

# MARKETING RESEARCH: STUDYING ON MBA COURSE OF THAILAND IN CHINESE MARKET

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**Abstract:** By developing of economy, more and more Chinese students choose to study abroad. Furthermore, the competition among schools all over the world in Chinese market is more intensive. Meanwhile, MBA courses of Thailand has entered Chinese market recent years and gets its well-known performance by the policy of Chinese “one belt one road” and its specialties of itself. However, it faces the huge challenges from traditional famous western countries which provide enriched experience and reputation, budding countries such as Philippines and Malaysia which approach the market actively and Chinese local MBA courses develop aggressively as well. The author will analyses the MBA courses of Thailand by adopting literature review, survey and logistic analysis and establish the strategies to enhance the benefits in Chinese market in order to solve the problems of developments at present. This paper is based on literature review to develop the SWOT Model of the MBA course in Thailand to make sure the direction and content of the survey, then analyzing the main factors and intension of impacting on Chinese competitive market by Logistic regression and analyzing the survey data. Finally, provide the suggestions about how to manage the MBA course of Thailand in Chinese market by combining Porter's Five Forces Model, 4P's theory and Undifferentiated Marketing theory.

**Keywords:** Thailand, MBA, Studying Abroad, Chinese Market and Marketing.

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## 1. INTRODUCTION

### 1.1 Background:

Center for China & Globalization (will be referred to as CCG in this paper) and Chinese Social Sciences publish “Annual Report on the Development of Chinese Students Studying Abroad” (2015) indicates the numbers of Chinese students studying abroad has climbed up to 459800. Moreover, the top choice of all subjects is Business which reaches 22.19% of the students.

World Bank (2015) publishes the global GDP, Thailand gets \$395.3 billion which is the second-largest economy in Southeast Asia. At the same time, Thai higher education has developed prosperously. By the development and progression of Chinese economy, it is inevitable for China and other countries to exchange their economy and culture frequently. China has invested 50 billion RMB in Thailand and plans to invest 200 billion RMB in the future. Therefore, demand for the relevant international management people is avoidless. MBA graduates can share the thriving outcomes of “one belt one road” and launch into their employment prospects successfully. China is the major overseas students in Thailand and its numbers are over ten thousand.

In current studies, there are plenty of articles about studying abroad of other countries in Chinese market. However, it is hardly to find a research about studying in Thailand. Meanwhile, other Southeast Asian countries, under the economic range of “one belt one road”, also explore Chinese market aggressively. This proposed research article frames research methods through literature review, survey data and logistic regression to figure out the key factors and marketing strategies of MBA courses in Thailand for Chinese market. Thus, it provides not only imperative information for studying in Thailand for Chinese market, but also offers some references for studying abroad of other Southeast Asian countries.

## **2. LITERATURE REVIEW**

### **2.1 SWOT Analysis:**

SWOT is the status analysis based on internal and external competitive surroundings and conditions (Ma, Wang & Zuo, 2003). It can explore the whole, systematic and accurate study on the scenarios of research target, and accordingly, developing the strategies, plans and methods from the outcomes and so on. S means strengths, W represents weaknesses, O illustrates opportunities and T is threats.

### **2.2 Logistic Regression:**

Logistic Regression is also known as Logit Regression or Logit Model (Chang & Liu 2012). Logistic Regression is probability nonlinear regression model which is multivariable statistical analysis to explore the relevance between the Y results and influence X factors (monovariant or multivariate). It is a common statistical analysis technique to analyze attributive variable belongs to qualitative variable. Due to it is not necessary for logistic regression to necessitate to normality, homogeneity of variances and independent variable of data, the application of it becomes widely especially on Medical Science, Sociology and Economy and so on.

### **2.3 Porter Five Forces Analysis:**

Michael E. Porter proposes Porter Five Forces Analysis in 80s' of 20 century (Porter 2005). He points out that all industrial organizations would encounter the five competitive intensities such as threat of new entrants, threat of substitutes, bargaining power of buyers, bargaining power of suppliers and industry rivalry. The circumstance and combined intensity of these five competitive forces determine the dynamic competition of industry in order to lead the difference of the final potential profitability and the capital flow intension.

### **2.4 The Marketing Theory of 4P's:**

The Marketing Theory of 4P's is the combination of four basic strategies which are product, price, place and promotion (Liu & hu 2014). Because the first letter of these words are P and adding strategy as S. Therefore, abbreviate them as "4P's".

### **2.5 Differentiated Marketing:**

The concept of differentiated marketing is "market segmentation, setting up the target consumers, introducing the brands and establishing the image" (Kotler 1967). It is based on market segmentation, customizing the target market by product policy and media, bestowing the unique product value, building the vivid image, establishing the differentiated products and personalizing the core competitive advantage. The key factor of differentiated marketing is looking for the blank in the market, choosing target market, digging out the personal unsatisfied demands, exploring the new functions of products and offering the new value for the products

## **3. RESEARCH METHODS**

### **3.1 Research Method:**

The research adopts literature review, survey and logistic regression.

### **3.2 Research Process:**

This paper is based on literature review to develop the SWOT Model of the MBA course in Thailand to make sure the direction and content of the survey, then analyzing the main factors and intension of impacting on Chinese competitive markets by Logistic regression and analyze the survey data. Finally, provide the suggestions about how to manage the MBA course of Thailand in Chinese market by combining Porter's Five Forces Model, 4P's theory and Undifferentiated Marketing theory.

## **4. RESEARCH & ANALYSIS**

### **4.1 SWOT Analysis of the MBA courses in Thailand:**

#### **4.1.1 Strengths:**

According to the MBA brochures of higher education in Thailand and the author's collections, there are nine strengths in these criteria. They are: students have prosperous future, the certificates and degrees can be authorized by China, the education level is authorized by international examination institutions, Thai culture and living environment are similar to Chinese, internationalized education, degrees and employment are positive, the entrepot of studying in higher education in

EU or USA, active teaching style, easy to get VISA and low tuition fee, living costs and transportation fee and broaden the horizon, accumulate the knowledge and enrich the social network.

**4.1.2 Weaknesses:**

There are some weaknesses in MBA courses in Thailand as well. They are: the instability of Thai politics, insufficient renowned, negative effects on Bangkok bombing 2015, fewer professional subjects, the low ranking of World University (Times Higher Education, 2016) and Thailand is not the target immigration countries of China.

**4.1.3 Opportunities:**

The MBA courses in Thailand has its opportunities which include: China promotes its “one belt one road” construction, bilingual (Chinese & English) teaching in some universities, sluggish economy in EU & USA ( Ministry of Commerce of the People's Republic of China Comprehensive Department, 2015) and appreciation of RMB to cost down studying abroad.

**4.1.4 Threats:**

The MBA courses in Thailand has its threats which include: the strong impaction of traditional education countries, more and more studying in Southeast Asian countries and the promptly developing MBA courses in China (Guangming Online, 2015).

**4.2 Survey & Analysis:**

**4.2.1 The target groups & Methodology:**

The target groups: The high school students and graduates from high school of China that is the new target recruits of MBA courses in Thailand.

Methodology: Survey. Implement SWOT Model analysis to make sure the direction and content of the survey.

The impacts on Marketing of MBA courses in Thailand:

**Table: 4.1 Descriptive Statistics**

	Case	Minimum	Maximum	Average	S. Deviation
1. Age	122	1	3	2.00	.909
2. Gender	122	0	1	.51	.502
3. Education	122	1	3	1.98	.704
4. The field of studying	122	0	1	.24	.427
5. Annual income	122	1	4	2.09	1.037
6. Prospect f studying country	122	1	5	3.70	.861
7.If the customs are similar to Chinese ones	122	1	5	3.07	1.038
8.The school ranking	122	1	5	3.61	.896
9. The ranking of the field of studying	122	1	5	3.99	.983
10. The numbers of the field of study	122	1	5	3.21	1.100
11. The cost f tuition fee and living	122	1	5	3.79	.884
12.The politics situation of studying country	122	1	5	3.86	.990
13.Possibility of immigration	122	1	5	2.60	.976
14. Impacts on foreign language	122	2	5	3.98	.803
15.The relationship between studying country and China	122	1	5	3.70	1.135

**Table: 4.2: Logistic Regression**

	B	Standard Error	SPRT	Exp(B)
Age (x1)	-.137	.321	.182	.872
Gender (x2)	.254	.557	.208	1.289
Education (x3)	-.098	.389	.063	.907
The field of studying (x4)	.138	.515	.072	1.148
Income (x5)	.022	.233	.009	1.022
Prospects (x6)	.508	.292	3.035	2.662
Customs (x7)	-.456	.236	3.727	.634
The school ranking (x8)	.108	.326	.110	1.114
The ranking of studying (x9)	.318	.255	1.562	1.775
The number of studying (x10)	-.314	.225	1.951	.731
Cost (x11)	-.154	.288	.286	.858
Politics (x12)	.029	.259	.012	1.029
Immigration (x13)	-.061	.245	.062	.536
Foreign language (x14)	-.468	.284	2.715	.626
The relationship between studying country and China (x15)	.050	.228	.048	1.351
Constant	-3.639	2.680	1.843	.026

Above all, the top four influential factors of studying MBA courses in Thailand are as blow: prospects (x6) > the ranking of studying (x9) > relationship with China (x15) > school ranking (x8).

## 5. ANALYSIS OF MBA COURSES OF THAILAND IN CHINESE MARKETING

Porter Five Forces Analysis adopts amount of different elements on a brief model in order to analyze the dynamic competition of the industry. Hence, the author establishes the Porter Five Forces model of studying MBA courses in Thailand by the above data and information.

## 6. CONCLUSION

Studying MBA courses in Thailand faces consumer-based market in China at the present. According to the previous analysis, there are three features:

1. The demands are strong: more and more students are willing to study abroad and have positive prospect.
2. Purchasing power is positive in the market: according to the analysis of logistic regression model, people who are from middle-income family, average foreign language level and interested ACE (Association of Southeast Asian Nations) have great interests on studying MBA courses in Thailand.
3. It belongs to competitive market: a plenty of recruiting Chinese student from other countries.

### 6.1 Analysis MBA Courses in Thailand via Marketing Theory of 4P's:

#### 6.1.1 Product:

Studying abroad is kind of education service. It has the basic features of service product such as intangibility, inseparability of production and consumption, heterogeneity and perishability. Moreover, the customers have the right and freedom to use this product.

Due to educational service production has its specialty of quasi-public good, it is necessary to think about the strategies on the production:

- A. Raising the ranking. From previous analysis, students care about the ranking of the field of studying than school ranking and it is easier to raise the ranking of field of studying.
- B. Increasing previous, middle and post service. Thailand belongs to minority language country; foreign students always have some problems on living and studying because of language barriers at beginning. Therefore, the schools should provide more delicate and profound service for students.

C. Increasing bilingual teaching (Chinese & English). According to the research, the elder participants think the capability of foreign language restricts the possibilities of studying abroad. There are some higher educational schools engage in teaching MBA course by Chinese & English and they are popular with students.

#### **6.1.2 Price:**

Thai MBA courses should focus on what students earn and lose from the exchange process of studying. It is crucial to reduce the feelings of sacrifice and increase the feelings of worthiness for customers.

The tuition fee of MBA courses in EU or USA is about 40,000 US dollars and the living cost is more expensive. Most Thai MBA courses gain the support from higher education policy and the cost of Thai higher education is lower than higher education in EU or USA. The tuition fee of Thai MBA courses is usually under 20,000 US dollars, so it is adequate to deploy the low-price strategy. Mercer (2016) reports that Bangkok ranks on 74 which is much lower than New York (11), London (17), San Francisco (26) and Los Angeles (27). This is an imperative viewpoint to promote the Thai MBA courses.

#### **6.1.3 Place:**

The design of place of studying abroad is different from traditional products. It is mainly promoted by the agents or the school representatives in China. They combine the resource with universities rather than providing education resource on their own. Therefore, there are many features to design the place/channel to promote the courses and they are direct channel, indirect channel and internet channel.

#### **A. Direct Channel:**

Direct channel is also known as zero channel, referring to the producer sells the products or service to the customers without any intermediaries. Taking this model into recruiting postgraduate students, Thai higher education provides MBA courses to students. Once students reach the requirements, they can be accepted by the school. Even if students choose to take the examination of MBA courses in China, but the numbers of flunking students are more than accepted students. It offers the student resource for studying abroad. Therefore, the Chinese entrance examination of postgraduate is positive students' resource for Thai MBA courses recruitment.

Attending study exhibition is another method of direct channel. China holds studying abroad exhibition very often which provides the platform of fields of studying and makes students to understand studying abroad and fields at the same time.

#### **B. Indirect Channel:**

Choosing some intermediaries in Chinese higher education and institutions, and they become a part of the promotion. The potential market in higher education is great and some students keep looking for some opportunities to study abroad. Hence, making Chinese universities be intermediaries of MBA courses in Thailand in order to aim the target and gather the consumer-based market.

Studying abroad adopts some Chinese agents as intermediaries, some schools and other relevant education institutions such as foreign language training institutions, local educational departments and higher education institutions and so on. These institutions not only recruit students but also have amount of students who are willing to study abroad. Among these institutions, the foreign language training institutions are widespread so that they are the keys to recruit students.

#### **C. Internet Channel:**

Traditional education institutions promote their own brands by wording of mouth. By developing of technology recently, internet becomes parts of people's life. Firstly, according to internet channel, Thai higher education official websites should construct Chinese and English version which is the most direct and efficient way to realize Thai higher education. Secondly, enlarge the influence by encouraging the representatives in China to establish internet channel with intermediaries.

Furthermore, it is necessary to integrate studying abroad into student unions via building a positive communicative platform through overseas students, ready to study abroad students and graduates to enhance its influence and reputation.

#### **6.1.4 Promotion:**

It is imperative to service well to catch customers' eyes on studying abroad. However, adequate promotion is necessity. Currently, Thai MBA should increase the promotion to institutions and students. Thus, adopting advertisement promotion and public relationship are main strategies to practice.

## **A. Advertisement Promotion:**

### **1. Make sure the target of advertisement:**

According to the analysis of survey; firstly, aim the target group on the subordinate cities and the middle class of the first city. Secondly, the content of promotion should emphasize on the prosperous future of Thailand, friendly relationship with China and affordable tuition fee. Thirdly, it should focus on bilingual teaching (English and Chinese) to elder students.

### **2. Choose the media:**

Thai MBA courses should choose media by its social reputation, economic ability and specialties. To enhance the reputation in China, they should choose the media which are national radio, TV, newspaper and internet. Moreover, the agents or intermediaries should adopt the local media due to the consumers are from local and the limitation of the economy.

## **B. Public Relationship:**

Public relationship is an efficient method to enhance the social influence of Thai higher education so that it can establish positive social image and enlarge the market competition. In order to gain good public relationship, there are some methods to adopt as following:

1. Conduct the media to report the positive news of Thai MBA courses
2. Enhance the interaction with the society and contact with the government.
3. Other methods

Furthermore, Thai MBA courses can conduct cooperation with schools, internship, employment and alumni. They can also work with Chinese higher education to build up the cooperating education. Meanwhile, they can promote the courses through student union, school club and organization to enhance the influence and make students realize the meaning of studying abroad.

To sum up, the numbers of studying abroad is still increasing. Under aggressive competition, Thai MBA courses should conduct the market strategies via the products, price and promotion so that it can be survived in the competitive market.

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