

Analysis of Forms, Challenges, and Impacts of Commercialization in Education

Nur Azizi^{1*}, Lilia Pasca Riani²

^{1,2}Yogyakarta State University, Jl. Colombo No.1, Karang Malang, Caturtunggal, Kec. Depok, Kabupaten Sleman, Daerah Istimewa Yogyakarta, 55281, Indonesia

nurazizi.2022@student.unv.ac.id, lilia.pasca.riani@unv.ac.id

*corresponding author

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Abstract

Research aim: This research aims to analyze the forms, challenges, and impacts of commercialization in the world of education, focusing on social, economic, and academic aspects

Design/Method/Approach: The research uses a qualitative approach with a literature study method. Data was collected from academic journals, policy reports, and publications of educational institutions and international organizations. Data analysis is carried out descriptively and interpretively, with the validity of the data maintained through triangulation of sources

Research Finding: The results of the study identified 7 forms of commercialization of education, 6 implementation challenges, and 6 impacts arising from the commercialization of education. Forms of commercialization include privatization of educational institutions, cost recovery education, cooperation with corporations, commercialization of books and learning resources, education as digital products, exploitation of students, and commercialization of educational infrastructure

Theoretical contribution/Originality: This research provides a comprehensive insight into the phenomenon of commercialization of education, systematically analyzing its various forms, challenges, and impacts. This contributes to a theoretical understanding of paradigm shifts in the modern education system

Practitioner/Policy implication: Research findings can be the basis for policymakers and education practitioners in formulating strategies to balance the financial needs of educational institutions with the main mission of education as a means of developing knowledge and character

Research limitation: This study was limited to a literature analysis and did not involve the collection of primary data. Follow-up studies with an empirical approach can enrich understanding of the impact of the commercialization of education in the field

Keywords : Commercialization of education, privatization, accessibility of education, quality of education, education policy, challenges of education

1. Introduction

The basic foundation of nation development is education that has strategic capabilities in developing quality human resources. Education that has strategic capabilities in developing quality human resources in a nation (Musayyidi, 2020; Novi Yuliati et al., 2024). However, in recent years, there has been a trend of increasing education through the trend of commercialization of education. Commercialization in education refers to the ability of educational institutions at the primary, secondary, or high levels to adopt economic and market principles in daily operations (Fajri & Azmi, 2022; Parjiyatmi & Maisaroh, 2024). It covers a wide range of topics from the rising cost of education to the use of business models in school and university administration to the influence of student organizations on academic curriculum and policy.

This phenomenon gives rise to a variety of complex responses about accessibility, quality, and the purpose of education itself, a wide variety of complex responses about accessibility, quality, and the purpose of education itself. One of the main impacts of the commercialization of education is the increase in social cohesion, as only certain economic groups are able to provide high-quality education (Astri, 2016; Novi Yuliati et al., 2024). Commercialization is used to shift the focus of education from character development and knowledge acquisition to marketable products. According to some researchers, commercialization can help educational institutions become more efficient, innovative, and responsive to global challenges. Commercialization can help educational institutions become more efficient, innovative, and responsive to global challenges (Rustiawan, 2015; Tejawati, 2015; Zainuddin & Rozali, 2022).

According to (Astri, 2016; Siregar & Azmi, 2022; Wahyudi, 2018) which refers to commercial values and financial gain dominate educational goals, shifting the focus from character development and knowledge to profit-oriented efforts. Refers to the commercial values and financial gains that dominate educational goals, shifting the focus from character and knowledge development to profit-oriented endeavors. In this context, education must be a pillar to develop a pillar in giving birth to a resilient generation, especially due to economic pressures that prioritize short-term welfare.

The ideal environment in education should support everyone's potential holistically, where students are taught not only academic knowledge, but also social and emotional intelligence (Musayyidi, 2020; Saputra, 2023; Siregar & Azmi, 2022). However, many educational institutions as a place place place place more emphasis on achieving financial goals, such as increasing the number of students and making money from tuition fees, as well as more emphasis on achieving financial goals, such as increasing the number of students and making money from tuition fees. Significant gaps between ideal and actual educational goals achieved in the classroom. In many cases, the curriculum taught emphasizes business-related topics rather than academic ones, such as skills lessons that can directly generate income (Riskawati, 2022; Sarvitri & Sunandar, 2020; teaching & Azmi, 2022).

Research on the impact of commensalism in education is essential. Many educational institutions neglect their social responsibilities due to the pressure to generate greater profits. The focus of this research is to study how commensalism can affect unfair learning opportunities for underprivileged groups, who ultimately become less able to access education.

This research aims to analyze the forms, challenges and impacts of commercialization in the world of education with a focus on the social, economic, and academic impacts it causes.

With an analytical approach, this research will explore how education policy is influenced by market mechanisms as well as seek solutions to maintain a balance between the value of education as a basic right and the need for institutions to adapt to economic dynamics. Through this analysis, it is hoped that it can provide a more comprehensive insight into the challenges and opportunities in facing the commercialization of education in the modern era.

Through in-depth analysis, this research is expected to provide clearer insights into the forms, challenges faced, and impacts posed by the current education system. By understanding the forms, challenges and impacts of commercialism, it is hoped that better solutions can be found to restore the focus of education to the development of character and knowledge, as well as create a more inclusive and equitable learning environment. This research is not only relevant for academics, but also for policymakers, educators, and the wider community concerned about the future of education in Indonesia.

1.1. Statement of Problem

The commercialization of education, characterized by the application of economic and market principles in educational institutions, has complex impacts related to accessibility, quality, and educational goals. This has led to a shift in focus from character and knowledge development towards profit-oriented efforts, potentially widening the gap in educational access for economically disadvantaged groups, and shifting the goal of education from knowledge and character development to mere tools for financial gain. In addition, the commercialization of education also causes problems such as the gap in access to education, the influence of companies on the curriculum, the commercialization of academic research, inequality in the use of educational technology, the financial burden on parents and students, and the shift in the goals of education itself.

1.2. Research Objectives

This research aims to:

1. Analyze forms of commercialization in the world of education.
2. Identify the challenges that arise from the commercialization of education.
3. Analyze the impact of the commercialization of education on social, economic, and academic aspects.
4. Finding solutions to maintain a balance between the value of education as a basic right and the need for institutions to adapt to economic dynamics.

2. Method

This study uses a qualitative approach with a literature study method to analyze various relevant sources regarding the commercialization of education. Data was collected from academic journals, policy reports, and publications from educational institutions and international organizations. Data analysis was carried out with a descriptive and interpretive approach to identify patterns and trends in the commercialization of education.

The validity of the data is maintained with triangulated sources, where information is compared and verified through various credible references. Triangulation is carried out in three main forms: (1) data triangulation, which is comparing information from various sources such as journals, policy reports, and interviews; (2) theoretical triangulation, by comparing various theoretical approaches in understanding the phenomenon of commercialization of education; and (3) method triangulation, which uses various analytical

techniques such as literature studies, and policy analysis to ensure the accuracy of research results. With this method, it is hoped that research can provide an accurate and evidence-based analysis of the impact of commercialization in the world of education.

3. Results and Discussion

There are 23 research articles and mass media news collected that are relevant to the research topic. The following is an overview of mind mapping in this study:

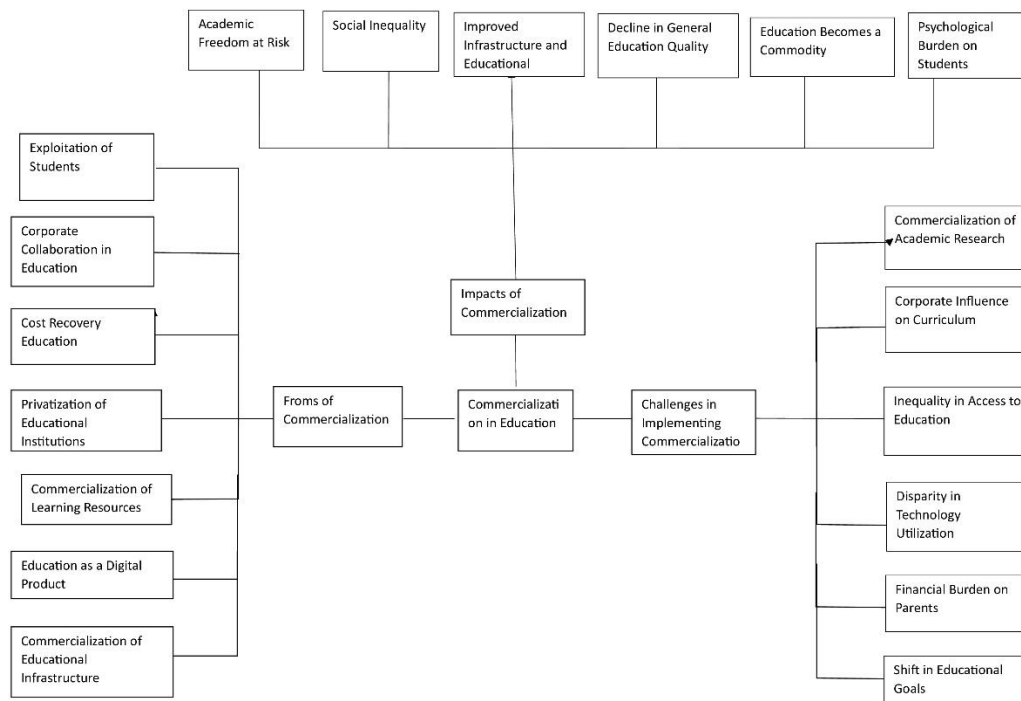


Image of Commercialization of Mindmapping in Education

Based on the image above, it can be explained that from the literature search, 3 categories were produced, namely there are 7 forms of commercialization of education, in the category of implementation challenges there are 6 challenges, and there are 6 impacts arising from the commercialization of education. The following is a tabulation of article sources in each category collected:

Not.	Group	Literature sources
1.	Forms of Commercialization of Education	(Fajri & Azmi, 2022; Frasti, 2010; Parjiyatmi & Maisaroh, 2024; Rustiawan, 2015; Siregar & Azmi, 2022; Tejawati, 2015; Zainuddin & Rozali, 2022), (Utomo et al., 2024)
2.	Implementation challenges	(Musayyidi, 2020; Riskawati, 2022; Sarvitri & Sunandar, 2020; Ummah, 2023; Wahyudi, 2018)
3.	Impact	(Abidin et al., 2023; Astri, 2016; Basit et al., 2025; Diyanto et al., 2021; Habibirrahman et al., 2024; Irlina et al., 2024; NoviYuliati et al., 2024; Saputra, 2023), (Rosser, 2018).

3.1. Forms of commercialization of education

Commercialization in education is a phenomenon in which the educational aspect is influenced by economic and market interests. This can have an impact on the accessibility, quality, and essence of education as a means of developing knowledge and character. Here are some forms of commercialization in the world of education that often occur:

3.1.1. Privatization of Educational Institutions: Privatization in education occurs when educational institutions are managed by the private sector with the aim of obtaining profits. Many private schools and universities offer superior quality education, but at a high cost. As a result, education is increasingly becoming an exclusive commodity that can only be accessed by those who can afford it. Privatization can also lead to education gaps, where economically weak communities have more limited access to quality education (Fajri & Azmi, 2022; Parjiyatmi & Maisaroh, 2024) (Utomo et al., 2024)

3.1.2. Cost Recovery Education: In a cost-based education system, educational institutions impose various rates to cover their operational costs. This can be seen from the increase in single tuition fees (UKT) at public universities and tuition fees at private schools that continue to increase. In addition, students are often faced with additional costs such as entrance exam fees, graduation, certifications, and more. While this funding can assist institutions in improving facilities and quality of teaching, the impact can limit access for underprivileged prospective students. (Tejawati, 2015; Zainuddin & Rozali, 2022) (Diyanto et al., 2021; Rustiawan, 2015)

3.1.3. Educational Cooperation with Corporations: In some cases, educational institutions collaborate with companies to obtain funding or support in research. However, there is a risk where the educational curriculum is more geared towards meeting the needs of the industry compared to broader academic development. This can reduce academic freedom and make education more pragmatic, so that the humanitarian aspect and character formation of students receive less attention. (Musayyidi, 2020; Saputra, 2023) (Adam, 2021; Siregar & Azmi, 2022)

3.1.4. Commercialization of Books and Learning Resources: Another form of commercialization is seen in the increasingly expensive and frequently updated price of textbooks even if there is no substantial change in the content of the material. In some institutions, students and students are required to buy certain modules or learning materials from the campus, when in fact there are alternative learning resources that are more affordable. This causes an additional financial burden for students and their families. (Fajri & Azmi, 2022; Zainuddin & Rozali, 2022)

3.1.5. Education as a Digital Product: Technological advancements have brought great transformations in the world of education, but they have also opened up space for commercialization. Many online learning platforms offer courses or tutoring for a fee. Some services even implement a subscription model or offer exclusive content only to users who pay more. While these technologies increase flexibility in learning, these business models can also create a digital divide, where only those who can afford to pay can gain access to the best learning resources. (Abidin et al., 2023; Irlina et al., 2024)

3.1.6. Exploitation of Students and Students: In some institutions, students are often exploited in internship or research programs without being given proper compensation. Under the pretext of "improving work experience", students are required to work in an internship

scheme that truly benefits the company. Additionally, industry-funded research sometimes only benefits companies without providing academic benefits or rewards for the students involved in it. (Riskawati, 2022; Saputra, 2023)

3.1.7. Commercialization of Educational Infrastructure: Some educational institutions are beginning to utilize their assets for commercial purposes, such as renting out campus facilities for commercial events or constructing new buildings with funding schemes from the private sector. While this can help universities improve their facilities, ultimately these additional costs are often passed back to students through increased tuition fees or other burdensome levies. (Saputra, 2023; Sarvitri & Sunandar, 2020)

3.2 Challenge

3.2.1. Access Gap to Education: One of the biggest challenges of the commercialization of education is the increasing access gap. The ever-increasing cost of education makes quality education only enjoyable by those who have adequate financial means. On the other hand, economically weak groups face limitations in accessing the best educational institutions. As a result, many talented students are unable to pursue higher education due to cost limitations, which ultimately exacerbates social inequality in society. (Rustiawan, 2015; Zainuddin & Rozali, 2022) (Diyanto et al., 2021; Irlina et al., 2024)

3.1.2. The Influence of Corporations on the Curriculum: In an increasingly commercialized education system, companies often have a great influence on the content of the curriculum. Many educational institutions work with companies in developing curricula to suit the needs of the industry. While this can increase graduates' readiness for work, it also risks overlooking important aspects of education, such as the development of critical thinking, creativity, and human values. As a result, education focuses more on technical skills than on forming individuals who have broad insights and are ready to face life's challenges. (Adam, 2021; Basit et al., 2025) (Siregar & Azmi, 2022; Scott, 2023)

3.1.3. Commercialization of Academic Research: Universities often rely on funding from the private sector to support their academic research. However, the challenge lies in academic independence. A lot of corporate-funded research is more geared towards serving specific business interests than producing science that is truly beneficial to society at large. In some cases, research that conflicts with the interests of sponsors even risks censorship or manipulation of results. (Sarvitri & Sunandar, 2020; Wahyudi, 2018)

3.1.4. Inequality in the Use of Educational Technology: The development of technology in education is accelerating, but not all students have equal access to this technology. Educational institutions that offer fee-based digital services, such as premium online classes or online certifications, indirectly create a digital divide. Students in remote areas or from economically disadvantaged families often cannot afford to access these resources, leaving them compared to students who can afford to subscribe to paid digital education services. (Rustiawan, 2015; Siregar & Azmi, 2022)

3.1.5. Financial Burden of Parents and Students: In addition to increased tuition fees, many educational institutions also implement various additional levies, such as exam fees, mandatory learning modules, skills certifications, and campus accommodations. This burden of costs is increasingly burdensome for students and their parents, especially for families from the lower middle class. Many students have to work while studying or take out large education loans, which ultimately risk causing prolonged financial stress after they graduate. (Rustiawan, 2015; Zainuddin & Rozali, 2022)

3.1.6. Shift in Educational Goals: The commercialization of education changes the orientation of educational institutions from a place of knowledge and character development to a business entity that pursues profits. Many colleges focus more on marketing and business strategies, such as offering courses that are popular in the job market or building luxury facilities to attract new students. This can shift the main goal of education from building competencies and human values to just a tool to obtain financial benefits for institutions. (Fajri & Azmi, 2022; Parjiyatmi & Maisaroh, 2024; Zainuddin & Rozali, 2022)

3.3. The impact of commercialization in education

3.3.1. Improving the Quality of Educational Infrastructure and Facilities: One of the positive impacts of the commercialization of education is the increase in educational institutions facilities and infrastructure. Many private colleges and schools are able to build modern campuses with state-of-the-art laboratories, digital libraries, and other supporting facilities. With this investment, the quality of learning can be improved, and students have access to better educational resources. The impact of privatization includes the accessibility of education which has the potential to limit the access of low-income people, as well as widening the social gap in accessing quality education. (Adam, 2021; Astri, 2016)

3.3.2. Decline in Education Quality: Although commercialization can improve infrastructure, in some cases, institutions focus more on the business aspect than academic quality. Some universities prioritize the number of students admitted without paying attention to academic selection standards, so the graduates produced may lack adequate competence. Additionally, in an effort to increase revenue, many institutions offer a variety of courses without rigorous evaluation, which can ultimately degrade the quality of teaching. A decline in the quality of education can reduce public trust in the education system and the government. This can lead to social dissatisfaction and a decrease in community participation in educational programs (Rosser, 2018).

3.3.3. Education Becomes a Commodity: In an increasingly commercialized education system, education is no longer considered a basic right, but rather a commodity that is traded. Educational institutions operate like companies that offer services based on specific prices and packages. As a result, access to quality education is determined more by a person's financial ability than by his or her academic potential. (Adam, 2021; Saputra, 2023; Sarvitri & Sunandar, 2020)

3.3.4. Social Inequality: The commercialization of education can widen social gaps. Students who can afford expensive education have a greater chance of getting a quality education, while those who are less fortunate have to struggle with limited resources. In the long run, this exacerbates social mobility and reinforces economic inequality in society, where certain groups continue to gain greater access to education and careers. (Habibirrahman et al., 2024; NoviYuliati et al., 2024)

3.3.5. Disruption of Academic Freedom: When universities rely on funding from the private sector or companies, academic freedom can be disrupted. Research that does not benefit investors or sponsors may be subject to censorship or not get funding. Lecturers and researchers are faced with pressure to align their research with a specific business agenda, reducing independence and objectivity in the academic world. (Diyanto et al., 2021; Irlina et al., 2024)

3.3.6. Psychological Burden on Students: Expensive tuition fees and high academic demands due to competition in the world of work can cause great psychological stress for

students. Many college students experience anxiety about their future, especially if they have to take out large amounts of education loans. The pressure to graduate with high grades and get a job that matches their educational investment can also affect students' mental health. (Adam, 2021; Siregar & Azmi, 2022; Wahyudi, 2018)

4. Conclusion

This study examines the phenomenon of commercialization in education that is increasingly prevalent, by analyzing its forms, challenges, and impacts. The commercialization of education occurs through various mechanisms, such as institutional privatization, fee-based education, cooperation with corporations, and the exploitation of students in internships and research. Although it can improve infrastructure and facilities, commercialization also has negative impacts, such as access inequality, declining quality of education, and the strong influence of industry on academic curriculum.

The main challenges of this phenomenon include access gaps for underprivileged communities, the dominance of companies in determining the direction of education, and increasing financial burdens for students and parents. As a result, education is increasingly seen as a commodity rather than a fundamental right. For this reason, a policy is needed that can balance the financial needs of educational institutions with the principles of accessibility and equitable distribution of education for all levels of society.

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