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# A MODEL OF STUDENTS' Methodological **UNIVERSITY DECISION-MAKING BEHAVIOR**

articles

# **Keywords**

Higher educational institutions (HEI) University choice process Student's behavior Combined models

> **JEL Classification** I23, M31, P23

# **Abstract**

Over the last decade the higher education institutional framework suffered a major transformation:the increasing influence of market competition on academic life -"marketization". Consequently, HEI attention is increasingly focused on attracting high quality (human) resources and students. Such context demands a deeper understanding of students' decision making process for HEI. Literature on higher education management provides a large number of models, which attempt to provide an understanding of student buying behavior and how they select a university. Based on literature review, this paper explores different university choice models (economic, status attainment, combined) that analyze the student behavior as consumers in the higher education marketplace and suggests a new one, considering the phases of the decision making process and the factors that influence university choice decision. Finally, implication of factors in different phases of the decision process are discussed.

#### Introduction

Marketing is defined as "...the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large." (American Marketing Association, 2013)

The interest of this article is to conduct a study within the field of marketing of HEI by presenting a model of *student behavior as consumers in the higher education marketplace*.

Studies involving the construction of models and theories of higher education decision-making process have been conducted generally within US but also in UK, Australia, Germany, rather than in the Romanian market place.

## **Background and Theory on University Choice**

A model does not treat all reality details, but restructures it, grouping information into categories and indicating links between them.

Among the objectives of any model of consumer behavior (in general) there are:

- identification and explanation of variables that define the behavior
- establish and explain the relationships between the variables identified

Models of student behavior emerged in the 1980s, based on models of consumer behavior (in general) and models of decision making, such as: the Schiffman & Kanuk (2007) model, Kotler & Keller (2009) model, etc.

The Schiffman & Kanuk (2007) model involves three phases:

- the input phase where marketing mix activities of organizations and sociocultural influences are considered inputs affecting "what" consumers will buy and "how" will they use what they buy. In this phase the entries influences the consumer awareness of the consumption need.
- The process phase is the component concerned with "how" consumers make decisions. Psychological factors perception, (motivation, learning, personality and attitudes) affect: how outsiders (entries described in the previous phase) affect the recognition of the consumption need, information search undertaking before buying and the evaluation of available alternatives. The experience gained by assessing the alternatives affect consumer psychological
- ➤ The output phase consists of purchase behavior and post purchase evaluation. The purchase behavior involves an exploratory phase- the trial and the repeat purchase phase.

The Kotler & Keller (2009) model, also known as the "black box" model, refers to consumer mind, which is unknown. The marketing and other incentives, fall into the "black box" resulting different responses from consumers. This "black box" has two parts, one concerns those characteristics that influence consumer response to stimuli and other factors of influence and the second referring to the process itself, which influences the outcome or answer.

#### Student behavior models - Literature review

Most studies that have attempted to explain student choice could be included, according to Hossler & all (1999), in one of the follow three categories: : economic models, status-attainment (sociological) models and combined models.

The economic models center on the econometric assumptions that prospective college students are rational actors and make careful cost-benefit analyses when choosing a college or university (Hossler et al., 1999).

The sociological models assume that a variety of social and individual factors that lead to educational aspirations: parental encouragement, influence of other persons, academic performance. The combined models incorporate components economic models rational assumptions and status-attainment models. Combined models assume multiple stages of the student decision-making process (three-stage models, and multi-stage models typically containing between five and seven stages)

The model proposed by Jackson (1982) combines economic and sociological factors and then assumes three phases in the student decision making process: preferences, exclusion. assessment. Preferences phase includes factors such as family, friends, their aspirations, academic level, the latter proving to be the most powerful influence on choice. The second phase, exclusion, is to gather information on several universities (there are taken into consideration institutions characteristics factors, including location, reputation, etc.), the question that arises at this stage is misinformation or bad information that may lead to the exclusion of positive alternatives. At the end of this phase the prospective student determines the university to which he will enroll. In the last phase, the evaluation, the student will select the institution chosen taking into account factors such as career opportunities, institution characteristics, cost, family and academic level.

The Hanson & Litten (1982) model is also a model that involves three phases: the decision to follow a higher education institution, exploration and enrollment. Within these three phases, there are distinguished five distinct processes. The first phase consists of two processes (two steps phase): the desire to follow a university and then the actual

decision to start this process. The second phase involves gathering information about institution, the main sources of information available being brochures, friends, parents, the latter being considered by the authors as the most important factors. The final phase, enrollment, consist of two steps registration and then confirmation, both processes are influenced (according to authors) by the financing factors.

Vrontis & all (2007) propose a theoretical composed model: a contemporary student-choice model for developed countries. The model includes four categories of determinants, regarding: individual (in terms of consumer and personal), environment (general, public, influences / media), institution characteristics and actions (cost, location, etc.).

Osman et al., (2013) proposed a model analyzing the relationship among perception, promotion, influence and choice of study, and the impact that each of the three variables has on the fourth. Perception is represented by the experienced lecturers, suitable syllabus, qualified lecturers, and knowledgeable lecturers, and the latest features proved to be the most important factor in changing the students' perceptions about the institution. Promotion is represented by radio and television promotion, word of mouth, current students, the first of the factors having the greatest influence on this variable. The results reveal a positive effect of perception and promotion on the students' choice and also a significant positive effect of perception on influence and promotion on influence.

R. Alonderiene, A. Klimavi iene (2013) create a model based on consumer decision making process taking into account the decision-making steps (information search, alternative evaluation, and decision making) and influencing (individual factors, group factors, external factors, marketing mix). The model aim is to study the decision making process of choosing a university and study program. Based on the survey findings, the authors recommended: provide information on career opportunities, study program structure, regularly update university's website and continue using other promotion resources, focus on university's reputation and provide information on the innovative teaching methods, study exchange partners, career.

# **Findings / Assumptions**

Analyzing case studies from the literature, studies based on models presented above (and others), it was found that:

 prospective students choose for themselves which university they want to follow (this decreases the influence of other factors such as family), academic level of the student is the one that influences its aspirations (in detriment of

- social status, graduated high school quality)
- prospective students find information from the universities websites and from the current and former students of the university
- they are interested in employment opportunities
- they have an increased interest regarding the content of study programs
- differences were observed in terms of influence factors selection (reputation of the university, opportunities for mobility, cost, infrastructure them from obtaining higher values of female to male ones) depending on gender, specialization
- factors such as parents, the academic level of student have influenced all phases of decision making process
- financial factor is present in each step of the decision making process, and there were identified differences by gender, location, parents education
- females seem to be more interested in the financial factor and the male in career opportunities
- prospective students who have a greater financial support are less interested in the financial factor (costs), the family influence decreases and increases the influence of friends and the media while those with lower financially support are more influenced by family.
- some authors consider that the results may be different if the analysis is made before or after enrolling in an institution of higher education, the reason being: the discovery of information on particular attributes that were not anticipated or known before.
- institution need to adopt multi-mode communication strategies and continue to develop information sources in order to engage prospective students

# Student behavior model - proposed model

The preliminary model of this study, presented in figure 1, is a hybrid one, based on the findings from literature reviewed earlier. The final model will be developed after analyzing the data from exploratory interviews.

As could be seen from the models in the literature, the decision process of choosing a higher education institution requires several steps:

- desire- motivation (problem recognition who, why, what or when was the process activated),
- search-evaluation (which information sources are most stimulating and how does the choice selection occur),

 decision-election (who or what is/are most dominant influence factors).

The first step is recognizing the need for following a higher education institution. This phase can be determined by the student's current need (aspirations, expectations) or the need required by certain situations (parents, job advancement, change (a job), to follow the trend, even impulsive circumstances etc.)

After problem recognition, the second step involves information search in order to satisfy the need. This step involves:

- identify options, this search depending on the level of information and value / nonvalue of the information
- their evaluation, taking into account the importance of each attribute, exclusion of inadequate options.

The last step consists in deciding to enroll the chosen institution, confirm the election having as influencing factors: satisfaction, atmosphere, perhaps even time pressure.

Influencing factors play an important role in decision-making process, their influence being found at every step of the process.

#### **Future research**

Very little research into Romania higher education has been conducted from a behavioural economics and socilogics prospective. There is need for studies to test behavioural theories in the context of Romanian higher education. Experimental research is needed with groups of prospective students in order to bring an improved understanding of how they are influenced by different factors, how they respond to large amount of information sources and how they process decisions.

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## Appendices

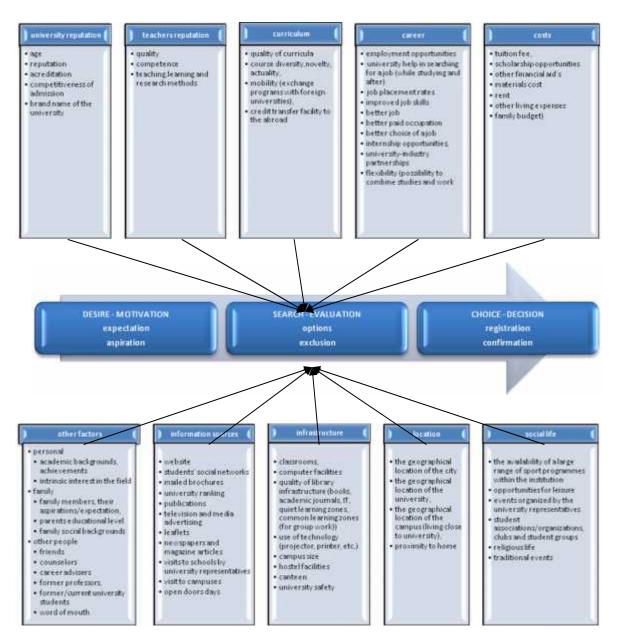


Figure 1. A model of students' university decision-making behavior