
A STUDY ON RETURN ON SEARCH AND CRITERIA FOR BUSINESS EDUCATION

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Abstract: The purpose of this study is to investigate the return on search a consumer/ student get when he joins Post Graduate Diploma Program (PGPM/PGDM). An attempt is made to highlight the advantages a student can gain by doing a search before joining a Business School when he/she plans to do Post Graduate Diploma in Management and this paper also attempts to highlight the area at which any B-School should prioritize in terms of marketing the institution. The study followed a survey approach using Multiple Choice questions in the form of Questionnaire survey. The subjects were also given a choice of choosing more than option in case of necessity and advised them to rank in ascending order indicating the importance of their choices. The transcripts of the interviews were analyzed to arrive at the findings of the study.

The subjects interviewed exhibited certain common expectation on the institution they join. One clear expectation is that they look forward to have better placement opportunity after completing PGDM. In fact 64% of the subjects interviewed topped placement as the first criteria for joining PGDM Program. The interview was conducted only with the Fresher – Students, they had no experience before joining PGDM Program. They basically start looking out for doing a Post Graduate Diploma since the placement is not satisfactory after completing the Under Graduation, and a student who has work experience start looking out for doing MBA if he did not attain promotion or expected increment even after having few years with the companies. Secondly 30% of the subjects interviewed wanted to gain knowledge out of the course, and 10% wanted to have exposure through the case studies, real life examples and the best faculty in the industry. They choose the institution based on the courses being offered, specialization being offered and faculty experience and expertise. It is also found that none of the subjects interviewed had interest in becoming a business entrepreneur after completing the course they all wanted to gather experience from the industry for some years.

As the study focused on criteria for choosing PGDM/PGPM and the returns they get from the search they do before they join the course, few subjects were reluctant to participate in the survey since they were not willing to give the remarks about their institution and many of them not willing to mention their institution name on the survey form. Though I originally planned for a larger sample size, I could manage to get only 30 respondents to cooperate in the study. The subjects who eventually participated were from the same geographical locality thus reducing the generalizability of the findings.

Keywords: Consumer search behaviour, MBA, Return On Search

Introduction: Student Satisfaction leads to brand loyalty and retention in the future (Brian A.Vander Schee – 2011). A consumer selecting a product involve lot of external things, right from the Brand Name, Pricing, offer, Celebrity factor, availability and many more, however for an educational industry Students are considered as the consumers. Students should be viewed solely as customers (Bruning, 2002; McCollough & Gremler, 1999; Pitman, 2000) since student-university relationship is essential to promote branding for the institution.

In the paper Students as consumers: Programming for Brand Loyalty by Brian A.Vander Schee (2011) explained that Colleges and universities offer value to students but, given the service nature of higher education, this can only occur when students actively participate in the value creation process. Students with significant time commitments outside of the campus environment are likely to be more passive, thus limiting an institution's ability to facilitate satisfaction through value creation

Based on his expansive research, Brian A.Vander Schee (2008) explained that careful selection and support for first-semester programming instructors is vital to fostering a positive product experience. It is likely that faculty who embrace the Freshman Seminar course and purpose to empathize with students in resolving their concerns will find the teaching assignment more emotionally stressful. Having a positive initial product experience via the Freshman Seminar instructor leads to a higher rating regarding the overall effectiveness of first-semester programming and thus, brand loyalty or student retention, which means the students will become the integral part of the system and they will start spreading the word of mouth and it will be helpful for the future students to consider the institution.

The intension of this paper is to find out which are the factors which are influencing the students to select the institution they want to study and what are the criteria they would like to look into before considering. And also wanted to find out the Return

on Search (RoS) they get out of the Search they do before joining the institution. RoS is popularly explained as the increment in Quality or Decrease in Price when a consumer purchases a product after investing time in searching for the right product. According to JIE 'Jennifer' Zhang, Xiao Fang and Olivia R.Liu Sheng in their research Online Consumer Search Depth (2007) they explained that: Higher the price a consumer will pay for the search more consumers will be the reduction in price and increment in Quality. This paper also aims to find the priority variables a consumer/Student gives while searching for the right institution in order to make it useful for the Management Schools to market their institution more effectively. This research is carried out only in Chennai and among B-School Subjects.

Business Schools in Chennai: The Phenomenal growth of MBA or Its post graduate diploma in Management has been largely triggered by the growth of corporate sector and industrialization in India. Due to this demand AICTE and board of Management studies currently offer over 60, 000 seats for Post Graduates in Management (Dharni.P.Sinha, Management Education in India - Perspectives and Challenges - 2004, ISBN : 81-7881-279-7)

Business Schools emerged with the conventional specialization offers like Specialization in Marketing and Finance, but these days B-Schools are offering specializations in many other subjects like HR, Strategy, Retail Management, Healthcare, Manufacturing and many more. According to Prof. Alex Johan, Great Lakes Institute of Management "More the specialization we offer, more is the scope for placements and these days industries are asking for specific specialization so that the cost involved in training the candidate will be less"

Chennai is not an exceptional to this, According to the number of registered Business Schools in Chennai was 16 as on May 2014. These Business schools, popularly called as B-Schools are started to provide Business education to the students.

Institute for Financial Management Research (IFMR), Great Lakes institute of Management (GLIM), Loyola Institute of Business Administration (LIBA), Institute for Technology and Management (ITM) are the few top B-Schools in Chennai. Students who apply for these Post Graduation Programmes can be from any background like Engineering, Commerce, Science, Arts and many more. Few institutions have restrictions in terms of Work experience but most of the Institutions accept students who don't have work experience as they join immediately after completing there under graduation.

CAT, XAT, GMAT are the few popular examinations the students need to undergo before applying to

these B-Schools, Better the Score better will be the quality of Institution he/she gets admitted in. Few B-Schools prefers to have their own entrance examination too. Popular Schools like IIMs, ISBs accept CAT score as the criteria to apply.

Research Objective: Mid 1960s IIM Calcutta collected views of Business leaders on the future of Management Education in India. 'Can business be taught?' Was the Million Dollar question then. They made a study out of it and the study indicated that Indian Business leaders were not prepared to accept Business Education as a qualification for managerial position. So the first ever task for any Bschool was to educate the business leader about the importance of Business studies and create a market for Post Graduates in Management.

Dharni.P.Sinha (2007) reasoned that the success of Business schools running the institutions successfully is due to MBAs started making impact in the corporations they served. They were recognized for their analytical mind, non-conventional thinking and refreshing perspective. This in turn created a demand for Management graduates among corporations. Many companies from different industries started to offer placement opportunities to the Business School Students.

This research paper attempts to study and uncover the reason behind the student considering the Bschool for admission. Due to enormous increase in number of Business institutions, the competition has gone up very high for admission. The Bschool which has better competitive advantage will strive in the market for long, I wanted to determine the factors the B-schools needs to target for earning better competitive advantage among their competitors. Secondly, the paper also aims at finding out the Return on Search the consumer/student gains after joining the Post Graduate Programme.

Research Methodology: Since there are no scientific studies reported as to the best of my knowledge, I have chosen questionnaire - survey research from the present Post Graduate diploma students. Though i approached more than 65 students, only 30 agreed to participate in the survey. The study was limited to students in Chennai. The study followed a survey enquiry approach using questions along with the choices given for them to select the right one. The questionnaire along with choices was made prior to the interviews. The interviewers used the questionnaire for reference during the interviews. The respondents were given the scope to share their personal thoughts and feelings on the questions to justify the exploratory nature of the study. The interviews were transcribed and those were used as the quantitative data for the study.

Qualitative Data Analysis & Discussion of

Findings: The findings of the study based on the analyses of qualitative data are presented below in different subheadings. The interview transcripts are culled out selectively to further

Age group of the respondents: The respondents below 28 were approached for the research to reduce the generalizability of the research. The respondents were all freshers, students without any prior work experience. 13.33 % of the students were 20 and below years, whereas the major bulk fell between 21 and 24 with 70%, 25 years and above were 16.67 % of the total respondents.

Gender of the respondents: To avoid any disparity between the Genders tried almost equaling the number of respondents between both the genders. Male respondents being 56.67% and Female respondents took up the survey was 43.33%

Criteria for Choosing Post Graduation in Business Management: When asked about the reason behind the student selecting the PG diploma in Business Management, 63.33% of the students responded placement opportunities as the reason. When probed on why Business Management most of the students replied PGDM is the best course for background students. From Engineering to Arts any student can pursue PGDM/MBA, which will enhance the placement opportunities.

It is observed that 30 % of the respondents wanted to do this course only for gaining knowledge, placement is secondary for them and 10 % of the respondents felt exposure to corporate world, Internships and exposure to case studies from different Industries were the reason for choosing this Post Graduation course.

Criteria for selecting a particular Business School: The total survey samples were from Business School background, so the question was asked on the criteria at which the student decides to apply for a specific business school, popularly called as B-School. Previous year placement records in terms of number of students placed and average salary packages topped the criteria with 46. 67%, Word of mouth plays a very strong role in educational industry as well, 33.33% of students choosing the Alumni reference, positive feedback about the School by the students who have graduated in the past. Faculty Quality is one of the criteria mentioned in the questionnaire which was chosen by 10% of the sample size, the rest 10% chosen other criteria such as B-School rankings, location and campus facilities.

Search behaviour of the student: Most consumer behavior theories explicitly or implicitly suggest that under low involvement conditions, individuals engage in minimal search, while under high involvement conditions, individuals engage in extensive search (Engel and Blackwell 1982; Hawkins

et al. 1986; Howard and Sheth 1969).

It is clear that a consumer will search for more information when he is involved highly, this will lead to purchase intention. At the same time, the consumer will get his/her returns for the time he allotted for searching the information. I wanted to mention, Increase in the Quality of the product or Decrease in the Price of the product or both will be the Return on Search for a customer.

To find this out, I asked the subjects on the medium at which they do the search before selecting a particular B-School and also tried to understand the involvement they were showing before selecting the Institution. This eventually led them to make purchase intention.

The subjects were also asked to whether they are satisfied with the search they did before joining the institution, which is to find out whether the Return on Search was satisfactory. The Satisfaction is not determined in terms of Quality of the Institution but satisfactory level was determined for Returns they got the extensive Search they did.

Knowledge about the Institution: When probed on how did the student come to know about the institution 53.33% of the students said it is through Web search. Which means more than half of the sample size was involved in searching for the right institution on their choice, 40% of them referred it as through word of mouth. This includes Referred by a past student or Under Graduation Professors and few other ways by which a student can come to know about an institution. 13.33% of them came to know about the institution by repetitive advertising done by the institution itself. To my surprise not even one student mentioned marketing activities such as seminars done in other colleges by the business Schools, Job Fairs, Cultural Events etc.. These clearly say that the searching for the right institution happens mostly on the Web, and as conventional marketing theories suggest Word of Mouth is always powerful when comes to any Product or Service to increase the market size.

This is basically to instigate interactive marketing among the customers, which means to the customers will give positive feedback about the product they used.

Analysis on the Institution: Understanding consumers' information-search behavior is critical to firms' strategic decision making. Therefore, it is not surprising that empirical research on consumers' information-search behavior has a long tradition in marketing (Beatty and Smith 1987; Newman 1977; Punj and Staelin 1983; Srinivasan and Ratchford 1991; Urbany, Dickson, and Wiikie 1989).

Once the consumer/student does a primary search about the institution, he will definitely do an in-

depth analysis about the institution before applying. As mentioned by Sridhar Moorthy, Brian T. Ratchford, Debabrata Talukdar in their work Consumer Information search Revisited: Theory and Empirical Analysis (1997), a consumer has n brands in her consideration set $C = \{1, 2, \dots, n\}$ in a given product class. The consideration set represents what the consumers bring to the active search process. The presumption is that consumers are aware of a set of brands from passive search activities (e.g. exposure to advertising) but have winnowed it down to the consideration set by removing any unacceptable brands. A consumer evaluates the brands in her consideration set using a utility function $u(x)$ defined on a set of $M = \{x_1, x_2, \dots, x_n\}$ discriminating attributes. Example: Price is assumed to be one of the attributes so that the utility function measures utility net of price.

Hence as a part of my research work I wanted to understand the top criteria among the consideration for selecting the institution they wanted to join and whip off the Brands which does not satisfy the criteria among his/her consideration set. As mentioned earlier 63.33% students in this sample size mentioned Placement as the top criteria among their consideration set. 30% of the students opted for Knowledge they wanted to acquire from the PG Course.

40% of the students opted that they decided to apply the present institution after talking to the counselor from the Business School. While probing them on this, they said the counselors were very helpful and patient enough to answer every question they asked about the institution, Faculty Quality, Placement Records, infrastructure and even about the extracurricular events happen in the campus. 36.67%, almost equal to the first factor, Students said they made an extensive search on Web. While probed on the details, most of them mentioned they go to the review sites like Pagalguy.com where in the passed out students put their review about the Institution, Few of them searched on the social media sites like Facebook and Twitter, they mentioned they do not buy wholly on what the institution official website write about the them.

16.67% of the students mentioned that they had close contacts with the Alumni club of the Institution and they received information from them before applying. Only 6.67% opted for other reasons like B-school's ranking, Physical visits to the campus and so on.

Return on Search: As mentioned earlier the purpose of this article is to understand the Return on Search and to understand the criteria at which the students select the Business School they wanted to pursue their Post Graduate Diploma in Management. 100% of the respondents marked that they are

completely satisfied by the return they got out of the search they did. As mentioned earlier, this does not denote the quality or satisfaction on the quality about the institution; this however means 100% of them, which means all the respondents must have got incremental value in their topmost consideration criteria for the price they pay. This denotes, the price they paid for the search has been profitable.

Summary Findings: The study has uncovered two major factors, first is the criteria/ consideration set at which a consumer/ student select an institution to join PGDM/PGPM in a Business School. I could find that 63.33% of the students consider placement opportunity as the first criteria for choosing to pursue a Post graduation on business, and then again the placement records plays a major role for any institution to pull the students for admission. Second aspect is to find the Return on Search made by the Student after joining the course. Could find that Most of the students consider web search as the top priority to shortlist the institutions they wanted to apply, which means any Business School is suggested to main a team of people who can update information on Web about the institution is important. Also needs to have a good liaison with the Alumni students to spread the word of mouth about the institution.

From the Students side, 100 % of the respondents feel that they have got the incremental value for the price they pay through the search time they invested. Means, a thorough research on the institution before joining will definitely satisfy the need of the student. The need differ between students, the search efforts they put in will show them the right institution they can apply for.

Research Limitations: As this is the first of its kind to understand the Return on Search among students, I have used a qualitative research method along with the simple percentile research methodology through questionnaire. As the study focused on sensitive areas like quality of the present institution the subjects were reluctant to participate initially and had reservation in terms of revealing their Institution name. Though I originally planned for a larger sample size, only thirty subjects were finally interviewed due to time constraints and lack of willingness to participate in the study. The thirty subjects who eventually participated were from the same geographical locality thus reducing the generalizability of the findings. The representativeness would have been improved further if the subjects had been chosen from different corners of the state.

Directions for future research: This research study could be used as the base for generating hypotheses which can be later tested empirically. Based on the

hypotheses generated by the study, a detailed survey questionnaire could be developed and administered to a large number of respondents to validate the insights we have developed in this study. Further, the research could be extended across different parts of the country to compare and contrast search behaviour and Return on Search among students.

Conclusion: The results showed that students who join PG in Business Management immediately after the completion of Under Graduation gives priority to placement and the reason could be their willingness

to earn, family responsibilities and education loan they procured for their studies and they most often do the search via internet and referrals. It is also found that students make lot of search before they join the course instead of joining the institution influenced by the advertisement or the brand name. It could also be inferred that Return on Search they do is very high and satisfactory. The findings of the study could be further used to generate hypotheses for empirical examination in future studies.

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