



University of North Alabama Marketing Research Report:

Analysis of Factors Related to Market Niche



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Office of Institutional Research,
Planning, and Assessment



BUILDING THE PRIDE

Forward

The need for a strong and effective marketing plan within public institutions of higher education is ever more apparent as competition increases and state revenues decrease. Knowing where an institution is positioned in the marketplace in relation to where it wants or needs to be; and how this placement is affected by student satisfaction and enrollment trends are both seminal components to future institutional viability and sustainability. Furthermore, concepts such as market research, strategic planning, and enrollment management - which were once thought to be independent of each other - are now interconnected as interrelationships have become more obvious.

Through this publication, the Office of Institutional Research, Planning, and Assessment has attempted to offer an initial look at specific factors which are related to broad marketing questions such as how prospective students view UNA, how does UNA position itself to its best advantage, and what is the right balance between tuition and the perceived quality of its academic offerings?

Each of the four sections within this report address a particular marketing concept within higher education while providing valuable market research data and analysis to induce discussion and further research.

Therefore, the objective of this marketing research report is to initiate answers to some of the broad-based marketing questions and to establish the framework for increasing UNA's knowledge of its niche in the higher education marketplace.

As UNA focuses more on market research, strategic planning, and enrollment management, OIRPA will continue to offer similar reports as the need arises and more data become available.

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Marketing Research in Higher Education | Section One

Introduction

Higher education nationwide is in a state of change and instability. The cost of attending public higher education has significantly increased in response to substantial decreases in state revenue. Furthermore, the media have brought national attention to the problem of rising student debt while others start to question the actual value of a college education in today's world.

Potential students have more higher education options than ever before including traditional brick-and-mortar institutions, online universities, hybrid programs, or studying overseas. Against this backdrop, education marketers have to develop and refine the messages necessary to attract and retain students while generating sufficient revenue to keep institutions active.

In many instances, college choices are geographically motivated so there's instant local demand. Similar brand messaging has been employed for a long time, and largely successful. But over time as trends change, brand messaging needs to be updated and channels adapted to reach the right consumers despite where they reside.

Higher education, therefore, is becoming more competitive from a variety of perspectives. Internally, institutions must manage costs, while at the same time, meet a growing need to specialize and communicate a unique message to an expanding marketplace. From the applicant's vantage, student prospects are faced with more education options than ever before. Therefore, a solid marketing and enrollment

strategy can directly affect the bottom line of a higher education institution through the measurement and understanding of its position in the marketplace, the elimination of weaknesses, and building upon its strengths.

A successful strategic or enrollment management plan, however, cannot be created without solid data to support it. To use a literary example, in *The Copper Beeches* (Doyle, 2002), Sherlock Holmes exclaimed, "Data! Data! Data! I can't make bricks without clay." Holmes' exclamation is perhaps one of his most famous lines, and with good reason. For it points to a tendency of doing the impossible: to make bricks without the proper materials. When applied to marketing and enrollment management, "making bricks without clay" simply means to establish theories, strategies, policies, and practices in the absence of anything on which to base them. Without sufficient data the institution creates speculation, absent of any hard facts.



Strategic Enrollment Planning

Successful marketing research in higher education should involve strategic enrollment planning, as well as an understanding of market positioning and how tuition and perceived value affects that positioning.

According to Hossler (1986), “Strategic enrollment planning is an organizational concept and a systematic set of activities designed to enable educational institutions to exert

more influence on their enrollments.” Traditionally organized by strategic planning and strongly supported by institutional research, enrollment planning activities concern student college choice, transition to college, student attrition and retention, and student outcomes (Hossler, 1991). Traditionally, a comprehensive and effective strategic enrollment plan should contain the following five components:

1. Institutional and Situational Assessment

Similar to a SWOT analysis, the institutional and situational assessment focuses on institutional strengths and challenges as well as external opportunities and threats. Important components of this section include:

- Enrollment Trends – At least 3 to 5 years of enrollment history including headcount and credit hours by degree level, learning modality (online, on campus, blended), and student type.
- Service Area Demographic Trends – Includes data on high school graduates within the primary service area, adult learner trends, and other demographic realities.
- Occupational Trends – Current and future job and career opportunities are also important.
- Resource Constraints – Includes data such as residence hall capacity, capital considerations, technology considerations, and human resource limitations.
- Competition – Identify local competitors as well as regional and national competition for each program.

2. Institutional Strategic Direction

The strategic enrollment plan should complement the institutional strategic plan. While the entire institutional strategic plan does not need to be included, it is wise to identify the enrollment-related goals and objectives which may influence institutional enrollment.

3. Student Recruitment and Enrollment Strategy

Identify the goals and objectives for student recruitment by degree program and learning modality. In addition, the institution should identify the specific metrics and key performance indicators (KPIs), which will be used to determine if the goals have been accomplished.

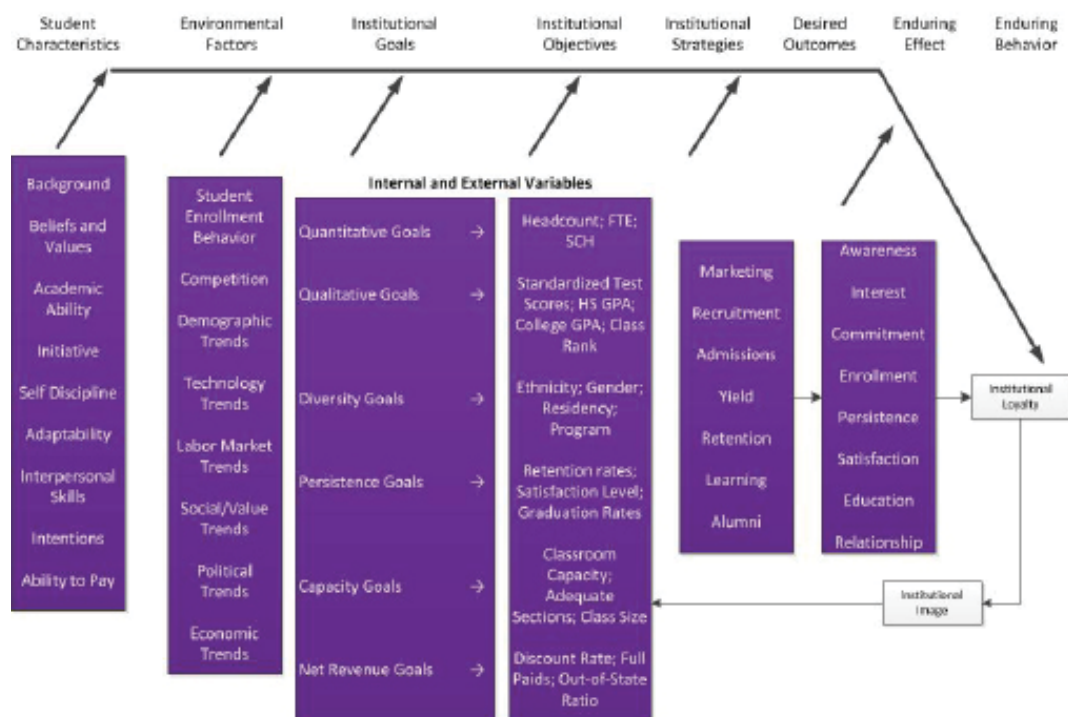
4. Student Retention and Student Success Strategy

Strategic enrollment is the sum of recruitment, retention, progression, and graduation. In fact, a plan that neglects to include retention, progression, and graduation is missing out on the most important part of enrollment management: student success (Luna and Vaughn, 2012). Included in this component are goals and strategies concerning factors like academic (faculty) engagement, financial aid, engagement with peers (extracurricular activities), and academic support programs. Further, like the recruitment component, this component should include specific metrics and KPIs for each of the retention strategies identified.

5. Marketing and Student Financial Support Strategy

While this component is not always included, it is important. Many strategic enrollment planners are also responsible for the marketing function. Therefore, because the institutional reputation (brand) is so important to recruitment and enrollment, it is also a good idea to include marketing and market research as part of the overall strategic enrollment plan.

Figure 1-1 Strategic Enrollment Example



The concept of strategic enrollment planning has changed over the years. Many institutions now realize that simply expanding new markets, pressing admissions professionals for more students, or throwing marketing dollars at trendy slogans or higher-end technologies are no longer viable solutions. Successful strategic enrollment practices look wholly and strategically at enrollment dynamics as well as the interplay between those dynamics. In the previous example, Black (2001) presents all of the dynamics of enrollment management:

In order to assess itself against this marketing/strategic enrollment perspective, the institution should first answer basic marketing research questions. Such questions may include:

1. How do prospective students view an institution?
2. How does an institution gauge the demand for a new or existing academic program?
3. What opportunities and threats are posed by institutions offering similar academic programs?
4. How does an institution position itself to its best advantage?
5. What is the right balance between tuition and the perceived quality of academic programs?
6. How can an institution optimally identify market segments that correspond to a desired objective?

The objective of UNA's marketing research report is to initiate some of these answers and to establish the framework for increasing the institution's knowledge of where it is in relation to where it would like to be in the future.

Strategic Positioning

According to Rowley, Lujan, and Dolence (1998), higher education institutions fit into one of 16 categories. They are as follows:

Traditional

1. Research colleges and universities
2. Comprehensive colleges and universities
3. Small colleges and universities
4. Community colleges
5. Specialty colleges and universities

New Breed

6. Co-op colleges and universities (institutions cooperating with other institutions)
7. Composite universities (performance-funded institutions using a traditional business model)
8. Perpetual learning colleges and universities (Offer true life-long learning)
9. Virtual universities (Non-brick and mortar institutions)
10. Virtual college and university indexes (Organizations that offer virtual and traditional courses from other institutions)
11. Self-directed teams within colleges and universities (Departmental teams, cohorts, team teaching)

12. Assessment and competency-based colleges and universities (Mandatory use of assessment for student learning)
13. Corporate universities (For-profit learning institutions)
14. Company universities (Educational/training programs for employees)
15. Alternative colleges and universities (Market-based, non-traditional institutions)
16. Emerging (Other institutions not fitting into the above categories)

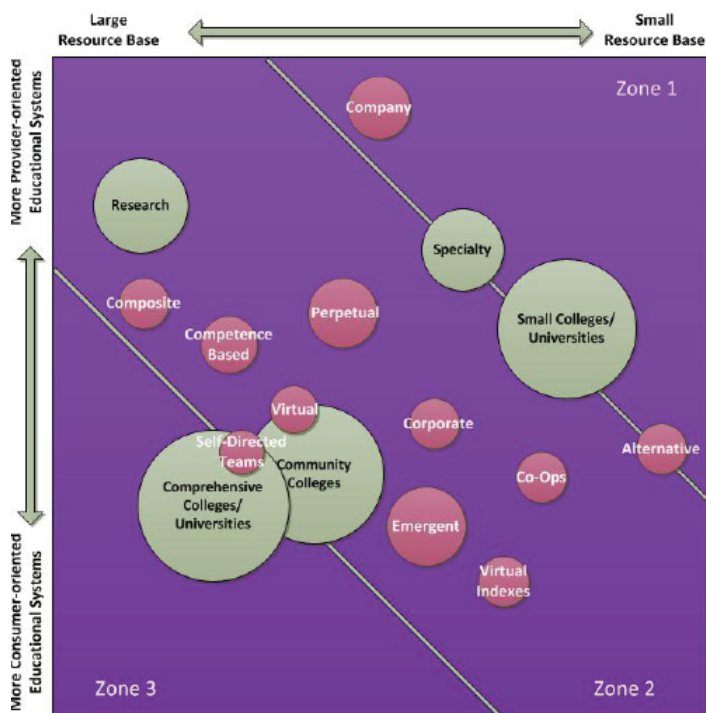
Rowley and Sherman (2001) developed a two-dimensional schematic diagram (**Figure 1-1**) whereby all 16 categories of colleges and universities may be placed. The two dimensions are the resource base of the institution and the guiding philosophy of the institution. According to Rowley and Sherman, resources provide the basics for all institutional activity, whereas institutional philosophy determines the direction where the institution will move. In many cases, both resources and philosophy are decided by entities over the institution (i.e. state government or corporations).

Furthermore, Rowley and Sherman created three distinct zones of risk in the schematic model. Zone 1 is the most risky due to the lack of substantial resources and the tendency

to be inwardly as opposed to outwardly focused. Zone 2 presents moderate risk conditions because it blends higher levels of resources with broader philosophical orientation. Zone 3 represents the lower risk levels based on state-support and public demand (Rowley and Sherman, 2001). The schematic is depicted below with the traditional institutional types in grey:

It should be noted that these 16 categories are not independent of each other. As market conditions change, traditional institutions may adapt characteristics of new breed institutions and vice versa. For example, since the publication of their book, environmental factors have dramatically changed for public higher education. State resources nationwide have significantly diminished and accountability is at its highest. To that end, more traditional comprehensive colleges and universities have switched to competence-based institutions and their resource positioning has substantially decreased.

Figure 1-2 Strategic Positioning of Traditional and "New Breed" Colleges and Universities



Pricing and Perceived Value

U.S. higher education is not unlike most goods and services, because its customers (i.e. students) have a wide array of choices for their education dollar. It is the job of the institution within the market to find their competitive edge and meet student needs better than the next institution. Therefore, where there are only a finite number of unique academic programs out there, how do higher education institutions set tuition at different rates with different degrees of success?

Michael Porter (1980) reduced any competition into three unique strategies:

- Cost Leadership
- Product Differentiation
- Market Segmentation

Speaking academically, these strategies represent the ways in which an institution could provide students with what they want at a better price, or more effectively than others. Essentially Porter maintained that all companies (higher education included) compete on cost, perceived value (differentiation), or by focusing on a very specific customer (market segmentation). Looking at Porter's strategies in a different way, Bowman and

Faulkner (1996) developed the Strategy Clock. It extended Porter's three strategies to eight (**Figure 1-2**) and better explains the cost and perceived value with which many higher education institutions concern themselves.

Position 1: Price/Low Value

Higher education institutions do not choose to compete in this category. This position is considered "bargain basement" and those institutions that are in this position did not plan to be. Here, academic programs lack differential value and the only way to succeed is by selling volume and continually attracting new students. Here academic programs are inferior but tuition is attractive enough to entice some students to try them once.

Position 2: Low Price

Institutions competing in this category are the low cost leaders. These are the institutions that drive tuition down to bare minimums

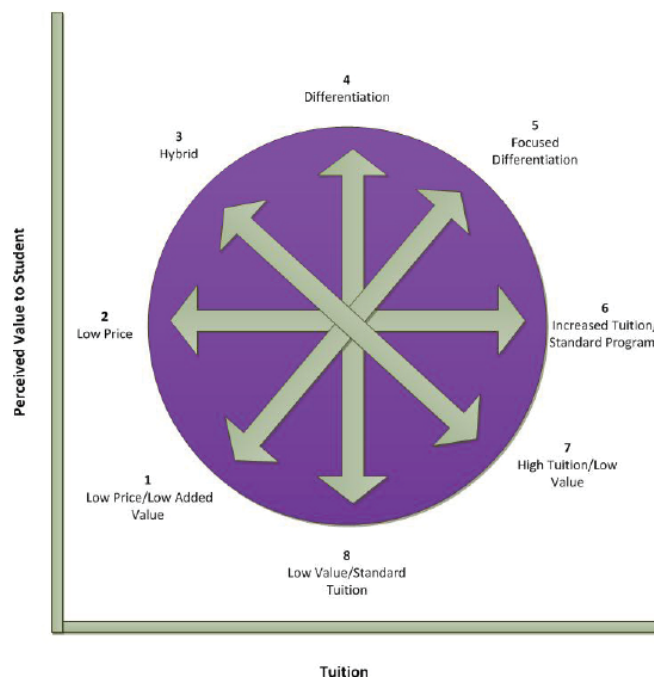
and balance low margins with high volume. If low cost leaders have large enough volume or strong strategic reasons for their position, they can sustain this approach to become a powerful force within the market.

Position 3: Hybrid (moderate tuition/moderate differentiation)

Hybrid institutions offer

programs at a lower cost but with a higher

Figure 1-3 Bowman's Strategy Clock Used for Higher Education



perceived value than many other low cost competitors. While volume is an issue with these institutions, they build a reputation of offering fair prices for reasonable goods. In many cases, the two-year colleges fit into this position.

Position 4: Differentiation

Institutions that differentiate offer their students high perceived value. To afford this, they either increase tuition or seek greater market share. Branding is important with differentiation strategies as it allows a company to become synonymous with quality as well as a price point. Many smaller private four-year liberal arts colleges fit into this position.

Position 5: Focused Differentiation

These are the “designer” or “boutique” institutions because they have a high perceived value at a high tuition. Students attend these institutions based on perceived value alone. While the institution may not have any more real value than other institutions, the perception of value is high enough to charge very high tuition. Many of the larger private research institutions fit into this position.

Position 6: Increased Price/Standard Product

When revenue from other sources falls, institutions have to increase their tuition without any increase to the value side of the equation. If the tuition is accepted by students, the institution either enjoys higher revenues or is able to sustain its current revenues given the revenue decline from other sources. If the higher tuition is not accepted by students, market share falls. Many of the master’s/comprehensive regional institutions fit into this position.

Position 7: High Price/Low Value

This is classic monopoly pricing. In a market where only one institution offers the program (or delivery of the program), perceived value is not of concern because, if the student needs

the program, the student will pay the tuition set. In a free market economy, monopolies do not last long. Many for-profit institutions fit into this position.

Position 8: Low Value/Standard Price

Institutions do not strive for this position, they fall into it. Here, the institution has a perceived low value academic program either through financial problems or accreditation issues. In order to continue to operate, the institution cannot increase its tuition. Some private baccalaureate institutions fall into this position.

Conclusion

In the stream of economic changes, technological innovations, and market fluctuations, higher education institutions have been caught in the undertow of managing scarce resources while trying to meet the need of diverse populations. Without an active and effective strategic enrollment marketing plan, unprepared institutions will surely succumb. Such a plan should utilize historic and current data to drive institutional decision-making and to effectively position the institution based upon where it would like to be in the future.

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Enrollment and Degrees | Section Two

Introduction

According to the National Center for Education Statistics, enrollment in degree-granting institutions increased by 11% between 1990 and 2000. Between 2000 and 2010, enrollment increased 37% from 15.3 million to 21.0 million. Much of the growth between 2000 and 2010 was in full-time enrollment; the number of full-time students rose 45%, while the number of part-time students rose 26%. During the same time period, the number of females rose 39%, while the number of males rose 35%. Enrollment increases can be affected both by population growth and by rising rates of enrollment (NCES, 2009).

Between 2000 and 2010, the number of 18- to 24-year-olds increased from 27.3 million to 30.7 million, an increase of 12%, and the percentage of 18- to 24-year-olds enrolled in college rose from 35% in 2000 to 41% in 2010. In recent years, the percentage increase in the number of students age 25 and over has been larger than the percentage increase in the number of younger students, and this pattern is expected to continue. Between 2000 and 2010, the enrollment of students under age 25 increased by 34%. Enrollment of students 25 and over rose 42% during the same period. From 2010 to 2020, NCES projects a rise of 11 percent in enrollments of students under 25, and a rise of 20% in enrollments of students 25 and over (NCES, 2009).

Since 1988, the number of females in post-baccalaureate programs has exceeded the number of males. Between 2000 and 2010, the number

of male full-time post-baccalaureate students increased by 38%, compared with a 62% increase in the number of females. Among part-time post-baccalaureate students, the number of males increased by 17% and the number of females increased by 26 % (NCES, 2009).

The percentage of American college students who are Hispanic, Asian/Pacific Islander, and Black has been increasing. From 1976 to 2010, the percentage of Hispanic students rose from 3% to 13 %, the percentage of Asian/Pacific Islander students rose from 2% to 6%, and the percentage of Black students rose from 9% to 14%. During the same period, the overall makeup of White students fell from 83% to 61%. Race/ethnicity is not reported for nonresident aliens, who made up 2% and 3% of total enrollment in 1976 and 2010, respectively (NCES, 2009).

Since 2004 at UNA, White enrollment has stayed steady averaging 71%. While Black and Hispanic enrollment has seen little variability over this time period they increased significantly during the fall 2012 semester. For example, Black enrollment averaged 11% over the 10-year period but the single-year number increased to 17% during the fall 2012 semester alone. Likewise, Hispanic enrollment averaged 1.4% during the 10-year period but the single-year number during 2012 doubled to 2.8%.

Gender enrollment has not significantly changed over UNA's 10-year period. On average, females make up 56% of total enrollment

and males make up 44%. Looking at age, the traditional age group of student under 25 years of age has shown a slight increase with average 10-year enrollment at 71%, but the 2012 single-year number was 75%. Those who are 25 to 49 years of age has shown a small decrease with an average of 26%, but the 2012 single-year number was 23%.

These data indicate that while minority and non-traditionally-aged students are significantly increasing nationwide, UNA continues to show strong enrollment numbers among traditional college students.



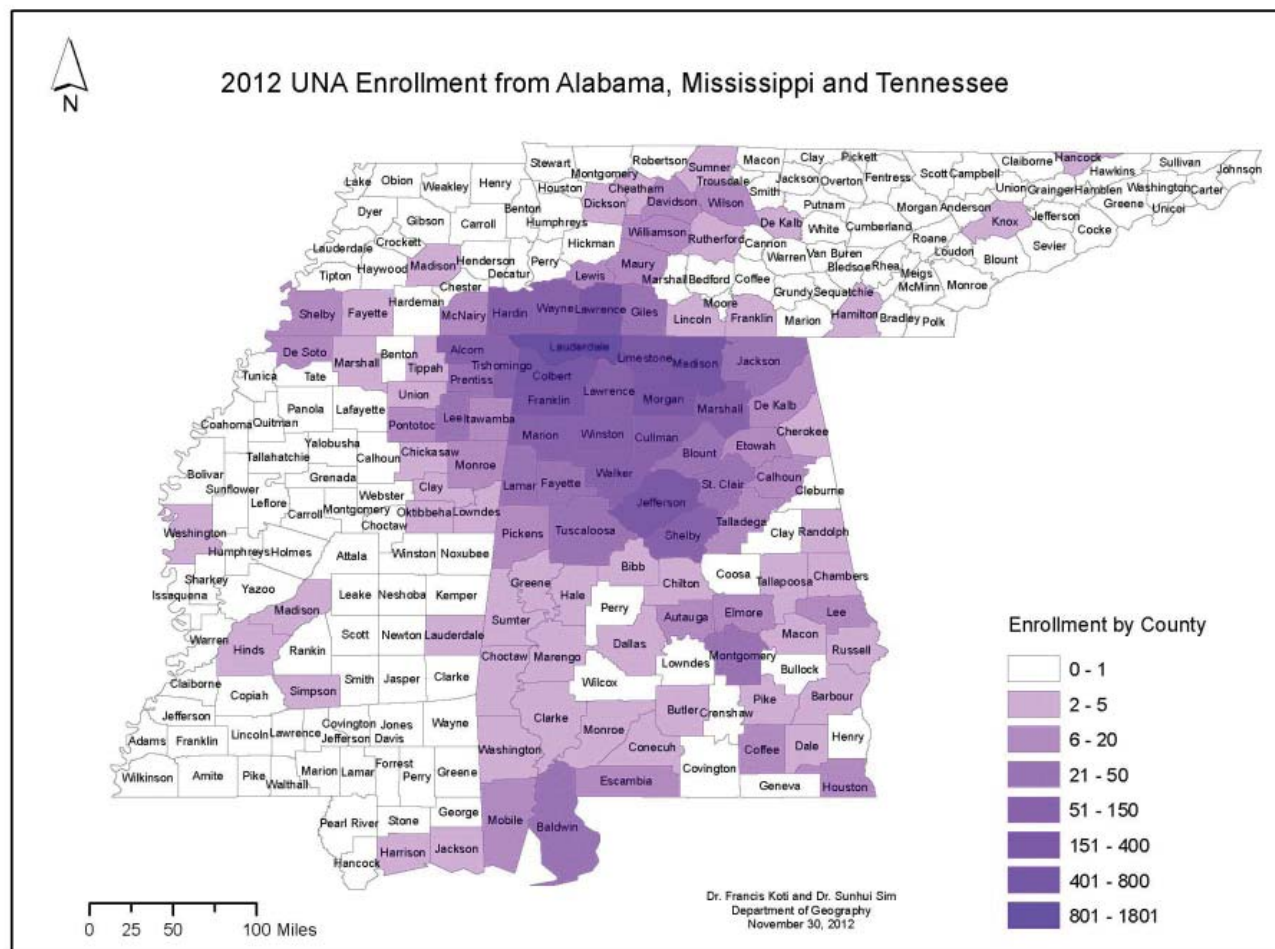
Student Enrollment

A significant component in marketing research within higher education is the need to determine what geographical areas students are coming from and what is the enrollment trend of students within each area. Most of a master's level/comprehensive institution's enrollment traditionally comes from its primary service area. This area is usually defined as those counties within or closely surrounding the institution. While it is important to monitor enrollment within this area, it is also important to determine if trends exist outside of this primary service area.

UNA's primary service area consists of those counties within the northwest corner of the state. Furthermore, due to tuition reciprocity

agreements with neighboring states, those students from out-of-state counties that are adjacent to the Alabama state line are eligible to pay in-state tuition. This reciprocity policy, therefore, extends UNA's primary service area to parts of Mississippi and Tennessee.

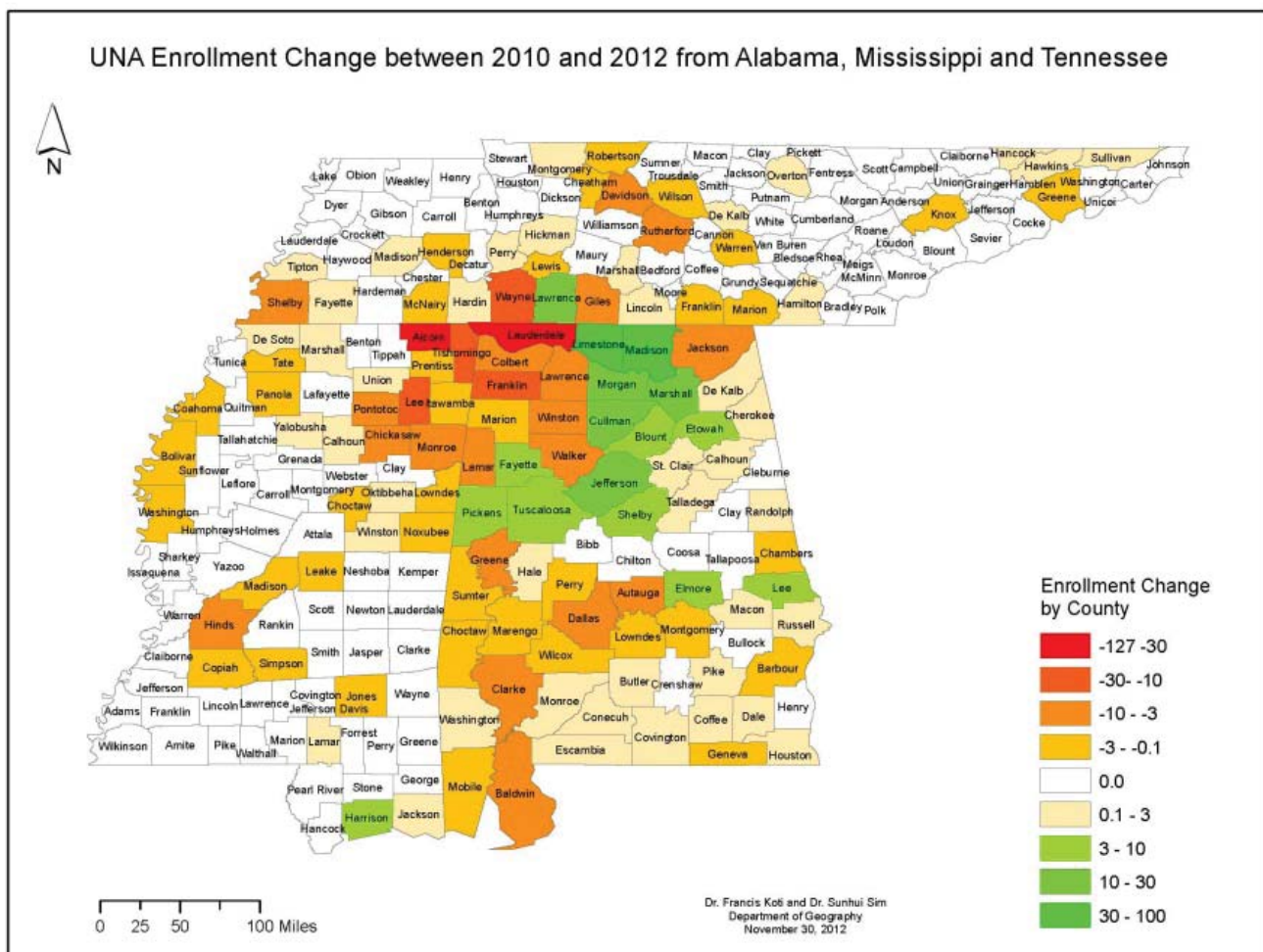
In 2012, UNA's fall enrollment totaled 7,053. Below is a map indicating those counties that contain the highest concentration of UNA students. Clearly, Lauderdale County has the highest number of students while the immediate counties surrounding it show strong numbers as well. Of particular interest, however, is how UNA enrollment extends below northwest Alabama into Jefferson, Shelby, and Tuscaloosa Counties. Furthermore, high enrollments occur within those Tennessee Counties that surround the Interstate 65 corridor. Other points of interest



include Madison and Marshall Counties in the Northeast corner of Alabama as well as Montgomery and Baldwin Counties located in the southern part of the state that are included within the southern part of the Interstate 65 corridor.

In the map below, UNA's 2012 fall enrollment as compared with its fall enrollment in 2010 (n=7,279), shows a decline of 226 students. Differences between fall 2012 and 2010 enrollment were computed and highlighted in the map below. With the exception of Lawrence County, Tennessee, most of UNA's immediate counties, including Lauderdale, show decreases in enrollment. Of further interest are north central and central counties in Alabama that

are clearly showing growth. While most of these counties follow the Interstate 65 corridor, many of these counties are closer to other institutions such as The University of Alabama, The University of Alabama in Huntsville, and the University of Alabama in Birmingham. Further research needs to be conducted to determine if increased admission standards are causing more students from these counties to enroll at UNA; if a change in the role, scope, and mission of these three research institutions are affecting enrollments or if the costs associated with these traditional research institutions have somehow exceeded their perceived value by some students.



Tuition Increase as a Factor in Enrollment

Another component in higher education marketing research is determining how increases in tuition affect enrollment. Over the past five years, higher education institutions in Alabama have seen significant decreases in state revenues. Furthermore, the national economy has seen interest rates drop, creating concern for institutional investment liquidity, triggering diminished long-term investment capital, and generating a slowdown in fundraising. In the wake of these weakened external resources, higher education institutions have been forced to cut costs and increase tuition and fees to maintain appropriate operations.

While nationwide statistics over the past five years indicate public four-year institutions average 4-5% tuition gains, tuition increases in Alabama have more than doubled this figure, primarily due to the decrease in state revenue. Meanwhile, national statistics indicate that most full-time undergraduate students are receiving some type of financial aid or loan. This assistance weakens the direct negative effect tuition increases have on enrollment because these students are either paying nothing, paying a lower than published tuition price, or are delaying their entire cost of higher education until they graduate. Without a doubt, though, higher tuition costs have strained federal aid programs and have caused parents and students to look more closely at the return on their higher education investments.

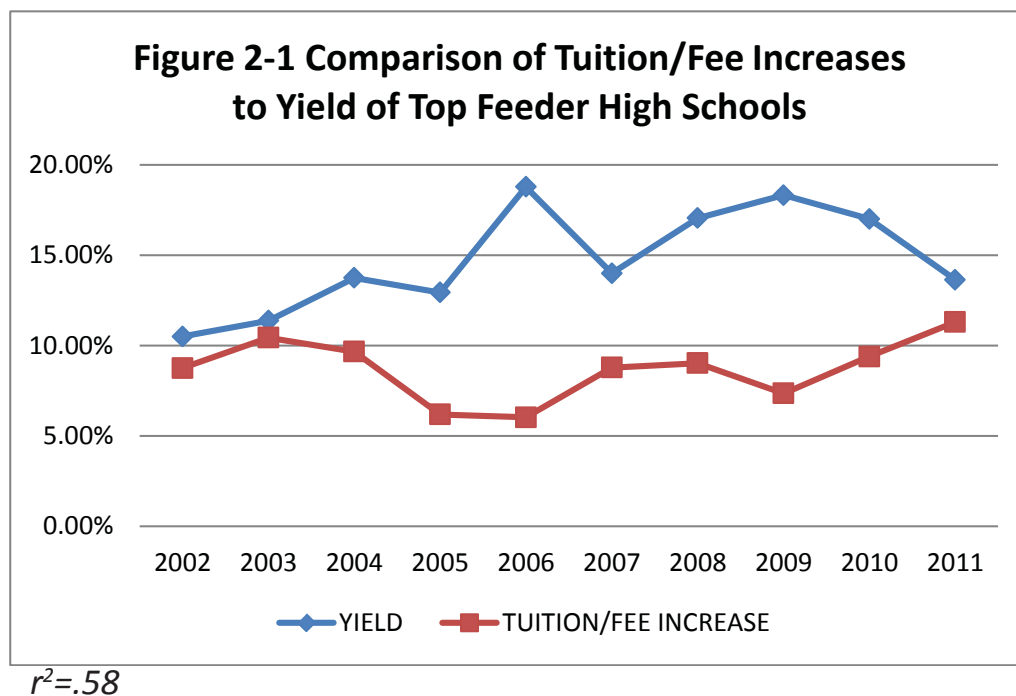
Research indicates that low-income, first-generation students often forgo the use of loans to pay for college for fear that they will be burdened with debt (IHEP, 2008).

However, other findings have shown that in highly resourced schools, students were more likely to assume debt in order to pay for their college education while students at poorly resourced schools were not (Perna, 2008). It was also found that the cultural dispositions of students and families to risk-taking, indebtedness, and financial vulnerability were salient factors in the decision to borrow or not. However, education debt burdens still remain manageable for most borrowers because most believe the educational opportunities made possible through borrowing are well worth any problems associated with paying off the loans (Baum & O'Malley, 2002). However, borrowers from low-income families are more likely than others to report repayment difficulties and an increasing number of borrowers are putting off buying a home, getting married, and/or having children until their debt is repaid. This national trend signals that college tuition costs are clearly having an increasing negative impact on students (Baum & O'Malley, 2002).

To start an investigation on the impact that UNA tuition and fee increases have on enrollment, the Office of Institutional Research, Planning, and Assessment tracked enrollment from the institution's top feeder high schools over the past ten years. These enrollment numbers were then compared to the actual number of college-eligible graduates within each of these high schools in order to determine a yield rate. For instance, an institution may believe itself to be in good shape when it sees increases in new freshmen enrollment from year to year. However, this trend may be misleading if the yield rate of high school students from traditionally top feeder schools is actually decreasing.

In other words, while new freshmen numbers are increasing, the institution may actually see a decrease in the total number of high school graduates who could actually enroll. For example, say an institution enrolls 500 students from a high school graduating class of 1,000. The yield rate in this example would be 50%. The following year, the institution enrolls 550 students from a graduating class of 1,500. While there is an increase in the number of students enrolled from 500 to 550, the yield rate of students who could enroll dropped from 50% to 37%. This yield gives a better picture of enrollment than the primary data alone.

After the yield rate was established, it was compared to actual increases in UNA tuition and fees during that same period. The results are shown in **Figure 2-1** below. While it is clear to see tuition and fee increases have a negative impact on yield rate, the R-squared statistic shows a more analytical picture. According to this statistic, over 58% of the variability in yield rate from UNA's top feeder high schools is due to tuition and fee increases. This finding may help to shed some light on enrollment patterns within the state and surrounding states.



Degree Trends

A major purpose for attending a higher education institution is to earn a degree. As another component in higher education market research, degree trends can be observed to see areas of opportunity or threat. Due to the fact that UNA offers many types of degree programs, OIRPA grouped degree types into eight separate families. The families and subsequent degrees included within are included below:

1. Business

- a. Accounting
- b. Economics
- c. Finance
- d. Management
- e. Marketing
- f. Computer Information Systems

2. Education

- a. Elementary Education
- b. Health, Physical Education, and Recreation
- c. Secondary Education

3. Formal Science

- a. Computer Science
- b. Mathematics

4. Humanities

- a. Art
- b. Communication
- c. English
- d. Entertainment Industry
- e. Foreign Languages

- f. History

- g. Political Science

- h. Music

5. Interdisciplinary Studies

- a. Interdisciplinary Studies
- b. General Studies

6. Natural Sciences

- a. Biology
- b. Chemistry
- c. Industrial Hygiene
- d. General Science
- e. Physics/Earth Science

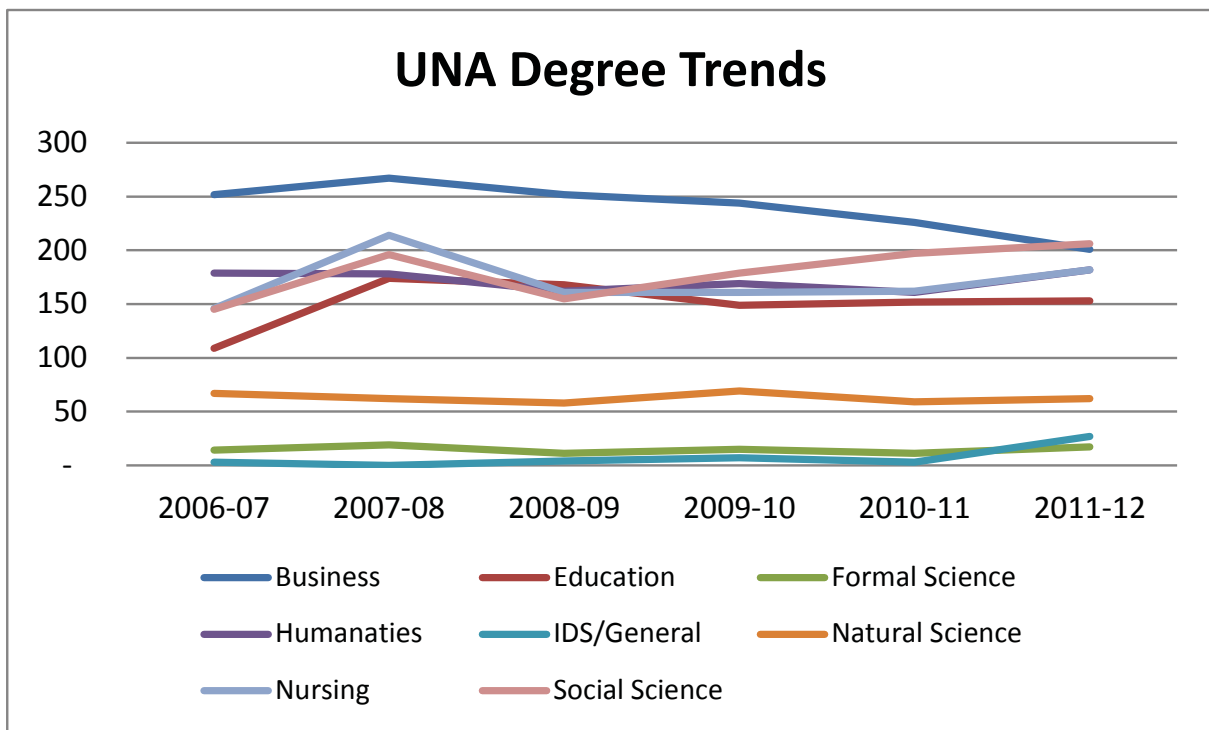
7. Nursing

8. Social Science

- a. Geography
- b. History
- c. Political Science
- d. Psychology
- e. Social Work
- f. Sociology

Degrees from these families were grouped, trend data were collected over the past ten years, and the data were then plotted in **Figure 2-2** below. The most striking observation within this chart is the significant decline of business degrees. While the National Center of Education Statistics as well as The Association to Advance Collegiate Schools of Business indicate that business degrees, in general, have increased and are expected to increase in the near future, these degrees at UNA have shown a clear decrease. Looking further, these decreases seem to be only in certain program within the College of Business.

For example, baccalaureate degrees in Computer Information Systems show a decrease from 44 degrees in 2006 to 19 degrees in 2011 for a loss of 57%. Management and Marketing degrees in both baccalaureate and master's degrees show decreases. In 2006, 138 baccalaureate degrees were earned compared to 118 degrees in 2011 indicating a 15% decrease. Also, in 2006, a total of 255 master's degrees were awarded as compared to 185 in 2011 for a decrease of 28%. Social Sciences and Nursing degrees are showing healthy increases over the six-year period. While IDS degrees are in the clear minority, they have shown a significant increase over the past year.



Conclusion

While the data in this section addresses many points of interest, many questions are yet to be answered and will require additional research. It is therefore recommended that this research report be shared with UNA's vice presidents as well as the newly formed Strategic Planning and Marketing committees. It is hoped that this report will induce conversation and raise more questions while UNA strategically focuses on its role, scope, and mission of the future.

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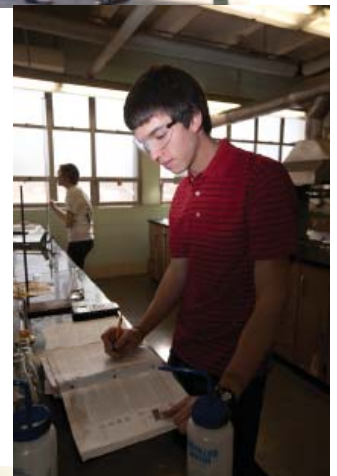
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Introduction

As part of the University of North Alabama's strategy to understand student choice and to determine those attributes students believe are important in their choice, the Office of Institutional Research, Planning, and Assessment created the New Freshmen Survey. This survey focused on the important institutional characteristics this group used when deciding on a college and how these new freshmen rated UNA on each one of these attributes. The purpose of this study is to help the institution gain a better understanding of where it is meeting or not meeting student expectations, and to also aid it in determining its current and optimal positioning within the higher education market.

According to official data from OIRPA, fall 2012 freshman enrollment was 1,078 which is a 16% increase from last fall. While freshman headcount enrollment increased, the makeup of the freshman class (gender, race, age, etc.) is very similar to previous years. Also similar is the average ACT Composite average of 21 and high school GPA of 3.07.

This report will focus on the research results obtained from the New Freshman Survey administered during the fall 2012 semester. Results from this year's survey will serve as baseline data for subsequent New Freshman Survey administrations.



Methodology

This study examined student levels of importance and satisfaction to specific institutional attributes. In many cases throughout this study, freshmen were asked to rank the importance of a particular attribute in choosing a university, and then to indicate the level of satisfaction they have experienced thus far with the same attribute at UNA. Respondents to this study consisted of first-time, full-time UNA freshmen who made up UNA's official fall 2012 cohort ($n = 1,070$). The design of the instrument was based, in part, on the Importance-Performance Model (Sethna, 1982; Kotler & Fox, 1985; Polcyn, 1986; Luna, 1997; and Martilla & James, 1977).

Respondents were contacted by e-mail and directed to go to a hosted site (Qualtrics.com) where the survey was located. The survey consisted of 15 questions. These questions were selected after a review of the relevant literature, an examination of previous studies conducted at UNA, and consultation with various academic and student support professionals. Some of the questions sought various kinds of demographic information such as the number of institutions they applied to, the number of student organizations they belonged to, and whether they planned to transfer to another school.

A significant portion of the survey asked respondents to indicate the importance of 19 key attributes that were involved in the process of college/university choice. The respondents then were asked to indicate their level of satisfaction with the same 19 attributes, based on their experiences thus far at UNA. Both categories of importance and satisfaction were measured using a 5-point Likert-type scale (1 = not important/satisfied to 5 = very important/satisfied). Simple

statistics were used to identify the measures of least importance, most importance, least satisfied, and most satisfied. Furthermore, the importance measure mean for a particular attribute was then subtracted from the satisfaction measure mean for that same attribute. The difference between the two measures was referred to as the Performance Gap. Higher Performance Gaps indicated areas where UNA was least meeting freshman expectations.

A total of 248 respondents completed the survey for a response rate of 23% of the new freshman cohort (1,078). For the sample size among the aggregate new freshman population to be significant at the .05 level, a sample of at least 280 was needed based on the following formula:

$$s = \frac{x^2 NP(1 - P)}{d^2(N - 1) + X^2 P(1 - P)}$$

Note: s = sample size required; X^2 = the table value of chi-square for 1 degree of freedom at the desired confidence level; N = the population size; P = the population proportion (assumed to be .50 since this would provide maximum sample size; d = the degree of accuracy expressed as a proportion (Krejcie & Morgan, 1970)

Using the formula, the desired response size of 280 is greater than the actual response size of 248. Therefore, while the actual response size is close to the desired size, the findings of this study may not generalize to all first-time freshmen at UNA.

Results

Demographics

Since the overall sample size was slightly less than the desired response size, it was important to compare respondent demographics to the entire new freshman cohort. In comparing to race/ethnicity, the sample size was not significantly different than the cohort. For example, Whites made up 77.5% of the respondent group and 72.1% of the entire freshman cohort. Blacks made up 14.75% of the respondent group and 16.25% of the freshman cohort. Therefore, from these data, it can be concluded that the racial makeup of the respondent group was similar to the cohort group.

When compared to gender, however, it is clear to see that females made up a significantly higher percentage of the respondent group than in the overall freshman cohort group. Within the respondent group, 70.33% were females while 29.67% were males. Compared to the overall freshman cohort, only 56% are female and 44% are male. The results of this survey, therefore, could be influenced by the higher number of female respondents.

Almost 89% of the respondents listed Alabama as their permanent address and almost 67% of these freshman respondents indicated that their permanent address was 30 or more miles from Campus. Over 32% of respondents indicated that their permanent address was less than 30 miles from campus.

Almost 50% of respondents indicated that they applied to only one or two colleges during their search, while almost 24% applied to 4 or more schools. When asked where UNA ranked in their choice for college, over 57% indicated that UNA was their first choice, while over 29% indicated that UNA was their second choice. Therefore, almost 87% of the respondents

indicated that UNA was either their first or second choice. Only 5% indicated that UNA was their fourth choice or lower.

Respondents were then asked if they planned to transfer from UNA to another college or university in order to complete their undergraduate degree. Over 80% indicated that they did not plan to transfer, while less than 20% indicated that they did plan to transfer. Out of those who indicated they would transfer to another institution, the majority stated that they planned to transfer to The University of Alabama, Auburn University, or the University of Alabama in Birmingham.

Respondents were also asked to indicate how many organizations or activities they were involved in at UNA. Over 35% were not affiliated with any organization or activity, while about 31% indicated that they were involved in one. About 15% indicated that they were involved in four or more organizations or activities.

Student Satisfaction

In the survey, respondents were asked to choose from a list their top reason for attending UNA.

These results (**Fig. 3-1**) indicate that location, cost, and availability of major/program were the main reasons these respondents came to UNA. These results tend to support other data in the survey where the majority indicated that UNA was their first choice and that the majority did not plan to transfer to another institution to complete their undergraduate degree. In an open-ended question, in which students were asked to list their primary reasons for attending UNA, most listed cost, closeness to home, and inviting atmosphere.

When asked what UNA's major weakness was, respondents were again asked to choose from a list. The results are listed. When asked what UNA's major weakness was, respondents were again asked to choose from a list. The results are listed in the graph below (**Fig. 3-2**).

While cost was a major factor in the respondents' decision to come to UNA, it also was listed as the top weakness. These results indicate that these new freshmen are sensitive to ever-increasing tuition costs in response to significantly decreased state revenue. In an open-ended question asking respondents to list UNA's top weakness, many stated that rising costs was a problem for them. However, 72 respondents indicated that they were not pleased with housing options. The open-ended responses emulated this result, as many respondents indicated that they did not like the dorms for one reason or another.

Performance Gaps

A significant portion of the survey asked respondents to indicate the importance of 19 key characteristics that were involved in their process of college/university selection. The respondents were then asked to indicate their level of satisfaction with the same 19 characteristics through their experience at UNA. Both cat-

egories of importance and satisfaction were measured using a 5-point Likert-type scale (1 = not important/satisfied to 5 = very important/satisfied). From these data a radar chart was created.

A radar chart consists of equi-angular spokes, or axes, each representing a distinct variable. A data point of a variable is placed on the axis so that its distance from the origin

relative to the length of the axis is proportional to the magnitude of the variable relative to its maximum. Lines are drawn connecting data points on

adjacent axes, thus forming the characteristic polygon for an observation. A radar chart containing one polygon helps the researcher identify the dominant variables for a given observation. A radar chart with multiple polygons compares the relative strength and weakness of the observations.

In this study, the radar chart consisted of two polygons. The first measures the importance that respondents placed on key attributes when

choosing a college or university. The second polygon measured respondent satisfaction with these same attributes at UNA. The chart below displays the radar chart used in this study.

Figure 3-1 Top Reason for Attending UNA

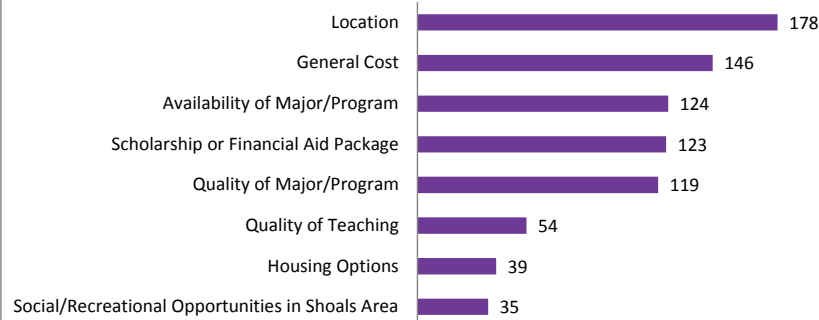
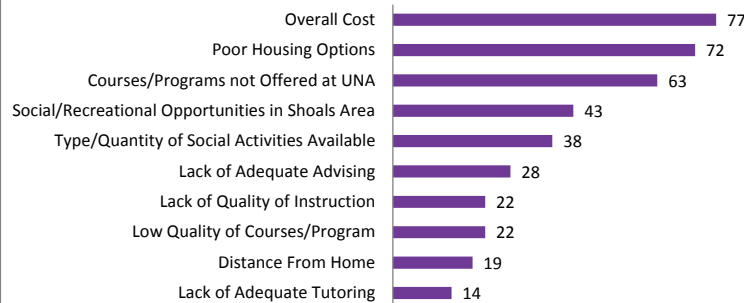


Figure 3-2 Major Weakness At UNA



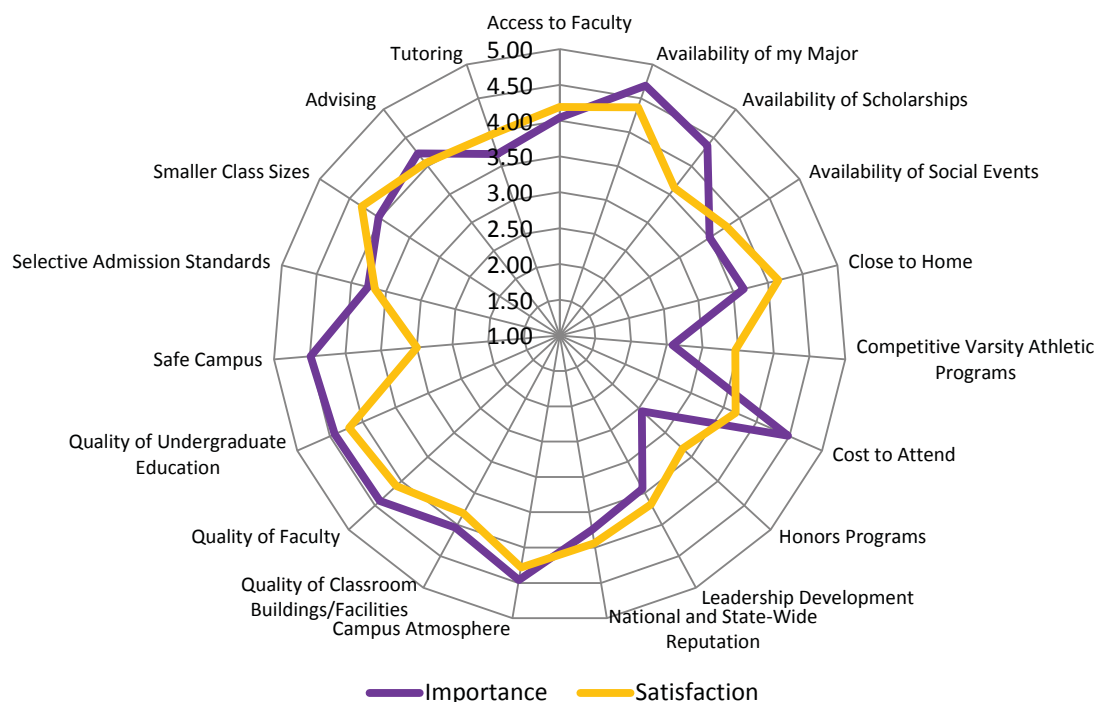
The purple line or polygon indicates the level of importance that respondents placed on each of the 19 attributes. The gold line or polygon indicates the level of satisfaction students indicated for the same attributes at UNA. Where the purple and gold lines intercept demonstrates where the institution is meeting the expectation of the respondent – no matter where on the scale they fall. When the purple line is greater than the gold line a performance gap occurs. The larger the performance gap, the least the institution is meeting respondent needs. An inversion occurs when the satisfaction line supersedes the line of importance. This phenomenon may indicate an area of overkill, since the respondent is placing less emphasis on the importance of an attribute as compared to the level of satisfaction associated with it.

In the chart below (**Fig. 3-3**), it is clear that the largest performance gap occur with Safe

Campus, Cost to Attend, and Availability of Scholarships. These findings are further supported in the open-ended responses where the students were asked to indicate the largest area of weakness at UNA. In their responses, the majority of the students cited higher costs, lack of adequate scholarships, and their concern with the safety of the campus. According to campus crime statistics, offences such as burglary and violent crime have not increased significantly over the past four years. In fact, statistics have shown a decrease in some areas. However, the rapidity and frequency of Lion Alert messages going out to students, along with increased news coverage on those few crimes that do occur may address, at least, some of the concern among students.

Areas where UNA is meeting or is coming close to meeting student expectations are Campus Atmosphere, Access to Faculty,

Figure 3-3 New Freshman Survey Performance Gaps



Advising, National and State-wide Reputation, Selective Admission Standards, Smaller Class Sizes, Leadership Development, and Quality of Classrooms and Building Facilities. These are all aspects the institution should exploit within its marketing materials in an effort to increase the perceived value of an UNA degree, while also offsetting the perceived costs associated with it.

Areas that may signal overkill are Close to Home, Varsity Athletics, and the Honors Program. Clearly, while most students liked the location of the institution, they were not as concerned with its proximity to home. Based on the average student who attends a master's/comprehensive institution like UNA, it is not surprising that Varsity Athletics scored low in importance. Furthermore, because few UNA students are part of the Honors Program, most of the respondents clearly do not see the benefit of this program.

Conclusion

While campus safety was the area where students had the most concern, these scores may have been skewed due to increased alerts on campus concerning crime events, as well as increased media coverage. Only subsequent administrations of the survey to future new freshmen as well the review of campus crime statistics will determine if this year's measure is accurate or if it is an aberration.

Campus costs and the availability of scholarships to offset those higher costs are other major concerns of UNA students. As tuition rises, many students may opt to attend a two-year college or to go to a major research university where, although the costs may be higher, the perceived value or benefit may be significantly greater.

It is recommended that this survey be conducted at least every two years in order to continue to gauge new freshmen perspectives on what is important to them and how UNA meets their needs.

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Introduction

Over the past decade, student retention and graduation rate statistics have garnered an increasingly greater amount of attention from Institutions of Higher Education (IHE). Though retention and graduation rates have always held a significant degree of attention for IHEs, recent federal oversight measures (i.e. No Child Left Behind) and ever reducing State appropriations, occurring throughout the past decade, have given these institutions an even greater impetus to better understand the contributing factors that attribute to student attrition.

The cost of student attrition has typically been viewed from the student's perspective, in measures reflecting time and money spent by the student towards a degree never attained. Now, the cost of student attrition, from the perspective of IHEs, has gained a larger focus. Ever diminishing revenue, appropriated to IHEs from state funds, is forcing universities to discover and cut costs wherever possible. The cost of student attrition that IHEs pay is the revenue, in terms of education and related spending, spent on students that do not graduate. Approximately 35% of the 2003-04 national freshman cohort did not graduate and were not enrolled at any IHE by the 2008-09 academic year (Johnson, 2012). The total costs of these students accounted for 19% of total instructional spending for IHEs. Further analysis of these students reveals that only 10% left with cumulative GPAs below a C average. Furthermore, 40% held GPAs in the A to B range. These findings strongly suggest that

academic failure may not be the primary factor influencing student attrition. In fact, the top three reasons cited by these students for leaving higher education were "Personal Reasons", "Financial Reasons", and "Other Reasons" (Johnson, 2012). In order for IHEs to reduce their costs of attrition they must better understand all of the reasons students are leaving higher education.

In an effort to better understand the factors that influence students at the University of North Alabama to leave the institution, the Office of Institutional Research, Planning, and Assessment (OIRPA) created and administered the Freshman in Good-Standing Attrition survey. This survey was restricted to individuals from UNA's Fall 2011 freshman cohort that did not return for the fall 2012 semester, though their cumulative GPA placed the students in good-standing (a GPA equal to or greater than 2.0). This restrictive measure was taken in order to better understand what factors, other than purely academic failure, are influencing students to leave UNA.



Methodology

The current study, which examined students who left the University in good-standing, sought to discover the primary reasons students initially decided to attend UNA and the primary reasons these students left the University. Furthermore, the survey sought to discover what aspects of their attendance were most and least satisfying. In addition to these measures, students were asked if they were currently enrolled at another IHE and, if they were, they were asked what institution they attended. Students then were asked if they planned to return to UNA in the future. Lastly, students were asked what, if any, measures could the University have taken to retain them as students.

Procedures

In order to reach the desired sample to survey, the population of all fall 2011 first-time, full-time freshmen (n=916) was populated with their cumulative GPA, as of the beginning of the fall 2012 semester. The initial population was matched to the frozen fall 2012 enrollment database and all students that were not enrolled in the fall 2012 semester were identified as non-returners (n=287). The group of non-returners were classified, based on their cumulative GPA, as “Left in Good-Standing” (n=145) or “Left in Poor-Standing” (n=142), where students with GPAs ≥ 2.0 were regarded as being in good-standing.

The survey, consisting of 10 items, and was created using Qualtrics. The OIRPA staff conducted the survey via telephone. Of the 145 students that left the University in good-standing, 105 students had active telephone records in Banner. All 105 telephone numbers were called and a total of 44 students/parents were contacted and participated in the study.

Telephone Procedure

The list of students to call was divided among the OIRPA staff. Each staff member began the survey by stating his/her name, affiliation with the University, and that they were conducting a survey of recent freshmen. This was followed by asking if the selected student was available to participate in the survey. If the student was not available, but the parent was willing and able to answer the survey, the parent’s input was taken as a last resort. Of the 44 total responders to the survey, 13 were parental input.

The survey continued by asking if the student was enrolled at another institution, and if so the student was asked to state what college or university they were attending. The four questions that followed addressed the primary questions of the survey. The student was first asked to list their primary reasons for initially deciding to attend UNA. This was followed by asking the student his/her primary reasons for leaving the University.

Students were asked if they were involved in any UNA sponsored extracurricular activities, while attending UNA. This was followed by asking if they have any plans to return to UNA in the future.

Three additional open-ended questions closed the survey. The first two questions asked each student to state the most satisfying and least satisfying experiences with the University, while attending. Lastly, each student was asked what UNA could have done to keep him/her as a student. All open ended responses were recorded and coded into specified categories.

Results

Demographics

To gain perspective of the survey respondents (n=44), analysis of general demographic data was conducted and compared to students within their fall 2011 cohort that returned for the fall 2012 semester.

There were no significant differences between the two groups in terms of race and ethnicity. Seventy-five percent of the survey

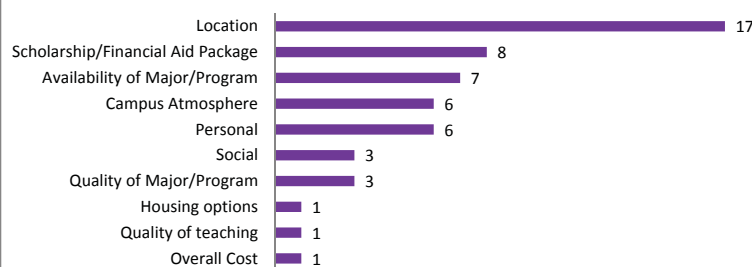
respondents were White and 15.9% were Black or African American. These percentages are almost identical to the returning fall 2011 cohort, which were 75.7% White and 15.9% Black or African American. Furthermore, percentage breakdown of gender between the two groups was not significantly different, with 65.9% of respondents being female and 63.6% of returning cohort members being female.

In-state residence between the two groups was also compared. Of the students surveyed, 97.7% were Alabama residents. Of the 2011 full-time first-time freshman that returned for fall 2012, 94.8% were Alabama residents.

Of the students surveyed, 68% indicated

that they were currently enrolled at another college or university. Sixty-seven percent of these students were enrolled at a 2-year institution, while 33% were enrolled at a 4-year university.

Figure 4-1 Primary Reason(s) for Attending UNA



Primary Reasons for Attending and Leaving

Respondents were asked to state their primary reason(s) for attending UNA. Their responses were coded and

categorized. The results are listed in **Fig. 4-1**. Of the 44 total respondents, 17 (38.6%) indicated that the relative location of UNA to their homes was a primary reason for attending. The availability of financial aid and/or scholarship was the second most popular reason for attending (18.2%), followed by availability of

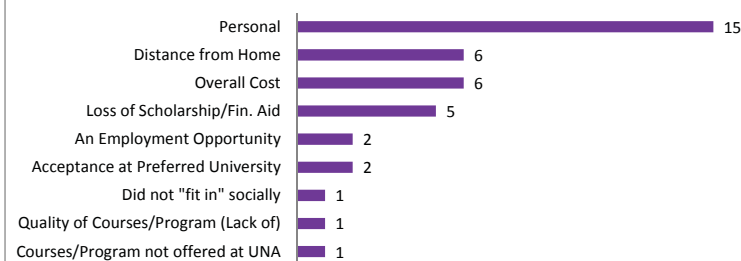
a desired major (15.9%), campus atmosphere (13.6%), and personal reasons (13.6%).

The results to the survey's question that asked "what was your pri-

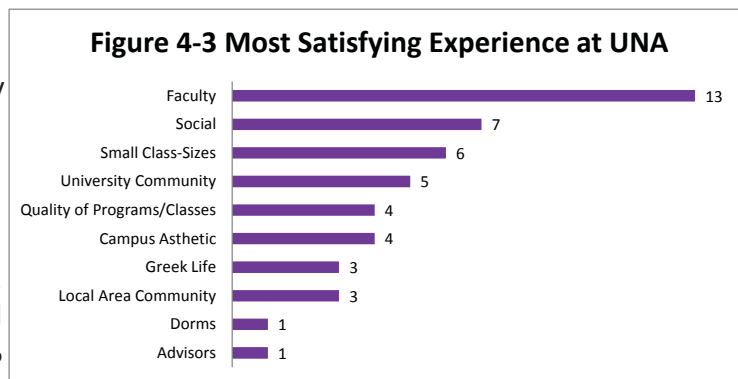
mary reason or reasons for leaving UNA" are displayed in **Fig. 4-2**.

By far, the category of "personal" issues was the most common reason indicated by students for leaving UNA, with 34.1% of

Figure 4-2 Primary Reason(s) for Leaving UNA



those surveyed indicating such. Examples of personal reasons included family, marital, health related issues. “Distance from home”, “overall cost”, and “loss of scholarship/financial aid” followed in respective order. However, if the categories “overall cost” and “loss of scholarship/financial aid” were combined into the overarching category of “Financial Reasons”, that category would be indicated by 25% of respondents.



Most and Least Satisfying Experiences

Surveyed respondents were asked to indicate the most satisfying experience or aspect of attending UNA, as well as their least satisfying experience. The results are displayed in **Fig. 4-3**. As seen in the graph above, faculty interaction was the most common response given by students when asked what was their most satisfying experience, while attending UNA. Almost 30% of students indicated as such. In line with this finding, 13.6% of students stated that smaller class sizes ranked as one of the best aspects of their experience at UNA. General social reasons were given by 16% of students surveyed as one of the most satisfying aspects/experiences of attending UNA.

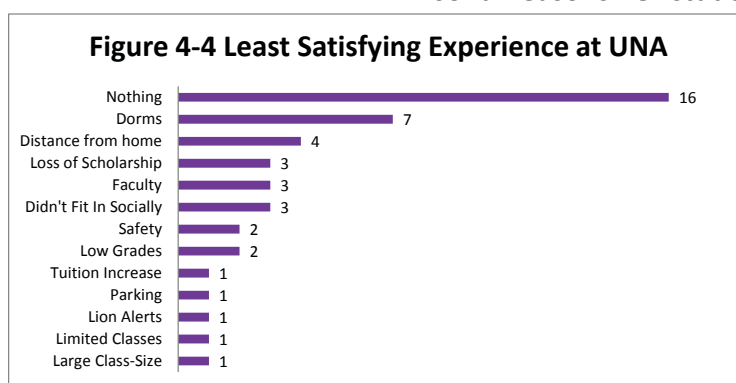
Respondents were also asked to state their “least satisfying experience of attending UNA.” The results of this inquiry are displayed in **Fig. 4-4**. By far, the most common answer to this

question fell into the category of “nothing”. Students in this category, approximately 36%, stated that they could not state a major negative experience while attending UNA. Most of these students indicated that there were

personal reasons why they chose not to enroll in the fall 2012 semester. The highest category of negative experience was “dorm life”, at 15.9% of respondents

indicated such. The categories “distance from home”, “loss of scholarship”, negative “faculty” interactions, and negative “social” reasons were followed respectively as the most indicated negative experiences.

The final question of the survey asked students, “What UNA could have done to keep him/her as a student”. These responses were coded and classified into appropriate categories. Approximately 59% of respondents indicated that there was nothing that the University could have done to keep him/her as a student due to various personal reasons. Of students that indicated that



UNA could have done something to keep them as a student, 47.1% indicated better financial aid/scholarships would have kept them enrolled.

Lastly, students were asked if they plan to return to UNA in the

future. Fifty percent of students indicated that they would not return, while 29.5% said they may return and 20.5% said that they do plan to return to UNA.

Conclusion

The findings of this study reveal that the factors influencing student attrition at UNA may not differ greatly from factors influencing student attrition at other institutions of higher education. The top two reasons that students in good academic standing are leaving UNA, personal and financial reasons, are identical to the reasons cited in the Delta Cost Project (2012). Though there may be very little that a university could do to retain students that leave due to purely personal reasons, actions taken by institutions to improve student awareness of various means of financial assistance may allow these entities to retain students who are proving their abilities scholastically.

Several positive results were pulled from data collected in this study. A majority of students cited that their most satisfying experience while attending UNA was related to the instructional experience, whether that be due to the quality of faculty or their appreciation of small class sizes. Furthermore, a large percentage of those surveyed could recall no outstanding negative experience associated with their time as a UNA student. These University strengths, among others, are likely responsible for the finding that half of the respondents indicated that they are either planning on or considering returning to UNA. Marketing these strengths may be a valuable tool to recruit and retain students looking for an intimate university experience highlighted by quality instruction.

Areas of future student attrition research could extend the sample population beyond the freshmen class. Gaining an understanding of the amount of students leaving the University in their junior and senior years, along with their reasons, should prove beneficial. In fact, the Delta Cost Project (2012), which aggregated national student retention data, indicated that of all students leaving higher education with unfinished degrees, 33% left in their junior year or later and in good academic standing.

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