Blink and They're Gone: A "Quick-Take" on Impulse Purchase Behavior and Enrollment Marketing in Higher Education

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BEHAVIOR AND ENROLLMENT MANAGEMENT
IN HIGHER EDUCATION

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ABSTRACT
The college-decision process that prospective students make has been characterized as deliberate and prolonged — a classic extensive problem solving behavior model. New research indicates that a significant proportion of students engage in impulse purchase behavior when choosing a college. Marketing implications for enrollment management and "Blink: An Intervention Model" are presented.

INTRODUCTION
Defining enrollment management as student acquisition and student retention is simplistic, but realistic. In theory, enrollment management encompasses all aspects of university life that attract and retain students. Hossler (2004) describes enrollment management as assessing how students choose a college and determining what factors influence them to remain or leave. Morest and Bailey (2005) suggest that university officials need to better understand why students leave, as retaining students is oftentimes less expensive than acquiring new ones. Because college choice has been characterized as being deliberative in nature (Kotler and Fox, 1985), this research is a first attempt at bringing a different paradigmatic perspective to the challenge of enrollment management.

A REVIEW OF THE LITERATURE
Impulse Purchase Behavior
The impulse purchase phenomenon has been studied in the marketing field for years (Stern, 1962; Bellinger, Robertson, and Hirschman 1978). The research indicates that impulse buying is an American lifestyle phenomenon (Rook, 1987; Rook and Fisher, 1995). Youn and Faber (2000) indicate that much of the work on impulse buying is focused on defining and measuring the concept, and less on determining the personality traits that underlie the tendency to buy on impulse. Specifically, Youn and Faber (2000) delineated eleven primary personality dimensions, three of which that have relevance for the better understanding of impulse buying: (1.) Lack of Control/Impulsivity — spontaneous, prefer to "play things by ear," respond to sales, bargains, and price; (2.) Stress Reaction — impulse buying is linked to an emotional release, a way to respond to negative emotional states like anxiety, distress, or guilt; and (3.) Absorption — the tendency to purchase because of environmental cues like sights, sounds, and smells.

On-The-Spot Assessments
Malcolm Gladwell in his latest book, Blink: The Power of Thinking Without Thinking, states that our first impressions, based on our genetically coded survival instincts and developed intuitions, can be astonishingly insightful when making decisions. Gladwell argues that first impressions can yield judgments as sound as those we might reach based on longer, more deliberate consideration, provided that our first impressions are not gathered under extreme stress or fears, or rooted in prejudices that can render on-the-spot judgments wrong. He concludes that our best decisions are often based not on mountains of empirical evidence, but on educated guesses or "thin-slices" of a few salient details we make within two seconds of seeing or hearing about something.

Social Involvement
Tinto has been studying student retention issues in higher education for over 20 years (Tinto, 1975; Tinto, 1987; Tinto, 1997). In 1987, Tinto reviewed the data and reported that nearly fifty percent of students entering a two-year college and
almost twenty-nine percent of those entering a four-year college do not continue beyond their first year. His research highlights the importance of social involvement activities and their impact on student retention efforts, but little is known regarding when the student makes the decision to leave the institution and what can delay or prevent the student’s decision to withdraw from the university.

A DIFFERENT MINDSET IN ENROLLMENT MANAGEMENT

As alluded to earlier, college or university selection has been conceptualized as a thoughtful, deliberative process. But is it realistic to bring a fresh perspective to the enrollment management challenge? Is it useful to determine if an impulse purchase, or “blink” response, applies in the decision to attend and remain at an institution of higher education? Are social involvement activities fruitful avenues of discovery with respect to student retention efforts? This study investigates three areas of research — impulse purchase behavior traits; on-the-spot assessments; social involvement — and their applicability to student acquisition and retention strategies in higher education. Specifically, three hypotheses are tested, each of which is fundamental to the ultimate goal of developing a student intervention model that can be implemented immediately:

1. To what extent do personality traits associated with impulse purchase behavior affect enrollment management activities in higher education?

2. To what extent does the critical component of time affect the development of an intervention model in enrollment management?

3. To what extent do students’ social involvement positively or negatively affect the withdrawal rate from the university?

METHODOLOGICAL CONSIDERATIONS

The information that was collected to answer the three aforementioned research hypotheses was derived from exit interviews over three semesters from a private, midwestern university. The total sample size of 222 was self-selected, given that all the participants had self-initiated the withdrawal process. The total sample was divided into two groups. The first group [n=93] was not interviewed, but was used to establish a retention baseline. Student withdrawals were tracked over a thirty day period [the first thirty days] for three semesters. The second group [n=129] completed an exit interview over the same three semesters. Any student in the process of withdrawing must complete an exit questionnaire and answer specific questions in a structured interview. This systematic procedure ensures a complete sampling of all students who are considering withdrawal from the university. General student retention statistics, student characteristics, and academic profiles were obtained from the Admissions Department and Office of Institutional Research. The standardized test data [ACT, SAT] and achievement scores [High School GPA] indicate that the university from which these data were derived is “competitive” (Barron’s 2006), and “moderately difficult” (Peterson’s 2006).

The three research hypotheses were tested by using both qualitative and quantitative research techniques. For example, open-ended questions were sorted by frequency, ranked, and assigned to one of three personality profiles offered by Youn and Faber. Similar processes were used in coding and tabulating Gladwell’s “blink response” data, i.e., when a student actually withdrew and when the decision to withdraw was actually made. Tinto’s social involvement measures were also obtained in a similar manner. These clusters were then analyzed by using simple regression models that tested linear relationships.

RESEARCH FINDINGS

Personality Traits and Impulse Purchase Behavior

Seventy-eight percent of the students enrolled could be classified in one of the three personality profiles offered by Youn and Faber. The impulse phenomenon does apply to the college choice decision making process, at least with respect to student acquisition.

Specifically, those in the Lack Control/Impulsivity segment [50.9%] are likely to respond to sales, bargains, or price elements. Students in this segment stated that their decision was based on financial considerations, and offers of scholarships and merit awards were critical. Students in this segment exhibited no statistically significant relationship with when they withdrew. In other words, a student in this cluster was equally likely to withdraw on their first day as they were on their 14th day of school in their sophomore year.

Those students in the Stress Reaction segment [19.3%] are likely to respond to inner stres
by making a purchase as an emotional release. Students in this segment choose to attend the university because they "were tired of looking" or "frustrated with the process" or "wanted the decision to be made to reduce the stress". This segment was found to have a significant, positive relationship \([df=1/113; F=16.263; \text{sig}=.0001]\) with when the decision to leave was made. This segment has an \(R=.356\) and \(R\)-square=.127, indicating that students postponed their decision to leave, that is, they made their decision to leave at a later date.

Those students in the Absorption segment \([7.9\%]\) are likely to purchase because of environmental cues. Students in this segment decided to attend because "the campus is beautiful", or "the campus has nice buildings, people and flowers". This segment has a significant, positive relationship \([df=1/113; F=20.61; \text{sig}=.0001]\) with when the decision to leave was made. This segment has an \(R=.394\) and \(R\)-square=.155, indicating again that students postponed their decision to leave, that is, they made their decision to leave at a later date.

**Evidence of Gladwell’s “Blink” Response**

As mentioned in the Methodology section, the total sample of 222 was divided into two groups. The first group \([n=93]\) was not interviewed, but was used to establish a retention baseline. The research indicates a steady loss of students for five of the six weeks tracked. Most of the students were lost in the second week. When the data are aggregated, 47.31% of the students in this group had officially begun the withdrawal process in their second week of the semester; the rest of the group was fairly evenly distributed throughout the rest of the semester.

Group two \([n=129]\) data indicate that the "average" withdrawing student remains enrolled 2.3 semesters before withdrawing. Specifically, 23.7% remained one semester; 39.5% remained two semesters; 23.7% remained three semesters; 8.8% remained four semesters; 3.5% remained five semesters; and 0.9% remained six semesters. However, an analysis of when the student decides to leave the university was also undertaken. The research indicates that 12.3% decide to leave before their first day of class; 20.2% decide to leave on their first day of class; 45.6% decide to leave in their first week; 9.6% decide to leave in their second week; 6.1% decide to leave in their third week; 21.5% decide to leave by mid-term exams; 11.4% decide to leave sometime after their first semester; and 5.3% decide to leave in or sometime after completing their second semester. There does appear to be a "blink" response phenomenon in higher education, particularly with respect to student retention. The "blink" response is most likely to occur by the second week of the semester, suggesting that enrollment managers have a mere 14 days to target those "at-risk" students with appropriate intervention strategies.

**Student Social Involvement and Retention**

Tinto's model of student persistence stresses the importance of student social involvement in higher education. This research confirms Tinto's fundamental assertions. Those students who reported being socially involved remained significantly longer than those who were not socially involved. Social involvement exhibits a significant, positive relationship \([df=1/113; F=10.77; \text{sig}=.001]\) with how long a student remains enrolled. This variable has an \(R=.296\) and \(R\)-square=.088, implying that when students are involved socially, they remain longer. Specifically, students more often than not commented that they remained longer because of their "Greek involvement", "intramural loyalty", "spring break plans", or because of "promises and commitments" made to friends. Two other findings are also of interest. First, 8.8% of the students reported that they were not "involved" in the college even though they met the operational definition of being active in more than two extracurricular activities. This group of students commented that they did not "feel connected" to the campus, its groups and organized activities, lending support to Provost's (1985) assertion that students become a retention risk when they have difficulty connecting to the university. And second, 11.6% of the participants were not included in the withdrawal data because this group of students decided to remain enrolled following the exit interview. This "change of heart" group \([n=15]\), decided to remain because of a change in major, internship opportunity, field experience, or resolved "panic response". This anecdotal evidence suggests that if social integration is to happen, it can also occur in the classroom (Tinto, 1997).

**RECOMMENDATIONS FOR ENROLLMENT MANAGERS**

The college-decision process that prospective students and their families make has been characterized by professional marketers as one that is deliberative and prolonged. It is a classic extensive problem solving behavior model, one that assumes that a college-bound student must define the qualities to look for in a college, closely examine specific colleges to determine how well they deliver these
desired qualities, and then embark upon the time intensive application process. This research challenges the popular paradigm and offers five recommendations to college and university enrollment managers. These five recommendations provide the fundamental framework for the “BLINK: An Intervention Model” provided in Table 1.

First, there is evidence of the impulse purchase phenomenon in the college-choice decision-making process. Enrollment managers need to determine precisely when the student made the decision to enroll at their institution. For example, did the student suddenly appear, register late, or send their standardized test scores directly to the university as part of the formal admission process? This piece of information may be illustrative of impulse purchase behavior, thereby prompting the formulation of a pre-enrollment, “at-risk” student retention strategy. Since a sizable proportion of students make plans to leave the university prior to attending their first day, it would be useful for enrollment managers to build this kind of indicator into the application form. In other words, Before a student arrives, start retention efforts.

Second, there are opportunities for retention efforts when an exit interview is a formal part of the student withdrawal process. Nearly 12 percent of the students decided not to leave the university after completing their exit interview. It makes good business sense to have this important information gathering device institutionalized in the student withdrawal process. In other words, Leaving students should be interviewed.

Third, students who are socially involved tend to remain enrolled longer. When the student remains longer, this creates more opportunities for enrollment managers to improve their retention strategies. For example, here is an area where the value of Student Affairs offices can be enhanced. It is common for students to remain an extra semester or two when they become involved in Greek Life, Intramurals, Spring Break activities, and internship opportunities made available through the Career Services Office, an integral unit of the Student Affairs office. In other words, Involvement is related to retention.

Fourth, financial aid packages that are offered in a myriad of ways may entice students to attend the university, but there is no evidence to suggest that the student will remain to graduation. Specifically, “price” has an impact on student acquisition but not student retention. The “blink” response to enroll because of scholarship monies, grants or awards may engender a false sense of security among enrollment managers, thereby overlooking this student segment as a potential retention risk. In other words, it is imperative that enrollment managers are Not too dependent on money or leveraging strategies to improve retention.

Fifth, effective enrollment management entails both student acquisition and student retention strategies. Savvy enrollment managers realize that effective intervention strategies are necessary to meet both short-term and long-term enrollment management objectives. Therefore, merging acquisition and retention models from the outset of student recruitment is paramount. In other words, Keep awareness of enrollment objectives.

| Table 1. | BLINK: AN INTERVENTION MODEL |
|-------------------------------------------------|
| Before a student arrives, start retention efforts |
| 🌞 start in the summer — fall appears to be too late |
| Leaving students should be interviewed |
| ☎ exit questionnaires are descriptive — exit-interviews are an intervention |
| Involvement is related to retention |
| 🏡 Student Affairs plays a key role — where all social intervention can occur |
| Not too dependent on money or leveraging strategies to improve retention |
| 💰 money will acquire students — money will not retain students |
| 📚 enrollment management — combine student acquisition and retention models |
LIMITATIONS

The research design and the data that were used to elicit these research findings possess some inherent limitations. The data emanated from one private, midwestern university with a known academic profile. Hence, generalizations must be weighed carefully. The sample frame consists only of those students who were in the process of withdrawing from the university. As a result, this research does not include data from students who graduate from the university. Student participants were categorized into a personality profile that described impulse purchase behavior. It is implicitly assumed, therefore, that many students decide to enroll based on emotional factors, not cognitive factors. Finally, when assessing the impact of financial-aid leveraging packages on student retention, qualitative measures applicable to merit-based grants were used. Therefore, no a priori quantitative data were used, nor was the impact of need-based grants on retention efforts assessed.

CONCLUSION

These research findings suggest that effective enrollment management — student acquisition and student retention — is dependent upon a better understanding of impulse purchase behavior. Assuming that the college decision-making process is deliberate, prolonged and logical may be incorrect. Moreover, the importance of student social involvement on retention cannot be over emphasized. In the end, it is imperative that retention efforts begin prior to enrollment, because the decision to enroll or withdraw can occur in the “blink” of an eye.

REFERENCES


