ABSTRACT

Objective: The objective of this paper is to explore the antecedents and consequents of student experience in higher education settings. Several variables such as co-creation value, social
environment, physical environment and relational benefits are predicted as antecedents and consequents of student experience.

Methodology: The authors proposed the conceptual framework to identify antecedents and consequents of student experience in higher education.

Findings: Theoretically there is a possibility to create and the use of co-creation in the higher education context to enhance student experience. The other factors should also be considered, such as physical environment (ambient, design and IT), social environment (employee displayed emotion, and customer climate), and relational benefits. The findings suggest the necessary changes in how higher education institutions should be marketed with more focus on creating, communicating, and delivering value to enhance student experience.

Value Added: The author's perspective on antecedents and consequents of student experience is a new interesting theme in higher education marketing. The paper proposed a testable propositions regarding the antecedents and consequences of student experience.

Key words: Student co-creation value, student experience, physical environment, social environment, relational benefits.

JEL codes: M31

Introduction

Higher education students today are different from the students in the past. Those entering higher education have more information, greater needs, and more options compared to previous students.

The higher institutions face new challenges such as the increased competition on the educational market (Orîndaru, 2015; Moogan, 2011), reduction of public financing, increased pressure towards adapting the teaching learning process to the needs of the new generation of students that have more various and different learning instruments open to them than in the past, another changes are related to students’ approach in learning. This situation, make the higher education institutions have a difficult decision: to innovate or disrupted (Knapp & Siegel, 2009).
The higher education institutions which want to win and survive, need a new approach in providing their educational program and services. The approach which based on the students’ perspective and their relationship with the institution: Market oriented (Orîndaru, 2015). Within this concept, students are perceived as customers and active players in creating value in learning activities, as opposed to their rather passive role in the higher education of the past.

Creating superior customer experience is one of the main objectives in today’s marketing activities. Creating, delivering and communicating customer value is deemed very important for any organization, including higher education institutions.

Superior customer value means continuously creating business experiences that exceed customer expectation (Weinstein & Johnson, 1999). Pine and Gilmore (1999) stated that creating a distinctive customer experience can give a high economic value for customers. They claimed that the customer experience that the firms create will matter most, as goods and services tend to be commoditized (Pine & Gilmore, 1998). Research found that today’s consumers no longer buy products and service, but they buy experience (Morrison & Crane, 2007).

Understanding customer value will become increasingly important to educational institutions as the rapid pace of environmental changes in the higher education institution external environment. Little research has been found on this issue in higher education settings in Indonesia. The objective of this paper is to explore antecedents and consequents of student experience in higher education institutions.

Literature Review and Propositions

Customer Experience in Higher Education Context

Various terminology related to experience reveal in the marketing literature such as customer experience (Lemon & Verhoef, 2016; Yang & He, 2011),
consumer experience (Tsai, 2005), service experience (Hui & Bateson, 1991), consumption experience (Holbrook & Hirschman, 1982), shopping experience (Kerin, Jain, & Howard 1992), and brand experience (Brakus et al., 2009). These terms are frequently used interchangeably. Previous studies in service management and marketing, have not considered customer experience as a distinct and separate construct. Many researchers focused their studies on customer satisfaction and service quality (Klaus and Makan, 2011; Parasuraman et al, 1988; Verhoef et al, 2007).

Pine and Gilmore (1998, 1999) are among of the first writers who mentioned the customer experience. Various definitions of customer experience exist in the literature. Schmitt (1999) proposed five types of experiences: sensory (sense), affective (feel), cognitive (think), physical (act), and social-identity (relate) experiences. Verhoef et al. (2009) define customer experience in a retail context as a multidimensional construct and specifically state that the customer experience construct is holistic in nature and involves the customer’s cognitive, affective, emotional, social, and physical responses to the retailer. In their study on brand experience, Brakus, Schmitt, & Zarantonello (2009) argue that brand experience as subjective, internal consumer responses (sensations, feelings, and cognitions). They identify that brand experience consists of four dimensions: sensory, affective, intellectual, and behavioral. The total customer experience is a multidimensional construct that involves cognitive, emotional, behavioral, sensory, and social components (Verhoef et al., 2009).

Verhoef et al. (2009) states that customer experience construct is holistic in nature and involves the customer’s cognitive, affective, emotional, social and physical responses to the retailer. Furthermore, Schmitt (1999) proposes five experiences: sense, feel, think, act, and relate.

Referring to the definition given by Verhoef et al. (2009) and the five experience proposed by Schmitt (1999), Yang and He (2011) proposed that customer experience includes three dimensions: Sensory Experience, Emotional Experience, and Social Experience. Sensory Experience is related to
the aesthetics and sensory perceptions about the shopping environment, atmosphere, products and service. On the other hand Emotional Experience is related to mood and emotion. Social Experience emphasizes on the relationship with others. Service Experience has been described as the core of the service offering and service design (Helkkula, 2011). It is a core concept in the perspective of service-dominant logic (S-D logic), which regards the service experience as the basis of all business (Lusch & Vargo, 2006; Lusch, Vargo & Wessels, 2008).

A few researcher discussed this construct, e.g. Holbrook and Hirschman (1982) theorized that consumption has experiential aspects. Furthermore, Schmitt (1999) describes how firms create experiential marketing by including customers’ sense, feel, think, and relate to the firm and brand. Verhoef (2009) argues that the customer experience construct is holistic in nature, and involving cognitive, affective, emotional, social and physical aspects of customer responses to the firm.

Service experience refers to personal reactions and feelings experienced during the consumption or use of the service. In higher education context, the service experience could be similar to student experience (Baird & Gordon, 2009).

Student Co-creation and Student Experience

Creating a unique experience involves customer participation and connection. Connect the customer with the experience (Pine & Gilmore, 1998). Service dominant logic was based on this perspective and giving the priority to the interaction between the firm and the customer (Grissmann & Stokburger-Sauer, 2012).

Value is co-created through the joint efforts of several actors such as: educational institutions, staffs, students, government agencies and other actors, and determined by the beneficiary such as students, parents (Seligman, 2012). From the perspective of S-DL, students are co-creator of value.
The value goes beyond money (Michel et al., 2008) students play an active role in the value they expect from the higher education service service. Díaz–Méndez and Gummesson (2012), criticized that some universities perceived that student satisfaction equal to the lectures quality. They argue that there is a problem with the value concept in university.

Initiated by the study of Vargo and Lusch (2004) for what has become known as co-creative service-dominant logic (SDL) of marketing, research interest in this perspective has developed in recent years.

The SDL approach argues that consumers are a key component in creating value, as value is determined through the use of a good or service of consumer through exchange. Based on this perspective, consumers are always co-creators of value and play a central role in creating value (Gyimóthy & Larson, 2015; Terblanche, 2014; Grönroos, 2008, Vargo & Lusch, 2004; Vargo et al., 2008).

Service-Dominant (S-D) logic emphasizes the interaction between the firm and the customer. Value occurs in the interaction process itself rather than exclusively in the provision of the service (Grissemann & Stokburger-Sauer, 2012). The activities help customizing the service to the customers’ particular needs and also could assist in creating a unique experience. The SDL approach provides some insights into how co-creation adds value to a consumer’s experience (Van Winkle & Bueddefeld, 2016). Value co-creation is a central concept that generally could be applied to the service (Díaz-Méndez & Gummesson, 2012).

In higher education context, the service experience could be similar to student experience (Baird & Gordon, 2009). It implies that the student experience is defined by the affective experience that students encounter during their interaction with the higher education (Baird & Gordon, 2009).

There is an increasing concern for engaging students as a means to achieve superior learning outcomes. When referring to the link between students’ engagement and educational quality, Harper and Quaye (2009) argue that student engagement is a measure of institutional quality. Furthermore engaged its students are in educationally purposeful activities.
Adopting the student-as-customer model with higher education settings is defined as an attempt to increase accountability and modernization of the academic life under the pressure of customer on higher education (Furedi, 2011).

Creating a unique experience involves customer participation and connection which relate the customer to the experience (Pine & Gilmore, 1998). Service dominant logic was based on this perspective and giving the priority to the interaction between the firm and the customer (Grissemann & Stokburger-Saue, 2012).

Díaz–Ménde and Gummesson (2012) consider that teaching is a service encounter while the student must be treated as the customer, and value is approached mainly from the perspective of students. Value co-creation is a learning process, the delivery of activities is important, and faculty-student and student-student interactions are key to the learning experience (Pinar et al., 2011).

Verhoef et al. (2009) propose a conceptual model of customer experience: the antecedents, consequents, and the moderators of customer experience. The antecedents consist of: social environment, retail atmosphere, assortments, service interface, i.e. service person, technology, co-creation/customization), price, customer experiences in alternative channels, retail brand and past experience.

The following proposition was suggested:

P1: Student co-creation value will have influence on student experience.

Physical Environments and Student Experience

Walls et al. (2011) suggest that experiential marketing is the process of creating experiences for customers through physical environment and social interactions.

Physical environments play an important role in service delivery because it can foster emotional reactions, while enhancing customer perception and retention (Tsai & Huang, 2002; Bitner, 1992; Baker et al., 2002). The Research found that customers respond emotionally to various physical environments
(e.g. Bitner, 1992; Wakefield & Baker, 1998), included design and ambient factors (Baker et al., 2004; Lin et al., 2011). Another study conducted by Slåtten et al (2009) found that design factors and interaction or social factors had a positive effect on customers’ feeling of joy.

Investment in higher education is a very important prerequisite for economic growth and national competitiveness as well as for achieving a higher level of prosperity. To realize it, the physical environment of an educational institution, as an affecting factor, plays a major role that affects the learning process, determines physical and mental self-feeling and motivation and influencing emotional and behavioral responses (Licite & Janmere, 2018). Chism (2006) argues that learning space needs flexibility, comfort, sensory stimulation, technology support and decenteredness. It is a key driver to be changing student expectations and study patterns.

Previous studies have established the relationship of atmospherics and behavioral intentions (Jang & Namkung, 2009; Kincaid et al., 2010) based on a review of the literature, the following propositions were proposed:

P2: Ambient Factors will influence student experience.
P3: Design Factors will have a positive effect on student experience.
P4: Information technology will have a positive effect on student experience.

Social Environment and Student Experience

Lin et al. (2011) found that both social and physical environments have a positive effect on customer emotion and satisfaction that lead to behavioral intentions. Service employees’ expression of emotion can result in customers’ emotional state (Pugh, 2001; Tsai & Huang, 2002). Several studies have shown the importance of a friendly employee’s in improving service outcomes (Hurley, 1998; Bitner et al., 1992; Lin et al., 2011; Hennig-Thurau et al., 2006).

In many service contexts, fellow customers are present in the service environment and can influence the nature of the service outcome processes (Zeithaml et al., 2013). Lin et al. (2011) found that customer climate, i.e. cus-
Customer’s perception of the environment shared by other customers receiving the service influenced customer positive emotion. Furthermore, Moore et al (2005) indicated that interaction among customers within a service environment influences emotion.

Social and physical factors of a higher education institution could influence the students’ overall satisfaction. Social factors consist of student-faculty members relationships, student-administration members relationships and student-student relationships. Then, physical factors represent the class size and the environment, technology used during the lectures, library and computer laboratory, internet connections in the campus, cafeteria and all student related service facilities.

The following propositions were proposed:

P5: Employee Displayed Emotion influences Positive Emotion.


Relational Benefits and Student Experience

Relational benefits include confidence benefits, social benefits and special treatment benefits (Gwinner et al., 1998). Confidence benefits refer to perceptions of reduced anxiety and comfort in knowing what to expect in the service encounter; social benefits are related to the emotional part of the relationship and are characterized by personal recognition of customers by employees, the customer’s own familiarity with employees, and the creation of friendships between customers and employees; and special treatment benefits.

A review of the literature has revealed that relational benefits positively influence customer satisfaction (e.g. Hennig-Thurau et al., 2002; Huang et al., 2015; Brady et al, 2012). Most satisfaction studies have focused mainly on the cognitive aspect, while seemingly important affective aspect has been largely ignored (Stauss & Neuhaus, 1997). It is inappropriate to ignore the emotional aspect of satisfaction (Liljander & Strandvik, 1997; Stauss & Neuhaus, 1997; Wirtz & Bateson, 1999).
Students are customers of higher education institutions (Finney & Finney, 2010). Few studies regarding the higher education institution have taken Morgan and Hunt’s (1994) model to investigate the relationship of students and their education institutions (Holdford & White, 1997; Hennig-Thurau et al., 2002). Building relationship with students is important to create student experience and behavioral intentions.

Therefore, we suggest a proposition:

P7: Relational Benefits will have an influence on student experience.

Student Experience and Behavioral Intentions

Previous studies have shown a relationship of customer positive emotions and behavioral intentions (Lin et al., 2011; Jang & Namkung, 2009; Kincaid et al., 2010). Liljander and Strandvik (1997, Stauss & Neuhaus, 1997) found that there was a positive relationship between emotion and loyalty behavior. Yu and Dean (2001) found that the affective component of satisfaction serves as a better predictor of customer loyalty. A recent study (Prayag et al. 2014) found that positive emotion has a direct effect on behavioral intentions.

Several researchers (e.g. Pine & Gilmore, 1998, 1999; Voss, 2003; Prahalad & Ramaswamy 2004; Meyer & Schwager, 2007) suggested that the customer experience may provide a new means of competition. Providing a good experience is also important because it influences customer satisfaction (Liljander & Strandvik 1997) delivers customer loyalty (Yu & Dean 2001; Pullman & Gross 2004).

Kim and Choi (2013) found that customer experience influenced behavioral intentions. Customer experience involves the customer’s cognitive, affective, emotional, social and physical responses to the retailer; it is related to all aspects of the emotional and subjective side of customer behavior, the whole experience coming from the interactions between a company and its customer (Gentile et al., 2007).

Satisfied students with university experience may encourage to attract new students to join the university through word-of-mouth communication, return
to the university to take further courses (Mavondo et al., 2004), involve and co-operate with their institution during and after their studies (Wilkins & Balakrishnan, 2013), recommend the university to employers for recruitment purposes (Clemes et al., 2008), and be potential donors as alumni (Parahoo et al., 2013).

The following proposition is suggested:

P8: Student experience will have an influence on behavioral intentions.

Conclusions and implications

In today’s competitive environment, higher education institution needs a new approach in providing their educational service. The higher education institution should continuously create unique value that could increase student educational experience. Teaching is a service encounter while the student must be treated as the customer, and value is approached mainly from the perspective of students.

Several antecedents and consequents of student experience were explored from the literature review: Student co-creation, social and physical environment, including information technology, and relational benefits. The influence of these constructs toward students’ experience and its consequents has implications for empirical study.
References


