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# **CUSTOMERS' (STUDENTS') PERCEPTIONS ABOUT 7Ps OF** HIGHER EDUCATION MARKETING MIX

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Abstract: A higher education institution, like any other business institution, needs to satisfy its clients (students) in order to survive in the business/ service market. In today's competitive academic environment where students have many options available to them, factors that enable educational institutions to attract and retain students should be seriously studied. Higher education institutions, which want to gain competitive edge in the future, may need to begin searching for effective and creative ways to attract, retain and foster stronger relationships with students. Services marketing mix will help higher education institutions to shape their service offerings according to the needs of their customers/students. In the present study, 7Ps of Higher education Marketing Mix were studied among the 10 self-financing professional institutes of North Haryana. A descriptive survey method was used for data collection with the help of a selfstructured & administered questionnaire on a sample of 500 students of education colleges (250) and management institutes (250). Findings of the study showed that there exists no significant difference between the perceptions of education & management students with t=0.85 (insignificant on 0.05 & 0.01 levels of significance) on overall assessment; But has significant differences on Product (t=3.03), People(t=3.35) & Process(t=2.01) while assessing the significant differences dimension wise.

Key-Terms: Service Marketing; Marketing Mix; Higher Education Marketing; 7Ps.

#### INTRODUCTION

With Globalization, Privatization and Liberalization since 1991, the corporate sector has discovered a trillion dollar industry which is yet to be fully explored and exploited. This is a service sector industry in the area of education as 'service' with a huge global market in which students, teachers, and non-teaching employees constitute resources for profit-making. The educational sector is flooded with large number of private and foreign players, specially the professional management institutions. Competition among private and (government, foreign owned institutions), population exploration, government initiatives have enforced the marketing concept in this sector which was not prevailing in the older era.

Marketing is the art of demand creation and the process of pursuing existing as well as potential customers. It has become a fashion for every organization to gain competitive advantages. Competition is everywhere; educational service sector is not an exceptional case. To survive in the stiff and turbulent competitive market, educational institutions, particularly the institutions offering professional course like B.Tech, M.Tech, BCA, MCA, MBA, BBA, B.Ed. & M.Ed. etc. are not lagging behind. They have also adopted practicing marketing their products and services. In this

industry, the students are consumers, teachers are service providers, and the institutions or companies catering to education services are organisers, and the teaching-learning process is no longer for the building of a nation but a business for profitmaking.

# **CUSTOMERS' (STUDENTS') PERCEPTIONS** ABOUT EDUCATION SERVICES

Good service to customers is one of the primary goals of any service organisation like educational institutes and this is the ability of any service provider to provide promised products/services. Institutes are essentially learning organisations stimulating academic and research activities by providing access to world-class information resources. Traditionally, the success of any institute is measured in terms of the infrastructural facilities, staff, budget and market value of their degree. But in the present day competitive world, the universities need to go beyond the traditional modes of assessments and apply marketing understanding techniques for customer requirements. Customer focus in services delivery is essential for satisfying the customers. The success depends on customers' perceptions or judgement on the quality of products/services provided by the service personnel in the institutes. And service quality is the measure of how well the products/ services delivered meet customer expectations.

A higher education institution, like any other business institution, needs to satisfy its clients (students) in order to survive in the business. Higher educational institutions are placing greater emphasis on meeting students' expectations and needs. As universities continue to become more student oriented, students' perceptions of higher educational facilities and services are becoming more important. It has been shown in various researches (for example, Swan and Oliver 1989; Taylor and Cronin 1994; Oliver 1997), that a customer with a positive attitude towards a business, engages in positive word-of -mouth communication which affects the bottom line of the business. The core service of a higher education institution: teaching is intangible dominant (McDougall and Snetsinger 1990). Intangibility, the lack of physical evidence for a service, forces a consumer to rely on sources of information such as word-of-mouth recommendations to arrive at purchase decisions (Webster 1991). Specifically, a prospective student comes to know about a higher education institution and/or forms expectations about the quality of service he/she would receive from the institution, from others who have attended (alumnis) and/or are attending the institution, parents, friends, relatives, etc.

Marketing is a social process by which an individual and groups obtain what they need and want through creating and exchanging of products and values with others. Since service sector has emerged as the largest sector in the world's economy, education marketing is of immense importance in the field of higher education services.

## **Education marketing**

The term Education Marketing refers to the marketing of education services with the aim to create customer and generate profit through customer satisfaction. The education Marketing focuses on the formulation of an ideal mix for education services so that the educational institutions survives and thrives in the right perspective.

# **Marketing --Mix for education services**

Higher education institutions need a well-developed comprehensive marketing strategy that is carefully communicated throughout the institution and the services marketing mix will help higher education institutions to shape their service offerings according to the needs of their customers. Grove & Kraft (2006) showed that in the marketing of education, the marketing mix is the single most important determinant of marketing success. In the light of the fact that marketing can influence the consumer's behavior and the services marketing

mix can assist higher education institutions in developing a holistic and well thought-through service offering, the seven services marketing mix elements are service product, price, place, promotion, people, process and physical evidence; the details of which is given below:

# Table-I 7 Ps of Educational Services Marketing Mix

#### . PRODUCT

The product/services that the institutions are selling.

- Curriculum
- Quality teachers
- Spiritual values
- Good students
- Safe environment
- Courses/ Programmes offered
- Values (Moral, social, ethical, practical)

#### 2. PRICE

This is the issue most affecting our enrollments.

- Target market vs price point
- Quality vs price
- Value vs price
- Facilities vs price
- Discounts budget driven scholarships

### 3. PLACE

The channel by which a product or service is sold.

- Location: Urban- Rural
- On the road
- Easy Accessibility
- Transportation facilities by college/ institutes
- Public Transport

#### 4. PROMOTION

Advertising, promoting the school/College or institution; publicity etc. through

- websites,
- e-mails,
- newspapers
- television,
- Internet
- Word-of-mouth
- Overt and natural promotion

"A good product sells itself"

# 5. PEOPLE

The persons involved directly/ indirectly in education services.

- Administrative authority Board
- Principal
- Teachers
- Students

- Employers
- Society

#### 6. PROCESS

Procedures/ Methodologies adopted by the institutes.

- Teaching Methods
- Learning Opportunities
- Practice Sessions
- Evaluation processes

#### 7. PHYSICAL EVIDENCE

Unlike a product, a service cannot be experienced before it is delivered. So, physical evidence of educational services can be experienced by following components:

- Physical infrastructure : Institution's Building, Classrooms, Play-grounds
- Library facilities
- Lab facilities
- Teaching/Learning materials
- Audio/Visual aids etc.
- Provide case studies, testimonies, samples

## i) Product

The most basic decision that higher education institutions have to make is what programmes and services they will offer to their students, alumni and donors. An institution's service product strategy determines its identity, position and how customers will respond to the institution. The item or service being marketed, through its features, quality, benefits and quantities. It includes degrees awarded and their syllabi, paper exemptions, brand name of their degrees and its history, placement facility, lateral entries, grading given by NAAC, recognition by UGC, AICTE, MCI, NBA OR HRD, demand and supply conditions of the degrees offered etc.

#### ii) Price

Price is part of the marketing mix and should be considered as an element of the institution's strategy planning. When setting price, decision-makers should understand how students perceive price and the importance of price in selection institutions. According to Cosser and Du Toit (2002), price is an important factor considered in choosing a higher education institutions i.e. know the cost of producing the service, know the price of competitors, identify pricing factors that are relevant to pricing decisions, and decide on a pricing strategy that will attract enough students. It includes admission and term fees structure, fee concessions and exemptions, college affiliation fee, exam fees, etc.

#### iii) Place

The location where the product or service is available to the customer, including distribution channels. Kotler and Fox (1995) divide a higher education institution's delivery system into three dimensions. The first dimension is the location of the institution that includes the accessibility, atmosphere and facilities; secondly, scheduling of service delivery that will appeal to students; and lastly, the mode of delivery, which include the technology and instructional forms to be used in the service delivery. Institutions should also give attention to the physical facilities, including the quality of the design, signage and functionality and feel of the service spaces. The physical buildings and surroundings convey a message to visitors, students and employees about the institutions.

#### iv) Promotion

It includes media propagation (Advertising, promoting the school/College or institution's publicity through newspapers, radio, television, Internet, Websites, e-mails, Brochures, Hoardings, word-of-mouth publicity) and Market communication is achieved by personal selling, advertising, direct marketing, job fairs, public relations, sales promotion and sponsorship.

#### v) People

This P includes professors, students themselves and non-teaching staff for which the universities have to plan and implement the number of teaching and non-teaching staff, their qualifications, recruitment and selection procedure, their training and rewards and conducting research on needs and wants of students and professors, educating the students about their role and responsibility and communicating the cultural values with the students; number of students, their background and interest and aptitude for the course in which he is studying.

## vi) Physical Evidence

This P includes design, aesthetics, functionality and ambient conditions of the classrooms and buildings, equipment in the labs, library facilities, dress code of students and professors, and non-teaching staff, annual reports and calenders or diaries or college magazines of the university, visiting cards of the staff, computer labs, gym, hospitals, banks, post offices, co-operative stores etc.

#### vii) Process

This P includes type of the service-standardized or customized, number of steps involved in the service process – simple or complex, teaching

methodologies, learning opportunities, practice sessions, evaluation processes and the level of involvement by students, professors, and non-teaching staff in the service delivery. This is the operational system by which marketing is managed within the organization. The components that go along the basic service offer are the accessibility of the service-faculty, office, classroom, study material; interaction under the service organization, interaction with admission, evaluation, hostel wardens & student welfare. **Objectives of the Study:** 

- 1. To identify the key elements (7Ps) of marketing mix in educational service sector.
- 2. To study the significant difference between the perceptions scores of the students of education colleges & management institutes about the marketing mix elements of education services.

#### **Delimitations of the Study:**

- 1. The study was delimited to only self-financing professional colleges.
- The study has included only 10 professional colleges (5 Colleges of education & 5 Management Institutes) located in Haryana.

### **Hypotheses of the Study**

1. There exists no significant difference between the perceptions scores of the students of education colleges & management institutes about the marketing mix elements of education services.

#### Research Methodology

The present study is based on Descriptive survey method. Survey method permits the researcher to come in direct contact with the people, whom he wants to study. The researcher reviewed all the research strategies and methods and found that neither historical, philosophical, genetic nor case study nor experimental research method is suitable for research study. In view of the purpose of the study, only descriptive survey method was considered most appropriate.

## **Sampling Technique**

First of all, stratified sampling technique was used for the selection of professional colleges and then convenient & simple random sampling technique was used for the selection of students from those colleges. A sample of 500 students comprising 250 students from 5 education colleges and 250 students from 5 Management institutes (50 students from each of the 10 institutes) was taken.

#### **Research Tool:**

A self-structured standardized questionnaire based upon the 7ps of service marketing mix in education services was used for evaluating the perceptions of the students regarding the higher education marketing services provided by their institutes. The questionnaire was analysed for reliability using SPSS (Statistical Software), resulted in the reliability score (Cronbach alpha) of .9539.

#### **Scoring**

Students' perceptions were measured on five point scale with anchor labels of 'strongly agree' and 'strongly disagree'.

Table-II Scoring

Responses on Perceptions	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
Score	5	4	3	2	1

#### Statistical techniques used for data analysis

After collection of data the scores were put in tabular form & graphical presentation was done by the investigator. For analysis and interpretation of data, the investigator used the following statistical techniques (Descriptive & Inferential):

- 1. Mean
- 2. S.D
- 3. 't-Test'

#### **Response Rate**

Questionnaires were administered personally to the respondents at the colleges/ institutes. This enabled the researcher to collect all the completed responses within a short period of time. Any doubts that the respondents had regarding any questions was clarified on the spot. The respondents were permitted to ask the researcher for further clarification if they encountered difficulties in understanding the questions. The numbers of the response rate is given vide:

Table-III Response rate of questionnaire survey

Type of Institute	Distributed	Completed	Percentage (%)
College of Education (B.Ed. students)	250	232	92.8%
Management institutes (MBA students)	250	214	85.6%
Total	500	446	89.2%

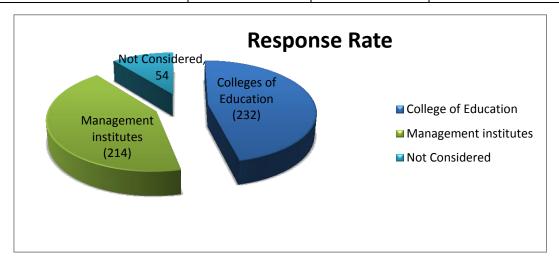


Figure- I Response rate of the respondents taken as Sample

This is clear from the above table that, 250 copies of questionnaires were distributed to the B.Ed. students of 5 colleges of education and about 92.8% were returned. Meanwhile, 250 copies of questionnaires were distributed to the MBA students of 5 Management institutes and 85.6% were completed and returned. A total of 446 usable questionnaires were returned from the total sample units of 500 and total returned rate is about 89.2%. The total of response rate was high.

# **Results & Findings:**

Significance of difference between the perceptions scores of education students & management students regarding the marketing mix components of education service marketing.

Table-IV

# Difference between the perception scores of the students of colleges of education & management institutes on 7Ps of Marketing Mix

Type of students	Number	Mean	S.D	t-value
Edu. (B.Ed.)	232	208.99	29.62	
Mgt. (MBA)	214	206.54	31.07	t=0.85*
Total	446	207.76		

<sup>\*</sup>Insignificant at 0.05 level of sig. and 0.01 level of Sig.

#### Interpretation

Table-IV shows that the calculated critical ratio i.e. 0.85 is less than the table value at 0.05 & 0.01 levels of significance. Null hypothesis ( $H_0$ ) is accepted at both the levels. It reveals that there exists no significant difference between the expectations and perceptions of the students about service quality components or it can be said that perceptions of education & management students about marketing mix components are almost same. It further shows that the mean perception score of education colleges is 208.99 and it is higher than the mean score of management institutes, i.e. 206.54. Therefore, it is evident that the sample education colleges are doing slight better than the management institutes.

Table-V
Differences between the '7Ps-mean scores' of students of Education colleges & Management institutes

Sr. No.	Dimensions	Type of College	N	Mean Scores	S.D	S.Ed.	't-value'
1	Product	Edu.	232	32.24	4.60	0.47	2.02*
		Mgt.	214	30.82	5.25	0.47	3.03*
2	Price	Edu.	232	21.40	4.25	0.40	1.72
		Mgt.	214	22.09	4.22		
3	Place	Edu.	232	34.05	6.35	0.58	1.70
		Mgt.	214	35.03	5.81		
4	Promotion	Edu.	232	28.51	5.79	0.58	0.24
		Mgt.	214	28.37	6.43		
5	People	Edu.	232	32.03	4.63	0.49	3.35*
	_	Mgt.	214	30.39	5.61		
6	Physical	Edu.	232	22.28	4.47	0.41	1.04
	Evidence	Mgt.	214	22.71	4.25		
7	Process	Edu.	232	38.47	6.98	0.67	2.01*
		Mgt.	214	37.12	7.18		
	Total (7 Ps)	Edu	232	208.99	29.62	2.88	0.85
		Mgt.	214	206.54	31.07		

<sup>\*</sup>Significant at 0.05 Level of Significance.

Here, table-V is showing the significant differences between the perceptions of education & management students on Product (t=3.03), People (t=3.35) & Process (t=2.01) and insignificant differences on Price (t=1.72), Place (t=1.70), Promotion (t=0.24) and Physical evidence(t=1.24).

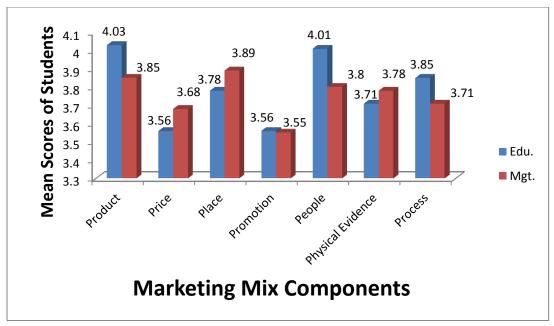


Figure: II :Difference between the '7Ps-mean scores' of students of Education colleges & Management institutes

#### Discussion

On the basis of the above highlighted findings, it can be concluded that the existence of 7 Ps of service marketing mix in education service sector, which have their significance for the students, while making their choice about any institution. However, the findings of the present study are in agreement with the results of the studies conducted earlier by Goi,C.L.(2009), Soedijati & Pratminingsih (2011) had also identified 7Ps of service marketing mix in education services. Where some other studies in different services i.e. Pillai et.al., 2011 (Insurance services), Alipour & Darabi, 2011 (Engineering and technical service corporation), Muala & Qurneh ,2012 (Tourism industry) and Anupama, Rajasekhar, & Kumar, 2012 (Tata Indicom's Cellular services) had also identified these seven dimensions of service marketing mix.

According to the findings of the study, there exists no significant difference between the perception scores of education students & management students about the marketing mix elements (7Ps) of education marketing; that means both type of students have almost the same kind of perceptions on these components. As our result shows that the t-value= 0.85 which is insignificant at both levels  $t_{0.05}$ = 1.96 &  $t_{0.01}$ = 2.58, so, our  $H_0$  was accepted at both levels of significance.

The reasons behind these insignificant differences, may be, all of these institutes are working in almost the same kind of demographic situations, same kind of service market & homogeneous kind of students etc. There might be the chances of significant differences among the students' ratings, if more diversified sample would be taken from the different places of the country like some from metropolitan cities, some from big cities, some from small cities and more variation would be in the students' profile may cause significant differences.

#### Suggestions for Future research

The following future research can be recommended:

- 1. A similar study can be conducted with students from other study fields to determine if there are similarities with the main findings from this study.
- **2.** A similar study can be dedicated to determining the similarities or differences between students of Haryana and students from other states' institutions.
- **3.** It could prove valuable to conduct in-depth research on each of the marketing mix component, for example what type of pricing strategy should be preferred by the students and their parents or which promotional strategies are more useful for attracting the students.

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