

Exploring the influence of digital marketing strategies on private university selection

Syifa Azzahra Tuna¹, Diah Hanung Cahyani¹, Dhieka Avrilia Lantana^{1,*},
Rahayu Lestari¹

¹Faculty of Economics and Business Universitas Nasional, Jakarta, Indonesia

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Abstract

Understanding the factors influencing students' decisions to attend private universities can provide valuable insights for educational institutions in South Jakarta. This study aims to determine the effects of aspects of digital marketing, such as social media, marketing, paid ads, and website quality, on students' decision to select private universities in South Jakarta. If universities know which factors have the most significant impact, they can effectively allocate their resources. Data were collected through questionnaires distributed via Google Forms to first-year students across private universities in South Jakarta. This study used a purposive sampling technique to collect data from 101 respondents, and quantitative methods were used for analysis. The results show a positive correlation between the decision to attend a private university and social media marketing, influencer marketing, and paid ads.

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1. Introduction

Today, private universities often struggle to attract prospective students due to the high competition in the education industry. With so many choices available, private universities are facing intense competition for student enrollment. These institutions offer different courses and opportunities for students. The number of public and private higher education institutions in Indonesia has increased over the past decade (Kusumawati, 2019). South Jakarta has witnessed a surge in the number of private universities. In fact, South Jakarta has the highest concentration of such institutions in Jakarta, as it contains 84 of the 284 private universities in the city. As a result, private universities must employ effective marketing strategies to attract students. Table 1 shows the distribution of universities in Jakarta in 2023.

Table 1. Breakdown of universities in Jakarta

Region	Total
South Jakarta	85
East Jakarta	83
Central Jakarta	59
West Jakarta	30
North Jakarta	16

Source: Ministry of Education, Culture, Research, and Technology, 2023

Indonesia's internet penetration increased from 78.1% in 2023 to 79.5% in 2024, according to the Indonesian Internet Service Providers Association (APJII). The younger generation is increasingly reliant on mobile phones. Since many teenagers use their phones for extended periods, marketing strategies for private universities must adapt to reach their audience where they are. Thus, traditional marketing strategies used in the educational sector need to be replaced with digital marketing.

In the digital era, digital marketing has become an essential tool for companies and organizations, including private universities, to promote their products or services. According to Puthussery (2020), digital marketing involves the use of digital technologies to market and promote goods or services. It includes using websites, social media, mobile phones, and other electronic media marketing methods to reach and engage with audiences. Today, digital marketing goes beyond websites and also encompasses the use of digital devices, platforms, media, data, and technology (Chaffey & Ellis-Chadwick, 2019). Leveraging digital marketing could help private universities reach potential students where they are spending most of their time online. There are many benefits to digital marketing, such as an extended global reach, cost-effectiveness, effective targeting, and improved brand awareness. With the rise of the internet and technology, private universities need to have a strong online presence and use digital marketing to reach and engage with prospective students. Digital marketing remains a dynamic and essential component of a successful marketing strategy (Kingsnorth, 2022).

Before enrolling, potential students search for online information about private universities. Prospective students can find almost anything they want to know about programs, admission requirements, and opportunities through a university's website, social media platform accounts, and targeted messaging through online ads. Digital media is used by educational institutions in various channels and strategies to promote their brands and interact with students, alumni, and other stakeholders. Some of the most common digital media channels in higher education marketing and mediums are social media marketing and website optimization. Other strategies include email marketing, content marketing, search engine marketing, affiliate marketing, marketing automation, and mobile marketing (Harbi et al., 2022). Kusumawati (2019) concluded that higher education institutions (HEIs) in Indonesia need to adopt digital marketing, as it has become a global trend across various industries, including education.

Sotomayor-Vidal et al. (2022) highlighted a positive correlation between the student recruitment process in Peru's private higher education sector and the utilization of digital marketing tools. Their study identified that various dimensions of digital marketing, including social networking, email marketing, search engine optimization (SEO), search engine marketing (SEM), content marketing, and customer relationship marketing, significantly influence the student enrollment process. Similarly, in Indonesia, several studies have delved into the impact of digital marketing on students' decision-making when selecting private universities. Research conducted by Azmar and Laksamana (2018) and Hermawan and Bimo (2024) provides evidence supporting the effectiveness of social media promotion in positively influencing student decision-making. Furthermore, the quality of a university's website has been found to have a significant impact on students' decisions when selecting private universities (Ferine et al., 2023; Hermawan & Bimo, 2024).

There is a gap in existing research concerning digital marketing strategies like influencer marketing and paid ads in relation to the decision-making process related to the selection of private universities. This study addresses this gap by incorporating these digital marketing techniques, along with social media marketing and website quality, to provide a comprehensive analysis of digital marketing's impact on student decision-making.

2. Literature review and hypotheses development

2.1. Digital marketing

According to Olson et al. (2021), the internet brings disruptive changes to the business landscape through the creation of various digital marketing tactics. Today, everything is digital, and digital marketing is integrated into almost every aspect of business, including education. Digital marketing involves organizations and their current or potential customers' utilization of the internet to generate, exchange, and derive value from products and services (Visser et al., 2021). Digital marketing uses websites, apps, social media, mobile apps, search engines, email, and other digital technology to promote and sell products or services. Some digital marketing channels are particularly widely used, such as email marketing, social media marketing, SEO, SEM, pay-per-click (PPC), and affiliate marketing. Digital marketing typically refers to online marketing. Digital marketing has become increasingly important with the widespread availability of digital channels. In fact, there were 185.3 million internet users in Indonesia at the start of 2024 according to DataReportal. A study on the impact of digital marketing has been conducted by Dunakhe and Panse (2022). Numerous research papers were reviewed in that study, and the authors concluded that digital marketing efforts affect customers' purchase intentions. Digital marketing in universities works similarly to digital marketing in the business industry. Digital marketing in higher education leverages digital channels to promote institutions, attract prospective students, and engage and maintain relationships with alumni.

2.2. Hypotheses development

Although there is no doubt that social media marketing influences customer intention (Agustarinda & Pertiwi, 2021; Kambali & Masitoh, 2021; Narottama & Moniaga, 2022; Othysalonika et al., 2022; Praditasetyo & Saputri, 2021; Utami & Saputri, 2020), the researchers still included it in their hypotheses, as there are few studies on whether social media marketing can influence students' decisions.

H1: Social media marketing is positively associated with students' decisions

Influencer marketing is now a crucial part of brand marketing strategies. Studying the impact of influencer marketing can help universities understand how effective it is in today's digital age. Furthermore, there are still limitations regarding universities' use of influencer marketing as part of their digital marketing strategies. According to previous studies, influencer marketing has a positive impact on customer purchase intention (Bognar et al., 2019; Yoga et al., 2021).

H2: Influencer marketing is positively associated with students' decisions

Limited research has been conducted on the influence of paid advertisements on customer intention. Consequently, the researchers of this paper integrate this as a third hypothesis for further exploration. A study by Almestarihi et al. (2024) focused on measuring the ROI of paid advertising campaigns and their impact on business profitability. Their findings suggest that a meticulously executed, data-driven approach to paid advertising can significantly enhance a company's profitability.

H3: Paid advertising is positively associated with students' decisions

Many universities are neglecting their websites, which leads to a decrease in student attraction. However, when students perceive a website as being of high quality, it tends to positively affect their decisions. Therefore, the researchers have included website quality as a fourth factor that may influence student decision-making. The quality of a website can be measured using WebQual 4.0, which is useful for making an overall assessment of a website based on consumer perceptions (Barnes & Vidgen, 2002).

H4: Website quality is positively associated with students' decisions

3. Research methods

3.1. Sample

In this study, the primary data were gathered by using structured questionnaires containing closed statements evaluated using a Likert scale, by which respondents indicated their level of agreement on a scale of 1 to 5 containing the options of “strongly agree,” “agree,” “neutral,” “disagree,” and “strongly disagree.” This study used a purposive sampling technique and an interview method based on online questionnaires using Google Forms. A total of 100 respondents who met the criteria were included. The following are the sampling criteria that were applied in this study:

1. Active students for the 2023–2024 academic year
2. Students enrolled in private universities located in South Jakarta

3.2. Operationalization of research variables

Two types of variables were examined in this study: independent and dependent variables.

1. Dependent variable: Students' decisions to select private universities. Decision-making indicators, according to Kusuma (2016), are goals, gathering information, interest, choosing the best alternative, and satisfaction.
2. Independent variables:
This study examined the following digital marketing channels:
 - a. Social media marketing
Five aspects of social media marketing can be utilized: entertainment, customization, interaction, word of mouth, and trend (Kim & Ko, 2010).
 - b. Influencer marketing

According to Kotler et al. (2016), influencer marketing involves selecting individuals who can impact their followers' behavior through their messages, making them effective promotional agents for brands. There are three indicators of an influencer: engagement, reach, and impression (Solis & Webber, 2012).

c. Paid advertising

This research concentrates on paid advertising on Instagram. Following Tripiawan et al. (2019), this study utilizes the EPIC Model developed by A.C. Nielsen, a leading global research firm. This model encompasses four key dimensions: empathy, persuasion, impact, and communication to measure the effectiveness of Instagram advertising.

d. Website quality

According to Barnes and Vidgen (2002), The dimensions or sub-variables of WebQual 4.0 are categorized into three main areas: usability, information quality, and service interaction quality.

3.3. Analysis method

For this study, the Statistical Package for the Social Sciences (SPSS) for Windows was used for data processing. Primary data collected using a Likert ordinal scale were further processed using a normality test, multicollinearity test, heteroscedasticity test, and autocorrelation test. This study also employed multiple linear regression analysis. Multiple linear regression is a data processing technique used to estimate the value of the dependent variable using more than one independent variable. The equation for multiple linear regression is shown below:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon$$

Description:

- Y : Student's decision
X₁ : Social media marketing
X₂ : Influencer marketing
X₃ : Paid advertising
X₄ : Website quality

4. Results and discussion

4.1. Descriptive statistics

Table 2 displays the descriptive statistics for the dependent variable, which is student's decision, and the independent variables, which are social media marketing, influencer marketing, paid advertisements, and website quality. The table presents the mean, maximum, minimum, and standard deviation values that were collected from the 101 participants.

Table 1. Descriptive statistics

Variables	Mean	SD	Max.	Min.
Student's decision	72.37	9.11	90	46
Social media marketing	37.76	3.62	45	30
Influencer marketing	29.97	5.71	40	10
Paid ads	36.56	4.20	45	27
Website quality	45.34	6.09	55	28

4.2. Classical assumption tests

We ran classical assumption tests. The data is normally distributed. The independent variables do not exhibit any multicollinearity. There is no heteroscedasticity or autocorrelation.

4.3. Regression results

Once it was confirmed that the classical assumption test criteria were met, regression analysis was conducted. The findings in Table 3 below are based on the SPSS data processing results.

Table 3. Regression results

Model	Unstandardized coefficients		Standardized coefficients	t	Sig.
	B	Std. error	Beta		
Constant	6.628	6.133		1.081	0.283
Social media marketing	0.400	0.193	0.166	2.072	0.041
Influencer marketing	0.491	0.128	0.306	3.839	0.001
Paid advertising	0.905	0.197	0.427	4.601	0.001
Website quality	0.063	0.118	0.041	0.533	0.595

From the table above, the following equation was obtained:

$$Y = 6.628 + 0.4X_1 + 0.491X_2 + 0.905X_3 + 0.063X_4 + \varepsilon$$

1. The positive constant value of 6.628 can be interpreted as follows: if social media marketing (X1), influencer marketing (X2), paid advertising (X3), and website quality (X4) have a value of zero (0), then the value of the student's decision variable (Y) will be 6.628.
2. The regression coefficient value for social media marketing (X1) is 0.400. This implies that if the values of other independent variables remain constant and social media marketing (X1) increases by one unit, the student's decision will increase by 40.0%.
3. The regression coefficient value for influencer marketing (X2) is 0.491. This implies that if the values of other independent variables remain constant and influencer marketing (X2) increases by one unit, the student's decision will increase by 49.1%.
4. The regression coefficient value for paid ads (X3) is 0.905. This implies that if the values of other independent variables remain constant and paid ads (X3) increase by one unit, the student's decision will increase by 90.5%.
5. The regression coefficient value for website quality (X4) is 0.063. This implies that if the values of other independent variables remain constant and website quality (X4) increases by one unit, the student's decision will increase by 6.3%.

If the p-value from the t-test is less than the predetermined significance level (usually 0.05), it can be concluded that the variable has a significant impact on the dependent variable. Based on Table 3, website quality is not associated with students' decisions, while social media marketing, influencer marketing, and paid advertising have significant and positive influences. From the regression results, the researchers aim to determine the proportion of the influence that all independent variables have on the dependent variable. This method is called the coefficient of determination, and it is measured by the R square (R^2) value.

According to Table 4, the R^2 value is 0.631 or 63.1%. This means that the independent variables in this study (social media marketing, influencer marketing, paid ads, and website quality) account for 63.1% of the influence on the dependent variable (Student's decision).

The remaining 36.9% is influenced by other variables not included in the linear regression model or by the error term.

Table 4. Coefficient of determination results

Model	R	R ²	Adjusted R ²	Std. error of the estimate
1	0.862	0.631	0.615	5.41512

4.4. Discussion

This study on how digital marketing strategies affect private university selection in South Jakarta contributes valuable insights into the factors affecting students' decisions. The results indicate that social media marketing, influencer marketing, and paid ads are associated with the decisions of students when selecting private universities. The results of the study highlight the significant impact of digital marketing strategies, specifically social media marketing, influencer marketing, and paid ads, on students' decisions to select private universities. These findings align with previous research emphasizing the effectiveness of social media promotion and the quality of a university's website in influencing student decision-making. The positive associations observed in this study suggest that universities in South Jakarta can leverage these digital marketing channels to attract and engage prospective students effectively.

By understanding the influence of digital marketing strategies on student decisions, universities can make informed decisions regarding resource allocation. Allocating resources for social media marketing, collaboration with influencers, and paid advertising campaigns can increase student enrollment rates and increase the overall competitiveness of private universities in South Jakarta. Strategic resource allocation based on the findings of this study can lead to a more targeted and effective marketing approach. The findings have implications for educational institutions in South Jakarta and its surroundings. By recognizing the importance of digital marketing strategies in influencing student decisions, universities can adapt their marketing efforts to align with the preferences and behavior of prospective students. Adopting digital channels for promotion, engagement, and relationship-building can help universities stay competitive in the ever-evolving higher education marketing landscape.

Although this study focused on specific digital marketing strategies, future research could explore additional factors that may influence students' decisions regarding private universities. Further research into the role of influencer marketing and paid advertising in the education sector could provide deeper insight into their impact on student enrollment. Additionally, examining evolutionary trends in digital marketing and their implications for the university selection process can provide valuable perspectives for academics and industry practitioners.

5. Conclusion

This study confirms the importance of digital marketing strategies in shaping students' decisions in choosing private universities in South Jakarta. By recognizing and leveraging the influence of social media marketing, collaborations with influencers, and paid advertising, educational institutions can improve their marketing efforts and attract a diverse range of prospective students. This research contributes to the growing body of knowledge regarding the intersection of digital marketing and higher education, offering practical implications for university marketing strategies.

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