

The Role of Brand Image Mediation in the Influence of Price and Promotion on Students' Decisions in Choosing Private Universities

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INFO ARTICLE

ABSTRACT



ISSN: 2620-6196
Vol. 8, No. 2 (2025)

Article history:

Received – September 18, 2025

Revised – September 28, 2025

Accepted – September 30, 2025

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Keywords

price, promotion, brand image,
students' decisions, higher
education

Competition among higher education institutions in Indonesia is increasing, requiring educational institutions to not only maintain academic quality but also optimise non-academic strategies such as pricing, promotion, and brand image. This is important because changes in student consumer behaviour increasingly emphasise affordability, promotional effectiveness, and positive perceptions of institutions. This study aims to analyse the influence of price and promotion on students' decisions in choosing a higher education institution, with brand image as a mediating variable. This study employs a quantitative approach with an explanatory research design. The study population consists of active students who are at least in their second semester and prospective new students at a private higher education institution. The sampling technique employed is purposive sampling, involving a total of 200 respondents. Data were collected through a Likert scale-based questionnaire and supplemented with secondary data, including institutional documents and relevant literature. Data analysis used the Structural Equation Modelling–Partial Least Squares (SEM–PLS) method. The results showed that price and promotion had a positive effect on brand image and student decisions. In contrast, brand image played an important role both directly and as a partial mediator. These findings confirm that students' decisions in choosing a university are influenced not only by cost and promotion, but also by the positive image that the institution projects. The implication of this study is the need for universities to design transparent pricing strategies, create and implement creative and relevant promotions, and strengthen their image through academic quality and sustainable services.

Introduction

Competition among private universities in Indonesia requires non-academic strategies—remarkably, price, promotion, and brand image—to influence the decisions of prospective students who are increasingly sensitive to the value for money they receive. Following the pandemic, household financial pressures and declining interest in college have heightened sensitivity to costs/tuition fees. At the same time, the digital communication mix has become the primary channel for shaping campus image and brand equity. Thus, examining how price and promotion shape brand image and lead to students' decisions in choosing has become urgent for universities to remain competitive. (Hosen et al., 2022; Perera & Perera, 2023; Mathies et al., 2025).

Students were chosen as the object of study because they are the primary decision-makers who directly respond to price differentiation, promotion intensity, and institutional reputation. Recent literature in the regional context suggests that institutional image is closely related to student satisfaction and choice; however, the findings and weight of the factors vary between locations, indicating the strong influence of the local context (e.g., purchasing power, cost structure, competitive landscape). Indonesian research has also begun to highlight costs/tuition fees, as well as digital marketing, as determinants of choice intentions; however, it has generally not yet tested the complete causal chain with the mediating role of brand image within a single structural framework. Therefore, studies in specific local contexts are relevant to capture these variations (Seow et al., 2024; Baruno et al., 2024).

Theoretically, promotion fosters brand equity through associations and awareness, which then shape brand image; price (particularly perceptions of price fairness/fairness) also adds to/erodes the brand associations remembered by consumers. A strong brand image further drives preferences/intentions to choose a programme or institution. Therefore, the research hypothesis encompasses the direct influence of price and promotion on brand image and students' decisions, as well

as the indirect influence of brand image on students' decisions, with brand image serving as a partial mediator between price/promotion and student decisions. (Keller, 1993; Yoo, Donthu, & Lee, 2000; Hair et al., 2019).

Although research shows that digital promotion can enhance brand image and preference (often through the mediating role of brand image), the results regarding price are not always consistent. In some studies, price has a strong effect, but in other studies, its impact on choice interest is small/insignificant. Furthermore, many studies have not linked price, promotion, brand image, and decision in a single structural model tested with PLS-SEM in a specific local context. In addition to substantive gaps, there are methodological gaps in the reporting and testing of mediation in PLS-SEM. Therefore, studies are needed that simultaneously test direct and indirect (mediation) effects with the same constructs in a local context. (Ren et al., 2025; Perera & Perera, 2023; Zyberaj et al., 2025; Hair et al., 2019).

This study offers novelty by combining price and promotion as predictors of brand image and students' decisions, as well as testing the partial mediation of brand image in a single PLS-SEM model within the local Indonesian context, which is still rarely done, and previous findings are inconclusive. Practical benefits: provides a data-based foundation for universities to design pricing schemes (e.g., instalment/scholarship schemes), ethical and effective digital promotion strategies, and institutional image enhancement. Theoretical benefits: clarifies the causal mechanism of price–promotion–brand image–decision and enriches the literature on marketing in higher education in developing countries. Objectives: (1) to examine the effect of price on brand image and students' decisions; (2) to examine the effect of promotion on brand image and students' decisions; (3) to examine the effect of brand image on students' decisions; and (4) to examine the mediating role of brand image in the effect of price/promotion on students' decisions. (Perera & Perera, 2023; Seow et al., 2024; Hair et al., 2019).

Price / Price Perception

Several studies reveal that price perception (price perception/price fairness) is a determining factor in student decision-making. For example, Sari & Samsuddin (2024) found that price perception has a positive and significant influence on students' decisions to enrol at Muhammadiyah University of Pontianak. Other studies in the educational reference book retail sector also show that students who consider the price to be reasonable and comparable to the benefits of the goods or services will be more motivated to make purchases or choose related educational institutions/products. According to marketing theory, the concept of perceived value mediates the relationship between price and consumer satisfaction/decisions, where a price considered fair reinforces the feeling that the institution provides proportional benefits.

Promotion

Promotion in the context of higher education encompasses various channels, including campus publications, digital campaigns, social media, and education fairs, among others. A study by Kango (2021) on *"The Effect of Promotion on the Decision to Choose Higher Education through Brand Image of Education"* reveals that promotion has a direct and significant impact on the decision to attend a university. Also, that brand image serves as a mediator. In addition, research conducted at the University of Jakarta on August 17, 1945, by Yuliana, Pravitasari, and colleagues (2023) concluded that promotion and social media strategies have a positive and significant influence on the attractiveness of prospective students, especially when the brand image is strengthened. Based on the Hierarchy of Effects theory and marketing communication, promotion can trigger awareness, then affect (feelings), and ultimately decision (behavioural intention), with brand image often occurring between these stages.

Brand Image

Brand image refers to the perceptions, image, and associations that consumers have towards an institution, which influence trust, expectations, and decisions. Huong & Khoa (2019) in their study, *"Factors Influencing Brand Image in Higher Education Institutions in Ho Chi Minh City,"* found that the quality of human resources, academic reputation, and campus facilities are significant factors

influencing postgraduate student choices. The study "*Assessing Institutional Image's Influence on Student Satisfaction and Loyalty*" by Seow et al. (2024) also indicates that institutional image is positively correlated with student satisfaction and loyalty to higher education institutions. Signalling theory and brand equity theory support the notion that brand image acts as a cognitive and emotional filter, helping prospective students differentiate between institutions that appear similar in physical/academic terms.

Students' Decisions in Choosing / Students' Decisions in Choosing Institutions

Students' decisions to choose an educational institution involve a combination of rational factors (such as price, cost, facilities) and emotional or psychological perceptions (such as reputation, brand image, testimonials). The study by Sari & Samsuddin (2024) mentioned above shows that price perception directly influences students' decisions to enter university. Promotional research (Kango, 2021) also indicates that promotional and educational images through brand image can mediate university choice decisions. Furthermore, research on institutional choice among international students (Shamsudin et al., 2020) reveals that brand awareness and image, along with price perception, are key factors in decision-making, particularly for international students who consider factors such as cost, reputation, and the clarity of promotional information.

RESEARCH METHODOLOGY

This study uses a quantitative approach with an explanatory research design. The quantitative approach was chosen because it enables the objective measurement of relationships between variables through statistical analysis. The explanatory research design was employed to elucidate the causal relationship between the independent variables (*Price* and *Promotion*) and the dependent variable (*Students' Decisions in Choosing*), as well as to analyze the role of the mediating variable (*Brand Image*). This model is commonly used in educational marketing research because it allows researchers to empirically test theory-based hypotheses (Creswell & Creswell, 2018; Hair, Hult, Ringle, & Sarstedt, 2021).

Research Location and Time

The research was conducted at a private university [university name can be adjusted] that faces intense competition in attracting new students. This location was chosen based on the phenomenon of high competition among private universities in Indonesia, where price, promotion, and brand image are significant factors influencing students' choices (Wilkins & Huisman, 2015). The research was scheduled to take place over 6 months, with the following stages: instrument preparation (months 1–2), data collection (months 3–4), data processing (month 5), and analysis and writing of research results (month 6).

Population and Sample

The population of this study comprises all active and prospective students at the university under investigation. The sampling technique used was purposive sampling with the following criteria: (1) active students in at least their second semester, and/or (2) prospective new students who had registered. This technique was chosen because the respondents were considered to have direct experience in evaluating price, promotion, and institutional image factors (Etikan, Musa, & Alkassim, 2016). The sample size was determined using the Partial Least Squares–Structural Equation Modeling (PLS-SEM) approach, adhering to the "10 times rule" (Hair et al., 2019). With 16 indicators, the minimum sample size was 160 respondents. To improve reliability, this study targeted 200 respondents, in line with Cohen's (1992) recommendation that a sample size of 150 or more is sufficient for multivariate path analysis.

Data Sources and Collection Techniques

1. Primary Data: obtained from a closed questionnaire with a 5-point Likert scale (1 = strongly disagree to 5 = strongly agree). The Likert scale was chosen because it facilitates the measurement of continuous attitudes/perceptions (Joshi, Kale, Chandel, & Pal, 2015).
2. Secondary Data: obtained from internal university documents (brochures, official websites, promotional reports) and scientific literature related to educational marketing strategies.

Research Instrument

The research instrument was a questionnaire developed based on variable indicators from previous literature:

1. Price (X1): affordability, suitability to benefits, cost transparency (Ali, Ojo, & Ismail, 2021).
2. Promotion (X2): promotion intensity, promotion media, message relevance, content appeal (Kango, 2021).
3. Brand Image (Z): reputation, credibility, facilities, academic quality (Nguyen & Simkin, 2017; Huong & Khoa, 2019).
4. Students' Decisions (Y): interest in enrolling, confidence in choosing, initial loyalty, recommendations (Seow et al., 2024).

Validity testing was conducted by examining the outer loading value (greater than 0.70) and the Average Variance Extracted (greater than 0.50). Reliability testing was conducted using Cronbach's Alpha and Composite Reliability (>0.70) (Hair et al., 2021).

Operational Definition of Variables

1. Price (X1): students' perceptions of the fairness and affordability of tuition fees. Indicators: affordability, price fairness, cost transparency, value for money.
2. Promotion (X2): institutional communication activities to convey academic and non-academic information. Indicators: promotion intensity, promotion media, message relevance, and content appeal.
3. Brand Image (Z): the institution's image in the eyes of students based on reputation, credibility, and service quality. Indicators: reputation, facilities, academic quality, student trust.
4. Students' Decisions in Choosing (Y): students' decisions in choosing a higher education institution based on rational and emotional considerations—indicators: interest in enrollment, confidence in the choice, initial loyalty, and recommendations.

Data Analysis Techniques

Data were analysed using SEM–PLS with SmartPLS 4 software. Analysis stages:

1. Outer Model Evaluation: assessing convergent validity, discriminant validity, composite reliability (Hair et al., 2019).
2. Inner Model Evaluation: testing R^2 , Q^2 , t-statistic values, p-values, and effect size (Cohen, 1992).
3. Mediation Test: testing the role of *Brand Image* as a mediator in the relationship between *Price* and *Promotion* on *Students' Decisions* (Sobel, 1982).
4. Interpretation of Results: drawing empirical conclusions and practical implications based on the results of data processing.

RESULTS AND DISCUSSION

Respondent Characteristics

Respondent characteristics provide a general overview of the profile of the students who were the research sample. This information is important because it can influence respondents' perceptions of the research variables, namely price, promotion, brand image, and students' decisions in choosing. The research data were collected from 200 respondents, comprising active students and prospective students, at one of the private universities (PTS) where the study was conducted. The distribution of respondents by gender, age, study program, and educational status is presented in Table 1.

Table 1. Respondent Characteristics (n = 200)

Characteristics	Category	Frequency	Percentage
Gender	Male	82	41
	Female	118	59.0
Age (years)	< 20	46	23.0
	20–22	97	48.5
	23–25	41	20.5
	> 25	16	8.0
	Management	72	36
Programme	Accounting	38	19
	Communication Studies	30	15
	Information Systems	28	14
	Others	32	16
Educational Status	Active Student	143	71.5
	Prospective Student	57	28.5

Based on Table 1, it can be concluded that the majority of respondents were female (59.0%), aged 20–22 years (48.5%) and came from the Management study programme (36.0%). In terms of educational status, most respondents were active students (71.5%), while the rest were prospective new students. This profile indicates that the research respondents were predominantly productive-aged students who were exceptionally experienced in assessing price, promotion, and institutional image factors, making the data obtained relevant to describe students' decisions in choosing a university.

Data Analysis

Assessing *the Outer Model* or *Measurement Model*

In applying data analysis techniques using SmartPLS, the assessment of the outer model is based on three main criteria, namely Convergent Validity, Discriminant Validity, and Composite Reliability. These three criteria are used to ensure that the indicators used accurately reflect the construct, clearly distinguish between constructs, and demonstrate internal consistency among indicators within a single latent variable.

Convergent Validity

Convergent validity in measurement models with reflective indicators is evaluated based on the strength of the correlation between the item scores or component scores generated by the Smart PLS software and the measured construct. A reflective indicator is considered to have good convergent validity if its correlation value exceeds 0.70. This indicates that the indicator can adequately explain the latent variable, because its contribution to the construct is sufficiently strong and consistent.

Table 2. Outer Loadings (Measurement Model)

	Brand Image (Z)	Price (X1)	Promotion (X2)	Students' Decisions in Choosing (Y)
X1.1		0.879		
X1.2		0.877		
X1.3		0.868		
X1.4		0.871		
X2.1			0.883	
X2.2			0.874	
X2.3			0.865	
X2.4			0.864	
Y.1				0.850
Y.2				0.885
Y.3				0.888
Y.4				0.888
Z.1	0.883			
Z.2	0.873			
Z.3	0.860			
Z.4	0.903			

The analysis output, as generated by SmartPLS, is presented in Table 2. Each indicator shows a loading factor value exceeding 0.70, indicating that the relationship between the indicator and the construct meets the convergent validity standard. Thus, this adjusted model is declared to have a good level of convergent validity, as all indicators consistently reflect the intended construct.

Discriminant Validity

A discriminant validity test was conducted to ensure that each latent variable construct was truly unique and did not overlap with other constructs. A model is said to have good discriminant validity if each indicator has the highest loading value on the construct it measures compared to the loading on other constructs. The results of the discriminant validity test are shown below:

Table 3. Discriminant Validity Values (*Fornell-Larcker*)

	Brand Image (Z)	Price (X1)	Promotion (X2)	Students' Decisions in Choosing (Y)
Brand Image (Z)	0.880			
Price (X1)	0.867	0.874		
Promotion (X2)	0.847	0.845	0.871	
Students' Decisions in Choosing (Y)	0.888	0.893	0.863	0.878

Composite Reliability

The validity and reliability of constructs can also be evaluated through the construct reliability value and the Average Variance Extracted (AVE) value for each construct. A construct is considered to have adequate reliability if its reliability value reaches a minimum of 0.70 and its AVE value exceeds 0.50. This indicates that the construct is not only consistent in measuring what it should measure but also able to explain most of the variance in its indicators, making it a valid representation of the concept in question.

Table 4. Composite Reliability Values

	Cronbach's alpha	Composite reliability (rho c)	Composite reliability (rho c)	Average Variance Extracted (AVE)
Brand Image (Z)	0.903	0.903	0.932	0.774
Price (X1)	0.897	0.897	0.928	0.763
Promotion (X2)	0.894	0.894	0.927	0.759
Students' Decisions in Choosing (Y)	0.901	0.901	0.931	0.771

Referring to Table 4, it can be concluded that all constructs have met the reliability criteria. This can be seen from the composite reliability value exceeding 0.70 and the AVE value above 0.50, which aligns with the recommended limits for validity and reliability testing.

Structural Model Testing (Inner Model)

Testing the inner model, also known as the structural model, aims to assess the relationship between constructs, the level of significance, and the R-squared value of the constructed model. Evaluation of the structural model is conducted by examining the R-square value in the dependent construct and testing the t-statistic value and significance of the path coefficients connecting the latent variables.

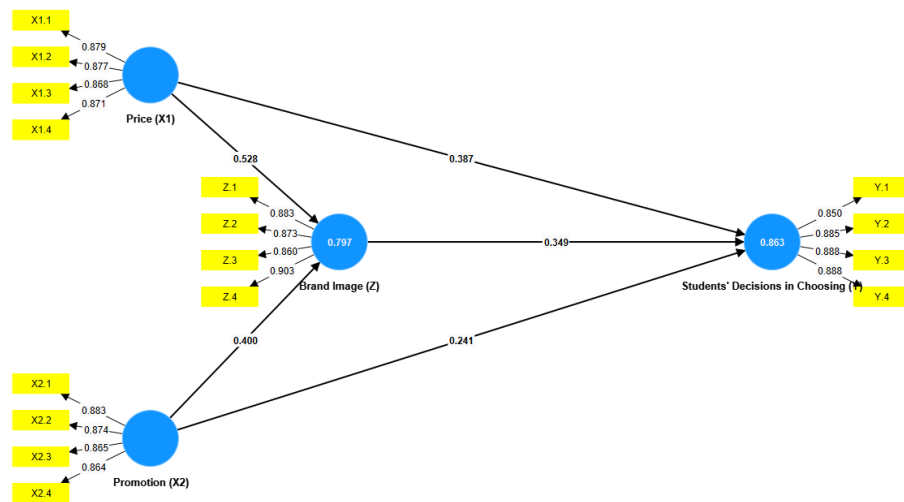


Figure 1. The tested structural model

When assessing models with PLS, we start by examining the R-squared value for each dependent latent variable. Table 5 shows the results of *R-square* estimation using SmartPLS.

Table 5. *R-Square Values*

	R-square	Adjusted R-square
Brand Image (Z)	0.797	0.795
Students' Decisions in Choosing (Y)	0.863	0.861

Table 5 shows that the *R-Square* value for the *Students' Decisions in Choosing* variable is 0.8630. This result indicates that 86.3% of the *Students' Decisions in choosing a* variable can be influenced by *Price* and *Promotion*. Then, the R-Square value for the *Brand Image* variable is 0.797. This indicates that 79.7% of the *Brand Image* variable can be influenced by *Price* and *Promotion*.

Hypothesis Test Results

Direct (Partial) Effect

Table 6. Direct (Partial) Effect Hypothesis Test Results

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T-statistic (O/STDEV)	P-values	Alpha	Conclusion
Brand Image (Z) → Students' Decisions in Choosing (Y)	0.349	0.344	0.105	3.333	0.001	0.05	Influential Positive Significant
Price (X1) → Brand Image (Z)	0.528	0.545	0.091	5.825	0.000	0.05	Significantly Positive Influence
Price (X1) → Students' Decisions in Choosing (Y)	0.387	0.388	0.099	3.907	0.000	0.05	Significantly Positive Influence
Promotion (X2) → Brand Image (Z)	0.400	0.384	0.089	4.491	0.000	0.05	Significantly Positive Influence
Promotion (X2) → Students' Decisions in Choosing (Y)	0.241	0.246	0.064	3.775	0.000	0.05	Significantly Positive Influence

Table 6 shows that the results of the partial test on the variables in this study indicate that all have a *p-value* < 0.05, which means that all relationships between variables are statistically significant. The explanation of each influence is as follows:

1) Price on Brand Image

The analysis results show a path coefficient value of 0.528, with a t-value of 5.825 (greater than 1.972) and a P-value of 0.000 (less than 0.05). This means that price has a positive and significant effect on brand image. Students, as consumers, believe that offering prices that are both

appropriate and affordable can enhance the positive image of the institution or product being offered.

- 2) Price on Students' Decisions in Choosing
The path coefficient value is 0.387 with a t value of 3.907 and a *P value* of 0.000 (<0.05). This indicates that Price has a positive and significant effect on students' decisions in choosing. Competitive prices are a crucial consideration for students when making their choices.
- 3) Promotion on Brand Image
The path coefficient is 0.400 with a t-value of 4.491 and a *P-value* of 0.000. Promotion has a positive and significant effect on brand image. Students respond to promotions carried out by institutions, and attractive promotions can strengthen positive perceptions of the brand.
- 4) Promotion of Students' Decisions in Choosing
The path coefficient is 0.241 with a t-value of 3.775 and a *P-value* of 0.000. This means that promotion has a positive and significant effect on students' decisions. Practical and informative promotional strategies assist students in the decision-making process.
- 5) Brand Image on Students' Decisions in Choosing
The path coefficient is 0.349 with a t-value of 3.333 and a *P-value* of 0.001. Brand image has a positive and significant effect on students' decisions. The better the image of the institution or product, the greater the tendency for students to choose it.

Mediation Effect

In this analysis, the high coefficient of both direct and indirect effects will be examined. Testing through mediation is conducted to explore further whether the mediating variable successfully mediates the effect of the independent variable on the dependent variable. If the P-value is less than 0.05, then the independent variable affects the dependent variable, as described in the indirect effect output, if it does so through the mediating variable. The results of the path analysis in *the indirect effect output*, if the *P-value* is less than 0.05, indicate that mediation occurs (Sofyani, 2013, p. 27).

Table 7. Results of the Mediation Effect Hypothesis Test

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T-statistic (O/STDEV)	P values	Description
Price (X1) → Brand Image (Z) → Students' Decisions in Choosing (Y)	0.184	0.188	0.067	2.741	0.006	Mediating
Promotion (X2) → Brand Image (Z) → Students' Decisions in Choosing (Y)	0.140	0.131	0.048	2.917	0.004	Mediating

The Effect of Price on Students' Decisions in Choosing through Brand Image

The analysis results show that Price has a significant indirect effect on Students' Decisions in Choosing through Brand Image, with a path coefficient of 0.184, a t-value of 2.741 (greater than 1.972), and a P-value of 0.006 (less than 0.05). This indicates that effective price perception can enhance Brand Image, which ultimately impacts students' decisions in choosing. Since the direct effect of Price on Students' Decisions in Choosing is also significant, Brand Image acts as a partial mediation, strengthening the effect of Price on students' decisions.

The Influence of Promotion on Students' Decisions in Choosing through Brand Image

The analysis results show that Promotion has a significant indirect effect on Students' Decisions in Choosing through Brand Image, with a path coefficient of 0.140, a t-value of 2.917 (greater than 1.972), and a P-value of 0.004 (less than 0.05). This means that a good promotion strategy can improve Brand Image, which in turn contributes to students' decisions in choosing. Because the direct effect of Promotion on Students' decisions is also significant, Brand Image acts as a partial mediator, strengthening the relationship between Promotion and student decisions.

Effect Size (f square)

Effect size (f^2) is used to assess the magnitude of the specific influence of an independent variable on the predictive ability of a dependent variable. The evaluation is carried out by comparing the change in R^2 values when an independent variable is removed from the model. The f^2 value is interpreted as follows:

- 1) $f^2 < 0.02$ indicates a very small or insignificant effect
- 2) $0.02 \leq f^2 < 0.15$ indicates a small effect
- 3) $0.15 \leq f^2 < 0.35$ indicates a moderate effect
- 4) $f^2 \geq 0.35$ indicates a large effect

Based on the analysis results, the effect size values for each variable are as follows:

Table 8. Results of the Mediation Effect Hypothesis Test

	f-square
Brand Image (Z) → Students' Decisions in Choosing (Y)	0.180
Price (X1) → Brand Image (Z)	0.394
Price (X1) → Students' Decisions in Choosing (Y)	0.225
Promotion (X2) → Brand Image (Z)	0.226
Promotion (X2) → Students' Decisions in Choosing (Y)	0.099

Based on the calculation of the *effect size* (f^2) for each relationship between variables, the following can be explained:

- 1) Price on Students' Decisions in Choosing
The f^2 value of 0.225 falls into the moderate effect category, indicating that the Price variable makes a significant contribution to Students' Decisions in Choosing. In other words, students' perceptions of reasonable prices that are commensurate with the benefits received will significantly influence their decisions. This means that price remains a significant consideration in the decision-making process of students as consumers.
- 2) Price on Brand Image
The f^2 value of 0.394 is classified as a significant effect, indicating that price has a substantial influence on the formation of Brand Image. This suggests that offering competitive prices that meet students' expectations can foster a positive image of the institution or product. This strong Brand Image then influences students' decisions in choosing, making the role of price in shaping brand perception crucial.
- 3) Promotion of Students' Decisions in Choosing
The f^2 value of 0.099 falls into the small effect category, indicating that promotion has a significant influence, albeit not overly dominant, on student decisions. The promotional strategies implemented are still relevant and able to attract students' attention, but their effectiveness needs to be continuously optimised in order to have a greater impact.
- 4) Promotion on Brand Image
The f^2 value of 0.226 indicates a moderate effect. This means that the promotion carried out plays an important role in shaping the brand image in the eyes of students. Interesting information, effective communication channels, and consistency in delivering promotional messages will enhance students' perceptions of the institution's quality and the quality of the products offered.
- 5) Brand Image on Students' Decisions in Choosing
With an f^2 value of 0.180, Brand Image also falls into the moderate effect category, indicating that it contributes significantly to influencing students' decisions. When students have a positive perception of an institution or brand, it increases their confidence and encourages them to choose the products or services offered.

Discussion

The Influence of Price on Brand Image

The results of this study indicate that price has a positive and significant effect on brand image. This finding confirms that prices that are considered reasonable, fair, and commensurate with the benefits can improve students' perceptions of the institution's image. This aligns with the study by

Bimaruci et al. (2020), which suggests that perceiving fair prices will strengthen a brand's image in the context of service and education marketing. Another study by Nguyen and Simkin (2017) also emphasises that cost is one of the important determinants in shaping the brand image of higher education institutions. Conversely, several studies show different results. For example, Chen et al. (2023) found that institutional reputation is more influenced by service quality than price factors. Similarly, research by Karamang et al. (2024) in Bandung found that although price has an influence, other elements such as facilities and reputation are more dominant. These differences may be due to variations in student purchasing power, local context, or how price is defined, whether in terms of nominal cost, transparency, or perceived benefits. The novelty of this study lies in the use of more comprehensive price transparency and benefit value indicators, as well as brand image mediation analysis, which has rarely been explored in previous studies in the local Indonesian context.

The Influence of Promotion on Brand Image

This study also found that promotion has a positive and significant effect on brand image. This finding supports the research by Kango et al. (2021), which demonstrates that promotion plays a significant role in shaping the image of higher education institutions through a mediating effect. This result is reinforced by Bimaruci et al. (2020), who emphasise that consistent and relevant promotion can improve brand perception. However, research by Zyberaj et al. (2025) found that psychosocial factors, such as personal aspirations and family influence, are more dominant than formal promotion. In addition, Karamang et al. (2024) emphasised that the effectiveness of promotion is highly dependent on the media used and the suitability of promotional promises with the reality on the ground. Variations in promotional media can explain these differences in results, students' digital literacy levels, and perceptions of message authenticity. This study differs from others because it measures promotion not only in terms of intensity, but also in terms of message relevance and content appeal, and places brand image as a mediator, thereby providing a more comprehensive picture of the mechanisms of promotional influence.

The Influence of Brand Image on Students' Decisions in Choosing

Brand image has been proven to have a positive and significant effect on students' decisions in choosing an institution. These findings are consistent with the research by Wilkins and Huisman (2015) and Seow et al. (2024), which demonstrate that institutional image influences satisfaction, loyalty, and decisions regarding university choice. Bimaruci et al. (2020) also emphasise that brand image has a close relationship with consumer decisions in various contexts, including education. However, research by Zyberaj (2025) indicates that, although significant, the influence of brand image can be overshadowed by other, more dominant social and psychological factors. Another study by Alwi and Kitchen (2018) found that the elements of reputation, heritage, and trustworthiness can moderate the influence of brand image differently across countries. This shows that the strength of brand image is highly dependent on the consistency of institutions in maintaining their academic reputation, facilities, and student experience. The novelty of this study lies in its approach, which places brand image not only as an independent variable but also as a mediator that bridges the influence of price and promotion on student decisions, thereby providing a more comprehensive perspective.

The Influence of Price and Promotion on Students' Decisions (Without Mediation)

In addition to brand image, this study also proves that price and promotion have a direct influence on student decisions. These results align with the research by Karamang et al. (2024), which found that these two elements of the marketing mix play a role in students' decisions to choose private universities in Bandung. Similarly, Kango et al. (2021) emphasise that promotion influences prospective students' decisions both directly and through brand image. However, Zyberaj's (2025) findings show that in specific contexts, formal promotion is less dominant than the influence of family and personal aspirations. Chen et al. (2023) also found that price is often a moderating factor, but it is not always significant. Variations in the research subjects can explain these differences—prospective students who are more influenced by promotion than active students who are already critical of service quality—as

well as differences in measurement instruments. This study makes a new contribution by revealing that although there is a direct influence, the mediation mechanism through brand image strengthens this relationship, so that pricing and promotion strategies must be accompanied by efforts to build a positive institutional image.

The Mediating Role of Brand Image between Price and Promotion on Students' Decisions

The results of this study prove that brand image partially mediates the relationship between price and promotion on student decisions. These findings align with the studies by Kango et al. (2021) and Bimaruci et al. (2020), which confirm that brand image serves as a mediating variable in the relationships between promotion, price perception, and consumer decisions. However, Zyberaj (2025) found different results, showing that brand image mediation can be weak or insignificant when psychosocial factors are more dominant. Research by Chen et al. (2023) also suggests that price often acts as a moderator rather than an influencer on brand image. These differences may arise due to variations in context, sample size, and the quality of the research instrument. This study has several important differences, including the use of an adequate sample, more detailed brand image indicators, and analysis employing a PLS-SEM approach that is sensitive to mediation. Thus, this study confirms that brand image not only acts as an independent factor but also as a connector that strengthens the influence of price and promotion on student decisions. The results of this study are consistent with the majority of previous studies, which show that price, promotion, and brand image have a positive influence on student decisions. The novelty of this study lies in its analysis of brand image mediation, which strengthens the relationship between price and promotion, as well as students' decisions, and the use of more detailed indicators, such as price transparency and the attractiveness of promotional messages. Differences in local context, operational definitions of variables, and respondent characteristics account for the variation in results compared to previous studies. Therefore, this study not only reinforces old findings but also provides new contributions to understanding the factors that influence students' decisions in choosing a university.

CONCLUSION

This study aims to examine the effect of price and promotion on students' decisions regarding university choice, with brand image serving as a mediating variable. Based on the analysis results, price has a positive effect on both brand image and student decisions. This demonstrates that reasonable, transparent prices that align with the benefits can enhance the institution's image and encourage students to choose it. Promotion was also found to significantly influence brand image and student decisions, although its contribution was relatively smaller than that of price. In addition, brand image had a strong influence on student decisions, confirming that a positive image of the institution was one of the primary considerations in the selection process. This study also demonstrated the mediating role of brand image in strengthening the relationship between price, promotion, and student decisions, showing that brand image does not stand alone but also serves as an important bridge in shaping student decisions.

Theoretically, this study enriches the literature on educational service marketing by emphasising the relevance of consumer behaviour theory and brand equity in the context of higher education. The results show that price and promotion are not only independent variables but also interact through brand image in influencing student decisions. These findings reinforce the view that institutional image has a central position in higher education marketing strategies. In practical terms, this research suggests that higher education institutions should develop transparent and competitive pricing strategies and implement targeted, creative promotions that cater to students' needs. In addition, institutions need to strengthen their brand image by improving academic quality, facilities, student services, and publishing achievements, so that the image formed truly supports recruitment strategies.

This study has several limitations that need to be considered. First, the research object was limited to one private university, so the results cannot necessarily be generalized to all contexts, especially public universities or institutions with different characteristics. Second, data collection was conducted through perception-based questionnaires, so the results are highly dependent on the subjectivity of the respondents and the conditions under which the survey was conducted. Third, this study only examined

the variables of price, promotion, and brand image, thereby excluding other factors such as academic service quality, lecturer reputation, and graduate employment prospects. These limitations provide scope for future research development by expanding the objects, methods, and variables used.

Based on the research results and existing limitations, several recommendations can be made. For higher education institutions, it is recommended to establish flexible and communicative pricing strategies, such as through scholarship or installment schemes, and to enhance the quality of digital promotion to make it more relevant to the current generation of students. Improving academic quality, services, and relationships with alumni is also important for sustaining a strong brand image. For future research, it is recommended that the scope of respondents be expanded by involving more higher education institutions, both private and public, to ensure more representative results. Future research could also incorporate other variables, such as service quality, electronic word of mouth (e-WOM), or academic reputation, to further enrich the research model. Additionally, a mixed-methods approach combining quantitative surveys and qualitative interviews could be employed to gain a deeper understanding of the factors influencing student decisions.

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