

# A Study on The Influence of Reference Groups Affecting The Decision of Choosing Educational Institution In Coimbatore City

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**Abstract-** *This research explores the significant influence of reference groups on the decision-making process of individuals when selecting educational institutions. Reference groups, including family, friends, peers, and media, play a vital role in shaping individuals' perceptions and attitudes toward educational institutions. The study aims to identify various reference groups, assess their level of influence, and understand their impact on individuals' beliefs and values about education. It also examines the relationship between reference groups and factors such as location, cost, reputation, and program offerings in the choice of educational institutions. The study reveals that reputation is a key factor in decision-making, and institutions should focus on enhancing their positive image to attract new students. Additionally, institutions should consider the needs of students from diverse backgrounds and explore effective advertising channels. The findings provide valuable insights into the role of reference groups in education choices and offer recommendations for educational institutions to better target their desired student populations.*

**Keywords-** Educational institution choice, Reference groups, Influence factors, Decision-making process, Reputation.

## I. INTRODUCTION

The choice of an educational institution is influenced by various factors, including personal and financial considerations. Reference groups, such as peers, family members, friends, teachers, or professionals, play a crucial role in shaping an individual's perceptions, attitudes, and beliefs about different institutions and programs. They set norms and expectations for what is considered desirable or acceptable in terms of education, and can influence an individual's attitudes towards education and their goals for the future. Reference groups can also shape an individual's perception of the value and quality of different educational institutions. Despite the importance of reference groups in shaping educational choices, there is still much to be learned about their specific mechanisms and how they may vary

across individuals and groups. This study aims to examine the impact of reference groups on educational institutions and explore the factors that may moderate their influence.

## II. STATEMENT OF THE PROBLEM

The purpose of this study is to examine the extent to which reference groups, such as family, friends, peers, and media, influence the decision-making process of individuals when selecting an education institution. The research will explore the different reference groups that play a role in shaping an individual's perception of educational institutions and determine their impact on the ultimate choice of where to pursue higher education.

## III. OBJECTIVES

1. To identify the various reference groups that have an impact on an individual's decision to choose a particular education institution.
2. To assess the level of influence each reference group has on an individual's perception of educational institutions.
3. To determine the role of reference groups in shaping an individual's beliefs, attitudes, and values about education and the impact this has on the decision-making process.
4. To examine the relationship between reference groups and the choice of education institution, including factors such as location, cost, reputation, and program offerings.
5. To develop a better understanding of the impact of reference groups on the education choices of individuals and provide insights into how educational institutions can better target and reach their desired student populations.

## IV. LIMITATIONS

1. The study may be limited by a small sample size, leading to the results being not generalizable to the larger population.
2. The data collected may be based on self-reported information, which may not be accurate or may be biased.

3. Culture and socio-economic factors may play a significant role in determining the reference group's influence, but these factors may not be accounted for in the study.
4. The sample may not be representative of the population, leading to biased results.
5. The study may be limited to a single geographic location, which may not be representative of the entire population.
6. The study may not control for other variables that may affect the decision-making process of choosing an educational institution, such as academic performance and financial factors.
7. The influence of reference groups may change over time, and the study may not account for these changes.

- Almost of the respondents were belong to 'Joint family' (56%)
- Large portion of the respondents have '3' family members. (46%)
- Most of the respondents have '2' earning members in their family (45.3)
- Most of the respondents were residence in 'Rural area'. (61.3)
- Overall respondents were earning 'Above Rs.60000'. (40.7%)

## V. REVIEW OF LITERATURE

**1. Sankar, S., & Senthil, K. (2020):** To analyse the impact of reference groups on the choice of educational institutions in Coimbatore city. Reference groups have a significant impact on the selection of educational institutions. It would be useful to explore the reasons behind the influence of reference groups on educational institution selection, such as their values, opinions, and behaviours.

**2. Ravi, S., & Ganesh, R. (2019):** To investigate the influence of reference groups on the selection of educational institutions in Coimbatore city. Reference groups significantly influence the selection of educational institutions. The study could incorporate qualitative research methods to gain a deeper understanding of how reference groups impact the decision-making process of students.

## VI. SAMPLING TECHNIQUES

### Sample size:

The 200 samples are decided to select in Coimbatore city.

### Sampling Method:

Snow-ball sampling method.

### Sources of data collection:

- Primary data
- Secondary data

## VII. FINDINGS AND SUGGESTIONS

### SIMPLE PERCENTAGE ANALYSIS:

- Most of the respondents were 'Male' (60%)

### CHI-SQUARE

- There is no significant relation between area of residence and modes of advertisement.
- There is no significant relation for gender and reputation.

### ANOVA

- The difference between scholarship and gender are not statistically significant
- The difference between internship and gender are not statistically significant
- The difference between locality and gender are statistically significant

### INDEPENDENT SAMPLE T-TEST

- There is no significant difference between area of residence and mode of advertisement

### CORRELATION

- There is no statistical significance between gender and location of educational institution
- There is a statistical significance between college and placement.
- There is a statistical significance between college and placement.

### SUGGESTIONS

1. Educational institutions should focus on promoting their reputation and positive image to attract potential students, as reputation plays a major role in the decision-making process.
2. Institutions should consider the fact that most of the respondents were from joint families and have three family members, which means they might prefer

institutions that offer affordable education and have courses that suit their family's needs.

3. Since most respondents are from rural areas, institutions should focus on providing facilities and courses that cater to the needs of rural students, such as agricultural courses or programs related to rural development.
4. Institutions should explore different advertising channels, such as Google, to attract potential students and increase their visibility.
5. The influence of personal interest and friends highlights the importance of providing students with a positive experience, including good faculty, curriculum, and campus life, which they can share with their peers and encourage them to join the institution.

### VIII. CONCLUSION

The study clarifies the impact of reference groups on students' decision-making when choosing educational institutions in Coimbatore city. The findings indicate that reputation is a key factor in decision-making, and schools should concentrate on enhancing their good name and reputation to draw in new students. Institutions should also take into account the needs of students from split families and rural locations and offer programs and amenities that meet those needs. The study also demonstrates the necessity of giving students a favorable experience in terms of faculty, curriculum, and campus life by showing how friends and personal interests affect decision-making. Institutions can also investigate various advertising avenues, like Google, to draw in prospective students and improve their visibility.

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