A CONJOINT ANALYSIS OF THE DETERMINANTS OF BUSINESS SCHOOL PREFERENCE AMONG THE UNDERGRADUATE STUDENTS IN SOUTH INDIA- AN EMPIRICAL STUDY

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ABSTRACT : *The education sector in India has been witnessing a cut-throat competition, especially among the business schools, vying for students who have completed their undergraduate studies from various colleges and other educational institutions, and who are seeking admissions in reputed business schools to pursue their MBA program. As the competition has grown, the role of marketing department has increased significantly. One of the important pieces of information that would help the marketing efforts would be the understanding of the factors that determine the preferences towards the business schools. This study examines the business school preference in India. Adaptive conjoint analysis was used to investigate the relative importance of various attributes of business school preference. A descriptive research using stratified random sampling method was undertaken and the study was conducted using both primary and secondary data. Results indicated that the major determinants of business school preference were quality of teaching, infrastructure, reputation of business school, placement activities, distance from home, opinion of family and friends. It was concluded that the combination of factors like "course availability, job prospects, reputation of business school, accreditation, and quality of teaching," was ranked the highest and combination of factors like "distance from home, opinion of family, and would friends join" was ranked the least.*

KEYWORDS: Business School, Preference, Conjoint Analysis, Attributes, Level.

INTRODUCTION

The education sector has been witnessing an unprecedented scale of change since 2000 when business schools in India were mushrooming. The wave of globalization has directly influenced the factors determining the choice of a business school in the education industry, and the promotional strategies associated with it have accelerated the global reorganization of it. The study of the factors determining the choice of a business school to pursue an MBA degree has assumed paramount importance in the education industry in general and in the higher education sector in particular. It has thrown open several challenges to the players in the higher education sector and its partners in formulating effective and competitive promotional strategies for growth in enrollment and positioning the business school effectively in the minds of the undergraduate students of various colleges and educational institutions. It fosters the process of understanding why a student or a family makes a choice or a purchase decision. Without such an understanding the education sector will find it very difficult to respond to the needs and wants of the students or decision makers. It is challenging to understand how students respond to the plethora of choices made by business schools. If the business schools could understand these student preferences, choices, and perceptions better than their competitors then it is potentially a significant source of competitive advantage for each business school.

Table No.1: Business Schools in India in 2017

Type of Colleges/Educational Institutions	Number of Colleges/Educational Institutions	Number of Students	% Total Students
Government	800	160000	36%
Private	1200	240000	55%
Quasi Government	400	40000	9%
Total	**2400**	**440000**	**100%**

Scope and Importance of the Study

The scope of the study is limited to the business schools in India and the students graduating from the colleges and other educational institutions. This study is of utmost importance to the management decision makers of a business school, and other decision makers like students, parents, family members, friends etc. which will help in making the right choice of a business school where one can pursue his/her career.

Objective of the Study

The primary objective of the study is to determine the preference of undergraduate students from colleges and other educational institutions towards the choice of a business school to pursue MBA program using conjoint analysis.

Research Problem

Business schools are vying with one another in attracting students to increase enrollment in the MBA programs they offer. The marketing activities have been strengthened towards attracting graduating students from various colleges and other educational institutions by way of using advanced promotional tools in designing brochures, designing attractive websites, and advertising in social media like Facebook, Twitter, Instagram, and Whatsapp as well. The emphasis is on programs which are more flexible and student-oriented. The main market segment for the business school market is the segment of graduating students from various colleges and educational institutions. This market segment would consider different factors in their choice of program and the business school. For example, students, who generally work full-time and study part-time, are likely to consider the availability of evening classes a high priority whereas students who have come straight from college, who tend to work part-time and study full-time, are likely to consider job prospects as more important. Therefore the research problem that the researcher encounters here is to find out the factors that determine the preference towards a business school among the graduating students in India.

Research Questions

1. What are the determinants (factors) of business school preference among the graduating students in India?

2. What is the relative importance they attach to these determinants (factors)?

REVIEW OF LITERATURE

- Krampf and Heinlein (1981) studied the marketing of universities by interviewing prospective students for a large Mid-Western university in the United States. The objective of their study was to determine the needs of the prospective student market, examine the image of the university and developing procedures for identifying potential students who had a high probability of matriculating and so were eligible for entry. The sample was chosen from the American College Testing (ACT) program. A random sample of 1000 ACT students was used in their study. The methodology used was a descriptive study using factor analysis. The findings were recorded and found that the prospective students who had a positive attitude toward the university rated highly the attractiveness of the campus, informative campus visits, recommendation of family, good programs in their major, informative university catalogue, closeness to home and campus friendly atmosphere.

- Yavas and Shemwell (1996) conducted a study on graphically portraying university image and positioning by using correspondence analysis. The study was conducted in Tennessee. It identified a number of dimensions that were considered important to students' choice of institution, namely the instruction quality offered, ease of graduation, career preparation, reputation, personal attention provided, job placement and campus location. The correspondence analysis provided a perceptual map that positioned universities according to their underlying structure and attributes. They concluded that such a perceptual map could be used to identify market positioning opportunities and to refine marketing strategy.

- Amata Ring, Dickinger Astrid, and Wober Karl (2008) conducted a study on the research topic *Designing the Ideal Undergraduate Program in Tourism-Expectations from Industry and Educators*. They conducted a qualitative research by using adaptive conjoint analysis to arrive at conclusions. Globally, there are numerous undergraduate programs available in tourism that differs in content aims and scope. It is hard to judge which programs are preferable and on what criteria to base choice. Thus, the study provided a content analysis of 64 bachelor programs taught in English. The actual programs were compared to indicators identified in literature review. Furthermore, an adaptive conjoint analysis identified the importance and utilities of different subject areas and themes that can compose a tourism program. The sample included academics as well as industry professionals from both the private and public sectors. Results showed that there were discrepancies between existing programs and what academics and industry professionals perceive as being important. They recommended the topics and issues that should be included in a tourism curriculum and it provoked discussion on adaptation of existing curricula for the future.

Conceptual framework:

The conceptual framework has been developed with the help of major factors that have been derived from the review of literature and qualitative data. The framework consists of dependent and independent variables. The research aims to identify the most important factors influencing the choice of a business school in India. The above conceptual framework summarizes the aim of this research in which it intends to study the factors that influences the choice of a business school in India.
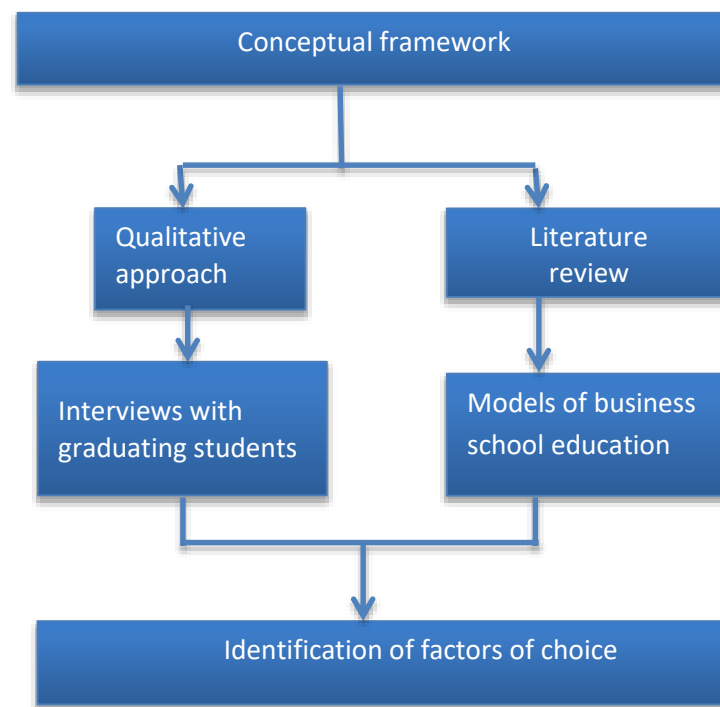
At this stage of the research, the research hypothesis could be clearly stated.

The following research hypothesis will be tested.

Hypothesis of the Study

H0: There is no significant relationship between the attributes of a business school and the choice of a business school among the undergraduate students intending to pursue MBA program.

H1: There is a significant relationship between the attributes of a business school and the choice of a business school among the undergraduate students intending to pursue MBA program.

METHODOLOGY

The type of research design undertaken by the researcher is a descriptive research design. The purpose of this study was to analyze the determinants of business school preference among the undergraduate students intending to pursue MBA program in South India. Taking the purpose of the study and the objectives of the study into account, the researcher followed a descriptive approach.

Sources of Primary Data

Since most of the information necessary to fulfill the objective of the study was not available from secondary sources, the researcher mainly based his study on relevant primary data which were collected by conducting a field survey from the selected business schools in India.

Sources of Secondary Data

The secondary data necessary for the study were compiled from published and unpublished sources like journals, periodicals, magazines, newspapers, bibliographic databases, and syndicated services.

Sample frame:

The sample frame of the study comprises those students who have completed their undergraduate programs like BBA, BBM, BSc, BCom, BCA, B-Tech, BE, B-Arch and BA from the UGC recognized colleges and educational institutions in South India viz., Kerala, Tamilnadu, Karnataka, Telengana, and Andhra Pradesh.

Sampling Technique

In this research, a study on the determinants of business school preference among the undergraduate students in South India has been conducted based on the sampling method called 'stratified random sampling method'. A stratified random sampling technique has been used to choose the sample units from the sample frame.

Sample Design and Sample Size

The sample size of the study undertaken was '200' sampling units from the above sample frame. The sampling units referred to here are the 200 undergraduate students who are intending to pursue MBA program from business schools in the southern region of India. The 200 sample units were chosen based on a sample design. The study adopts a stratified sampling method for sample selection. The southern region of India is divided into five states viz., Kerala, Tamilnadu, Karnataka, Telengana, and Andhra Pradesh for the purpose of the study. From a list of 500 UGC recognized colleges and educational institutions in Kerala, 4 colleges/educational institutions were selected by way of simple random sampling method. From a list of 800 UGC recognized colleges and educational institutions in Tamilnadu, 6 colleges/educational institutions were selected by way of simple random sampling method. From a list of 600 UGC recognized colleges and educational institutions in Karnataka, 5 colleges/educational institutions were selected by way of simple random sampling method. From a list of 400 UGC recognized colleges and educational institutions in Telengana, 3 colleges/educational institutions were selected by way of simple random sampling method. From a list of 300 UGC recognized colleges and educational institutions in Andhra Pradesh, 2 colleges/educational institutions were selected by way of simple random sampling method.

Having selected the colleges/educational institutions from each of the states of South India, the researcher now selects 10 undergraduate students from each of these selected colleges/educational institutions of South India by way of a simple random sampling procedure. Therefore, the researcher selects 40 undergraduate students from the state of Kerala, 60 undergraduate students from the state of Tamilnadu, 50 undergraduate students from the state of Karnataka, 30 undergraduate students from the state of Telengana, and 20 undergraduate students from the state of Andhra Pradesh.

Thus altogether, 200 sample units were selected for the study.

Sample Profile

The sample of 200 undergraduate students had the following background characteristics:

• 54% of the sample were males and 46% were females.

• Almost 40% of the sample attended government colleges and 60% attended private colleges.

• Approximately 45% of respondents lived in rural areas and 55% lived in urban areas.

Table No. 2: Gender of the Respondents

No.	Gender	No. of Respondents	Percentage(%)
1.	Male	108	54
2.	Female	92	46
	Total	**200**	**100%**

Area of Study

The southern region of India has been chosen by the researcher as the area of study. The southern region of India comprises five states of India viz., Kerala, Tamilnadu, Karnataka, Telangana, and Andhra Pradesh.

Period of Study

The study covered a period of two accounting years from 2015 to 2017.

Tools for collecting Primary data

The primary data were collected from 200 undergraduate students through an interview schedule, who were intending to pursue MBA program from various business schools. The interview schedule had questions pertaining to the preferences of undergraduate students towards the business schools, and also the personal information of the respondents.

Pre-testing of Interview Schedule

The interview schedule was pre-tested among 20 respondents to check the variability in the preferences of the respondents and to ensure the validity and reliability of the questions in the interview schedule. Based on the pre-test information and in response to the pilot study, a few irrelevant questions were dropped from the interview schedule.

Tools used for Analysis

The primary data collected were finally analyzed by classifying, tabulating and applying statistical tools such as percentage analysis, Chi-square test, and conjoint analysis. Chi-square test was used for testing hypotheses.Chi-squre test is used as a test for independence and also to know the significant difference among the variables used in the study.

Variables used for the Study

To fulfil the objectives of the study, the researcher has used 40 variables in the study. Ten variables pertain to the personal profile of the respondents and the rest 30 variables pertain to the determinants of business school preference among the undergraduate students in South India.

Limitations of the Study

The study is not free from limitations. A few limitations found by the researcher are as follows:

1. The study could not unearth the inner psychological characteristics that determined the cause for the opinions given by the respondents.

2. The study could not quantify the responses.

3. A few students did not reveal the true reasons why they opted for those b-schools which charged low fees and the ones that had no stringent quality assurance standards.

Scope for Further Research

The study has brought out several behavioral characteristics of students in choosing business schools. However, there could be further research in the areas of projecting the true and genuine inner motives of students while choosing b-schools. Advanced projective techniques could be used for this purpose in future.

Data Analysis & Interpretation

The Conjoint Analysis

Conjoint analysis is a method of examining how a person 'trades-off' one attribute for another in making a 'purchase' decision. In my study, the 'purchase' is choice of business school and the sample consists of undergraduate students from twenty colleges/ educational institutions selected at random from South India.

The relative utilities for each attribute level were estimated using the Adaptive Conjoint Analysis software and were then extracted from the ACA software package and analysed further using the SPSS Statistical software.

Table 4 shows the obtained relative utilities and the relative importance of each of the attributes.

Table No. 3: Results of Conjoint Analysis: Relative Utilities and Importance

No.	Attributes	Relative Importance	Level	Average Utility
1.	Course(Specialization) Requirement	10%	Exactly what I require	86
			More or less what I require	45
			Not what I require	1
2.	Job Prospects	9%	Good	74
			Average	36
			Poor	0
3.	Reputation of the Business School	9%	Strong	77
			Average	41
			Bad	0
4.	NAAC/NBA Accreditation	8%	Accredited	63
			Accreditation Under Progress	23
			Not Accredited	0
5.	Quality of Teaching	7%	Very Good	61
			Average	2

			Poor	0
6.	Academic Grades of graduating students in the Past Years	7%	Very Good	59
			Average	4
			Poor	0
7.	Fee structure	7%	Low	57
			Medium	3
			High	0
8.	Physical and Academic Infrastructure	7%	Very Good	54
			Average	7
			Poor	1
9.	Campus life	7%	Lively	61
			Moderately lively	15
			Dull	0
10.	Type of Business School	7%	Modern/New	34
			Traditional/Old	12
			Moderately Old	28
11.	Research Activities	6%	Highly Research oriented	42
			Moderately Research Oriented	12
			Less Research Oriented	4
12.	Distance from Home	6%	Far	3
			Moderate	23
			Close	38
13.	Opinion of Family	5%	Good	35
			No opinion	11
			Poor	2
14.	Friends	5%	Friends will Join this B-School	37
			Friends may Join this B-School	4
			Friends will not Join this B-School	3

The average utility scores, shown in column five of Table 4, describe the desirability of the various aspects of an attribute, with higher scores suggesting that the respondents had a greater preference for that aspect. For example, respondents preferred a lively campus life (utility of 61) rather than a moderately lively campus life (utility of 15). The utility scores not only show the preference 'ranking' but also the degree of preference. The obtained utility scores indicated that respondents preferred to go to a business school that:

I. Offers a course (specialization) that they really require;

2. Provides good job prospects at the end of their course,

3. Has a strong reputation

4. Has NAAC/NBA Accreditation

5. Has very good quality of teaching

6. Has a very good history of academic grades in the past

7. Has a low fee structure

8. Has a very good physical infrastructure (building, furniture, furnishings, smart classrooms, landscape etc.) and academic infrastructure like well-equipped library, laboratory etc.

9. Has a lively campus life

10. Have modern facilities like smart classrooms, DLP projectors, LAN facility, food court, quality transport system, 24 hour leased line internet facility, and Wi-Fi availability.

11. Has modern research facilities

12. Is close to home,

13. Is favored by their family,

14. Their friends would certainly join

Chi-Square Analysis

Hypothesis;

H0:   There is no significant relationship between the attributes of a business school and the choice of a business school among the undergraduate students intending to pursue MBA program.

H1:   There is a significant relationship between the attributes of a business school and the choice of a business school among the undergraduate students intending to pursue MBA program.

Formula for Chi-Square Analysis

$$\chi^2 = \sum \frac{(O - E)^2}{E}$$

Where: χ^2 is the chi square statistic.

Σ = summation symbol.

O = Number observed.

E = Number expected.

Table No. 4

Chi-Square Analysis				
Sl. No	O (Observed)	E (Expected)	$(O-E)^2$	$(O-E)^2 /E$
1	124	100	576	5.76
2	76	100	576	5.76
$\chi2=$				*11.52*

Source: Primary Data

So, Calculated value = 11.52

Calculation of Table value

Degrees of Freedom =   (n-1)

Where n = 2   =   (2-1)

                     =   1

Level of Significance =   0.05

Table Value   =   **3.841**

Interpretation:

Since the Calculated Value is greater than the Table Value, we *REJECT* the Null Hypothesis which is **H0:** There is no significant relationship between the attributes of a business school and the choice of a business school among the undergraduate students intending to pursue MBA program.

Therefore we *ACCEPT* the alternative hypothesis that "There is a significant relationship between the attributes of a business school and the choice of a business school among the undergraduate students intending to pursue MBA program."

Correlation analysis

The correlation analysis intends to find out the strength of the linear relationship between two variables. For example, how strong is the relationship between attributes of a business school *(Independent variable)* and choice of a business school *(dependent variable)*? The SPSS results of Pearson's coefficient of correlation 'r' were calculated between the variables and the result showed the following:

Attributes of a business school (A) and Choice of a business school (C) are significantly correlated with r = .751 (p<0.01).

The results also can be interpreted based on Guildford' s rule of thumb which states that, attributes of a business school and choice of a business school 'r' value falls between 0.7 to

0.9 (.751) and therefore, attributes of a business school and choice of a business school are highly correlated. Therefore, an evidence of a true relationship has been found and the null hypothesis H0, which stated that "there is no relationship between attributes of a business school and choice of a business school", is rejected. Thereby, the research hypothesis has been validated.

Findings

- The determinants (factors) of business school preference in the order of their relative importance among the graduating students in India are:

  1. Course (specialization) that the students really require

  2. Job prospects at the end of their course

  3. Strong reputation of business school

  4. NAAC/NBA Accreditation

  5. Superior quality of teaching

  6. Good history of academic grades in the past

  7. Low fee structure

  8. Good physical infrastructure (building, furniture, furnishings, smart classrooms, landscape etc.), and academic infrastructure like well-equipped library, and laboratory.

  9. A lively campus life

  10. Modern facilities like smart classrooms, DLP projectors, LAN facility, food court, quality transport system, 24 hour leased line internet facility, and Wi-Fi availability.

  11. Modern research facilities

  12. Closeness to home

  13. Favored by their family

  14. Would friends join

- It was found that the five most important determinants of business school preference for undergraduate students were course (specialization) availability, job prospects, academic reputation, accreditation, and teaching quality.

- Interestingly, while these five attributes rated highest in importance, there was a relatively small gap between the highest and lowest rating attributes. The highest rating attribute (course availability) had a relative importance score of 10% compared to the

lowest rating attribute ('would friends join'), which had a relative importance score of 5%. This suggests that the development of b-school preference is a complex process and, while students' final preferences may be determined by the most important attributes, they do consider the other factors in making judgments.

CONCLUSIONS AND SUGGESTIONS

The present study examined the business school preference processes of a sample of undergraduate students intending to pursue MBA. The business school choice was examined using a conjoint analysis method known as Adaptive Conjoint Analysis (ACA). This required respondents to complete a computer disk-based questionnaire, in which bundles of attributes were presented to respondents for consideration. The sample included 200 undergraduate students from both government and non-government colleges who were intending to pursue their MBA program.

It was concluded that the five most important determinants of business school preference for undergraduate students were course (specialization) availability, job prospects, academic reputation, accreditation, and teaching quality. Interestingly, while these five attributes rated highest in importance, there was a relatively small gap between the highest and lowest rating attributes. The highest rating attribute (course suitability) had a relative importance score of 10% compared to the lowest rating attribute ('would friends join'), which had a relative importance score of 5%. This suggests that the development of b-school preference is a complex process and, while students' final preferences may be determined by the most important attributes, they do consider the other factors in making judgments.

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