THE INFLUENCE OF COST OF EDUCATION, SOURCE OF INFORMATION, EDUCATION QUALITY, STUDY LOCATION TOWARD INTERNATIONAL STUDENT PERCEPTION ABOUT EDUCATION IN A COUNTRY

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ABSTRACT

Sun Education Group is an Overseas Education Consultancy, and has been operating in Surabaya since May 2011. Until now, United Kingdom has become the most favorite study destination for student who used Sun Education Group Surabaya services. On the pre-research result that has been done by the researcher, it is founded, that the cost of education, source of information, education quality, and study location has become a determinant factor for international student in choosing their study's destination country. The existence of strong competitiveness of the competitors in the similar industry will also affect the company sales and performance if students have erroneous perception against study destination country. From the observation of this phenomenon, the researcher would like to investigate the influences of cost of education, source of information, education quality, and study location toward international student perception about education in a country.

This study purpose is to investigate the influences of cost of education (X1), source of information (X2), education quality (X3), and study location (X4) either in simultaneous correlation or partial correlation on the dependent variable which is international student perception about education in a country (Y). The population used in this study is 139 of all Sun Education Group Surabaya's clients who already used its services from 2011-2014 and currently studying or has finished their study in overseas with a sample derived up to 105 people with Slovin formula. Each person is allowed to fill the questionnaire once only. The independent variable is cost of education, source of information, education quality, and study location, while the dependent variable is international student perception about education in a country. The analysis method used in this study is multiple linear regression analysis. Result obtained from the multiple linear regression analysis show the cost of education (X1), source of information (X2), education quality (X3), and study location (X4) variables have simultaneously influence international student perception about education in a country (Y). Cost of education (X1), source of information (X2), education quality (X3), and study location (X4) variables also have partially influence international student perception about education in a country (Y).

Keywords: Cost of education, Source of Information, Education Quality, Study Location, International Student Perception toward Education in a Country

INTRODUCTION

The level of competitiveness for overseas education consultancy business in Surabaya is getting tougher, therefore it forced the business practitioners' in this industry to develop strategic marketing plan to win the competition. In order to develop the marketing plan, they need to understand the student process in choosing the destination institution which may affect by cost of education, education quality, information availability, and the study location.

Sun Education Group Surabaya, since its opening on May, 2011 has been successfully promote UK institutions in Surabaya, and has consistently become the most favorite study destination in Sun Education Group Surabaya. However, after holding a pre-research survey with several questions about the student perception of the most affordable study destination, and their perception of a country with the best education, it can be concluded that Surabaya students have wrong perceptions toward UK education, as most of the students' believe that UK has the best education quality compared to others country, but they also believed that UK's cost of education is higher than other country.
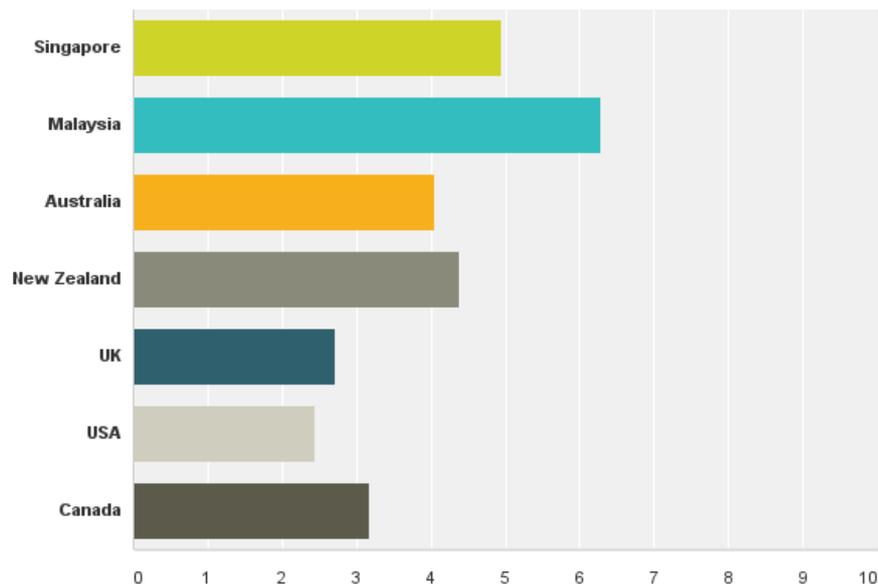
Figure 1. The student perception of the most affordable study destination
Source: Data were processed in 2015

Figure 1 shows that UK is placed as the 2nd least affordable study destination based on student perceptions, while most students believed that Australia and Singapore are having lower cost of education compared to UK.

Table 1. *Cost of International University Study*

Country	Annual University Fees (USD)	Annual Cost of Living (USD)	Annual Cost Total (USD)
Australia	24,081	18,012	42,093
Singapore	18,937	20,292	39,229
United States	24,914	11,651	36,564
United Kingdom	21,365	13,680	35,045
Hong Kong	13,444	18,696	32,140
Canada	16,746	13,201	29,947
France	247	16,530	16,777
Malaysia	2,453	10,488	12,941
Indonesia	4,378	8,527	12,905
Brazil	59	12,569	12,627
Taiwan	3,338	8,573	11,911
Turkey	1,276	10,089	11,365
China	3,844	6,886	10,729
Mexico	750	8,710	9,460
India	581	5,062	5,642

Source:http://www.hsbc.com/news-and-insight/2014/international-education
(*Accessed 15 Mar 2015)*

Table 1 shows the research result conducted by HSBC in 2015, which is actually proved that Australia and Singapore is placed as the 1st and 2nd most expensive study destination, while UK actually is placed in 4th as the most expensive study destination. Based on this data, it can be concluded that most of students have wrong perceptions toward UK's cost of education. While UK, is always become the most favorite study destination in Sun Education Group Surabaya, the wrong perceptions is assumed will affect the company sales.

Based on the pre-research result about the student's perception of a country with best education, it is founded that most of student believed that UK has the best education quality. It indicate a huge contradiction between the student perception of UK's cost of education and UK's education quality, when students believed that UK is offered the best education quality, but also believed that UK has an expensive cost of education. The figure below will explain the pre-research result of the student's perception of a country with the best education quality.
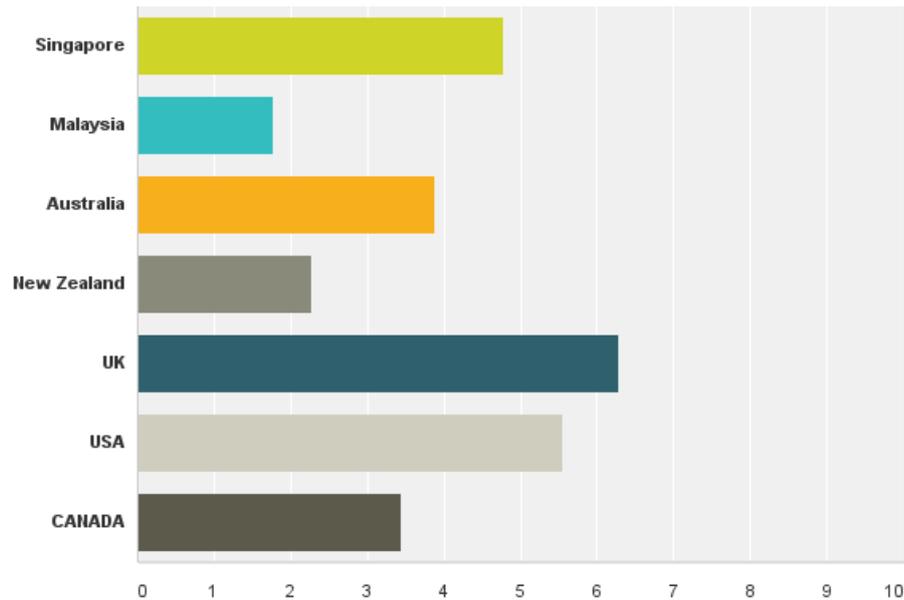
Figure 2. The student's perception of a country with best education quality
Source: Data were processed in 2015

Based on the problem above, it is important to find out the factors that may influence student's perception against education in a country to prevent further misconception. In this research, cost of education, source of information, education quality, and the study location were set as dependent variable which will be used to measure to student's perception about education in a country.

LITERATURE REVIEW
International Students Decision Process in Choosing Institution
International student has five stages in deciding the study destination:

1.   Need recognition
2.   Information search
3.   Evaluation of alternatives
4.   Purchase & consumption
5.   Post purchase evaluation
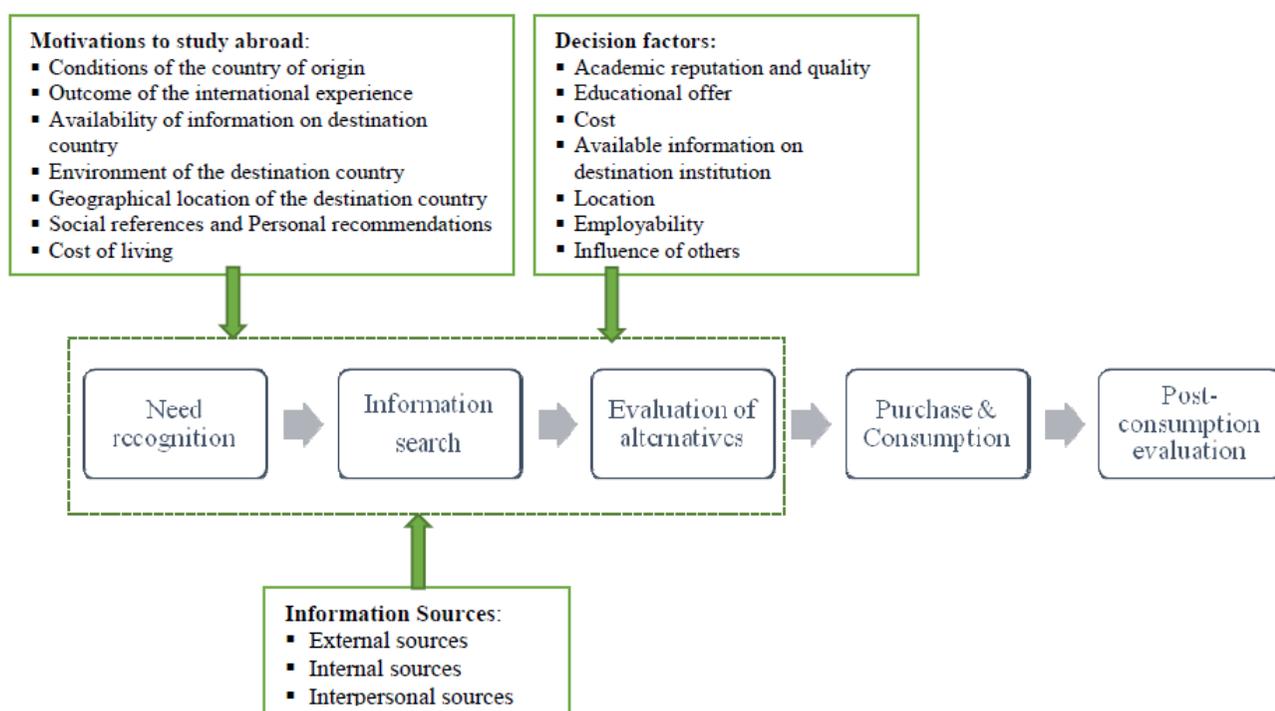
Figure 3. Conceptual model for the decission process of international students
Source: Choosing a university abroad: motivations, information sources, and decision
factor (Eder *et al*, 2010)

Based on this literature review, it is founded that at the first step, students will recognize their need of higher education options. In this stage, the student will be pushed by several factors such as : condition of country origin,the outcome of international experience, availibility of information on destination country, environment of destination country, geographical location of the destination country, social references and personal recommendation, and cost of living. Later on, the students will need to find an information based on their study preferences, and then will evaluate the alternatives which will be affected by academic reputation and quality, educational offer, cost, available information on destination institution, location, employability, and influence of others. Then the students will decide the institution, and later will do the post consumption evaluation to measure the satisfactory level of their decission.

Cost of Education Information Sources in a Country
Based on Lawson's (2011) research about information sources that has greatest influence on view about cost of studying in a different countries (student responses), it is founded that education agents, and word of mouth were considered to be among the greatest influences on perceptions about the cost of education in Indonesia. Indonesian students rely on Education Agents as the key source of information about cost of education in a country, followed by word of mouth by friend of family, and word of mouth from alumni.

			Students			
	China	India	Indonesia	Korea	Thailand	Vietnam
Government websites with immigration information	9%	13%	3%	3%	2%	3%
Government websites with education information	13%	13%	6%	3%	6%	19%
Education institution websites	15%	17%	10%	10%	17%	15%
Social media (blogs, twitter etc)	8%	5%	3%	12%	0%	0%
Other internet websites	4%	6%	10%	14%	8%	2%
Information from education agents	14%	11%	34%	26%	37%	21%
Information from migration agents	4%	2%	0%	0%	0%	1%
Paper based media	4%	5%	0%	1%	0%	3%
TV news reports	3%	1%	0%	4%	0%	1%
Word of mouth (friends or family)	12%	8%	15%	9%	15%	17%
Word of mouth (former students)	12%	16%	20%	18%	15%	18%
Other	1%	1%	0%	1%	0%	0%

Figure 4. **information sources that has the greatest influence on view about cost of studying in a different countries (student responses)**
Source: Australian Education International 2011, Christopher Lawson

Perception
Perception is a process in how people select, organize, and interprete an information (Mullins and Walker, 2013). When someone try to find an information, that people will indirectly select the information, organize that information, and then interpret that information based on their needs and preferences. Kotler and Keller, 2015 also said that perception is a process when someone choose, organise, and interpret the information to become a meaningfull image.

In conjunction with the perception, Mullins and Walker (2013), also said that there are three type of information sources that can be used to find an information:
1. Personal Sources
   is a source of information that come from ourself, such as past experiences, friend recommendation, family recommedation, and other recommendation.
2. Commercial Sources
   Is a source of information that can be collected from providers, distributor, sales, and other commercial sources, which usually applicable in TV advertising, website, newspaper advertising, etc.
3. Public Sources
   Is a source of information that can be collected from professional organization, and non commercial and individual that can give an professional advice to customer, like lawyer, travel agent, blog, etc.

International Student
UNESCO defined International student as someone that studying out of his/her origin country, and registered in an formal and legal institution such as primary school, junior high school, high school, higher education institution, vocational institution, and preparation institution, and already get the legal permit from authorized immigration body in destination country.

Cost of Education in Overseas

Cost includes not only the tuition fee, but also the cost of living, especially considering as a student who choose to go abroad. Cost also includes travel, living and accommodation expenses (Shanka et al., 2005).

1. Tuition Fee
   in this component, registration fee, administration fee, extracuricullar fee, research fee, book fee, visit trip fee, student insurance fee, medical check up, and student visa fee also counted in tuition fee calculation.
2. Cost of living
   Accommodation fee, transporation fee, communication fee, meals fee, entertainment fee, emergency fee, and other daily needs fee were categorized and counted as cost of living components.
3. Travel cost to destination country
   in this component, the travel cost from origin country to destination country, and the travel cost from airport in destination country to the institution location were counted as travel cost component to destination country.

Education Quality

Lawson (2011) stated that education quality is considered as one of the greatest factor that influence the student's decission process in choosing destination institution. Usually, the institution rank can be tracked at recognized survey body such as : Shanghai Jiaotong academic ranking of world universities, Times Higher Education – The world university ranking, and QS World university ranking. The institution rank usually affected by its research quality, and normally university with higher rank will also have higher tuition fee.

Study Location

Study location also considered as the most influencing factor for student in choosing destination instituition (Eder *et al*, 2010). Student preferences of study location may differ one to another because of its psychological, culture, and financial aspect. Younger students are usually prohibited by their parents to study far away from their home country. Students with a limited financial capability will also avoid a country or location that have a high living cost rate.

Hypothesis

H1 :   Cost of education (X1) has influence on international student perception against educaton in country (Y).
H2 :   Source of Informaton (X2) has influence on international student perception against educaton in country (Y).
H3 :   Education quality (X3) has influence on international student perception against educaton in country (Y).
H4 :   Study location (X4) has influence on international student perception against educaton in country (Y).

RESEARCH METHODS

Research to be conducted in a quantitive research. Quantitive research is a research approach that is objective, covering the collection, and analysis of quantitative data, and using statistical testing methods (Silalahi, 2012:76). The method used is the method of Multiple Linear Regression Analysis.

The population that used in this study were 139 of all Sun Education Group Surabaya clients who already used its services from 2011-2014 and currently studying or has finished their study in overseas with a sample derived up to 105 people with Slovin formula. The sampling technique used in this research is purposive sampling (non-probability sampling), which are technique of determining the number of samples based on the intention and particular purpose (Sugiyono, 2013: 156). Each person is allowed to fill the questionnaire once only. The independent variable is cost of education, source of information, education quality, and study location, while the dependent variable is international student perception against education in a country. The analysis method used in this study is multiple linear regression analysis.

Data Analysis Techniques
Data analysis techniques used in this study is two types of analysis, which are:

1. Statistical Analysis
Data analysis method used in this research is the multiple regression analysis method, that can be measured by F Test (Simultaneous Test), t Test (Partial Test), Correlation and Determination Coefficient Test (R),
2. Management Analysis
The data used in this research already tested by SPSS program and considered as valid, and reliable to measure the dependent variable.

RESULT

The result of research is divided into two parts, which are the results of statistical analysis and management.

Results of Statistical Analysis

Table 2. Multiple Regression Analysis Equation

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.343	.286		1.200	.233
	Biaya Pendidikan	.184	.059	.180	3.118	.002
	Sumber Informasi	.164	.037	.262	4.440	.000
	Kualitas Pendidikan	.193	.040	.301	4.783	.000
	Lokasi Studi	.366	.047	.500	7.717	.000
a. *Dependent Variable :* Persepsi Siswa Internasional Mengenai Pendidikan di Suatu Negara						

Source: The study results were processed in 2015

Based on above table, the multiple linear regression equation in this research are :

$Y = 0,343 + 0,184 X1 + 0,164 X2 + 0,193 X3 + 0,366 X4$

With :

Y =   International Student Perception about Education in a Country
X1 =   Cost of Education
X2 =   Source of Information
X3=   Education Quality
X4 =   Study Location

Table 3. F Test Result (Simultaneous Test)

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	13.687	4	3.422	52.219	.000[a]
	Residual	6.553	100	.066		
	Total	20.240	104			
a. Predictors: (Constant), Lokasi Studi, Biaya Pendidikan, Sumber Informasi, Kualitas Pendidikan						
b. Dependent Variable: Persepsi Siswa Internasional Mengenai Pendidikan di suatu Negara						

Source: The study results were processed in 2015

Significance value for F Test on this research is 0,000, and it can be concluded that independent variable (cost of education, source of information, education quality, and study location) simultaneously influence dependent variable (international student perception toward education in a country).

Table 4. t Test Result (Partial Test)

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	.343	.286		1.200	.233
	Biaya Pendidikan	.184	.059	.180	3.118	.002
	Sumber Informasi	.164	.037	.262	4.440	.000
	Kualitas Pendidikan	.193	.040	.301	4.783	.000
	Lokasi Studi	.366	.047	.500	7.717	.000
a. Dependent Variable: Persepsi Siswa Internasional Mengenai Pendidikan di suatu Negara						

Source: The study results were processed in 2015

Significance value for t Test on this research for each variables is below 0,05 and it can be concluded that independent variable (cost of education, source of information, education quality, and study location) partially influence dependent variable (international student perception toward education in a country).

Table 5. Correlation and Determination Coefficient Test

Model		R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
	1	.822[a]	.676	.663	.25599	1.854
a. Predictors: (Constant), Lokasi Studi, Biaya Pendidikan, Sumber Informasi, Kualitas Pendidikan						
b. Dependent Variable: Persepsi Siswa Internasional Mengenai Pendidikan di suatu Negara						

Source: The study results were processed in 2015

Based on above data on table 4, it can be summarized that :

1. R value or correlation coefficient value is 82,2%, which show that the influence between independent variable (cost of education, source of information, education quality, and study location) toward dependent variable (international student perception toward education in a country) is 82,2%

2. R Square value or determinant coefficient value is 67,6% which show that the regression model able to explain the dependent variable (international student perception toward education in a country) at 67,6% level, and the rest 32,4% can be explained by other variables that not included in this research.

Management Analysis Results

Table 6. Validity Test

No	Instrument	*Pearson Correlation*	Nilai Sig.(2-*tailed*)	Conclusion
1	X1.1	0.563	0.000	VALID
2	X1.2	0.740	0.000	VALID
3	X1.3	0.814	0.000	VALID
4	X1.4	0.840	0.000	VALID
5	X2.1	0.680	0.000	VALID
6	X2.2	0.892	0.000	VALID
7	X2.3	0.871	0.000	VALID
8	X3.1	0.869	0.000	VALID
9	X3.2	0.915	0.000	VALID
10	X4.1	0.854	0.000	VALID
11	X4.2	0.873	0.000	VALID
12	Y.1	0.754	0.000	VALID
13	Y.2	0.656	0.000	VALID
14	Y.3	0.679	0.000	VALID
15	Y.4	0.686	0.000	VALID

Source: The study results were processed in 2015

Based on above data showed on table 5, the sig 2 tailed value for each indicators used on this research is below 0,05 , valid, and can be used to measure each variables on this research.

Table 7. Reliability Test

No	Variabel	Instrument	*Cronbach Alpha if Item Deleted*	*Cronbach Alpha*	Note
1	Cost of Education	X1.1	0.774	0.730	RELIABLE
2		X1.2	0.667		RELIABLE
3		X1.3	0.626		RELIABLE
4		X1.4	0.570		RELIABLE
5	Source of Information	X2.1	0.394	0.750	RELIABLE
6		X2.2	0.743		RELIABLE
7		X2.3	0.640		RELIABLE
8	Education Quality	X3.1	0.595	0.737	RELIABLE
9		X3.2	0.595		RELIABLE
10	Study Location	X4.1	0.492	0.659	RELIABLE
11		X4.2	0.492		RELIABLE
12	International Student Perception Toward Education in a Country	Y.1	0.486	0.623	RELIABLE
13		Y.2	0.549		RELIABLE
14		Y.3	0.525		RELIABLE
15		Y.4	0.659		RELIABLE

Source: The study results were processed in 2015

Based on above data showed on table 5, the cronbach alpha value for each variables used on this research is above 0,6. With this result, each indicators used on this research is reliable and can be used on this research.

CONCLUSION

Based on the results of data analysis and discussion in this study, hence can be concluded as:

1. Cost of Education (X1), Source of Information (X2), Education Quality (X3), and Study Location (X4) simultaneously influence international student perception toward education in a country(Y)
2. Cost of Education (X1) partially influence international student perception toward education in a country(Y)
3. Source of Information (X2) partially influence international student perception toward education in a country(Y)
4. Education Quality (X3) partially influence international student perception toward education in a country(Y)
5. Study Location (X4) partially influence international student perception toward education in a country(Y)

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