External Information Search: Students and Australian Universities

Abstract

Student decision making processes when selecting universities are often complex, involving formal and informal search using various external sources. This paper presents the results of research into students decision making processes and their information search activities when it comes to university choice. The results demonstrate that some students actively search for information about the university ‘product’ when making their decisions. They also rely heavily on interpersonal and experiential sources of information, including the vicarious experiences of others. Importantly, they actively seek and rely on information provided by the higher educational institution; thereby shifting the emphasis for marketing communications from creation of advertising per se to development of interactive engagement opportunities.

Introduction

External search for information is a problem solving strategy employed by a prospective student in the decision-making process (Guo, 2011; Selnes & Troye, 1989). Before students search for information in order to solve their decision-making problem – which university shall I attend? - the student must first recognise that information search will be beneficial to the problem-solving task (Curseu, 2011; Ozanne, Brucks, & Grewal, 1992). Furthermore, education is a service very high in credence qualities, which places it at the upper end of Zeithaml’s (1981) continuum. Credence qualities are very hard to determine in the search process. Indeed, in many cases, the consumer is never able to evaluate the quality of the service, even after experiencing the service many times. As a consequence, it could be expected that prospective students would search for sufficient information to establish trust and to understand the ‘product’ that they intend to ‘buy’ when it comes to choosing a university to attend. However, while we know that students do search we are not at all sure of how or what they look for in the process. Thus, search for information in the educational choice domain requires special consideration.

University Information Search

In mainstream marketing situations, people facing purchase decisions search for information in two ways: internal information search and external information search. Internal information search is memory based and relies on the consumer’s prior experience with the product or their previous information search activities (Widing, Sheth, Mittal, & Newman, 2003). External information search represents a motivated and conscious decision by the consumer to seek new information from the environment (Furse et al., 1984; Maute & Forrester Jr, 1991; Murray, 1991; Sonnenberg, Erasmus, & Donoghue, 2011). When it comes to universities, there appear to be four major types of information of interest in educational choice: 1) product related experiences, including campus visits and observations, 2) interpersonal sources of information, such as family and friends, also including sales personnel, 3) independent 3rd parties, such as experts and careers advisers, and 4) commercial sources of information which are non personal in nature (Brennan 2000).

Product related experiences are those sources of information to which the student has direct and personal access. It also involves one on one contact with people from the university. Personal experience has been found to be instrumental in purchase decisions as it is seen to be the most reliable and unbiased source of information available to a consumer (Maute & Forrester Jr, 1991; Satish & Bharadhwaj, 2010; Tellis, Gaeth, & Clark, 1985). Direct
inspection of the product is difficult with a service product because of their experiential nature (Murray, 1991). The intangibility of both the educational product and the potential outcomes of education make an inspection of the institution exceedingly difficult. The impact of a campus visit on university choice is very strong (Yost & Tucker, 1995). However, overt selling and advertising may threaten the consumer (Strozier, 1989). Thus, the advertising message is often rejected by the consumer in favour of word-of-mouth (Dichter, 1966).

Interpersonal sources of information are those informational sources where social interaction takes place between two or more people (Beal & Rogers, 1957). In the typology they are non-marketer controlled. Interpersonal search is undertaken at the evaluation of alternatives stage of the decision-making process (Arndt, 1967). Students who are actively seeking interpersonal information are looking to either increase or decrease the size of their consideration set. In addition, they may be attempting to reduce their perceived risk of purchase by seeking social support in the framing of their decision alternatives. Informal sources of information are more easily accessed by prospective students and are therefore more heavily utilised in the decision-making process (Brennan & Powell, 2001). There are degrees of influence with word-of-mouth referral groups (Brown & Reingen, 1987; Haywood, 1989): family and friends have the strongest influence and the weakest are those who might be acquaintances or representatives for the product.

Independent sources of information are those sources to which the student has access, which are not commercial in nature and are not interpersonal such as ‘how to’ guide books, course information booklet, informative materials provided by others and independent Internet information. They are not marketer-controlled although they may be informed by marketers. Seeking this type of information costs time money and effort for search (Beales et al., 1981). Still, the consumer may minimise the risk associated with purchase by seeking independent and expert information.

Non-personal commercial sources of information are readily available and usually easily recognised as advertising and selling. They are the least influential in the consumer decision-making process (Katz & Lazersonfeld, 1955). Thus, the seeking of interpersonal information is more likely to be related to the perceived lack of credibility of commercial sources of information (Mascarenhas & Higby, 1993). Beales et al. (1981) suggested that commercial sources of information are least costly for consumers to collect, are most readily available, but are difficult to compare between products and services. Notwithstanding these failings, the accessibility of commercial sources of information makes them a primary source of information for consumers with a degree of expertise. Experts are able to effectively evaluate the advertising message and may ignore irrelevant or spurious information (Maheswaran & Sternthal, 1990). Prospective students who are experts may be expected to limit their search to only those sources of information that fill gaps in their knowledge base (Whan Park & Parker Lessig, 1981). Therefore, students who are experts are expected to use commercial sources of information more than non-experts. The typology that has been adopted for the purposes of defining the sources of information used by consumers in the decision-making process is experiential, interpersonal, independent and commercial (adapted from Beal 1957).

The extent of search behaviour may be determined by the time spent on search, the amount of active search (site visits), options considered and variety of sources of information used by the consumer (Newman & Staelin, 1972; Zins, 2009). Prospective students will seek information only if they believe they need further information to facilitate decision-making.
In order to examine the information search of students seeking entry to higher education in Australia we chose the following hypotheses:

H1: All students will have relatively high levels of search intensity and high usage of available sources of information
H2: Students use interpersonal sources of information more than other sources of information

Method

The survey was administered by mail to a random sample of 2,400 Victorian first-year university students immediately after they had enrolled in a university. 576 usable responses were returned (27% response rate). Existing scales were used to examine the hypotheses. Respondents were mainly school leavers, 62% female, mean average age 18 years, enrolled in a wide range of discipline areas, and from an ‘average’ socioeconomic status background (as measured by income, occupation and education of parents). Data were analysed: firstly, for measures of central tendency and normality, secondly for correlations between variables using exploratory factor analysis (Varimax rotation, correlation matrix analysis), and finally, confirmatory factor analysis using AMOS. All data was analysed using PASW18.0.

Results

To examine Hypothesis 1, it was necessary to determine, firstly, the students search intensity. The level of intensity was estimated by the level of agreement the student had with a series of statements regarding their information search activities. Secondly, the level of information source usage was determined by dividing the number of sources used by the number of sources available. The students’ use of available information is positively correlated with the students’ Intensity of search by .36 (Pearson Correlation; significant at 0.01 level (2-tailed).

This association is illustrated in Figure 1, where it can be seen that for students with low levels of information usage there is a strong association between their use of information and their reported search intensity. However, this association is not perfect, with other levels of information source usage demonstrating various levels of information search intensity.
Figure 1: Chart of intensity of search by level of usage of available sources of info

In order to examine Hypothesis 2, it was necessary to determine the extent of usage of the various sources of information. The various sources of information used by prospective students in their information search activities were counted for the number of times the students indicated that they used the source of information.

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<td>InterPers</td>
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<td>Experiential</td>
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* ***Pearson Correlation is significant at the 0.000 level (2-tailed).

The results of the structural equation model are significant at the 0.05 level. Students’ extent of search, as measured by the number of sources used by the student in seeking information about institutions, is most influenced by interpersonal information. The Factor Loading (lambda) is 0.68 and the Multiple Squared correlation is 0.46. These results indicate that interpersonal sources of information contribute the greatest weight to the latent variable in the structural equation model – extent of search. Thus, H2 was not rejected. Students use interpersonal sources of information more extensively than other sources of information. Then, students use general information provided by the institution, followed by promotional information and lastly, experiential information such as open days. Not surprisingly, promotional information and experiential information are related to each other.
Discussion and Conclusion

It appears that students do not always actively search for information about institutions. Furthermore, their search is based largely on interpersonal and informal sources of information. Consequently, marketers of institutions will have difficulty reaching those students who are not active ‘in the market place.’ There is also a cautionary note with regard to the extensive efforts undertaken currently in promoting through ‘open day’ experiences. These are not as important to student choice as one would think. It is clear that students prefer the (inter)personal touch and efforts to reach out to students considering university could be more applicable than mainstream advertising efforts. However, from a marketing perspective, this will inevitably mean a much greater cost-per-acquisition. Nevertheless, the interpersonal nature of decision making in this product category clearly indicates that choosing a university is a high involvement decision and that mass-marketing may be the least effective way of attracting new students.

Often, universities also engage in various outreach programs where academic staff members are required to do high-school visits. Such personal promotional programs may be a better approach than the ‘open day’ approaches where prospective students are expected to arrive and express their interest. In particular, busy open days with limited capacity to engage interpersonally might be a barrier rather than a facilitator for more active search regarding the product. Further, a ‘university based’ outreach approach may be even more effective than a ‘high school based’ approach. Smaill (2010) demonstrated that when high-school students were invited to conduct certain laboratory experiences at university as part of their high-school education, 42% of these students ended up enrolling in a Bachelor of Engineering degree at that university. Similar approaches to this may therefore be very effective in building the interpersonal bound between the prospective students and the university.

A university could also spend more of its marketing resources on reputation management. A university’s reputation typically develops from current and past students and staff members as well as influence by the media and other external sources. Most universities survey students
with regards to the courses they take every semester. Staff members are also often surveyed with regards to job satisfaction on a regular basis. The marketing department could potentially make use of this data as part of a reputation management program. Such internal markets in could possibly be converted into advocates for the product. Questions about whether students and staff would recommend the university (or their unit of study) to others may further assist in establishing interpersonal connections between prospects and past of present students. The media may also be used more effectively by focusing on reporting on research outcomes or teaching innovations reached my academics at a university rather than paid advertising.

In addition to current students, universities could also better utilize their alumni to develop advocacy and strengthen the reputation. College and university alumni play important roles in supporting higher education; this support is most visible in the area of charitable giving (Weerts, Cabrera, & Sanford, 2010). However, when it comes to recruiting students, experts claim that dollar for dollar, nurturing an alumni recruitment program is a better investment than placing an advertisement (Fogg, 2008). Many university alumni are proud of their education and the institution where they obtained it. This is a direct interpersonal source student are highly likely to use when choosing university. Weerts and colleagues (2010) also argue that alumni could be recruited for political advocacy (e.g. contacting legislators) and volunteer behaviour (e.g. recruiting potential students or mentoring new alumni). However, Fogg (2008) argue that universities with low alumni budgets and inexperienced admission officers are less likely to use alumni in recruitment processes. This area should be investigated further; many universities may unnecessary waste large parts of their marketing budget on large-scale advertising campaigns with questionable outcomes.

In addition to interpersonal sources, students also use general information to a relative large extent in order to make their university decisions. When catering for an ‘online generation’ prospective students are likely to look for general information on the internet. Veracity of web pages is therefore very important, and something worth allocating parts of the marketing budget to. It is known that one do not have to be an expert on the topic in order to judge the veracity of a website (Crosby, Iding, Klemm, & Auernheimer, 2002). Thus, the information presented should be sincere and not necessarily too advertising-driven. Children at the age of nine have as much knowledge about advertising slogans as their parents (Dotson & Hyatt, 2000). Further, the current generation of university students have been exposed to more advertising than any previous generation (Lindstrom, 2004). When students are searching for genuine information on a university website, they should be able to find exactly this. In mid July 2011, of the nine universities in Melbourne Australia, only two of them have ‘information for future students’ largely featured on their main website. Further, five of them had open day largely featured and many of them focus on a flamboyant layout and the use of slogans.

In conclusion, university marketing has a long way to go when it comes to designing information and marketing communication strategies around the information needs of the prospective student. The good news is that many prospective students can be relied upon to actively seek information from marketer-controlled sources. From this perspective students actively seeking information about the institution will cut through the general advertising clutter themselves.

References


