

# Marketing Strategy Of Private Distance Learning Higher Education Institutions In South Africa-A Case Study Of Richfield Graduate Institute Of Technology (Rgit) Durban

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## ABSTRACT:

This study takes a deeper look into the marketing strategies employed by private institutions of higher learning in South Africa considering the concept of blended delivery in learning, which is an integral part of the product offerings of any institution not in a regular mode to deliver their content. The blended learning **pedagogy** for these institutions so far, has been an effective mode of attracting students as it combines the ease of distance learning with face-to-face interaction through classroom learning. This has been an effective mode of study since 1995 when South Africa became free from the clutches of apartheid. This paper does an in-depth study of marketing techniques employed by Richfield Graduate Institute of Technology (RGIT) to understand the nuances of marketing in the higher education landscape offered by private providers and are available in the public domain.

## Keywords:

Marketing Strategy, Higher Education, Distance Learning Institutions, Richfield Graduate Institute of Technology (RGIT).

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## INTRODUCTION

In the year 1998, in the suburbs of Tongaat, Richfield Graduate Institute of Technology (Pty) Ltd, earlier known as PC Training and Business College started its journey as a Computer Training Centre. RGIT in its process of operation opened sites in various provinces and today has more than seventy (70) campuses offering programmes nationally. The Institution is appropriately registered with the Department of Higher Education which are a regulatory requirement as a Private Service Provider and is functioning since then, as a legally compliant service provider.

The institute has been appropriately accredited by the Council on Higher Education (CHE), Umalusi and various SETAs (Sectoral Education and Training Associations), offering excellent education to students. Richfield proudly aligns itself with the requirements of the program offerings as stipulated by the Quality Council on Trades and Occupations (QCTO).

RGIT offers education par excellence which is imparted through qualifications in the form of National FET and other certificates in the appropriate NQF Level as well as offer Diploma and Degree programmes in the field of Management and Economic Sciences, Business, and Public Management, Media, Information & Communications Technology. Short

Learning Programmes are also offered by the institution besides skills development and learnerships.

Richfield boasts of an astounding number of students (more than 250000) who have earned their qualifications in a diverse range of programmes over the years.

The Institution has increased the number of accredited sites, by offering diverse Higher Education programmes. There are thirty-nine (39) recognised sites offering accredited programmes through various SETAs which operate under the purview of the FET guidelines.

Additionally, there are training programs by Richfield in collaboration with SETAs, municipalities, corporates, and government departments.

A centralized and diversified national database is maintained by the institution catering to the work-integrated placements of learners. A large number of companies (almost 850) have supported the learners in their journey through the WIL (Work Integrated Learning) program.

WIL Has successfully contributed in increasing employment amongst the graduates of Richfield.

Employability Initiatives such as The Work Readiness Programme (WRP) acts as a tool to supplement

theoretical concepts with practical learning in a work environment. Work Readiness Programme (WRP) and Work Integrated Learning (WIL) are by nature complementary.

Beginning in 2011 and implemented by the institution, Work Readiness Programme, developed as a compulsory curriculum to impart relevant skills to bridge the gap between the workplace and the institution.

WIL and WRP enjoys the patronage of employers as a highly favoured curriculum as indicated in their surveys conducted by the institution. These programmes positively contributed to the higher standard of graduating learners thereby, earning accolades from stakeholders.

A vast majority of Richfield graduates (almost 86%) have been rated in the band of “good to excellent” for their skills as well as application of knowledge for better performance in their respective jobs.

The mission of Richfield which is based on the foundational pillars of Community Upliftment, Research and Teaching strives to include the South African democratic ideals, thus supporting inclusion and diversity to harness their true potential in education as well as imbibe necessary skills to function skilfully and knowledgeably amongst a potentially developed society.

Richfield Holdings is a subsidiary of the Investec Group which provides them easier accessibility to knowledge from the cache of Investec Asset Management Company which is a part of Investec Group, and is listed as a public company with the Johannesburg and Cape Town stock exchanges. The following are the benefits accruing to RGIT in this acquisition:

- Multiple avenues in fundraising opportunities for the parent company (Investec) to achieve a sustainable growth trajectory
- Parent company sharing its experience and expertise in a chosen field with their subsidiary company RGIT
- Seek growth through innovative and fresh ideas
- Creating opportunities through networking for the subsidiary company RGIT.
- Economic and efficient management of the business
- Greater chances of Mergers and Acquisitions becoming a reality in near future
- Benefits of co-branding through media campaigns

- Makes access to Funding possible for deserving learners.
- Synergistic benefits from the parent company.

#### **MARKETING STRATEGY OF RGIT**

- a) Using IFC (International Finance Corporation) collaboration with Richfield Graduate Institute of Technology to build employability
- b) Partnering with the Council of Scientific and Industrial Research which has opportunities for students through Work Integrated Learning (WIL)
- c) Partnerships with foreign universities like New York, Georgia State and Coventry University.
- d) Dissemination of information to the learners at large, regarding accreditation by the Higher Education Council (CHE) Umalusi and a large number of Sector Education and Training Authority (SETA)s, which aligns to the requirements promulgated by the Quality Council on Trades and Occupations (QCTO).

#### **REVIEW OF LITERATURE**

Kotler and Fox (1995) describe marketing as a tool to analyse, plan, implement and control of formulated programmes intended to bring about exchanges of value within target markets in achieving the objectives set by an institution.

Historically Higher education was the forte of government and non-government or private universities. But in the current scenario, private institutions of higher learning have undertaken to provide courses in specialised areas to meet the visible demand in the market space. The choice of the customer including government policy requirements as well as other environmental factors has impacted the end-users of the program, who are primarily, the students in this context.

In the paper by Shah and Nair (2013) the authors are of the view that easy access to non-public institutions as a choice of entry, became an alternative for tertiary levels, which was not accessible previously through traditional Universities.

The presence of market trends that offer multiple choices for the students led to a rapid growth of institutions for higher learning operating in the private space broadly available to a cross-section of students including the mature age learners, who faced difficulty in being admitted to traditional universities due to low academic high school achievement.

Historically, institutions of Higher Learnings in South Africa were unsuccessful in attracting future learners for their program offerings (Law, 2002). Though they

have acknowledged failure in effectively utilizing the media through different promotional campaigns using tools like advertising, public relations as well as direct selling, they still have fallen short of incorporating the true marketing concept. In closing, it is evident that not much effort has been made by South African providers of education at tertiary levels to customise the recruitment process, for attracting the right kind of people.

However, the failure to implement a solution based on the concept of relationship in a South African student recruitment context differs somewhat from the overseas markets, especially in UK, USA and Australia. Accordingly, a revised recruitment marketing philosophy is deemed necessary to change in terms of awareness of the present market situation.

This paper tries to find a possible solution to the difficulties faced by institutions and students and recommends a plausible solution to their problems.

### RESEARCH OBJECTIVES

- To understand the concept of Blended Learning and the challenges faced by institutions offering them in South Africa.
- To analyse the effectiveness of blended learning mode in institutions of learning as an effective marketing tool for Higher Learning institutions.

### LIMITATIONS

- a) Due to regulatory prohibitions and **restricted** access to private higher education institutions data is largely analysed as captured from the public domain which is the internet sources.
- b) The Marketing strategies apply only to a specific country (South Africa) and cannot be extrapolated to a larger market due to problems of validity **in the sample so analysed**.

### RESEARCH METHODOLOGY

The study explored the marketing strategy of private educational institutes in Durban South Africa. It studied the private institutes offering Higher Certificate (equivalent to Indian Class 12 examinations) and Bachelor's Degree Programs. The institute in question is accredited by the CHE (Council for Higher Education), the highest body in South Africa for accrediting programs and is responsible for providing accreditation to certificate and undergraduate programs. Data was collected from secondary sources as access to the company was restricted/regulated by legal requirements. The author conducted a perceptual

analysis by resorting to a study through questionnaires of particular higher education institutes in Durban (12 institutes) and based his **conclusion on the data samples collected through questionnaire surveys**.

### RESEARCH STRATEGY

The author **used** document analysis as a valid model for study. The author scanned the various prospectuses of Richfield Institute and after carefully reading through the marketing department leaflets and brochures did a reflection on the modes of marketing adopted by Richfield Graduate Institute of Technology and arrived at a solution for the problem.

The researcher conducted a random survey and used purposive sampling to get data from the students who sought admission based on the marketing of Richfield Graduate Training Institute (RGTI).

### RESEARCH OBJECTIVES

- a) To understand the effectiveness of the Marketing Strategy of RGIT.
- b) To understand the perception of the learners with regard to the Marketing Strategies used by RGIT and its effectiveness in this context.

### FINDINGS AND ANALYSIS

Based on the research it was found that seventy per cent (70%) of the candidates are interested in a Bachelors program in Supply Chain Management and the rest twenty per cent (20%) on Bachelor of Commerce in Management and the rest ten per cent (10%) was interested in obtaining a qualification in Higher Certificate in Management. The ethnic divide for Bachelors Program in Supply Chain was forty per cent of Black South Africans (40%) followed by thirty per cent (30%) South African Indians, twenty per cent (20%) whites with Five per cent (5%) each for Coloured and Chinese (5%). It was found that the majority of the students (80%) preferred the Work Integrated Learning and the rest twenty per cent (20%) **preferred WIL only** for affordable fees, given the difficulty of obtaining bursary from the government in the given scenario. It was found that Richfield's Marketing Strategy has been quite effective as eighty per cent (80%) of the participants agreed to the Marketing strategy as a good one, while the balance twenty per cent (20%) attributed to referral programs (alumni and friends). With regards to the popularity of the programs amongst the candidates, Richfield should focus eighty per cent (80%) on the Internet of Things (IoT) and an equal proportion on Business Analytics (10%) and Behavioural Finance (10%)

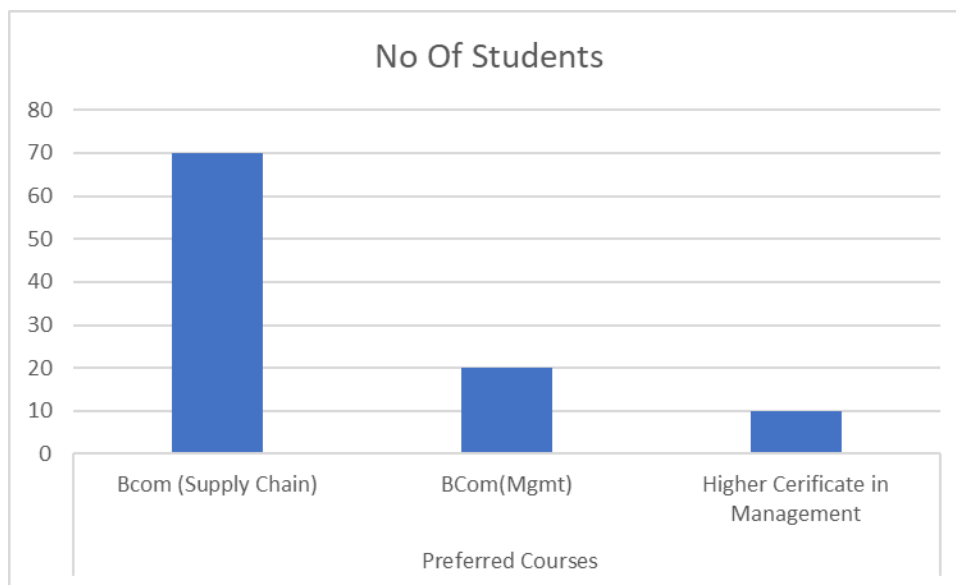


Figure (I) Student Distribution of the Preferred Courses

(Sample: 100 Students)

Source: Graph was created by the author with data available in Brochure.

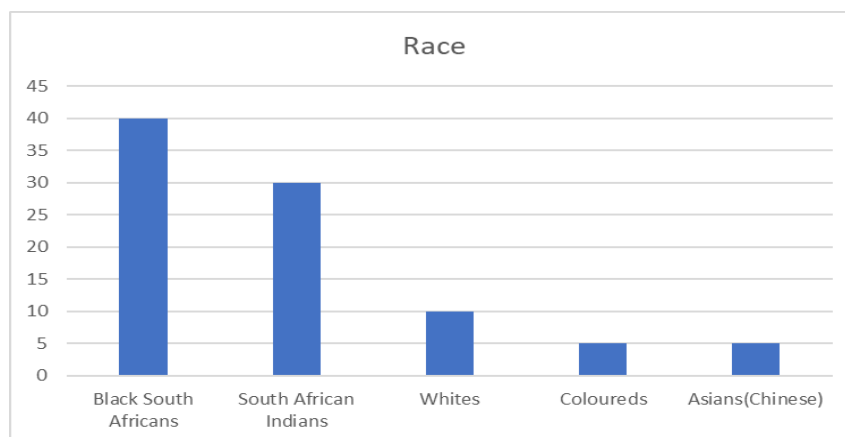


Fig (ii) Racial Distribution of the student population

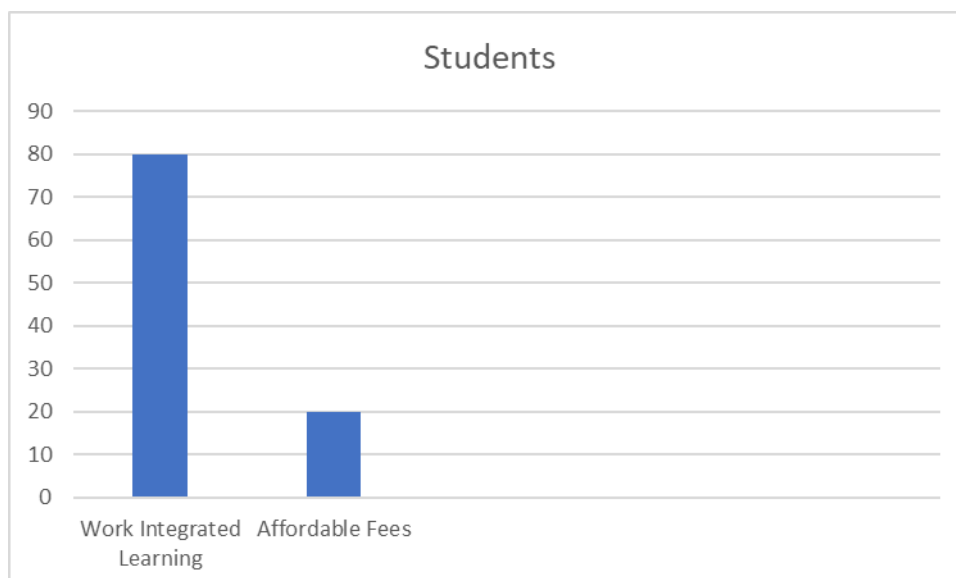


Fig (iii): Course Selection Preferences

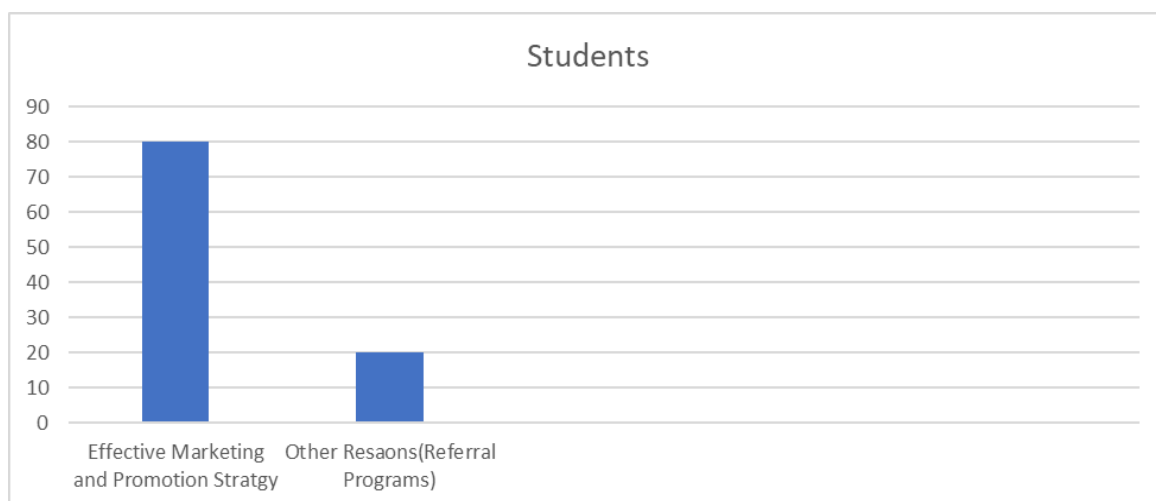
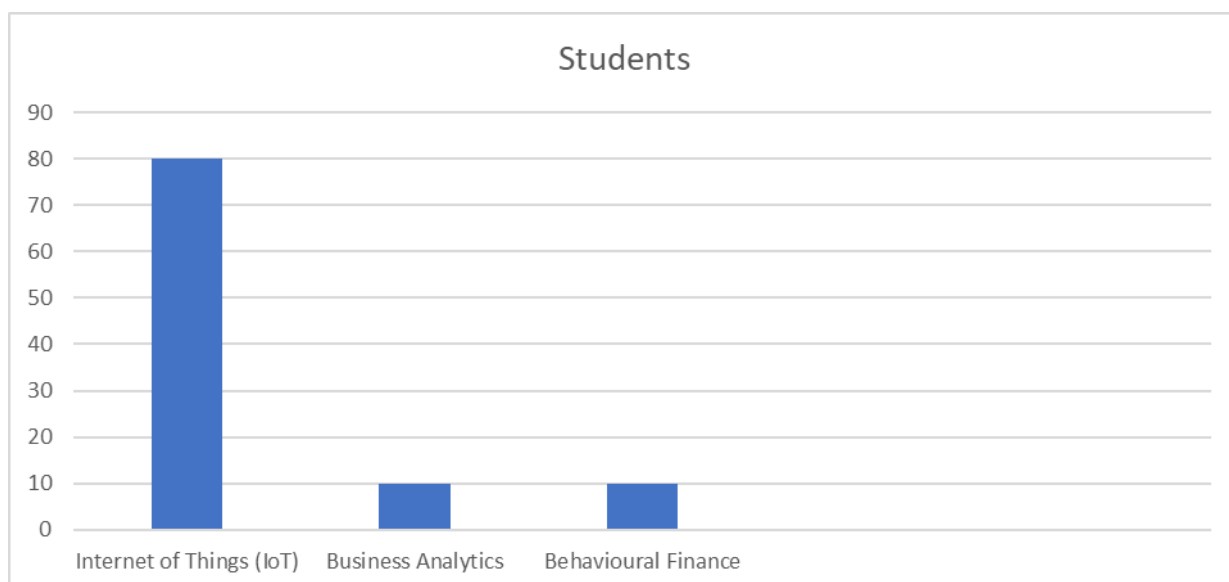


Fig (iv): Reasons for Joining RGIT.



Fig(v): Changing Course Preferences for Students

## CONCLUSION

The analysis of the survey questionnaire thus points out the efficacy of the strategy utilized in marketing of RGIT and affirms it is also moving in the same direction. **Additionally**, Richfield Graduate Institute of Technology (RGIT) needs to look at the offerings particularly the emergence of the Internet of Things (IoT) (80%) so they should look at courses about this area to achieve a first-mover advantage. Also, Richfield should gear up the Marketing strategy to gear up the representation of whites (10%) as well as coloureds (5%) and migrant Asian/Local Asian (5%) workers. Alternatively, a separate study could be conducted to identify the specific needs of these group and dole out courses keeping in mind these group provided there is a sizeable representation. **Last but not the least, it was revealed** in the course of the survey that students are more inclined towards Work Integrated Learning (80%) more than affordability

(20%) which is an indication that RGIT should focus on more Work Integrated Learning programs. Thus, keeping these things in mind and applying them appropriately in the marketing/promotional campaigns will enhance RGIT's strategy and henceforth have a far-reaching impact on the student community and the stakeholders as well.

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