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A HIGHER EDUCATION MARKETING PERSPECTIVE ON CHOICE FACTORS AND INFORMATION SOURCES CONSIDERED BY SOUTH AFRICAN FIRST YEAR UNIVERSITY STUDENTS

by

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SYNOPSIS

The South African higher education sector is currently facing many challenges. Factors such as a decrease in government funding, mergers and student unrest compel higher education institutions to apply effective strategies for funding and recruitment of quality students. Higher education institutions are forced to focus on restructuring and repositioning themselves, build a strong brand, communicate their image and to sustain their position in order to ensure a competitive advantage.

In order to be locally relevant and globally competitive, higher education institutions need to become more marketing-oriented. In a restricted financial environment, higher education institutions will have to assess and reassess marketing strategies aimed at attracting quality first year students. A proper assessment of the importance of the choice factors students consider when selecting a higher education institution as well as the usefulness of the information sources they consider, will enable institutions to allocate funds, time and resources more efficiently and effectively.

A quantitative study with a self-administrated questionnaire was used to allow students to complete the questionnaire during class lectures. Non-probability convenience sampling was used and a sample of 1241 students responded from six higher education institutions: the University of Pretoria, Tshwane University of Technology, University of Johannesburg, University of the Free State, University of Kwa–Zulu Natal and the North-West University. The sample consisted of 64 percent females and 36 percent male students. The ethnic orientation distribution was as follows: 46 percent Caucasian, 41 percent Black African, 9 percent Indian, 3 percent Coloured and 1 percent students of other ethnic groups.

The main goal of this study was to investigate the relevant importance of the choice factors, as well as the usefulness of the information sources, that first year Economic and Management Sciences students at selected higher education institutions in South Africa considered when they decided to enrol at a specific higher education institution. The findings indicated that some choice factors were more important to students than others, as well as the fact that students from different gender groups, ethnic groups,

language groups and institutions differed in the importance they attached to the choice factors. The top ten choice factors respondents regarded as important in the selection of a higher education institution are: quality of teaching, employment prospects (possible job opportunities), campus safety and security, academic facilities (libraries and laboratories), international links (study and job opportunities), language policy, image of higher education institution, flexible study mode (evening classes and use of computers), academic reputation (prestige), and a wide choice of subjects/courses.

The findings also revealed that information sources directly from a higher education institution, such as open days and campus visits, university publications and websites are the most useful to students, while information from mass media such as radio, television, magazines and newspaper advertisements are not as useful.

The findings give marketing educators an indication of the importance of choice factors considered by prospective students in selecting a higher education institution, and enable higher education institutions to use their limited funds more efficiently to attract quality students, create a unique position and gain a competitive advantage. Based on the usefulness of information sources and the importance of choice factors considered, student focused marketing communication can be developed. This should aid students to make more informed decisions about the higher education institution they wish to attend. The study also add to existing theory in the fields of services marketing, higher education marketing and consumer behaviour, especially the field of outlet selection, as the institution can be viewed as the outlet for buying education. Information obtained from this study also contributes to the available research and literature on this topic and could be used by other researchers as a basis for future research.

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CHAPTER 1

BACKGROUND AND OVERVIEW OF THE STUDY

1.1 INTRODUCTION

South Africa is facing many new challenges in the higher education sector, including more recently the transformation of Technikons into Universities of Technology as well as the mergers of higher education institutions. The main driving force behind recent changes has been to achieve a uniform national standard of qualifications. According to Whyte (2001:27), higher education all over the world is undergoing considerable changes, such as the forming of partnerships, focusing on the global market and an increase in competition.

The challenges presented by the restructuring of higher education in South Africa through the National Plan for Higher Education and the implementation of the National Qualifications Framework will create new opportunities but also threats for higher education institutions. Higher education institutions will have to be creative and innovative over the next five years to meet these challenges. The National Qualifications Framework endeavours to provide learners with mobility and easier access to education and training. Competition will be intense and higher education institutions will have to market themselves effectively. Higher education institutions not only face competition from other public education providers, but also competition from private education service providers, of which there have been a noticeable increase over the last few years.

The decrease in government funding for higher education institutions, increase in marketing costs and non-payment of student fees, force higher education institutions in South Africa and globally to find alternative sources of funding.

Higher education institutions never exist in isolation. Therefore, the communication of the image it projects to the target market is of crucial importance, because a higher

education institution is dependent on its environment for the supply of students and funds. In their choice of institution, students are strongly influenced by the image that the specific institution projects (Coetzee & Liebenberg, 2004). In this regard, potential students pay special attention to the fields of study and funding possibilities at the higher education institution they consider enrolling at.

In a restricted financial environment, higher education institutions will have to assess and re-assess marketing strategies aimed at attracting quality first year students. According to Goff, Patino and Jackson (2004:795), an increase in advertisements, promotions and other marketing elements are evident, and to effectively communicate with potential students, it is important to know how to reach them and what to say to them. A proper assessment of the choice factors students consider when selecting a higher education institution, as well as the sources of information they make use of, will enable institutions to allocate funds, time and resources more efficiently and effectively.

Considering all the challenges that higher education institutions are faced with, it is evident that institutions will have to become more marketing-oriented. According to Rindfleish (2003:147), this forces higher education institutions to increasingly focus on marketing techniques used by profit organisations. According to Paulsen (1990:55) as well as Hoyt and Brown (2003:4), higher education institutions, in order to remain competitive, will have to use a marketing framework consisting of the following: (1) establish its image or market position; (2) identify competition; (3) determine the needs of the various market segments; and (4) develop a marketing plan for promoting their educational services. One of the key issues to the successful development of a marketing strategy is to determine which factors students consider when they have to make a decision on which institution to attend.

Previous research conducted both nationally and internationally provides insight into the above-mentioned challenges, objectives and problems. Research done internationally (Tjeldvoll & Holtet, 2003; Valiulis, 2003 and Mayhew, Deer & Dua, 2004) explored the impact and problems of changes in the environment of higher education institutions. Various researchers (Palacio, Meneses & Perez, 2002; Arpan, Raney & Zivnuska, 2003 and Pabich, 2003) emphasise the importance of the image of a higher

education institution to attract students to select a higher education institution. Many studies have been done internationally on choice factors considered by students in selecting a higher education institution (Espinoza, Bradshaw & Hausman, 2002; Hoyt & Brown, 2003; Gray & Daugherty, 2004 and Punnarach, 2004). Local studies addressing aspects of higher education marketing include: the image of universities (De Wet, 1983 and Kruger, 1994), market positioning (Van Biljon, 1992), marketing strategies (Diederichs, 1987), corporate image (Roux, 1994), corporate reputation (Coetzee & Liebenberg, 2004) and marketing communication strategies (Jones, 2002). Despite these works, little is known about the choice factors considered by local students when they select a higher education institution. The changing environment of higher education in South Africa and the lack of recent, scientific studies in this field served as an impetus for this study.

Hoyt and Brown (2002:7-11) further state that it is increasingly evident that choice factors used by students will continue to be a critical component in understanding the student market. The lack of recent local studies on choice factors emphasise the need for a study in this field in a South African context.

Literature emphasises the need for higher education institutions to identify the choice factors and various information sources used by students, in order to understand their market better. The overall goal of this study is therefore to investigate the relative importance of choice factors, as well as the usefulness of information sources considered by Economic and Management Sciences students at higher education institutions in South Africa, when they decided to enrol. Thus, the study's primary research objectives are to:

- Determine the relative importance of each of the twenty-three choice factors that first year Economic and Management Sciences students use to select a higher education institution;
- Investigate the usefulness of the sources of information considered by first year Economic and Management Sciences students in the selection process as perceived by ethnic groups, gender groups and academic institutions attended;

- Determine whether students from different ethnic backgrounds differ regarding the importance they attach to choice factors when selecting a higher education institution;

- Determine whether students with different home languages differ regarding the importance they attach to choice factors when selecting a higher education institution;

- Determine whether there are gender differences regarding the importance students attach to choice factors when selecting a higher education institution;

- Determine whether students from different higher education institutions differ regarding the importance they attach to choice factors when selecting a higher education institution;

- Determine if students that live seventy kilometres or further from a higher education institution make more use of campus visits or open days as a source of information than students living close-by;

- Determine if students that are resident in the province in which the higher education institution is located make more use of word-of-mouth as a source of information; and

- Determine if students with an average of seventy percent or more in Grade 12 make more use of higher education institutions' websites than students with a lower average in Grade 12.

The remainder of the study will be structured as follows: firstly, the literature review on marketing of higher education institutions, services marketing for non-profit organisations and consumer behaviour in a service environment will be addressed. Next the hypotheses will be explained. The importance of the study as well as the research method and procedure to be used in the study will follow. Finally, the findings of the study, a budget and project timeline as well as a list of references will be presented.

1.2   LITERATURE REVIEW

Section 1.2.1 of the literature review will focus on previous research and literature on the changing environment of higher education institutions. These changes in the higher

education landscape and previous research will act as background information and reasoning for this study. Sections 1.2.2 and 1.2.3 will be a discussion of services marketing for non-profit organisations, as education can be classified as a service and higher education institutions as non-profit organisations. The consumer decision-making process with specific focus on the choice factors students consider when selecting a specific institution to enrol at will also be highlighted in Section 1.2.4, as this forms the theoretical backbone of the study.

1.2.1 MARKETING OF HIGHER EDUCATION INSTITUTIONS

Previous research points out that there are numerous pressures and changes in the higher education landscape, such as the decrease in government funding and striving to attract quality students and mergers (Whyte, 2001; Espinoza *et al.,* 2002; Haigh, 2002; Mok, 2003; Mouwen, 2002; Rindfleish, 2003). The afore-mentioned authors agree that in response to these challenges, higher education institutions will have to understand and influence the higher education institution choice process among prospective students in order to remain competitive. Efforts will have to include more targeted advertisements and promotional material, as well as general efforts to position the institution with respect to competitors in the mind of prospective students and their parents. According to Abaya (2004:3), marketing a higher education institution is paradoxically simple and complex at the same time. Part of it is that business success is measured fundamentally in revenues and profits. In contrast, institutions of higher learning exist primarily to provide students (customers) with a one of a kind education and an enjoyable campus experience. Higher education institutions compete for students and staff, but also for funding. This implies that they need to be seen and heard by those audiences (students, staff and government). The need to market their (brand) image and establish a unique difference showcases their strength and gives students a reason to choose an institution.

Since higher education institutions operate in a service environment, they need to understand the unique aspects of services marketing in order to accomplish the above-mentioned.

1.2.2 NON-PROFIT ORGANISATIONS

Non-profit organisations attempt to achieve some other objective than profit. This does not mean that they are uninterested in income, as they have to generate cash to survive. However, their primary goal is non-economic, and for higher education institutions, that is to provide quality education.

Marketing is of growing importance to non-profit organisations because of the need to generate funds in an increasing competitive arena. Even higher education institutions that rely on government funding must show how their work is of benefit to society and must meet the needs of their customers.

Lovelock and Wright (2002:233) identify several characteristics of non-profit marketing, which will be briefly discussed below.

- Education versus meeting current needs
  Non-profit organisations see their role not only as meeting customer needs, but also as educating them on new ideas, cultural development and social welfare. This approach also adds additional value to services such as education.

- Multiple public
  Most non-profit organisations serve several groups or publics. The two broad groups are donors, who may be individuals, trusts, companies or governmental bodies. The second group is their clients, such as students, parents, government or employers. They need to satisfy both groups and this complicates the marketing task.

- Public scrutiny
  While all organisations are subject to public scrutiny, public sector non-profit organisations are never far from public attention, the reason being that they are using government funds obtained mainly from taxes. This gives them extra newsworthiness, as all taxpayers are interested in how their money is spent. Higher

education institutions have to be particularly careful that they do not become involved in controversy, which can result in bad publicity.

- Measurement of success and conflicting objectives

    For-profit organisations' success is measured ultimately in profitability. For non-profit organisations, measuring success is not so easy. Higher education institutions' success can be measured in terms of research output, number of students taught, student pass rate, range of qualifications of staff and even the quality of teaching. The combination of these factors makes the measurement of success difficult and can lead to conflict. For example, more students and larger classes may reduce time needed for research by staff to deliver the required research outputs. Decision-making is therefore more complex in higher education institution organisations.

- Marketing procedures for non-profit organisations

    Despite all these differences, the marketing procedures relevant to profit organisations can also be applied to non-profit organisations such as education.

For the purpose of this study, non-profit organisations can be viewed as institutions that operate in the public interest or that foster a cause.

1.2.3 SERVICES MARKETING AND NON-PROFIT ORGANISATIONS

Education is classified as a service. Services can be defined in various ways. According to Kotler and Armstrong (2001:223), a service can be a place, idea, person or activity, with benefits or satisfaction that are offered for sale that is essentially intangible and does not result in the ownership of anything. Other authors (Baron & Harris, 1995; Lovelock & Wright, 1999; McColl-Kennedy, 2003) view services as acts, performances and experiences that create benefits for customers. Based on the above-mentioned definitions, higher education institutions can be classified as 'places' with benefits or satisfaction that offer services for sale.

In a review of the service industry, Nicholls, Harris, Morgan, Clarke and Sims (1995:31-38) point out that it is generally accepted that the marketing of services is different from the marketing of physical goods due to their unique characteristics. According to McColl-Kennedy (2003:9), services have unique characteristics that differentiate them from other products. Because education can be classified as a service, the following characteristics can be applied to education:

- Intangibility: The intangibility makes it difficult for potential customers to assess the quality of the service, except by looking at the tangible elements such as fees or campus facilities.
- Heterogeneity: The people involved, providers (academic staff) and customers (students) are all different and therefore homogeneity cannot be achieved.
- Perishability: The process of education is perishable, because it is consumed partially at the point of delivery and could result in a missed opportunity.
- Inseparability: This is particularly the case in education, where a service cannot be separated from its consumption.

Because of these unique characteristics of service institutions, higher education institutions face special challenges. To overcome these challenges and to be more marketing-oriented, institutions need a better understanding of the environment and market in which they operate.

Andreasen and Kotler (2003:31) state that the decrease in support from traditional sources, such as government, has emphasised the importance for non-profit organisations to apply marketing principles by making use of a proper philosophy of marketing, systematic approach to solving marketing problems, and awareness and ability to use the very latest concepts and techniques from the private sector.

The most important marketing issue for non-profit educational institutions is to become truly marketing-oriented. This involves fostering a greater degree of collaboration between internal departments, monitoring competitors and developing a focus on a wide range of institutional publics (Sargeant, 2005:325). As higher education institutions have a wide range of institutional publics, institutions must understand how

and when decisions are taken by students, parents and other public groups, if they want to market effectively. This study is therefore undertaken to assist higher education institutions in understanding their market better as well as to employ marketing action more effectively.

1.2.3.1   Marketing strategy for service and non-profit organisations

Higher education institutions need to understand the development of marketing strategies by using the tools of marketing referred to as the marketing mix or the 4 Ps (price, product, place, promotion). For higher education, which is classified as a service, 7 Ps have been identified: service product, price, place, promotion, people, process and physical evidence. The results of this study will provide insight into the communication media to be used as a form of promotion for higher education institutions, as the usefulness of the sources of information used by students are investigated.

Institutions market themselves by designing their offerings in terms of the target markets' needs and desires. Institutions furthermore inform, motivate and service their market by using effective pricing, communication and distribution (Kotler and Armstrong, 2001:18). Early research from Chapman (1981) repeated by other authors found that higher education institutions make use of various means to market their services, such as word-of-mouth, webpages, open days, brochures, alumni networks and advertisements in newspapers, radio and television (Chapman, 1981; Seymour, 2000; Bradshaw, Espinoza & Hausman, 2001; and Arpan *et al.,* 2003). With the increased pressure of funding, mergers and competition, it is important for institutions to communicate positive images to prospective students. Hoyt and Brown (2003:4) found websites as the most important source of information for students, while research by Seymour (2000:11) identified campus visits as the most influential sources of information for prospective students. The least influential sources of information are advertisements in magazines, newspapers, radio or television. Local studies by Jones (2002) found word-of-mouth from friends as the most important source of information while Coetzee and Liebenberg (2004) identified open days and websites as the most important sources of information considered by students.

According to Melewar and Akel (2005:41), Bodoh and Mighall (2002), Jarzabkowski and Wilson (2002), and Abaya (2004), in a market where students are recognised as customers, the following actions are important:

- Higher education institutions have to implement strategies to maintain and enhance their competitiveness;
- Higher education institutions need to develop competitive advantages based on a set of unique characteristics;
- Higher education institutions need to communicate these characteristics in an effective and consistent way to all relevant stakeholders; and
- Higher education institutions must ensure that they reach the student market by supplying information on their institution in the sources that students indicated they make use of.

In the light of the above-mentioned, this study will investigate the usefulness of the information sources students consider in their selection process, as well as the relative importance of choice factors they make use of, in order to provide guidelines to South African higher education institutions to implement strategies to maintain and enhance their competitiveness, develop a competitive advantage and reach the student market.

In order to develop effective marketing strategies to be competitive and reach the student market, higher education institutions must know how they are perceived by their clients (students). The next section will focus on the image of service organisations (higher education institutions).

1.2.3.2 Image and higher education institutions

According to Lamb, Hair, McDaniel, Boshoff and Terblanche (2004:198), dedicated creative work over long periods of time with the use of all available marketing communication media and tools, is a prerequisite for developing a strong image for a brand or firm.

Changes in higher education in early 2003 in South Africa by the then minister of Education, Kader Asmal, provided the ideal opportunity for higher education institutions to recognise and develop themselves as well as necessitated the creation of a clear, distinctive image (Shepherd, 2005:8).

Image has been defined in numerous ways: the mental representation of a real object (Palacio *et al.,* 2002:50), association based on an organisation name (Gatewood, Gowan & Lautenschlager, 1993:420), and the summary of basic attitudes towards an organisation or a set of expectations (Lamb *et al.,* 2004:). Numerous studies have examined corporate image, but few have examined the image of non-profit organisations such as higher education institutions.

According to Boyle (1996:58), brand image has a considerable influence on consumer behaviour and states that an institution's image is used for attracting its internal and external publics, i.e. present and potential students (Gatewood, Gowan & Lautenschlager 1993:433; Boyle, 1996:57; Collins & Stevens, 1999; and James, Baldwin & Mcinnis, 1999) and funding (Landrum, Turrisi & Harless, 1998:53-68). According to Barich and Kotler (1991:24), image also influences sales and brand loyalty and therefore seems to be of great importance for profit as well as non-profit companies like higher education institutions (Parameswaran & Glowacka, 1995:19).

Clark and Hossler (1990:68) state that institutions can position themselves in a variety of ways, for example: "low-cost university", "elite college" or "church related schools" in the educational market place. Pabich (2003:519) states that higher education institutions often creates the image of "business universities with job opportunities" or focusing on heritage (Bulotaite, 2003) as well as prestige (McPherson & Schapiro, 1998).

According to Tjeldvoll and Holtet (2003:27), higher education institutions that know how they are perceived by their students can clearly communicate their position and create a unique image by means of the right marketing communication.

Higher education institutions can only know how students perceive their institution and satisfy the needs of their target market if they understand the behaviour of their market. It is therefore imperative that higher education institutions understand their consumers' behaviour.

1.2.4 CONSUMER BEHAVIOUR IN A SERVICE ENVIRONMENT

One of the important areas in the study of consumer behaviour is the consumer decision-making process. The study of the consumer's decision-making process involves the analysis of how people choose between two or more alternative acquisitions, the behaviour that takes place before and after the choice as well as the buying patterns that emerge as a result of this process.

Espinoza *et al.* (2002:20) state that in response to the pressures of the changing environment of higher education institutions, there have been expanded efforts by higher education institutions to understand and influence the decision-making process among prospective students. In order to understand and influence the decision-making process of students, the five steps in the consumer decision-making process will now be shortly explained. An in-depth discussion will follow in Chapter four.

1.2.4.1 Steps in the consumer decision-making process

Hawkins, Best and Coney (2001:127) identify five stages in the decision-making process: problem recognition, search, alternative evaluation, choice and post-acquisition evaluation.

According to Berman and Evans (2001:233), the initial stage in any decision-making process is need/problem recognition. The individual senses the difference between what he/she perceives to be the ideal state of affairs (the condition the consumer would like to be in) compared with the actual state of affairs (the condition the consumer perceives himself to be in), lifestyle and current situation. It can be thus be assumed that a potential student senses a difference between the ideal state of affairs (being educated), compared with his actual state (being uneducated).

After identifying a problem of sufficient magnitude to propel the students into action, the search process is activated to acquire information about products or services that may eliminate the problem. Thus, after a potential student sensed a need for education (service), he/she would start to look for information. This study will investigate the usefulness of each identified source for students when they search for information on higher education institutions.

Step three in the decision-making process entails the evaluation of available alternatives. During and after the time that students gather information about various alternative solutions to a recognised problem (thus the different higher education institutions available), they evaluate the alternatives and select the source of action that seems most likely to solve the problem. Evaluative criteria are used to compare the different alternatives. The number, type and importance of evaluative criteria used differ from customer to customer and across service product categories. Therefore, this study will attempt to identify these factors and their relative importance for students. According to Hawkins *et al.* (2001:568), evaluative criteria can be described as those features or characteristics that consumers are looking for when buying a specific product or service. This study will also investigate the factors and relative importance of the factors that students made use of when they selected their higher education institution.

The fourth step is reached as the consumer (student) moves through problem recognition, information search and alternative evaluation, and then the outlet selection and purchase or non-purchase that follows. The consumer finally reaches the point at which the actual purchase is made. This means a potential student has chosen an outlet (institution) to buy his/her service (education) from and paid the fees (price).

The final step in the decision-making process, namely the post-purchase phase, consists of four components: post-purchase dissonance, service product use, service product disposition and purchase evaluation.

Researchers (Hossler & Gallagher, 1987 and Braxton, 1990) have devoted considerable attention to the issue of selecting a higher education institution. Ballinger (2005:37) states that the decision-making process should be an educational

experience for students. Building on the work of others, Hossler and Gallagher (1987) created a three-stage model to describe the college decision-making process. These stages include a predisposition stage, a search stage and a choice stage. In the predisposition stage, students determine whether they will continue their formal education. In the search stage, students consider the various higher education institutions available. Students enter a choice stage when they submit their application to a selected set of institutions. This study will focus on the search stage and choice stage of the decision-making process and will investigate usefulness of information sources, as well as the relative importance of the factors they consider during their search and choice stage. Information provided by this study could aid higher education institutions in supplying appropriate information using relevant sources to influence students from the search stage to choosing their institution.

As this study focuses on the search and choice stage of the decision-making process, various choice factors used by students will now be highlighted.

1.2.4.2 Choice factors students consider in the selection process

A review of previous international studies revealed a variety of potential choice factors considered by students when selecting a higher education institution. Van Dimitrios (1980:207) identified media, institutional accessibility, academic programmes and non-academic programmes as the main choice factors. Bajsh and Hoyt (2001:3-5) and Bradshaw *et al.* (2001:15-22) identified five main factors considered by students when selecting a higher education institution. These include:

- Quality and responsiveness of personnel (helpfulness and accessibility);
- Research activities;
- Social opportunities (athletic programmes and social life);
- Economic considerations (location of campus and work opportunities); and
- Size of the institution.

Espinoza *et al.* (2002:23) identified campus safety and flexibility in course offering times as additional factors to those identified in previous literature (Basjh & Hoyt, 2001

and Bradshaw *et al.*, 2001). Arpan *et al.* (2003:100) identified three main factors: academic rating, athletic rating and news coverage. Canadian Universities (2000) make use of six criteria to assist students on the Internet in selecting a Canadian university: programme reputation, social reputation, friends, entry requirements, educational programmes and extra-curricular activities. Punnarach (2004:55) adds the famousness of the university, public relations and stability as additional choice factors.

According to Hoyt and Brown (2003:3), institutions may develop their own in-house survey or use one of the standardised instruments such as the Admitted Student Questionnaire (ASQ) or Cooperative Institutional Research Programme Freshmen Survey (CIRP) to gain insight into the student market. Although literature provides an understanding of the marketing framework of the choice factors institutions usually consider, only a limited number of choice factors are usually investigated when surveying students. Hoyt and Brown (2003) found twenty-seven studies with less than ten choice factors and compared them to studies with more than twenty choice factors (Absher & Crawford, 1996; Maryland Commission, 1996 and Jonas & Popovics, 1990). The ASQ details thirteen factors on college choice characteristics with the possibility of adding other individualised factors. Hoyt and Brown (2003) made use of twenty-two previous studies to identify the most important choice factors, namely academic reputation, location, quality of instruction, availability of programmes, quality of the faculty, cost, reputable programmes, financial aid and job outcomes. The next twelve most important factors across the twenty-two studies were: variety of courses offered, size of the institution, surrounding community, availability of graduate programmes, student employment opportunities, quality of social life, class size, admission to graduate school, extracurricular programs, friendly/personal service, affiliation (with another reputable institution), admission requirements and attractiveness of campus facilities.

Hoyt and Brown (2003:6) found significant differences between gender and the importance these groups attached to some of the choice factors such as campus safety. Campus safety was more important to female students than to their male counterparts. The authors found no significant differences in the importance of the choice factors and different income groups or the geographical area students came from. In addition to identifying important choice factors from a review of literature, their

study found flexibility in course offering times and delivery methods (night, weekend, Internet). Hoyt and Brown's study also confirms several studies cited in literature that list academic reputation, quality of faculty and instruction, location, cost, scholarship offers, financial aid and student employment opportunities as important choice factors.

A local South African study found reputation, whether the reputation of the institution or study programme, as the most important influence on the choice of an institution. The results also indicated that the provision of superior sporting facilities have a greater influence on choice than scholarships, paternal study, fees or friends' recommendation (Cosser & Du Toit, 2002:95).

This study is to investigate the relative importance of a comprehensive set of choice factors for South African students, as a more comprehensive set of factors could result in improved predication of student institution choice and a more accurate picture of those institutional characteristics students believe are important in the selection process of a higher education institution.

The aforementioned discussion forms the basis of the hypotheses that will be discussed in the next section.

1.3 HYPOTHESES

Based on the afore-mentioned discussion, it is hypothesised that:

H_1 Students from different ethnic backgrounds differ regarding the importance they attach to choice factors.

H_2 Students speaking different home languages differ regarding the importance they attach to choice factors.

H_3 Male and female students differ regarding the importance they attach to choice factors.

H₄   Students from different academic institutions differ regarding the importance they attach to choice factors.

H₅   Students that live seventy kilometres or further from the higher education institution attach more value to campus visits or open days as a source of information than students living close-by.

H₆   Students that are residents in the province in which the chosen higher education institution is located, value word-of-mouth (friends and other people) more as a source of information than students from other provinces.

H₇   Students with a Grade 12 average of seventy percent or more rely significantly more on higher education institutions' websites as a source of information than students with a lower Grade 12 average.

1.4   IMPORTANCE / BENEFITS OF THE STUDY

The marketing of higher education institutions has lately attracted the attention of both marketing scholars and university managers. This is evident from the special conference on higher education marketing held in Cyprus in early 2006, as well as the existence of a Special Interest Group (SIG) internationally for higher education marketing. The SIG for marketing of higher education is one of seventeen SIG's that fall under the auspices of the Academy of Marketing, based in the United Kingdom.

This research will give education marketers an indication of the relative importance of the choice factors uased by students to select a higher education institution. This information will enable higher education institutions to use their limited funds more efficiently to attract quality students. Higher education institutions can use the results of this research to plan their marketing communication strategies effectively by using their knowledge of students' selection processes to position themselves and to gain a competitive advantage. The study will also investigate the sources of information usefulness in the selection process. Marketing officers can use this information to make marketing communication strategies more market-oriented, reinforce their image

and reach students more effectively through the identified sources of information. Students can also benefit, as marketing communication strategies can be directed to them, making use of the identified sources of information that they see as useful and important. The marketing communication message will be student focused and students will be able to make more informed decisions about the higher education institution they wish to attend. Information obtained from this study will also contribute to the available research and literature in the field of services marketing, marketing of non-profit organisations and outlet selection as part of the consumer decision-making process. Findings from this study can furthermore be used to do comparison studies with other international institutions. Lastly, the findings of this study could be used by other researchers as a basis for future research on the multi-cultural student market in South Africa.

1.5 METHODOLOGY

The elements of research design (Cooper & Schindler, 2003:146-151), will now be briefly discussed and applied to the study at hand.

In this study, a formal research design was used to test the stated hypotheses. Because the researcher has no control over the variables in the sense of being able to manipulate them, and only reported on what was happening, this can be classified as an ex post facto design. This design has a descriptive focus, as the purpose was to find out which choice factors students use and where (sources) they look for information. A cross-sectional study was carried out and this represents a snapshot of one point in time. Due to the fact that this study attempted to capture the population's characteristics by making inferences from a sample's characteristics and hypotheses were tested, thus focusing on the breadth rather than depth of the study, it could be classified as a statistical study. Research was conducted under field conditions, as students were interviewed in their lecture rooms at the higher education institutions they are attending. Participants (students) were fully aware of the research activity, as this will not influence the results. They have nothing to lose or gain from manipulating their answers. This study is descriptive in nature as the purpose is to describe a problem or opportunity. The study provides a description of the demographic

information of first year Economic and Management Sciences students in terms of age, gender, language and ethnic group. The study also attempts to describe the behaviour of students in terms of the importance and usefulness of factors and sources considered in the selection of a higher education institution.

1.5.1 SAMPLING

1.5.1.1 Target population

A population can be described as the entire compilation of elements that the researcher aspire to draw conclusions from (Cooper & Schindler, 2003:179). The target population for this study are first year Economic and Management Sciences students (arbitrarily chosen) from six higher education institutions who agreed to participate, namely: the University of Pretoria, Tshwane University of Technology, University of Johannesburg, University of the Free State, University of Kwa–Zulu Natal and the University of North-West.

1.5.1.2 Sampling method

Non-probability sampling was chosen, since the characteristics of this method have particular appeal due to financial and time restraints. It was extremely difficult to obtain a complete, up-to-date list of first year Economic and Management Sciences students from six higher education institutions to use as sample frames that are needed for probability sampling methods. According to McDaniel and Gates (2001:336), non-probability samples can produce samples of the population that are reasonably representative. A major implication of this type of sampling is that a statistical evaluation of the sampling error cannot be undertaken (Tustin, Ligthelm, Martins & Van Wyk, 2005:344). Measurement errors, which are usually associated with non-probability sampling, were prevented in the following ways: questionnaire design errors will be prevented by following the guidelines for constructing a questionnaire and by using focus groups and a pilot study to test the questionnaire. Cross-checking, computer checks and pre-coding were used to avoid coding and data capturing errors. Respondents' errors were addressed by making sure it is not a lengthy questionnaire and ego/humility questions such as income will be minimised. Interviewer errors were

limited by making use of a structured questionnaire. Non–response errors can also affect the results and therefore students completed the questionnaire during class time while their lecturer was present. This helped to increase the response rate and to ensure the right elements were included in the sample.

According to Cooper and Schindler (2003:200) and Shao (1999:38), non-probability sampling is more cost-effective, faster, and effective if there is little variance among the population element. Hair, Bush and Ortinau (2000:354) define convenience sampling as a study in which respondent participation is voluntary or which leaves the selection of sampling units primarily up to the interviewer. Thus, convenience sampling was used in this study as the sample members (first year Economic and Management Sciences students) were chosen on the basis of being available or accessible during normal class times.

1.5.1.3 Sample size

The sample size is determined by both statistical and practical considerations (Jarboe, 1999:38). Tustin *et al.* (2005:361) state that statistical calculations of sample sizes can only be done for probability sampling methods, as there is no statistical formula for prior calculation of the size of a non-probability sample. This study therefore concentrated on practical concerns such as resources in terms of money, time and personnel impact on the size of the sample. Keeping the latter in mind and to limit the non-response error associated with non-probability sampling, as well as to ensure that group comparisons could be made, 250 questionnaires were distributed to first year Economic and Management Sciences students from each of the higher education institutions, therefore aiming for a sample size of 1500 students.

1.5.2 DATA COLLECTION

Data was collected by means of a quantitative study. The initial questionnaire was pre-tested with a convenience sample of 20 first year students. According to Tustin *et al.* (2005:240), a pre-test is used for the traditional assessment of validity and comprehension of a questionnaire. Data for the study was collected during a three

month period from February to April, during lecture times of the six identified higher education institutions. No incentives were provided for respondents to complete the questionnaire. To avoid the potential bias owing to the use of non-probability sampling, the questionnaire was administrated at six different higher education institutions, at different times and classes by different lecturers (fieldworkers).

Tustin *et al.* (2005:184) define a self-administrated questionnaire as a traditional paper questionnaire used for surveys. Self-administrated surveys allow respondents to complete the questionnaires themselves. Data collection through such written communication requires respondents to record their response to the research questions in writing. The sample size was determined by the number of students who voluntarily complete the questionnaire. A standardised instrument, the Admitted Student Questionnaire, which makes provision for the possibility of entering other individualised choice factors, was used. Using a standard measuring instrument that is used by numerous higher education institutions ensures internal validity and content validity. Validity refers to the extent to which a particular measure is free from systematic and random errors (Diamantopoulos & Schlegelmilch, 2000:33).

The chosen questionnaire is also appropriate to the research problem and purpose. The questionnaire makes use of categories that best partition the data for hypothesis testing and showing relationships. The questionnaire was pre-tested and initial focus groups were used to eliminate the number of "other" responses. Pre-testing checked that a specific answer can only fit into one cell of a category set, thus be mutually exclusive. The questionnaire made use of multiple choice questions for classification information and mainly Likert scales to determine the importance of different choice factors and information sources. Preventative measures were taken to minimise the problems usually associated with self-administrated questionnaires. Due to the high non-response associated with self-administrated questionnaires, lecturers were in class to assist and motivate students to complete the questionnaires to ensure a higher response rate. There was control over who complete the questionnaires, as lecturers acted as fieldworkers. Because no mailing is involved, no up-to-date mailing list is needed and results were faster, as questionnaires were handed in directly after completion in class. The survey was less impersonal because lecturers were present to explain the research procedure and to provide assistance in case of any problems.

This method of data collection was used because it is fast, cheap, convenient, easy to process and the response rate higher. Incentives for completing the questionnaire was not provided as it is prohibited by the Research Ethics committee of the University of Pretoria.

1.5.3 DATA ANALYSIS

In this study, an MS Excel spreadsheet was used to transfer the codes from the questionnaires onto the computer and the SAS software programme was used to analyse the data.

The purpose of data cleaning is to identify omissions, ambiguities and errors in the responses (Diamantopoulos & Schlegelmilch, 2000:40). This could be prevented by not asking ambiguous questions and by pre-testing the questionnaire. Non-responses can be defined as missing values and questionnaires with high amounts of missing data were disregarded. Tustin *et al.* (2005:471) state that researchers have to attempt to clear the dataset of possible coding and data capturing errors. Data cleaning was done by making use of wild-code checks - codes that are not defined for particular variable, and extreme-case checks - responses to a variable that is far from ordinary. This study aimed to avoid mistakes during and immediately after the collection of data.

According to Shao (1999:76), editing consists of checking completed questionnaires or other data collection forms for omission, incomplete or otherwise unusable responses, illegibility and obvious inconsistencies. The researcher conducted field editing to check that the majority of questions are completed and that the handwriting of the respondents is legible. Central editing took place as questionnaires were checked when capturing the data to ensure that the information is correct, consistent with other information and complete. Emory and Cooper (1991:450) state that incomplete questionnaires will negatively affect the validity of the information collected and therefore incomplete or unusable questionnaires were eliminated.

Coding is the assignment of numerals or other symbols to answers that enables the responses to be grouped into a limited number of classes or categories (Cooper & Schindler, 2003:456). Perreault and McCarthy (1996:114) point out that coding is the

establishing of meaningful categories for responses collected by means of surveys or other data collection forms, so that the responses can be grouped into usable classifications. Codes can be assigned before or after a research study is completed. Jarboe (1999:78) defines pre-coding as the assignment of codes to the different responses on the questionnaire before the questionnaires are distributed. In this study, pre-coding was used as mainly closed-ended questions, multiple choice questions and scaled questions were be used, for which answers can be anticipated from the questionnaire. Pre-coding maked the completion of data sheets unnecessary, since the data was accessible directly from the questionnaire, saving time and money and decreasing the chances of coding errors.

Zikmund and D'Amico (2001:142) define analysis as the statistical and qualitative considerations of data gathered by research. In this study, the analysis of the data arel reported in Chapter 7 by making use of tables, figures, descriptive statistics, multivariate statistical techniques, cross-tabulations, chi-square tests and Cronbach alpha testing.

The results are presented using descriptive statistics by ways of frequency of occurrence and the measure of location – mean (average of the distribution of responses).

Data from this study can be classified as ordinal data (age), nominal data (gender, ethnic group and language) as well as interval data (sources of information and choice factors). Cooper and Schindler (2003:530) state the following assumptions for parametric tests, with data that is derived from interval and ratio measurements:

- The observations must be independent – selection of any one case should not affect the chances for any other case to be included in the sample;
- The observations should be drawn from a normally distributed population;
- These populations should have equal variances; and
- The measurement scales should be a least interval so that arithmetic operations can be used. In this study, Likert scales were used, which produces interval data.

Chi-square tests were used to test for significant differences between the observed distribution of data among categories and the expected distribution based on the null hypotheses.

The statistical significance between the sample distribution mean and a parameter was determined with t-tests and multiple analysis of variance (MANOVA) was used for testing the null hypotheses and to determine if the means of several populations are equal.

According to Tustin *et al.* (2005:590), α is denoted as the significance level and is used to indicate the risk that the researcher is willing to take in rejecting the true null hypothesis. The significance level for this study is (α = 0,05).

1.6   OUTLINE OF THE STUDY

This research study is divided into seven chapters. **Chapter one** introduced the study and provided background information. The area of research has been defined as well as the necessity to execute the study flowing from the problems identified, which acted as motivation to execute the study. The objectives for the study were set.

Chapters two, three and four present the theoretical base for the study. **Chapter two** consists of a literature discussion on the higher education landscape - nationally and globally.

Chapter three discusses the services marketing mix for higher education institutions by highlighting the service product, distribution, price, promotion, processes, physical evidence and people strategy of higher education institutions.

A detailed discussion on the consumer decision-making process documented in marketing literature is provided in **Chapter four** and the consumer behaviour of students during the decision-making process when selecting a higher education institution are explained.

The research problem, objectives and hypotheses are explained in **Chapter five,** as well as the research methodology used in the study.

The research findings are discussed in **Chapter six** by analysing the results from the empirical phase of the study. The statistical results are provided, interpreted and discussed. The hypotheses formulated for the study will also be tested in Chapter six.

The final chapter, **Chapter seven**, summarises the major findings from the study and draws a number of conclusions. The chapter ends by indicating the limitations of the study and making recommendations for future research.

CHAPTER 2

THE HIGHER EDUCATION LANDSCAPE

2.1   INTRODUCTION

Locally and globally, the non-profit sector and higher education are undergoing a period of changes. Higher education institutions and the community they serve are not self-sufficient closed entities, but depend on each other for survival. Institutions do not exist in isolation, especially since the environment in which higher education institutions operate is unstable and turbulent. Higher education institutions as non-profit organisations will only survive and grow if they know what is happening in the environment and have the ability to adjust to the changes.

Environmental scanning can provide higher education institutions with general information in order to understand the trends and challenges they face. This general information is enriched by more specific research conducted in the market, of which this study is an example. The general information, supported by more specific research, provides institutions with insight into the overall picture. Higher education institutions can make use of this information to develop effective marketing strategies and to adjust their strategies to keep abreast of changes in the environment.

South Africa's educational landscape, as well as the global arena, has in recent times become increasingly turbulent. Competition is much stronger than before, with more institutions joining the market. Now, more than ever before, it is imperative for South African higher education institutions to understand the opportunities and threats in their environment.

The changing higher education landscape, nationally and globally, has encouraged the development of a market culture. Institutions are now in a position where they have to compete for scare resources. To survive in this competitive environment, institutions must have an advantage, which means the education provider must provide its target

market with more value than competitors. In order to provide superior value to students, higher education institutions need to anticipate and react to students' needs. Thus, understanding students' behaviour becomes the basis for marketing strategy formulation. Students' reaction to a higher education institution's marketing strategies will determine success or failure of that institution. Espinoza *et al.* (2002:20) state that in response to the pressures of the changing environment of higher education institutions, there must be expanded efforts by higher education institutions to influence the selection process of students.

In order to understand the customer, competitor and environment, institutions must consider the internal and external influences in their business environment. This will enable institutions to select appropriate strategies to ensure a competitive advantage. One way of accomplishing the above-mentioned environmental scanning is to do a SWOT (Strengths, Weaknesses, Opportunities and Threats) analysis. Kotler and Armstrong (2003:104) define a SWOT analysis as a systematic evaluation of the organisation's internal strengths and weaknesses and external opportunities and threats. Higher education institutions can consider various factors in determining strengths and weaknesses, including variables such as the institution's location, merchandise, personnel, campus layout, management capacity, financial aspects and market share position. Strengths of higher education institutions can include customer loyalty, financial resources or the ability to produce services at a relatively low cost. Possible weaknesses may relate to high cost, lack of financing, brands that are not well known or a poor location.

Some higher education institutions will be able to deal with specific threats without major inconvenience or loss of profit, while other threats could result in business failure. However, it is important that higher education institutions identify all possible threats and consider measures to deal with each of them. Opportunities must be identified and strategies chosen to utilise the opportunities to the institution's benefit.

This chapter will focus mainly on the external business environment of higher education institutions. It will identify possible opportunities and threats by analysing and discussing the trends and factors in the higher education landscape, both globally and locally. Figure 2 will serve as a visiual guide for the discussion to follow.

Figure 2.1: The higher education landscape

THE HIGHER EDUCATION LANDSCAPE	
GLOBAL PERSPECTIVE	**LOCAL PERSPECTIVE**
Globalisation and higher education	Effect of globalisation on the SA education landscape
Increased competition in higher education	Changes in the funding of SA higher education institutions
The changing demographic of the global student population	Increased emphasis on technology in S.A. higher education
Growth in student numbers and growth in non-teaching staff	Transformation policies in SA higher education
Institutional cooperation and collaboration with industry	Increased mergers in SA higher education
Policy and financial implications for higher education globally	Impact of HIV/AIDS on higher education in SA
Increased price of higher education	Changing profile of SA higher education students
Alternative source of funding for higher education institutions	The competitive arena in SA higher education
Cutting costs to cope with decrease in funding	Language policy challenges in the S.A. higher education landscape
Changes in the mode of delivery and technology used	Increase in specialisation in SA higher education learning

The first part of Chapter 2 (Section 2.2) will focus on the education landscape from a global perspective, as higher education institutions in South Africa (SA) compete with international higher education institutions. Local institutions can also learn from global trends, since these global trends can influence local institutions as well as manifest later in the South African higher education market. This discussion is however not an attempt to give an in-depth insight into the global arena, but to provide a very general approach to higher education globally. The discussion will focus mainly on developed countries, as these countries are the leaders in research and literature on the changing education landscape. The second part of the chapter (Section 2.3) will highlight the trends and factors impacting on higher education institutions in South Africa. The investigation of these broad global trends as well as the more local trends will provide higher education institutions with insight into the opportunities and threats in their

environment. These opportunities and threats must be addressed through their marketing mix strategies, to provide satisfaction to students. Figure 2.1 will serve as a visual guide for the rest of the chapter.

2.2   THE GLOBAL HIGHER EDUCATION LANDSCAPE

According to Sargeant (2005:15), a current development in the non-profit sector is the increasing trend of globalisation. Non-profit organisations as well as their funding sides are becoming more and more global in scope. Rhodes (1999:1) states that the well-being of any nation depends upon the quality of its institutions of higher education. He suggests that if higher education institutions want to deliver quality services and survive the changing international education landscape, they must strive to be characterised by the following:

- Research studies, service programmes and study programmes must be locally rooted, but with a focus on having strong international connections;
- The new university must be academically independent but constructively partnered. No institution can survive on its own, and will have to share knowledge with others;
- The new university will have to be knowledge based, but student centred and research driven;
- Higher education institutions must become quality obsessed but efficient. Efficiency must be a major concern to institutions as well as the constant increase of costs at the traditional campus university; and
- The successful higher education institution will have to be professionally attuned, but humanly oriented.

Dennis (2005:55) is of the opinion that change will be a constant companion in the higher educational landscape in the United States, since the re-authorisation of the Higher Education Act will influence the landscape and will have financial implications for educational institutions. Internationally, higher education has to adapt to a new landscape that higher education leaders at the Symposium on Financing Higher Education (Anon, 2004a) described as "a storm with the dramatic convergence of

rising student demands, changes in the demographic character of students, ebbing state support, changes in students' expectations of the college experience and increasing costs". Attendees of the Higher Education Conference (Anon:2004c) felt that due to all these changes, it is important for institutions to rethink how students are being served, the nature and scope of institutional collaboration as well as regulatory partnerships.

In order to understand the international higher education landscape, ten important trends and factors identified in literature, are discussed below. The discussion will include global trends such as globalisation, changing demographics of the student population, policy and financial implications, increased competition, increased prices of education, growth in student numbers, institutional cooperation, alternative sources of funding, cost cutting and changes in the mode of delivery.

2.2.1 GLOBALISATION AND HIGHER EDUCATION

Vidovich and Slee (2001) identify increased accountability and the focus on being more managerial and market-oriented as an important global trend in higher education. They state that higher education authorities worldwide are reviewing and revising mechanisms to enhance the accountability of higher education institutions in the new global knowledge based economy.

According to Mok (2003:118), globalisation and the evolution of the knowledge based economy have caused dramatic changes in the character and functions of higher education in most countries around the world. Apart from improving the efficiency and effectiveness of public services, higher education institutions are confronted with a situation of increased financial accountability. In response to the changes and pressure in this environment, higher education institutions are making use of decentralisation, privatisation and marketisation. Reform strategies and measures such as quality assurance, performance evaluations, financial audit, corporate management and market competitiveness must be adapted to reform and improve the performance of the higher education sector. Globally, higher education institutions will have to adopt businesslike practices to cope with the competition in the market place. Subotsky (2003:508) states that globally, higher education institutions are under pressure to

become more market-oriented and to respond to rapidly changing information technology and knowledge production.

Subotsky (2002:5110) argues that globalisation has significantly altered patterns of research, development and production of education and that this has led to the generation of new organisational forms and practices in higher education knowledge production. The result is a strong trend toward the "entrepreneurial" university that is characterised by increased market like behaviour and governance. To assist institutions to become more market-oriented and businesslike, information is needed on the markets that these institutions are serving.

The second trend that higher education institutions globally face is increased competition.

2.2.2 INCREASED COMPETITION IN THE GLOBAL ARENA

As new for-profit institutions emerge in the higher education landscape, the monopoly of traditional higher education institutions might end (Rhodes, 1999:10). For-profit higher education institutions represent an alternative model that may well prosper in an era of increasing student aid and shrinking institutional support for public institutions. For-profit institutions represent an emerging competitor for students who might otherwise have attended public institutions. Colleges and universities are under pressure to expand services, since they are competing in an increasingly diverse higher education system. Institutions are competing for student enrolments and therefore emphasis is placed on providing student amenities and improving the appearance of grounds and facilities, leading to a further cost increase (Lee & Clery, 2004:24). According to Whyte (2001:27), Australian higher education institutions are at risk of competition not only from other higher education institutions, but also from the large, global, non-university sector players who regard education as a market.

Universities and colleges are spending more on institutional student aid and student marketing due to increased competition (Ehrenberg, Zhang & Levin, 2006:195). It is however important that higher education institutions spend their money wisely. This study will attempt to provide insight into aspects that are important to students in the

outlet selection process to enable institutions to spend their money more appropriately and effectively.

Higher education institutions should not only take note of the increase in competition, but also the changing demographic profile of the global student population.

2.2.3 CHANGING DEMOGRAPHIC OF THE GLOBAL STUDENT POPULATION

The changing nature of the student population and their needs suggest new paradigms for higher education institutions. The Society for College and University Planning's Quarterly Environmental Scanning Report (2005) states that only 55 percent of American students who start college, complete within six years, with only 41 percent of African-American or Hispanic students completing their studies within six years. Retaining students need to be as high a priority as recruiting them, especially since successful retention assists the recruitment process. Academic preparation and continual enrolment are two factors that influence college graduation in America. Attracting qualified minority students has become more complicated, since many institutions are not reaching their admission targets. According to the 2005 Report, there are also a growing number of students who work full-time while enrolling at higher education institutions. New technology is making higher education more accessible for mature working students (Law, 2002:2). More than a quarter of all American students are mature students and the number of part-time students has increased sharply (Sargeant, 2005:292). Dennis (2005) forecasts there will be a continual increase in adult learners, the fastest growing population in higher educations. The number of university students from modest social backgrounds has increased, but this increase will be counter balanced by the rising costs of education, which will influence accessibility for poor students (Mayhew, Deer & Dua, 2004:66).

The growth in student numbers seems to be a problem, as the capacity of community colleges to absorb more students is limited due to budgets constraints. Dennis (2005) report that Community Colleges will have to take an increased role in higher education, as more students will enrol at these colleges given that the traditional four year institutions are becoming increasingly expensive and selective. Another trend in higher education in America is the drop in foreign enrolments on United States campuses.

Foreign enrolments are at their lowest level since 1971, since China and India are rapidly building their own higher education infrastructure. However, the demand will still exceed the supply in higher education with an increased demand from international students for higher education, with the majority of global students coming from Asia.

The increase in diversity does not seem to be restricted to ethnic or geographical diversity. According to Dennis (1995), American colleges and universities have also been trying to reach out to the Lesbian and Gay Bisexual and Transsexual (LGBT) community by creating departments with courses in LGBT issues. Institutions are also going to great lengths to modify their offerings to accommodate students with physical, psychological and learning disabilities.

Typical trends over the past couple of years are the growing number of female students enrolling in higher education institutions (Rhodes, 1999:2). This increase in females and older students has implications for higher education institutions. Research is needed to determine the unique needs of those in growing demographic groups to ensure that they are looked after in the future. This study will also examine the unique behaviour of female students by investigating the relative importance of the choice factors they make use of in institution selection. This information can aid higher education institutions globally to understand this growing segment.

The fourth trend in the global higher education landscape is the growth in student numbers and non-teaching staff.

2.2.4 GROWTH IN STUDENT NUMBERS AND GROWTH IN NON-TEACHING STAFF

Growth in several areas of higher education is an emerging international trend. Demographic trends indicate that the number of people wanting to attend higher education institutions will continue growing for some time to come (Dennis, 2005:14). Already in 1999, growth in all student groups (under-represented minority groups and economically disadvantaged) in all institutions was predicted (Rhodes, 1999:11). Sargeant (2005:292) confirms that there has been remarkable growth in student numbers. Trends of growth are seen especially in Science and Technology and in

professional degrees, in higher education institutions in all localities, region states and nations.

Lee and Clery (2004:29) predict that higher education will witness an accelerating growth in the number of non-teaching administrative and professional staff. Non-teaching employees already outnumber those in the classrooms. These staff members are necessary for fundraising, managing external contracts and the increased marketing efforts to generate a third stream income.

According to McMillan (2005), Community Colleges are also growing in America as enrolments are spurred by the increasing tuition cost of four year schools and more people seeking higher education.

The fifth trend to be discussed is the need for higher education institutions to collaborate with each other.

2.2.5 INSTITUTIONAL COOPERATION AND COLLABORATIONS WITH INDUSTRY

As students become increasingly mobile, institutions in higher education must collaborate to ensure a seamless transition for students who attend multiple institutions during the course of education (Anon, 2004c). Lifelong learning can be seen as the norm in the future and this emphasises the need for collaboration between business corporations and higher education institutions (Dennis, 2005).

Higher education institutions will have to form partnerships with industries in the light of the financial situation that they face as well as the need to establish a niche market (Newby, 2003:351). Potential partners may be concerned about the old culture of higher education institutions and that educational institutions will have to adapt businesslike behaviour in order to encourage partnerships with industry. Subotsky (2003:507) states that an emerging trend is that higher education institutions should work to the benefit of society, promoting social equality and responding to community needs. The only effective away to accomplish this is by forming partnerships between the community and institutions of higher learning (Carriere, 2006). According to Whyte

(2001:29), Australian higher education institutions are being encouraged to become trading enterprises and to form cartels and partnerships to focus increasingly on the global market, thus cooperating although they are still competitors (co-opetition).

Higher education institutions must constantly search for new methods of collaboration with partners in the economy if they want to stay competitive (Valiulis, 2003:453). Partnerships with the community, industry and other higher education institutions emphasise the importance of understanding the market, through research, in order to form the correct partnerships to gain a competitive advantage.

The sixth global trend addressed is the policy and financial implications for higher education institutions.

2.2.6 POLICY AND FINANCIAL IMPLICATIONS FOR HIGHER EDUCATION GLOBALLY

Governments in America are facing severe budget cuts that have reduced the budget allocations for public universities (Anon, 2003b). As a result, these universities are working with extremely tight budgets, and they are still faced with the challenge of being competitive and offering a valuable and high quality education to students.

Higher education in America is facing growing competition for state funding, as education has to compete with other state spending like healthcare, state prisons and correctional functions. According to Lee and Clery (2004:23), higher education's share of the overall state budget will continue to shrink in most states of America. Since the cost of these programmes is expected to continue to escalate, the decline in the percentage of state funds for higher education is expected to continue as well. According to the Society for College and University Planning's Quarterly Report (2005), the American Congress is still working on the Higher Education Re-authorisation Act (HERA) which will have a negative impact on higher education institutions, as major budget cuts are also anticipated. Higher education institutions are now turning to fundraising, as well as increasing their fees in an attempt to increase revenues. The Quarterly Report of 2005 predicted a 10 percent increase in tuition fees at public four year institutions, with the effect of a decrease in the accessibility of

students to study full-time due to the high costs. The new HERA act will also focus on increasing accountability in higher education institutions, lowering cost and increased ease of access.

State funding for colleges and universities is increasingly being tied to enrolment levels. Higher education institutions across the United States are feeling the economic pressures to maintain or increase their student enrolments or face making large budget cuts (Espinoza *et al.,* 2002:19).

Rhodes (1999:3) already predicted in 1999 that alumni and corporate givers will become a substantial third stream of income as government financial aid is reduced. Higher education leaders at the Symposium on Financing Higher Education 2004, indicated their concern about the reduction of federal funding, as institutional effectiveness is reduced when state cuts are incremental and unpredictable.

Scandinavian higher education institutions are also experiencing policy and structural changes as a result of the changes in government thinking on university finance. Research suggests that active marketing of research based services might be a new source of income; hence, higher education institutions should know how their service function is perceived by their clients (Tjeldvoll & Holtet, 2003:28). This emphasises the importance of research to understand the student market and their needs in order for higher education institutions to survive budget cuts from the state, and to market themselves effectively to gain a third stream of income. The decrease in state funding contributes to the increase in the price of education.

The next three trends, the increased price of higher education, increased importance of alternative sources of funding and cutting costs in higher education are a direct result of changes in the financial policies of government funding and the increase in student numbers that higher education institutions face.

2.2.7 INCREASED PRICE OF HIGHER EDUCATION

Higher education leaders from Illinois, attending the Symposium on Financing Higher Education 2004, stated that: "Many colleges and universities have replaced state funds

with tuition and fee increases". This is a great concern since this implies an increasing share of college cost borne by students and families. Thus, reflecting a fundamental shift away from the principle that increasing the population education is a public good as well as a benefit to the individual. The leaders felt that affordability influences accessibility and that high academic achievers (among low income students) are discouraged from enrolling at higher education institutions.

The cost of basic services of colleges and universities generally increase at a faster rate than inflation (Lee & Clery, 2004:24 and Baird, 2006:141). One contributing factor is the increase in health benefits and the cost of new technology. Committing to new computer systems and software increases the need for training, support, future upgrades and replacements. A third cost factor is deferred maintenance. Modernising facilities to be on par with safety and fire code standards as well as making campuses accessible to handicapped students, contribute to increased cost. As costs are rising and government funding decreasing, higher education institutions are moving towards direct student contribution to higher education financing. The increase creates higher tuition fees and results in a greater share of education cost being shifted to the student. Neither federal nor state grants, aid nor family income, have kept up with the increasing price of education. Institutions need to manage this trend in order to prevent the loss of students due to high fees.

Anon (2003:2) states that college education is becoming less affordable for many Americans, while it is now more than ever before necessary to obtain a college education to enter the workforce beyond the minimum wage pool.

In the light of the above discussion, it is critical that higher education institutions determine the importance of price for their customers as well as allocating their limited funding effectively.

This study will attempt to determine the importance of price as a selection factor for students when choosing a higher education institution. The importance of other factors besides price that are used by students in the selection process, will also assist institutions in allocating their funds to more important factors in order to attract students.

The eighth global trend to be discussed is the use of alternative sources of funding by higher education institutions.

2.2.8 ALTERNATIVE SOURCES OF FUNDING FOR HIGHER EDUCATION INSTITUTIONS

According to Mouwen (2002:48), governments in many countries in the western world are stepping back from steering and funding higher education. As a consequence, higher education institutions are trying to find additional sources of income. Higher education institutions must diversify their funding sources to increase revenue. This additional stream of income comes from active programmes such as holding patents, renting campus facilities to outside groups, providing educational services to employers and branding. Institutions are also dependent on alumni and corporate donations (Primary Research Group, 2007). Based on the above, higher education institutions may consider income generating strategies such as:

- Increased private fundraising;
- Developing or expanding corporate, online and contract training;
- Expanding or improving retailing on campus;
- Introducing campus charge cards or e-cards;
- Offering alumni programmes;
- Renting out campus facilities; and
- Claiming intellectual property rights for research done on campus.

These additional sources of income are partly for financial reasons, but also for a more market focused strategy.

Apart from looking for alternative sources of income to help increase revenue, higher education institutions globally are also trying to cut costs. This is the ninth trend to be discussed.

2.2.9 CUTTING COSTS TO COPE WITH DECREASED FUNDING

Higher education institutions will have to focus more on cutting costs in addition to finding alternative sources of income. This can be done in two ways: firstly, by reducing the number of full-time lecturers and secondly, moving towards privatisation of services. It also seems that educational institutions are already employing more part-time than full-time faculty members. These part-time lecturers are paid relatively lower wages, receive few, if any, benefits and operate without job security. The number of part-time faculty members increased by 148 percent for the period 1976 to 2001, and full-time only by 42 percent for the same period. Over the last few years, there was also an increase in the employment of graduate teachers and research assistants (Lee & Clery, 2004:30).

In the search for cost saving and greater efficiency, higher education has also turned to outside vendors to provide services such as (Lee & Clery, 2003:33):

- Healthcare;
- Large bookstore chains running college bookstores;
- Outsourcing of dining halls/food services;
- Business services like payroll, accounting and real estate;
- Law enforcement and safety, parking, mail, copying, printing and publications;
- Physical plan/facility management (building, grounds, recycling); and
- Student services like housing and financial aid.

Research found that over half of higher education institutions worldwide contract out at least five of the above-mentioned services (Lee & Clery, 2003:30). This trend towards privatisation in college and universities has not, however, been extended to core services such as education, yet. However, this trend highlights the importance of institutions' need for information on what their customers (students) see as important core services to be delivered as well as less important services to be outsourced or eliminated in order to cut costs. The importance of the choice factors that will be investigated in this study will already offer educators a possible indication of students' perceptions on core services and less important services.

The tenth trend in the global education landscape is the changes in the mode of delivery and technology used by higher education institutions.

2.2.10   CHANGES IN THE MODE OF DELIVERY AND TECHNOLOGY USED

The new economic currency is knowledge (Rhodes, 1999:4). Higher education institutions are at the heart of the knowledge business: the creation, testing, application and conservation of knowledge. This brings about the growth in information technology. This trend can be seen as a new opportunity or major threat to higher education institutions. The growth in information technology provides new access and new approaches in the dissemination and production of knowledge, but also poses a threat because higher education institutions have been slow to use it and slow to employ it. The old pattern was one campus, one place, but the new pattern is unconstrained, any person, anytime, any place and any study. Old standardised curricula with limited choices must make space for new individualised programmes with unlimited choices. Old faculty-centred and faculty-presented orientations must be replaced by a new student-centred approach. The old cost-intensive methods of education must be replaced by the new cost-effective method (Rhodes, 1999:6).

Dennis (2005:44) identified online education as the new way forward and suggests that within a short time span, this mode of delivery will be superior to classroom instructions. Many traditional universities will feel the effects of consolidations within their own ranks as education goes increasingly online and off-campus (Boyd and Halfond, 2002:248). The nature of the academic service product has changed as well as the mode of delivery, with the Internet greatly enhancing distance learning opportunities (Sargeant, 2005:293).   Increased pressure will be put on higher education institutions, as Internet universities offer an effective and economical means of professional education.

According to Espinoza *et al.* (2002:19), attracting students has also become increasingly competitive with the emergence of for-profit institutions offering more flexible degree programs and other programs via new technological media.

This study will attempt to provide information on the importance of technology as a choice factor in institution selection. Education institutions should be able to use information on how technology is viewed by their students to enable them to make correct decisions on the future mode of delivery.

Due to the trend of globalisation in higher education worldwide, South African higher education institutions are influenced by the global trends discussed in Section 2.2. Knowledge on the global trends will provide insight to South African institutions, but they also need to investigate the local environment in which they operate. This type of environmental scanning and investigation of trends in the South African higher education landscape can help identify opportunities and threats. Section 2.3 will therefore be a discussion of the ten main trends in the South African education landscape.

2.3   SOUTH AFRICAN HIGHER EDUCATION LANDSCAPE

Sargeant (2005:15) states that the emerging trends in the non-profit sector is globalisation, the rise of a contract culture, an increase in the importance of trust and accountability as well as enormous growth in the sector. Higher education that forms part of the non-profit sector is not just faced with these trends, but also confronted with their own unique challenges.

Higher education institutions in South Africa are facing an ever-changing environment and new landscape with the changing size and shape of higher education (mergers), the changing meaning of autonomy and accountability, and the changing nature of higher education providers. Student distribution (demographically and geographically), the changing organisation of higher education institution management and governance, and the changing roles of modes of delivery as well as changing value of higher education programmes (the rise of the economic sciences and the decline of the humanities) contribute to a changing landscape (Jansen, 2003:9). These challenges bring about a need for relevant, new information to help higher education institutions understand the changed landscape in which they have to operate. This

study is an attempt to provide some useful information to South African higher education institutions on their market, to adapt better to an ever changing landscape.

The following ten South African trends and factors that impact on the higher education landscape, as identified through a literature review, will be discussed in Sections 2.3.1 to 2.3.10: the effect of globalisation on the South African educational landscape, changes in the funding of South African higher education institutions, increased emphasis on technology in higher education, transformation policies for higher education, mergers in South African education, the impact of HIV/AIDS, the changing profile of South African students, increased competition in higher education, language policy challenges in higher education and the increased specialisation in South African higher education learning.

2.3.1 THE EFFECT OF GLOBALISATION ON THE SOUTH AFRICAN EDUCATION LANDSCAPE

Globalisation can be described as the increasing development and deepening of world markets in capital, goods and services by the increasing occurrence of commercial exchanges across international boundaries. Globalisation has opened the floodgates of competition nationally and internationally; therefore higher education institutions are not just threatened by competition in national boundaries, but also face threats from virtual universities and virtual learning (De Vries, 2007:2). This calls for a mixed delivery mode for different clientele all over the country and world accomplished by distance education (DE) and Information Communication Technologies (ICT) and will be discussed in Section 2.3.3 (Braimoh, 2003:16). According to Fataar (2003:33), globalisation contributed to the restructuring of the local higher educational landscape, with the government adopting a more interventionist approach in steering the higher educational system.

Van Niekerk (2004:118) argues that The National Plan for Higher Education (NPHE) and the Higher Education Act portrays a value system that indicates that higher education institutions in South Africa are being gradually lured into globalisation to the detriment of a clear vision for what is necessary for the local content". The author fears that government is emphasising globalisation instead of being locally relevant.

Underlying the NPHE policy framework (refer to Section 2.3.4.4) is an increasing demand for globalised economic competition, managerialism, greater accountability and more emphasis on efficiency. The emphasis on monitoring and performance indicators and evaluation is a global trend and an integral part of the state demand for accountability of publicly funded institutions. According to Lange and Luescher (2003:83), higher education institutions are expected to show not only that they are doing their work for the state at acceptable cost, but also that they are doing a job worth paying for. The need to demonstrate efficiency and effectiveness created the space for the multiplication of large quantitative indicators such as the relation between cost and outcomes of the different services and activities. This follows the international trend to characterise higher education as an enterprise that displays businesslike behaviour to a larger extent. Ravjee (2002:82) suggests that global changes such as the increased demand for specialised knowledge and increased access to higher education are driving universities away from being discipline based towards knowledge production. This movement is also seen in the White Paper on Science and Technology (1997) and the Green Paper on Higher Educational Transformation (1996).

Four criteria can be identified that could be used to measure globalisation that are reflected in practices by higher education institutions worldwide (Sklair, 2001:3). These global strategies have changed the character of higher education institutions worldwide. These criteria emphasise the need for higher education institutions to display businesslike behaviour. This businesslike behaviour includes knowledge on the market and employing effective marketing strategies. These criteria can also be used to measure globalisation in South African higher education institutions.

2.3.1.1 Foreign direct investment

Education has been targeted as the most profitable export earner for developed countries. Countries like Australia and Canada view the capital injection from overseas students as an exported commodity. Higher education institutions creating new service products, finding niche markets or retaining existing markets shows this approach. According to Currie (2003:20), higher education institution administrators aim to create globalised degrees that would prepare students for the new technology economy and international job market. This study will also try to determine how important international links, internationally recognised degrees and job opportunities are for students when they select a higher education institution.

2.3.1.2 World Best Practice in higher education

World Best Practice (WBP) is all the measures of performance achieved by various systems of benchmarking. Benchmarking is a clear reflection of the commodification of everything, including the knowledge packages offered at higher education institutions, quality assurance and the accountability movement. Mergers and alliances (refer to Section 2.3.5) are evident in higher education and education is becoming a business practice, where the ethos of 'education as business' dictates what is to be taught, how and when. This businesslike behaviour of higher education institutions emphasises the need for information to aid higher education institutions in becoming more marketing-oriented and to gain a competitive advantage. The business practice of mergers and alliances will continue to penetrate higher education and according to Currie (2003:20), education providers will have to actively seek partnerships, alliances and outsourcing of services with technology companies especially, to become more businesslike.

2.3.1.3 A move towards corporate citizenship

Van Niekerk (2003:117) states that: "The challenge lays in the fact that higher education institutions move towards corporate organisations focusing on the corporate image of higher education institutions and their relation with their customer (student)". The author fears that higher education institutions will become nothing but corporate organisations and the academia would ultimately be lost. Higher education institutions

focusing on becoming corporate organisations must develop a corporate image, new logos, mottos and entrepreneurial initiatives that reflect corporate citizenship.

According to Ravjee (2003:84), the increase in partnerships between academia and industry and the use of business practices in higher education institutions are making institutions more technology focused. Higher education institutions in South Africa are adapting to the global trend of becoming more knowledge production oriented by an increase in corporate management styles, more flexible organisational structures, smaller core faculties, rewarding research over teaching, increased partnership with industry, multiple sources of funding, outsourcing of non-core functions, a greater role in economic production processes and the formation of spin-off companies.

2.3.1.4   Higher education institutions with a global vision

Currie (2003:21) argues that a global vision means that a higher education institution has the desire for improvement and has a vision of being better organised to fulfil its destiny of global success. Managerialism will be an important tool through efficiency and cost-effectiveness to reach this global vision, with the academia component becoming less important for higher education institutions. Customer service is another important part of a global vision and therefore institutions need information on their customers (students) to deliver better service. Information on the choice factors can aid institutions to improve their service levels. Higher education institutions using words like 'best managed higher education institution' and 'world's best practice' are examples of the movement towards a global vision.

Higher education institutions with the characteristics highlighted in Section 2.3.1.1 to Section 2.3.1.4 are becoming enterprise universities with a corporate vision to restructure and to be more competitive within the international arena. Higher education institutions will thus have to adapt their corporate model if they want to survive in the global arena.

Sklair (2001:8) describes an entrepreneurial institution as:

- Outsourcing some functions of the institution;
- Increasing the offering of commercial and technology programmes;
- Declining numbers in humanities and social science;
- Offering of subjects that attract money at the expense of arts and culture; and
- Changing role of the vice chancellor from a traditional manager to an executive manager.

Entrepreneurial higher educational institutions, with these features identified by Sklair, are becoming more and more evident in South Africa (Currie, 2001:44). Currie (2003:22) states that the global strategies identified by Sklair (2001:3) are apparent in higher education institutions in South Africa. These global strategies have changed the character of higher education institutions. Competition policies also apply to the public sector and alter the way they operate. As part of the public sector, higher education institutions will have to make decisions more quickly and begin to take on the decision-making structures of business to adapt to competition. Higher education institutions that will be able to survive the changes and challenges in the global environment, will be those capable of aligning themselves as efficiently run corporate higher education institutions involved in selling knowledge as a commodity to diverse social and economic markets (Ravjee, 2003:84).

Information on the choice factors can help institutions to better undernstand student's behaviour in the selection process. This type of information could aid them in aligning themselves correctly and to become corporate universities.

The second South African trend in higher education to be discussed is the changes in the government funding of higher education institutions in South Africa.

2.3.2 CHANGES IN THE FUNDING OF SOUTH AFRICAN HIGHER EDUCATION INSTITUTIONS

Higher education institutions in South Africa were traditionally funded using the old South African Post School Education (SAPSE) formula, which was mainly based on the head count (number) of enrolled students. This formula has been refined. The refined SAPS Subsidy Formula is based on the number of students enrolled and pass rates (50 percent full-time equivalent pass norms), as stipulated by the Department of Education.

The new funding framework has a direct influence on higher education institution subsidies. The steering mechanism for state funding is focused on graduate output rates and this emphasises the need for institutions to enrol quality students and to increase their throughput rates. The new steering mechanism for funding is aligned to the guiding principles of the National Plan for Higher Education (refer to Section 2.3.4. for detail). The new funding framework is based mainly on eligibility criteria that are dependent on available student places in approved fields of learning and levels of study as mandated by the Department of Education. Funding is linked to approved institutional plans, publication outputs, teaching outputs, student numbers and research graduates (Anon, 2008).

The funding allocation is based on three windows:

- Block Grant Funding

  This is the initial instructional set-up subsidy cost paid to institutions on the basis of their planned full-time FTE's (Full-Time Equivalent Enrolments) in different fields of study. The subsidy depends on graduate output instead of pass rates.

- Earmarked Funding

  These funds are allocated to achieve specific institutional purposes such as national student financial aid schemes, approved capital projects, institutional development and redress.

- Research and Development

  These funds are output driven to facilitate research and collaboration at regional and national level, publication output and research scholarships. This funding window emphasises the research function of higher education institutions. Furthermore, institutions with well-established research infrastructure will benefit from this window of funding.

For many years, higher education institutions played the numbers game and doubled their student intake to increase the score on the first part of the subsidy (50 percent full-time equivalent enrolment), only to realise later that this creates a problem with the second part of the subsidy, namely the pass norms (50 percent full-time equivalent pass norms). Previously disadvantaged institutions especially had high amounts of unprepared students entering and exiting due to their inability to cope with the demands of higher education institutions. This funding problem was intensified by students' inability to pay their fees. Institutions had to tighten their admission criteria and had to develop cost saving measures (Jinabhai, 2003:54).

Fataar (2003:33) states that market forces impacted on the higher education sector, following international phenomena as seen in the growth of this sector. The Education Department reacted with alarm at the growth of the private sector and has put in place restrictive regulatory legislation that curbs the growth of this sector. As pointed out by Levy (2002:14), restrictive legislation is an international trend through which countries attempt to protect home country public institutions. The South African government allocates a specified amount of money for a specified number of students and higher education institutions have to decide how to apply the subsidies. If higher education institutions decide to take in more students than specified by government, they receive no subsidies for these additional students.

According to Van Niekerk (2004:120), the subsidy cuts and decline in student numbers force public institutions to look for "entrepreneurial sources of revenue." Higher education institutions must adopt businesslike behaviour to find additional funding. One way of securing funds is to increase the student enrolments at lower cost and to switch from student grants to student loans.

The importance of financial assistance and class fees when choosing a higher education institution will also be investigated in the study at hand.

The third trend in the South African higher education landscape is the increased emphasis on technology and will be discussed in the next section.

2.3.3 INCREASED EMPHASIS ON TECHNOLOGY IN SOUTH AFRICAN HIGHER EDUCATION

Higher education institutions in developing countries like South Africa face many challenges in gearing themselves for Information Communication and Technology (ICT) in their institutions (Braimoh, 2003:22). The information revolution has experienced astonishing growth of new knowledge. International competition and the globalisation of the world economy imply that the availability of and investment in information has become the main spur in economic progress. According to Van der Merwe (2004:130), the job market has changed in such a way that new skills will become necessary. Today, conventional higher education institutions worldwide face the difficult challenge of meeting the need for productive employment. They must also include the adoption of ICT for offering their present face-to-face programmes, while operating flexible and lifelong learning, globalisation with competitiveness, networking and partnerships.

Information technologies encompass all the various means of knowledge transmission. Broere, Geyser and Kruger (2002:7) differentiate between three different types of educational technology, which are discussed below.

The first type of educational technology is computer based. Computer networks such as the Internet make it possible for learners to access information from data sources throughout the world. These networks enable facilitators to interact with individual learners on campus or remote locations, for example webbased courses, which are offered entirely over the Internet. Interactive Compressed Video (ICV) systems combine computers with telephone lines to transmit signals involving the use of code devices that compress the signal on both sides of a digital phone line. Cellular phones

are yet another example whereby using Wireless Applications Protocol (WAP) learners can access the Internet with cellular phones. The current development worldwide and the expansion of networks in South Africa ought to contribute to the implementation of communication applications between facilitators and learners as well as among learners through short message systems (SMS). Ellis and Barraclough (2007:16) found that especially 18-24 year olds are receptive to SMS marketing.

The second type of education technology is audio and video communication. Audio and video cassettes, as well as audio and video conferencing are examples of this type of technology. It is possible for higher education institutions to record sessions/lectures so that it can be screened at a later stage.

The third type of educational technology is known as interactive satellite communication systems. The use of satellite communication systems to convey signals may make interactive television systems for education a reality. Bluetooth is a wireless technology that will be able to connect a cellular phone to a notebook computer to provide access to online conferencing facilities.

Traditional technologies remain essential, such as face-to-face instruction and printed text, but according to Braimoh (2003:17), this process is becoming obsolete and may not guarantee institutional survival in future. A possible solution to the above demands is Distance/Remote Education (DE) and online education.

The use of remote education implies that students do not have to be in the same room as a teacher. While solitary learning difficulties, like the loss of interactivity, can be a major problem in remote education, it is not economically viable to have one-on-one contact all the time. Video conferencing technologies and shared spaces can be a solution. Taking the geography out of education will change things dramatically. The best lecturers may come from higher education institutions worldwide and students will select higher education institutions according to other issues such as social life, accommodation or costs (Schoeman, 2005:2). This study will investigate the importance of the "other" factors that can possibly play a role in institutional selection.

Distance education has developed in three phases and is also known as generations (Ridge & Waghid, 2000:77). The three generations are as follows:

- The first generation is printed materials or correspondence style or a single medium in which guides are sent by mail from facilitators to learners;
- The second generation makes use of a greater range of one-way communication media such as print, television, radio broadcasting and cassettes or limited two-way communication via correspondence; and
- Telematic education constitutes the third generation and requires the use of electronic information technologies such as computer conferencing, networks and audio-and-video conference. Two-way communication between facilitators and learners is therefore enhanced.

Some higher education institutions in South Africa have already progressed to the fourth type of education technology, the mixed mode, in which a new dynamic interaction is negotiated between electronic information technologies and face-to-face lecturing (Broere *et al.,* 2002:6). Higher education institutions worldwide tend to move towards multi-mode offerings, that is, offerings that apply different modes of delivery and different programmes, and thus enhance the offerings by using integrated technologies. In doing so, institutions ensure access for lifelong learners and design and develop learner-centred programmes of high quality. These changes can also be identified in the South African context and have led to the development of dual modes of delivery. These higher education institutions can deliver education to both contact and paper based education learners. According to Mackintosh (1999:143), South African higher educational institutions should take note of these international trends when addressing local issues. The policy drive in South Africa is a single dedicated distance education institution through the merging of the University of South Africa (UNISA) and Technikon South Africa (TSA). This seems to be against the international trend, since it isolates distance education from contact education and could discourage traditional contact universities from utilising modern technologies to the full and re-think their traditional chalk-and-talk approach to teaching and learning (Broere *et al.,* 2002:5). The process of covering the whole spectrum of delivery modes may be strained if only contact and distance education are recognised for funding purposes.

Through this process, the distinctions between distance and contact education fade and the focus is centred on the learner and learning support in a number of ways.

South African higher education institutions can benefit from making use of ICT and online education to (Mashile & Pretorius, 2003:132 and Braimoh, 2003:22):

- Increase access to students, especially those in remote areas;
- Reach niche markets opened up by new technologies;
- Enhance teaching effectiveness;
- Enhance future competitiveness in the work environment by developing computer skills;
- Instigate institutional renewal and repositioning;
- Develop specialised programmes of study not otherwise possible;
- Generate higher levels of tuition based revenues; and
- Lower cost of higher education.

Online education plays a vital role in distance education, as collaborative activities amongst learners can be achieved through online methods. Learning programmes are made flexible by online education, as it can be easily customised to learner needs. The problem with online education and remote education is that access may be limited especially in developing countries with a high number of low socio-economic individuals that could ultimately be disadvantaged by causing a technology divide. Higher education institutions will have to undertake numerous initiatives to remedy access problems themselves or through partnerships with government or businesses.

Braimoh (2003:22) states that "South African higher education institutions must seize the opportunities of the innovation to adopt ICT initiatives in the delivery of their academic programmes to their heterogeneous audiences, who are now yearning for knowledge acquisitions."

Computer innovation brings about the massification of students, a new teaching culture which is more student centred and less lecturer-oriented, new methods of presentations (e-campus), increasing global alliances between foreign and local higher

education institutions and increasing mobility of students and staff internationally. Higher education institutions have to restructure, re-engineer and reform in order to meet these challenges. The shift must be towards a more flexible and life-long learning. Technology driven education innovation is the answer and will make higher education institutions programmes not only accessible to more students, but also relevant to the needs and aspirations of the African population (Braimoh, 2003:13).

Schoeman (2005:3) states that higher education institutions will lose students if they do not get the overall package right, including paying attention to local lecturer quality. The availability of new information and communication technology has pushed the traditional boundaries of the residential campuses back and enhanced the marketability of higher education. More flexible programme delivery systems to meet the needs of e-customers have become increasingly important, as customers expect to be served outside the traditional locations of outlets (campuses). Higher education institutions will have to meet the diverse student population in high technology virtual campuses (Park, 2003:6). The biggest challenges for higher education institutions will be to continuously evaluate the possibilities that are made available through new technology. This, however, puts a strain on budgets. Carnoy (1998) states that higher education has a role to play in technology transfer because it has the capability to develop the production and management skills required to utilise and organise the new technology.

Mashile and Pretorius (2003:132) state that the changing student population will demand a greater usage of ICT in their education, based on their pre-higher education experience with technology. The student population also have the perception that ICT may be useful in their careers and may thus enhance their future.

Higher education institutions' survival in a world where technology has changed everything overnight is questionable. Green (1999:15) already predicted that higher education is in a deep crisis and that higher education institutions will not survive as residential institutions. The reality is that institutions need to change. There is a range of options available for higher education institutions and they can develop strategies that can implement and integrate different technologies in a variety of ways in order to facilitate learning on and off campus. Technology remains a means through which

modern offerings of programmes can be enhanced considerably if planned and implemented properly and therefore the importance of technology as a choice factor in institution selection will be investigated in this study.

The fourth trend that South African higher education institutions must be aware of is the transformation policies that directly influence and change the landscape in which they operate. The next section will explain the main transformation policies.

2.3.4 TRANSFORMATION POLICIES IN SOUTH AFRICAN HIGHER EDUCATION

In South Africa, the Department of Education through their Higher Education Act (1997:18), view any educational institution providing higher education, may it be a university, college or a subdivision of any of the three, as role-players in higher education. The Department of Education in South Africa (1997) regards human dignity, equality and freedom, equity and redress, development, quality, effectiveness and efficiency, academic freedom, institutional autonomy and public accountability as the fundamental principles that should guide the process of transformation in higher education. After 1994, South Africa's first democratically elected government inherited a racially segregated higher educational system. The first term of government (1994-1998) was characterised by the elaboration of a vision for a transformed higher education system and the putting in place of concrete policies to improve higher education in South Africa. This was followed by an implementation period focused on new funding provisions, a student financial scheme, the restructuring of higher education programmes and institutional mergers (Lange & Luescher, 2003:82). There was a major drive in South Africa by the Department of Education, accumulating in the National Plan for Higher Education (NPHE), to reshape the higher educational landscape. Fataar (2003:33) states that the nature of the political settlement, the emergence of a stringent macro-economic framework, the influence of globalisation and the impact of the underlying labour and economic patterns influenced the government to align higher education with economic development. This paved the way for the changes in the higher educational landscape facing higher education institutions today. The government is setting enrolment, performace and programme targets for the higher education sector based on national goals and for universities on their capacity (Anon, 2008).

The higher education restructuring in South Africa has been heavily influenced by the policy process which include: the National Commission on Higher Education Report (NCHE, 1996), the Education White Paper (EWP, 1997), the Council on Higher Education Report (CHE, 1997) and the National Plan for Higher Education (NPHE, 2001). The primary aim of these policy documents is to ensure that the higher education system is planned, governed and funded as a single national coordinated system as well as to enhance the transformation of the education system (Waghid, 2003:91). These policies will now be shortly discussed in Sections 2.3.4.1 to 2.3.4.4.

2.3.4.1 National Commission on Higher Education (NCHE 1996) and Green Paper III

The NCHE process drew considerably from international comparative expertise and experience of higher education restructuring. The three key features of the document are increased participation, greater responsiveness and increased cooperation and partnerships (NCHE 1996:6-9). Partnerships are on the increase between higher higher education institutions and industry as well as universities in other countries, and are becoming more complex (Claassen, 2006). A new funding formula with significant redress funding for historically disadvantaged institutions was also envisaged, with a single national system of higher education provision. Most of the NCHE recommendations, such as accountability, efficiency and a national qualification structure, were endorsed and were taken up and further developed by the Department of Education in the Green Paper on Higher Education published in December 1996. The Green Paper principles focused on equality, redress, justice and democratisation. According to Fataar (2003:35), the Green Paper assigned a key role for the restructuring of the higher education system in economic development to place South Africa in a strong competitive position globally.

2.3.4.2 White Paper on Education and Training (1997)

The government's White Paper (Program for the Transformation of Higher Education) provided a new framework for higher education in the country (Taylor & Harris, 2002:183). According to the Ministry, higher education was characterised by the following deficiencies (Department of Education, 1997:8):

- The inequitable distribution of access and opportunity for staff and students;

- Mismatch between the output of higher education and the needs of a modernising economy (shortage in fields such as science, engineering, technology and commerce);

- Governance of higher education at a system level characterised by inefficiency and ineffectiveness, with little coordination; and

- Insufficient attention to the presiding local, regional and national needs of South Africa.

The White Paper emphasised the need for increased and broadened participation, treated responsiveness to societal needs and increased cooperation of the higher education system. The White Paper outlined that higher education needed to transform in order to redress past inequalities and to transform higher education institutions to serve and respond to new realities and opportunities (Department of Education, 1997:7).

2.3.4.3   Higher Education Act (1997)

According to Jinabhai (2003:55) and Waghid (2003:92), the Higher Education Act (1997) sets out five basic principles aimed at transforming the higher education sector:

- Size and shape of the system
  This is dependent on participation rates with the focus on under- and postgraduate enrolments. The focus is on increased access to higher education to all, and to produce graduates with skills and competencies necessary to meet the human resource needs of the country. According to Akojee and Nkomo (2007: 388) access to higher education is one of the mechanisms for achieving redress in South African higher education.

- Equity
  The Act focuses on promoting equity of access and to redress past inequalities by ensuring the reflection of national demographics amongst students and staff.

- Diversity

  The Act tries to ensure diversity in the organisational form and intuitional landscape of the higher education system through mission and programme differentiation, thus enabling the addressing of regional and national needs in social and economic developments. This principle focuses on reducing administrative cost, duplication in the academia and enhancing throughput rates.

- Inter-institutional cooperation

  The Act focuses on building new institutional and organisational forms and new institutional identities through regional collaboration as well as aiming for joint utilisation of human and physical resources in the regions. The Act also focuses on increasing the number of programmes in joint regional partnerships and encourages inter-institutional research projects.

- Research

  To build high level research capacity to address the research and knowledge needs of South Africa.

2.3.4.4   The National Plan for Higher Education (NPHE, February 2001)

The NHPE outlines the framework and mechanisms for implementing and realising the policy goals of the White Paper III. The Department of Education (2001:5) in its National Plan for Higher Education identifies the challenges facing higher education as highlighted by the White Paper III, and underpins the following in a knowledge based society:

- The mobilisation of human talent and potential through life-long learning to contribute to the social, economical, cultural and intellectual life of a rapidly changing society;
- Higher-level skills training; and
- Production, acquisition and application of new knowledge, national growth and competition dependent on continued technological improvement and innovation.

The NPHE is considered as the final step in implementing the goals of the White paper. The NPHE was written in response to the Council of Higher Education's Report (2001) – Towards a New Higher Education Landscape, and aims to achieve:

- Participation in the education sector must be increased by 15 to 20 percent in the long term in order to address equity, as well as changes in human resources and labour needs;

- A shift in enrolments over the next five to ten years between humanities, business, commerce, science, engineering and technology;

- Establishment of ratio targets with emphasis on the programmes in which black students and female students are under-represented, as well as to develop strategies to ensure equity of outcomes;

- Diversification and differentiation in order to achieve transformation goals of the White Paper;

- Establishment of a single dedicated distance educational institution to increase access for local students and those from the rest of Africa;

- Introduction of a separate funding formula in order to ensure greater accountability and more efficient use of limited research resources;

- The higher educational landscape must be restructured to address the racial fragmentation of the system as well as administrative, human and financial constrains; and

- Implementation of institutional mergers and incorporations.

According to Broere *et al*. (2002:5), the NPHE seems to approach this change top-down and in a regulatory manner. The NPHE recommends that programmes presented by higher education institutions be reduced from an unlimited number of courses and qualifications, to be compatible with system-wide, goal-oriented funding and effective quality assurance (Department of Education, 1996:85 and Fataar, 2003:34).

The improvements, as listed in the policy documents, provide a challenge and an opportunity for institutions to help the government to make the right choice in transforming higher education. Although higher education institutions have to become

more businesslike in their behaviour, they must familiarise themselves with the policies guiding the educational landscape for the early identification of opportunities and threats. The higher education sector has been through a number of government policy shifts and institutions in South Africa will need to reinvent themselves (Anon, 2006a:30).

As a direct result of the governments' transformation policies, higher education institutions throughout South Africa are faced with or in the process of merging. Section 2.3.5 will explain this trend in the South African higher education landscape.

2.3.5   INCREASED MERGERS IN SOUTH AFRICAN HIGHER EDUCATION

Higher education in South Africa has been characterised by major changes regarding the shape and size of the system. One of these changes has been the merger process. According to Wyngaard and Kapp (2004:185), the Higher Education Act of 1997, the Higher Education White Paper and the National Plan for Higher Education paved the way for a Size and Shape document, which recommended the reduction of the absolute number of institutions and an investigation of the full range of possibilities for combinations of higher education institutions and the establishment of a single distance education institution.

On 31 May 2002, the then minister of education, Professor Kader Asmal (2002), announced the government proposal for the restructuring of higher education in South Africa. Mergers between various educational institutions in the country were proposed as necessary to the restructuring process, with the idea that these new comprehensive institutions would allow increased student access and mobility. The consequences of the above are a totally different higher education landscape caused by mergers, take-overs and closures at a large scale. Colleges of education disappeared from the landscape, technical colleges were clustered and reduced in numbers, nursing colleges were reduced and universities and technikons reduced from 36 to 21.

The first merger took place in January 2004, and in the month thereafter, many mergers followed. A number of technikons became universities of technology and the mergers of universities and technikons resulted in the establishment of new

comprehensive universities. The Tshwane University of Technology (TUT) was formed from Technikon Pretoria, Technikon Northern Gauteng and Technikon North-West. The Nelson Mandela Metropolitan University emerged from the Technikon Port Elizabeth, the Port Elizabeth campus of Vista University and the University of Port Elizabeth on January 2005. Similarly, the University of the Witwatersrand (WITS) and the Johannesburg College of Education (JCE) merged and many more followed, such as the merger of the Randse Afrikaanse Universiteit, Technikon Witwatersrand and the Soweto campus of Vista, which became the University of Johannesburg.

The restructuring process created a more effective system to meet the challenges and needs of South Africa in the twenty-first century. The mergers gave affected institutions an opportunity to address critical issues such as differentiation, transformation and enhancing self governance. All over the world, higher education institutions are facing the demands of the real world, in addition to their role of teaching and instruction, and therefore the need for research (Rapport/City Press, 2005:4). The mergers started a process of creating a new system of strong and well-endowed higher education institutions that can contribute significantly to the development of South Africa. Park (2003:6) is of the opinion that the association between the state and higher education institutions are changing due to the expansion of centralised decision-making structures. The size and shape of higher education, institutional programme mixes and overall growth and participation rates are all determined mainly by the Department of Education. The prescribed mergers as well as the ongoing rationalisation of academic programmes and collaborations by means of common teaching platforms are further challenges in the educational landscape. Higher education institutions have to submit their missions, programme mixes, efficiency rates and equity plans for approval to the Department of Education.

Several positive outcomes of mergers can be identified and here-in lies potential opportunities for higher education institutions (Wyngaard & Kapp, 2004:185):

- The better utilisation of staff qualifications;
- Less duplication of programmes;
- Sharing of resources and facilities;

- A more cost-effective operation in terms of economics of scale; and

- Improvement of academic quality over time.

Mapesela, Alt and Strydom (2003:215) state that with the rapidly expanding expectations and limited resources, collaboration in the form of cooperative programmes and mergers offers a practical and viable opportunity for improving and extending the capacity of any higher education institution. The forming of new institutions through the merger process creates opportunities for these new institutions to create a unique image and position in the market. One of the objectives of this study will be to investigate students' perceptions of the importance of an institution's image in the selection process.

The sixth trend that higher education institutions need to take cognisance of is the impact of HIV/AIDS on the higher education landscape in South Africa.

2.3.6 THE IMPACT OF HIV/AIDS ON HIGHER EDUCATION IN SOUTH AFRICA

If Acquired Immune Syndrome (AIDS) deaths continue at the current rate, the population growth will decrease significantly and negatively influence organisations worldwide (Van Aardt, 2004). According to the joint United Nations Programme for HIV/AIDS (UNAIDS), the HIV infected rate at the end of 1999 of the adult population group (15 - 49) in South Africa, of which the student market is part, was 20 percent. The US Census Bureau predicts that by 2010, life expectancy will have declined from 60 years to around 30 years in the worst affected countries, of which South Africa is one.

It is generally accepted in Sub-Saharan Africa that HIV/AIDS will seriously affect the higher education sector. Impact assessment for university students indicated an infection level between 21 to 36 percent by 2005. Findings of the United Nations Economic Commission for Africa (UNECA) in July 2000 on the impact of HIV/Aids on the education sector of South Africa state the following:

- South Africa has the fastest growing HIV/AIDS epidemic in the world;

- Over four million people, about one in eight adults, are HIV positive;

- Prevalence rate is highest among young people, especially teenage girls;

- It is anticipated that at least half of South African children who are 15-years old will die of HIV/AIDS;

- Educators constitute the largest occupational group in South Africa (at least 12 percent are reported to be HIV positive);

- Fewer children will enrol in school; and

- Qualified teachers, educators and officials will be lost to the education system.

This UNECA (2000) report highlights the uncertainty concerning student numbers and education in future as well as the impact of HIV/AIDS on higher education institutions. The HIV and Aids pandemic is claiming large numbers of students who are in good academic standing and will affect every institution of higher education in its entirety (Mapesela, 2002:60). Institutions of higher education however seem to underestimate the potential of HIV/AIDS to destroy systems (Van der Merwe & Gouws, 2004:20). Higher education institutions will have to develop a clear and comprehensive strategic approach towards HIV/AIDS.

South Africa is compelled to deal with the HIV/AIDS pandemic like most other countries in the world. The number of people that are infected and the rate of infection are yet to be determined within a close degree of certainty, but the reality of dealing with its impact on people and systems is of crucial concern. According to Ramranthan (2003:177), HIV could affect teacher demand as well as student numbers, and higher education institutions must be aware of this possible threat to their student numbers.

Higher education institutions must not just take note of the impact of HIV/AIDS on their student market, but they must also familiarise themselves with the changing profile of South African students.

The seventh trend, the changing profile of South African higher education students, will be covered in Section 2.3.7.

2.3.7 CHANGING PROFILE OF SOUTH AFRICAN HIGHER EDUCATION STUDENTS

Higher education institutions have to accommodate a different profile of students (Park, 2003:6). The student population has become more diverse due to the greater accessibility of higher education to students from previously disadvantaged communities. Diversity can be defined in an educational content as including participation of different gender, race, class, sexual orientation, physical ability and religion, but more frequently it focuses on the access and success of students from under-represented racial and ethnic backlogs (Smit & Schonefield, 2000:17-20).

South African higher education institutions cater for a diverse student body and dual-medium higher education institutions face particular daunting challenges. According to van der Merwe (2004:131), the shift from a largely White elite higher education system to a mass education system implies fundamental changes in the composition of the student population. The age profile of the South African student may also change significantly to that of older groups of students employed elsewhere, who no longer spend an uninterrupted number of years on campus. The average age of graduates is expected to rise to 38 years in 2010 (Simikins, 2002). Greater numbers of under-prepared students are seeking entrance into higher education institutions. At many institutions, school leavers form a smaller percentage of the student population, while more mature learners with part-time occupations are on the increase.

Higher education institutions face major challenges to provide the necessary academic guidance and support to the school sector. Academics should accept that in future, not all school leavers seeking entrance at higher education institutions will be fully prepared for the challenges of higher education (Park, 2003:7). Higher education will have to provide the necessary scaffolding to construct sustainable strategies for the successful development of the South African school system. Higher education institutions are already busy with the development of additional admission tests to be used in 2009 to determine the knowledge level of first year students (Rapport, 2005:4). This is necessary in the light of the new curriculum that will cause changes in the senior certificate, such as higher and standard grade that may possibly fall away, pass rates that may be lowered as well as the changes in subjects and content for Grade 12

pupils. Lourens and Smit (2003:169) argue that higher education institutions will struggle more and more to meet the demands of the growing number of students who enter higher education with limited skills. It is critical for administrators to understand the unique combination of factors contributing to student attrition at their institutions. Three primary causes for the high drop-out percentages among full-time students can be identified (Yorke, 1999). These include:

- Mismatch between students and their choice of study fields;
- Financial difficulties; and
- Poor quality of the student experience (quality of the teaching, level of support given by staff and the organisation of the programme).

Higher education institutions should not only recruit quality first year students, but also have strategies in place to retain them, especially in the light of the funding formula.

Alexander (2004:202) states that the attitudes of different groups of students towards specific courses, subjects and their studies as a whole should be seen in context. Research on the diversity of the student market will provide this information. Essentially understanding the student market, who they are, their ages and what their needs and preferences are, can give a higher education institution the insight to develop effective strategies.

Higher education institutions must not just be aware of the changes of their student market, but they must also keep their eyes on competition. The eighth trend to be discussed in this section is the competitive arena of higher education institutions.

2.3.8   THE COMPETITIVE ARENA OF SOUTH AFRICAN HIGHER EDUCATION

Higher education institutions' transformation worldwide entails the encouragement of greater competition for limited institutional resources. Stronger competition is therefore developing between higher education institutions nationally and internationally, and even among higher education institution faculties for staff, students, funds and infrastructures. Higher education institutions no longer have the monopoly on post-

matric education, as the involvement of more private and public sector (third stream money) is taking place in the form of partnerships (Van der Merwe, 2004:134). The increase in institutional competition is partly the result of globalisation and the drive of higher education institutions to become more market-oriented as they compete for funds and customers (De Vries, 2007:2). According to Ntshou (2002:8), institutional competition and collaboration are inherent in globalisation.

All the above-mentioned factors have impacted on higher education institutions and have forced institutions to rethink their strategic positioning in the highly competitive environments in which they function. Most institutions are experiencing an increased competition for resources, which has led to the exploitation of intellectual property, an increasing dependence on third stream finance and the development of focus areas. It is the responsibility of higher education institutions to rethink and re-imagine higher education effectively for the future. Information provided by this study can aid higher education institutions in this process of adapting to an ever-changing and extremely competitive environment.

The language policy challenges that higher education institutions face in South Africa is another trend and will be discussed below.

2.3.9 LANGUAGE POLICY CHALLENGES IN THE SOUTH AFRICAN HIGHER EDUCATION LANDSCAPE

The dilemma facing higher education in South Africa is the perception that English, and to a lesser extent Afrikaans, are the only languages capable of functioning fully as languages of learning and teaching at higher education institutions. However, Foley (2004:57) states that many potential higher education students are not sufficiently fluent in English or Afrikaans, or able to study effectively through these languages.

On 5 November 2002, the Minister of Education released the Language Policy for Higher Education (LPHE). The multilingual nature of South African campuses are acknowledged and validated by the LPHE, which requires all higher education institutions to advance the official South African languages in accordance with the constitution. LPHE's main objectives are:

- The development, in the medium to long-term, of South African languages as mediums of instruction in higher education, alongside English and Afrikaans;
- The development of strategies for promoting proficiency in designated language(s) of tuition;
- The promotion of the study of foreign languages; and
- The retention and strengthening of South African languages through planning and funding.

The Language Policy for Higher Education challenges higher education institutions to cater for the linguistic needs of a new, more diverse and potentially larger student population brought about by greater equity of access. Higher education institutions must accommodate the latter while maintaining quality education and creating an environment where multilingualism can flourish (Van der Walt, 2004:25). A further challenge facing education institutions is to ensure the simultaneous development of a multilingual environment in which all the official languages are developed as academic/scientific languages, while at the same time ensuring that the existing language of instruction do not serve as a barrier to access and success. Higher education institutions must also ensure that students can use the existing language of instruction in such a way that student throughput rates improve.

Foley (2004:71) argues that the way to resolve the language dilemma in higher education is not through the Language Policy for Higher Education alone, but though developing indigenous languages and providing quality access to English proficiency throughout the education system. Alexander (2004:202) states that it is not sufficient for South African universities to admit students from all population groups and then offer lectures in only English and/or Afrikaans. Higher education institutions need to develop ways to help all their students succeed in their studies and the students need advice on how they can derive the maximum from their educational environment. Institutions are faced with increasing numbers of limited languages proficient students from disadvantaged school backgrounds and have to develop special courses for improving students' proficiency in English, with a view to promoting academic literacy.

Language affects all aspects of the academia as a platform for the cultivation of critical thinking. The extension of multilingualism (more people using more languages in more registers and in more domains) in higher education can contribute significantly to improving the quality of the higher education sector (Brand, 2003:26). This type of approach would achieve:

- Educational quality, equity and justice;
- Student responsibility and educational accountability;
- State planning and academic freedom; and
- Research and social relevance.

In order to adapt to the changes in the higher education policies, global trends and change in the diversity of students, higher education institutions will have to adapt their language policies. Some higher education institutions that are still focusing on the Afrikaans language are now being forced to change to English in order to adapt to the new needs and changing environment. According to Malan (2005:5), Chris Brink, then Rector of the University of Stellenbosch, said it is unrealistic to educate exclusively in Afrikaans. According to Du Toit (2005:2), the increase in English speaking students to historical Afrikaans higher education institutions, as well as the decrease in government funding, is making it difficult to lecture in both Afrikaans and English. Malan (2006:12) reports that students feel that contact time is reduced, as lecturers have to present the information in both languages, which leads to frustration and confusion. Both authors suggest that higher education institutions that exclusively use the Afrikaans medium will all eventually have to change to a double medium language policy, as more English speaking students are enrolling at historically Afrikaans speaking higher education institutions.

There is little to no research as to whether the same kinds of lectures and educational models can be effectively applied to diverse groups using different languages. Research conducted indicates important differences in attitudes of different cultural groups towards aspects such as textbooks and assignments. Further research on the difference and/or similarities of Afrikaans and English speaking students would be needed (Alexander, 2004:205). This study will attempt to identify further similarities

and/or differences between language and the relative importance of choice factors used in the institution selection process.

In the light of all the pressures that higher education institutions face to improve the performance of their learners and to be accountable for money invested in them, it is important that the linguistic strength that learners bring be recognised and used to the benefit of all (Van der Walt, 2004:31). It is evident from the above discussion that research is needed on the language medium preferred by students at higher education institutions, as well as the medium most appropriate for marketing communication purposes.

The information obtained from this study will help institutions to determine how important their language policy is to students when they select a higher education institution. It will also provide insight in the home language of students on campuses. This knowledge can help institutions with future decision-making on the language to be used in promotions, communications and lecturing.

Except for the language dilemma that higher education institutions are faced with, they also have to manage the challenges posed by the tenth and final trend, namely increased specialisation.

2.3.10 INCREASED SPECIALISATION IN SOUTH AFRICAN HIGHER EDUCATION LEARNING

Van der Merwe (2004:127) states that "a stronger focus on science, engineering and technology is necessary in South Africa to correct the present imbalances of student numbers". South Africa is entering a millennium of enormous societal, environmental and scientific challenges, to which no higher education institution can remain indifferent. The humanities, therefore, will also have to position themselves within an evolving and transforming framework. Management and Economic Sciences are part of humanities and the focus of this study. This means that especially Management and Economic Sciences faculties will benefit from the information obtained from this research study.

In America and Europe, higher education institutions are trying to give their students a general exposure instead of too much specialisation, to encourage them to think more laterally and to be more adaptable. However, in South Africa, the new Education Policy emphasises that the government would prefer higher education institutions to provide more specialised, focused and career-oriented courses. According to Wasserman (2005:2), a general B.Com qualification would make it increasingly difficult for students to obtain a job. Due to an increase in students in business and management courses, especially black students changing from law and political science, there is an increase in the competition for jobs. Higher education institutions will have to ensure that their courses are career-focused to enable students to obtain jobs after graduation. Professional qualifications that will enable international job opportunities are now in demand. De Vries (2005:19) states that there are many more job opportunities in the financial, engineering and manufacturing sectors, and students will have to be knowledgeable on which jobs are in high demand.

From the discussion in Section 2.2 and Section 2.3, it is evident that higher education institutions are faced with many opportunities and/or threats due to trends in the higher education landscape globally and locally. The opportunities and threats due to these trends influence the environment in which higher education institutions operate, and thus the growth and survival of higher education institutions. Therefore, higher education institutions should take cognisance of these trends and develop strategies to utilise the opportunities and to combat against these threats.

South African higher education institutions should ensure that they are:

- Well aware of the effect of globalisation on their institutions;
- Determining the impact of changes in their language policy and how they will address this dilemma;
- Familiarising themselves with the impact of the changes in state funding and identifying possible steps to minimise the negative consequences of a decrease in their subsidies;
- Increasingly making use of technology and new modes of delivery to stay competitive and deliver good services to their market;

- Familiarising themselves with the transformation polices and how to adapt their own policies and procedures accordingly;

- Managing the merger process and have plans in place to utilise the merger process as a growth opportunity and to brand and reposition the new merged institution;

- Keeping up-to-date with the HIV/AIDS pandemic and have strategies in place to deal with its impact on their institution;

- Constantly researching the student market to be aware of any changes in students' profile, needs or preferences in order to adapt their marketing strategy accordingly;

- Keeping their eyes on currents and potential new competitors and have a strategy in place to differentiate themselves; and

- Focusing on providing specialised learning in the fields industry and government requirements.

Higher education institutions in South Africa should however not just focus on the above-mentioned ten trends, as the landscape is constantly changing and new trends can emerge and others may fade. Due to the ever-changing environment in which higher education institutions operate, institutions must do environmental scanning on a continual basis if they want to stay abreast of changes and new trends.

It is however not enough for South African higher education institutions to only scan the South African higher education landscape in order to adapt their strategies to grow and survive; they must also scan the global higher education landscape. South African higher education institutions do not operate in isolation and often global trends influence or even emerge in the South African landscape. It is therefore of utmost importance that South African higher education institutions must also:

- Take note of the worldwide changes in the student profile to older, part-time, female students and the alarming global growth in student numbers;

- Observe and learn from their global counterparts as to how they coped with changes in state funding by cutting unnecessary costs, outsourcing, making use of alternative sources of income, and increasing the price of education;

- View the global increase in institutional cooperation and industry collaboration as a good example for how to deal with their current merger process and after-effects;

- Take cognisance of the mode of delivery used by global higher education institutions; and

- Familiarise themselves with the possible strategies and outcomes of increased global competition and how they can use this information to become more competitive.

2.4 CONCLUSION

Rapid changes in society seem to be the order of the day, and in this context, the role of higher education institutions in society is coming under the critical scrutiny of their identity in the landscape of higher education.

Chapter 2 highlighted some of the major trends in the global as well as the South African higher education landscape. Section 2.2 focused on the global perspective and discussed trends such as globalisation, the changing student population, changes in financial policies, increased price of education, alternative sources of funding, cutting costs, the growth in student numbers, institutional cooperation and collaborations, changes in the mode of delivery and the increase in global competition. Section 2.3 explained the major trends from a South African perspective and focused on the influence on higher education institutions of globalisation, language policy, changes in government funding, increased emphasis on technology, transformation policies, mergers, HIV/AIDS, changing student profiles, increase in competition, and specialisation.

Analysing the trends and factors that influence higher education globally and specifically in South Africa, one can identify opportunities and emerging threats in the higher education landscape. The amount and potential for outside funding, demographic trends, information technology and growth are at the positive side of higher education. However, the cutbacks in government funding, higher tuition fees and increased competition create concerns. With this unpredictable educational

landscape, higher education institutions will have to move towards the increase of third stream incomes, cutting of costs and becoming more businesslike and market-oriented. The increase in competition is forcing institutions worldwide to make their programmes more relevant to their customers and to consider abandoning activities that are not commercially profitable, even if it may have academic value.

Whether or not higher education institutions successfully adapt to this changing landscape will depend on the early identification of emerging trends and their ability to respond appropriately. Higher education institutions must identify their own strengths and weaknesses in order to develop effective plans in response to the opportunities and threats in the education landscape. To enable higher education institutions to adapt to the changing education landscape and to become more competitive by being market-oriented and businesslike, they need knowledge about their market.

It is evident from the discussion in this chapter that higher education institutions are currently operating in an ever-changing market, facing strong competition. It is therefore essential for each institution to discover their customers' needs and develop marketing strategies based on these needs. Higher education institutions with knowledge of the opportunities and threats in their environment are better equipped to make decisions and developing more effective marketing mix strategies to ensure customer satisfaction. In the next chapter, higher education as a service will be discussed, as well as the marketing mix (7 Ps) strategies for higher education institutions.

CHAPTER 3

MARKETING'S ROLE IN HIGHER EDUCATION

3.1 INTRODUCTION

Chapter 2 introduced some of the major changes and trends that have taken place in the higher education environment both internationally and locally. Although higher education institutions can be classified as non-profit organisations, the challenges discussed in Chapter 2 necessitate higher education institutions to take on the organisation-like behaviour of profit organisations and to become more marketing-oriented. An understanding of the environment in which higher education institutions operate, provides an essential background against which to understand and assess the benefits of focusing on students as customers. If higher education institutions understand the landscape in which they operate, they can begin to plan to serve the market effectively and efficiently with their marketing strategy. Being marketing-oriented requires that organisations have knowledge on external forces (as explained in Chapter 2), but also knowledge on customers' needs and wants (to be addressed in Chapter 4).

It is against this backdrop of changes in the environment, such as the decrease in government funding and the increase in competition, that the need for marketing in higher education can be seen. In order to survive and to develop a sustainable competitive advantage in a changing higher education landscape, higher education institutions should satisfy the needs of their customers by adding value. Institutions should provide more benefits to their customers than competitors if they want to stay competitive. In the competitive environment in which higher education institutions operate (refer to Chapter 2), enhanced customer satisfaction may be one of the ways in which institutions can create and sustain a competitive advantage. This can be achieved with the effective application of the marketing mix elements. Marketing, and more specific a market-orientation, can provide a detailed understanding of the needs of customers and ensure that higher education institutions address the needs in as

efficient and comprehensive manner as possible. In short, higher education institutions need to set marketing objectives and formulate a marketing strategy.

Given the market-oriented focus and importance of the marketing mix elements, the main focus of this chapter will be on higher education institutions' formulation and implementation of the elements of the services marketing mix. This chapter will explore the literature available on the changing role of marketing, the marketing concept, market- and marketing-orientation, consumer behaviour and the integration of all the units of a higher education institution to formulate a service product strategy, price strategy, distribution strategy, communication strategy, people strategy, physical evidence strategy and process strategy in order to meet the needs of students.

3.2   THE CHANGING ROLE OF MARKETING

Marketing plays a major role in any organisation and is viewed by Lamb *et al.* (2004:5) as a process that starts with identifying customer groups, finding out about their needs and wants, matching what the organisation can offer with what the customer wants and then effectively communicating and selling it to the customer. Although the primary aim of marketing is to satisfy the needs of customers, it involves a cluster of activities such as product/service innovation, design, development, distribution, advertising, selling and how the product/service is acquired and used by the customer. Machado and Cassim (2002:2) regard marketing as the process of planning and executing the conception, pricing, promotion and distribution of ideas, goods and services to create exchanges that satisfy individual and organisational objectives. Mowen (1995:7) states that the importance of understanding consumer behaviour is found in the definition of marketing as a human activity directed at satisfying needs and wants through a human exchange process.

Effective marketing requires a higher education institution to identify their target audiences, understand them, and communicate with them as directly and interactively as possible (Laurer, 2006). According to Shoemaker (1999), marketing is the proactive management of the relationship between a higher education institution and its various

markets by using the tools of marketing: service product, place, price, promotion, process, people and physical evidence.

Marketing's greater contribution lies in its ability to facilitate the exchange process that takes place between the non-profit organisation such as the higher education institution, and each of the customer groups it addresses (Sargeant, 2005:295). Marketing can provide a detailed understanding of the needs of such customers and ensure that the institution addresses these needs in as efficient and comprehensive manner as possible. This understanding of customers' needs can aid organisations in creating and sustaining a competitive advantage. Lynch and Baines (2004:171) found that higher education institutions' sustainable competitive advantages are usually based on superior knowledge, reputation, innovation or architectural related advantages.

However, marketing is not stagnant and over the years the marketing activities of organisations have changed. Kolter (2003) and Strydom, Jooste and Cant (2000:10) identify four stages that strongly influence the evolution of organisations' marketing activities. These stages are referred to as production, sales, marketing and societal marketing. The production orientation focuses on the internal capabilities of the organisation rather than the needs of the market, while a sales orientation is based on the premise that people will buy more if aggressive sales techniques are used. Both of these orientations lack a customer focus. Organisations realise the importance of marketing and building long-term relationships with their customers; thus, a marketing orientation. The societal marketing orientation builds on the marketing orientation but adds that customer value must be delivered in such a way that it maintains or improves the society's wellbeing.

According to Kotler and Fox (1995:11), there are also definite stages in the evolution of marketing in higher education. The focus has moved from "marketing is unnecessary" to "marketing is promotion" to "marketing is positioning" to the stage where in some cases marketing is seen as part of strategic planning for higher education institutions. Law (2002:4) is of the opinion that higher education institutions in South Africa are moving from "marketing is promotion" to more emphasis on positioning and strategic planning. This stage is also described as the "marketing company" era. The marketing

company era is characterised by short- and long-term marketing planning and the whole organisation's efforts are guided by the marketing concept (Perreault & McCarthy 2002:34). The marketing concept is a management philosophy with the basic premises that an organisation needs to research the needs and wants of customers and then produce products or services that will satisfy these needs and wants (Strydom, Jooste & Cant, 2000:12; and Kohli & Jaworski, 1990:467). The marketing concept will be explained in the next section.

3.3   THE MARKETING CONCEPT

Churchill and Peter (1998:12) describe the implementation of the marketing concept as an organisation that satisfies customer needs and wants as a means to achieve their own objectives. Although it seems simple, it is complex in the sense that changes within the economic, social, political and technological environment, as discussed in Chapter 2, constantly leads to changing customer needs and wants. Lamb *et al.* (2004:17) state that institutions who want to survive in the future will have to be customer-focused, market-driven, global in scope and flexible in its ability to deliver superior value to customers whose preferences and expectations change continuously. Foxall and Goldsmith (1998:7) feel that consumer orientation stems from an organisation's adoption and implementation of the marketing mix (price, service product, promotion, place, people, process, physical evidence), but adds that the adoption and implementation of the marketing concept has four major implications:

- The success of any organisation depends above all on the consumers and what they are willing to accept and pay.

- The organisation must be aware of what the market wants, preferably well before production commences.

- Consumer wants must be continually monitored and measured so that, through service product and market development, the organisation keeps ahead of competitors.

- Top management must achieve the integration of all the components of the marketing strategy into a single strategic plan, based on knowledge of consumer behaviour.

Mowen (1995:4) underlines the importance of the marketing concept by stating that the marketing concept embodies the view that an industry is a customer satisfying process, not a goods producing process. An industry begins with the customer and its needs, not a patent, raw material, or selling skill. The general acceptance of the concept that an organisation functions to fulfil consumers' needs and wants, through understanding their exchange partner (customers), makes the study of consumer behaviour, and thus this study, essential. Mowen (1995:5) and Churchill and Peter (1998:13) agree that the basic idea of the marketing concept is to give the customers what they want. However, consumers are not always sure of their wants or what they are being offered, and are much more open to persuasion than is commonly acknowledged by the marketing concept. The marketing concept is based on four basic principles: consumer orientation or the target market; long-term maximisation of profitability or another measure of long-term success, total organisation effort, and social responsibility (Kotler, 2003:20 and Perreault & McCarthy, 2002:34). The four principles of the marketing concept will be briefly explained below.

3.3.1 THE PRINCIPLE OF CONSUMER ORIENTATION

Strydom *et al.* (2000:12) view consumer orientation as the first principle of the marketing concept, indicating that all actions should be aimed at satisfying consumer needs, demands and preferences. Although this implies that the consumer objective is to achieve total need satisfaction, it does not mean that an organisation must provide for unrealistic consumer needs. According to Kotler (2003:20), organisations have to carefully choose their target markets and then prepare a tailored marketing programme. Research conducted by Conway, Mackay and Yorke (1994:35) on higher education institutions in the United Kingdom (UK) found that more than half of the institutions did not have a customer orientation in their planning and that most institutions merely pay lip service to the variety of target markets they serve. This study will attempt to gather the necessary information to enable institutions to become more customer oriented in understanding the needs and wants of students, specifically regarding the choice factors and information sources used when selecting a university.

3.3.2 THE PRINCIPLE OF INTEGRATION AND COORDINATION OF ACTIVITIES

Strydom *et al.* (2000:14) define a system as an integrated whole – a group of related units working together to achieve a joint objective. The second principle suggests that marketing activities of a higher education institution should be closely coordinated with each other and with other functional areas such as production, finance, administration, human resources and procurement. The marketing concept has been a useful mechanism in helping to unify the independent functional areas to increase customer satisfaction. All seven marketing mix instruments (price, service product, promotion, distribution, people, process and physical evidence) should complement and reinforce one another in such a way that the student will prefer the institution's service offerings to that of competitors.

3.3.3   THE PRINCIPLE OF MAXIMISING LONG-TERM SUCCESS

The third principle is directed at achieving market share, return on investment and the objectives of the organisation. Marketing plans and corporate goals must be closely coordinated to ensure profitability. Maximising profitability is the primary objective of a profit-seeking organisation and can be achieved only through the consideration of consumer needs. Non-profit organisations attempt to achieve some other objective than profit. This does not mean than they are uninterested in income, as they have to generate cash to survive. However, their primary goal is non-economic, and for higher education institutions that is to provide education. Although there is an emergence of for-profit higher education institutions, as discussed in Chapter 2, non-profit higher education institutions also need to focus on their long-term sustainability. For-profit organisational success is measured ultimately by profitability. For non-profit organisations, measuring success is not so easy. Higher education institutions' success can be measured in research output terms, number of students taught, student pass rate, range of qualifications of staff or even the quality of teaching. The combination of these factors makes the measurement of success difficult and can lead to conflict. For example: more students and larger classes may reduce time needed for research by staff to deliver the required research outputs. The principle of maximising long-term success is therefore more complex in higher education institutions than for for-profit organisations. Marketing is of growing importance to non-profit organisations, because of the need to generate funds in an increasingly competitive arena. Even

higher education institutions that rely on government funding must show how their work is of benefit to society and must meet the needs of their customers.

3.3.4 THE PRINCIPLE OF SOCIAL RESPONSIBILITY

Zikmund and D'Amico (2001:20) state that the pure marketing concept disregards environmental changes and problems and focuses on short-term customer satisfaction rather than on the long-term wellbeing of society. Involvement and concern for the environment and the society in which the marketing task is performed are typical characteristics of a strategic approach to marketing management. Organisations should therefore strive to obtain the goodwill of the society, rather than only the support of the target market. By demonstrating social responsibility, higher education institutions can earn the goodwill of the public and government. This has a long-term dimension that can favourably influence the future of any institution in terms of funding and a steady supply of customers.

From the discussion of the marketing concept and its principles, it is clear that by accepting the marketing concept, institutions have recognised that consumers and their behaviour has a direct bearing on the formulation of a marketing strategy – and therefore the relevance of this study. The marketing concept helps to bring focus and enables an organisation to satisfy consumers' needs (Perreault & McCarthy, 2002:41). If higher education institutions want to be successful in today's dynamic higher education landscape, competing for resources, support and customers, they too should adhere to principles of the marketing concept, especially being consumer-oriented, when conducting their business. Applied to higher education, the marketing concept holds that higher education institutions should conduct their planning bearing in mind and recognising that they exist primarily for the purpose of providing a service product to students. Campus activities should thus focus on satisfying the needs of students (Massad & Tucker, 2000:1-5).

The philosophy of the marketing concept forms the underlying basis for an organisation's market- and marketing-orientation. These two concepts will be briefly explained in the next section.

3.4 MARKET-ORIENTATION AND MARKETING-ORIENTATION

Throughout the literature, the term market-orientation and marketing-orientation is used interchangeably (Payne, 1988; Kohli, Jaworski, & Kumar, 1993 and Sharp, 1991). Notice should however be taken of a small group of authors, such as Cravens, Lamb and Crittenden (1996), who argue that there are slight differences between the two concepts. However, it is not the purpose of this study to argue or investigate if there are differences between these concepts, but rather to show how the adherence to these concepts can enable higher education institutions to survive and grow (Voon, 2006:598).

3.4.1 MARKET-ORIENTATION

Market-orientation refers to everyone in the organisation being committed to the customer and adapting in a timely way to meeting the changing needs of the customer. Market-orientation is a bias towards the market, requiring knowledge of customer needs and wants, competitors and external forces (Evans, James & Tomes, 1996:209). Kasper (2002:1047) defines a market-orientation as the degree to which an organisation and all its thinking and acting (internally as well as externally) is guided and committed to the factors determining the market behaviour of the organisation itself and its customers. Kohli and Jaworski (1990:3) define market-orientation as the activities involved in the implementation of the marketing concept. An organisation with a market-orientation determines the needs and wants of the target market and delivers the desired satisfaction more effectively and efficiently than the competition. Thus, market-orientation extends beyond the marketing concept philosophy, as it also offers a process for delivering customer value. A market-oriented organisation understands customer preference and requirements and effectively combines and directs the skills and resources of the entire organisation to satisfy customers' needs. According to Kasper (2002:1052), a robust market-orientation has become a strategic necessity for any service organisation due to increasing market turbulence and intensifying competition. He states that the market-orientation of an organisation can be seen as a particular position on a scale ranging from being truly market-oriented to not being market-oriented at all. Results from Kasper's research show that a market-oriented service organisation has an open, employee-oriented, result-oriented, pragmatic,

professional, well-communicated, marketing goals-oriented, market knowledge (customers and competition) system with dedicated employees that know what customer focus and service means.

Market forces (refer to Chapter 2) changed the landscape of higher education into a competitive environment requiring a market-orientation (Koerwer, 2001). According to Couturier (2002), reduction in government support and increase in new technologies and improved learning produce students with high expectations and this further pressurises higher education institutions to become more market-oriented. Shoemaker (1999) states that glossy brochures, catchy slogans and the existence of marketing programmes do not give higher education institutions a market-orientation. Market-orientation requires a philosophy and a culture that go deep in the organisation. This means an institution where students are involved in the service production process and where administration, faculty and support staff work together effectively. A market-orientation requires a commitment and power from top management. Shoemaker (1999) states that a market-oriented higher education institution is characterised by:

- A top management actively involved in providing institutional marketing leadership;
- A marketing process integrated to reflect, recognise and involve all institutional stakeholders;
- Marketing plans that are well distributed among top institutional officers;
- Outside marketing consultants used to build and enrich the institutional culture;
- Regular and structured marketing research studies of all important stakeholder areas;
- A marketing-oriented planning culture that includes the participation of all stakeholder areas; and
- Marketing evaluation systems in place to assure continuous monitoring and improvement of marketing programmes and strategies.

3.4.2 MARKETING-ORIENTATION

An organisation with a marketing-orientation adheres to the principles of the marketing concept and offer customers what they need (Perreault & McCarthy, 2002:37). Marketing-orientation implies that the main task of a higher education institution is to determine the needs and wants of target markets and to satisfy them through the design, communication, pricing, delivery of appropriate and competitively viable programmes and services (Kotler & Fox, 1995:8). Laurer (2006) states that strategic plans of higher education institutions will have to become marketing-oriented plans. This begins with an environmental scan that determines how society is changing and then outlines how programmes, pricing and access to learning (distribution), employees (people) and process will meet these changing needs. According to Massad and Tucker (2000), higher education institutions in the United States have embraced a marketing-oriented approach to admission. They state that the trend began in the late 1970's in the USA and is driven by increased competition and a shrinking enrolment pool. Higher education institutions in Shanghai started in 1999 to reform their policies to be more marketing-oriented (People Daily, 1999). These policies include practical plans such as providing enough residence and departmental buildings for students and lecturers, logistic service renovations, and improved logistic service quality. Several reasons exist why achieving a marketing-orientation is problematic for some higher education institutions (Sargeant, 2005:297):

- Conflict between management and academic interest. There is a split in the responsibility for dealing with customers between departments and an institution's central administrative function.
- The lack of a strategic perspective. Courses are sometimes established and maintained for the status of the department or institution rather than where there is clear evidence of an economic viability or long-term demand.
- The diversity of the marketing activity. Marketing is conducted by a variety of players, such as the admissions officer, school liaison officers, research officer and faculties, making the coordination difficult.
- Academic value. Some institutions still perceive marketing as being incompatible with their education mission.

Nevertheless, higher education institutions must aim to become marketing-oriented. The market concept forms the underlying philosophy for both a market and marketing-orientation. A marketing-orientation is an all-embracing concept referring to both behavioural and philosophical standing of marketing, therefore incorporating the market-orientation. Thus, for the purpose of this study, the term marketing-orientation will be used to indicate a market- and/or marketing-orientation.

3.5 MARKETING STRATEGY AND CONSUMER BEHAVIOUR

According to Hawkins *et al.* (2001:7), an effective marketing strategy is based on knowledge of the environment, competitors and customers. The study of customers' needs, perceptions, aspirations, motivations, culture and decision-making processes is called consumer behaviour (Du Plessis & Rousseau 2005:8). Consumer behaviour serves as a basis for marketing strategy formulation. Figure 3.1 indicates that an understanding of consumer behaviour is the basis for marketing strategy formulation and will serve as a visual guide for the remainder of this chapter. It also visually shows the integration and link between Chapter 2, Chapter 3 and Chapter 4. Figure 3.1 begins with the analysis of the market (Step 1) in which the organisation is operating. It requires a detailed analysis of the organisation's capabilities, strengths and weaknesses, competition, the economical and technological forces affecting the market, and the current and potential customers in the market (refer to Chapter 2). The consumer analysis component of the first step enables an organisation to identify groups of individuals with similar needs.

The identified market segments, in step two, can be described in terms of demographics, media preference and geographic location. One or more of these segments are then selected as target market, based on the organisation's capabilities relative to those of its competition, taking into account current economic and technological conditions. The organisation then decides on the desired image of the service product or brand, also known as the service product or brand position.

The third step entails the marketing mix/strategy formulation. Hawkins *et al.* (2001:14) point out that a marketing strategy basically answers the question: How will we provide

superior customer value to our target market? The answer requires the formulation of a consistent marketing mix. Thus, the marketing strategy is formulated in terms of the marketing mix. Lamb *et al.* (2004:12) point out that this step involves the determining of service product features, price, communications (promotion), distribution (place), people, process and physical evidence that will provide the customer with superior value. The total service product is then presented to the target market, which constantly engages in processing information and making decisions to enhance and maintain their lifestyles.

The marketing strategy (as implemented in the marketing mix) intervenes between the decision-making process of consumers (Step 4) and the outcomes/goals of an organisation. The outcomes of the organisation are determined by its interaction with the consumer decision-making process. Organisations can only succeed if consumers see a need that the organisation's service product can address, become aware of the service product, decide that it is the best viable alternative solution, proceed to buy it, and become satisfied with the results (Hawkins *et al.*, 2004:22-23). The consumer decision-making process will be discussed in detail in Chapter 4. Finally, the reaction of the target market to the total service product produces an image of the service product, brand or organisation, sales (or the lack thereof), and some level of customer satisfaction among those who did purchase. As the components of the market analysis (Step 1) was discussed as part of the trends in the higher education landscape in Chapter 2 and the consumer decision-making process (Step 4) will be explained in Chapter 4, the remainder of the chapter will focus on the STP process (Step 2) and marketing strategy (Step 3) as depicted in Figure 3.1.

Figure 3.1: Marketing strategy and consumer behaviour

STEP 1	**MARKET ANALYSIS (CHAPTER 2)** Competitors Company Consumer Conditions	**CHAPTER 2**
STEP 2	**STP- PROCESS (CHAPTER 3)** Segmentation, target market and product positioning (3.6)	
STEP 3	**MARKETING MIX/STRATEGY (CHAPTER 3)** Service product (3.7.1) Price (3.7.2) Promotion (3.7.3) Place (3.7.4) People (3.7.5) Process (3.7.8) Physical evidence (3.7.9)	**CHAPTER 3**
STEP 4	**CONSUMER DECISION-MAKING PROCESS (CHAPTER 4)** Problem recognition (4.7) Information search (4.8) Alternative evaluation (4.9) Selection and purchase (4.10) Post-purchase process (4.11)	**CHAPTER 4**
	OUTCOME Customer Satisfaction Sales Product/brand image/organisation	

Source: Adapted from Hawkins, Best and Coney (2001:8).

As the components of the market analysis (Step 1) was discussed as part of the trends in the higher education landscape in Chapter 2 and the consumer decision-making process (Step 4) will be explained in Chapter 4, the remainder of the chapter will focus on the STP process (Step 2) and marketing strategy (Step 3) as depicted in Figure 3.1.

3.6 SEGMENTATION, TARGET MARKETING AND POSITIONING (STP PROCESS)

Marketing strategy formulation for organisations takes place via the process of integrating segmentation, targeting, positioning and the services marketing mix. Once organisations have segmented the market, they must determine the market potential of each segment and then select segments to target. A target market can be defined as a fairly homogeneous group of customers to whom an organisation directs its market offering. Organisations must determine a mixture of the marketing elements that they will combine to satisfy their target market. Selecting a market-oriented strategy is referred to as target marketing. A specific marketing strategy specifies a particular target customer (Perreault & McCarthy, 2002:47).

Most non-profit organisations serve several groups or publics. The two broad groups are donors, who may be individuals, trusts, companies or governmental bodies. The second group consists of their clients such as students, parents, government or employers. Often higher education institutions need to satisfy both groups and this complicates the marketing task (Lovelock & Wright, 2002:233). Students, prospective students and their families are seen as customers or consumers who must be attracted to the institution, who must be satisfied, and who must have a good experience at the institution. This will ensure that they spread positive word-of-mouth and influence other potential students to select the institution (Reich, 2004). Students can be regarded as the primary clients of higher education institutions and parents, employers and society as secondary beneficiaries. As an institution's target market changes, new needs and trends evolve (as discussed in Chapter 2), making it necessary for institutions to rethink their position and often to reposition in order to address the new needs or trends (McGolddrick, 2000:54) This study focuses on students as a target market of institutions, as traditionally most institutions' marketing efforts are directed at satisfying

the needs of students. This study will provide insight into the demographics and choice factor importance that forms part of students decision-making behaviour, which will aid higher education institutions in understanding their target market to ensure satisfaction through implementing an appropriate marketing strategy.

After segmentation and target marketing, organisations should position their market offerings in such a way that it is perceived to satisfy the needs of customers better than the competition. According to Hawkins *et al.* (2001:289), a product's position refers to the schematic memory of a brand in relation to competing brands, products, services and stores. Brand image, a closely related concept, can be defined as the schematic memory of a brand without reference to competing brands. Strydom *et al.* (2000:14) regard a product's position as the way consumers perceive a product or service in terms of its character and advantages in relation to competitors. Du Plessis and Rousseau (2003:276) state that the important underlying principle is recognising that the marketing battle today is fought in the minds of the consumer. Research shows those products or services that enjoy high awareness levels usually enjoy dominant market penetration and market share. But awareness is not enough; the service product must have a meaningful position in the mind of the consumer and stand for something of value to the consumer.

Mowen (1995:18) defines product differentiation as the process of positioning the product by manipulating the marketing mix so that customers can perceive meaningful differences between a particular brand and competing brands. A highly differentiated brand may have strong competitive advantages, because it is easily recognisable as being different from competitors. Institutions need to know how they and their service products are positioned in the student's mind. The stimuli that institutions employ, such as advertising or sponsorships, can influence the service product's interpretation and thus its position. Hawkins *et al.* (2001:289) is of the opinion that organisations frequently fail to achieve the type of service product image or position they desire, because they fail to anticipate or test the consumer's reaction. These positions have developed and evolved over time. Therefore, the message received from the organisation must be consistent or change in a deliberate manner to reflect or alter a desired change in brand position.

Strydom *et al.* (2000:134) state that organisations must position their brands so that they are perceived to satisfy the needs of the target market better than competitors' offerings. The institution must develop a unique appeal for the brand in the consumer's mind and position the brand as filling a particular need of the consumer. Berman and Evans (2001:122) point out that through positioning, institutions devise their strategy in a way that projects an image relative to the institution's category and its competitors, and elicits consumers' responses to their image. Sargeant (2005:322) notes that positioning can also have a profound impact on the success or failure of fundraising initiatives and attempts to work closely with commerce and industry. Those higher education institutions that are perceived as being either of high quality or as unique in some way, are likely to have the greatest success in these areas.

Law (2002:3) states that it is important for institutions to distinguish themselves from competitors in terms of values that are important to the student. Therefore, higher education institutions need to develop a clear position that can be stated simply, effectively and often (Dehne, 2001). The author continues by saying that as competition becomes stronger, an integrated marketing strategy based on the identified positioning of the institution will play a crucial role. If organisations want staff and students to project a positive image, they must clearly define exactly what that image is; not vague understanding, but specifics (Sharpe & Harville, 1987). Law (2002:4) emphasises the importance of addressing the values that are important for prospective students in the publications of the institution. It can therefore be said that in the positioning of the institution, the needs and perceptions of important values of the respective public should be seriously considered. The elements of higher education institutions' marketing are mixed to form an integrated strategy where each component plays a role to position the institution in its chosen target market (Van Biljon, 1992:65).

According to Czinkota, Kotabe and Mecer (1997:217), organisations must first determine how they want to position their service products and use their service products' position as basis for developing their marketing strategies. This means that after the STP (segmentation, targeting and positioning) process, organisations must blend the services marketing mix elements into a marketing strategy that reflect the organisation's desired position to their target market.

The next section focuses on the services marketing mix and its elements as it pertains to higher education institutions.

3.7 THE SERVICES MARKETING MIX OF HIGHER EDUCATION INSTITUTIONS

The development of a marketing strategy involves the coordination and combination of the marketing mix elements (Mowen, 1995:19; and Hawkins *et al.,* 2001:6). It is the combination and coordination of the elements in the marketing mix that enables organisations to meet customers' needs and provides customer value. A traditional marketing mix consists of the following elements: price, service product, promotion and place (distribution). However, due to the intangible, inseparable, heterogeneous and perishable nature of services, the traditional marketing mix was extended to include process, people and physical evidence (Goldsmith, 1999:178). Because higher education institutions mainly provide intangible service products, the extended marketing mix, better known as the services marketing mix, forms the focus of this chapter. Higher education institutions need a well-developed comprehensive marketing strategy that is carefully communicated throughout the institution (Robinson & Long, 1987:44; Brooker & Noble, 1985:34) and the services marketing mix will help higher education institutions to shape their service offerings according to the needs of their customers. Grovè, in Kraft (2006) showed that in the marketing of education, the marketing mix is the single most important determinant of marketing success. In the light of the fact that marketing can influence the consumer's behaviour and the services marketing mix can assist higher education institutions in developing a holistic and well thought-through service offering, the seven services marketing mix elements (service product, price, promotion, distribution, people, physical evidence and process) will be discussed in the main part of this chapter.

3.7.1 THE SERVICE PRODUCT STRATEGY OF HIGHER EDUCATION INSTITUTIONS

The most basic decision that higher education institutions have to make is what programmes and services they will offer to their students, alumni and donors. An institution's service product strategy determines its identity, position and how customers will respond to the institution.

A product is anything a consumer acquires, or might acquire to meet a perceived need and thus the sum of all the products and/or services offered by an organisation. To define the term service is not easy or simplistic. Although the process may be tied to a physical product, the performance is essentially intangible and does not normally result in ownership of any of the factors of production. Services create value and provide benefits for customers at specific times and places. Lovelock and Wright (2002:3) define services as an act or performance offered by one party to another. Irons (1997:12) defines services as perishable, transient acts that have no lasting material, being mainly presented by people that cannot be separated from the provider. Therefore, the personal characteristics of the provider are an important part of the service. Du Plessis and Rousseau (2003:175) state that these definitions reveal that the nature of service centres on the characteristic of intangibility and that it is this feature that distinguishes services marketing from the marketing of physical goods. The goods and services continuum is shown in Figure 3.2 below.

Figure 3.2: Goods and services continuum
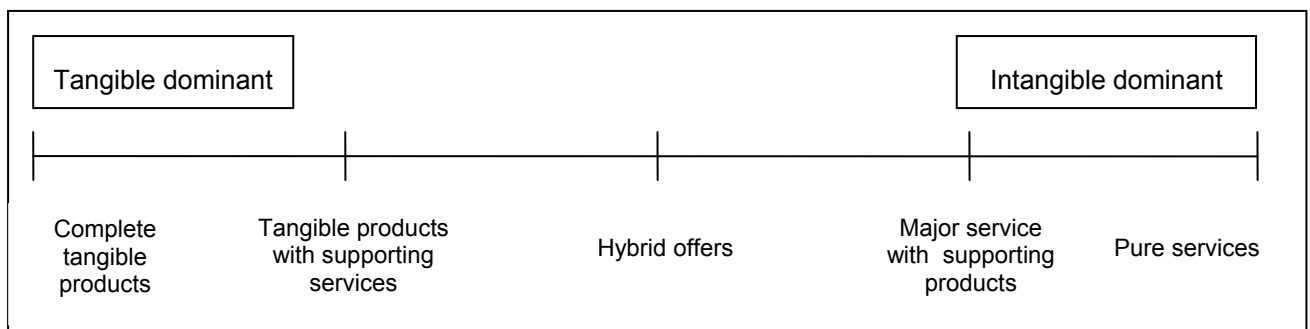
Source: Adapted from Palmer (2005:24).

It is evident that in services, the intangible element is dominant. The provision of education, although intangible, also contains tangible elements. Institutions provide service activities such as the teaching process and contact with customers (intangible element) as well as learning material such as textbooks (tangible element). McColl-Kennedy (2003:6-7) regards goods and services' tangibility on a continuum, rather than in one category.

At one end of the continuum are the intangible services and at the other end are tangible products. Higher education, which can be described as a major service (intangible) with minor supporting products (tangible), are leaning towards the intangible side of the continuum.

In addition to categorising services based on their tangibility, it is also useful to identify who or what is the direct recipient of the service. Services can either be directed at people's bodies, intangible assetes, physical possessions or people's minds such as education (Lovelock, 1996:29).

In order to better understand the concept of services, the distinguishing characteristics of services will now be explained. The basic characteristics of services are briefly outlined below (Lovelock & Wright, 2002:14-16):

- Customers do not obtain ownership. Customers usually derive value from a service without obtaining ownership of any tangible elements;
- Service products are intangible performances. Intangible refers to something that is experienced and cannot be touched or preserved. Although services often include tangible elements, the service performance itself is basically intangible;
- Customer involvement in the production process. Customers are often actively involved in helping to create the service product by helping themselves or by cooperating with the service personnel. Customers cannot sit back and wait for the experience to be delivered as they do with the purchase of tangible products - they have to participate.
- People as part of the service product. Given the fact that different service personnel may deliver the service product to customers, it is difficult to achieve

uniformity in service delivery. This difference (heterogeneity) in attitude and action will typically result in very different customer perceptions of the quality and overall satisfaction levels. People are such an important component of service delivery that it is added as an element to service organisations marketing mix and will be discussed in Section 3.7.5;

- Importance of time. Customers have to be physically present to receive services. Customers are becoming increasingly time sensitive and speed is often a key element in good service delivery; and

- Services are perishable and cannot be stored like physical goods.

Thus, although education includes tangible elements such as textbooks, chairs and notes, students derive value from higher education without obtaining ownership. Students are involved in the education production process as they participate in and help make the final service product, by giving inputs in class or participating in campus events. As higher education is perishable and cannot be stored, students must be physically present to receive education. It is evident that offering educational services involve special challenges, since most services education is intangible, inseparable, variable and perishable. Developing service products that satisfy consumers' wants and needs are a critical marketing activity for institutions (Hoyer & MacInnis, 2001:40). Consumer research can provide useful information for service product decisions. According to Czinkota *et al.* (1997:109), information provided by consumer behaviour research, such as this study, can help organisations to decide which attributes to add to or change in an existing offering; aid them in correctly naming or re-naming their organisations and make effective packaging and branding decisions.

Higher education institutions should evaluate its academic programmes and service product mix periodically, and particularly when considering modifications. Some programmes are more central than others. Education offerings are specifically essential programmes that institutions cannot do without. Other programmes may be easier to modify, like recreational activities that are usually auxiliary programmes. Certain programmes will play a major role in attracting customers and these are called flagship programmes (Kotler & Fox, 1995:282).

Information provided by this study will enable institutions to determine the importance of some components of their service product (variety of study courses, academic quality and sport programmes) in the institution selection process of students.

Higher education institutions must also develop a pricing strategy for their service products. The pricing decision is of utmost importance, as this will ensure income for higher education institutions that will enable them to implement al the other decisions such as promotion, distribution, processes, physical evidence and people. Section 3.7.2 will focus on the pricing strategy of higher education institutions.

3.7.2   THE PRICING STRATEGY OF HIGHER EDUCATION INSTITUTIONS

In this section, the pricing strategy of higher education institutions will be discussed by defining the term price, explaining possible pricing objectives of higher education institutions, explaining discounts and highlighting the role of price. Price plays an important role in the marketing mix, quality perception, attracting customers and providing revenue to institutions.

Price is the amount of money (or some other item that is exchanged or bartered) that the buyer exchanges for a service product provided by the seller. Lamb *et al.* (2004:570) describe prices as that which is given up in exchange to acquire goods and services. The price of a service plays two major roles. Firstly, it influences how much of the service product the customer will purchase, and secondly, it influences whether selling the service will be profitable for the organisation or not (Machado & Cassim, 2000:99).

Prices can be seen as the amount that a customer (students, parents or employers) must pay to be educated. The price of higher education institutions are influenced by the subsidy from government as well as donations and the cost of presenting the course, prices of competition and inflation. Price, for students, consists of a monetary cost as well as other costs, for example effort cost (completing long essay application forms), psychological cost (stress of enrolling in an institution far from home) and time cost (visiting or attending open days at different institutions) (Kotler & Fox, 1995:311). Students and their parents are not just interested in the institution's list price (official

tuition and fees printed in a catalogue), but also the effective price. According to Kotler and Fox (1995:312), the effective price is the amount the customer will actually pay for all the educational benefits and value received. Prospective students may find it difficult to measure effective price early in the decision process, since effective price can only be known after the student has gone though the application process and has been accepted and financial aid has been allocated. Tuition fees represent only a fraction of the total cost of attending a higher education institution and living cost and other education related expenses must also be considered by students (Anon, 2006b). Diederichs (1987:112) found that price plays an important role in students' choices of a higher education institution.

The first aspect organisations should consider when pricing a service product is to decide on the pricing objectives they want to achieve. Pricing objectives can influence the price of the service product and include: maximising profit (short- or long-term), building market share, maximising long-term customer perceptions of the value of the service product, maximising immediate cash flow, positioning the service product in a certain place in customers' minds, and targeting a given segment of the market. Higher education institutions may pursue more than one of these objectives at the same time depending on the situation they are facing. A new higher education institution emerging after a merger may aim to position their service product, as well as targeting a given segment and maximising long-term perceptions of value (McColl-Kennedy, 2003:270 and Machado & Cassim, 2002:106-107). Higher education institutions should take into account three factors when setting prices for their educational programmes:

- Firstly, cost, by determining the amount of revenue needed to cover expected operating expenses;
- Secondly, customer demand, which emphasises that the final price decision is always made by the customer; and
- Thirdly, competition, as institutions have to weigh their "value" and establish their price relative to their competitors.

Institutions should always consider the effects of a given pricing policy on enrolment, the nature and mission of the institution, the prices charged by competition and the

effect of their prices and price changes on actions of competition (Kotler & Fox, 1995:309). The pricing objective of a higher education institution will also affect its discount policy, as discount influence profit, market share, cash flow and positioning.

Once the basic price is established, organisations need to establish some flexibility in terms of that price. Discount can be defined as the reductions to the basic price (Machado & Cassim, 2002:116). Higher education institutions need to determine and publish their prices (tuition fees) and discounts. Financial aid is seen as a form as discount by students. Kotler and Fox (1995:310) state that financial aid is not just used to attract students to increase the size of classes, but also to ensure the needed composition of the class to meet diversity objectives. Student aid or financial aid makes it possible for many students from low- and middle income families to afford higher education (Anon, 2006b). Cabrera and La Nasa (2000:10) found that financial aid especially influences students positively to select a particular institution and also allows parents to consider a wider range of institutions. This study will include the importance of financial aid in selecting a higher education institution.

Diederichs (1987:114) found that a higher education institution's price policy should take into consideration the facilities needed, quality of education and competitiveness, as students often use the price of a product or service as an indicator of quality. For example, more expensive institutions may be viewed as providing better education. Some institutions make use of their price/quality relationship by trying to raise the prestige and attractiveness of their institution by raising the tuition fees. Higher education institutions must carefully consider the role of price in the marketing mix, as price can be used as a quality indicator and thereby influence the perception of the institution's position. Higher education institutions often offer substantial amounts of financial aid to talented students to maintain their competitive advantage. Students and parents are looking for the best overall deal in terms of educational quality and prices (Laurer, 2006). Courant (2006:4) is of the opinion that higher education institutions prepare students to lead an examined life and should therefore price higher education as an expensive, high value proposition. Wallace (2003:32) argues that higher tuition fees will enable institutions to improve the quality of education and in countries where higher education is subsidised or offered for free, education would be held in higher esteem if a price were attached to it. However, Beckett (2005) warns that institutions

should be aware that charging top fees may cause institutions to loose students and not widen the participation. Wallace (2003) states that universities in France, England, the United States and Germany are facing the same problems with the price of education, as government funding for education is decreasing and institutions have to look at increasing tuition fees. The result is that students in these countries are protesting the price increases. The increased value of a higher education degree, increased research at universities, reduced state funding for public higher education institutions and monopolistic behaviour of higher education institutions are other possible reasons for higher prices (Barry, 1998:84).

Higher educational institutions rely on tuition fees, donors and government subsidies as sources of revenue. As discussed in Chapter 2, changes in the financial environment emphasise the trend of institutions to cut cost, increase productivity and offer more financial aid to students. Most educational institutions depend heavily on tuition fees to keep operating and pricing therefore becomes very important. Price plays a role in determining who will apply, who will attend, who the institutions will serve, what the institutions will be able to offer and whether the institutions will meet its enrolment objectives and revenue needs.

From the discussion it is evident that a pricing strategy is important for education institutions because they depend on revenue to operate, especially in the light of the decrease in subsidies (refer to Chapter 2). Price is part of the marketing mix and should be considered as an element of the institution's strategy planning. When setting price, decision-makers should understand how students perceive price and the importance of price in selecting institutions. According to Cosser and Du Toit (2002:77), price is an important factor considered in choosing a higher education institution. It is important that higher education institutions know the cost of producing the service, know the price of competitors, identify pricing factors that are relevant to pricing decisions, and decide on a pricing strategy that will attract enough students. It is evident from the above-mentioned that higher education management needs information on the students and market to make effective pricing decisions. This study will provide some insight on the importance of price in the institution selection process.

Higher education institutions can have good quality educational services offered at the right price to students, but if students and parents are not aware of these services and prices, they will not consider the institution. It is thus important that higher education institutions communicate with their prospective students and parents. The next section will focus on the promotional or communication strategy of higher education institutions.

3.7.3 THE PROMOTIONAL STRATEGY OF HIGHER EDUCATION INSTITUTIONS

Educational institutions need to effectively communicate with their target market(s) and publics. Institutions must inform students and parents about its goals, activities and offerings and motivate them to take an interest in the institution. To identify and satisfy consumers' needs, an institution must have a good understanding of the consumer in order to gain a competitive advantage through its marketing mix (service product, price, distribution, promotion, process, people and physical evidence). Persuasive communication is central to the marketing of service products as features, benefits and values must be communicated to the consumers to influence their purchase behaviour.

Everything and everybody in an institution has a role to play in communication. Examples include the organisation's brand name or logo, campus grounds, service product quality, prices, employees, delivery vehicles, buildings, the technology the organisation has at its disposal, the capital the organisation has at its disposal and the organisational philosophy. Kelley and Mahady (2003:2) are of the opinion that promotion is an element sometimes overlooked by non-profit organisations. They argue that even if an institution offers some of the best programmes and services, these will not be utilised to the fullest if the market they were intended for has no knowledge of their existence.

The remainder of Section 3.7.3 will focus on the definition of promotion, the communication process and the integrated services marketing communication (ISMC) mix available for higher education institutions.

According to Hawkins *et al.* (2001:19), promotion or marketing communication includes advertising, the sales force, public relations, packaging and any other signals that the

organisation provides about itself and its products and services. Lamb *et al.* (2004:466) describe the promotional strategy as a plan for the optimal use of the elements of promotion, namely advertising, sales promotion, publicity and personal selling. Many higher education institutions are returning to promotional or communication tools to promote courses in an attempt to maintain and/or expand their market share. The importance of communication can be seen in the establishment of communication departments, more funds that are allocated to marketing and appointing marketing managers or external communication experts to help with promotional activities. Higher education institutions are making use of radio, television, newspapers, buses, taxis and open days as well as more professional brochures and promotional material as vehicles for communication (Jones, 2002:41). This is necessary, since higher education institutions can no longer depend on pass rates alone to attract students.

In order to utilise the promotional tools to their fullest and to ensure effective communication, higher education institutions need to understand the communication process. Communication involves the creation of shared meaning between participants. The intangibility, inseparability, perishability and heterogeneity of services create special communication requirements and involve the risk of miscommunication that is not so evident in the marketing of goods (McColl-Kennedy, 2003:236). Communication can be viewed upon as the transfer of a message from a sender to a receiver by means of a signal of some sort via a channel or medium. The sender translates his/her objectives, ideas and concepts through language into a message also known as encoding (Strydom *et al.*, 2000:344). The receiver tries to decode the message before he/she can comprehend its meaning and then the receiver reacts or responds to the message (Lamb *et al.*, 2004:326). The disturbances (physical or psychological) that prevent the successful transfer of the message are known as noise. Noise influences all the components of the communication process and places obstacles in the way of effective communication.

Higher education institutions are the senders, while the receivers of the message are the potential students, existing students, parents, employers or alumni. For the purpose of this study, the focus is on the students of a higher education institution. This does not mean that institutions do not need to communicate with other publics such as alumni, parents, donors, government or the general public as well. According

to Jones (2002:44) the student's ability to decode the message is influenced by his/her past experiences, feelings, emotions, attitudes and perceptions of the institution. Thus, higher education institutions need to fully understand their target market to identify the appropriate intended messages for the target market. The communication process gives higher education institutions the opportunity to influence prospective students' behaviour by developing a message that creates awareness, position themselves in the mind of the student, change the student's attitude towards the institution, or encourage the student to apply to the institution (Jones, 2002:45). The most popular communication/promotion objectives are general image enhancement and awareness of the institutions (Kittle, 2000). According to Jones (2002:43), emotions or feelings also play an important part in the encoding process and it is vital that higher education institutions should have empathy for other people's cultural backgrounds. Higher education institutions need to select a medium that will attract attention, arouse interest and present the message clearly (Kotler & Fox, 1995:353). Higher education institutions need knowledge about the language of the prospective students, knowledge of forms of communication and general background information about the prospective students in order to encode successfully.

The media that will be investigated in this study include: printed media (advertisement in magazines, newspapers or outdoor media), broadcasting media (advertisements on radio and television), direct mail or direct marketing (newsletters and brochures of higher education institutions), body language and direct communication through representatives of the institution (school visits by staff or open days attended by students), word-of-mouth (conversations with alumni, friends or family members), or websites. In Chapter 4 the different media will be further discussed as part of the sources of information used by students.

The promotional mix that an institution uses is determined by the student market's expectations and requirements of the service products, together with the other elements of institutions' marketing decisions. Machado and Cassim (2002:157) describe the promotional mix as the blend of promotional methods used by the organisation to communicate. A huge array of promotion elements exist, such as direct marketing, sales promotions, advertising, Internet and sponsorships. The communication process and the promotional mix elements (advertising, public

relations, personal selling and sales promotions) are used by organisations to communicate to their prospective customers. The message that reaches the customer should be the same regardless of whether it is an advertisement on the radio, websites, open days, or a newspaper insert. To ensure the careful coordination of all the promotional mix elements, organisations must adopt the concept of Integrated Marketing Communications (IMC) (Du Plessis & Rousseau, 2005:345). For a higher education institution, this means that the institution coordinates all its communication activities. Zeithaml and Bitner (2000:405) suggest that a more complex integrated form of communication is needed for services, hence the ISMC approach as shown in Figure 3.3. This concept requires a complete communication strategy that involves staff, every interface the institution has with its students, stakeholders and the community at large (Jones, 2002:450). Laurer (2006) suggests that institutions must coordinate all the promotional elements so that they meet the needs of students and parents who will pay for their products and services. Figure 3.3 serves as a visual guide for the discussion in this section.

Figure 3.3: Communication and the services marketing triangle
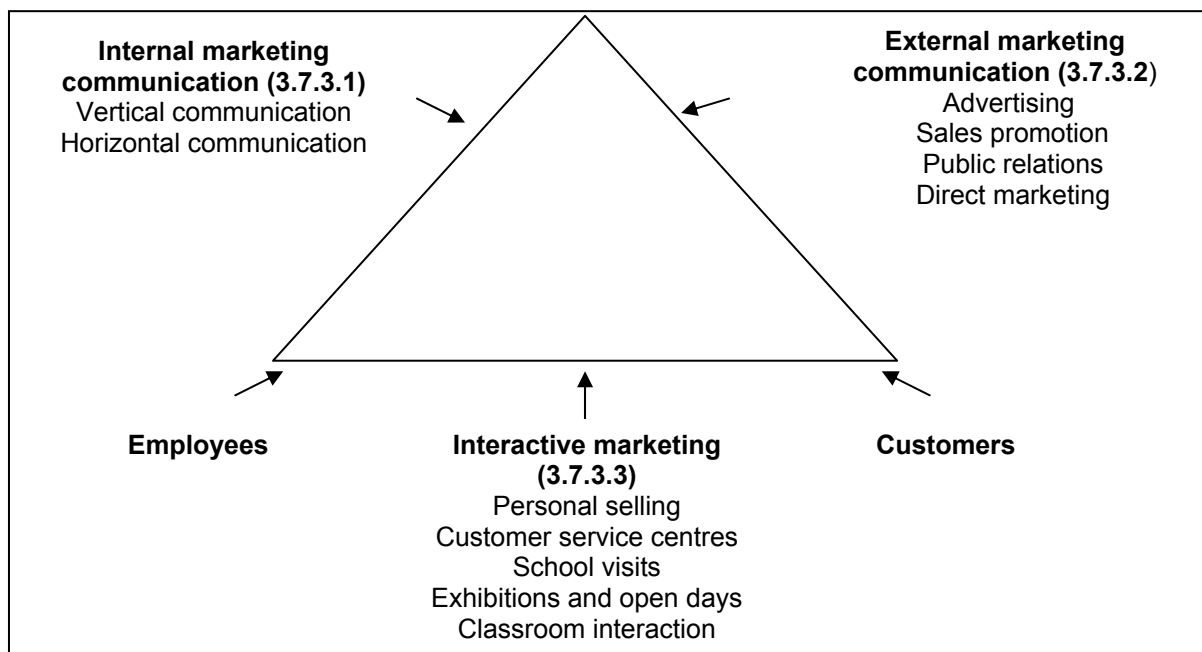
The three components of the services marketing triangle, i.e. internal marketing communication, external marketing communication and interactive marketing, will now be explained.

3.7.3.1 Internal marketing

Internal marketing refers to the process of planning and executing marketing activities aimed at the creation and improvement of exchange processes within the organisation. The goal of internal marketing is to accomplish the organisation's objectives and communication processes in a more efficient and effective way (Lamb *et al.,* 2000:191). Internal marketing ensures that the promises made by the marketing function of higher education institutions to external markets are delivered. For internal marketing to be effective and function properly, numerous exchange processes are needed: exchanges between the institutions and their employees, exchanges between top management and the departments, exchanges between different departments, and exchanges between the department and employees. Figure 3.3 shows that this approach requires that both vertical communication in a department and horizontal communication across departments are necessary. This approach requires that everyone involved with communication clearly understand both the institution's marketing strategy and its promise to students. Law (2002:3) states that a service marketing approach emphasises the importance of internal marketing.

3.7.3.2 External marketing

Organisations also use external marketing communication, which extends from the organisation to the customer, and this includes promotional tools such as advertising, sales promotions, public relations and direct marketing. These tools will now be briefly discussed.

- Advertising can be defined as impersonal, paid, one-way mass communication about the service product of an organisation used to reach the target market and fulfil the organisation's overall goals (Lamb *et al.,* 2004:467). Advertising for services is different than that of goods, because services are more risky due to

their intangible nature. The aim of advertising should therefore be to reassure consumers that the advertised service product is lower in risk than the alternatives. Advertising can also supply information on price, guarantees and performance evidence (Kotler & Armstrong, 2001:530). Mortimer (2000:122) is of the opinion that advertising could also assist in tangibilising the service. Kraft (2006) is of the opinion that educational institutions are complex to market and therefore making use of outside advertising agencies is often not successful. Higher education advertising rarely wins awards and therefore often given to junior members of the advertising agencies. Promotion is more than the development of a good advertisement. Effective promotion is dependent on an institution-wide analysis of communication, coordination of advertising, public relations and branding and adopting a marketing mindset. According to Jones (2002:56), higher education institutions are investing more in advertising as competition increases. Print, cinema, radio, outdoor, television and the Internet are all tools used by higher education institutions. Not many higher education institutions advertise on television, because it is expensive and reaches a too general audience. Because higher education is directed at a specific audience, most of the institutions' advertising expenditure is spent on print in newspapers, journals or posters. Radio advertising is also a popular medium as it is geographically selective and a certain audience can be reached within a certain time. Internet, websites and short message system (SMS) technology are popular mediums, as students can communicate directly with higher education institutions to get information (Jones, 2002:56). Jones (2002:57) found that outdoor advertising are not widely used by higher education institutions.

- Sales promotions can be described as all the activities, methods and incentives designed to speed up the response from customers (Strydom *et al.,* 2000:351). According to Kotler and Armstrong (2001:559), sales promotion examples include displays, banners, contests, premiums, demonstrations, coupons, point-of-purchase materials, samples, special events and vouchers. Higher education institutions' sales promotions could take the form of special events to encourage students to enrol for specific courses. Promotional material such as t-shirts, folders and pens can be manufactured to promote such an event. During open

days and exhibitions, promotional materials can be used to remind the students of their visits to the institution. Clint (1983) states that trips to higher education institutions (open days) help potential applicants decide which institutions are the best for them and which to rule out, and they are also saving future regrets as well as wasted application fees. Higher education institutions can also make use of school visits, competitions or discounts as possible sales promotional tools. Sales promotions can assist in creating effective communication through matching its offers with expectations of the service (McColl-Kennedy, 2003:250). However, higher education institutions must be aware that if sales promotions over-promise, misperceptions can occur and communication will break down.

- Strydom *et al.* (2000:350) define public relations as management through communication or perception, and the strategic relationship between an organisation and its internal and external public. Many higher education institutions spend large sums of money to build a positive public image. Public relations are the marketing communication function that evaluates public attitude, identify areas of the institution that the public may be interested in and execute a programme of action to earn public understanding and acceptance. Public relations help an institution to communicate with its customers, suppliers, shareholders, government officials, employers and the community. Higher education institutions can make use of public relations and publicity, not only to maintain a positive image, but also to educate the public about the institutions' goals, objectives, introduce new programmes or to help support the sales effort. Employees within the institution should be kept informed about the institution's practices and other matters that affect their work and welfare. Most institutions make use of faculty newsletters, in-house journals and annual reports to keep staff informed. With the current transformation of higher education, institutions are constantly in the process of developing policy manuals. The intranet is also used to disseminate information and as a medium for discussion and debate. The public relations department must research the available media, identify media contacts, brief the contact and provide background material on the institution. The public relations department must also design the logo of the institution and monitor all publications sent to external publics to make sure the image of the

institution is not compromised. Webpages and brochures must be user-friendly and reflect the image of the institution. Chester (2005) is of the opinion that the new tool that higher education institutions must make use of is writing press releases or articles that will be highly visible on search engines like Google. Students are making use of search engines as a tool for finding higher education institutions (Seymour, 2000:11). With the decrease in government funding, higher education institutions rely on support from industry and community and therefore networking play a very important role. According to Jones (2002:63), conferences, career exhibitions and open days can also be used to create an awareness of the institution and the programmes it offers, to create a positive attitude towards the institution, to create demand for certain programmes, enhance the image of the institution and to convert interested students into enrolled students.

- Direct marketing is defined as the use of mail, telephone, fax, e-mail and other non-personal tools to communicate directly with specific consumers to obtain a direct response (Du Plessis & Rousseau, 2005:343). Higher education institutions often use mail and telemarketing as direct marketing tools. Institutions can for example make use of direct mail to invite prospective students to open days and career exhibitions.

3.7.3.3   Interactive marketing

Interactive marketing communication involves the message that staff gives to students through channels such as personal selling, which include exhibitions, school visits, classroom interaction and customer service centres.

Personal selling is a paid communication, which normally calls for a personal and often one-to-one contact between the organisation and customer (Machado & Cassim, 2002:173). Zeithaml and Bitner (2000:404) define personal selling as a personal presentation by a representative from the organisation to make a sale and build customer relationships. Regardless of which definition is used, personal selling differentiates itself from other forms of promotion because the communication process

is person-to-person and the core of personal selling is to persuade the prospective customer to buy a product or service. The sales message can be tailored to suit the needs of the customer and complex information can be communicated. The current trend in personal selling is the emphasis on the relationship that develops between the salesperson and the buyers (Kotler & Armstrong, 2001:530). Lamb *et al.* (2004:323) express that opinion that relationship selling emphasises a win-win situation and the accomplishment of mutual objectives that benefit both the buyer and seller in the long-term.

Personal selling is usually appropriate for services that are highly complex and requires demonstration, customisation or explanation (McColl-Kennedy, 2003:250). In services, such as education, the communication skill of the salesperson is important as there is no physical product to evaluate. As higher education is an intangible product, meeting a customer face-to-face is one of the best ways to sell this type of service. The personal selling function is therefore very important to higher education institutions. Although higher education institutions usually do not have a sales department with a sales force, various departments within the institution performs the personal selling function (Jones, 2002:58). The task of selling performed by higher education institutions is two-fold: the servicing of established accounts, and prospecting for new accounts.

It is the responsibility of the recruitment officer or school liaison officer to maintain good relationships with the Education Department, principals of schools, guidance teachers and school governing bodies, because they are role-players that can influence the institution's selection process. According to Jones (2002:58), open days, social events and winter or summer schools are all used by higher education institutions with great success to improve and maintain the relationship. Law (2002:4) reports that some universities in the United States have realised that admitting their students were only the beginning of the relationship with the students. Higher education institutions must strive to build relationships with their students from admission through graduation and even beyond. Institutions must treat each student as a valued partner who have not only joining them for the period of enrolment, but also as satisfied alumni (positive word-of-mouth), donating to and supporting the institutions after graduation and later in life. Attempts to build customer loyalty and retention have resulted in looking into and

putting more emphasis on systems such as admissions, financial aid, academic assistance and also career development and placement.

Higher education institutions have to plan which schools to visit, which exhibitions to attend, and when and how to have open days. Planning is vital to ensure effectiveness, as these activities are costly and time consuming. Jones (2002:60) found that although school liaison officers and recruitment officers play a vital role in the success of the personal selling function of higher education institutions, little attention was often given to this department by institutions.

To ensure an effective, integrated marketing communications strategy, higher education institutions must consider the following: students' perception of the institution, students' reasons for attending the institution, students' perception of other higher education institutions, benefits the students will receive by attending the higher education institution, making the benefits the institution offers believable to students, distinguishing themselves from other higher education institutions, and determining the actions that the institutions wants students to take as a result of communication efforts (Jones, 2002:48).

Higher education institutions have the entire communication mix variables at their disposal, but they need to achieve a balanced mix that is most effective at minimal cost. The most important issue for higher education institutions in developing a communication strategy is to understand the students. This is partly why the study is undertaken to understand the usefulness of different information sources for students and the relative importance of the choice factors they use in the institutional selection process, to ensure that an institution's communication activities are not in vain. Few higher education institutions use just one medium of communication; they rather use a combination or integration of several methods. The success of an institution lies in its promise – who they are and why prospective students should enrol in their institution. The success of their promise lies in reaching multiple audiences in multiple ways at multiple times and places. Sharing your promise through a variety of advertising mediums ensures that it will be relevant and remembered (STATMATS, 2006).

This study will investigate the usefulness of school visits, institution publications, websites, campus visits, word-of-mouth (friends, alumni, school teachers), advertisements (radio, television, magazines) and events on campus, as a method of communication.

Part of delivering the promises made by organisations' communication/promotional strategy is to ensure that their services are available at a convenient location for their students. The next section will focus on the distribution strategy of higher education institutions.

3.7.4 THE DISTRIBUTION STRATEGY OF HIGHER EDUCATION INSTITUTIONS

The basic service delivery question for a higher education institution is: How can we make our programmes and service products available and accessible to our target market? In this section, the discussion will focus on the nature of distribution as well as the distribution decisions of higher education institutions.

Strydom *et al.* (2000:237) define distribution as making the products and services of an organisation available to the customer. Hawkins *et al.* (2001:121) see distribution as having service products available where the customer can buy it. In general, the distribution channel of services is short, with the service provider usually providing the service directly to the consumer of the service (Strydom *et al.,* 2000:381). Thus, distribution, in the case of a higher education institution, means making education/programmes available to potential students in the most convenient and accessible way. According to Diederichs (1987:66), accessibility means that solutions must be found for obstacles such as distance, time and cost. Possible solutions for cost may be the provision of funding, bursaries and grants to enable students to study. Telematic education, distance education and residences on campus for students can bridge possible geographic obstacles (distance). Flexibility in the time scheduling of lectures such as evening classes, full-time or part-time classes may increase the accessibility of an institution and bridge the time obstacle.

It is important that higher education institutions recognise the changes in the market (refer to Chapter 2) and adopt new schedules, delivery systems and locations to retain their existing market and serve new ones (Kotler & Fox, 1995:331). A typical delivery mode for education services is for the institution to present courses at one location, with students gathering for classroom instruction (Kotler & Fox, 1995:331). Some institutions make use of a more comprehensive approach with a variety of educational programmes and services, each of which may be provided in a different way. For example, a higher education institution may offer a lectured course in marketing for undergraduates, a correspondence course for part-time students and a short course for local governments via teleconference at sites across the country. Higher education institutions need to have an appropriate distribution strategy for each programme.

The six higher education institutions participating in this study have facilities at one or more fixed locations. These institutions need to consider how to attract students to their current facilitates. Decisions about where to locate were often taken a long time ago and due to shifts in the population, an institution's location appropriateness may be reduced.

According to Law (2002:5), place or location has more that one dimension in higher education in the United States. Traditionally, distribution was seen as only geographical, an aspect that could not really be changed much. Information technology has changed this for some institutions that are now offering students the opportunity to take almost any course, anywhere. Some higher education institutions choose to put more emphasis on the "community-oriented campus in a small, safe environment". Another aspect of distribution that institutions must consider is the time slot in which classes are offered. This emphasises the need for higher education institutions to carefully plan and constantly review their distribution decisions. The distribution decisions of higher education institutions will be addressed below.

Kotler and Fox (1995:334) are of the opinion that higher education institutions need to make certain major decisions in delivering their programmes. Firstly, higher education institutions should start off by determining their delivery system objectives. Kotler and Fox (1995:335) divide a higher education institution's delivery system into three dimensions. The first dimension is the location of the institution that includes the

accessibility, atmosphere and facilities; secondly, scheduling of service delivery that will appeal to students; and lastly, the mode of delivery, which include the technology and instructional forms to be used in the service delivery. All the dimensions of the service delivery system must aim to reach the organisation's objectives. An institution's delivery system should accomplish the institution's objectives while reflecting an understanding of the consumers, mission, resources, and nature of programmes. Institutions have to balance the level of convenience that should be offered to the target market with the cost incurred in doing so.

The second decision that higher education institutions must take is to determine if they should establish new facilities and new locations. Institutions should consider whether to offer some of their programmes in other locations or through different delivery systems. The most economical decision would be to operate at a single location and have all students come to it, but this option is not always convenient for students. New locations or delivery systems can be established for four reasons: firstly, when the local market is saturated, secondly, when the local market has declined in size or residential and/or employment patterns have changed, thirdly, when the institution is doing fine, but knows of strong potential markets in other locations, and fourthly, when the institution is doing well but wants into expand its presence to new locations (Kotler & Fox 1995:336).

Institutions may consider distributing their offerings to other areas to make education opportunities more accessible to students in other parts of the country or to keep a single campus from becoming too large. Institutions that choose to expand to other areas must make decisions on: number of campuses to establish, the size of each campus, location of the campuses, and the degree of specialisation at each campus. The expansion can be physically building a new campus or making use of electronic bulletin boards, e-mail, and Internet to offer programmes. Institutions could use rented facilities, convert existing facilities or build new facilities. Higher education institutions must evaluate their current delivery pattern to determine whether it adequately meets current and projected needs, and match the resources of the institution. Kotler and Fox (1995:340) point out that if the current system has inadequacies, revised delivery objectives must be determined. The objectives might be stated in the size of enrolment (20 000 students) or the percentage of community that enrols (five percent of the

community). Institutions must then decide whether to have one facility to serve everyone or establish multiple locations. The institution must always balance the cost of multiple locations and consumer revenue generated by the additional locations. After determining the objectives and patterns of distribution, the institution selects the location that would provide the best access for the target market. According to Machado and Cassim (2002:49), the location of competing institutions, community routes, demographic characteristics as well as residential and work patterns will all influence an institution's final decision on where to locate. Couturier (2002) states that higher education institutions' marketing-orientation and increased competition guides higher education institutions to offer different courses at different locations at different times and even virtually.

The third distribution decision faced by higher education institutions is to decide how they can use distance learning and new technology. Distance education, as discussed in Chapter 2, refers to instruction that occurs while there is a separation in time and/or distance between the learner and the instructor. Higher education institutions can make use of telephone, television, radio, newspaper, tape recorders or mail to serve current markets or to attract new markets. Higher education institutions need to ask themselves three questions before using technology:

- Is the new technology likely to be more effective than the technology it replaces?
- Is the alternative channel appropriate for the intended market?
- What will the additional resource cost and added benefits be of adopting the new channels?

As higher education institutions cannot store their educational services, they need to consider how to make their services convenient and practical to their target market in terms of location and scheduling. Increased convenience and quality may include implementation of distance education and/or other technologies. This study will investigate the importance of the location of an institution and a flexible study mode (distance education and other technology) in the institutional selection process. Institutions should also give attention to the physical facilities, including the quality of the design, signage and functionality and feel of the service spaces. The physical

buildings and surroundings convey a message to visitors, students and employees about the institutions.

It should however be noted that higher education institutions do no have absolute freedom regarding their distribution decisions, as there are some restrictions set by the Department of Education. Higher education institutions produce, deliver and often distribute their service products to students through people such as lecturers and administrative personnel. Section 3.7.5 will discuss the people strategy of higher education institutions.

3.7.5 THE PEOPLE STRATEGY OF HIGHER EDUCATION INSTITUTIONS

People refer to all human actors who play a role in the delivery of a service and provide cues to customers regarding the nature of the service. According to Goldsmith (1999:181), personnel or people are all those who play a part in the production and delivery of a service. The Booms and Bitner (1981) framework classifies people as an organisation's personnel and customers. The personal appearance, attitudes and behaviour of these "actors" all influence customers' perceptions of the service (Du Plessis & Rousseau, 2005:377). A student's first impression of a higher education institution is often based on his/her interaction with the people of the institution. The people strategy of an organisation thus impacts on the need satisfaction of the customers.

Organisations need to consider three dimensions when planning their people strategy: managing employees, balancing employees and customer issues, and managing customers (Jordaan & Prinsloo, 2004:131-153).

3.7.5.1 Dimension 1: Managing employees

The first dimension deals with the way an organisation manages its employees as they impact on the organisation's ability to satisfy customers' needs. Organisations need to create a job design, reward and recognition programmes, and workplace design for their employees that will help create and deliver customer satisfaction. Two types of

employees can be distinguished: support personnel that are seldom seen by the customer and who influence the technical quality of the service delivery; and secondly, the customer contact personnel that are highly visible and determine the quality of the functional component of the services. For customers to be satisfied with a service, both these groups need to have an external customer orientation. Employees are an essential ingredient to any service provider. Unskilled and demotivated employees cannot deliver good services (Webber, 2005). Robinson and Long (1987:46) emphasise the role of internal marketing to the employees who actually performs the service for the customers. Organisations should emphasise hiring, training, supporting, evaluating and rewarding service personnel (Goldsmith, 1999:187). Recruiting the right staff and training the appropriate employees in the delivery of a service is essential if the organisation wants to obtain a form of competitive advantage. Consumers form perceptions based on the employees they interact with and therefore the appropriate interpersonal skills, aptitude and service knowledge add significant value to the total service offering (Learn Marketing, 2006).

According to Rafiq and Ahmed (1995:4), employees are part of the service product and hence product quality is inseparable from the quality of the service provider. Employees can add value to a customer's experience in three ways: being well-trained, performing a personal selling function, and by having customer service support (Marketing Teacher, 2000-2006b). All personnel facing customers need to be trained and developed to maintain a high quality of personal service. Training should begin as soon as an individual starts working at the organisation, with induction followed by briefing him/her on day-to-day policies and procedures. A training and development plan must be constructed for each employee and attention needs to be given to a career plan for the continuing professional development of employees. Sierra and McQuitty (2005:393-400) suggest that service employee training programmes should emphasise the customer's role in the service experience to create a positive emotional experience for the customer.

Different kinds of salespeople can be identified. Product delivery salespeople's main task is to deliver the service product and selling is of less importance, such as lecturers providing education. Missionary salespeople build goodwill with customers, public groups and government, for example higher education administrators and public

relations officers. Technical salespeople with in-depth knowledge provide support and advice the customers on best purchase for their needs. In the higher education situation, this would be the recruiting officer conducting school visits.

Many products, services and experiences are supported by customer service teams. Customer service provides expertise and technical support and controls the customer interface. The disposition and attitude of such people is of vital important to a company. Customer service can be face-to-face, over the telephone (students phoning the admission office for information) or using the Internet (students using e-mails to communicate with their lecturers or get additional information). Yoon, Yoon and Seo (2004:395-399) found that contact employees in service encounters especially need support. Support contributes significantly to job satisfaction and improved employee service quality.

In education, due to the high degree of contact and the simultaneity of production and consumption, the institution's personnel occupy a key position in influencing customers' perceptions of service quality. It is important for higher education institutions to pay attention to the quality of employees and to monitor their performance. If employees tend to vary in their performance, it can lead to variable quality. Research conducted by Pheng and Ming (1997:278) found that people are regarded as one of the most important elements in the marketing mix. As the service is dispatched through an institution's personnel (lecturers, admittance staff, and library staff), they are the institution's most valuable assets. Research conducted by Sohail and Shaikh (2004:57) found that contact personnel are the most influential factor in students' evaluation of service quality. The authors also suggest that management must work in close harmony with the faculty and administrative personnel, as this makes a substantial contribution to student perceptions of good quality services. People buy from people they like; therefore attitude, skills and appearance of all personnel members are very important.

3.7.5.2 Dimension 2: Balancing customer and employee interaction

The second dimension deals with the customer-employee interaction. Due to the nature of the service delivery process, the employees of the organisation and its

customers have a direct influence on one another. Rafiq and Ahmed (1995:4) state that the customer, who buys the service or is present in the service environment, influences the service provider-customer interface. Williams and Anderson (2005:13-20) found that as the service context became more participatory based (such as education), service provider roles significantly decreased while the customer role increased significantly. Organisations should understand this influence to avoid conflict and stress. By using control strategies such as physical control to take charge of the service encounter (students must sit on chairs provided in class or no smoking signs in classroom), control through leadership (lecturer using their expertise and authority to give a lecture), control through rewards (students earning extra credits for class participation), or by educating the customer (showing students how to use the library), an organisation can gain control over the service encounter.

3.7.5.3   Dimension 3: Managing customers

The third people dimension focuses on managing the customer. The service delivery process is open to influence from the customer in an indirect way, like participating in research or exercising a choice. However, consumers can also directly influence a service, since they participate in and help make the final service product (Irons, 1996:13). Before organisations can manage the customer, they must first understand the customer's decision-making process. This process will be investigated and explained in detail in Chapter 4. The customers who patronise the service product help to define the nature of the service experience. It is therefore important for higher education institutions to manage the service encounters to create satisfaction. Performing a service involves assembling and delivering the output of a combination of physical facilities and mental or physical labour. Higher education is a premier example of the customer-organisation interface (Rothschild & White, 1995:574). Smith and Cavusgil (1984:111) state that higher education institutions call for an extreme level of involvement from their customers, in this case the students.

Thus, higher education institutions must recognise the importance of the human element in all aspects of marketing. However, higher education institutions cannot only focus on the human element; they should also recognise the importance of having

effective and efficient processes in place to the benefit of the institution's personnel and customers.

3.7.6 THE PROCESS STRATEGY OF HIGHER EDUCATION INSTITUTIONS

A significant component of how customers perceive any service product is how the process of service delivery functions. Procedures, mechanisms and the flow of activities by which services are consumed are thus an essential element of the services marketing mix (Palmer, 2005:48). Webber (2005) sees the process as the way in which the user gets hold of the service. A process refers to the systems used to assist the organisation in delivering the service. Goldsmith (1999:183) defines the process as the procedures by which the buyers acquire and use the product, thus all the activity involved in producing and delivering the service. For the purpose of the marketing mix, process is an element of service that sees the customer experiencing an organisation's offering. It is best viewed as something that your customer participates in at different points in time. Marketing adds value to each of the stages of a process: inputs, throughputs and outputs (Marketing Teacher, 2000-2006a). A smooth running service operation could offer a competitive advantage to an organisation. Two types of activities can be distinguished. Some activities are seen by the customer and are referred to as front stage activities (lecturer in class). Other activities are unseen by the customer, such as lecturers preparing at home, which are classified as backstage activities. According to Goldsmith (1999:185), organisations must choose and design processes in such a way that a personalised service product can be created.

A service encounter or "moment of truth" refers to the period during which a service buyer (customer) and a service provider (organisation) interact (Du Plessis & Rousseau, 2005:182). To better understand the service encounter, a service blueprint can be used to identify a list of critical incidents. These critical incidents depict each contact point between the customer and the organisation. The blueprint sensitises management and employees to possible problem areas that may occur in the process. To avoid difficult situations, such as queuing and waiting, organisations should try to attempt to improve waiting times. This can be done by improving the service delivery

process or adapting faster technology (Jordaan and Prinsloo, 2004:176), for example, encouraging students to register or enquire online via websites or by encouraging students to use facilities such as the library during off-peak periods (weekends).

In the event of things going wrong, organisations need to react towards the disappointed customers, but also try to modify the service delivery process to prevent failure in future. The extent to which service recovery is possible depends on two principles (Jordaan & Prinsloo, 2004:177). Firstly, customer contact personnel must be able to empathise with customers and secondly, customer contact personnel need to be empowered to take remedial actions. Organisations must ensure that they have systems and procedures that would ensure effective customer feedback, such as a customer complaint procedure. Hocutt, Bowers and Donavan (2006:199-205) found that service recovery are more successfully supported by courtesy and tangible rewards and that this significantly decreases the level of negative word-of-mouth. Mattila and Wirtz (2004:147-159) found that service organisations need to have different channels for complaints, as customers seeking redress prefers interactive channels (face-to-face and phones), while customers who want to vent their frustration preferred remote channels such as letters or e-mail. Organisations must also implement retention and recovery processes to retain customers after complaints have been received (Du Plessis & Rousseau, 2005:13). Reynolds and Harris (2005:321-333) identified four forms of customer complaints: once-off-complaints, opportunistic complaints, conditioned complaints and professional complaints. They suggest that organisations re-evaluate their personnel training, customer complaint processes and service recovery procedures to accommodate the different types of complaints.

Higher education institutions need to ensure that students understand the process of acquiring a service. They must further ensure that queuing and delivery times are acceptable to their customers, the students. Policies, procedures, mechanisms, employee discretion, customer involvement, customer direction and flow of activities are all part of the process of education (Rafiq & Ahmed, 1995:5). Pheng and Ming (1997:277) are of the opinion that procedures provide clients with a tangible source of assurance of consistency in the service provided. Consistency can enhance the corporate image of how the organisation is perceived by clients. Coate (1990:91)

suggests that management should begin by setting quality standards for processes and related variables such as registration, records, rules and procedures.

Thus, higher education institutions must understand that service products, unlike physical products, are experienced as a process at the time they are consumed. Process decisions radically affect how a service is delivered to customers and therefore institutions should ensure that from the first contact with students, administrative procedures, delivery and eventually the evaluation of the course must be managed as a process.

In service organisations, the cooperation between marketing and operations is vital for an effective and efficient service system. The process strategy must be visible for customers to enable them to understand the processes of the organisation. Signage could be used to increase visibility and as a result, increased customer satisfaction. It is not just the process strategy that needs to be managed; institutions must also ensure that the physical evidence of their processes and the other marketing mix instruments are evident in their organisation.

3.7.7 THE PHYSICAL EVIDENCE STRATEGY OF HIGHER EDUCATION INSTITUTIONS

The intangible nature of services makes it difficult for students to evaluate the service before they have received it. It is therefore important in services marketing to offer tangible evidence of the service product. Intrinsic brand cues are very important, especially for highly intangible services (Brady, Boureau & Heskel, 2005:401-408). The environment in which the service product is delivered, both tangible and intangible, helps to communicate, perform and relay the customer satisfaction to the potential customer. Goldsmith (1999:182) describes physical evidence as the physical assets that accompany and surround the service, such as reports, signage, music, smells, uniforms, store decor and equipment. The Booms and Bitner (1981) framework refers to physical evidence as the environment in which the service is delivered and any tangible good that facilitates the performance and communication of the service.

Several dimensions of physical evidence impact on the service environment and a combination of these elements help to create an overall personality or image for an organisation. The dimensions include ambience, design, and social and communication factors. Ambience has a physiological effect on customers and employees and refers to noise, lighting, music, sounds and air quality. The second dimension, design factors, includes the exterior appearance and architectural appearance as well as the interior decor, layout, furniture and equipment. Moore, Moore and Capella (2005:483-490) found that positive perceptions of atmosphere (design and ambience) lead to a positive customer-to-customer interaction and positive word-of-mouth. They suggest that changing the physical setting of a service organisation can enhance customer interaction and loyalty positively. The third dimension, social factors, such as the number of people present, their moods and behaviours, are concerned with the interaction between the customer and the organisation. The quality of material used in art works, floor coverings, or personal objects displayed in the service environment can all communicate symbolic meaning and create an overall aesthetic impression, and portrays the fourth dimension (Jordaan & Prinsloo, 2004:120-124).

Organisations should determine the image they want to portray, their corporate identity, brand name and how they should enhance this image through physical evidence such as decor, building or signage (Du Plessis & Rousseau, 2005:13). Brands are the names and symbols that identify goods of one seller and differentiate them from those of another seller (Du Plessis & Rousseau, 2003:329). Strydom *et al.* (200:211) define brand equity as the value of a given brand. It is the combination of assets such as brand loyalty, brand awareness, perceived quality and brand associations for which all organisations strive through their marketing efforts. According to Toma and Morphew (2000:1), brand equity is closely linked with an institution's image, reputation, status and prestige. The products and services of higher education institutions can be given a name, sign, symbol, design or some combination that identifies them with the institution and differentiate them from competitor offerings. Kotler and Fox (1995:281) are of the opinion that branding add value and increase customer satisfaction. Toma and Morphew (2000:2) state that a well-established brand name also provides a foundation for success and attracts available resources. Higher education institutions must work to raise their profiles. Although some brands are more

highly regarded than others, all institutions have a brand and can benefit from strengthening their brand (Toma & Morphew, 2000:3). By strengthening and building their brand name and brand equity, institutions are maximising their competitive position (Anon, 2003a:1). For example, well-titled programmes often attract more attention than other programmes. A popular means of brand building is name change and conversion from "colleges" to "university" in America or "technikons" to "university of technology" (in South Africa and Australia). According to Reich (2004), more and more reference is made to universities as brand name service industries and the institution's brand is becoming increasingly important. This study aims to investigate the relative importance of brand image as a choice factor used to select higher education institutions.

Physical evidence plays a number of roles, such as packaging, facilitating, socialising and managing trust (Jordaan & Prinsloo, 2004:115) and will shortly be explained below.

- The intangible nature of services prevents it from being packaged in the traditional sense. A service organisation's packaging refers to the exterior, interior and other tangible elements of the service. For services such as education, packaging is the contribution of the larger context in which the service is obtained. Thus, a higher education institution's campus environment serves as the packaging of the academic programmes. Therefore, special attention should be given to the physical facilities, such as libraries, offices, lecture rooms and campus grounds. They should reflect a neat, professional, safe and accessible physical environment.

- Physical evidence is also used to facilitate both the customer and employees within the service process, for example signage that instructs customers or physical structures that direct the flow of customers while waiting. Physical evidence conveys expected roles, behaviour and relationships among employees and customers.

- The purpose of this socialising process is to project a consistent and positive image to the customer. Organisations can also differentiate their intangible service with physical evidence by indicating the intended market segment or conveying distinctions from competitors.

- The managing of trust is done by the reduction of perceived risk and increasing the level of perceived quality by making use of physical evidence. Because service delivery often takes place over time, a relationship is build based on trust. Halliday (2004:45-49) states that service organisations need to develop strategies for creating, developing and maintaining trust with their customers to enhance customer satisfaction.

The physical evidence element allows the costumer to make judgments on the organisation. The physical evidence is also used by organisations to reinforce their positioning (McColl-Kennedy, 2003:12). Physical evidence is important because customers use tangible clues to assess the quality of the service product (Rafiq & Ahmed, 1995:4). Thus, the more intangible dominant a service is, the greater the need to make the service product tangible. The physical environment itself, buildings, décor, layout and furniture is instrumental in the customer's assessment of the quality and level of service they can expect. In fact, the physical environment is part of the service product itself. According to Pheng and Ming (1997:279), pleasant surroundings ensure that clients form a good impression of the organisation, as well as that employees will be more comfortable and motivated to produce better results. Physical evidence is an important factor in service quality evaluation by students. Given that services are intangible, the nature and quality of the relationship developed during the service encounter are to a large extent influenced by the physical environment (Sohail & Shaikh, 2004:60). The layout of classrooms, lighting of classrooms, the appearance of buildings and grounds and the overall cleanliness can significantly contribute to a student's concept of service quality.

This study will investigate the importance of the physical environment (attractiveness of the campus, campus safety and facilities) during the selection process of an institution.

Success for higher education institutions will depend on their ability to plan and successfully execute their marketing strategies and in making realistic adjustments that are consistent with the institution's purpose and mission (Shoemaker, 1999:11). An understanding of the seven elements of higher education institutions' services marketing mix that have been discussed in this chapter, will enable institutions to plan and adapt to the trends in the environment (refer to Chapter 2) and enable them to satisfy the student market needs better (refer to Chapter 4).

3.8   SUMMARY

The introduction of Chapter 3 highlighted the fact that due to the opportunities and threats in the ever-changing higher education landscape, globally and locally, higher education institutions need to adopt organisation-like behaviour to survive and grow. This organisation-like behaviour implies that higher education institutions, which traditionally made decisions from a non-profit perspective, need to implement the principles of the marketing concept. This means that higher education institutions should deliver consumer satisfaction by adding value, integrate all their organisational functions and marketing activities, maximise the long-term success of the institution and contribute to the overall wellbeing of society. By implementing the marketing concept, institutions are becoming more marketing-oriented. This means that they are focusing on understanding the market in which they operate and satisfying customers' needs by using their marketing mix elements.

In order to understand the market, higher education institutions need to analyse their competitors, understand their own strengths and weaknesses and scan the higher education environment for trends and forces that could affect them and their customers, the students. After conducting a market analysis, institutions need to identify possible market segments and then choose an attractive segment(s) to target. Institutions need to determine the image or position they want students to have of their service products, brand or institution.

Based on the desired position, higher education institutions then have to develop a marketing strategy by implementing and coordinating the services marketing mix

elements to achieve the chosen position. It is the combination of the services marketing mix that meets customers' needs and provides customer value.

The student must be provided with a service product that will provide satisfaction of needs. Higher education institutions offer a major service with supporting products and must keep the unique characteristics of services, namely perishability, inseparability, heterogeneity and intangibility, in mind.

Institutions should be aware of how much students are willing to pay for their service product and that parents and students are not only interested in the list prices, but also the effective prices. Discounts, especially in the form of financial aid, can have a major impact on enrolment and also need to be taken in account when developing a price strategy.

Higher education institutions need to understand the basic communication process to ensure that they deliver the right message through the right medium to students in such a way that they can understand and respond to it. Institutions must use an integrated marketing service communication approach.

The basic service delivery question for higher education institutions is to determine how they can make their programmes and services available and accessible to the student market. Firstly, they must decide on their objectives in terms of location, scheduling and mode of delivery. Secondly, they must decide if existing facilities are sufficient or if they have to add new facilities or offer their programmes at new locations. Thirdly, they must decide on their approach to distance leaning and incorporate new technology.

Higher education institutions need to develop a people strategy that will ensure that they manage their employees, manage the customers involved in the service delivery environment and balance the employee-customer contact in the service delivery process.

To ensure that the service delivery is done smoothly, institutions need to have a flow of mechanisms and activities, known as the process strategy. These activities can be front- and/or backstage, but need to work together at providing customer satisfaction.

Physical evidence reflects the physical surroundings of a higher education institution and plays an important role in the overall perception of satisfaction. Higher education institutions need a physical evidence strategy that includes the ambience, design, social and communication dimensions of the institution.

If the services marketing mix, as explained in this chapter, creates satisfaction, students will purchase the service offering and thereby ensure that higher education institutions survive and grow. The outcome of an institution in terms of sales, position or delivering customer satisfaction is influenced by the consumer decision-making process. The decision-making process intervenes in the institution's marketing strategy and outcomes. Therefore, to ensure that their marketing strategy as implemented by the integration of the marketing mix elements result in the desired outcome, institutions need to understand the decision-making process. Chapter 4 will focus on the consumer's decision-making process and the factors that affect this process. This will provide higher education institutions with insight into their customers' (students) decision-making processes when they select a higher education institution.

CHAPTER 4

CONSUMER BEHAVIOUR IN CONTEXT

4.1 INTRODUCTION

In response to the pressures and trends in the higher education landscape (refer to Chapter 2), there have been expanded efforts by higher education institutions to understand and influence consumer behaviour, and more specifically the institution selection process, among their prospective students. The field of consumer behaviour is rooted in the marketing concept, which has a market-oriented focus that implies satisfying customers' (market) needs. The implementation of the marketing concept leads to a need for extensive research to identify unsatisfied consumer needs in order to satisfy these needs better than the competition. In order to make the most appropriate decisions about an institution's marketing mix (refer to Chapter 3) and to satisfy their customers' needs, institutions need to understand their consumers and their consumption behaviour.

To effectively market themselves, institutions must first understand the student market. An understanding of student markets requires institutions to gain more knowledge regarding the institution selection process as part of the consumer decision-making process. This knowledge enables higher education institutions to bring about change in the prospective students' selection process by using an effective marketing strategy, thus emphasising the importance of examining the dynamic interaction between marketing of higher education institutions (Chapter 3) and the consumer behaviour of students (Chapter 4) (McDonough, 1997:428).

Consumer behaviour focuses on how individuals make decisions to spend their available resources (time, money and effort) on consumption related items. In order to succeed in any business, and especially in a dynamic and rapidly changing marketplace, higher education institutions need to know as much as possible about their consumers. The decision-making process entails a series of steps that ultimately leads to a purchase or non-purchase. The decision-making process is influenced by

external and internal factors. When students have to select a higher education institution, it involves a complex process where information is sought to support their decision, after which different alternatives are evaluated.

The selection of a higher education institution can be regarded as a multi-stage process involving a series of successive decisions, finally resulting in enrolment or non-enrolment in a higher education institution. Generally, three broad decisions can be distinguished: deciding to enter into higher education, selecting a particular institution and programme of study, and persisting in higher education. The focus of this chapter and the proposed research study will fall on the institution selection decision of prospective students (choice factors).

This chapter will provide an overview of the literature in the area of consumer decision-making. The process of selecting a particular higher education institution will be put in context by focusing on the five step decision-making process: need recognition, information searches, evaluation of alternatives, purchase and the post-purchase process. Section 4.2 will act as background information by defining consumer behaviour, while Section 4.3 will briefly explain different models of consumer behaviour. The remainder of Chapter 4 will focus on the overall model of consumer behaviour by discussing the five step decision-making process as well as the internal and external factors that influence the process.

4.2   DEFINING CONSUMER BEHAVIOUR

Consumer behaviour can be described as the behaviour that consumers display in searching for, purchasing, using, evaluating and disposing of products and services that they expect will satisfy their needs (Schiffman & Kanuk, 2004:8). Sheth, Mittal and Newman (1999:5) describe consumer behaviour as the mental and physical activities undertaken by households and organisational consumers that result in decisions and actions to pay for, purchase, and the use of products and services.

Consumer behaviour describes two different kinds of consuming entities: the personal consumer and the organisational consumer. Schiffman and Kanuk (2004:9) note that

the personal consumer (also referred to as end-user) buys goods and services for his own use, for the use of the household, or as a gift for a friend. Hawkins *et al.* (2004:678) describe the second group as consumers that buy goods and services in order to run their organisations, for example government agencies and organisations, and are referred to as organisational consumers. Due to the fact that organisational consumers are not in the scope of this study, the discussion in this chapter refers to the individual consumer, more specifically students, who purchase for their own personal use.

The behaviour that consumers display in searching for, purchasing, using, evaluating and disposing of products and services, are represented in consumer behaviour models. In order to understand the theory behind the consumer behaviour of students, the next section will briefly highlight some of the models of consumer behaviour.

4.3   MODELS OF CONSUMER BEHAVIOUR

A model of consumer behaviour can be described as anything used to represent all or part of the variables of buying behaviour. Consumer behaviour models indicate the structure of consumer behaviour and buying behaviour and how it is represented by the decision-making process (Berman & Evans, 2001:19). In the next two sections, various consumer behaviour models will be explained. In Section 4.3.1, the economic, sociological and information processing consumer behaviour models will be highlighted and will serve as background information for Section 4.3.2, which will explain the Engel, Blackwell and Miniard model. This model is a combination of the models discussed in Section 4.3.1 and will be used as a point of reference and visual guide for the discussion in the remainder of Chapter 4.

4.3.1 ECONOMICAL,   SOCIOLOGICAL   AND   INFORMATION   PROCESSING
MODELS

Consumer literature explains various general consumer behaviour and decision-making models. Cosser and Du Toit (2002:22-24) make use of these models to explain how students select a higher education institution. Economic consumer behaviour

models, sociological consumer behaviour models and information processing models (as applied to higher education selection by Cosser and Du Toit), will be briefly noted and will serve as background information for Chapter 4.

Economical models focus on the individual characteristics of consumers and are based on the concept that consumers maximise value by using a form of cost-benefit analysis. Direct and indirect costs such as tuition fees, textbooks, cost of living and leaving friends and family behind are weighed against the benefits of attending a specific institution such as improved social life, high quality sport programmes or better career opportunities.

Sociological models refer to factors such as family background, academic ability, significant others, educational aspirations and motivation to succeed, as influencing student choice. These models focus on the identification and interaction of variables students use when selecting higher education institutions.

Information processing models can be described as the combination of economic and social factors that affect the individual student's decision-making. Four models of information processing can be identified: The Jackson model, Chapman model, Litten model and Hossler and Gallagher model. These models will be briefly discussed as background information.

- The Jackson model (Jackson, 1982) consists of three stages: preference stage, exclusion stage and evaluation stage. In the preference stage, students decide; in the exclusion stage, economic factors such as location, cost and academic quality are used to exclude institutions; while in the evaluation stage, the remaining institutions are assessed on the basis of their qualities.

- The Chapman model (Chapman, 1984) proposes that student's characteristics interact with external influences to create a general notion of higher education life. Student characteristics include aspects such as education aspirations, academic performance and scholastic ability. External influences include friends,

secondary school personnel as well as institutional characteristics such as external institution communication.

- The Hanson and Litten model's (Litten, 1982) five phases represent student choice as a continual process. The five phases are influenced by factors such as background characteristics (parental income and parental education), personal characteristics (self-image) and institution characteristics (fees, course offered). The five phases include aspiration, commencement of the search process, information gathering, submission of applications, and enrolment.

- The fourth information processing model, the Hossler and Gallagher (1987) model, describes the institution selection process in three stages: pre-disposition, search and a choice stage. The decision to select a higher education institution begins as early as the eighth grade and ends when the high school graduate enrols at an institution of higher education (Cabrera & La Nasa, 2000:5). The three stages interact with one another, each affecting the other in subtle and complex ways (Alexander & Eckland, 1975). The process starts with determining a student's predisposition towards higher education institutions, thereafter engaging in a search for higher education institutions to attend, and finally choosing the institution the student would attend. Hamrick and Stage (2004:151) are of the opinion that the predisposition stage is influenced greatly by family background and school experiences. The predisposition stage involves the development of occupational and educational aspirations as well as the emergence of intentions to continue education beyond the secondary level. As first year students (sample of this study) have already decided to continue their education by attending a higher education institution, the predisposition stage is not included in the scope of the study. Many students enter the search stage of the institution selection process during their first few years in high school. During this stage, students begin to consider the various options in terms of higher education. The search stage involves the accumulation and assimilation of information necessary for students to develop a shortlist of institutions (Hossler & Gallagher, 1987). Students first narrow their options geographically and then consider the specific academic programmes among the institutions remaining in

their choice set (Espinoza *et al.,* 2002:21). The search stage is influenced by parental support as well as the information available about institutions. The student's choice set is often highly influenced by parental encouragements and consists of groups of institutions that the student wants to consider and learn more about before making a decision. Attinasi (1989) in Cabrera and Steven (2000:9) states that during the search stage, students begin to interact actively with potential institutions. Visiting campuses, searching brochures and websites and talking to friends about the higher education institution/university are some of the activities used in seeking information. The search stage falls within the scope of this study and therefore the information sources used by students will be investigated. Students enter the choice stage when they submit applications to a small set of higher education institutions. During the choice stage, students consider factors such as academic reputation, cost and location, and ultimately decide which institution to attend. The choice stage will also be investigated in this study by determining the choice factors that students use to choose an institution.

4.3.2 THE ENGEL, BLACKWELL AND MINIARD CONSUMER BEHAVIOUR MODEL

The final model of consumer behaviour to be addressed is the Engel, Blackwell and Miniard model. This model provides a comprehensive discussion on the possible influences on consumer behaviour, and more specifically the impact of these influences on the different stages of decision-making. This model is a combination of the previously discussed models (refer Section 4.3.1) and will therefore be used as the basis for discussing the student decision-making process.

According to Berman and Evans (2001:233) and Hawkins *et al.* (2004:27), the Engel, Blackwell and Miniard model of consumer behaviour consists of two parts: the process itself (which consists of fives steps) and the internal and external factors (that influence the process) as evident in Figure 4.1. Section 4.4 will explain the internal factors, while Section 4.5 will explain the external factors. The steps of the decision-making process will be discussed in Section 4.6 to Section 4.10.

Figure 4.1: Engel, Blackwell and Miniard's consumer behaviour model

Factors influencing the decision-making process	**Decision-making process**
	Step 1: **Need recognition** (4.6)
External influences (4.5)	Step 2: **Information search** (4.7)
Socio-cultural environment	Step 3: **Evaluation process** (4.8)
• Culture (4.5.1) • Social class (4.5.2) • Reference groups (4.5.3) • Family (4.5.4)	Step 4: **Outlet selection and purchase** (4.9)
Organisations' marketing efforts (4.5.5)	
Product, Price, Place, Promotion, People, Process & Physical evidence.	Step 5: **Post-purchase process** (4.10) • Dissonance • Product use • Disposition • Purchase evaluation
Internal Influences (4.4)	
• Demographics(4.4.1) • Perception (4.4.2) • Learning (4.4.3) • Motivation (4.4.4) • Personality (4.4.5) • Emotions (4.4.6) • Attitudes (4.4.7)	

Experiences and Acquisitions

Lifestyle (4.4.8) Preferences Buying behaviour Needs

Experiences and Acquisitions

Source: Adapted from: Hawkins, D.I., Best, R.J. & Coney K.A. (2004:27) *Consumer behaviour: building marketing stratgey.* Ninth edition. New York: McGraw-Hill.

The five-step decision-making process consists of need recognition, information searches, evaluating alternatives, outlet selection and purchase and finally the post-purchase process.

The five steps in the consumer decision-making process are influenced by internal factors such as demographics, perception, learning, motivation, personality, emotions and attitudes. The external factors that influence the process consist of culture, social class, reference groups, family and organisations' marketing efforts. Figure 4.1 will serve as a visual guide for the rest of this chapter. The internal factors will now be explained.

4.4 INTERNAL FACTORS INFLUENCING THE DECISION-MAKING PROCESS

The internal influences deal with how the individual react to group influences, environmental changes and marketing efforts. Several internal influences exist and they will be discussed below.

4.4.1 DEMOGRAPHICS

Demographics can be described as consumers' personal information such as gender, race and age. Gender can be described as the cultural definition of behaviour as appropriate to the gender groups in a given society at a given time and the culture capital (resources, norms, behaviour) associated with a set of gender roles (Arnould, Price & Zinkhan, 2004:511). According to Hoyer and MacInnis (2001:384), gender roles are changing and male and females differ in terms of consumer traits, information processing, decision-making styles and buying patterns. Arnould *et al.* (2004:516) are of the opinion that gender influences purchase and consumption situations, as physiological differences between male and female may lead to specialised service product needs.

Research suggests that in positioning service products, organisations need to be sensitive to gender-based differences in product meaning and symbolism. Sheth *et al.* (1999:222) are of the opinion that there are gender differences in products and services. Maringe (2006:269) found significant differences between male and female students and the importance they attach to different information sources in the institution selection process. He found that female students considered parents,

teachers and career guidance officials as very important sources of information, while male students considered all three as relatively unimportant. Students also differ in regard to their view of campus security, as female students view security as a more important factor than their male counterparts (Du Plooy & De Jager, 2004:227).

This study will investigate the possible similarities/differences between gender groups and their perceptions of the importance of different choice factors in the institution selection process.

Another demographic factor that has an influence on a consumer's behaviour is a person's age, as needs and wants vary by age. The age of consumers can have a significant impact on their behaviour, as the age of consumers generally indicate what products and services they may be interested in purchasing or which media they are exposed to (Lamb *et al.,* 2004:166). Organisations can make use of age for segmentation, targeting and positioning. Research indicates that more mature students attach a greater importance to choice factors, such as flexible study times and job opportunities, as opposed to their younger counterparts (Hoyt & Brown, 2003:3).

Race or ethnic group refers to the genetic heritage group a person is born into. Arnould *et al.* (2004:495) define ethnicity in terms of frequent patterns of association and identification with common national and cultural origins of subgroups found within the larger society. Bers and Galowich (2002:70) notice that studies by Bodfish in 2000 and Cabera and La Nasa in 2001 suggest that the institution selection process may differ among racial, ethnic and gender groups. Teranishi, Ceja, Antonio, Allen and McDonough (2004:527) also found that the institution selection processes varied by the ethnic background of students. Their study determined that factors such as cost, financial aid, perceptions of prestige and reputation of institutions differ according to ethnic group.

This study will investigate the possible similarities/differences between ethnic groups and their perception of the importance of different choice factors in the institution selection process.

Understanding the age, gender and ethnic distribution of students can help higher education institutions to determine the service products that may appeal to them, media they may be exposed to, advertising appeals to use, distribution channels and the necessary processes in order to attract students.

4.4.2 PERCEPTION

Perception is a process of giving meaning to sensory stimuli. Arnould *et al.* (2004:296) define perception as a process by which people select, organise and interpret sensory stimuli into a meaningful cohered picture, for example, how students view a brand, service product or institution. Perception consists of three components (exposure, attention, interpretation) and will be discussed briefly. Firstly, exposure occurs when a stimulus comes within range of one or more sensory receptors of consumers. Attention is the second component of perception and occurs when the stimulus activates one or more sensory receptors and relates the sensation to the brain for processing. Interpretation is the third part of the perception process and consists of the assignment of meaning to stimuli that have been attended to. Interpretation is a function of the individual as well as stimulus and situation characteristics.

Hoyer and MacInnis (2001:100) point out that organisations can use their knowledge of information processing in a variety of ways. The fact that media exposure is selective provides a basis for media strategy and institutions can enhance their operations by viewing their outlets as an information environment. Both stimulus and personal factors can be used to attract attention to advertisements, packaging (campus layout) and service products. Students' perceptions of words are used by institutions when choosing names for their service product and for selecting brand names for higher education institutions.

An individual's response to purchase a service product depends on the way in which he/she perceives it. Du Plessis and Rousseau (2005:111) state that it is imperative that organisations realise that a consumer's perception is a reality for the consumer and determine how they act towards the organisation and its service products. Mabote (2001:62) is of the opinion that perception is equal to the truth, which, if not managed, can destroy an organisation. Institutions should realise that they are in business not

only because they offer good quality service products and prices; they are also in business because consumers hold particular views about them. Consumers develop images of service products, brands, advertisements and institutions as a result of their perception. Higher education institutions must therefore know what media students expose themselves to, how they interpret information, how to capture their attention and what their perceptions are about the institution. Perception has strategic implications for higher education institutions, because consumers make decisions based on what they perceive rather that on the basis of objective reality (Schiffman & Kanuk, 2004:199). Perceptions of the quality of higher education are thought to have considerable impact on the decision-making process to attend an institution (Jones, 2002:88). Good academic programmes, leadership opportunities, job placements, opportunities for financial aid and good value for money are factors that determine the perceived quality after graduation by students (Jones, 2002:88).

This study will investigate the importance of quality of teaching as a choice factor in selecting a higher education institution.

4.4.3 LEARNING

Schiffman and Kanuk (2004:245) define consumer learning as the process by which individuals acquire purchase and consumption knowledge and experiences they apply to future related behaviour. Although some learning is intentional, most learning is incidental. Consumers must learn almost everything related to being a consumer: service product existence, performance, availability, values, and preference; therefore, organisations are very interested in the nature of learning. Consequently, the purchasing act, whether rational, deliberate or impulsive, is the result of a learning experience. If needs are satisfied, continued reinforcement usually leads to brand loyalty for a particular brand, product or service. However, if the consumer learning experience has been negative, the consumer will respond to the stimuli from competitive brands.

Schiffman and Kanuk (2004:245) point out that the major reason for understanding how consumers learn is to teach them that the organisation's brand is the best and to develop brand loyalty. Thus, higher education institutions need to understand how

students learn best and make use of this information when developing their promotional strategies to ensure that students learn about the service products they have to offer and that the institution's brand will be in the student's awareness set (refer to Section 4.8).

4.4.4 MOTIVATION AND NEEDS

Motivation can be described as an inner drive that reflects goal directed arousal. A drive is an internal stimulus, such as hunger, thirst, desire or self-esteem. Consumers' motivations and goals depend on how consumers interpret macro-environmental factors, local content, and social networks within their own personal history, circumstances and values (Arnould *et al.,* 2004:288).

Five different needs can be identified using Maslow's hierarchy of needs: physiological needs, safety and security needs, social needs, ego needs and self-actualisation (Schiffmand & Kanuk, 2004:103). As lower order needs become satisfied, higher level needs come into play. Some students may be concerned about whether they can afford education and meet their basic needs such as food and housing (physiological needs). Some students may wonder if they will be safe away from home (safety needs), while others consider if they will make friends (social needs) or be concerned about their esteem or self-actualisation. Social life is an important source of consumer motives and goals, as many consumers' behaviour is motivated by the desire to be integrated or affiliated with other people and by the desire to be different or distinct from other people (Arnould *et al.*, 2004:288). According to Kotler and Fox (1995:253), a higher education institution will not be able to give attention to all these needs. Thus, some institutions will cater primarily for the need to belong (small schools, small classes and good social life), while other institutions may focus on students' needs for esteem by emphasising prestige associated with their well-known institution.

Thus, motivation means that students have a need that is sufficiently pressing to drive the student to seek satisfaction of the needs. Haigh (2002:50) expresses the opinion that students choose a higher education institution that would provide them with international working and studying opportunities, the implication being that higher education institutions must design curricula that serves the global rather than just local

priorities. However, Whitehead, Raffan and Deaney (2006:5) found that the most popular reasons for wanting to enrol in higher education include enjoyment of the subject, need for degree in career, better jobs, new subject areas, and to enjoy student life. Higher education institutions can make use of the need level that is likely shared by a large segment of the student market to focus their advertising appeal and other marketing activities to satisfy that specific need.

4.4.5 PERSONALITY

Arnould *et al.* (2004:389) describe personality as the distinctive and enduring patterns of thought, emotions and behaviour that characterise each individual's adoption to the situation of his or her life. The personality of a consumer guides and directs his/her behaviour. Although all individuals have internal characteristics, there are measurable differences between individuals' characteristics. Schiffman and Kanuk (2004:150) point out that consumers tend to prefer service products that preserve, enhance, alter or extend their self-image by selecting outlets or brands they perceive as consistent with their relevant self-image or personality.

Studying information on the desired personalities of students can aid institutions in developing similar personalities for their institutions or service products. For example, a fun-loving student may prefer a fun institution such as the University of Johannesburg with their phrase "Want to study at Jozi's coolest university?", while a more conservative student may prefer a more traditional institution.

4.4.6 EMOTIONS

Emotions can be described as strong, relatively uncontrollable feelings that affect behaviour. Emotions occur when the environment, events or consumers' mental processes trigger physiological changes (Peter & Olson, 2005:49). These changes are interpreted as specific emotions based on the situation. They affect consumers' thoughts and behaviour. Foreman (1998:9) states that it is important to measure emotions before, during and after the purchase and that the consumer's emotions are influenced by the social and cultural context during the decision-making process.

According to Hawkins *et al.* (2004:374), advertisements with emotionally arousing material lead to an increase in attention, a higher degree of processing, better remembering and brand preference. Higher education institutions can thus make use of emotions in their advertisements to capture prospective students' attention and to create brand preference.

4.4.7 ATTITUDES

An attitude can be described as the evaluation of a concept or object such as an issue, person, group, brand or service that expressed a degree of favour or disfavour. Peter and Olson (2005:459) explain an attitude as a process by which consumers elect information in the environment to interpret and view an attitude as the point at which consumers become conscious or aware of certain stimuli. Organisations can use their knowledge of consumer attitudes to develop two strategies: one strategy reinforces existing attitudes, and another tries to change them (Hawkins *et al.,* 2004:395).

An attitude consists of three components: firstly, the cognitive component, which consists of the individual's beliefs and knowledge about the object; secondly, feelings or emotional reaction to an object that represents the affective component; and thirdly, the behavioural component, which reflects actions and statements of behavioural intention. Generally, the three components are consistent with each other and if organisations can influence one component, the other components may also be influenced (Schiffman & Kanuk, 2004:285). Du Plessis and Rousseau (2005:274) state that this assumption of consistency means that a favourable attitude will lead to favourable behaviour consistent with the attitude, such as buying or trying out the service product.

Higher education institutions provide a variety of service products and information to their prospective students with the hope that it will lead to a favourable evaluation by the student and that students' positive attitudes will lead to brand selection and purchase behaviour. Institutions can use the measurement of attitudes to identify segments for which they can develop new service products and to formulate and evaluate promotional strategies. Higher education institutions should try and aim to

generate and maintain a positive attitude towards their institution through the information they supply.

4.4.8 LIFESTYLE

Lifestyle suggests a patterned way of life into which consumers fit various products, activities, services and resources. Peter and Olson (2005:463) define lifestyle as the manner in which people conduct their lives, including their activities, interest and opinions. Lifestyle is a function of one's inherent individual characteristics that have been shaped through social interaction as one move through one's lifecycle. For example, Garbert, Hale and Montalvo (1999:170) found that student athletes were more influenced by the athletic environment factors and less by social and academic choice factors when selecting an institution, thus emphasising that students will choose an institution that fit in with their lifestyle. Institutions can make use of the differences in lifestyles of students to segment the market, to select appropriate media and to choose advertising themes.

The external influences, just like the internal influences, briefly explained in Section 4.5.1 to Section 4.5.8, have an impact on every step of the decision-making process of students. An understanding of these influences will provide valuable insight for higher education institutions into the behaviour of students and will aid institutions in determining effective marketing strategies.

The next section will focus on the external factors that influence consumer behaviour and decision-making.

4.5 EXTERNAL FACTORS AFFECTING THE DECISION-MAKING PROCESS

External influences represent those factors outside of the individual that affect individual consumers, decision-making units and institutions. External influences consist of two groups, namely socio-cultural influences and an organisation's marketing efforts. Schiffman and Kanuk (2004:554) note that the socio-cultural environment has a major influence on the consumer and consists of a wide range of

non-commercial influences. Socio-cultural factors are those factors that affect a consumer's behaviour as a result of integration between the consumer and the external environment.

Section 4.5.1 to Section 4.5.4 will briefly explain the socio-cultural factors: culture, social class, reference groups and households, as well as briefly note the influence of an organisation's marketing efforts on consumer behaviour.

4.5.1 CULTURE

The study of culture is the study of all aspects of a society. Although people hardly ever notice their own culture, culture supplies important boundaries on behaviour. Culture is adaptive, dynamic and patterned dynamic blueprints for action and interpretation that enables a person to operate in a manner acceptable to other members of the culture. The values, myths, symbols and rituals also help to define culture and utilising them can help organisations to understand consumer behaviour (Arnould *et al.,* 2004:106).

According to Du Plessis and Rousseau (2005:81), cultural influences refer to implicit beliefs, norms, values and customs that prescribe conduct in a society. These beliefs, norms and values are learnt from society and lead to common patterns of behaviour. Societies can be subdivided into small subcultures that consist of people who are similar in terms of their ethnic origin, customs and the way they behave, thus sharing distinguishing values and patterns for behaviour, such as race and religion (Hawkins *et al.,* 2004:152).

Jet (1993) found that Black high school athletes in America prefer to go to predominantly black universities instead of Caucasian institutions. The author speculates that this may be due to the fact that Caucasian universities usually have larger classes as well as the existence of racial tension on mostly Caucasian campuses in America. In South Africa, ethnic subculture is predominately Caucasian, Indian, Coloured and Black African, with smaller groupings of other ethnic groups. Cosser and Du Toit (2002:2-12) found that racial/ethnic groups are influenced by

different choice factors when it comes to higher education institution selection. Their study found that:

- Black African students are more influenced by parental and peer persuasion than other groups;
- The majority of Indian and Caucasian students want to live at home while studying; and
- Black African students are more influenced by sporting facilities and lower fees than the other three ethnic groups (also refer to Section 4.5.1).

Higher education institutions need to understand students' culture in order to know which values are important to them, which will also influence the choice factors that are important to the students. Institutions can make use of those important values when planning their marketing strategies.

4.5.2 SOCIAL CLASS

Schiffman and Kanuk (2004:372) define social class as the division of members of a society into a hierarchy of distinct status classes so that members of each class have relatively the same status and members of all other classes have either more or less status. Each social class is different in occupation, education, income, ownership and affiliation. According to Peter and Olson (2005:342), social class is important to organisations because people of different social classes have different behaviour.

Money and the non-availability of it, plays a big role in decisions about where or whether to attend a higher education institution. It is reported that financial concerns are a reason why some minority groups in the United States are more likely to compromise on the higher education institution they choose (Whitehead *et al.,* 2006:22). Research also indicates that the state of the United States economy has more influence on lower income groups such as African-American and Latino high school students' higher education institution choices, than the higher income groups (Anon, 2005a:16). Bers and Galowich (2002:70) state that studies by Bodfish in 2000 and Cabera and La Nasa in 2001 suggest that the institution selection process may

differ among different income groups. Research conducted by Leslie, Johnson and Carlson in Heller (2002) found that student access to information is also dependent on their socio-economic status. Results from their study show that low income students had fewer sources of information and relied mainly on high school counsellors/teachers as sources of information. Upper level students used a variety of information sources. Cabrera and La Nasa (2000:11) report that overall, upper income families are more knowledgeable on the different sources of finance and that parents employ a variety of information seeking strategies like talking to banks, reading institutions' brochures and talking to high school counsellors to plan and save for their children's education.

Dhesi (2001:14-24) claims that students attend a particular higher education institution to improve their social prestige. Students from a low social position in society may consider education as a viable route to achieve social mobility. Cosser and Du Toit (2002:3) found that South African students view higher education as a gateway to employment and the primary reason for entering higher education. This view is supported by McDonough (1994:427), who also found that upper middle class students view attending a higher education institution as a career investment.

Thus, the measurement of social class can be used by institutions to identify and segment their target markets. As social class characteristics can be related to every aspect of a marketing strategy, research on this topic can provide institutions with insight and allow them to develop more effective marketing directed at students from different social classes.

4.5.3   REFERENCE GROUPS

Almost all individuals regularly interact with other people who directly or indirectly influence their purchase decisions. A reference group can be described as a group whose presumed perspectives, attitudes or behaviour are used by an individual as the basis for his or her own perspectives, attitudes or behaviour (Arnould *et al.,* 2004:608). Examples of reference groups include friends, family, peers, teachers and other influential people.

Research conducted in the United States indicates that parents and teachers encouraged and influenced prospective students' higher education selection process (Anon, 2005a:16). Martin (1994:29) found that first year students at the University of South Australia indicated that their main sources of information were their high school teachers, their peer groups, school counsellors and the South Australian Tertiary Admissions Centre (SATAC). Institutions must attempt to influence and get the support of high school teachers, because they can exert a critical influence on the higher education institution selection decision. It is therefore important for institutions to identify the important reference groups that students make use of and to aim their research, advertising and personal selling activities also at these groups, as they will distribute the information to the rest of the group members, in this case prospective students.

This study will attempt to determine the importance of friends, alumni and high school teachers as sources of information used in selecting a higher education institution as well as the importance students attach to the fact that their friends and family attended a particular higher education institution.

4.5.4 FAMILY

Primary reference groups exert the greatest influence and the family is one of the most important reference groups in terms of its role in attitude formation, structuring and conditioning behaviour. The family is the first group to which a person belongs and usually maintains the longest affiliation with them.

Hamrick and Stages' (2004:151) study reinforce the central role of parents on the student's early decision-making regarding higher education. Higher education institutions can benefit by communicating to parents and providing information about the institution throughout their children's high school years. Parents rely more on institution publications and personal conversations than on the mass media. This may suggest that efforts to reach parents of prospective students should concentrate on the production and dissemination of publications and the fostering of strong ties with high school personnel, who can then transmit information to parents. Parents are likely to

respond in particular to messages about the financial wisdom and modest cost of using an institution (Bers & Galowich, 2002:82).

The higher education institution choice is affected by many factors. Cabrera and Steven (2000:7) note that among the listed factors, parental encouragement is the strongest. Parental encouragement includes a motivational dimension and pro-active dimension. Parents usually have high education expectations for their children and, secondly, parents save for higher education and discuss higher education plans with children. Bers and Galowich (2002:69) found that parents play an important role in a student's choice to attend a particular higher education institution. Their research showed that although children may ultimately decide to attend an institution, communication with parents can influence enrolments. Therefore, higher education institutions have to continually seek new approaches to recruiting students and creating new linkages with parents. However, Martin (1994:29) indicates that first year students at the University of South Australia indicated the role of parents as low, although they were used as a source of information. This contradiction with previous literature emphasises the need for a South African study to determine the importance of parents in the institutional selection process.

Research conducted by Feltham (1998:371) shows that parental influence is usually more significant for female students compared to male students, reflecting the brand socialisation of girls by their mothers. A widely held belief is that brands purchased by the family will continue to be purchased by children when they become adults. Information obtained from this study will indicate if this also holds true for higher education institution selection; thus, determining if children attend the same higher education institution as their parents.

This study will also attempt to determine the usefulness of parents as a source of information in the higher education institution selection process.

4.5.5 THE ORGANISATION'S MARKETING MIX

Schiffman and Kanuk (2004:553) are of the opinion that an organisation's marketing activities are a direct attempt to reach, inform and persuade consumers to buy and use

its products and services. Institutions can influence students' decision-making processes by making them aware of their needs, supplying information and convincing them to purchase and use their service products by means of their marketing strategy implemented through the services marketing mix: price, service product, promotion, place (distribution), process, people, and physical evidence. These seven components are coordinated and integrated with one another and aimed at a specific group of consumers, namely students. The marketing mix of higher education institutions were discussed in detail in Chapter 3.

The discussed external influences play an important role in influencing a student's decision-making process and subsequent buying patterns. Therefore, it is important for institutions to take note of these influences and understand how they can use them to their advantage to influence students to enrol at their institution.

The remainder of the chapter will focus on the consumer's decision-making process as outlined in Figure 4.1.

4.6 STEP 1: NEED/PROBLEM RECOGNITION

The recognition of a need is likely to occur when a consumer is faced with a problem. Peter and Olson (2005:171) state that the initial stage in any decision-making process is need/problem recognition. The consumer senses the difference between what he/she perceives to be the ideal state of affairs (the condition the consumer would like to be in) compared with the actual state of affairs (the condition the consumer perceives himself/herself to be in). The larger the discrepancy between the two stages, and the greater the level of motivation, ability and opportunity, the more likely the consumer is to act. Both the desired state and the actual state are influenced by the consumer's lifestyle and current situation. Hawkins *et al.* (2004:5o4) note that internal stimuli or external stimuli can trigger problem recognition. The internal stimulus is the perceived state of discomfort and the external stimuli are marketplace information such as advertisements that lead the consumer to recognise a problem.

For students, problem recognition may occur through the realisation that secondary education is not sufficient and that higher education is necessary to obtain a well paid position in industry. However, the student may be aware of the need, but may not be able to do anything about it because of the inability to fulfil his/her need, such as lack of funding. Problem recognition requires the student to have both the ability and willingness to fulfil the need. The problem recognition process imply that in the case of a student determining his or her future study plans, the actual state would be not having a post matric qualification that would enable the student to be gainfully employed. The desired state of the prospective student may be to have a higher education qualification to ensure employment. A discrepancy or gap thus exists between the student's actual and desired state, which indicates that a need has been identified. Berman and Evans (2001:234) point out that if the discrepancy between the actual and desired states is sufficiently large and important enough, the consumer will begin to search for a solution to the problem.

Once institutions are aware of the problem recognition patterns among students, they can react by designing their marketing mix to solve the recognised problem. This may involve service product development, repositioning, a different price or a host of other marketing strategies (refer to Chapter 3). Organisations often want to influence problem recognition instead of reacting to it (Peter & Olson, 2005:170). Institutions may desire to generate generic problem recognition, a discrepancy that a variety of brands within the service product category can reduce, such as "education will improve your life" campaign by the government; or they may want to induce selective problem recognition, a discrepancy that only one brand in the service product category can solve, such as "fast track your career at TUT" (Rapport, 2005).

In conclusion it can be said that higher education institutions must help students to recognise a need for higher education and then develop a marketing strategy (refer to Chapter 3) to solve the student's needs. After students recognise that they have a need for higher education, the next step involves the search for information about the available alternatives.

4.7   STEP 2: INFORMATION SEARCH

The natural response of a consumer to problem recognition is to seek a solution, and the process of seeking a solution naturally leads to the search for information. After identifying a problem of sufficient magnitude to propel the consumer into action, the search process is activated to acquire information about products or services that may eliminate the problem (Hawkins *et al.,* 2004:525). According to Du Plessis and Rousseau (2005:87), this is the stage in the process where the search for information and the organisation thereof within the individual's frame of reference begins. The investigation of the consumer search process is highly important to organisations, because it influences their marketing strategies, especially promotion and communication strategies.

The managerial problem of providing information to the market can be presented in terms of certain questions, as adapted to higher education (Dholakia, 1995:283):

- What information should higher education institutions provide to students?
- In what form must the information be provided and which media should higher education institutions use? and
- To whom should the institution provide the information, for example prospective students, parents or alumni?

One of the objectives of this study is to investigate the information search activity of students by determining the usefulness of different sources of information used by students in the selection process. This can assist institutions to answer the above questions and can be used to influence students' search patterns in the decision-making process. This study will attempt to answer these questions by identifying the most important information sources students make use of, by determining the importance of different choice factors, which will give an indication of the type of information to make available to students, and by determining the role and influence of friends, alumni and family (parents and siblings) on the selection process to identify to whom to make the information available.

Section 4.7.1 will focus on the information sources used by students and Section 4.7.2 on the amount of searches students engage in.

4.7.1   INFORMATION SOURCES USED BY STUDENTS

Hawkins *et al.* (2004:530) note that the consumer decides how many and which sources of information to use. Two types of consumer search processes can be identified: internal and external searches. Internal search happens when a consumer attempts to retrieve information from his long-term memory on products and services that may help to solve the problem at hand. Internal sources of information are the consumer's memory of past searches, personal experiences and low-involvement learning. Internal information is the primary source of information and used by most consumers most of the time. In contrast, external search involves the acquisition of information from any outside sources. Schiffman and Kanuk (2004:556) point out that the recollection of past experiences might provide the consumer with adequate information to make present choices. But when the consumer has had no prior experience, such as a student choosing a higher education institution for the first time, they usually engage in an extensive search of the outside environment (external sources) for useful information on which to base their choice. Different types of external information sources exist: personal sources such as friends, family, career guidance teachers, reference groups and opinion leaders; independent sources such as consumer groups, government agencies, the Internet and service experts; marketing sources such as sales personnel, advertising, websites or brochures of the organisation; and experiential sources such as organisational visits (Hawkins *et al.,* 2004:530).

Personal sources refer to information shared by friends, family or reference groups and is known as word-of-mouth. Zeithaml and Bitner (2000:32-33) state that the service industry recognises the strong influence of word-of-mouth. Word-of-mouth (personal sources) gives the consumer the opportunity to reduce risk, since it gives the consumer the opportunity to receive feedback. Friends, family and peer groups may all give advice, whether based on experiences, knowledge or opinion. Research shows that when purchasing a service product such as education, students rely to a greater extent on personal sources, such as word-of-mouth by friends, family, opinion leaders

and teachers, because mass media convey very little about experience qualities (Jones, 2002:76). Cosser and Du Toit (2002:2) found that the family has a high degree of influence in the institution selection process, especially by encouraging students to continue to study. Research done by Mitra, Reiss and Capella (1999:223) supports the common marketing belief that consumers prefer personal information sources to impersonal information sources. Word-of-mouth information, in particular, is regarded as highly credible and believable. Kotler and Fox (1995:258) are of the opinion that many people, such as friends, alumni, faculty members, and parents of students have an influence on the selection of an institution. Cosser and Du Toit (2002:101-103) also found that discussion with relatives and friends were well used by high school learners as sources of information.

Research furthermore suggests that students make use of experiential sources of information such as campus visits and open days. Open days and career exhibitions were identified as the most important sources of information used by prospective students (Coetzee & Liebenberg, 2004:70-71). The authors also found that prospective students attach high importance to activities on campus as a source of information. Students indicated that they were more willing to attend an exhibition or open day to secure first-hand information than to rely on mass media.

Marketing sources such as advertisements, websites, e-mail and brochures are also used by students as sources of information. Weidlich (2001) suggests that higher education institutions make use of e-mail as a relationship building tool with cost saving advantages to recruit students. The author predicts that although higher education institutions are not ready to abandon all print communications, they must make sure that they can communicate electronically if they want to stay competitive. According to a press statement by the Primary Research Group (2007) more than 47percent of American universities use web advertising to market their institutions. Warren (1994) found that universities in the Los Angeles area mainly make use of recruiting catalogues and glossy alumni magazines to market their institution. McDonough (1994:427) notes that universities make use of guidebooks, private counsellors, and magazines to market their institution. Some popular, well-known universities mainly make use of word-of-mouth by students to market themselves, while more unknown institutions must market themselves more aggressively and may

even make use of advertising agencies to help them project a modern image to students (Gemma, 2002). Websites were identified as one of the most important sources of information used by South African students, while advertisements on streetlamp posts and newspapers were the least important sources of information (Coetzee & Liebenberg, 2004:70-71). Cosser and Du Toit (2002:101-103) found that receiving information directly from a university was the most important source of information used by high school learners.

Students do not attach the same importance to the different sources of information, and research findings suggest that there may be differences between gender, age and ethnic backgrounds of students and the sources of information that they use (Kotler & Fox, 1995:259). McDonough (1994:434) found that for mid-range academic performers, institution choice is a highly rationalised, managed process requiring professional help from a variety of sources. Prospective students from different ethnic groups also make use of different sources of information, for example: relatives and friends were more important to Indians than to African, Coloured or Caucasian students; radio and newspapers were more important to African students than to Coloured, Indian or Caucasian students; and campus visits more important to rural students than to students from the city (Cosser & Du Toit, 2002:103).

MacInnis (2002) notes that recruiting students are becoming more competitive and institutions must find an efficient and effective way of providing students with information, while they move along the decision-making process. Thus, higher education institutions should know (a) the major information source that prospective students will turn to and (b) the relative influence of each. This will enable them to supply information about their institution and service products in the most effective sources to reach and influence students.

Due to discrepancies found in previous research on the usefulness of different sources of information in different countries, the need for research in South Africa is clear. For the purpose of this study, the usefulness of the different sources of information used by students in the higher education institution selection process will be investigated. The study will also investigate if students that live seventy kilometres or more from a higher education institution view campus visits or open days as a more useful source of

information than students that live close to the higher education institution; if academically gifted students view university websites more useful as a source of information than less academically gifted students; and if students that are resident in the province in which the chosen university is located view word-of-mouth information more useful than students from other provinces.

4.7.2   THE INTENSITY OF THE SEARCH ACTIVITY

Consumers generally engage in relatively extensive external searches prior to purchasing an important, complex or expensive product or service (Lamb *et al.*, 2004:145). However, this view ignores the fact that information searches are not free of costs. It takes time, energy and money and can often require giving up more desirable activities. Therefore, consumers may engage in external search only to the extent that the expected benefits – like a lower price or more satisfaction – outweigh the expected cost. The amount of information searches will also depend on the strength of motivation, amount of information the consumer initially has, the ease of obtaining information, the value that the consumer places on additional information, the risk involved and the satisfaction the consumer gets from the search process (Kolter and Fox, 1995:252).

Consumers purchase hundreds of products and services, but are not equally involved in all of them. The consumer will search for products and services that students consider as important, such as education, extensively and with great care. Not all consumer decision-making situations require or receive the same degree of information searches. If all purchase decisions required extensive effort, students would be exhausted and little time would be left to do anything else, such as studying. However, if all purchases were routine, they would provide students with little pleasure or novelty.

Schiffman and Kanuk (2004:549) identify three levels of consumer decision-making by using a continuum of efforts ranging from very high involvement to very low involvement. The three levels are addressed below.

- Extensive decision-making: When consumers have not established criteria for evaluating a service product category or specific brands in that category or have not narrowed the number of brands they will consider to a small manageable subset, extensive decision-making is used. Extensive decision-making involves an extensive internal and external information search followed by an evaluation of multiple alternatives and significant post purchase evaluation (Hawkins *et al.,* 2004:503). Extensive decision-making is usually a response to a high level of purchase involvement. A student deciding what and where to study needs a great deal of information to establish a set of criteria on which to judge higher education institutions and study courses as well as a large amount of information concerning each institution and course to be considered.

- Limited decision-making: If the consumer already established the basic criteria for evaluating the service product category and the various brands in the category, but have not fully established preferences concerning the selected groups of brands, their decision-making can be described as limited.

- Routine decision-making: Consumers that have experience with a product or service category and have a well-established set of criteria with which to evaluate the brands they are considering, make use of routine decision-making. An example can be a student buying his/her favourite brand of cigarettes. This strategy is used for purchase problems that have occurred before and have been solved previously.

The level of personal involvement and prior experience will influence how complex and time consuming the decision-making process for a student will be. More complex, high involvement products/decisions require extensive searches for information, while low involvement decisions/products usually require less information searches. High involvement is usually present if one of the following conditions exists (Kotler & Fox, 1995:245):

- The consumer's decision will reflect upon his/her self-image and could have long-term consequences, such as choosing a course to study that will influence your career;

- The cost to carry out the decision involves major personal and economical sacrifices, such as enrolling in higher education that is expensive and need a lot of personal effort;

- The personal and social risk of making a wrong decision are perceived as higher; and

- There is considerable reference group pressure to make a particular choice or to act in a particular manner.

Prospective higher education students in South Africa undergo an extensive decision-making process when applying for a course of study. This process commences in Grade 9 when learners have to make a choice of subjects, and it is carried through to Grade 12. These subjects play a role in the career paths of learners, as it forms part of the entrance requirements for higher education and the prerequisites for certain programmes. Learners normally only enquire about institutions and programmes when they reach Grade 11 or 12. The decision-making process is therefore lengthy. Gray in Pimpa (1999) view the purchase of higher education as a high involvement purchase, due to its high cost, high personal relevance, variety of different alternatives available and time taken to make the decision.

In the light of the above-mentioned criteria, a decision about higher education can be described as high involvement, as it has long-term consequences (future career, friendships and life satisfaction), involve major sacrifice (expensive and time consuming) and has high risk (failure or the possibility of no employment). As the prospective first year student usually does not have a lot of prior knowledge on higher education, extensive external search will take place. Because of the fact that extensive external search will take place, higher education institutions need to understand which sources of information will be used in such an external search. One of the objectives of this study is to determine the usefulness of different sources of information used by students in their external information search.

In light of the discussion in Section 4.7.1 and 4.7.2, it is evident that knowledge on information search patterns of students is very important to institutions. The sources of information used and importance attached to each source will influence the strategies that institutions need to follow to make sure that students come in contact with information about their institutions. Sound marketing strategies take into account the nature of the information search engaged in by the target market. According to Wells (1996:362), institutions want consumers to include their services/brands in their evoked set (see detailed discussion of evoked set in Section 4.9). Therefore, higher education institutions must ensure that the student is aware of their service products and the needs that their service products can satisfy.

Higher education institutions must therefore understand the information gathering activities of prospective students. The task of higher education institutions is to help students to learn about the key characteristics of their institutions, the relative importance of each choice factor and the standing of the institution on each choice factor. Institutions must also ensure that they make the right information available in the right sources to ensure that their institution is in the student's evoked set in order to be considered as possible alternatives to the students' need for education.

Higher education institutions must also be aware of how students evaluate the alternatives in the marketplace. Step 3, the evaluation process, will be discussed in the next section.

4.8 STEP 3: EVALUATION PROCESS

Once a consumer has searched for and selected the necessary information, the next stage focuses on organising, categorising and interpreting the incoming information. Berman and Evans (2001:235) point out that when evaluative criteria are selected, the importance of each criterion is established and thereafter, alternatives are ranked. The number, type and importance of evaluative criteria used differ from consumer to consumer and across service product categories. This section will explain how consumers evaluate alternatives by focusing on the appropriate evaluative criteria (choice factors), the importance of each evaluative criterion (choice factor), the

existence of various alternative solutions and the decision-making rules that consumers can apply when faced with a decision. Figure 4.2 provides an outline that serves as a basis for the discussion of this section.

Figure 4.2: Alternative evaluation process
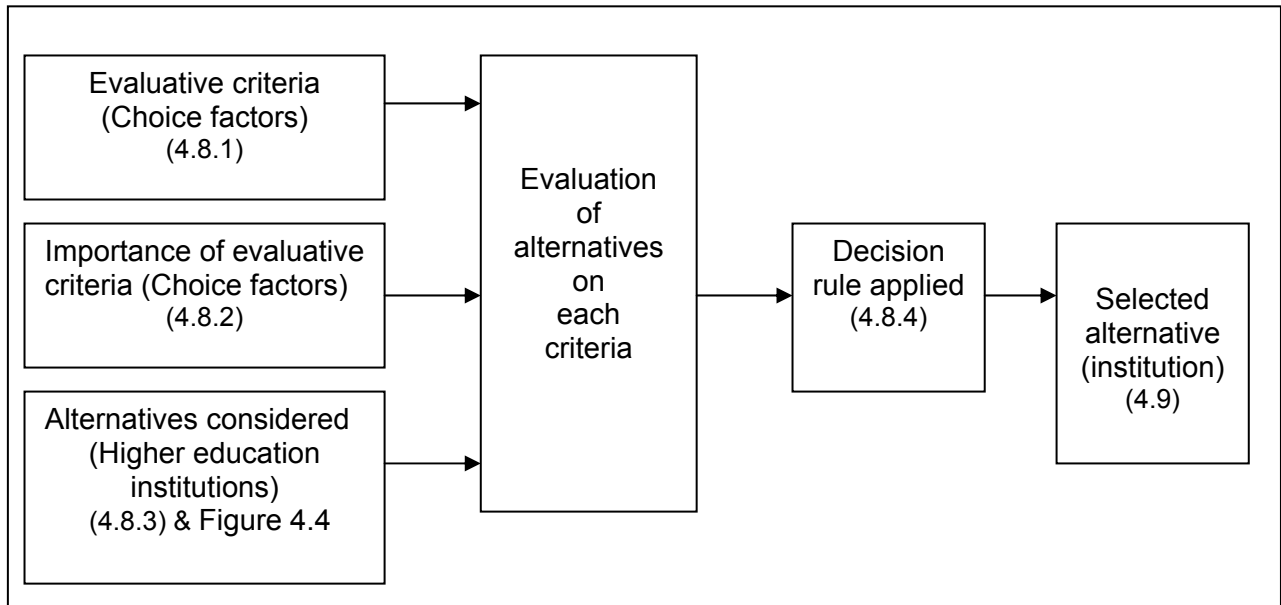
Source: Hawkins, D.I., Best, R.J. & Coney K.A. (2004:556) Consumer *behaviour: building marketing strategy.* **Ninth edition. New York: McGraw-Hill.**

The first two components of Figure 4.2, evaluative criteria (choice factors) and the importance of evaluative criteria, will be discussed in Section 4.8.1 and Section 4.8.2. The third component is the alternatives considered, and for the purpose of this study, consists of the higher education institutions students can ultimately enrol in and will be explained in Section 4.8.3. While students evaluate the different institutions based on their performance on each choice factor (criteria), students can make use of different decision-making rules to make the final decision. The decision-making rules will be discussed in Section 4.8.4.

4.8.1 APPROPRIATE EVALUATIVE CRITERIA (CHOICE FACTORS)

The criteria consumers use to evaluate the alternatives available that constitute their evoked set, are usually expressed in terms of important attributes or factors. Evaluative criteria can be described as those features or characteristics that

consumers are looking for when buying a specific product or service (Hawkins *et al.,* 2004:566). During and after the time that consumers gather information about various alternative solutions to a recognised problem, they evaluate the alternatives and select the source of action that seems most likely to solve the problem. Evaluative criteria are used to compare the different brands, service products or institutions. According to Hawkins *et al.* (2004:526), the evaluative criteria used by the consumer, how the consumer perceives the various alternatives and the relative importance of each criteria are the critical first step for organisations in utilising evaluative criteria to develop marketing mix strategies.

Students apply evaluation criteria to the ultimate decision on which institution to attend. Firstly, prospective students determine which factors to consider (evaluative criteria) in making their decisions and secondly, the relative importance of each evaluative criteria that they will use to assess each institution (Kotler & Fox, 1995:253). In the instance of students selecting a higher education institution, the evaluative criteria that they use are referred to as choice factors. A better understanding of the evaluative criteria or choice factors that influence institution preference among prospective students can help higher education institutions to better their marketing efforts in order to attract new students by ensuring that their marketing strategy emphasises those important criteria.

Table 4.1 is a summary of some of the choice factors (evaluative criteria) that students make use of as identified in literature and previous research studies, both nationally and internationally.

Table 4.1:   Choice factors used by students in the institutional selection process

CHOICE FACTORS EVALUATIVE CRITERIA	INTERNATIONAL STUDIES					NATIONAL STUDIES		
	Van Dimitrios (1980)	CIRP (Cooperative Institutional Research Programme)	ASQ Plus (Admitted Student Questionnaire Plus)	ASQ (Admitted Student Questionnaire)	Bajsh and Hoyt (2001)	Cosser and Du Toit (2002)	Coetzee and Liebenberg (2004)	Holtzhausen (2005)
Wide choice of subjects/courses		✓	✓	✓				✓
Quality of teaching				✓	✓	✓		✓
Academic facilities			✓	✓				
Entry requirements				✓				
Fees		✓	✓	✓		✓	✓	✓
Location	✓	✓	✓	✓	✓	✓	✓	✓
Sport programme	✓		✓	✓	✓	✓	✓	✓
Social life		✓	✓	✓	✓			
Attractiveness of campus			✓	✓				
Safety & security								
Tradition		✓				✓	✓	
Brothers/sister/ parents went there						✓	✓	
Friends						✓	✓	
Academic reputation		✓	✓	✓		✓	✓	✓
Financial assistance		✓				✓		✓
Language policy								
Links with industry								
Multi-culturality/diversity				✓				✓
Internationally linked								✓
Employment prospects		✓			✓			
Flexible study mode						✓	✓	
Image							✓	✓
Size		✓			✓			
Religion		✓		✓				✓
Personal attention			✓					
On-campus housing			✓	✓		✓	✓	
Access to off-campus facilities			✓			✓		
Research					✓			

Apart from the research findings in Table 4.1, other researchers such as Dworkin (2002), Haviland (2005), Galloway (1998) and Martin and Dixon (1991) also reported findings on choice factors. Dworkin (2002:33) suggests that students should consider the following factors before choosing where and what to study:

- Students should decide whether recreation and sporting facilities are important or not;

- Awards, scholarships, bursaries and loans awarded by the institutions should be investigated;

- Students should decide what size of institution they should study at. Larger institutions may be more impersonal while smaller institutions may have fewer students in class and students may thus receive more individual attention;

- Students should check the entry requirements and see whether they qualify; and

- Students should investigate whether the institution will equip them with skills required by industry and whether the institution offer practical training and assist in job placements.

Haviland (2005:62) expresses the opinion that the "feel" of a higher education institution can also influence the attitude of prospective students and thus influence their selection process. Galloway (1998:23) points out that quality is important for educational institutions for a number of reasons, including competitive advantage, satisfying government requirements and meeting ever-increasing public expectations. Martin and Dixon (1991:253-357) describe four basic types of influences that affect the higher education institution's choice process. The types are the reputation of academic programmes, social climate, cost and location, and influences of others (parents, friends, recruiters and counsellors). Although certain choice factors may not be identified as very important by students when making decisions, higher education institutions should not dismiss these choice factors as they may become important in future. Higher education institutions must understand the factors influencing a student's higher education institution choice if they hope to effectively influence the student's decision-making (Sevier, 1993:51).

One of the study's primary objectives is to investigate the relative importance of each choice factor that students use in their selection process. Section 4.8.2 will focus on the importance of evaluative criteria.

4.8.2 IMPORTANCE OF EACH EVALUATIVE CRITERIA (CHOICE FACTORS)

The importance assigned to evaluative criteria can differ from consumer to consumer and needs to be measured. The information obtained from such a measurement can help organisations to plan and design their marketing mix in such as way as to ensure customer satisfaction (Hawkins *et al*., 2001:570-575). Literature and previous studies do not only report on the choice factors students use (refer Section 4.8.1), but also suggest that some choice factors may be more important than others. The importance that students assign to each evaluative criterion is of great interest to higher education institutions. The understanding of evaluative criteria is essential for developing and communicating appropriate brand/institutional features by means of marketing to the target market. The prospective student has certain perceptions about where each specific institution stands on each attribute.

According to Davis (1998), students attach high importance to factors such as the beauty of the campus, good sporting facilities and the reputation of a prestigious institution. Martin (1994:36) found that first year students at the University of South Australia ranked career preparation, specific academic programmes, distance from home, academic reputation, quality of research programmes and library resources as having a strong influence on their choice of university. In his study, cost was ranked very low due to the fact that Australian students pay only twenty percent of the full cost of their courses. The rest is subsidised by government. Shin and Milton (2006:235) also found that tution cost has a small effect on student enrollments. Interesting to note is that Bers and Galowich (2002:80) found that factors related to money were more influential than the institution's reputation or the influence of friends and family. Geraghty (1997:41) found that first year students in America placed a very high importance on financial assistance and low tuition rates, as the majority of students indicated that they selected an institution for financial reasons. Sevier (1993:48-50) found in his research that the reputation of the institution, availability of study courses, cost and the availability of financial aid were the most important factors influencing the choice of   higher education institutions. Freeman (1999:13) notes that African-American students are very much aware of the job markets and their decision to attend higher education institutions are greatly influenced by possible job opportunities. Mills (2004:29) found that the majority of students in his study attached a high importance to

financial aid offered by higher education institutions. Price, Matzdorf, Smit and Aghai (2003:215) found that cost was a very important consideration to students as well as the course they wanted to study, technology (computers), quality of library, overall image/good reputation and social life. Students indicated accommodation, the quality of university grounds, safety and security, and sports facilities as less important factors.

Coetzee and Liebenberg (2004:71) found in a local South Africa study that the academic reputation, image, sporting facilities, friends studying at the higher education institution and location were the most important choice factors. The mode of study, residence, fees and the fact that parents have studied there, were less important choice factors.

However, it is not just the difference in importance between choice factors that institutions should take cognisance of. Not all students attach the same importance to the same choice factors. Several differences between students and the importance of choice factors have been identified in previous research:

- Gifted students attached greater importance to academic reputation, quality and scholarships than academically challenged students (Hoyt & Brown, 2003:3);
- Black and Hispanic students were more cost-conscious and therefore financial aid and grants were more important choice factors to them (Hoyt & Brown, 2003:3);
- Older and part-time working students attached a higher importance to location and vocational training than other students (Hoyt & Brown, 2003:3);
- Female students view security as a more important factor than their male counterparts (Du Plooy & De Jager, 2004:227); and
- Cost and accommodation are more important for rural students than for their urban counterparts (Martin,1994:37).

To conclude, literature and previous studies identified various choice factors used by students, indicating that some factors are more important than others. Previous findings suggest differences and similarities between gender, age, academic standing,

ethnic background and the importance students attach to these factors. Due to the conflicting results found in previous research in different countries, it is important to determine the importance that South African students attach to choice factors and the usefulness of information sources in the institution selection process. Making use of available literature and previous research studies, internationally and locally, twenty-three choice factors were identified to be investigated in this study: wide choice of subjects/courses, quality of teaching, academic facilities, entry requirements, fees, location of university, sport programmes, social life on campus, campus safety and security, parents studied at the institution, brother/sisters studied at the institution, friends studied at the institution, academic reputation, financial assistance, language policy, links with the industry, multi-culturality/diversity, international study and job opportunities, employment prospects, flexible study modes, and image of the university.

This study will try to determine the importance of the above-mentioned factors, as well as investigating the similarities or differences between students' gender, ethnic background, academic institution and language.

After students have decided upon the appropriate criteria (choice factors), they will use and assign importance to the factors, as well as rank or weigh each available higher education institution until one or more is selected. Section 4.8.3 will explain this process.

4.8.3   THE EXISTENCE OF VARIOUS ALTERNATIVES CONSIDERED

As the consumer engages in the search activity, there is also an active engagement in information evaluation. As consumers gather information, they learn about competing brands and this is captured through the brand elimination process. Kotler and Armstrong (1999:245) define a brand as a name, term, sign, symbol or design or a combination of those intended to identity the goods or services of one seller or groups of sellers and to distinguish them from those of the competitors. For higher education institutions, their brand does not only consist of the name and symbol of the institution, it also embodies the vision, philosophy, cultural values and style of the organisation (Jones, 2002:77). The brand gives the institution a personality, identity and image.

Figure 4.3 depict the brand elimination process leading to an organisation's acceptance or rejection by a consumer.

After searching for appropriate choice factors, consumers seek appropriate alternative brands. Figure 4.3 indicate the five-stage brand elimination process. According to Lamb *et al.* (2004:144), the brands that consumers consider as a possible solution for their problem/need are called the awareness set. Rosen, Curran and Greelee (1988:62-63) claim that an organisation's ability to influence consumers is stronger during the awareness and considerations set than it is at the time of choice. Kolter and Fox (1995:251) define the unawareness set as the brands a consumer has not heard about. Unfortunately, brands in a consumer's unawareness set will never be considered unless they somehow make their way into the awareness set of the consumer. From the awareness set, the consumer makes the first choice, narrowing down those brands in the awareness set into three subsets called the evoked set, the inert set and the inept set (Schiffman & Kanuk, 2004:559). This process is an attempt to reduce the alternatives to a more manageable number and to allow a rational choice among the most viable alternatives.

Those brands that the consumer feel are completely unworthy for further consideration are called the inept set and the brands which are seen as possible back-ups are called the inert set. The evoked set is the brands that the consumer considers as a possible solution to his/her need/problem. A specific brand is then selected from the choice set. Ideally an organisation would aim to be included in a consumer's total set, the awareness set, the evoked set and the choice set, and finally being selected by the consumer. This success sequence is indicated in grey in Figure 4.3.

Figure 4.3: The five stage brand elimination model
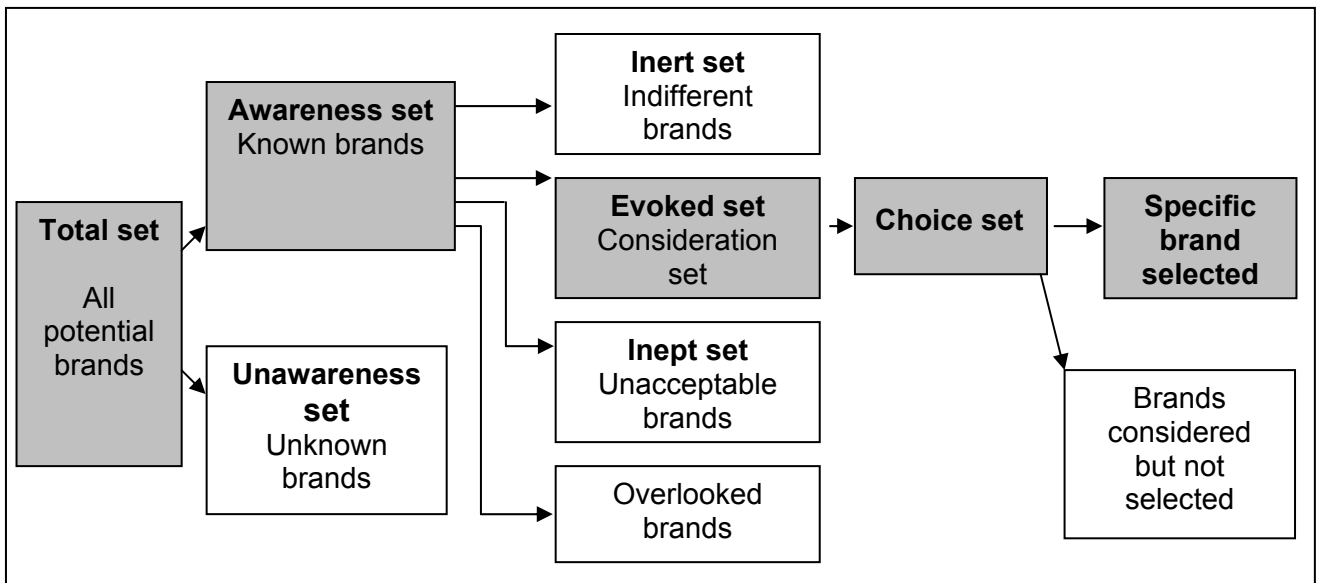
Source: Hawkins, D.I., Best, R.J. & Coney K.A. (2004:529). *Consumer behaviour: Building marketing stratgey.* Ninth edition. New York: McGraw-Hill.

Higher education institutions have to increase their potential of being included in the awareness set as an institution's ability to influence students is the strongest in the awareness set. Higher education institutions should strive to gain their place in the students' choice set by supplying information on the important choice factors to their prospective students, to allow students to make informed decisions. At this stage, the institution may not know whether it is part of the awareness set, but any contact made with the prospective student may move them from the awareness set into the consideration set. Higher education institutions in the inert set will be considered for instance if a student is not admitted/accepted to any of the institutions in his evoked set. The inept set consists of institutions that are eliminated from further consideration because the student is negative towards these higher education institutions and find them unacceptable. Higher education institutions may be included in a student's inert or inept set due to the fact that: the institution may be unknown because of selective exposure by the students to advertising, institutions may be unacceptable because of their poor attributes or poor positioning, institutions may be perceived as not offering sufficient benefits, or institutions may be overlooked because they have not targeted a particular segment (Jones, 2002:80).

Students will search for information on the institutions that are in their evoked set and these institutions will become the student's choice set. The choice set is largely dependent on the level of sophistication and thoroughness of the search process. In general, more affluent students, compared with their less well-off peers, tend to rely on several sources of information (including private counsellors) and are more knowledgeable due to a broader search (McDonough,1997). Because the decision-making process is a multi-step procedure, an institution cannot be content with being included in the awareness set of the student. Higher education institutions should examine their recruitment and marketing to ensure that the institution remains part of the consideration set and moves into the choice set. It is thus essential that a higher education institution forms part of a student's evoked set if it is to be considered at all. Students would evaluate each of the institutions in the consideration set according to the choice factors they view as important. These choice factors are the standards and specifications students use in evaluating and choosing institutions (refer to Section 4.6.1).

Higher education institutions need to steer away from being included in a student's inert or inept set. Institutions need to ensure that their brand is in the student's evoked set in order to stand a chance of being considered or selected by the student. A higher education institution can only accept students who apply, and students can only apply to institutions they have heard of. Thus, higher education institutions must make sure that they reach prospective students, make them aware of the institution and inform them what the institution has to offer.

Information obtained from this study on what information to provide (choice factors) and which sources to use to make the information available, will enhance a higher education institution's chance of being included in a student's evoked set.

While students evaluate the different institutions based on their performance on each choice factor (criteria), students can make use of different decision rules to make the final decision. Several decision-making rules exist that students can use to select a higher education institution. These rules will be discussed in the next section.

4.8.4 DECISION RULES

When consumers judge alternative brands on several evaluative criteria, they must have some method to select one brand from the various choices. Decision rules serve this function (Hawkins *et al.,* 2001:584).

McDonough (1994:427) is of the opinion that high school learners become higher education students as a result of two separate but interacting processes. Prospective students apply to higher education institutions as a result of the encouragement of family, friends, teachers, counsellors and advertising materials. Higher education institutions conduct marketing assessments, establish entrance standards, select, and enrol students. In many instances, both prospective students and education institutions have opportunities to choose. Just as institutions narrow their selection, so does prospective students. The individual student's decision is probably more difficult because the decision is to attend one specific institution. A higher education institution on the other hand selects a mix of students of whom some is more attractive than others. Ultimately the student arrives at the choice stage and students can make use of several decision-making rules, as discussed below (Hawkins *et al.,* 2004:574):

- Either-or model is when students will consider an institution that meets any of the minimum levels of performance set for each choice factor.
- Jump-the-hurdle model is when students set a minimum attribute level that they will consider, and then disqualifies those institutions that fall short on any attribute.
- Elimination-by-aspects rule requires the student to rank the evaluative criteria in terms of their importance and to establish a cut-off point for each choice factor. All institutions are first considered on the most important criteria. Those that surpass the cut-off point continue to the next round until one institution remains.
- Consumer report model is when students are sometimes looking for the best overall institution and then make use of the compensatory decision rule. This rule implies that a good performance by an institution on a given choice factor can compensate for poor performance in other areas. Students typically average out

some very good features such as good reputation or excellent location with some less attractive criteria such as high price, for an overall brand preference.

Consumers have different decision-making styles based on the evaluative criteria (choice factors) that are important to them (Durvasula, Lysonski & Andrews, 1993:55). For example, a student's decision-making style can be described as price sensitive if he/she attaches a high importance to the choice factor, price. If institutions understand the decision-making styles and decision rules used by prospective students, they can attempt to influence students' decision-making.

The ultimate result of the evaluation process, as explained in this section, is the selection and purchase or non-purchase of the chosen brand.

4.9   STEP 4: OUTLET SELECTION AND PURCHASE

As the decision-making process moves through problem recognition, information searches, alternative evaluation and the selection, the consumer finally reaches the point at which the actual purchase is made (Peter & Olson, 2005:179). The outcome of brand evaluation is an intention to buy or not to buy. The purchase transaction is the key point at which the institution and students come together in the economic system.

Higher education institutions can try to increase the probability of brand selection by adapting their price, service product, distribution, communication, people, process and physical evidence strategies to affect the probability of exposure and selection.

Students are faced with different purchase decisions that can also be applied to higher education (Arnould *et al.,* 2004:676-677):

- The student makes the basic purchase decision in response to need recognition, for example, want to proceed with higher education;
- The student may opt to make a particular service product category decision, such as enrolling in a residential higher education institution instead of a distance higher education institution;

- Students may make a brand purchase decision when they consider which brand of residential higher education institution to enrol at, for example choosing between the Tshwane University of Technology or the University of Pretoria; and

- Payment decisions are related to the payment method and terms of payment, for example study loan, cash payment, scholarships or bursaries.

Kotler and Fox (1995:263) express the opinion that preferences and even enrolment intentions are not completely reliable predictors of actual behaviour. Preferences and intentions give direction to behaviour, but fail to include a number of additional factors that may intervene, such as a student failing to get a loan or not getting placement in a residence.

Although students go through the evaluation process when deciding which institution to apply to, it is the institution that will make the final decision regarding the acceptance or rejection of the student's application based on the institution's selection criteria. The decision regarding which institution to study at is a natural outcome of the evaluation process. At this stage the student may have completed the application and may be accepted. However, acceptance does not mean enrolment. Institutions have to ensure that the student's acceptance leads to enrolment.

Jones (2002:81) states that enrolment is the beginning of a long-term process involving the students and the institution. A prospective student's application proceeds through a number of stages: completion of the application forms, data capturing, application screening, selection outcome, interviewing and testing, submission of results, orientation, pre-registration and finally enrolment and registration. Enrolment is the commitment stage. A prospective student becomes a student when he pays his registration fee for the course. However, this purchase is like any other and the students can still cancel their registrations.

According to Hawkins *et al.* (2004:588), the appropriate marketing strategies for organisations will differ depending on the decision sequence generally used by the consumer. It is therefore important for organisations to know which sequence their

target market follows to enable them to use the appropriate strategies. There are three basic sequences a consumer can follow when making a purchase decision:

- Service product first and outlet second. In this scenario, students first decide which course they want to enrol in and then at which institution. Institutions must therefore focus on marketing and informing prospective students about their different courses and programmes. Other strategies include a variety of programmes and courses on offer, or focusing on better priced or superior quality programmes to differentiate the institution from competitors.

- Outlet first and service product second. In this instance, students will first decide at which institution to study (outlet) and then decide on a course or programme (service product). When faced with this sequence, institutions must concentrate on image advertising, convenient location and their overall package such as their academic programmes, sport facilities, research outputs, brand, image, location and social life.

- Service product and outlet simultaneously. Students often almost simultaneously decide which institution and programme to enrol in. In this situation, institutions can make use of a combination of the strategies mentioned above. High service levels or low price structures are other strategies to be used by institutions in this sequence of decision-making.

Research undertaken by the Australian Higher Education Department (1999) on the sequence of decision-making indicated that for most students, this process is not a linear, two-step decision, but an interactive process (Anon, 1999). Students are weighing up the field of study preference, the possible courses that fit these preferences, and the myriad of institutional characteristics that are attractive to them; thus deciding on a service product and outlet (institution) simultaneously.

Once the outlet has been selected, the consumer must acquire the rights to the service product (Arnould *et al.,* 2004:677). Traditionally, this involves giving cash to acquire the right to a service product. Berman and Evans (2001:235) point out that it is important for organisations to get an idea of the purchasing patterns of consumers in terms of when and how they purchase. This will enable higher education institutions to ensure

that they have the necessary facilities, processes, resources and services in place to ensure a convenient purchasing process for their students.

The actual purchase of the item may be subject to various unanticipated situational factors, for example, limited space in a certain course or time availability. If the item cannot be purchased, a substantial risk may be involved. Higher education institutions must engage with the prospective student to reduce risks and uncertainty by ensuring a well-informed student who will know that enrolling at the institution is the right choice. Higher education institutions thus need to manage and build a relationship with prospective students from the first enquiry through the enrolment process and beyond.

After consumers have selected an outlet and purchased the service product, the final step in the decision-making process is reached when students engage in post-purchase behaviour.

4.10 STEP 5: POST-PURCHASE BEHAVIOUR

The consumer's decision-making process does not end with the purchase. A consumer's post-purchase behaviour consists of post-purchase dissonance, service product use, product disposition and purchase evaluation. Some purchases are followed by post-purchase dissonance and/or use while other purchases are followed by non-use. In this instance, a consumer keeps or returns the product without using it. For example, a student registers for a course in Grade 12 but then decides not to pursue higher education after completion of Grade 12. Most purchases are however followed by use, even if post-purchase dissonance is present. Product use often requires the disposing of the product or product packaging. Due to the intangible nature of service products, such as education, a discussion of disposing products is not included in this study. During and after purchasing and use, the service product is evaluated by the student. Unsatisfactory evaluations may produce complaints by students. The result of all these processes is a final level of satisfaction, which can result in loyal, committed consumers who are using the service product and are willing to purchase again, or a consumer that discontinues using the service product or switching to another course or even another institution due to dissatisfaction.

The elements included in post-purchase behaviour of a service product are: post-purchase dissonance, service product use and service product evaluation and will be briefly discussed in the next section.

4.10.1   POST-PURCHASE DISSONANCE

Post-purchase dissonance can be described as the doubt or anxiety experienced after making a difficult, relatively permanent decision. Berman and Evans (2001:236) point out that a purchase decision usually involves two or more close alternatives and the decision could go either way, and this contributes to doubt or anxiety. According to Du Plessis and Rousseau (2005:121), consumers, having made their decisions, may feel insecure about their choice, and any negative information about a chosen service product causes post-purchase dissonance, which is conflict resulting from two contradictory beliefs.

An important component of managing post-purchase evaluation is the reduction of any uncertainty or doubt that the consumer might have about the choice he/she had made (Schiffman & Kanuk, 2004:570). In order to reduce post-purchase dissonance, institutions need to know what influences the magnitude of post-purchase behaviour. The probability of a consumer experiencing post-purchase dissonance as well as the magnitude of such dissonance depends on several factors (Schiffman & Kanuk, 2004:571). These factors are highlighted below.

- The degree of commitment to the decision. The easier it is to alter the decision, the less likely the consumer is to experience dissonance. For example, students usually experience a high level of commitment when choosing a higher education institution. Altering a study course or enrolling in another higher education institution entails wasted time and money.

- The importance of the decision to the consumer. The more important the decision, the greater the likelihood that dissonance will occur. For example,

choosing a higher education institution can have a big impact on a student's life and future and therefore dissonance may occur.

- The difficulty of choosing among the alternatives. The more difficult it is to select among the alternatives, the more likely the experience and magnitude of experiencing dissonance. For example, if higher education institutions promise to provide similar benefits and opportunities, students may experience dissonance due to the difficulty of choosing among the different institutions.

- The individual's tendency to experience anxiety. Some individuals have a higher tendency to experience anxiety than others do. For example, the higher the tendency of a student to experience anxiety, the greater the possibility to experience dissonance.

Every time students make purchases, they add to their buying experiences. The more often a service product is purchased, the more routine the purchase decision becomes. In routine buying situations, consumers are likely to have fewer second thoughts as to the wisdom of purchases. However, consumers will typically experience some post-purchase anxieties when the purchase is less routine, as is the case with higher education. As the process of choosing a higher education institution can generally be viewed as an important decision, with a high degree of commitment as well as difficulty in choosing among the various higher education institutions, institutions can expect prospective students to experience a high degree of post-purchase dissonance. Students experiencing post-purchase dissonance may change their study course, residence or even the institution they are studying at. Knowing that students will probably experience post-purchase dissonance when selecting a higher education institution, institutions must develop strategies to reduce or prevent post-purchase dissonance.

Institutions can increase the desirability of their brand, decrease the desirability of competitive alternatives or decrease the importance of the purchase decision in order to try and reduce dissonance. According to Hawkins *et al.* (2004:628), the consumer's search for information after the purchase greatly enhances the role that advertising and follow-up sales efforts can have. To build consumer confidence in choosing their

brand, institutions can design advertisements for recent purchases in the hope of helping to reduce post-purchase dissonance. Institutions need to reduce the dissonance that students experience after purchasing at their store in order to increase the probability that the student will buy from them again. Higher education institutions can take positive steps to help students feel good about their choice, such as sending a warm congratulatory letter to recently admitted students (Kotler & Fox, 1995).

According to Schiffman and Kanuk (2004:571), consumers try to reduce dissonance by rationalising their decisions as being wise, returning the purchase (cancelling a course) or turning to satisfied owners (alumni) to be reassured, seeking information to support their choice (institution's brochures, open days or advertisements) and avoiding information of competitive brands (ignoring brochures, open days or advertisements of other higher education institutions).

Most consumer purchases involve nominal or limited decision-making and therefore arouse little or no post-purchase dissonance. Even when post-purchase dissonance occurs, such as in higher education institution selection, it is still generally followed by service product use.

4.10.2 SERVICE PRODUCT USE

Organisations are interested in service product use for many reasons. First, consumers use service products to fulfil needs. If the service product does not fulfil the need, a negative evaluation may result. Observing consumers as they use service products can be an important source of new service product ideas. For example, knowledge of how their service products are used can help higher education institutions to develop more effective promotion strategies, service products, distribution and process strategies. Institutions can also take advantage of the fact that the use of one service product may require or suggest the use of another product or service, leading to multi-category purchases. Finally, monitoring service product use can indicate service product modification and appropriate advertising themes.

Institutions have to make sure that they teach students the proper way to use their service product to limit confusion and increase satisfaction. Proper use and increased satisfaction may lead to a positive experience for the students and therefore a positive evaluation.

4.10.3   PURCHASE EVALUATION

Post-purchase dissonance, product use and disposition are all potential influences on the purchase evaluation process (Arnould *et al.,* 2004:346-347). During and after purchasing and using a service product, the consumer determines the level of satisfaction or dissatisfaction. This will be determined by the relationship between the consumer's expectations and the organisation's perceived performance.

Every student has expectations before attending an institution. These expectations are based on information received from friends, family, the institution and other sources. If the student's expectation is met, there will be satisfaction. Students who are satisfied will probably recommend the institution to others. A satisfied student will keep enrolling each semester and will also tend to say good things about the institution to others (positive word-of-mouth).

However, students' expectations that are not met will lead to dissatisfaction. Dissatisfied students will probably drop out of the course or institution or spread negative information about the institution. According to Jones (2002:84), higher education institutions should monitor early warning signs to prevent dissatisfaction such as poor performance by students, lack of social integration or disadvantages due to family or ethnic background. Higher education institutions must take preventative measures by supplying career planning, social integration, financial planning, faculty counselling, and providing advice and support to prevent dissatisfaction.

Consumers may respond to these outcomes (satisfaction or dissatisfaction) verbally or through their behaviour. According to Athanassopoulos, Gunaris and Stathkapoulus (2001:687), the behavioural consequences of consumer satisfaction are threefold: firstly, a decision to stay with the existing services provider; secondly, the engagement

in positive or negative word-of-mouth communications; and thirdly, the intention to switch service providers.

The post-purchase response of students is very important to higher education institutions. In the case of positive reinforcement (satisfaction), successful marketing strategies are confirmed and in the case of negative response (dissatisfaction), they provide guidelines for corrective action to be taken by the institution. Higher education institutions should measure student satisfaction regularly and not only rely on student complaints before they react. If the post-purchase process is managed correctly by the institution, it can assist in retaining existing students and recruiting new ones.

4.11 SUMMARY

The focus of Chapter 4 was on the decision-making process of consumers and for higher education institutions the focus was on the student institution selection process. The chapter started with a definition of consumer behaviour and a broad overview of different decision-making models to serve as background information. The remainder of the chapter focused on the model of consumer decision-making.

The consumer decision-making process and resulting buying patterns and preferences are an important area of study in consumer behaviour. The model of consumer behaviour consists of the decision-making process as well as the internal and external influences on the process. The decision-making process for higher education is a lengthy process. Students have to progress through five steps: problem/need recognition, information search, evaluation of alternatives, selection and purchase as well as the post-purchase processes. The steps in the decision-making process are a good point of departure for higher education institutions, helping them to identify areas in which they can manipulate or influence students' behaviour.

The first step, problem/need recognition, occurs if there is a difference between the actual and desired state of students. Institutions can react by supplying service products to satisfy the recognised needs or initiated needs through an effective communication campaign whereby students are made aware of new service products

and new needs. The emphasis of the second step is the provision of information. The sources of information that students make use of, type of information and amount of searches students engage in are of great importance to institutions. Research investigating students' search activity provides institutions with knowledge on which information to make available to students and which sources to use to reach students. The third step in the decision-making process is the evaluation of the available alternatives based on comparing important evaluation criteria (choice factors). If institutions know which factors students use to evaluate and choose an institution, they can ensure that they address those factors through their image, positioning, advertising, distribution, promotion and other marketing strategies. The fourth step involves the actual selection of the outlet, a higher education institution, and the purchase of a service product, namely education. The fifth step consists of the post-purchase processes: dissonance, service product use and evaluation. Higher education institutions can assist students after the purchase of the service product to reduce dissonance and help them to optimally use the service product. As a result, the students will positively evaluate the service encounter and satisfaction will occur.

The decision-making process does not take place in isolation, as it is influenced by internal and external factors. The internal influences deal with how students react to group influence, environmental changes and an institution's marketing mix. The demographics (age, gender and race) of students, their processing of information (perception), learning, needs and motivation as well as their personalities and emotions can influence the process. Students' attitudes towards service products, brands and institutions as well as the way students live (lifestyle) are other internal influences on the decision-making process.

The external influences are those factors outside the student that influence and affect his/her decision-making. Cultural background, social class, reference groups, household and the marketing mix used by institutions are all external factors that influence the student's decision-making process.

Studying the consumer decision-making process provides a basis for higher education institutions to understand their market and to develop a total marketing strategy, since it presents an integrated view of all the characteristics that may influence the student's

behaviour. This knowledge will aid institutions in the development of effective price, product, distribution, people, process, physical evidence and promotional strategies in order to attract students and create consumer satisfaction.

Chapters 2, 3 and 4 served as the literature review and theoretical background to this study. The next chapter will explain the research methodology used in the study.

CHAPTER 5

RESEARCH METHODOLOGY

5.1   INTRODUCTION

Marketing research is the collecting, analysing and interpreting of marketing information pertaining to customers, competitors and the market, and thus provides information to improve marketing decision-making (Gofton & Ness, 1997:9). Consumer research, one of the focus areas of marketing research, is the gathering, recording and analysis of facts about problems relating to final households, thus the end consumer. Researching the consumer helps organisations to understand the environment, identify problems and opportunities, and develop and evaluate a marketing strategy to reach existing and potential consumers. According to McDaniel and Gates (2001:8), research relating to consumer decision-making focuses on the analysis of purchase motives, needs, buying habits, attitudes towards brands, perceptions of organisations as well as cultural and social influences. For the purpose of this study, the focus is on the consumer decision-making processes of students, specifically choice factor importance and information source usefulness, when selecting a higher education institution.

The aim of this chapter is to describe the research methodology used in this study. According to Cooper and Schindler (2003:6), the study of research methodology provides people with the knowledge and skills needed to solve problems and meet the challenges of fast-paced decision-making environments. Figure 5.1 presents the research process followed in this study and will serve as a visual reference and guide for Chapter 5.

Step 1 of the research process was addressed in Chapter 1, when the research problem or opportunity was identified and the research objectives determined. Conducting secondary research provided background information for defining the problem and setting objectives, as well as developing the questionnaire. This was addressed in Step 2 of the research process with the literature review in Chapter 2, Chapter 3 and Chapter 4.

Figure 5.1: The research process

Step 1	Identify the problem and determine the research objectives (Chapter 1 & Chapter 5, Section 5.2)

Step 2	Literature review (Chapters 2, 3 & 4)

Step 3	Set hypotheses (Chapter 1 & Chapter 5, Section 5.3)

Step 4	The research design (Chapter 5, Section 5.4)

Step 5	Develop a sampling plan (Chapter 5, Section 5.5)
	– Sample population (Chapter 5, Section 5.5.1)
	– Sample frame (Chapter 5, Section 5.5.2)
	– Sampling method (Chapter 5, Section 5.5.3)
	– Sample size (Chapter 5, Section 5.5.4)

Step 6	Select a primary research method (Chapter 5, Section 5.6)
	– Quantitative method: survey (Chapter 5, Section 5.6.1)

Step 7	Design the data collection instrument (Chapter 5, Section 5.7)
	– Developing the questionnaire (Chapter 5, Section 5.7.1)
	– Questionnaire lay-out and question types (Chapter 5, Section 5.7.2)
	– Sections of the questionnaire (Chapter 5, Section 5.7.3)
	– Validity and reliability (Chapter 5, Section 5.7.4)
	– Pre-testing (Chapter 5, Section 5.7.5)

Step 8	Gathering data (Chapter 5, Section 5.8)

Step 9	Processing data (Chapter 5, Section 5.9)
	– Data preparation (Chapter 5, Section 5.9.1)
	Editing (Chapter 5, Section 5.9.1.1)
	Coding (Chapter 5, Section 5.9.1.2)
	Data capturing (Chapter 5, Section 5.9.1.3)
	Data cleaning (Chapter 5, Section 5.9.1.4)
	– Data analysis (Chapter 5, Section 5.9.2)

Step 10	Report the research findings (Chapters 6 & 7)

Source: Adapted from Cant, Gerber-Nel, Nel, and Kotze (2003:36); Gofton and Ness (1997:14); and Welman, Kruger and Mitchell (2005).

Steps 3 to 9 of the research process will form the main focus of Chapter 5, with Step 10 of the research process being addressed in Chapter 6 and Chapter 7. In summary, Chapter 5 addresses the research process used to conduct this study by explaining the research problem, objectives, hypotheses, research design, sampling plan, data

collection methods, questionnaire design, as well as the gathering and processing of the data.

5.2 IDENTIFY THE PROBLEM AND DETERMINE THE RESEARCH OBJECTIVE (STEP 1)

South Africa's educational landscape as well as the global arena has become increasingly turbulent. Competition is much stronger than before, with more institutions joining the market (Espinoza *et al.,* 2002:19). The changing higher education landscape, nationally and globally, has encouraged the development of a market culture among higher education institutions. Institutions are now in a position where they have to compete for scare resources such as finances. To survive in this competitive environment, institutions must have an advantage, which means that a higher education institution must provide its target market with more value than its competitors. In order to provide superior value to students, higher education institutions need to anticipate and react to students' needs, thus, understanding students' behaviour. Considering all the challenges that higher education institutions are faced with, it is evident that institutions will have to become more marketing-oriented. Higher education institutions need to focus increasingly on marketing techniques used by profit organisations. One of the key issues in the successful development of a marketing strategy is to determine which factors students consider when they have to make a decision on which institution to enrol at. A proper assessment of the choice factors students consider to select a higher education institution, as well as the sources of information they make use of, will enable institutions to allocate funds, time and resources more efficiently and effectively.

Although many studies have been done internationally on choice factors considered by students in selecting a higher education institution (Espinoza *et al.*, 2002; Arpan *et al.*, 2003; Hoyt & Brown, 2003 and Gray & Daugherty, 2004), the authors disagree about the number of choice factors to investigate and conflicting results have been found as to the importance of the choice factors. Only a limited number of local studies addressed aspects of higher education marketing: the image of universities (De Wet, 1983 and Kruger, 1994), marketing strategies (Diederichs, 1987), market positioning

(Van Biljon, 1992), corporate image (Roux, 1994), marketing communication strategies (Jones, 2002) and corporate reputation (Coetzee & Liebenberg, 2004). However, despite these works, little is known about the choice factors and information sources considered by local students when they select a higher education institution. Furthermore, the above-mentioned local and international studies have several limitations, such as small sample sizes, investigation of a limited number of choice factors and/or information sources, and focusing on only one or two higher education institutions. Therefore, the research problem is to determine the relative importance of various choice factors and the usefulness of various information sources in the higher education institution selection process of a large sample of higher education institutions.

After identifying the research problem or opportunity, one needs to develop research objectives. A marketing research objective can be defined as the specific information needed to solve a marketing research problem (McDaniel & Gates, 2001:23). Kent (1993:320) states that research objectives are there to spell out what the research is designed to explore, measure or explain. Objectives may be spelled out in terms of a hypothesis or being formulated as questions or statements.

Literature emphasises the need for higher education institutions to identify the choice factors and various information sources used by students, in order to understand their customers better. The main goal of this study is therefore to investigate the relative importance of the choice factors, as well as the usefulness of different sources of information, considered by first year Economic and Management Sciences at higher education institutions in South Africa. By focusing on selected South African universities, the study's primary research objectives are to:

i)   Determine the relative importance of each of the 23 identified choice factors that first year Economic and Management Sciences students use to select a higher education institution;

ii) Investigate the usefulness of the sources of information considered by first year Economic and Management Sciences students as perceived by ethnic groups, gender groups and academic institutions attended;

iii) Determine whether students from different ethnic backgrounds differ regarding the importance they attach to choice factors when selecting a higher education institution;

iv) Determine whether students with different home languages differ regarding the importance they attach to choice factors when selecting a higher education institution;

v) Determine whether there are gender differences regarding the importance students attach to choice factors when selecting a higher education institution;

vi) Determine whether students from different higher education institutions differ regarding the importance they attach to choice factors when selecting a higher education institution;

vii) Determine if students that live 70 kilometres or further from a higher education institution make more use of campus visits or open days as a source of information than students living close-by;

viii) Determine if students that are resident in the province in which the higher education institution is located make more use of word-of-mouth as a source of information; and

ix) Determine if students with an average of seventy percent or more in Grade 12 make more use of higher education institutions' websites than students with a lower average in Grade 12.

Step 2, the literature review, were discussed in detail in Chapters 2, 3 and 4 and will therefore not be explained again. The hypotheses that resulted from the literature review and research objectives will be explained in the next section.

5.3 SET HYPOTHESES (STEP 3)

In hypothesis testing, the aim is to examine whether a particular proposition concerning the population is likely to hold or not. The term null hypothesis reflects the concept that this is a hypothesis of no difference and therefore always includes a statement of equality. On the other hand, the alternative hypothesis is the complement of the null hypothesis and postulates some difference or inequality (Diamantopoulos & Schlegelmilch, 2000:132). An alternative hypothesis, which in addition to the existence

of a difference can also indicate the direction of the expected difference, is known as a directional hypothesis or a one-tailed hypothesis. A hypothesis that only postulates a difference without any *a priori* expectations as to the direction of the difference is called an exploratory hypothesis or a two-tailed hypothesis (Diamantopoulos & Schlegelmilch, 2000:133). Both one-tailed and two-tailed hypotheses are used in this study. The alternative hypotheses that resulted from the literature review and research objectives are explained below.

5.3.1 HYPOTHESIS 1

Bers and Galowich (2002:70) note that studies by Bodfish in 2000 and Cabera and La Nasa in 2001 suggest that the institution selection process may differ among ethnic groups. Teranishi *et al.* (2004:527) also found that the institution selection processes varied with regard to the ethnic background of students. Their study determined that factors such as cost, financial aid, perceptions of prestige and reputation of institutions differ according to ethnic group. A South African study by Cosser and Du Toit (2002:2-12), found that ethnic groups differ in the importance they attach to choice factors when it comes to higher education institution selection. Their study identified that Black African students are more influenced by parental and peer persuasion than other groups and that Black African students are more influenced by sport facilities and lower fees than the other three ethnic groups. From the above-mentioned findings in previous studies, the following hypothesis was formulated:

H_0: Students from different ethnic backgrounds do not differ regarding the importance they attach to choice factors.

H_1: Students from different ethnic backgrounds differ regarding the importance they attach to choice factors.

Hypothesis 1 concerns the difference between two or more groups and can be classified as a non-directional hypothesis, which is also known as a two-tailed or an exploratory hypothesis. The construct of ethnic background will be measured using a multiple choice single response question (Question 5 in the questionnaire), while the choice factors will be measured with a 5-point Likert scale containing 23 items

(Question 1 in the questionnaire). Refer to Appendix A for an example of the questionnaire and Section 5.7 for a detailed discussion of the questionnaire.

5.3.2 HYPOTHESIS 2

Language is related to ethnic groups and as mentioned above, literature suggests differences between ethnic groups and the importance of choice factors. The assumption can thus be made that possible differences can be expected between different language groups. Holtzhausen (2005:186) also found that there were differences between the importance of choice factors and language groups, indicating that high academic standards were most likely to influence English speaking respondents and that image was more important to African language respondents. It was therefore hypothesised that:

H_0: Students speaking different home languages do not differ regarding the importance they attach to choice factors.

H_2: Students speaking different home languages differ regarding the importance they attach to choice factors.

Hypothesis 2 concerns the difference between two or more groups and can be classified as a non-directional hypothesis. The construct of home language will be measured using a multiple choice single response question (Question 7 in the questionnaire), while choice factors will be measured with a 23-item, 5-point Likert scale (Question 1 in the questionnaire).

5.3.3 HYPOTHESIS 3

Litten (1982:390-392) found significant differences between gender and the importance these groups attach to some of the choice factors. Findings from a South African study show that female students view security as a more important choice factor than their male counterparts (Du Plooy & De Jager, 2004:227). From the findings of previous research studies, the following hypothesis was formulated:

H_{0:}   Male and female students do not differ in the importance they attach to choice factors.

H_{3:}   Male and female students differ regarding the importance they attach to choice factors.

Hypothesis 3 is a hypothesis concerning the difference between two groups and can be classified as a non-directional hypothesis. The construct of gender will be measured using a dichotomous multiple choice single response question with the options "male" or female" (Question 3 in the questionnaire), while choice factors will be measured with a 23-item, 5-point Likert scale (Question 1 in the questionnaire).

5.3.4   HYPOTHESIS 4

As mentioned in Chapter 4, Davis (1998) found that students attach high importance to factors such as the beauty of the campus, good sporting facilities and the reputation of a prestigious institution. Findings from the study by Martin *et al.* (1994:36) identified reputation as important, but added that first year students at the University of South Australia also ranked career preparation, specific academic programmes, distance from home, academic reputation, quality of research programmes and library resources as having a strong influence on their choice of university.

Interesting to note is that Bers and Galowich (2002:80) detected that factors related to money were more influential than the institution's reputation. Geraghty (1997:41) also discovered that first year students in America place a very high importance on financial assistance and low tuition rates, as the majority of students indicated that they selected an institution for financial reasons. Findings from a study by Sevier (1993:48-50) confirmed what others found, namely that the reputation of the institution, cost and the availability of financial aid were the most important factors influencing higher education institution selection. But his research also added that the availability of study courses is important.

Coetzee and Liebenberg (2004:71) observed in a South Africa study that academic reputation, image, sporting facilities, friends studying at the higher education institution

and location were the most important choice factors. Thus, research conducted by the above-mentioned authors revealed conflicting results on the importance students attach to choice factors. The research was however conducted at different higher education institutions and it may be that the nature of the higher education institution contributed to the different importance levels reported by the respondents. It was therefore hypothesised that:

H$_0$: Students from different academic institutions do not differ regarding the importance they attach to choice factors.

H$_4$: Students from different academic institutions differ regarding the importance they attach to choice factors.

Hypothesis 4 concerns the difference between more than two groups and can be classified as a non-directional hypothesis. The construct of academic institution will be measured using a multiple choice single response question with the options: University of Pretoria, Tshwane University of Technology-Witbank campus, University of Johannesburg, University of the Free State, University of KwaZulu-Natal and the University of North-West (Question 6 in the questionnaire). Choice factors will be measured using a 23-item, 5-point Likert scale (Question 1 in the questionnaire).

5.3.5 HYPOTHESIS 5

Previous research findings suggest that students do not attach the same importance to the different sources of information and that there may be differences between gender, age, ethnic background, academic ability, geographical location of students and the sources of information that they use (Martin, 1994:28-36; Kotler & Fox, 1995:259; Hamrick & Stage, 2004:151).

Open days and career exhibitions were identified as the most important sources of information used by prospective students (Coetzee & Liebenberg, 2004:71). The authors also determined that prospective students attach high importance to activities on campus as a source of information. Students furthermore indicated that they are

more willing to attend an exhibition or open day to secure firsthand information than to rely on mass media.

Martin (1994:37) detected that geographical location of students also influenced their institution selection process. Brochures and websites do not provide enough information and students living far from a university have to do their own research by visiting the campus. It was found that these students usually make an effort to attend a campus visit to gain firsthand experience (Anon, 2006c and Evans, 2006). It could thus be assumed that a campus visit or open day is the perfect way to display the campus to prospective students living far away (Anon, 2004b). From the afore-mentioned it can be hypothesised:

H_0: Students that live further than seventy kilometres from the higher education institution do not attach more value to campus visits or open days as a source of information than students living close-by.

H_5: Students that live further than seventy kilometres from a higher education institution attach more value to campus visits or open days as a source of information than students living close-by.

Hypothesis 7 concerns the difference between two groups and can be classified as a directional or one-tailed hypothesis. The sources of information (open days and campus visits) will be measured with a 5-point Likert scale (Question 2.4 in the questionnaire). The distance from parents' homes to university attended will be measured using a multiple choice single response question (Question 8 in the questionnaire).

5.3.6 HYPOTHESIS 6

Personal sources of information refer to information shared by friends, family or reference groups and is known as word-of-mouth. Zeithaml and Bitner (2000:32-33) state that the service industry recognises the strong influence of word-of-mouth. Research shows that when purchasing a service product such as education, students rely to a greater extent on personal sources, such as word-of-mouth by friends, family,

opinion leaders and teachers, because mass media convey very little about experience qualities (Jones, 2002:76). Findings by Cosser and Du Toit (2002:2) suggest that the family has a high degree of influence in the institution selection process, especially by encouraging students to continue to study. Word-of-mouth information, in particular, is regarded as highly credible and believable. Cosser and Du Toit (2002:101-103) also observe that discussion with relatives and friends are well used by high school learners as sources of information. It is therefore hypothesised that:

H_0: Students who are residents of the province in which the chosen higher education institution is located, do not value word-of-mouth (friends and other people) more as a source of information than students from other provinces.

H_6: Students who are residents of the province in which the chosen higher education institution is located, value word-of-mouth (friends and other people) more as a source of information than students from other provinces.

Hypothesis 6 concerns the difference between two groups and can be classified as a directional or one-tailed hypothesis. The sources of information (word-of-mouth) will be measured with a 5-point Likert scale (Question 2.8 in the questionnaire). Residence in the province in which the university is located will be measured with a dichotomous multiple choice single response question with options "yes" or "no" (Question 9 in the questionnaire).

5.3.7 HYPOTHESIS 7

Websites were identified as one of the most important sources of information used by South African students (Coetzee & Liebenberg, 2004:70). Cosser and Du Toit (2002:101-103) found that receiving information directly from a university was the most important source of information used by high school learners. Before a higher education institution can decide what content is essential for its website, it should determine the target audience, their needs and demographic profile (Joch, 2006). The latest South African web user survey (Anon, 2005b) indicates that the typical South African web user have either completed university or have a form of post matric qualification, indicating a high scholastical aptitude. Karuppan (2001:138-149)

determined that scholastic aptitude or academic ability of students influenced their web usage, as students with a higher academic ability made more use of the web. From the afore-mentioned it can be hypothesised that:

$H_o:$ Students with a Grade 12 average of seventy percent or more do not rely significantly more on higher education institution's websites as a source of information than students with a lower Grade 12 average.

$H_7:$ Students with a Grade 12 average of seventy percent or more rely significantly more on higher education institution's websites as a source of information than students with a lower Grade 12 average.

Hypothesis 7 concerns the difference between two groups and can be classified as a directional hypothesis. The sources of information (websites) will be measured with a 5-point Likert scale (Question 2.3 in the questionnaire). The average grade for students in his/her final Grade 12 exam will be measured using a multiple choice single response question (Question 10 in the questionnaire). Answers to this question will be collapsed to form 2 groups: "Grade 12 average of more than 70 percent" (higher academic ability) and a second group with a "Grade 12 average of lower than 70 percent" (lower academic ability). This was done to ensure equal cell sizes as well as deemed to be an appropriate split for academic performance.

Steps 1 and 3 of the research process addressed the research problem, the research objectives and the hypotheses. These steps determined to a large extent the kind of research design that is most suitable for the study and forms the basis for the next section. Section 5.4 will describe the research design followed for this study as part of Step 4 in the research process.

5.4   THE RESEARCH DESIGN (STEP 4)

The research design delineates the structure of the investigation in such a way as to attain answers to the research objectives. A research design is thus a preliminary plan for conducting research. According to Cooper and Schindler (2003:146-151), a broad research design consists of different elements, such as the type of research design,

focus, time dimension and conditions. These elements, as applied to the study at hand, are briefly discussed below.

In this study, a formal research design was used to test the stated hypotheses. This quantitative study followed a two-stage research design. The first stage included an extensive literature review of secondary data on the higher education landscape globally and locally, the marketing of higher education institutions and the consumer decision-making process students go through when selecting a higher education institution. The literature review consisted of journal articles, research reports, Internet searches and textbooks, covering the following range of disciplines: marketing, consumer behaviour, the higher education landscape and research methodology. According to McDaniel and Gates (2001:76), it is always advisable to do desk research, which entails the scanning of all available secondary data sources before engaging in primary data search. This approach guides the researcher in identifying unanswered questions and prevents him/her from replicating research without the necessary background knowledge on what has already been achieved.

The second stage was a formal descriptive study that was conducted to investigate the objectives previously mentioned. In this stage, students were questioned and their responses collected by means of a structured questionnaire. The researcher executed an ex post facto design; this implies that the researcher had no control over the variables in the sense of manipulating them. The researcher was only able to describe/report the importance of the choice factors in the institution selection process and other related issues.

The research design has a descriptive focus, as the purpose was to determine the relative importance of each choice factor and the usefulness of various sources of information. The purpose of descriptive research is to describe a problem or opportunity by providing a broad overview of a sample of a large population (Mouton, 2001:152). According to Churchill and Peter (1998:65), this type of research is helpful to describe the characteristics of certain groups, to estimate the proportion of people who behave in a certain way and to make specific predictions. This study aimed to provide a description (in terms of convenience sample) of the following:

- Socio-demographic information: the study provides a brief profile of first year Economic and Management Sciences students in terms of gender, age, ethnic background, higher education institutions attended, home language, proximity of homes from the higher education institutions and academic standing.

- Behavioural information: the decision-making process (specifically the choice factors and information sources influencing institution selection) of first year students.

The time dimension of the study was cross-sectional, as the data collected represents a snapshot of one point in time. Due to the fact that this study focuses on the breadth rather than depth of the study, it could be classified as a statistical study. Research was conducted under field conditions, as students were interviewed in their lecture rooms at the higher education institution they were attending. Participants (students) were fully aware of the research activity, which should not influence the results, as they have nothing to lose or gain from manipulating their answers.

After designing a research plan it is necessary to decide which respondents to include in the research study. Step 5 of the research process focuses on the development of a sampling plan and is addressed in the next section.

5.5   DEVELOPMENT OF A SAMPLING PLAN (STEP 5)

Sampling, which involves selecting a subset of the population, was chosen above a census of the whole population, due to time and cost constraints. According to Schmidt and Hollensen (2006:159-160), sampling involves the identification of a group of individuals or households who can be reached by mail, by telephone or in person and who possess information relevant to solving the marketing problem at hand. Lamb *et al.* (2004:265) define a sample as a subset of the target population from which information is gathered to estimate something about the population. The process of developing a sampling plan consists of 5 steps: identifying the sample population, identifying the sample frame, selecting a sampling method, selecting the sample size and gathering information from the sample elements (Lancaster, Withey & Ashford, 2001:40). These steps will now be briefly described.

5.5.1 SAMPLE POPULATION

A population can be described as the entire compilation of elements that the researcher aspire to draw conclusions from (Cooper & Schindler, 2003:179). Webb (2002:48) points out that a population or universe is the aggregate of all the elements.

As Grade 11 and Grade 12 learners could not be used as a sample population due to the difficulty in obtaining permission from the Department of Education, the target population for this study was first year Economic and Management Sciences students at six higher education institutions in five provinces, namely the University of Pretoria (Gauteng), Tshwane University of Technology-Witbank campus (Mpumalanga), University of Johannesburg (Gauteng), University of the Free State (Free State), University of KwaZulu-Natal (KwaZulu-Natal) and North–West University (North-West). These six universities represent some of the major universities in South Africa situated in five different provinces. It should be noted that the Tshwane University of Technology-Witbank campus was specifically included in sample and not the main campus in Tshwane, as there are no other major higher education institutions in the Mpumalanga pronvince. Unfortunately, the major universities in the Western and Eastern Cape did not want to partake in the study. The research was conducted in February, March and April of 2006. These months were chosen as it is in the beginning of the year and to ensure that the first year students were still relatively uncontaminated and could still remember how they made their selection of a higher education institution the previous year.

After determining the sample population of the research study, a list or sample frame containing the identified members of the population must be obtained.

5.5.2 SAMPLE FRAME

A sample frame is a list of population members used to obtain a sample (Aaker, Kumar, Day & Lawley, 2000:367). A frame may be a register of industries, a telephone directory or even a map. Hair, Bush and Ortinau (1996:330) state that a sample frame must meet the following requirements:

It must represent all the elements of the population;

- There must be no duplication of elements; and

- It must be free from foreign elements.

It was not possible to obtain up-to-date lists from all six higher education institutions participating in this study to be used as sample frames. Thus, for the purpose of this study, the sample frame was broadly defined as first year Economic and Management Sciences students attending lectures.

The next step involves deciding how to select some elements of the sample population by making use of the sample frame, thus, choosing a sampling method.

5.5.3 SAMPLING METHOD

There are two approaches to sampling: probability and non-probability sampling. Probability sampling is based on the premise that each member of the population has a definite opportunity to be selected. With non-probability sampling, there is no guarantee that each member of the population has a definite opportunity to be selected (Diamantopoulos & Schlegelmich, 2000:11-13). According to Cooper and Schindler (2003:200) and Shao (1999:38), non-probability sampling is more cost-effective, faster and effective.

Non-probability sampling was chosen, as the characteristics of this method have particular appeal due to financial and time restraints. According to McDaniel and Gates (2001:336), non-probability samples can produce samples of the population that are reasonably representative. A major implication of this type of sampling is that a statistical evaluation of the sampling error cannot be undertaken (Tustin *et al.,* 2005:344). Measurement errors, which are usually associated with non-probability sampling, were prevented in the following ways: questionnaire design errors were prevented by following the guidelines for constructing a questionnaire and by using focus groups as a pilot study to test the questionnaire; cross-checking, computer checks and pre-coding were used to avoid coding and data capturing errors; respondents' errors were addressed by making sure it is not a lengthy questionnaire; and ego/humility questions were minimised. Interviewer errors were limited by making

use of a structured questionnaire. Non-response errors can also affect the results and therefore students completed the questionnaire during class time while their lecturer was present, to increase the response rate and to ensure the correct elements were included in the sample.

Three different types of non-probability sampling methods can be distinguished: judgmental, quota and convenience sampling (Welman, *et al.,* 2005:56). For the purpose of this study, a convenience sample was chosen. Hair *et al.* (2000:354) define convenient sampling as a study in which respondent participation is voluntary or which leaves the selection of sampling units primarily up to the interviewer. Thus, convenience sampling was used in this study as the sample members (first year Economic and Management Sciences students) were chosen on the basis of being available or accessible during normal class times. To avoid the potential bias owing to the use of non-probability sampling, the questionnaire was administrated at six different higher education institutions, at different times and classes by different lecturers who acted as fieldworkers/interviewers. Due to the fact that this sample was drawn using a non-probability method, the researcher will not be able to assess the likeliness that the sample is unrepresentative and by how much (Diamantopoulos & Schlegelmilch, 2000:13).

After selecting a sampling method, the sample size was determined.

5.5.4   SAMPLE SIZE

The sample size is determined by both statistical and practical considerations (Jarboe, 1999:38). Tustin *et al.* (2005:361) state that statistical calculations of sample sizes can only be done for probability sampling methods, as there is no statistical formula for prior calculation of the size of a non-probability sample. As this study made use of a non-probability sampling method, the sample size was determined by practical concerns such as resources in terms of money, time and personnel impact, as well as the number of respondents present in class and willing to participate. Keeping the latter in mind and to prevent the non-response error associated with non-probability sampling, as well as to ensure that group comparisons could be made when analysing

the data, 250 questionnaires were distributed to each of the six higher education institutions, thus a total of 1500 questionnaires.

The next section will explain the primary data collection method used to collect the data from the respondents.

5.6 SELECT A PRIMARY DATA COLLECTION METHOD (STEP 6)

Data collection refers to the way in which the data was captured in the field setting. According to Martins *et al.* (1996:122), primary data is obtained through qualitative and quantitative methods. Qualitative research methods intend to gather in-depth, detailed information through methods such as in-depth interviews, projective techniques and focus groups (Welman *et al.,* 2005:188). Quantitative research methods focus on gathering a large amount of information through surveys such as mail, telephone and personal interviews. Qualitative methods are more unstructured, flexible and diagnostic than quantitative methods, and aim to obtain information from respondents in an indirect manner. These methods are useful in exploratory research and are appropriate for hypotheses generation (Du Plessis & Rousseau, 2005:28).

Quantitative methods are systematic and structured, and aimed at obtaining information from respondents in a direct, open manner. Results obtained from these methods are easily quantifiable and have a potentially high degree of accuracy. These methods are often used for testing hypotheses (Du Plessis & Rousseau, 2005:22). The primary advantage of quantitative methods is that a great amount of data can be collected about the individual respondent at one point in time. These methods are also very versatile, because they can be applied in virtually any setting and can be adapted for almost any research objective (Barrie & Furnham, 1992:20; Martins, Loubser & Van Wyk, 1996:140 and Jarboe, 1999:51).

Section 5.6.1 will explain the quantitative method used in the study.

5.6.1 QUANTITATIVE METHOD: SURVEY

There are many different survey methods, such as personal interviews, telephone interviews and mail surveys. Personal interviews involve some level of face-to-face contact between the interviewer and the respondents. Based on the means of contacting respondents as well as the level of interviewer involvement, several types of personal interview methods can be distinguished: door-to-door interviews, executive interviews, shopping centre intercepts, purchase intercept techniques, omnibus surveys and self-administrated interviews. For the purpose of this study, the self-administrated interview method was used. In the self-administrated interview method, no interviewer is involved in completing the self-administrated questionnaire (Aaker, Kumar & Day, 2005:179 -181).

Tustin *et al.* (2005:184) define a self-administrated questionnaire (refer to Section 5.7) as a traditional paper questionnaire used for surveys. Self-administrated surveys allow respondents to complete the questionnaires themselves. Data collection through such written communication requires respondents to record their response to the research questions in writing. Although this method reduces cost as no interviewers are needed, there are some disadvantages, such as a high non-response rate, respondents not understanding some questions, and no interviewers present to clarify. Preventative measures were followed to minimise the problems associated with self-administrated questionnaires by ensuring that lecturers acted as interviewers and that they were in class to assist, provide clarification and motivate students (respondents) to complete the questionnaires. Punch (2003:42) suggests that researchers must strive for a response rate of at least 60 percent. The response rate of this study was 83 percent, as 1241 of the 1500 questionnaires were completed and returned. There was control over who completed the questionnaires, as the designated lecturers at each institution acted as fieldworkers. Because no mailing was involved, no up-to-date mailing list was needed and results were obtained relatively fast, as questionnaires were handed in directly after completion in class. The survey was less impersonal than a mail survey, as the lecturers were present to explain the research procedure and to provide assistance in case of any problems. This method of data collection was used as it is relatively fast, cheap, convenient, and easy to process and the response rate is usually high.

The data collection instrument, namely a questionnaire, which was used in the self-administrated interview, will be explained in detail in the section below in Step 7 of the research process.

5.7   DESIGN OF THE DATA COLLECTION INSTRUMENT (STEP 7)

McDaniel and Gates (2001:289) define a questionnaire as a set of questions designed to generate the data necessary to accomplish the objectives of the research project. It is guided by the research questions and serves as a data collection tool (Punch, 2003:30). A questionnaire provides standardisation and uniformity in the data gathering process. It standardises the wording and sequence of questions and ensures that every respondent sees and hears the same words, and every interviewer asks identical questions. It can therefore be seen as a control device. According to Webb (2002:89), a questionnaire is designed for four purposes:

- To maximise the accuracy and relevancy of information to be obtained;
- To maximise the participation of relevant elements in the sample;
- To facilitate the gathering of information; and
- To meet research objectives.

Keeping the above-mentioned in mind, the questionnaire was developed based on two existing questionnaires.

5.7.1   DEVELOPING THE QUESTIONNAIRE

According to Hoyt and Brown (2003:3), higher education institutions may develop their own in-house surveys or use a standardised instrument. The Admitted Student Questionnaire (ASQ) and Cooperative Institutional Research Programme Freshmen Survey (CIRP) were used to compile the measurement instrument for this study.

5.7.1.1 The Admitted Student Questionnaire

The Admitted Student Questionnaire (ASQ) admitted students to tell institutions what they really think of their programmes, recruitment literature, financial aid packages, competition, the institution's image and characteristics. The ASQ provides accurate information for detailed market research and data analysis (College Board, 2005). The ASQ questionnaire consists of 92 questions and is very popular internationally, as it enables institutions to find out what students think about their specific higher education institution in general as well as about specific aspects of the university experience, both academically and recreational. The advantage of using the ASQ is that it is cost-effective, convenient, accurate and effective (College Board, 2005). The added advantage is that institutions can customise the ASQ by adding their own characteristics or choice factors. The ASQ questionnaire can also be integrated with enrolment planning services, recruitment planning and financial aid programmes (College Board, 2005).

The importance of the institutional characteristics in the ASQ is measured with a 3-point Likert scale (very important, somewhat important and not important). The majority of the factors influencing student decision-making measured in the ASQ were used in Section A of the questionnaire for this study. The corresponding question of the questionnaire used for this study, is indicated in brackets. Some of the factors were however combined in one question in the instances where pre-testing revealed that students perceived them as being almost identical. The 20 institutional characteristics (choice factors) in the ASQ are listed below.

- Quality of faculty (Question 1.2);
- Quality of majors of interest to you (Question 1.2);
- Overall academic reputation (Question 1.15);
- Quality of academic facilities (Question 1.3);
- Variety of courses (Question 1.1);
- Cost (Question 1.5);
- Prominent intercollegiate athletics (Question 1.7);
- Quality of social life (Question 1.8);

- Surroundings (Question 1.10);

- Part of the country in which the college is located (Question 1.6);

- Attractiveness of campus (Question 1.9);

- Quality of on-campus housing (Question 1.11);

- Chance to be with students from different backgrounds (Question 1.19);

- Ease of getting home (Question 1.6);

- Athletic programmes in which students would like to participate (Question 1.7);

- Access to faculty (Question 1.4);

- Availability of extracurricular activities (not used);

- Access to off-campus culture and recreational opportunities (not used);

- Availability of religious activities (not used); and

- Concentration on undergraduate education (not used).

Various university characteristics/choice factors were not included and used for the purposes of this study. The choice factor "concentration on undergraduate education" was not included in the survey as the higher education institutions that participated in this study anyway focus on undergraduate education, thus making it irrelevant to include. Another factor namely "religious activities" were also not included due to its sensitive nature as well as its limited relevance for this study. The factors "availability of extracurricular activities" and "off-campus culture" were also not included due to the length constraints of the questionnaire.

Also included in the ASQ are questions on the importance of other people's opinions in making a college choice, such as parents (Question 2.6), guidance counsellors (Question 2.7), high school teachers (Question 2.7), friends (Question 2.8), graduate and professional schools (Question 3.8), and potential for future employers (Question 1.21). All of the above-mentioned were questions used in either Section A or Section B of the questionnaire, as indicated in brackets.

The quality of information made available to students compared to other institutions is also rated in the ASQ on a 5-point Likert scale and include sources such as (the corresponding question of the questionnaire used for this study is indicated in brackets):

- Visits by admission staff to the high school (Question 3.1);

- College publications (Question 3.2);

- Communication about financial aid (Question 3.2);

- College websites (Question 3.3);

- Electronic communication (Question 3.3);

- Campus visits (Question 3.4);

- On-campus admission interview (Question 3.4);

- Contact with colleges after you were admitted (Question 3.4);

- Contact with faculty from the college (Question 3.4);

- Contact with students who attend the college (Question 3.5);

- Contact with graduates of the college (Question 3.8);

- College sponsored meetings in students' home area (not used);

- Contact with coaches (not used); and

- College's video or CD-ROMs (not used).

The majority of information sources used in the ASQ were used to develop Section B of the questionnaire used in this study. Some sources of the ASQ were combined after pre-testing indicated that South African students perceived some sources as being the same. The remaining sources such as videos and CD ROMs, college sponsored meetings in students' home area and contact with coaches are not really used by the South African higher education institutions that participated in this study and were therefore not included.

The remainder of the ASQ questionnaire deals with the image of the institution (Question 1.23), other institutions students applied for as well as college cost and financial aid (not in the scope of this study). The ASQ final section obtains information on socio-demographics such as:

- Gender (Question 3);

- Ethnic orientation (Question 5);

- Distance from college to students' homes (Question 8);

- Resident of the state in which the higher education institution attended is located (Question 9);

- Average grade in high school (Question 10);

- Type of high school attended (not included); and

- Income of parents (not included).

All the socio-demographic questions of the ASQ were included in Section C of the questionnaire used for this study, except the type of school attended and income of parents. The latter was not relevant to the study and sensitive by nature and the type of school attended did not fall within the scope of this study.

Goebel and Simonetta (2005) criticised the ASQ and advised institutions not to use the ASQ as their only recruitment and marketing research tool. They state that the biggest flaw is that it is a mail survey and therefore response rates and biases, respondent screening, questionnaire integrity, and sponsor identity problems may occur. However, they still state that it can be of good use especially for longitudinal analysis to measure how perceptions and behaviour of students may change over time. This study however used the ASQ as a self-administered survey and not as a mail survey and therefore prevented the possible errors stipulated by Goebel and Simonetta.

5.7.1.2   The Cooperative Institutional Research Program (CIRP)

The Cooperative Institutional Research Program (CIRP) assist all stakeholders in higher education research in understanding the interest values, attitude and self-reported abilities of incoming first year students. Information from the CIRP aids institutions in decision-making, assessment activities, accreditation activities and the development and assessment of an institution's educational programme. The student profile provided by CIRP can be used by various departments of the institution to communicate, guide and modify student recruitment material and academic and support programmes (Randall, 2001). The CIRP is a national longitudinal study of the

American higher education system. Established in 1966, CIRP is America's largest and oldest empirical study of higher education, involving data on 1 800 institutions and over 11 million students. It is regarded as the most comprehensive source of information on college students (Donta, 2005). The four page questionnaire, containing 40 questions, covers a broad array of issues and themes listed below:

- Socio-demographics, such as gender, age, language, average grade in high school, year graduated, resident of the state in which the higher education institution is located, distance from college to students' home and type of high school attended, income of parents and parents' occupations. As the majority of socio-demographic questions overlapped with the ASQ, only age (Question 4) and language (Question 7) were added from the CIRP to Section C of the questionnaire. Due to the fact that six higher education institutions participated in the study, Question 6 was added to identify the different higher education institutions;
- Expectations of college (not in scope of study);
- High school experiences (not in scope of study);
- Degree goals and career plans (not in scope of study);
- College finances (not in scope of study);
- Attitudes, values, life goals (not in scope of study); and
- Reasons for attending a specific college.

The last section of the CIRP, which measures the importance of different reasons influencing the decision-making process, was of special importance, since this is relevant to the study at hand and is measured with a 3-item Likert scale (very important, somewhat important and not important). It included the following factors:

- My relatives wanted me to come here (Question 1.13);
- My parents wanted me to come (Question 1.12 / Question 2.6);
- My teacher advised me (Question 2.7);
- This college has a good reputation for its social activities (Question 1.8);
- I was offered financial assistance (Question 1.16);
- The cost of attending this college (Question 1.5);

- High school counsellor advised me (Question 2.7);

- I wanted to live near home (Question 1.6);

- Financial aid not offered by first choice (not included in the study);

- This college's graduates get good jobs (Question 1.21);

- This college's graduates gain admission into top graduate schools (not included in the study);

- I was attracted by the religious orientation of the college (not included in the study);

- I wanted to go to a school about this size (not included);

- Rankings in national magazines (Question 2.11);

- Information from a website (Question 2.3); and

- A visit to the campus (Question 2.4).

These reasons were included in Section A (Question 1) and Section B (Question 2) of the questionnaire, as indicated in brackets.

As indicated in the above-mentioned discussion of the ASQ and CIRP, the majority of choice factors and the sources of information and socio-demographics of the questionnaire for this study were based on these two questionnaires. As the ASQ especially make provision for institutions to add additional choice factors, the following factors were added, based on findings from other studies: safety and security (refer to Section 4.8), international links (refer to Section 4.8), language polices (Section 2.3.3) and flexible study mode (Section 2.3.3). Section B comprised of the information sources identified in the above discussion from the ASQ and CIRP, as well as advertisements on radio, television, magazine and campus events. These additional sources were identified by other studies (refer to Section 4.7.1) and confirmed in the pre-testing of the questionnaire as being used by students. It was also decided to make use of a 5-point Likert scale instead of a 3-point Likert scale for uniformity, as some components such as information sources in the ASQ were measured with a 5-point Likert scale. A further benefit of a 5-point Likert scale is that it provides a higher level of intensity and thus provides a finer measurement.

After the basic questions were formulated, special attention was given to the lay-out of the questionnaire as well as the different types of questions.

5.7.2   QUESTIONNAIRE LAY-OUT AND QUESTION TYPES

Lamb *et al*. (2004:262) state that by arranging the questions logically and observing other sequencing rules, the researcher enhances the standard of the interview, helps the interviewer and induces a logical flow through the questions. The following principles were followed in the design of the questionnaire for this study:

- The first question was easy and interesting to motivate the respondent to react;
- A logical sequence of questions was used;
- Sensitive questions, questions on embarrassing subjects, and demographics were positioned close to the end of the questionnaire; and
- It was ensured that a structured answer to a question does not provide respondents with the answer to other questions.

The criteria specified to ensure a good questionnaire were also applied in the study and are discussed below (Baker, 1999:162).

- It should provide the necessary decision-making information.
  Any questionnaire that fails to provide important insight for management in decision-making information should be disregarded or revised. In this study, questions were grouped under three sections: higher education institution characteristics, information sources and personal profile. This ensured that the necessary information was obtained to reach the objectives of the study and to enable higher education institutions to make the correct decisions regarding the student market.

- It should fit the respondents' requirements.
  When designing the questionnaire, the researcher must consider the topic, the type of respondent, interviewing environment and length of the interview to ensure that respondents will give their cooperation. In this study, pre-testing of

the questionnaire was used and the necessary changes implemented to ensure that the respondents' requirements were met.

- It should meet editing, coding and data processing requirements.

  The questionnaire was assigned codes before distribution and thoroughly discussed with the data capturer and statistical analyst to ensure that all the requirements were met.

According to Schmidt and Hollensen (2006:151), two types of questions can be distinguished. The first type is open response or structured questions with unstructured responses, which allow the respondent to give his/her own answer in his/her own way. Webb (2002:99) points out that this type of question forces the respondent to think, which is ideal in situations where all possible answers to a given question are not known. But they elicit much irrelevant information, lengthen the fieldwork and make coding and processing more difficult as well as confusing the students; therefore they were used to a lesser extent in the questionnaire. Open-ended questions were only used in instances where respondents wanted to indicate "other" responses that were not specified in the question and to indicate their age in years.

The second type of questions is close-ended or structured questions with structured responses. Questions of this type have various possible answers from which the respondent has to pick one or more (Martins *et al.,* 1996:221). Included in this category are dichotomous, multiple choice, closed-ended questions with single or multiple answers, as well as scaled questions. According to Jarboe (1999:70), the advantages are the same regardless of the type of closed response format used. Such questions are easier to answer, require less effort by the researcher and make tabulation and analysis easier. The answers of these questions are also directly comparable from one respondent to another and therefore mainly closed response format questions were used in the study.

The three sections of the questionnaire and the different questions of each section will be explained below.

5.7.3 SECTIONS OF THE QUESTIONNAIRE USED IN THIS STUDY

As mentioned in Section 5.7.1, the ASQ and the CIRP questionnaires were used as the main basis for the questionnaire in this study and adapted to South African students for the purpose of this study. The questionnaire consisted of three sections and each of these sections and questions in the questionnaire will be explained below (Refer to Appendix A for the complete questionnaire).

5.7.3.1 Section A of the questionnaire

Section A consisted of Question 1 and investigated university characteristics/choice factors. Question 1 contained twenty-three variables (V1-V23) and measured the importance of higher education institution characteristics (choice factors) such as:

- Wide choice of subjects/courses;
- Quality of teaching;
- Academic facilities (libraries and laboratories);
- Entry requirements;
- Fees (cost);
- Location of the higher education institutions;
- Sport programmes;
- Social life on campus (Rag, music festivals, campus dances);
- Attractiveness of campus;
- Campus safety and security;
- On-campus housing/hostels;
- Parents went there (tradition);
- Brother/sister went there;
- Friends went there;
- Academic reputation (prestige);
- Financial assistance (bursary and loans);
- Language policy;
- Links with the industry;
- Multi-culturality/diversity;

- International links (study and job opportunities);
- Employment prospects (possible job opportunities);
- Flexible study mode (evening classes and use of computers); and
- The image of higher education institutions.

A 5-point Likert scale was used to measure the 23 identified choice factors. This scale type is a widely used rating scale that requires the respondents to indicate the degree of agreement or disagreement with each of a series of statements about an object (Schmidt & Hollensen, 2006:120). Typically, each scale item has 5 response categories ranging from not important at all, of little importance, moderately important, very important, to extremely important.

Example:

	Not important at all	Of little importance	Moderately important	Very Important	Extremely Important
Factors considered	**1**	**2**	**3**	**4**	**5**
1. Wide choice of subjects/courses	1	2	3	4	5

5.7.3.2 Section B of the questionnaire

Section B of the questionnaire consisted of Question 2 (V24-V35), which measured the usefulness of different information sources such as:

- School visits by higher education institution staff;
- Higher education institution publications (newsletters and brochures);
- Higher education institution website;
- Campus visits and open days;
- Alumni;
- Parents;
- High school teachers;
- Word-of-mouth (friends and other people);

- Advertisements on radio;

- Events on campus (music festivals, Rag, sports events);

- Advertisement in magazines/newspapers; and

- Advertisements on television.

A 5-point Likert scale was used to measure the usefulness of information sources. Each scale item had 5 response categories ranging from very poor, poor, fair, good to excellent. Provision was also made for not applicable to ensure that respondents were not forced to rank an information source that they had not encountered before.

Example:

	Very Poor	Poor	Fair	Good	Excellent	Not Applicable
Usefulness of information sources	**1**	**2**	**3**	**4**	**5**	**0**
1. School visits by university staff	1	2	3	4	5	0
2. University publications (newsletters & brochures)	1	2	3	4	5	0
3. University web site	1	2	3	4	5	0

5.7.3.3 Section C of the questionnaire

Section C of the questionnaire contained Questions 3 to 10 and aimed to measure the socio-demographic details of respondents such as: age, gender, ethnic background, higher education institutions attending, home language, residence of province, proximity of home from higher education institutions and academic standing. In this section, mainly dichotomous and multiple choice questions with single answers were used. Dichotomous questions were used in Question 3 and Question 9 and provided the respondent with only two options to choose from, for example:

Are you a resident of the province in which this higher education institution is located?

Yes	*1*
No	*2*

Multiple choice questions with a single answer were used in Questions 5, 6, 7, 8 and 10.

Example:

Indicate your ethnic background

Black African	*1*
Coloured	*2*
Indian	*3*
Caucasian	*4*
Other	*5*

The questionnaire was pre-tested to uncover possible problem areas before using the instrument to collect data.

5.7.4 VALIDITY AND RELIABILITY OF QUESTIONNAIRE

A good and fair measurement tool must always adhere to the criteria of being reliable and valid. Reliability measures the accuracy and precision of the tool; thus an index that registers the extent to which measured data is free from random error (Cooper & Schindler, 2003:231). Reliability refers to the ability of a scale to produce a consistent result if repeated measurements are taken. For the purpose of determining the reliability of this study, Cronbach alpha testing will be used with a 0.7 cut-off point (Nunnally, 1987). Reliability is a necessary condition for quality measurement, but not sufficient if done alone. Before accepting and using any measure, one must also ensure its validity.

Validity refers to the accuracy of the tool actually measuring what it is supposed to measure and to the extent to which a particular measure is free from systematic and random errors (Diamantopoulos & Schlegelmilch, 2000:33). The questionnaire for the study was developed using choice factors from similar studies and two widely used international instruments (the ASQ and CIRP) as a point of reference and adapted to the South African context. The questionnaire used in this study is appropriate to the research problem and purpose and has been scrutinised by a panel of experts. The questionnaire makes use of categories that will best partition the data for testing hypotheses and showing relationships. The validity of the measurement instrument

used in this study is supported by the above-mentioned subjective arguments and judgments and is referred to as face validity or consensus validity (Aaker *et al.*, 2005:208).

5.7.5 PRE-TESTING THE QUESTIONNAIRE

Pre-testing is a strong recommendation in order to confirm that the considerations and criteria stated in Section 5.7.2 have been correctly implemented and to make adjustments if necessary (Strydom *et al.,* 2000:156). The questionnaire was pre-tested by three focus groups that were conducted in December 2005. The first focus group was conducted at the University of Pretoria consisting of eight Caucasian first year students with an equal amount of male and female students. The second focus group was also conducted at the University of Pretoria and consisted of six Caucasian first year students - four male and two female. The third focus group was conducted at the Tshwane University of Technology's Witbank campus and consisted of ten Black African first year students, of which seven were female and three male. The focus groups were conducted by a moderator and the discussion was relatively structured as choice factors and information sources identified by other studies such as the ASQ and CIRP were used as a base of reference and questioning.

The results obtained in the focus group interviews were used in the refinement of the self-administrated questionnaire. Pre-testing further eliminated the number of "other" responses and ensured that the classification set was not too limited. Pre-testing the questionnaire also ensured that a specific answer could only fit into one cell of a category set; thus be mutually exclusive. Pre-testing the questionnaire also gave the researcher the opportunity to discover how the respondents reacted to the questions, ensure that the language was understandable and meaningful, that there was continuity and flow in the questions, that the respondents understood the questions and were able to complete the questionnaire, and to determine if the questionnaire was not too long and time consuming (Punch, 2003:34). The pre-test indicated that the questionnaire took the average student 10-20 minutes to complete. Students also identified unfamiliar words, abbreviations and instructions. The necessary language changes were made to the questionnaire and clear instructions added to ensure that students would be able to understand and respond to each question in the

questionnaire properly. The necessary changes and improvements were made before fieldwork commenced.

The questionnaire was used to collect the data from the sample. The data collection process will be addressed in the next section as Step 8 in the research process.

5.8   GATHERING DATA (STEP 8)

Gathering data is a two-stage process. First, the sample elements must be selected and secondly information must be gained from those elements (Schmidt & Hollensen, 2006:170). The sample elements refer to the subjects on whom the measurement was undertaken (Cooper & Schindler, 2003:179).

Before the data collection could proceed, permission had to be obtained from the higher education institutions. Six of the eight institutions approached agreed to participate in the study and a designated lecturer at each institution was identified, who acted as a contact person and fieldworker. The researcher gave a brief description of the research project, reasons for conducting the research and timeframe to each fieldworker telephonically. A total of 250 questionnaires were then sent to each institution. The fieldworker at each institution had four weeks to arrange a convenient time to distribute the questionnaires. Written permission (by means of consent forms) was also obtained from each respondent (students) to participate in the study. The front page of the questionnaire contained instructions on how to complete the questionnaire as well as clear instructions at each question. The fieldworker was available for any questions or uncertainties and to ensure that only first year Economic and Management Sciences students completed the questionnaire. After completion, the questionnaires were handed back to the fieldworker, who then sent it back to the researcher. The research was conducted in February, March and April of 2006. These months were chosen because it is in the beginning of the year, and to ensure that the first year students were still relatively uncontaminated and could still remember how they made their selection of a higher education institution the previous year.

After data is collected from respondents, data must be processed. Step 9 in the research process describes the data processing procedures and will be discussed below.

5.9 DATA PROCESSING (STEP 9)

After data has been collected, it has to be processed. This consists of data preparation and data analysis. Both will be described in the subsequent sections.

5.9.1 DATA PREPARATION

Data preparation comprises of editing the data, coding the data, data capturing and data cleaning. These four components will be briefly explained.

5.9.1.1 Editing

Editing ensures that the questionnaire has been filled out properly and completely (McDaniel & Gates, 1998:351). According to Shao (1999:76), editing consists of checking completed questionnaires or other data collection forms for omission, incomplete or otherwise unusable responses, illegibility and obvious inconsistencies. The fieldworkers conducted field editing to check that the majority of questions were completed and that the handwriting of the respondents was legible. Central editing also took place as questionnaires were checked by the researcher and again when capturing the data to ensure that the information was correct, consistent with other information and complete. Emory and Cooper (1995:450) state that incomplete questionnaires will negatively affect the validity of the information collected. Incomplete questionnaires or non-responses can be handled in different ways. First, the respondent can be contacted again, but it was not possible in this study, since completion of the questionnaires were done anonymously. Secondly, the whole questionnaire can be disregarded as it is not useable (known as case-wise deletion). This method is appropriate if it is clear that the respondent either did not understand the survey or was not cooperating. A total of 15 incomplete and unusable questionnaires were eliminated from the study. Just the severe cases were dealt with

in this way, as applying this technique to all missing responses may lead to no valid cases in the data set, because each of them may have at least one missing data response in some variable (StatSoft, 1983-2004). The third option is to throw out only problem questions or the individual questions with non-responses and retain the balance of the questions. This method is known as pair-wise deletion and was used to deal with the remainder of the incomplete questionnaires, where only a few responses were missing. The last alternative is to replace the missing values with the mean value of that variable (Aaker, Kumar, Day & Lawley, 2005:382). This option was not used in this study, as substituting missing data with artificially created average data points may considerably change the values of correlations and decrease the variation of the scores (Statsoft, 1983-2004).

5.9.1.2   Coding

Coding is the assignment of numerals or other symbols to answers to enable the responses to be grouped into a limited number of classes or categories (Cooper & Schindler, 2003:456). Perreault and McCarthy (1996:114) point out that coding is the establishment of meaningful categories for responses collected by means of surveys or other data collection forms, so that the responses can be grouped into useable classifications. Codes can be assigned before or after a research study is completed. Jarboe (1999:78) defines pre-coding as the assignment of codes to the different responses on the questionnaire before the questionnaires are distributed. In this study, pre-coding was used as mainly closed-ended questions, multiple choice questions and scaled questions were used for which answers can be anticipated from the questionnaire. Pre-coding made the completion of data sheets unnecessary as the data was accessible directly from the questionnaire, saving time and money and decreasing the chances of coding errors.

5.9.1.3   Data capturing

Data entry or capturing is the task involved in the direct input of coded data into a software package that will ultimately allow the researcher analyst to manipulate and transform the raw data into useful information (Cant *et al.,* 2003:198). A personal computer was used as a data entry device. The data was entered directly from the

questionnaires. Data captured were entered into a MS Excel spreadsheet by data capturers of the University of Pretoria's Research Support Department. The data capturers checked for errors in the captured data. The researcher also checked the final captured data a second time to ensure that no wild codes or mistakes were made. The necessary changes were made by referring back to the original questionnaires.

5.9.1.4 Data cleaning

Data cleaning is an error checking process conducted after data entry and before data analysis to identify omissions, ambiguities and errors in the responses made during data entry (Diamantopoulos & Schlegelmilch, 2000:40). This could be prevented by not asking ambiguous questions and by pre-testing the questionnaire. Tustin *et al*. (2005:471) state that researchers have to attempt to clear the dataset of possible coding and data capturing errors. Data cleaning was done by making use of wild-code checks to detect codes that are not defined for a particular variable, as well as extreme case checks for responses to a variable that is far from ordinary. This study aimed to avoid mistakes during and immediately after the collection of data by working accurately and with numerous cross-checking.

After the data has been edited, coded, captured and cleaned, it can be analysed and described. The statistical tests used to analyse the data will be discussed in Section 5.9.2 and the results of the data analysis will be described in Chapter 6.

5.9.2 DATA ANALYSIS

Zikmund and D'Amico (2001:142) define analysis as the statistical and qualitative considerations of data gathered by research. The data needs to be analysed to extract the needed information to solve the research problem. In this study, the analysis of the data will be displayed in Chapter 6 by making use of descriptive statistics such as tables and figures, multivariate statistical techniques, hypothesis testing, and Cronbach alpha testing.

The results of the study will be presented using descriptive statistics by ways of frequencies, mean values and standard deviations. The mean measures the frequency

of occurrence and the measure of location, thus the average of the distribution of responses. The average is thus the sum of a set of values divided by their number. The mean is a measure of the central location of the distribution function of the variables and was used to determine the variance and standard deviation of the population. As standard deviation measures the spread of data about the mean, it implies that if the points are close to the mean, the standard deviation is small or low (indicating consistency or agreement) and if the points are far from the mean, the standard deviation is high (indicating inconsistency or difference). Tables and graphs will be used in Chapter 6 to display the descriptive statistics.

Statistical tests that make assumptions about the nature of the population from which the sample is drawn are known as parametric tests (Diamantopoulos & Schlegelmilch, 2000: 141). Data from this study can be classified as ordinal data (age), nominal data (gender, ethnic group and language) as well as interval data (sources of information and choice factors). Table 5.1 provides a summary of the levels of measurement and measurements scales used in this study.

Table 5.1:   Measurement of variables

QUESTION NUMBER	VARIABLE	LEVEL OF MEASUREMENT	SCALE DESIGN
1.1 – 1.23	Higher education institution characteristics (choice factors)	Interval	Likert scale
2.1– 2.12	Source of information	Interval	Likert scale
2.13	Other sources of information	Nominal	Category
3	Gender	Nominal	Category
4	Age	Ordinal	Rank order
5	Ethnic background	Nominal	Category
6	Higher education institution attending	Nominal	Category
7	Home Language	Nominal	Category
8	Distance to higher education institution	Nominal	Category
9	Residence	Nominal	Category
10	Average grade	Nominal	Category

In this study, two tests namely MANOVA and t-test were used to test the hypotheses based on interval data. Firstly, the two-sample t-test was used to compare two groups on a variable measured at interval level. The null hypothesis tested by the two-sample t-test is that the two population means are equal, the alternative hypotheses being that the means are not equal (Diamantopoulos & Schlegelmilch, 2000).

Secondly, multi-analysis of variance (MANOVA) was used to test for differences in the mean values of several dependent variables (Lattin, Carroll & Green, 2003:389). The Wilks' lambda was the test statistic used to assess the overall significance of the MANOVA. Because the multivariate test of MANOVA shows only an overall significant difference, univariate analyses and a Scheffè post hoc test were performed to reveal more specific differences between groups on each of the identified choice factors.

Statistical tests that do not make use of stringent assumptions about the nature of the populations from which the sample data are drawn are known as non-parametric tests or distribution free tests. Cooper and Schindler (2001:495) explain that non-parametric tests are used to test hypotheses with nominal and ordinal data. Non-parametric tests were however not used in this study.

In this study, an MS Excel spreadsheet will be used to transfer the codes from the questionnaires onto the computer and the SAS software programme will be used to analyse the data. As previously mentioned, descriptive statistics and hypothesis testing will be done. For hypothesis testing, the significance level is set at 95 percent (α = 0.05). According to Tustin *et al.* (2005:590), alpha (α) is denoted as the significance level and is used to indicate the risk that the researcher is willing to take in rejecting the true null hypothesis. A summary of the statistical tests used to test the stated hypotheses, as well as the objectives and appropriate questions from the questionnaire, are provided in Table 5.2.

Table 5.2: Objectives, hypotheses, questions and statistical tests

OBJECTIVE	HYPOTHESIS/RESEARCH QUESTION	QUESTIONS	TEST / STATS
Determine the relative importance of each of the choice factors that first year Economic and Management Sciences students used to select a higher education institution.	What is the relative importance of each of the choice factors that first year Economic and Management Sciences students use to select a higher education institution?	Question1: University characteristics considered (choice factors).	Descriptive statistics
Investigate the usefulness of the sources of information considered by first year Economic and Management Sciences students in the selection process as perceived by ethnic groups, gender groups and academic institutions attended.	What is the usefulness of the sources of information considered by first year Economic and Management Sciences students in the selection process as perceived by ethnic groups, gender groups and academic institutions attended?	Question 2: Usefulness of information sources.	Descriptive statistics
Determine whether students from different ethnic backgrounds differ regarding the importance they attach to choice factors when selecting a higher education institution.	H_1 Students from different ethic backgrounds differ regarding the importance they attach to choice factors	Question 5 and Question 1: Ethnic background and choice factors.	MANOVA
Determine whether students with different home languages differ regarding the importance they attach to choice factors when selecting a higher education institution.	H_2 Students speaking different home languages differ regarding the importance they attach to choice factors.	Question 7 and Question 1: Home language and choice factors.	MANOVA
Determine whether there are gender differences regarding the importance students attach to choice factors when selecting a higher education institution.	H_3 Male and female students differ regarding the importance they attach to choice factors.	Question 3 and Question 1: Gender and choice factors.	MANOVA
Determine whether students from different higher education institutions differ regarding the importance they attach to choice factors when selecting a higher education institution.	H_4 Students from different academic institutions differ regarding the importance they attach to choice factors.	Question 6 and Question 1: University attending and choice factors.	MANOVA
Determine if students that live further than seventy kilometres from a higher education institution make more use of campus visits or open days as a source of information than students living close-by.	H_5 Students that live further than seventy kilometres from the higher education institution attach more value to campus visits or open days as a source of information than students living close-by.	Question 8 and Question 2.4: Distance of parents' home from university and campus visits & open days.	Two-sample t-test
Determine if students that are resident in the province in which the higher education institution is located make more use of word-of-mouth as a source of information.	H_6 Students that are residents in the province in which the chosen higher education institution is located, value word-of-mouth (friends and other people) more as a source of information than students from other provinces.	Question 9 and Question 2.8: Residence in province and word-of-mouth.	Two-sample t-test
Determine if students with an average of seventy percent or more in Grade 12 make more use of higher education institutions' websites than students with a lower average in Grade 12.	H_7 Students with a Grade 12 average of seventy percent or more make more use of higher education institutions' websites than students with a lower Grade 12 average	Question 10 and Question 2.2: Grade 12 average and websites.	Two-sample t-test

5.10 SUMMARY

Chapter 5 introduced the empirical component of the study and set the scene for the discussions to follow in Chapter 6 (research findings) and Chapter 7 (recommendations and implications). Chapter 5 described the research process followed in this study. The research problem, research objectives and hypotheses were used to develop a research design. The research design delineated the structure of the investigation in such a way as to reach the objectives and solve the research problem. A sample of first year Economic and Management Science students from six higher education institutions were selected by making use of a non-probability convenience sample. A two-stage data collection process was followed: Firstly, a literature review followed by collecting quantitative data through a self-administrated questionnaire. Fieldwork was done by a designated fieldworker at each of the six institutions and collected over a three month period from February to April 2006. After data collection, the data was prepared by editing, coding, capturing and cleaning the data. The data was then analysed, making use of descriptive statistics and parametric tests. The analysis of the data will be presented in Chapter 6 and the findings in Chapter 7.

CHAPTER 6

RESEARCH RESULTS AND FINDINGS

6.1   INTRODUCTION

In Chapter 6, the empirical data collected during the study will be analysed and reported. The research was executed to achieve the objectives mentioned in Section 1.1 and Section 5.2. This chapter first presents the realised sample compared to the planned sample, thus the response rate for the study. It then provides a socio-demographic profile of the respondents, followed by descriptive analysis of the data. Finally, the reliability and validity of the measurement scale is addressed, whereafter the research objectives and hypothesis testing results are presented.

6.2   RESPONSE RATE

From February to April 2006, questionnaires were distributed to each of the six higher education institutions that participated in the study. The total number of students that completed valid questionnaires as part of the survey was 1241. Table 6.1 depicts the breakdown between the six higher education institutions.

Table 6.1:   Response rate

INSTITUTION	PLANNED SAMPLE	REALISED SAMPLE	RESPONSE RATE
Tshwane University of Technology	250	240	96%
University of Pretoria	250	249	99%
University of Johannesburg	250	196	78%
University of the Free State	250	188	75%
North-West University	250	227	91%
University of KwaZulu Natal	250	141	56%
TOTAL RESPONSES	**1500**	**1241**	**83%**

From Table 6.1, it is clear that the overall response rate for the study was very high (83%), as 1241 of the distributed 1500 questionnaires were completed. As explained in Section 5.9.1.1, the 15 unusable questionnaires were eliminated from the study.

Once the fieldwork had been completed, the questionnaires were edited and coded. The coded data was captured and cleared of possible coding and data capturing errors. Section 6.3 provides an overview of the descriptive analysis of the dataset by reporting the findings of all the sections of the questionnaire.

6.3 DESCRIPTIVE DATA

The tables and figures in this section report the findings of the descriptive statistics undertaken in order to report the responses of all the questions in the questionnaire (refer to Appendix A for the questionnaire). The first section provides a profile of the respondents by reporting the socio-demographic results of Section C in the questionnaire. The second section reports on the results of the importance of different university characteristics or choice factors (Section A of the questionnaire). The final section of the descriptive data highlights the results of Section B of the questionnaire, namely the usefulness of information sources in the institution selection process. All percentages in the descriptive data section are rounded to a full number with no decimals. The missing responses are presented in the figures and tables to indicate respondents who did not answer the particular question (refer to pair-wise deletion, Section 5.9.1.1).

6.3.1 SOCIO-DEMOGRAPHIC PROFILE OF STUDENTS

Section C of the questionnaire (Questions 3 to 10) was devoted to respondents' personal details. This was done to gain insight into the demographic profile of the first year Economic and Management Sciences students of higher education institutions in South Africa. These details included information on gender, age, ethnic background, university attending, home language, distance from parents' homes to university, residents of the province and average grade in Grade 12. The results are presented in the figures and tables below.

Figure 6.1 indicates the gender distribution of the respondents.

Figure 6.1: Gender of respondents

N = 1217 (24 missing responses)
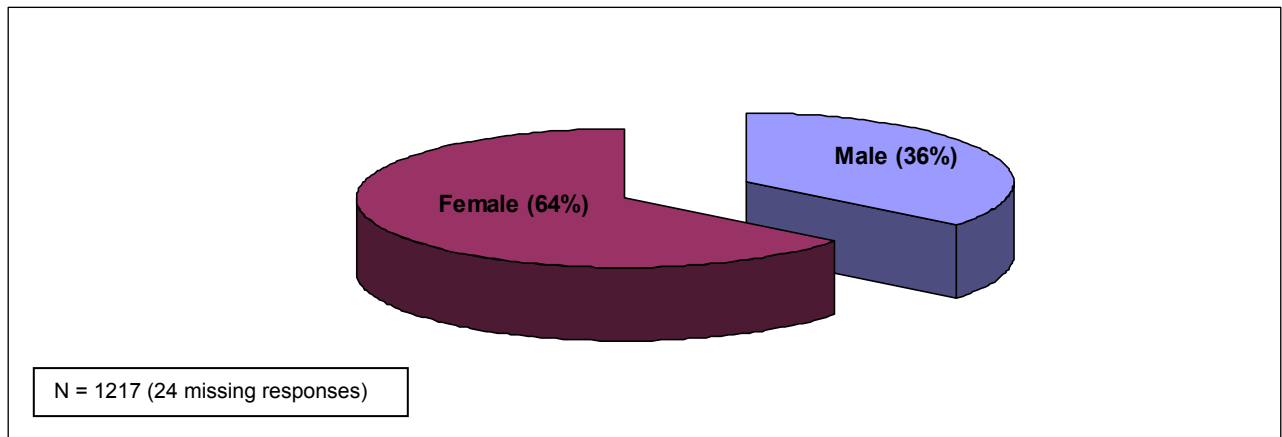
Figure 6.1 indicates that of the 1217 respondents, 36 percent (434) were male and 64 percent (783) female. More females may have participated in the study due to:

- A general higher class attendance by female students;
- Higher education institutions increasing female enrolments in an attempt to achieve gender equity; or
- More female students enrolled in the field of Economic and Management Sciences.

The age distribution of respondents, Question 4 in the questionnaire, is presented in Figure 6.2.

Figure 6.2: Age of respondents

N = 1213 (28 missing responses)
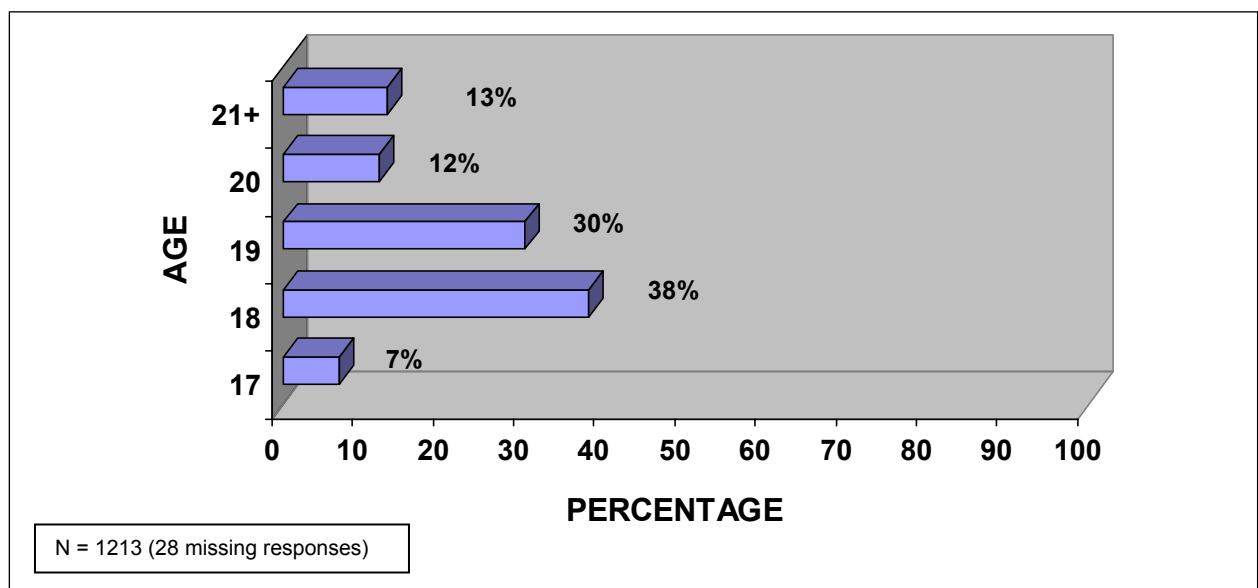
From Figure 6.2, it is evident that the majority of the respondents (75%) were younger than 20 years. The large percentage of students between the ages of 17 to 19 years correlates with a typical sample of first year students.

Figure 6.3 reflects the ethnic orientation of respondents (Question 5 in the questionnaire).

Figure 6.3:   Ethnic orientation
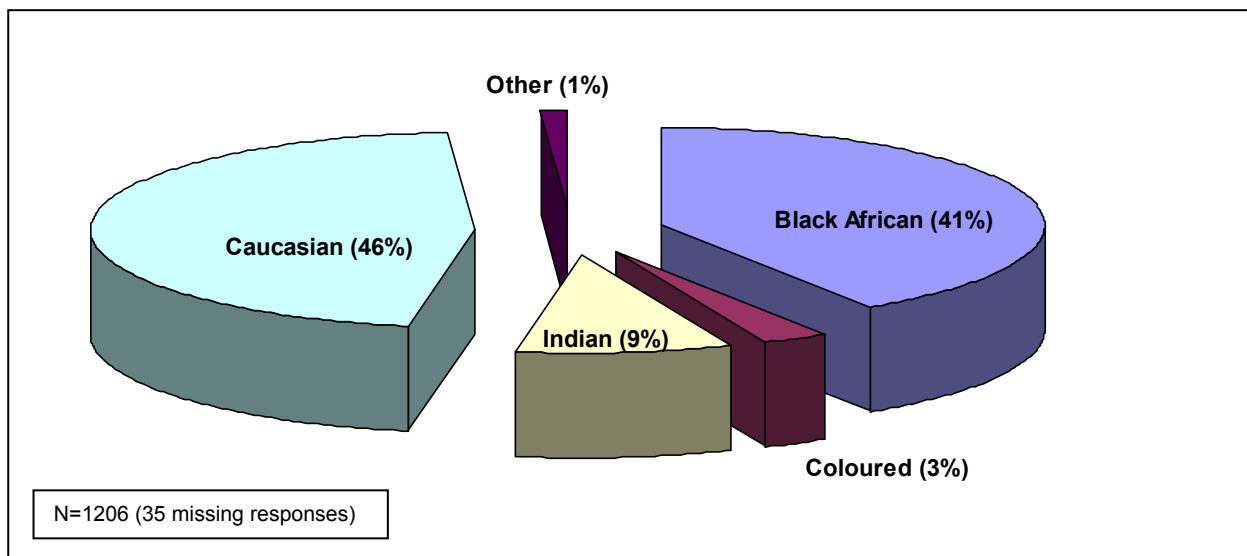
Figure 6.3 indicates that 46 percent (558) of the 1206 respondents were Caucasian, 41 percent (493) Black African, 9 percent (108) Indian, 3 percent (34) Coloured and 1 percent (13) of other ethnic groups. The majority of students were from the Caucasian and Black African ethnic groups. For the purpose of further statistical testing, a decision was made to collapse responses from the Indian, Coloured and other ethnic groups into one group namely "Other", as the small sample of each individual group would not allow for proper group comparisons during further statistical analyses.

The higher education institutions that respondents attended are reflected in Figure 6.4.

Figure 6.4: Higher education institution attended
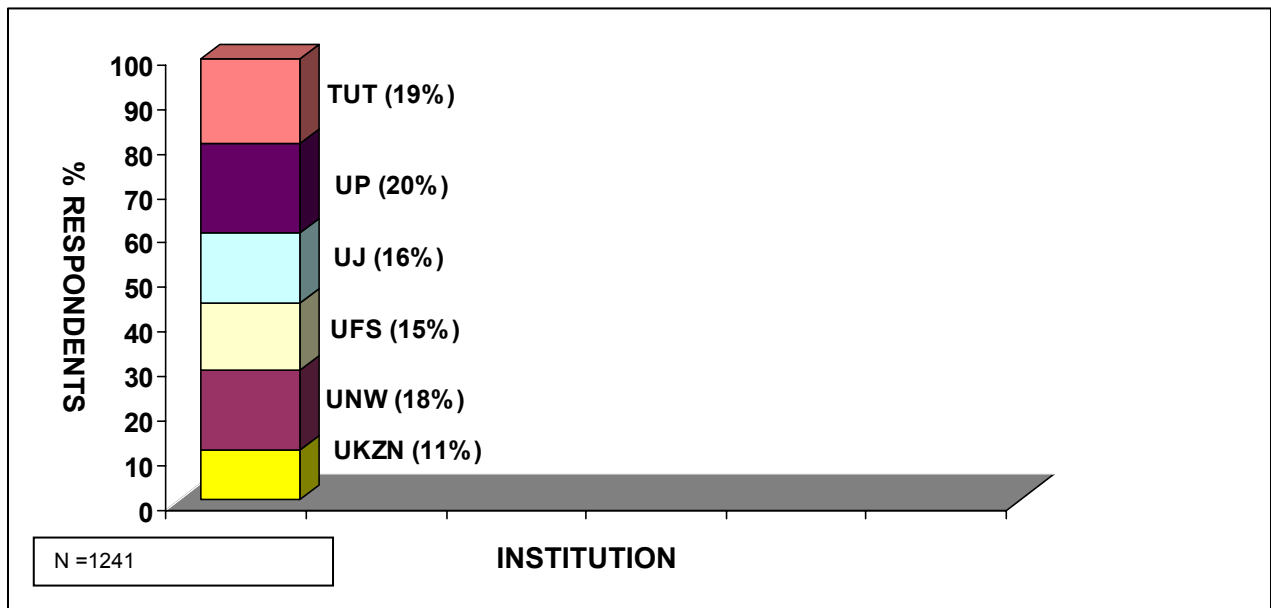
From Figure 6.4, it is evident that 21 percent (249) of the respondents were enrolled at the University of Pretoria (UP), 19 percent (227) at the Tshwane University of Technology-Witbank campus (TUT), 18 percent (227) at the University of North-West (UNW), 16 percent (196) at the University of Johannesburg (UJ), 15 percent (188) at the University of the Free State (UFS), and 11 percent (141) at the University of KwaZulu Natal (UKZN). Although each university received the same number of questionnaires (250), due to the convenience sampling method used, the sample sizes at the various institutions differ slightly.

The eleven official languages of South Africa were listed in Question 7 and respondents were asked to indicate their home language. Table 6.2 indicates the home language of respondents.

Table 6.2: Home Language

Language	Frequency	Percentage
Afrikaans	470	38
English	254	21
N-Sotho	101	8
S-Sotho	48	4
Ndebele	16	1
Tswana	47	4
Zulu	169	14
Venda	16	1
Tsonga	14	1
Swazi	36	3
Xhosa	39	3
Other	22	2
TOTAL	**1232**	**100**

* Missing responses = 9

Table 6.2 shows that Afrikaans, English and Zulu were the three most prominent home languages and that the majority (38%) of the respondents' home language was Afrikaans.

The proximity of students' permanent family home to the higher education institution that they were attending, was investigated in Question 8 and the findings are reported in Table 6.3.

Table 6.3: Proximity of permanent family home from the higher education institution

Distance	Frequency	Percentage
10 or less km	228	19
11-30 km	258	21
31-70 km	202	16
More than 70 km	543	44
TOTAL	**1231**	**100**

* Missing responses = 10

From Table 6.3, it can be concluded that the majority of respondents' permanent family homes (56%) were less than seventy kilometres from the institution they were attending. This could be due to urbanisation or the fact that students selected a higher education institution close to their home to avoid unnecessary cost of residence accommodation and travelling. For further statistical testing, two groups, "living further than 70 kilometres" and "living 70 kilometres or less from the higher education institution" were created by collapsing the "10 or less km", "11-30 km" and "31-70 km"

into one group, labelled as the "70 kilometres or less" group. These groups were formed based on the spread of data to ensure equal cell sizes for statistical comparisons.

Question 9 of the questionnaire investigated if respondents were residents in the province of the institutions they were attending. The findings are presented in Figure 6.5.

Figure 6.5:   Residents of the province in which the higher education institution is located

N = 1225 (16 missing responses)
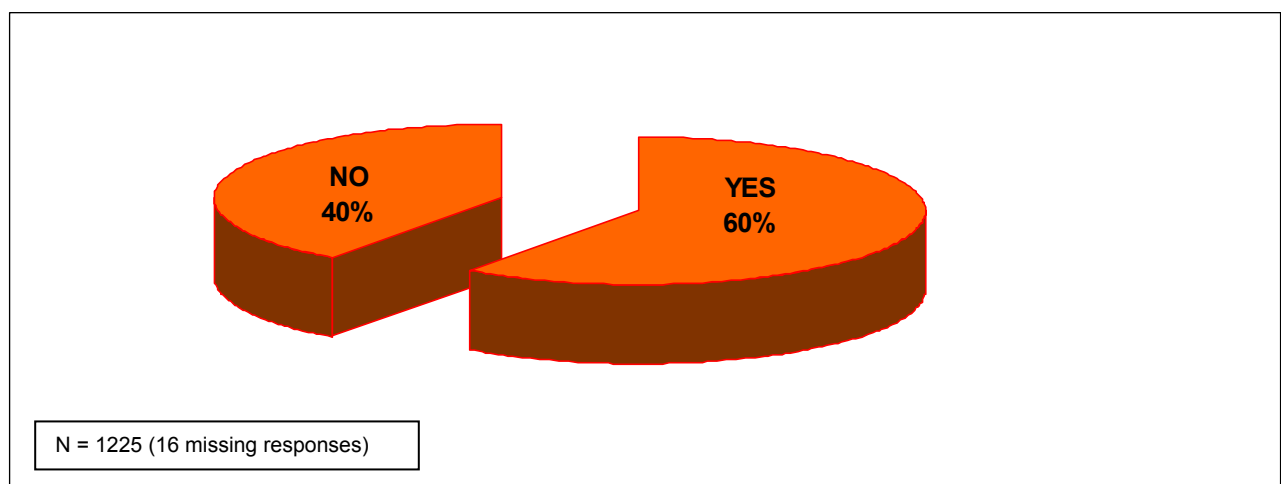
Figure 6.5 illustrates that the majority of the respondents (60%) were residents in the province of the institution they were attending.

The last question of Section C of the questionnaire investigated the academic standing of respondents based on their final Grade 12 average, and the results are presented in Figure 6.6.

Figure 6.6: Academic ability

A bar chart titled with y-axis "PERCENTAGE" (0 to 100) and x-axis "AVERAGE GRADE" showing: 80% or more = 20%, 70 - 79% = 33%, 60 - 69% = 38%, 59% or lower = 9%. N = 1229 (12 missing responses)
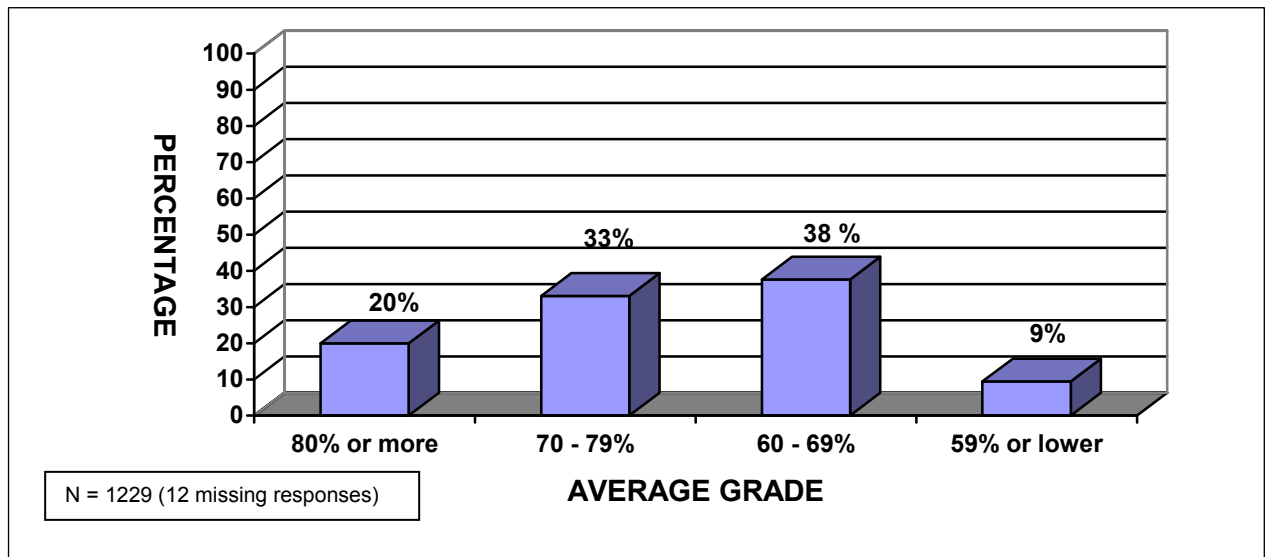
A few remarks on the above-mentioned percentages:

- More than half (53%) of the respondents had an average of 70 percent and higher, of which 20 percent of the respondents had an average grade of 80 percent or more.

- A total of 47 percent of the respondents had an average of less than 70 percent in Grade 12.

- Only 9 percent of the respondents had an average grade of less than 60 percent in their final Grade 12 exam. This low percentage may be due to the high admission requirements for most higher education institutions.

The next two sections of the descriptive analysis focus on the remaining questions in the questionnaire. Section 6.3.2 highlights the results of the importance of the 23 university characteristics/choice factors resulting from Section A (Question 1), while Section 6.3.3 presents the results of the usefulness of information sources, Section B (Question 2) of the questionnaire.

6.3.2 THE RELATIVE IMPORTANCE OF UNIVERSITY CHARACTERISTICS OR CHOICE FACTORS

Section A, Question 1 of the questionnaire dealt with the relative importance students attached to different university characteristics, mainly referred to as choice factors in this study. Respondents indicated the relative importance of each choice factor on a 5-point Likert scale ranging from not important to extremely important. For the discussion of the importance of choice factors, reference will be made to mean values and the corresponding level of importance (1 = not important at all, 2 = of little importance, 3 = moderately important, 4 = very important and 5 = extremely important). The mean, standard deviation and number of responses for each choice factor (variable) are depicted in Table 6.4.

Table 6.4: **The importance of different university characteristics (choice factors)**

University characteristic (choice factor)	Percentage of respondents in each cell					Number of respondents (N)	Mean	Standard Deviation
	Not important	Of little importance	Moderately important	Very important	Extremely important			
	1	2	3	4	5			
Wide choice of subjects/courses	3.89	5.84	18.33	33.17	38.77	1233	3.97	1.07
Quality of teaching	0.97	1.46	7.87	25.32	64.37	1232	4.51	0.78
Academic facilities	2.85	3.02	12.07	34.42	47.63	1226	4.21	0.97
Entry requirements	4.71	4.96	26.48	38.42	25.43	1231	3.75	1.04
Fees	6.34	8.61	25.43	27.86	31.76	1231	3.70	1.18
Location of university	7.87	9.33	22.30	26.85	33.66	1233	3.69	1.24
Sport programmes	22.39	21.82	30.21	15.07	10.50	1228	2.69	1.26
Social life on campus	16.26	15.70	25.40	20.31	22.33	1236	3.17	1.37
Attractiveness of campus	6.75	11.63	27.89	31.46	22.28	1230	3.51	1.15
Campus safety and security	2.35	2.84	11.11	26.85	56.85	1233	4.33	0.95
On campus housing	24.82	10.30	17.60	22.63	24.66	1233	3.12	1.52

Table 6.4   (continues)

University Characteristic (choice factor)	Percentage of respondents in each cell					Number of respondents (N)	Mean	Standard Deviation
	Not important	Of little importance	Moderately important	Very important	Extremely important			
	1	2	3	4	5			
Parents went there	58.35	15.57	15.32	6.19	4.56	1227	1.83	1.17
Brother/Sister went there	55.95	14.57	15.79	8.18	5.51	1235	1.93	1.24
Friends went there	38.34	17.47	22.91	13.81	7.47	1231	2.35	1.31
Academic reputation	3.75	4.56	18.57	35.59	37.54	1228	3.99	1.04
Financial assistance	12.37	7.40	16.35	26.12	37.75	1229	3.69	1.36
Language policy	6.00	3.73	16.30	27.66	46.31	1233	4.05	1.15
Links with the industry	4.47	7.80	28.05	31.95	27.72	1230	3.71	1.09
Multi-culturality	9.72	12.88	31.12	25.12	21.15	1234	3.35	1.22
International links	3.40	5.02	11.67	29.82	50.08	1234	4.18	1.05
Employment prospects	1.37	2.10	7.35	28.51	60.66	1238	4.45	0.83
Flexible study mode	3.57	5.35	16.38	34.55	40.15	1233	4.02	1.05
Image of university	3.55	4.52	16.87	34.06	41.00	1239	4.04	1.04

From Table 6.4, the following can be highlighted:

- Quality of teaching was indicated as the most important choice factor, as 64 percent of the respondents indicated it as extremely important. It has a very low standard deviation (0.78), indicating that most respondents had a high agreement on the importance of this item;

- The fact that respondent's parents attended the university, was indicated as not important at all by 58 percent of the respondents;

- Students attached the lowest importance to the fact that their parents and/or brothers/sisters attended a specific institution, as well as the fact that their friends attended the institution; and

- Responses differed the most with regard to the importance of on-campus housing/hostels, as the standard deviation is the highest (1.52) followed by social

life on campus with a standard deviation of 1.37. As standard deviation measures the spread of data about the mean, it implies that if the points are close to the mean, the standard deviation is small or low (indicating consistency or agreement) and if the points are far from the mean, the standard deviation is high or large (indicating inconsistency or differences). The high standard deviations thus suggest that there is a wider spread in the data, suggesting that there is not high agreement on these items. The high standard deviation might also be possible due to different responses from residence versus non-residence students.

The final section of the descriptive analysis presents the results of Section B, Question 2. The results pertain to the usefulness of different information sources as perceived by the respondents.

6.3.3   USEFULNESS OF INFORMATION SOURCES

Students rely on information they obtain about a higher education institution before they select an institution. Section B, Question 2 in the questionnaire, investigated the usefulness of different information sources on a 5-point Likert scale ranging from very poor to excellent. In the discussion of the usefulness of information sources, reference will be made to the mean values and corresponding usefulness (1 = very poor, 2 = poor, 3 = fair, 4 = good and 5 = excellent). Table 6.5 highlights the mean, standard deviation and number of responses for each information source.

Table 6.5:   Usefulness of information sources

| Information source | Percentage of respondents in each cell | | | | | | Number of respondents (N) | Mean | Standard deviation |
| | * Not Applicable | Very Poor | Poor | Fair | Good | Excellent | | | |
	0	1	2	3	4	5			
School visits	21.00	8.12	7.38	18.54	26.58	18.38	1219	2.77	1.80
University publications	5.41	2.38	5.74	23.63	37.98	24.86	1219	3.61	1.28
University website	14.11	2.28	4.24	19.33	34.26	25.77	1226	3.35	1.63
Campus visits & open days	11.73	3.09	3.99	15.72	35.02	30.46	1228	3.51	1.59
Alumni	11.16	3.94	6.23	29.29	34.62	14.77	1219	3.17	1.46
Parents	13.37	5.62	7.74	30.32	28.93	14.02	1225	3.08	1.50
High school teachers	11.27	5.55	8.65	30.04	27.84	16.65	1087	3.47	1.09
Word-of-mouth	4.25	3.68	5.39	26.14	38.97	21.57	1224	3.57	1.23
Advertisements on radio	20.15	10.03	17.86	22.59	16.39	12.97	1226	2.44	1.66
Events on campus	17.32	7.35	8.74	21.00	25.00	20.59	1224	2.91	1.73
Advertise-ments in magazines/ newspaper	14.58	7.65	13.03	26.38	25.41	12.95	1228	2.79	1.57
Advertise-ments on TV	29.21	17.43	18.09	17.27	11.78	6.22	1222	1.84	1.59
Other	77.98	3.44	2.69	6.12	6.12	6.65	931	0.70	1.45

* Not applicable responses were eliminated from the data set for further analysis

The following can be deducted from Table 6.5:

- University publications were the most useful source of information with the highest mean of 3.61, followed by word-of-mouth with a mean of 3.57;

- The least useful source of information, except for the "other" sources category, was advertisements on television and radio;

- Responses for the usefulness of school visits by university staff differed the most, with a standard deviation of 1.80, suggesting that respondents had a low level of agreement on the usefulness of this information source;

- Campus visits and open days were rated by 30 percent of the respondents as excellent, followed by university websites, which was rated by 26 percent of the respondents as excellent;

- Almost 60 percent of the respondents rated the usefulness of university websites as good or excellent, suggesting that students had access to the Internet;

- A high percentage of respondents indicated school visits, and radio and television advertising as not being applicable, indicating that some of the higher education institutions are not currently making use of this medium to reach students.

- Although friends (word-of-mouth) were indicated by 60 percent of respondents as a good to excellent source of information, respondents did not necessarily choose an institution because their friends studied there (refer to Table 6.4);

- Compared to other reference groups such as friends or high school teachers, parents received the lowest percentage rating (13%) as an excellent source of information;

- High school teachers had the lowest standard deviation (1.09), indicating that most respondents had a high level of agreement on the usefulness of this information source.

- Almost 22 percent of students rated the usefulness of other sources. They did not however specify the other sources, although an opportunity was provided on the questionnaire to write down any other sources used.

The next section focuses on the reliability and validity of the measurement instrument.

6.4 RELIABILITY AND VALIDITY OF THE MEASURING INSTRUMENT

The level of measurement for the choice factors were interval data using a Likert scale. Such a measurement scale should be reliable and valid as discussed in Chapter 5. By calculating the Cronbach's alpha value of the choice factors, the researcher could determine the internal consistency reliability (Cronbach, 1951:298). Cronbach's alpha measures how well a set of items (variables) measure a single unidimensional latent construct. The widely accepted social science cut-off is that alpha should be 0.70 or higher, although some authors are as lenient as 0.60, especially for an exploratory

study (Nunnaly, 1978; Streiner and Norman, 2003). The higher the Cronbach alpha score, the more reliable the scale, thus the closer the Cronbach alpha coefficient is to one, the greater the internal consistency of the items in the scale (Gliem and Gliem, 2003:87). If the Cronbach alpha is greater than 0.70, it indicates that all the items in the scale tap into the same underlying construct. The Cronbach alpha reliability coefficient for the choice factors scale (Section A of the questionnaire) as a whole was 0.8509, indicating that the scale as a whole has acceptable internal consistency reliability and no items were deleted.

The questionnaire for the study was developed using choice factors from similar studies (refer to Section 5.7.1.2) and two widely used international instruments, the ASQ and CIRP, as a point of reference, which was then adapted to the South African context. The questionnaire used in this study was appropriate to the research problem and purpose and had been scrutinised by a panel of experts during November 2005 – February 2006, to evaluate whether the scale items in the questionnaires adequately covered the domain of choice factors. Thus, the content validity of the questionnaire was addressed.

Section 6.5 will highlight the findings of the study by showing the results of the research objectives and hypotheses testing.

6.5   RESEARCH OBJECTIVES AND HYPOTHESES RESULTS

The hypotheses flowed from the research objectives and literature review (refer to Chapter 1 and Chapter 5). The process of formulating the seven hypotheses for the study was as follows: Firstly, the null and alternative hypotheses were formulated. Next, the circumstances under which the null hypothesis would or could not be rejected was specified by choosing a level of significance. For the purpose of testing hypotheses in this study, the significance level for all hypotheses were set at a 5 percent significance level ($\alpha=0.05$). Then an appropriate statistical test was chosen. Finally, the values of the statistical test were calculated, the test results interpreted and a decision made to reject or not reject the null hypotheses.

Hypotheses 1, 2, 3 and 4 can be classified as non-directional hypotheses concerning the differences between two or more groups – these differences will be highlighted in Sections 6.5.1 to 6.5.4. The statistical test used for the afore-mentioned hypotheses was the MANOVA, which assesses the differences between groups collectively rather than individually, using univariate tests. The objective of MANOVA is to test for differences in the mean values of several dependent variables (Lattin *et al.,* 2003:389). Before a MANOVA test can be conducted, three assumptions about the nature of the data need to be addressed: the observations must be independent, the set of dependent variables must follow a multivariate normal distribution, and the variance-covariance matrices must be equal for all treatment groups (Hair *et al.,* 1998:347). Because violations of these assumptions have little impact on larger sample sizes (Tabachnick and Fidell, 2001:329; Hair *et al.*, 1998:349), as was the case in the current study with a sample size of 1241, it was decided to continue with the MANOVA, despite its violations of the assumptions.

The Wilks' lambda was the test statistic used to assess the overall significance of the MANOVA, as the Wilks' lambda is one of the tests that is most immune to violations of the assumptions underlying MANOVA without compromising on power (Hair *et al.*, 1988:35). The Wilks' lambda value indicates a significant difference ($p<0.05$) or no significant difference ($p>0.05$). If there is a significant difference, the null hypothesis is rejected, as there is support for the alternative hypothesis. If there is no significant difference, the null hypothesis is accepted, as there is no support for the alternative hypothesis.

Because the multivariate test of MANOVA shows only an overall significant difference and does not pinpoint where a significant Wilks' lambda result was found, it was followed by univariate analyses, where Scheffè *post hoc* tests were performed to reveal more specific differences between groups on each of the identified choice factors. Therefore, where a significant Wilks' lambda result was found, it was followed by a one-way analysis of variance (ANOVA). In the case of more than two groups, Scheffè *post hoc* tests were also conducted to reveal the groups that differed from one another. Significant results are indicated in bold print in the different tables.

Hypotheses 5, 6 and 7 involved comparisons between the mean scores of two independent groups and therefore t-tests were used. Two assumptions underlie the t-test (Diamantopoulos and Schlegelmilch, 2000:185). Firstly, the equality of variance assumption needs to be tested by using a Levene F-test for variability. If the F-test is significant, the t-test assuming unequal variance, also known as the separated variance t-test, is used. If the F-test is not significant, the t-test assuming equal variance, also known as the pooled variance t-test, will be used. The second assumption that needs to be tested is the assumption of normality. Fortunately, these tests are robust to violations of the normality assumption, especially if both groups are large (n>30) and more or less equal in size as is the case with the large sample (1241) of this study and the groups being more or less equal in size (StatSoft, 1983-2004).

For the remainder of Chapter 6, the objectives will be discussed in chronological order with the related hypotheses where applicable.

6.5.1   RESEARCH OBJECTIVE 1

Determine the relative importance of each of the 23 identified choice factors that first year Economic and Management Sciences students use to select a higher education institution.

Due to the changing higher education landscape (refer to Chapter 2), institutions are forced to become more market-oriented and it is essential that institutions know which factors students use to select an institution (refer to Chapter 4). It is also important to know which choice factors are more important than others, as resources are often limited and institutions cannot deliver on all the factors. Higher education institutions must also try and obtain a competitive advantage by focusing on the most important choice factors. Therefore, this study aimed to determine the relative importance of the choice factors that first year Economic and Management Sciences students use to select a higher education institution. The results reflecting the answer to the research question (refer to Question 1 of questionnaire) are depicted in Table 6.6.

Table 6.6:   Order of importance of choice factors

ORDER OF IMPORTANCE	VARIABLE NO	VARIABLE DESCRIPTION	MEAN
1	V 2	Quality of teaching	4.51
2	V 21	Employment prospects (possible job opportunities	4.45
3	V 10	Campus safety and security	4.33
4	V 3	Academic facilities (libraries & laboratories)	4.21
5	V 20	International links (study & job opportunities)	4.18
6	V 17	Language policy	4.05
7	V 23	Image of higher education institutions	4.04
8	V 22	Flexible study mode (evening classes & use of computers)	4.02
9	V 15	Academic reputation (prestige)	3.99
10	V 1	Wide choice of subjects/courses	3.97
11	V 4	Entry requirements	3.75
12	V 18	Links with the industry	3.71
13	V 5	Fees (cost)	3.70
14	V 16	Financial assistance (bursary & loans)	3.69
15	V 6	Location of higher education institutions	3.69
16	V 9	Attractiveness of campus	3.51
17	V 19	Multi-culturality/ diversity	3.35
18	V 8	Social life on campus (Rag, music festivals, campus dances)	3.17
19	V 11	On-campus housing / hostels	3.12
20	V 7	Sport programmes	2.69
21	V 14	Friends went there	2.35
22	V 13	Brother/sister went there	1.93
23	V 12	Parents went there (tradition)	1.83

From Table 6.6, it is evident that choice factors differ in their importance. Some of the differences are discussed below.

- The top ten choice factors respondents regarded as important in the selection of a higher education institution were: quality of teaching, employment prospects (possible job opportunities), campus safety and security, academic facilities (libraries and laboratories), international links (study and job opportunities), language policy, image of higher education institution, flexible study mode (evening classes and use of computers), academic reputation (prestige), and a wide choice of subjects/courses.

- Quality of teaching and employment prospects seem to play a very important role in students' decisions to choose an institution, as these variables had very high mean values and a low standard deviation (refer to Table 6.4), indicating that most respondents had a high level of agreement on the importance of this item.

- Respondents attached a very low importance to the fact that their family members (brothers, sisters or parents) attended a certain institution.

- Respondents attached a higher importance on academic aspects such as quality of teaching (mean = 4.5), facilities (mean = 4.2) and reputation (mean = 4.0) than on social factors such as social life (mean = 3.1) and sport programmes (mean = 2.7).

- Academic reputation was only ranked number nine out of 23 choice factors, which is in contrast with the study of Cosser and Du Toit (2002:95) and Coetzee and Liebenberg (2004:72), who found that reputation is the most important factor influencing decisions about an institution for choice of study. Another conflicting result is the importance of sporting facilities as a choice factor, which only ranked twentieth out of 23 choice factors, while Cosser and Du Toit (2002:95) and Coetzee and Liebenberg (2004:72) irrespectively found it to rank third and fourth. However, the fact that parents or relatives studied at the institution were ranked last in this study, echoes the findings of Coetzee and Liebenberg (2004:72), where it also ranked the lowest.

- Interesting is that although fees (cost) were indicated as relatively important (mean value = 3.7), it only ranked thirteenth on the list of 23 choice factors.

Thus, the above-discussed results answers the research question: What is the relative importance of each of the choice factors that first year Economic and Management Sciences students use to select a higher education institution?

6.5.2 RESEARCH OBJECTIVE 2

Investigate the usefulness of the sources of information considered by first year Economic and Management Sciences students as perceived by ethnic groups, gender groups and academic institutions attended.

In order to reach prospective students in their search for information when selecting a higher education institution, it is imperative that institutions make the necessary information available using appropriate sources to reach these students (refer to Chapter 4). It was therefore decided to investigate the usefulness of different information sources considered by first year Economic and Management Sciences students in the selection process as perceived by ethnic groups, gender groups and higher education institutions attended, to enable institutions to ensure an effective and efficient communication strategy.

Table 6.7 indicates the ranking of the information sources based on their mean values and will serve as a general indicator of which information sources in general are more useful than others. Table 6.8, Table 6.9 and Table 6.10 contain the usefulness of information sources as perceived by ethnic, gender and institutional groups.

Table 6.7: **The usefulness of information sources ranked in descending order by mean value**

ORDER OF IMPORTANCE	VARIABLE	DESCRIPTION	MEAN
1	V32	Campus visits & open days	3.97
2	V31	University websites	3.90
3	V30	University publications (newsletters & brochures)	3.82
4	V36	Word-of-mouth (friends & other people)	3.72
5	V33	Alumni	3.56
6	V38	Events on campus (music festivals, Rag, sports events	3.52
7	V29	School visits by university staff	3.50
8	V35	High school teachers	3.47
9	V34	Parents	3.44
10	V39	Advertisement in magazines / newspapers	3.27
11	V37	Advertisements on radio	3.06
12	V40	Advertisements on TV	2.59

As noted in Table 6.5, the non-applicable responses were not included in further data analysis; therefore the differences in the mean values between Table 6.5 and Table 6.7.

It is apparent from Table 6.7 that all the information sources investigated were useful to some extent to students. Below are some comments on Table 6.7.

- Campus visits and open days were the most useful information source, followed by websites and university publications. Interesting to note is that the top three information sources are all university related sources and it may be an indication that students prefer to receive information directly from the institution.

- The low ranking of high school teachers (eighth out of 12 information sources) may be due to the fact that not all schools have a designated guidance teacher, which could result in information not shared to learners at schools.

- Even though websites may be seen as a relatively new medium, respondents have indicated it as being very useful (mean=3.9).

- Respondents viewed advertisements on radio, in magazines/newspapers and on television as the least useful of the information sources investigated in the study. It is important to note that all these sources are marketing tools directed at the masses and part of mass media related information sources.

- Information sources directly linked to higher education institutions or sources that are more personal, such as reference groups, seem to be more useful to students than information from mass media.

For the discussion in the next three sections (Tables 6.8 to 6.10), the 12 information sources investigated were divided into three groups: **university related information sources** consisting of school visits, publications, websites and campus visits/open days; **reference group related information sources** consisting of alumni, parents, high school teachers and word-of-mouth; and **mass media related information sources** consisting of advertisements on radio and television and in magazines/newspapers, and campus events. The purpose of the discussion in Sections 6.5.2.1 to 6.5.2.3 is to identify trends – please note that no significant tests were conducted – and thus only provide a starting point to understand possible differences or similarities in the responses.

6.5.2.1 Usefulness of university related information sources

Table 6.8 indicates the percentages of respondents according to gender, ethnic and institutional group, and their rating of the usefulness of university related information sources such as school visits, open day/campus visits, websites and publications.

Table 6.8:   Usefulness of university related information sources

Usefulness of information source	Gender		Ethnicity				Higher Education Institution					
	Male	Female	Black African	Col	Indian	Caucasian	TUT	UP	UJ	UFS	UNW	UKZN
School visits												
Very poor	15.23	7.38	12.31	19.23	17.50	5.97	10.76	8.42	17.48	6.62	2.91	23.30
Poor	9.77	8.56	10.51	15.38	16.25	7.00	7.59	11.88	9.79	9.93	2.91	18.45
Fair	22.99	23.49	21.32	23.08	20.00	26.54	17.09	30.69	22.38	27.81	22.82	15.53
Good	31.32	35.40	28.53	26.92	28.75	38.48	28.48	30.69	33.57	30.46	45.15	29.13
Excellent	20.69	25.17	27.33	15.38	17.50	22.02	36.08	18.32	16.78	25.17	26.21	13.59
University publications												
Very poor	2.71	2.48	2.96	0.00	5.71	1.51	1.92	0.84	6.11	1.74	0.00	6.67
Poor	7.64	4.82	4.33	3.23	13.33	5.27	2.88	7.14	7.22	4.65	4.09	12.59
Fair	27.34	23.83	19.13	25.81	31.43	28.81	18.27	31.51	25.56	26.16	19.55	30.37
Good	38.42	40.91	38.95	58.06	28.57	43.31	39.90	38.24	36.11	41.28	52.27	28.15
Excellent	23.89	27.96	34.62	12.90	20.95	21.09	37.02	22.27	25.00	26.16	24.09	22.22
Website												
Very poor	3.63	1.86	4.57	0.00	3.96	0.98	4.51	2.08	2.79	1.19	0.98	6.20
Poor	6.48	4.04	3.76	10.71	9.90	4.30	6.77	5.00	3.35	3.57	2.94	10.08
Fair	22.80	22.20	19.35	14.29	26.73	24.61	20.30	22.50	20.67	22.62	21.57	28.68
Good	39.90	40.22	32.80	60.71	41.58	44.53	30.83	45.00	40.22	38.10	44.12	34.88
Excellent	27.20	31.68	39.52	14.29	17.82	25.59	37.59	25.42	32.96	34.52	30.39	20.16
Campus visits and open days												
Very poor	5.13	2.53	5.35	3.57	4.00	1.58	5.73	1.72	3.39	4.58	0.99	6.30
Poor	5.38	3.87	4.38	14.29	8.00	3.56	3.65	4.31	3.39	7.19	0.49	11.02
Fair	18.72	17.29	17.03	14.29	27.00	16.44	12.50	18.97	20.90	24.84	8.37	25.98
Good	41.03	38.15	37.23	39.29	37.00	42.77	40.10	43.10	36.72	39.87	39.41	37.01
Excellent	29.74	38.15	36.01	28.57	24.00	35.64	38.02	31.90	35.59	23.53	50.74	19.69

When one investigates gender and the usefulness of university related information sources, Table 6.8 shows that female students tend to rate the usefulness of school visits, university publications, websites and campus visits higher than their male counterparts.

The data from Table 6.8 makes several suggestions with regard to ethnicity and the usefulness of university related information sources.

- Black African and Caucasian students tend to rate the usefulness of school visits much higher than Indian and Coloured students. Almost 35 percent of Coloured students rated school visits as poor to very poor.

- Black African and Coloured students tend to rate the usefulness of university publications and websites much higher than Caucasian or Indian students.

- Caucasian students tend to find campus visits and open days very useful, as almost 79 percent rated its usefulness as good or excellent, followed by 73 percent of the Black African students.

- Indian students tend to rank all four university related information sources lower than the other ethnic groups.

Table 6.8 also shows interesting results about the usefulness of university related information sources and the different higher education institutions.

- Students from UNW, UFS and TUT tend to rate the usefulness of school visits and university publications higher than the other universities. Almost 36 percent of TUT students rated the usefulness of school visits as excellent. The biggest difference seems to be between the students from UNW and UKZN, as only 6 percent of UNW students rated it as poor or very poor, while 44 percent of the students of UKZN rated the usefulness of school visits as poor or very poor. Almost 37 percent of the students of TUT rated the usefulness of university publications as excellent compared to the 22 percent of UKZN and UP students.

- Students of UNW rated websites' usefulness the highest, followed by students from UJ, UFS, UP, TUT and UKZN.

- UNW students tend to be very positive towards campus visits and open days, as 51 percent of the students rated its usefulness as excellent, while an overwhelming 90 percent rated it as good or excellent.

- UKZN students rated the usefulness of university related information sources lower in all situations as opposed to the respondents of other higher education institutions.

6.5.2.2 Usefulness of reference group related information sources

The usefulness of sources such as alumni, parents, word-of-mouth and high school teachers were grouped together as reference group related information sources and the results are depicted in Table 6.9.

Table 6.9:   Usefulness of reference group related information sources

Usefulness of information source	Gender		Ethnicity				Higher Education Institution					
	Male	Female	Black A	Col	Indian	Caucasian	TUT	UP	UJ	UFS	UNW	UKZN
Alumni												
Very poor	6.63	3.29	5.24	7.69	7.69	3.17	6.00	5.09	3.95	2.96	1.92	7.96
Poor	7.65	6.14	7.38	7.69	10.99	5.74	5.50	9.26	9.04	5.33	2.88	12.39
Fair	34.18	32.63	34.05	38.46	35.16	32.28	35.00	36.11	32.77	34.32	23.08	39.82
Good	35.20	40.87	34.76	30.77	32.97	43.37	28.00	37.50	44.63	39.05	51.92	28.32
Excellent	16.33	17.07	18.57	15.38	13.19	15.45	25.50	12.04	9.60	18.34	20.19	11.50
Parents												
Very poor	9.40	4.87	9.30	7.41	6.25	3.61	7.94	5.70	9.36	4.43	3.55	9.17
Poor	9.14	8.83	9.55	14.81	12.50	7.83	11.64	7.89	9.36	6.69	7.11	11.67
Fair	34.73	35.01	27.89	51.85	33.33	39.96	21.69	35.96	44.44	39.87	36.04	32.50
Good	33.42	33.33	31.66	22.22	36.46	35.34	31.22	35.09	26.90	32.91	38.07	35.83
Excellent	13.32	17.96	21.61	3.70	11.46	13.25	27.51	15.35	9.94	15.82	15.23	10.83
High school teachers												
Very poor	8.85	4.85	7.67	7.14	2.97	4.82	6.06	6.61	6.75	5.63	4.93	6.98
Poor	13.02	7.93	9.11	14.29	9.90	10.44	9.09	12.33	10.00	11.25	6.90	8.53
Fair	36.72	32.60	23.74	21.43	37.62	42.17	18.69	37.44	31.18	38.13	42.86	34.88
Good	28.13	32.60	32.61	42.86	31.68	30.32	28.28	29.07	39.41	29.37	32.02	31.01
Excellent	13.28	22.03	26.86	14.29	17.82	12.25	37.88	14.54	11.76	15.63	13.30	18.60
Word-of-mouth												
Very poor	5.33	2.85	6.11	3.33	4.72	1.69	5.16	2.50	3.72	4.49	1.36	7.52
Poor	6.54	5.28	6.99	10.00	6.60	3.94	5.63	6.67	6.91	5.62	1.82	8.27
Fair	27.36	27.51	25.11	40.00	32.08	27.39	24.41	28.75	26.60	29.21	24.09	33.08
Good	40.19	40.65	35.59	23.33	33.96	46.90	36.56	40.83	39.36	41.57	49.55	31.58
Excellent	20.58	23.71	26.20	23.33	22.64	20.08	27.23	21.25	23.40	19.10	23.18	19.55

From Table 6.9 it is evident that there tends to be differences between gender groups in terms of the usefulness of information sources, as females rated all four reference group related sources (parents, teachers, word-of-mouth and alumni) higher than their male counterparts.

Some deductions regarding ethnicity and the usefulness of reference group related information sources can be made, as summarised in Table 6.9.

- Black African students tend to view reference group related information sources as much more useful than the other ethnic groups.

- There seems to be differences between ethnic groups in terms of the usefulness of parents as a source of information, as only 26 percent Coloured students rated parents as a good or excellent source, while 53 percent Black African students and 48 percent Caucasian students rated it as good or excellent.

- If compared on the percentage of respondents rating alumni and word-of-mouth as good to excellent sources of information, Caucasian and Black African students tend to feel more positive towards the usefulness of alumni and word-of-mouth than Indian and Coloured students. Word-of-mouth are viewed the least useful by Coloured students.

- Black African and Coloured students differ from Indian and Caucasian students, as they rated high school teachers higher than the other two groups. Almost 58 percent Black African and 56 percent Coloured students rated high school teachers' usefulness as good or excellent compared to 48 percent Indian and 42 percent Caucasian students.

Table 6.9 further shows that in terms of higher education institutions:

- There tends to be a difference between students from UKZN and UNW regarding the usefulness of alumni, as 72 percent of the UNW students and only 39 percent of the UKZN students rated it as a good or excellent source of information;

- Students from UKZN rated the usefulness of parents the lowest of all six universities, with 21 percent of their students rating it as a poor or very poor source, while only 11 percent of UFS and UNW students rated it as poor or very poor;

- The usefulness of high school teachers was rated much higher by TUT students and students from UJ than the other universities; and

- UNW had the highest percentage (72%) of students rating the usefulness of word-of-mouth as good or excellent, compared to only 50 percent of the UKZN students.

6.5.2.3 Usefulness of mass media related information sources

The usefulness of television advertisements, magazine/newspaper advertisements, radio advertisements and campus events were grouped together as mass media related information sources. The results are shown in Table 6.10.

Table 6.10: Usefulness of mass media related information sources

Usefulness of information source	Gender		Ethnicity				Higher Education Institution					
	Male	Female	Black A	Col	Indian	Caucasian	TUT	UP	UJ	UFS	UNW	UKZN
Advertisement on radio												
Very poor	13.70	11.99	15.99	6.67	16.47	8.99	10.84	14.29	14.91	11.95	5.52	21.10
Poor	25.07	20.58	18.43	16.67	31.76	24.34	13.25	32.51	25.47	16.35	17.13	30.28
Fair	26.53	29.34	24.66	26.67	27.06	31.08	24.10	27.59	22.98	28.93	36.46	29.36
Good	20.41	21.07	20.60	26.67	12.94	21.93	18.07	14.29	26.09	25.16	25.41	12.84
Excellent	14.29	17.02	20.33	23.33	11.76	12.94	33.73	11.33	10.56	17.61	15.47	6.42
Campus events												
Very poor	10.19	8.08	13.61	11.11	17.05	3.21	13.67	6.06	8.88	6.75	2.02	24.11
Poor	12.12	9.03	13.06	11.11	26.14	6.01	15.11	7.79	11.83	10.43	3.03	22.32
Fair	25.62	25.67	24.17	33.33	25.00	25.85	25.90	25.11	28.99	26.38	22.73	23.21
Good	26.17	32.33	28.89	29.63	14.77	34.27	23.74	34.20	31.36	33.74	33.33	17.86
Excellent	25.90	24.88	20.28	14.81	17.05	30.66	21.58	26.84	18.93	22.70	38.89	12.50
Magazines/ newspapers advertisement												
Very poor	10.60	8.19	12.85	13.33	10.75	4.5	10.47	7.27	10.56	7.88	2.55	19.83
Poor	15.22	15.17	11.34	16.67	29.03	15.75	10.47	22.73	12.22	11.52	11.22	25.00
Fair	33.70	29.59	22.67	30.00	24.73	38.65	18.60	36.36	34.44	27.27	37.24	27.59
Good	26.09	31.11	31.49	30.00	22.58	30.06	30.81	27.27	28.89	36.36	34.18	17.24
Excellent	14.40	15.93	21.66	10.00	12.90	11.04	29.65	6.36	13.89	16.97	14.80	10.34
Television advertisement												
Very poor	28.80	21.85	26.50	20.83	26.92	22.36	22.83	30.05	24.20	25.76	11.59	37.25
Poor	26.27	25.05	22.08	29.17	32.05	26.54	17.32	34.43	26.75	27.27	17.07	29.41
Fair	22.47	25.99	20.19	20.83	23.08	28.01	22.83	18.03	19.75	28.03	37.20	19.61
Good	13.29	18.27	18.93	20.83	7.69	16.95	15.75	14.75	21.66	13.64	22.56	7.84
Excellent	9.18	8.85	12.30	8.33	10.26	6.14	21.26	2.73	7.64	5.30	11.59	5.88

Below are some remarks pertaining to higher education institutions and mass media related information sources.

- Students from different higher education institutions tend to differ in their perceptions of the usefulness of radio advertisements, campus visits, magazine advertisements and television advertisements.

- An overwhelming 46 percent of the UP students and 51 percent of the UKZN students found radio's usability to be poor or very poor, while only 23 percent of

the TUT students and 22 percent of the UNW students rated it as poor or very poor.

- Students from UNW tend to prefer campus events more than students from other institutions, as 72 percent of their students rated its usefulness as good or excellent, compared to only 29 percent of UKZN and 44 percent of TUT.

- There tends to be a difference between especially UKZN and UNW concerning magazine advertisements, as 45 percent of UKZN students rated its usefulness as poor to very poor, compared to only 13 percent of UNW students.

- The rating of the usefulness of television advertisements tends to differ according to institutions, as 21 percent of the TUT students rated it as an excellent information source compared to 11 percent of UNW, 7 percent of UJ, 6 percent of UKZN and 3 percent of UP students.

The following deductions can be made from Table 6.10 concerning ethnicity and the usefulness of mass media related information sources:

- Radio and television advertisements were rated useful by more Black African and Coloured students, while the Indian and Caucasian students did not find it very useful;

- There tends to be a difference in the usefulness of campus events and ethnicity, as 43 percent of Indian students found its usefulness as poor to very poor as opposed to only 9 percent Caucasian students who rated it as poor to very poor; and

- Black Africans rated magazine advertisements more useful than the other three ethnic groups, with Indian students providing the lowest rating.

Table 6.10 shows that there seem to be differences between males and females and their perceptions of the usefulness of mass media related information sources, with more females rating all four mass media sources more useful than their male counterparts.

Thus, the above-discussed tables addressed the research question: What is the usefulness of the sources of information considered by first year Economic and Management Sciences students in the selection process as perceived by ethnic groups, gender groups and academic institutions attended?

6.5.3   RESEARCH OBJECTIVE 3

Determine whether students from different ethnic backgrounds differ regarding the importance they attach to choice factors when selecting a higher education institution.

Previous studies (refer to Section 5.3.1 and Section 4.5.1) suggested possible differences in the importance different ethnic groups attach to choice factors. Due to these findings and the multi-cultural composition of students in South Africa, it is important for higher education institutions to determine whether students from different ethnic backgrounds differ regarding the importance they attach to choice factors when selecting a higher education institution. The results could be used to adapt or change institutions' marketing and communication strategies aimed at different ethnic groups. It was therefore hypothesised that:

H_1:   **Students from different ethnic backgrounds differ regarding the importance they attach to choice factors.**

The above-mentioned hypothesis involves a comparison between three ethnic groups, namely "Caucasian", "Black African" and "Other" on a construct labelled as "choice factors". As mentioned previously, due to the limited number of respondents in the Indian, Coloured and other categories, these groups were combined into one group and labelled as "other". As also previously mentioned (in Section 5.6), MANOVA testing was used to test Hypothesis 1. The means values of the three ethnic groups and the MANOVA results of the hypothesis test are shown in Table 6.11.

Table 6.11:   Mean values and MANOVA results for different ethnic groups

CHOICE FACTORS	Black African	Other	Caucasian	Univariate Analyses	F value	p-value
Wide choice of subjects/courses (V1)	4.05	4.01	3.90	0.0890		
Quality of teaching (V2)	4.41 [a]	4.58 [b]	4.60 [a]	**0.0009**		
Academic facilities (V3)	4.15 [b]	4.46 [a b]	4.21 [a]	**0.0030**		
Entry requirements (V4)	3.86 [b]	3.92 [a]	3.62 [a b]	**0.0002**		
Fees (V5)	3.73 [a]	4.03 [a b]	3.58 [b]	**0.0002**		
Location of university (V6)	3.55 [a b]	3.95 [a]	3.76 [b]	**0.0011**		
Sport programmes (V7)	2.43 [a b]	2.76 [b]	2.95 [a]	**0.0000**		
Social life on campus (V8)	2.69 [a]	3.07 [a]	3.67 [a]	**0.0000**		
Attractiveness of campus (V9)	3.30 [a]	3.55 [b]	3.68 [a]	**0.0000**		
Campus safety and security (V10)	4.34	4.47	4.33	0.2480		
On-campus housing (V11)	3.05 [a]	2.33 [a]	3.48 [a]	**0.0000**		
Parents went there (V12)	1.83 [b]	1.55 [a b]	1.89 [a]	**0.0069**		
Brother/Sister went there (V13)	1.89 [b]	1.67 [a]	1.99 [a]	**0.0210**		
Friends went there (V14)	2.09 [a]	1.99 [b]	2.60 [a b]	**0.0000**		
Academic reputation (V15)	4.03	4.09	3.97	0.3904		
Financial assistance (V16)	3.78	3.77	3.65	0.3713		
Language policy (V17)	3.94 [a]	4.04 [b]	4.17 [a]	**0.0110**		
Links with the industry (V18)	3.86 [a]	3.83 [b]	3.57 [a b]	**0.0001**		
Multi-culturality (V19)	3.66 [b]	3.72 [a]	2.97 [a b]	**0.0000**		
International links (V20)	4.23	4.19	4.18	0.7330		
Employment prospects (V21)	4.49	4.50	4.40	0.1769		
Flexible study mode (V22)	4.10	4.12	3.96	0.0540		
Image of university (V23)	3.99	4.16	4.07	0.2031		
Wilks' lambda					11.85	**0.000**

The results of the Scheffé *post hoc* tests are indicated with [a] and/or [b]. All mean values containing the same letters (for example, [a]) indicate that the groups differ significantly from one another. All mean values containing different letters (for example, [a] or [b]) indicate that these groups do not differ significantly from one another.

The Wilks' lambda value indicates a significant difference (p=0.000) between ethnic groups in terms of the importance they attach to the different choice factors. The null hypothesis was thus rejected, as there is support for H₁. To determine where the differences between the three groups lay, univariate analyses were conducted on the different dependent variables (choice factors). This revealed that the difference between the ethnic groups were evident in the: quality of teaching

(V2), academic facilities (V3), entry requirements (V4), fees (V5), location of university (V6), sport programmes (V7), social life on campus (V8), attractiveness of campus (V9), on-campus housing (V11), parents went there (V12), brother/sister went there (V13), friends went there (V14), language policy (V17), links with the industry (V18), and multi-culturality (V19).

Scheffè *post hoc* tests were conducted to determine where the differences lie between the various groups and the respective mean values are indicated below:

- Caucasian students regard quality of teaching (mean value of 4.60 versus 4.41), campus attractiveness (mean value of 3.68 versus 3.30) and an institution's language policy (mean value of 4.17 versus 3.94) as more important than Black African students.

- Academic facilities as well as university fees are more important to other ethnic groups than Caucasian or Black African students.

- Caucasian students attach a lower importance to entry requirements, links with the industry and a multi-cultural institution, than Black African students or students from the other ethnic group.

- Black African students differ significantly from Caucasian and the other ethnic group students in terms of the lower importance attached to the location of a university.

- Caucasian students and students from the other ethnic groups differ significantly from Black African students, as they regard sport programmes and the location of an institution as more important.

- Students from all three ethnic groups differ significantly from each other in terms of social life on campus, with Caucasian students having the highest mean score (3.67) and Black African students the lowest mean score (2.69). All three groups also differ significantly in terms of on-campus housing, with Caucasian students attaching the highest importance (mean value of 3.48) and students from other ethnic groups attaching the lowest importance (mean value of 2.33) to on-campus accommodation.

- The fact that their brother/sister as well as their parents and friends attended an institution was the most important for Caucasian students.

6.5.4 RESEARCH OBJECTIVE 4

Determine whether students with different home languages differ regarding the importance they attach to choice factors when selecting a higher education institution.

Language is related to ethnic groups and as mentioned in Section 6.5.3, literature suggests differences between ethnic groups and the importance of choice factors. The assumption can thus be made that possible differences can be expected between different language groups as well. It was therefore decided to determine whether students with different home languages differ regarding the importance they attach to choice factors when selecting a higher education institution and Hypothesis 2 was formulated as follows:

H_2: **Students speaking different home languages differ regarding the importance they attach to choice factors.**

The above-mentioned hypothesis involves the comparison between three groups and because the multivariate test of MANOVA shows only an overall significant difference, univariate analyses and Scheffè *post hoc* tests were also performed to reveal more specific differences between groups on each of the identified choice factors. To simplify the results for statistical testing and analysis, a decision was made to collapse the responses for all nine African languages into one group namely, "African languages". Due to the small size of the respondents indicating other home languages (2%), this group was not included in further statistical analyses. The mean values for the three language groups and the MANOVA results of the hypothesis test, univariate analysis and *post hoc* comparisons are set out in Table 6.12.

Table 6.12:   Mean values and MANOVA results for different language groups

CHOICE FACTORS	African	Afrikaans	English	Univariate Analyses	F value	p-value
Wide choice of subjects/courses (V1)	4.06	3.94	3.92	0.1430		
Quality of teaching (V2)	4.41 [a]	4.63 [a]	4.51 [b]	**0.0002**		
Academic facilities (V3)	4.16 [a]	4.21 [b]	4.35 [a]	**0.0488**		
Entry requirements (V4)	3.84	3.68	3.71	0.0787		
Fees (V5)	3.72	3.68	3.68	0.8657		
Location of university (V6)	3.55 [a b]	3.77 [a]	3.83 [b]	**0.0050**		
Sport programmes (V7)	2.45 [a b]	2.97 [a]	2.78 [b]	**0.0000**		
Social life on campus (V8)	2.69 [a]	3.74 [a]	3.17 [a]	**0.0000**		
Attractiveness of campus (V9)	3.33 [b]	3.77 [a b]	3.39 [a]	**0.0000**		
Campus safety and security (V10)	4.34	4.39	4.30	0.4388		
On-campus housing (V11)	3.07 [a]	3.66 [a]	2.40 [a]	**0.0000**		
Parents went there (V12)	1.85 [b]	1.94 [a]	1.52 [a b]	**0.0000**		
Brother/Sister went there (V13)	1.92 [b]	2.03 [a]	1.66 [a b]	**0.0008**		
Friends went there (V14)	2.12 [b]	2.65 [a b]	2.15 [a]	**0.0000**		
Academic reputation (V15)	4.02 [b]	3.93 [a]	4.15 [a]	**0.0192**		
Financial assistance (V16)	3.82 [b]	3.82 [a]	3.39 [a b]	**0.0000**		
Language policy (V17)	3.93 [a]	4.32 [a b]	3.77 [b]	**0.0000**		
Links with the industry (V18)	3.85 [a]	3.57 [a b]	3.80 [b]	**0.0004**		
Multi-culturality (V19)	3.66 [a]	3.04 [a]	3.38 [a]	**0.0000**		
International links (V20)	4.20	4.24	4.06	0.0641		
Employment prospects (V21)	4.49	4.44	4.38	0.2871		
Flexible study mode (V22)	4.10	3.98	3.97	0.1715		
Image of university (V23)	3.99 [a]	4.18 [a b]	3.91 [a]	**0.0018**		
Wilks' lambda					12.44	**0.000**

The results of the Scheffé *post hoc* tests are indicated with [a] and/or [b]. All mean values containing the same letters (for example, [a]) indicate that the groups differ significantly from one another. All mean values containing different letters (for example, an [a] or [b]) indicate that these groups do not differ significantly from one another.

The Wilks' lambda value indicates a significant difference (p=0.000) between different language groups in terms of the importance they attach to the different choice factors. The null hypothesis was thus rejected, as there is support for H_2.

The follow-up univariate analyses showed that these differences were significant for the following choice factors: quality of teaching (V2), academic facilities (V3), location of university (V6), sport programmes (V7), academic reputation, social life on campus

(V8), attractiveness of campus (V9), on-campus housing (V11), parents went there (V12), brother/sister went there (V13), friends went there (V14), academic reputation (V15), financial assistance (V16), language policy (V17), links with the industry (V18), multi-culturality (V19), and the image of the university (V23).

The Scheffè *post hoc* tests revealed interesting differences briefly discussed below.

- A significant difference can be seen between Afrikaans and African speaking students in terms of the importance they attach to quality of teaching, as Afrikaans speaking students attach a higher importance (mean value of 4.63) to quality of teaching than African speaking students (mean value of 4.41).

- English speaking students attach a higher importance to academic facilities than African or Afrikaans speaking students.

- English and Afrikaans speaking students differ from African speaking students, as they attach a higher importance to the location of a university and sport programmes than African speaking students.

- Afrikaans speaking students attach a higher importance to the attractiveness of a campus, the image of a university and the fact that their friends attended an institution, than English and African speaking students.

- All three groups differ from one another regarding social life on campus and on-campus housing. African speaking students attach the lowest importance (mean value of 2.69) to social life, while Afrikaans speaking students attach the highest importance (mean value of 3.74). English speaking students indicated the lowest importance (mean value of 2.40) and the Afrikaans speaking students the highest importance (mean value of 3.66) to on-campus housing.

- Afrikaans speaking students differ from the other two groups on the importance of links with the industry, with Afrikaans speaking students having the lowest mean value (3.57) compared to English speaking students (3.8) and African speaking students. African speaking students attach the highest importance with a mean value of 3.85.

- English speaking students differ significantly with the students from the other two language groups on the importance of the fact that parents attended the institution, brothers/sisters attended the institution and the importance of financial

assistance. English speaking students attach a lower importance (mean value of 1.5) to the fact that their parents attended an institution than African (mean value of 1.8) and Afrikaans (mean value of 1.9) speaking students. English speaking students also attach a lower importance to the fact that their brothers and/or sisters attended an institution and the importance of financial assistance than African and Afrikaans speaking students.

- English speaking students had a mean value of 4.15, while Afrikaans speaking students had a mean value of only 3.93 with regards to the importance of an institution's academic reputation. Thus, an institution's academic reputation is more important to English speaking students.

- Afrikaans speaking students attach a lower importance to an institution's language policy than students from the other two language groups.

6.5.5 RESEARCH OBJECTIVE 5

Determine whether there are gender differences regarding the importance students attach to choice factors when selecting a higher education institution.

As suggested in Section 4.5.1 and Section 5.3.1, gender could influence the importance of choice factors. Higher education institutions need to be aware of these differences, if any, to ensure that they reach and influence male as well as female students. It was decided to investigate whether there are gender differences regarding the importance students attach to choice factors when selecting a higher education institution. Hypothesis 3 was formulated and is listed below.

H_3: **Male and female students differ regarding the importance they attach to choice factors.**

The above-mentioned hypothesis involves the comparison between two groups namely "female" and "male" on a construct labelled as "choice factors". The mean values of the two gender groups and the MANOVA result of the hypothesis test are shown in Table 6.13.

Table 6.13: Mean values and MANOVA results for different gender groups

CHOICE FACTORS	Male	Female	Univariate Analyses	F value	p-value
Wide choice of subjects/courses (V1)	3.88	4.03	**0.0207**		
Quality of teaching (V2)	4.46	4.57	**0.0209**		
Academic facilities (V3)	4.19	4.24	0.4102		
Entry requirements (V4)	3.62	3.82	**0.0025**		
Fees (V5)	3.59	3.76	**0.0264**		
Location of university (V6)	3.75	3.64	0.1465		
Sport programmes (V7)	2.86	2.65	**0.0092**		
Social life on campus (V8)	3.34	3.17	**0.0428**		
Attractiveness of campus (V9)	3.52	3.54	0.7612		
Campus safety and security (V10)	4.11	4.50	**0.0000**		
On-campus housing (V11)	3.00	3.25	**0.0073**		
Parents went there (V12)	1.86	1.81	0.4448		
Brother/Sister went there (V13)	2.01	1.86	**0.0494**		
Friends went there (V14)	2.52	2.24	**0.0007**		
Academic reputation (V15)	4.00	4.02	0.7024		
Financial assistance (V16)	3.63	3.77	0.1164		
Language policy (V17)	4.03	4.09	0.3947		
Links with the industry (V18)	3.68	3.73	0.4588		
Multi-culturality (V19)	3.20	3.42	**0.0053**		
International links (V20)	4.11	4.24	**0.0436**		
Employment prospects (V21)	4.36	4.50	**0.0046**		
Flexible study mode (V22)	3.97	4.06	0.1748		
Image of university (V23)	4.01	4.08	0.2311		
Wilks' lambda				4.51	**0.0001**

The Wilks' lambda value indicates a significant difference (p=0.0001) between males and females in terms of the importance they attach to the different choice factors. The null hypothesis was thus rejected, as there is support for H$_3$.

The follow-up univariate analyses revealed that these differences were significant for 13 of the 23 choice factors, namely: wide choice of subjects/courses (V1), quality of teaching (V2), entry requirements (V4), fees (V5), sport programmes (V7), social life on campus (V8), campus safety and security (V10), on-campus housing (V11), brother/sister went there (V13), friends went there (V14), multi-culturality (V19), international links (V20), and employment prospects (V21).

Females attach a higher importance than males to the wide choice of subjects/courses, quality of teaching, entry requirements, fees, campus safety and security, on-campus housing, multi-culturality, international links, and employment

prospects. Males attach a higher importance to sport programmes, social life on campus, brother/sister went there, and friends went there, than females.

6.5.6   RESEARCH OBJECTIVE 6

Determine whether students from different higher education institutions differ regarding the importance they attach to choice factors when selecting a higher education institution.

Due to the conflicting results about the importance of different choice factors investigated at different higher education institutions (refer to Section 5.3.1), it was decided to determine whether students from different higher education institutions differ regarding the importance they attach to choice factors when selecting a higher education institution and to test the following hypothesis:

H$_4$:   Students from different academic institutions differ regarding the importance they attach to choice factors.

The above-mentioned hypothesis involves the comparison between six groups, namely "the University of Pretoria (UP)", "Tshwane University of Technology (TUT)", "University of North-West (UNW)", "University of Johannesburg (UJ)", "University of the Free State (UFS)" and "University of KwaZulu Natal (UKZN)" on a construct labelled as "choice factors". MANOVA testing was used to assess the differences between the groups in terms of the importance of the different choice factors. The mean values, MANOVA results of the hypothesis test, univariate analysis and *post hoc* comparisons for the six higher education institutions are presented in Table 6.14.

Table 6.14: Mean values and MANOVA results for higher education institutions

CHOICE FACTORS	UJ	UKZN	UNW	UP	TUT	UFS	Univariate Analysis	F-value	p-value
Wide choice of subjects/courses (V1)	c 4.05	e 4.03	bcd 3.82	b 4.04	a 3.83	ad 4.10	**0.0301**		
Quality of teaching (V2)	e 4.53	b 4.65	a 4.69	d 4.56	abcd 4.18	c 4.56	**0.0000**		
Academic facilities (V3)	c 4.34	a 4.48	e 4.21	d 4.25	abcd 3.72	b 4.44	**0.0000**		
Entry requirements (V4)	e 3.81	abc 4.06	b 3.64	a 3.67	c 3.59	d 3.87	**0.0004**		
Fees (V5)	f 3.63	ab 4.05	e 3.71	ac 3.50	bd 3.43	cd 3.98	**0.0000**		
Location of university (V6)	d 3.58	c 3.90	b 3.66	a 3.90	a 3.45	e 3.78	**0.0015**		
Sport programmes (V7)	a 2.76	b 2.76	e 3.00	d 2.88	abcde 2.06	c 2.87	**0.0000**		
Social life on campus (V8)	bei 3.08	cfj 3.04	abcd 3.91	efg 3.59	dghij 2.29	ah 3.17	**0.0000**		
Attractiveness of campus (V9)	de 3.23	a 3.46	abcd 3.94	e 3.63	c 3.36	b 3.39	**0.0000**		
Campus safety and security (V10)	e 4.28	a 4.57	d 4.41	c 4.28	ab 4.15	b 4.53	**0.0000**		
On-campus housing (V11)	behk 2.77	cfi 2.49	abcd 4.02	ahij 3.33	dgjk 2.24	efg 3.72	**0.0000**		
Parents went there (V12)	a 1.62	b 1.57	c 1.89	d 1.90	e 1.81	ab 2.03	**0.0021**		
Brother/Sister went there (V13)	a 1.66	b 1.71	c 2.04	d 1.93	e 1.87	a 2.12	**0.0020**		
Friends went there (V14)	a 2.18	cef 1.92	abc 2.61	fg 2.56	bdf 1.94	de 2.59	**0.0000**		
Academic reputation (V15)	a 4.24	b 4.19	d 4.00	e 3.96	abcd 3.60	c 4.15	**0.0000**		
Financial assistance (V16)	ad 3.60	gh 4.02	def 4.05	beg 3.46	cfh 3.21	abc 4.07	**0.0000**		
Language policy (V17)	c 3.80	a 3.90	abc 4.44	d 4.12	b 3.85	e 4.12	**0.0000**		
Links with the industry (V18)	b 3.86	a 3.97	a 3.53	c 3.75	d 3.57	e 3.73	**0.0008**		
Multi-culturality (V19)	b 3.52	a 3.69	abc 2.95	d 3.27	e 3.34	c 3.47	**0.0000**		
International links (V20)	b 4.17	c 4.18	a 4.34	d 4.22	a 3.95	e 4.27	**0.0053**		
Employment prospects (V21)	4.36	4.56	4.45	4.41	4.43	4.50	0.3754		
Flexible study mode (V22)	e 4.09	d 4.20	a 3.95	b 3.94	cd 3.76	abc 4.32	**0.0000**		
Image of university (V23)	a 3.87	c 4.21	ab 4.31	e 4.04	bcd 3.74	d 4.16	**0.0000**		
Wilks' lambda								7.59	0.000

The results of the Scheffé *post hoc* tests are indicated with [a] to [k]. All mean values containing the same letters (for example, [a]) indicate that the groups differ significantly from one another. All mean values containing different letters (for example, an [a] or [b]) indicate that these groups do not differ significantly from one another.

The Wilks' lambda value indicates a significant difference (p = 0.000) between higher education institutions in terms of the importance they attach to the 23 choice factors. The null hypothesis was thus rejected, as there is support for H$_4$.

The follow-up univariate analyses revealed that these differences were significant for 22 of the 23 choice factors, with the only exception that the responses from all six institutions rated employment prospect as very important. The Scheffè *post hoc* tests revealed that there are significant differences, with some of them addressed below.

- Students from UFS attach a higher importance to a wide choice of subjects/courses than students from TUT and UNW, while students from UP and UJ also attach a higher importance than students from UNW.

- Students from TUT rank the importance of quality of teaching, academic facilities, entry requirements, fees, location of an institution, sport programmes, social life, campus safety and security, on-campus housing, academic reputation, financial assistance, international links, flexible study mode and the image of a institution, the lowest of all six the institutions. TUT 's mean value for quality of teaching was 4.18, while all the other higher education institutions ranked it as more important, with means ranging from 4.53 to 4.69. Students from TUT differ significantly from the students of all the other institutions, except the students from UNW, on the importance of academic facilities. Students from TUT also differ significantly from all the other higher education institutions on the importance of social life on campus. Social life is the most important to students from UNW and UP, while it is the least important to students of TUT. There is also a significant difference between students from TUT on the importance of academic reputation with students from UJ, UKZN, UNW and UFS.

- Entry requirements were ranked the most important by students of UKZN (mean of 4.06) and therefore differ significantly from students from UP, UNW and TUT with mean values ranging from 3.59 to 3.81.

- UKZN and UFS have the highest mean values, while UP and TUT have the lowest mean values for the choice factor referring to fees. Thus, there is a significant difference in the importance attached to fees between students from UKZN and UFS versus students from UP and TUT.

- The location of an institution is more important to students from UP than students from TUT.

- There are significant differences in the importance of the attractiveness of a campus between students from UNW and students from UKZN, UFS, TUT and UJ. This choice factor was more important to students from UNW (mean of 3.94) and UP (mean of 3.63), but of less importance to students from the other 4 institutions (means raging from 3.23 to 3.46).

- There is a significant difference between the mean scores of the six higher education institutions and the importance of on-campus housing. UNW has a mean score of 4.02, indicating that it is very important, while the mean score of TUT, UKZN and UJ ranged between 2.24 and 2.77, indicating that it is of little importance to them.

- Students from UFS ranked the importance of parents and brothers/sisters attending an institution the highest of all the higher education institutions. It should be noted that the fact that parents and brothers/sisters attended an institution, was of low importance to the respondents from all the higher education institutions. UFS differed significantly from students from UJ and UKZN on importance of parents attending a higher education institution. Students from UFS also differed significantly from students from UJ on the importance of the fact that brothers/sisters attended an institution.

- Students from UNW, UFS and UP attach higher importance to the fact that their friends attended a university than the remaining higher education institutions.

- There is a significant difference between the respondents from the different higher education institutions on the importance they attach to financial assistance. UKZN, UNW and UFS have the highest mean values (ranging from 4.02 to 4.07) for financial assistance while TUT, UJ and UP have lower mean values (ranging from 3.21 to 3.60), indicating that financial assistance is less important.

- The language policy is of lesser importance to students from TUT, UJ and UKZN, with mean values ranging from 3.85 to 3.90, but of great concern to students of UNW, with a mean value of 4.44. Students from UNW also ranked the image of an institution as very important with a mean value of 4.31, while for the students of TUT, it is less important (mean value of 3.74).

- Although links with the industry are moderately important (mean values between 3.53 and 3.86) to all six higher education institutions, students from UKZN ranked it more important than students from UNW.

- The fact that an institution is multi-cultural is more important to students from UKZN, UJ and UFS than for students of UNW.

- Although international links are moderately important (mean values between 3.95 and 4.34) to all six higher education institutions, students from UNW ranked it more important than students from TUT.

- A flexible study mode was the most important to students of UFS and UKZN, while especially TUT students rated its importance as low. There is a significant difference between students from TUT and students from UKZN and UFS as well as between students from UFS and UNW, UP and TUT.

6.5.7   RESEARCH OBJECTIVE 7

Determine if students that live seventy kilometres or further from a higher education institution make more use of campus visits or open days as a source of information than students living close-by.

Several studies on information sources suggested a relationship between the distance of students' permanent homes and the higher education institutions they are attending, as well as the use of open days and campus visits as information sources (refer to Section 5.3). The majority of these studies found that students living further from an institution tend to make more use of campus visits and open days than students whose permanent homes are closer to the institution. Research objective 7 aimed to determine if students that live further than seventy kilometres from a higher education institution make more use of campus visits/open days as a source of information, than students living close-by. The following hypothesis was formulated to address the research objective:

H_5   **Students that live further than seventy kilometres from the higher education institution attach more value to campus visits or open days as a source of information than students living close-by.**

The above-mentioned hypothesis involves the comparison between two groups namely "students whose permanent home is more than seventy kilometres from the university they are attending" and "students whose permanent home is seventy kilometres or less from the university they are attending" on a construct labelled as "open days and campus visits". As previously mentioned (Section 5.3.5), for the purpose for equal cell size the groups "10 km or less", "11-30km" and "31-70km" were combined to form the new group of "70 kilometres or less". The mean values of the two groups and the t-test results of the hypothesis test are shown in Table 6.15.

Table 6.15: Mean values and t-test results for distance from an institution and use of campus visits and open days

Distance from university	≤ 70 km N = 688	> 70 km N = 543	F value	p- value
Campus visits and open days	3.9291	4.0419	0.61	0.0676

Since the p-value was larger than the specified significance level of 5 percent, the null hypothesis could not be rejected. There was therefore not enough support for H_5, since the t-test results did not show a significant difference between the distance from students' permanent homes in terms of the higher education institution they attended and the use of open days and campus visits as an information source. This suggests that campus visits and open days are useful sources of information for students, regardless of how far they stay from an institution.

6.5.8 RESEARCH OBJECTIVE 8

Determine if students that are resident in the province in which the higher education institution is located make more use of word-of-mouth as a source of information.

Previous studies on information sources implied a relationship between students' residence in a province in which the higher education institution is located, and the use of word-of-mouth as an information source (refer to Section 5.3). Therefore, it was decided to determine if students that are residents of the province in which the higher

education institution is located, make more use of word-of-mouth as a source of information and the following hypothesis was formulated:

H6: **Students that are residents of the province in which the chosen higher education institution is located, value word-of-mouth (friends and other people) more as a source of information than students from other provinces.**

The above-mentioned hypothesis involves the comparison between two groups, namely "residents" and "non-residents" on a construct labelled as "word-of-mouth". The mean values of the two groups and the t-test results of the hypothesis test are shown in Table 6.16.

Table 6.16: **Mean values and t-test results for residents of the province and use of word-of-mouth**

Resident of the province	Yes N = 734	No N = 491	F value	p- value
Word-of-mouth	3.6985	3.7581	2.33	0.3206

Since the p-value was larger than the specified significance level of 5 percent, the null hypothesis could not be rejected. There was therefore not enough support for H6, since the t-test result did not show a significant difference between students residing in the province in which the higher education institution are located and those not residing in the province for the use of word-of-mouth as an information source. This suggests that regardless of where students stay, they do find word-of-mouth a very useful information source.

6.5.9   RESEARCH OBJECTIVE 9

Determine if students with an average of seventy percent or more in Grade 12 make more use of higher education institutions' websites than students with a lower average in Grade 12.

Several studies on information sources have found a relationship between students' academic ability and the use of websites (refer to Section 5.3). The majority of these studies suggested that students with a higher academic standing tend to make more use of websites. Thus, Objective 9 focused on determining if students with an average of seventy percent or more in Grade 12 make more use of higher education institutions websites than students with a lower average in Grade 12. The following hypothesis was formulated:

H_7: Students with a Grade 12 average of seventy percent or more rely significantly more on higher education institutions' websites as a source of information than students with a lower Grade 12 average.

The above-mentioned hypothesis involves the comparison between two groups, namely "70 percent and above" and "less than 70 percent" on a construct labelled as "websites". The group "59 percent or lower" and the group "60-69 percent" were collapsed to form the new group "less than 70 percent", while the groups "70-79 percent" and "80 percent or more" were collapsed to form the group "70 percent and above". This was done to ensure equal cell sizes as well as deemed to be an appropriate split for academic performance. The mean values of the two groups and the t-test result of the hypothesis test are shown in Table 6.17.

Table 6.17: Mean values and t-test results for Grade 12 average and use of websites

Grade 12 average	70% and above N = 651	Less than 70% N = 578	F value	p- value
Word-of-mouth	3.8870	3.9057	1.08	0.7595

Since the p-value was larger than the specified significance level of 5 percent, the null hypothesis could not be rejected. There was therefore not enough support for H_7, since the t-test results did not show a significant difference between students of different academic standing and the use of websites as an information source. This suggests that websites are a useful information source for students, irrespective of their academic standing.

A summary of all the discussed hypotheses in this chapter is presented in Table 6.18, indicating whether support was found for the hypothesis or not.

Table 6.18: Summary of hypotheses tested

	Alternative hypotheses	Supported or not supported
H_1	Students from different ethnic backgrounds differ regarding the importance they attach to choice factors.	Supported
H_2	Students speaking different home languages differ regarding the importance they attach to choice factors.	Supported
H_3	Male and female students differ regarding the importance they attach to choice factors.	Supported
H_4	Students from different academic institutions differ regarding the importance they attach to choice factors.	Supported
H_5	Students that live further than seventy kilometres from the higher education institution attach more value to campus visits or open days as a source of information than students living close-by.	Not supported
H_6	Students that are residents of the province in which the chosen higher education institution is located, value word-of-mouth (friends and other people) more as a source of information than students from other provinces.	Not supported
H_7	Students with a Grade 12 average of seventy percent or more rely significantly more on higher education institutions' websites as a source of information, than students with a Grade 12 average of less than seventy percent.	Not supported

6.6   SUMMARY

This chapter analysed and reported the results from the empirical study. Firstly, the response rate was presented and then the descriptive statistics were explained. The results of all the questions in the questionnaire were reported by focussing on the socio-demographic profile of respondents, university characteristics (choice factors) and the usefulness of information sources.

The empirical analysis indicated that the choice factor scale used in the study was reliable. The empirical results were also assessed to address the formulated hypotheses and research objectives. The chapter concluded with a summary of the outcome of each hypothesis. The results found in this chapter may be of importance to marketing managers of higher education institutions when planning their recruitment, communication, and marketing strategies. The next and final chapter, Chapter 7, will draw conclusions and make recommendations based on the main findings presented in this chapter.

CHAPTER 7

CONCLUSIONS, IMPLICATIONS AND RECOMMENDATIONS FOR FUTURE RESEARCH

7.1   INTRODUCTION

In the previous chapter, the research results were discussed. In this final chapter, interpretations are made based on the empirical results presented in Chapter 6. The chapter will present the main findings from the previous chapter and draw conclusions. Thereafter, the implications of each main set of findings on choice factors and information sources are discussed and recommendations made. The limitations of the study are also presented and recommendations for future research are suggested. The chapter concludes with a retrospective evaluation of the research results obtained for each of the formulated objectives, as stated in Chapter 1, to determine if each objective was realised.

7.2   MAIN FINDINGS RELATING TO CHOICE FACTORS

The South African higher education landscape has evolved rapidly towards a market-orientated system in which institutions compete for student enrolments. In the interest of staying competitive and becoming more marketing-oriented, it has become increasingly important to understand students' decision-making processes when selecting a higher education institution.

The main findings of the study attempt to provide information to aid in the above and will be highlighted below.

7.2.1   CONCLUSIONS REGARDING THE MAIN FINDINGS ON CHOICE FACTORS

The study attempted to determine the relative importance of 23 choice factors, as identified in the literature in Chapter 4. In the discussion that follows, the ranking of

each choice factor according to importance will be indicated by a number in brackets. The findings revealed that quality of teaching (1), employment prospects (2) and campus safety and security (3) of a higher education institution were the three most important factors influencing a student's selection process.

These factors were followed in order of importance by academic facilities (4), international links (5), language policies (6), the image of the institution (7), flexible study modes (8), academic reputation (9) and wide choice of subjects/courses (10) to form the top 10 choice factors.

Entry requirements (11), links with the industry (12), fees (13), financial assistance (14), location (15), attractiveness of the campus (16), multi-culturality/diversity (17), and social life (18) were indicated as moderately important.

The five least important choice factors were identified as: on-campus housing (19), sport programmes (20), the fact that friends attended the institution (21), the fact that brother/sister attended the institution (22), and the fact that their parents attended the institution (23), which was identified as the least important factor.

These findings support some of the international and local findings discussed in Chapter 4, while contradicting others. Davis (1998) found that students in America attached high importance to factors such as the beauty of the campus, good sporting facilities and the reputation of a prestigious institution. Although academic reputation ranked ninth in this study and thus supports Davis' findings, campus attractiveness only ranked sixteenth, while sport programmes were twentieth on the list. Martin *et al.* (1996) reported that career preparation, specific academic programmes, distance from home, academic reputation and library resources have a strong influence on institutions' selection in Australia. This holds true for this study, as almost all these factors ranked in the top 10, except for the location of an institution, which only ranked fifteenth. Interesting to note is that Bers and Galowich (2002:80) found that factors related to money were more influential than the institution's reputation or the influence of friends and family. While this holds true for the influence of family and friends, this study showed that academic reputation (9) was more important than fees (13) or financial assistance (14). Sevier (1993:48-50) determined in his research that the

reputation of the institution, availability of study courses, cost and the availability of financial aid were the most important factors influencing higher education institution choice for American students. Again, while reputation and a wide range of courses/subjects were indicated as very important in the findings of this study, fees were not included in the top 10 choice factors of this study. Freeman (1999:13) noted that African-American students are very much aware of the job markets and their decision to attend higher education institutions are greatly influenced by possible job opportunities. This was supported by the findings of this study, where employment prospects were identified as the second most important factor. Findings from a study by Price *et al.* (2003:215) showed that students in the UK indicated accommodation, the quality of university grounds, safety and security and sports facilities as less important factors. Though the latter proves to hold true, a major contradiction is the importance of campus safety and security, which ranked number three in this study.

In a local South Africa study, Coetzee and Liebenberg (2004:71) uncovered that academic reputation, image, sporting facilities, friends studying at the higher education institution and location were the most important choice factors. Coetzee and Liebenberg's study also showed that the mode of study, residence, fees and the fact that parents have studied there, were less important choice factors. The results of this study support the findings that academic reputation and image are important. However, location, friends and sport programmes were not indicated as very important by respondents in this study. The majority of the findings by Coetzee and Liebenberg were supported by this study, but interestingly, the mode of study/flexibility of study mode was indicated as the eighth important choice factor in this study, while it was indicated as of lesser importance in their study.

This study's findings further revealed several significant differences between males and females and the importance they attach to the different choice factors. It showed that females attach a higher importance than males in terms of wide choice of subjects/courses, quality of teaching, entry requirements, fees, campus safety and security, on-campus housing, multi-culturality, international links and employment prospects. Males attach a higher importance to sport programmes, social life on campus, brother/sister went there, and friends went there, than females – but both groups indicated a low importance overall for these factors.

Several significant differences were also found between the ethnic groups and the importance they attach to quality of teaching, academic facilities, entry requirements, fees, location of university, sport programmes, social life on campus, attractiveness of campus, on-campus housing, parents went there, brother/sister went there, friends went there, language policy, links with the industry, and a multi-cultural institution.

The main findings regarding language groups showed that there were significant differences for the following choice factors: quality of teaching, academic facilities, location of university, sport programmes, academic reputation, social life on campus, attractiveness of campus, on-campus housing, parents went there, brother/sister went there, friends went there, academic reputation, financial assistance, language policy, links with the industry, multi-culturality, and the image of a university.

Significant differences were also found between the six higher education institutions for 22 of the 23 choice factors, with the only exception that all six institutions rated employment prospects as equally important.

Thus, it can be concluded that although some local and international findings were supported, there were also numerous differences in the findings from this study. It can further be concluded that students from different gender, ethnic and language groups as well as institutions attended, differ according to the importance they attach to the 23 choice factors. The above-mentioned suggests that the student market is not a homogenous market and highlights the fact that higher education institutions need to continuously research their markets to try and understand their consumers, i.e. students, better. The results further showed that not all choice factors are equally important. This has several implications for higher education institutions, which will be discussed below.

7.2.2   IMPLICATIONS OF THE MAIN FINDINGS ON CHOICE FACTORS

Understanding the importance of the different choice factors that students use to select an institution, can help institutions to understand and position their institution in the competitive market. The findings do not only have implications for an institution's

positioning strategy, but also suggest possible repositioning based on choice factors importance. The findings could also impact on the communication, marketing and recruitment strategies of institutions. Choice factors that students indicated as less important do not necessarily mean that an institution should discard it, but that they should rather refocus their marketing strategies on the real concerns (important choice factors) of students. The findings also have implications for segmentation purposes, as differences in attitudes and perceptions of students according to the importance they attach to choice factors may imply different segments. These different segments need to be approached with a different marketing strategy for their specific needs concerning specific choice factors. Institutions will have to either emphasise the aspects most important to the particular segment, or try to adjust their characteristics (performance on the choice factor) in an effort to make the institution more appealing to the specific segment.

Higher education institutions have different options regarding their response to the results of the importance of the different choice factors. Due to the unique situation of each higher education institution regarding resources and current performance on each of the choice factors, institutions should keep the following options in mind, depending on their situation.

Firstly, an institution could reassess their institution's attributes and characteristics in such a way as to satisfy the needs of the student's based on their choice factor importance, based on the results of the importance of the different choice factors. Higher education institutions can, for instance, improve their quality of teaching or extend their range of subjects/programmes if that is a current weakness for them.

Secondly, institutions could consider altering their perceptions about their higher education institutions. This may be very effective in the case where an institution is actually performing well on the important choice factors, but prospective students are either not aware of this information or have formed the wrong perceptions for whatever reasons. This means that a higher education institution can try to alter the student's perceptions of where they actually stand on key choice factors. By supplying the correct information about their fees or possible job opportunities in the most effective

media, such as websites and brochures, it could indicate to students than they actually perform well on these important criteria.

Thirdly, if faced by a situation where institutions can do little about their own standing or performance on the important choice factors, they can attempt to alter students' perceptions of other higher education institutions. By trying to alter student perceptions of where a leading competitor stands on different choice factors, is called competitive repositioning. This may not be a very effective strategy in higher education marketing and can even be seen as unethical.

Fourthly, institutions can attempt altering the weight that a choice factor importance carries. This means that institutions can try to encourage prospective students to attach more importance to the factors that the institution excels in. For example, an institution can attempt to persuade students that having a balanced social life when studying is just as important as possible job opportunities or international links.

The fifth option that institutions can follow is to attract attention to neglected choice factors. With this approach, an institution can try to encourage students to pay attention to an attribute that they are normally unaware of or indifferent to, such as excellent sport programmes or social life, through extensive communication campaigns focusing on health and leisure activities.

Lastly, higher education institutions could try to shift students' perceptions of the choice factors they regard as important. This approach necessitates institutions to try to persuade students to change their ideal levels for one or more of the choice factors. For example, an institution might attempt to convince students that a bigger institution is better than a small institution, as a student may gain more exposure and interaction.

The above options imply that institutions need to take some sort of action according to their unique situation, resource availability and performance levels of the different choice factors. Depending on the option they take, several recommendations could be useful and are discussed in the next section.

7.2.3 RECOMMENDATIONS REGARDING CHOICE FACTORS

It is recommended that institutions first need to analyse and understand how they perform on the choice factors. It is advisable to improve on the performance areas (choice factors) identified as important by students.

Institutions should initially focus on the choice factors indicated as very important, such as the top 10 choice factors identified by the study. In order to satisfy the needs and wants of prospective students, these factors must be addressed in an institution's marketing plan. The most important choice factors should be considered and liberated on, capitalised on and then be promoted. After an institution has ensured that the most important factors have been addressed, attention should be given to the less important choice factors.

Although institutions should focus their attention and resources initially on the most important choice factors to ensure effective and efficient use of limited resources, they must not neglect the less important factors. As needs and preferences can change, less important factors can get more prominent. Institutions should also keep in mind that by focusing on specific choice factors, they can create a niche market for themselves.

Below are certain recommendations regarding the choice factors using two different perspectives. Firstly, recommendations for each of the choice factors will be made, aiding institutions to improve their performance on those choice factors that they are not currently performing well in and/or enhancing or strengthening those choice factors identified as very important by students. Secondly, recommendations will be made to recruit and attract specific groups or segments of students by focusing on the choice factors identified as important by each group (gender, ethnic background, home language and institution attended). The latter will aid institutions that would like to attract a specific group of students, by suggesting the appropriate choice factors to concentrate on to attract these students and provide specific information on each choice factor that they want to improve or strengthen.

Although the choice factors are discussed separately, it is important to note that the various factors can and must be combined or integrated, as they do influence one another and cannot be addressed in isolation.

7.2.3.1 Recommendations regarding the individual choice factors

- **Quality of teaching**

Quality of teaching was indicated as the single most important choice factor when selecting a higher education institution, with Caucasian students reporting the highest mean value. Resources provide the necessary basis and tools to deliver quality teaching and therefore institutions must invest in good quality lecturers, high quality facilities and up-to-date, relevant course content. Institutions need to ensure that their quality of teaching compares favourably with that being offered by competitors. This implies being able to attract and retain qualified staff as well as having well-equipped facilities and other resources for teaching, learning and research. Quality is not just important from a prospective student's perspective, but can also supply a competitive advantage, satisfy governmental requirements as well as meet the ever-increasing public expectations. Quality of teaching are also closely related and influenced by two other important choice factors, namely academic facilities and academic reputation, and these three factors need to be integrated.

- **Employment prospects**

Students indicated employment prospects as very important. This emphasises the fact that students seem to be adopting a consumerist approach to institution selection due to the importance attached to market motives such as employments prospects. Emphasis should be placed on the appeal of job opportunities when enrolling at a specific higher education institution. Institutions should ensure that their subjects and course content are relevant to the market demand by liaising with industry to ensure that students with a degree from their institution would have a better opportunity to find employment. Including practical assignments, experiential learning or internships as

part of the course content can better prepare students to obtain a job, as they will have some practical experience added to their theoretical knowledge.

Institutions should further develop career based, professional programmes that will also follow the guidelines of the Higher Education Department to responded better to human resource needs of the industry, while also making it more attractive for prospective students. Publicity and promotional campaigns must attempt to focus on the success achieved by students from the institution in securing high paying jobs. This could also have a positive effect on the image of the institution and indicate possible links with the industry.

- **Campus safety and security**

As campus safety and security ranked third out of a list of 23 choice factors, it is especially important that institutions pay attention to this factor. Given the high crime rate in South Africa, it is important that institutions ensure a safe learning environment. This could be accomplished by improving visible policing such as security personnel and having toll-free numbers for any suspiciously behaving individuals. It is also important to ensure that the campus attractiveness is linked to safety and security by ensuring sufficient lights at night time and to limit unruly gardens as a possible hiding place for criminals. Effective signboards and campus maps can also ensure that students and visitors do not get lost and endanger themselves. Adequate transportation for students living in residences in or around campus could be arranged, as well as ensuring that there are safe routes and means of transport, especially for evening classes. Institutions can link safety and security to their image and promote themselves as a safe learning environment, especially for female students.

- **Academic facilities**

The results of this study echo the findings of Price *et al.* (2003:212), namely that facilities play a very important role in institution selection in the UK. The fact that academic facilities rated fourth shows the importance of facilities, especially for Indian and Coloured students, who reported the highest mean value. Facility management

should therefore receive attention as a possible way of differentiation and image enhancement. As academic facilities can also be linked to other choice factors such as quality teaching, image and academic reputation, institutions must ensure that they have enough well-equipped computer labs, comprehensive libraries, state-of-the-art lecture rooms as well as maintaining the physical appearance of these buildings. For the constant upkeep, improvement and extension of facilities, institutions will have to invest capital. Another option is to get donors from outside/industry. Recognition can be given to donors from industry or alumni by naming the new facility after the donor. Not only will the institution benefit from the funding and students by the improvements, but new facilities funded by industry will also enhance the image of an institution liaising with industry.

- **International links**

As students perceive international links as an important selection criterion, institutions must ensure that they reflect their international orientation in their promotional material. Using guest lecturers from overseas institutions as well as obtaining donations from overseas industry members can enhance an institution's image as an institution with international standing. Research with an international perspective as well as publishing in international journals can further aid institutions in creating an image of an international institution. This factor can also be linked with job opportunities. By providing a qualification that is internationally approved and of a high standard, it can improve a student's chances of securing a job internationally. International links and the fact that an institution's qualifications are accepted by overseas companies add credibility to qualifications. Promotional material should emphasise the image of an internationally acclaimed higher education institution by mentioning their collaboration with other international institutions.

- **Language policy**

Responses by students showed that language is a very important choice factor when selecting a higher education institution. Institutions can take this into account when planning their marketing and communication strategies. Communication strategies can

be slightly adapted in order to have maximum appeal to all language groups and can communicate to prospective students that the institution provides education in multiple languages. Institutions must also be aware of the language preference of their students in their communication and promotional campaigns.

Most of the official correspondence of higher education institutions with students is often in English or Afrikaans, whereas a substantial percentage (38%) of students indicated African languages as their home language. Bearing this in mind, higher education institutions should consider whether its current communication efforts are reaching these segments of its student market. It is recommended that institutions investigate the use of correspondence in university brochures and websites in students' home languages. This could help build goodwill and lead to a positive image among the specific target market.

- **Image**

Increased efforts need to be made by higher education institutions to position their institution with respect to competitors in the minds of prospective students and their parents. As image was indicated as seventh most important, it is recommended that higher education institutions focus on image building in its corporate marketing campaigns. A higher education institution can therefore use its image as a leverage to influence and attract students. It is important for institutions to be knowledgeable about the elements that affect the image of an institution. Researching current and prospective students' perceptions of the image of an institution can aid institutions in building and sustaining a positive image that is distinct, understood and accepted by the students. This can be accomplished by employing the other 22 choice factors to build the desired image through an appropriate marketing strategy.

The institution must ensure that the choice factors rated as most important by the students are reflected in the institution's image, so as to be consistent with the image students expect. Image enhancing is also related to other choice factors, such as being known for providing high quality programmes at a reasonable price in a safe and friendly environment. The personnel of an institution also plays their part to project the

institution's image and must therefore always conduct themselves in a professional manner. The public relation departments of higher education institutions should try to enhance the image further through publicity in the general media of newsworthy events and noteworthy performances of students or staff members. As alumni are indicated as a useful information source, they can be encouraged to actively participate in and contribute to the achievement of the institution's goal of image enhancing. It is further imperative for institutions to continually monitor their image under prospective and current students with image audits, to determine if they have the desired image and if and where improvements can be made. Improvement plans must be incorporated in the marketing and communication plans of the institution. Institutions with a strong, distinctive image will be in a better position for the changed higher education landscape and increased competition.

- **Flexible study modes**

Findings from this study support findings from Hoyt and Brown's (2003) study in America, namely that flexibility in course scheduling or delivery times are important for students, although not included in many research studies. The need for flexible study modes implies a need for technology that can enable institutions to offer flexible study modes. Higher education institutions will have to make use of ICT (Information Communication Technologies) for offering their present face-to-face programmes, and to operate flexible and lifelong learning.

A possible solution to the demands of flexible study modes is Distance/Remote Education (DE) and online education. Information technologies can aid institutions to ensure flexible study modes by making use of three types of technologies. Computer networks such as the Internet make it possible for students to access information from data sources throughout the world. These networks enable facilitators to interact with individual students on campus or remote locations, for example webbased courses, which is offered entirely over the Internet. Institutions could also use Interactive Compressed Video (ICV) systems that combine computers with telephone lines to transmit signals. It involves the use of code devices that compress the signal on both sides of a digital phone line. Cellular phones are yet another example that higher

education institutions can use, whereby Wireless Applications Protocol (WAP) can be used by students to access the Internet with their cellular phones.

The second type of education technology that institutions can employ to ensure flexible study modes for students is audio and video communication. Audio and video cassettes, as well as audio and video conferencing, are examples of this type of technology. It is possible for higher education institutions to record sessions/lectures so that it can be screened at a later stage.

The third type of educational technology is known as interactive satellite communication systems. The use of satellite communication systems to convey signals may make interactive television systems for education a reality. Bluetooth is a wireless technology that is be able to connect a cellular phone to a notebook computer to provide access to online conferencing facilities.

The student population may also have the perception that ICT may be useful in their future careers and it could be linked to employment prospects and quality of teaching as well. However, institutions should be aware of the burden of extra resources and additional cost of this strategy.

- **Academic reputation**

As academic reputation was indicated as very important to prospective students, especially English speaking students reporting the highest mean value, institutions must spend enough time and money to maintain and improve their academic quality and reputation. To ensure a positive academic reputation, it is important that institutions create and support a learning environment that inspires students to reach their full potential. It should also inspire faculties to become fully engaged in the teaching and learning mission of the institution, as well to create and support an environment in which departments modify and develop academic programmes to facilitate student learning and to provide instructional resources that enhance the teaching and learning environment. This factor can also be used by institutions to enhance their image of an academically acclaimed institution.

- **Wide choice of subjects**

Due to the importance students attach to the availability of a wide choice of subjects and courses, institutions should ensure that they provide a variety of different subjects and courses. They must also ensure that the range of subjects and programmes are responsive to students' needs and will, in order to enhance the educational experience of the students. These courses and subjects must be accessible, affordable and effectively coordinated. However, institutions must ensure that a wide choice of subjects also reflect the needs of industry and enhance students' probability to obtain a job. They must further ensure that they have enough well-qualified staff to present such courses, as the academic quality could be influenced. Thus, a wide choice of subjects could positively influence a student's employment prospects, create links with industry as they are approached to determine their needs, as well as improving the academic quality of an institution.

- **Entry requirements**

As entry requirements influence prospective students, institutions must ensure that their entry requirements do not exclude minority or disadvantaged groups. Since institutions receive government subsidy on students' successful completion, they must balance their requirements to ensure good quality students. It is vital for institutions to have user friendly admission policies and procedures as well as support programmes such as bridging courses or foundation courses for students whose previous experiences have been inadequate in preparing them for higher education.

- **Links with industry**

As links with the industry are important for students, especially for Black African students reporting the highest mean value, institutions should aim to create these industry links. Higher education institutions should build relationships with employers and industry. Building relationships and links with industry on aspects such as the content and appropriateness of courses and subjects can improve students' job prospects as well as positively enhance the image of the institution. Creating links with

industry could be created though learnerships, experiential training, practical work, advisory boards, sponsorships and guest lectures from industry. Linking with industry also creates a good opportunity for academics to ensure that their course content is relevant. The educational standard and overall reputation will exert considerable influence over commerce and industry to sponsor or give funding to a higher education institution. Good links with the industry are also important to find work placements for students. If an institution has a bad reputation, employers may be reluctant to employ its students.

- **Fees**

Although moderately important to students, this factor is especially important to Indian and Coloured students. Price/fees should be linked to benefits derived from higher education and institutions can therefore concentrate on communicating the value for money they provide. Research needs to be undertaken to determine what prospective students consider as a fair price or good value for money for obtaining an education. Fees may not be as important to students, as they are often not the ones paying for their education. Fees may be of greater importance to parents as they are often the financial sponsors of their children's education. Therefore, institutions must choose a competitive price and communicate this to prospective students, but especially to their parents. Incentives such as reduced class fees should be considered to attract the most promising students to specific institutions. As fees play a role in institution selection, institutions must also be aware of possible fee (price) competitions. However, institutions must also remember that the perception of the quality of education is often influenced by the price. This implies that students may be looking for good value for money and not necessarily the cheapest institution.

- **Financial assistance**

Institutions will have to include scholarships, bursaries and loan schemes to attract higher quality students. Because many previous researchers (Geraghty, 1997:20; Sevier 1993:49; Mills 2004:28-29 and Price *et al.*, 2003:215-220) identified financial consideration as a very important factor, it was surprising to find it ranked only

fourteenth in this study. The fact that fees and financial assistance were not that prominent in the decision-making process of students however correlates with findings from Whitehead *et al.* (2006). Fees and financial assistance are closely linked and therefore not surprisingly ranked thirteenth and fourteenth on the list of importance. The financial aspect of higher education includes both fees and financial assistance and should be widely published to prospective students and their parents.

- **Location**

Literature suggests that students usually attend the institution that is the closest to their homes (Deighton, Garbers and Faure in De Wet 1983:85). In this study, students indicated a moderate importance to the location of an institution. The fact that only 60 percent of the respondents are residents in the province in which the chosen university is located, implies that this does not necessarily holds true for students that participated in this study. This factor may be more important for some institutions than others. Institutions might wish to attempt further research to clarify the importance of location, especially if they are planning to open other campuses or relocate. Location could have different meanings for prospective students, such as distance from home, climate, neighbourhood or even city/urban and needs to be investigated if institutions are planning to expand geographically. Location could also be linked to safety and image. Institutions could mention their convenient, unique or safe location in their promotional campaigns.

- **Attractiveness of campus**

As the physical layout, look and feel of a campus influence prospective students, institutions must ensure that grounds are well kept. This will also reflect on the image of an institution as well as the importance of facilities. Although not the most important factor considered by students, it could be integrated with image, academic facilities and location, especially if an institution has a very attractive campus. The physical appearance is also used to form perceptions about intangible aspects such as quality and must not be neglected due to the lower importance rating.

- **Multi–culturality/diversity**

Institutions must aim to attract a diverse student body by attracting international students as well as more domestic students from different ethnical and minority groups. A higher education institution needs to project a multi-cultural image, especially when recruiting Black African, Indian or Coloured students. Higher education institutions should aim to build successful partnerships with multi-cultural, diverse institutions and associations, by participating in diversity conferences.

- **Social life**

Although social life only ranked eighteenth, students are social beings and therefore portraying the social side of student life in advertising aimed at prospective students is recommended. This may also be a motive that students may be reluctant to admit and may be more important than the results show. Social life could be integrated with the attractiveness of a campus as well as image and could play a supportive role in an advertising campaign. Responses to the importance differed, as this factor had a high standard deviation, and the results suggest that this factor is especially important for Afrikaans speaking, male Caucasian students, who reported the highest mean values.

- **On-campus housing**

Although on-campus housing was not under the top 10 choice factors, this factor had a high standard deviation, which means that students varied in their responses. It appears that this factor is important to Afrikaans speaking female Caucasian students and possibly their parents. Institutions need to provide student support in an appropriate range of housing alternatives that meet the needs of a diverse student population. On-campus housing could also be linked to social aspects as well as safety and location to make an institution more attractive. On-campus living arrangements can potentially add greatly to a student's intellectual stimulation and personal growth. Improving this aspect can contribute to students positively evaluating their overall education and could be integrated with social life and could even reflect on the image of an institution.

- **Sport programmes**

It is of interest to note that sport programmes were not indicated as an important influence on higher education choice in general; however, responses varied and results indicated that it is especially important for male Caucasian, Indian and Coloured students. This fact could also be linked to social life and mention could be made of sport achievements through different media as well as emphasising the publicity that an institution receives through mass media. The different sport programmes offered as well as awards and accomplishments of their sports teams could also be mentioned in websites and in brochures or newsletters to make students aware of the sport programmes available. Well-known sport people from the institution could be used in fundraising, for publicity and for recruiting purposes. Institutions could focus on gyms, health and fitness programmes as well as leisure activities.

- **Friends, brother/sister or parents attended the institution**

As these three factors received the lowest ranking, it indicates that students are not really influenced by reference groups such as their friends or family members. The low ranking may also be due to the fact that their parents or siblings did not attend any higher education institution and consequently there is no tradition to follow. However, the results from the information sources section showed that they do make use of these groups as sources of information. Therefore, it is still important for institutions to build relationships with parents and alumni, as they are an important source of information for prospective students.

The next section will make recommendations based on the importance that different socio-demographic groups attach to choice factors.

7.2.3.2 Recommendations regarding the importance of choice factors according to gender, language, ethnic background and university attended

- **Gender**

The findings showed that males and females differ according to the importance they attach to choice factors. Institutions that want to target females in general or attract more females in certain programmes should focus on the choice factors that were more important to females. They can therefore focus on their wide choice of subjects/courses, high quality of teaching, accessibility due to their entry requirements, good value for money and reasonable, competitive fees, safe and secure learning environment, availability of ample on-campus housing, a multi-cultural diverse student population, being an internationally acclaimed institution, and providing qualifications that will enhance employment prospects.

Institutions wanting to recruit males could emphasise the choice factors that males indicated as more important to them, such as the variety of sport programmes, social life on campus, and following the tradition of attending an institution that their brother/sister and/or friends attended or are attending.

Instead of just focusing on the choice factors where significant differences were found between the gender groups, institutions should also be aware of the top 10 choice factors for males and females. Table 7.1 provides the top 10 choice factors according to importance for males and females.

Table 7.1:   Top 10 choice factors according to gender

No	Male	Female
1	Quality of teaching	Quality of teaching
2	Employment prospects	Campus safety and security
3	Academic facilities	Employment prospects
4	Campus safety and security	International links
5	International links	Academic facilities
6	Language policy	Language policy
7	Image	Image
8	Academic reputation	Flexible study mode
9	Flexible study mode	Wide choice of subjects/courses
10	Wide choice of subjects/courses	Academic reputation

Higher education institutions wanting to make use of a generic marketing and communication approach can focus on the choice factor similarities in the top 10. However, although the top 10 choice factors are similar for males and females, their ranking order differ. For example, acadmic reputation is the eighth important factor for males but tenth on the females' top 10 list, whereas campus safety are second on the females' list, but fourth on the males' top 10.

- **Language groups**

Significant difference was found for 16 of the 23 choice factors, signalling that different language groups differ on the importance they attach to choice factor, thus implying that institutions that want to target specific language groups need to focus on the factors most important to each language group. One way is to look at which language groups reported the highest mean values for each individual choice. In this instance, African language speaking students reported the highest mean values of all three language groups to: wide choice of subjects, entry requirements, fees, academic reputation, financial assistance, links with the industry, multi-culturality/diversity, international links, employment prospects, and flexible study modes. Afrikaans speaking students reported the highest mean values for quality of teaching, sport programmes, social life, attractiveness of campus, campus safety and security, on-campus housing, parents attended the institution, brothers and sisters attended the

institution, friends attended the institution, language policy, international links and the image of a university. English speaking students reported the highest mean values for academic facilities and the location of the university.

However, this approach (mean values) does not provide the complete picture of which factors are the most important for each language group. Therefore, it is also necessary for institutions to take a purely descriptive approach by paying attention to the top 10 choice factors for each language group. Table 7.2 shows the top 10 choice factors per language group.

Table 7.2:   Top 10 choice factors per language group

	African	Afrikaans	English
1	Employment prospects	Quality of teaching	Quality of teaching
2	Quality of teaching	Employment prospects	Employment prospects
3	Campus safety and security	Campus safety and security	Academic facilities
4	International links	Language policy	Campus safety and security
5	Academic facilities	International links	Academic reputation
6	Flexible study mode	Academic facilities	International links
7	Wide choice of subjects/courses	Image	Flexible study mode
8	Image	Flexible study mode	Wide choice of subjects/courses
9	Language policy	Wide choice of subjects/courses	Location
10	Links with the industry	Academic reputation	Links with the industry

Higher education institutions that specifically aim to attract African language speaking students can make use of African languages in their advertising campaigns and focus specifically on: employment prospects, quality of teaching, campus safety and security, international links, academic facilities, flexible study modes, wide choice of subjects/courses, image, language policy and lastly links with the industry. Thus, targeting African speaking students with the message that "attending the institution will improve their chances of employment as the institution provides high quality teaching in a safe environment with international links" will definitely get their attention.

When trying to recruit Afrikaans speaking students, instead of just using Afrikaans in communication to prospective students, institutions can also focus on the following

choice factors in their marketing strategies: quality of teaching, employment prospects, campus safety and security, language policy, international links, academic facilities, image, flexible study modes, wide choice of subjects/courses, and academic reputation.

English speaking students will be more attracted by communication and promotion in English, especially stressing the institution's performance on quality of teaching, employment prospects, academic facilities, campus safety and security, academic reputation, international links, flexible study modes, wide choice of subjects/courses, location and links with the industry.

Higher education institutions wanting to make use of a generic marketing and communication approach can focus on the choice factor similarities in the top 10 list. However, although the majority of choice factors in the top 10 for all three language groups are similar, institutions must take note that their ranking order differ and that they must stress their convenient location for the English speaking students and mention their good academic reputation to Afrikaans speaking students.

- **Higher education institution attended**

The six higher education institutions that participated in the study, as well as other higher education institutions located close to them, can benefit from paying attention to which factors their students rated the most important compared to the other institutions together with the top ten choice factors identified by students from each institution. These institutions must determine how well they are currently performing on each of these factors and attempt to improve where possible, as these factors are the way in which they need to attract prospective students and differentiate themselves from the other institutions.

Below is a discussion of the institutions that reported the highest mean values for each of the choice factors. Students from the University of Johannesburg reported the highest mean values for academic reputation, while students from the University of the Free State reported the highest mean values for: wide choice of subjects, on-campus

housing, parents attended the institution, brothers/sisters attended the institution, friends attended the institution, financial assistance and flexible study modes. The students of Tshwane University of Technology-Witbank campus did not report the highest mean values for any of the individual choice factors. The University of North-West had the highest mean value for quality of teaching, sport programmes, social life, campus attractiveness, language polices, international links and the image of the university. The University of Pretoria had the highest importance for the location of an institution of all six institutions. Students from the University of KwaZulu Natal indicated the highest mean values for academic facilities, entry requirements, fees, location, campus safety, links with industry, multi-culturality as well as flexible study modes.

Irrespective of mean values of each choice factor, institutions should also have a descriptive focus and be aware and make use of the ten most important choice factors identified by their students. Table 7.3 shows the top 10 choice factors for each institution.

Although the majority of the top 10 factors seem to be similar, there are however differences in the rankings. Institutions must focus on those choice factors that are unique in the top 10 if they want to differentiate their institution.

Table 7.3:   Top 10 choice factors according to institution attended

	UJ	UP	UFS	UNKZN	UNW	TUT
1	Quality of teaching	Quality of teaching	Quality of teaching	Quality of teaching	Quality of teaching	Employment prospects
2	Employment prospects	Employment prospects	Campus safety and security	Campus safety and security	Employment prospects	Quality of teaching
3	Academic facilities	Campus safety and security	Employment prospects	Employment prospects	Language policy	Campus safety and security
4	Campus safety and security	Academic facilities	Academic facilities	Academic facilities	Campus safety and security	International links
5	Academic reputation	International links	Flexible study mode	Image	International links	Language policy
6	International links	Language policy	International links	Flexible study mode	Image	Wide choice of subjects
7	Flexible study mode	Wide choice of subjects	Image	Academic reputation	Academic facilities	Flexible study mode
8	Wide choice of subjects	Image	Academic reputation	International links	Financial assistance	Image
9	Image	Academic reputation	Language policy	Entry requirements	On-campus housing	Academic facilities
10	Links with industry	Flexible study mode	Wide choice of subjects	Fees	Academic reputation	Academic reputation

The six higher education institutions that partook in the study can make use of the top 10 choice factors identified by their students as very important. The institutions can make use of these factors to recruit new students and to ensure that they constantly excel in these factors to retain their current students.

The University of Johannesburg needs to communicate to prospective students that they strive for a high quality of teaching, that their degrees will ensure better employment prospects for their students, that they have outstanding academic facilities, that their campus safety and security is very good, that they have a good academic reputation, that they have multiple international links, that they provide flexible study modes to students as well as having a wide choice of subjects, while projecting a positive image and liaising with industry.

The University of Pretoria could firstly focus on their quality of teaching and ensure that their qualifications will enhance students' prospects of being employed. They also need to attempt to provide a safe and secure learning environment with outstanding academic facilities, as well as emphasise their international links and making provision

for students from different language groups, both in lecturing and promotional activities. They must provide students with a wide choice of subjects while projecting a positive image as an institution with a good academic reputation with flexible study modes for their students.

The University of the Free State also needs to focus on the quality of teaching and campus safety and security, employment prospects, academic facilities, flexible study modes, international links, image, academic reputation, language, and a wide choice of subjects. This will ensure that they attract prospective students.

The University of KwaZulu Natal could focus on promoting their high quality of teaching in a safe environment that will enable students to gain employment. They need to maintain their academic facilities and project an image of the institution with a good academic reputation that provides flexible study modes to their students and have international links. They also need to state their accessible entry requirements in their brochures, newsletters and websites.

The University of North-West needs to focus on their quality of teaching, possible employment prospects and language policy when recruiting prospective students. They also need to ensure that their campus is safe and that they emphasise the fact that they have strong international links, project a positive image, have good academic facilities, provide financial assistance and on-campus housing, as well as have a good academic reputation.

Interesting to note is that the students of UKZN were the only group that rated fees and entry requirements among the top 10. Links with industry could be used to recruit students to UJ. UNW should concentrate on the fact that the students indicated financial assistance and on-campus housing, which none of their other institutions' students have included in their top 10. Although language policies were not included in the top 10 of UJ and UKZN, all four the other institutions should pay special attention to their language policies.

It is apparent that there are a lot of similarities in the top ten choice factors of the six institutions. This means that institutions that want to attract good quality students will

have to outperform the other institutions or create a niche for themselves by focusing on one or two of these factors.

- **Ethnic groups**

By looking at which ethnic group attached the highest importance to each individual choice factor, institutions can form an idea of which choice factors will appeal to which ethnic group. Black African students reported the highest mean value of all three groups for wide choice of subjects, financial assistance, links with the industry and international links. Caucasian students had higher means than the other groups for quality of teaching, sport programmes, social life on campus, attractiveness of campus, on-campus housing, parents attended the institution, brothers and sisters attended the institution as well as the language policy. The third ethnic groups that comprised mainly of Indian and Coloured students reported the highest mean values for academic facilities, entry requirements, fees, location, campus safety and security, academic reputation, multi-culturality, employment prospects, flexible study mode and the image of the university.

Regardless of the mean values of each choice factor, institutions should also consider a descriptive approach by compiling the top 10 choice factors for each ethnic group. This information will aid them to better understand the needs of different ethnic groups and aid them in developing effective marketing strategies. Table 7.4 indicates the top 10 choice factors for each ethnic group.

Table 7.4:   Top 10 choice factors according to ethnic orientation

	Black African	Other (Indian and Coloured)	Caucasian
1	Employment prospects	Quality of teaching	Quality of teaching
2	Quality of teaching	Employment prospects	Employment prospects
3	Campus safety and security	Campus safety and security	Campus safety and security
4	International links	Academic facilities	Academic facilities
5	Academic facilities	International links	International links
6	Flexible study mode	Image	Language
7	Wide choice of subjects/courses	Flexible study mode	Image
8	Academic reputation	Academic reputation	Academic reputation
9	Image	Language	Flexible study mode
10	Language	Fees	Wide choice of subjects/courses

Higher education institutions that want to target Black African students should firstly mention the potential employment prospects that a qualification from their institution would secure. Secondly, they must ensure high quality of teaching in a safe and secure environment. They also need to stress the fact that they have multiple international links and that their academic facilities are of a high standard. Their promotional campaigns should further focus on flexible study modes, wide choice of subjects and courses, academic reputation, image and language policy.

In order to attract Indian and Coloured students, institutions should consider promoting their institutions as performing well on the following choice factors: quality of teaching, employment prospects, campus safety and security, academic facilities, international links, image, flexible study modes, academic reputation, language policies and fees. (For statistical purposes, the third group labelled as "other" and consisting of mainly Coloured and Indian students were formed - refer to Chapter 5. It should however be noted that there may be differences between the two groups.)

If an institution wants to target Caucasian students, they need to focus on the factors most important to that specific group, namely: quality of teaching, employment prospects, campus safety and security, academic facilities, international links, language policies, image, academic reputation, flexible study mode and wide choice of subjects/courses.

Although there are differences in the ranking of the top 10 choice factors per ethnic group, gender group, language group and university attended, as confirmed in the hypotheses, the majority of choice factors in the top 10 are similar. This implies that higher education institutions that do not wish to recruit one specific group can focus on the top five or 10 generic choice factors to appeal to a broad student market. The number of choice factors that institutions choose to focus on will depend on their performance levels on the factors as well as the resources available and the image and position they are trying to create for themselves.

7.3   MAIN FINDINGS RELATING TO INFORMATION SOURCES

To effectively communicate with current and prospective students, it is important that higher education institutions are aware of the best way to reach students. As indicated in the previous section on choice factors, it is imperative that higher education institutions should make mention of their standing or performance on the important choice factors. However, if this information does not reach students, the effort is in vain. Therefore, it is vital that institutions should know how to reach their current and prospective students by making use of the most effective communication media or information sources. Section 7.3.1 will highlight the main findings regarding the usefulness of the different information sources investigated in this study.

7.3.1 CONCLUSIONS REGARDING THE MAIN FINDINGS ON INFORMATION SOURCES

Students indicated campus visits and open days as the most useful information source, followed by university websites, university publications, word-of-mouth, alumni, events on campus, school visits by university staff, high school teachers, parents, advertisements in magazines and newspapers, advertisements on radio and advertisements on television.

To gain more insight into the usefulness of the 12 sources investigated, it was decided to form three groups, namely: university related information sources consisting of school visits, publications, websites and campus visits/open days; reference group

related information sources consisting of alumni, parents, high school teachers and word-of-mouth; and mass media related information sources consisting of advertisements on radio, television, magazines/newspapers and campus events.

Based on the above-mentioned classification, the findings indicated the most useful information sources as those coming directly from a higher education institution, such as open days, websites and publications, while mass media related information sources such as advertisements in magazines and newspapers and on television and radio were the least useful.

Comparisons were made between gender, ethnic groups and institution attended, and the usefulness of the three groups of information sources. The results revealed certain tendencies and will be briefly mentioned below.

The findings of university related information sources indicated that females tended to rate all four university related information sources (school visits, publications, websites and campus visits and open days) as more useful than males. However, both males and females indicated school visits as the least useful and campus visits as the most useful university related information source.

All four ethnic groups indicated school visits as the least useful and all the groups, except Coloured students, indicated open days as the most useful. Coloured students indicated websites as the most useful university related information source. Black African students and Caucasian students tended to rate the usefulness of school visits much higher than Indian and Coloured students. Almost 35 percent of Coloured students rated school visits as poor to very poor. Black African and Coloured students rated the usefulness of university publications and websites much higher than Caucasian or Indian students. Indian students tended to rate the usefulness of university publications and websites the lowest of all four ethnic groups.

Four of the six higher education institutions rated campus visits and open days as the most useful, except two that indicated websites as the most useful. However, all six indicated school visits as the least useful.

It can therefore be concluded that although university related information sources are very useful, school visits are not as useful as open days and campus visits, websites and publications.

Females rated all four reference group related sources (parents, high school teachers, alumni and word-of-mouth) as more useful than their male counterparts. Both genders however indicated word-of-mouth as the most useful source, while males viewed high school teachers as the least useful and females viewed their parents as least useful.

Almost all the ethnic groups indicated word-of-mouth as the most useful, except Coloured students, who indicated high school teachers as the most useful. Black African, Coloured and Indian students indicated parents as the least useful, while Caucasian students indicated high school teachers as the least useful.

The findings showed that students from five of the institutions indicated word-of-mouth as the most useful of all the reference group related sources, except students from TUT, who indicated high school teachers as the most useful. The students of TUT and UKZN indicated that alumni were the least useful source, while UJ indicated parents as the least useful. The other three institutions indicated high school teachers as the least useful.

Females also rated the four mass media sources (campus events, magazines, and radio and TV advertisements) as more useful than males. Both males and females indicated campus events as the most useful mass media source. It seems that ethnic groups differed concerning the most useful mass media information source. Black African and Indian students indicated magazines and newspapers as the most useful of all the mass media related information sources, while Coloured students preferred advertisements on radio and Caucasian students preferred campus events.

Five of the six institutions viewed campus events as the most useful, with TUT indicating magazine advertisements as the most useful mass media related information source. Males and females, all four ethnic groups and students from all six institutions indicated television advertisements as the least useful mass media information source.

The study investigated the relationship between the distance of students' permanent homes and the higher education institution they were attending as well as the use of open days and campus visits as information sources. The results of this study did not show a significant difference between the distance from students' permanent homes in terms of the higher education institutions they attended and the use of open days and campus visits as an information source.

Previous international studies on information sources also implied a relationship between students' residence in a province in which the higher education institution is located, and the use of word-of-mouth as an information source, but the result of this study did not show a significant difference between students that are resident in the province in which the higher education institution are located, and the use of word-of-mouth as an information source.

The study investigated the relation between students' academic ability and the use of websites. The results of this study did not show a significant difference between students of different academic standing and the use of websites as an information source.

The next section will address the implications of the findings highlighted above.

7.3.2 IMPLICATIONS OF THE MAIN FINDINGS OF INFORMATION SOURCES

Higher education institutions need to make use of a variety of useful information sources and a combination of information sources to ensure they reach a diverse student market. It is clear that information directly from the institution, such as brochures, newsletters, websites, school visits and campus visits, is the best way to disseminate information to prospective students. Higher education institutions should critically analyse their existing marketing, communication and recruitment strategies by identifying their strengths and weaknesses concerning the most useful information sources.

It is important to note that students' needs and preferences change over time and that the usefulness of information sources may also change in future. Institutions can therefore not keep using successful information sources purely because it worked well in the past and assume that it will always be useful and effective. Institutions need to, from time to time, carefully examine the information sources they use to ensure that they make use of the most effective sources.

For years higher education institutions have fashioned communications strategies based on mass media messages, but times are changing and the Internet era have led to more media opportunities than ever before. Thus, higher education institutions must not be content with their current mix of communication media or even the sources recommended in this study. They need to constantly monitor and be aware of new innovative communication/information sources to reach prospective students. Seeking new methods or information sources will not just ensure effective communication, but also provide a possible way of differentiating and competing with other higher education institutions. The high usefulness of websites clearly indicates a move towards the increased use of technology for communication and recruitment purposes.

Institutions should also carefully choose the source to be used depending on the specific segment of prospective students they want to target as some sources are more useful than others for different groupings. The information sources that institutions make use of is yet another way to build their image and differentiate themselves from other institutions. Higher education institutions that are targeting a specific niche market should make use of more focused communication sources such as brochures or newsletters.

Higher education institutions should align, balance and train their recruitment teams to optimise the most useful information sources. Proper planning is necessary to ensure sufficient resources such as funding, personnel and technology to effectively disseminate information to prospective students. Appointing specific people to manage different sources, as well as coordinating all the sources used in communication and promotions campaigns, is vital to ensure a uniform message to reach prospective students. They must furthermore ensure that they have a system in place for accurate and timely communications (letter, e-mail, telephone, personal) with prospective

students throughout the recruitment process (campus visits, school visits). Support personnel, technologies and an administrative system for all campus events, school visits and other communications contribute to the success of a communication campaign.

Communication and recruitment campaigns must be scheduled with sensitivity to sport, academic, social and extra-curriculum activities as well as public holidays, seeing that conflicting dates can reduce the effectiveness of the information sources used, especially when organising an open day, campus event or school visit.

Higher education institutions need to evaluate the impact of the communication strategies, tools and information sources they are using. Advertising expenditure should be worthwhile, and if not, institutions can redirect those funds from mass media to more direct marketing activities that provide information to prospective students. It is very important for higher education institutions to remember that no matter which source or combination of sources they make use of to communicate to their prospective and current students, the communication should sound and feel the same across the various sources. Thus, institutions should aim for message integration that is coordinated and consistent throughout the institution. In order for a higher education institution to deliver a consistent message, it is important that all promotions and communications go through a marketing or communication office.

Based on the specific situation each higher education institution faces regarding resource availability and current information sources used, the following recommendations may be useful.

7.3.3   RECOMMENDATIONS REGARDING INFORMATION SOURCES

For any promotional or communication strategy to work well, it is important for higher education institutions to determine and decide which media source or a combination of sources to use in order to effectively communicate information about their institutions. Although it is recommended that institutions mainly make use of and focus on the sources identified as most useful, all the sources will be highlighted (in ranking order of usefulness), as institutions may differ on their existing communication

mediums/information sources used and resources and expertise available. Although sources are explained separately, it is important for higher education institutions to integrate and combine the information sources to improve the overall effectiveness and reach of its communication and promotional strategies.

7.3.3.1   Recommendations regarding the individual information sources

- **Campus visits and open days**

It is evident from the findings that open days and campus visits are very useful sources of information. As respondents indicated open days and campus visits as the most useful source of information, institutions should focus on providing informative open days. Open days provide an opportunity for higher education institutions to provide information on their degrees and courses as well as other activities for prospective students, their families, alumni and the community. The main focus of a campus visit or open day should be to provide academic advice to prospective students. Institutions must ensure that staff working at the open day is knowledgeable and available to answer questions and provide expert academic advice on choosing a course, qualifications, and possible job opportunities. Offering departmental and campus tours, as well as interactive demonstrations, can provide prospective students and their families with a real insight into studying/enrolling at the institutions. The library, bookshops, residential housing and other facilities of interest should all be open to be viewed. Open days can thus be used to create awareness of courses and programmes offered, the instructional environment and support services. They can also be used as opportunities to change perceptions of prospective students and can be viewed as opportunities to build relationships with prospective students and their families.

Special effort should be made to invite secondary schools in the vicinity of the institution by means of invitations or letters or even a recruitment campaign during school visits. Higher education institutions should remember to include parents in their target market for open days and campus visits. Personalised invitations could also be sent to parents of top performing Grade 12 learners, as direct marketing from the

institution, as seen in the findings, are more effective than mass marketing tools such as promoting an open day on radio.

Academics and even current students need to recognise their roles as sales people during open days. They must be trained to answer expected questions and to project an image that will produce a favourable reaction during campus visits and open days. Although open days have the opportunity to bring hundreds of prospective students to a higher education institution, the limitation is that there is often little opportunity for one-on-one communication. Hosting an open day is usually to provide a more general idea about institutions. However, higher education institutions should try to provide more specific information during open days instead of just providing general information in order to encourage students to apply and enrol. Institutions must be aware of the fact that open days are not only effective for recruiting prospective students and distributing information, but it also provides a valuable initial orientation opportunity. Therefore, institutions must ensure that they do not create a superficial impression that is a poor representation of the actual academic experiences being offered by the institution.

For a higher education institution, the success of an open day depends on how many students attend the day and then go on to apply at the institution. The main benefit of an open day for prospective students is that it allows them to get a feel of the institution and obtain as much information as possible about their chosen course. It is vital that the institution will give a good impression, as often it will make or break a prospective student's decision.

- **Websites**

The usefulness of websites creates excellent opportunities for institutions to quickly and effectively make information available to prospective students, as well as constantly update their information. Websites are not just a tool for dissemination of information, but can also be used for making announcements. Since institutions' websites are being widely used by prospective students, the web image help to form the institution's image and therefore careful attention must be given to the look and feel

of websites. Higher education institutions must ensure that their websites are user friendly and easily accessible, as students struggling to access or use a website may form a bad impression of the institution. Websites are also an information source where the institution has a degree of control over what is said, how and when it is said, opposed to open days and campus events where standardisation and control is more restricted.

An up-to-date, user friendly website also projects the image of an institution on the forefront of computer technology. It is recommended that higher education institutions visit other higher education institutions' websites as well as those of organisations in industry known for their well-planned websites. This will ensure that they are up to standard and if not, can invest in specialists to help with the website development and administration. As prospective students, like other customers today, often demand 24/7 access to a company and whose first contact point is the website, it is important to ensure that prospective students have access to the relevant information through self-service strategies. Making use of self-service strategies via websites provides information to prospective students on courses, supporting services and contact details, while reducing the cost of communication.

It is imperative for higher education institutions to have a website strategy and that their websites should be extensions of their marketing plans, which ultimately extend the position of their institutions. Higher education institutions devising a website strategy should ensure that their site is always current and appealing and that they have their own online identity. Since a website is an extension of the institution's brand, they must ensure that the website address is visible on everything from brochures to letterheads. It is further recommended that institutions determine how many website changes are needed. Different design elements such as speed, function, graphics, content and how it could complement their brand, should also be considered. It is also important for institutions to remember to plan for and apply the available resources in terms of funds and human resources required to maintain their websites and to decide on the level of integration with the rest of the institution. One such an example is online applications. Higher education institutions should also ensure that their website is visible to search engines and it is therefore important to identify which search engines and specific search phrase will drive the most traffic to an institution's

website. Websites are a very effective, affordable and measurable way for higher education institutions to create awareness and market their institution to prospective students and will become even more popular in future.

- **University publications (newsletters and brochures)**

Based on the findings, it is recommended that higher education institutions should make use of more targeted promotional material such as brochures and newsletters. Higher education institutions planning on using university publications such as brochures to reach their prospective students need to consider the content and design of the publication, how to distribute it and how to reach prospective students, as well as the cost and timeframe. If institutions do not have enough expertise to design their own brochures or newsletters, it is advised that they make use of external specialists to help them design a professional brochure that will reflect their image. Publications can be used in conjunction with other sources such as school visits, open days and even be put on the website of the institution. It is important for institutions to determine what type of information prospective students need and to design their brochures accordingly, thus ensuring complete, accurate and comprehensive information without being dull.

Institutions should give special attention to the front and back covers of the brochures, as these covers can entice prospective students to read the brochure. The front cover should state some of the benefits of attending the institution or provide thought-provoking statements to motivate the prospective student to read it. Higher education institutions should furthermore ensure that information in the brochure or newsletter has a logical flow. For a long brochure, a list of contents in bold and separated from the rest of the text is essential and should stress how the prospective student can benefit from attending the institution. Institutions should try to be creative and innovative in their publication design to ensure that their brochure or newsletter stands out, for instance by giving the brochure an interesting shape or size. Higher education institutions should also remember to include an invitation to prospective students to take action by calling a toll-free number for further information, enrol now, visit the website for an online application, or visit the administration office or faculty.

- **Word-of-mouth**

Higher education institutions must ensure that current students, alumni, industry, high school teachers and other well-connected people that have influence in their communications, are part of the targeted groups to be informed about the strengths, accomplishments and successes of the institution. If higher education institutions want to make use of word-of-mouth advertising to their advantage, they should remember to determine what is currently said about their institution by conducting research by means of focus groups. They need to be aware of the fact that there might be cultural differences and be adaptable and flexible in their communication. Word-of-mouth marketing is effective when it inspires conversation about the institution. Thus, positive publicity, high quality services and outreach programmes to communities are ways in which institutions can encourage positive word-of-mouth. Institutions lacking the necessary skills should employ the help of marketing experts to help them to manage their word-of-mouth campaigns. Word-of-mouth marketing is truly successful if it motivates prospective students to enrol at institutions and therefore institutions should make sure it is a positive conversation. Keeping track of who is spreading the word by asking prospective students that apply where they heard about the institution is another way of managing word-of-mouth.

Word-of-mouth is usually linked with other information sources such open days, campus events, radio advertisements or school visits and must not be perused in isolation, as it is a very powerful information source due to the fact that it is perceived as credible and real. Ensuring satisfied current students and alumni will ensure positive word-of-mouth. Institutions can encourage current students with "bring-a-friend-along" campaigns when they market their open days and even consider giving small rewards to current students or alumni that refer students to their institutions.

- **Alumni**

A cultivation of alumni can serve a number of purposes. Alumni could be used in student recruitment as well as provides a source of publicity for the institution as the achievement of past students is often newsworthy. Moreover, an alumni network can

unlock doors that lead to research funding, consultancy, student placements, and even donations or sponsorships. As students indicate alumni as a very useful source of information, they are in a prominent position not just as a source of information, but also because they could influence the image of a higher education institution. Institutions should ensure that their alumni are fully satisfied, since they are used as an information source by prospective students. Satisfied alumni and current students can impact positively on prospective students and parents by spreading positive word-of-mouth.

Institutions can make use of testimonials by alumni to encourage prospective students to enrol at the institution and project a positive image to the broader public. As alumni are regarded as a very useful source of information, they can be combined with other sources such as school visits and open days. Alumni can visit their former high schools to promote and create awareness of the institution. Alumni could be used at schools to invite prospective students to open days or distribute brochures or newsletters. Alumni is such a useful source of information that it is imperative that institutions have an up-to-date alumni list to ensure that they are kept informed about the institution's activities and achievements and possibly start an alumni office or alumni relations if they do not yet have such a division.

Alumni who currently occupy influential positions in both the public and private sector could be used to an institution's advantage for creating a positive image by spreading positive word-of-mouth, fundraising and recruiting. They can be used as guest lecturers as well as being possible employers of students or even supplying bursaries or sponsorships. They can act as role models and opinion leaders and prospective students can emulate them by following in their footsteps, which include attending the same higher education institution. Higher education institutions need to manage their alumni through an alumni relations office or alumni association. This office should take responsibility of keeping a database, process all alumni correspondence and inquiries, organise alumni meetings, arrange events, identify successful graduates, keep alumni websites updated and stay in touch with alumni of the institutions. Searle (2007:6-7) even suggest offering a carreer-service office or portal for alumni to aid in job search. The alumni office should also provide the opportunity for alumni to contribute financial and other meaningful ways to the advancement of the institution. It is essential that

alumni are kept up-to-date with activities and events on campus, the latest academic developments as well as academic and sport accomplishments. Alumni could assist higher education institutions to gain insight into the image of the institution (through online surveys), help to recruit prospective students of outstanding quality and to identify possible donors. Thus, one of higher education institutions' marketing goals needs to be the visible increase in alumni satisfaction.

- **Campus events**

Prospective students get a feel for an institution when they attend events on campus. It is important that institutions realise the value of such events and use it to their advantage. Any event hosted on campus, may it be sports, music or cultural, must be seen as a potential marketing and communication opportunity. If the institution itself is hosting the event, it is important that it should be done in a professionally organised manner to reflect the appropriate image of the institution. A campus events coordinator may be helpful to ensure a high quality event in line with the institution's image. Choosing events to host on campus is important, as these events reflect what the institution stands for and what prospective students attending such an event might expect to experience at the institution once enrolled. This means that an institution emphasising its excellent sport programmes in recruitment material will try to host enough sporting events to reflect this.

Campus events are yet another way of creating positive word-of-mouth and to gain publicity about the institution. An important component of campus events is the effective marketing and timing of such events. Events reflect the institution's image and must be well-planned and well-executed, otherwise it will reflect badly on the institution's image and possibly create negative word-of-mouth.

- **School visits**

Higher education institutions that want a more focused approach to marketing and recruiting can make use of school visits. Visiting feeder schools on a continuous basis to disseminate information and to hold talks at school career functions can be a very

effective way of recruiting and communicating with prospective students. As findings suggest that school visits are viewed as a useful source of information for the majority of students, higher education institutions should organise information sessions at secondary schools in its target market. This could be presented as mini open days including general information, brochures and videos. Institutions can also consider producing a newsletter especially for high schools, booklets or brochures. Institutions must appoint a department or person responsible for co-coordinating the school visits with high school teachers and ensure that high schools are invited to open days or that campus tours are arranged. Alumni and current students could also be used in school visits to talk to prospective students. School visits should not only be aimed at prospective students, but also pose a good opportunity to build relationships with teachers and parents. Higher education institutions can lastly develop customised marketing strategies for individual high schools in their feeding areas, depending on their specific needs.

- **High school teachers**

Secondary school teachers could be institutions' greatest allies in helping students making a decision about enrolling at a higher education institution. Institutions should attempt to get the support of high school teachers. They can influence the prospective students as they are uniquely positioned in high schools to shape the early perceptions of prospective students about their higher education options. It is therefore also imperative to know their opinions and attitudes towards the institution and if need be, will need to be researched or investigated through, for example, personal interviews. Such research can provide information that prospective students may seek, such as financial aid information, academic counselling, and higher education options.

Although high school teachers are not the only source of information, their perceptions have some influence on the opinions of prospective students and often their parents. High school teachers should be equipped with the necessary information so that they can assist high school learners in making informed choices regarding entry into higher education. This includes information about the institution in general, but also information regarding the respective degrees and/or faculty and possible career

opportunities. Institutions are therefore advised to enhance communication efforts by visiting secondary schools and building relationships with teachers, particularly career guidance officials, and focus especially on the schools in the provinces where the majority of their students come from. By providing training and information to teachers, they can distribute information to their prospective students. A group or department responsible for coordinating school liaising activities is thus necessary. Including current students and alumni to visit their former high schools can also be considered.

- **Parents**

The results support the findings of Foskett and Hemsley-Brown (2001), who determined that parental influence on schooling decisions in England seem to wane as children get older. Parents rated ninth out of the twelve information sources. Although parents may not be the most useful information source used by prospective students, research do suggest that they play a very important role in encouraging the children from a young age to further their studies at higher education institutions. It is also possible that parents ranked low because the parents of students of previously disadvantaged groups do not have sufficient information on higher education institutions. This may possibly show a gap in institutions' marketing toward parents. Higher education institutions should consider sending marketing information to parents as well as invitations to events such as open days. Institutions could especially focus on the parents of high performance learners in secondary schools to encourage a good quality student to enrol at the institution.

For communication purposes, it is important to reach the parents of prospective students. The extent to which parents are used as a source of information is surprisingly small, since their attitudes and options are usually assumed to be extremely important in the formation of educational ambitions. The explanation may be that parents have a strong influence on the aspiration to continue studying, but at the actual point of higher education selection, parents may have a lesser influence on the specific choice due to gradual independence of a prospective student or limited knowledge of parents about tertiary fields. As parents may have a bigger influence when learners are still in high school, it is important for institutions to communicate to

parents throughout the child's high school years. It may be worthwhile for higher education institutions to include parents in their promotional material by sending brochures to them as well and inviting them to open days. A parents' day or parent orientation is an excellent way of providing information and knowledge about the institution, keeping in mind that parents may be looking for different information than the prospective student, for example career development, health and safety on campus, and transport. Corresponding with parents of high school achievers through personal invitations to open days or information on bursary and fees can prove to be beneficial to institutions.

- **Advertisements in magazines, newspapers, radio and television**

As advertising on radio, television, and magazines were not indicated as very useful, higher education institutions that currently make use of these mass media should take note that they may not be reaching prospective students effectively. Institutions planning to make use of mass media to communicate or recruit prospective students must do market research to determine which magazines, newspapers, radio stations or television stations prospective students are exposed to as well as which approach to use in order to attract their attention. Further research needs to be conducted to determine why mass media is not a source of choice and how to use it more effectively as part of a communication campaign. It may be that prospective students are so used to information overload that mass media is not a good way to reach this group.

The fact that students do not see mass media information sources as useful suggests a range of things. It could be that they find the information provided through these channels as inadequate or misleading, or it may be that prospective students do not find these sources as trustworthy for their decision-making. Higher education institutions should rather focus on how to make better use of mass media through publicity such as news releases, targeted media plans and media liaison, in order to ensure word-of-mouth marketing.

Although students indicated that they also make use of other sources, they did not specify which sources they refer to. Higher education institutions should take

cognisance of the fact that there are possibly other useful information sources that warrant further investigation. Institutions must not be content with only focusing on the useful information sources identified in this study, as needs and preference may change and so may the information sources that students find useful. Although the findings from this study is a good starting point when developing or adapting current communication and recruitment strategies, institutions must not limit themselves to the 12 sources identified and investigated in the study and should always try to find new and innovative ways to communicate and recruit prospective students.

The next section will make recommendations based on the usefulness that different socio-demographic groups attach to the individual information sources.

7.3.3.2 Recommendations regarding the usefulness of information sources according to gender, ethnic background and university attended

- **Gender**

By looking at which gender group attached the highest usefulness (by combining the good and excellent responses for each source) to each information source, institutions can form an idea of which sources to use to reach the specific grouping. Females tended to rate all the information sources as more useful than males and therefore institutions need to look at the ranking order of the individual sources for each gender to gain more insight. Table 7.5 indicates the usefulness in ranking order of the information sources for male and females.

Table 7.5:   Usefulness of information sources according to gender

No	Male	Female
1	Open days & campus visits	Open days & campus visits
2	Websites	Websites
3	University publications	University publications
4	Word-of-mouth	Word-of-mouth
5	Campus events	School visits
6	School visits	Alumni
7	Alumni	Campus events
8	Parents	High school teachers
9	High school teachers	Parents
10	Magazine and newspaper advertisements	Magazine and newspaper advertisements
11	Radio advertisements	Radio advertisements
12	Television advertisements	Television advertisements

It is evident that the four most useful and three least useful information sources are identical for both males and females. Institutions that want to communicate to both genders should therefore make use of open days, websites, university publications and word-of-mouth. For females, school visits and alumni are more useful than for males, while institutions will benefit by making use of campus events and parents to communicate and recruit, especially males.

- **Ethnic orientation**

By looking at which ethnic group attached the highest usefulness to each individual information source, institutions can form an idea of which sources will appeal to which ethnic groups. Institutions that want to communicate especially to Coloured students need to be aware of the fact that they rated the usefulness of advertisements on radio and websites the highest of all four groups. Caucasian students rated campus events, alumni, word-of-mouth, school visits, campus visits and open days the most useful. Higher education institutions recruiting Black African students should keep in mind that advertisements in magazines, newspapers and on television, high school teachers, parents and university publications were rated the most useful by them. Indian students however did not rate any information source as the most useful of all the

ethnic groups and therefore institutions need to also consider each ethnic group's individual ranking order to determine the usefulness of the different information sources. Table 7.6 reflects the usefulness of the information sources according to ethnic orientation.

Table 7.6:   Usefulness of information sources according to ethnic orientation

No	Black African	Coloured	Indian	Caucasian
1	University publications	Websites	Open days and campus visits	Open days and campus visits
2	Open days and campus visits	University publications	Websites	Websites
3	Websites	Open days and campus visits	Word-of-mouth	Word-of-mouth
4	Word-of-mouth	School teachers	University publications	Campus events
5	School teachers	Advertisements on radio	School teachers	University publications
6	School visits	Word-of-mouth	Parents	School visits
7	Alumni	Alumni	School visits	Alumni
8	Parents	Campus events	Alumni	Parents
9	Magazine and newspaper advertisements	School visits	Magazine and newspaper advertisements	School teachers
10	Campus events	Magazine and newspaper advertisements	Campus events	Magazine and newspaper advertisements
11	Advertisements on radio	Advertisements on television	Advertisements on radio	Advertisements on radio
12	Advertisements on television	Parents	Advertisements on television	Advertisements on television

Open days and campus visits, websites, word-of-mouth and university publications can be used by institutions to recruit and communicate to students of all ethnic groups and institutions wanting to recruit a diverse group of students should focus on these sources. Higher education institutions should realise that information directly from them is the most effective way to reach prospective students and to create credible, persuasive communication.

Black African students could best be informed through university publications, open days, websites, word-of-mouth, school teachers and school visits. Integrating school visits and school teachers could be a very useful and effective way of communicating to Black African students. Institutions should however remember that campus events,

in addition to radio and television advertisements, are not very useful information sources for Black African students.

Indian students would best be targeted through open days, websites, word-of-mouth, university publications, school teachers and parents. Indian students could be reached through school teachers and their parents, but campus events are not very useful to them. It might be that institutions should look at the events they host and try to see if they could host more events to attract Indian students and, when hosting events, institutions should also view it as a communication and promotional opportunity.

Caucasian students would be best informed through open days, websites, word-of mouth, campus events, university publications and school visits. Higher education institutions can focus on campus events and school visits to reach Caucasian students. School visits are especially important, since this group do not view school teachers as a very useful source of information and institutions should attempt to also disseminate information to school teachers and try to involve them in school visits to improve their usefulness.

Coloured students would be best informed through websites, university publications, open days, school teachers, campus events and word-of-mouth. Institutions aiming their communication at Coloured students should focus on school teachers and should note that this is the only group who rated radio advertisements as a useful source. Radio advertisements should be very successful when aimed at this group. Institutions should take cognisance of the fact that parents are not useful at all to this group and it may indicate a weakness in the communication or relationships institutions have with parents from this group. Institutions could attempt to improve their communication to parents of Coloured students and build a relationship with these parents to make this a more useful source of information to prospective students.

- **University attended**

By looking at respondents from each higher education institution that partook in the study, institutions could form an idea of how to reach prospective students based on

the views of useful information sources. The respondents from TUT indicated the highest usefulness for university publications, parents, high school teachers, word-of-mouth, advertisements on radio, magazines and television, while students for UNW had the highest ratings for school visits, websites, open days, alumni and campus events. As this do not provide a clear indication of the usefulness of sources for all the institutions, it is important to look at the individual rankings according to usefulness for each institution.

This information will aid institutions to better understand which information sources to use in order to communicate, promote and recruit prospective students. Table 7.7 indicates the top 10 choice factors for each institutional group.

Table 7.7:   Usefulness of information sources according to institution attended

No	TUT	UP	UJ	UFS	UNW	UKZN
1	Open days and campus visits	Open days and campus visits	Websites	Websites	Open days and campus visits	Open days and campus visits
2	University publications	Websites	Open days and campus visits	University publications	University publications	Websites
3	Websites	Word-of-mouth	Word-of-mouth	Open days and campus visits	Websites	Word-of-mouth
4	School teachers	Campus events	University publications	Word-of-mouth	Word-of-mouth	University publications
5	School visits	University publications	Alumni	Alumni	Campus events	School teachers
6	Word-of-mouth	Parents	School teachers	Campus events	Alumni	Parents
7	Advertisements in magazines and newspapers	Alumni	School visits	School visits	School visits	School visits
8	Parents	School visits	Campus events	Advertisements in magazines and newspapers	Parents	Alumni
9	Alumni	School teachers	Advertisements in magazines and newspapers	Parents	Advertisements in magazines and newspapers	Campus events
10	Advertisements on the radio	Advertisements in magazines and newspapers	Parents	School teachers	School teachers	Advertisements in magazines and newspapers
11	Campus events	Advertisements on the radio	Advertisements on the radio	Advertisements on the radio	Advertisements on the radio	Advertisements on the radio
12	Advertisements on television	Advertisements on television	Advertisements on television	Advertisements on television	Advertisements on television	Advertisements on television

Higher education institutions in general need to steer away from advertisements on radio, television or in magazines and rather focus on reaching students via websites, publications and open days. They also need to keep in contact with their alumni, as they provide a useful source of information and ensure the spread of positive information through word-of-mouth.

Higher education institutions should pay attention to the usefulness of the information sources, as this may either indicate that they are currently making effective use of the information source or a bad ranking may indicate that they either do not make use of it correctly or that students do not prefer this type of source. Depending on the individual institution and the current recruitment policies and communication strategies, they need to decide on a plan of action to strengthen, improve, change or abort using certain information sources.

In addition to the fact that all the institutions can benefit by making use of open days, websites, word-of-mouth and university publications, the following should be noted.

Interesting is that alumni, which is overall indicated as a very useful source of information (fifth), only ranked ninth at TUT. Campus events are yet another source that is not very useful to students from TUT. This is however the only institution where students ranked magazine and newspapers advertisements as somewhat useful and these could therefore be used effectively to communicate to TUT students.

School teachers, school visits and alumni are valuable information sources for UJ, but they need to improve their communication strategies with their parents in an attempt to improve their usefulness as an information source.

UP should take note that they could really focus on campus events as a unique and effective way of supplying prospective students with information. They might want to pay more attention to school visits and school teachers as well, because they were ranked sixth and seventh out of the twelve sources.

UFS should use campus events and school visits as communication and recruitment opportunities and should also investigate their current communication strategy and

liaising activities with school teachers and parents to try to improve and strengthen their relationship with students.

UNW could make the most of their campus events and alumni to communicate to their prospective students, but they need to pay attention to high school teacher liaising, as this source is not currently viewed as very useful.

UKZN should make use of parents, school visits and school teachers to distribute information to their students, but they should also investigate how they can improve the usefulness of campus events.

The recommendations and implications of the choice factors and information sources ultimately have implications for the marketing strategy of a higher education institution, since it impacts on their products/services, prices, promotions, processes, distribution, people and physical evidence decisions.

Although all the recommendations have been thoroughly discussed, the next section will briefly highlight how the results and findings can possibly impact on a higher education institution's marketing strategy.

7.4 IMPLICATIONS OF THE FINDINGS ON AN INSTITUTION'S MARKETING STRATEGY

The development of a marketing strategy involves the coordination and combination of the marketing mix elements and it is the coordination of these elements that enables higher education institutions to meet students' needs and provides value. Higher education institutions need a well-developed, comprehensive marketing strategy that is carefully communicated throughout the institution. The services marketing mix will help higher education institutions to shape their service offerings according to the needs of their students.

The aim of this study was to investigate the choice factors and information sources students make use of in their institution selection process. This information would enable institutions to develop a more effective and efficient marketing strategy.

The most basic decision that higher education institutions have to make, is which programmes and services they will offer to their students. An institution's service product strategy determines its identity, position and how prospective students will respond to the institution. In the light of the findings of the study, it is clear that institutions should provide a **wide range of subjects and courses** that will enable students to **find jobs**. Institutions must ensure that their courses have a **career focus (employment prospects)** and are market related for the national as well as **international** job market, to attract more students. They should also focus on adapting their **language policies** to student preferences. Restructuring and transformation of current programmes offered may be necessary to make them more career focused with **increased liaising with the industry** and hence more attractive to prospective students. Students also expect that the service products will be of a **high quality** and that it would be reflected in an institution's **academic reputation**. Some programmes and services are more central than others. Academic offerings are essential programmes that institutions cannot do without, whereas **sport programmes** and **social activities on campus** are less important to students. It may be easier to modify these non-core offerings because it may have a lesser impact.

Higher education institutions must also develop a pricing strategy for their service products. The pricing decision is of utmost importance, as this will ensure income for higher education institutions and plays an important role in the marketing mix, quality perception, attracting customers and providing revenue to institutions. According to the findings, **price** and **financial assistance** is moderately important to students, but may be of greater importance to their parents. Institutions should pay careful attention to the financial assistance they offer when they recruit males as well as Coloured and Indian students.

Higher education institutions can have good quality educational services offered at the right price to students, but if students and parents are not aware of these services and prices, they will not consider choosing the institution. It is therefore important that

higher education institutions communicate with their prospective students and parents. Higher education institutions should use **campus visits and open days, university websites, university publications, word-of-mouth and alumni,** while **events on campus, school visits by university staff, high school teachers and parents** could be used to a lesser extent. Institutions should steer away from using advertisements in magazines and newspapers, and advertisements on radio and television, as they are not perceived as very useful to students. The findings suggest that students do not place equal emphasis on all the choice factors. Thus, when communicating by means of the various sources, it is important that they focus their communication on the benefits or choice factors that they provide and that are important to students, e.g. providing **quality of teaching** that will enhance **students' employment prospects** in a **safe and secure** learning environment. Mention could also be made in communication strategies about the **academic facilities**, **international links, language policies, image of the institution, flexible study modes, academic reputation and a wide choice of subjects/courses.**

Distribution means making education/programmes available to potential students in the most convenient and accessible way. Accessibility means that solutions must be found for obstacles such as distance, time and cost. Possible solutions for cost may be the provision of funding, bursaries and grants **(financial assistance)** to enable students to study, telematic education or distance education **(flexible study modes)**, as well as **residences on campus** for students who can possibly bridge the geographic obstacles (distance). **Flexibility** in the time scheduling of lectures, such as evening classes, full-time or part-time classes, may increase the accessibility of an institution and bridge the time obstacle. It is evident from the study that **flexible study modes** are a very important aspect to students, while the physical **location** of an institution is of lesser concern. However, the **safety and security** aspect of the location is very important**,** especially to female students.

A student's first impression of a higher education institution is often based on his/her interaction with the people of the institution as well as other students. The findings of the study suggest that **friends and alumni** can play a very important role in spreading word-of-mouth about the institution, as they are also used as potential information sources. The academic and administrative staff all contributes to the **image** and

reputation of institutions and is regarded as a very important choice factor to students. Other students also impact on the service delivery process and experience and as students indicated that diversity is important, institutions should ensure that the student body reflects diversity.

In service organisations, the cooperation between marketing and operations is vital for an effective and efficient service system. The process strategy must be visible for prospective and current students to enable them to understand the processes of the higher education institution. Higher education institutions should ensure that their recruitment and communication processes are effective to inform prospective students and parents on aspects such as their **language policy**, **entry requirements**, application process, applying for **financial assistance** and registering.

It is not just the process strategy that needs to be managed; institutions must also ensure that the physical evidence of their processes and the other marketing mix instruments are evident in their organisation. Although the **attractiveness of the campus** and **on-campus housing** were of lesser concern to students, **campus safety and security** as well as the **academic facilities** were of utmost importance and institutions should ensure that they maintain and provide good academic facilities in a safe and secure environment.

It is apparent from the discussion in this chapter that the task of marketing a higher education institution is complex. The diversity of the student market with an equally diverse set of needs and wants make it difficult to derive one plan that will adequately serve the needs of all the students. It is therefore advisable to address specific groups or segments with a marketing strategy especially formulated for their needs. The marketing strategies should reflect the position of the institution by summarising the key facets of the institution and allow some scope for modification.

7.5   LIMITATIONS

This study attempted to make a significant contribution to the body of knowledge on the higher education institution selection process in South Africa. Specific limitations

were evident in the literature review and empirical phase of the study and should be noted.

7.5.1 LITERATURE REVIEW

A number of limitations, based on the literature review of the study, can be stated, namely:

- The aim of the literature search was to include all relevant literature on the topic. It is possible that some important empirical research on the wider topic application of higher education selection may have been done but not yet documented in literature or not accessible - and therefore excluded. Literature could also have been overseen by the researcher and therefore not included.

- Although abundant information could be found in the literature regarding the consumer decision-making process, there is limited literature available on the consumer decision-making process applicable to higher education selection.

- There is also limited literature available on the consumer decision-making process of South African consumers.

- Due to the lack of literature on higher education selection and student decision-making in South Africa, the theory relied strongly on literature from other countries.

7.5.2 EMPIRICAL STUDY

A number of limitations should be highlighted, following the empirical research part of the study.

- Due to the nature of this study (non-probability sampling), the non-response error and sampling error could not be determined.

- The study was limited to students from six universities located in five provinces, thereby excluding students from other higher education institutions.

- The study was limited to first year Economic and Management Sciences students, thereby excluding students from other study fields.

- The study had a retrospective focus, as the sample population was first year students who had to report how they have made their selection the previous year. First year students acted as "substitutes" for Grade 11 and Grade 12 learners, because gaining access to school learners proved to be problematic.

- Due to the nature of non-probability sampling, the respondents used in this study are not representative of the broader South African student population. Therefore, the results cannot be generalised to the entire population. It is suggested that future studies attempt to draw a representative sample of all higher education institutions.

Despite these limitations, the findings from this study provide guidance to higher education institutions on the choice factors and information sources used in the institution selection process.

7.6   PERSPECTIVES/RECOMMENDATIONS FOR FUTURE RESEARCH

The following future research can be recommended:

- A similar study can be conducted with students from other study fields to determine if there are similarities with the main findings from this study.

- A similar study can be dedicated to determining the similarities or differences between South African students and students from other countries such as Australia.

- It could prove valuable to conduct in-depth research on each of the choice factors, for example what type of image students prefer or what constitutes an attractive campus to students.

- A future study could include a comparison between different higher education institutions to determine how students perceive different institutions on different choice factors.

- Literature on related aspects in higher education marketing should be expanded by relevant research in South Africa.

- South African higher education institutions should engage in longitudinal research studies on aspects such as students' socio-demographic information, media use, and reasons for choosing an institution, similar to American CIRP surveys, to improve their understanding of their students' needs in order to implement more effective marketing and communication strategies.

7.7 EVALUATION OF THE OBJECTIVES SET VERSUS THE RESEARCH RESULTS

The results presented in Chapter 6 enabled the researcher to evaluate the research hypotheses and address the formulated research objectives. In this section, the objectives of the study are compared to the outcomes of the research findings. Each of the nine objectives, as identified in Chapter 1 and Section 5.2 will be stated, after which the research results are summarised to indicate whether the objective have been met.

The first objective was to determine the relative importance of each of the 23 identified choice factors that first year Economic and Management Sciences students use to select a higher education institution. The results revealed that students attach different levels of importance to each of the 23 choice factors investigated. The relative importance of the choice factors respondents regarded as important in the selection of a higher education institution are, in descending order: quality of teaching, employment

prospects (possible job opportunities), campus safety and security, academic facilities (libraries and laboratories), international links (study and job opportunities), language policy, image of higher education institution, flexible study modes (evening classes and use of computers), academic reputation (prestige), a wide choice of subjects/courses, entry requirements, links with the industry, fees (cost), financial assistance (bursary and loans), location of higher education institutions, attractiveness of campus, multi-culturality/diversity, social life on campus (Rag, music festivals, campus dances), on-campus housing/hostels, sport programmes, friends went there, brother/sister went there, and lastly parents went there (tradition). This objective has thus been satisfied.

The second objective was to investigate the usefulness of the sources of information considered by first year Economic and Management Sciences students in the selection process, as perceived by ethnic groups, gender groups and academic institutions attended. It was apparent from the empirical results that all the information sources investigated were useful to some extent to students. The usefulness of information sources ranked in descending order: campus visits and open days, university websites, university publications (newsletters and brochures), word-of-mouth (friends and other people), alumni, events on campus (music festivals, Rag, sports events), school visits by university staff, high school teachers, parents, advertisements in magazines/newspapers, advertisements on radio, and lastly advertisements on TV. The results further revealed tendencies that might suggest similarities and differences between gender groups, ethnic groups and academic institutions and the usefulness of information sources. This objective has been met.

The third objective was to ascertain whether students from different ethnic backgrounds differ regarding the importance they attach to choice factors when selecting a higher education institution. Hypothesis testing revealed that students from different ethnic backgrounds indeed differ regarding the importance they attach to choice factors. The results indicated that the differences between the ethnic groups were evident for 15 of the 23 choice factors, namely: quality of teaching, academic facilities, entry requirements, fees, location of university, sport programmes, social life on campus, attractiveness of campus, on-campus housing, parents went there, brother/sister went there, friends went there, language policy, links with the industry, and multi-culturality. This objective has been met.

The fourth objective was to determine whether students with different home languages differ regarding the importance they attach to choice factors when selecting a higher education institution. The results from the hypotheses testing indicated that there were significant differences between students with Afrikaans, English and African home languages and the importance they attach to the different choice factors. These differences were significant for 16 of the 23 choice factors: quality of teaching, academic facilities, location of university, sport programmes, academic reputation, social life on campus, attractiveness of campus, on-campus housing, parents went there, brother/sister went there, friends went there, academic reputation, financial assistance, language policy, links with the industry, multi-culturality, and the image of a university. Thus, sufficient information was obtained to state that this objective has been reached.

The fifth objective was to establish whether there are gender differences regarding the importance students attach to choice factors when selecting a higher education institution. The results revealed significant differences for 13 of the 23 choice factors. Females attached a higher importance than males in terms of wide choice of subjects/courses, quality of teaching, entry requirements, fees, campus safety and security, on-campus housing, multi-culturality, international links, and employment prospects. Male students attached a higher importance to sport programmes, social life on campus, brother/sister went there, and friends went there, than females. This objective has been satisfactorily addressed.

The sixth objective was to determine whether students from different higher education institutions differ regarding the importance they attach to choice factors when selecting a higher education institution. The results indicated that there were significant differences between the six higher education institutions for 22 of the 23 choice factors, with the only exception that all six institutions rated employment prospects as very important. Thus, objective six has been met.

The seventh objective was to establish if students that live seventy kilometres or further from a higher education institution make more use of campus visits or open days as a source of information than students living close-by. Hypothesis testing

revealed that there was not enough support, as results did not show a significant difference between the distance from students' permanent homes in terms of the higher education institutions they attended and the use of open days and campus visits as an information source. Both groups indicated the usefulness of campus visits and open days as good. This objective has thus been achieved.

The eighth objective was to determine if students who are residents of the province in which the higher education institution is located make more use of word-of-mouth as a source of information. The t-test result did not show a significant difference between students that were residents of the province in which the higher education institution is located, and the use of word-of-mouth as an information source. Thus, this objective has been satisfied.

The ninth objective was to ascertain if students with an average of seventy percent or more in Grade 12 make more use of higher education institutions' websites than students with a lower average in Grade 12. The results did not show a significant difference between students of different academic standing and the use of websites as an information source. Both groups indicated the usefulness of websites as very good. This objective has thus been achieved.

7.8   CONCLUSION

The research contributes to the information on choice factors and information sources used in students' decision-making process with regard to selecting higher education institutions. Higher educations institutions and the marketer they employ should consider such information much more than in the past, because of the changing higher education landscape facing increased competition and decreased funding. It is therefore important for higher education institutions to understand how prospective students are influenced so that the institution can employ appropriate marketing strategies. The findings of this study provides an understanding of the choice factors that are most important to students and provides insight into the information sources or promotional tools that can be used to communicate with prospective students. Results could be used for effective planning and resource allocation for recruitment,

communication and marketing. The findings and recommendations in this final chapter contribute to a growing knowledge on higher education marketing. In particular, the research adds to the understanding of how students choose a higher education institution in South Africa and where students look for information to base their decisions on. There is also potential for the information gathered by this study to be used by higher education institutions to assist prospective students to make more informed decisions and more appropriate choices. Ultimately, higher education institutions could use the information from the study to become more marketing-oriented and to adapt their marketing mix to correspond with the findings of the study, to recruit and retain South African first year university students.

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APPENDIX A:

CRITERIA TO SELECT A HIGHER EDUCATION INSTITUTION QUESTIONNAIRE

VRAELYS: KRITERIA VIR DIE SELEKSIE VAN ' N HOëR ONDERWYS INSTANSIE

	Respondent nommer

Geagte student: Die ondergemelde is sommige aspekte wat studente oorweeg wanneer 'n universiteit geselekteer word. Dit sal waardeer word indien u 'n paar minute van u tyd sal afstaan om hierdie vraelys te voltooi insake u besluit om by hierdie universiteit in te skryf. Neem asb. kennis dat u antwoorde streng konfidensieël hanteer sal word en slegs aangewend sal word vir navorsingsdoeleindes. Dui u keuse aan deur 'n nommer te sirkel. ①

AFDELING A: EIENSKAPPE VAN DIE UNIVERSITEIT

1. Dui asb. aan hoe belangrik elkeen van die onderstaande eienskappe was in die keuse van 'n universiteit.
1 = Glad nie belangrik   2 = Geringe mate belangrik   3 = Redelik belangrik
4 = Baie belangrik 5 = Uiters belangrik

Faktore oorweeg	Glad nie belangrik	Geringe mate belangrik	Redelik belangrik	Baie belangrik	Uiters belangrik	Kantoor gebruik	
	1	**2**	**3**	**4**	**5**		
1. Wye keuse van vakke/studierigtings	1	2	3	4	5		1
2. Kwaliteit van onderrig	1	2	3	4	5		2
3. Akademiese fasiliteite (bv. biblioteke & laboratoriums)	1	2	3	4	5		3
4. Toelatingsvereistes	1	2	3	4	5		4
5. Klasgelde (koste)	1	2	3	4	5		5
6. Ligging van universiteit	1	2	3	4	5		6
7. Sportprogramme	1	2	3	4	5		7
8. Sosiale lewe op kampus (bv. jool, musiekfeeste en bokjol)	1	2	3	4	5		8
9. Aantreklikheid van kampus	1	2	3	4	5		9
10. Kampusveiligheid en sekuriteit	1	2	3	4	5		10
11. Behuising & koshuise op kampus	1	2	3	4	5		11
12. Ouers het die universiteit bygewoon (tradisie)	1	2	3	4	5		12
13. Broers/susters het die universiteit bygewoon	1	2	3	4	5		13
14. Vriende woon die universiteit by	1	2	3	4	5		14
15. Akademiese reputasie (Prestige)	1	2	3	4	5		15
16. Finansiële bystand (bv. beurse & lenings)	1	2	3	4	5		16
17. Taalbeleid	1	2	3	4	5		17
18. Skakeling met industrie	1	2	3	4	5		18
19. Multi-kultureel/ diversiviteit	1	2	3	4	5		19
20. Internasionale skakeling (bv. studie & werksgeleenthede)	1	2	3	4	5		20
21. Moontlike werksgeleenthede	1	2	3	4	5		21
22. Buigsame onderrigmetodes (bv. aandklasse, rekenaargebruik)	1	2	3	4	5		22
23. Beeld van universiteit	1	2	3	4	5		23

AFDELING B: BRUIKBAARHEID VAN INLIGTINGSBRONNE

2. Studente steun baie op inligting wat hulle insamel oor 'n universiteit voor hulle inskryf by die spesifieke universiteit. Dui asb. die bruikbaarheid van die onderstaande inligtingsbronne aan tydens u oorweging om by hierdie universiteit in te skryf. Indien 'n spesifieke inligtingsbron nie beskikbaar was nie, omkring 0.
0 = Nie van toepassing 1 = Baie swak 2 = Swak 3 = Gemiddeld 4 = Goed 5 = Uitstekend

Bruikbaarheid van inligtingsbronne	Baie swak	Swak	Gemiddeld	Goed	Uitstekend	Nie van toepassing		
	1	2	3	4	5	0		
1. Skoolbesoeke deur universiteitspersoneel	1	2	3	4	5	0		24
2. Universiteit publikasies (bv. nuusbriewe & brosjure)	1	2	3	4	5	0		25
3. Universiteitwebwerf	1	2	3	4	5	0		26
4. Kampusbesoeke & ope dae	1	2	3	4	5	0		27
5. Alumni	1	2	3	4	5	0		28
6. Ouers	1	2	3	4	5	0		29
7. Hoërskool onderwysers	1	2	3	4	5	0		30
8. Mondelinge inligting van vriende & ander persone	1	2	3	4	5	0		31
9. Radioadvertensies	1	2	3	4	5	0		32
10. Aktiwiteite op kampus (bv. musiekfeeste, jool, sport)	1	2	3	4	5	0		33
11. Tydskrif & koerantadvertensies	1	2	3	4	5	0		34
12. TV advertensies	1	2	3	4	5	0		35
13. Ander (Indien meer as een, lys die belangrikste bron)	1	2	3	4	5	0		36

Indien ander, spesifiseer asb.

AFDELING C: PERSOONLIKE INLIGTING

3. Dui asb. u geslag aan

Manlik	Vroulik		
1	2		37

4. Dui asb. u ouderdom in jaar aan | | 38

5. Dui asb. u etniese afkoms aan

Swart	Bruin	Indiër	Blank	Ander		
1	2	3	4	5		39

Indien ander, spesifiseer asb.

6. Watter universiteit woon u by?

Tshwane Universiteit van Tegno-logie	Universiteit van Pretoria	Universiteit van Johannes-burg	Universiteit van die Vrystaat	Universiteit van Noord Wes	Universiteit van Kwa-Zulu Natal
1	2	3	4	5	6

40

7. Dui asb. u moedertaal aan.

Afrikaans	Engels	N-Sotho	S-Sotho	Ndebele	Tswana	Zulu	Venda	Tsonga	Swazi	Xhosa
1	2	3	4	5	6	7	8	9	10	11

41

Ander	12

Indien ander, spesifiseer asb.

8. Dui asb. aan hoeveel kilometers hierdie universiteit van u familie/ouers se woning af is.

10 of minder km	11-30 km	31-70 km	Meer as 70km
1	2	3	4

42

9. Is u 'n inwoner van die provinsie waarin hierdie universiteit geleë is?

Ja	Nee
1	2

43

10. Wat was u gemiddelde persentasie (vir al u vakke) in u finale graad 12 eksamen?

80% of meer	70-79%	60-69%	59 % of minder
1	2	3	4

44

TOESTEMMING:

      Alle inligting is streng vertroulik
      Dankie vir u samewerking

Handtekening:---   **Datum:-------------------------------------**

                                       Plek:--

QUESTIONNAIRE: CRITERIA TO SELECT A HIGHER EDUCATION INSTITUTION

Respondent number

Dear student: Listed below are some aspects of universities that students consider when selecting a university. It will be appreciated if you can take a few minutes of your time to complete this questionnaire on what led you to enroll at this university. Please note that your answers will be regarded as strictly confidential and will be used for research purposes only. **Please indicate your choice by circling a number: Example** ①

SECTION A: UNIVERSITY CHARACTERISTICS

1. Please indicate how important each of the characteristics were to you in choosing a university to attend.
1 = Not at all important   2 = Of little importance   3 = Moderately important
4 = Very important 5 = Extremely important

Factors considered	Not important at all	Of little importance	Moderately important	Very Important	Extremely Important	Office use only
	1	**2**	**3**	**4**	**5**	
1. Wide choice of subjects/courses	1	2	3	4	5	1
2. Quality of teaching	1	2	3	4	5	2
3. Academic facilities (eg. libraries, laboratories)	1	2	3	4	5	3
4. Entry requirements	1	2	3	4	5	4
5. Fees (cost)	1	2	3	4	5	5
6. Location of university	1	2	3	4	5	6
7. Sports programs	1	2	3	4	5	7
8. Social life on campus (eg. Rag, music festivals, campus dances)	1	2	3	4	5	8
9. Attractiveness of campus	1	2	3	4	5	9
10. Campus safety & security	1	2	3	4	5	10
11. On campus housing / hostels	1	2	3	4	5	11
12. Parents went there (tradition)	1	2	3	4	5	12
13. Brother/Sister went there	1	2	3	4	5	13
14. Friends went there	1	2	3	4	5	14
15. Academic reputation (Prestige)	1	2	3	4	5	15
16. Financial assistance (eg. bursary & loans)	1	2	3	4	5	16
17. Language policy	1	2	3	4	5	17
18. Links with the industry	1	2	3	4	5	18
19. Multi-cultural/ diversity	1	2	3	4	5	19
20. International links (eg. study & job opportunities)	1	2	3	4	5	20
21. Employment prospects (eg. possible job opportunities)	1	2	3	4	5	21
22. Flexible study mode (eg. evening classes, use of computers)	1	2	3	4	5	22
23. Image of university	1	2	3	4	5	23

SECTION B: USEFULNESS OF INFORMATION SOURCES

2. Students rely heavily on the information they can obtain about the university before they enroll at that university. Please indicate the usefulness of the following information provided, when you considered enrolling at this university. If a given source was not available, circle 0.
0 = Not applicable 1 = Very poor 2 = Poor 3 = Fair 4 = Good 5 = Excellent

Usefulness of information sources	Very Poor	Poor	Fair	Good	Excellent	Not Applicable	
	1	2	3	4	5	0	
1. School visits by university staff	1	2	3	4	5	0	24
2. University publications (newsletters & brochures)	1	2	3	4	5	0	25
3. University web site	1	2	3	4	5	0	26
4. Campus visits & open days	1	2	3	4	5	0	27
5. Alumni	1	2	3	4	5	0	28
6. Parents	1	2	3	4	5	0	29
7. High school teachers	1	2	3	4	5	0	30
8. Word-of-mouth (friends & other people)	1	2	3	4	5	0	31
9. Advertisements on radio	1	2	3	4	5	0	32
10. Events on campus (music festivals, Rag, sports events)	1	2	3	4	5	0	33
11. Advertisement in magazines / newspapers	1	2	3	4	5	0	34
12. Advertisements on TV	1	2	3	4	5	0	35
13. Other (If more than one, list the most important source)	1	2	3	4	5	0	36

If other, please specify

SECTION C: PERSONAL DETAILS

3. Indicate your gender

Male	Female	
1	2	37

4. Indicate your age in years   38

5. Indicate your ethnic background

Black	Coloured	Indian	White	Other	
1	2	3	4	5	39

If other, please specify

6. Which university are you attending ?

Tshwane University of Techno-logy	University of Pretoria	University of Johannes-burg	University of the Free State	University of North West	University of Kwa -Zulu Natal	
1	2	3	4	5	6	40

7. Indicate your home language

Afrikaans	English	N-Sotho	S-Sotho	Ndebele	Tswana	Zulu	Venda	Tsonga	Swazi	Xhosa	
1	2	3	4	5	6	7	8	9	10	11	41

Other   12   **If other, please specify**

8. Please indicate how many kilometers this university is from your permanent family/parents' home

10 or less km	11-30 km	31-70 km	More than 70
1	2	3	4

☐ 42

9. Are you a resident of the province in which this university is located?

Yes	No
1	2

☐ 43

10. What was your average grade (for all subjects) in your final grade 12 exam?

80% or more	70-79%	60-69%	59 % or lower
1	2	3	4

☐ 44

INFORMED CONSENT:

All information will be strictly confidential
Thank you for your co-operation

Signature:--   **Date:-------------------------------**

Place:---------------------------------