

# **Marketing of Services with Special Reference to Modern Education System**

**Dr. Rakhi Gupta**

Guest Faculty, Kamla Nehru College for Women (JNVU), Jodhpur, Rajasthan, India

## **Abstract**

The importance of service marketing in educational institutions has grown due to advancements in technology and the blurring of international borders. The importance of the teacher-student relationship has been lessened by alternative strategies, such as using multimedia tools while offering this service. Globalization and privatization have significantly altered every area of the economy, especially the service sector, throughout the Liberalization Era. Services play a considerable role in developing countries like India, China etc. Marketing of services such type of marketing which is based on relationship and values. It includes the process of selling and buying of time, knowledge, skill or resources. The services are in so many forms like education, medical, transportation, communication, electricity, gas, water and so on. This paper explores the marketing of educational services.

**Keywords:** Service, Marketing, Education, Students.

## **INTRODUCTION**

One of the most effective tools for developing human resources in a society, economy, or nation is education. An educated individual may alleviate issues like unemployment, poverty, and corruption in a nation and aid in the expansion of its economy.

Service marketing for education has been gaining traction since the establishment of educational institutions, changes in societal perceptions of education, and evolving goals for the different programs being offered. The thinning of international borders and technological advancements have increased the significance of service marketing in educational facilities. One could describe this educational service as being very client-centered, interpersonal, and participatory.

The value of the teacher-student relationship has been diminished by alternative approaches, such as incorporating multimedia packages while providing this service. Developments in consumer education and such a labor economy are the primary causes of its increasing demand for unique programs. Therefore, no advertiser could ignore such markets. Because these educational services are conceptual, indivisible, and consumable, there are a number of marketing challenges. Service marketing encompasses the qualities of irreconcilability, freshness, heterogeneity, and invulnerability.

## **Marketing of Services**

Marketing of services is such a marketing which is based on relationship and values. In the service marketing the providers of services influence and satisfy the customers or users by having professional excellence. It includes selling and buying of times, knowledge, skill or resources. In the service marketing production and consumption, both are at the same time.

Marketing of services is different from the marketing of goods because the services can't be stored, patented, displayed, resold, returned.

**Need of Marketing of Services:** Following are some requirements of marketing of services:

1. 1.Increases in discretionary income
2. Growing specialty
3. Developing fashion
4. Education professionalism
5. Explosion of information
6. Market sophistication
7. Growing government involvement
8. Life's intricacies

**Nature of Service Marketing:** Marketing of services is different from marketing of goods because the nature of services is intangible, invisible, perishable and so on. Following are the nature of service marketing:

1. Intangibility
2. Minimal sensitivity to price
3. No stock
4. The process of creating value
5. Giving the intangible a tangible form

**Factors affecting Development of Service Marketing:** In globalization economy the need of services is increasing day by day. Some factors affect the development of service marketing, these are:

1. Organizational structure and size
2. Authorities that regulate
3. Development of service sectors
4. Features of services
5. Interaction between customers and employees
6. Service quality
7. Particular service industry

**Marketing Mix of Service Marketing:** Marketing mix is a combination of some elements that are used to achieve the organizational goals and satisfying customers' needs. The product marketing consists of 4 P's marketing mix i.e. price, product, promotion, and place whereas further 3 P's are added in service marketing i. e. people, physical evidence and process.

**Figure 1: Marketing Mix of Service marketing**



These 7 P's are described below:

1. **Product:** In simple words, the product is a commodity that can be stored, produced in factories and consumers buy it for satisfying their needs and desires.  
But, there is no visibility in a service. It could be understood in the term of 'benefit' or 'bundle of benefits'.
2. **Price:** Price is the money which is received by seller from the buyer for the product. In the service sector the price differs from service to service for e.g. fees for education service, premium for insurance, rent for homes or shops, interest for use of money etc.
3. **Place:** The production of goods followed by some distribution channels. Delivery of service differs from the delivery of goods. The place of distribution of services defines the availability of services i.e. when and where it can be purchased. The services can't be separated from the service provider due to inseparability characteristics. So, channels for providing services must be short and simple.
4. **Promotion:** Promotion is a tool for communication activities in order to influence those people on whom the sales depend. Promotion informs about the product or services of the company. It includes advertising, personal selling, public relations and other sales promotion techniques.
5. **People:** People are an important dimension in service management. Services are mainly people-based. In exchange of services people perform two roles:
  1. Provider
  2. User or Consumer

The provider has to get presentation by well trained employee.

1. **Physical evidence:** Physical evidence can be characterized as the setting in which the customer and vendor interact and exchange services. A tangible hint that gives an impression of the service or its location is the physical proof of a service. It encompasses the service outlet's physical surroundings, including the outside and the inside, as well as all tangibles including equipment, furnishings, cars, stationary, signboards, correspondence materials, credentials, receipts, and so forth.
2. **Process:** In a service organization, a process is used to deliver services. Process is the method of comprehending a transaction, delivering information, and rendering services in a manner that is both efficient for the company and acceptable to the customer.

**Significance of Service Marketing:** Service Marketing makes changes and growth in a society, economy in a nation. Importance of service marketing could be seen by following points:

1. The establishment and growth of employment opportunities
2. Making the best use of available resources
3. Opening doors for capital formation
4. Raising the living standard
5. Technology that is environmentally friendly

### Challenges of Service Marketing

1. Difficult to determine the cost
2. Difficult to develop and maintain quality of the service
3. Service manager never for sure whether service delivered as per plan
4. Demand forecasting
5. Difficulty in marketing research

## Characteristics of Education Industry:

**1. Intangibility:** Education is an intangible service, cannot be touched and seen. In education service the consumers get something tangible to show for his efforts i.e. certificates, mark sheets, or progress report representing his or her steps of proficiency in the given course or programme but the actual acquired benefit is purely intangible

Education service cannot be patented, means one institution designs or develops a course; it can be replicated and offered by other institution.

**2. Perishability:** Education services are perishable that cannot be stored. In this industry consumption and production are simultaneous activities that are performed at the same time. The education service, the lecture scheduled to be delivered cannot be stored.

**3. Inseparability:** Education service is usually impossible to separate the service from the provider. It needs for the presence of provider or performer. Thus, there are no intermediaries involved in education service and the transfer of expertise and abilities is directly from the provider to the learner.

## Marketing Mix of Education Industry:

The 7 P's of marketing mix must be blended in an appropriate ratio to have the desired response from their target customers because these are controllable elements. The 7 P's of marketing of educational services are described below:

**1. Product:** An education institute offers an education package or a course related to a standardization curriculum. For e.g. if a college or institute is affiliated to a university, it provides the education package standardized by that university. The offered education package must fulfill the learning needs of the target customers.

The table below shows various levels, types, contents and example of the package offered.

**Fig 1: Type and Contents of the Education Package**

Level	Type of Services	Contents
1	Core or generic product	Basic course
2	Expected Product	Adequate infrastructure facilities, expert faculty and up to date syllabus
3	Augmented Product	Hostel facilities, bus facilities, industrial visits, seminars, etc.
4	Potential Product	Within same price - free personality development course/placement assistance, etc.

Source: Singh and Roy (2008). Marketing of Services.

**2. Price:** The price element of the mix is an income or revenue element for an educational institute which is paid by students. In education service the price of product is called fee or tuition fees. The price of educational package is based on the following factors:

1. Degree of intangibility
2. Degree of inconsistency
3. Affluency
4. Demand and supply consideration
5. Government regulations

## 6. Environment and social consideration

The pricing methods, as per Singh and Roy (2008), used for pricing of educational services are:

1. Cost based pricing (based on cost accounting techniques)
2. Market oriented prices (based on competitors' price or customer – oriented price)
3. Uniform pricing (regulated by government or autonomous bodies)
4. Differential pricing (different fee for different target – NRI management seats, general seats and open seats)

## 3. Place: The delivery of education services can be divide on two basis:

1. **Single Location Service:** The single location education service refers to the campus education. In this distribution process the consumers move to the teaching institutions where face to face teaching and learning or acquiring activities are performed simultaneously. There is no intermediary between the teacher and student.

2. **Multi – location Service:** The multi – location education service refers to the distance education system. In this distribution system intermediaries are involved in it. For e.g. many universities give accredited centers to provide contact classes.

4. **Promotion:** The education services are intangible, so it cannot be sampled before consumption. Due to privatization in education sector and the changing peoples' attitude towards education, the promotional strategies are being used as a powerful tool for face the increasing competition.

5. **People:** To perform educational services the role of faculty or teacher has great significance. Teachers are frontline contact persons with their students. Hence, for the success of the education industry there is need to selection of right teachers and their retention.

6. **Physical Evidence:** Physical evidence in education industry refers to the environment or the place where the service to be delivered. It includes aesthetic classroom, library, office, computer room, auditorium, transportation facility, hostel, canteen, parking facility and any other. It gives good shape to the education services. These all should be carefully planned and projected.

7. **Process:** In education industry, the process refers to the improvement in existing delivery process and make a plan for new delivery services. This helps an educational institute to identify and remove the fail or weak points and add values to present the output meeting the customers' expectations.

## RESEARCH METHODOLOGY

### Objectives of the Study:

1. To explore the importance of service marketing for educational institutions.
2. To investigate the factors of service marketing of educational institutions.
3. To examine the best strategies for service marketing of educational institutions.

## LITERATURE GAP

During the research, the researcher encountered a number of limitations. One drawback has been its passing time. This leads to the conclusion that the time allotted to finish the paper was incredibly short. Another limitation was the reliability of its journal. The fact that the information was collected through the World Wide Web may make it difficult to assess the articles' credibility.

## REVIEW OF LITERATURE

Learner (1962) thought that one of the most important ways to modernize a society is through education.

He went on to say that modernization is fundamentally a process of teaching that makes modernization possible. One of the most crucial avenues for the shift from traditional to modern society is education. Cooperative learning groups are one technique to provide variation in the classroom, according to Nichols & Miller (1993). Using this method, the instructor helps groups or teams of students collaborate to find solutions to real-world issues. One study indicated that success and motivational improvements were much higher for students in a cooperative learning classroom in contrast with a standard lecture classroom.

Bonwell and Sutherland, (1997) claimed that evidence of the effectiveness of active learning approaches as a way to facilitate learning was too compelling to ignore.

Brewer, (1997) confirmed this, stating that lectures could be too long, could fail to encourage reflective thinking, provided limited feedback, and were not appropriate for hands-on training.

In addition to lectures, Brewer (1997) provided the following 12 teaching strategies: buzz groups, case studies, role-playing, small-group discussions, panels, demonstrations, inquiry methods, focused study, experiments, brainstorming, and questioning. In addition to examining some of these different teaching approaches, this study looked into the following instructional strategies:

1. Giving students the opportunity to share their experiences with one another
2. Using contemporary technology to create visual aids
3. Including a range of activities in a single class time.

Professor-assisted discussions were preferred over lectures by students with the highest grade point averages, according to Richardson, Kring, and Davis (1997). These results suggested that providing a range of creative activities, such as cooperative groups, rather than relying only on lectures to teach could inspire students.

**Data selected to the study are presented below:**

**Fig 2: Higher Education Expansion in India**

Year	Number of Universities	Number of Colleges	Enrolment (millions)	GER* (%)
1950-51	27	578	0.2	-
1960-61	49	1819	0.6	1.5
1970-71	102	3277	2.0	4.2
1980-81	132	4577	2.8	4.7
1990-91	185	6627	4.4	5.9
2001-02	260	11146	8.8	8.1
2011-12	621	34908	28.5	19.4
2016-17	864	40026	35.7	25.2
2017-18	903	39050	36.6	25.8
2018-19	993	39931	37.4	26.3

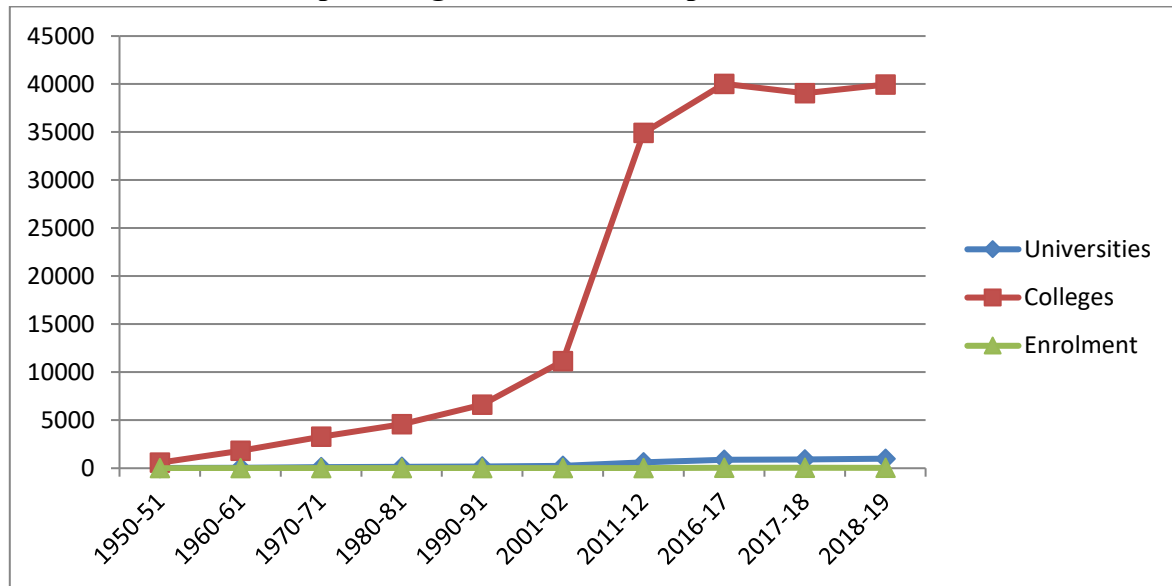
\* GER (Gross Enrolment Ratio)

**Sources:**

1. Varghese (2015)
2. AISHE, various years



**Graph 1: Higher Education Expansion in India\***



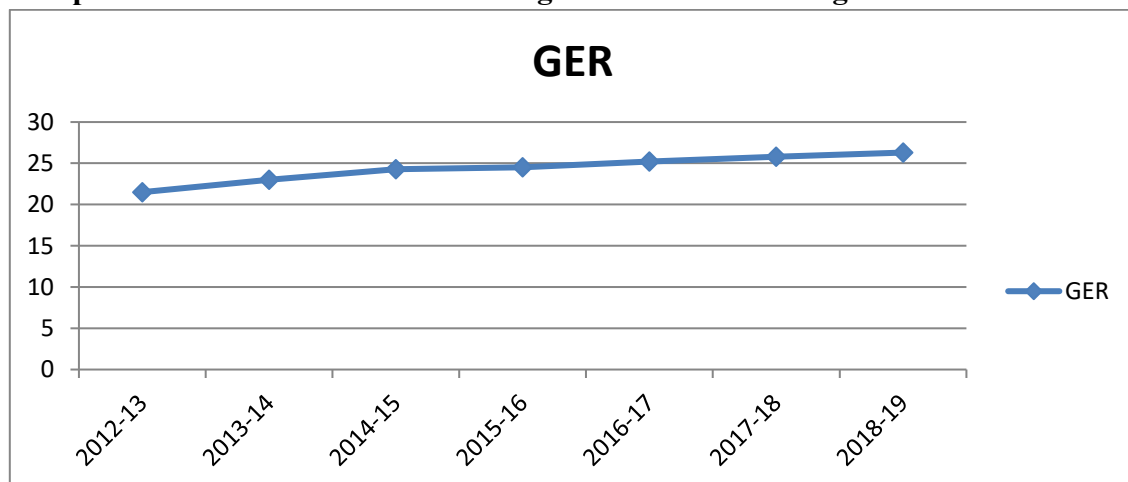
\* Graph based on data presented in Fig No. 2

**Fig 3: Gross Enrolment Ratio in Higher Education during 2012-13 to 2018-19**

Year	GER
2012-13	21.50
2013-14	23.00
2014-15	24.30
2015-16	24.50
2016-17	25.20
2017-18	25.80
2018-19	26.30

Source: UGC Annual Report 2018-19

**Graph 2: Gross Enrolment ratio in Higher Education during 2012-13 to 2018-19\***



\* Graph based on data presented in Fig No. 3

**Fig 4: Distribution of Universities & University Level Institutions in India**

Types of University	Total No. (As on 18.06.2021)
State Universities	429
Private Universities	380
Deemed to be Universities	125
Central Universities	54
<b>Total</b>	<b>988</b>

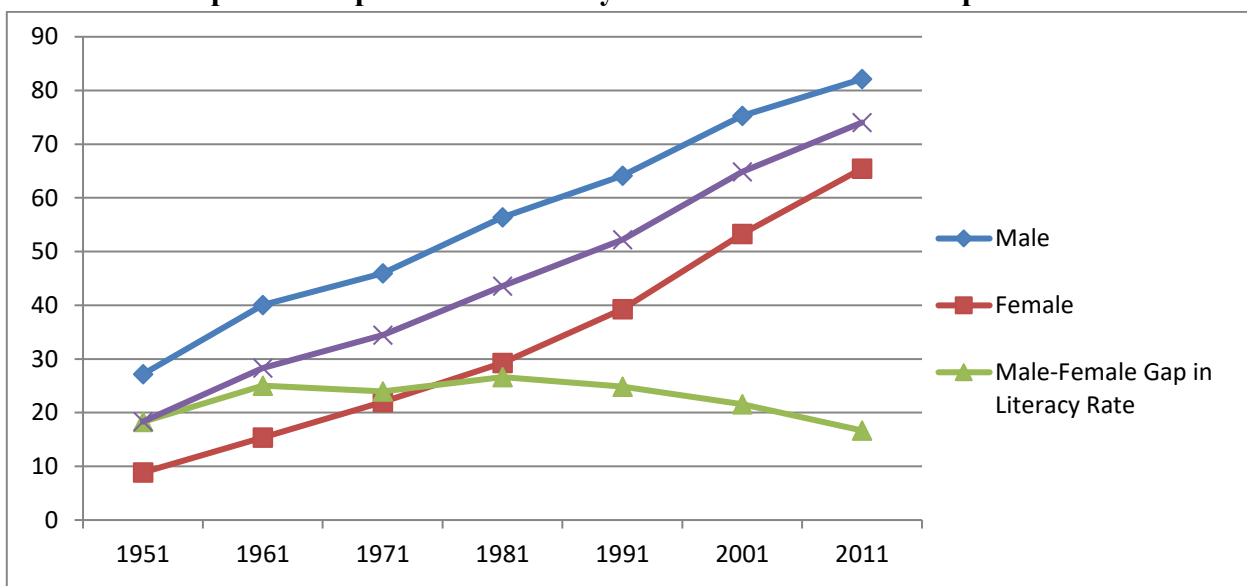
Source: AISHE, 2021.

**Fig 5: Literacy Rate In India: 1951-2011 (in %)**

Census Year	Person	Male	Female	Male & Female Gap in Literacy Rate
1951	18.33	27.16	8.86	18.30
1961	28.3	40.04	15.35	25.05
1971	34.45	45.96	21.97	23.98
1981	43.57	56.38	29.26	26.62

Source: Census of India.

**Graph 3: Comparison of Literacy Rates in India since Independence\***



\*Graph based on data presented in Fig No. 5

## CONCLUSION

In the cutthroat competition era the education service sector attracts the students' through advertisement to get high rate of return. To retain the customers the education service sector must develop strategies for renew the services and communication form the customers' point of view. The educational institutes have to be improved their education pattern to meet students' needs and satisfaction.

In education sector knowledge, value, skills and information are acquired by students through teaching and learning process. So, the teachers must be aware about the contents and subject matter and should have good communication and teaching performance skills. Otherwise the mismatch in the process of teaching and learning may have adverse effects.



For development of education there is a requirement of involving the new technologies in the current education like, E-learning, on-line teaching and audio-visual teaching to meet students satisfaction and corporate and industry needs.

Service marketing can help educational institutions manage their costs in two ways. Examples of inexpensive, comparatively sophisticated marketing techniques include social networking, websites, and promotional events. With the correct self-service application, marketing processes could be accelerated for faster outcomes. Local managers may quickly create marketing messages that are consistent with the brand without further management involvement. These allow creative teams working for educational institutions and advertising agencies to work as efficiently as possible and focus on more crucial tasks. By using marketing materials that these regional employees could modify, they could improve productivity or even react to market conditions.

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