

UNIT 15 EDUCATIONAL SERVICES

Objectives

After going through this unit you should be able to:

- classify education as a service along the various classification schemes;
- describe the marketing implications of service characteristics in the context of educational services;
- analyse the issues to be addressed in service strategy formulation for education;
- discuss the service mix elements for educational services and draw generalisations for design of educational service;
- apply the concepts developed for pricing, promoting, designing and delivering educational products.

Structure

- 15.1 Introduction
- 15.2 Service Classification and Education
- 15.3 Service Characteristics and Implications for Marketing of Education
- 15.4 Marketing Strategy and Education
- 15.5 The Marketing Mix
- 15.6 Conclusion
- 15.7 Self Assessment Questions
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15.1 INTRODUCTION

Marketing of education is a subject with very wide coverage if one considers that formal education begins at the school age and depending upon the choice, vocation and circumstance of the persuants, matures into intermediate and higher levels of learning including professional and specialised fields. Apparently, benefits sought from higher and professional or vocational courses are more tangible or measurable in terms of entry qualifications to a chosen profession, certification to enable practicing a profession or relative ease of access to a suitable form of livelihood. Not attempting to cover the marketing of education per se, the scope of this unit is limited to the post school or higher education. Table 15.1 gives the details of growth in higher education in India.

Table 15.1: College Education in India

	(Nos.)			
	2001-02	2000-01	1999-00	1990-91
General Education Colleges	8,361	7,834	7,782	4,862
Professional Colleges*	2,340	2,169	2,124	886
Universities ⁺	261	251	244	184

* Medicine, Engg. & Technology and Architecture, Teachers training colleges only

+ Including deemed universities and institutions of national importance

Source : Statistical Outline of India 2003-2004, Tata Services Ltd; p.215

Without making specific comments about any particular discipline, the unit deliberately seeks to keep the treatment of the subject general, as the objective is to develop a basic understanding of the concepts involved in the marketing of education as a special case of marketing of services.

Interestingly, the need to 'market' their services has not really been felt by the education sector, as educational institutions, be they colleges or Universities or institutions catering to specific fields like ours, have faced more demand than they could cope with. For specialised fields like management and computer education, where attractive market potential has increasingly caused more and more institutions to be set up, competitive situation is changing. Even the institutions facing heavy demand have been confronted with the question of being able to choose the desired target customers, and therefore face issues like product differentiation, product extension, diversification and service integration. There is a basic concern with building and retaining organisational reputation for creating a 'pull' in the market. All this has activated some interest in the hitherto neglected area of marketing of education services. Let us try to understand some of the basic services marketing concepts, relevant to marketing of education.

Before going into the subject of education services marketing it is important to understand the concept of education as a service. Going by the AMA definition "services are those separately identifiable, essentially intangible activities, which provide want satisfaction and are not necessarily tied to the sale of a product or another service"¹. Providing a service may or may not require the use of tangible goods. However, when such use is required, there is no ownership transfer of these tangible goods in service buying transaction. Education as a service, then, can be said to be fulfilling the need for learning, acquiring knowledge-providing an intangible benefit (increment in knowledge, professional expertise, skills) produced with the help of a set of tangible (infrastructure) and intangible components (faculty expertise and learning), where the buyer of the service does not get any ownership. He may have tangible physical evidence to show for the service exchange transaction but the actual benefit accrued is purely intangible in nature.

15.2 SERVICE CLASSIFICATION AND EDUCATION

A number of classification schemes have been developed to classify the whole array of services according to some chosen variables. One of the simplest schemes classifies services as consumer, intermediate and industrial service. Education is a service that is geared primarily to the consumer market, therefore it can be classified as a consumer service rather than an intermediate or industrial service, though packages of industrial training are also designed for the organisational customers.

On the basis of the way in which services have been bought, education, depending upon the type and level can be classified both as a shopping service and as a speciality service. Swan and Pruden have suggested that establishing whether service is bought for instrumental motives (i.e. as a means to an end) or an expressive motive (as an end in itself) provides a useful framework for service designers.² For majority of customers education may fulfill the instrumental function, but there is always a category of customer from whom education and the pursuit of knowledge are expressive motives.

Another classification scheme categorises services as equipment based and people based services, depending upon which resource is primarily used in the production of the service.³ By its very nature, education is essentially a people

based service though some service delivery systems may make heavy use of technology and equipment. Services have also been classified on the level of personal contact as low contact or high contact services.⁴ Recent developments in open and distance learning systems have successfully countered the challenge of constantly maintaining high levels of contact, by creating specialised kinds of user friendly course material and using multi-media technology to gain access to students. Shostack, who in her studies has stressed the intangibility characteristic of services has classified services on the bases of dominance of tangibility/intangibility, along a continuum of a pure tangible product with high tangibility dominance to a pure service with intangibility dominance.⁵ Accordingly education can be classified as a pure service with dominant intangibility content.

15.3 SERVICE CHARACTERISTICS AND IMPLICATIONS FOR MARKETING OF EDUCATION

1. Intangibility

Education like most 'pure' services is an intangible dominant service, impossible to touch, see or feel. Evaluation of this service however can be obtained by judging service content (curricula, course material, student workload, constituent faculty) and the service delivery system. The consumer, based on these evaluations, has a number of alternative choices before him and may make selection on the basis of his own evaluation referrals, opinions sought from others and of course a brand or corporate image of the organisation providing education. At the end of the service experience, the consumer gets something tangible to show for his efforts i.e. a certificate or a grade card denoting his level of proficiency at the given course/programme. According to Bateson, finer distinction of intangibility into palpable and mental intangibility, has implications for the marketing of the educational services.⁶ For reasons of both mental and palpable intangibility:

- **Education cannot be seen or touched and is often difficult to evaluate:** It is therefore, imperative to build in "service differentiation" in the basic product to enable competitive positioning.
- **Precise standardisation is difficult:** For educational packages of same levels and bearing similar certification (e.g. B.A., B.Sc., and B.Com. degree programmes, postgraduate commerce and science programmes, management diploma and degree programmes) across universities and colleges, it is often difficult to bring about standardisation of course design as resources/needs/objectives of different institutions may differ. Institutions like Universities, though, try to manage equivalence in standards through Boards of Studies which are generally inter-university bodies. Technical education is sought to be standardised through bodies like the All India Council for Technical Education. Interestingly, the lack of standardisation also opens up the marketing opportunity of creating highly differentiated, need based course packages, suited to chosen target groups of customers or serving specialised/localised needs.
- **Education as a service cannot be patented:** This feature implies that courses designed or developed at one institution can be replicated and offered at other institutions. It also implies that as far as the service product features are concerned, all advantages of a given competitor have an essentially perishable character. Only those discernible strengths which have their basis in the people resource, cannot be easily replicated. Hence, the added importance of faculty selection and motivation for educational institutions.

As these implications of intangibility become apparent to the service product designers and providers in the field of education, the following pointers to marketing planning emerge:

- i) Focus on account of intangibility should increasingly be on benefits delivered by the service system and the uniqueness of the package that is being offered. The benefit accruing to the student may emanate from the service product-its depth, width, level or variety or from the uniqueness of the delivery system, the evaluation system or the extremely high goodwill enjoyed by the institution.
- ii) Education, like most other pure services, should be tangibilised so that the beneficiary has some physical evidence to show for his achievements. Certifications for various levels of attainment, citations and separate certificates for any special achievements or activities should be duly prepared and delivered in time to be meaningful.
- iii) Branding through effective use of Institute/University acronym, to aid instant identification and recognition should be practiced. Concerted efforts at building up organisation's reputation through performance as well as through skillful use of communication tools would need to be carried out to associate this 'brand name' with a desired 'brand image'.

2. Perishability

Services are perishable and cannot be stored. To an extent, education displays this characteristic which results in certain features.

- **Production and consumption are simultaneous activities:** This is true of most conventional teaching institutions where face to face teaching necessitates simultaneous production and consumption. Open and distance learning systems which make substantial use of technology, however, have made it possible for production and consumption of the service to be carried out at different times-the use of audio-video units and preparation of course materials sent to the students across the consumer population, are designed to meet the challenge posed by the perishability character of services.
- **No inventories can be build up:** This is true of most services, as well as education, as an unutilised service like a course on offer, or a lecture scheduled to be delivered, cannot be stored, if there are no students enrolling for the course or to attend the lecture. This factor opens up the challenge of managing the service in the face of fluctuating demand. Nearly all universities at one time or the other have faced the problem of overstaffing, when certain disciplines went out of vogue, like pure sciences and post graduate courses in languages. The marketing implications of perishability necessitate that a better match between supply and demand for educational packages would need to be made. Course design and course offers need to be preceded by a need analysis of the target population before the decision to launch them is made. This points towards the use of marketing research techniques for service development (designing the course concept) and planning, but more than that it necessitates a shift from 'institution orientation' to a student or 'customer orientation'. Courses need not be offered because the institutions have available expertise in an area or it is something that the institution has been traditionally doing. In consonance with the marketing concept, the capability of finding a better fit between the needs of the society and the design of the offering, would define the difference between an effective and a non effective institution.

3. Inseparability

Services are also characterised by the factor of inseparability in the sense that it is usually impossible to separate a service from the person of the provider. In the context of education, this translates into the need for the presence of the performer (the instructor) when the service is to be performed and consumed. This necessarily limits the scale of operations to the number of instructors available, it also means that the distribution mode is more often than not direct in the sense that no intermediaries are involved; the transfer of knowledge is directly from the provider to the learner. As noted before, open learning systems have overcome the characteristic of inseparability by incorporating the teacher into the material and bringing about a separation between the producer and the service. A direct marketing implication of this inseparability is the need for obtaining/training more service providers as well as the need for more effective scheduling of operations.

4. Heterogeneity

Heterogeneity in the context of services means that unlike product manufacturing situations where design specifications can be minutely standardised and followed, the standards of services, educational services included, would depend upon who provides the service and how. This heterogeneity of performance renders service offers for the same basic “service product” from different institutes vastly different from each other. Even though standardisation of courses according to some prescribed norms may be attained, it is difficult to ‘standardise’ individual performance i.e. that of the faculty resource person. That, perhaps, is not even a desirable goal in education, but maintenance of a certain quality standard across ‘performers’ certainly is. In the absence of accepted quality standardisation mechanisms in this context, it is the market forces alone, which would force quality standards on education. Dwindling registrations in institutions, snatching away of “market shares” by more effective competitors is what is making institutions take a renewed look at quality of service delivery and mechanisms for maintenance of standards.

In terms of marketing implications, the heterogeneity characteristic of educational services, necessitates careful personnel selection and planning, constant and careful monitoring of standards which can provide cues to the prospective customers to aid choice of institutions. Examples of these cues could be success rates of the placement programme, the absorption of the institutions product in the job market, or the performance of the pass-outs at other competitive examinations.

5. Ownership

Ownership or the lack of it also characterises service. In the context of education, the customer only buys access to education, or derives the learning benefit from the services provided. There is no transfer of the ownership of tangibles and intangibles which have gone into creation of the service product. Payment of fees (price for the service) is just the consideration for access to knowledge and for the use of facilities for a given tenure.

Activity 1

Study a few educational institutions around you, if possible let these include a University, a professional institution and a private college. How do these institutions address the issue of standardisation of services? Do the processes to achieve standardisation vary with the type of institution?

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15.4 MARKETING STRATEGY AND EDUCATION

It has been pointed out in almost all studies on the subject of services marketing that strategic management and marketing strategy for each organisation needs to be unique in itself as it is organisation and situation specific. Some directions for marketing strategy for education may, however, be drawn keeping in mind the special characteristics of education as an intangible dominant, people based, high contact consumer service. These are outlined below.

1. The dominantly intangible nature of education service may make the consumer's choice of competitive offers more difficult.
2. In case of delivery systems where the performance of the service demands the presence of the instructor, marketing of education would need to be localised and offer the consumer a more restricted choice. Of course, as institutions build up their "pull" in the market, consumers are willing to relocate themselves to avail of the service.
3. Perishability may prevent storage of the service product and may add risk and uncertainty to the marketing of education, specially in the event of fluctuating demand for courses/instructors/disciplines.

The basic question for strategic marketing planning that need to be answered are:

- i) **What business are we in?** In order to properly define the mission and the overall objective of the organisation it is essential to define what business we are in. Are we in the business of transmission and propagation of knowledge? Are we in the business of creating new knowledge? Are we in the business of developing professional skills? Are we in the business of creating special skills or preparing people for a specific vocation? Or are we there to provide basic knowledge and training to people which will enable them to reach a level where they can make further choices? Answers to these questions will lead the institution to identify what it holds to itself as the organisational mission and overall objective.
- ii) **Who are our customers and what benefits do they seek?** Identification of target markets and understanding the needs of customers, as well as the criteria they use to make choices, represents an important step in marketing strategy formulation. For an educational institution, the task translates to determining what is the nature of the benefits sought by its set of 'customers'. Are they merely seeking a certification, or development of a specific kind of expertise or is accumulation of knowledge the real value sought? Since the purchaser of the educational service is primarily buying the expertise or knowledge he believes that the institution has at its disposal, it is important for the institution to be able to define the kind of expertise it is capable of producing. It is also important to develop an understanding of the criteria prospective students apply when they choose between competing institutions. A study in the Indian context, for management education, reveals that some of the criteria used by students to choose between institutions were:
 - a) reputation of the institution,
 - b) number of applicants keen to enroll in the course,
 - c) past success rate of placement,
 - d) faculty expertise,
 - e) width of specialisation offered,
 - f) infrastructural facilities, and
 - g) fees.

Identification of criteria used to differentiate between competing offers may lead institutions to lay emphasis on developing competing strengths and creating perceived differences between their offers and the competitor's offer.

Activity 2

Talk to ten students of a computer education programme or institute, to find out what are the precise benefits that each seeks from the experience. Then, study the programme/institute to find out how well the service product design and delivery at the institute are capable of delivering these benefits sought.

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iii) **How can we build or defend own competitive position?** Every organisation has to consider an entry strategy into a market and then creation and protection of a competitive position. Though a number of alternative positioning choices are possible for educational institutions, task of positioning is a slightly more difficult proposition here, because of the absence of a strong tangible core to the service offer. One of the basic ways to achieve a strong competitive position is to build up strong service differentiation which can generate a clearly focused organisational and product image in the consumer's mind. Examples can be found in the case of NIIT which identified the need for computer education and training in the Indian market and built up expertise to cater to clearly defined need segments in terms of basic learners, job aspirants, people needing to update their knowledge, organisational customers needing customised packages and so on. Another example is that of Indian Institute of Management, Ahmedabad, which through development and nurturance of highly specialised faculty resource and excellent industry interaction has built up formidable barriers to competition. These clearly differentiated positions enable these institutions to generate large number of aspirants and select the desirable quality of students.

iv) **How should we offer new service offers that help/strengthen the competitive position?** As needs and wants of the consumer population change, existing course packages or delivery systems may cease to satisfy them. A preemptive approach to education planning suggests that 'satisfiers' to such needs be preemptively developed and offered before the need really becomes apparent to the consumers themselves. Since education to an extent, represents a derived demand dependent upon the final demand for desired qualifications for employment, changing job scenarios, industry requirements and consequent need for qualifications may be one indicator to watch, for generation of new service offer ideas. Though a highly structured approach to research and development in a new service may be difficult, there is no reason why systematic organisational processes for generating and testing new course package concepts and weeding out old and unprofitable services should not be designed.

Activity 3

Identify educational institutions in your area which can be termed 'highly successful'. What are the ingredients of their competitive strength?

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15.5 THE MARKETING MIX

As you know the traditional 4 P concept developed for marketing of products has been conceptually extended by Booms and Bitner to include 3 more Ps i.e. People, Physical evidence and Process.

Developing the right marketing mix for marketing of education would mean constantly fashioning and reshaping the components of the mix into the most effective combination of the components at any point of time. Let us, by considering these components, try to study what considerations do education planners and dispensers need to keep in mind, with respect to these elements of services marketing. We shall mainly concentrate on the aspects of the service product and promotion, as concepts of process and people have been integrated in the concept of the augmented service product. Considerations of price and place have also been discussed.

1. The Service Product-The Education Package

While deciding on the education packages to be offered to a consumer population, the starting point obviously has to be the consumer. It is imperative at the very outset of deciding the service product, to outline the distinction between what an educational institution offers in terms of its service and what benefit does its larger population derive from it. Central to the idea of a service product, are the consumer benefit concept, the service concept, the service offer and the service delivery system. While the consumer benefit concept defines what benefits do consumer derive from a particular educational package offered, the service concept is concerned with the definition of the general benefit the service organisation offers on the basis of the consumer benefits sought. Thus at the very basic stage of the design of the education offer, marketing orientation suggests that the offer should be fashioned as a response to the identification of the consumer benefits sought.

According to Groonroos, the service concept has to be defined at two levels⁸. The general service concept refers to the essential utility being offered (a computer training organisation offers solution to the problem of keeping up to date information flows within the organisation) while at the core of the service offer are specific offers (software training packages for bank employees). Let us try to elaborate the concept of service offer a little more as it has specific implications for marketing of education. Developing the education product, according to the conceptualisation developed by Groonroos entails:

- developing the service concept,
- developing a basic service package,
- developing an augmented service offering and finally, and
- managing image and communication.

(As explained in Unit 5 also)

As already noted, the service concept defines the intentions of the organisation in respect of offering a certain benefit to the consumers. The 'basic service package' described the bundle of services that are needed to fulfill the needs of the target market. Extending this to the education sector, the basic service package determines the entire package offer which is a designed to fulfill the learning needs of a target population. For decision making purposes it is essential to recognise this basic package as consisting of three elements. These are:

- the core service,
- the facilitating service (and goods), and
- the supporting service

The core service is the reason for being in the market. A management institute exists because it equips people with skills and abilities to manage organisations. Faculty expertise and the accumulated experience at the institute represent the core resource for supplying this benefit. However, in order to make it possible for students to avail these services, additional services are required. A registration and admission service, class schedules, counselling service, enabling students to make relevant specialisation choices, and library facility are required so that the students are facilitated in deriving the benefits of the core service i.e. the learning. These services are called the facilitating services. It is important for the planners to realise that if the facilitating services are not adequately provided, the core benefit cannot be consumed. Sometimes tangible goods are also required to avail the benefit of the core service. Course material, in the form of books and prepared course notes, instruction manuals, computers, classrooms and class equipments are examples of facilitating goods that help access the core benefit.

The third element of service that goes to make the basic service package is the supporting services. Like facilitating services, they are also auxiliary to the core benefit but their objective does not lie in facilitating the use of core service, rather they are used to enhance the value of the core product and to differentiate the service offer from other comparable offers. An efficient placement cell in the above mentioned example, high quality residential facilities, good network of exchange relationships with business organisations, do not facilitate the learning process but add value to the service offer by adding to the utility derived from the total offer.

From a managerial viewpoint, it is important to make a distinction between facilitating and supporting services. In order to effectively access the core package, the facilitating services are necessary and the service package would collapse, if the facilitating services are not provided. The marketing strategy directive that can be developed here is that for highly intangible core service products like education, facilitating services should aspire to attain a quality level which enables them to become a competitive strength. Supporting services which are essentially designed as a means of competition, diminish the value of the package if they are lacking. The core benefit, learning however, can still be derived if the supporting services are deficient or absent.

The basic service package, however, is not equal to the service perceived by the consumer. An excellent basic education package, along with its facilitating and support service elements may be made ineffective by the way students are handled or student interactions are managed. How the whole service offer is perceived forms an integral part of the total product. The basic service package and the elements that go into the service perception form what has been termed as the augmented service product. The Augmented Service Product integrates the concept of service process with the services offer. Three distinct elements which along with the basic offer go into the creation of the augmented service product as components of the perceived service process are:

- i) accessibility of the service,
- ii) interactions with the service organisation, and
- iii) consumer participation.

Taking the example of a university, accessibility of the service would depend upon:

- The number and skills of the persons associated with providing the core, facilitating, and supporting service.
- Office hours, class and seminar schedules, time used for other services

- Exterior and interior of offices, classrooms, facilities.
- Tools, equipments, study materials etc.
- The number, quantity and aptitude levels of students involved in the learning process.

The interaction between the service provider (the University) and its customer can be in terms of :

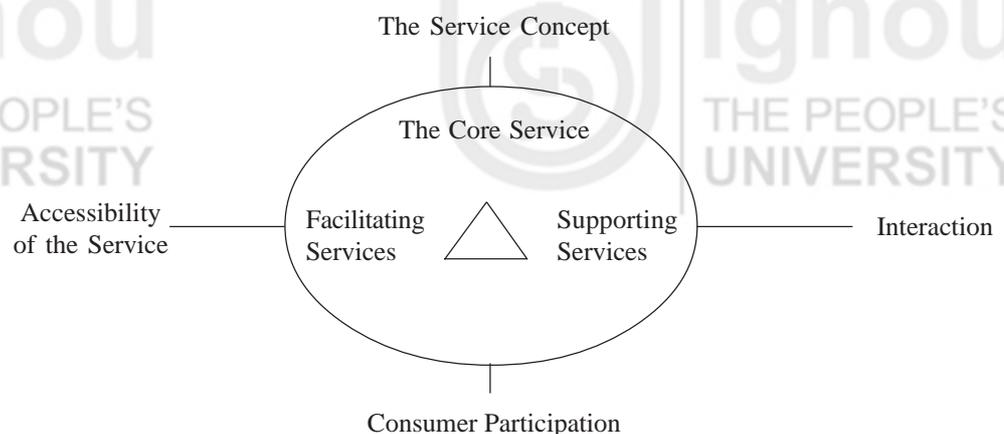
- Interaction with resource faculty (their expertise, skill, attention, attitudes)
- Interaction with other service interfaces (admission, evaluation, students inquiries, students welfare office, office staff, hostel wardens and proctors. Reception-attitudes and willingness of response, accurate answers.)
- Interaction with the physical environment (space, cleanliness, maintenance, noise levels)
- Interaction with accessory service system (waiting line for admission, results, enquiries, payment receipts etc.)
- Interaction between students and,
- Interaction of the various subsystems with each other (faculty, facilities, office personnel, other service departments).

Customer participation is a concept which identifies the impact the receiver of the benefit has on the service he perceives. In the above example the student is expected to fill in various forms, exercise choices of disciplines and subject combinations and participate in the learning process through interaction and attention. The service rendered by the University would be dependent upon the quality of student participation in the above and allied activities. Specifically the aspect of student participation that are relevant are :

- Are students knowledgeable enough to identify their need or problem, and to exercise choice options offered by the University?
- Are they reasonably aware of the time and flexibility dimensions offered to them?
- Are they prepared and willing to share information and feed back?
- Are there any quicker and more efficient ways of motivating participation?

The augmented service offer can be diagrammatically represented as shown in Figure 16.1

Figure 16.1: The Augmented Service Offer



Source: Groomroos, C. "Services Management and Marketing", Lexington Books, Lexington 1990.

In planning the total educational package offer, therefore the focus of the concern is not the course alone, the package has to be seen as a total offer along with its facilitating and supporting services. As planners identify that consumer perceptions are also affected by inputs other than the core service, attention needs to be focused on the accessibility, interaction and consumer participation aspects as well as the basic service offer, so that the augmented education service offering can be effectively created and positioned.

Activity 4

For the following products, on account of your familiarity with them identify the core service, the facilitating and the support services, in each case :

- (a) the university/college that you attended for your degree level;
- (b) the training programmes offered to various cadres in your organisation;
- (c) the distance learning programme that you are undergoing now.

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2. Pricing of the Education Service

Pricing decisions for the service offer are of a major importance and should ideally be related to achievement of marketing and organizational goals. Pricing of the educational offer however, typically represented as 'tuition fees', is subject to certain constraints and characteristics.

Most educational institutions, in fact all public institutions like the Universities, institutes of technology, medical and engineering colleges, come under the category of services where price are subject to public regulation. In all such cases the price element is not controllable by the marketer, instead it becomes a subject matter of public policy, where political, environmental and social considerations take priority over purely economic considerations. Prices may be based on the ability to pay (fee structure relating to parents' income in case of Universities) or some socially desirable goals (total fee exemption for women candidates in states like Rajasthan and Gujarat). Autonomous institutions also subject themselves to formal self regulation of price for example, the institutions like AICWA, and AICA are subject to institutional regulations relating to fee structures which they decide for themselves. On the other hand private institutions, typically in specialised fields like medicine, engineering, computers and management tend to price their services on what the market would bear. As most of these institutions operate in subject fields where demand far exceeds supply, prices charged depend upon economic condition, consumer feelings about prices, buyer need urgency, competition in the market place, level of demand etc.

Heterogeneity of services and different pricing considerations used by different types of institutions make price a less important determinant of consumer choice in educational services.

The more the services are homogenous (undergraduate, graduate courses in the basic disciplines) the more competitive would tend to be the pricing. Another generalisation that can be drawn from product marketing is that the more unique the education service offer, the greater would be the ability of the providers to vary prices according to the buying capacity of the consumer population.

Differential pricing, based on the consumer's willingness to pay may also be utilized for the education service. The practice of charging different fees for the sponsored candidates and the non sponsored ones is common in professional courses, so is the practice of charging differential fees from full time and part time evening participants of the study programme.

3. Promotion and the Education Services Offer

The objective of promotion in education services is akin to its role in other marketing endeavours. Accordingly, the basic objective that promotion as a marketing tool is expected to play for marketing of education would include:

- Building awareness of the education offer package and organisation providing it.
- Creating and sustaining differentiation of the organisation and its offer from its competitors.
- Communicating and portraying the benefits to be provided.
- Building and maintaining overall image and reputation of the service organisation.
- Persuading customers to use or buy the service.
- Generating detailed information about core, facilitating, supporting and augmented service offer.
- Advising existing and potential customers of any special offers or modifications or new service offer packages.
- Eliminating perceived misconception.

Educational institutions however, have not been able to use promotional tools effectively because of certain perceived notional barriers. Some of these barriers are:

- i) Most educational institutions are product oriented rather than market or student oriented. They perceive themselves as producers of certain educational programmes, rather than as satisfiers of certain learning needs. This lack of marketing orientation, keeps those managing educational institutions from realising and exploiting the role that promotion could play in attaining their organisational objectives.
- ii) Professional and ethical considerations may prevent the use of certain forms of promotion. Established educational institutions may regard the use of mass media advertising and sales promotion as being in bad taste.
- iii) The nature of competition in case of educational institutions like Universities, technology and management institutes is such that they are unable to cope with their present demands and work loads. They therefore may not feel the need to promote for demand generation purposes. What has to be realised however, is that even such institutions need to use promotion for image creation and to sustain as well to maintain a secure market position, and to improve the quality of customers (students) seeking their services.
- iv) The nature of consumer attitudes regarding education and their perception of mass media information sources may sometimes preclude the use of intensive promotion. For making their choices regarding a particular institution or a course package, prospective students rely mostly on subjective impressions of the institution, or use surrogate indicators of quality like the provider's reputation or image. They also tend to rely heavily on word of mouth referrals rather than published literature or material supplied by the institution.

Due to some of the above considerations, as also because of prevailing 'industry tradition,' promotion of educational service has tended to rely more heavily on the component of publicity rather than any other element.

Studies in the field of marketing of services indicate that the reluctance towards using mass media advertising or sales promotion is partly due to the inherent psychological barrier and partly due to the misunderstood role of these tools.

Restrictions on advertising for several professional services are being slowly relaxed. Growing competition and the threat of losing market shares has awakened many a institution to realise the importance of mass media tools like advertising for organizational as well as service offer promotion. Some guidelines that can be used while applying this powerful tool for generating awareness, interest and enrollment are summarised below:

a) Create Clear, Simple Messages

The real challenge in advertising educational services lies in communicating the range, depth, quality and level of service offers by a given institution, in simple, unambiguous form. The need of giving pertinent information has to be balanced against the need to avoid wordy copy.

b) Emphasise Service Benefits

Based on an identification of benefits sought, advertising for the educational product should emphasise the benefits to be provided rather than the technical details of the offer.

c) Make Realistic, Attainable Promises

Education by its very nature is a high reliability service, where expectations are high. Unfulfilled promises create dissonance. Promises in terms of performance of services therefore should be realistic.

d) Build on Word of Mouth Communication and Referrals

As noted earlier, non marketer dominated sources in case of education marketing may be more important to the consumer. Educational organisational should therefore build upon the importance of word of mouth communication by

- persuading satisfied consumers to share their sense of satisfaction with others;
- directing ad campaigns at opinion leaders; and
- encouraging potential consumers to talk to existing consumers.

e) Provide Tangible Clues

In terms of certification, records of attainments and past success figures, provide the prospective target population with tangible clues to enable them to make choices.

f) Develop Continuity in Advertising

Most successful institutions position themselves in different ways, so that their images are discernibly different in the eyes of the consumer population. Positions could be built around innovative teaching methods, faculty expertise, research and development possibilities, international orientation, tradition of quality, range and depth of specialisations offered, progressiveness, delivery system, flexibility, supporting services or a combination of any of the above. Once a theme has been identified, consistent use of themes, formats, symbols and images enables recognition of the organisation and its association with the desired values.

4. Place Decision and the Education Service

In most cases the educational services represent the single location and direct distribution processes with no intermediary between the producer and the consumers of the service. The learning process is usually accomplished by the user of the service going to the service provider. However, because of buyer-need urgency and the nature of the utility derived, accessibility and convenience for educational service location are not as critical a factor as in case of, say, a banking service. Depending upon the competitive situation, the factors that have marketing implications in terms of location are:

- a) What is the market demand? Will the purchase of service be postponed or negated if the institution is not conveniently located? How critical are accessibility and convenience in service choice decision?
- b) Are competitors finding alternative ways to reach to the markets? (for e.g. distance learning in education) Can some competitive advantage be gained by developing alternate/different norms of service location and delivery?
- c) How do flexibility, being technology or people based, affect the educational service offer in terms of flexibility in location and relocation?
- d) Is there an obligation on part of the institution to be located in a convenient site? (e.g. public health education centres, family planning training centres, vocational training centres etc.)
- e) How critical are complementary services to the location decision? (Transport to and fro, residential and canteen facilities and so on)

Answers to issues like the above underline the critical importance of the location decision and may result in more systematic approaches than in the past.

Activity 5

Promotional activity in most educational institutions barring the private ones is noticeable by its absence. Most of the public institutions, however have a public relations office. Talk to the public relations officer of a few public institutions to find out the type of 'communication-mix' used by the institutions. Also, try to explore in each case why mass media advertising is not being used for market cultivation?

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15.6 CONCLUSION

In the present era, it is not natural resources or natural wealth which distinguish an affluent society from a backward one, it is the accumulation and development of the knowledge resource. Education was never as important a utility as it is today. People however differ in the benefits they seek from the educational services offered to them. It is important, then, in order to be able to satisfy these needs and wants effectively, that a marketing orientation be applied to the conceptualisation, design and delivery of educational service. This is even more imperative in a developing country like India, where resources are scarce and a better match between needs and services provided needs to be attained. Education planners, in order to plan the service offer well and deliver it effectively, need to understand the behaviour of the target population, and the criteria they use to exercise choice. The key to better delivery of the education

service is not that it is performed by people but that it is performed for people. People therefore represent the starting point for analysis to precede conceptualising the service offer and developing it into a marketable service package. The education service offered by the institution must reflect the organisational response to the identified needs and wants of the target segment, in a given socio-economic context.

15.7 SELF-ASSESSMENT QUESTIONS

- 1) What are the marketing implications of intangibility, inseparability, perishability and heterogeneity for education services? Discuss with the help of suitable examples.
- 2) Using the criteria of different benefits sought by target customers, how can educational institutions build or defend competitive positions. Use examples to support your answer.
- 3) What are the levels at which a service concept has to be defined? Applying the generalisation developed by Gronroos, define the general service concept and specific service offer for
 - a) A computer institute
 - b) An in-house training programme for sales personnel
 - c) Refresher courses for senior executives
- 4) What are the implications of core, facilitating and supporting services for marketers of education? Discuss the concept of an augmented service products with the help of examples from the educational services.
- 5) The interaction between the provider of an educational service and its customers can be at various levels and in different forms. Describe the components of this 'interaction' for any educational institution of your choice.
- 6) What are the major promotion objectives that an education service provider may seek? Are these objectives in any way different from those sought by product marketers? Comment.
- 7) Identify the major barriers to effective use of promotion by educational institutions. What steps do you suggest could be taken to overcome these barriers?
- 8) Evaluate the criticality of the location decision for educational service. Does the significance of location decision vary over types of educational services? Justify your answer with the help of examples.

15.8 FURTHER READINGS

- 1) Kotler, Philip, *Marketing for Non-Profit Organisations* (Englewood Cliffs, N.J., Prentice Hall, 1982).
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- 6) Bateson, J., *Do we Need Service Marketing?* *Marketing Consumer Services: New Insights*, Report 75-115, Marketing Science Institute, Boston 1977.
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- 9) Cowell, D., *The Marketing of Services*. William Heinemann, London, 1984.