



The Effect Of Price, Location And Promotion On The Decision To Choose An Islamic Boarding School In Batam City

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Abstract: This study employs a quantitative research approach to investigate the factors influencing decision-making an Islamic Boarding School In Batam City. Quantitative research utilizes structured tools such as surveys to gather numerical data, focusing on quantifying relationships and behaviors and employing statistical techniques to test hypotheses. Conducted during the 2023/2024 academic year, the research involved 100 respondents selected through purposive sampling, comprising 22 vocational school students and community members surrounding the boarding school in Tanjung Riau, Batam. Data were collected using an online questionnaire with a 5-point Likert scale and analyzed using SPSS 21 for multiple linear regression to explore the impact of independent variables (Price, Location, Promotion) on the decision to choose the boarding school. Findings reveal that Price significantly affects decision-making (regression coefficient $B = 0.299$, t -value = 3.222), indicating that higher prices increase the likelihood of choosing the boarding school. Location also has a substantial impact ($B = 0.657$, t -value = 6.793), suggesting that a strategic location enhances the probability of selection. Promotion shows a significant effect ($B = 0.306$, t -value = 4.739), albeit slightly weaker than Location. Overall, the multiple linear regression analysis demonstrates the model's significance (F -value = 17.183), implying that Price, Location, and Promotion collectively influence the decision to choose a boarding school. These insights are crucial for educational institutions aiming to understand key decision-making factors.

Keywords: Price, Location, Promotion, Decision To Choose.

INTRODUCTION

Islamic boarding schools play a pivotal role in Indonesian Islamic education (Meliani et al., 2022), not only imparting religious teachings but also shaping students' character and skills (Mujahidin, 2021). One prominent example in Batam is the Islamic Boarding School Batam City.



Figure 1. Islamic Boarding School In Batam City

Source: (Islamic Boarding School In Batam City)

Parents' concerns about high educational costs often deter enrollment in such institutions (Prasetyo et al., 2024). Pricing and location, particularly the school's distance from Batam's center and limited transport access, pose challenges for prospective students from distant areas (Ashshidqi & Kusuma, 2023; N. Hidayat et al., 2021; Mulyani et al., 2022). Effective promotion is crucial but often inadequate in informing potential students and parents about the school's offerings (Fauzi & Kartiko, 2023).

This study, "The Effect Of Price, Location And Promotion On The Decision To Choose An Islamic Boarding School In Batam City," aims to explore these factors' impact on enrollment decisions, providing insights into student decision-making behaviors and the school's attractiveness.

METHOD

Types of research

This study employs a quantitative research approach. Quantitative research is characterized by the use of structured tools, such as questionnaires or surveys, to gather numerical data (Noviyadi et al., 2024). It focuses on quantifying relationships, behaviors, and other phenomena, and often employs statistical techniques to test hypotheses and analyze data.

Location and Time of Research

The research was conducted at a Boarding School In Batam City, located at Jl. KH Ahmad Dahlan Kampung Bukit RT 01 RW 06, Tanjung Riau, Kec. Sekupang, Kota Batam, Prov. Kepulauan Riau. The study focused on the 2023/2024 academic year, during which the school had 77 students, according to the official educational data from sekolah.data.kemdikbud.go.id in 2024



Sampling technique

The sampling technique used in this study is purposive sampling. Purposive sampling is a non-probability sampling method where the researcher selects participants based on specific characteristics or criteria. In this case, the study involved 100 respondents, including all 22 vocational school (SMK) students from the boarding school and members of the surrounding community. This approach ensures that the sample represents the population relevant to the study's objectives.

Types of Research Data

The data for this research were collected using an online questionnaire distributed via Google Form. The questionnaire utilized a 5-point Likert scale to measure responses. The Likert scale is a common tool in quantitative research that allows respondents to express the extent of their agreement or disagreement with various statements. The data collected through this method were then analyzed using SPSS 21 statistical software, specifically employing multiple linear regression analysis to explore the relationships between the variables under study.

Operational Definition of Research Variables

Variable	Variable Definition	Indicator
Price (X1)	Price is one of the marketing mix elements that generates revenue, while other elements generate costs (Kotler et al., 2016)	a. Relative education costs (Arifin et al., 2020), b. Availability of scholarships (Arifin et al., 2020), d. Price elasticity (Winasis et al., 2022), e. Competitor prices (Winasis et al., 2022)
Location (X2)	Place refers to the school's location and its surroundings (Arifin et al., 2020).	a. Strategic location, b. Accessible by public transportation, c. Close to government and business centers (Arifin et al., 2020)
Promotion (X3)	Promotion encompasses all activities undertaken to communicate education to the public (Arifin et al., 2020)	a. Mass media, b. Print media (banners, flyers, etc.), c. Education exhibitions, d. Websites, e. Social media (Arifin et al., 2020)
Decision to Choose (Y)	The decision to choose is a decision made by consumers to select a product through stages that consumers go through before making a purchase, including perceived needs, pre-purchase activities, behavior while using, and feelings after purchase (Arti et al., 2021)	a. Choosing a school, b. Deeper image or perception of the school, c. Information obtained for prospective students, d. School branding (Angreni, 2020)

Table 1. Operational Definition of Research Variables.

Measurement Scale



This study employs a 5-point Likert scale for data collection, allowing respondents to indicate their level of agreement with statements related to price, location, promotion, and decision-making, thereby facilitating the quantification of attitudes and perceptions and enabling statistical analysis using SPSS 21.

Data Analysis Techniques

Data analysis techniques involve the utilization of SPSS 21 statistical software to conduct multiple linear regression analysis, allowing the study to assess the relationship between independent variables (price, location, and promotion) and the dependent variable (decision to choose the boarding school), with the analysis process including data preparation, statistical testing, and interpretation of results to draw meaningful conclusions.

Hypothesis test

Hypothesis testing in this study involves evaluating the proposed relationships between independent variables (price, location, and promotion) and the dependent variable (decision to choose the boarding school). Using SPSS 21, the multiple linear regression analysis assesses whether the independent variables significantly impact the decision-making process. The null hypothesis (H_0) states that there is no significant effect of the independent variables on the dependent variable, while the alternative hypothesis (H_1) posits that there is a significant effect. Statistical tests, such as t-tests for individual regression coefficients and the F-test for the overall model significance, are conducted to determine whether to reject the null hypothesis, thereby confirming the significance of the relationships.

RESULT AND DISCUSSION

Results of the Classic Assumption Test

Normality Test

The One-Sample Kolmogorov-Smirnov Test was conducted to assess whether the sample of 100 unstandardized residuals follows a normal distribution. The test yielded a test statistic of 0.059 with an asymptotic significance (2-tailed) of 0.200 and a Monte Carlo significance (2-tailed) of 0.519. Both p-values exceed the typical significance level of 0.05, indicating that there is no significant deviation from normality. Thus, based on these results, we fail to reject the null



hypothesis, suggesting that the unstandardized residuals are consistent with being sampled from a normal distribution.

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		100
Normal Parameters^{a,b}	Mean	.0000000
	Std. Deviation	5.13213148
Most Extreme Differences	Absolute	.059
	Positive	.059
	Negative	-.048
Test Statistic		.059
Asymp. Sig. (2-tailed)^c		.200^d
Monte Carlo Sig. (2-tailed)^e	Sig.	.519
		99% Confidence Interval
		Lower Bound .506
		Upper Bound .532

a. Test distribution is Normal.

Table 2. Normality Test

Multicollinearity Test

The multicollinearity among the predictor variables in the regression model was assessed using tolerance and Variance Inflation Factor (VIF). It is evident that all utilized independent variables exhibit tolerance values exceeding 0.10 and VIF values below 10 (Ramadanty & Trihantoyo, 2024; Wasiman, 2021).

Coefficients^a		
Model	Collinearity Statistics	
	Tolerance	VIF
1 (Constant)		
Price	0.857	1.167
Location	0.630	1.588
Promotion	0.687	1.455

a. Dependent Variable: Y

Table 3. Multicollinearity Test

These results indicate that each predictor retains a significant amount of independent variance and experiences only mild inflation of variance due to collinearity. Therefore, one can deduce that there is an absence of multicollinearity among the predictor variables incorporated within the regression model.



Heteroskedasticity Test

The White test results for the regression model indicate that the computed chi-square value is 4.7, calculated by multiplying the R square (0.047) by the sample size (n=100). This result shows that the computed chi-square value (4.7) is lower than the critical chi-square value (5.992) at the specified significance level. This suggests that there is insufficient evidence to reject the null hypothesis in the White test, implying that there is no significant heteroskedasticity in this regression model.

Model Summary			
Model R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.216 ^a .047	.017	31.65595
a. Predictors: (Constant), X3, X1, X2			

Table 4. Heteroskedasticity Test

Results of the Coefficient of Determination R2 Test

The results of the coefficient of determination test indicate that the regression model used has an R value of 0.591. This value suggests a strong correlation between the dependent variable and the independent variables (Promotion, Price, Location). An R Square of 0.349 indicates that 34.9% of the variance in the dependent variable can be explained by the variation in these three independent variables. The Adjusted R Square value of 0.329 reflects a more conservative adjustment for the number of predictors in the model, still indicating that approximately 32.9% of the variance in the dependent variable is explained by this model. The standard error of the estimate, at 5.212, signifies the level of prediction error associated with using this regression model.

Model Summary			
Model R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.591 ^a .349	.329	5.212
a. Predictors: (Constant), Price, Location, Promotion			

Table 5. Coefficient of Determination R2 Test

Despite some unavoidable margin of error, the obtained R Square and Adjusted R Square values indicate that this model effectively explains the variance in the dependent variable based on the chosen independent variables. Overall, the model can be considered reasonably reliable for predicting the dependent variable, taking into account Promotion, Price, and Place as determining factors.



Results of the F Test

Multiple linear regression using the F-test is a statistical method used to test the simultaneous influence of several independent variables on a dependent variable. In this analysis, the variables Price, Location, and Promotion are examined to see their impact on the decision to choose a boarding school. In the table, we observe that the computed F-value is 17.183. This value indicates how much variance in the decision-making process can be explained by the regression model with the included independent variables (Promotion, Price, and Location). To determine the statistical significance of this F-value, we compare it to the critical F-value.

ANOVA ^a				
Model	Sum of Squares	df	Mean Square F	Sig.
1 Regression	1400.171	3	466.724	17.183.000 ^b
Residual	2607.539		9627.162	
Total	4007.710	99		

a. Dependent Variable: Keputusan Konsumen
b. Predictors: (Constant), Promosi, Harga, Lokasi

Table 6. Results of the F Test

With degrees of freedom between regression (3) and residual (96), and at a significance level of 5%, the critical F-value from the table is approximately 2.70. Since the computed F-value (17.183) is much larger than the critical F-value (2.70), we can conclude that the regression model is statistically significant overall. This means that at least one of the independent variables included in the model (Promotion, Price, and Location) has a significant influence on the decision to choose the boarding school. Therefore, in this scenario, the significant F-test result supports the conclusion that factors such as Promotion, Price, and Location indeed influence the decision-making process regarding choosing a boarding school, confirming the alternative hypotheses posited in the regression analysis.

CONCLUSION

Based on the analysis of the influence of Price, Location, and Promotion on the decision to choose a boarding school: Price (regression coefficient $B = 0.299$) significantly affects decision-making, with a computed t-value of 3.222 surpassing the critical t-value (± 1.984), indicating that higher prices tend to increase the likelihood of choosing a boarding school, assuming other factors



remain constant. Location also has a highly significant impact, as evidenced by a regression coefficient $B = 0.657$ and a computed t -value of 6.793, well above the critical t -value, showing that a better or more strategic location significantly increases the probability of choosing a boarding school. Additionally, Promotion (regression coefficient $B = 0.306$) has a significant effect, although slightly weaker than Location, with a computed t -value of 4.739 also exceeding the critical t -value. Overall, the multiple linear regression analysis indicates the model's significance (computed F -value = 17.183, exceeding the critical F -value $F 0.05,3,96 = 2.70$), suggesting that at least one of the independent variables (Price, Location, Promotion) significantly influences the decision to choose a boarding school.

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