Discovering the Competitive Advantage of Higher Education on Consumer Behavior in International Campus Universities

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Abstract

The purpose of this study is discover the most vital factor that influence students choose model in international campus. To achieve it, we discovered the 53 attributes which categorized it in 13 groups after reviewing the Literature review. The result of this study lead us to believe that, most important factors impact on international campus were extracted from attributes with applying the statistical inferential. Out of all attributes which we studied in this study , Recognition by future employers, research reputation, corporate with foreign university, convenient registration process and improve the language captured the most vital factors influenced on student decision, therefore it would be wise for administrators to periodically reevaluated how student needs and changes are assessed.

Keywords: Higher education, consumer behavior, university reputation, registration process, international campus, student satisfaction, Iran.

Introduction

In the last two decades of the twentieth century, universities around the world were forced to look at financial sources other than those provided by governments[1-3] that would enable them to generate fee income for the sector[4]. This fee income would need to come from overseas students and local students willing to pay for the privilege of doing a university course. Universities became creative in their course offerings and broadened their target markets. No longer did they focus solely on home country residents, but they sought out international students and targeted the corporate world through their newly established university commercial apparatus: apparatus that was designed to introduce the corporate world to the concept of "life-long learning": the repeat purchaser. Marketing metaphors have become a natural part of the academic vocabulary in the marketing efforts directed towards prospective students. With the deregulation of the tertiary sector came the need for universities to actively compete for "market share"[1-12]. Students are seen as customers of knowledge at many universities. Likewise, universities regard themselves as suppliers of knowledge to these customers. In extension, many universities go a step further and regard their students as collaborators in the quest for knowledge. It is apparent that these universities have been strongly influenced by marketing metaphors.

The Objectives of Study: the university choice depends on value which is a multifaceted and complex construct[13,14], furthermore, the university "product" can be seen as a bundle of university-related attributes and student-related ones[15].

This study investigates the components of the university value, which affects students' choice, in order to develop a value approach that measures the total student experience and show the possible implications of the findings to university positioning and marketing strategies, In addition, most of the educational studies are conducted in countries in which competition is well established and universities compete with various marketing tools.

Three research questions have been stated to get to the aim of the study as follows: What are the factors that influence students in choosing an international Campus university and the courses they intend to study?, Discover the most important factors that influence students to make a better decision in selecting international Campus University?, Find out the reason why student selected the international campus.

Literature review

The Theoretical Models: The international education is not a frequent purchase and demands a high level of involvement from customers[16]. In order to determine their preferences, prospective students consider what is important for them, and then make a conscious/ unconscious trade off among the attributes[17]. The model presented in this work aims to explain the factors influencing the purchase intention of international students. The purchase intention is used as a predictor for the preferential choices of consumers, and is defined as the intention of the student regarding the destination country as provider of the education service[18,19].

The theoretical model comprises the purchase intention, as a dependent and not observable variable, and four factors with a total of 19 independent variables identified in existing literature. The factors identified are personal reasons[20-29] country image[18-

[21,30-32], institution image[17,19,20,25-27,29,33-40] and program evaluation[18-21,25,30,40]

Pupils Today's Choice for Higher Education in Developed Countries as a Model: The developed country model is developed base on consumer behavior theories. These theories provide the practical and theoretical parameters that stipulate and regulate the environmental and behavioral context of developed-countries' student choice.

The theories of consumer behavior in developed countries have raised a number of points that relate to higher education Institutions (HEIs) establishments.

There is an incessant change in the profile of customer behavior consequent to corresponding changes in the wider marketing environment. Globalization demands re-segmentation and naturally re-targeting of the most attractive market segments, based either on profitability or on other factors. Higher needs are more likely to motivate potential students from developed countries than ones from less developed countries, even where the personal situations of the former are similar to the latter. Additionally, the more complex motivational processes of the former result in both quantitative and qualitative upgrades in their decision-making process. Regarding the consumer decision process; marketing communications have a comparatively greater effect on "need recognition" which arises consequently to these higher needs. Owing to technological accessibility, the intensity of marketing communications and increased options, "search for information" is more complex, more efficient and more effective. Similar causes and effects occur in relation to "pre-purchase evaluation of alternatives" though here branding appears to play a vital role in decision-making. "Purchasing" and "consumption", which are practically a single step in relation to higher education, differentiate themselves in developed countries'' potential students' behavior through the ability to pay higher fees (on average). "Post-consumption evaluation" differences relate to the "mass-word-of-mouth" phenomenon and greater relative weight of the purchase and consumption "experience. Finally, "divestment" is practically unrelated to higher education.

Regarding the individual determinants of behavior, attitudes and values relating to personal freedom and the drive for individual achievement appear as primary factors. Regarding the environmental determinants, a combination of economic and demographic factors enhances the attractiveness of less-traditional age-group segments. This may necessitate not simply strategic-targeting, but also product re-interpretation, extension and repositioning. Further, in relation to environmental determinants, there is an apparent shift from family to peers and media influences and a (questionable though) decline in the influence of religion and national culture. Finally, in relation to environmental determinants, "societal marketing" and corresponding demand for social responsibility is unmistakably an increasingly notable factor in decision-making. Though the

latter may not be an explicit parameter in conscious evaluations, it is an inseparable part of an HEI's brand image.

Methodology

The purpose of this study was to bring an insight and better understanding of the important attributes for student decision making and student choice model in international campuses universities located in Iran .Due to this reasons, we did not have and require control over behavioral events. Thereupon, both case study and survey are suitable choices for our study. Our sample size calculation was 475. In this research, a simple random sampling was selected as the sampling method. The Students of International Campuses in Iran were sampled to respond to the questionnaires.

To achieve diverse response from a expand scope of ideas, age, education, income and Level of education used; different International campuses like Sharif university of Technology-International Campus, Tehran University-International Campus of Kish, Tehran University–Alborz campus, Shiraz University of Medical Science- International campus, Ferdosi university of Mashhad- International campus, Uromieh University–international Campus and Allameh Tabatabaei University–International Campus. According to Fisher[43] the number of distributed questionnaires will have to be larger than the minimum required and the response rate of 30% is considered very good. In this study 600 questionnaires were distributed and 480 questionnaires were returned providing an 80% response rate.

Variables and constructs: Through extensive literature review and conducting deep interviews with the experts, we categorized 13 constructs and fifty three variables. Marketing thinkers have identified student choice model and decision model strategies in different ways and while there are similarities in their models there are some differences. We found 13 common strategies in the most credible Literature Review and pilot study, Personal Improvement, Corporate Image, Faculty, Program, Size and Schedule, Program Evaluation, Facility, University Staff, Recreational Activities, University Fee, City Image, Integrated Marketing Communication and Advice.

Measurement: Our questionnaire is divided into four sections. In section one, students were asked to answer some descriptive and historical information about themselves such as, education, gender, income range, and the level of the education and parents education they had used. In section two and three, a set of questions were designed to evaluate variables related to our hypothesis. In this section all questions had five point Likert scale responses. The respondents were asked to reflect the extent of influence of variables on the measured variable from very important to low important. In the last section, there were open-ended question to provide the opportunity for respondent to express their idea about the selection if international campus which research didn't come across.

Evaluating Measurement Scale: Reliability of the questionnaire was examined by calculating the Cronbach's alpha. The total Cronbach's alpha of all 53 measures is 0.962 which is above the cut-off value (0.70) recommended by Nunnally and Bernstein 44 and the reliability of the questionnaire is considered high 45.

Table 1
Cronbach's Alpha of Research Variables

Construct	Cronbach's Alpha
Personal Improvement (PI)	0.732
Corporate Image (CI)	0.858
Faculty (FU)	0.890
Program (PR)	0.739
Size and Schedule (SS)	0.788
Program Evaluation (PE)	0.724
Facility (FC)	0.924
University Staff (US)	0.795
Recreational Activity (RI)	0.919
University Fee (UF)	0.744
City Image (CT)	0.784
Integrated Marketing Communication (IMC)	0.805
Advise (AV)	0.802

The research applied the Face validity and content validity to determine the validity of the research.

Results and Discussion

Data profile of respondent: According to table-2, it is seen that majority of students who show interested in studding international campus are Male with 58.4 %.It is also interesting to know that 28.3% of respondent were the ages between 25-27 years and they were mature enough to select the best program in international Campus. The mentioned table also discovered that the Majority of Respondent were interested in Master Degree with 56.7 % which empower study with policy of international campus in Iran with income range between 1 to 3 million.

Table 2
Respondent Profile in Nutshell

	Frequency	Percent
Male	265	58.4
Between 25 t0 27	128	28.3
Master Degree	254	56.7
Bachelor Degree	177	40.0
Between 1 To 3 Million	127	30.4
Tehran	174	38.9
Working	168	38.0
Engineering M.S	108	24.4
Full Time	378	85.5
Personal Tend to Progress in Upper Education Level	207	47.6

The tables also reveal that out of 455 respondents, 38.0 % of them are currently working executives before entering the international campus. The data also discovered that the majority of respondent are interested in pursuing Master degree in Engineering field, coming up with MBA and preferred to conduct the program in full time rather than the part time program. It is also observed that 207 out of 455 respondents are interested in international campus with the aim of gaining upper education level in the future with excellent social status.

Friedman Test: After applying the Friedman test, the following result came out and support that there are some deficit or shortages exist in international campus university located in Iran. the Vice chancellor of the university or committee member of the university should concentrate or focus on the following attribute in order to capture or sustain its ranking among the other international campuses and developing the existing market share with maintain the high standard level of education in Iran, therefore the following attributes are keen to influence the student decision in the choosing the international campuses such as: (table-3)

Recognition by Future Employers, Research Reputation, Corporate With Foreign University, Convenient Registration Process, Improve The Language Skill, Size of Student-Population, Field of Study, Recreational Facility, Opportunity For Part Time Work, Safe and Security, Advertising and Local National Press

Table-4 showed the level of importance of each construct and level of priority by the university staff and student in selecting international campuses in the future. Considering these attribute will equip international campus to penetrate in market with précised strategy and dominant its market share with quality and international standard of education. The result will prevent on student making decision in pursuing higher education in abroad and prefer to continue in Iran with economical expenses but high level of education with internationally recognized degree.

Conclusion

From statistical inferential, the results show shortage or deficit in international campus and university manager should highlight on attribute which highly importance in the students consumer mind in their advertising and focus on Low important attributes as weakness of the international campus universities in Iran. For instance, as statistical test indicated the importance or combination of part time job beside education is essential combination on student to select the international campus.

Providing this could be appropriate strategy for universities to develop its market share. Explored attributes can inform and notice university manager about weaknesses and shortage of its institution and help managers to recover or improve them to increase student satisfaction.

Table-3
Mean Rank of Attributes in Student Choice Model

Construct	Attributes (indexes)	Mean Rank
Personal Improvement	Future Job Prospects	2.65
	Future Earnings Prospects	2.42
	Higher Status	2.99
	Improve Language Skills	1.95
Corporate Image	Ranking Position	2.30
	Brand Reputation	2.63
	Academic Reputation	2.78
	Researcher Reputation	2.29
Faculty	Experience And Expertise	2.55
	Number Of Emirates Professor	2.58
	Academics Reputation	2.69
	Corporation With Foreign Universities	2.18
Program	Field Of Study	1.76
	Courses	2.18
	Course Structure	2.07
Size And Schedule	Multiple Scheduling	2.00
	Size Of Student-Population	1.99
	Smaller Classes	2.01
Program Evaluation	International Recognition	1.91
	Quality Programs	2.21
	Recognition By Future Employers	1.88
Facility	Up To Date Computer Labs	6.58
	Dining-Hall	5.21
	Library With Resources	7.23
	Silent And Comfortable Study Hall	6.51
	Conference Hall	5.65
	Locker	4.37
	Equipped Laboratory Or Work Shop	6.23
	In Campus Bookstore	5.88
	Clean, Spacious Classrooms	7.00
	Dormitory	5.36
	Beautiful Internal and External Environment	5.98
University Staff	Academic Staff Is Approachable	2.07
	Administrative Staff Is Approachable	2.02
	Convenient Registration Process	1.91
Recreational Activities	Sport Facilities (Equipment and Team)	2.85
	Student Organizations	2.38
	Student Activities	2.46
	Recreational Facilities	2.31
University Fee	Fees	2.18
	Flexibility In Payment	2.15
	Opportunities For Part Time Work	1.68
City Image	Cost Of Living	2.06
	Safety And Security	1.96
	Social Facilities	1.98

IMC	Advertising In Local And National Press	2.05
	Public Relation And Publicity About Academic	2.96
	Electronic Media	2.71
	Marketing Communications	2.28
Advise	Family Recommendation	2.33
	Friend's Recommendation	2.17
	Professor's Recommendation	2.75
	Advice Of Alumni	2.75

Table 4
Students` Choice Model Ranking among International Campus

Highly important	Low important
Program Evaluation	Faculty
University Staff	City Image
Facility	Corporate Image
Program	University Fee
Size And Schedule	Recreational Activities
Personal Improvement	Advice
	IMC

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