

**Business Concept Model  
for Self-financing  
Higher Education Institutes**

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# Why business concept model

- In deciding how to *attract* and *retain* students, self-financing higher education institutes are often conceptualized as services providers that can be benefited by copying the business concept models from other business sectors where furious competition for customers is observed.

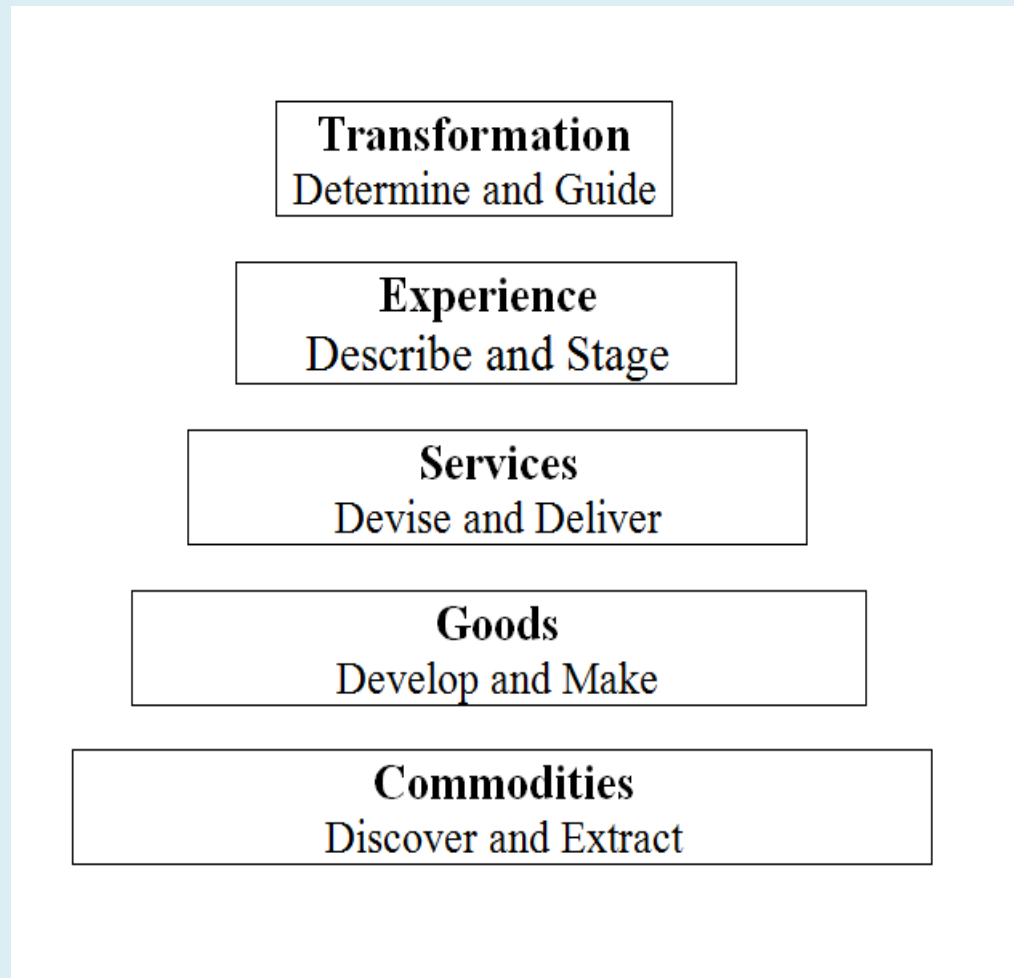
# Which business concept model?

- Khalifa (2009): The experience economy concept offered by Gilmore & Pine (1997) can be used by self-financing institutions to gain a competitive advantage.

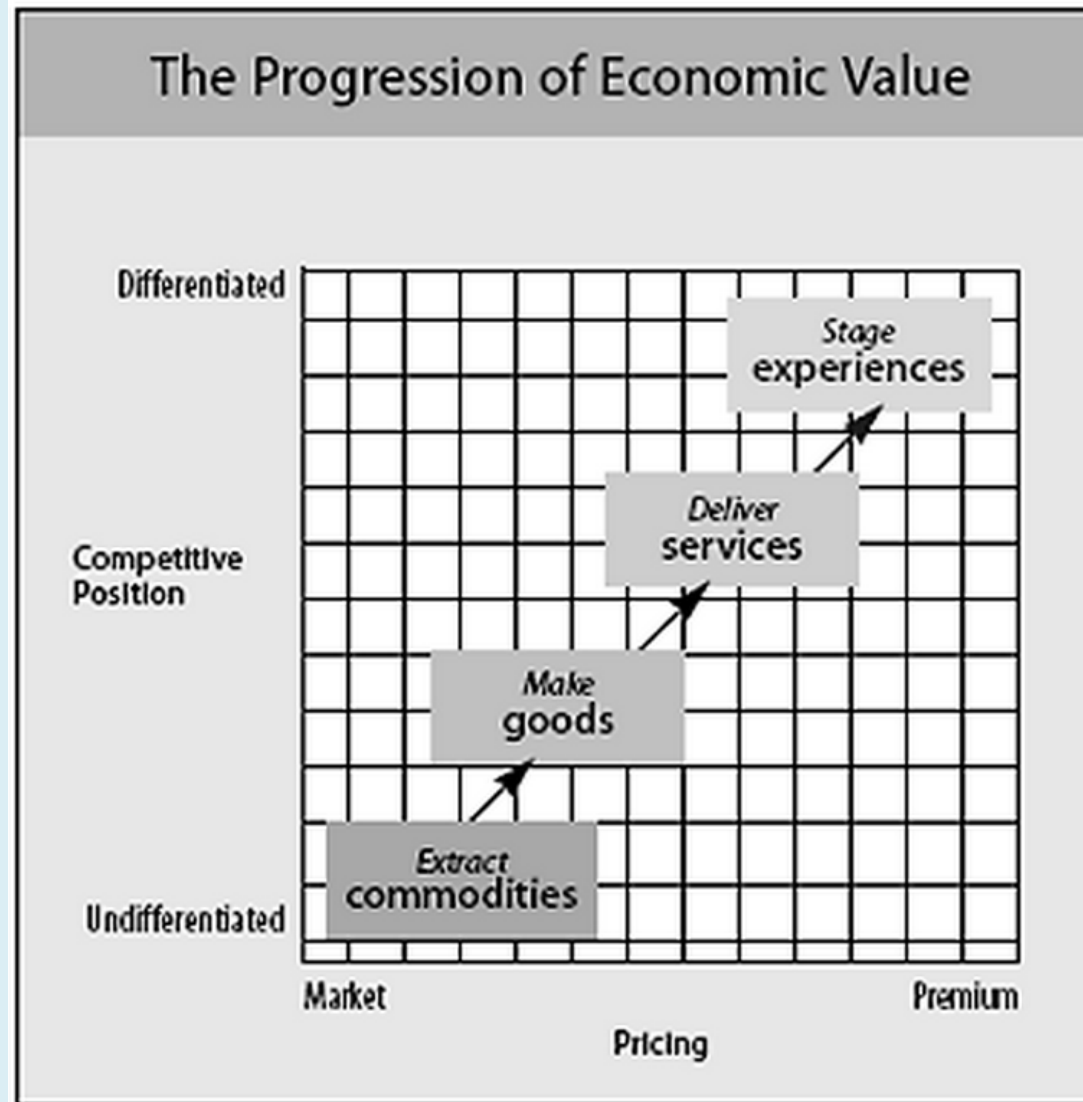
# Gilmore and Pine (1998)

- Modern business should move beyond providing *goods* or *services* that have become unattractive *commodities* and move on to the offering of *experience* and *transformation* to their guests or aspirants

# The Economic Pyramid, Gilmore and Pine (1997)



# Pine and Gilmore (1998)



# The question

- What economic offering self-financing institutes should provide to students – goods, products, services, experience or transformation?

# Offerings from self-financing institutes under different stages

Business offering from institutes	Function	Roles of students	Roles of teachers
Goods	Making	Users	Manufacturer
Services	Delivering	Clients	Provider
Experience	Staging	Guests	Stagers
Transformation	Guiding	Aspirants	Elicitors

\*Derived from Gilmore & Pine (1997), Pine and Gilmore (1998)



# The study

- The study identifies the offering desired by students through investigating their preferences for their *instructors* – who are the major component of the offerings and the key channel through which offerings are provided to students.
- Surveyed 225 students of a self-financing institute in Hong Kong and investigated what students consider as the important characteristics of their effective part-time lecturers.

# Preliminary Result

- The result reveals that most students value chance to participate actively in the learning activities and they show a strong desire in learning to become better person in terms of competence.
- This suggest self-financing institutions should treat higher education as *transformation* and students as *aspirants*.

# Key reference

- Gilmore, J. & Pine, B. (1997) 'Beyond goods and services', *Strategy & Leadership*, 25(3), pp.11-17
- Khalifa, A. (2009) 'Students-as-aspirant: strategic implications for business education', *European Business Review*, 21(2), pp.172-190.
- Pine, B. & Gilmore, J. (1998) 'Welcome to the experience economy', *Harvard Business Review*, July-August, pp.97-105.