

**THE EFFECT OF THE FUNCTIONAL AND EMOTIONAL MOTIVATORS ON THE
LUXURY EDUCATIONAL SERVICE IN MOROCCO
(CASE STUDY: PARENTS INTENTION TO ENROLL THEIR KIDS IN AN
AMERICAN SCHOOL IN FES)**

El Fethouni Yasmina

PHD candidate at

University Mohamed V of Souissi, Rabat, Morocco

School of Economics and Social Sciences

Marketing Program

ABSTRACT

The aim of this research is to find the main motivators that drive parents with high incomes in Fes, Morocco, to enroll their kids in an American School. These motivators can be used in a marketing campaign in order to attract more students and increase the demand of American Schools in Morocco. Since the average wage in Morocco is about \$370 a month and the average tuition of an American school in Morocco is about \$1000 a month, an American School in Morocco is considered as a luxury service. This research, we will be investigating the main factors that motivate people to enroll their children in such service. The theoretical framework of this research suggests that there are two main motivators that influence luxury consumption in Morocco: the emotional and the functional motivators (Kun Yan, 2004). The research questions tries to explain the effect of parents' income, staff qualifications, tuition, location of the school, quality of education, relationships between teachers and students, the importance of feeling respected, self-fulfillment, sense of belonging, security, and excitement's effect on parents' wiliness to enroll their children in an American School in Fes, Morocco. Samples of 73 participants with high incomes, who live in the city of Fes in Morocco, were surveyed, and a multiple regression model was used to analyze the primary data. The overall model was found significant according to the F test and the coefficient of determination. We conclude that parents' income, the sense of belonging, children's security, quality of education, and sense of respect, are the most important variables that contributes to a success of an American School in the city of Fes, Morocco.

INSIGHTS

There are less than ten American Schools in Morocco. Only six of them are accredited, and five of them are State Department Sponsored Schools (US Embassy in Morocco). The minimum wage in morocco is 2,571 MAD, which is an equivalent of about \$260 a month, while the average wage is 3,675.02 MAD, which is around \$370 a month (Numbeo, 2016). The average tuition of an American school in Morocco is \$1000 a month, which is more than three times the average wage (Expat, 2015). Therefore, for a parent to be able to afford an American education in Morocco for their child, they need to be making way more than the average wage. Accordingly, an American School in Morocco is considered as a luxury service.

In this research, we will be investigating the main factors that motivate people with high income to enroll their children in such a service. The theoretical framework of this research suggests that there are two main motivators that influence luxury consumption: the emotional, and the functional motivators (Kun Yan, 2004). The functional motivators are basically any factors that are tangible, controlled by either the business, or the customer. These functional

factors can be either the price of the product, the accessibility to the product, the brand name, the physical appearance of the product, or the physical environment of the service. The emotional motivators are mainly the factors that are usually uncontrolled by the business, but they can be very useful as key messages for marketing campaigns. These factors can either be the importance of the sense of belonging in the life of consumers, the importance of happiness, self-fulfillment, security, or any emotion that is considered as a dominating factor in a society or a specific social class (Kun Yan, 2004).

The aim of this research is to examine the main motivators that guide the wiliness of parents with high incomes to enroll their kids in an American School in Morocco. These motivators can be used in a marketing campaign in order to attract more students and increase the schools' capacities.

LITERATURE REVIEW

Functional emotional theory of luxury consumption: In his research entitled "Understanding Luxury Consumption in Guangdong, China", Kun Yan explains the effect of the functional and emotional factors leading consumers to purchase luxury products and services in China (2004). The functional factors can be summaries in all the technical aspects related to the product or the consumer. The emotional factors are mainly the aspects related to the feelings and life style of the customer. Hence, the theory states that the functional aspects of a luxury product or service such as its price, its quality, the accessibility to the product or service, are some of the factors leading the change of its demand. In addition, factors such as the relationship between luxury consumption and the customer sense of belonging, self-fulfillment, joy, happiness, and excitement, are categorized as emotional motivators influencing buyers' decision.

Employees' qualification and business success: different research showed that there is a direct relationship between employees' qualification and customers' satisfaction. A study conducted by Sears Roebuck & Co. demonstrated that the increase of profit is related to the increase of employees' qualifications and satisfaction. Therefore, the research findings suggest that a five-point improvement in employee attitudes toward costumers resulted on an increase to a 1.3 growth in customer satisfaction. This increase is directly related to an increase of 0.5 increases in revenues Brooks (2000)

Price relationship with luxury consumption: it is a known fact that there is a direct relationship between the price and the demand. The demand and supply laws explain how the change in the price of a normal good is negatively related to its quantity demanded. However, when it comes to luxury goods, a previous research was conducted in order to examine the relationship between prices displays, luxury consumption, and customers' attitude. The findings show that customers of luxury products directly relate high prices with "higher perceived quality, uniqueness, and conspicuousness for a fictitious low-end brand" (Parguel, Delécolle, Valette-Florence 2014). The study findings also demonstrate that there is no negative relationship between price demonstration and the perceptions of luxury for a higher level brand (Parguel, Delécolle, Valette-Florence 2014). Therefore, it was revealed that the higher the price of a luxury service or a product, the higher is the perception of its quality.

Location of business and its profitability: The perfect location of any business is usually related to the nature of the business in itself (Nolo, 2016). Before opening a business, it is necessary to find out the habits of the target market in order to know the most accessible

location to them (Nolo, 2016). Therefore, many questions should be asked before the choosing of the business location, mainly the nature of the business and the type of target. Hence, the location of the business is usually very crucial in its success (Nolo, 2016).

Quality of the service or product and success of business: The quality of the product or a service is usually a good determinant of its price. A study was conducted in order to examine the relationship between service and product quality, and the business success in South Africa. The findings of the study indicated that resources, service and product quality, and the environment of the business played a major role in its success (Sithole, Leon, 2015). It was also demonstrated that the location of the business is also related to its success (Sithole, Leon, 2015).

Physical environment and success of business: The physical environment plays a crucial role on the influence of the customer's mood, which influences their buying decision. Previous researches have already demonstrated how every detail in the physical environment can influence the consumer behavior, and these details can be not only interior and exterior designs of the business, but also be other elements such as lighting and smell of the place. The study entitled "Influence of Physical Environment on Disconfirmation, Customer Satisfaction, and Customer Loyalty for First-time and Repeat Customers in Upscale Restaurants" explains how customer perception, satisfaction, and loyalty can be influenced by the physical environment of the a conceptual model to examine how customers' perceptions of physical environment of luxurious restaurants (Ryu, Han, 2010). The study explains that customers are usually satisfied and loyal to the restaurants where they feel mostly comfortable and well received (Ryu, Han, 2010).

Respect of client and success of business: customers will eventually come back if they are satisfied, but in order for them to be satisfied, there are many conditions a business should meet, and showing them respect is one of the first conditions. Former study found a relationship between both employees and customers' satisfaction (Jeon, Choi, 2012). The results show that employees' satisfaction influences customers' satisfaction, while customers' satisfaction has no effect on employees' satisfaction (Jeon, Choi, 2012). Hence employees' satisfaction plays an important role in the productivity of employees, which lead to providing customers with the necessary treatment and respect.

Customers' emotions effect on luxury consumption (Self fulfillment): Kun Yan study already demonstrated that the way customers feel about themselves has an important influence of their purchasing behavior. According to Adallah et al. (2009) the capitalist model suggests that it is necessary to keep the consumption growing in order to ensure the economy growth. Therefore, customers are constantly bombarded with marketing messages convincing people that the consumption of products and services can create their happiness and self-confidence (Proschle, 2011). Hence, consumption was explained as the spending for survival or enjoyment, as opposed to providing for future production (Proschle, 2011). Today, majority of consumers relate their happiness, success, and self-fulfillment to the degree of their consumption and the nature of the products they consume (Proschle, 2011).

Relationship between sense of belonging and luxury consumption: a research was conducted in order to examine the British and Indian social influences on luxury consumption (Shukla, 2010). The findings of the research suggest that social forces have an influence on the luxury consumption in both countries. This means consumers in both societies tend to purchase

luxury products in order to increase their sense of belonging and feel part of the social class they belong to (Shukla, 2010).

Need of security and consumption: In addition, making the customer feel secure is one of the most important aspects of business success (Universal Training Academy, 2011). When a customer chooses one service over another, it is a given that the business should provide them with the necessary security. Safety and security become more important when it comes to services like schools where parents drop their kids at the beginning of the day, and expect them to be safe, and between good hands. It is, therefore, very necessary for a business to make their costumers feel secure when they are using their product or service.

THEORETICAL FRAMEWORK

The theoretical framework suggests that the main factors that motivate parents to enroll their kids in a luxury American school are divided into two categories: the emotional motivators, and the functional ones. This framework is inspired from the theoretical framework that has been used by Kun Yan (2004) in his research entitled “Understanding Luxury Consumption in Guangdong, China”, and it has been modified to fit this study, in order to examine the factors influencing attendance of an American school in Morocco. (Kun Yan, 2004, p. 32). The theoretical framework can be presented as shown in figure 1:

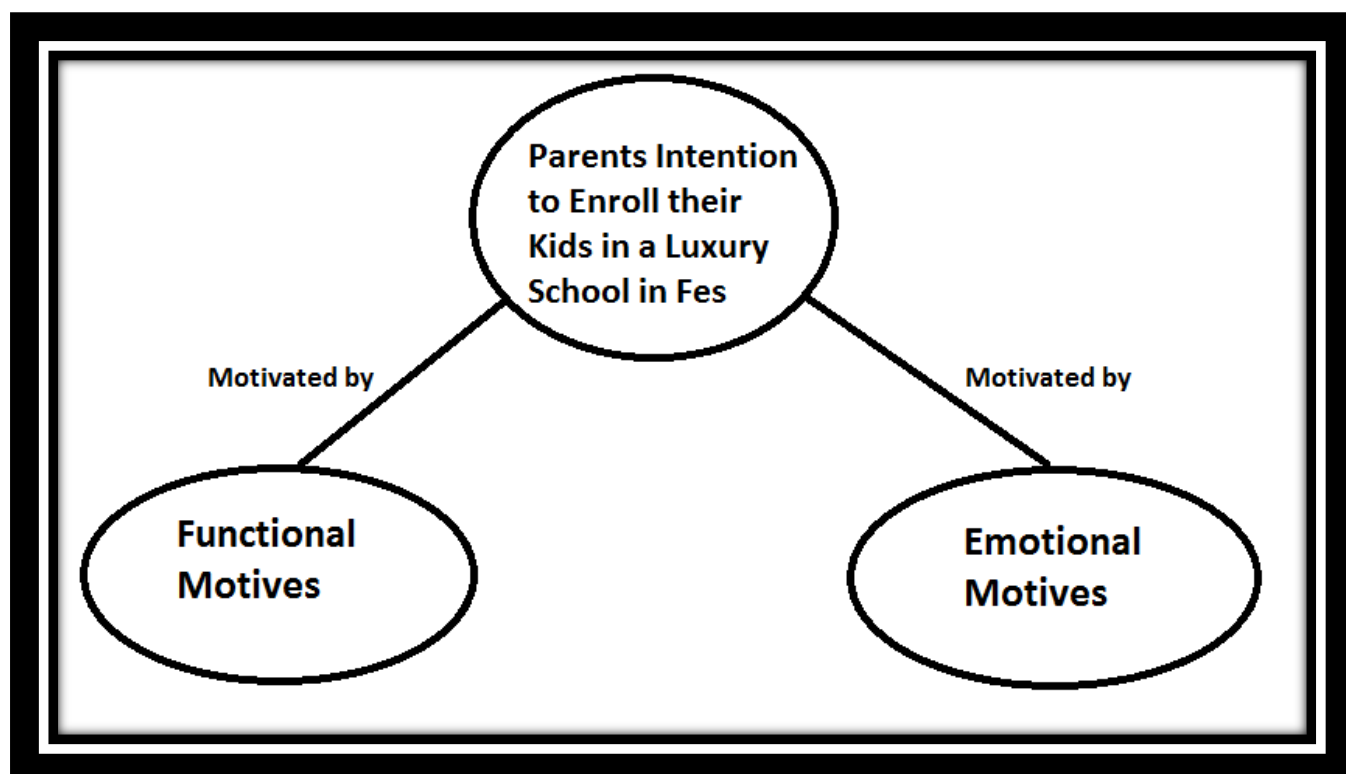


Figure 1: Theoretical Framework (the intention of parents to enroll their kids in a luxury American school in Morocco)

This framework explains how the intention of parents to enroll their children in an American School in Morocco can be guided by mainly two types of motivators: the emotional and the functional ones. The emotional types of motivators can be the increase of their sense of belonging in order to feel part of an upper class that can afford an exclusive and unique high quality education. It also includes the increase of the sense of self-fulfillment by feeling accomplished through the consumption of such a unique service. The emotional motivators

also include the sense of safety and security, since American schools invest more in providing higher quality of security, and a safer educational environment. The excitement of different life style can also be one of the emotional motivators that lead to consuming such service. Additionally, the need of feeling respected not only by the service providers, but also by the society as whole, can be one of the emotional motivators to enroll in an American School in Morocco.

The functional factors however include different types of motivators, and those motivators are usually controlled by the microeconomic level of the business. These factors can be the tuition of the school, its location, the qualifications of the staff and faculty, the safety of students, the quality of education, the students' teachers' ratio, the physical environment of the school, and the parents' income. The literature review suggests that there is a relationship between each of these factors and the success of a business.

Methodology and Data Collection

Variables	Name	Type	Quantifying	Explanation of variable
Y:	Wiliness to enroll in AS	Dependent	Scale of prices from 20 000 Dh a year to upper than 100 000 Dh	The wiliness to enroll in an American school explains the extent to which parents are willing to enroll their children in an American School in accordance with the price they are willing to pay. This question explains how much parents are willing to enroll their kids and how much they are willing to pay for such a service.
X1:	Income	Independent	From 10 000 Dh to more than 50 000 Dh monthly	This variable is explaining the relationship between parents' monthly income and their wiliness to pay for an American education.
X2:	Staff	Independent	How important Scale from 1 to 5	This variable explains the relationship between staff and teachers' qualifications, their native language, academic and professional experience, and the parents' wiliness to pay for an American education.
X3:	Tuition	Independent	How important Scale from 1 to 5	This variable explains the relationship between how the tuition is important to parents, and their wiliness to pay for an American education.
X4 :	Location	Independent	How important Scale from 1 to 5	X4 variable explains the relationship between the importance of the location of the school and the parents' wiliness to pay for an American education.
X5 :	Quality	Independent	How important Scale from 1 to 5	X5 variable explains the relationship between the importance of the quality or academic programs and the pedagogy used in classrooms, and the parents' wiliness to pay for an American education.

X6 :	Relationship	Independent	How important Scale from 1 to 5	This variable explains the connection between the kind of relationships parents and students have with staff and teachers, and the parents' wiliness to pay for an American education.
X7 :	Physical environment	Independent	How important Scale from 1 to 5	This variable explains the relationship between the importance of the beauty of the campus and the parents' wiliness to pay for an American education.
X8 :	Respect	Independent	How important Scale from 1 to 5	This variable explains the association between the importance of parents being respected by the school staff and teaching their kids respect, and their wiliness to pay for an American education.
X9 :	Self-fulfillment	Independent	How important Scale from 1 to 5	This variable explains the association between the importance of self-fulfillment in their lives, and the parents' wiliness to pay for an American education.
X10 :	Sense of belonging	Independent	How important Scale from 1 to 5	This variable explains the association between the importance of feeling part of a certain social class, and the parents' wiliness to pay for an American education.
X11 :	Security	Independent	How important Scale from 1 to 5	This variable explains the association between the importance of sense of security in their lives, and the parents' wiliness to pay for an American education.
X12:	Excitement	Independent	How important Scale from 1 to 5	This variable explains the relationship between the importance of having exciting lives, and the parents' wiliness to pay for an American education.

Using primary type of data and quantitative research method was exploited, a sample of 73 participants from Fes city in Morocco were surveyed. The participants are all customers of luxury services in Fes, such as SPAs, luxury health clubs, restaurants, bars, lounges, and coffee shops. A multiple regression model was used in order to analyze the relationship between 11 independent variables and parents' wiliness to enroll and pay for an American luxurious school in Morocco. Hence, this study explains the association between both emotional and functional factors and the parents' wiliness to enroll and pay for an American education in Fes, Morocco. The functional factors include parents' income, the tuition, the location of the school, the qualifications of teachers, security provided at the school, the physical environment of the school, and the kind of relationships between parents, staff, students, and teachers. The emotional factors include sense of belonging, self-fulfillment, excitement, respect, and security. The regression model will study the relationship between all these factors and parents wiliness to enroll their children in an American School in Morocco.

Previous similar studies were conducted using the same methodological approach. A quantitative study was conducted to examine the relationship between the length of superintendent tenure, longevity, and continuity relative to student achievement as evidenced by the 2008-2009 3rd Grade New Jersey Assessment of Skills and Knowledge (NJASK) in language arts. This study used a multiple regression model in order to examine the relationship between the dependent and independent variables. Similarly, this research will be using a multiple regression model in order to study the association between the variables. The following sample explains the format of multiple regression model:

Model

Willingness to enroll in an AS = F(parents salary, staff qualifications, tuition, location, quality of education, relationships, respect, fulfillment, belonging, security, excitement). In order to test the validity of the models, a multiple regression analysis will be used. To test the significance of the overall model, the adjusted coefficient of determination and the F test will be used.

Analytical statistics (Regression analysis)

After running the regression analysis, the coefficients were determined in order to form the following model:

$$\text{Enrolling in ASF} = 0.22 + 0.5 \text{ Salary} + 0.004 \text{ Staff} + 0.05 \text{ Quality} + 0.02 \text{ Location} + 0.003 \text{ Tuition} - 0.009 \text{ Relationships} + 0.002 \text{ Physical Environment} + 0.09 \text{ Respect} + 0.017 \text{ Self-fulfillment} + 0.19 \text{ Belonging} + 0.13 \text{ Security} + 0.03 \text{ Excitement}$$

- ***The adjusted coefficient of determination R^2_{adj}***

When running the regression, the adjusted coefficient of determination appears to have an R^2 adjusted of 70 %. This means that 70 % of the variation of the change of the parents' willingness to pay for an American education in Fes is explained by the variation in parents' monthly salary, the importance of quality of education to parents, the importance of the location of the school, the importance of tuition, the relationships between parents, staff, students, and teachers, the physical environment of the school, respect, self-fulfillment, sense of belonging, security, and excitement, (Berenson, Levine, Timothy, Krehbiel, 2012).

- ***The overall model significance F test***

The overall F test appears to have a value of 15.13. Therefore, using the F table of two tails with an alpha of 0.05, number of independent variables of 12, and a sample size of 73, we end up with a numerator of 12, and a denominator of 60. Thus, the critical values will be 2.38 in the upper tail (Berenson, Levine, Timothy, Krehbiel, 2012). We, hence, conclude that we reject the F value, which means that the overall model is significant. Accordingly, this explains that the independent variables the parents' monthly salary, the importance of quality of education to parents, the importance of the location of the school, the importance of tuition, the relationships between parents, staff, students, and teachers, the physical environment of the school, respect, self-fulfillment, sense of belonging, security, and excitement, are related to the change of the parents' willingness to pay for an American education in Fes.

DISCUSSION AND CONCLUSION

Enrolling in ASF = 0.22 + 0.5 Salary + 0.004 Staff + 0.05 Quality + 0.02 Location + 0.003 Tuition – 0.009 Relationships + 0.002 Physical Environment + 0.09 Respect + 0.017 Self-fulfillment + 0.19 Belonging + 0.13 Security + 0.03 Excitement

The regression model explains that there is a positive relationship between the wiliness to enroll in an American school in Fes, Morocco, and the parents' monthly income, qualification of the staff, the quality of education, the location of the school, tuition, physical environment of the school, respect, self-fulfillment, belonging, security, and excitement. This means that if one of these variables increases by one unit, the wiliness to attend an American school in Fes, Morocco, will also increase with the same unit.

The model also explains that the parents' salary has the most influence of the children's enrolling in an American school in Fes. This means that the higher is the parents' income, the more likely they are to put their kids in such an educational system. Sense of belonging is also one of the highest variables that influence the enrolling in an AS in Fes. This explains the fact that in traditional societies people are more obsessed with confirmation, the need to be accepted by other, and the need of people with high income to show that they can afford luxuries.

The importance of feeling secure is also highly influential to the AS attendance, which explains that parents in a city like Fes, which suffers from a high rate of crimes compared with other cities in morocco, people are very concerned about this issue, and the consumption of any service can be affected by this factor. Respect and quality of education are also two most important variables influencing the wiliness to attend AS in Fes. This means that the better the quality of education and respectful academic environment, the more willing are parents to pay for such a service.

Therefore, from this research, we conclude that parents' income, the sense of belonging, children's security, quality of education, and respect, are the most important variable that contributes to a success of an American School in Fes Morocco.

REFERENCES

- Beatrice Parguel, Thierry Delecolle, Pierre Valette-Florence. "The impact of price display on perceptions of luxury: a masstige perspective". 2014. Web. 20 June 2016.
- Berenson, Levine, Timothy, Krehbiel, "Business Statistics", 2012.
- "Choosing a Successful Location for Your Business | Nolo.com." Nolo.com. Nolo, n.d. Web. 27 June 2016
- "Entrepreneurship and New Venture Creation" University of the Witwatersrand, Faculty of Commerce, Law and Management, Graduate School of Business Administration, 2015. Web. 22 June 2016
- Yan, Kun. Understanding Luxury Consumption in Guangdong, China. Thesis. Project (M.B.A.) - Simon Fraser University, 200, Hubei: SIMON FRASER UNIVERSITY, 2004
- Ryu, Kisang, and Heesup Han. "Influence of Physical Environment on Disconfirmation, Customer Satisfaction, and Customer Loyalty for First-time and Repeat Customers in Upscale Restaurants." University of Massachusetts - Amherst. University of Massachusetts, 2010. Web. 28 June 2016.

- HoseongJeon, Beomjoon Choi, (2012) "The relationship between employee satisfaction and customer satisfaction", Journal of Services Marketing, Vol. 26 Iss: 5, pp.332 – 341
- "International Schools in Morocco." , Education, Morocco. N.p., n.d. Web. 27 June 2016.
- "Importance of Security Guards For Schools." Universal Training Academy. N.p., n.d. Web. 27 June 2016.
- "Morocco - Embassy of the United States." American Schools in Morocco. US Embassy in Morocco, n.d. Web. 27 June 2016.
- Plotts, Timothy. "A Multiple Regression Analysis of Factors Concerning Superintendent Longevity and Continuity Relative to Student Achievement." Scholarship. Seton Hall University, 2011. Web. 28 June 2016.
- Proschle, Karen Farías. "Consumption and Happiness: How Do They Relate?" MegForum. N.p., n.d. Web. 28 June 2016.