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

CHAPTER 1

INTRODUCTION

Ph.D. Thesis of Arindom Satyaranjan Sarkar
CHAPTER I

1.1 Introduction
Management education in India is almost fifty years old. It was introduced as a part time education for working executives and as full time study course offered by few universities. In 1962, the Government of India established the Indian Institute of Management (IIM) at Calcutta and Ahmedabad in collaboration with the Sloan School of Management, MIT and the Harvard business School respectively. There has been a significant growth of management institutions after globalization. In 2005-06 there were only 1888 management education institutions which has increased to 3858 by 2010-11. Similarly the enrollment of students also increased from 1,22,663 to 3,78,907 during the same period.

1.2 Aims and Objectives of the study
The researcher has undertaken this study with the following aims and objectives:

- To study the prevailing management approaches and strategies adopted by educational institutions imparting management education in the current global scenario.
- To analyze the marketing mix strategies approaches used by educational institutions imparting management education.
- To critically study the brand building, brand positioning, and brand sustainability strategies adopted by these management institutes covering their various stakeholders.
- To study the feasibility and potentiality of marketing efforts of management institutions with regard to marketing planning, market segmentation, customer relationship management and building of brand loyalty amongst them.
- To comparatively analyze the brand positioning status and the potentiality of the educational institutes covered under the study to eventually develop global brand leadership.

1.3 Significance of the study
Our world has become a global village. Due to Liberalization, Privatization and Globalisation (LPG) policy, more and more foreign Universities are coming to India. Also, it has become very easy for resident students to go and study abroad. Not only
this, there is an immense pressure/competition from the established B-schools in India like Indian Institute of Managements (IIMs), Symbiosis Institute of Business Management (SIBM) etc. which are already offering world class facilities to the students.

Today, education has become a product / service to provide the best / most eligible candidate to the industry. But it is a well known fact that the present curriculum of management institutes doesn’t cater to the practical industrial requirements. In this context, the management institutes are expected to function like magnets by attracting the best of global talent and by releasing the same to the best of industry.

1.4 Hypotheses

The researcher has formulated the following hypotheses

1 There is no significant difference in the attitude of the board members of management institutes affiliated to University of Pune towards developing a professional brand building approach using effective marketing strategies as compared to leading B-schools in the country.

2 There is no significant difference in the attitudes of the directors of management institutes affiliated to University of Pune to develop brand leadership strategies of their management institutes in the wake of growing competition using effective marketing mix strategies as compared to leading B-schools in the country.

3 There is no significant difference at the 0.5 level of management institutes affiliated to University of Pune to compete amongst each other as well as with leading B-Schools like IIM’s etc. so as to establish brand equity using ethical pricing strategies.

4 There is no significant difference at the 0.5 level of Management institutions affiliated to University of Pune regarding marketing acumen, expertise related to marketing promotion of their respective institutes in comparison to other leading B-Schools in the country.

5 There is no significant difference at the 0.5 level towards the assurance of the management institutes affiliated to University of Pune in relation to building their own brand sustainability as compared to leading B-schools in the country.

6 There is no significant difference at the 0.5 level towards establishing brand loyalty among stake holders related with these management institutions affiliated to University of Pune, as compared to leading B-schools in the country.
1.5 Scope of the study
The scope of the study has been limited to management institutes in Pune comprising both university affiliated and autonomous institutes. There are one hundred ninety seven (197) number of university affiliated and twenty five autonomous institutes. Some institutes are offering university affiliated as well as autonomous courses.

1.6 Review of literature
The researcher has extensively reviewed all literature related to marketing strategies, branding and services orientation of management institutes from origin of management education in Pune from websites, articles, news feed and management journals. The review includes evolution of education in India particularly management education in India with special reference to Pune.

1.7.1 Definition of Brand
Brand is “a name, term, sign, symbol or special design or some combination of these elements that is intended to identify the goods or services of one seller or a group of sellers. A brand differentiates these goods and services of one seller from those of competitors.”

1.7.2 Definition of Brand Equity
According to wikipedia “Brand Equity is a value built up in a brand”. The value of companies’ brand equity can be calculated by comparing its expected future revenue from the branded product with expected future revenue from an equivalent non-branded product.

1.7.3 Definition of Brand positioning
Brand positioning is the art of creating a distinct image for a ‘product’ in the minds of customers.

1.7.4 Definition of Brand Loyalty
Brand loyalty is a conscious or unconscious decision expressed through intention or behaviour to repurchase a brand continually.
1.7. 5 Definition of Brand Strategy
Brand strategy is a plan employed to create, introduce and promote a particular Brand.

1.7. 6 Definition of Brand Extension
It is the practice of marketing new products under well known brand names in an effort to capitalize on the positive image of the established brand.

1.7.7 Definition of Services
Services can be defined as, economic activities that produce time, place, form or psychological utilities.

1.7.8 Definition of Service marketing mix
Service marketing mix is also known as an extended marketing mix and is an integral part of a service blueprint design. The service marketing mix consists of seven P’s as compared to the four P’s of a product marketing mix. Simply said, the service marketing mix assumes the service as a product itself. However it adds three more P’s namely people, process and physical evidence which are required for optimum service delivery.

1.7.9 Definition of Marketing Mix Strategies
Combination of marketing elements used in the sale of a particular product. The marketing elements center around four distinct functions, sometimes called the Four Ps: product, price, place (of distribution), and promotion. All these functions are considered in planning a marketing strategy, and any one may be enhanced, deducted, or changed in some degree in order to create the strategy necessary to efficiently and effectively sell a product.

1.7.10 Definition of Marketing Strategy
A marketing strategy is a process or model to allow a company or organization to focus limited resources on the best opportunities to increase sales and thereby achieve a sustainable competitive advantage.
1.8 Research Methodology and Statistical Tools
In order to review the existing marketing strategies in management institutes and to evaluate whether they have a positive or negative impact on the overall standing of the institutes and whether the management institutes are adopting the right marketing strategies, questionnaire was prepared and got filled in by the directors of management institutes. The various aspects like infrastructure, faculty, pedagogy, placements etc., were analyzed by correlation and regression techniques. Each component was analyzed by using independent chi-square test, Kolmogorov-Smirnov(k-s) one sample test and Mann–Whitney U test, reliability tests, graphs and pie charts. The researcher also made an attempt to evaluate the role of management and its involvement in the effective use of marketing strategies in order to increase admissions, by observation and personal interviews with the Directors, Registrars, Presidents, owners and chairmen.

1.9 Sources of Data and Data Collection
The data for this study was made available through both primary and secondary sources. The overall data collection was done by personal interviews, questionnaire, survey of available Literature and publications:

- **Primary Data**
  Primary data was collected by the way of questionnaire filled by the Directors of the respective institutes covered under the study.

- **Secondary data**
  The Secondary data which is available has been collected from various reference books, Journals, Research publications, bulletins etc and All India Council for Technical Education (AICTE), Directorate of Technical Education (DTE), University Grants Commission(UGC) manuals.

1.10 Population
The population for this study covers about 222 management institutions in Pune city. The population for the study includes One hundred ninety seven (197) Pune University affiliated management institutes and twenty five (25) autonomous institute i.e. two hundred twenty two (222) institutes.
1.11 Sample
The basic sampling technique which is followed is simple random sampling. So, total population including 222 is divided into two small sub-division covering total number of institutions for this study. Sample size of hundred (100) i.e. approximately 50% of the population is taken for this study which includes affiliated and autonomous institutes in Pune city.

1.12 Period considered under the study.
The period covered under the study is between 2007 to 2011 only.

1.13 Statistical Tools used for data analysis
- Statistical software SPSS 20.0 was used to find the demographic frequency and cross tabulation of variables. The analysis has been presented with the help of chi-square tests
- The data collected for the research has been descriptive and hence the data analysis was done by way of measuring central tendencies i.e. mean, median, mode.
- Finally conclusions were drawn on the basis of results revealed by analysis and interpretation of data collected for the study and suggestions have been offered based on the findings.

1.14 Assumptions
1. It is assumed that all the respondents will co-operate freely without any reluctance nor reservations.
2. It is assumed that all the respondents will give accurate and reliable information.

1.15 Limitations
1. The study is limited to management institutes in Pune city
2. The study may have problems of subjective opinion, especially with trustees of management institutes.

1.16 Organisation of the study
This study was divided into six chapters as described below:
Chapter I deals with the introduction, aims and objectives, significance of the study, objectives of the study, hypotheses, scope of the study, definitions used in the study, assumptions and limitations.

Chapter II deals with the exhaustive literature review, which gives insights into education in India, business education in India, growth of management institutes, branding and marketing strategies of management institutes and review of findings of previous research work taken from research articles, journals, books, websites, e-journals, newsletters.

Chapter III deals with history of management institutes in Pune where in University affiliated management institutes, deemed institutes and autonomous institutes have been studied and profiles of few leading institutes have been presented.

Chapter IV deals with the research design, sample of the study, type of sample, primary and secondary data, statistical tools and statistical tests, hypothesis testing.

Chapter V deals with the analysis of data, interpretation, pie charts, frequency tables and statistical findings.

Chapter VI deals with the overall findings, summary, conclusions and future recommendations.