

AN EMPIRICAL STUDY OF STUDENT PREFERENCE AND THE DYNAMICS OF MARKETING STRATEGIES OF PROFESSIONAL INSTITUTES IN ODISHA

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ABSTRACT

The dynamics of admissions to professional institutes has become intensely complex in recent years due to the proliferations of professional colleges and universities in the state of Orissa. As the nature of the environment grows more competitive, the role of marketing, previously non-existent in most institutes, has grown significantly. One of the key factors that would assist an institute's marketing effort is an understanding of what determines a student's institute preference.

Orissa has 62 private and 10 Government colleges who take part in Orissa Joint Entrance Examination every year for enrollment of students in different disciplines. It is interesting to note that certain institutes attract large number of students where as many others struggle to fill up their seats. The condition was so dire that for the third consecutive year OJEE conducted second entrance examination in the month of October. The prospect of a sharp decline in college applications and subsequent enrollments has generated tremendous pressure on college administrators to find more effective ways to attract students.

The present study intends to throw a light on the fact that what these students have in mind and the influence of marketing efforts before selecting an institute of preferred choice. Preliminary findings indicate that the important determinants of institute preference are course suitability,

academic reputation, job prospects, place-ability training and teaching quality, which has significance for education managers developing marketing strategies and programs.

Keywords: Market Segmentation, Student demography, Decision making, Institutional attractiveness, Marketing and communication strategy, Marketing Analysis

1. Introduction

1.1 Socio-cultural demography

Orissa, The Land of Jagannath extends from 17^o 49'N to 22^o 34'N latitude and from 81^o 29'E to 87^o 29'E longitude on the Eastern coast of India. It has an area of about 155,707 Square Km. It is bounded by West Bengal in the North-east, Bihar in the north, Madhya Pradesh in the west, Andhra Pradesh in the south and the Bay of Bengal in the east. The capital was established at the historic city of Cuttack, located at the apex of the Mahanadi delta. In 1956, it shifted to Bhubaneswar, a planned modern town of the post-independence period. Physiographically, Orissa can be divided into three broad regions 1) The Coastal plains, (2) The Middle mountainous country (3) The Plateaus and rolling up lands.

The population of Orissa has increased to 368.05 lakh in 2001 exhibiting a decennial growth rate of 16.25 percent as against 20.06 percent in the previous decade. The density of population increased from 203 per sq. km. in 1991 to 236 per sq. km. in 2001, which is lower than the all-India average of 313 per sq. km. Increase in the literacy rate from 49.10 percent in 1991 to 63.08 percent in 2001 was significant. Population belonging to BPL constitutes 47.15 % (2001). The male and female literacy rates have gone up to 75.35 percent and 50.51 percent respectively in 2001. There is a significant increase in levels of unemployment and under-employment because of an increase in population and the consequent addition to the labour force.

1.2 Institutional Landscape of Orissa

Education is an important driving force for human resource development. Improvement in awareness and skill is possible only through education in various areas. The State has 17 universities, 2 science institutions, 117 technical institutes (management, engineering and others) and 162 degree colleges (with intake capacity of more than 50,000 students). In the field of technical education, the State has made significant progress. By the end of 2006-07, there were 44 Engineering Colleges including 7 Government Colleges, with intake capacity of 14,497 students and 30 Engineering Schools / Polytechnics including 13 in the Public Sector, with intake capacity of 4,130 students. Besides, there are 48 colleges in the State to provide Master's Degree Courses in Computer Application (MCA) with intake capacity of 2,802 students. In the field of medical science, the State has three Medical Colleges, one Dental College, one Pharmacy College, three Ayurveda Colleges, four Homoeopathic Colleges and one Nursing College in the Government Sector. Besides, there are three medical colleges, four dental colleges, two Ayurveda colleges, two Homoeopathic colleges, and thirteen Pharmacy colleges in the private sector.

Out of this western Orissa has three universities, eighty seven degree colleges, four engineering colleges, one medical college. Southern Orissa has two universities, six autonomous colleges, one medical college and more than 40 degree colleges.

2. Challenges faced by the Institutions in terms of admissions

Every year in the month of May, Orissa Joint Entrance Examination (OJEE) is conducted for enrollment in to these technical colleges where more than 30,000 applicants exercise their luck to be successful in getting admission in different disciplines in the above said colleges. But ironically certain institutes like RCM, KIIT, IMIS, and C V RAMAN get their seats filled up where as some others have very low enrollments. The condition is so precarious that OJEE had to conduct second entrance exam in the month of October for the second successive year to get these seats filled up.

The prospect of a sharp decline in the college applications and subsequent enrollments has posed the biggest challenge to college administrators to find more effective ways to attract students.

According to the Central Advisory Board of Education (CABE) Committee report higher education is expanding in an unplanned manner, without even minimum levels of checks and balances. Many universities are burdened with unmanageable number of affiliated colleges. Some have more than 300 colleges affiliated to them. Private universities are being carved out to have larger autonomy in taking students in management quotas, designing independent self-financing courses. Under these circumstances, our dependence on autonomy as the means to improve quality of such a huge size of higher education system poses serious challenges. With the explosive growth of knowledge and with the development of handy tools of information and communication technologies along with other scientific innovations, competition has become a hallmark of growth all over the World.

One of the critical things that institutions need to sustain today is innovation. India's higher education system is choking, unable to keep up with the numbers of aspirants. The quality of teaching is also falling. The shortage of Indian knowledge professionals arises from low employability and competing demand from the domestic market as the economy grows. One of the main reasons for lack of skilled professionals could be attributed to the mismatch between industry requirements and academic curricula of most of the professional colleges. For example, approximately 2000 MBA students who graduate from any IIM and 10 other premier schools every year could be considered suitable for employment, while only half of the 84,000 graduates from the AICTE-approved Tier II Business Schools can be considered employable. Another cause for this situation is that the education system in Odisha give more emphasis on the theoretical aspects rather than the practical approach where students should be sent to market for operation workouts on weekly basis, short term assignments to understand the industry where they would work in future, semester wise live projects so that the students become employable at the end of the course and it becomes easy for them to get a job.

In addition to above the biggest impediment is getting an education Loan from banks. As the bad loans in education loans category increasing, banks have become cautious in sanctioning fresh loans to the sector. Though, there was an implied obligation on public sector banks to disburse the education loans as per the targets, banks are facing lot of delinquency pressure due to growing defaulters in this segment. This situation has become the biggest hurdle for many financially backward meritorious students, who are aspiring professional education (MBA, MCA, MEDICAL, ENGINEERING) by getting student loans from banks.

3. Factors influencing the student choice of institutes

3.1. Understanding student decision making

In the interests of students, it is increasingly important to understand prospective students' expectations, the influences on them, and their decision-making processes at and around the points of initial application and later enrolment in an institute or university.

A large number of models are there in the literature describing student decision-making and attitude development in the secondary tertiary education transition (Paulsen 1990, Chapman 1981). These models have often been developed for education systems that differ significantly from one educational system to other. Many of them focus on the early processes of choice formation and the social, economic and cultural factors that shape educational aspirations.

The hypothetical model for professional education aspiration and university application that guided the design of the present study has three stages:

- the intention of educational aspirations to go to a particular institute or university;
- the identification of a limited set of tertiary options based on perceived interests, aptitude and attainability on the basis of specific information ; and
- the final decision.

Before choosing a university, most prospective students have formed preferences for the field(s) of study that interests them and that is/are associated with their personal interests and career intentions. It has not been assumed that applicants necessarily would have clear ideas about the appropriate field that might suit their general interest or that they had clear career ambitions at this stage. An interesting thing came out that there are some students who are solely intent on attending a particular institution regardless of the course in which they will enroll.

At the first declaration of preferences, students express their personal educational and career expectations as a course-institution combination of first preferred preference.

- **Course desirability**- knowledge and beliefs about the specific character of the course at the nominated institution.
- **Institutional attractiveness**- knowledge and beliefs about the quality and character of the institution, broader institutional characteristics and image.
- **Self-image**- beliefs about the personal attainability and appropriateness of this choice.

Throughout this process of choice, students are influenced by their personal social and economic backgrounds and the aspirations of themselves, their family and significant others regarding life and education.

Along with the above factors there are numerous criteria which influence the perception of the students while selecting an institute or university to pursue their career.

They are as follows:-

- Image of the institute
- Whether AICTE approved or not
- Whether UGC recognized or not
- Employment rate (placement record) of the institute
- Starting salaries
- International character of the institute
- Institutes research reputation

- Opportunity of higher degree to study.
- Track record of faculty.
- Infrastructure of the campus.
- Sports & recreation facility.
- How accessible it is to get to the institute from home.
- Mode of transportation
- Hostel facility.
- Teacher's recommendation.
- Tuition fees.
- Whether any discount is there or not
- Influence of friends.

3.2. The influence of gender, socio-economic status and location

In assessing the influence of various considerations on their choice of university, women indicate that they are less concerned than men with starting salaries for graduates, and the information technology used in teaching. They are more concerned with the atmosphere of the campus, where their friends are planning to go, and the opportunities for higher degree study.

Agriculture is the main stay of majority of people of Odisha and their income is sufficient to have hand to mouth living. So they are unable to meet the educational requirement of their children. That is why several considerations are there which have a greater influence on lower socioeconomic applicants than on those from the higher socioeconomic group: the tuition fees, availability of bank loans, the opportunities for flexible study options, and the availability of rental housing near the campus and the ease of access from home. These influences suggest that lower socioeconomic applicants are more concerned not only by location problems but also the affordability of pursuing higher professional degree.

Rural and semi urban students are less concerned than their urban counterparts, with the opportunities for higher degree study, the information technology used in teaching, starting salaries for graduates, the image of the university some of which may point to lack of knowledge and their parents views. Because of this negligence and ignorance sometimes it becomes harder to get them into the mainstream thinking of making a career, living a comfortable life, going up in the strata of society.

3.3. Influence by field of study preference

There are six fields of study which influence students to pursue their career.

Arts

Business/Administration/Economics

Education

Engineering

Health Sciences

Science

There are clear differences between students' responses according to their preferred fields of study. Applicants for courses in the Business/Administration stand out in terms of the relatively strong influence they attribute to good lucrative job, industry matching course curriculum, handsome salary, status in society. In choosing an institution, they are also more likely to be concerned to find study conditions that will fit in with their work commitments.

Business applicants are also relatively more concerned with the reputation of the course among employers, with 71 per cent indicating that this is a strong or very strong influence. In addition, students expected that a 'good' job would make them monetarily self-sufficient and not having to depend on their parents.

3.4. Influence of Social Issues

Students are generally keen on mentioning issues and needs of social dimensions. Basically they are centered on four sub-section headings: family, belonging, friends and social networking and

achieving a good social position. The 'family' topic was prominently represented by parents and their level of involvement, which varied amongst different families. It is understood that this is attributed to a number of reasons; the major reason being the fact parents are the fee payers. Some of the parents want their child to follow their footsteps. Some want that their child should follow the footprints of other siblings.

Some students went to university as they wanted to follow their friends after the end of primary, secondary education with a desire to go not only for the sake of being like their friends, but also to be with them. Another noted social subsection, which could be related to esteem need, was 'achieving a good social position' and less dependence on parents.

4. Marketing strategies of professional institutes and linkage with student preference

Issues that shape the decision making process of students have a direct linkage with the marketing strategies of institutes which compel the student to think many times before choosing/rejecting an institute. Information and communication strategies are two of the most pivotal steps to draw the attention of the aspirants.

4.1. Information

Information is a major factor in influencing student perspectives of choice and selection because students start collecting information about universities/institutes at the initial stage in the process of decision making. And students sometimes advertently/consciously or inadvertently/subconsciously collect information. That is the best time to divert them by making an eye-catching promotional strategy of the institute/university.

4.2. Communication

Press advertising, printed promotional materials, street billboards, and the Internet are highlighted sources of information, normally students go through. Students mentioned that they acquire information through press, specifically newspaper advertisements. Advertising should be carried out in distributing promotional materials such as full-color brochures and prospectuses. Street billboards contributed in providing information. Majority of the students have a view that

media reflects what the universities/institutes want potential students to know and think about them.

In the above circumstances where there is an urgent necessity in revamping the marketing strategies of the institutes we can discuss here some marketing Unique Selling Propositions (USP) to attract students.

- 1) 100% placements:** It is very illogical if the institutes guarantee 100% placements. What at best they can do is guaranteeing students about placement assistance and making them place-able by giving proper in-house soft skill training which sounds somewhat logical.
- 2) Approval from AICTE, UGC:** Even approval from these regulatory bodies do not ensure whether the institute is good or not. Only high quality branding will make things smooth.
- 3) Syllabus:** Industries require practical knowledge. So the curriculum has to include more of operation workouts, live projects, and target summer internship programs.
- 4) Faculty:** Highly qualified faculties with industrial background rather than academics are the need of the hour. And the most important aspect is to retain reputed faculties.
- 5) Rankings:** This is one of the best ways to trap students because students want to publicize their institute and take pride in studying there.
- 6) Hostel and canteen facilities:** This is definitely an important point for outstation students who want to have a convenient food and lodging in order to pursue their study smoothly.
- 7) Scholarships:** There are poor but meritorious students who cannot afford admission to good institutes. Scholarships in the form of discounts during admissions will lure many students from the socio-economically backward students.
- 8) Student exchange programs:** Exposure to outside environment as well as interaction with students of other institutes is an important tool for the students to enhance their skill level.
- 9) Free laptops:** Today's corporate world requires techno-savvy manpower that can have the ability to access to any information with blink of eye. Students need to be computer-savvy from the beginning and free laptops will make them more cyber specific in a Wi-Fi environment.

10) Air-conditioned campus: This option is irrelevant but still if students are willing to pay high price for their education then it becomes an important factor and this can be made purposeful by having a state-of-the-art lab and a technological infrastructure.

11) Conducting seminars: conducting national and international seminars is an important step for value addition, intellectual enhancement and strong brand building.

12) Affiliation with foreign universities: Students want to have more than one degree to enrich their CV. Foreign university certificate will add another feather to their cap.

5. Conclusion

The education industry in Odisha has become very complex over the years. People are looking at it as a good area of investment. Hence, many schools, private institutes and universities are coming up to run various professional courses. The competition has increased manifold because of the increase in the number of players. The education industry is a buyer's market and consequently the prospective students/learners have a wide choice regarding institutes or programs. In this arena, where all the universities and institutes claim to offer the same programs, it is extremely difficult for the students to decide the best ones. In such a marketing environment, sales promotion is one of the important tools useful in building a brand and also increasing sales. Hence, appropriate promotion strategies are required to be designed and executed to promote respective brands in the education market in order to attract good students. In the near future, there will be more applications of promotional tools by various players in the field because of more of private deemed /to be deemed universities coming to Odisha. With more competition among educational institutions, each will try to attract more students with tempting offers. Only the fittest will survive; one that will maintain quality in all respects and has a caring attitude towards the students.

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