

# Identifying Factors Impacting the Indian Students' Decision to Study Business Administration Courses in UK

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**Abstract**—The international education has been attracting prospective students from all over the world, and is growing each year. UK as a destination and business administration as a course/degree for the Indian HE (higher education) aspirants have been prominent. It is important to understand the Indian student's motivation and reasons for choosing UK MBA amidst the global options of obtaining MBA degree from other study destinations. The study attempts to understand the factors which impacts Indian students opting for HE in business administration courses in UK. The research methodology included a random survey methodology for Bachelor degree students of Indian origin in four metro cities (Delhi, Kolkata, Chennai, Mumbai) preparing in British council library. The analysis is done on the basis of location, communication, and social factors, with sub categories as study destination attractiveness (UK), quality of communication and social network. The data analysis shows Indian students to relate UK with inputs of WOM, eWOM which impacts the pre-search phase and 'choiceset' phase of decision making. With UK economy embracing Brexit, the Indian student's destination choice also hinged on obtaining one year Business administration degree from UK which shows that effective marketing communication has contributed to the Indian student's final choice set. The study found that seeking information from different sources at different stages of decision making process alters the original preset choices. The outcomes leaves recommendations for HE UK business administration institutes/universities to attract Indian and potential international students.

## 1. INTRODUCTION

The HE (higher education) internationalisation has been a boost for international student applications rates in many countries. The fundamental driver of HE institute showcasing university presence and brand coupled with availability of scholarships have raised the awareness amidst the prospective aspirants. The attraction of a foreign degree away from the home country which picked up in last century shows how lack of access of quality education in specific HE (higher education) sector has forced the student outflow to from home to host countries. This 'pull' dimension of a destination country and more so, the university offering appropriate course of choice has been the mainstay of education export.

On the contrary, there has been 'push' factors within home country which has forced students to seek better opportunities to match their individual calibre [14]. The choice of destination country, selection of courses and programmes also has been influenced by historical linkages of home and host countries. The prevalence of language used as medium of instruction is also important as cultural and language barriers often form a core issue in complex decision making of prospective student's choices [10].

Globally, some of the key destination countries for HE study are US, UK, Australia, New Zealand, Canada which are now competing with emerging Germany, Scandinavian countries to attract international students. The issue of Brexit, Britain's decision to opt out from European Union in 2019 has still not reached a formal agreement, which impacts the UK education sector, with HEPI (Higher Education Policy institute) predicting that admissions will impact the 150 UK education institutions enrolment from international students[24]. The second emerging trend is fall in the two year MBA admissions as per GMAC (Graduate Management Admission Council), which reported 70% of fulltime US MBA B-schools fall in applications for the past four years [6]. In contrast, the graduate business programmes have registered a strong growth in Europe, Canada, Asia from international students and more international students are being attracted towards one year programmes in business programmes which is a standard norm in UK and EU business programmes [6]. This research focuses on the factors that impact the Indian student aspirants' final decision, to pursue 'business administration' courses/programmes for admission in UK.

## 2. LITERATURE REVIEW

The student's motivation for higher education and particularly business administration programmes have been linked to the study linked to professional degree, while the employability of MBA (master of business administration) degrees in international arena makes student's to maximise their needs

[3]. Therefore, the attractiveness of foreign university business administration degree to international students have been common. The student's exposure level to HE courses is directly linked to the social elements, familial influence, friends and neighbours who are potential sources of the opportunities that exists for MBA programmes abroad [8]. There is also university level branding with promotion and marketing communication at physical level through student recruitment agencies in several countries, visit of university (also called open day) with graduate admissions representative engaging face to face with prospective student, apart from print and media based advertisements [7]. The student level acquisition of knowledge about destination country, is a continuous process which affects the perception of business administration courses, in which reputation of the university, the faculty research and qualification, prospective job opportunities for international placements defines the ROI (return on investment) for the student decision to pursue the programme in the host country [12, 15]. The past literature about the international student knowledge and awareness about the study destination is linked to the education climate at home country.

#### **Push and pull factors:**

Here, the 'push' and 'pull' factors is important as push factors predominantly shows students at home country willing to pursue higher education due to lack of infrastructural support for higher education [8]. Secondly, the foreign degree perception linking quality of research in HE, also attracts best performing students [9]. Thirdly, the emerging education domains like technology, computers based programmes (blended- techMBA) attracts the potential international students to apply abroad for HE business administration courses. On the contrary, the 'pull factors' from the destination country that impacts the international students are varied in nature. Firstly, the issue of historical connection between home and host country impacts the choice factor of student, while geographic proximity also is a strong factor for final decision [7, 13]. The factors like university reputation or programme reputation, range of programmes (one year, two year, part time, executive) or opportunities to pursue PhD in available specialisation also attracts the prospective student. Overall the 'pull' effect of B-School branding in terms of placements, research publications, faculty quality coupled with visible offline and online marketing efforts have been found to be instrumental in impacting international student's final decision [7]. The culmination of the push and pull factors in varied intensity has led to the students awareness continuum to broaden.

#### **Acquiring study destination awareness**

As indicated earlier the exposure to news and incidents in family and friends, drives the imagination of the prospective candidate's journey towards gathering more knowledge about the destination country and programme of choice. The first

step is to select the country of choice, though for professional degrees it is educational institution which attracts the candidate [9]. Thus external factors like political, social and cultural information about the host country is captured and processed leading to the next stage of candidate's information needs [15]. The immediate social circle (families, friends, neighbours) stating their personal recommendations about the country and programme supports and broadens the knowledge horizon [7]. Over here, the candidate has already explored the official websites or has viewed the advertisement for forthcoming admissions for the new year in print and media. WOM (word of mouth) within the international student's social circle is a key contributor as the candidates seek opinions and suggestions from those who had already experienced a foreign study [12]. Finer details about the host country visa application, scholarship, living costs, and accommodation environment (safety) from student's perspective is explored that adds value to the already existing choices made by the candidate. The gathering of information at different stages of student information search process, students' final decision making process alters the choices.

#### **Institutional reputation and course fees**

For professional degrees like business administration programmes, the international students are attracted to the institution's reputation, as the primary factor. The programme offerings to suit the international candidate's need is also important, as choosing courses against the course fees that is in similar range, affects the destination. Most of the B-school programmes is not cheap, while few offer scholarships which affects the students as consumers motive. Therefore they are likely to maximise their investment for HE degree which adds value to their resume and career path [17].

#### **Host country climate:**

The host country's strong economy plays a key role in the international students' destination choices, as it reflects the potential of a equitable strong job market for the prospective candidate in future. Again, the political climate and the government's attitude towards international students, expats also plays a huge role in college and university selection [16]. Uneven trends found in USA is impacting enrolment trends towards downward spiral in graduate business school admissions, which is impacting lower rung B-schools losing candidates to elite universities in other continents.

#### **Alternative courses:**

The opportunities for international students to maximise their decisions within limited course fee and increase in chances of MBA applications getting selected in Top B-schools affect the final destination choice. There has been a trend of international students opting for Masters in Management, blended courses instead of MBA full time degrees that are more dearer, even though there is an element of prestige factor attached to the final degree obtained by the international

students. The course offerings with specialist programmes or latest technology mixed (blended) offerings in Business administration programmes have been able to attract more potential international prospect of students [11].

### **Influences in social network:**

#### **Offline:**

The WOM from family, extended family/relatives, friends, neighbours, workplace, professors have an important role to influence the prospective international student's early decisions (pre information search phase) [18]. Empirical studies from different continents show a similar trend that includes a recommendation supporting the first idea of study abroad aspirations in a potential international candidate. However, the motivation and ambition of the international is affected due to the difference in foreign exchange value of currency of host and home country, course fees of programme in foreign university, which tests the ability to pay, or ability to finance to pursue the ambition [17]. The author highlighted finance, information, expectations, competition, persuasion as five major categories that influences the international students' intentions to study abroad. Parental influence and involvement is a culture based factor and affects the final choice for destination country and choice of programmes [19].

#### **Online:**

The presence of university marketing communication promoting the varied professional courses to the right target market has been a trend in the last decade [21]. Therefore, professional courses like business administration for full time, part time, executive MBA targeting select prospective candidates online is being done. Google based search criteria is an expression of interest that captures user details to be showcased by similar advertisements of top business administration courses. Therefore the passive official university websites have been integrated with social media (Web2.0) which brings about a dynamism in communication between the educational organisation and prospective student [20]. It eliminates the agents, and provides an opportunity for international candidates to seek specific information that is experience based and not stated explicitly anywhere. Thus engagement and involvement in customer to customer (C2C) communities or groups online, with similar purposes help to resolve a lot of queries regarding the destination country, and programme choice[22]. Application of ICT(information communication technology) in HE, has led to personalisation and consumer centric approach in global economy. Social media contains speed, reach, two way communication that impacts the pre conceived choice sets in candidate's perceptual map about destination country and programme.

The above discussion shows emergence of three major themes which impacts the international students' perception while acquiring information. The conceptual framework illustrated is

pointing towards choosing UK as a destination and choosing business administration as a course. The incidence of family, friends, agencies recruiting international students is based on WOM (word of mouth). The use of ICT in consuming information especially eWOM (electronic word of mouth) (using web2.0) has enabled communication with strangers online, enabling the option to participate in groups, intensifying the engagement to the issue of identifying gaps in knowledge about UK HE business administration courses. The higher level of eWOM at personal level engagement is increasing the frequency of usage of communication, which affects the decision 'choicesets', address query within short duration; thereby meeting the gaps in knowledge continuum [15]. Indian students' dependency on group of factors, that has more communication reliance with those who have experienced HE experience already. In essence, it is communication social media impacting the final choicest of Indian students also affected the dynamic dimensions of individual self. There are the static social factors (age, lifecycle stage), personal (values and preferences), and socio-economic status that remains at the core, but is affected by the dynamic dimensions at individual level[23]. The Indian student aspiring to take final decision for UK business administration courses is experiencing a host of forces in communication platform which alters the 'choicesets'. Though the country based environment factors is critical, the political and economic factors of a destination country affects the state of education sector as well. It plays a key facilitator or barrier influencing Indian student's final decision towards HE in UK and choosing business administration course that suits individual needs. There is no credible research as to what are the key factors in choicest for Indian students aspiring HE UK business administration degrees.

### **3. METHODOLOGY**

#### **Quantitative approach**

Primary data in the current study was collected by implementing the quantitative approach. Quantitative approach is more scientific and helps to collect numerical information that can be interpreted using statistical principles. It helps to measure variables on a large sample of subjects and portray the relationship between variables to arrive at objective based outcomes.

#### **Data collection method (Survey)**

Quantitative data can be collected using experiments, questionnaires and survey to obtain figurative data to be screened, and tabulated in analytical terms. However, the data collection method was survey considering that is a cost effective method to collect voluminous data from a relatively large sample in a limited time period. Survey was considered feasible to collect data from a total of 300 Indian students belonging to the metropolitan cities such as Kolkata, Chennai,

New Delhi and Mumbai, using questionnaires as the survey instrument.

### Questionnaire design

Data collection involved distributing structured, closed ended questionnaires to 300 Indian origin students selecting through convenience sampling in British Council library. Closed ended questionnaires included options to be chosen by the participants depending on their choice and preferences. The questionnaires were designed to incorporate the concepts and variables studied in the literature review which could be tested.

### Data Analysis

Raw data obtained from the survey was integrated to be screened, in order to make it understandable. The cumulative data was converted into percentage and presented with the help of tables and graphs to make the data analysis easier.

## 4. DISCUSSION AND ANALYSIS

The Indian students who responded to the study did not have any significant difference in age, gender, current education stream pursuing, current marks obtained. However, their perception about the HE in business administration programme from UK has shown to have impacted their decisions. A majority of Indian students stated, they are highly influenced (around 30%) with moderately influenced (27%) and somewhat influenced at (17%) that UK is a better environment to pursue the business administration courses, data of males (median = 5.00) female (Median=5.00,  $U=1075$ ,  $z=-1.00$ ,  $p=.60$ ). It is reflected in another response, where they stated low quality of business administration education at home country, high influence at (21%), moderately influenced at (15%), somewhat influenced (17%), little influence (26%), rest no response (21%). The two tailed statistical test of Mann-Whitney showed no significant difference between genders; male (median = 5.00) female (Median=5.00,  $U=1366$ ,  $z=-.30$ ,  $p=.76$ ). The results showed that initial information search for the Indian students was highly impacted by parents(family) with high influence (27%), moderate influence (14%), somewhat influenced (17%), little influence (22%), no influence (20%). However, there is no significant different in two tailed Mann-Whitney test for males and females when recommendation is from parents; (median = 5.00) female (Median=6.00,  $U=1249$ ,  $z=-.74$ ,  $p=.46$ ). One of the most strong factors is, identity of Indian student in the society that affected individual stand a dynamic dimension affected by social media. Results show that HE business administration degree in UK to be a social prestige with highly influenced at (28%), moderately influenced (21%), somewhat influenced (23%), little influence (16%), rest no response (12%). This factor affected the aspirant student's emotions and the goal setting which keeps on changing due to inflow of information from social media. The two tailed Mann-Whitney test for males and females showed no significant difference for

the factor, males (median = 2.00) female (Median=2.00,  $U=1149$ ,  $z=-.12$ ,  $p=.90$ ). Factor analysis was conducted for the country image, city image, academic institution image, accommodation facility, programme evaluation, faculty quality, and scholarship availability. The factors with  $n=300$ , showed country image (mean =6.82,  $SD=2.51$ ), academic institution image (mean 6.72,  $SD=2.69$ ), programme evaluation (mean =6.81,  $SD=2.78$ ) and faculty quality (mean =6.64,  $SD=2.94$ ), which influenced the Indian student's decision to apply for UK HE business administration courses after social media interference in decision making process.

## 5. CONCLUSION

The Indian students' perception about world-class business administration programme available (fulltime, parttime, global MBA, executive MBA, tech MBA) in UK as a destination and its universities is high. They tend to perceive UK and its universities (renowned) in terms of image is tested by rating websites, recommendations in initial search phase. The decision making journey becomes complex with addition of more factors, and their inability narrow on appropriate one in relation to other factors. The choicset factors in Indian HE aspirant mindset is affected by previous WOM inputs and later on eWOM inputs. The communication (web2.0) factor facilitated the information search process for individual Indian student and facilitated to yield specific information through use of eWOM platform. It prevails over the choices of WOM recommendations by parents, family, relatives, professors, agencies (face to face). The information credibility of eWOM over WOM, helps the Indian student to work out the complexity of 'choicset' factors.

The final choicset takes into account the broad environmental influencers affecting UK HE institution 'host country climate', city image where the HE institution is located. It also consists of student rating of academic institution image highly, against the advertised ranking of institute in media/ranking website. The candidates' use eWOM to verify living costs, accommodation truths associated with the programme choice in each option of UK business administration course, with faculty quality [15]. Lastly the issue of scholarship availability to offset the full or partial course fee payment information is also shared through eWOM that is not available in any official, university rating websites. These factors show that they are unstated needs not fulfilled by UK official websites, face to face meeting with graduate admissions officer. The decisions are more related to consumption of education as an experience is critical for final set of choice. The individual level attempts to untangle and simplify complex decisions, grey areas and knowledge gaps about UK HE is thus explored appropriately using eWOM. The prospective students mind as they are unstated needs of Indian students not prevalent as stated information during decision making process for HE UK.

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