

# UNRAVELLING UNIVERSITY PREFERENCES: EXPLORING FACTORS INFLUENCING BUSINESS UNDERGRADUATES' CHOICE OF PRIVATE INSTITUTIONS IN BANGLADESH

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## ABSTRACT

This research examines the influencing factors of Bangladeshi students' selection of private tertiary educational institutions for Bachelor of Business Studies (BBA) degrees. It employed a qualitative study design. Twenty-one students from different universities were chosen using a purposive sampling technique for three Focus Group Discussions (FGD). A thematic analysis identified common themes and patterns in the responses. It has been found that the institutional reputation and accreditations, the price of a degree, peer and family influence, geographical proximity, infrastructure and resources, and open field and greenery are the most crucial elements that influence the enrolment choice in a university. This research comprehensively explores various influencing elements of business undergraduate students' preferences for private universities in Bangladesh. It captures diverse perspectives through a qualitative approach and purposive sampling. The finding of this research contributes valuable insights for the universities' policymakers and educators of other levels of education.

**Key Words:** FGD; Higher Education; Choice Factors.

## INTRODUCTION

According to the United Nations Department of Economic and Social Affairs report, Bangladesh, a 165 million-strong densely populated nation, is currently progressing toward obtaining the status of a developing nation after being classified as a less developed one. Long before, university education was considered not a need but a luxury (Tamtekin Aydın, 2015). However, it is considered a necessity for most Bangladeshi youth to find much-needed jobs (Khanthachai, 2020).

Due to the potential of institutions of higher learning to produce public value for students, the demand for higher education is soaring (Osborne et al., 2015). To meet the demand, numerous private universities have opened across the nation. There are currently 112 private universities in Bangladesh, which are primarily found in Dhaka, the country's capital, according to the University Grants Commission (UGC), authorised to oversee tertiary-level education. The UGC, also known as the University Grants Commission, closely monitors these universities. Costs are high because these universities must locate on campuses with (at least)

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one acre of their land by the government's deadline, which makes the industry extremely competitive (termed permanent campuses). This small, densely populated nation has a high cost of land, particularly in Dhaka. In Dhaka City, land prices have increased faster than any other good or service (Islam et al., 2007). Dhaka had the highest average annual percentage increase in land value, according to M. J. Alam (2018), who cites numerous studies comparing cities in some neighbouring Asian countries. Thus, the degree price Bangladeshi students at non-public universities is increasing gradually.

All universities strive to attract high-calibre students. However, it could be argued that there are not enough of them. According to (M. Alam et al., 2007), since public universities are typically the first choice among applicants, it is believed that private universities do not typically draw the most deserving students. As students are the essential stakeholders, they require educational institutions to provide greater value (Mahdzar et al., 2021). In their respective research, Lindong (2007) and Marginson (2006) concluded that the expansion of university options for students has resulted in intense competition among institutions. This competitive pressure in higher education has compelled a number of universities to adopt a more strategic approach to luring students from both home and overseas (Maniu & Maniu, 2014; Sia, 2010). To formulate effective strategies, it is pertinent to understand the factors which students generally consider at the time of choosing a university for their higher study.

## LITERATURE REVIEW

The education sector is certainly crucial to Bangladesh's development. Private universities play a vital role as the student capacity of public universities is limited, and those who fail to qualify for the admission test of public universities have very few choices rather than enrolling themselves in a private institution for a higher degree. As a result, private university enrollment has been rapidly increasing (M. Alam et al., 2007). The first private university was founded in 1992; by 2003, 52 universities had sprouted up (M. Alam et al., 2007). Currently, there are 112 universities in Bangladesh which are not government-patronised (UGC, 2023).

As academic standards can be upheld by having the best students, universities are competing for a smaller group of students who deserve it more in a very dynamic and competitive environment. Students often choose the subject before enrolling in an institution; thus, they may not be influenced by the service the institutions provide (Brennan, 2000). Furthermore, the student alone cannot choose an institution to study; the decision is also taken by the university whether a student

can be admitted or not. In light of how distinct it is compared to the typical market decision taken by a customer of other accessible goods and services, There are no restrictions on buyers in their ability to access the good. Examining the decision-making process for enrolling in a university is crucial. In addition, parents typically pay for students' education rather than students themselves. Hence, the question of whether to target parents or students as the ultimate consumer arises.

According to Ghansah et al. (2016), promotional strategies are necessary to attract not only students but also parents' attention. However, in order to use the proper tactics, one must comprehend the process of students' decision-making about selecting a university. (Ming, 2010) argues that organizational aspects that influence students' decisions about tertiary education are also important to consider to develop a promotional plan to convince students to attend higher education institutions. According to Petruzzellis and Romanazzi (2010), a university's "product" can be characterized as a group of qualities that are pertinent to universities and include the following:

- (1) Tangible goods, such as buildings, amenity facilities, etc.
- (2) The faculty members' teaching capabilities as the sensual facility
- (3) The counselling service, including expertise, courtesies, and the capacity to arouse confidence and trust while offering assistance and care, among other things. Their research (Petruzzellis & Romanazzi, 2010) cite the importance of marketing strategies and mention that students anticipate universities to promote and raise awareness of the facilities provided. These scholars placed a lot less weight on other print materials distributed to the target market than on the website and word-of-mouth as major influencers. They insist that colleges and universities should be explicit about their positioning and the impression they want to make on the general public.

Numerous researches have been undertaken to investigate the characteristics that affect the choice of students of institutions for higher studies. Three models were put forth by Chapman (1981); the theoretical methods of higher education are characterized by the economic, social, and integrated models. In their respective investigations, Fernandez (2010) and Maringe (2006) similarly underlined these three models.

First, the economic model centres on the reasonable choosing approach of students and other family members; also, in the diverse methods, students evaluate college characteristics when reaching the ultimate institution decision. Hossler (1985) and Murphy (1981) also acknowledged academic reputation and price as university influences.

Jackson (1982) argued about the effect of social impact on customer behavior. In his study, he described the second model, which is sociological in nature and lists a number of individual and social variables that influence students' career and academic goals. (Mangan et al., 2010) also investigated the possibility of a connection between social class and students' preferences for universities in the UK. However, they contend that social class has no direct bearing on the university of choice. They pointed out that working-class students are more likely to limit their selections to universities which are nearby so that individuals are able to complete their undergraduate studies residing at home. Similar research was done in Bangladesh, where it examined how non-financial social assets could promote social change and impact higher education. In this research, one government and another private higher educational institution discovered that paternal training, as well as cultural capital, affected whether a student chose a public or private university but did not possess cultural capital (Lata, 2013). Lata came to the additional conclusion that male students chose public universities over private ones at a higher rate than female students do. This study also discovered a connection between parents' educational attainment and their children's admission to government and private institutions. More students at private colleges were found to have parents who held advanced degrees. This makes sense given that education at private universities is significantly expensive and that parents with less education are less likely to be able to pay for it. According to the study, compared to private universities, more students thought their university was the best among public universities (Lata, 2013).

According to Joseph & Joseph (1998), Krone et al. (1981) and Webb (1993), the parameters that determine students' inclinations to enroll in higher education have been examined by a number of well-accepted combined models. The third model, the combined model, places focus on a number of selection criteria, including program-related issues, program structure, flexibility, and program duration (Mahdzar et al., 2021).

Therefore, it is understandable that each model has individual aspects for finding out the choice of students in terms of university. The economic model focuses on finances and the worthiness of education, while the sociological model discusses social and individual criteria. The combined model provides a holistic view of the various factors involved in decision-making.

The literature also revealed other factors such as infrastructure, hostel, canteen, laboratory and so on as the important criteria of students' preference for institutions. Joseph & Joseph (1998) argued in their study that four crucial variables are responsible for selecting a higher study institution; degree-related issues, price of the degree, geographical proximity and recreational activities, and impact of

friends and family. Hussin et al. (2019) also mentioned the importance of peer as well as parents influence in their study. In addition, institutional reputation is another essential factor in terms of selecting an educational institution Hayes (1989); Li-Ping Tang et al., 2004; Misran et al., 2012; Sia, 2010; Simões & Soares, 2010). Geographical proximity can be another decisive factor as well (LE, 2020). With location and reputation, Ming (2010) also mentioned the possibilities of employment and advertising as crucial components in selecting a college. According to Petruzzellis & Romanazzi (2010), sociodemographic changes also have a significant influence on decision-making. This is one of the biggest problems universities are currently facing.

In a study, Brennan (2000) found that some students do not actively seek information during the decision-making process in her Australian study. Institutions cannot, therefore, assume that all potential students will have the availability to comprehend the information provided by different organizations. Additionally, it should not always be assumed that top performers have more knowledge than others Brennan (2000). Word-of-mouth and a university's goodwill are of utmost importance, and universities should not solely rely on branding or marketing initiatives relevant to admissions, which are not always regarded as unbiased informational resources.

Another study carried out in the USA looked at variables affecting college students of the first-generation pursuit of higher education. These elements include parental influence, support from peers in secondary school, college preparation, awareness of and availability of financial aid, and functional relativism Coy-Ogan (2009). According to the findings of the study, first-year college students believe that the influence of family and preparation for college have less of an impact on their choice to pursue tertiary-level education.

Due to the increasing number of private higher educational institutions in Bangladesh, competition among universities is intensive. Thus, universities are continuously involving themselves in introducing new marketing strategies to attract students. To formulate an effective strategy, understanding the process of students' selecting an institution is pertinent. The existing literature suggests that students' choices regarding university to attend are impacted by a variety of factors, including economic, social, cultural, and others. Various researchers have undertaken numerous studies on this. However, in the context of Bangladesh, they are quite limited. Moreover, there was no prior study on the understanding of the viewpoint of BBA students' selection criteria of universities in Bangladesh. Therefore, researching the elements influencing business students' decisions regarding their university of choice is a crucial subject.

## OBJECTIVES

The aim of this research is to investigate the components that influence students of Bangladesh's selection of private universities for higher education. As private universities are mostly located in Dhaka, the most populated city in the country. Thus, this study was limited to BBA students from several private universities in Dhaka.

## METHODOLOGY

**Research Design:** A qualitative research approach was employed to determine the characteristics that play a significant effect on Bangladeshi business undergraduates' selection of higher education institutions.

**Participants:** Twenty-one (21) first-year BBA programme participants from different private universities in Bangladesh have opted to participate in this study. Participants were divided into three discussion groups, with each group containing seven people.

**Sampling:** Sampling was conducted using the approach of purposive sampling. Universities and participants were picked so that the opinions of all economic classes could be found in order to ensure the representation of various economic classes. The number of participants was as follows:

- (1) BRAC University: 3
- (2) North South University (NSU): 3
- (3) American International University-Bangladesh (AIUB): 3
- (4) United International University (UIU): 3
- (5) East West University (EWU): 3
- (6) Green University of Bangladesh (GUB): 3
- (7) State University of Bangladesh (SUB): 3

**Data Collection:** Focus groups serve the purposes of understanding rather than inferring, identifying the range rather than making generalisations (Krueger, 2014). To collect data for this study, three focus group talks were held. Each group consisted of seven participants from different private universities who were urged to not only discuss according to the interview guidelines but also share their thoughts and personal deciding factors when choosing a university. A semi-structured interview guide was used to facilitate the focus group talks. Several open-ended questions were included in the interview guide to elicit the participants' viewpoints. In order to confirm the accuracy of the discussion at the time of interpretation, audio recording technology is also utilised.

**Data Analysis:** The focus group conversations' qualitative data were recorded and transcribed verbatim. A thematic analysis was performed to discover common themes and patterns in the responses of the participants. The elements that influence the selection of private universities were categorised and interpreted in depth.

## **FINDINGS**

On June 25, 28 and 30, 2023, three Focus Group Discussions (FGD) were held with 21 undergraduate business students from five various Dhaka-area private tertiary institutions. The participants were from BRAC University, NSU, AIUB, EWU, UIU, GUB, and SUB. They were questioned about a variety of topics, including the process of picking their own universities and what are the decisive criteria, mostly in the form of open-ended questions. All three conversations went approximately 2 to 2.5 hours. The college students were picked from a range of institutions. To lessen selection bias, several people contacted their contacts to assist with student recruitment for the FGD. Small focus groups are preferable for this type of topic (some recommend five to ten participants), as large numbers are challenging to manage and restrict an individual's ability to share details and observations. Several themes were identified from the discussions. The summary is as follows:

### **Academic Reputation and Accreditation**

All the participants opined that they considered it before selecting a university. With a few notable exceptions, a pattern started to emerge: the vast majority of private university students had not made their current school their top choice. Typically, they chose public universities due to their more affordable tuition and better reputation. They originally selected those, but after failing to fulfil the requirements, they decided on their present university. Among the participants, only two women and one man elected to stay at their existing universities instead of applying to public institutions. Ten participants selected their university based on its reputation among private universities. However, a number of other participants had to select a different university which has a comparatively low academic reputation as reputed institutions are extremely costly in Bangladesh. Participants of all three groups knew the importance of accreditations ensuring the quality of a school. However, very few participants considered it before choosing the school as an internationally accredited institution for business is comparatively expensive. Nonetheless, the accreditation of the school played a vital role in selecting a business school for the participants. It is clear that institutions with high academic reputations and international accreditations are relatively costly.

### **Cost of the Degree and Financial Aid**

Most of the participants agreed that the first factor contributing towards the choice of their educational institution was the cost of the degree. As private university education is considered costly in Bangladesh, students are required to consider the affordability of his or her family. Participants of GUB and SUB selected their respective schools because of the reasonably low tuition costs and available waivers. They continued by saying that their parents' main worry is the cost of attending university. However, some participants viewed the cost of the institution as a secondary criterion.

### **Geographical Location and Commuting Convenience**

Another vital factor a number of the participants were concerned about was the location of the campus. Most of them were willing to choose a university which has a campus in the city. As a number of private universities, such as UIU, GUB, and SUB, have to move to their permanent campus, which is far from the city area, as University Grants Commission (UGC) instructed, four participants were thinking of transferring their credit to other universities. However, participants from BRAC University were indifferent regarding shifting the campus to the permanent one as the new campus is situated in the city as well. Participants of UIU, GUB, and SUB were also concerned about the availability of transportation to commute. When the university ensured the availability, they decided to admit.

### **Peer and Family Influence**

It has been found common to all the participants that they discuss the choice of university with their peers. In the discussion, it was found that eight participants enrolled in a university where at least one of his/her peers was admitted. However, students are not always the sole decision makers as parents influence the decision quite often. Six participants shared that their parents made the decision for them despite the fact that they had different choices. Some participants wanted to be in the same institution as their friends, but due to the high cost of the university, they had to choose a different institution. The majority of female students' parents placed limitations on their freedom of choice (usually the father). Where they chose to study was heavily influenced by their parents. One married female participant's university was selected by her husband. Another significant source of influence was older cousins and siblings who were either current students or alumni.

### **Open Field and Greenery**

Students often have a conception of an appropriate campus, including outdoor open space and vegetation. Many students liked their universities (such as GUB and UIU) for the views and fresh air they provided (many private universities began as city campuses without fields or other vegetation). Students who lacked it perceived

their current university's lack of one as a drawback. The students of BRAC University have access to open areas and air for just one term (off-campus in Rajendrapur), and they regard it as the high point of their academic careers. They were extremely disappointed that it was only for four months. The participants believed that images of fields and other greenery would make marketing materials like advertisements more impressive because they did not regularly have access to these in urban life.

### **Campus Infrastructure and Resources**

Another important factor addressed by the participants was the infrastructure of the campus. More than half of the participants visited several campuses before reaching a decision. The classroom, availability of computer lab, library, canteen, and other facilities helped a number of participants to decide. One participant of AIUB was so impressed with the library building of the university she straightway decided to admit. Thus, campus facilities and infrastructure have a decent role to play.

There were some other factors addressed by some of the participants. About a quarter of the students in attendance looked at social media marketing on Facebook and other platforms. They believed that the marketing strategy of their university was one of the decisive factors for them. Some participants consulted with the alumni, and based on their suggestions, they made their decision. Only a few students decided on their university and program. While some students would have preferred to have everything, like a green campus, together, they chose BRAC Business School for their degree, knowing that they would have to forego other factors. For those students, the business school's reputation is a deciding factor. Additionally, GUB students stated that the school's reputation in the industry encouraged them to apply, particularly when combined with the campus's natural beauty and affordability, to convince them that GUB is the best option for them.

Almost all of the participants were satisfied with their university, but they did have negative opinions of certain aspects, for instance, the absence of outdoor activities or the lack or no efforts to develop the perception of their universities among the general public and potential employers.

### **CONCLUSION**

This essay has examined the selection process for undergraduate business students at private universities in Bangladesh and the variables that influence their choice. This paper presents the first stage of the research, which includes the previous studies, FGD, and so on. The types of elements that universities should consider when marketing to prospective students have been pointed out due to the

conceptual framework of criteria that has been developed. These need to be statistically examined later. This paper is timely given that the effectiveness and quality of tertiary education in Bangladesh are crucial to the country's continued economic development. Currently, significant sums are frequently spent on luring potential students into the highly competitive private sector.

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