# Use of the Marketing Mix in Transnational Higher Education Institutions: A Literature Review

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#### **ABSTRACT**

Organizations offering graduate degree programs nowadays have to devise measures to differentiate them from others in the market as there is intense competition. Higher Education Institutions (HEIs) offering graduate studies programs, specifically those in the Transnational Education (TNE) industry, need to be abreast of their target markets and environments' changing preferences and expectations. The study used an integrative literature review to analyze readily available 35 journal articles on marketing mix to support Transnational HEIs. The sources came from research databases such as Google Scholar, Directory of Open Access journals, business publications, and other websites. Results show that HEIs are expected to take on a customer-focused marketing approach to attract more students with commercialization and stiff competition. Creating an appropriate marketing mix in line with the target audience and intended purpose has proven useful for HEIs' marketing strategy. The study concludes that formulating an effective marketing mix strategy is one of the keys to TNE providers' sustainable growth.

*Keywords* — Marketing Mix, Higher Education Institution, Transnational Education, Marketing, Literature Review

#### INTRODUCTION

This literature review deals on the recent development in the Educational Market/Marketing, Transnational Education, particularly the interplay of marketing mix elements that can be used as part of HEIs' marketing programs. Thus, this paper presents and discusses the published literature and studies that provide a backgrounder on the research topic.

Higher Education Institutions (HEIs) are pushed to take on a customer-centered marketing approach to remain competitive. Educational services underwent a significant transformation in the last decades, which has led to the commercialization of higher education. This resulted from government measures geared towards privatizing educational institutions (Mallik & Achar, 2018; Nicolescu, 2009; Maringe, 2006). Gajic (2012) cited that managing HEIs involves continually dealing with the higher education market's ever-changing requirements. She noted that HEIs could be considered competitive only if they can effectively adapt and innovate to the changes in the business environment.

What to teach, who to teach, and how to teach are the three fundamental freedoms of a university. This paradigm has been the key weapon of HEIs. They used these liberties as benchmarks to measure their performance and progress. In terms of the business landscape, corporations are now at the forefront of the changing times, and HEIs find themselves having a lot to learn from commercial establishments. Developing the customer perspective is probably one of the best lessons that academic institutions learn from business organizations nowadays (Gajic, 2012; Maringe & Gibbs, 2009).

Gibbs, Pashiardis, and Ivy (2008) explained that with the growing number of higher education graduates comes the tightening of competition among colleges and universities offering higher education programs. Gibbs, Pashiardis, and Ivy (2008) mentioned that with the increase in degree choices to choose from and the institutions offering such programs, HEIs have a higher need for differentiation tactics and strategies. Thus, marketing indeed has a crucial role in recruiting new students (Canterbury, 2000; Nicholls, Harris, Morgan, Clarke, & Sims, 1995; Taylor & Darling, 1991). A study by Meraj, Fernandes, and Ross (2016) supported these claims, citing that the Higher Education Funding Council for England I said that HEIs should be more business-oriented, which means they need to be focused on their customers' needs. From traditional marketing, this suggested a paradigm shift towards an unconventional marketing approach by correctly applying major marketing principles: segmentation, marketing research, positioning, and the marketing mix.

The United Nations Education, Scientific, and Cultural Organization (UNESCO) defines Transnational Education (TNE) as all kinds of higher education programs, course studies, or educational services (including distance learning) in which the students are located in a country that is different from the country where the primary institution is based (Barrows, 2000). Through the years, there has been a robust market for TNE as societies advance and economies progress. However, with the Covid-19 crisis, questions have been raised about the traditional schools' uncertainties offering face-to-face classes.

Gibbs, Pashiardis, and Ivy (2008) defined a marketing mix as a combination of marketing tools that an educational institution can control to achieve the desired result, gaining a favorable response from its target markets. In Educational marketing, marketing mix is considered one of the essential indicators of the success of the marketing strategies (Chawla, 2013; Mallik & Achar, 2018). Since academic institutions have tangible and intangible features, Gibbs, Pashiardis, and Ivy (2008) postulated that the 7 Ps approach, which is used primarily by the service sector, would satisfy more HEIs' clients. It was also stressed that positive synergy among the marketing mix elements could make an organization's marketing strategies more efficient and effective (Gajic, 2012). The Expanded Marketing Mix elements for services presented by Gajic are Service, Price, Distribution, Promotion, Physical Evidence, People, and Process.

# **OBJECTIVES OF THE STUDY**

The research aimed to address the following objectives, (1) to describe the significant changes in the Transnational Higher Education landscape and higher education marketing and (2) to determine the functions of the marketing mix elements in educational marketing.

#### **METHODOLOGY**

The study used the integrative approach of literature review to analyze readily available literature on the use of marketing mix to support the business of HEIs (higher education institutions) offering TNE programs. This method aims to evaluate, critique, and consolidate literature about a specific topic, which could be used in drawing out new perspectives and theories (Torraco, 2005; Synder, 2019).

There are four phases undertaken using this method, (1) designing the review, (2) conducting the review, (3) analysis, and 4) writing the review. This sequence

of the literature review was developed from various guidelines set by different authors (Snyder, 2019; Moher, Liberati, Tetzlaff, Altman, & Prisma, 2009).

The critical review of relevant literature, specifically 35 journal articles on business, education, marketing, and management was used. The sources came from research databases such as Google Scholar, Directory of Open Access journals, business publications, and other relevant websites. The main criterion for choosing the studies to review is their relevance to the research objectives. Keywords such as educational marketing, transnational education, and marketing mix were used to identify the articles to be reviewed.

### RESULTS AND DISCUSSION

Taking up higher education is perceived as a life-changing decision. Thus professionals are becoming more discerning with their choice of school (Gibbs, Pashiardis, and Ivy, 2008). As a result, potential students are keener in weighing the pros and cons of the different HEIs in the educational market before they arrive at a final decision.

### Transnational Education (TNE)

The United Nations Education, Scientific, and Cultural Organization (UNESCO) defines Transnational Education (TNE) as "all kinds of higher education programs, course studies, or educational services (including distance learning) in which the students are located in a country that is different from the country where the primary institution is based. Thus, TNE is a borderless, market-driven higher education that espouses multiculturalism, diversity, and internalization. Most significantly, TNE also offers an excellent opportunity for professionals to pursue higher studies while working. It helps them upgrade their credentials without leaving the country they are in and their employer (Alam & Chowdhury, 2013). One of the main benefits of TNE is that professionals can upgrade their credentials even if they are based in their home country or working overseas.

Through the years, there has been a robust market for TNE as societies advance and economies progress. From 1990 to 2007, enrollment in higher education increased by 128% (152.5 million students from 66.9 million) (Alam & Chowdhury, 2013). The top countries which attract almost half of the total number of students who want to study overseas are the United Kingdom (UK), the United States of America (USA), and Australia. In contrast, the biggest sender of students from 1999 to 2007 was India, China, and South Korea (UNESCO,

2009). Forecasts were made in 2013 that by 2020, an estimated 3 million enrollees from developing nation countries will pursue higher education in the UK, USA, Australia, New Zealand, and Canada. Based on the study of Bohm (2002), the TNE in higher education will make up 44% of the overall demand for foreign education by the year 2025. However, with the Covid-19 crisis, which continuously impacts different sectors of society, questions have been raised about the uncertainties in traditional schools offering face-to-face classes.

Kumar, Paul, and Unnithan (2020) underscored the reality that the pandemic, in the long run, will most likely affect transnational education on different fronts. A need for TNE players to re-think their program delivery and marketing strategies is crucial to surviving (Stewart, 2019). A TNE provider's recruitment method and activities may change, as most are using online platforms with potential students through webinars and social media. Universities that have in-country partner institutions will find it easier to conduct student recruitment.

Also, Kumar, Paul, and Unnithan (2020) stressed that TNE players should put a comprehensive crisis management plan for the long term that will cushion the impact of the pandemic. Budgets should be reviewed, and come up with more cost-efficient marketing programs. Even if the pandemic subsides, it is still possible that fear about health and safety will still hound students, greatly affecting their perception of the institution and host country. Academic organizations must find concrete measures to reduce the virus's negative impact by having a highly positive brand and reputation.

# Regional hubs for TNE

Part of the thrust of several countries with a massive demand for higher education is bringing foreign institutions in to establish a branch or tie-up with esteemed local organizations to deliver the program. Through the years, Western universities are known to have the ability to extend their educational programs in Singapore, Hongkong, Malaysia, UAE, and Qatar via their campuses or in partnership with local partners (Alam & Chowdhury, 2013). Most foreign colleges and universities are located in the following regional hubs: China and Hongkong; Singapore and Malaysia; India, Bangladesh, and Pakistan; South Africa, and United Arab Emirates (UAE) and Qatar. It is worth noting that in the UAE and Qatar, foreign institutions can undertake full commercial operations because there is no cap on fees and ownership (Alam & Chowdhury, 2013).

#### TNE in the Middle East

TNE is a relatively recent phenomenon globally and in the Middle East alone, with 60% of these organizations started to operate in the year 2000 (Miller-Idriss & Hanauer, 2011). The primary regional hosts for universities from the USA, France, and the UK in the Middle East are the UAE and Qatar. These two Gulf countries have dedicated education zones in their major cities for foreign schools to operate – Dubai International Academic City and Qatar Education City (Alam & Chowdhury, 2013; Bridi, 2020).

Miller-Idriss and Hanauer (2011) said that while there is no reliable source for the data on the number of TNE providers and programs globally, it is evident that a significant number of these can be found in the Middle East. In 2011, there were 57 recorded TNE institutions – 61% of which are located in the UAE, 14% are based in Qatar, and 7% are in Egypt. The rest of the TNE providers are distributed in Bahrain, Saudi Arabia, Kuwait, Lebanon, and Jordan. The USA has the highest number of universities providing TNE programs in these countries, with nearly 40% of the TNE institutions operating in the Middle East. These gathered data signify the great potential of the TNE industry even in Arab countries.

### **Educational Marketing**

Mallik & Achar (2018) defined Educational Marketing as the management and implementation of instruction to create customer fulfillment among students. The authors stressed that the said field is a balanced blend of management and academics- it should let teaching thrive properly through compelling administration. While higher education marketing is not new, several authors have noted the crucial role of marketing in recruiting students (Alipour, Aghamohammadi, Ahmadi, & Hoseini, 2012; Gibbs, Pashiardis, & Ivy, 2008; Maringe & Foskett, 2002).

With the growing trend in treating education as a marketable entity, several authors have likewise suggested that HEIs implement marketing programs that are strategic- deliberate and targeted for particular segments (Hung, 2008; Ng & Forbes, 2009). For HEIs to remain viable amidst the competition, they are also advised to develop positioning and differentiation strategies in mind. These are deemed to provide superior value as perceived by their prospective clients (Gibbs, Pashiardis, & Ivy, 2008; Ng & Forbes, 2009). This implies that identifying target markets is indeed crucial in order to determine the appropriate programs that will suit their needs and wants.

Understanding consumer behavior must be carefully done by officials of HEIs to craft marketing activities that would translate to more students and increased revenue. HEI should understand that Educational marketing is quite different from plain product or service marketing. Olenski (2015) affirmed that this type of marketing entails building mutual trust among stakeholders. Mallik and Achar (2018) highlighted that marketing strategies of educational institutions should be anchored on credibility, quality education, and proper communication. Consumers today are highly digital, having easy access to a lot of information. Thus, even customers of HEIs do not have to make an outright decision to enroll in a program unless they plan to do so based on their timetable.

Gajic (2012) said that a good marketing strategy is a combination of the competencies within an academic institution to address the environments' constraints and challenges and select the best methods to achieve the organization's mission-vision. In line with this, Masic, Babic, Djordjevic-Boljanovic, Dobrijevic, & Veselinovic (2010) added that to keep up with the changes in the business environment, HEIs must be open to change and evolve for the better. Cited in Gajic's research were the decisions to be made to formulate a marketing strategy for HEIs (1) The present programs and markets of the institution – decide whether to maintain, create more, or eliminate; (2) New market opportunities and programs in the future; 3) Competition analysis; 4) Market positioning; and 5) Identifying the target markets and developing the marketing mix.

Enache (2011) explained that by utilizing a more strategic approach to marketing higher education programs, new data and information could be gathered from the target market. Through market research, intelligence data could help HEIs improve their key decisions in terms of marketing and, ultimately, their overall operations. With proper environmental scanning and analysis of the educational market, HEIs would be able to identify their students' primary needs and expectations and potential customers. Enache (2011) pointed out that the marketing mix is one of the most useful tools to gauge what ticks customers.

# Marketing Concepts and Philosophies

The concept of marketing has been evolving through the years, and there are several philosophies and approaches in research studies. Kotler (1991) postulated that there are five concepts that organizations align with when it comes to their marketing activities: the production concept, the product concept, the selling concept, the marketing concept, and the societal marketing concept. Among these, the marketing and societal marketing concepts are the more timely and relevant ones for organizations today (Nicolescu, 2009).

In the marketing approach, the consumers' needs and wants are the focal points of an organization's marketing activity. This customer-centric philosophy is very different from the selling approach because additional considerations are also given importance: marketing orientation, consumer behavior, positioning, market segmentation, and marketing mix (Kotler, 1991; Nicolescu, 2009). The following items outline the steps needed for a consumer-focused marketing approach: (1) Market segmentation (to satisfy the customers, target markets must be clearly identified), (2) Consumer behavior analysis (organizations must identify and understand the buying behavior of their customers); (3) Position strategy (decide on the market positioning of an organization which is usually based on its differentiation from competitors); and (4) Marketing mix/transactional marketing (based on the information gathered, organizations should be able to produce what the customers want).

### Marketing Mix in Higher Education

Higher education institutions can be considered a different type of service, so it requires further customization in the marketing mix that they will use (Soedijati & Pratminingsih, 2011; Mallik & Achar, 2018). Gajic (2012) underscored that the marketing mix concept for HEIs should be a synergistic package incorporating not only marketing but also human resource management and process management. Shown in Table 2 are the parameters of effective marketing strategies for management institutions (Mallik & Achar, 2018):

Parameters		
Program		
1	Providing Value Added Courses	
2	Availability of a variety of Hybrid academic programs	
3	Offering Industry Relevant programs	
4	Academic collaboration with foreign universities	
5	Adequate training and preparing the students for future job	
6	Promise to deliver the quality program and living up to that industry expectations	
7	Co-curricular activities supporting the core subjects	
Price		
1	Maintain a standard tuition fee	
2	Provide fee concessions and installments	
3	Availability of scholarships	
4	Fees concessions for top-ranked students	
5	Educational loan assistance and its arrangements by the college	
6	Installment tuition fees	

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Place	
1	Institute is close to the place where students currently live
2	Easy accessibility
3	Type of the area where the institute is located (urban/rural)
4	Physical safety for students and locality of an institute
Promo	ional
1	Conventional Based
	Institute website
	Leaflets/college brochure
	Educational fairs
	Face-to-face counseling
	Sponsorship Word of mouth
	Print and visual advertisements (banners and hoardings)
	Advertising, publicity, public relations, and sales promotional efforts
2	Digital Marketing
	Email and SME marketing campaigns
	Usage of social media
	Video and animation
	Google ads/FB ads (paid advertising)
People	
1	Management people are committed to world-class education
2	Top management considers the needs of all major stakeholders (students, faculty, and corporate)
3	Faculty with Ph.D.'s
4	Having committed teachers and staff in the performance of their duties
5	Diverse students community
6	Faculty with a foreign degree and Ph.D.'s
Process	, , ,
1	Using state of the art technology for T & L
2	Hassle-free administration process
3	Process of NBA Accreditation
4	Systematic Grievance Handling mechanism
5	Imparting soft skills and technical skills services
6	Periodic evaluation of the brand status of the institute will be audited
7	Providing online payment options
8	Implemented an online attendance management system for students and parents
9	Biometric attendance system for teaching and non-teaching staff
	l Evidence
1	State of the Art Technology
2	Physical infrastructure (classroom/furniture, smart board, lightings, lobby, waiting
2	room, parents' lounge, etc.)
3	Facilities for physically challenged students *lifts/ramps, wheelchair, toilets)

- 4 Library and computational facilities
- 5 Safety, security, and medical facilities
- 6 Gym, hospitals, banks, post offices, co-operative stores, canteen facilities
- 7 Total ambiance (landscape, green campus, etc.)
- 8 Housing and accommodation facilities
- 9 Sports and recreation center, food court, general store, etc.
- 10 Transportation facilities by institutes

Enache (2011) postulated that educational marketing is considered part of services marketing. It is important to note that services marketing uses the traditional marketing mix (product, price, place, and promotion) plus three other variables: people, process, and physical evidence. Enache (2011) and Gajic (2012) both stressed that educational institutions could have a more effective marketing strategy using the 7Ps, but said that the synergy among the elements of 7Ps should be taken into consideration and not just treat each as a separate entity. She added that some components could complement the others, while some may reduce the efficacy of others.

In the succeeding sections, the elements of 7Ps are discussed by several researchers:

# Product/Program

The product is the core of traditional marketing. However, Enache (2011) noted that in educational marketing, the product could further be improved by the six other elements of the services marketing mix. He said that there are two product strategy paradigms: the degree program is the product with the students as the customers, and the student as the product with the employers as the customers. The research elaborated on these two paradigms:

Degree program as the product – the educational institution typically focuses on the demands of the students, and that is to obtain a higher education degree such as a Master's or Doctorate degree. Gibbs, Pashiardis, and Ivy (2008) explained that most of the time, these universities are more focused on the students getting the diploma, without giving too much attention to the admissions policy or selection of students.

Student as the product – the school studies what the labor market needs and develops programs that are helpful for their graduates to secure career growth or success in business endeavors. By treating the labor market or the business sector as customers, the HEI will aim to make sure that it produces competent and skilled graduates through excellent learning opportunities.

Enache (2011) stressed that there is a need to balance these two product perspectives to reconcile the differences in perception between the HEI management and professors, students, and employers or business prospects. He further detailed that by developing higher education programs that factor in the needs of the students and that of the labor market, these gaps in perception can be bridged. Thus, it will result in an increased level of satisfaction of both the students and the companies/businesses. This is the first step towards crafting an appropriate marketing mix for an educational institution offering higher education.

Gibbs, Pashiardis, and Ivy (2008) raised the same premises - that there are two perspectives on the product. However, he leaned more on the paradigm that considers the degree program as the product because students pay for the program offering while employers cannot be really considered as customers since they do not give payment for the graduates of HEIs for them to be employed. With this argument, Gibbs, Pashiardis, and Ivy (2008) stressed that the degree program design or curricula are the core product marketed by HEIs. Thus, HEIs must ensure that the curricula are well developed for the needs of students. This also includes the conduct of classes, duration of the program, and syllabi design, which could affect the choice of business school of students.

### Price

Enache (2011) mentioned that an organization's pricing strategy is the sole marketing mix element that directly influences earnings. The pricing strategy is part of the branding of an educational institution—the higher cost of the program offers can be perceived as equating to better facilities and teachers, or the program is rare or new in the educational market (Enache, 2011; Gibbs, Pashiardis, & Ivy, 2008). While Price is considered an economic factor, Gajic (2012) pointed out that it is also a psychological factor. The Price of a degree program in a certain HEI can influence the perceived value of the service being offered. It can be an indicator of good quality, which affects the HEI's image, as well as the rest of the elements in the marketing mix. Some researchers also found a direct connection between the tuition fees and the demand for certain degree programs (Little, Schneider, Kroon, Price, Summerhayes, & Segl, 1997). In fact, many students are prepared to pay higher tuition fees in return for quality education (Gajic, 2012).

Gajic (2012) mentioned that HEI administrators sometimes fail to see the bigger picture when setting prices for their program offerings. Usually, the price

set by the school administrators does not incorporate other indirect costs. The consumers' costs and benefits, according to Kotler and Fox (1995), should serve as a guide in developing pricing strategies.

In addition, Gajic explained that potential students, as well as their families, or the reimbursing companies, most often than not look at the final price, which is the actual amount to be paid for the benefit and a value of higher education. The final price, known as the effective price, is the gross amount less any financial assistance or discounts made available to the student (Kotler and Fox, 1995). Gajic also mentioned that HEIs must consider the following before setting prices: (1) The outcome or effect of the pricing strategy on the HEI's mission and vision; 2) The effect in the enrollment rate of the pricing policy; and 3) The extent to which a pricing strategy can encourage acceleration.

HEIs should also take into consideration the pricing strategy of their competitors and the effect of their pricing schemes on the pricing policies of their competitors. Nicolescu (2009) emphasized that from a consumer's point of view, pricing is the perceived value of the quality received which was paid for. This just shows that having a low price will automatically entice students to enroll. The price should be strategic, taking into consideration the actual costs to be incurred, as well as the quality of education that will be provided to clients. It is possible that students will opt for a premium-priced graduate program as long as it is at par with industry standards and has a good teaching reputation in the academic circles.

#### Placement

Aside from the location of an academic organization, Enache (2011) and Gibbs, Pashiardis, and Ivy (2008) said that Placement could also pertain to new technologies which have become the mean through which higher education can be accessed. Aside from TV and radio, internet portals are being tapped by HEIs to provide their potential and current students the information that they need. Online platforms such as emails, video conferencing, podcasts, block release options, Moodle, and Blackboard enable virtual learning, and through these learning facilities, teachers and students could regularly interact without physically meeting one another.

In educational marketing, Placement equates to service distribution (Gojic, 2012). It primarily involves the manner through which the degree programs will make accessible for students. Gojic (2012) likewise elaborated on educational service distribution by stating that the location of an institution can have

multiple meanings: the area where the HEI is located and the features of the area where the HEI is located. While program design is essential, program delivery is also highly important for the success of the HEI's operations. School officials must devise innovative channels through which students can access their services, which include distance learning and/or the use of new technologies (Kotler and Fox, 1995). Especially today, the online space is considered the main venue of learning. Therefore, it is important to revisit the standard characteristics of a good placement strategy in terms of online education. The type of online platform could affect students' decision to enroll in a university as it will be the primary mode of learning. Accessibility and user-friendliness will be the main considerations of potential enrollees when looking at this aspect.

### **Promotion**

Enache (2011) discussed how HEIs should meet the major challenges of disseminating proper information to the right audience through their promotional strategies:

Provide adequate information to prospective students on the school's offerings. – The researcher stressed the significance of the website as the first contact of potential clients with the school. The website must be able to direct the student to read more about the admissions policy and procedure and go to the final step, which is to proceed with the enrollment. Enache added that the relationship of the HEI with a student does not end after graduation. A graduate could help the university assess whether the educational program was successful through his or her own experience. The alumni of the HEI most likely can refer future enrollees or even become funders or investors in the future.

Promote the benefits of the HEI's services to society as a whole. Another point that Enache raised was that directing promotional tools to key people that could influence public opinion is another way to enhance the reputation of the HEI. He postulated that it is not that easy for educational institutions to undergo re-branding. That's why most of the time, university officials are keen to maintain a reputable image of the institution. However, HEIs should use promotional tools with due diligence and not rely on them to attract more students. Gajic (2012) emphasized that promotion can work if all the other elements of the marketing mix are implemented well. She said that for universities to implement effective promotion strategies, they should conduct communication planning. The following decisions should be made by HEI marketers (Gajic, 2012; Kotler and Fox, 1985), (1) Identification of target market; (2) Clarification of the sought

response; 3) Development of a message; (4) Selection of the medium or media; (5) Selection of the source attributes, and (6) Collection of feedback.

Gajic (2012) emphasized the importance of effectively communicating to the HEIs' stakeholders not only their curricula and prices but more so their goals and activities that can motivate prospects to enroll with them.

In addition, Gibbs, Pashiardis, and Ivy (2008) specified that using just the website and the prospectus to disseminate information is not enough. Different messages and information should be conveyed to a wide variety of publics targeted by the HEI. Other important communication tools that can be considered are ground events such as exhibitions, conventions, and open days. Advertising and direct mail can also be employed to convince potential students to choose their school.

### People

The People in the HEI include both the teachers and administrative personnel. The study by Enache cited that the quality of people running the HEI can strongly influence the strategy used for certain elements of the marketing mix: product, price, process, and promotion. All the personnel primarily interacting with the students are important in the delivery of quality service, which in turn could further attract more clients (Alipour et al., 2012; Enache, 2011; Soedijati & Pratminingsih, 2011). In addition to this, marketing is said to work wonders only if all members of the HEIs from top to bottom understand their role in the organization and how they can contribute to the implementation of their marketing strategies (Gajic, 2012). Gajic (2012) likewise said that open communication within the HEI could increase the motivation level of staff. She also revealed that effective internal communication is positively related to a good attitude of staff to the organization. Having highly motivated personnel is a significant element in formulating the HEI's marketing strategy. With dedicated and competent staff, HEIs have higher chances of success (Gajic, 2012). Thus, it is necessary for HEI management to provide a good working environment conducive to growth, proper compensation, and stability. HEIs without such motivating factors to staff can have a difficult time becoming successful, more so establishing a world-class reputation (Gajic, 2012).

Enache (2011) pointed out the role of the administrative personnel, particularly in dealing with inquiries and the admissions process. The potential customer's first contact with the school is through the Admissions officer, who answers queries and provides relevant forms and information regarding the

registration procedure. The first impression that the potential enrollees' forms through their interaction with the school's front liner have an immense impact on how the HEI will be perceived moving forward. Equally important is the roster of teachers employed by the HEI. According to Enache (2011) and Gibbs, Pashiardis, and Ivy (2008), having on board competent professors has major benefits: students will get quality education, and the HEI will have an enhanced image, which will result in the satisfaction of both the students and the society. The authors reinforced the value of putting the right people at the right positions within the HE, whether they are teaching or non-teaching personnel. The ability of the professors to execute their lessons well in line with their educational background or field of expertise is likewise paramount to the success of the university. The credentials of the professors greatly influence the image of the business schools and thus affect the student choice of HEIs. Several authors illustrated this by citing an example saying that most students, if not all, are impressed if all teachers have a professorial title or are Ph.D. holders. If there are academic staff who are known resource speakers and experts that are visible in seminars or public interviews, it is a great advantage to the HEI (Gibbs, Pashiardis, & Ivy, 2008).

Enache (2011) also said that the HEI's people strategy emerged to be the most significant addition to services marketing. Getting the right people for the organization can ultimately help in developing an effective marketing mix. This implies that despite the proliferation of the use of technology in the academe, having the right people will still be of utmost importance in running a transnational HEI. The management, staff, and faculty should have the competence and commitment in order to fulfill an organization's promise to its customers. Without people, technology cannot fully function properly.

#### Process

The HEI's Process strategy goes together with the People strategy, especially when it comes to the enrollment process. Enache (2011) explained that too much bureaucracy in the enrollment process could have a negative impact on the reputation of the HEI, and at the same time, cause dissatisfaction to potential students. The assigned admissions officer should see to it that there is smooth delivery of services from entertaining the inquiry up to the registration procedure. The enrollment process is the sole process that converts a potential student into a bona fide student. That is why all the procedures and strategies involved in this step are considered highly significant. A highlight on the enrollment process

implies that the first touchpoint of prospective enrollees is crucial as it can either let them proceed with the enrollment or not. Leaving a great first impression at the start of contact with the school means a better chance of enlisting students with the school.

## Physical Evidence

Since education is considered is an intangible product, Enache (2011) elaborated that physical evidence is considered the evidence of the product to be delivered. Part of the physical evidence is the school building, facilities, laboratories, and equipment used to carry out teaching and administrative tasks. The perceived good quality of such physical evidence contributes to building a good first impression on the school in general.

Enache (2011) provided a more suitable framework in marketing higher education. Using the 7 Ps – with the addition of Process, People, and Physical evidence to the traditional marketing mix, HEIs can better address the needs of their clients.

## Applying Marketing Mix constructs in Higher Education

Meraj, Fernandes, and Ross (2016) encapsulated essential points on the application of the components of the marketing mix in higher education. Their study aimed to find out which among the marketing mix elements significantly influence the choice of students when selecting an MBA program. The information to be gleaned from their survey is expected to provide a clear basis on the development of marketing strategies, specifically when it comes to branding. They said that proper positioning and communications strategy could improve the ability of HEIs to remain competitive through higher retention rates and an increase in new students (Smith & Colgate, 2007, Aljohani, 2016).

When asked which among the components of marketing mix mattered to the MBA students when choosing the graduate school they want to enroll in, some notable findings were revealed. A study by Helmig et al. (2010) found out that the program content, program mode, and image of the institution mattered most to the students. These were followed by the location, length of the course, criteria for enrollment, and accreditation. The researchers singled out that accreditation seemed to have been given low importance by the respondents. It should be noted, though, that accreditation is crucial for the image and reputation of the school. A good grasp on the accreditation credentials of HEIs can be instilled among future customers via focused branding and effective publicity or advertising.

In another study in Australia by Blackburn (2011), he identified five themes which were evident in the factors that highly influenced the choice of students' MBA school: Reputation of the HEI, Quality of the program (class size, course content, teaching quality), Syllabus (subjects, course content, flexibility, duration), Facilities and campus, and Career (job opportunities and security, higher salary and improved lifestyle)

The reputation of the HEI also topped the list in a survey conducted by Schoenfeld (2014) through Admissions and Applications Trends Research Global. According to the report, students highly consider the reputation of the institution, followed by the accessibility of the location. The third and fourth factors that came out to be critical to students' perception were the possibility of an international career and the opportunity to network with other professionals. The affordability of the program came in last.

In the actual survey done by Meraj, Fernandes, and Ross (2016), results showed that the marketing mix element which was most significant to the MBA students is People followed by Product and Processes. Price, Place, and Physical evidence were rated almost the same, and the element which ranked the least in order of importance is Promotion.

The results implied that there is a high significance of People within the HEIs. This means HEIs must employ competent, reliable, and customer-oriented teachers and staff. The academic and non-academic staff play a vital role in ensuring both prospective and current students' satisfaction.

Ivy & Naude (2004) and Ivy (2008) likewise identified the marketing mix elements essential to ensure success in the recruitment of new students to MBA programs. They believed that a more sophisticated approach to market higher education is needed by crafting marketing strategies based on the relevance of the marketing mix elements perceived by the current and future enrollees. They noted that the following factors were rated important by the respondents in descending order: Program, Prominence, Price, Prospectus, People, Promotions, Premiums.

# The 7P business school marketing mix

Gibbs, Pashiardis, and Ivy (2008) developed a new model of the marketing mix for business schools. The setting of the study was in 12 state business schools located in South Africa, with the new MBA students and those who are leaving the HEIs as the target respondents of the survey questionnaire. The results of the study revealed that there are seven factors that affect the students' choice

of HEIs: Premiums, Prominence, Promotion, Prospectus, Price, Programme, and People. In Ivy's study, five factors were rated high in terms of priority by the MBA students when they considered the graduate school they have chosen (from highest to lowest): Programme, Prominence, Price, Prospectus, and People. The two others, which are Premiums and Promotions, were the least prioritized elements.

Program is seen as the most important concern of graduate students in Ivy's study. Even numerous researchers have supported this finding, highlighting the fact that offering the right degree programs and well-designed curricula can certainly attract more students to enroll with the HEI (Maringe & Foskett, 2002).

On the other hand, prudence equated to a "good teaching reputation" (Ivy, 2008). The institutional image was given high importance in the study, which was similar to what other studies have also postulated (Maringe and Foskett, 2002). More importantly, the variable labeled as "educational standard/recognized qualifications worldwide" was ranked high by Binsardi and Ekwulugo's (2003) study. Meanwhile, Price was the second-highest-rated element by the respondents.

While Promotion scored the lowest in terms of the rank of importance, Ivy noted in his research that the survey conducted by Maringe and Foskett (2002) among seven universities in South Africa revealed that pamphlets and brochures were essential marketing communication tools in HEI marketing. This is also supported by several authors (Nicholls et al., 1995), citing in their research that despite the proliferation of Internet channels, printed materials made available to potential students are still important informational tools.

In terms of People, Ivy's study emphasized that face-to-face contact with other students mattered a lot. Most of the respondents would consult experts or alumni to help them decide whether to pursue graduate studies or not in a particular HEI (Binsardi & Ekwulugo, 2003).

Premium was ranked lowest by the respondents in terms of the level of importance. Gibbs, Pashiardis, and Ivy (2008) identified sample elements included in Premiums: accommodation, modules, exchange programs, computer facilities, residential requirements, and class sizes. Since most graduate school students are working or have been working already, it is already expected that such premiums do not appeal to them in as much as the Product or Price strategies.

#### RESEARCH GAPS

While Transnational Education has been emerging as a significant development in the education sector, it should be noted that only English-speaking countries such as the UK, USA, and Australia have rich data on their TNE providers. They keep track of their student population and quality assurance mechanisms, making it easier to improve and innovate. However, there is little research on this relevant information for TNE providers in the Middle East, although the continent houses almost one-third of the foreign universities worldwide. Because of the lack of regular reports and actual figures from other countries on their TNE industry, it is difficult to accurately describe the state of this sector. Projections can only be made based on estimates available.

There have been intensive researches done on the use of marketing mix in the educational sector. However, studies that are specific to the use of marketing mix in the Transnational Higher Education industry can still be explored.

### **CONCLUSIONS**

The higher education sector has evolved as societies progressed. Both developing and developed countries recognize that borderless education is a great opportunity for individuals to advance despite geographic distance and time zone differences. Several countries in various continents have adopted Transnational Higher Education as an innovative mode of learning. On the business side, there is a need for TNE providers to differentiate and gain a competitive advantage as students are becoming more discerning with their choice of graduate school. Academic organizations that are involved in this kind of business should be more driven to improve and compete alongside the implications of globalization and modernization. The majority of educational institutions are aware of this reality, and they should be strengthening their strategies to get the best students and staff and research programs that elevate their status and maintain a favorable reputation.

The marketing mix is one of the strategic tools that, when utilized properly, can help TNE providers attract more enrollees and sustain their operations. The relevant elements in the marketing mix for graduate school marketing are Product, Price, Place, Promotion, People, Process, and Physical Evidence. The product refers to the program which encompasses the courses offered, curriculum, and content delivery. Price is the cost of the program, while the place is the mode

of delivery of the program – may it be a physical location or online channel. Promotion includes the communication tools used to reach the stakeholders, while the People are the management, staff, students, and even alumni who are part of the institution. Process refers to the standard procedures being followed within the school, and Physical Evidence is the availability of tangible facilities, resources, and equipment that will support teaching and learning. The marketing mix should be taken as a set of available components that can be packaged depending on the needs, demands, and goals of the TNE provider. A synergistic grouping of the marketing mix elements should be supported by a customer-focused approach and a cost-efficient allocation of budget for each component in order to execute a realistic and effective marketing strategy.

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