

# Marketing activities of faculties

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*The purpose of this paper is to present the key marketing activities of faculties. Faculties should differentiate their offer from the competition. The most important marketing decisions are: targeting – target market selection (customers), relationship marketing, strategies for positioning and differentiation of products/services and tactics marketing programs. Faculties should focus upon the value (of the faculties) and the benefit for students – education and knowledge.*

## 1. Introduction

In a hyper-competitive environment, faculties (both state and privately owned) are supposed to be marketing oriented. “Marketing is directed to a dialogue between the organization and its clients, that is, school and students and their parents“ [1, p.31]. The faculty marketing is a process of creating and maintaining value for students (and other target segments); a favourable image and profit for the faculties (in case of

non-profit faculties the word profit is omitted). The key marketing decisions of the faculties [compiled after: 2-5] are made in terms of: the choice of target market segments, positioning and differentiating of services by value – benefit creating and delivery, as well as tactic decisions concerning the marketing mix tools (Figure 1). The paper stresses the necessity and importance of the holistic marketing of faculties. After the introductory part, we analyse target segments, relationship marketing, positioning and

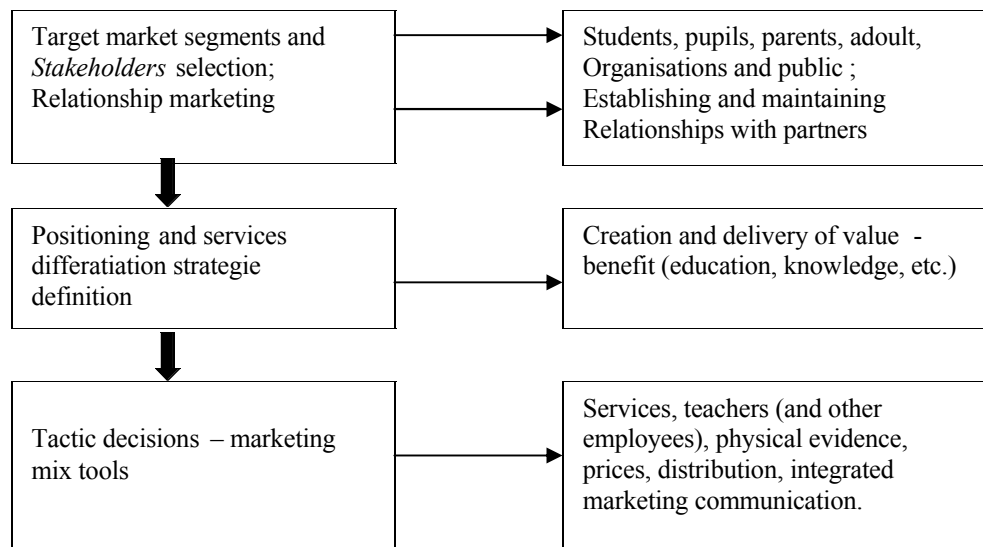


Figure 1. Crucial marketing decisions of faculties

differentiation of faculties' services. In order that marketing activities of faculties be affective, it is necessary that two key questions in marketing management be answered:

- Who are our customers?
- What do customers recognize as value?

Marketing oriented faculties address target groups and stakeholders such as: students (existing and prospective), parents (students' parents), adults, organizations and public (government of the Republic of Serbia – especially respective ministries, media, citizens, local community and broader public). Due to the changes in the

environment, specially important are the decisions regarding relationship marketing, i.e., creating, developing and maintaining relationship with students and business partners. Faculties are positioned in the minds of these target groups and are differentiated vs. other faculties by way of creating and delivering value – benefit. On the basis of positioning strategy (in the minds of the selected target segments) and the differentiation strategy (as regards other – competitive faculties) faculties make tactic decisions on the marketing mix tools. The integrated concept of a marketing mix includes: services, prices, distribution, promotion, human resources (employees), service setting and the service process

[after: 5,7]. The basic competitive advantage of the faculty is the speed – adopting (response to change in environment) and initiation change promptly. In addition to external marketing activities (directed towards target segments outside the faculty), it is also necessary to develop the internal marketing (directed towards all the employees at the faculty), in order that the employees should be aware of the necessity and significance of marketing orientation (of the faculty). The holistic (both external and internal) marketing allows for the orientation towards students and other crucial target segments.

There are four groups that benefit from the education system: pupils/students, parents, owners of schools/faculties and the society in general [after: 1]. Theoretical-practical knowledge guides the individuals, the organizations and the economy. Individual and organizational knowledge allows for the country's development strategy defining and implementation; strategies per individual activities, investment of money, time and engagement of human resources in the activities in which the country has achieved competitive advantage. This has a further impact upon the individual's income as well as the gross national product of the country [8].

## 2. Target segments

The key segments are the existing and the prospective (grammar and secondary school) students. With the importance of continual adult education in mind, the faculties may expand their activities to target segments such as adults and organizations. The Republic of Serbia's Ministry of Education enacted the Strategy for the Development of Adult Education in the Republic of Serbia. „The strategy of adult education is an invitation to create a culture of learning, of knowledge based social organizations and economics and of promoting the abilities and achievements of adults“ [9].

The research results [adapted after: 10-13] show that the student preferences of a particular faculty are affected by:

- courses/subjects (a total number of courses, optional, compulsory, desired, number of credits per course),
- curricula (subject, objective, research methods characteristic of a course),
- the institution's reputation (quality and expertise), faculty's accreditation,
- people (lecturers, other employees and *alumni* – information on graduated students),
- quality level of teaching staff (average or above average),
- quality of lectures and other teaching methods, opportunity of acquisition both theoretical and practical knowledge; group size – number of students per group,
- possibility of getting a job on graduating (recognition of the diploma by future employers),

- price (scholarship fee, possibilities of delayed payment, necessary efforts in education process, distance from home, transport and living costs),
- integrated communications (public relations, publicizing academic research, scientific results of lecturers and students; advertizing in local and national printed media, advertizing in electronic media and other ways of integrated marketing communications)
- site (faculty location, other possibilities at location)
- general atmosphere at the faculty,
- faculty type („old“ or modern, traditional or technologically oriented),
- recognizing previous qualifications.

Students may take into consideration even more „personal“ factors, such as:

- the distance between home and faculty (including the time needed to reach university, public transport, parking lot)
- views and recommendations of family and friends as regards the faculty choice,
- friends' choice of faculty [after 10].

## 3. Relationship marketing

The basics of marketing are creating and management of relationship with consumers. Grönroos [14, p. 327] defines relationship marketing in the following way:“Marketing is supposed to establish, maintain and promote relationship with consumers and other partners, profit included, so that the objectives of all parties involved be achieved. The aforementioned is carried out on the basis of mutual exchange and promise keeping“. Organizations establish and maintain long-term relationships with all the individuals and organizations – business partners (internally – with the employees, and externally – with consumers, suppliers and other important partners) who can affect the organization's business. Organizations manage relations with business partners and together with them they define and adapt the marketing offer. The relationship marketing concept includes marketing on the basis of databases, interactions and network marketing. The Internet encourages and facilitates interactivity.

Relationship marketing plays an important role in the development and implementation of a marketing plan and an educational organization strategy. Relationship marketing stresses both the establishment and development of relationships with the existing consumers and network development; it starts from the marketing orientation and consumer oriented organizational culture development and focuses upon the quality of services. The three crucial components of marketing orientation are the following: 1. consumer orientation; 2. competition orientation; and 3. interfunctional collaboration [15].

Orientation towards consumers means that the employees at the faculty (management, deans, teaching staff, administration and others) study and recognize the demand and preferences of target markets, therefore create and deliver superior value [after: 15]. The faculty's customer orientation is determined by the following factors: recognizing the students' needs, care of the students' welfare, effective response to parents' demand, keeping promises to (students') parents, recognition of the type of studies parents value most, informing parents in a way that they understand the ways and methods of studying, teachers' readiness to aid students, prompt response to the complaints from either parents or students, a simple complaint procedure, teachers being informed on the parents' expectations, teachers' politeness, management's and deans' customer orientation, encouraging parents to contribute positive and constructive suggestions as well as negative comments (complaints, criticism), commitment to the faculty, annual evaluation of parents' and students' satisfaction, good teachers the students are satisfied with, impact of parents' attitudes on the studying process, response to parents' and their children's needs are the prioritised tasks [after 15].

Competition orientation means that the employees at the faculty study and recognize strengths and weaknesses, capabilities and potentials of competitors. The listed activities in the competition study may have a positive impact upon decision making, especially in case of developing new initiatives – additional services to students and their parents (as currently studying or prospective key consumers and influential personalities) [after: 15]. The faculties' competition orientation is determined by the following factors: survey of the competitive faculties, permanent analysis of other faculties' activities by the dean and the management, impact of information of the activities of teachers at other faculties on improving teaching, faculty's response to new initiatives/development of new faculties, higher rank compared to other faculties [after: 15].

For the survival and success of faculties in a competitive market it is of special importance to provide superior value to target consumers. This may be realized only on the basis of integration and coordination of the faculty resources, establishing and maintaining relations with the consumers. Recruiting and retaining students-consumers should not solely be in charge of management, but of all the employees. In order to accomplish this, all the employees must be entitled to an access to the information on students, on competition, environment, community etc. [after: 15]. The level of interfunctional coordination is determined by the following factors: contribution of all departments to the faculty's marketing activities, teaching staff collaboration towards improving the faculty's image; marketing should not be solely responsibility of the management; analy-

sis of information on parents' requests at the faculty departments meetings, and towards promoting the faculty's image; analysis of information in view of marketing activities with teachers – teachers are not paid only to give lectures; they should give a hand in recruiting/enrolling prospective students; key elements in composing the programme curriculum or new initiatives are parents' and students' demands [after 15].

An „education offer chain“ is proposed that means collaboration among faculties, schools, students and employers (of their future graduate students) in selecting courses at the faculty. Integration and collaboration ensure that the faculty establish and maintain communication with all „target markets“ [after: 13]. Besides the abovementioned collaboration in selecting courses, further proposed is collaboration among lecturers, students and employees in organizations in practice research. At „Harvard Business School“ (HBS) [16] students are given opportunity to develop their practical skills in that they participate in projects and face the challenges of a particular organization. A team composed of three to six students works on a project of strategic value for the organization and makes recommendations at the end of the term. Each team is expected to conduct research, analysis and to prepare the report and a final presentation – supported by the research results and recommendation. In addition to the HBS example, faculties may influence interaction among teachers, students and practitioners (organizations) towards engagement of teachers and students in these organizations. The employees in the organizations should recognize the communication with teachers and students as an investment of time into the future (not as a „waste of time“). Namely, in engaging teachers and students, organizations acquire new knowledge and ideas from young people who want to show their skills. Besides, organizations may choose among the best students and employ them. Students are included into the activities of the organization, and teachers get an opportunity to use theoretical knowledge in practice.

Numerous authors emphasize the necessity and importance of theory and practice to be closely related, but also the problems of the faculties that are more theory than practice oriented. Some 50 years ago, the „Polaroid“ company suggested that every business school should have their „own business“. The ways of incorporating the teachers and the students into „practice“ (engagement in problem solving) are: conducting this „business“, research for the purposes of other organizations, consultancies, etc. [after: 17]. Instead of having a gap between the „academics“ and the „practitioners“ there should be collaboration. Theoreticians need practical knowledge in as much as the practitioners need theory. A graduate student should command both (be both a theoretician and a practitioner). In which way can he acquire this knowledge? A simple an-

swer would be: by modern curricula and methods. Therefore, it is „only“ necessary to define and implement modern curricula and methodologies at the faculties.

Integrated – theoretical and practical knowledge results from joint, complementary actions of knowledge and interactions among lecturers/researchers, practitioners and students. Integrated – theoretical and practical students’ knowledge results from the complementary actions of multidisciplinary curricula and methodologies. The teaching method is necessary, it is effective in learning theoretical bases and principles, however, it is not enough. In order that the students apply the learned theory, the teaching process should include case studies. Of special importance is the students’ engagement in organizations („practice“) in the course of their studies. Faculties can: compose and apply modern teaching programmes and methods, have their own business, institutes, or conduct research for other organizations, provide consulting services, etc; engage students (in performing additional activities); and/or establish and maintain communication with other organizations in which students acquire additional – practical knowledge (skills); and thus ensure that the students acquire integrated knowledge. By acquisition of theoretical and practical knowledge graduate students will be qualified to tackle multidisciplinary issues of organizations and/or economy.

#### **4. Positioning and differentiation of faculty provided services**

A large number of authors list seven tools of marketing mix (the so-called “7P’s”) in service marketing. So, “7P’s“ are: products/service, people, process, physical evidence, price, promotion and place/distribution. Faculty may position and differentiate themselves on the bases of the marketing mix tools – quality services – primarily education, curricula, scientific research results teachers obtained, employees’ politeness, physical evidence, the service rendering process, price, distribution and promotion.

Internal marketing means the development of an internal organizational infrastructure ensuring the delivery of value [after: 18]. The basis of a faculty’s success is providing service – benefit to students. Students enter a particular faculty because of the benefit perceived. The crucial benefit is the opportunity of acquiring education and knowledge (and getting a job and further promotion based on these).

Marketing activities should be directed primarily towards education as a basic value. If not, everybody loses – faculties, employees, students [after:18] and the society in general.

Faculties provide the following services:

- For students – an opportunity to acquire knowledge and specializing aided by modern curricula

and methods, additional programmes (foreign language learning, work on computer etc.;

- For adults – seminars (having in mind the necessity and importance of continuous education and professional learning);
- For organizations – research and consulting.

The quality of services at a faculty depends on the expertise and motivation of the employees, especially teachers. A good management should carry out a clearly set vision and mission. In addition to the marketing activities aimed at the students, of special importance are marketing activities oriented towards teachers, as well as recruiting of appropriate personnel. Faculties should encourage scientific research; participation in seminars, symposia and other activities aimed at improving scientific and research results. What is necessary, therefore, is the coordination of management, teaching staff, administration and technical staff as well as the employees’ commitment to the faculty.

Physical evidence – location, premises, number of students in a group, equipment – may affect students’ perception of the service quality.

Privately owned and state faculties (for self-supporting students) may decide upon:

- reduced prices of services (“scholarship fees“) compared to other competitive faculties, as well as more relaxed terms of payment (in installments, throughout the school year) in order to attract a larger number of students, or
- high prices, in order to ensure a higher standard of working in smaller groups.

The prices of symposia, research and consultancy for adults and for organizations should be aligned to the value of the offer.

Whether it is concrete premises or a virtual room, the conditions of studying and the equipment should clearly prove that the service given is expert, that the faculty takes its role for serious, investing in the place [6]. Faculties may distinguish themselves on the basis of geographical distribution – e.g. by adopting distance learning. Virtual faculties are of special importance for poor students (families) and/or working people who wish to study but lack financial means and/or time to attend classic lectures.

Faculties establish and maintain communication with various segments of public (secondary and grammar school students and directors, students’ parents, present and prospective students, respective ministries of the government, media, local community and broad public). To communicate with students, they need to approach secondary and grammar school directors and teaching staff. The basic ways of integrated marketing communications are advertizing, public relations, direct

marketing, promoting sales and personalised sales. Faculties may advertize their services by way of printed and electronic media (printed advertisements, newspaper and journal articles, brochures, bills, flyers, billboards, promotive materials, radio and TV spots, websites, banners, CD, etc). Especially effective is word-of-mouth advertizing (recommendations) from satisfied students and other segments of public. Faculties may hire referent individuals (e.g. particular lecturers, graduate students of the faculty who became successful businessmen, famous and recognized personalities) to do the promotions.

In addition to this „one way monologue“ of the faculty (by advertizing), of special importance is a „two way dialogue“ – direct communication (with current as well as with prospective students, their parents and other target segments) on the basis of direct marketing. Direct communication may be conducted at the faculty (with the public relations service and/or manager, with the dean, teaching staff, students) in the high school or the grammar school (oral presentation and appropriate promotive aids – on the basis of CD’s, DVD’s), by telephone, classic or electronic mail (*e-mail*) etc. Internet marketing provides a faster and more direct communication. Faculties may use websites to present their services, they may advertise by way of *banners* (ads on the internet); while the teaching staff and/or services can reply to enquiries promptly, by e-mail.

Faculties may establish and maintain public relations by way of the following:

- publications – brochures, annual reports, bulletins, journals (of international and/or national reputation) etc;
- events – meetings and symposia (of international and/or national reputation), presentations of works and results of the teachers and/or students from the faculty, the awards obtained (of international or national reputation), anniversaries, sponsorships, press conferences;
- newsletters, speeches etc.

Promotion can be conducted on the basis of improving sales – granting free scholarships for the best students, organizing specialized fairs, etc.

One university developed the “student ambassador programme“ according to which each applicant student is assigned a student currently attending classes. The so-called student ambassador replies to any enquiries the applicant might pose, from the moment of application until he enters university [12].

All the above mentioned elements are important for the students’ satisfaction, the faculty’s image, a university reputation and an increase in the number of applications. According to Olins [20, pp. 244-245]: “competition among the high education institutions is cruel. The

best reputed universities get resources, and therefore the best lecturers and the best students. They are also reputed for the best research. The best reputed brand is the one that wins. Similarly to many commercial brands, the university brand is a combination of services, communication, behaviour and environment. The key role, of course, is played by the service. However, communication, especially with graduate students who are sometimes prospective donors as well, is also important. The American universities always have this in mind. Their graduate student network is based on a simple premise of reciprocity – we gave you something, now it is your turn to pay back. American universities receive enormous sums from their former students“. The graduate students care profoundly about the image of the faculty they graduated from. Therefore, faculties should continue communications with their graduate students. Faculties can create and update the databases of their graduate and successful students. Actually, graduate students get jobs and they still need additional training and specialisation (e.g. continuing studies and/or symposia) and/or research and/or consulting for the organization they are currently employed in. Also, satisfied students convey their feeling of satisfaction and experience to their colleagues and friends, so the faculty gets an additional promotion.

The rules for maintaining service brands [adapted after: 20] are:

- Organizing activities related to brands; different organizational brands should communicate and understand what brand is, so that the employees can, and are willing to offer quality services;
- Training and motivating the employees to “live the brand“;
- Behaviour in accordance with the promises given to consumers (students, parents) and all public segments;
- “Employees for the brand“ – exert the greatest influence on the service quality, creating and maintaining the brand image;
- Consistence and coherence;
- Respect for clients – especially students – they are not just the “profit gaining units“ (“indexes numbers“), but young people that can affect the faculty’s success;
- Listening to clients – accentuating services and replies to complaints;
- Following the example that comes from the top. On having conducted these activities, it is necessary to believe that “the employees will live the brand“ [after: 20, p. 89].

## 5. Conclusion

Marketing oriented faculties are oriented towards target segments such as: students (current and prospective), (students’) parents, adults, employees, organizations and public (the Government of the Republic of Serbia – especially the respective ministries, media, cit-

izens, local and broader communities). Due to the changes in the environment, relationship marketing, i.e., creating, developing and maintaining relations with students and business partners, is becoming increasingly important.

The bases of faculties' positioning are:

- quality services – an opportunity to study, acquire theoretical and practical knowledge and specialize (on the basis of courses/subjects, curricula and methods) and products – textbooks, collections of works of faculty teachers;
- people – teaching staff (reputation, scientific and research results, lecturing quality, communication with students and other clients, replies to students' enquiries and/or complaints); teachers' conduct, conduct of student services as well as other services at the faculty;
- delivery process (service delivery) – the process of conveying knowledge (methodology – *ex cathedra*, interactivity, discussion groups, seminars, control tests, etc.); communication process with teachers (during lectures, counselling, by *e-mail*); communication with student service (when entering faculty/school year, taking exam, etc. – in the office or by *e-mail*);
- physical evidence – space (enough space for students, theatres, rooms, teachers, cabinets, library, study-rooms, student club), parking lots, group size, equipment (computers, overhead projectors, video beam, etc), atmosphere at the faculty, etc;
- price – scholarship fees, possibilities of deferred payment;
- distribution channels/place – site (location) of faculty and/or electronic channels – virtual faculty (possibilities of *online* sales of services and/or service delivery – virtual rooms and lectures/practice);
- integrated marketing communications (public relations, advertising in local and national press, by electronic media; communication by the internet – by website, *e-mails*; recommendations provided by family, friends and graduate students as regards faculty, etc.).

The basic effects of holistic marketing activities of faculties are the following:

- for students – education and science;
- for adults – specialization (having in mind the necessity and importance of continuous education and professional specialization);
- for other organizations – research and consulting services;
- for faculties – educated and satisfied graduate students, favourable image (of faculty) and profit;
- for the country – expert employees.

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