TOWARDS A 21ST CENTURY UNIVERSITY: TEACHINGS FROM CONSUMER BEHAVIOUR APPLICABLE TO HIGHER EDUCATION

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ABSTRACT
The South African higher education landscape has changed dramatically over the past 25 years. The purpose of this conceptual article is to challenge higher education institutions (HEIs) to learn/draw from a wider spectrum of knowledge domains in their quest toward a 21st century university. The author argues that the rich body of theoretical knowledge which is contained in the domain of consumer psychology can contribute generously to the understanding of the behaviour of a principle stakeholder, namely, the student. The four teachings include: first, develop and manage your corporate and brand image; second, determine the valence of decision-making criteria and market accordingly; third, research your consumer target market; and, finally, attend to consumer needs. Five challenges are presented to HEIs (specifically universities) in South Africa and recommendations for future research are made.
INTRODUCTION: THE CHANGING FACE OF HIGHER EDUCATION

The South African higher education landscape has changed dramatically over the past 25 years, from a relatively simple and lightly regulated system with limited stakeholders to a highly regulated environment with 25 public universities and 50 public technical and vocational education and training (TVET) colleges (formerly known as FET colleges) as the dominant service providers (DHET 2013, xii).

Add to these the numerous private post-school, public adult learning centres, community colleges and state-owned learning centres and it leaves a highly complex and competitive higher education landscape. In the quest to be a leading 21st-century university, Stellenbosch University (SU) will have to transform its structures, missions, programmes and processes to become more flexible, relevant and responsive to the changing needs of its stakeholders.

This sentiment is echoed by the White Paper for Post-school Education and Training (DHET 2013, xi), which states that one of the main policy objectives is ‘a post-school education and training system that is responsive to the needs of individual citizens, employers in both public and private sectors, as well as broader societal and developmental objectives’. This purpose statement identifies three principle stakeholders, namely: the student consumer as citizen; employers in public and private sectors; as well as society as a whole.

Most of the research on consumer behaviour in higher education has focused on choice behaviour (Ali, Sabrina and Tinggi 2013; Foskett and Hemsley-Brown 2001; Ivy 2001, 2008; Mangan et al. 2010; Maringe 2006; Nguyen and LeBlanc 2001; Wilkins and Balakrishnan 2013), as worldwide student consumers are becoming more discerning regarding their choice of higher education institution (HEI). It would appear that this trend is no different in South Africa, with inequality in schooling (Spaull 2013a, 2013b) and the general decline in high-performance matriculants (Spaull 2013a, 2013b; SU 2014) compounding the competition in the higher education market for high-potential students who will reach their potential and be successful students. I regard student success as not only academic success, but also the personal, professional and social development of graduates.

Since students are the ‘consumers’ of higher education, I am proposing that the rich body of theoretical knowledge which is contained in the domain of consumer psychology can contribute generously to the understanding of their behaviour. This knowledge base can be utilised when developing strategies towards recruiting, on-
boarding and retaining high-calibre students. In the following sections, I offer four teachings from consumer behaviour that could be applied fruitfully towards this end.

DEVELOP AND MANAGE YOUR CORPORATE AND BRAND IMAGE

Consumers respond to brands that have a distinct and strong brand image. Student consumers are no exception; thus, HEIs can and should implement ‘brand and image’ theories that have been applied successfully in non-education environments (commerce and industry) to attract student consumers (and other stakeholder groups) to their brand and product offering and to influence choice behaviour.

Numerous scholars (Hemsley-Brown and Oplatka 2006; Schofield et al. 2013) argue that the internationalisation and globalisation of higher education, together with the changes in state funding formulas, act as drivers to use (some) principles of marketing theory to gain a competitive advantage and market share.

It then follows that the need for HEIs to build a strong corporate and brand image is imperative. These images will have a widespread influence as an HEI’s image influences the attitudes of stakeholders (Finch, McDonald and Staple 2013). In turn, attitudes influence student behaviour (e.g., application, registration, retention and termination); donor behaviour (e.g., bursaries, donations and bequests); and partner behaviour (e.g., commission of syndicated research projects, collaboration with other HEIs, and relationships with the state).

Nguyen and LeBlanc (2001, 303) shed light on the influence of HEIs’ image and reputation on students’ retention decisions. They describe institutional image as ‘the result of an aggregate process by which the public compares and contrasts various attributes of organizations’, leading to the recognition that numerous images can exist (e.g. students, employees). Nguyen and LeBlanc caution that incongruent perceptions could damage an institutional image that was built over years, negating the benefits of a congruent image. Reputation, as an estimation of an attribute’s consistency over time, is often linked to brand equity and is extremely fragile. Their findings indicate that the impact of institutional image on customer loyalty is more important; however, they concede that adding an interaction effect of institutional reputation increases the explanation of customer loyalty. Institutional reputation could thus be regarded as an antecedent of institutional image.

The seminal work of Stern, Zinkhan and Jaju (2001) emphasises the importance of gestalt in image, with gestalt being defined as a configuration or pattern of elements so unified as a whole that it cannot be described merely as a sum of its parts. Drawing comparisons between corporate image and an HEI’s image leads to the following reasoning: the image that different stakeholders (students, donors, parents, institutions, state, etc.) hold of the institution is not necessarily objective and the images could differ. The image is gestalt – put differently, it is seen as one,
and heuristics (i.e., an experience-based technique for problem solving) are applied when forming the image. The implications are far reaching. Thus, HEIs need to ‘serve’ numerous stakeholders, and many use heuristics to form either a positive or negative image, leaving the institutions in the precarious position of having to do ‘all things right’ as just one negative experience could ‘cloud’ stakeholders’ perceptions.

**DETERMINE THE VALENCE OF DECISION-MAKING CRITERIA AND MARKET ACCORDINGLY**

Ivy (2001) conducted a comparative analysis of the marketing activities of South African universities and technikons (at that time) together with United Kingdom (UK) universities. The results suggested that South African universities in comparison with their UK counterparts had no distinct images and that they did not apply any distinct marketing activities. This finding was partially though significantly corroborated by Maringe (2004) and Maringe and Foskett (2002, 35) in their study of seven Southern African universities. They found that these institutions showed varying levels of awareness of the significance of marketing with activities ranging from marketing as a public relations exercise to a more customer-focused approach. However, they concluded that marketing remained ‘buried under the mainstream educational activities’.

In subsequent studies, Ivy (2002, 2008) presented a higher education marketing mix for South African business schools that could be applied fruitfully in both brand building and positioning at SU. He focused specifically on the Master of Business Administration (MBA) programmes as these are regarded as flagship programmes at many universities and the marketplace for postgraduate education is becoming exceedingly competitive. Ivy argues that the original 4Ps (product, promotion, price and place) that evolved into the 5Ps (with the addition of people) and 7Ps (adding physical facilities and processes) as marketing tools may not suffice in the MBA marketing environment. His findings indicated that there are seven distinct factors in MBA marketing (see Figure 1) of which four are dissimilar to the traditional Ps, namely, programme, prominence, premiums and prospectus. The remaining three Ps relate to the traditional Ps, namely, people, price and promotion. Unsurprisingly, the programme element was found to be the most important, followed by prominence, price, prospectus, people, promotion and premium.

Ivy’s (2002, 2008) findings endorse the earlier findings of Maringe (2006), who acknowledges the increasing consumerist nature of higher education and its impact on positioning, recruitment and marketing. Maringe identified which factors influence high school learners’ choice behaviour related to university subject/module and choice of university.

For module choice, the relevance of the module for a future career was regarded as the most influential factor, followed by learners’ assessed ability in the subject.
This finding endorses the importance of continuous curriculum development to ensure the relevance of the offering to students and industry. Student consumers should perceive the university’s programme offering as current, innovative and a solid platform from which to launch their careers.

The influence of teachers and interest in the subject were the third and fourth most important factors, again providing opportunities for universities, for example, to provide teachers with up-to-date information about programme offering and to develop learners’ interest in core modules (e.g., holding open days).

**Figure 1:** The Business School 7P marketing mix (Ivy 2008, 294)

With regard to the factors influencing university choice, learners were asked to indicate their preferences based on the seven factors proposed by Ivy (2002). Programme
(field of study, courses, majors, course structure and degree organisation) was rated most important (Maringe 2006), followed by:

- price (fees, flexibility in payment, effort needed to qualify, opportunities sacrificed, distance from home, transport and living costs, opportunities for part-time work);
- place (campus accommodation, degree credits, facilities, racial diversity, residential requirements, class size);
- prominence (institutional and staff reputation, press reviews, institutional website, league tables);
- prospectus (university prospectus, programme booklets);
- promotion (advertising in local and national press, publicity about academic research, publicity about teaching excellence, electronic media and marketing communications); and
- people (gender composition, tutors’ credentials, alumni and personal contacts, graduate profiles).

The importance of a continued and strategic focus on these decision-making criteria for positioning, recruitment and marketing are obvious.

An investigation into registration trends at, for example, SU for 2011–2013 highlights the valence attributed to some criteria of evaluation to determine registration or not (SU 2013a, 1). The availability of residence accommodation (as related to the place factor) had a significant impact on registration as 84 per cent of applicants who had a residence placement registered in comparison to the 42 per cent of those who did not. Afrikaans as language of tuition (related to the programme factor) also contributed significantly to non-registration of black, coloured and Indian students. Other criteria included the availability of bursaries (price); the admission processes (programme); travel (place); institutional culture (prominence); and offers from higher education competitors (programme).

RESEARCH YOUR CONSUMER TARGET MARKET

Understanding your consumer target market is a significant competitive advantage. Knowledge of learners’ educational background, their general mind-set regarding teaching and learning, and their interaction with information and communications technologies (ICTs) can provide valuable input for recruitment, teaching and learning initiatives which may contribute to student success – both personally and academically.
Students’ secondary education background

The work of Spaull (2013a, 2013b), an education researcher who was commissioned by the Centre for Development and Enterprise to investigate the quality of South Africa’s education, provides sobering empirical findings that have significant consequences for the schooling and higher education sectors. Only three findings will be highlighted briefly here.

First, Spaull (2013b, 6) argues that early learning deficits (especially in mathematics and literacy) accumulate to such a degree that they become ‘insurmountable’ leading to ‘almost certain failure and drop-out’ and that early intervention is the only appropriate response. The educational gap between required and actual knowledge and skills is widening, especially for disadvantaged learners. As they move to higher grades, remediation becomes nearly impossible as learning gaps compound over time – with Grade 11 learners operating at Grade 8 level in the Eastern Cape (Spaull 2013a) and learners being taught by teachers who do not have the necessary skills and knowledge. In the Western Cape, the primary recruitment area of SU, disadvantaged students are approximately one year behind (Spaull 2013b).

Second, the National Senior Certificate (NSC) pass rate does not provide an accurate measure of the quality of education. It does not reflect the 50 per cent of learners who dropped out prior to Grade 12, nor does it take into account that learners are taking easier subjects, for example, mathematical literacy instead of mathematics (Spaull 2013b; Taylor 2011).

Third, Spaull states that poor school performance reinforces social inequality, leaving learners trapped in the economic and social stature of their parents. An NSC qualification does not significantly increase a learner’s chance to secure employment (learners with an NSC do not have a significantly higher employment rate than their chronological peers without one). The value of an NSC is rather embedded in an opportunity (for a limited minority) to acquire a form of tertiary education (Spaull 2013a, 2013b).

Stellenbosch University’s first-year student profile

An investigation conducted by the Stellenbosch University Division for Prospective Students into the profile of the 2014 first-year cohort that applied to SU presented the following facts (SU 2014):

- Nationally only 30.6 per cent of matriculants qualified to apply for degree studies. This was up from 26.6 per cent in 2012. In the Western Cape this figure was 40.9 per cent, making it the province with the highest percentage of learners who qualified for degree studies.
- The pass rate for mathematics (set at a mere 30%) increased from 46.3 per cent in 2011 to 59 per cent in 2013; however, the national percentage of matriculants who wrote mathematics declined from 56 per cent in 2008 to only 43 per cent in 2013. In the Western Cape this number was a meagre 35 per cent.

- The student pool was further narrowed down as only 15.6 per cent achieved 60 per cent or higher in mathematics (which is the minimum entry requirement for any programme in the Faculty of Economic and Management Sciences, excluding the extended degree programme).

- Students generally achieved higher marks in Grade 11 mathematics than in Grade 12, making the process of admission cumbersome, as many students did not meet the minimum requirements for a programme to which they were provisionally admitted.

It could be argued that this scenario is not significantly different from other universities in South Africa. In short, the schooling system in South Africa is failing to provide students who are adequately prepared for higher education, in that schooling has not been able to transform itself in so far as all young people have the opportunity to matriculate and for students from varied social class backgrounds to develop the kinds of skills, knowledge and attitudes that would make them university-ready. (SU 2013b, 6)

Students today

Students who are currently in higher education have been labelled Millennials, the Net Generation, digital natives, digital immigrants and Generation Y. Some contentious characteristics of this generation include: they have inflated levels of self-confidence; expect to be praised and to receive constant (positive) feedback; are open-minded and able to manage diversity well; enjoy opportunities to showcase abilities; are easily bored, technologically knowledgeable and always connected; enjoy strong support networks (family and friends); enjoy a high-energy learning environment; have high optimum stimulation levels; seek developmental opportunities; enjoy being challenged; have a need for meaning; and want to add value to society. Admittedly, members of Generation Y have a reputation for: not taking responsibility for their choices; having inflated expectations; demanding immediate and constant feedback; not adhering to traditional power differences; having slower psycho-social development; and having limited verbal/written communication skills (Howe and Strauss 2000; Morton 2002; Prensky 2001; Prensky and Berry 2001; Tapscott in Bullen, Morgan and Quayyum 2011).

However, a growing number of scholars (Bennett and Maton 2010; Bennett, Maton and Kervin 2008; Bullen et al. 2011; Jones and Shao 2011; Margaryan, Littlejohn and Vojt 2011) question the popular view that this generation is different
from previous generations. The belief is that the plethora of publications (in popular press and quasi-academic publications) on Generation Y has led to many treating these claims as the truth. Bullen et al. (2011) argue that the educational community has not subjected these claims to scientific scrutiny, leading to costly changes in teaching practices and learning technologies (ICTs).

The findings of a study at a Canadian university suggest that there were no significant differences between Gen Y (Net generation) and non–Gen Y students in behavioural characteristics, learning preferences and the use of technology (Bullen et al. 2011). University College London (2008) substantiates that young Internet users do not critically evaluate information or engage in sophisticated information-searching activities and that additional training in the use of ICTs in education is needed. Furthermore, students seem not to understand the potential that ICTs hold for learning, and both staff and students indicated a lack of skills and reluctance to change as the biggest obstacles to ICT usage. Therefore, the call for transformation of ICT use in higher education is legitimate, but decisions surrounding the use of technologies for learning should not only be based around students’ preferences and current practices, even if properly evidenced, but on a deep understanding of what the educational value of these technologies is and how they improve the process and outcomes of learning. This cannot be achieved without faculty actively experimenting with different technologies in their teaching to evaluate the educational effectiveness ... and most importantly publishing the results ... (Margaryan et al. 2011, 439)

Jones and Shao (2011) concede that the changes in the student cohort has an age-related component that is most evident in the prominent use of networking sites, multimedia and the use of handheld devices to access mobile Internet. Further to this, they mention that demographic variables (such as gender, mode of study and home status of student) interact with age to determine responses to new technologies and that universities should provide for at least a basic learning management system, libraries of online services and e-journals as well as e-books. The authors give the reassurance that the gap between teachers and students is not fixed and can be overcome as students predominantly use ICTs that are integrated in modules by lecturers – students rarely demand ICTs that universities and lecturers cannot provide. Lastly, Jones and Shao note that there is no evidence that students are demanding change in the pedagogy and they will accept teaching and learning strategies that are motivated and integrated in the curriculum. Together with Margaryan et al. (2011) and Bullen et al. (2011), I fully support Jones and Shao (2011) in urging HEIs not to use the generation argument to promote change in the system but to base any ICT drive on pedagogy.
Students, ICTs and learning

The current model of teaching and learning in South Africa is under huge pressure to deliver more successful students with less resources (CHE 2013; DHET 2013; NPC 2012), giving impetus to HEIs such as SU to critically investigate the use of ICTs as a method to serve other markets such as the ‘learn and earn’ market. Of critical importance is that ICTs should meet the needs of the programme offering. If ICTs do not add value to the teaching and learning outcomes of a particular module or programme and make pedagogical sense, then they are wasteful and a costly luxury. Again, lecturers should take cognisance of empirical evidence regarding students, ICTs and learning:

- Students’ expectations of learning are influenced by the lecturers’ approaches to teaching (with or without ICTs). Students may not support the use of social technologies in all educational contexts (Margaryan et al. 2011), but meaningful applications of social network sites do exist and can contribute to student engagement and performance (Arquero and Romero-Frias 2013).
- Evidence of a ‘digital apartheid’ exists in South Africa, characterised by large differences in opportunity and access to ICTs (Brown and Czerniewicz 2010).
- Conventional teaching augments the passive consumption of information and does not support deep learning. Students respond better to information transfer that is rich in both visual and auditory stimuli and learning that demands active engagement and makes provision for various learning styles and preferences (Bester and Brand 2013). Contentextualisation is paramount as students need to see the meaning and context of what they are learning together with how and where they can apply the information (Spencer 2011).

However, some concerns regarding the drive to use ICTs to expand the target market of traditional residential and research intensive universities such as SU to the ‘learn and earn’ market could be noted. This shift could either build or deplete the current brand, depending on the impact of the ‘brand extention’ (programmes for the learn and earn market) on the mother brand (residential under- and postgraduate programme offering). As previously mentioned, this endeavour should be evaluated critically and managed, as a depletion of the brand and brand image could hold detrimental consequences for universities on various levels. I concede that universities and other HEIs need to contribute to the huge unemployment problem as only 17 per cent of 20–24-year-olds are enrolled in higher education (NPC 2012). ICT-mediated programmes could address this crisis; however, the difficult questions of what the institution’s core business offering and market segment are, should not be ignored. The fact that each university is part of the higher education landscape, serving a specific market segment, while other institutions such as TVET colleges and universities of technologies serve another, cannot be disputed.
ATTEND TO CONSUMER NEEDS

Consumer satisfaction, through the satisfaction of needs and expectations, drives customer retention. In the same way as companies build relationships with consumers through customer support and meeting consumer needs, universities will have to deal with the need sets and expectations of student consumers. In the current higher education context, needs such as additional academic and socio-psychological support rank highest as the realities of learner under-preparedness is evident. I will highlight two initiatives as examples aimed at meeting the need for support, namely, the SU Faculty of Economic and Management Sciences’ module mentoring programme and the development of emotional intelligence for sustained student success project.

Module mentoring programme

The National Development Plan 2030 (NPC 2012) reiterates that universities have to contribute to social justice and the cultivation of a welcoming culture for all who wish to enter higher education. Regrettably, this noble goal could include a dark side: students who are under-prepared for success in higher education; large classes with limited contact hours; students without clarity as to what it means to be a successful student; limited contact with the lecturer; lack of facilities; and in-class language and learning barriers stemming from diverse cultural and language backgrounds. The increase in student diversity (including students with disabilities) has led to diverse needs and students may require additional support (Adams and Hayes 2011; Trotter and Roberts 2006).

The faculty’s module mentoring programme has been an extremely successful initiative. This programme entails that students (mentees) apply electronically to the module mentoring programme for specific modules in which they need support. Senior students (mentors) who adhere to the academic criteria (> 65%) and undergo the basic four-hour training session on mentoring skills are paired with approximately ten mentees. They schedule meetings outside of the formal class time (usually once a week) to discuss academic issues and to provide general support.

In a study by Du Preez, Steenkamp and Baard (2013), the perspectives of both mentors and mentees who participated in the faculty module mentoring programme during 2012 were investigated with specific reference to their motivation for participation and evaluation of the programme. Both mentors and mentees experienced the module mentoring programme as being beneficial, by providing peer-to-peer academic and socio-psychological support. Altruistic, cognitive, social and personal growth and financial benefits were derived from the programme. The findings of this study provide a strong argument in favour of the expansion and continuation of module mentoring programmes in the SU Faculty of Economic and Management Sciences. I am confident that this programme will continue to provide a good return
on investment in terms of student retention and success. Furthermore, the module mentoring programme could serve as an example to other HEIs of a successful peer-to-peer initiative that serves both the academic and socio-psychological dimensions of student success.

Development of emotional intelligence for sustained student success

A meta-study in the United States (US) by Durlak et al. (2011) of 213 school-based, universal social and emotional learning (SEL) programmes (270 034 learners) indicated that learner participants in social and emotional learning programmes significantly improved their social and emotional skills, attitudes, behaviour and academic performance. Also, the Nobel Laureate in Economics, James Heckman, argues that early investments in emotional and social learning skills and abilities (at school level) will contribute to both communities and industry as citizens and employees demonstrating higher levels of self-control, motivation and perseverance (Heckman, Stixrud and Urzua 2006) if early development is followed by high-quality adult education. Needless to say, SEL programmes are currently not the highest priority in South African schools, leaving many learners with limited and deficient social and emotional capacity to excel as tertiary students.

Many students show low levels of emotional intelligence (EI) and later psycho-social development impacts on their ability to take full responsibility for choices. The ability to process emotional information has shown to improve general well-being, social functioning and cognitive abilities such as thinking, decision-making and retention (Brackett et al. 2012; Salovey and Mayer 1990).

In an effort to investigate the role of EI (as a non-cognitive factor) in sustained student success, a Fund for Innovation and Research in Teaching and Learning (FIRTL) and master’s degree project (Delport 2014) was launched in the SU Faculty of Economic and Management Sciences during 2013. The purpose was to determine to what extent EI is central to the psychological resources that play a crucial role in the adaption and performance of first-year students at an HEI via an EI developmental programme. The study included 114 first-year extended degree students and used a controlled experimental research design to test the effect of an EI developmental intervention on affect balance, academic self-efficacy, cognitive thought pattern strategies (a sub-component of self-leadership) and perceived stress. The main findings indicated strong support for the utility of the intervention to increase EI and academic self-efficacy. Trends in the data suggested limited support for the direct impact of increased EI on the other measured psychological resources. Thus, investments in EI developmental interventions (as part of student support initiatives) may be justified in order to influence sustained student success. The study results could be used to inform teaching and learning initiatives complementary to
the academic offering at HEIs with the hope of increasing student success rates (Görgens-Ekermans, Delport and Du Preez 2014).

CONCLUSIONS AND RECOMMENDATIONS

Teachings only hold value if they are considered, evaluated and assimilated in the broader sense. I, therefore, challenge South African HEIs to:

- Build a strong institutional and brand image through the implementation of tested marketing and consumer psychology principles. Know that events, for example, bad press, could lead to irreversible damage to the image. Choose your partners well. Be wary of diluting your brand by partnering with institutions that could deplete the value of your brand. Choose brand extensions (e.g., partners, new programmes) that support and build the mother brand, without deflecting energy and focus to the detriment of the core offering.

- Acknowledge that student consumers of higher education are very discerning. The student pool is shrinking. Strategies and action plans should be in place to recruit the best students together with those who have the potential to study successfully. The students who excel will drive research and be the thought leaders of tomorrow. Innovative recruitment and communication platforms should be investigated. An example could be a student ambassador programme where prospective students are linked to trained current students. The current students then act as brand ambassadors and assist prospective students with questions in the period from first enquiry to registration. This approach has been reported to be hugely successful (Bennett in Maringe 2006).

- Invest in student consumer research. Develop in-depth knowledge of the valence of decision-making criteria held by students (especially now that the students’ profiles are changing), their decision-making processes, and their media preferences and need sets.

- Invest in student support structures that cater for academic and socio-psychological needs, as more students are under-prepared for higher education. The growing number of first-generation students deserves special attention as very little is known about the unique academic and socio-psychological challenges that they are facing upon entry into higher education.

- Continuous programme and curriculum development is paramount. Through up-to-date programme offerings, HEIs build their institutional and brand images and cater for the needs of industry, society and students. The programme and research offering largely define the HEI and extreme caution should be applied when making strategic decisions in this regard.
NOTE

1. Refer to Bullen et al. 2011 and Jones and Shao 2011, for a comprehensive discussion and review of literature on the digital debate. The Digital Learners in Higher Education research project also offers a wealth of information. Visit: http://digitallearners.ca

REFERENCES


CHE see Council on Higher Education.


DHET see Department of Higher Education and Training.


NPC see National Planning Commission.


SU see Stellenbosch University.


