

# Getting your Money’s Worth: Consumer Behavior and College Selection

**SUBMITTED BY:** WGYP Summer 2011 Instructor

**SUBJECT(S):** Personal Finance

**GRADE LEVEL(S):** 9, 10, 11, 12

## ≡ OVERVIEW:

In this lesson, students will consider the five stages of consumer behavior when considering colleges. In the previous lesson, they narrowed down possible college majors, which could serve as a springboard for ideas of where to go to get the kind of education they desire. For this lesson, it will be important for the teacher to familiarize her/himself with different kinds of colleges or tertiary-level education institutions (research universities, mid-size, liberal arts colleges, vocational education).

## ≡ NBEA STANDARD(S):

- Personal Finance, V. Buying Goods and Services

## ≡ RELATED ARTICLES:

- [“Zina Kumok’s Guide to Smart Student-loan Liftoff”](#)
- [“Would You Bypass College for Real-world Learning?”](#)
- [“Who Knew the Job of a Prosecutor Looks Nothing Like “Law & Order?””](#)
- [“Thoughtful Approach: Developing a Questioning Mind and Spirit”](#)
- [“The Rising Costs of a U.S. College Education”](#)
- [“The College Investment: Will It Pay Off?”](#)
- [“Purchase Power: How to Make Smart Consumer Choices”](#)
- [“Preparing Students for the Hard Reality of Post-college Debt”](#)

- “One House, Three Seniors and Lots of College Essays”
- “Is It Time to Take a Second Look at Community College?”
- “Green Beans and Other College Essay Tips”
- “Differentiating Yourself in the College Admission Process”
- “College Decisions Sometimes Require Sacrifice”
- “Career Spotlight: Studying to Be a Veterinary Technician”
- “Career Spotlight: Motion Capture Is an Industry on the Move”
- “Anthony David Williams Was President of His College Freshman Class — Why Did He Transfer?”
- “A Recent High School Grad Reflects on the Clamor Over College Admissions”
- “A Massive College Admissions Cheating Scandal Gets People Talking”
- “A Gap Year Could Be Your Path to Making Smarter Decisions”
- “3 Financial Priorities to Get You Ready for College”
- “‘Creating a Fair Playing Field’: What’s Behind the SAT Redesign”

**Common Core Standard(s):**

- Reading Informational Text—RI.9-10.1.; RI.9-10.2.
- Speaking and Listening—SL.9-10.1.

**Purposes:**

- They will be able to talk about the stages of consumer behavior with respect to college selection.
- They will also develop their comprehension and critical thinking skills in this lesson.

**Knowledge@Wharton Article and Video**

- Knowledge@Wharton Article: “[An Unbiased Way to Rank Schools: Some Changes in the Lineup](#)”
- Knowledge@Wharton Video—“[Millennials: A Disappointed Generation?](#)”

**Other Resources/Materials:**

- [Worksheet: Five Stages of Consumer Behavior for College Selection](#)

- For the teacher: [Wikipedia article on colleges](#).

## Activity:

### 1. Introduction (5 mins)

Introduce the day's topic: Consumer Behavior and College Selection. In the beginning, spend some time talking to students about such a cost-benefit orientation to college. It can be intimidating to apply to colleges, especially when you start to look at the rising tuition costs. This lesson provides a way to think about the costs associated with college in terms of consumer behavior and college tuition being paid for an educational service, and not just as a student seeking learning. Learning could be found in many different kinds of institutions. How do you decide where to go and how to spend your money?

### 2. Lesson Structure (3 mins)

Explain that the lesson will be divided into parts where students will work/think through the stages in terms of college selection. The remaining stages will be done together as a class. Go over the following five stages together and explain how it can be adapted for the college decision.

#### Five Stages of Consumer Behavior:

1. Problem recognition — a perceived difference between a person's ideal and actual situations that is big enough to trigger a decision. In our case, it's enough to say that to get the career that one wants, there is a need to get more education from a college or university. But how do we decide where to go?
2. Information search — typically includes both internal and external search. The internal search involves delving into one's memory and/or knowledge. The external search includes things like consumer reports.
3. Alternative evaluation — the consumer's evaluative criteria include objective attributes of a brand and the subjective attributes. The teacher will need to define what are the objective attributes (ex: the price of going to UPenn) versus the subjective attributes (ex: the prestige attached to an Ivy League university).
4. Purchase decision — three things must be decided: (1) from whom to buy, (2) when to buy, and (3) whether to buy or not. For college, (1) where to go? (2) When to go? (You could delay college and earn some money first or do it part-time.) (3) Whether you should transfer to another place if it doesn't work out?

5. Post-purchase decision — the consumer compares his or her expectations with the product and is either satisfied or dissatisfied. This can impact a consumer's perceptions or even his or her relationship to the good/service and its producer. In other words, would you recommend another person attending this college?

### 3. Film Screening (5 mins)

Handout Exhibit 5 at this point and go over the first stage. Essentially, why do you go to school and pay the tuition you do? Watch the Knowledge@Wharton video – “[Millennials: A Disappointed Generation?](#)” Ask the students to think about how it feels to pay for a college education and not get a job right away? How can you think about college selection so that the degree you pay for is worth it?

### 4. Silent Reading (10 mins)

Information search — includes internal and external search. The internal search involves delving into one's memory and/or knowledge. The external search includes things like consumer reports.

For students, external research can mean using college rankings to make this decision. Talk to students about using this as a way of doing research on colleges. Ask students to read the Knowledge@Wharton article on school rankings [here](#). One of the purposes of this exercise is to get them to think critically about such ranking systems and think about other ways of gathering research.

### 5. Group work (10 mins)

In pairs, ask students to summarize the article and discuss the article in pairs.

### 6. Class discussion (10 mins)

Stage 3 states:

*Alternative evaluation — the consumer's evaluative criteria include objective attributes of a brand and the subjective attributes. Think about “Ivy League” universities, liberal arts colleges, community colleges and what are the subjective attributes assigned to these categories.*

(5 mins) Get the students to think about what subjective attributes means here. Is there an objective way to evaluate colleges? If not, ask them to create criteria specific to their interests or concerns.

Stage 4 states:

*Purchase decision — three things must be decided: from whom to buy, when to buy and whether to buy or not.*

(5 mins) For college, (1) Where should you go? (2) When should you go? (You could delay college and earn some money first or do it part-time.) (3) Whether you should transfer to another place if it doesn't work out?

Ask them how the students, with their families, go about making this decision? Do they visit colleges or not? Is it enough to say someone you know went there and went on to be “successful”?

## 7. Closing (5 mins)

Stage 5 states:

*Post-purchase decision — the consumer compares his or her expectations with the product and is either satisfied or dissatisfied. This can impact a consumer's perceptions or even his or her relationship to the good/service and its producer.*

Have a brief conversation asking students how they would go about figuring out what stage 5 means for thinking about college tuition as a service. Is this a fair way to think about this cost or not?

## **Tying It All Together:**

In this lesson, the consumer behavior stages have been adapted for the college selection process. The students work through the process together, further instilling the need for students to think through their decisions in a systematic way.