

INTANGIBLE ATTRIBUTES FOR
HIGHER EDUCATION CHOICE

Tekle Shanka¹

School of Marketing, Curtin Business School
Curtin University of Technology

Clair Terigin

School of Marketing, Curtin Business School
Curtin University of Technology

2009030

Editor:

Associate Professor Ian Phau
School of Marketing

MARKETING
INSIGHTS
Working Paper Series
School of Marketing

ISSN 1448 – 9716

¹Corresponding author:

Tekle Shanka
School of Marketing, Curtin Business School
Curtin University of Technology
GPO BOX U1987
Perth, WA 6845
Australia
Tel (+61 8) 9266 2839
Fax (+61 8) 9266 3937
Email: tekle.shanka@cbs.curtin.edu.au

Intangible Attributes for Higher Education Choice

ABSTRACT

The purpose of this report was to assess the intangible attributes of marketing higher education. Results of responses from 362 university students indicated that the 'ability to learning new skills essential to entering the workforce' was the most important intangible attribute to students when selecting a higher education institution, followed by the 'national and international reputation of the institution', 'project management training and experience', 'student life of the institution', and 'extra courses related to major studies'. Intercultural mix and student clubs attributes showed statistically significant differences between groups for gender, country of birth, or country of usual residence. Results are discussed.

Keywords: Higher education, intangible attributes, students

INTRODUCTION

With the number of higher education providers increasing the need for universities to differentiate themselves from their competition is self evident. Paswan and Ganesh (2009) and Gosh, Javalgi and Whipple (2007) reiterate that universities compete for both domestic and international student market just like any other businesses that compete for resources and customers to cater for diverse needs of students from all walks of life including domestic and international students. As a result the role for marketing in student recruitment increases in importance (Ivy, 2008). As the degree choices available to students grow, life-changing decisions about study options become more complex and the decision making process becomes longer. Prospective students assess all the alternative offerings of competing higher education institutes before making their final decision as to where they will pursue their studies. Higher education institutions can clearly differentiate themselves from the competition by offering various intangible attributes that can persuade prospective students to make the right choices. The aim of this research is to find out what intangible attributes higher education students find important when selecting an institution to enroll.

Higher education possesses all the characteristics of service industry characteristics of intangibility, heterogeneity, inseparability, and perishability. Ethington and Polizzi (1996) reiterate a strong relationship between the extent to which students become involved in the academic and social systems of educational institutions and their subsequent growth and development and attainment of their educational goals; and that multiple dimensionality of service quality being linked to positive word of mouth recommendations (Bruce and Edgington, 2008). Service intangibility raises a number of issues including consumers' (in this case, students') sense of risk and uncertainty, divergence of expectations, need to search for information through interpersonal and word-of-mouth approaches (Tarn, 2005). According to Nadiri, Kandampully, and Hussain (2009) higher education institutions are actively seeking to determine what student expectations and perceptions of the educational service provided. It is suggested that universities should foster student involvement in a variety of educational activities (academic and non-academic) and not just have a focus on the course and assessment. Students learn more, stay longer in education at their university and support their university more when they are involved in its varied activities (Terenzini, Pascarella and Bliming, 1999). The development of alternative forms of tuition have grown significantly; students are no

longer confined to the classroom and their lecturer to pass but have the option of virtual learning and access to virtual resources such as the blackboard, taking into account the students' culturally-anchored value orientations that may help reduce stressful learning environment and improve the learning experiences (Mitsis and Foley, 2009; Broekemier and Hodge, 2008) and gives the higher educational institution alternatives for service provisions (George, 1977). There are a number of non tangible factors (both academic and personal) that students might consider when determining their preference for a particular education institution. Soutar and Turner (2002) report that course, academic reputation, campus atmosphere, type of institution (age), proximity to home, family recommendations, acquaintances (friends studying) would help students in the decision making processes, and stress that some factors will be more important than others. Having reviewed the extant literature this study conducted an exploratory investigation to determine students' perceptions about the various intangible attributes they look for when making a choice of higher educational institutions.

METHOD OF THE STUDY

A survey questionnaire consisting of five sections was devised and administered to a convenience sample of undergraduate and postgraduate students in a large Australian university. Students were asked to rate a number of intangible attributes on a 7-point scale (1 'strongly disagree', 7 'strongly agree') that they consider important in choosing an educational institution and staying with that institution until graduation. A total of 362 useable responses were analysed using SPSS v.17. Profiles of respondents were: males (64.8%); 21-23 age group (37.4%); second year of studies (44.2%); undergraduates (61.0%); Marketing majors (34.8%); Australian residents (45.6%); Asian born (47.6%) (Table 1).

Table 1.
Profiles of Respondents

Demographics	Categories	Percent
Gender	Male	64.8
	Female	35.2
Age	≤ 20 years old	29.6
	21 – 23 years old	37.4
	≥24 years old	33.0
Birth place	Australia	29.4
	Asia	47.6
	Other	23.0

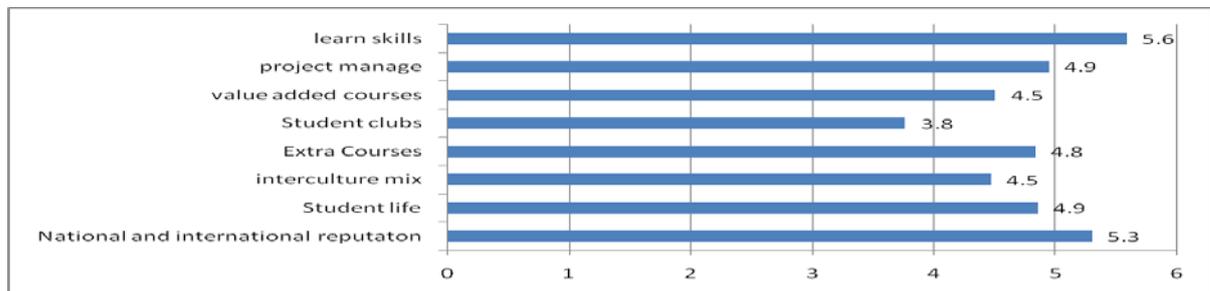
Usual residence	Australia	45.6
	Asia	42.5
	Other	11.9
Level of study	Undergraduate	61.0
	Postgraduate	39.0
Major area of studies	Marketing	34.8
	Accounting	21.5
	Management	16.9
	Other Commerce	8.0
	Other	18.8
Year of study	First year	30.8
	Second year	44.2
	Third year	25.0

RESULTS AND DISCUSSION

Whilst the survey consisted of four sections seeking participants' views, this paper reports only one aspect of the responses due to page limitations. To the survey question that sought respondents' agreement on statements with regard to selecting a higher education institution 'learning new skills' was reported as the most important intangible attribute with a mean of 5.6, followed by 'national and international reputation' of the institution with a mean of 5.3. Other important attributes included were: 'project management skills', 'student life', availability of 'extra courses' related to major, 'value-added courses', and 'intercultural mix'. Availability of 'student clubs' may not have impacted on the decision making process as it scored the least mean in comparison to other attributes. As shown in Figure 1

Figure 1.

Selecting a higher education institution



Further analyses using t-tests, ANOVA and MANOVA procedures showed statistically significant differences between groups on the intangible attributes. Independent sample t-test indicated student clubs as having a statistically significant mean difference between male (mean 4.05) and female (mean 3.60) students, an indication that male students would more likely consider student clubs as one factor they may take into account when considering an educational institution (Table 2).

However, no significant differences were noted between undergraduate and postgraduate respondents on the mean scores for the attributes.

Table 2.
Comparison of mean scores for gender

Attributes Sig.	Female	Male	Mean diff.
National and international reputation .767	5.33	5.28	0.04
Student life .173	4.78	5.01	-0.22
Inter-culture mix .240	4.02	4.60	-0.19
Extra courses .943	4.84	4.60	0.01
Student clubs .009	3.60	4.05	-0.46
Value-added courses .366	4.45	4.59	-0.14
Project management .099	4.85	5.09	-0.24
Learning skills .250	5.64	5.46	0.19

Whilst there was no statistically significant difference on the level of studies (undergraduate vs. postgraduate), major area of study, or age, one way between groups ANOVA tests indicated statistically significant differences between groups on the bases of year of studies, country of birth, and country of usual residence on three of the seven attributes, namely ‘inter-culture mix’, ‘student clubs’ and ‘learn skills’ Groups on level of studies differed on the ‘student club’ attribute. Third year⁺ students would more likely consider the value of student life on campus compared with first or second year students. The mean score (mean 5.09) for third year students was significantly higher than those of first year (mean 4.76) or second year (mean 4.80) students. Groups based on their country of birth differed from each other on ‘inter-culture mix’ and ‘learn skills’ attributes. Mean scores of students reporting their birth places as Asia or other were significantly higher than students reporting Australia as their place of birth for the inter-culture attribute. The mean scores for Asian (mean 4.74) or other places (mean 4.55) were significantly higher than the mean score for Australian-born (mean 3.96) students. This may indicate that students coming to pursue their studies onshore would value the opportunity to mix with students from different cultural backgrounds. On the learn skills attribute the mean scores for

Australian-born (mean 5.75) or students from other places (mean 5.77) were significantly higher than the mean score for Asian-born (mean 5.38) students. This may be an indication that students from Asian background would have more focus on the structured delivery of education than students from Australia or other countries that may consider additional intangible attributes such as learning different skills on top of the structured studies would be a plus when choosing a higher education institution (Table 3).

Table 3.

Comparison of mean scores for level of studies, country of birth (CoB) and usual residence (CoR) (ANOVA F and p values)

Attributes	Level	CoB	CoR
National/international reputation (.183)	1.272 (.282)	1.624 (.199)	1.708
Student life (.124)	1.309 (.271)	1.539 (.216)	2.098
Inter-culture mix (.001)	0.310 (.734)	9.265 (.000)	7.174
Extra courses (.483)	1.722 (.180)	0.862 (.423)	0.728
Student clubs (.954)	7.450 (.001)	0.310 (.734)	0.047
Value-added courses (.520)	2.297 (.102)	2.194 (.113)	0.656
Project management (.520)	0.118 (.889)	2.820 (.061)	0.656
Learning skills (.024)	1.442 (.238)	3.590 (.029)	3.783

A multivariate analysis of variance (MANOVA) was conducted to compare gender, level of studies, country of birth, and country of residence on the four attributes (student life, inter-culture mix, student clubs, and learning skills) that showed statistically significant differences on the four demographic variables following Pallant's (2007) assertion that "MANOVA compares two or more groups in terms of their means on a group of dependent variables and can be extended to two-way and higher-order designs involving two or more categorical, independent variables." (p. 277). Preliminary tests for assumptions for MANOVA (normality, linearity, univariate and multivariate outliers, homogeneity, and multi-collinearity) indicated no violation.

Multivariate tests showed statistically significant differences on the combined dependent variables (the four attributes) on the level of studies and on country of

birth. For level of studies variable, the statistical values were: ($F_{(8, 556)} = 2.125$, $p = .032$, Wilks' Lambda (λ) = .942, partial eta squared (η^2) = .030; and for the country of birth variable, the statistical values were ($F_{(8, 556)} = 2.170$, $p = .028$, Wilks' Lambda (λ) = .940, partial eta squared (η^2) = .030, the eta value being considered as small (Cohen, 1988). When results were taken separately using the Bonferroni adjusted alpha value of .012, the only significant dependent variable for country of birth was inter-culture mix ($F_{(2, 281)} = 4.512$, $p = .012$, eta squared (η^2) = .031, $R^2 = .871$, adjusted $R^2 = .855$).

CONCLUSION

The foregoing analyses has indicated that students would assess their future higher education institutions not only on its academic reputation and the courses offered, but would also make qualitative evaluation in such areas as student life, intercultural mix, skills development, etc. Results also show differences on gender, level of studies, country of birth, and country of usual residence, which would help the marketing departments of higher education institutions to take on board when developing marketing strategies of diverse student market. Availabilities of opportunities to develop learning skills, national/international reputation, and practical skills such as project management, and non-academic value-added courses, or student life on campus would more likely help students' decision in selecting an appropriate higher education institution. For male students, availability of students clubs would be an appealing proposition, whilst international students in general would more likely appreciate the opportunity to mix and mingle with multicultural student population. Overall, the findings, although limited in scope and depth, may shed some light to international marketing arms of higher education institutions in developing their marketing agenda. Consideration should be given to non-tangible attributes that can't be measured quantitatively, but nevertheless, impacting on prospective students' decision making process.

REFERENCES

- Cohen, J. W. 1988. *Statistical Power Analysis for the Behavioral Sciences*, 2nd edition. Hillside, NJ: Lawrence Erlbaum.
- Broekemier, G. M., Hodge, K. A. 2008. Stressors for college bound high school students based on sex of respondents. *Journal of Marketing for Higher Education* 18 (1), 34-49.
- Bruce, G., Edgington, R. 2008. Factors influencing word-of-mouth recommendations by MBA students: an examination of school quality, educational outcomes, and value of the MBA. *Journal of Marketing for Higher Education* 18 (1), 79-101.
- Ethington, C. A., Polizzi, T. C. 1996. An assessment of the construct validity of the CCSEQ quality of effort scales. *Research in Higher Education* 37 (6) 711-730.
- George, W. R. 1977. The retailing of services – a challenging future. *Journal of Retailing* 53 (3), 85-98.
- Ghosh, A. K., Javalgi, R., Whipple, T. W. 2007. Service strategies for higher educational institutions based on student segmentation. *Journal of Marketing for Higher Education*. 17 (2), 238-255.
- Ivy, J. 2008. A new higher education marketing mix: The 7Ps for MBA marketing. *The International Journal of educational Management* 22 (4), 288-299.
- Mitsis, A., Foley, P. 2009. Culturally-anchored values and university education experience perception. *International Journal of Educational Management* 23 (6), 484-504.
- Nadiri, H., Kandampully, J. Hussain, K. 2009. Students' perceptions of service quality in higher education. *Total Quality Management* 20 (5), 523-535.
- Pallant, J. 2007. *SPSS survival manual*, 3rd ed. Crows Nest, NSW: Allen & Unwin.

Paswan, A. K., Ganesh, G. 2009. Higher education institutions: satisfaction and loyalty among international students. *Journal of Marketing for Higher Education* 19, 65-84.

Soutar N. G., Turner, P. J. 2002. Students' preferences for university: A conjoint analysis. *The International Journal of Educational Management* 16 (1), 40-45.

Tarn, D. D. C. 2005. Marketing-based tangibilisation for services. *The Service Industries Journal* 25 (6), 77-772.

Terenzini, P. T., Pascarella, E. T., Bliming, G.S. 1999. Students' out-of-class experiences and their influence on learning and cognitive development: a literature review. *Journal of College Student Development* 40 (5), 610-623.