

# STAGES AND DETERMINANTS OF THE STUDENT'S DECISION-MAKING PROCESS IN THE CHOICE OF AN EDUCATIONAL INSTITUTION

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Higher education in the United States has been experiencing a dramatic change for the past five years. Every administrator now recognizes that he is operating in a "buyers' market" instead of a "sellers' market." With declining enrollments, budget squeezes, and the resulting financial crisis in higher education, student recruitment is receiving increased attention from faculty and university administrators. Central to this issue is the understanding of how students make decisions in the choice of a campus. It is the purpose of this paper to define the stages and identify the relevant variables that influence each stage of the student's decision-making process.

## THE EDUCATIONAL BUYING PROCESS MODEL

The model discussed is a special case application of the standard consumer buying process model found in the marketing literature. [1], [2] The student's choice of an institution of higher education is similar to the brand choice of a consumer in a business environment. A typical student, graduating from a high school or college, goes through five distinct stages in his decision-making process of selecting a campus. These stages include problem recognition (felt need for higher education), institution comprehension (search), evaluation of alternatives, enrollment, and postenrollment feelings as depicted in Figure 1. [2]

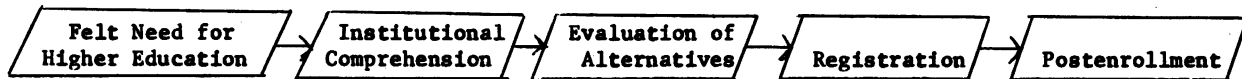


FIG. 1. Stages of Student's Educational Buying Process

The decision to enroll in an institution is illustrated in Figure 2.

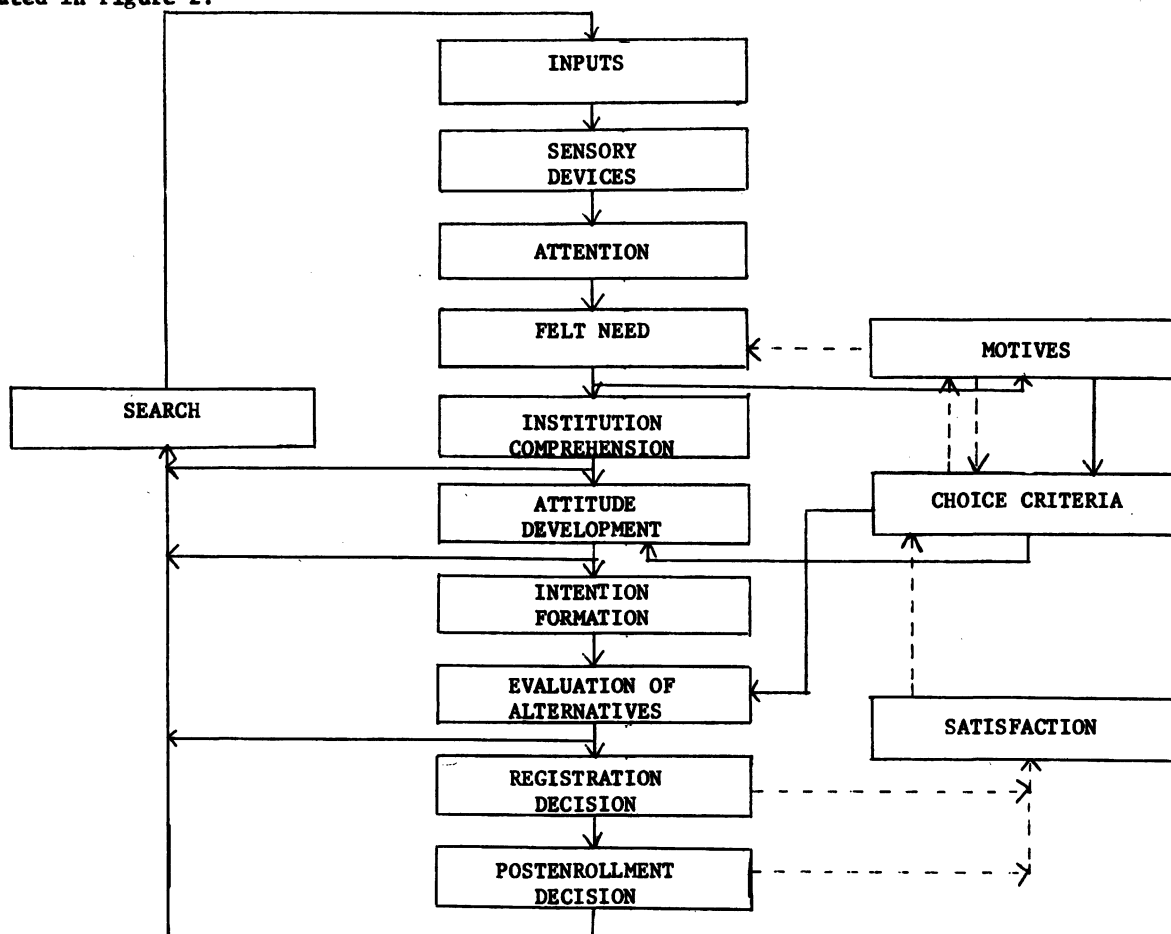


FIG. 2. Decision to Enroll at a Particular Campus

## Felt Need

In the case of higher education, the first stage involves the process whereby the student becomes aware of his or her need to pursue additional study. This first stage like the subsequent stages is complex, involving the interactions of many variables, including motives, attitudes, values, reference group influences and societal pressures. Edward McDill and James Coleman conclude in their study of the Illinois high school graduates that parental pressures and the peer group pressures are the most significant variables in influencing the primary demand for higher education. [3] In a similar study, Joseph Katz concludes that societal pressure is the most important variable influencing the primary demand. [4] The question of "why" people attend college has been analyzed by Iffert on the basis of a national sample survey of students in twenty institutions. He concludes that a "better paying job" and "compelling interest in a particular field of study" are the two main reasons for going to college. [5] Some other influential variables at this stage include: dissatisfaction with present occupational opportunities as obtainable through his or her existing level of education, changed reference groups, and changed financial status.

From a marketing point of view the more students who recognize the need for higher education, the greater will be the numbers who ultimately enroll. Economically, primary demand for higher education is generated at this stage. Society (through appropriate governmental agencies) and the institutions of higher education themselves should promote the primary need by calling attention to the benefits of higher learning. The sophisticated approach is not through paid advertising, but rather through publicity and personal selling. Personal selling as applied to higher education refers to the professional activities of the faculty in the areas of research and public service.

## Institution Comprehension

Once the felt need has been recognized and the student decides to pursue additional education, the process involves the student's ability to comprehend the unique qualities and educational opportunities of different institutions. This includes two sub-stages--one concerning "what to buy?" (program or vocational choice) and two, "where to enroll?"

What educational program to pursue is very much dependent on the student's aptitude and self-actualization goals, and perceived economic rewards. [6] Friedman and Kuznets indicate that as the income from a profession increases the number of graduates in the field also increases with some time lag. [7] In some cases, the student may select an institution with vague career plans and may keep his options open to a later time period.

The stage of a student's decision making process

as to which college to apply is dependent on two factors--his "evoked set" and his "evaluative criteria." [8] His evoked set is the set of all institutions that the student is aware of and is interested in out of the total population of institutions of higher learning. The evoked set is influenced by geographical location, peers, counselors, family socio-economic status, communications through mass media, athletic programs, and the student's aptitude, occupational, and academic goals. [6]

To which college he will apply is influenced by his "evaluative criteria." This includes the school's image, faculty reputation, program recognition, tuition, and other costs, campus and off-campus living facilities, part-time or full-time job opportunities on or off campus, physical facilities like computers, libraries, and student unions, general campus appearance, and social life on the campus. [6] The student may obtain information on the above variables through a relative, a friend or classmate, or by going through the formal channels of writing for information to a selected list of institutions.

The evaluative criteria varies from student to student. A student with high scholastic aptitude may give greater importance to the school's reputation or faculty recognition whereas an average student may have "price" or "location" as the most significant variable.

Using his evaluative criteria, the student formalizes within himself a set of ordered preferences based on his perception of the institutional images and applies for admission. To keep his options open, he applies to more than one institution while awaiting acceptance from his "top choice" institution. [7]

At this stage, the promotional activities of a typical institution rely primarily on personal visits by the director of admissions to various high schools in order to generate interest in their programs to the prospective candidates. There is evidence to believe that the students are becoming more selective and that competition among institutions is increasing as the percentage of "shows" on most campuses have been falling steadily. Good tactics to follow at this stage include promptness in sending requested information and fast processing of applications. Some institutions even grant "instant admissions" in order to gain favorable impressions from prospective students. Favorable institutional images can be obtained through mass media; personal selling (visits of campus administrators and faculty to various feeder schools, etc.) and other channels of communication like direct mail and display booths at shopping centers can generate more inquiries from potentially interested student populations.

The appropriate general institutional strategy directed to this stage is to reinforce the perceptions of prospective students who favor your institution and to invoke a perceived risk factor in those who do not include your institution as one of his or her alternative choices. This,

from a marketing point of view, is very tricky business. You run the danger of modifying favorable predispositions toward your institution without necessarily modifying the converse situation.

Institution-dominated sources of information (advertising, catalogs, bulletins, etc.) are important but probably do not accomplish much more than reinforcement. Favorable institutional image, professionally recognized faculty, and program strength no doubt carry the most weight in influencing behavior during this process. Additional institutional strategy for this stage should be directed at achieving program accreditation and promoting faculty research and other professional activities making certain these are publicized.

#### The Evaluation of Alternatives

When the student learns which institutions have admitted him, he then reaches the point in the decision-making process where he chooses a campus. The variables that influence this stage are again dependent on the scholastic quality of the student as well as his previous level of educational attainment. [6], [9] In the Naidu study the following hypotheses were generated:

- i) The higher the level of a student, the greater the relative importance of faculty reputation in the choice of a university.
- ii) The lower the level, the greater the relative importance placed on general reputation.
- iii) The higher the level, the greater the relative importance of financial aid.
- iv) The higher the level, the lower the relative importance of the location of the campus.
- v) The higher the level, the lower the relative importance of appearance of campus.
- vi) The lower the level, the greater the relative importance of costs (including tuition).

It is important to recognize that in evaluating the evoked set of alternatives, a typical student looks at a total package of value satisfactions. It is the sum of perceived importance of each of the variables based on evaluation criteria and the rating of those variables that determine final choice. These variables which make up the "package" include the general reputation of the institution, faculty reputation, program reputation, the quality of instruction, the quality of physical facilities, costs, individual attention, area job opportunities for the student and/or his/her spouse, and the campus location among others. [10] It is at this stage that most institution-

dominated information sources are directed. Effective tactics for this segment of the decision process include:

- (1) Efficient and prompt processing of admission applications.
- (2) Campus visits - interviews with faculty.
- (3) A thorough follow-up program to all who express some interest in attending your campus.
- (4) Thorough counseling for all prospects.

In some cases it is the timing of the offer which may be extremely important. In a study conducted at Michigan State University, Allan Grimes points out that "poor timing, inefficient handling of materials, ambiguous communication and assignment of advisors not in their field" were some of the major reasons for the no shows (MSU). [11] A sound administrative policy to increase the percentage of shows at this stage is to offer the "right package" to the "right student" at the "right time." This calls for very good coordination within various campus offices such as the admissions office, financial aids, housing, etc.

#### Enrollment

Stage four (enrollment) deals with the educational environment interaction. Two possible outcomes could occur--attendance or "halt." [1] The process may halt because no alternative satisfies or exposure to the educational environment may alter the relationship between the desired and actual state. Effective tactics used in stage three should continue through the registration period of the student into an appropriate academic program. Marketing success at this stage involves the blending of institution characteristics to meet the educational needs of the market. Administrators and faculty must work together at achieving this product-market accord.

#### Postenrollment

The final stage deals with the postenrollment behavior of students. The institutional goals are retention and graduation. Strategies closely tied to this stage involve curriculum development, adequate academic counseling programs, exposure to major societal, political, and social issues, alumni relations, community interaction and so on. The usefulness or value of the received education is ultimately assessed in the market place when the student graduates. The value in the market place is dependent on the creativity of the faculty in their area of research, public service and curriculum and the administration for providing such a productive organizational climate.

Even though the immediate rewards go to the stu-

dents, in the long run both the educational institution and society are beneficiaries. With successful alumni, the reputation of the institution is enhanced. The community will recognize the fine efforts of the institution. Above all, this has a synergetic effect in attracting more and better quality faculty. A study at MSU indicates that the faculty choice of a campus is very much influenced by the quality of incoming students. [12] Obviously the quality of institutional output is dependent on the quality of inputs.

#### CONCLUSIONS

In order to effectively recruit students and thereby offset the financial ravages brought on with declining enrollments, it is incumbent for university administrators to better understand the student's decision-making process in the choice of an educational institution. It is hoped that through conceptualization of this type, progress will be made toward a comprehensive understanding of the students' decision-making process in selecting an institution or program of higher education. It is further hoped that this understanding will improve and direct relevant academic programming.

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