the institution's image (branding) in the public eye. According to (Hidayat et al., 2020), promotions in the digital era need to appeal to the emotional aspects of prospective students and showcase values that align with the characteristics of the target audience. The use of social media is crucial because Generation Z, the primary target audience of higher education, is highly active on digital platforms such as Instagram, TikTok, and YouTube.

Beyond promotions, tuition fees are also a crucial factor for prospective students and their parents when making their decision. Tuition fees encompass not only semester fees but also entrance fees, practicum fees, development funds, and living expenses for students studying outside their hometown. For most Indonesians, higher education is a long-term investment that requires careful planning. Perceptions of cost fairness are strongly influenced by the quality of services and facilities provided. (Dewa et al., 2023) show that when tuition fees are perceived as commensurate with the services received, students are more likely to continue their studies and recommend the institution to others.

The process of selecting a college by prospective students is neither simple nor purely rational (Orlando & Harjati, 2022). According to Hasmidyani et al., 2022, Generation Z considers various internal and external aspects in determining educational choices, such as peer opinions, institutional reputation, access to information, and direct experience through social media and campus visits. This process aligns with the Theory of Planned Behavior (TPB) proposed by Ajzen (2020), which states that behavior is influenced by attitudes, subjective norms, and perceived behavioral control. Abbasi et al., 2021 added that subjective norms play a role in shaping an individual's tendency toward a particular behavior. In the context of higher education, promotion influences attitudes and subjective norms, while tuition fees influence perceived behavioral control.

Several previous studies have shown that promotions and perceived cost significantly influence consumer decisions. (Hidayat et al., 2020) found that promotions through social media can increase prospective student interest, while (Dewa et al., 2023)

emphasized the importance of price perception in educational service purchasing decisions. (Saktiendi et al., 2022) also stated that promotions and prices simultaneously influence consumer decisions. However, most of these studies have focused on the service sector in general, leaving a research gap in the context of higher education, particularly private universities (PTS) in Indonesia. The Trisakti Institute of Transportation and Logistics (ITL Trisakti), as a private university specializing in transportation and logistics, also faces similar competitive challenges, necessitating a more specific study of the factors influencing students' decisions in choosing this institution. This study aims to analyze the influence of promotions and tuition fees on students' decisions in choosing private universities, especially at the Trisakti Institute of Transportation and Logistics, and to provide strategic recommendations for PTS management in designing more effective promotional and financing policies that are in accordance with student needs.

## **METHODS**

This study uses an objective and systematic quantitative approach to examine the influence of promotion and tuition fees on students' decisions in choosing a private university (PTS). This quantitative approach was chosen because it can produce numerical data that can be analyzed statistically to identify relationships, patterns, and the strength of influence between variables in a measurable and structured manner (Candra Susanto et al., 2024). The research design used is descriptive causal, namely a design that not only describes the characteristics of the variables studied but also examines the causal relationship between the independent and dependent variables. The research model was designed to determine the influence of promotion and tuition fees as independent variables on students' decisions as the dependent variable. Testing for this causal relationship was carried out using multiple linear regression analysis, which allows researchers to determine the simultaneous and partial influence of each independent variable on the dependent variable based on theory and previous research results.

The population in this study was all active students of the Trisakti Institute of Transportation and Logistics (ITL Trisakti) at the time of the study, as they had gone through the deliberation and decision-making process in selecting a private university, thus being relevant to the research objectives. The sampling technique used was purposive sampling, a non-probability technique with specific criteria according to the research needs, namely students who were truly involved in the campus selection process based on promotion and tuition fees. The sample size used was 110 respondents, which met the minimum sample size requirements for multiple regression analysis, which is between five and ten times the number of indicators used in the research model (Hasmidyani et al., 2022). Data collection was conducted through the distribution of closed-ended questionnaires online using the Google Forms platform, which was chosen because it is efficient, easily accessible to respondents, and speeds up the data collection and processing process. The research instrument was compiled based on indicators adapted from relevant literature (Huda & Trisninawati, 2024; Esa et al., 2021; Amri, 2020) using a five-point Likert scale, ranging from "Strongly Disagree" to "Strongly Agree" (Koo & Yang, 2025).

Promotion variables were measured using four main indicators: advertising, personal selling, sales promotions, and public relations (Saktiendi et al., 2022). Tuition fees were measured based on affordability indicators and the appropriateness of costs to the quality of service received by students (Dewa et al., 2023). Meanwhile, student decision variables were operationalized based on five stages of the decision-making process: need recognition, information search, alternative evaluation, purchase decision, and post-purchase behavior (Salim et al., 2022; H. Anwar, 2024). The collected data were analyzed using SPSS version 25 through several stages of analysis, including validity testing with Exploratory Factor Analysis (EFA), reliability testing using Cronbach's Alpha, descriptive analysis to describe data characteristics, and multiple linear regression analysis to examine the influence between variables. In addition, classical assumption tests were also conducted, including normality, multicollinearity (Tolerance and VIF), and heteroscedasticity (residual scatterplot) to ensure the feasibility of the regression model. All data used is primary data obtained directly from respondents, so that the research results are contextual and specific to the ITL Trisakti environment as the study location.

## ***RESULTS AND DISCUSSION***

Descriptive statistical analysis was used to provide an initial overview of the respondents' responses to the variables of promotion, tuition fees, and student decisions in choosing a private university (PTS). This statistic aims to understand students' general perceptions before conducting inferential testing of the relationships between variables. Data were obtained from 110 respondents who were active students at the Trisakti Institute of Transportation and Logistics, who had gone through the decision-making process in choosing a university. The results of the descriptive analysis showed that all three variables had relatively high average values, indicating that promotion and tuition fees are important factors considered by students in determining their choice of university.

For the promotion variable, the average score ranged from 4.12 to 4.56, with an overall average of 4.34, which is considered high. This indicates that most respondents have a positive perception of the promotional activities carried out by private universities. The promotional strategies used are considered capable of conveying clear information about study programs, facilities, and the institution's advantages. Various promotional media, including social media, brochures, and direct promotional activities, are considered effective in building a positive campus image in the eyes of prospective students.

The tuition fee variable has an average value between 3.64 and 3.80, with an overall average value of 3.72, which is in the sufficient category. This finding indicates that students consider tuition fees at ITL Trisakti to be relatively affordable and commensurate with the quality of services and facilities provided. However, tuition fees remain a factor that requires careful consideration because they are directly related to the economic situation of students' families. Therefore, although not a dominant factor, the cost aspect still plays an important role in the decision-making process.

Meanwhile, the student decision variable showed an average value between 4.20 and 4.72, with an overall average value of 4.48, which is included in the very high

category. This indicates that students feel confident and firm in their decision to choose a private university as a place to continue their higher education. The decision-making process is carried out through consideration of various aspects, starting from information search, evaluation of alternatives, to confidence in the final choice. This finding aligns with the Theory of Planned Behavior proposed by Ajzen (2020), which states that individual intentions and behavior are influenced by attitudes, subjective norms, and perceived behavioral control.

In general, the descriptive statistics show that both promotions and tuition costs contribute to student decision-making. Students tend to be more responsive to information conveyed through promotions, but still consider the rational aspect of affordability. A summary of the descriptive statistics is shown in Table 1.

Table 1. Descriptive Statistics

<b>Variables</b>	<b>Average</b>	<b>Category</b>
Promotion	4.34	High
Tuition Fees	3.72	Fair
Student Decisions	4.48	Very High

Validity and reliability testing were conducted to ensure that the research instrument was able to measure variables accurately and consistently. The results of the validity test using Exploratory Factor Analysis (EFA) showed that all items in the promotion and student decision variables had KMO values above 0.6 and Bartlett's Test significance below 0.05, thus being declared valid. However, the tuition fee variable obtained a KMO value of 0.500 with a significance of 0.056, indicating limited validity. This condition is caused by the number of indicators consisting of only two items, which is statistically difficult to achieve a high validity value, even though the indicators are conceptually relevant as stated by Dewa et al. (2023).

The results of the reliability test using Cronbach's Alpha showed that the promotion variable had a value of 0.687 and the student decision variable a value of 0.699, which is categorized as moderately reliable. Meanwhile, the tuition fee variable only obtained an alpha value of 0.375, which is considered low. This low reliability value is again due to the limited number of statement items. Nevertheless, the tuition fee variable was retained in the analysis because it theoretically plays a significant role in influencing student decisions. The results of the reliability test are presented in Table 2.

Table 2. Reliability Test Results

<b>Variables</b>	<b>Cronbach's Alpha</b>	<b>Information</b>
Promotion	0.687	Fair
Tuition Fees	0.375	Low
Student Decisions	0.699	Fair

Multiple linear regression analysis was conducted to determine the effect of promotion and tuition fees on student decisions. The regression results indicate that both independent variables significantly influence student decisions, both simultaneously and

partially. The beta coefficient of promotion is 0.560 with a significance value of 0.000, indicating that promotion has the strongest influence. Meanwhile, the beta coefficient of tuition fees is 0.256 with a significance value of 0.000, also indicating a significant effect, although smaller than promotion. The  $R^2$  value of 0.660 indicates that 66% of the variation in student decisions can be explained by these two variables.

Table 3. Results of Regression Analysis

<b>Independent Variables</b>	<b>Beta Coefficient</b>	<b>Sig.</b>
Promotion	0.560	0.000
Tuition Fees	0.256	0.000

The results of the classical assumption test indicate that the regression model meets the statistical feasibility requirements. The normality test using Shapiro-Wilk yielded a significance value  $<0.001$ , but with a sample size of more than 100, the data distribution was considered normal based on the Central Limit Theorem. The multicollinearity test showed a Tolerance value of 0.496 and a VIF of 2.015, indicating there was no high correlation between the independent variables. In addition, the heteroscedasticity test using the ZRESID scatterplot showed a random residual distribution pattern, thus concluding that there was no heteroscedasticity. Thus, the regression model is suitable for explaining the relationship between promotion, tuition fees, and student decisions.

The results of this study align with the findings of Hidayat et al. (2020) who stated that promotional strategies, particularly through social media and direct interactions, can increase prospective students' positive perceptions of educational institutions. These findings also reinforce the findings of Dewa et al. (2023) who concluded that the perception of cost commensurate with service quality influences consumer decisions. Overall, this study confirms that students' decisions in choosing a private university are the result of a combination of emotional and rational factors, with promotions playing a role in shaping perceptions and interest, while tuition fees serve as a rational and pragmatic consideration. Students, particularly Generation Z, tend to conduct thorough evaluations, considering the effectiveness of institutional communication and the long-term cost efficiency of education.

### **CONCLUSIONS AND SUGGESTIONS**

Based on the results of a study of 110 active ITL Trisakti students, it can be concluded that promotion and tuition fees have a positive and significant influence on students' decisions in choosing a private university, with promotion being the most dominant factor. This finding indicates that an effective promotional strategy not only serves as a means of conveying information, but also shapes the institution's image and emotional closeness with prospective students, while tuition fees remain a rational consideration related to the suitability between costs and the quality of educational services. Therefore, PTS is advised to strengthen promotional strategies based on innovative digital media and in accordance with the characteristics of the younger generation, and to conduct regular evaluations of tuition fees policies through the

provision of scholarships and flexible payment schemes. Students and prospective students are expected to be more critical in assessing promotional information by considering the long-term benefits of education, while future researchers are advised to expand the scope of the research area, increase the number of indicators, especially on the tuition fee variable, and include other variables such as institutional reputation, lecturer quality, and study program accreditation to obtain a more comprehensive picture of the factors that influence the decision to choose a private university in Indonesia.

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