

“MARKETING MIX AND POLICY IMPLICATIONS - SUGGESTIONS TO STAKEHOLDERS”

A.SILUVAIRAJA

Chairperson, LIBA-Informatics Centre, Loyola College, Chennai.

Abstract

India's Gross Enrolment Ratio(GER) of 16 per cent was much below the world average of 27 per cent, as well as that of other emerging countries such as China (26%) and Brazil (36%). Private institutions now account for 64 per cent of the total number of institutions, which provides for 59 per cent of enrollment in the country. Of the total enrolment 70 per cent takes place in Arts and Science Colleges. Nevertheless it is noticed among self-financing arts and science colleges under private sector in Tamilnadu that the percentage of unfilled vacancies has been alarmingly increasing year after year (vacancies in 1997-98 was 5941, rose to 14636 in 2006). This phenomenon does not appear among government and private aided colleges in the state. Why this happens? What are the reasons? Do the government policies encourage private Educational entrepreneurs to provide educational services? How do students and parents perceive the services of Educational entrepreneurs providing Higher Education under self-finance mode? Do the Educational entrepreneurs find problem in offering services in tune to the expectation of students? Similar such issues are addressed through an empirical analysis and field survey method. Personal interview technique was used and Structured Interview Schedule was administered to elicit data from the Educational entrepreneurs. Based on the inferences and findings of the study, in this article a few suggestions are made to strengthen and promote private partnership in the field of higher education in the state. Suggestions of policy implications and evolving strategies for efficient and effective services mix enabling to serve better the expectations and wants of students in general and in fulfilling the objectives of the national policies on higher education in particular are made.

Keywords: Educational entrepreneurs, GER, Self-Financed Institutions, Services Mix, '7' Ps, Efficiency, Effectiveness

INTRODUCTION

Education is an important investment in building human capital. It is the very base for technological innovation and economic growth. In the past 50 years since India attained independence, its higher education system has shown remarkable growth. Nearly 3.7 per cent of the Gross Domestic Product of the country is being spent on the education system (K.B.Powar, 2002). The number of university-level institutions has steadily increased from 18 in 1950-51 to 611 in 2010-11 and the colleges from 591 in 1950 to 19,000 in 2010-11 (Pawan Agarwal 2009, UGC 2012). The number of students enrolled in higher education (including professional education) has increased from 46,000 in 1950-51 to 27.9 lakh in 2010 (AICTE, 2011). Though there has been a substantial increase in absolute terms, the percentage of student pursuing higher education has slowed down to 12 per cent during 2010's (UGC, 2011).

According to Anthuvan (2013), Yashmin Taj (2010), entrepreneurship was allowed in education Times of India (2012), Timesjobs (2013) classify them as Educational entrepreneurs. In Tamilnadu there are 59 universities, 579 professional colleges and 587 arts and science colleges in 2010 (DCE, 2012). Among them 46 per cent (27) of universities, 94 per cent (464) of professional colleges and 65 per cent (383) of arts and science colleges are established under private sector (2011). Tamilnadu occupies the first place in terms of possession of universities in the private sector in the country. Nearly 10 lakh students pursue higher education (2010) in the state and among them 73 percentage are pursuing higher education in the private sector. Thus the access rate to higher education in the state rose to 13 per cent in 2010 from 3.83 per cent in 1984 (Seventh Five Year Plan period) which

again rose from 0.2 per cent in 1947 -48(The Hindu, 21-11-2011). India Vision 2025 aims at 25 per cent Gross Enrolment Ratio(GER) by 2025.

Nevertheless it is noticed among self-financing arts and science colleges under private sector in the state that the percentage of unfilled vacancies has been increasing year after year. For instances, the number of unfilled vacancies was only 5941 in 1997-98 which rose to 14636 in 2006(TNSCHE, 2006). However this phenomenon does not appear among government colleges and aided private colleges in the state. Whereas the problem is more alarming among self-financing arts and science colleges under private sector. Why this happens? What are the reasons ? Do the government policies encourage private entrepreneurs to provide educational services? How do the students and the parents perceive the services of the Educational entrepreneurs providing Higher Education under self-finance mode? Do the Educational entrepreneurs find problem in offering services in tune to the expectations of students? Similar such issues are addressed through an empirical analysis.

DEFINITION OF THE TERMS

Services mix of Educational entrepreneurs: The marketing mix consists of everything that the institution can do to influence the demand for the services that it offers. The services institution particularly higher educational institutions attempts to influence their consumers(users) through their services mix comprising the 7 “P”s namely Product, Place, Promotion, Price, Process, People and Physical evidences designed/created for providing higher education through self-financing Arts and Science colleges in Tamilnadu.

Educational entrepreneurs:The term *entrepreneur* implies qualities of leadership, initiative and innovation in manufacturing, delivery or products or services. Educational entrepreneurs are people who establish and run educational institutions in general and particularly Arts and Science colleges in Tamilnadu, India in this context.

RESEARCH OBJECTIVE:

1. To identify the problems if any, in evolving and offering, effective services marketing mix in tune to the expectations of the students and parents and suggest remedial measures.
2. To propose effective suggestions & remedial measures both govt& entrepreneurs by identifying the problems in evolving, effective services marketing mix in tune to the expectations of the students & parents.

Sampling Procedure:To select the sampling units the following procedure was adopted.

Selection of the geographical area:Tamilnadu state was selected purposively to carry out the study. However to select the geographical study area in Tamilnadu simple random sampling was used. Out of six educational administrative regions, Chennai, Tiruchi and Madurai administrative regions were selected.

Selection of the sampling units and size: The entrepreneurs providing higher education through arts and science colleges under self-finance mode and the student pursuing final year course in such colleges including their parents were the respondents for the study. To select the sampling units namely the respondents, the following procedure was employed. On proportionate to size random sampling limiting to 25, 9 entrepreneurs in Chennai region out of 68, 11 entrepreneurs in Tiruchi out of 78 and 5 entrepreneurs in Madurai region out of 38 were selected as respondents for the study. The study also intended to select 250 students and their parents/guardians studying in the surveyed institutions as respondents. On stratified proportionate random basis 250 students were selected.

The study identified the profile of Educational entrepreneurs and analysed their Services mix, Preferences and perceptions of consumers towards the services mix and Problems in designing Effective Services mix. This article, is an outcome of the findings with suggestions for policy changes and evolving strategies for efficient and effective services mix enabling to serve better the expectations and wants of students in general and fulfillment of the objectives of the national policies on higher education related to Gross Enrolment Ratio(GER) in particular.

FINDINGS AND SUGGESTIONS

Based on the inferences and findings of the study a few suggestions are made to strengthen and promote private partnership in the field of higher education in the state.

Suggestions of policy implications and evolving strategies for effective services marketing mix enabling to serve better the expectations and wants of consumers in general and in fulfillment of the objectives of the national policies on higher education in particular are made.

SUGGESTIONS OF POLICY IMPLICATIONS

Institution building Eco-System: The policies and the strategies including the procedure and norms evolved for promoting higher education in the private sector may be modified/reformulated in the context of avoiding cumbersomalities and difficulties encountered by the Educational entrepreneurs at the very initial stages of establishing the higher educational institutions. The government may reformulate and revise the existing policies and procedures, relating to private partnership in the promotion of higher education in the state. The key issues which require attention are the lead time involved in obtaining no-objection certificates, affiliation from the university concerned, field inspection, reporting and the policies on endowments subscription by the Educational entrepreneurs.

Streamlining of minimum norms: Similarly the terms and conditions relating to place, physical evidences and pricing mix of the services marketing mix of the Educational entrepreneurs need modification and reformulations. For instances the norms prescribed towards place and physical evidence such as the extent of land area, carpet and plinth area for classrooms, laboratories, libraries, space for sports and grounds and the like seem to vary between state and the University Grants Commission.

Uniformity and Standardisation: Not only the minimum norms the course nomenclature, syllabus seem to differ among regions in the state. These and such other differences and variation force the Educational entrepreneurs into severe constraints ultimately suppressing the initiative of private partnership in providing higher education in the state. Single-window counseling for admission into Arts and Science Colleges in the state can be a remedy.

Table 1
Areas, Issues & Suggestions of policy implications

S.N o.	Areas	Issues	Suggestions
1	Institution building Eco-System	no-objection certificates, affiliation from the university concerned, field inspection, reporting and the policies on endowments	Cumbersome and difficult procedures and norms to be simplified. Lead time to procure the necessary certificates to be reduced.
2	Streamlining of minimum norms	land area, carpet and plinth area for classrooms, laboratories, libraries, space for sports and grounds	Modifying and reformulating the terms and conditions of place, physical evidences and pricing mix of the services marketing mix. Syncing union and state requirements.
3	Uniformity and Standardisation	Minimum norms the course nomenclature, syllabus different across universities in the state.	Differences and variations suppressing the private initiative to be removed. <i>Single-window counseling</i> for admission into Arts and Science Colleges in the state

4	Participatory approach	Procedures involved in designing, formulation & pricing, no involvement or opinion of entrepreneurs in the existing product (the course) and the pricing	Procedures and the formalities to be modified to involve self-finance institutions in the process
5	Reservation of Courses	Lack of schools of excellence on national basis, shuffling course offers	Reservation of certain courses under <i>science, commerce and arts stream</i> with regulatory mechanism of the government ensuring quality standards of the education services
6	Revised fee	Obsolete pricing policy	Genuine fee revision every 3 years with the cost of retaining the best teaching talent and upgrade infrastructure in all aspect.

Participatory approach: Another important policy implications affecting the private participation in higher education is that the existing terms and conditions, *procedures involved in designing*, appropriate strategies pertaining the service product (the course) and the *pricing*. The existing procedures and the formalities do not permit the Educational entrepreneurs to evolve services product and other strategies in tune to the market demand/expectation of consumers (parents and students).

Reservation of Courses: The government may also think of *reservation of certain courses under science, commerce and arts stream* exclusively for the benefits of higher education institutions under private sector with regulatory mechanism of the government ensuring quality standards of the services products.

Revised fee: The policies pertaining the pricing of the course are almost obsolete and do not provide scope for bringing improvements/talents in executing appropriate services marketing mix by the Educational entrepreneurs. Even if not every year there has to be *genuine fee revision* at least once in three years.

It is reported that the higher educational institutions under private sector seem to suffer in evolving appropriate strategies against the services marketing trap. This is a serious issue and requires immediate solution.

SUGGESTIONS FOR EDUCATIONAL ENTREPRENEURS TO DESIGN AND EXECUTE EFFECTIVE SERVICES MARKETING MIX

It is reported that the consumers (students and parents) rank pursuing a degree first in the Government University, followed by Government College, Private Aided College, Self-financing College and Deemed University for the reason ‘Value for money’. It is also found that educational entrepreneurs finding difficulty in running the educational institutions are lacking consumer orientation and their prime objective is to meet the break-even rather than satisfying/delighting their consumers through better service. The following suggestions are made for the Educational entrepreneurs enabling to design efficient and effective educational services to the consumers.

Product: The Educational entrepreneurs should not only see their college as a place of learning but also a place where the students gain general proficiency and competency in the subject through knowledge facilitation. The Educational entrepreneurs also should aim in developing skill, personality development to enhance the holistic development of the students. Even though the curriculum development is not in the hands of the Educational entrepreneurs, they can organise industry collaborations with the corporates, on the respective disciplines which may help the students to appraise about the standards and practices of the industry thus bridging the gap in the syllabus and

practice. Further, a student joins a course as a means for an employment or for higher education. The Educational entrepreneurs should try to fulfill these objectives by a special focus on Career to the satisfaction of the students and parents.

Place: It is found in the study that many of the institutions lack ambience, pollution free environment from noise, air and water, lack of Canteen, health facilities and not-free from threats and disturbances. Transport doesn't seem to be a big issue, keeping the future and expansion requirements, the Educational entrepreneurs can start creating large campuses which is free from the above mentioned pollution but accessible to the consumers. It is found that students are ready to travel even 30 to 50 kilometres if the institution has learning friendly environment with adequate transport access. Creating educational zones may be considered.

Price: The study highlights that the fee in self-financing colleges as high and abnormal compared with the quality of services they get from the college. The government and aided colleges collect only nominal fee, whereas the students who enroll in self-financing colleges, join as the courses of their interest are easily available in the self-financing colleges with the expectation of better services. They seem to be unhappy due to the fast changing policies and procedures relating to the fees, collection of unwarranted supplementary fees and non-arrangement of bank loan in the self-financing colleges. The college should have a permanent policy on fees, and also can have choices/options for the students for paying additional fees for the supplementary services they provide.

Promotion: Educational entrepreneurs are perceived poorly in terms of creating goodwill, brand image besides ineffective internal and external communication system. Educational entrepreneurs should create dynamic and interactive websites, appoint Public Relation Officers from faculty to promote the institutional features and events to the public, communication officers and student welfare officers to have a strong communication system inside the college. Further an Educational entrepreneur should devise a promotion budget to take care of advertising, publicity and propaganda.

Table -2
Areas, Issues & Suggestions of Marketing Mix to Entrepreneurs

Sl.No.	Areas	Issues	Suggestions
1	Product	Academic performance, Lecturer capacity, Industry tie-ups, Accreditation & Placements	Students to gain general proficiency and competency, skill orientation, enhance holistic development, add-ons to bridge the skill and practice.
2	Place	Lack ambience, heavy noise, air and waterpollution, no health facilities and not-free from threats and disturbances	Creating large pollution free campuses, Creating educational zones, learning friendly environment with adequate transport access
3	Price	Exorbitant fees& donations, Sub-standard quality	Permanent policy on fees, and options for the students for paying additional fees for the supplementary services.
4	Promotion	Poor brand image, negative/no goodwill	Creating dynamic and interactive websites, appoint Public Relation Officers from faculty to promote the institutional features and events, communication officers

			and student welfare officers to have a strong communication system inside the college, involvement of alumnus
5	Internal Marketing (People)	Low motivation & morale among staff	A transparent human resource to maintain a good organization culture, foster competency and talent among the faculty.
6	External Marketing	lack of orientation to students, poor project/internship/placement support, ineffective teaching pedagogy, poor monitoring and feedback system	A proper standing operating procedure (SOP) and process hand book providing guidelines on how to fine-tune each process bringing efficiency in the system
7	Physical Evidence	lack of Servicescape, Canteen, inappropriate class room layout, poor computer & Science labs	Arranging good canteen, laboratories, security arrangements

Internal Marketing: The Educational entrepreneurs should realize that the teaching and non-teaching staffs are the internal marketers of the college. For quality contribution and involvement of the teachers on academic, co-curricular and extracurricular activities there should be a monetary and non-monetary incentive system. Without keeping them satisfied it is not possible to ensure proper services to the students. And excellent teachers will not leave a caring organization, irrespective of other odds/attractive offers from other colleges. A transparent human resource policy in this regard may be developed by Educational entrepreneurs to bring and maintain a good organization culture, foster competency and talent among the faculty.

External Marketing: The study highlights the lack of orientation to students on the academic system in the college, poor project/internship/placement support, ineffective teaching pedagogy and poor monitoring and feedback system. The Educational entrepreneurs can avoid these issues through a proper standing operating procedure (SOP) and process hand book providing guidelines on how to fine-tune each process bringing efficiency in the system.

Physical Evidence: The Educational entrepreneurs need to arrange good canteen, good laboratories, security arrangements and need to have strategic insight into the physical evidences of their institutes.

SUMMARY

The study based on the findings suggests policy changes by streamlining minimum norms, institution building eco-system, uniformity and standardization, participatory approach involving Educational entrepreneurs in course formulation, reservation of courses for self-financed institutions, regular fee revision and better educational services through skill development, career focus, ambience, pollution free environment, canteen, health facilities, lab facilities, right pricing policy, project/internship/placement support, effective teaching pedagogy, monitoring and feedback system to Educational entrepreneurs.

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