

## FACTORS THAT INFLUENCE INDONESIAN STUDENTS IN TAKING DECISIONS IN ZHEJIANG UNIVERSITY OF TECHNOLOGY HANGZHOU

Dr. Asmirin Noor<sup>1</sup> ; Dr. Pompong B Setiadi<sup>2</sup>

Lecturer of S-1 Management Program and S-2 Management Master Program  
Higher Education of Economy Science of Mahardhika Surabaya

### ABSTRACT

This research tries to explain the factors that influencing the students from Indonesia in taking the decision of the lecture in the Zhejiang University of Technology Hangzhou. The data obtained from the sample of 49 respondents with the census method. The type of research conducted is explanatory research with quantitative approach.

There are four findings. First, class education has a significant effect on the decision to choose a campus, with a coefficient marked positive of 0,478 with t statistic value of 3,031 where the value is greater than 2.0. Secondly, career opportunity has a significant effect on the decision to choose campus, with coefficient positive marked 0,050 with the value of t statistic 2,565 where the value is greater than 2.0. Third, of the cost of living has a significant effect on decision choose campus, the result of this research seen from the coefficient of positive signified by 0,131 with t statistic value 2,306 where the value is greater than 2.0 and the fourth typical experience has no significant effect with the positive direction of decision choosing campus, this can be seen from the positive coefficient of 0.353 with the value of t statistical 1.737 t where the value is smaller than 2.0.

Keyword: Educational Services, Consumer Behavior, Partial Least Square

### I. INTRODUCTION

One important factor in all sectors of human life is education. Education is a medium of learning and also the formation of characters that will affect humans in living their lives both in personal life and social life. The process of character formation through learning one of which is influenced by its decision when choosing one's place in the path of education. Currently not a few graduates from Indonesia who decided to pursue higher education abroad either through the path of scholarships and at their own expense. From several countries that became the destination of graduates from Indonesia to continue their education, China is an

alternative destination country other than Japan, America, Finland and other developed countries.

China is the largest country in Asia and the third largest in the world, only Russia and Canada are larger. China has a population of more than 1.3 billion people. That figure makes up almost 23% of the world's population. Four of the world's greatest inventions such as gunpowder, the magnetic compass, paper, and printing is attributed to China. They were used in China long before they were known in the West. Higher education in China for several years has been selected as one of the best among Asian countries. The country has more than 150 research-based higher education both public and private distributed in all provinces in China.

Currently, Zhejiang University of Technology (ZUT) has become one of the universities that play an important role in education in China, and its ownership has been regulated by the government of Zhejiang Province. The university has been recognized as a university that upholds the philosophy of education by putting human resources as the cornerstone and is always committed to strengthening the talents of its students with quality, excellence in technology and science, and serving the social and cultural development. Aims to become a comprehensive research-based university with unique advantages and influences on its educational system not only from China but also internationally. With the spirit implied in his motto 'Seeking the Truth and Pioneering New Trails, so that the graduates produced will be future leaders with a global outlook. The purpose of this study is to examine the factors that influence the students from Indonesia in taking a study decision at the Zhejiang University of Technology Hangzhou.

## II. THEORETICAL STUDY

### 2.1 Services

According to Fandy Tjiptono (2008: 6) services are any actions or actions that can be offered by a party to other parties, which is basically intangible (intangible and does not produce ownership of something. According to Djaslim Saladin (2004: 134) activities or benefits offered by one party on the other and are essentially intangible, and do not produce any ownership The production process

may or may not be associated with a physical product According to Zeithaml and Bitner dictated by Ratih Hurriyat (2005: 28) the notion of service is all economic activity with output other than product in physical sense, consumed and produced at the same time, gives added value and intangible principle to its first buyer.

Based on some of the above definition, then the service is basically something that has the following characteristics:

- 1) Something intangible, but can meet the needs of consumers.
- 2) The production process of services may use or not use the assistance of a physical product.
- 3) The Service does not result in the transfer of right or ownership.
- 4) There is an interaction between service providers and service users

## **2.2 Educational Services**

Buchori Alma (2007: 4) Education is a product of services produced by non-profit educational institutions, resulting in the visible process of education. The marketing of educational services by Kotler and Fox in (Lupiyoadi, 2009: 148) offers services with a marketing mix of 7P marketing tools: Programs, Price, Place, Promotion, Process, physical facilities (Physical facilities), People (People). Currently, education services play a vital role in developing and improving the quality of human resources, but the interest and attention of the quality of education services can be said to have developed in the last decade.

The success of education services is determined in providing quality services to the users of the educational services (students or students/learners). Before further discussing the quality of education services, will first be discussed about the definition of educational services from some experts so that the quality of education services referred to in this discussion can be comprehensively comprehended

## **2.3 Model of Consumer Behavior**

The study of consumer behavior is very important in carrying out the marketing concept of a company. Without an understanding and understanding of

the target consumer, a company can not be said to have made the marketing concept as a guideline even though the company has performed its marketing function well. To know clearly this consumer behavior, a marketer must do research as a first step to know the motivation of consumers in making purchasing decisions.

Consumer behavior is the study of how individuals, groups, and organizations choose, buy, use, and how goods, services, ideas, or experiences to satisfy their needs and wants. Philip Kotler & Kevin Lane Keller (2009: 166). The model of consumer behavior described by Assel (1995: 18) in Suryani (2008: 12) there are two factors, as follows:

- a) The individual consumer, the influence comes from the self in making the purchase decision
- b) The influence of the surrounding environment through group-based communication, mouth-to-mouth communication, and cross-group marketing communications will provide information that can influence decision-making.

After consumers make a decision, evaluation after purchase is done (shown from feedback to the individual customer). During the evaluation process, the consumer learns from his experience and mindset, evaluates and selects the preferred brand, which will affect the next repeat purchase.

#### **2.4 Factors Affecting Consumer Behavior**

Simamora (2004: 6) states that there are 4 (four) factors that affect consumer behavior include:

- 1) Psychological Factors: The choice of purchasing a person's goods or services is influenced by the main psychological factors, namely needs, perceptions, attitudes, processes, occupations or professions, economic circumstances, age experience. Seven components namely product, price, promotion, place, people, process, customer service. In relation to his decision in choosing a campus abroad is due to a typical experience when he was in the country.
- 2) External Environmental Factors: Consumer behavior is strongly influenced by the various layers of society in which it is born and raised. This means consumers coming from different layers of society or environment will have

different assessments, needs, opinions, attitudes, and tastes. External environmental factors that affect consumer behavior are friends and colleagues, social status, family, opinion leaders. In relation to the decision in choosing a campus overseas is because the cost of living during the student living there.

- 3) Situational Factors: The behavior of a person is also influenced by situational factors, which include reputable or reputable, reputed, location and other facilities provided. In relation to the decision in choosing a campus overseas is because the status of recognition of world-class education in China is still recognized to date
- 4) Marketing Mix Factor: Marketing mix is a collection of variables that can be used by a company or bank to influence consumer responses, which consists of seven components, namely product, price, promotion, place, people, process, customer service. In relation to his decision in choosing a campus overseas is because career opportunities for his graduate are still wide open.

Based on the background and theory studies that have been described above, the hypothesis in this study can be described as follows:

H1: World-class education status has a significant effect on the decision to choose campus

H2: Career opportunities have a significant effect on the decision to choose campus

H3: Affordable cost of living has a significant effect on the decision to choose campus

H4: Typical college experience has a significant effect on the choice of campus.

### **III. RESEARCH METHODS**

#### **3.1 Procedures and samples**

The research type is explanatory research with quantitative approach. The explanatory research according to Sugiyono (2013: 21) is a study that explains the causal relationship between the variables that affect the hypothesis. The target population in this study is all the students from Indonesia who are continuing their

attendance at the Zhejiang University of Technology Hangzhou where the number is 49 people.

### **3.2 Sample Characteristics**

Respondents were selected as the sample of 49 respondents, where the method used for sampling is by way of the census. According to Bailey's statistics theorist, stating that for research that would use statistical data analysis, the minimum sample size was 30 respondents.

### **3.3 Operational Definition and Measurement Scale**

To answer the problem formulation and to test the proposed hypothesis, then the data obtained will then be processed in accordance with the needs of the analysis. For the purposes of discussion, data is processed and presented based on descriptive statistical principles, while for the purposes of hypothesis analysis and testing used inferential statistical approach. In order to be able to answer the research question and to evaluate the model, the analytical technique to be used is Structural Equation Modeling (SEM) with Partial Least Square (PLS) approach.

The use of SEM allows researchers to examine the relationship between complex variables to obtain a comprehensive picture of the overall model. SEM can test together. The recognition of world-class education status held by an overseas University is an important consideration for graduates from Indonesia in choosing to continue their education. As host to hundreds of thousands of international students by 2014, China is increasingly popular with many students from all over the world.

Based on that, the measurement indicator for the world class education variable is the number of courses offered in English. In addition, Chinese government involvement in educational institutions ensures high education standards in the country's bamboo curtain. With the spirit implied in his motto "Seeking the Truth and Pioneering New Trails" makes the graduates produced will be future leaders with a global outlook. The existence of cooperation in the form of academic exchanges and science research, with more than 50 universities around

the world, including the United States, Britain, France, Japan, Germany, and South Korea are also indicators in this variable and the quality of research in the middle campus academic activities meet a number of criteria that become international standards.

China has recently surpassed Japan as the second largest global economy in the world. This automatically positively impacts and is an indicator of employment opportunities, including for international students. There will be more vacancies available, so international students are more likely to work in China after graduation. It is therefore strongly recommended that international students learn Chinese and understand Chinese culture and customs so that the opportunities to be accepted work are greater. With college in China, the students had the opportunity to learn the local language and culture, and also began to establish connections and seek information of the labor market because in this country stronger. In addition, Zhejiang University of Technology is one of the first modern academies in China and also makes an indicator in career opportunities for graduates more widely.

Compared to America, the UK, and Japan, the cost of living in China is very affordable. The cost of eating in China is more affordable when compared to the three countries but also depends on the type of food in the message. The price of the food also depends on the location. For monthly transportation costs in China is more affordable compared to the three countries, but it also depends on the need. For monthly rent in China is also more affordable when compared with the three countries.

With a history of over 4,000 years, China has been known as an innovator from various fields of study, whether business, astronomy, martial arts, philosophy, mathematics, art, literature, religion and much more. This is an indicator of a typical college experience, China is also one of the largest countries in the world. Its geographical structure also varies greatly, ranging from the Himalayas to the southwest, the Gobi Desert in the North, to the east coast which means to explore from mountains to beaches. Traveling in China is also very practical and affordable. Major cities are contacted by train lines. Wherever a person studies in China, a

person will find a meaningful experience that is different from what he has been through.

The variable of student decision in choosing campus is the ability, effort, and action of the student which is done directly to campus as a place to study in college level. Indicators of these variables are information retrieval, bid evaluation, deciding, and psychological impact after the decision is taken. For all questions, the instrument used is Likert scale with five points (1- Very unsuitable; 2- Inaccurate; 3- Rather Appropriate; 4- Suit; and 5- Very suitable)

#### **IV. TEST MODEL MEASUREMENT AND MODEL FITNESS**

The Measurement model test is part of the SEM model which consists of a latent variable and several manifest variables (indicator) that describe the latent variable. While the fit of the model (goodness of fit) shows how well the model in testing the relationship between variables

Based on the calculation of Structural Equation Modeling (SEM) using Smart-PLS Ver 2.0 program, all AVE values more than 0.5 this indicates that latent variables can represent each indicator. The value of the 5th composite Reform variable has a value greater than 0.6. This shows the internal consistency measurement for the 5 latent variables above the standard value. The alpha value for the 4 variables is more than 0.7, it indicates that the variable has an ideal reliability (Jonathan Sarwono, 2015: 49). The value of R Square is 0.996, it shows that 99.6% exogenous variables consisting of 4 variables are able to explain the endogenous variable which in this case is the decision of the student in choosing the campus at Zhejiang University Of Technology Hangzhou.



**Table 4.1**  
**Quality Criteria Testing**

|                       | AVE   | Composite Reliability | R Square | Cronbachs Alpha | Communality | Redundancy |
|-----------------------|-------|-----------------------|----------|-----------------|-------------|------------|
| Cost of Living        | 0.580 | 0.770                 |          | 0.554           | 0.580       |            |
| Lecture Decision      | 0.750 | 0.923                 | 0.996    | 0.888           | 0.750       | 0.179      |
| Career Opportunities  | 0.778 | 0.913                 |          | 0.856           | 0.778       |            |
| World Class Education | 0.753 | 0.938                 |          | 0.917           | 0.753       |            |
| A Typical Experience  | 0.628 | 0.889                 |          | 0.838           | 0.628       |            |

Source: SmartPLS Ver 2.0 output

## V. RESULTS ANALYSIS

The resulting analysis is an evaluation of the structural model, wherein this evaluation includes the significance value of each path coefficient which states whether there is a (significant) or not the influence of the hypothesized construct.

**Table 5.1**  
**Evaluation of structural models**

|   | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | Standard Error (STERR) | t-Statistics (O STERR) |
|---|---------------------|-----------------|----------------------------|------------------------|------------------------|
| <b>Cost of Living → Lecture Decision</b>        | 0.131               | 0.106           | 0.057                      | 0.057                  | 2.306                  |
| <b>Career Opportunity → Lecture Decision</b>    | 0.050               | 0.051           | 0.020                      | 0.020                  | 2.565                  |
| <b>World Class Education → Lecture Decision</b> | 0.478               | 0.441           | 0.158                      | 0.158                  | 3.031                  |
| <b>Typical experience → Lecture Decision</b>    | 0.353               | 0.414           | 0.203                      | 0.203                  | 1.737                  |

Source: Smart PLS Ver 2.0 output

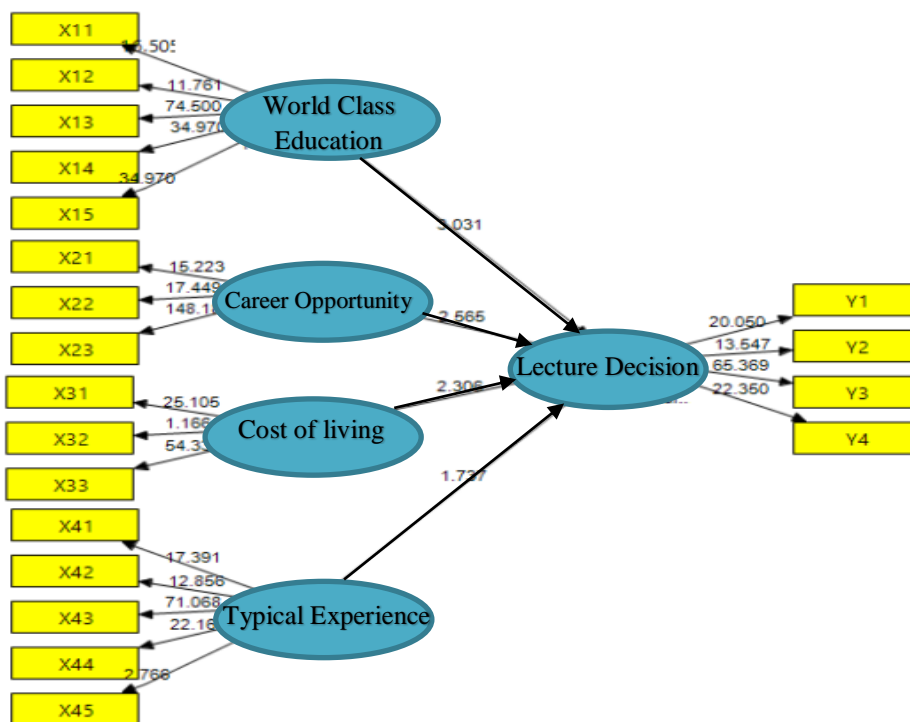
The conceptual model shown in Figure 5.1 shows the first, world-class education has a significant effect on the positive direction of the decision to choose campus. This can be seen from the coefficient of positive sign of 0.478 with t

statistic value  $3.031 > 2.0$ . Thus the world-class education variables have a significant effect on the decision to choose campus. These results provide support for the first hypothesis that the world class education variables have a significant effect on the decision to choose campus.

Second, career opportunity variables significantly influence the positive direction toward the decision to choose campus. This can be seen from the coefficients of positive sign of 0.050 with the value of t statistic  $2.565 > 2.0$ . Thus, career opportunity variables significantly influence the decision to choose campus. These results provide support for the second hypothesis of career opportunity variables have a significant effect on the decision to choose campus

Third, the variable cost of living has a significant influence on the positive direction of the decision to choose campus. This can be seen from the coefficient of positive sign of 0.131 with the value of t statistic  $2.306 > 2.0$ . Thus the variable cost of living has a significant effect on the decision to choose campus. These results provide support for the third hypothesis that the variable cost of living has a significant effect on the decision to choose campus.

Fourth, the typical experience variables have no significant effect on the positive direction of the decision to choose the campus. This can be seen from the coefficient marked positive by 0.353 with the value of t statistic  $1.737 < 2.0$ . Thus the typical experience variable has an insignificant effect on the decision to choose campus. These results do not provide support for the fourth hypothesis that the typical experience variables significantly influence the decision on choosing a campus.



Source: Smart-PLS Ver 22.0 Output

Figure 1. Conceptual Model

## VI. DISCUSSION

The main objective of this study is to examine the factors that influence Indonesian students in taking a study decision at the Zhejiang University of Technology Hangzhou. The results of SEM show the following four findings. First, this study reinforces that world-class education has a significant effect on the positive direction of the decision on choosing campus. As the host for the 377,054 international students by 2014, China is increasingly in favor of many students from different parts of the world. One of the reasons is the wide selection of courses delivered in English, as well as cooperative relationships with more than 70 countries to ensure international recognition and academic qualifications. In order to compete well in the global economy, many countries have recognized the importance of allowing foreign students to enroll in their universities, as well as with the Chinese state. They build strong connections, especially with American universities such as Stanford University and New York University, which have

attracted American attention, even raised as a topic of a speech by First Lady America, Michelle Obama in 2014.

The second finding of the study reinforces the assertion that career opportunity has a significant effect on the positive direction of the campus decision. China has recently surpassed Japan as the second largest global economy in the world. This automatically positively impacts job opportunities, including for international students. There will be more vacancies available, so international students are more likely to work in China after graduation. It is therefore strongly recommended that international students learn Chinese and understand Chinese culture and customs so that the opportunities to be accepted work are greater. By lecturing in China, students have the opportunity to learn local languages and cultures, and also start building connections and searching the labor market information while in college

The third findings of this study reinforce the statement that the cost of living has a significant effect on the positive direction of the decision to choose campus. Compared to America, the UK, and Japan, the cost of living in China is very affordable. One meal in China ranges from Rp. 15,000 to Rp. 50,000 depending on the type of food in the message (data of May 2016). The price of the food also depends on the location. For transportation cost per month starts from Rp. 105,000 to Rp. 312.000 depending on need (data of May 2016). Standard living expenses in China per month (including meals, stay, daily necessities) are usually Rp. 4.1 million (based on April 2016 exchange rate). However, the cost of living depends on the location, lifestyle, and needs of each.

The fourth finding of this study does not corroborate the assertion that a typical experience has a significant effect on the decision on choosing a campus. Although China is also one of the largest countries in the world, its geographical structure also varies greatly, ranging from the Himalayas to the southwest, but the main objective of the results obtained after college becomes the priority of Indonesian students to study in China.

## VII. CONCLUSION

Based on the results of data analysis, hypothesis testing, and previous discussion, it can be drawn conclusions from this study as follows:

- a. World-class education has a significant effect on the decision of students from Indonesia to take a lecture decision at the Zhejiang University of Technology Hangzhou, this is due to the large selection of courses delivered in English and the existence of cooperation in the form of academic exchange and science research, with universities around the World.
- b. The career opportunity has a significant effect on the decision of Indonesian students to take a study decision at the Zhejiang University of Technology Hangzhou, this is because China has recently surpassed Japan as the second largest global economy in the world. This automatically positively impacts job opportunities, including for students so that more jobs are available for after graduation.
- c. The cost of living influences has a significant effect on the decision of students from Indonesia to take a study decision at the Zhedjiang University of Technology Hangzhou, this is because when compared to America, UK, and Japan, the cost of living in China is very affordable.
- d. A typical experience has no significant effect on the decision of a student from Indonesia to take a lecture decision at Zhejiang University of Technology Hangzhou, this is because even though China is also one of the largest countries in the world, its geographical structure also varies greatly, but the main purpose of the results after college became the priority of students from Indonesia to study in China.

## VIII. SUGGESTIONS

The following are suggestion for further researchers, research in the field of education services marketing is very broad and can continue to be developed. Therefore for the next research is suggested not only focus on consumer behavior alone.

Research development in this field can be done by adding or changing independent variables. For example by adding variables on the scope of the marketing mix, service, accreditation status, parents' perceptions of students. The development of this research can also be done by altering or adding to the research sample. If in this study the sample comes from Indonesian students studying at the Zhejiang University of Technology Hangzhou, then for further research can take samples from prospective students are looking for a college in China to continue his studies in college. It is expected to generate information about the hopes and wishes of potential customers on campus at the Zhejiang University of Technology Hangzhou.

## REFERENCES

- Alma, Buchari. 2007. Marketing Management and Service Marketing. Bandung: Alfabeta.
- Angora. P. Marius. 2002. Marketing Basics. Jakarta: PT. Raja Grafindo Persada
- Arikunto, Suharsimi. 2010. Research Procedures A Practice Approach. Jakarta: PT Rineka Cipta
- Ayu Juli, et al. 2014. Factors Affecting Student's Decisions In Choosing The Department In The Faculty Of Economics And Business (FEB) Ganesha University of Education (UNDIKSHA) As A Place Of Lecture. The journal the Bisma Ganesha University of Management Department. Volume 2.
- Engel, James, F, Roger D. Blackwell, and Paul W. Miniard. 1994. Consumer Behavior. Sixth Edition. Volume 1. Jakarta: Binarupa Aksara.
- Engel, James, F, Roger D. Blackwell, and Paul W. Miniard. 1995. Consumer Behavior. Sixth Edition. Volume 2. Jakarta: Binarupa Aksara.
- Faturrahman, et al. 2012. Introduction to Education. Jakarta: Publisher Publisher Achievement
- Ferriana Goddess, Erna. 2008. Brand & Consumer Psychology Implications on Marketing Strategies. First Edition. Yogyakarta: Graha Ilmu.
- Ghozali, Imam (2005). Multivariate analysis with SPSS program. Semarang: Diponegoro University Publishing Agency
- Kotler, Philip and Keller, Kevin Lane. 2009. Marketing Management. Volume 1. Jakarta: PT. Erland.

- Kotler, Philip, Gery Armstrong. 2008. Principles of Marketing Volume 1. Twelfth Edition. Bob Sabran's translation. Publisher Erlangga. Jakarta.
- Kotler, Philip. 2005. Marketing Management volume II. Benyamin Molan's translation. Eleven editions. PT.Tema Baru. Jakarta.
- Lai, Sadoulet, and Janvry, 2007. Can Parents Make Well Informed School Choices?.  
([http://socrates.berkeley.edu/~raphael/IGERT/Workshop/schoolchoice\\_info\\_paper083107.pdf](http://socrates.berkeley.edu/~raphael/IGERT/Workshop/schoolchoice_info_paper083107.pdf)) was downloaded on March 14, 2017
- Lupiyoadi, Rambat and Hamdani, A. 2008. Marketing Service Management. Jakarta: Publisher Salemba Four.
- Malhotra, Naresh K. 2005. Research Methods for Business and Economics. Jakarta: PT Index of Gramedia Group.
- Ma'ruf, Hendry. 2006. Retail Marketing. Second printing. Jakarta: PT Gramedia Pustaka Utama
- Mowen, John and Michael Minor. 2002. Consumer Behavior Volume 2 Fifth Edition. Jakarta:
- King, Anwar Mangkunegara. 2002. Consumer Behavior Revised Edition. Bandung: Refika Aditama
- Sarwono Jonathan, 2015, making the thesis, dissertation with PLS-SEM, Andi, Yogyakarta.
- Schiffman, Leon and Kanuk, Leslie Lazar. (2007). Consumer Behavior, Seventh Edition, Jakarta, Surabaya Index: Sekolah Tinggi Ilmu Ekonomi Indonesia.
- Sefnedi. 2013. Analysis of Service Marketing-Mix and Its Influence on Selection of Postgraduate Education Service Election. Jakarta e-Journal of Economic Appreciation Volume 1, Number 2.
- Setiadi, Nugroho. 2003. Consumer Behavior (Concepts and Implications for Marketing Strategies and Research). Jakarta: Prenada Media.
- Simamora, Bilson. 2004. Consumer Behavior Research Guide. Jakarta: PT. Gramedia Pustaka Utama.
- Sugiyono.2013. Research Management Methodology. Bandung: Alfabeta
- Sugiyono. 2007. Statistics for Research. Bandung: Alfabeta.
- Sumarwan, Ujang. 2011. Consumer Behavior Theory and Adoption in Marketing. Bogor: Ghalia Indonesia.
- Supranto, J. 2004. Multivariate Analysis (Meaning and Interpretation). Jakarta: Rineka Cipta

- Syria, Tatik. 2006. Consumer Behavior; Implications on Marketing Strategies. Yogyakarta: Graha Ilmu
- Tjiptono, Fandy. 2008. Sending Strategy. Issue III. Yogyakarta: CV. Andi Offset
- Widoyoko, Eko Putro. 2013. Engineering of Research Instrument Formation. Yogyakarta: Student Literature.
- Yi Hsu and Chen Yuan-fang. 2013. An Analysis of Factors Affecting Parent's Choice of Junior High School. International Journal of Business,
- Yamin Sofyan. 2011, the new generation of research data processing with Partial Least Square Path Modeling, Salemba, Jakarta