

# Using the Students-as-Customers Concept in Technology Disciplines: Students' Perspectives

Boonlert Watjatrakul

**Abstract**—Educational institutions increasingly adopt the students-as-customers concept to satisfy their students. Understanding students' perspectives on the use of this business concept in educational institutions is necessary for the institutions to effectively align these perspectives with their management practice. The study investigates whether students in technology and business disciplines have significantly different attitudes toward using the students-as-customers concept in educational institutions and explores the impact of treating students as customers in technology disciplines under students' perspectives. The results from quantitative and qualitative data analyses show that technology students, in contrast to business students, fairly disagree with educational institutions to treat students as customers. Treating students as customers in technology disciplines will have a negative influence on teaching performance, instructor-student relationships and educational institutions' aim, but a positive influence on service quality in educational institutions. The paper discusses the findings and concludes with implications and limitations of the study.

**Keywords**—Education, information technology, students-as-customers, technology disciplines.

## I. INTRODUCTION

MANAGEMENT practice in higher education institutions is under review on the need of economic accountability and performance improvement as a result of reduced government funding and increased competitiveness in higher education. Most educational institutions have competed with one another to regain trust from the public as well as attack and retain their students including students in technology disciplines. They have reshaped their management practice and embraced customer satisfaction perspective of total quality management (TQM) in the hope that it will be the key to survival as it happened in a business sector [6]. In other words, most universities have adopted the students-as-customers concept to use in their organizations. However, many researchers have continually debated the adoption of the students-as-customers concept to be used in higher education institutions [2,6,7,15].

As the management practice significantly affects an organization's productivity and profitability, an educational institution should understand what students perceive the institution's management practice associated with the

students-as-customers concept and effectively align it with the institution's strategic management. Despite its apparent importance, this issue has gained little attention from researchers and academics in information technology. Accordingly, this study seeks to understand students' perspectives on the use of the students-as-customers concept in technology disciplines. As students in different disciplines may perceive business orientation in different aspects [11], the study also examines whether technology and business students' attitudes toward using this concept in higher education are different.

The next section describes basic principles of the students-as-customers concept followed by research design and analysis results. Discussion of the findings is then presented. The paper concludes with implications and limitations of the study.

## II. STUDENTS-AS-CUSTOMERS CONCEPT

Treating students as customers is accentuated since scholars began proposing the application of total quality management (TQM) to higher educational institutions [3,16]. The total quality management is originally applied in the business sector to improve organizational performance which aims to provide services with higher levels of consumer satisfaction and, in turn, enhance profitability for the organization.

Higher education has increasingly competitive pressure in the last decade. Some colleges have been upgraded to be accredited universities while many universities established colleges to extend their graduate programs. To make sure that universities are marketable to current and potential customers, they have followed the management practice in a business sector and embraced the customer satisfaction perspective of TQM as a key to survival and retain competitive advantages in a higher education sector. Students are considered as customers because they have engaged in an economic agreement for buying educational services [8]. They, therefore, should be provided opportunities to express their needs and satisfaction with their learning environment. Educational institutions, on the other hand, attempt to delight their students like commercial customers. In the sense that "the customer is always right," instructors are expected to entertain students rather than challenge them to participate in classes. They try to avoid students' critical feedback that may have a detrimental impact on their promotional prospects [3,22]. In addition, student's expected grades and final course

B. Watjatrakul is with the Department of Information Technology, Faculty of Science and Technology, Assumption University, HuaMak, Bangkok 10240 Thailand (e-mail: boonlert@scitech.au.edu).

grades have been found to have an effect on the evaluations of instructors [23,24].

According to the students-as-customers concept, educational institutions are considered as producers and providers of services. As the role of a service provider, the institutions manage operations, monitor efficiency, and produce quality services to meet the current needs and expectations of their students [19]. On the other hand, students act as passive consumers who react (whether like or dislike services) and respond their views (either complaint or satisfaction) through teaching and service evaluations in the same way they purchase a routine consumer product. In addition, the students-as-customers concept undermines a student's sense of responsibility for their own learning [9]. Students shift their responsibilities for learning to the university instructors. They will be motivated to learn only by their self-interests that result in disinclination to classroom participation and team working [2,14]. They as customers will try to seek the easiest courses with an easy assessment and expect good grades regardless of the amount of efforts they put on their work or the quality of their work produced. In other words, students are separating their performance from their grade expectations [25,26]. If they are not satisfied with their expected grade or final course grades, they may take their business elsewhere or penalize demanding instructors through the critical feedback of teaching evaluations affecting the instructor's promotional prospect [2,3,22]. The basic principles of the students-as-customers concept are summarized in Table I.

TABLE I  
SUMMARY OF THE STUDENTS-AS-CUSTOMERS CONCEPT

Key issues	'Student as Customer' Concept
Original idea	Total Quality Management
Aim	Produce high level of customer satisfaction
Relationship	Service providers and customers
University Metaphor and Roles	Metaphor: University is a producer and deliverer of services. Role: To manage, monitor and produce quality services that meet the current needs and expectations of customers.
Student Metaphor and Roles	Metaphor: Students are passive consumers of the services. Role: To make purchase decision about the university services and provide feedback to the university in relation to their satisfaction with services consumed.

### III. RESEARCH DESIGN

The study was largely exploratory basic and the case study method was appropriate for describing the relationships among variables which exist in reality [5,12]. The data were collected from three cases—a private university, a public university, and a private college. Case one was the famous private university in Thailand. The largest part of the sample came from case one and included both undergraduate and graduate students in technology and business disciplines. Case two was the large public university and the sample came from graduate students in technology disciplines. Case three was the private college of a large university and the sample came from graduate students in business disciplines.

The questionnaires were used to gather data from university/college students as the unit of analysis. The

students were asked whether they agree that colleges/universities should treat students as customers based on the five-point Likert scale (1=strongly agree, 5=strongly disagree). They were asked to express their opinions toward treating students as customers in educational institutions under the open-end question. The questions for demographic data such as gender, age, current education and discipline were included in the questionnaire.

To enhance the research's quality, several research techniques were applied in this study [4,10,18,20,21]. The study built a case study database that enabled the data collected to be documented and organized to facilitate analyses. The informal interviews with some students were used to attest their responses to the questionnaires. The study used within-case and cross-case analyses to determine the observed variables. Finally, the results were discussed with a proficient scholar.

### IV. ANALYSIS RESULTS

The study conducted quantitative and qualitative data analyses. The data were collected from 189 students and their demographic data are presented in Table II. 58.7 percent of the students were male and 59.3 percent of the students were studying at undergraduate level. The majority of students, about 60.8 percent, were studying in technology disciplines (i.e., information technology, technology management and computer science) while 39.2 percent of the students were studying in business disciplines (i.e., business administration, international business, business art, marketing and finance).

TABLE II  
DEMOGRAPHIC DATA

Demographics	Frequency	Percent
<i>Gender</i>		
Male	111	58.7
Female	78	41.3
<i>Academic Level</i>		
Undergraduate	112	59.3
Graduate	77	40.7
<i>Disciplines</i>		
Business <sup>1</sup>	74	39.2
Technology <sup>2</sup>	115	60.8
<i>Institutions</i>		
Private University	136	72.0
Public University	20	10.6
Private College	33	17.4

1. Including business administration, international business, business art, marketing, and finance

2. Including information technology, technology management, and computer science.

The quantitative data were analyzed to realize whether the technology and business students have significantly different attitudes toward treating students as customers in educational institutions. Subsequently, the qualitative data were analyzed to understand technology students' perspectives on the use of the students-as-customers concept in technology disciplines.

The quantitative analysis results presented in Table III indicated there was statistically significant difference between undergraduate and graduate students regarding their perspectives on the use of the students-as-customers concept in universities ( $t=3.41$ ,  $p<.001$ ). Undergraduate students

disagreed on the use of the students-as-customers concept in universities (mean=3.31) while graduate students slightly agreed on the use of this concept (mean=2.64). In addition, business students agreed on the use of the students-as-customers concept in universities (mean=2.73). Unlike business students, technology students fairly disagreed on the use of this concept in universities (mean=3.23). Interestingly, these two sample groups (business students and technology students) were significantly different regarding their perspectives on the use of the students-as-customers concept in universities ( $t=-2.50$ ,  $p<.05$ ).

TABLE III  
COMPARISON BETWEEN SAMPLE GROUPS

Sample groups	Mean (SD.)	t	df	Sig.
Undergraduate vs. Graduate	3.31 (1.363) 2.64 (1.297)	3.418	187	.001**
Business vs. Technology	2.73 (1.368) 3.23 (1.346)	-2.501	187	.013*

\* $p<.05$ , \*\* $p<.01$

The qualitative data obtained from students in technology disciplines were used for analysis. Space constraint impedes describing all individual responses. Presentation of the results is, therefore, restricted to the dichotomy between students who agree and disagree that universities should treat students as customers. Most students who agreed that the universities should treat students as customers contended that they paid money (tuition fee) in exchange of university services including teaching and non-teaching services. Some students believed that a customer was the first priority for any kind of businesses and universities should value students as customers.

On the other hand, most students who disagreed that universities should treat students as customers contested that a moral principle of instructors was more important than the commercial exchange between money and services. They argued that universities should have an aim to educate students rather than to gain profit and students who had no money still needed to get education. One student believed that a decrease in ethical motive of the university would affect the university's reputation. One thought that education was vital for life more than products in stores. Some students wanted their instructors to treat them like their family member or friends. Some students also concerned about the teaching quality they get if their instructors looked at them as customers. Further discussion on the findings will be provided in the next section.

## V. DISCUSSION

The students-as-customers concept has been reshaped the thinking of higher education institutions in many countries. Many universities perceive that this concept can produce higher levels of student satisfaction and, in turn, profitability for their universities. Nonetheless, the study found that some groups of students do not agree that universities/colleges should treat students as customers (see Table III).

In contrast to the students in technology disciplines, the majority of students in business disciplines agreed on the use of the students-as-customers concept in universities. This

might imply that business students highly involve in a business-related environment (e.g., their courses and instructors) leading to a personal preference for consumer orientation or market-based exchange between payment and services received. The study also found that graduate students who were undertaking study as part of their continual professional development fairly agreed on the use of the students-as-customers concept in universities. Unlike undergraduate students, most graduate students work and pay for their own education. Graduate students, therefore, have high concern on the value of their money and expect high returns in terms of quality of education and services from their universities. These might be achieved if they were treated as the university customers. In this aspect, students need to have a clear understanding that their tuition fee does not equate to a simply exchange of money in return for education. In fact, tuition fee facilitates education but does not cause it [3,7].

The results from the qualitative analysis indicated that technology students had various perspectives on the use of the students-as-customers concept in higher education institutions, mostly related to money or payment issue. Based on within-case (levels of education) and cross-case analyses, the students' perspectives can be categorized into four main groups; teaching performance, educational institution's aim, student-instructor relationship and service quality.

Students who disagreed on using this concept in educational institutions pointed out that treating student as customer, in some senses, affected instructor's teaching performance. For example,

- "It doesn't wrong to treat them as customers but they have the right to get the services that should meet the (*teaching*) standards....and you need to put some effort to teach them" (undergrad, case 1)
- "Shouldn't (*be treated as customers*) because they might not be able to produce the quality students" (undergrad, case 1)
- "...if students become customers, then teachers will try to fail them to gain more money" (undergrad, case 1)
- "... teachers must sincere to teach students rather than only want to get money" (grad, case 2)
- "Universities should not treat students as customers because they (*teachers*) don't need to follow (*serve*) students but they need to be the leaders of students by guiding, teaching, etc..." (grad, case 1)

Proposition 1: using the students-as-customers concept in technology disciplines will have a negative influence on teaching performance.

As perceived by students who disagreed with the students-as-customers concept, treating students as customers might vary the principal aim of educational institutions. The institution's aim may change from providing people education to making profit as a business organization. For example,

- "... I don't think that we should be treated as customers because this is only a place to get educated..." (undergrad, case 1)

- “Should not treat as customers. Educational institutions have responsibilities for giving education .....” (grad, case 2)
- “Because those (*universities*) should treat their service users (*students*) with the real objective of that place. Not for marketing objectives that the real purpose is to get more money from their service users” (grad, case 1)
- “should not...because institutions should have their aims and give education to students rather than business” (undergrad, case 1)
- “Should not treat students as customers. people who do not have the money to get education, need to get education (*from universities*)” (undergrad, case 1)

Proposition 2: using the students-as-customers concept in technology disciplines will have a negative influence on educational institutions’ aim.

Students who disagreed with the students-as-customers concept were aware that treating students as customers would affect an interpersonal relationship between instructors and students. They wanted a close interpersonal relationship with their instructors. For example,

- “... treating students as customers has a loose relationship (*with instructors*). only mind for benefits” (grad, case 2)
- “... We can socialize with the teachers and be friends with them. I think the word ‘customer’ is not right” (undergrad, case 1)
- “.. students should be treated as ‘family members’, and (*instructors*) really treat with heart” (grad, case 1)

Proposition 3: using the students-as-customers concept in technology disciplines will have a negative influence on student-instructor relationships.

Finally, students who preferred the universities to treat as customers expected that they might get better quality of services from their institutions if they were treated as customers. For example,

- “They will serve you well because a customer is the first priority for any business” (undergrad, case 1)
- “...(universities) must and always bear in mind that a service receiver is a customer who must be cared” (grad, case 2)
- “...Because service receivers are customers, we have to treat them with the best care...” (grad, case 1)
- “...They (*universities*) would respect and serve us (*students*) as customers” (undergrad, case 1)
- “Because when we look at service users as customers, we will treat them with the best effort and willingness” (grad, case 1)

Proposition 4: using the students-as-customers concept in technology disciplines will have a positive influence on service quality in educational institutions.

In sum, technology students indicated that treating students as customers in educational institutions had a negative influence on teaching performance, educational institutions’ aim and student-instructor relationships, but a positive influence on service quality in educational institutions (see Fig. 1).

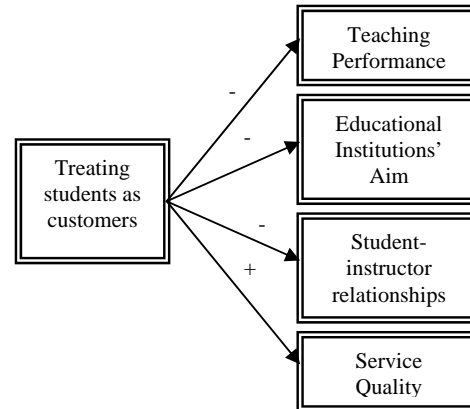


Fig. 1 The influence of treating students as customers in technology disciplines

## VI. CONCLUSION AND LIMITATIONS

This exploratory study addresses the technology students’ perspectives on the use of students-as-customers concept in higher education associated with technology disciplines. According to the findings, most technology students, particularly undergraduate students, do not want to use money to buy their education. In other words, they slightly disagree that universities should treat students as customers. However, the concept that students are, in some senses, customers is nothing intrinsically wrong. If educational institutions need to apply the students-as-customers concept for technology students, they should have sophisticated interpretation of ‘customers’ rather than common customers who simply pay money to buy products or services. The findings provide important considerations for educational institutions and instructors to take into account when treating technology students under the students-as-customers concept. They should attempt to avoid or minimize the students’ negative perspectives on the use of the students-as-customers concept in educational institutions. For example, to shed the negative perspective of students on a commercial exchange between money and education, institutions should focus on their principal objective to educate students rather than make business with students. They may offer some supports such as scholarships or awards for some students who desire to study but can’t afford to pay tuition fees. They should not bargain the quality of services for the amount of each student’s payment. In other words, they should treat all students fairly and equally. In addition, instructors should improve their teaching performance and create a close interpersonal relationship with their students to minimize the students’ negative perspectives on teaching performance and instructor-student relationships. To meet the students’ expectations for

institution's service quality, university staff should view students with respect and be willing to serve them.

The study has some significant limitations. First, the generalization of the results should be done cautiously as each university has its unique characteristics and this may alter the results. Second, the study only focused on the students' perspectives on the use of the students-as-customers concept. It is worth to examine the perspectives on the use of this concept from other university's stakeholders such as faculty staff, administrators and board of directors who involve in management practice and policy making. Third, the cross-case conclusion for the study may have a comparable limitation as the numbers of participants in each case are quite different. Fourth, the result from the exploratory study may be questionable in its validity. Future studies should be conducted to attest the results of this study. Finally, this research is a cross-section study. A student's perspective on the use of the students-as-customers concept in educational institutions may change overtime. A longitudinal study should be conducted to keep track of this change.

#### REFERENCES

- [1] D. Bajou, "Treating students like customers," *BizEd*, March-April, 2005, pp. 44-47.
- [2] D.E. Clayson, and D.A. Haley, "Marketing models in education: student as customers, products, or partners," *Marketing Education Review*, vol. 15, 2005, pp. 1-36.
- [3] L. Eagle, and R. Brennan, "Are students customers? TQM and marketing perspectives," *Quality Assurance in Education*, vol. 15, 2007, pp. 44-60.
- [4] E. Eisenhardt, "Building theories from case study research," *Academy of Management Review*, vol. 14, 1989, pp.532-550.
- [5] R. Galliers, *Information Systems Research: Issues, Methods and Practical Guidelines*, Blackwell: Oxford, 1992.
- [6] J.E. Grocia, "The student as customer versus the student as learner. *About Campus*," May-June, 1997, pp. 31-32.
- [7] R.B. Halbesleben, J.A., Becker, and R.M. Buckley, "Considering the labor contributions of students: An alternative to the student-as-customer metaphor," *Journal of Education for Business*, May-June, 2003, pp. 255-257.
- [8] G.K. Kanji, and M.A. Tambi, "Total quality management in UK higher education institutions," *Total Quality Management*, vol.10, 1999, pp. 129-153.
- [9] H.B. Lammers, T. Kiesler, M.T. Curren, and D. Cours, "How hard do I have to work? students and faculty expectations regarding university work," *Journal of Education for Business*, vol. 80, 2005, pp. 210-213.
- [10] M.B. Miles, and A.M. Huberman, *Qualitative Data Analysis: An Expanded Sourcebook*, Sage: Thousand Oaks, 1994.
- [11] C. Obermiller, P. Fleenor, and P. Rava, "Students as customers or products: perceptions and preferences of faculty and students. *Marketing Education Review*," vol. 15, 2005, pp. 27-36.
- [12] A.J. Pickard, *Research Methods in Information*, London: Facet, 2007.
- [13] T. Pitman, "Perceptions of academics and students as customers: a survey of administrative staff in higher education," *Journal of Higher Education Policy and Management*, vol. 22, 2000, pp. 165-75
- [14] H. Rolfe, "Students' demands and expectations in an age of reduce financial support: the perspectives of lecturers in four English universities," *Journal of Higher Education Policy and Management*, vol. 24, 2002, pp. 171-182.
- [15] B. Sax, "Students as customers," *On the Horizon*, vol. 12, 2004, pp. 157-159.
- [16] R. Schwartzman, "Students as customers: a mangled managerial metaphor," Paper presented at the Carolinas Speech Communication Association Conference, Charlotte, NC, 1995.
- [17] M. Weimer, *Learner-Centered Teaching: Five Key Changes to Practice*, Jossey-Bass: San Francisco, 2002.
- [18] S. Merriam, *Case Study Research in Education: A Qualitative Approach*, Jossey-Bass: San Francisco, 1988.
- [19] G.E. Smith, and C.A. Huntsman, "Reframing the metaphor of the citizen-government relationship: a value-centered perspective," vol. 57, 1997, pp. 309-318.
- [20] R.K. Yin, *Study Research: Design and Methods*, Sage: Thousand Oaks, 1994.
- [21] Y.S. Lincoln and E.G. Guba, *Naturalistic Inquiry*, Sage: London, 1985.
- [22] L.B. Chonko, J.F. Tanner and R. Davis, "What are they thinking? students' expectations and self-assessments," *Journal of Education for Business*, vol.77, 2002, pp. 271-81.
- [23] S. Bharadwaj, C.M. Futrell and D.M. Kantak, "Using student evaluations to improve learning," *Marketing Education Review*, vol. 3, 1993, pp. 16-21.
- [24] V. E. Johnson, *Grade Inflation: A Crisis in College Education*, Springer: New York, 2003.
- [25] K. Wiesenfeld, "Making the grade," *Newsweek*, June 17, 1996, pp. 6.
- [26] G.C. Macom, "The effect of using a normative approach to determine achievement of educational objectives," *Measurement Forum*, vol. 3, 1997, pp.2-3.