

FACTORS INFLUENCING MARKETING COMMUNICATION IN SERVICE SECTOR {A STUDY ON EDUCATIONAL INSTITUTIONS IN VELLORE, TAMIL NADU, INDIA}

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ABSTRACT

All marketing communication should be legal, decent, honest and truthful. Unlike manufacturing sectors, service sectors do not indulge in direct vigorous promotional activities. The educational institutions from the phase of its oligopoly competitions have grown to the phase of monopolistic competition. Since, there is stiff competition prevailed in the educational sectors due to recent benchmarking practices with the international entrants signing in to collaboration with the local institutions there is definitely need for the educational institutions to overcome the competition and thrive in the field. An attempt has been made to study on factors influencing marketing communication in educational institutions in and around Vellore, Tamil Nadu as the study area. This study basically focus on: to perceive the profile and growth of educational sectors in and around the study area, to analyze various media's usability in the field and the strategies followed by the educational institutions with respect to their marketing communication and the relationship between various demographical profiles of the Institutions like age, ownership, and the operational factors like frequency of advertisements per year, quantum of money spent, intake capacity per year, Turnover per year, quantum of money spent and nature of Medias chosen. The required information for the study was collected from the sample institutions using the structured questionnaire and then needed analyses were carried out to infer the study results.

KEYWORDS: Key words: Marketing, Communication, Education al Institutions, Service, Vellore.

INTRODUCTION

Marketing communications is the science and art of communicating in sequence that the company wants to reveal to the public. The purpose of these is ultimately to achieve expansion so it is important that you communicate efficiently. In recent times more emphasis have been given to the communication with embedded action scripts, flash, cookies and a lot of technological techniques to make sense of your movement through the Internet. You also need to

consider the style and tone of your message and the follow-up actions that will be required by you and your staffs in order to generate more competitive success.

The ultimate aims of marketing communication should be to get our customer's Attention, keep them Interested, generate a Desire, and encourage them to take Action. Advertising and other forms of marketing communication are crucial means of communicating between marketers and customers. The value of self-regulation lies in its aptitude to form, enhance and defend consumer faith in the business communities, and thereby in the marketplace itself. Active self-regulation is also an instrument for the protection of individual companies' goodwill and reputation. Self-regulatory codes continue to be developed and refined in response to societal, technological and economic changes. To compete in today's marketplace, marketing professionals need an explanation that allows them to react to changing market circumstances cost efficiently: synchronized marketing communication at a lesser cost. Marketing communication needs to be effective, efficient and cost-effective.

A communications strategy facilitates you to frame communications in ways that are positive and informative for the targeted audience. More communication does not automatically mean more development. All marketing communication should be legal, decent, honest and truthful. All marketing communication should be geared up with a due sense of social and professional responsibility and should conform to the values of fair competition, as generally accepted in business. Marketing communication should respect human dignity and should not incite or disregard any form of discrimination.

1.1 EMERGENCE OF INDIAN EDUCATION SYSTEM GROWTH AND ITS DIMENSIONS: Indian education system dates back in the history of “Gurukulam” where the children are left to the holistic care of the Gurus to impart all round skills to make their students skill-full and develop in to a complete personality. The system slowly changed to open air institutions, then the schools which never had even the basic facilities like black board, writing materials, benches and chairs for the children to sit and learn comfortably. Then after the government intrusion, they started government schools where only the basic education was taught, there was lag of skilled teachers and trainers. Now the situation had entirely changed.

With growing competition from international giant institutions entering in to the field, there is a stiff competition prevailing in order to strive in the field. Parents unlike in the past make choices and decisions as to which school their ward should be put at. They carefully consider and decide the second place of their career development. They go by so many factors before taking decisions. They want their wards to get educated in the best place available and to develop in to a complete personality. It is not only that they want their child to get good education, but the place should be professionally, ethically and morally a good place to impart education, values and extra-curricular activities. In the growing phase of competition and awareness among the public, it becomes mandatory for the institutions to communicate better of their existence and their exclusiveness so that they can stand unique in the field. Since they are into the task of not only imparting education, but also developing a complete perfect skillful, ethical and self-motivated personality they should take care of all aspects of developing future citizens whereby the nation building also lies in. So the educational institutions play a vital role in developing a country, where the significance arises in a developing country like India.

The marketing communication is gaining its importance since the educational institutions require fulfilling their socio-ethical responsibilities also. So far government has set up institutions which were role-model and they impart education at low – cost motives. As soon, the educational system made privatized, more number of private institutions which are entering now into the field of education, which makes the commencement of marketing communication in global scenario. These developments had put pressure on the educational institutions to maintain their standards and inform the world of their superiority and exclusiveness. Even now, Institutions are swift about the marketing communication, which needs to be modified and remodeled. Educational institutions should create a healthy competition and create awareness among the public so that the public have wider choice and know-how of what is going around. Modern teaching materials like smart class room facilities to impart more practical and project based learning style of teaching have come into existence. The Indian educational sector has emerged as the best in the world and started attracting the foreigners in to its purview and started collaborating with international organizations to impart education. It is in this place marketing communication plays an important role to full-fill. In the past they were not concentrating on marketing communication as such, but now almost all the institutions in one way or the other develop marketing communication strategy so that they come into brightness. So in the light of changes and developments it is necessary for the educational institutions to prove their ability to impart not only quality education but also in bringing out a complete citizen of the growing nation, so they need to concentrate on marketing communication carefully. So in this context educational institutions are required to carefully scrutinize their responsibility and prove their uniqueness by way of improved marketing communication, which this study attempts to elucidate.

1.2 STATEMENT OF THE PROBLEM: Marketing communication in the case of service sectors is not intense as manufacturing sectors. The service sectors do not indulge in direct vigorous promotional activities as the other sectors do. This is elucidated with the fact that service sectors do not have a dedicated marketing wing and department in their jurisdiction. The educational institutions from the phase of its oligopoly competitions have grown to the phase of monopolistic competition. Since, there is stiff competition prevailed in the educational sectors due to benchmarking practices with the international entrants signing into collaboration with the local institutions there is definitely need for the educational institutions to overcome the competition and thrive in the field.

1.3 THE AREA OF THE STUDY: Vellore District in Tamil Nadu, India is one of the leading districts of the state, where the development of the service sector like healthcare, education has been consistently good and praiseworthy. The Government of Tamil Nadu with an ambitious scheme and passionate desire to promote higher education, setup series of Arts Colleges throughout the state - established in the rural end poor students.

The private participation in the growth of higher education in the District is also over whelming. The district is not lagging behind in providing professional education like medical, engineering, agricultural, polytechnics and so on. In view of the financial constraints, in the last few years, the Govt. has encouraged self financing Institutions in all areas of education both at school and higher education. The phenomenal growth of these educational institution in the district only

testify the growing demand and the keen interest evinced by the student community for higher and professional Education.

1.4 OBJECTIVES OF THE STUDY: The objectives of this study are to provide for an improved understanding of those factors influencing marketing communication in service sectors with reference to educational institutions in Vellore, Tamil Nadu, India.

- To perceive the profile and growth of educational sectors in and around the study area.
- To analyze various media's usability in the field and the strategies followed by the educational institutions with respect to their marketing communication.
- To determine the level of relationships that prevails between the age, ownership, intake of students, frequency of advertisement, nature of media they choose, quantum of money spent on advertising with regard to the turn over and the ways they would like to establish public relations;

1.5 HYPOTHESES: In order to study the relationship of demographical and operational factors identified, the researcher has formulated and tested the following hypotheses to justify the relationship among the factors studied.

- There is no significant relationship between age of the institution & frequency of advertisement.
- There is no significant relationship between age of the institution & intake of students.
- There is no significant relationship between age of the institution & Turnover.
- There is no significant relationship between age of the institution & quantum of money spent
- There is no significant relationship between age of the institution & nature of media chosen
- There is no significant relationship between ownership & frequency of advertisement.
- There is no significant relationship between age of the institution & intake of students.
- There is no significant relationship between age of the institution & Turnover.
- There is no significant relationship between age of the institution & quantum of money spent
- There is no significant relationship between ownership & quantum of money spent

- There is no significant relationship between age of the institution & nature of media chosen

2. METHODOLOGY

This is a descriptive research includes surveys and fact-findings enquiries. The major purpose of this research is to study on the factors influencing marketing communication in services sectors with special reference to educational institutions in and around the study area. The period of the study was from October 2010 to October 2011. The scope of the study has been limited to six important aspects:

- Age of the institutions
- Ownership of the institutions
- Intake of students
- Frequency of advertisements
- Nature of media
- Quantum of money spent

Detailed literature survey was conducted to identify all possible factors, which might influence the marketing communication in the educational sectors. Preliminary research questions were identified based on the literature. The initial pilot study was done over few selected institutions to get their responses. Based on their feedback the final version of questionnaire was designed. There were four categories of educational Institutions identified and included in this study namely: 1. Schools 2. Colleges 3. Industrial Training Institutes 4. Management Institutes. Questionnaires were personally given to the Public relation Officers (PRO)/Administrative officers/Principals of 50 institutions in and around Vellore and out of which 30 of them shown their interest through participation. Personal interaction with the aforesaid persons was also done in order to know about their expectations towards marketing communications. Based on the responses obtained the critical success factors were identified and their associated variables were determined. All those data collected was subjected to various data analysis like percentage analysis, Chi square test and weighted average method for deriving meaningful conclusion. In spite of all this, the present study is also subject to the limitations like:

- Due to Budget and time constraints, the study was limited to Vellore District in Tamil Nadu.
- By using questionnaire there might be a chance of receiving biased information from the respondents
- Some respondents were unable or unwilling to provide information to investigators.

3. FINDINGS OF THE STUDY

The analyses part of this study revealed that, the demographic profile of the institutions represented were classified based on the age wise distribution of the institutions, Intake wise distribution, Ownership wise distribution, Nature of medias chosen, frequency of advertisement wise distribution, quantum of money spent towards advertisement wise distribution, and turnover wise distribution.

3.1. AGE WISE DISTRIBUTION

TABLE 1 AGE WISE DISTRIBUTION

Age in Yrs	No of respondents	Percentage %
<5	7	23.33
5-15	8	26.67
16-25	3	10
26-35	6	20
>35	6	20
Total	30	100

Source: Primary data

The study revealed that, there was a growing trend of education and the entrance of new private parties in to the educational avenues. About the Fifty percent of the institutions showed their existences for the period up to fifteen years. Out of which, 26 percent of them shown they are between 5 to 15 years old. Besides, forty percent of the institutions shown their period above 25 years, out of which, fifty percent of them (20 per cent) shown they are above 35 years old. The rest of ten percent of them are shown their period between 16 to 25 years old as shown in table 1. The history of the study area revealed that there were institutions which are successfully running for over 50 – 100 years.

3.2 OWNERSHIP DISTRIBUTION**TABLE 2: OWNERSHIP DISTRIBUTION**

Ownership	No. of respondents	Percentage %
Private	21	70
Public	1	3.33
Govt.aided	5	16.67
Missionary	2	6.67
Charitable	1	3.33
Total	30	100

Source: Primary data

From the study, it revealed that, Private ownership of the Institutions is shown their accountability for 70 percent. This is highly supportive to the total population in the study area. The significant size of the government aided private educational institutions is also well represented to the turn of 16.67 per cent; The religious missionaries owned institutions is also shown their accountability to the turn of 6.67 per cent in quality education; The rest of 3.33 per cent each, of the Institutions are representing the public owned and charitable kind of ownership respectively as shown in table 2. The above results showed the increasing trend of private ownership and their contribution to education sector.

3.3 INTAKE CAPACITY OF STUDENTS PER YEAR**TABLE 3: INTAKE CAPACITY PER YEAR**

No of students	No. of respondents	Percentage
Less than 50	4	13.33
50- 100	5	16.67
101- 200	8	26.67
201- 300	4	13.33
301- 400	2	6.67

Above 400	7	23.33
Total	30	100

Source: Primary data.

From the study, it uncovered that, around 27 percent of the institutions are shown their intake capacity between 100 to 200 students per year. Followed by around 24 per cent shown their capacity as above 400 students per year and around 30 per cent of the institutions are holding their capacity up to 100 students per year and rest of eight per cent are shown their capacity between 200 to 400 students per year as shown in table 3. This has clearly stated the intake capacity greatly depends on the infrastructure, demand for education and governmental restrictions over the intake capacity.

3.4. FREQUENCY OF ADVERTISEMENT PER YEAR

TABLE 4: FREQUENCY OF ADVERTISEMENT PER YEAR

Frequency	No. of respondents	Percentage
Weekly	7	23.33
Monthly	5	16.67
Half yearly	7	23.33
Annually	11	36.67
Total	30	100

Source: Primary data

The study results disclosed that, around 37 per cent are shown their participation over releasing advertisements for institutional promotion in an annual basis. Followed by, around 24 per cent, each are shown their need for releasing advertisements once in six month and every week in a year respectively and rest of around 17 per cent are using advertisements every month in a year as shown in table 4. This clearly shown that, promotional activities are seems to be at greater demand and also worthy investment for running successful institution.

3.5. TYPES OF MEDIAS USED**TABLE: 5 TYPES OF MEDIAS USED FOR PROMOTION**

Nature of Media	No. of respondents	Percentage
Handbills	6	20
Posters & display boards	5	16.7
TV/ Radio	9	30
Papers & Magazines	10	33.3
Total	30	100

Source: Primary Data

This study results discovered that, 70 per cent of the institutions are using only 'Printed' Media as their source of communication. Out of which, 33.3 per cent are shown their promotional participation through dailies and magazines, followed by 20 per cent are supported with printed handbills and 16.7 per cent are shown their experience with using posters and display boards as the media used for communication. Rest of 30 per cent are shown their experiences with participating in 'Broadcasting' Medias' like television and radio for their institutional promotion as shown in table 5. This clearly showed that, all institutions are principally using either print Media or broadcast Media as their source of institutional promotion.

3.6 QUANTUM OF MONEY SPENT**TABLE 6 QUANTUM OF MONEY SPENT PER ANNUM**

Quantum of money spent (In Rs)	No. of respondents	Percentage
<10,000/-	0	0
10,000-50,000/-	6	20
50,000-1,00,000/-	8	26.7
1,00,000-2,00,000/-	10	33.3
Above 2,00,000/-	6	20
Total	30	100

From the study, it illustrated that, around 33 per cent of the Participating institutions are agreed their promotional expenditure is between one to two lakhs per annum. Followed by, around 28 percent of the institutions are supported their promotional expenditure per annum is between Rs. 50,000/- to 1, 00,000/-, the rest of 20 per cent each, spent money above Rs. 2, 00,000/- per annum and between 10,000/- to 50,000/- per annum respectively as shown in table 6. This almost confirms that, every institution, they would be operating the promotional activities within the quantum of budget allotted per year.

3.7. TURNOVERS PER YEAR

TABLE: 7 TURNOVERS PER YEAR

Turn over	No. of respondents	Percentage %
10,000-1,00,000	15	50
1,00,001-10,00,000	7	23.33
10,00,001-20,00,000	4	13.33
>20,00,000	4	13.33
Total	30	100

From the study results, it confirmed that, 50 per cent of the institutions claimed their turnover is between Rs. 10,000/- to 1,00,000/-, followed by around one fourth of the institutions indicated for their turnover part between Rs. 1,00,001 to 10,00,000/- and 13.33 per cent each represented their turnover part covered up to Rs. 10,00,001 to 20,00,000 and more than 20,00,000/- as shown in table 7. Normally, the turnover part of the institutions is influenced by many independent factors like: Capacity, Infrastructure, facilities, human capital, fees structure, image or reputation, operating expenses and quantum of period serviced.

3.8. INVOLVEMENT IN PUBLIC RELATION ACTIVITIES

TABLE 8: INVOLVEMENT IN PUBLIC RELATION ACTIVITIES

Activity	No. of respondents	Percentage
Awareness Activities	13	43.33
Organizing camps	14	46.67
Public meetings	3	10
Total	30	100

From the study results, it clarified that, beside some promotional activities through advertisements in Medias, each institution has also committed with some PR activities to get their image or reputation in their field of excellence. Out of total respondents, around 45 per cent, each has shown their participation in conducting awareness activities like inter and Intra institutional activities and organizing periodical camps to benefit the society in the field of their distinction respectively. The balance of 10 per cent told their participation in organizing the public meeting for a common cause and achievement on various social issues benefits the public as shown in table 8. The major advantage of doing such PR activities normally attracts more sponsorship and other outside people involvement. Thus, it benefits the organization both in gaining image or reputation and also less financial commitment in their field of operations.

3.9. KEY FACTORS OF MARKETING COMMUNICATION

TABLE 9: KEY FACTORS OF MARKETING COMMUNICATION

Key factors	No. of respondents	Percentage
Achieving their goals & Core values & messages to Key audience	15	50
Resources mobilization	3	10
Monitoring the day today activities	12	40
Total	30	100

From the study results, one could conclude that, fifty per cent of the institutions used the marketing communication tools for achieving their goals & core values and updating messages to key audience. Followed by, forty per cent of them shown their interest in monitoring the day today activities and balance of ten per cent used for their resource mobilization as shown in table 9

3.10 IMPORTANCE OF COMMUNICATION ATTRIBUTES

TABLE 10 COMMUNICATION ATTRIBUTES

Key factors	No. of respondents	Percentage
Truthful & Alert	8	26.7
Well-timed & Summarizing	8	26.7
Apparent & Enlightening	14	46.7
Total	30	100

From the study results, it depicts that slightly below fifty per cent of the institutions had their opinion of giving out the apparent and enlightening part of marketing communication could yield more benefits in the future. Followed by, around 25 per cent each had their opinion of following Truthful & alert and well timed and summarizing part of marketing communication could yield more benefits to the institutions in the future as shown in table 10

3.11 CHALLENGES IN MARKETING COMMUNICATION

TABLE 11 CHALLENGES IN MARKETING COMMUNICATION

Challenges faced so far	No. of respondents	Percentage
Financial resources	10	33.33
Continuity & Consistency	4	13.33
Integration of messages	16	53.33
Total	30	100

From the study results, one could understand that, slightly more than fifty per cent had admitted the integration of the old and new system harmoniously is the genuine challenge faced by them in practice. Followed by, one third of the institution had their experience to mobilize the financial resources is the actual challenge in practice and balance of 13.33 percent demonstrated the continuity and consistency part of messages shared in Marketing communication is the authentic challenge in practice as shown in table 11

3.12 SOCIO ETHICAL RESPONSIBILITIES OF EDUCATIONAL SECTORS

TABLE 12 SOCIO ETHICAL RESPONSIBILITY OF EDUCATIONAL SECTORS

Factors	No. of respondents	Percentage
Quality education	10	33.3
Affordable education	12	40
Nation building Exercise	8	26.7
Total	30	100

From the study result, it is clear that, 40 per cent of the educational institutions had focused on affordable education as their major commitment to society, followed by 33.3 per cent had

supported for quality education and balance of 26.7 per cent had meant for creating national building exercise part of their commitment as shown in table 12. Thus, the role of institutions is to impart good education for creating good & knowledgeable citizens.

3.13 SIGNIFICANCE AND HYPOTHESIS OF THE STUDY

This part of the study depicts the relationship between various demographical profiles of the Institutions like age, and ownership, with the operational factors like frequency of advertisements per year, intake capacity per year, Turnover per year, quantum of money spent and nature of Medias chosen.

Following are the results shown by testing Null hypotheses formulated for this study using Chi-square tests at '0.05 level' of significance as in the table 13.

TABLE 13 CHI SQUARE TEST RESULTS FOR SIGNIFICANCE

LEVEL OF SIGNIFICANCE 0.05

S.no	Category	Null Hypothesis selected for the study	Calculated Value	Table value	Result
1	Age	There is no significant relationship between age of the institution & frequency of advertisement.	17.80	37.652	Accept Ho
2		There is no significant relationship between age of the institution & intake capacity.	30.4	37.652	Accept Ho
3		There is no significant relationship between Age of the institution & Turnover.	8.28	24.996	Accept Ho
4		There is no significant relationship between Age of the institution & quantum of money spent	11.96	37.652	Accept Ho
5		There is no significant relationship between age of the institution & nature of media chosen	23.04	55.758	Accept Ho

6	Ownership	There is no significant relationship between ownership & frequency of advertisement	9.1	31.410	Accept Ho
7		There is no significant relationship between ownership & quantum of money spent	21.90	31.410	Accept Ho

Source: Primary data

From the study results, it is clear that, the demographical factors like age group of the institutions are shown no significance with all the corresponding operational factors like frequency of advertisements per year, intake capacity per year, Turnover per year, quantum of money spent and nature of Medias chosen. However, from the result, we could conclude that, there is significance relationship between Ownership of the institutions and intake capacity, turnover part of the institution, and nature of media chosen for promotion.

Thus the study proved, all the operational factors Like; frequency of advertisements per year, intake capacity per year, Turnover per year, quantum of money spent and nature of Medias chosen of the educational institutions is being independent with the age profile of the institutions. However, unlike above, except the frequency of advertisement and quantum of money spent, all other operational factors of the institutions being dependent to the ownership of the organization.

CONCLUSION

Most of the institutions were hesitant to reveal finance related data. Educational sectors have to concentrate on advertisements and promotional activities, develop online marketing system along with strengthening network advertisements. They need to have marketing as a core function taking quality education in affordable manner into consideration. Government schools need to improve their infrastructure and standards of education equivalent to the other private institutions to be competent in the field. Government, public and government aided schools are not concentrating in advertising or marketing communication, they also should take steps to publicize their existence. While developing e-marketing and internet advertisement institutions should take care of threats like personalization, security and hawking. They should be watchful of not interfering too much and maintain their limits.

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