



Exploring the Most Important Factors while Branding the Business Schools

Muhammad Kashif Saeed *

Assistant Professor, GIFT University, Gujranwala.

Usman Ehsan

MS Scholar, SZABIST, Islamabad.

ABSTRACT

Over the last decade business education is the most demanding subject of interest for students attaining higher education in Pakistan. This has led to a fierce competition among the MBA schools and the education industry has become competitive as never before. This study was conducted with a core aim to find out the most influencing factors in developing the business school as a brand in Pakistan from the student's perspective. A focus group was conducted at different Business School where undergraduate and graduate students participated in the discussion. A self administered questionnaire was developed which highlighted that brand name of the Business School, allied resources available to students, design & color of the logo, research opportunities of the students, academic credentials of faculty, and research of the faculty were considered as important factors by the students while developing business schools as a brand. This research was carried out in HEC recognized 'W' category Business School in Lahore, Islamabad and Gujranwala region this study further applied to other business schools in the private sector of Pakistan.

Keywords : Higher education; brand management; service quality

1. INTRODUCTION

According to summary of enrollments by Statistics Division, Higher Education Commission, Government of Pakistan, enrolled students in 2001-02 were 2, 64,439 whereas, in 2005-06 it raised to more than double of the previous enrollments. The number of universities in Punjab has increased to double the institutions existing four years ago (Daily Times, April 24, 2006). The positive trend towards business education resulted in greater concern for quality by HEC, Pakistan, more available choices for students to study, and tough competition for institutions where brand differentiation was a big challenge.

The measurement of brand image in service industries is challenging mainly because of the distinctive features that distinguish services from goods (LeBlanc & Nguyen, 1995). Intangibility, inseparability of production and consumption, heterogeneity, and perishability are the four well documented features of services acknowledged in the services marketing literature (Berry, 1980; Bitner, 1992; Lovelock, 1983; Parasuraman et al., 1985).

* The material presented by the author does not necessarily portray the viewpoint of the editors and the management of the Institute of Business & Technology (BIZTEK) or Gujranwala Institute of Future Technology, Pakistan.

* Muhammad Kashif Saeed : kshfsaeed@yahoo.com

The primary function of brand management efforts is to coordinate, monitor and adjust interactions between an organization and its stakeholders in such a way that there is consistency between an organization's brand vision and stakeholders' brand beliefs (Schultz and Barnes, 1999). Although branding in the services sector has received only limited academic investigation but it seems as if today it is the best possible time to investigate this phenomenon in further depth (Chapleo, 2007). Brands are 'pivotal sources for generating and sustaining competitive advantage which not only helps in minimizing the quality gaps but also is a source of strong, unique, and favorable points of difference for any brand (Aaker, 1996).

2. LITERATURE REVIEW

A literature review was undertaken to explore the relevant existing knowledge in the area of brand management, the importance of brand building initiatives to higher education, and in particular, the role of student feedback in brand development for higher educational institutions.

This was an exploratory study conducted first time in the Pakistani context. A careful literature search was done to ensure that no such published work is available addressing to the branding issues in business schools of Pakistan. This unavailability of the relevant data on branding the business schools in Pakistan provided us an opportunity to fill the current knowledge gap in branding the Pakistani higher education sector. This study will help institutions in making more focused branding efforts to gain maximum student share and better quality educational brands for students in return.

Branding differentiates a product from competitors by creating, sustaining, and growing brand equity which is a potential source of Sustainable competitive advantage (Gardner and Levy (1955), Aaker (1991), Keller (1993).

Brand equity is pivotal in sustaining a competitive advantage in service industries especially when consumers have a great concern to overcome the perceptions of risk (Bharadwaj, Varadarajan, and Fahy 1993).

In this era of competition, branding has become a very important aspect of any organization's management strategy (Aaker & Joachimsthaler, 2000; Aaker, 2004; Balmer, 1995; Balmer and Gray, 2003; Hatch & Schultz, 2000; Uggla, 2006). With an increase in the growth of business education, business schools have lost their brand identity (Bennis & O'Toole 2005). To meet the challenge of losing the core identity, business school administrators have started to spend huge financial resources on brand management activities (Chapleo, 2007). On the other hand, management educators are to deal with the challenges of major driving forces in the external environment; globalization, disruptive technologies, demographic shifts, and deregulation of industries (Friga, Bettis & Sullivan, 2003).

Literature on the higher education sector has highlighted the problems associated with operational issues; internationalization of business education (Yu, 1996; Teichler, 1999; Dobson & Holttä, 2001, Altbach, 2004), the effectiveness of advertising and promotional material while communicating to stakeholders (Gatfield, et al., 1999; Gray, et al., 2003), the competitive advantages and identification of critical success factors while marketing universities (Mazzarol, 1998; Mazzarol & Soutar, 1999), and the issues of quality assurance, and control in educational administration (Lloyd & Wiser, 2006; Fallshaw, 2003). Companies are increasingly seeing the benefits of the brand building initiatives but to get the better results these three elements must be aligned; vision for the business school, culture, and image as perceived by the customers (Hatch and Schultz, 2001).

Since education has become a commodity across the globe, educational administrators consider students as customers, representing major stakeholder group in an educational

setting. Student feedback in terms of measuring the business school quality has become the line of inquiry these days (Segev et al., 1999). The importance of perceived quality from the student's perspective can provide many advantages to management education practitioners (Segev et al., 1999). The importance of the World Wide Web in communicating the brand values of business schools to major stakeholders is also highlighted in the literature (Opoku, et al., 2006).

The importance and application of branding concept to business schools has been challenged by some researchers (Jevons 2006). However, increased competition among higher education institutions in the west has driven universities towards a concern for creating, sustaining, and growing business school brands. Although the importance of branding is recognized by leading experts of the field, but still, very little empirical research work has been done that relate to business school branding (Goonawardana 2007). Branding business schools is the real contributing factor in creating brand image and differentiation. Students are the ideal group of stakeholders to be considered for managing the branding efforts of business schools (LeBlanc & Nguyen, 1997). Taking feedback from students not only enhances their satisfaction with the university but also adds towards the development of a positive brand image in front of its major stakeholders; the students (Rowley 2003).

3. METHODOLOGY

This study was originated with the core aim of highlighting the importance of branding in business schools and also identifying the factors considered as important by business students while branding the business schools in Pakistan. The literature was reviewed stressing the importance of branding in business education and a focus group session was conducted at eight business schools recognized by HEC which formed the basis for the development of a questionnaire used in this study for data collection. Business schools faculty and students from graduate and undergraduate level participated in the focus group session. Students are the most logical group in identifying items and developing thoughts about how business schools can brand themselves in this highly competitive arena. The sample was selected from a leading private sector business schools of HEC reconized 'W' category Universities located in Lahore, Islamabad and Gujranwala. These business schools offers undergraduate and graduate degree programmes in business & management and has an enrollment of 5000 students. This case based approach in exploratory studies is suggested where a very little is known about the phenomenon under review and the literature relating to the study undertaken is scarce (Gill & Johnson 1991). Another illustration of the above mentioned methodological approach used in brand management studies can be observed in the study conducted by Vallaster and De Chernatony (2006).

The respondents were asked to rate the 18 identified factors which are significant for the development of a business school on a five point likert scale. To select the sample, classes were stratified on the basis of year of study and a convenience sample of 200 students was selected. The number of proposed respondents selected was according to the study conducted by McCelland on university students in 2001. A self administrated questionnaire was distributed to a total of 200 students among business school students where 29 were not collected back and 45 were dropped down because of response based error concluding 126 responses. The small number of respondents may cause a normality concern but analyzing mean by highlighting highest or lowest values in SPSS shows minimal impact for normality and is validated for exploratory studies where data collection from qualified respondents is a major issue (Pallant 2001). The questionnaire composed of two major parts; demographical data of the respondents and the questions relating to the business school's brand development initiatives. A principal component factor analysis was conducted on 18 items related to business school image development. The analysis presented a six factor solution and the decision to include a variable in a factor was based on factor loadings greater than 0.50 and all factors who's Eigenvalues were greater than the value of the factors excluded. The dependent variable was the business school's brand image, measured

on a five point-likert scale and the independent factors were the significant variables considered as critical for business school's branding.

4. RESULTS

The sample respondents were the HEC reconized business schools students of Lahore, Islamabad and Gujranwala region universities. Questionnaire was given to two hundred students and one hundred twenty six usable questionnaires were analyzed for the purpose of this study. The sample respondents consisted of 49% female and 51% male business school students. Furthermore our respondents were 42.5% from undergraduate level and 57.5% of students from graduate level. Our selected respondents represented various cities with the percentages; 16.3% from Lahore, 52.9% from Gujranwala; and 30.8 % of respondents were from Islamabad.

Important factors highlighted by major stakeholders should be considered by business school leaders in setting their strategies for branding (Friga, Bettis & Sullivan, 2003). To determine the number of factors, only that factor whose Eigenvalues were greater than 1.0 were selected by discarding rest of the factors. Six variables found to have Eigenvalues more than 1.00 and they constitute about 67% of importance; table (B).

Graphical representation of these analyses is well depicted in the Graph (A). Kaiser-Meyer-Olkin Measure of Sampling Adequacy value of .5 is poor, and .6 is acceptable, where a value closer to 1.00 is better (Brace, Kemp, & Snelgar - 2006). In case of this study Kaiser-Meyer-Olkin Measure of Sampling Adequacy, is .714 which is better and very close to ideal (table A). Cronbach's Alpha coefficient ranges in value from 0 to 1 and may be used to describe the reliability of factors extracted from dichotomous (questions with two possible answers) and/or multi-point formatted questionnaires or scales (i.e., rating scale: 1 = poor, 5 = excellent) (Santos, 1999). For eighteen items Cronbach's alpha was found to be ideal; .811, shown in table (D).

Table - A
KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.714
Bartlett's Test of Sphericity	Approx. Chi-Square	775.637
	df	153
	Sig.	.000

Table - B
Total Variance Explained

	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.915	27.305	27.305	4.915	27.305	27.305	3.402	18.903	18.903
2	1.911	10.619	37.925	1.911	10.619	37.925	2.627	14.596	33.499
3	1.610	8.946	46.871	1.610	8.946	46.871	1.900	10.555	44.054
4	1.359	7.548	54.419	1.359	7.548	54.419	1.522	8.455	52.509
5	1.139	6.325	60.744	1.139	6.325	60.744	1.412	7.842	60.351
6	1.091	6.062	66.806	1.091	6.062	66.806	1.162	6.455	66.806

Extraction Method: Principal Component Analysis.

Table - C
Extracted Factors for Business School Brand

Factors	Rotated values	Variance explained
Name of the University	.878	27.305
Research opportunities	.837	10.619
Qualification of Faculty	.799	8.946
Research of Faculty	.774	7.548
Designing (Logos, color scheme etc.)	.772	6.325
Allied resources	.743	6.062

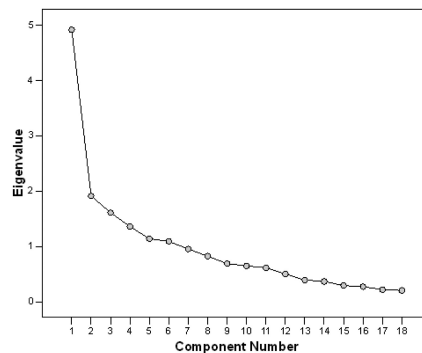
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.

(a) Rotation converged in 17 iterations.

Table - D
Reliability Statistics

Cronbach's Alpha	Number of Items
.811	18

Graph (A)
Scree Plot



5. DISCUSSION

The concern for sustaining competitive advantage in business education and lack of research in branding business schools in Pakistan motivated us to conduct an exploratory study in this field of inquiry. Although, there is lot of research addressed this phenomenon but the work in south Asian region on business school branding is lacking and insufficient, especially in the case of Pakistan. Sufficient support was provided by the literature on realizing the need for using the brand management concept to business schools. Significant factors in developing a business school brand were measured on a five point likert scale that varied from "not important at all" to "highly important". Name of the university was considered as the most valued factor to be considered in business school branding initiatives. Berry and Lefkowitz stressed the importance of brand name decisions while marketing

services in an article published at Harvard business review (1998). In this study, the results revealed significant value for this factor; .878. Many business schools in Pakistan are offering research-led business education and the number of MS/PhD programmes have also increased at a great pace. There is an increasing trend towards organizing research workshops and conferences where academic research is presented in open forums of the scientific community. This orientation towards research culture is opening a lot of venues to conduct research and was another important factor considered by business school students. The value of this factor was .837. Since the higher education commission of Pakistan has realized the importance of research in academia, universities need human resources in the form of qualified faculty, having considerable research credentials. The factor "qualification of faculty" was extracted as an important variable in branding the business school in Pakistan and is in accordance with the study conducted by Nguyn N. in 1997. Research of the faculty appeared among the extracted factors for business school branding with a rotated value of .774. This factor is completely in line with the findings of the study conducted by Leblanc on creating excellence in business education (1997). Since education commission is sending many researchers abroad for their research training, their return to Pakistan will revive the outlook of higher education in Pakistan. Corporate communications in the form of logos and admission ads was another factor of importance with a rotated value of .772. The visuals like corporate logo, color schemes used in academic and professional brochures and website design of the business school can serve as the 'cognitive switch' for brand recall. This is in accordance with the study conducted by Cornelius and Heerden on the importance and role of corporate communications in brand development (1995). Allied resources in the form of library, computer labs, resource centre, café, and other supportive elements got a rotated value of .743. Nguyen highlighted the importance of physical evidence; university infrastructure in creating a positive brand impression for the institution.

6. CONCLUSION

This study was an effort to fill the existing knowledge gap in the domain of applying brand management concept to business schools of Pakistan. The theoretical framework of the study confirmed the importance and role of branding the business schools however; the Pakistani context from the literature is missing. The results reveal that students consider various factors as important in creating a positive brand image for academia. Most of the factors are exactly in line with the previous work done by the scientific community around the globe. Small sample size was a limitation of the study because the study was conducted during summer semester with less attendance of the students. Although, unavailability of the relevant data and lesser concern on branding initiatives in Pakistan can make this study a good case. This study can prove to be very helpful for higher educational institutions in Pakistan as it provides some concrete facts regarding the brand concept and its application to business education. Future studies can be directed towards other business schools of the private sector in Pakistan to broaden the scope and implications of the study.

REFERENCES

- Aaker, David & Joachimsthaler, Erich. 2000. The brand relationship spectrum: the key to the brand architecture challenge. *California Management Review* 42 (4): 8-23
- Aaker, David. 1996. *Building Strong Brands*. The Free Press: New York.
- Aaker, David. 1991. *Managing Brand Equity: Capitalizing on the Value of a Brand Name*. New York: The Free Press.
- Aaker, D.A. 1991, *Managing Brand Equity*. The Free Press, New York, NY, pp. 7, 39, 61, 110
- Aaker, David. 2004. Leveraging the corporate brand. *California Management Review* 46 (3): 6-18
- Shee, P.S.B., Abratt, R. 1989. A new approach to the corporate image management process. *Journal of Marketing Management* 5 (1): 63-76

- Altbach, Philip G. 2004. Globalization and the University: Myths and Realities in an Unequal World. *Tertiary Education and Management* 10 (1): 3-16
- Balmer, John M.T. 1995. Corporate Branding and Connoisseurship. *Journal of General Management* 21 (1): 22-46
- Balmer, John M.T., and Gray, Edmund R. 2003. Corporate Brands what are they? What of them? *European Journal of Marketing* 37 (7/8): 972- 997
- Berry, Leonard L. 1980. Services' marketing is different. *Business* May/June: 24-8
- Berry, L.L., Lefkowitz, F.F., and Clark, T. 1988. In Services, What's in a Name? *Harvard Business Review* 66 (2): 28-30.
- Bharadwaj, Sundar G., Varadarajan, P.R., and Fahy, J. 1993. Sustainable Competitive Advantage in Service Industries: A Conceptual Model and Research Propositions. *Journal of Marketing* 57 (October): 83-99
- Bitner, Marry Jo. 1992. Servicescapes: the impact of physical surroundings on customers and employees. *Journal of Marketing* 56 (2): 57-71
- Brace, N., Kemp, R., and Snelgar, R. 2006. *SPSS for Psychologists: A Guide to Data Analysis Using SPSS for Windows*. Lawrence Erlbaum Associates.
- Chapleo, Chris. 2007. Barriers to brand building in UK universities. *International Journal of Nonprofit and Voluntary Sector Marketing* 12(1):23-32 (<http://www3.interscience.wiley.com>) (accessed at July 2008)
- Coughlin, Mary Ann and Knight, William. 2008. Exploratory Factor Analysis (EFA) http://www.spss.com/events/e_id_2096/Presentation.pdf
- Dobson, I.R. and Holtta, S. 2001. The Internationalization of University Education: Australia and Finland Compared. *Tertiary Education and Management* 7 (3): 243- 257
- Fallshaw, E.M. 2003. Overseas partnerships - a case study in quality. *HERDSA conference proceeding*. <http://surveys.canterbury.ac.nz/herdsa03/pdfsref/Y1052.pdf>.
- Friga, P.N., Bettis, A.A. and Sullivan, R.S. 2003. Changes in Graduate Management Education and New Business School Strategies for the 21st Century. *Academy of Management Learning and Education* 2 (3): 233-249
- Gardner, Burleigh B. and Levy, Sidney J., 1955. The Product and the Brand. *Harvard Business Review* 33 (March-April): 33-39
- Gatfield, T., Barker, M. and Graham, P. 1999. Measuring Communication Impact for University Advertising Materials. *Corporate Communications: An International Journal* 4 (2): 73
- Gray, B., Fam, K. S. and Llanes, V.A. 2003. Branding universities in Asian markets. *The Journal of Product and Brand Management* 12 (2/3):108
- Hatch, M.J., Schultz, M. 2001. Are the strategic stars aligned for your corporate brand? *Harvard Business Review* 79 (February): 128-34
- Higher Education Commission of Pakistan, Summary of enrollment from 2001-02 to 2005-06 by Statistics Department: <http://www.hec.gov.pk/InsideHEC/Divisions/QALI/Others/Statistics/Pages/EnrollmentSummary.aspx>
- Keller, Kevin Lane. 1993. Conceptualizing, Measuring, and Managing Customer-Based Brand Equity. *Journal of Marketing* 57 (January): 1-22.
- LeBlanc, G., and Nguyen, N. 1995. Cues used by customers evaluating corporate image in service firms; an empirical study in financial Institutions. *International Journal of Service Industry Management* 7 (2): 44-56
- LeBlanc, G., and Nguyen, N. 1997. Searching for excellence in business education: an exploratory study of customer impressions of service quality. *International Journal of Educational Management* 11 (2): 72-79
- Lloyd, A., Wiser, M. 2006. Assuring quality in an Overseas Collaborative Project: A case study" (<http://www.blweb.it/esoe/tqmhe1/13.pdf>) (accessed at July 2008)
- Lovelock, C.H. 1983. Classifying services to gain strategic marketing insights. *Journal of Marketing* 47 (summer): 9-20
- Mazzarol, Tim. 1998. Critical Success Factors for International Education Marketing. *International Journal of Educational Management* 12 (4): 163-175
- Mazzarol, T., Soutar, G.N. 1999. Sustainable Competitive Advantage for Educational Institution. *International Journal of Educational Management* 13 (6): 287-300

Exploring the Most Important Factors while Branding the Business Schools

- Opoku, R. A., Pitt, L. F. and Abratt, R. 2006. Communicating brand personality: are the websites doing the talking for the top South African Business Schools. *Journal of Brand Management*, 14 (1/2): 20-39
- Parasuraman, A., Zeithaml, V., Berry, L. 1985. A conceptual model of service quality and its implications for future research. *Journal of Marketing* 49 (4): 41-50
- Santos, J.R.A. 1999. Cronbach's Alpha: A Tool for Assessing the Reliability of Scales. *Journal of Extension* 37 (2) (<http://www.joe.org/joe/1999april/tt3.php>)
- Schultz, Don Z, and Barnes, Beth, E. 1999. *Strategic Brand Communications Campaign*" NTC Business Books: Chicago
- Segev, E., Raveh, A., and Farjoun, M. 1999. Conceptual maps of the leading MBA programs in the United States: Core courses, concentration areas and the ranking of the school. *Strategic Management Journal* 20:549-565
- Teichler, U. 1999, "Internationalization as a Challenge for Higher Education in Europe", *Tertiary Education and Management*, Vol. 5, No. 1, pp. 5-19
- Uggla, H. 2006, "The corporate brand association base: a conceptual model for the creation of inclusive brand architecture", *European Journal of Marketing*, Vol.40, No.7&8, pp785-802
- Waqar, Ali. 2006. From the campus window: Universities, provinces and HEC. *Daily Times*
- Yu, Kameoka. 1996. The Internationalization of Higher Education. The *OECD Observer* 202 (Oct/Nov): 34-37