The Influence of Products and Promotions on Consumer Decisions to Study at the Sampit College of Economics

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Abstract.

This study aims to determine the Influence of Products and Promotions on Consumer Decisions, Faculty of Economics and Business, University of Palangkaraya. This study aims to determine and analyze the influence of Promotions and Products on Consumer Decisions at the Sampit College of Economics, the sampling technique in this study uses Random Sampling techniques carried out through Observation and Questionnaires. The number of sample sizes taken is 80 samples which are students of the Sampit College of Economics class of 2023. The analysis tool used is SemPLS 4.0. The results of this study indicate that Promotions and Products have a positive and significant influence on Consumer Decisions at the Sampit College of Economics.

Keywords: Products; Promotions; Consumer Decisions and Sampit.

I. INTRODUCTION

Background

As a further level of education after primary and secondary education, higher education is a goal for high school graduates and equivalent to continue their education in achieving their dreams. Higher education is one of the service providers, which operates in the field of education. Higher education with various fields of study and science is an organization that produces products in the form of services that must be marketed to consumers. The product of higher education is the Tri Dharma of Higher Education, namely Education, Research and Community Service, these three services can be classified as recurring and long-lasting services. The nature of such products will have consequences for the form of implementation of its marketing function, if higher education pays less attention or even does not carry out the marketing function, the consequences it bears will last a long time according to Mustari & Rahman (2014). The Sampit College of Economics (STIE) is the first college established in East Kotawaringin on Walter Condrat Street, Baamang Tengah, Baamang District, East Kotawaringin Regency, Central Kalimantan Province in 1976 with the name of the Business Administration Academy (AAN). Then in 1979 it was changed or renamed the Company Leadership Academy (APP) and in 1986 its status was upgraded to a College with the name of the Sampit College of Economics (STIE) and received approval from the Minister of Education and Culture of the Republic of Indonesia No: 088/O/1988 dated February 15, 1988. Based on the decision of the national accreditation agency regarding the accreditation status of STIE Sampit is "Good" based on the Decree of BAN-PT No. 116/SK/BAN-PT/Akred/PT/II/2021 Concerning the Accreditation Rating of the Sampit College of Economics, East Kotawaringin Regency, February 23, 2021.

The number of new student admissions has decreased. In 2019, STIE Sampit successfully recruited 195 new students. Then STIE Sampit experienced a decline in 2020 by only successfully recruiting 156 new students, this number decreased from the previous year's 39 students or decreased by -20%. This most likely occurred due to the impact of the Covid-19 pandemic which caused the community's economy to decline. In 2021, STIE Sampit was finally able to recruit 180 new students, this number was more than the previous year, which was 24 students or an increase of 15.38%. In 2022, STIE Sampit again experienced a decline in recruiting new students by only getting 134 students, this number decreased from the previous year by 46 students or decreased by -25.56%. In 2023, STIE Sampit again experienced a decline in recruiting students by only getting 123 students, this number decreased from the previous year's number of 11 students or decreased by -8.21%. Add According to previous researchers. Based on the background and research that has

been explained, the researcher took the title The Influence of Products and Promotion on Consumer Decisions at the Sampit College of Economics.

II. LITERATURE REVIEW

Theoretical basis

Consumer Behavior

From the buyer behavior model above, Uran, MN, Fanggidae, RP, & Nyoko, AE (2021), underlined the importance of studying how customer traits influence their purchasing behavior and how cultural, social, personal, and psychological aspects influence consumer interest in a product or service.

Marketing

The American Marketing Association (AMA) (1988) defines marketing as an organizational function and a set of processes for creating, communicating, and delivering value to customers and for managing customer relationships in ways that benefit the organization and its stakeholders. Panjaitan, R. (2018). The most basic concepts underlying marketing are Wants, Needs, and Demands. Needs are a state of feeling deprived, these needs include physical needs such as food, clothing, warmth and security; social needs such as attention, knowledge and self-expression. These needs are a fundamental part of human nature. Desires are human needs shaped by culture and a person's personality. Desires are shaped by society and are useful for satisfying people's needs. Demand occurs when it is supported by people's purchasing power for their ability to fulfill their demands through products that provide the highest added value and satisfaction.

Product

Products are the focal point of marketing activities because they represent the results of a company's activities and can be offered. Therefore, a product must have advantages over other products, one of which is in terms of product quality. Products are one of the keys to competition among businesses offered to consumers. These consumer desires include product durability, product reliability, ease of use, and other valuable attributes that are free from defects and damage. Indicators that influence products include Quality and Choice. Hurriyati (2009: 157) states that in higher education services, the products/services offered to students are a good reputation/quality of education, bright prospects for students after graduating from college, and a variety of concentration options according to talents and interests. The reputation and prospects of higher education institutions, such as producing graduates who have good competencies and can be accepted into the workforce easily.

Promotion

Promotion is communicating information between sellers and potential buyers or others in the channel to influence attitudes and behavior (Cannon et al., 2009). Promotion is an effort to influence potential buyers through persuasive communication, using all marketing elements, Assauri in (Fakhru Rozi, 2021). According to Tjiptono, promotion is a form of marketing communication used to disseminate information, influence, persuade, or increase the target market for a company and its products, thereby encouraging the public to accept, purchase, and maintain loyalty to the products offered by the company. (accurate.id). Gitosudarmo explained that promotion is an activity carried out to influence potential consumers so they become familiar with the products a company offers, thereby encouraging them to purchase them. (accurate.id)

Buying decision

Purchasing decisions in the three TPB points are how consumers behave in deciding whether or not to purchase the product offered. Then, purchasing decisions are made based on consumer behavioral control over everything related to the ease of purchase and the benefits of purchasing the product. In subjective norms, purchasing decisions can be made by consumers based on the norms that apply around the sales environment if the seller's norms or behavior are in accordance with consumer expectations, which will indirectly attract consumer approval to decide to purchase the product offered.

Previous Research

As a basis for compiling this research, it is important to know the results of previous research, where the researcher used 3 previous studies to refine the results of the required variables.

- 1. The first previous researcher was the Influence of Brand Image, Product Quality and Promotion on Purchasing Decisions at Solaria by Riza Dzikir Akbar & Wasino (2024). The variables used were Independent: Brand Image (X1), Product Quality (X2), Promotion (X3), Dependent: Purchasing Decision (Y), The analysis tool used was SPSS 27 (Validity test, reliability, classical assumption test, multiple linear regression, t test, F test), the results of the study showed that product quality and promotion had a significant effect on purchasing decisions. Brand image did not have a significant effect. Simultaneous tests showed a significant effect together.
- 2. The second previous researcher is the Influence of Product Quality and Promotion on Purchasing Decisions of Rotat Mineral Brand Bottled Drinking Water (AMDK) at PT. Pintar Sumber MineralPaskalis Baylon Cawa, Antonius P. Kurniawan & Nunsio H. Meylano (2024). Independent: Product Quality (X1), Promotion (X2) Dependent: Purchasing Decision (Y). SPSS 26 (Multiple Linear Regression, t Test, F Test, R² Determination Coefficient), the results of the study show the equation: Y = 3.290 + 0.309X1 + 0.185X2. Both variables have a positive and significant effect on purchasing decisions. R² value = 0.269 (26.9%).
- 3. The third previous researcher is the Influence of Price, Product Quality and Promotion on Purchasing Decisions with Consumer Satisfaction as an Intervening Variable (Case Study of Tempe Home Industry Consumers in Sepande Village) Mia Nasrida Putri, Satrio Sudarso & Misti Hariasih (2025). Variables used Independent: Price (X1), Product Quality (X2), Promotion (X3) Intervening: Consumer Satisfaction (Z) Dependent: Purchasing Decision (Y), The analysis tool used SmartPLS 4.0 (SEM, Outer and Inner Model Test, Path Analysis), the results of the study showed that Price and promotion did not have a significant direct effect. Product quality and consumer satisfaction had a significant direct effect. The three variables had an indirect effect through consumer satisfaction.

Conceptual Framework

Product
(X1)

H1

Purchase
Decision
(Y)

Fromotion
(X2)

= Influence of Partial Variables

Fig 1. Conceptual Framework

Source: Processed Data 2025

Hypothesis

A hypothesis is a temporary answer to the formulation of a research problem (Sugiyono, 2010). Based on the conceptual framework above, the researcher presents the following hypothesis:

- Hypothesis 1 (H1)
 Is it suspected that the Product variable has a significant influence on the decision to study at the Sampit College of Economics?
- 2. Hypothesis 2 (H2)
 It is suspected that the promotion variable has a significant influence on the decision to study at the Sampit College of Economics?

III. METHODS

Research Design

In this study, the author uses a descriptive quantitative approach using an online questionnaire which is used to find out whether promotions and products can influence consumer decisions in choosing STIE Sampit.According to Sugiyono (2019), quantitative research is defined as a research method based on the philosophy of positivism, used to research certain populations or samples, data collection using research instruments, quantitative/statistical data analysis, with the aim of testing predetermined hypotheses.

Population and Sample

Population

According to Sugiyono in (Rahayu, 2017) population is a generalization area consisting of objects or subjects that have certain qualities and characteristics that are determined by researchers to be studied and then conclusions drawn. The population obtained in this study is the people of Sampit city who have purchased a Yamaha NMax motorbike at the Yamaha Surya Motor Sampit Dealer, where the number is unknown.

Sample

A sample is a part of a population with specific criteria used as a source of research data, Cozby & Bates in (Arda & Pulungan, 2019). The sampling procedure used in this study uses the Accidental Sampling technique. According to Sugiyono (2014) the Accidental Sampling Technique is a sampling determination technique based on chance, namely anyone who accidentally meets the researcher can be used as a sample, if it is considered that the person who happened to be met is suitable as a data source. In this research, the technique used in determining the number of samples is based on the statement according to Hair et.el (2010) that the number of samples as respondents must be adjusted to the number of statement indicators used in the questionnaire with the assumption n X 5-10. observed variables or number of indicators multiplied by 5 to 10. The number of indicators in this study is 16 statements used and the minimum sample size is 5. So the number of samples to be determined is as follows:

Sample = Number of indicators x 5

Sample = 16×5

Sample = 85

Based on the calculation results above, the sample that As many as 80 respondent samples will be taken.

Operational Definition of Research Variables

According to Sinambela and Chotim (2020), an operational definition is a clear, detailed, and specific explanation of a variable so that it can be measured. An operational definition relates to scores that reflect the dimensions or indicators of the variable being measured. The variables analyzed can generally be classified into two categories: independent variables and dependent variables. The independent variables (X) used in this study are Promotion (X1) and Product Design (X2), while the dependent variable (Y) in this study is Purchase Decision (Y). The definitions of these variables are:

Product (X1)

According to Tjiptono (2022), a product is a form of service organization offering that can achieve organizational goals by satisfying customer needs or desires (both physical and non-physical) that can be offered to consumers to meet specific needs and desires. In terms of products, we must pay attention to service quality and other aspects because when buying, it is not just about wanting but also needing and must pay attention to consumer satisfaction with the products we provide. Product quality must be determined by how customers perceive the product. The selected indicators are based on the results of research conducted by Nugroho and Irena (2017) and Purwana (2019).

- 1. Service quality describes the characteristics of a service's ability to meet customer needs. Quality itself can be classified into performance quality and conformance quality.
- 2. Service design explains how the services provided can provide value and benefits according to consumer needs.
- 3. Service diversity is described as the different models or types of services that can be offered within one service.
 - 4. Service features explain the aspects provided to add to the functionality of the service provided.

Promotion (X2)

In conducting promotions, there are things that need to be considered in selecting a promotional mix consisting of advertising, personal selling, sales promotion, public relations, word of mouth, and direct mail. Promotion plays a role in informing, persuading, and reminding consumers so that the company gets feedback on the products or services offered. For companies to introduce new products, build brands, attract consumers, and other activities that require public awareness, various media can be used. The media used for promotion is called the promotional mix. Indicators based on research by Nugroho and Irena (2017) and Arthur et al. (2019)

- 1. Advertisement,
- 2. Sales promotion,
- 3. Public relations,
- 4. Online marketing and
- 5. social media,
- 6. Direct marketing,
- 7. Personal selling,
- 8. Informative product catalog, and
- 9. completeness of information on each type of service offered.

Consumer Decision (Y)

According to (Kurnia et al. (2016), making a purchasing decision is an integration cycle where there are combinations of information to assess the behavior of more than one alternative and then choose one of these options. Kurnia et al. (2016) explain that consumer purchasing decisions consist of several steps, namely:

- 1. Recognizing what is needed, which explains that consumers are aware of a problem. This need or problem can be triggered by internal stimuli when one of many interests, specifically the need for food, creates a drive or stimulus for consumers. Providing Recommendations
- 2. Information search, which explains that the drive or stimulation of these needs is continued into consumer behavior to seek information about product or serviceWhichownpossibility to meet his needs.
- 3. Alternative evaluation, which describes subsequent behavior after gathering information about various service or product options that are likely to meet the primary interest, the buyer then makes a selection or evaluates the information. In this case, the assessment tends to be subjective on the part of the consumer.
- 4. The purchasing decision describes the results of a consumer's subjective evaluation, namely making an actual purchase. In this situation, various aspects can influence a buyer's purchasing decision, including income, costs, benefits, and the marketing mix implemented by the product or service provider.
- 5. Post-purchase behavior describes the behavior of buyers after making a purchase of a product or service. In this context, consumers express satisfaction or dissatisfaction after consuming the product or service. Consumer satisfaction or dissatisfaction is based on a comparison between consumer expectations and the product or service's performance.

IV. RESULT AND DISCUSSION

Outer Model

To continue this research, a research instrument is needed to determine the accuracy and consistency of the research by conducting Validity and Reliability Tests. In this opportunity, the researcher used SemPLS 4.0 to conduct both tests, which resulted in an Outer Model.

Validity Test Results

1. Convergent Validity (Outer Loading)

Table 1. Factor Loading Values

	Product (X1)	Promotion (X2)	Consumer Decision (Y)
X1.1	0.728		
X1.2	0.779		

X1.3	0.864		
X1.4	0.730		
X2.1		0.749	
X2.2		0.804	
X2.3		0.772	
X2.4		0.776	
X2.5		0.807	
X2.6		0.742	
X2.7		0.783	
Y1			0.869
Y2			0.783
Y3			0.726
Y4			0.796
Y5			0.863

Source: SmartPLS 4.0 Data 2025

This table shows the value of each indicator for each variable. According to Hair et al. (2019), a good loading factor value is above 0.7, indicating that the indicator has a strong contribution to the latent construct. From the results of this study, all indicators have values above 0.7, so it can be concluded that each indicator is valid for measuring the variables of Product, Promotion, and Consumer Decision. These results are in line with the research of Paskalis Baylon Cawa et al. (2024) who also found that indicators with values above 0.7 indicate good convergent validity in the SEM-PLS model.

2. Discriminate Validity (Cross Loading)

 Table 2. Discriminant Validity Values

(Cross Loading)

	Consumer Decision(Y)	Product (X1)	Promotion (X2)
X1.1	0.392	0.728	0.338
X1.2	0.487	0.779	0.432
X1.3	0.520	0.864	0.469
X1.4	0.485	0.730	0.448
X2.1	0.371	0.321	0.749
X2.2	0.465	0.353	0.804
X2.3	0.476	0.342	0.772
X2.4	0.581	0.529	0.776
X2.5	0.625	0.565	0.807
X2.6	0.612	0.410	0.742
X2.7	0.707	0.389	0.783
Y1	0.869	0.495	0.570
Y2	0.783	0.513	0.475
Y3	0.726	0.386	0.607
Y4	0.796	0.475	0.588
Y5	0.863	0.587	0.693

Source: SmartPLS 4.0 Data 2025

This table is used to determine whether each indicator has a higher correlation value with its own construct compared to other constructs. The results show that the correlation value of the indicator with its own construct is higher than with other constructs, indicating that discriminant validity has been met. According to Fornell & Larcker (1981), this indicates that each construct is able to differentiate itself from other constructs in the research model.

Table 3. AVE Values

	(rho_c)	(AVE)
Consumer Decision(Y)	0.904	0.655
Product_(X1)	0.859	0.604
Promotion _(X2)	0.914	0.603

Source: SmartPLS 4.0 Data 2025

The AVE values for all three variables were greater than 0.5 (AVE > 0.5), indicating that more than 50% of the indicator variance can be explained by the latent construct. This indicates a good level of internal consistency. These results align with research by Mia Nasrida Putri et al. (2025) which states that an AVE value above 0.5 indicates adequate convergent validity in outer model testing using SmartPLS.An Average Variance Extracted (AVE) value above 0.5 indicates that the construct has good convergent validity (Fornell & Larcker, 1981). Thus, the product, promotion, and consumer decision indicators are statistically reliable in measuring their variables.

Reliability Test Results

1. Composite Reliability

Table 4. Composite Reliability Values and Cronbach's Alpha

	Cronbach's alpha	Composite reliability (rho_a)
Consumer Decision(Y)	0.867	0.875
Product_(X1)	0.780	0.788
Promotion _(X2)	0.892	0.901

Source: SmartPLS 4.0 Data 2025

This table displays the construct reliability test. All Composite Reliability values are above 0.7, and Cronbach's Alpha is also above 0.7, indicating that this research instrument is reliable. This means that each indicator in the variable is consistent in measuring the same construct. This finding is consistent with the results of research by Riza Dzikir Akbar & Wasino (2024) which also showed good reliability in the product and promotion constructs on purchasing decisions. This finding supports the study by Nugroho and Irena (2017) which stated that high reliability indicates data stability in measuring consumer perceptions of educational service products.

Inner Model

1. R Square Test Results

Table 5. R Square Test Results

	R-square	R-square adjusted
Consumer Decision(Y)	0.599	0.588

Source: SmartPLS 4.0 Data 2025

The R-square value of 0.599 indicates that the Product and Promotion variables are able to explain 59.9% of the variation in Consumer Decisions. According to Chin (1998), an R² value between 0.33 and 0.67 is considered moderate, so this model has quite good explanatory power. These results indicate that promotions and products contribute significantly to students' decisions in choosing STIE Sampit.

Hypothesis Testing Results

Table 6. Significance of Direct Effect

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values
Product_(X1) -> Consumer Decision_(Y)	0.300	0.298	0.100	2,989	0.001
Promotion _(X2) -> Consumer Decision_(Y)	0.568	0.576	0.075	7,613	0.000

Source: SmartPLS 4.0 Data 2025

The test results show that the product has a positive and significant effect on consumer decisions with a t-value of 2.989 and p-value of 0.001 (<0.05). Promotion also has a positive and significant effect on consumer decisions with a t-value of 7.613 and p-value of 0.000 (<0.05). This means that the better students' perceptions of product quality and promotional activities, the higher the likelihood that they will decide to study at STIE Sampit. These results align with research by Riza Dzikir Akbar and Wasino (2024), which found that product quality and promotion significantly influence purchasing decisions in the culinary services sector. In the educational context, these results are reinforced by a study by Hurriyati (2009), which stated that educational reputation (as a university's primary product) and effective marketing communications play a crucial role in attracting new students.

Discussion

The results of this study also show that promotion has a stronger influence than product (coefficient 0.568 vs. 0.300). This demonstrates the importance of persuasive communication strategies, particularly through social media, alumni testimonials, and direct promotional activities at schools. Consistent with research by Mia Nasrida Putri et al. (2025), digital promotion has a significant impact on consumer decisions because it increases brand awareness and positive perceptions of educational institutions. This indicates that in the context of higher education, targeted promotions such as open house events, social media advertising, and alumni testimonials can increase prospective student interest. Meanwhile, product aspects in the context of higher education include educational quality, campus reputation, and graduate job prospects. These findings are consistent with research by Mustari & Rahman (2014), which stated that reputation and educational quality are key factors in attracting prospective students. Therefore, STIE Sampit needs to strengthen its digital promotion strategy and maintain the quality of its academic services to compete in attracting new students.

V. CONCLUSION

Based on the results of the research and analysis carried out, it can be concluded that:

- 1. The product has a positive and significant influence on students' decisions to study at STIE Sampit. The better the perception of the quality of the educational product, the higher the decision to choose STIE Sampit.
- 2. Promotion has a positive and significant influence on student decisions. Attractive, consistent, and informative promotional activities have been shown to increase prospective student interest.
- 3. The two variables, product and promotion, together contributed 59.9% to student decisions, indicating that strategies to improve the quality of educational products and promotional activities must go hand in hand.

VI. SUGGESTION

- 1. STIE Sampit needs to improve the quality of educational products by increasing lecturer competency, improving the curriculum, and expanding cooperation with the industrial world.
- 2. Promotional activities need to be enhanced by utilizing digital platforms such as social media, interactive websites, and branding campaigns based on alumni testimonials.
- 3. Further research is recommended to add other variables such as institutional image and brand trust to provide a more comprehensive picture of college decisions.

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