The Influence of Attitude And Subjective Norms On Student’s (Future) Intention and Future Decision Of Higher Level Studies: A Case Study of Five Universities with BHMN Status in Indonesia

Gita Gayatri*, Yeshika Alversia** and Rifelly Dewi Astuti***

Since government regulation (PP) Nu 61/1999 came into effect, competitions are heating up among state-owned universities (PTN) in attracting high school graduates. This research aims to understand students’ attitudes toward tertiary education institutions, their promotion activities and other external factors such as family, and the impact of those attitudes in choosing tertiary education institution if they were to take further study and in recommending certain tertiary education institution to other people. The sample chosen was approximately 500 first-year tertiary students from UI, ITB, IPB, UGM dan Unair. The result of this study found that students are strongly influenced by their positive attitude toward tertiary education institution, being shaped mainly by the perception on lecturers’ quality and education facility, as well as external influence that motivates them to acquire similar characteristics with that of a certain reference group exists in the respective tertiary education institution.

Keywords: attitudes, subjective norms, promotion activities, tertiary education institution

Introduction

The Indonesian government, through government regulation (PP) Nu 61/1999 has made a breakthrough policy by no longer subsidizing state tertiary education institutions to acknowledge their self-containment as state-owned legal entity (PT-BHMN). The autonomy acquired by this so called PT-BHMN is manifested in the self-sufficient process of recruitment of new students. There are many different forms of recruitment and selections procedures that have created competitions among state-owned universities (PTN) in attracting high school graduates. Competitions also take place between PTN and private universities (PTS), including overseas universities. Some high school graduates had chosen not to take the state university entry test because they have been accepted in private universities and that they also considered there were no significant differences between the two groups in terms of the quality of education (Rahmadanil, 2007).

With the heat of competition, it has become very critical for PT-BHMN to differentiate itself from competitors in the market, thus the study of marketing in student recruitment has gained momentum (Coates, 1998). Some of the attributes which influence high school graduates in choosing tertiary education institution are costs, reputation or brand name which includes the consideration of the quality of curriculum, facilities provided, and the level of fit with students’ own interest. Moreover, some studies have also found that communication strategy of tertiary education institution (in the forms of advertisement) has...
an impact in the decision making process of a prospective student (Puspitasari, 2007). These two factors are deemed to be important in shaping the behavior of prospective students toward choosing tertiary education institution among (e.g. Brown & Stayman, 1992; MacKenzie & Lutz, 1989; MacKenzie et. al., 1986).

In addition, there is also an external factor that comes into play which is the influence of social environment, such as family especially parents, friends, and peer group, including teachers in school or in test preparation specialist for those who take preparation course.

Based on the above elaboration, the problem that the researchers want to explore is the attitude of students toward tertiary education institution, their promotion activities and other external factors such as family, and the impact of that attitude in choosing tertiary education institution if they were to take further study and in recommending certain tertiary education institution to other people. We have classified the objective of this research into several main points;

(1) To help PTN understand the different stimuli and social influences that shape students’ choice

(2) To understand the attitude of students toward tertiary education institution, and the extent to which the attitude influence the future intention of students toward their chosen tertiary education institution

(3) To understand the extent to which social environment (subjective norm) –which being represented by three variables: normative, value-expressive and informational- affects the future wants (intention) of students toward their chosen tertiary education institution

(4) To understand the extent to which such future wants will influence future decision of the students in choosing tertiary education institution in Indonesia as a place to continue their study; and

(5) To confirm whether Indonesian students show a similar pattern of behavior with most Asian consumers whereby the emotional norms and value of a social environment play a more significant role compared to logical information.

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**Literature Review**

According to Solomon (1996), consumer behavior is the learning process that takes place whenever a person(s) select, buy or ignore products, services, ideas, or experiences with the purpose of satisfying their needs and wants. This means that in order to satisfy their needs, consumers will continue searching and obtaining the goods or services that can deliver satisfaction for them. Cannon, Perrault and McCarthy (2008) argue that there are four important factors that influence consumer decision making processes, namely economics needs, psychological factor, social environment and purchase situation. Out of these four, two of them, namely (1) psychological factor, which is represented with attitude, and (2) social environment factor, will be the main focus in this research.

In broader terms, this research will use the framework of theory of reasoned action (TRA) from Fishbein & Ajzen (1975) and Ajzen & Fishbein (1980). Peter and Olson (2005) defined theory of reasoned action as a modification of attitude-toward-object theory. This model has two independent variables, which are attitude-toward-behavior and subjective norm. Attitude-toward-behavior reflects the overall evaluation of a consumer on a specific behavior. Subjective norm is the perception of consumers on what other people want us to do. The two independent variables are being linked to behavior with the intent to behave (behavioral intention) as the mediator. Behavioral intention is the intention that connects between a plan and a specific future behavior, whilst behavior is a specific action toward certain objects at a certain time frame within a certain environment. This theory holds the assumption that a person’s behavior is a rational decision (Chang, 1998) made based on received information (both commercial information such as advertisement or social reference) so that it defines the wants (intention) of that person to do a certain action, whereby wants is being influenced by two factors; namely personal (attitudinal) and social (normative).

Personal factor emphasizes that a person behaves according to their salient belief over a set of consequences and his/her self-evaluation.
on those consequences. On the other hand, subjective norm is the perception of a person toward what they think the social environment expects them to do (including families, reference groups or culture), as well as the motivation to fulfill what the social environment expects. In other words, these two components are implying the influence of social environment on decision making processes.

The two factors affecting the intention/wants of a person are assumed to be varied according to the behavior and situation as well as individual differences in decision making (Ajzen & Fishbein 1980). The intention variable or wants is the primary predictor of a certain behavior or decision (Ajzen & Fishbein 1980). In marketing context, the application of TRA has been done in a couple of research although the conclusion on which variable will be included in the research model has not been confirmatory (e.g. Ajzen & Fishbein, 1990; Munusamy & Hoo, 2007).

According to the theory discussed above, the research model is a modification of TRA Ajzen & Fishbein (1980) model as shown in figure 1. The variables that underpin the development of our hypotheses are:

First is the attitude of consumers toward tertiary education institutions and toward the promotion being executed by those institutions. Attitude is the extent to which a person has a tendency to like or dislike (favourable / unfavourable) a specific behavior (Fukukawa, 2002). While according to Solomon (1996) attitude is evaluation that is general, enduring, on individuals (including her/himself), objects, or issues. Schiffman and Kanuk (1997) defines attitude as a response that is consistent, either positive or negative, toward an object as a result of a learning process.

All the above definitions bring us to conclude that attitude is an evaluation of individuals toward an issue or object which involves cognitive and affective aspect, on every aspect of that particular object, which response will influence
the behavior (conative) of that person. There are three components of attitude in the tricomponent attitude model, namely:

1. Cognitive component
   Is a person's beliefs based on his/her knowledge or information about product or services. This belief will influence a person's way of thinking and perception. The stronger the belief toward a certain product or services, the better the attitude becomes.

2. Affective component
   Is the component that influences feelings, emotion, mood and consumers' evaluation toward an issue. The response can be in the form of like or dislike toward a certain issue. Feelings also play a role in the formation or transformation of consumers' belief.

3. Conative component
   Conative is a specific consumer behavior that acts as a final statement over a feeling or belief that have been evaluated. Action can simply confirm a person's feelings and beliefs but can also go exactly the opposite.

This behavior has been empirically proven to be a critical factor that contributes to the success of a marketing strategy especially in the context of on-line marketing (Goodwin, 1999). In marketing context, a consumer's attitude toward marketing stimuli or toward a product as an object (or brand) influences buying decision (e.g. Bang et. al., 2000; Brown & Stayman, 1992).

H1: Students' attitude toward tertiary education institution will have a positive effect on the wants (intention) of those particular students

H2: Students' attitude toward promotion by tertiary education institution will have a positive effect on the wants (intention) of those particular students

The second variable is the subjective norm in the form of social environment influence. Fishbein and Ajzen (1980) define subjective norm as a type of influence from social environment (or those who matter the most to a person), that influences individuals so that they have the intention to do something or to show a certain behavior. Influence from social environment in consumer decision making has three components, namely family influence, reference group influence, and culture influence (e.g. Bearden & Etzel 1982, Park & Lessig 1977, Childers & Rao 1992).

In terms of culture influence, for this particular study, we will be using the concept of collectivist – individualistic as the foundation of analysis as proposed by Triandis (1989). By closely observing the characteristics as well as definitions of collectivist culture, we assume that Indonesian people in general follow this type of culture.

Social environment influence may also be categorized into three parts (Park & Lessig 1977). The first is normative influence, commonly known as utilitarian influence, where individuals are influenced by family, group, or culture in general.

H3: Normative influence of students' social environment will have a positive effect on the wants (intention) of those particular students

The second influence is value-expressive, whereby individuals make decisions through the influence of his/her social environment in order to express him/herself or to associate him/herself with a certain group.

H4: Value-expressive influence of students' social environment will have a positive effect on the wants (intention) of those particular students
The third influence is the influence of information. Informational influence can come from sources/person with knowledge (expertise) or persons of similar characteristics.

**H5:** Informational Influence of students’ social environment will have a positive effect on the wants (intention) of those particular students

The third variable is the influence of wants/intention toward decision/behavior. Hunter (2006) defines intention/wants as a self-commitment to show a particular behavior or action. Dulany’s theory (1961, 1964) in Wilson et.al. (1975) proposes that a person’s behavioral intention (or his/her actual performance) is a result of two things; the first is the specific attitude-toward-behavior at a certain circumstance; second is the norm that influences behavior at a certain circumstance and motivation to comply with that particular norm. This theory becomes the foundation for Fishbein to develop the theory of reasoned action, where it specifies about normative beliefs as the expectation of a specific behavior related to a certain social agent (i.e. family), as opposed to other social agents.

Respondents of this study are students that have chosen a certain tertiary education institution where they pursue their degrees. As a consequence, we define intention as the future intention in relevance to the chosen tertiary education institution, such as intention to pursue master’s degree at the similar institution and intention to recommend the institution to family, friends or even community in general.

**H6:** The future wants (intention) of students toward tertiary education institution will have a positive effect on the future decision with regards to the chosen tertiary education institution

**Methodology**

In general, this research is carried out using quantitative method and a descriptive conclusive research design to outline certain characteristics or phenomenon by observing the relationships between several variables to confirm the different hypotheses being proposed (Malhotra, 2004). Data collecting is done by distributing questionnaire using single cross sectional design (collecting the data of a group of respondents of a certain population at one time (Malhotra, 2004)).

This research can be divided into two large steps, which are the validation of questionnaire and a larger data collecting process. Survey will be carried out through questionnaire where numeric scale will be used in the form of likert scale from 1 to 6. Subjects of this research which are part of the target population are first year students of state tertiary education institution holding the status State Owned Legal Entity (PTN-BHMN). There are five institutions namely UI, ITB, IPB, UGM dan Unair. The reason why we select only first year students is because they will most likely remember the intention and decision involved in order to answer the retrospective question or post decision question being asked. Second reason second is that the question on decision can only be asked to respondents that have gone through the decision process.

The amount of sample being collected is based on the requirement of our tool of analysis, structural equation modeling (SEM) with Maximum Likelihood statistic of minimum 150-400 respondents (Santoso, 2007). Approximately 100 respondents from each of the tertiary education institutions will be recruited as a quota to reach the minimum of 500 respondents. Software AMOS is used for SEM analysis (Wijanto, 2007; Arbucle, 2005) which in general comprises of two steps: Measurement Model Specification and Structural Model Test.

**Result and Discussion**

From a total of 500 respondents, 48.2% were male and 51.8% were female. Majority of the respondents or 63.6% were in the age 18-20 years old, 36% were below 18 years old, and only 0.4% of them were above 20 years old. Fifty five percent of the respondents came from Java Island and they also came from medium to low income families.

It was found that reputation, either that of the study program or the overall reputation of the larger tertiary education institution, is the primary reason for respondents in choosing study program, followed by suggestion from other people. In addition, respondents’ reasons
in choosing tertiary education institutions are also based on reputation consideration, followed by facilities provided and suggestion from other people. Parents are still the ones who have the strongest influence on students when choosing tertiary education institution, followed by influence from other family members, and from friends.

Data processing shows that the big five PT-BHMN are ranked either as the first or second option for majority of the respondents. An interesting finding is that there are two tertiary education institutions from overseas which are NUS and NTU which become the first option for respondents. This implies that competition does not only occur within tertiary education institution in Indonesia, but also with those across borders. On the other hand, second tier state tertiary education institutions in Indonesia have to compete with the qualified private tertiary education institutions. Majority of the respondents of 75.2% use the reason of BHMN status as a reason in choosing tertiary education institution, and 73.8% of the respondents do not make decisions based on the difference in costs.

Majority or 60.6% of the respondents obtain the information on the chosen tertiary education institution mostly from websites, followed by teachers in school and parents or family, and seniors. Very few of them get the information from print media, television or radio. This means the PT BHMN as subject of this research are still using below the line strategy to promote their institutions. Website is the most important medium of information besides brochure, open house, education fair, teachers in school or even print media advertisement. The media that is considered as less important is advertisement in radio.

To measure construct reliability, factor analysis was carried out to obtain the appropriate value of Cronbach Alpha using the software SPSS 14. In the preliminary stage, there are 28 statements that measure attitude toward tertiary education institution, 14 statements that measure attitude toward promotion (of tertiary education institution), four statements that measure normative influence, six statements that measure value-expressive influence, five statements that measure information influence, five statements that measure future intention and lastly five statements that measure future decision.

H1: Students’ attitudes toward tertiary education institutions will have a positive effect on their future intention of re-selecting the respective tertiary education institutions

H2: Students’ attitudes toward promotion activities done by tertiary education institutions will have a positive effect on their future intention of re-selecting the respective tertiary education institutions

| Construct                                      | Number of Question | (Standardized) Cronbach Alpha |
|------------------------------------------------|--------------------|-------------------------------|
| Attitude toward tertiary education institution | 28                 | 0.885                         |
| Attitude toward promotion (tertiary education institution) | 14                 | 0.916                         |
| Influence factor external – normative           | 4                  | 0.801                         |
| Influence factor external – value-expressive    | 6                  | 0.843                         |
| Influence factor external – informational       | 5                  | 0.735                         |
| Intention future (future intention)             | 5                  | 0.730                         |
| Future Decision                                 | 5                  | 0.691                         |

Source: Field data
The influence of students’ attitude on future intention is significant on a relationship. In hypothesis 1, the influence of students’ attitude toward tertiary education institution on their intention to recommend or to take on further study are proven to be significant with path loading score of (r 0.312, t 4.548). Meanwhile, hypothesis 2 that explains the attitude toward promotion activities by tertiary education institution is showing a weak influence toward students’ future intention.

**H3:** Normative influence of students’ social environment will have a positive effect on future intentions of re-selecting the respective tertiary education institutions

**H4:** Value-expressive influence of social environment (of prospective students) will have a positive effect on students’ future intentions in re-selecting the respective tertiary education institutions

**H5:** Informational influence of social environment (of prospective students) will have a positive effect on students’ future intentions in re-selecting the respective tertiary education institutions

For external influence (normative, value-expressive and informational), two hypotheses are rejected (H3 and H5) (refer to Figure 1; Hypotheses 2, 3 and 5 are rejected). Significant relationships are found between value-expressive influence of students’ social environment on their future wants (r 0.563 t 6.193). This means that for PT-BHMN students, the wants to recommend or to pursue further study in the same institution are driven by self-expression or by the way they associate themselves with their institution of choice.

**H6:** Future intention of students will have a positive effect on future decision regarding the respective tertiary education institutions

Hypothesis 6 that sums up the relationship between intention and future decision is proven to be significant with (r 0.855 dan t 8.430). As a result, the theory that claims intention as a strong predictor of decision is supported. Students who have the intentions to recommend and select certain tertiary education institutions for future study will most likely make the same decision in the future.

**Conclusion**

Based on the above analysis, researchers conclude on the following: in calculating confirmatory factor analysis using SPSS it was found that there is a number of questions on students’ attitudes construct toward tertiary education institution and their promotion activities that do not have factor loading ≥ 0.5 so they need to be eliminated in subsequent analysis. Nevertheless, the rest of the questions can still be analyzed structural equation modeling method.

In this research, students’ attitudes toward tertiary education institution are strongly affected by the perception toward lecturers’ ability and reputation, as well as supporting facility such as laboratory. Meanwhile, students’ attitudes toward promotion activities of tertiary education institution are shaped by the perception whether the advertisement in television and radio offer the information they require. However, only the students’ attitudes construct that has an effect on their future intentions (r 0.312, t 4.548). This result underlines the fact that selection of tertiary education institution by students is influenced by their positive attitudes toward the institutions, as opposed to the promotion activities carried out by the institutions. Moreover, the quality of tertiary education institution, including the ability and reputation of the lecturers and education facility such as sophisticated laboratory, will define whether they will recommend or pursue future study in the respective institution. As a consequence, tertiary education institution will need to monitor the quality of their teaching staffs and be able to communicate it to prospective students, at the same time to add better supporting facilities and give attention to curriculum and academic/non-academic achievements. This means that reputation is not the only variable being considered by students; there are also lecturer and education facility variables.

Out of 3 subjective norm variables - normative, value-expressive and informational - only value-expressive variable that has a positive effect on students’ future intentions.
to recommend or to re-select the same tertiary education institution for further study (r 0.563 t 6.193). For value-expressive construct, suitability between their personal characteristic and those of their college friends or seniors is proven to be the strongest influencer (question ce 2.2 = r 0.813). This means that students in Indonesia are showing a similar pattern of behavior tendency with other consumers in Asia, which are highly influenced by the emotional values of social environment (value-expressive) as opposed to logical information. This result also shows that character suitability will stimulate future intention to recommend or to re-select the same institution for further study. There is a strong relationship between the two thus we can conclude that students’ intentions are more influenced by external factor (value-expressive) than the attitude factor toward tertiary education institution. Students from the 5 PTN-BHMN are therefore more influenced by their surroundings, including how they are perceived.

Future intentions of students are empirically proven to have a positive effect on students’ decision in re-selecting their current institution for further study. This is consistent with the statement that intention is a strong predictor of consumer behavior. For intention construct, the most influential statement is the willingness to recommend to friends and families. Meanwhile, for decision construct it is that they are not regretful for having to pay the tuition in their current institution. This shows that if the intention is strong to pursue further study in the same institution or to recommend to other people, their decision will be justified and enforced, as they perceived the cost to be equitable with the quality of education they receive from the institution.

Overall, this research shows that students are strongly influenced by their positive attitude toward tertiary education institution, being shaped mainly by the perception on lecturers’ quality and education facility, as well as external influence that motivates them to acquire similar characteristics with that of a certain reference group exists in the respective tertiary education institution. These two primary reasons are the strongest influencers on students’ intentions in selecting and recommending a tertiary education institution.

From a theoretical perspective, this research offers a modification of the model of Theory of Reasoned Action from Azjen and Fishbein. Although there are several relationships that are proven to be trivial, this research confirms that intention is being influenced by attitude (in this case is attitude toward tertiary education institution) and subjective norm (of value-expressive); and intention affects the final decision. From a managerial perspective, the data analysis done in this research reveals two things that are important for the 5 PT-BHMN as the object in this research:

1. Tertiary education institutions are to improve the quality of their lecturers, both in terms of teaching ability and reputation. They also need to be able to communicate it because lecturers’ ability and reputation have been empirically proven to be the variables that shape students’ attitudes toward tertiary education institutions. Improvements can be done through periodical teaching skill trainings, and other trainings that can enhance lecturers’ soft skills. Moreover, career path system, remuneration, a clear reward and punishment are the other variables that will motivate lecturers to perform better. Other support from tertiary education institution can be in the form of collaboration with teaching staff in overseas institution focusing on improving lecturers’ quality and obtaining national as well as international recognition.

2. Better supporting facilities such as laboratory is also required so that institutions can provide better services to their students. Prospective students will also need to be informed of the availability of these services.

Some of the limitations of this research are: (1) this research is a single cross sectional research despite the fact that intention and decision variables mentioned in this research are all in the future, or in other words not yet realized. We do not know whether the actual decisions will follow what have been predicted by the findings in this research. Our suggestion for future research is to continue with longitudinal method so that we will be able to find out whether intention actually defines consumers’ decisions in the future. (2) Other suggestion will be to conduct a similar research on Non-BHMN PTN that has been
perceived as a “second class” PTN. According to consumption data obtained in this research, some respondents are not opting for another Non-BHMN PTN for their second option; instead they go for private tertiary education institution that they perceived to have a better quality. This means that competitions are likely to occur between PTS and Non-BHMN PTN. It is interesting to explore the position of Non-BHMN PTN in the minds of prospective students, as well as to reveal the factors that influence the intention and decision of prospective students in making a selection among those PTN.

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