

# **Chapter 1**

## **Introduction**

### **1.1 Background Information**

As the world's fourth-most populous country, with nearly 50% of its population under 30 and a median age of 28, Indonesia's demand for higher education continues to grow. This is further supported by the country's economic development, with the doubling of the middle class over the past decade, contributing to a rising interest in pursuing higher education—domestically and internationally. Besides, as the 16th largest economy in the world, Indonesian government investment in higher education has continued to grow (Education Fair, 2025).

The national education system in Indonesia consists of compulsory 12-year schooling and a diverse higher education sector comprising public and private institutions. As of 2022, there were approximately 386 public and 4,095 private higher education institutions (HEIs) across the country, as shown in Appendix 1. However, only 67 of these institutions and programs have received an A accreditation rating (refer to Appendix 2). While Indonesia is home to several prestigious public universities, such as Universitas Indonesia, Universitas Gadjah Mada, Institut Teknologi Bandung, and Institut Pertanian Bogor, the limited number of well-accredited institutions raises concerns about overall higher education quality (Moeliodihardjo, 2023). Additionally, universities in Indonesia have also been seen as inefficient and ineffective, thus further emphasizing the challenges in the country's higher education system (Kusumawati, 2013).

Since many students seek institutions with better academic rankings, research capabilities, and global recognition, many have considered universities abroad. Over the years, studying abroad has become an increasingly attractive option due to the growing availability of scholarships and rise in global education quality, as well as international career aspirations. This is evident in Indonesia's rank as the second among ASEAN countries in terms of the number of students studying abroad (Marietha, 2024). On top of that, the number of Indonesian students pursuing higher education overseas has continued to rise every year (International Trade Administration, n.d.). This upward trend highlights a growing desire for education experiences that extend beyond national borders.

Traditionally, countries such as Australia, the United States, the United Kingdom, and Canada have been Indonesian students' top choices for higher education abroad. In particular, Australia became a favorite destination due to its reputable educational system, hosting approximately 11,516 Indonesian tertiary-level students as of April 2024 (Statista, 2024).

However, recent policy shifts in some popular study destinations have caused Indonesian students to reconsider their options (Education Fair, 2025). Specifically, Australia has recently imposed stricter immigration regulations and a significant cap on new multinational student enrollments. In 2024, the Australian government announced that for 2025, only 270,000 new student visas worldwide would be granted. This is a significant decrease from the amount in the previous years. Furthermore, the government has intensified its efforts to deport international students with fraudulent visa applications or enrolled in non-compliant educational institutions (Anand, 2024).

These measures have created insecurity among potential Indonesian students who have become increasingly hesitant to pursue education in Australia.

Similarly, Canada has also introduced policies to curb the number of international students by limiting new study permits to 437,000 students worldwide for 2025. This policy is based on concerns over housing shortages and labor market saturation in Canada. Like Australia, Canada also has heightened scrutiny over fraudulent visa applications and non-compliant institutions (Economic Times, 2025). As a result, the uncertainty surrounding visa regulations and approval and potential deportations has led many Indonesian students to explore alternative study-abroad destinations.

Amid these policy changes in traditionally popular study-abroad destinations, China has emerged as an increasingly attractive option for Indonesian students. China's unprecedented economic growth over the past three decades has positioned the country as a global powerhouse that increasingly attracts international students. The number of Indonesian students pursuing higher education in China has recently increased significantly (Fahcrodin, 2023). While many initially came to study Chinese language and literature, there has been a noticeable shift towards other academic disciplines, including industrial technology, engineering, and medicine. Furthermore, the Chinese government has also put forth vast initiatives to develop world-class universities, such as the 1993 Outline for Education Reform and Development, along with Project 985 and 211 (Sandy, 2018). These boost global recognition of Chinese universities, further strengthening China's position as a new leading education destination for Indonesian life science students.

## 1.2 Problem Statement

Indonesia, the world's largest archipelago, exemplifies diversity with its 17,504 islands spanning 1,904,569 km<sup>2</sup>. The country's population is approximately 285.1 million, making it the fourth most populous country (Worldometer, 2025). Home to a rich cultural tapestry, Indonesia comprises numerous ethnic groups, with Javanese (40.1%) being the largest, followed by Sundanese, Malay, Batak, and many others. Additionally, multiple religions are practiced, with Islam being the majority faith, followed by Christianity, Buddhism, Hinduism, and others (Mustika et al., 2019). Given the country's vast cultural diversity, Indonesia is an attractive target for foreign universities aiming to enhance their global student body.

However, the increasing trend of Indonesian students pursuing higher education abroad, particularly in China, raises concerns about the ability of domestic universities to compete with foreign institutions. Like any other business institution, higher education providers must understand customers' needs and expectations to remain competitive (Kusumawati, 2013). Aside from the intensifying global competition, changing student demand patterns further require Indonesian universities to reassess their strategies to attract and retain students.

As a result, domestic universities and policymakers have taken an interest in studying the above trends to improve their position in the global education landscape. While much research has focused on Asian students moving to Western universities, relatively little attention has been given to intra-Asian student mobility (Saifudin, 2021). Recent studies emphasize the need to explore student migration patterns within Asia, particularly in China that emerges as a leading educational hub.

### 1.3 Scope of Study

This study focused on evaluating the factors that influence the preference of Indonesian life science students in the Jakarta Metropolitan Area to pursue higher education in China instead of enrolling in domestic institutions.

The study was limited explicitly to Indonesian students pursuing life sciences, as this academic field represents one of the top three most chosen majors among Indonesian students—following business and engineering streams (Institute of International Education, 2022). On top of that, given the critical role of life science in global health and environmental sustainability, understanding student preferences in this field would benefit academic institutions and policymakers. This research categorized the life science discipline into four major groups: medical sciences, industrial biotechnology, environmental sciences, and food sciences. These major groups encompass specialized programs, such as medicine, pharmacy, biotechnology, bioengineering , and food technology.

Life science students from the Jakarta Metropolitan Area were also chosen as the scope of this research. The Jakarta Metropolitan Area is Indonesia's largest urban center and a central hub for education, economy, and international mobility. As the capital region, Jakarta hosts a high concentration of top-tier high schools, where students have greater exposure to global education opportunities. This research focuses on China's higher education institutions, recognizing China's emerging role as a key destination for international students.

This research quantitatively assessed four key factors influencing Indonesian students' preference to pursue higher education in China: financial and economic,

academic and institutional, social, and geographic and environmental factors. These factors have been widely identified in existing literature as key determinants of study-abroad preferences.

#### **1.4 Research Questions**

In light of the background information and problem statement presented in this study, the following research questions have been formulated for this research:

1. To what extent do financial and economic factors impact the preference of Indonesian life science students to study life sciences in China?
2. To what extent do academic and institutional factors impact the preference of Indonesian life science students to study life sciences in China?
3. To what extent do social factors impact the preference of Indonesian life science students to study life sciences in China?
4. To what extent do geographic and environmental factors impact the preference of Indonesian life science students to study life sciences in China?
5. To what extent do financial and economic factors, academic and institutional factors, social factors, and geographic and environmental factors impact the preference of Indonesian life science students to study life sciences in China?

## **1.5 Research Objectives**

Aligned with the research questions outlined above, this study aimed to achieve the following objectives:

1. To evaluate the impact of financial and economic factors on Indonesian life science students' preference to study higher education in China.
2. To evaluate the impact of academic and institutional factors on Indonesian life science students' preference to study higher education in China.
3. To evaluate the impact of social factors on Indonesian life science students' preference to study higher education in China.
4. To evaluate the impact of geographic and environmental factors on Indonesian life science students' preference to study higher education in China.
5. To evaluate the impact of financial and economic, academic and institutional, social, geographic and environmental factors on Indonesian life science students' preference to study higher education in China.

## **1.6 Hypothesis**

Using quantitative methods, particularly survey data collection and statistical analysis, the study tested the following hypotheses:

$H_{01}$ : Financial and economic factors have no significant impact on Indonesian life science students' preference to study abroad in China for higher education.

$H_{1a}$ : Financial and economic factors significantly impact Indonesian life science students' preference to study abroad in China for higher education.

$H_{02}$ : Academic and institutional factors have no significant impact on Indonesian life science students' preference to study abroad in China for higher education.

$H_{2a}$ : Academic and institutional factors significantly impact Indonesian life science students' preference to study abroad in China for higher education.

$H_{03}$ : Social factors have no significant impact on Indonesian life science students' preference to study abroad in China for higher education.

$H_{3a}$ : Social factors significantly impact Indonesian life science students' preference to study abroad in China for higher education.

$H_{04}$ : Geographic and environmental factors have no significant impact on Indonesian life science students' preference to study abroad in China for higher education.

$H_{4a}$ : Geographic and environmental factors significantly impact Indonesian life science students' preference to study abroad in China for higher education.

$H_{05}$ : Financial and economic factors, academic and institutional factors, social factors, and geographic and environmental factors have no significant impact on Indonesian life science students' preference to study abroad in China.

$H_{5a}$ : Financial and economic factors, academic and institutional factors, social factors, and geographic and environmental factors have a significant impact on Indonesian life science students' preference to study abroad in China.

### **1.7 Thesis Outline**

This thesis consists of five chapters, each addressing different aspects of the study:

1. Chapter I provides an overview of the research background, focusing on the trends of Indonesian students choosing to study abroad, particularly in China, over domestic universities. It also defines the research problem, research questions, and research objectives and establishes the research scope.
2. Chapter II explores theories and prior research on international student mobility. It examines financial, economic, academic, institutional, social, geographic, and environmental factors.
3. Chapter III explains the quantitative research approach used to collect and analyze data. It details the research design, sample selection, and data collection process through Likert-scale surveys and outlines data processing and analysis techniques.
4. Chapter IV presents the research findings through descriptive statistics and the results of hypothesis testing. The interpretation and implications of the key findings are also outlined.
5. Chapter V summarizes the study's key research findings and empirical results, followed by conclusions and recommendations for policymakers, higher

education institutions, and education consultants seeking to enhance the competitiveness of Indonesian universities. It also further outlines the study's limitations.