EDUCATION AS SERVICE: THE UNDERSTANDING OF UNIVERSITY EXPERIENCE THROUGH THE SERVICE LOGIC

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Abstract

With the marketization of UK higher education, this paper develops a framework from services marketing that can assist universities in understanding what market orientation means and how students would value their offerings. Our study shows that the core service in a university experience is a learning experience that is co-created, and that the value is emergent, unstructured, interactive, uncertain, with a hedonic dimension. Our paper modifies the gap model of service quality to show that an ideological gap exists that may also impede the quality of the university experience. We propose that a one-sided expectation by students leads to student consumerism and disengagement. Paradoxically, we show that a true student-orientated marketing puts the university ideology at the centre of marketing efforts and that marketing may well be an effective tool to communicate such ideologies.

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INTRODUCTION

A new vocabulary is gaining respectability in academia. The terms have been appropriated from the field of Marketing, and, although they still stick in many an academic throat, they are spreading rapidly through the system. Deans make references to “market research”, “market penetration”, “positioning”, and “market audits” spill from the lips of up-to-date admissions officers. Committees of various stripe ponder “strategies” appropriate to various “market segments”.

This practice seems an apt reflection of the current times as the UK moves into a new age of top-up fees and a “marketization” of higher education. In fact, Larry Litten, then the associate director of the Consortium on Financing Higher Education (USA), had penned such words in relation to academia more than 25 years ago. Litten was writing about the benefits and risks for the US Academic System as he explored the application of Marketing principles in higher education (Litten, 1980). Since then, the US has gone on to dominate the global higher education market. In 2005, the Times Higher Education Supplement’s (THES) international comparison of the world’s top universities lists 31 US universities among its top 100. The World Universities Guide from the Institute of Higher Education in Shanghai Jiao Tong University, also published in 2005, lists 53 US universities among its top 100. As The Economist reports, US universities produce 30% of the world’s output of articles on science and engineering and 44% of the most frequently cited articles. They also currently employ 70% of the world’s Nobel Prize Winners1.

Is Marketing the answer to developing world-class universities? This paper suggests that a Marketing orientation could help universities compete in the global arena, but only if the right principles are well applied. Our study integrates research in education and Services Marketing to produce a framework for the analysis of university education as a service.

The motivation for this study is two-fold. First, Marketing has made much progress in recent times in both research and practice. Research in Marketing has developed cutting-edge strategies to assist firms competing in a complex world. As a result, the practice of marketing is increasingly sophisticated, creating top companies such as Disney, Tesco and Google. Over the past three decades, Services Marketing has also developed into an influential sub-discipline of its own, aiding service firms in delivering quality services and sustaining a competitive advantage. Yet the education industry, particularly higher education institutions, has not had the benefit of such research. Its marketing practices are often dated and shallow (Kotler; 1995; Ford et. al., 1999; Shattock; 2003). Part of the reason is that education, at face value, seems different from conventional products and therefore there is a reluctance to apply conventional Marketing principles (Litten, 1980; Ford et. al., 1999). This paper aims to redress this gap and show how a Marketing orientation can assist a university in developing its offerings, while elucidating the uniqueness of education as a service.

Second, with the advent of the “marketization” of higher education in the UK, we felt it was necessary to understand both research in education and Services Marketing, and to place them within a framework for analysis where each body of research lies, thus demonstrating how both streams contribute to the marketization process. By conducting an interdisciplinary study of this nature, we aim to stimulate contestation of each discipline through the other so as to advance knowledge in both.

Our study proposes that the core service in a university experience is a learning experience that is the co-creation of the people within the university i.e. between students, students and teachers, students and administrators, etc. The co-creation of the core service implies that the value is emergent, unstructured, interactive, uncertain and with a hedonic dimension. Furthermore, the co-creation of the core service is too elusive to be captured through systems and processes, and would require accountability by students as well as teachers. Accordingly, students’ expectations should be two-fold: That of the deliverables by the institution and the deliverables by themselves. We propose that a one-sided expectation by students leads to student consumerism and disengagement. Our paper then modifies the gap model of service quality to show that an ideological gap exists that may also impede the quality of the university experience. Paradoxically, we show that true student-orientated marketing puts the university ideology at the centre of marketing efforts and that Marketing may well be an effective tool to communicate such ideologies.

We begin the paper with a critical discussion of the US higher education system and raise the question of what is the value of higher education. We then trace how that value has evolved through a historical account of what universities have meant from ancient times till today. As the idea of a university progresses into one that strives to be more student-orientated, we look towards Marketing literature for advice on how universities should apply its principles. The study then proposes a framework that integrates education and service research. Through the framework, we propose the elements instrumental in creating the core and supplementary services in the university experience, and discuss their construction. We then raise the issue of what is considered quality in that experience, and map research in service quality into the university context. Finally, we discuss how our analysis advances research in both higher education and Services Marketing.

Emulating the US

The American higher education system is popularly acknowledged to be the best in the world. This success is attributed to the lack of state intervention, a tradition of philanthropy, a competitive environment and “the right to be useful”. In contrast, higher education in the UK is remarkably different from the US. First, British students as well as employers still value academic excellence over vocational relevance (Rhoades 1987). Second, as a result of long-standing traditions, the university is considered elitist, upholding the idea of ‘an educated person’ being one who can engage with ideas, be critical thinking and able to participate in the excitement of learning and discovery (Pring, 2000). Past research has shown that universities in the UK would still prefer academic meritocracy to affirmative action in admissions just as much as it would shun any attempt to “vocationalize” the curriculum (Rhoades 1987). Ryan (1999) also supports academic over vocational education, maintaining that students can be groomed for a vocation without being trained for it. This is a view which echoes that of both Newman (1852) and Dewey (1995), who argued that the important point was to mould students into rounded, reflective human beings by teaching them how to think, rather than what to think. This emphasis on nurturing the intellect reverberates through much of the past and present writing on higher education, with more recent commentators such as Graham (2005) noting that the primary role of universities has been to develop knowledge and understanding.

Even ignoring the differences between the two societies, asking a European University to be more like an American one may not be a wise marketing move. First, a head-on competition with a rival that has deeper pockets will often spell disaster for the
smaller player. US institutions are well endowed through student fees as well as philanthropy and they have done well to come this far. Having European Universities adopt a “me-too” strategy does not guarantee the same success. Second, conventional wisdom of a market economy states that the key to success is to differentiate your offerings. With higher education students increasingly originating from the same global marketplace, copying the success of the US results in the commoditizing, and ultimately, the debasing of higher education as a whole.

Besides, the success of the US is not without a price. Researchers charge that student consumerism has set in (Trout, 1997, 2000; Long and Lake, 1996; Delucchi and Korgen, 2002). Students pay high tuition fees and feel that they deserve the degree, however little the effort they put in (Sacks, 1996, 1997). Many come to class expecting to be amused (Edmundson, 1997) and feel that they have the right, like an informed customer, to let the instructor know where he’s good and where he’s inadequate (Edmundson, 1997). As Bellah (1990) tells it, a Stanford Business School student “shouted at an able young sociology instructor, ‘I didn’t pay $40,000 to listen to this bullshit,’ and walked out of the class.”

In addition, the belief that the main purpose of higher education is economic (Flacks and Thomas, 1998) has resulted in a culture of disengagement (Delucchi and Korgen, 2002). Students indulge in surface learning (Newson 2004), are bored in class, and believe that they just have to get it over and done with so that they can have a ticket towards a good job (Candy and Crebert, 1991). These concerns are not new: As far back as 1962, John E. Walsh questioned the role of US universities, positing that “there is a great deal of learning taking place, but not enough thinking” and that “students absorb ideas instead of mastering them.” (Walsh, 1962 pg. 325). Surely this is not what the Europeans wish to emulate. Partly in an attempt to address this issue, Oxford University has drawn up a legally binding contract to ensure that its students attend lectures, although clearly the management team at Oxford is also mindful of the implications of the new top-up fees.

But what, exactly, is higher education and what is it that is being experienced by the students? Our paper continues with an exposition of what this value might consist of.

The Value of Higher Education

Unlike the US, Europeans have a long established tradition of what constitutes a university (Green, 1969; Clark, 1983). The tradition of teaching and learning has its roots in the Socratic method of pedagogy, and research could be traced back to the Pythagoreans. The medieval universities, initially attached to monasteries and usually isolated from society, consisted of three faculties – theology, law and medicine – with a structure and system that continues to the present day e.g. lectures, examinations, residential colleges (Kavanagh 2005; O'Hara 2004). The conceptual basis for academic freedom came about through Kant (1798) who laid out the relationship between the state and the university, with the latter serving as a check on the former, through philosophical thought. The 19th century saw more formal links between universities and the state where the former became the instruments in amassing information, codifying national literatures and geography; becoming host to a repository of cultural knowledge and the central authority in the national language (Green, 1969). Humanities and literature dominated and the university became a community of knowledgeable professors (cf. Newman, 1852).

The US influence came to the forefront by mid-19th century when universities were asked to take on an active role in educating the masses for the industrial and agricultural development of the country. The US opened the university to people from all

walks of life instead of merely the elite so that ‘human capital’ could be developed. This also led to specialization and division of faculties into departments reflecting different professional affiliations. The opposition of such a movement (e.g. Veblen (1918/1957) felt that the shift of focus to practical education, utilitarian and instrumental knowledge was against the idea of what a university should stand for. In the 1960s, the idea of an Emancipatory University (Kavanagh, 2005) emerged with influences from Dewey (1995) with the idea of the university as one that is also a champion of social justice. This was the age when universities saw themselves as the educators of the masses, where students had autonomy, respect, and where engagements in the political arena were frequent to fulfill the university’s role as a public critique. This had been largely influenced by the Robbins Report, which stated that, “all young persons qualified by ability and attainment to pursue a full-time course in higher education should have the opportunity to do so” (The Robbins Report, 1963 p. 49). This was the first clear move away from the previously elitist approach. As populations increased and economic prosperity set in, the demand for education became so great that universities required greater structure, accountability and managerial control, leading to the managerialism, corporatization, consumerism and marketization of higher education that we face today (Shattock, 1998; Stevens, 2004).

Much of the demand for a university education today is for economic purposes. As Nobel Laureate Michael Spence showed in his seminal paper (1973), when a student’s ability is private information (i.e. unknown to anyone else), he obtains a degree as a signal of his ‘quality’ especially to his potential employers. Since the employer may not be able to glean the productive capability of the employee nor is the employee able to credibly show his ability, education becomes a credible signal.

Hence, the certification provided by universities is a passport to a better job. As long as university certification is credible, the demand for a university degree would be boosted by economic munificence. Yet in the late 20th century, the post-modern movement within universities began to develop, characterized by a sense of crisis and a need to return to ideology, to establish a sense of identity, and a rejection of modernity (Kavanagh, 2005).

With such a rich history, little wonder then that there is much confusion over what university means. The many participants within the university i.e. academics, administrators, students, patrons and other stakeholders, seem to have different concepts of what constitutes a university experience, driven by different ideologies and motivations. With student numbers in the UK doubling over the last 20 years (Greenaway and Hayes, 2003), the sheer number of students attending university as well as the fees they will contribute to relieve the financial pressure on the state lends currency to the ‘student as consumer’ concept of higher education. Sir Howard Newby, Chief Executive of the Higher Education Funding Council for England (HEFCE) in the UK maintains that a more business-orientated approach to higher education students is needed, and that they should be treated as customers and that universities should be “much more client facing and focused” (Newby, 2005). Much of what is being written in the education press seem to describe the university as the whole student experience; this approach came together in the UK 2005 National Student Survey (NSS), which sought to gather the views of students about the quality of their higher education experience.

Even with a consumer orientation, it is difficult to assess what the student experience consists of. A survey of first-year students revealed that 80% felt “a friendly campus feel” was important, 72% said that a university “strong in league tables” was important and that old universities were perceived as having the best academic reputations (Hill, 2005). Regardless of what universities think students want, it is clear

that the student is the consumer of higher education and students’ satisfaction in the consumption of a university experience is important. As consumer orientation is an integral aspect of Marketing, adopting a Marketing orientation towards higher education seems justifiable.

Marketing Higher Education

When universities think of Marketing, they often imagine big advertising and promotion budgets, glossy brochures and intense selling activities. Fortunately, Marketing has a healthier respect for the consumer than academicians have for Marketing. At the heart of Marketing is the belief that consumer needs should be met effectively (Kotler and Keller, 2006). Therefore, when an institution sets out to attract a student, it needs to create an educational experience that is genuinely able to satisfy the needs of the student, although, as we will elaborate below, these needs are not as simple as they may seem. Marketing is not the creation of pseudo differences through a change in logo, or making promises with vague sounding words (Hugstad, 1975). Substance, not spin, is the true objective of Marketing; substance provides an advantage that is sustainable in the market. In fact, effective marketing should make selling less necessary (Kotler and Keller, 2006). Furthermore, higher education is accountable to a myriad of stakeholders such as accrediting agencies, the public and private sources of funding as well as students. A market orientation that translates into an effective marketing program will achieve these broader concerns (Litten, 1980). Unfortunately, some institutions embrace Marketing by giving lip service to students, producing glib copy in brochures and generally applying Marketing principles poorly (Schwartz, 2004; Swain, 2005). When they do so, and are unsuccessful, Marketing gets the blame.

The research and practice of Marketing has advanced over the past four decades. Many marketing practices are no longer as simplistic. Marketing has had to discover newer and more advanced strategies to cope with increasing competition, complexity of society and changing needs. To aid its progress, Marketing has tapped on disciplines such as psychology, sociology, economics, and anthropology in the effort to become more effective.

The result is a much more consumer-orientated approach in Marketing. Giving greater choices, delivering true value and winning the hearts and minds of consumers is the key to long-term market advantage (Lovelock and Wirtz, 2004). This is especially so in the domain of Services Marketing.

Using service logic to understand the university experience

Research into the marketing of services has progressed rapidly into mainstream Marketing literature. This impetus is led by the growth of service industries worldwide. The service sector now accounts for about 70% of aggregate production and employment in OECD economies. This sector also comprises some of the world’s largest corporations who are major buyers and users of advanced technology and are the most active innovators, facilitating a major re-engineering of a growing number of firms across all sectors of the economy. Service research originated simultaneously in the 1970s by several countries in continental Europe and the United States. Since then service journals such as International Journal of Service Industry Management and Journal of Service Research have gained international reputation with a top-30 global ranking (Hult, Neese and Bashaw, 1997).

The service logic views services as activities (Gronroos, 1988). They are “deeds, processes and performance” (Zeithaml, et. al. 2006, pg. 4). Conventional service
literature informs us that services are perishable, intangible, inseparable between production and consumption, and heterogeneous in delivery, all at once (Lovelock and Wirtz, 2003). Furthermore, other distinctively service traits include high fixed-to-variable-costs ratio and being largely temporal in nature. Services are also experiential (Lewis and Mitchell, 1990) and have very few search attributes (i.e. characteristics that can be evaluated before purchase, such as color, or clarity of a diamond). However, service customers grasp at tangible items as an indication of service quality (Johns and Howard, 1998). Hence, a chipped wine glass may form a signal of a restaurant’s quality (Horovitz and Cudennec-Poon, 1990). Clearly, much of what has been researched into for services is applicable in the education context.

There are not many studies that look directly at universities from a Services Marketing perspective. Ford, et. al. (1999) noted that higher education had been as reluctant as any state-dependent sector in adopting a market perspective. But this has changed with the tougher environment of the 1990s, as universities found the need to understand what their consumers wanted from their education. Ford et. al. used a performance/importance framework to look at university student views of their education for New Zealand and US students. This framework accepted that when asked for their views, respondents are likely to place different levels of importance for different criteria. Thus, it was possible to construct a two-dimensional graphical representation of the mean importance and performance ratings for attributes. The study found that there exists a ‘zone of tolerance’ whereby ‘even though the respondents may not have perceived the service to be of good quality, they were not unhappy with the service they received.’

Dolinsky’s (1994) focus was on consumer complaint procedures and higher education. He noted that consumer complaints procedures were more likely to be of use to organizations that provide services than those providing goods, because the former were more likely to be highly variable than the latter. Dolinsky’s framework linked the intensity of complaints to the customers’ satisfaction with the outcome of the complaint, and proposed a meaningful basis for developing strategies for responding to complaints.

Service literature tends to view services generally whilst education literature tends to focus on the learning aspect of higher education. Hence, there has been no attempt to capture the varied aspects of the university experience into a unifying framework that brings in salient issues in education as well as provides an understanding of the value of the university experience for its students. Within service literature, it has been acknowledged that perceived value has been difficult to define, and although it is the difference for the customer between the cost of the service and the benefits received, it has been found that this is a very idiosyncratic variable (McDougall and Levesque, 2000).

Given that orientation, this study aims to combine both streams of research with a two-fold objective. First, by applying Services Marketing literature onto higher education research, we aim to provide a framework that can assist universities in understanding what a market orientation means and how students would value their offerings. Second, we hope to uncover the issues and the idiosyncrasies of education as a service, as a contribution to existing Service Marketing literature. These two objectives are achieved by using extant literature, and the contribution of our study is through “intertextual coherence” (cf. Locke and Golden-Biddle, 1997) i.e. citing and drawing connections between different works or streams typically not cited together. By attempting an inter-disciplinary study of this nature, and through the argument and contestation brought in by one stream onto the other (cf. Rowland, 2001), we hope to advance knowledge in both streams of research.
Following the service logic, we present a unifying framework that integrates education and Services Marketing research, to assist institutions in analyzing the value delivered to students. The framework is illustrated in Figure 1 and elaborated below.

<<Insert Figure 1 here >>

**The University Experience Framework**

**The Elements.** It is commonly acknowledged that services involve more than just 4Ps in the marketing mix. Aside from product, promotion, place and price, services have 3 extra Ps; processes, people and physical evidence (Lovelock and Wirtz, 2003). The current understanding of services involves the extended 7Ps, where people, physical evidence and processes feature in the Service Marketing mix (Booms and Bitner, 1982). These extra elements are directly relevant to the education experience. Within the education context, we propose that people include academics, administrators, support staff and the students themselves. The physical evidence would of course be the materials, teaching facilities, accommodation, recreational facilities and the like. Finally, the processes are those to facilitate applications, registration, exceptions, learning activities as well as social activities. These elements come together to produce the core and supplementary services as explained below:

**The Core Service.** The core service of the university experience is embodied in the learning experience of the student. However, it is important to realize that the learning experience can be mundane and monotonous just as much as it can be a transformative experience. This is because the value of learning is co-created with the student (cf. Bitner et. al., 1997; Gummesson, 1994). As Bitner et. al. states,

“service customers themselves have vital roles to play in creating service outcomes and ultimately enhancing or detracting from their own satisfaction and the value received.”

*The learning experience is co-created.* In co-creating the learning experience, students play two key roles in creating a service outcome i.e. as a productive resource, and as a contributor to quality, satisfaction and value (Bitner et. al., 1997). As a productive resource, students bring with them their intellect, language and communication skills. A more “resource-rich” student requires less supervision, has greater independence and confidence. As a contributor to quality, satisfaction and value, students can choose the level of effort they wish to expend. Without students’ participation and involvement, the desired process and outcome for the student is not possible (Astin, 1984). It is important though to understand that these two roles are not mutually exclusive, and elements of each role may exist in every incident through the course of the learning experience. Bok (2006) makes a similar point in his criticism of the university system for not exploring more innovative methods of actively engaging students in the learning process, and adequately assessing their progress.

As a result of the co-creation of value, the satisfaction of the learning experience is attributed to both the university and the student. Service research has found that consumers in co-created services sometimes blame themselves if problems occur while other times they may feel that the organization is responsible and could have done something to avoid the problem (Bitner, 1990; Folkes, 1988; Hubbert, 1995).
The learning experience is emergent, unstructured, interactive and uncertain. Research in learning has advanced rapidly over the last three or four decades, largely due to advances in cognitive science (Bransford et al. 2000). Researchers acknowledge that learning is both an outcome and a process i.e. the learning that is attained and the process through which it is attained are constructed by the student and the teacher. As Pring (2000) states, “the ‘ends’ cannot be disconnected from the ‘means’ of achieving them. The engagement between teacher and learner as they endeavor to appreciate a poem or to understand a theorem or to solve a design problem is both the means and the end. For, as Dewey [1936] argued, the so-called ‘end’ becomes the ‘means’ to yet further thinking – the pursuit of yet further goals.” Students often don’t know how much they value the learning till they actually begin to learn, a process that can be facilitated by teaching methods that allow, and indeed encourage, time for reflection and analysis of what is being taught (Cowan, 1999). Hence, not only is the learning experience co-created, it is emergent, uncertain and unstructured.

The learning experience is hedonic. Research has found that there is pleasure and adventure when students construct knowledge (Laukenmann, 2003; Ng, 2005), and emotions also have a role in learning (Taylor, 2001; Ng, 2005). In addition, research in service tells about the idea of a “journey” in the consumption of a service (e.g. Johns and Clark, 1993), with connotations of adventure, possessing ideas of legend and heroism. Thus, education can be viewed as a journey and indeed, it has been referred to as such (Graham, 2005; Robinson and Katulushi, 2005). Furthermore, the learning experience in the university is not merely confined to the classroom. The university is often viewed as the first step out into ‘the real world,’ and students often leave home to stay in an alien environment. The time spent during the university years commonly include physical as well as psycho-social adjustments, the forging of new friendships, and search for common interests as well as social support within the campus activities (Mackie, 2001). Interacting with other students contribute significantly to the student’s learning experience (Jalamo, 1995). Through a university experience, ideologies are formed that sometimes endure through a person’s lifetime e.g. being a vegetarian, doing work for charity, becoming an activist. Relationships are forged (60% married couples say they met at the university (as cited by O’Connell, 2005)), and knowledge that is acquired often launches the student’s career in a chosen field. Hence, the education experience, similar to some service experience such as tourist attractions, also includes a hedonic, aesthetic and emotional angle (Johns, 1999). Universities might think that since they don’t control the hedonic aspects, it does not count as part of the university experience. Just as other consumers in a restaurant affect one consumer’s enjoyment of a meal, so is the university experience seen as integral towards the university’s image and perception of quality. In service literature, Bitner and Hubbert (1994) propose that quality is the consumer’s overall perception of the service which is an accumulation of separate service incidents. Unfortunately, the hedonic and social aspect of the university experience does not map nicely to processes, procedures and documents within the university or the quality assurance process. In the words of Johns (1999), “interacting with other customers may not be included in the provider’s service concept but nevertheless contribute to the customer’s experience” (pg. 966).

To some extent, universities do have some control over the environment. Rather than seeing facilities and accommodation as mere support for learning activities, they can be designed to encourage socialization and create a more pleasant environment. The design of such ‘servicescapes’ (Bitner, 1992) i.e. the physical facility in which the service is performed, delivered and consumed, can potentially make a huge difference to a student’s university experience. The mix of students within the university also

contributes to the overall experience. Students from abroad may wish to interact with different nationalities, rather than with a more homogeneous population of students.

The Supplementary Service. Supplementary services such as application processes, payment of fees, campus facilities, staff helpfulness and student accommodation all play a role to facilitate the core service experience. There is a distinction to be made between processes, considered an element of the Service Marketing mix, and the supplementary services. Processes alone do not make the supplementary services. Only the combination of the people involved, the physical evidence such as forms and manuals together with the processes, form the supplementary services. Furthermore, we propose that the efficient delivery of supplementary services does not denote a good university experience. These are commonly referred to as *hygiene services* (Hertzberg, 1966; Lovelock and Wirtz, 2003) i.e. services that meet basic needs and that, when not met, can cause dissatisfaction amongst students. Yet, meeting these needs does not make students satisfied - it merely prevents them from becoming dissatisfied. The term 'hygiene needs' is used to emphasize the fact that there is a need to do something that is necessary.

Clearly the core cannot function effectively without the supplementary services and although we categorize them separately, the two often interact dynamically in the construction of the university experience.

**Constructing the University Experience and the Heterogeneity of Students**

The construction of the actual value of the university experience requires the construction of the core and supplementary services. These services are constructed with the elements of people, processes and physical evidence through their interaction with one another. This, in turn may inhibit or enhance the service experience. While traditional goods marketing often ends with the purchase, services often are purchased first and consumed later (Ng, 2004). The consumption process of service, i.e. the service encounter is often called the “moment of truth” (Lewis and Mitchell, 1990) and has been researched in depth, providing lessons that can be brought into education. While this study attempts to identify the components of the university experience, we do not propose the way in which the core and supplementary services should be constructed in the service encounter. These experiences are cognitive, affective, and hedonic and are elusive to capture. The learning outcome itself is unpredictable. As Pring (2000) proposes, the education received could be transformative and students become “in an important sense, different persons.” (pg. 15)

In the construction of the core service, academic-student interaction is often an important aspect of satisfaction. Service researchers have studied interactions through the use of role theory (e.g. Solomon et. al., 1985), script theory (e.g. Lockwood and Jones, 1989), ritualizing (e.g. Nikolich and Sparks, 1997), or by applying a theatrical approach (Williams and Anderson, 2005). Sierra and McQuitty (2005) found that when there is close interaction between a service employee and a customer, the process of service delivery i.e. how it is performed is often more important than what was delivered. Educational researchers acknowledge that the learning experience is not one that is divorced from its environment but is “intricately linked and dependent upon it.” (Tsui, 2002). Still, many have attempted to reduce the complexity to systems, processes and outcomes. Eigler and Langeard (1997) coined the term ‘servuction’ as a way of expressing the combined service and production process. Unfortunately, within an education context, no process or system is able to forecast all possible contingencies, nor to capture the nuances and the holistic nature of an educational encounter.
Similarly, the outcome of the interaction is not the only factor for satisfaction (e.g. a student may not do well in a subject but was inspired by and happy with the way the subject was taught). The complexity of the core experience and the ability to deliver it well often lies in the empowerment of the students and academics (Graham 2005) and even the most meticulously-thought-through service design will need to depend on people’s common sense, goodwill and volunteer spirit. As Gummesson (1995) states:

“Brain is given more attention than heart in service quality management. We have a fanatic belief in structures, systems, information technology and legal technicalities to solve our problems: we are easily blinded by the tangible outer that may hide the real abstract nature of inner wisdom and consciousness.” (pg. 34)

Service organizations, particularly education institutions, must therefore ensure that their people are not only trained for the service they deliver, be it supplementary or core, but also trusted to do the work effectively. In other words, good institutions have to understand the role of systems and structure as much as they need to respect the people delivering the service.

Academics have a pivotal role in the co-creation of education. Often, the impetus to ensure the effectiveness of teaching is at the expense of the teacher (Ryan, 1999), resulting in frustration and anxiety (Rowland, 2001). Teaching and learning outcomes are often teacher-centered, reducing the student’s role and in extreme cases, absolving the student from that shared responsibility (Evans, 2005).

Since students are a key component in the co-creation of the core service experience, students’ orientation towards learning is important. Previous educational research had identified four distinct types of orientation towards learning. These were academic orientation, where the student’s goals involved the academic side of university life; vocational orientation, where the student’s goal was to get a job after university; personal orientation, where the student’s goals were concerned with their personal development; and social orientation where the student’s goals focused on the social side of the university life (Beaty et. al., 2005). In each of these orientations, teaching quality and academic reputation will have an impact on the learning experience.

Clearly, students entering university are heterogeneous in terms of what their orientation is, and the level and type of effort they wish to commit. They would therefore differ in what they would value within the core and supplementary services provided. A student driven by the pursuit of knowledge for its own sake can set aside the hedonic pleasures (or perhaps find them in their studies?) because s/he is enthusiastic about the knowledge attained. Similarly, a student with a social orientation may perhaps value the pubs and activities more than the comfortable lecture halls, while students with a vocational orientation may judge the university based on its placement services and the employability of its graduates. Students come in with a heterogeneous set of expectations, It is therefore important not to merely survey students for what they value in the university experience, but also to set it against their expectations – both of the institution and of themselves. It also calls to question the so-called ‘objective’ use of TQM tools purportedly able to produce improved student performance, better services, reduced costs and improved student satisfaction (e.g. Gopal et. al. 1999). One can only wonder at the efficacy of such tools when the definition of quality is set by entities that are not the consumers of the university experience.

Yet, is student satisfaction the ideal outcome? As the US higher education industry has shown, this sort of satisfaction could lead to student consumerism and disengagement. Thus, patrons of higher education caution against ‘student as customer’...
orientation. Are they justified? The question is both historical and ideological. What is the quality of a university education? Should it reflect or be critical of the values of the society?

The Quality of the University Experience

To assess customer satisfaction with service quality, most organizations use the SERVQUAL model developed by Parasuraman et al in 1985, which looks at 22 attributes grouped into five dimensions: tangibles, reliability, responsiveness, assurance, and empathy. The core claim of Parasuraman et al was that the differences between perceived performance and expected performance determine overall service quality. SERVQUAL has been criticized for not being applicable to all services without modification (Carman, 1990); for the dimensions being dependent on the type of service being studied (Babakus and Boller, 1992); for the fact that perceived quality alone correlates better with service quality than does the SERVQUAL gap analysis of the difference between perceived and expected quality (Cronin and Taylor, 1992, Boulding et al, 1993). Cronin and Taylor (1992), Teas (1993) and Brown et al (1993) all challenged the underlying methodology of SERVQUAL, and its proposed alternatives. Parasuraman et al replied in 1994, arguing that SERVQUAL had received strong support from the studies that had used it. Lee, Lee and Yoo tested SERVQUAL against Cronin and Taylor’s alternative, SERVPERF, which only looked at service performance (and not, as does SERVQUAL, the gap between that performance and expected performance). They used three services; an entertainment park, an aerobic school and an investment consulting firm. Their findings were that performance explained more variance than did the difference between performance and expectation

Within the university context, two issues arise. Unlike other services, the university experience is one where the core service is emergent, uncertain and not pre-established, as we have shown earlier. Hence, when expectations and needs are not pre-established, it is difficult to predict which is a determinant of quality – performance or performance and expectation. Second, the studies assume expectations are static, when in reality, they can be influenced. This influence does not mean reducing the gap between expectation and performance but changing the nature of the expectations themselves. In other words, not merely managing the gap between expectations and performance, in terms of the attributes and standards, but managing what attributes should matter in the first place. Hence, the concept of ‘quality’ in traditional service literature such as tangibles, reliability, responsiveness, assurance, and empathy may not be the attributes that make a difference in the quality of a university experience, particularly when the core service does not serve pre-established needs. Srikanthan and Dalrymple (2002) provides an account of the quality management models applied to higher education, often without much success, and suggested a holistic model embodying an organizational culture of learning within the university.

Through service logic, the Gap Model of Service Quality (Zeithaml, et. al., 1990) could provide a structure to analyze service quality. The customer gap is the difference between students’ expectations and their subjective perceptions of the actual experience. Gap 1 is the difference between what a student expects and what the institution thinks the student expects, often arising from a lack of research. Gap 2 is the difference between the institution’s understanding of students’ expectations and the development of the service designs and standards, a difference where resource constraints often play a role. Gap 3 is the difference between the development of the service designs and standards and the actual delivery of the service, which arises due to the complexity of the service encounter and the interaction between students and staff.
Finally, Gap 4 is the difference between the delivery of the service and the institution’s external communications i.e. the promises made by the brand, advertising, sales force etc. Gap 4 arises when there is difference in matching performance to promises (Zeithaml, 2006). The key to service quality, as proposed by Zeithaml (2006) is to close, and keep closed, all the gaps in the framework. If all gaps are closed, the institution delivers exactly what the student expects, leading to satisfaction.

Returning to service quality, it is important to understand that the service quality ‘delivered’ by the university is dependent on students’ effort and abilities. To do this, universities screen and select students carefully, ensuring that students have the ‘resources’ to co-create. Yet, this does not ensure the level and type of effort students are prepared to commit. University education is the only service where its consumers are assessed on part of the service outcome. The role of assessment therefore ensures the level and the appropriateness of the effort expended by the students, so that a positive learning experience is created. Students who fail to expend the effort experience a lower quality of university encounter. This is consistent with research in Services Marketing and social exchange theory (Sierra and McQuitty, 2005) and emphasized by critical theorists (e.g. Singh, 2002) where a shared responsibility creates positive experiences. We argue that the problems encountered by the US higher education system (i.e. student consumerism and disengagement) are a result of institutions not communicating their expectations of students’ commitments. The problem is therefore not created by student-oriented marketing but by the failure of universities to see how value is co-created.

In analyzing education literature, we find that the university experience uncovers a new gap, which we label the ideological gap. This is the difference between designing the service towards fulfilling students’ expectations and designing the service towards what the institution believes the students should experience. This gap is often influenced by stakeholders such as the government, private patrons and academics themselves. The most common source of the gap is the debate on whether universities should focus their curriculum on vocational relevance or academic excellence. This debate dates back centuries. During ancient times, the vocational aspect of the university had its champion in the Sophists, who were more interested in success than truth (Kavanagh, 2005). In recent times, Dewey (1995) argues that education should be practical and aimed at improving daily life and society. In his inaugural lecture, Stephen Rowland presents the university as a critical service (Rowland, 2001), a service that serves society on one hand and also serves as its scholarly critic. The function of the university is therefore, to work “in the dynamic tension between conformity and contestation”. Oakeshott (1972) proposes the role of a university as one that “cultivates the intellect”. Mill’s inaugural lecture tells of being educated and cultivated but also the need to be useful (Mill, 1867).

The ideological gap may also be widened by politics. Many have charged that universities are filled with navel-gazing academics intent on staying in their ivory towers. A student orientation threatens their power base i.e. the authority on what is good for the student. A student orientation shifts the power to students, allowing them the autonomy of deciding what they want, as well as to administrators, who wield the baton of the market, empowered to ‘educate’ and ‘enlighten’ academics on being progressive and market oriented.

The modified gap model for education service is presented in Figure 2.

<<Insert Figure 2 here>>
Promises by universities are often at odds with the delivery as a result of the knock-on effect of the ideological gap. For example, academics may promote the need for academic excellence but the market responds towards vocational relevance. Since academics control delivery and administrators control communication strategies that are demand-led, the result is a delivery of a university experience that is not what was promised or expected, and dissatisfaction sets in.

The gap model produces an interesting observation. The university itself often shapes the expectations of students. Thus, the belief that the student is the ultimate protagonist of service quality is misleading. Student expectations of the institutions and of themselves are shaped by the messages conveyed by the institution through their brand and communications strategy. This is in turn, shaped by the institution's design and standards, influenced largely by its ideology. Universities with strong ideals about what a university experience is, and the attributes that form that experience e.g. academic excellence, should design their programs according to those ideologies and communicate them strongly through their brand and communications strategy. In so doing, they are able to shape the students' expectations as well as deliver on their promises.

Universities hold the power not merely to educate the student but in the broader sense, they serve to educate society as a whole (Johnson 2003; Bok 2003). In other words, universities can influence students into what they think students should value in a university experience. Researchers in Marketing have also stressed the educational role of Marketing, stating that demand can be influenced, not merely be known. Even economists acknowledge that wants cannot be taken as independent and consumers could be taught by producers to want new things, "or things which differ in some respect or other from those which they have been in the habit of using" (Schumpeter, 1951; Liebhafsky, 1968).

Thus, students are not a static, unchanging entity with short-term, pre-established needs. They also have a long-term focus, with needs that are latent and emergent. To have a true student orientation that delivers on quality, universities have twin roles. First, to educate and manage the expectations of students, both in terms of what is expected of institutions, and the expected commitment of students, through an ideology-driven communications strategy. Second, to ensure the delivery of the service through appropriate designs and standards for teaching and curriculum development, promised by that strategy. In today's environment, strategies are often lacking in the former.

It is true that students' short-term orientation may be more towards vocational relevance. If all universities cater towards students with such orientations and position their offerings as such, more students will begin to only value vocational relevance. Both students and institutions then become caught in a spiral that they are not able to break out of, with universities attracting the very students they may not want.

Furthermore, many UK universities are old brands, with promises of a pedigree education (though what that means varies with different people). Universities have to understand what that promise comprises, and deliver accordingly. The danger is for students to attend UK universities just to get a degree simply because the certification promises better job prospects, regardless of the learning experienced. In that event, the learning experience becomes a cost, rather than a benefit, to the student.

Certainly, institutions cannot ignore students’ short-term expectations. What is needed is for one approach to be critical of the other, thereby ensuring a balanced concept of higher education. This also ensures that the construction of the university experience, at least from the part of the university, is in line with what is promised. In a market economy, institutions of every ideology should exist, since students are heterogeneous. Students would then have the freedom to choose what they truly value,
and the corresponding effort they are willing to expend when they enter university. Closing every gap in the gap model is the key to quality, and the source of differentiation is not in facilities and design which are too easily copied and commoditized, but in the delivery of a university experience that is transformative, enduring, ideology-based and that would give the institution a sustainable long-term advantage.

**Education's contribution to the service logic**

Our study began with a promise on how education could contribute to service research and we summarize this here. Education as a service is unique in the sense that the quality of the co-created value requires consumers to be screened beforehand and assessed on part of the outcome. The assessment compels the service consumer to commit the effort to ensuring service quality. Clearly, such an assessment can be viewed as a benefit, if the student’s learning orientation is academic or vocational, but it can also be viewed as a cost, if the student only wants a certification towards a better job. In addition, only in education is there a gap between what the consumer wants and what the institutions believe they should get. This gap, which we term the ideology gap, is at the centre of the debate between whether higher education should be vocational or have other more lofty goals. Furthermore, the education experience does not have a set of homogenous pre-established needs. The experience is transformative and emergent, and students co-create the experience. They discover other needs along the way, even latent ones, and reinvent themselves. Their needs are embedded within the process, as well as the outcome of the education. Finally, student expectations should be of both the institution and themselves, and this should be shaped by a communications strategy driven by the ideology of the university. Paradoxically, the true protagonist in a student-orientated marketing institution is the ideology held by the institution itself.

**Conclusion**

Having a Marketing orientation does not merely mean quality assessments, processes, systems and promises of a pedigree education. It means understanding the elements of delivering an outstanding service, knowing where systems end and people take over, and respecting the co-creation of the learning experience. Student-orientated marketing, if well applied, could reform how current universities are managed, and could bring ideology back to universities and compel them to deliver on the promises made. It is not wrong to view the student as the consumer or customer. But it is important to realize that universities must go all the way to understand what that means. Students are not homogeneous in their needs and such needs are not pre-established nor are they merely short term. Marketization might therefore be the only way to bring about ideological changes and thereby bring about true differentiation between good universities and the rest. The state, if there is a role for it, should review its role in ensuring some artificially constructed idea of quality and performance and instead, look at aiding how different ideologies should be communicated to shape student expectations so that academic diversity is preserved. Hence, before higher education embraces Marketing, they should ask if they are able to meet the demands of student-orientated marketing and if they are truly prepared for what Marketing would ask of them. As Sir Howard Newby, Chief Executive of HEFCE said, “It’s going to be really, really important that institutions understand their position in the market, and we do worry that some institutions will get theirs wrong. The implications of getting it wrong will be visited upon institutions very quickly and will be difficult to reverse”.

Good marketing and a student orientation do not have to be at the expense of good higher education. The two are allies, not adversaries. Marketing can help universities reach out and genuinely develop insights into student needs and communicate their ideologies.

Our paper does not argue for what is the ideal role of the university but aims to place the argument within the ideological gap, so that future debates may be carried out without other confounding issues. Within the core experience, academics may argue for academic excellence, personal development, vocational relevance or even social development as its ideal. However, it is important to note that student-oriented marketing is not part of that debate and whatever the conclusion is, student-orientated marketing assists the institution in achieving its objectives. Further research should explore many of the issues brought up here. We do not claim our framework to be generalizable or empirically valid. This study is merely the use of one stream of research to contest and challenge ideas in the other so that both may develop further. Through this interdisciplinary exercise, we aim to reconcile the logic, spirit and vocabulary of both streams of research into a cogent framework necessary to bring on the advancement of higher education.
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Figure 1: Framework of the University Experience

- **People**
  - Students
  - Academics
  - Administrators
  - Support Staff

- **Supplementary Services**

- **Physical Evidence**
  - Facilities
  - Accommodation
  - Learning Materials
  - Equipment

- **Core Service: Learning**
  - Co-created, Emergent, Unstructured, Uncertain

- **Processes**
  - Application
  - Registration
  - Exceptions
Figure 2: Gap Model adapted for the University as a Service

1 Expected Service (self and institution)

2 Service Effort + Perceived Service

3 Customer Gap

4 Core Service

Gap 1

Gap 2

Gap 3

Gap 4

Institution Service Design and Standards

Student-Driven Service design and standards

Stakeholder-Driven Service design and standards

Ideology Gap

Institution perception of student expectations

External Communication to Potential Students

10,968 words

i Survey of Higher Education, The Economist, 8 Sep, 2005

ii Survey of Higher Education, The Economist, 8 Sep, 2005

iii BBC News On-Line, 01.02.06.


v THES, 30 April 2004. Post top-up failures can’t bank on subsidy. P. 7