Engaging Marketing Students: Student Operated Businesses in a Simulated World

Rebekah Russell-Bennett, Sharyn R. Rundle-Thiele and Kerri-Ann Kuhn

Journal of Marketing Education published online 24 August 2010
DOI: 10.1177/0273475310377758

Journal of Marketing Education
XX(X) 1–11

DOI: 10.1177/0273475310377758
http://jmd.sagepub.com

Engaging Marketing Students: Student Operated Businesses in a Simulated World

Rebekah Russell-Bennett[1], Sharyn R. Rundle-Thiele[2], and Kerri-Ann Kuhn[1]

Abstract

Engaged students are committed and more likely to continue their university studies. Subsequently, they are less resource intensive from a university's perspective. This article details an experiential second-year marketing course that requires students to develop real products and services to sell on two organized market days. In the course, students participate as both consumers and marketers in a simulated world. The current article explores the effectiveness of this experiential assessment in terms of its ability to engage students. Comparing student engagement to a traditional lecture course and National Survey of Student Engagement benchmarks, the results suggest that the use of a simulated marketplace is capable of engaging students. Specifically, the assessment reported encourages more active learning and collaboration, is more academically challenging, and permits more student–faculty interaction than a traditional lecture-based course. The course structure outlined in this article permits the dynamics of a live marketing environment to be introduced into the classroom. The authors provide practical advice for educators seeking to design and implement engaging pedagogy.

Keywords

student engagement, student-operated businesses, marketing management, course design, QUTopia

Introduction

According to the higher education literature, active student engagement during the learning process is essential, as it is linked to both student retention and learning outcomes (Coates, 2005; Tinto, 1993, 2006-2007). However, many students are failing to sufficiently engage with their studies for myriad reasons, including a range of personal and work-related priorities (McInnis, 2001). At a global level, we are witnessing a fundamental shift in the way students now see the university experience, as they face the difficult task of trying to balance many commitments (McInnis, 2001). The challenge for marketing educators has therefore become, how should we engage our students?

Research on student preferences (see, e.g., Karns, 2006) suggests that students prefer learning activities that are enjoyable, challenging, and similar to the tasks they would be performing in the business world. Some universities therefore have student-operated businesses, such as coffee shop/sandwich operations and gift shops on campus. Typically, such student businesses involve small numbers of students. However, the provision of experiential teaching and learning activities can be problematic for educators faced with large class numbers. In the absence of hands-on marketing roles, educators are faced with the need to create experiential teaching and learning activities to equip their students with the knowledge, skills, and experience necessary to function effectively on graduation.

The integration of "work experience" into the higher education curriculum has been identified as a means to not only *teach* students necessary skills but also have them *apply* these skills as part of course work. The application of core skills in the classroom is important for the professional development of students, as part of their preparation to enter the workforce. Equally important is the need to motivate students to use these skills and practice the necessary theory. Experiential learning exposes students to the complexities of problems and provides a means of engaging students (McKenzie, Morgan, Cochrane, Watson, & Roberts, 2002). It requires teaching activities and assessment that provide students with opportunities to learn skills, content, and tasks

[1]Queensland University of Technology, Brisbane, Australia
[2]Griffith University, Nathan, Queensland, Australia

Corresponding Author:
Sharyn R. Rundle-Thiele, Department of Marketing, Griffith Business School, Griffith University, Nathan, Queensland 4111, Australia
Email: sharyn.rundle-thiele@griffith.edu.au

that are relevant, realistic, authentic, and represent the natural complexities of marketing and management (Honebein, 1996; Smith & Van Doren, 2004). Experiential learning has been found to enhance critical thinking skills, increase motivation and productivity, as well as improve the quality of student work (Fall, 1998). Experiential teaching and learning activities encourage active learning and active student involvement, which positively influence the development of graduate capabilities (Kember & Leung, 2005).

This article details one experiential assessment, QUTopia, which requires student teams to start and operate a business in a simulated world. The assessment is designed to provide students with hands-on experience in the marketing tasks relevant to starting a business. Student engagement was used to assess the effectiveness of the experiential assessment.

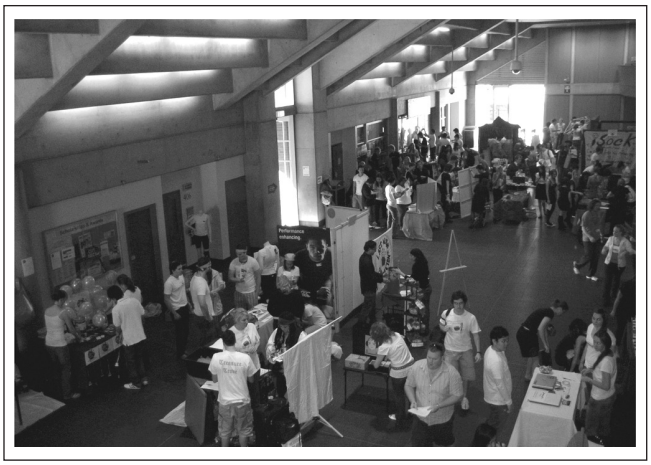

Figure 1. QUTopia market day

QUTopia: The Market Simulation

Considering the importance of student engagement, it is necessary for educators to develop new course designs and methods of assessment that achieve this outcome. One such innovation that seeks to enhance the student experience is "QUTopia." Since 2005, more than 1,600 second-year Australian marketing students have experienced QUTopia: a physical marketing simulation that requires students to develop real products and services to sell on two organized market days that occur during the teaching semester (see Figure 1). QUTopia is conducted in a second-year marketing management course, which has content covering the marketing environment, market segmentation, target marketing, marketing objectives, and the marketing mix. Typically, when this course is taught in other universities, the assessment used is a marketing plan. However, the aim for our course is to teach students how to manage a full marketing management cycle, which means going beyond the planning phase to include the implementation of the plan and the evaluation of marketing strategies against objectives. Thus, a full marketing management cycle is the underpinning framework for lecture content and assessment.

The simulation, which is currently in its ninth offering, was designed with two aims in mind. First, the simulation was created to allow students to experience, in real time, the challenges and issues that marketing professionals face when developing and commercializing a new product. The rationale underpinning this first objective was that students were not being equipped with real-world knowledge and skills (Rundle-Thiele, Bennett, & Dann, 2005). Based on the understanding that Generation Y is more likely to start their own business than any generation preceding them (Tulgan & Martin, 2001), the second objective was to provide experiences that would assist students seeking to start their own business. QUTopia is used in the second-year Marketing Planning and Management course as a bridge between the first-year course, which teaches principles and concepts, and the final-year Marketing Strategy course, which teaches strategic marketing.

QUTopia is a make-believe city, governed by laws for both consumers and businesses. The lecturer adopts the role of mayor. Students enrolled in the course are given two roles. The first is as a local resident of QUTopia, and the second is as a marketing employee of a local business. In the first week of the simulation, students are asked to provide their consumer profile (demographics and psychographics), which are then collated into a file detailing all consumers in QUTopia. The consumer data are made available on the course website for student teams to download and use for marketing purposes, though individual students cannot be directly identified in any way.

Students are asked to form a business with four or five other students and to invent a new product or service that is simple and inexpensive to produce. Products and services that have been developed and marketed by student teams include photography, games, socks to cover mobile phones, charities, palm card readings, stickers, massage services, and gifts, including jewelry, candles, headbands, and bags (see examples in Figures 2 and 3). Each student team is issued with start-up capital of $1,980, in the "pretend" currency of QUTopia. This capital can be used for a range of activities including purchasing from other QUTopia businesses, promoting the business through sponsoring lectures or buying advertising space, and conducting market research in class. Students are also randomly allocated a salary and provided with fake currency to spend at market days. Each semester the economy is varied by altering the salary allocation. Student-operated businesses compete for the consumer dollar, selling their products and services at the two market days in return for fake currency.

Figure 2. Student Business Example 1
Note: *Secret Garden* students offered packaged seedlings in individually prepared containers, focusing on the consumer trend of sustainability and the environment. The students measured their outcomes using marketing metrics and were the 2008 winners of the Australian Marketing Institute's student marketing plan award. Secret Garden achieved 40.3% market share and 94.9% profitability.

Figure 3. Student Business Example 2
Note: *La Vida* students approached local businesses, obtaining sponsorship in the form of free products. Products donated were combined into bags offered for sale. Students could buy these bags with their assigned QUTopia currency.

The emphasis for QUTopia is on *what is learnt* not *what is achieved.* There are no marks allocated for the volume of sales or the amount of profits gained. Students are assessed on their ability to develop tactics that are consistent with their stated objectives and strategies, as well as their ability to analyze activities and improve performance. This is intended as a safe environment to encourage student teams to take risks and innovate.

QUTopia Assessment

Students are required to complete three assessment items for the course, which runs over one semester of 13 weeks and comprises 13 lectures plus 12 tutorials. First, student teams are required to complete a Marketing Plan by Week 7, and this comprises 30% (team mark). The second assessment item assesses tactical implementation, and this comprises 10% as a team mark and 10% as an individual mark. Student teams must design and construct a stall or display, which will be their distribution outlet for sales at the QUTopia market days in Weeks 10 and 11 (see Figures 2 and 3 for examples). The students adopt a role of marketing manager, product manager, pricing manager, distribution manager, or promotion manager, and they are graded on their ability to understand and implement the functions of these roles. Attendance at market days is a compulsory requirement of this course. With two market days, students can observe and reflect on the success of their plans and competitive responses at the first market day and then make changes based on these observations for the second market day. The final assessment item is a case study of QUTopia. The case study requires students to analyze the performance of their team and the implementation of their marketing plan using case study analysis. The case study is worth 50% of a student's final grade and is an individual assessment item.

Although exponents of experiential learning espouse the virtues of being student centered, the practice in reality is often more teacher centered than is realized (Estes, 2004). Many times students are reluctant to become as involved in the activity as the teacher would prefer (Hess, 1999). There are various reasons why students are resistant to active learning; they expect passive learning based on prior experience, or some students' learning style is passive (Hess, 1999). It is thus important to shape students' expectations by explaining the benefits of experiential learning. In QUTopia, students are contacted prior to the start of semester via email, and the pedagogical approach is explained to identify the benefits. This approach "presells" the concepts and lowers student resistance.

Literature Review

Engagement refers to "the active involvement, commitment and sense of belonging that dictates the time and effort students devote to educationally purposeful activities" (Cleary & Skaines, 2005, p. 1). Engagement is a topic of enduring concern for researchers, educators, and policy makers for a number of reasons. First, students who are not engaged lack commitment, which manifests into declining attendance and increased requests for special consideration (often to fit around paid work; McInnis, 2001). This creates additional work for teaching and support staff in universities. Second,

engagement has been linked to student retention (Tinto, 1993, 2006-2007), which in turn is directly linked to university funding by governments in countries such as Australia (among other factors). Finally, engagement in the classroom can serve as a "gateway" for subsequent involvement in the wider academic and social community of the institution (Tinto, 1997).

The higher education literature emphasizes the importance of several factors to facilitate engagement. Key characteristics of engaging pedagogy are (a) active and collaborative learning, (b) academically challenging, (c) increased student–faculty interaction, (d) supportive campus environment, and (e) enriching educational experience. A supportive campus environment and enriching educational experiences are institutional factors, and hence, these are considered beyond the control of individual faculty members at course level. The first three factors (a-c) are relevant for assessing student engagement at a course level and are therefore considered most relevant to our purpose. The first three factors will be briefly considered in turn.

Active and Collaborative Learning

Students learn best in an active learning or experiential environment, where academic and social activities are integrated (Drea, Tripp, & Stuenkel, 2005). In such an environment, authentic learning can occur (Newell, 1999). Rather than an instructor imparting knowledge, when students have the opportunity to actively construct and assimilate knowledge themselves (active learning) through a reciprocal process with their peers (collaborative learning), a deeper, more personally relevant form of learning can result (Bransford, Brown, & Cocking, 2000; Bruffee, 1995; Schon, 1995). Student-to-student interactions help facilitate higher-order learning and reflection (Hay, Hodgkinson, Peltier, & Drago, 2004; Peltier, Drago, & Schibrowsky, 2003) as well as divergent thinking (because students bring their range of ideas and ways of solving problems to the classroom; Peltier, Hay, & Drago, 2005). A more meaningful learning experience can be gained through vision sharing (Van Woerkom, 2004), analyzing and comparing one's responses to others (Thorpe, 2001), coproduction of outcomes (Biggs, Kember, & Leung, 2001), and the development of team leadership skills (Brown & Posner, 2001). Oral skills may also be improved as a result of collaboration with peers in team work, meetings, informal conversations, and negotiations (Crosling, 2000). Overall, active and collaborative learning activities promote student involvement and can lead to a number of positive behaviors such as increased academic effort, openness to diversity, social tolerance, and personal as well as interpersonal development (Cabrera, Nora, Bernal, Terenzini, & Pascarella, 1998; Pascarella, Edison, Nora, Hagedorn, & Terenzini, 1996; Whitt, Edison, Pascarella, Terenzini, & Nora, 2001). In QUTopia, it is proposed that the development of a prototype product to commercialization in "business" teams will energize the students to work together collaboratively in order to learn through experience and that this experiential course will be more engaging when compared with a traditional lecture-based course. This article compares and contrasts student engagement for QUTopia with a traditional lecture course, where assessment is individually based and not based on experiential learning. The following hypothesis is proposed:

> *Hypothesis 1:* A course involving student-operated business in a simulated world will have higher levels of active and collaborative learning than a traditional lecture course.

Academically Challenging

Challenging intellectual and creative work is central to student learning. Developmental theory literature suggests that to facilitate intellectual and psychological development (and encourage growth and change), educators should design learning environments that challenge and support students (Chickering & Reisser, 1993). For example, when novel situations are presented that require nonroutine methods of response and interaction with peers of diverse backgrounds, students are forced to think in different, more complex ways (Baxter-Magolda, 1996; King & Kitchener, 1994). Furthermore, when such situations are tailored for the students' current level of development (in other words they are supportive), students can adapt appropriately to the challenge (Newman & Newman, 1998). In contrast to a traditional lecture course, where there is no direct contact with business, in QUTopia, students contact local businesses to gain raw materials for use in the development of their product. This involvement with balancing real-world issues and marketing theory is more academically challenging than in a traditional course. This leads us to Hypothesis 2:

> *Hypothesis 2:* A course involving student-operated business in a simulated world will be more academically challenging than a traditional lecture course.

Student–Faculty Interaction

Guidelines offered in the literature suggest that to create an academically challenging environment, staff and students should actively engage and coproduce what is learnt (Paswan & Young, 2002; Smart, Kelley, & Conant, 2003). Indeed, according to McInnis (2001), the major focus for course organization and curriculum in general should be to increase the amount of time students can interact with academics. Interaction with faculty members inside and outside of the

classroom provides an opportunity for students to see first-hand how experts think about, and solve, problems. Teachers become role models, mentors, and guides for continuous lifelong learning. In the traditional lecture course, the students' only interaction with faculty is via formal teaching contact and in specified consultation periods. This compares with QUTopia, where there is a greater need for faculty to interact with students via out-of-hours contact and email, in order to assist students in problem solving. This leads to Hypothesis 3:

> *Hypothesis 3:* A course involving student-operated business in a simulated world will lead to higher levels of student–faculty interaction than a traditional lecture course.

The National Survey of Student Engagement

Student engagement has been widely studied at an institutional level (see, e.g., Carini, Kuh, & Klein, 2006; Hughes & Pace, 2003). More than 1,100 four-year colleges and universities in the United States and Canada have used the National Survey of Student Engagement (NSSE) to better understand the extent to which students and institutions engage at an institutional level. The NSSE survey asks first- and final-year undergraduates about their experience at an institution during the current year. Undergraduates are asked to report on how they spend their time, what they feel they have gained from classes, their assessment of the quality of their interactions with faculty and students, and other educationally important activities. However, although these studies provide insights at an institutional level, there are fewer examples of assessment of student engagement at a course level. An institutional focus can assist institutions to evaluate overall educational effectiveness, but a course-level focus is required to assist faculty to understand how the assessment methods chosen can assist to engage students. This article compares an experiential teaching and learning second-year course (involving QUTopia) with a more traditional lecture-based second-year course to assess student engagement and ultimately offer recommendations regarding how to design engaging pedagogy.

Method

Students enrolled in two second-year courses were invited to participate in the research. The students were enrolled in either the experiential Marketing Planning and Management course (which involves QUTopia) or a traditional lecture-based course, Consumer Behavior. Participants were asked to complete a student engagement survey, which consisted of items from the NSSE instrument (see http://nsse.iub.edu/html/survey_instruments_2008.cfm). The NSSE asks students to reflect on their experience at an institution, and data from this are used to benchmark universities in North America that offer 4-year degree programs. Our survey required students to focus on their experience in one of the aforementioned courses. Items were therefore adapted to assess student engagement for their second-year course. Some NSSE items relating to activities beyond the borders of the classroom were omitted to avoid respondent fatigue. Consistent with the NSSE, items were scored on four points where 1 was *very often*, 2 was *often*, 3 was *sometimes*, and 4 was *never*.

The NSSE survey captures data on five dimensions of student engagement: (a) active and collaborative learning, (b) level of academic challenge, (c) student–faculty interaction, (d) supportive campus environment, and (e) enriching educational experience. The measures for these dimensions are shown in the appendix. Although data on all five dimensions were captured, data on the first three dimensions formed the focus of our evaluation, as these were deemed to be course specific. The final section of the survey required students to report on a number of demographic variables, including gender, year of birth, academic performance, enrolment status, level of study, whether they were domestic or foreign students, along with their parents' highest level of educational attainment.

Data Analysis

Following the guidelines provided by the NSSE, scales were created for each of the five student engagement dimensions. First, all items that contribute to a dimension were converted to a 0- to 100-point scale. Consistent with the NSSE approach, items with four response options (e.g., very often, often, sometimes, never) were recoded with values of 0 (*never*), 33.33 (*sometimes*), 66.67 (*often*), and 100 (*very often*). Scale reliability was assessed and Cronbach's alpha exceeded .70 for each of the five dimensions, consistent with NSSE reliability estimates. Dimension scores were calculated by summing the items, averaging the scores to obtain scale mean for each dimension. Scores from 0 to 100 were obtained for each of the five student engagement dimensions. *T* tests were undertaken to compare student engagement scores for each of the course-specific dimensions.

Scores for the Marketing Planning and Management course were next compared with the 2007 NSSE First and Senior Benchmarks to further evaluate the course's ability to engage students. A comparison with both first-year and senior student benchmark scores was deemed appropriate to gauge the extent of student engagement in the second-year Marketing Planning and Management course.

A total of 181 students were enrolled in the experiential second-year course (Marketing Planning and Management), and 243 students were enrolled in the traditional lecture-based second-year course (Consumer Behavior). The format for both courses was the same (2-hour lectures and 1-hour

tutorial support classes), and both were taught by the same faculty member. Thus, the potential influence of the university, course level (second year), format, and teaching staff on the results was minimized.

Results

Attendance at the Marketing Planning and Management lecture when the surveys were distributed was 106 students. A total of 96 student engagement surveys were returned, representing a 90.5% response rate. In the Consumer Behavior course, the survey was distributed to 66 students who attended the lecture. A total of 61 student engagement surveys were returned, for a 92% response rate. Both courses are compulsory for all undergraduate marketing major students.

A summary of the demographic characteristics of the sample is presented in Table 1. This shows that the sample is made up predominantly of second-year, female students in their early 20s, classifying them as Generation Y. The majority is Australian, and most students indicated that they had commenced studies at a different university.

Following NSSE guidelines, scores were calculated for each of the five dimensions of student engagement and these results are reported for both courses in Tables 2 and 3. Each dimension is scored from 0 to 100, where 0 means *never* and 100 means *very often*.

T tests were used to compare student engagement in the two second-year courses to test our three hypotheses (see Tables 2 and 3). The *t* tests confirmed that learning was more active and collaborative in Marketing Planning and Management ($M = 44.09$, $SD = 13.48$) than the more traditional lecture-based Consumer Behavior course ($M = 29.05$, $SD = 14.14$) and that this difference was significant, $t(1, 51) = 13.87$, $p = .001$. *T* tests indicated that learning was more academically challenging in Marketing Planning and Management ($M = 62.76$, $SD = 11.43$) than the traditional lecture-based Consumer Behavior course ($M = 36.16$, $SD = 11.43$) and that once again this difference was significant, $t(155) = 6.68$, $p = .001$. *T* tests confirmed that there was a higher level of student–faculty interaction in Marketing Planning and Management ($M = 32.81$, $SD = 19.52$) than in Consumer Behavior ($M = 22.54$, $SD = 19.68$) and that this difference was also statistically significant, $t(151) = 3.20$, $p = .002$. As we would expect, given that both courses are offered in the same institution, there was no statistically significant difference in the remaining two university-level engagement dimensions, namely, supportive campus environment and enriching educational experience. Hypotheses 1 to 3 are supported. Experiential teaching and learning in the form of QUTopia is more engaging for students.

To place course-level student engagement scores into a broader context, the student engagement scores for Marketing Planning and Management were compared with the NSSE benchmarks as a way to evaluate the course (see Table 4). Recall that the NSSE requires students to report on their experience at an institution during the current year, although our survey required students to report on their experience in the Marketing Planning and Management course.

Table 1. Sample Demographics

Demographics	Marketing Planning and Management ($N = 96$), Mean (*SD*)	Consumer Behavior ($N = 61$), Mean (*SD*)
Age (years)	21.5 (2.55)	23.2 (4.3)
Females (%)	62.9	59.0
Domestic students (%)	62.5	63.9
Year of study (%)		
1st year (freshman)	11.5	34.4
2nd year	58.3	52.5
3rd year (senior student)	19.8	13.1
Enrolled fulltime	84.4	91.8
Began studies at another university	61.5	73.8
Member of a university club	7.3	21.7

Table 2. Student Engagement in the Marketing Planning and Management Course

	N	Mean	*SD*	Percentile Distribution 25	50	75
Active and collaborative learning	96	44.09	13.48	33.33	44.44	55.55
Academically challenging	96	62.76	11.43	56.67	63.33	70.00
Student–faculty interaction	96	32.81	19.52	16.67	33.33	41.66
Supportive campus environment	96	38.08	19.99	22.22	33.33	44.44
Enriching educational experience	96	44.21	22.79	33.33	44.44	55.55

Table 3. Student Engagement in the Consumer Behavior Course

	N	Mean	*SD*	Percentile Distribution 25	50	75
Active and collaborative learning	61	29.05	14.14	19.44	27.77	38.88
Academically challenging	61	36.16	11.43	30.80	34.43	44.18
Student–faculty interaction	61	22.54	19.68	8.33	16.66	33.33
Supportive campus environment	61	36.43	21.95	22.22	33.33	55.55
Enriching educational experience	61	40.80	21.25	22.22	33.33	55.55

Table 4. Student Engagement: Marketing Planning and Management and NSSE Benchmarks

	Marketing Planning and Management		2007 NSSE Benchmark (Senior Students)		2007 NSSE Benchmark (First-Year Students)	
	N	Mean	*N*	Mean	*N*	Mean
Active and collaborative learning	96	44.09	149,102	50.08	149,364	41.25
Academically challenging	96	62.76	141,408	55.61	136,506	51.75
Student–faculty interaction	96	32.81	142,877	41.20	138,276	32.82
Supportive campus environment	96	38.08	136,832	56.91	130,276	59.85
Enriching educational experience	96	44.21	138,913	39.89	133,088	27.09

Note: 2007 NSSE Benchmarks available online at: http://nsse.iub.edu/NSSE_2007_Annual_Report/SeniorBenchmarks.htm and http://nsse.iub.edu/NSSE_2007_Annual_Report/First-yearBenchmarks.htm.

When compared with NSSE benchmarks, students reported a less supportive campus environment but a greater academic challenge and a more enriching educational experience. Active and collaborative learning was above the first-year benchmark, but it fell below the senior student benchmark. Student–faculty interaction was in line with the first-year benchmark, but it fell below the senior student benchmark.

Discussion

The experiential teaching and learning marketing course presented in this article is considered by students to be more engaging when compared with a traditional lecture-based course. It centers on a marketing simulation (QUTopia) that requires students to develop real products and services to sell on two organized market days. Assessment is directly linked to the simulation. Students are assessed on their market day stall, a marketing plan, and finally analysis of their own performance in the market via a case study. Consistent with benchmarks of effective educational practice, this course presents students with a novel situation that requires them to respond and perform. Students are forced to think in different, more complex ways, and the course encourages interaction with both faculty and peers of diverse backgrounds. When compared with a more traditional lecture-based format, the course design described in this article clearly engages marketing students. Student engagement was further evaluated through comparison with NSSE benchmarks. This provides further evidence that the experiential learning offered in the course is capable of engaging students.

Specifically, students in our study report the experiential course allows more active and collaborative learning, is more academically challenging, and permits higher levels of student–faculty interaction. When compared with NSSE benchmarks, the experiential course outlined in this article is both academically challenging and educationally enriching, with scores exceeding the first-year and senior student NSSE benchmarks. By requiring students to develop products and services for sale, it would appear marketing educators can engage their students. In contrast to some other experiential activities, such as cases and computer simulations, this experiential pedagogical technique permits the dynamics of a live marketing environment to be introduced to the classroom, creating both apprehension and excitement. This technique enables students to physically touch and interact with their product and customers rather than imagine them, as is often the case in other simulations. Furthermore, realism is enhanced by providing students with fake currency and requiring them to sell to market day visitors (primarily other students enrolled in the course). Overall, this type of simulation is a useful alternative to computer-based simulations. It is a long-term experiential activity (recall that the course runs for 13 weeks) that provides students with a wide range of business problems.

Practical Advice for Educators: Implications for Pedagogy

Alternative designs could be considered by marketing educators. First, different student cohorts could participate in the market as consumers. For example, introductory or consumer behavior students could be the customers, and assessment in their course could be linked to their customer role for the market day. This would enable marketing management students to focus on operating the business. Furthermore, it may also enhance their perceptions of active and collaborative learning, because it would provide marketing management students the opportunity to meet, and work with, others outside their immediate course. It is interesting that, although students in our study reported excellent progress on developing their team work skills, the score for active and collaborative learning was below the NSSE senior student benchmark. Perhaps this suggests that these second-year students require a wider exposure.

To further extend the assessment described in this article, marketing educators could construct market days centrally in the university, where students sell products for real cash university wide. This would require the development of products and services that appeal to university students.

The proceeds of the market days could be donated to nominated charities, offering a further selling proposition for student teams. The use of real money may help students improve their financial skills, which is important considering that progress toward the course objectives concerning market share calculation and financial analysis was only rated as "average" in our study. Marketing educators could consider offering rewards for strong economic performance rather than only rewarding simulation performance, as is often the case. For example, the economic bottom line (e.g., profit generated) could be worth 10% to 30% of grades. This would be consistent with the competitive drive that underlies entrepreneurialism.

Greater involvement from the wider university community may also enhance student perceptions concerning support in the campus environment. Although not a core focus of our study, it is interesting to note that the university was below the NSSE benchmarks for a supportive campus environment. To improve this, students and faculty staff would be wise to actively promote a university-wide event together, to increase the likelihood of a successful turnout. A secondary benefit of this collaboration is that student–faculty interaction should be enhanced as a result.

In our study, student–faculty interaction was in line with first-year NSSE benchmarks but fell below senior student benchmarks. A likely explanation for this discrepancy is that Australian universities have some of the highest staff–student ratios in the OECD countries (Bradley, 2008). The experiential marketing course in this research had a total enrolment of 181 students and was taught by one faculty member, who conducted 13 two-hour lectures over 13 weeks. In addition to the lecture, students had 12 one-hour tutorials. Each tutor had several tutorial groups with 25 students each, making them responsible for around 75 students in the semester. These ratios are considerably higher than many North American staff–student ratios. Furthermore, it is likely that this course offering represents less teaching time than many North American students experience. These differences suggest that further research is required to benchmark student engagement outside of North America to provide a more comprehensive understanding of student engagement. It is possible the student–faculty interaction reported in this study is high for an Australian business undergraduate student.

In our sample, 7% to 21% of the students were members of university clubs. Our current findings are consistent with other studies (McGill, Rundle-Thiele, & Lye, 2009), which have identified that Australian universities have failed to actively engage students with their student bodies from the outset of their academic tenure. Yet students who are members of a university club appreciate the educational benefits of a novel course design more than nonmembers. Studies show that such students tend to perform better academically (Astin, 1993; Cooper, Healy, & Simpson, 1994; Hoffman, 2002) and demonstrate higher levels of psychosocial development (Foubert & Grainger, 2006). It is therefore in the best interest of universities to encourage involvement in extracurricular academic activities, though this must be balanced with time for academic study.

Key Learnings

In comparison to the inaugural offering, student expectations of the Marketing Planning and Management course are now carefully managed. Prior to course commencement, students are emailed and notified about QUTopia and the workload requirements. This communication discourages students who cannot give an adequate time commitment from enrolling in the course. In the first week of class, explanation of the pedagogy behind the design of QUTopia is provided, along with testimonials from past students. A manual has also been prepared, which outlines the skills developed from participation. Finally, students in the first-year principles course are invited to attend the market days as "tourists," in order to see how the course operates and to frame their expectations before they enroll. The latest Marketing Planning and Management unit evaluations, conducted in the second semester of 2008, indicate that these changes to the management of expectations are increasing the level of student satisfaction. The course achieved its highest satisfaction rating of 4.1 out of 5, which is above the university average of 3.6. Satisfaction with the assessment showed that 77.6% of the students were satisfied with the workload, 91% were satisfied with the level of difficulty, and 97% were satisfied that the assessment was relevant to the topic of the course. These final two satisfaction scores were higher than the average at a university level.

There is now a considerable amount of institutional knowledge on QUTopia, with the simulation being discussed among the student cohorts. To keep the simulation fresh, surprise elements are used each semester to distinguish offerings, such as "guerilla marketing week," where students are allowed to "take over" the class with minimal notice. Each offering of QUTopia has involved changes in terms of laws and rules, types of products, the economy, and instructions, as well as refinement of the assessment. A recent peer review of the QUTopia assessment, however, has identified further areas for improvement. Recommendations are that best-practice videos should be developed for the course website to assist student learning and that timing of the market days should be reconsidered to assist students in balancing numerous study demands.

A reasonable amount of instructor time is involved in this simulation. The time commitment is highest the first time it is run, and the time committed diminishes over time once the systems and documentation have been developed. In terms of the level of effort throughout the semester, the effort levels are highest in the first 3 weeks when getting the students

set up in their business and the final weeks after the market days when retrieving profit figures form each group.

Future Research

The current research compared and contrasted student engagement for an experiential course involving student-operated businesses in a marketing simulation, with a traditional lecture-based course. Comparisons on course-level student engagement were also made with NSSE benchmarks. Further research is required, however, to gain an understanding of the impact of this simulation on student learning and success. This would require obtaining a control group (students not undertaking a simulation) for comparison with the experimental group (students completing the simulation task). To test whether the simulation helps student learning, student grades could be used as a measure (ideally controlling for student grade point average and other factors). Furthermore, our literature review noted that outcomes of engaging pedagogy are increased commitment, student retention, and wider involvement in the academic and social community of the institution; these areas represent opportunities for future research. For example, attendance rates and student requests for special consideration could be used as surrogate measures for commitment. These could be compared across students enrolled in courses offering experiential teaching and learning, with those who are not enrolled. A final opportunity arising for future research relates to the NSSE benchmarks. Opportunities exist for researchers to further extend our understanding of student engagement, as measured by the NSSE, beyond an institutional and North American context.

Conclusion

Experiential learning has been suggested as a means to engage students (McKenzie et al., 2002). This article extends our understanding by illustrating how experiential assessment, a marketing simulation, can be used to engage students in a marketing management course. The value of engagement has been demonstrated through the support of the three hypotheses, which indicate that an experiential learning course offers more active learning, is more academically challenging, and increases the level of student–faculty interaction when compared with a traditional course.

The key success criteria for running a noncomputer-based simulation are managing the expectations of students, allowing sufficient time for execution, and ensuring that students appreciate and understand the skills they are gaining. It is also important to have all elements of the course interlinked closely: the lectures provide the theory and implications for the relevance of QUTopia, the related assessment and tutorials provide the skills students need (i.e., calculating the budget, setting up a stall that is consistent with the positioning of the company), and the course website contains business and consumer profiles, details of past market days, and downloadable forms. This integration is important, as it encourages student attendance and involvement. Indeed, we have found high attendance at tutorials, because students see how these classes practically apply the theory from lectures, in a way that is directly related to the assessment pieces. Finally, educators need to continually monitor and improve a simulation to keep it innovative and fresh. A live simulation is time consuming to develop and implement, but once designed and tested, it can operate smoothly. We have offered practical advice for educators seeking to design engaging pedagogy with the use of this technique. Our results show that such a simulation is worth the effort, as it offers a powerful experience for students, and this is rewarding for teaching staff.

Appendix

Student Engagement Items

In this course how often have you. . . .

Active and Collaborative Learning
- Asked questions in class or contributed to class discussions
- Made a class presentation
- Worked with other students on projects during class
- Worked with classmates outside of class to prepare class assignments
- Tutored or taught other students (paid or voluntary)
- Discussed ideas from your readings or classes with others outside of class (students, family members, coworkers, etc.)

Level of Academic Challenge
- Number of assigned textbooks, books, or packs of course readings
- Number of written papers or reports of 20 pages or more
- Number of written papers or reports between 5 and 19 pages
- Number of written papers or reports of fewer than 5 pages
- Analyzed the basic elements of an idea, experience, or theory, such as examining a particular case or situation in depth and considering its components
- Synthesized and organized ideas, information, or experiences into new, more complex interpretations and relationships
- Made judgments about the value of information, arguments, or methods, such as examining how others gathered and interpreted data and assessing the soundness of their conclusions
- Applied theories or concepts to practical problems or in new situations
- Worked harder than you thought you could to meet your Teaching Instructors' standards or expectations
- Spent significant amounts of time studying and on academic work

Student–Faculty Interaction
- Discussed grades or assignments with a Teaching Instructor
- Discussed ideas from your readings or classes with Teaching Instructors outside of class

(continued)

Appendix (continued)

Received prompt written or oral feedback from Teaching Instructors on your academic performance
Worked with Teaching Instructors on activities other than coursework (committees, orientation, student life activities, etc.)

Supportive Campus Environment
Been provided the support you need to thrive socially
Been provided the support you need to help you succeed academically
Been helped to cope with your nonacademic responsibilities (work, family)

Enriching Educational Experience
Included different perspectives (genders, religions, races) in class discussions or written assignments
Had contact with students from different economic, social, racial, or economic backgrounds
Used computers in nonacademic work

Declaration of Conflicting Interests

The author(s) declared no conflicts of interest with respect to the authorship and/or publication of this article.

Funding

The authors wish to acknowledge the financial support provided by the Services Innovation Research Program (SIRP) in the Faculty of Business, Queensland University of Technology.

References

Astin, A. W. (1993). *What matters in college? Four critical years revisited*. San Francisco, CA: Jossey-Bass.

Baxter-Magolda, M. B. (1996). Epistemological development in graduate and professional education. *Review of Higher Education*, *19*, 283-304.

Biggs, J., Kember, D., & Leung, D. Y. P. (2001). The revised two-factor study process questionnaire: R-SPQ-2F. *British Journal of Educational Psychology*, *71*, 1333-1349.

Bradley, D. (2008). *Universities Australia submission to the review of Australian higher education*. Canberra, ACT, Australia: Universities Australia.

Bransford, J. D., Brown, A. L., & Cocking, P. R. (Eds.). (2000). *How people learn: Brain, mind, experience and school*. Washington, DC: National Research Council/National Academy Press.

Brown, L., & Posner, B. Z. (2001). Exploring the relationships between learning and leadership. *Leadership and Organization Development Journal*, *22*, 274-280.

Bruffee, K. A. (1995). *Collaborative learning: Higher education, interdependence and the authority of knowledge*. Baltimore, MD: John Hopkins University Press.

Cabrera, A. F., Nora, A., Bernal, E. M., Terenzini, P. T., & Pascarella, E. T. (1998). *Collaborative learning: Preferences, gains in cognitive and affective outcomes, and openness to diversity among college students*. Paper presented at the Annual Meeting of the Association for the Study of Higher Education, Miami, FL.

Carini, R. M., Kuh, G. D., & Klein, S. P. (2006). Student engagement and student learning: Testing the linkages. *Research in Higher Education*, *47*, 1-32.

Chickering, A. W., & Reisser, L. (1993). *Education and identity*. San Francisco, CA: Jossey-Bass.

Cleary, J., & Skaines, I. (2005, July). *Student engagement as a quality indicator at the University of Newcastle*. Paper presented at the proceedings of the 2005 Australian Universities Quality Forum, Sydney, Australia.

Coates, H. (2005). The value of student engagement for higher education quality assurance. *Quality in Higher Education*, *11*, 25-36.

Cooper, D. L., Healy, M. A., & Simpson, J. (1994). Student development through involvement: Specific changes over time. *Journal of College Student Development*, *35*, 98-102.

Crosling, G. (2000). Transition to university: The role of oral communication in the undergraduate curriculum. *Journal of Institutional Research*, *9*, 69-77.

Drea, J. T., Tripp, C., & Stuenkel, K. (2005). An assessment of the effectiveness of an in class game on marketing students' perceptions and learning outcomes. *Marketing Education Review*, *15*, 25-33.

Estes, C. A. (2004). Promoting student-centered learning in experiential education. *Journal of Experiential Education*, *27*, 141-160.

Fall, L. T. (1998). Using management by objectives to measure results of classroom projects through authentic assessment. *Journal of Education for Business*, *73*, 172-175.

Foubert, J. D., & Grainger, L. U. (2006). Effects of involvement in clubs and organizations on the psychosocial development of first-year and senior college students. *NASPA Journal*, *43*, 166-182.

Hay, A., Hodgkinson, M., Peltier, J. W., & Drago, W. A. (2004). Interaction and virtual learning. *Strategic Change*, *13*, 193-204.

Hess, G. F. (1999). Principle 3: Good practice encourages active learning. *Journal of Legal Education*, *49*, 401-417.

Hoffman, J. L. (2002). The impact of student cocurricular involvement on student success: Racial and religious differences. *Journal of College Student Development*, *43*, 712-739.

Honebein, P. (1996). Seven goals for the design of constructivist learning environments. In B. Wilson (Ed.), *Constructivist learning environments* (pp. 17-24). Englewood Cliffs, NJ: Educational Technology.

Hughes, R., & Pace, C. R. (2003). Using NSSE to study student retention and withdrawal. *Assessment Update*, *15*(4), 1-2.

Karns, G. L. (2006). Learning style differences in the perceived effectiveness of learning activities. *Journal of Marketing Education*, *28*, 56-63.

Kember, D., & Leung, D. Y. P. (2005). The influence of active learning experiences on the development of graduate capabilities. *Studies in Higher Education*, *30*, 155-160.

King, P., & Kitchener, K. (1994). *Developing reflective judgment: Understanding and promoting intellectual growth and*

critical thinking in adolescents and adults. San Francisco, CA: Jossey-Bass.

McGill, P., Rundle-Thiele, S. R., & Lye, A. (2009). Lack of early engagement: A pre-eminent barrier to Australian university bequest giving? *International Journal of Non-profit and Voluntary Sector Marketing*, *14*, 271-283.

McInnis, C. (2001). *Signs of disengagement? The changing undergraduate experience in Australian universities*. Inaugural professorial lecture presented at the Centre for the Study of Higher Education, Faculty of Education, University of Melbourne. Retrieved from http://eprints.unimelb.edu.au/archive/00000094/01/InaugLec23_8_01.pdf

McKenzie, A. D., Morgan, C. K., Cochrane, K. W., Watson, G. K., & Roberts, D. W. (2002, July). *Authentic learning: What is it, and what are the ideal curriculum conditions to cultivate it?* Paper presented at the proceedings of the 2002 Annual International HERDSA Conference, Perth, Australia.

Newell, W. H. (1999). The promise of integrative learning. *About Campus*, *May/June*, 17-23.

Newman, B. M., & Newman, P. R. (1998). *Development through life: A psychosocial approach* (7th ed.). Belmont, CA: Wadsworth Cengage Learning.

Pascarella, E. T., Edison, M., Nora, A., Hagedorn, L. S., & Terenzini, P. T. (1996). Influences on students' openness to diversity and challenge in the first year of college. *Journal of Higher Education*, *67*, 174-195.

Paswan, A. K., & Young, J. A. (2002). Student evaluation of instructor: A nomological investigation using structural equation modeling. *Journal of Marketing Education*, *24*, 193-202.

Peltier, J. W., Drago, W., & Schibrowsky, J. (2003). Virtual communities and the assessment of online marketing education. *Journal of Marketing Education*, *25*, 260-276.

Peltier, J. W., Hay, A., & Drago, W. (2005). The reflective learning continuum: Reflecting on reflection. *Journal of Marketing Education*, *27*, 250-263.

Rundle-Thiele, S. R., Bennett, R., & Dann, S. (2005). The successful preparation and development of future marketing professionals: A recommended methodological framework. *Journal for the Advancement of Marketing Education*, *7*, 27-36.

Schon, D. A. (1995). The new scholarship requires a new epistemology. *Change*, *27*, 27-34.

Smart, D. T., Kelley, C. A., & Conant, J. S. (2003). Mastering the art of teaching: Pursuing excellence in a new millennium. *Journal of Marketing Education*, *25*, 71-78.

Smith, L. W., & Van Doren, D. C. (2004). The reality-based learning method: A simple method for keeping teaching activities relevant and effective. *Journal of Marketing Education*, *26*, 66-74.

Thorpe, M. (2001). Reflective learning and distance learning-made to mix by design and assessment. *Information Services and Use*, *20*, 145-158.

Tinto, V. (1993). *Leaving college: Rethinking the causes and cures of student attrition* (2nd ed.). Chicago, IL: University of Chicago Press.

Tinto, V. (1997). Colleges as communities: Exploring the education character of student persistence. *Journal of Higher Education*, *68*, 599-623.

Tinto, V. (2006-2007). Research and practice of student retention: What next? *Journal of College Student Retention: Research, Theory and Practice*, *8*, 1-19.

Tulgan, B., & Martin, C. A. (2001). *Managing Generation Y: Global citizens born in the late seventies and early eighties*. Amherst, MA: HRD Press.

Van Woerkom, M. (2004). The concept of critical reflection and its implications for human resource development. *Advances in Developing Human Resources*, *6*, 178-192.

Whitt, E. J., Edison, M. I., Pascarella, E. T., Terenzini, P. T., & Nora, A. (2001). Influences on students' openness to diversity and challenge in the second and third years of college. *Journal of Higher Education*, *72*, 172-204.