STUDENT LOYALTY IN INDEPENDENT SCHOOLS

What Parents Want: An Independent Schools Queensland survey examines the decision-making process parents undertake when choosing an independent school, including cultural influences, sources of information, and the important factors that guide school choice. The report is the fifth in a longitudinal study, commencing in 1996.

Foreword

Increased competition in the education sector means independent schools need to continue to develop and deliver effective marketing and communication strategies. Schools using effective marketing and communication strategies generally exhibit a competitive advantage in recruiting, retaining and building loyalty among students and parents.

Providing insight into how school marketing strategies can be used to build student satisfaction and student loyalty, has the potential to lead to increased retention rates in schools. In seeking to understand how student satisfaction, student loyalty and long-term student relationships can be built in an Australian school context, a case study was undertaken by ISQ Manager (Communications), Bethwyn (Beth) Kitson as part of her post-graduate studies, exploring factors influencing the return of school students as alumni-staff members and alumni-parents.

In exploring how school marketers can increase student loyalty, some practical marketing recommendations for schools have been made, based on the research findings.

These include implementing marketing strategies that encourage and increase student involvement in activities and leadership roles, developing strategies that highlight and build student/teacher and peer relationships, and focusing on school values. The research also revealed that additional advantages were gained by schools employing alumni-staff such as a stronger school culture.

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Increased competition in the education sector means independent schools need to develop and deliver effective marketing and communication strategies. This increased competition is demonstrated in the results of a longitudinal study undertaken by Independent Schools Queensland, called *What Parent's Want*: in 2006, 17% of independent school parents indicated that they had also considered State and Catholic schooling options for their children; by 2021, this number had risen to 32% (Thian, 2022). Schools using effective marketing and communication strategies have exhibited a competitive advantage in recruiting, retaining and building loyalty among students and parents (Mukwana & Matovu, 2018).

In educational contexts, loyalty has been found to equal retention, which leads to benefits for schools including long term income, positive word of mouth and more actively involved students (Hennig-Thurau, Langer, & Hansen, 2001; Ogunnaike, Tairat, Adeniyi, & Omolade, 2014). A factor found closely linked to student loyalty is student satisfaction, with Chen (2016) finding that effective marketing strategies can build this student satisfaction. Also found useful in educational contexts with relevance to student satisfaction and student loyalty, is the concept of relationship marketing, defined as a set of marketing activities that attract, motivate and enhance stakeholder relationships (Berry, 1995; Helgesen, 2008).

Providing insight into how school marketing strategies can be used to build student satisfaction and student loyalty, could potentially lead to increased retention rates in schools.

Literature review

Effective marketing communication was not recognised as important until the early twentieth century, when businesses began to realise the benefits of creating nurturing and mutually rewarding relationships with stakeholders (Ihator, 2004). Benefits occurred when organisations increased interactivity with their stakeholders, with the integration of effective marketing strategy and communication allowing them to attract new customers, and maintain and enhance existing customer relationships (Berry, 2016; Ihator, 2004; Uchendu, Nwafor, & Nwaneri, 2015).

Long-term communication has been found essential in building relationships with school stakeholders. Retention is as vital as attraction in the education sector, due to student and family relationships with the school lasting for upwards of thirteen years in some cases. The customer concept in educational institutions is more complex than that found in general businesses, with customers in educational contexts found to include parents, students, employees, families and the community (Helgesen, 2008). More specifically in a school context, stakeholders also include alumni or former students, and these alumni have been found to represent a potential donor base (Bowden, 2011). This potential for alumni stakeholders to assist educational institutions in the future as donors, future parents or future staff members, demonstrates the importance of building and strengthening ongoing relationships with alumni.

To strengthen relationships with stakeholder groups, integrating both marketing communications and marketing relationships has been found beneficial (Houman Andersen, 2001). In a study of service organisations, Berry (1995) highlighted relationships as being at the forefront of marketing this type of organisation, demonstrating that building relationships provided the benefit of meeting stakeholder needs, which led to stakeholder loyalty.

Service organisations increasingly use strategies to develop and maintain long-term relationships with individual stakeholders, and these relationships have been found to be beneficial to both the organisation and to the individual. In a study of higher education institutions, Arnett, German and Hunt (2003) found that marketing exchanges in education contexts tended to be long-term and incorporated an ongoing process of relationship development. Retention was found to be as important as gaining new enrolments in another study of higher education institutions, and this was due to both an increase in competition and the length of time students were involved with the institution (Helgesen, 2008).

Bowden (2011) noted that the benefits of developing strong relationships with stakeholders was well established. Developing these strong relationships has been found to contribute to a sustainable competitive advantage in service organisations. In an educational context, developing strong student relationships was found to increase both attachment and loyalty to the institution. Angelopulo (2013) further found that as well as service quality, service relationships had an increased bearing on student enrolment and student retention.

Mukwana and Matovu (2018) reiterated the strong positive effect that marketing communication, which both established and built relationships, had on student enrolment in the private secondary schools they studied. They found that marketing strategies using continuous communication had the greatest impact on relationships and loyalty.

Hennig-Thurau et al. (2001) saw the long-term success of service organisations as often being contingent on the loyalty of their customers. This loyalty in a German university context was found to equate to retention, delivering long term income, positive word of mouth and more actively involved students (Hennig-Thurau et al., 2001; Ogunnaike et al., 2014). Their study also concluded that student loyalty was affected by the quality of relationships within the

"I know what the school can do for people and students. I know what it's capable of because I experienced the same thing. So, I think my experience here with the teachers and the environment has definitely influenced me and the environment and atmosphere that I provide my students." ALUMNI RESEARCH PARTICIPANT

university, with quality of teaching and the students' emotional attachment to their institution, found to have contributed to this loyalty.

Helgesen and Nesset (2007) stated that student satisfaction was an attitude resulting from the way students perceived the education service they received. Their Norwegian study in higher education found that service quality, information, social options and facilities led to greater student satisfaction, which, along with the reputation of the institution, built student loyalty.

In her study about brand loyalty in schools in the United Kingdom (UK), Healy (2007) believed that loyalty was more than just attachment, and noted that schools depended on loyalty to maintain their identity. She went on to conclude that loyalty in the schools she studied came from a sense of belonging. Furthermore, students from faith schools tended to already share a common loyalty within a faith community, making their bond to the school stronger.

de Guzman, de Castro, Aquino, Buenaventura, Duque & Enriquez (2008) studied school choice from a parent perspective, finding it was driven by both the quality of the school and loyalty, and saw that customer satisfaction led to deeper brand loyalty. They described loyalty in education as being determined by whether parents continued with the school over their child's years

of schooling, as well as whether they sent their children to their own previous school (alma mater). Findings from their research in schools in the Philippines revealed that parental loyalty to their alma mater did not impact on their choice of school for their children, rather other factors, such as the quality of the school, were stronger influences.

Research analysis and discussion

In seeking to understand how student satisfaction, student loyalty and long-term student relationships can be built in an Australian school context, a case study was undertaken by the author of this article to explore factors influencing the return of school students as alumni-staff members and alumni-parents.

Alumni-staff and alumni-parents represent groups with a high degree of student loyalty; therefore, the insights of these former student groups can lead to greater understanding about factors influencing student loyalty. In this case, student loyalty has been defined as former students returning to the school as alumni-staff members and/or alumni-parents, representing the ultimate in long-term student relationships in schools (Mukwana & Matovu, 2018).

In determining factors that lead to the return of school students as alumni-staff and alumni-parents, this research focussed on exploring various facets

STUDENT LOYALTY IN INDEPENDENT SCHOOLS

of student loyalty, as revealed from the literature review. The following research questions were investigated:

- Why did alumni-students return to the school as staff members or parents?
- What role does student loyalty play in this decision?
- How do relationships impact on alumni-students returning to their school as staff member or parents?
- Does student involvement and student experience impact on student loyalty in a school context, as it has been found to in higher education contexts?
- How can school marketers increase student loyalty?

Student experience was part of the investigation in this study, as alumni support has previously been found to assist in promotion of the image of various higher educational institutions through positive word of mouth, and this loyalty has been found to be impacted by student satisfaction (Chen, 2016; Osayawe Ehigie & Taylor, 2009). Previous research found that increased student satisfaction led to increased student loyalty (Helgesen & Nesset, 2007; Osayawe Ehigie & Taylor, 2009).

This research saw 80% of staff members interviewed expressing memories of a positive student experience, highlighting teachers, friendships, and certain school related factors such as academic rigour, extracurricular options and a sense of belonging as influencing this positive experience (Figure 1). The sense of belonging and a supportive environment that was mentioned by some participants in relation to their positive student experience, supports research by Gonzalez and Padilla (1997) in their study into academic resilience in Mexican-American high school students. Relationships with teachers and peers factoring so highly in the positive experiences of participants, aligns with higher education research in Latin America by Rojas-Méndez, Vasquez-Parraga, Kara & Cerda-Urrutia (2009), who noted the importance of relationships in factors affecting loyalty in students. Hennig-Thurau et al. (2001) also found that student loyalty in a German university context was influenced by various dimensions of relationship quality. The aim of relationship marketing is to create and maintain long-term lasting and rewarding relationships, fostering

stakeholder loyalty. Relationships with teachers and peers factored highly in the student experience of the participants; this research indicates that the concept of relationship marketing plays a distinct role in fostering student loyalty.

A link between active participation in social and extracurricular activities and student satisfaction has been found in previous research in higher education institutions (Ogunnaike et al., 2014). This research supports this link in a school context, as it was found that student involvement and student experience had a clear impact on student satisfaction. The participants who spoke of positive student experiences were all involved in activities and/or leadership roles during their time as students. The way some of the research participants spoke of this involvement indicated that it was in fact, a highlight of their time as students. Those who spoke of a negative student experience were not involved in any activities, teams or roles above what they had to participate in as students, further demonstrating a clear link between student involvement and student satisfaction.

> *"To me, school was home. It was safe, I felt like I belonged, I felt like I was part of a community; I felt very strongly, 'this is my school.'"*
>
> ALUMNI RESEARCH PARTICIPANT

FIGURE 1. POSITIVE FACTORS OF STUDENT EXPERIENCE CITED BY PAST STUDENTS

Teachers	Friendships	Schools
Great	Lasting	Safe
Influential	Great friends	Comfortable
Caring	Academic competition	Subject range
Knowledgable		Academically challenged
High standards		Good extracurricular options
Encouraging		Community
Built relationships		Values
		Sense of belonging

FIGURE 2. SUMMARY OF THE RESEARCH FINDINGS
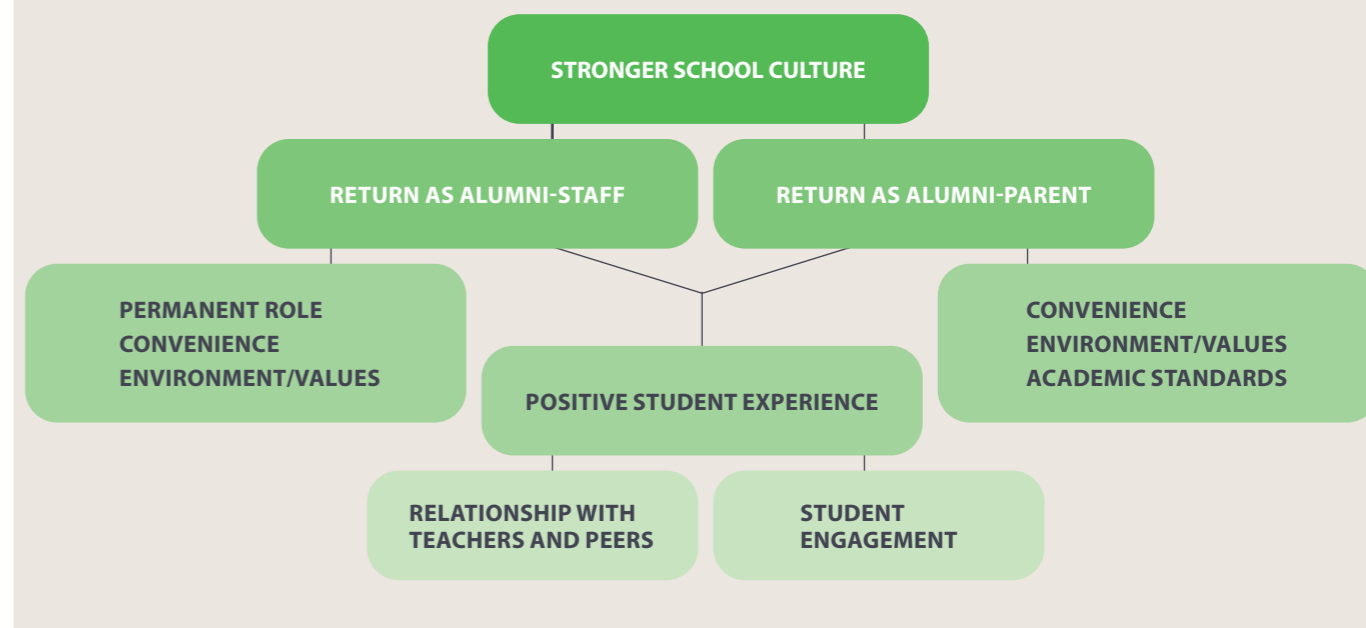
Though 80% of participants expressed a positive student experience, only 20% of participants left as students with a goal to return to the school as staff members, with 60% of participants very clear about not desiring a return to the school when they completed Year 12. This finding may simply be the result of a natural teenage desire to move past their school experience and out into the world, but it does suggest that positive student experience does not necessarily lead to a desire or willingness to return to the school as a staff member.

When assessing factors that influenced the return of students as alumni-parents, 60% of participants chose to have their own child/ren as current or future students at the school. The reasons for this enrolment that were common to all alumni-parents were: convenience; loving, nurturing community environment; values; and academic standards. Though there was some positive influence from their own school experience, and the alumni-parents showed their loyalty by choosing a long-term relationship with the school, school experience and loyalty were not the only factors considered in choosing a school for their children. This result supports previous research findings showing other factors such as affordability, environment, staff, facilities and

programs to be stronger influences than loyalty (de Guzman et al., 2008).

In uncovering why alumni-students returned to the school as staff members, all participant responses could be categorised into three reasons: opportunity for a permanent position; convenience; and environment. Though the positive and supportive environment can be linked to student experience and loyalty, the findings indicate that these were not the strongest factors in why alumni-students returned to the school as staff members. It was the opportunity for a permanent position, in comparison to the contract positions that are often on offer to teachers, that had the greatest influence on their return. It was clear from their comments that this offer of permanency occurred as a direct result of being an alumnus of the school, showing a link to loyalty from the schools' perspectives, more so than from the perspective of the students. Figure 2 shows a summary of the major findings from this case study.

Other advantages arising from staff members being alumni of the school were revealed in the course of the research. All participants spoke of familiarity with the school being a strong advantage gained from their student experience. Knowing the

campus, facilities, staff, community and culture had a positive impact on their ability to settle into their positions as staff members. The researcher had a discussion with one founding school Principal, who stated that offering permanent positions to alumni of that particular school had been a strategic organisational decision, with benefits for the school such as preserving the school's culture.

In delving further into this concept, a study of five successful school principals undertaken by Deal and Peterson (1990) found a common element of their success was in choosing the right staff, and they noted the importance of finding faculty who would reinforce the values of the school and help build the desired school culture. A later study by Peterson and Deal (2011), concluded that the core elements of school culture are a shared sense of purpose, vision, values, assumptions and norms. They went on to describe the way culture is deeply embedded in the hearts and minds of staff, students and parents. These previous studies and the findings from this study indicate that employing former students can increase and fast-track the building of culture in school staff, reducing the need to teach these values, traditions and norms to alumni staff members.

STUDENT LOYALTY IN INDEPENDENT SCHOOLS

Conclusion and recommendations

The findings from this case study demonstrate that the participant's relationships with teachers and peers, and their level of engagement when they were students, particularly in extracurricular activities or leadership roles, had a clear effect on their school experience. However, this student experience, be it positive or negative, was not one of the three motivating factors in their return as staff members. Their school experience partially affected their intention to return as staff members and their feelings regarding returning, but these feelings and intentions were not the only factor in their choice to return when the opportunity arose. Their return as staff members was based upon three motivating factors of opportunity for a permanent role; convenience; and school values aligning with their personal values.

Common reasons for returning as alumni-parents were convenience; loving, nurturing community environment; values; and academic standards. Though there was some influence from their own school experience, it was not the only factor considered in choosing a school for their children.

The research revealed additional advantages gained for schools in employing alumni-staff such as a stronger school culture.

In answering the research question of how school marketers can increase student loyalty, the following practical marketing recommendations for schools have been made, based on the research findings:

- To increase levels of student satisfaction, and in turn, build student loyalty, schools should develop strategies that encourage and increase student involvement in activities and leadership roles.
- To increase levels of student satisfaction, and in turn, build student loyalty, schools should develop strategies that highlight and build student/teacher and peer relationships.
- To develop a stronger school culture, schools should consider employing a greater number of alumni as staff members.
- School environment and values factored highly in the choice of participants to return as both staff and as parents; benefits may result from marketing strategies that highlight these factors.

> *"I remember feeling that I was valued by my teachers and that really encouraged me to work hard and to do my best and be my best. So, mine was a very positive experience and I'm very thankful for that."*
> ALUMNI RESEARCH PARTICIPANT

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