A Study of Effective Marketing Strategies followed by Management Institutes in Pune

CHAPTER 6

FINDINGS, SUMMARY & CONCLUSIONS

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Chapter VI

Findings, Summary and Conclusions

1. The pioneer institute, Institute of Management Development and Research (IMDR) which was under Pune University imparting management education and was attracting not only UG students but also industry personnel chose to delink itself from Pune University so as to be comfortable in applying flexible marketing strategies to not only maintain continuity and stability of institute but to make it grow and flourish which means statutes / regulations of Pune University/ AICTE becomes major constraints to market the institution. The same practice was followed by Symbiosis Institute of Business Management (SIBM) which delinked itself from Pune University and became autonomous in 1992.

2. The same institutes IMDR and SIBM created a remarkable marketing niche in the very early years not by specifically applying any marketing strategies but by targeting the right type of audience which suggests that a proper market segmentation, marketing planning / marketing organization and timely right decisions were taken which became effective marketing strategies which is predominantly lacking in most institutes affiliated to University of Pune covered in the study.

3. The study reveals that if the marketing goals, mission and the vision of the institutes are well defined and carefully pursued then they naturally become successful and original marketing strategies by themselves which is found lacking in almost 85% of management institutes covered under the study which means there is no meaningful correlation between marketing strategies and the profitability of the organization.

4. Common Entrance Test (CET) exam policy of various states and other competitive exams very badly jeopardize the marketing strategies of almost many institutes disturbing their intake quality and capacity which further creates imbalances in their marketing budget and impedes further development. Lack of autonomy in selecting students has badly affected the qualitative inputs (students) for the University of Pune affiliated management institutes.
5. Unethical marketing strategies are prevalent in almost 50% of the institutions due to misleading offers of assured placements and promise of a good professional teaching faculty. Many management institutes advertise 100% placements which is totally misleading.

6. The Symbiosis institutes has created a brand and has further gone beyond for brand extension which is a successful marketing strategy.

7. Successful institutes like IIMs, benchmark institutes, leading institutes like Sinhgad institute of management (SIOM), PUMBA, MITSOM, IIMP and some autonomous institutes like SIBM, IMED have planned their marketing strategy around infrastructure, faculty, visiting faculty, teaching quality, and industry institute interface, development of students and leaders, and placements and publicity which has not been the case with 85% of the institutes covered under the study.

8. A very important aspect of positioning in marketing strategy has not been given the right importance hence marketing strategies and marketing mix strategies of most of the institutes affiliated to University of Pune are not up to the mark.

9. Pricing strategy which is ideally a balance between value for money and what the traffic can bear has not been properly applied in most of the institutes affiliated to University of Pune and it was found that most of them have increased their fees to high amounts and were not giving the commensurate facilities to the students.

10. Right promotional strategies – advertisement, publicity has not been evolved by most of the management institutes covered under this study except for a few like Symbiosis, and to certain extent Sinhgad and MIT.

11 Product strategies are not clearly defined in most of the institutes due to which product mix not adequate enough for mouth to mouth publicity.

12. As more than 84% institutes have alumni association, we can infer that institutes in Pune are aware about the importance of having strong alumni support for survival and growth, but only 23% of institutes have registered their association and 26% institutes have dedicated websites for alumni. Because of this there are limitations on the scope of activities, functioning and relationship management and this important
resource is not being exploited to its potential by the institutes.

13. Alumni help in arranging seminars in 88%, guest lectures in 69%, workshops in 88% and placements in 85% of the average institutes affiliated to University of Pune. But the extent to which these activities are organised is very less. The activities are not organised frequently and on a large scale as compared to those organized in benchmark institutes in India and leading institutes.

14. In case of benchmark institutes many alumni help by giving donations in cash or kind whereas in institutes in Pune, the percentage is very low in the range of 5-10%. This indicates that the bonding between alumni and institutes is not strong. Institutes have to take cognizance of this and develop their relationship with alumni.

15. Average number of members of alumni association is 360 in average institutes in Pune where as it is 2,305 in leading institutes in Pune and 2,656 in benchmark institutes in India. It clearly suggests that average institutes are not focusing on past students to build image of institute in the corporate world and society. That is the reason behind less participation of alumni in activities like workshops where it is 1 in average institutes as compared 46 in benchmark institutes. Similarly in guest lectures the participation of alumni is 5 in average institutes as compared to 46 in benchmark institutes. In case of conferences the same trend is seen where it is 1 in average institutes as compared to 91 in benchmark institutes. Thus this finding shows that there is a serious concern for institutes regarding relationship management.

16. Average number of alumni meetings conducted in average institutes in Pune is 3 as compared to 11 in leading institutes in Pune, 11 in autonomous institutes and 16 in benchmark institutes in India. This underlines the fact that average institutes affiliated to university of Pune are not utilizing the vital source of branding and promotion, its alumni. This weak relation may be a result of not so good experience at the campus or in other words a gap between the students expectations and the institutes offerings.

17. 99% of the institutes have academic calendar, which means all institutes are
making plans for events in advance. However the quality and execution of the plans is found to differ from institute to institute.

18. 4% on an average of all affiliated institutes, 16% of all autonomous institutes and all benchmark institutes (100%) have students exchange programs. The less percentage of students exchange programs is because of evaluation problems, different grading patterns followed by different universities. But in case of autonomous institutes and benchmark institutes liberty and freedom makes them flexible to decide about collaboration for faculty and student exchange programs which are added facilities given by the institutes and help in branding.

19. In teaching pedagogy, case study method is used by 89%, role play by 79%, assignments by 95%, group discussion by 88%, presentations by 97% of the average institutes and the corresponding percentages for benchmark institutes are case study 100%, role play 77%, 100% assignments, 100% group discussion, and presentations. However the extent, frequency and quality of the use of above tools in average institutes has to be increased.

20. 70% of average institutes train their students for extempore speaking and 80% of them offer additional subjects apart from syllabus as compared to 100% of benchmark institutes. This means many institutes are paying attention to the soft skill development and communication ability of the students. But as there is no control over the intake quality of students, these initiatives taken by them are not enough to meet industry standards and expectations.

21. 71% of average institutes offer remedial teaching to the students who are weak in subjects like Systems Management, Statistics & Quantative techniques and Taxation to improve the overall results of the students and make them learn the subjects better.

22. Mentoring is done in 15% of the average institutes. The mentor-mentee concept is not operational in many institutes which indicates that there is no constant monitoring evaluation and development of students.
23. Only 14% of the average institutes have a research centre as compared to 100%, in benchmark institutes, 100% in leading institutes in Pune, and 33% in autonomous institutes. This finding shows that research and development of knowledge is not given priority in average institutes which could have been used as a positioning factor and an important marketing strategy.

24. 75% of the leading institutes in Pune, 16% of the autonomous institutes and only 1% of the average institutes have been accredited by NBA. Though this accreditation enhances the reputation and status of institutes it is observed that average institutes are shying away from accreditation due to the fact that they are aware they lack in some vital aspects. This is definitely an indicator that average institutes are unwillingly to expose their deficiencies and also rectify those deficiencies and short comings.

25. In case of distance education programme in management which is considered as a vital source of branding, brand extension, market penetration and market expansion it is found that 100% of benchmark institutes offer this, 50% autonomous institutes offer this, 25% of leading institutes offer this and only 1% of the average institutes offer this. This shows that average institutes are not planning well on their marketing and branding strategies.

26. Regarding international collaboration it has been found that 100% of the benchmark institutes, 66% autonomous institutes, 50% of leading institutes in Pune, and 1% of the average institutes have some form of international collaboration. In case of faculty exchange programme 100% of the benchmark institutes, 16% of the autonomous institutes, 25% of leading institutes have the same whereas none of the average institutes have faculty exchange programs. In fact benchmark institutes have international faculty exchange programs. Thus average institutes are way behind in getting their faculty exposed to international standards of teaching, higher standards of teaching and the students are also not given an opportunity to learn from highly learned and experienced faculty.

27. Regarding corporate funding for different projects 100% autonomous institutes and 100% benchmark institutes, 75% of leading institutes and 15.4% of average
institutes receive the same. Corporate chairs funded by Corporates have been setup in 100% of benchmark institutes, 16.7% of autonomous institutes, 50% of leading institutes and 9% of average institutes. This suggests that in case of average institutes, industry – institute interface is very less, industry has less inclination towards these institutes due to which placements and other activities of these institutes are much less compared with benchmark and leading institutes.

28. Faculty of average institutes in Pune are not sent to industry on deputation for learning the latest practices or are not involved in corporate consultancy. Further, industry personnel are not deputed to such institutes for teaching a subject therefore there is hardly any interaction between institute and industry. That is the reason these institutes do not enjoy a good reputation in Industry which in turn results in poor placements of students and lack of branding of these institutes.

29. Policies and methodology of operations of average institutes and leading institutes in Pune is purely academic in nature and less corporate in nature as there is very less representation of corporates on the governing bodies of the institutes. On the other hand autonomous institutes and benchmark institutes have leaders from industry on their governing boards to make institutes more professional and acknowledged by industry.

30. Almost all institutes do certain kind of social activities as a medium of publicity like tree plantation, visits to villages, blood donation camps, visiting schools of under privileged children. But the scale and scope is limited and inconsistent as compared to benchmark institutes. In average institutes it is done more to follow the practices of leading and benchmark institutes and not really for fulfilling their social responsibilities and promotion of their institutes as one which cares for society.

31. Almost all institutes have some kind of annual meets organized once in a year. But it is observed that most of them are clubbed in the month of February so participation is low and branding does not happen in the expected manner. Also it has been found the average institutes do not come up with any innovative programmes which can make them stand apart from other institutes.

32. Only 16% of average institutes use website for admissions while website is
extensively used by all leading business schools and benchmark institutes. It can be concluded that the average institutes are lagging behind in the use of technology and also not caring for the convenience of students.

33. In advertising of institute, 92% of the average institutes give advertisements in local newspapers, only 48% give it in national newspapers and 59% give advertisements in magazines but only 7% gives it on television that too in local channels. As compared to benchmark institutes, average institutes need to improve media relations as benchmark institutes are in the news for all the events organized by them to remain uppermost in the minds of stakeholders. So it can be concluded that promotional strategies of average institutes have to be revamped.

34. Very few of average institutes only 21% have a well drafted policy of attracting and retaining talented faculty whereas 100% of the leading institutes, autonomous institutes and benchmark institutes are having the policy of attracting and retaining faculty. Following reasons can be attributed for average institutes not having a policy which are very less number of highly qualified faculty available, management’s inability to compensate highly qualified faculty as fees are restricted, unwillingness and shortsightedness of the management, and lack of management vision regarding considering faculty as the most important resource.

35. Most of the average institutes, 81%, give installments or some kind of concession to the students taking admission. Some also boldly advertise regarding this aspect. In case of leading, benchmark and autonomous institutes it was found that concessions were given as per the directives of the government. Giving installments and concessions are short term measures to fill up seats and are not done with a consideration for giving economically backward meritorious students a chance to get higher education. This does not augur well for the institutes and in fact these institutes are not concentrating on marketing strategy and branding of the institutes which would be helpful in the long term for them.

36. Almost all the institutes in all the four categories say that the programs offered by them gives value for money and their programs are well appreciated by the industry. However this claim seems to be erroneous as industry is not accepting students of
37. Only 15% of average institutes say that they have a definite segmentation policy, which is an important aspect of any marketing programme, whereas 100% of the leading institutes, 88.9% of benchmark institutes and 50% of autonomous institutes have a segmentation policy. From this we can infer that many of the average institutes do not have marketing expertise and vision for marketing of their institutes.

38. Very few faculty are engaged in research and publication activities in average institutes.

In case of average institutes the number of publications in national journals is 4.0769 (mean value), for leading institutes it is 4.0769 (mean value), for autonomous institutes it is 9 (mean value) and for benchmark institutes it is 31.5 (mean value).

In case of average institutes the number of publications in international journals is 1.3333 (mean value), for leading institutes it is 12.25 (mean value), for autonomous institutes it is 5.5 (mean value) and for benchmark institutes it is 36.1111 (mean value).

Also regarding publication of books by faculty, in case of average institutes the number of publications of books is 0.5 (mean value), for leading institutes it is 7 (mean value), for autonomous institutes it is 3.8333 (mean value) and for benchmark institutes it is 11.1111 (mean value).

Moreover quality of research of average institutes is not highly appreciated in academic and corporate world. In case of average institutes in the wake of international universities being setup in the country where research domain will get importance this issue if not attended to can be a hurdle in survival and growth of the institutes.

Also the average institutes should realize that research improves the competitiveness and merit of the faculty and the institute to a large extent.

39. MDPs and FDPs which are vital source of resources and branding are leveraged at by institutes affiliated to University of Pune but on a small scale. For FDPs they are dependent on funding by UGC, University or AICTE. They have recognised MDPs as way of relationship management tool with industry and alumni.
40. Almost all institutes in Pune have placement officers. The findings shows that 84.6% of average institutes and 100% of leading, autonomous and benchmark institutes have placement officers. But, in many average institutes regular faculty members are acting as Placement Officer. These officers work by applying efforts through placement committees in addition to doing their regular duties. Hence the quality of placements of average institutes are not up to the mark.

41. Average number of companies visiting average institutes for placements is 44 out of which 29 companies selected students, in benchmark institutes it is 120 out of which 113 actually selected students. We may infer that number of companies visited and actually selected ratio is very healthy in case of benchmark and leading institutes. In Pune University affiliated average placements is 46% while in autonomous institutes it is 87% and in benchmark institutes it is 100%. Average institutes have not placed students internationally and percentage of national placements is also not very satisfactory. It can be concluded that average institutes are not working enough towards placements of their students.

42. Highest salary of students of average institutes is about 4 lakhs p.a. and lowest is about 1.10 lakhs p.a. in contrast in benchmark institutes highest salary is 51 lakhs p.a. and lowest is 14 lakhs p.a. The difference between salary packages received by students reveals placements and quality of students as a strength of benchmark institutes and a weakness of average institutes. It can be concluded that Placement, the main and most important criteria taken into consideration by students during selection of the institute for admission is not being taken seriously by average institutes which could affect their continuity, stability, growth and development and also their very existence.

43. All the institutes are providing basic infrastructural facilities like auditorium, common rooms for boys; girls, indoor sports, pure drinking water, boys and girls hostel as they are minimum requirements to be in the business and also minimum requirements of AICTE. However the findings reveal that the leading, autonomous and benchmark institutes have provided the infrastructure beyond the norms stipulated by AICTE where as average institutes have managed to adhere to the norms. This indicates that there is a lack of professional marketing and branding approach by
average institutes.

44. In case of other facilities like language lab, swimming pool, medical facilities, residence for director and staff, conveyance for staff and students, tennis court, squash, Wi-Fi campus, badminton court, they are not provided by average institutes in Pune. Providing these can help in increasing the brand image of the institutes as has been seen in case of most leading, autonomous and benchmark institutes.

45. In all institutes proper faculty evaluation system is in place, but very few faculty of average institutes have received awards and rewards and fellowship of international universities as compared to faculty in leading and benchmark institutes. This indicates that faculty in average institutes are busy in operational issues and are not involving themselves in other developmental activities and thus are not able to improve their quality.

46. Many faculty are confident about using internet and technology in their daily activities and teaching. However they should make more use of this to gain knowledge and improve their skills then only they will be able to ward of competition from private and foreign universities. Also they should increase their networking on the social networking sites to improve their relationships with alumni and students.

47. Average number of Professors in average institutes is 1 whereas it is 4 in leading institutes and 46 in benchmark institutes. Similar extent of difference can be seen in associate professors and assistant professors as well. So as the faculty base is limited in average institutes, the faculty are busy in teaching different subjects, some of the subjects are not even in their domain. This affects their teaching performance due to lack of specialization. Moreover it indicates that average institutes do not have senior and experienced faculty which adversely affects teaching learning and knowledge transfer process.

48. Average number of faculty of average institutes participating in national and international conferences is 4 and 2 respectively. But in case of benchmark institutes it is 35 and 40 respectively. This indicated that the faculty of average institutes are not given the exposure and also they are not adept enough to compete with faculty of
leading and benchmark institutes.

49. Average number of Ph.D.s in average institutes is 1, 59 in benchmark institutes, 8 in leading institutes in Pune. Comparison of the three indicates that faculty of average institutes are less participative in research and networking among academic fraternity. Institutes may be lacking in motivating faculty to engage in research, publication, networking, and participating in Management development programs and faculty are not upto the mark.

50. Regarding representation of faculty members on boards of corporates, it has been found that autonomous institutes have 2, benchmark institutes 17 and average institutes do not have any faculty on the boards. It shows that faculty members of average institutes have yet to get the respect and recognition from industry and the expertise to guide them. From this we can further conclude that average institutes faculty have to develop themselves to get recognition from the industry.

51. In case of chairing of conferences by faculty, it has been found that only 1.0128 (mean value) from average institutes, 15.25 (mean value) from leading institutes, 5 (mean value) from autonomous institutes and 19.4444 (mean value) from benchmark institutes have chaired conferences. This reflects on the poor quality of faculty of average institutes.

52. Very few faculty of average institutes 0.3 (mean value) are publishing cases where as the number of faculty publishing cases in leading institutes is 5 (mean value), autonomous institutes is 3.5 (mean value) and benchmark institutes is 17 (mean value). Also very few faculty 2.72 (mean value) of average institutes have institutional membership, where as number of faculty having institutional membership in leading institutes is 17 (mean value), autonomous institutes is 12.8 (mean value) and benchmark institutes is 59.33 (mean value). Thus interaction of the faculty of average institutes with the industry is limited as compared to the faculty of leading, autonomous and benchmark institutes. As a result faculty teaching becomes more theoretical and students do not learn the latest concepts in the industry thus are not industry ready.
Scope for Future Research

1. The researcher further recommends that the same study can be applied to present management institutes as well as upcoming institutes to increase their CSGD.
2. The same study can be applied other professional courses as well.
3. Similar research can be carried out at the state and national levels to study the marketing strategies of management institutes and its effectiveness.

Conclusions

Management education in India got a boost after introduction of the Liberalization, Privatization, Globalization (LPG) economic policy by government of India in 1991. AICTE, the regulatory body for technical education in India, propagated management education by giving recognition to private institutes across the country to run MBA / PGDM programs to meet the projected demand for professional managers created by the LPG policy, growth of industrial sector and phenomenal growth in services sector.

However, though management education grew quantitatively, it was found that qualitative growth was grossly lacking. This research revealed that B-schools affiliated to University of Pune grew in numbers but were found to be wanting in their approach to create a brand for their continuity, development, sustainability and growth (CSGD). At present the situation is that many B-Schools affiliated to University of Pune (average institutes) are on the verge of closure as they were not able to fill up their intake capacity for last three years and the future also looks bleak for them.

The reason for such a situation can be attributed to lack of effective marketing strategies of average institutes affiliated to University of Pune, which if otherwise had been developed and implemented, could have sustained them in this period of stagnancy and fierce competition. The average institutes have failed miserably to position themselves vis-à-vis leading and benchmark institutes and create a niche around that positioning by proper marketing planning.

The average B-schools affiliated to University of Pune have failed to create a brand loyalty amongst their major stakeholders, that is, students, alumni, parents and society
as they have been lackadaisical in their efforts to manage the institutes professionally using effective marketing strategies.

It is high time these average institutes realized the importance of brand building, brand positioning, brand sustainability and effective marketing strategies to not only survive but also to become brand leaders having loyal brand followers.