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BRAND BUILDING STRATEGIES FOR MANAGEMENT INSTITUTES IN KARNATAKA - A STRUCTURAL EQUATION MODELLINGANALYSIS

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Abstract
The purpose of this study is to understand and give a conceptual framework and finite solutions to the staggering reasons of today's management Institutes which have been faced with unprecedented challenges such as the decrease in student enrollment, shortage of qualified and experienced faculty and with an effort of branding, how any management institutes would be benefitted by acknowledging various self-driven initiatives etc. Due to the increased competition in management Institutes, branding has become more relevant in promoting an institution's reputation, as well as generating additional revenue for the institution by being competitive building brand equity, which influences students and faculty making the amicable decision for choosing the best management institution to study and progress to work,In this context, the researcher has taken extensive research in connecting 70 Management institutes and distributing 700 structured questionnaires to final year MBA students and made an attempt to provide a conceptual framework based on findings for brand building strategies based on David Aker framework in understanding a marketing mix which can bridge the gap between management's perception and students' expectation.The inferences drawn from the analysis will help understand factors affecting student choice, the role of influencers, strategies and barriers to brand building etc. The model based on David Aker Brand Equity developed by the researcher can be adopted by various Management Institutes irrespective of their affiliation which create a much-desired identity in the society, help the institutions in optimizing the brand-building exercise, and that can create an image which will be valued by its stakeholders, namely students, parents and society.
Keywords- Branding, Brand Equity, Management Institutes, Services Marketing Mix

1. INTRODUCTION

Economic development in the sense of its nature and structure is boosted through Market place forces, which lays its foundation on Technological knowledge. Based on this fact, intellectual assets and Human capital are kept as the top priority. The world while following the path of Globalization, Liberalization and privatization International co-operation and connection will raise growth but at the cost of competition from existing human resources. However, at this present rate of changes in the market place, eminence staff can solely determine the competitive growth of a country. The output of an Educational structure of a country determines the quality of human resources. Hence we say education is a major key for the economic development of a nation which further depends on how MHRD coordinate with Educational Institutes and how much mutual effort they put in to strengthen each other.

In a knowledge system of finance, a major role is played by education for monetary growth by each private and public institutes. The training that is received through nonpublic administration offer better employment opportunities, raised salaries and extra ability to store, sell and invest. These advantages will lead to better fitness and first-class existence which is directly related to greater life expectancy, hence allowing individuals to have more predictability and therefore producing over longer time which in return boost their lifetime savings. Individual benefits are followed by society benefit. Higher remunerations for ace-knowledgeable will educate people which raise tax revenues for the government and helps demands on kingdom price range. They in turn the greater intake, which ultimate benefits producer of every industrial background

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2. THEORETICAL BACKGROUND

In a contemporary knowledge-driven global economy, higher education systems majorly engage in roles of social development and national economic competitiveness. The last few decades of Management Education in India has witnessed a noteworthy transformation. The perpetual growth and uniqueness of businesses in India, government initiatives for education and government's acknowledgement to the entrepreneurial efforts of several private players have fostered the growth of Management Institutes. The popularity of management degrees and diplomas has created a clutter, competition and challenge for Management Institutes to prove their distinctiveness. Branding has become an indispensable tool for institutes to stay ahead of the competition by communicating this differentiation.

There are so many MBA colleges introduced all over Karnataka, an estimated amount of 200 MBA colleges (Govt/Private/University/Autonomous) have been actively working in Karnataka alone for the students who want to get into the next level of education, about 40% of the available MBA colleges reside in Tier-2/3 cities of our state Despite many oppositions for setting up any new MBA institution is been favoured by the government and makes things despair for community or students to choose the best MBA colleges for admission. Target Audience of the study will include Students, parents, Management, Media, Employer (companies visited for campus placement).
The marketing mix - 7Ps model is one example of supply-side marketing research that developed in higher education marketing. The present study covers both the demand and supply side of brand building strategy adopted by engineering colleges in the study region. Brand building strategies involve complex process and centres around many stakeholders viz – students both present and past - parents –employers – media and community at large. The present study has attempted to explore how 7Ps of marketing helps Institutes to develop brand identity from key stake stakeholder viz Management of Institution and students. Important aspects of branding covered in the study are- brand identity – promotion – student choice factors and brand equity.

a) Effects of Service Marketing Mix

Kotler and Fox (1995) adapted 4Ps marketing mix this is used in product marketing into a model explicitly for educational establishments. In the past 70's it was broadly mentioned through Marketers that the Marketing Mix needs to be updated. This brought about the creation of the Extended Marketing Mix in 1981 through Booms & Bitner which delivered 3 new elements to the 4 P's Principle. This now allowed the prolonged Marketing Mix to include merchandise which might service and now not simply bodily things.
This brought about the introduction of the Extended Marketing Mix in 1981 with the aid of Booms & Bitner which delivered three new elements to the 4 P's Principle. This now allowed the extended Marketing Mix to include products which are services and now not Physical things. Each of the elements of the 7Ps advertising mix spotlight an area of significance for an academic organization's marketing strategy to address. The program includes the offerings offered (Kotler & Fox, 1994). Price refers back to the training, costs, scholarships, loan applications, and fundraising as well as nonmonetary prices (Kotler & Fox, 1995). Each of the elements of the 7Ps marketing mix highlights an area of importance for an educational institution's marketing strategy to address.

b) Effects of Brand Equity

Aaker proposes (1991) brand equity creates value for both the customer and the firm, it is a value for the customer which can enhance value for the firm, and to have multiple dimensions. We extend Aaker's model in two ways.
First, we place a separate construct, brand equity, between the dimensions of brand equity and the value for the customer and the firm. The brand equity construct shows how individual dimensions are related to brand equity. Because brand equity is the value of a brand name, a construct that can be high or low, setting a separate brand equity construct will help us understand how the dimensions contribute to brand equity.
Second, we add antecedents of brand equity, that is, marketing activities, assuming that they have significant effects on the dimensions of brand equity. Investigating the antecedents-dimensions brand equity linkage is the focus of this research. According to Aaker (1991), brand equity is a multidimensional concept and consists of brand loyalty, brand awareness, perceived quality, brand association, and other proprietary brand assets. Other researchers have also proposed similar dimensions.

1. Brand Awareness

According to the definition of Aaker (1991), brand awareness is the ability of consumers to identify or recall a brand that belongs to a class of products and so for them, brand awareness is an important part of decision-making assessment in any purchase. Brand awareness along with strong brand association forms a strong brand image.

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2. Perceived Quality

Zeithaml (1988) defines perceived quality as “the consumer’s [subjective] judgment about a product’s overall excellence or superiority”. It is a set of brand association that is anything linked in memory to a brand, usually in some meaningful way” Personal product experiences, unique needs, and consumption situations may influence the consumer’s subjective judgement of quality. Perceived quality means that, through the long-term experience related to the brand, consumers recognize the differentiation and superiority of the brand. Zeitham identifies perceived quality as a component of brand value; therefore, high perceived quality would drive a consumer to choose the brand rather than other competing brands. Therefore, to the degree that brand quality is perceived by consumers, brand equity will increase

3. Brand Association/Image

The brand association has been defined as anything linked in the memory of the consumers to a brand, while brand awareness has been defined as the accessibility of the brand in the customer’s memory (Chattopadhyay, Shivani and Krishnan, 2008).

Kotler and Gertner (2002) maintained that customers develop brand beliefs for each product/service based on each attribute and that a combination of beliefs held towards a particular brand constitutes a brand image. Brand association, which results in high brand awareness, is positively related to brand equity as it can be a signal of quality and may thus help the buyer consider the brand at the point of purchase.

4. Brand Loyalty

This study adopts Aaker’s conceptualization of brand loyalty. defined as “the attachment that a customer has to a brand” (Aker 1991) Brand loyalty plays a significant role in generating brand equity not only because of its capacity to keep a customer loyal but also because customer’s loyalty extends to the other brands in the company’s portfolio (Villarejo-Ramos AF, Sanchez-Franco MJ, 2005)

Oliver [1999] defined brand loyalty as “an attained state of enduring preference to the point of determined defence.” There are two parts in this definition: One is the enduring preference and the other is the point of determined defence. Enduring preference indicates that the purchase of the product is repeated again and again, and “the point of determining defence” means that the consumer defends himself from the aggression of competitors

4. STRUCTURAL EQUATION MODELLING FROM MANAGEMENT PERSPECTIVE

Structural Equation Modeling (SEM) is a statistical approach to data analysis that combines simultaneous regression equations and factor analysis (Cuttance and Ecob 2009). Factor analysis models are used to test hypotheses about how well sets of observed variables in an existing dataset measure latent constructs or factors. Latent constructs represent theoretical, abstract concepts or phenomena that cannot be directly measured. Regression models test hypothesis about the strength and direction of relationships between predictor variables and an outcome variable (Bowen and Guo 2011). In this study, a structural model is converted into a simultaneous statistical test to verify the relationship between students’ choice (latent variable) and its determinants which are product, price, place, promotion, people, physical evidence, process, and institutional performance.

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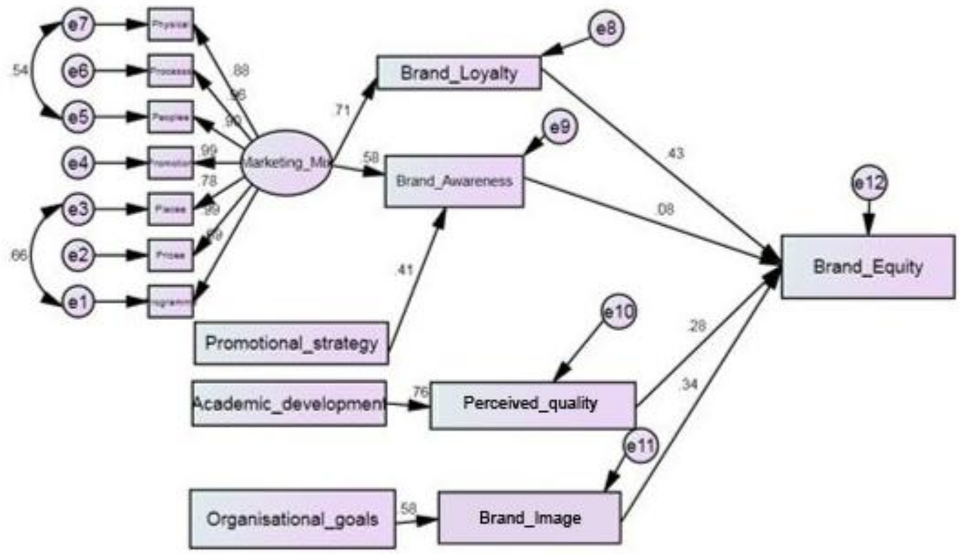

Figure 1 Conceptual Model (Structural Equation Modelling from Management Perspective)

Table 1- Summary of SEM results

Path			**Standardized regression weights(β)**	**R^2**	**p**	
Brand Loyalty	<---	Marketing Mix	0.71	0.50	0.000	HS
Brand Awareness	<---	Marketing Mix	0.58	0.34	0.000	HS
Perceived Quality	<---	Academic development	0.76	0.58	0.000	HS
Band Image	<---	Organisationalgoals	0.58	0.34	0.000	HS
Brand Awareness	<---	Promotional strategy	0.41	0.17	0.000	HS
Programme	<---	Marketing Mix	0.69	0.48	0.000	HS
Price	<---	Marketing Mix	0.99	0.98	0.000	HS
Place	<---	Marketing Mix	0.78	0.61	0.000	HS
Promotion	<---	Marketing Mix	0.99	0.98	0.000	HS
People	<---	Marketing Mix	0.90	0.81	0.000	HS
Process	<---	Marketing Mix	0.96	0.92	0.000	HS
Physical Evidence	<---	Marketing Mix	0.88	0.77	0.000	HS
Brand Equity	<---	Brand Loyalty	0.43	0.18	0.000	HS
Brand Equity	<---	Brand Awareness	0.51	0.26	0.000	HS
Brand Equity	<---	Perceived Quality	0.28	0.08	0.000	HS
Brand Equity	<---	Band Image	0.34	0.12	0.000	HS

Relationship between Brand Equity Dimensions: Correlations

Correlations were used to study the extent of the relationship between the four brand equity dimensions. From Table 1 there exist a significant relationship Marketing Mix and between Brand Equity Being Dependent variable impact on Brand Awareness, Brand Image, Brand Association, Brand Loyalty has been observed.

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Marketing Mix elements have a significant impact on Both Brand Loyalty and Brand Awareness as from SEM analysis (Figure 1) shows contribution Under Marketing Mix to Brand Loyalty is 50 percent, ($R2 = 0.50$), with standardized $\beta = 0.71$ and Brand Awareness is 34 percent ($R2 = 0.34$) with standardized $\beta = 0.58$ shows that more the Marketing mix as a greater influence on to creating more sustaining considerable impact on Institutional on Brand Loyalty and building brand Awareness.

Similarly, Academic development has a significant impact on Perceived service indicating that institutional overall academic development which may comprise various academic initiatives will play a larger role among respondents, However, Contribution of Academic development to perceived service quality is 58 percent ($R2 = 0.58$) with standardized $\beta = 0.76$. was a significant influence of highlighting and assisting institutional brand image depends on various organizational goals to have a significant impact on the institutional brand image as Contribution of Organizational goals to Brand Identity is 34 per cent ($R2 = 0.34$) with standardized $\beta = 0.58$.

whereas Creating awareness about brand revolves around initiating promotional activities only as the more Students get to know about management institutes, the more prospective students will be attracted which is having a high significant impact on you'll attract to your enrollment cycle as Contribution of Promotional Strategy to Brand Awareness is 17 per cent ($R2 = 0.17$) with standardized $\beta = 0.41$

Besides, in response to the analysis of the marketing mix elements, notably Programme, Price, Place, Promotion, Process, People, and Physical evidence. The marketing mix is a set of controllable marketing tools that an institution uses to produce the response it wants from its various target markets.

However, Contribution of Marketing Mix to Programme is 48 percent($R2 = 0.48$) with standardized $\beta = 0.69$
Contribution of Marketing Mix to Price is 98 percent($R2 = 0.98$) with standardized $\beta = 0.99$, Contribution of Marketing Mix to Place is 61 percent($R2 = 0.61$) with standardized $\beta = 0.78$, Contribution of Marketing Mix to Promotion is 98 percent($R2 = 0.98$) with standardized $\beta = 0.99$
Contribution of Marketing Mix to people is 81 percent($R2 = 0.81$) with standardized $\beta = 0.90$ Contribution of Marketing Mix to process is 92 percent($R2 = 0.92$) with standardized $\beta = 0.96$, Contribution of Marketing Mix to Physical Evidence is 77 percent($R2 = 0.77$) with standardized $\beta = 0.88$

Tangible products have traditionally used a 4Ps model, the services sector, on the other hand, uses a 7P approach to satisfy the needs of the service provider's customers: product, price, place, promotion, people, physical facilities and processes (Ivy, 2008).

At the same time, it was necessary to determine the brand equity elements (brand loyalty, brand image, and perceived quality) and the impact of the marketing mix on brand equity.

However, Contribution of Brand Loyalty to Brand Equity is 18 percent($R2 = 0.18$) with standardized $\beta = 0.43$. Contribution of Brand Awareness to Brand Equity is 26 percent($R2 = 0.026$) with standardized $\beta = 0.51$ and having no Significant impact

Contribution of Perceived Quality to Brand Equity is 8 percent($R2 = 0.08$) with standardized $\beta = 0.28$ and Contribution of Brand Identity to Brand Equity is 12 percent($R2 = 0.12$) with standardized $\beta = 0.34$

Finally, it can be concluding that all the elements under Independent Variables like Brand Awareness (0.26), Brand Loyalty (0.18), Brand Image (0.12) and Perceived quality (0.08) as a direct significant impact on Brand Equity

Dimensions of Brand Equity: Multiple Regression Analysis

In structural equation modelling, ensuring the model fit is the most crucial step. An old measure of goodness of fit is chi-square/degrees of freedom; however, owing to its severe limitations and restrictiveness, other measures of goodness of fit are generally more accepted (Hooper et al. 2008). The higher the probability level of the chi-squared

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test, the better is the fit. Specific indices appropriate to decide about the model fit are The goodness of fit index (GFI) and adjusted goodness of fit index (AGFI) are alternatives to the chi-squared test and calculate the proportion of variance that is accounted for by the estimated population covariance (Tabachnick and Fidell 2007). The Root Mean Square Error of Approximation (RMSEA) is one of the most informative fit indices (Diamantopoulos and Siguaw 2013).The normed fit index (NFI), comparative fit index (CFI), and Tucker-Lewis Index (TLI) assess the model by comparing it with the worst-case scenario, that is if all the variables are uncorrelated (Bentler 1990; Bentler and Bonett 1980; Tucker and Lewis 1973).

Table 2: Measure of Fit Indices of Dependent Variable: Brand Equity Score

Fit Indicators	Value	Indications of Model Fit
Normed Chi-square $\chi 2$	238.31483	
Normed Chi-square CMIN/DF ($\chi 2$ /df)	2.8037 (238.31483/85)	A value close to 1 and not exceeding 3 indicates a good fit. A value of less than 1 indicates an over-fit of the model.(< 3.00)
GFI	0.89624	The GFI value is always less than or equal to 1. A value close to 1 indicates a perfect fit ($\geq$ 0.90)
AGFI	0.8910	The AGFI value is bounded above by 1 and is not bounded by 0. A value close to 1 indicates a perfect fit. ($\geq$ 0.90)
RMSEA	0.13389	A value of about 0.05 or less indicates a close fit of the model. A value of 0.0 indicates the exact fit of the model. A value of about 0.08 or less indicates a reasonable error of Approximation. The value should not be greater than 0.1.($\leq$ 0.06 to 0.08)
NFI	0.95213	The NFI value lies between 0 and 1. A value close to 1 indicates a very good fit.($\geq$ 0.90)
CFI	0.95977	The CFI value is between 0 and 1. A value close to 1 indicates a very good fit($\geq$ 0.95 or 0.90)
TLI	0.91200	The TLI value lies between 0 and 1, but is not limited to this range. A value close to 1 indicates a very good fit. A value greater than 1 indicates an over-fit of the model.($\geq$ 0.95 or 0.90)

The extent of influence caused by the brand equity dimensions on overall brand equity was studied using multiple regression analysis. The following table 37 gives the results of the regression analysis. For the model to be a good fit chi-square/degrees of freedom should be less than 3 (Kline 2015), and GFI, AGFI, NFI, CFI, and TLI should be greater than 0.9 (Hu and Bentler 1999). RMSEA should be less than 0.08 for a good fit (MacCallum et al. 1996).

From the model in Figure 16 (with unstandardized estimates) and in Table 37 (with standardized estimates), yields a χ 2 (chi-square) of 2.8037, degree of freedom = 85 and p-value = 0.000 indicating that the model fits the data very well. However, because the chi-square statistic is very sensitive to the sample size it is more appropriate to look at other fit measures. Fortunately, other fit measures also indicate the goodness of fit of the model to the data (CMIN/df= 2.8037, NFI = 0.9521, TLI = 0.9120, CFI = 0.9597, GFI = 0.8924 and RMSEA = 0.1338).

The independent variables account for the variance of the dependent variables. Perceived quality account for 76%, Brand Loyalty account for 71%, whereas Brand Awareness and Brand Image accounted for 58% of the variance of Brand Equity(see fig 16)

Squared Multiple Correlations for the Teacher's Engagement Model

Independent Variables	Estimate SMC
Perceived Quality	0.76
Brand Loyalty	0.71
Brand Awareness and Brand Image	0.58

A combination of descriptive statistics and multivariate analysis was used to evaluate student choice factors while selecting a Management Institutes and how this affected student loyalty towards the brand of the institution. Discriminant analysis and logistic regression revealed that People, Program(Product), Price and Physical Evidence

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were the most important factors in building brand equity for Management institutions. Factor analysis of these important components of Management institutes choice gives an insight into the variables affecting these factors.
A visionary leader of the college, success story of the institution, alumni achievement, and faculty profile were the most important contributors towards People. Foreign degree offerings, add on courses, and uniqueness of curriculum were the most important components of the Program (Product factor). Academic results, records and awards by students and faculty, and placement, and ranking/rating/grading of the institution were valued the most by Management Institutes. Physical Evidence plays a prominent role as Management Institutes consider, Providing State of the Art Infrastructure (classroom /furniture, smart board, lightings, lobby, waiting room, parents' lounge, etc), having Fleet of buses for Transportation and establishing Gym, Bank, co-operative stores and when it came to Price, Provides Fee Concessions and Installments, Availability of Scholarship and Educational Loan assistance and its arrangements by the college this combination of these factors can be used to construct a brand-building strategy for Management Institutes.

6. CONCLUSION AND FUTURE DISCUSSION

The building of a responsible brand cannot be based on simple intuition, changing market preferences, and corporate self-promotion. To be successful, the building of a responsible brand requires systematic planning and coordinated actions, not mere advertising. In building a general brand, a company can choose to create virtually whatever identity it wants and communicate the brand however it likes; however, in building a responsible brand this is unwise. As Moore (2003) has noted, marketers build a sort of 'fantasy value' that outstrips the reality of what they are promoting. In the case of responsible brands, this is dangerous because such brands need to be based on reality if they are to remain credible. Responsible brands are likely to attract more cynical critics than other brands. It is therefore vital that the internal and the external perspectives are consistent. If promises are broken, the brand's credibility will be lost, and once lost it is difficult to regain. Building responsible brands are thus challenging; however, there are many benefits to be gained if it is done well. The direct benefits include a more motivated workforce, more trusting relationships with suppliers, and more efficient processes. The indirect benefits include an enhanced reputation, increased perceptions of quality, and greater loyalty from more profitable customers (Willmott, 2003).

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