

ANALYSIS OF MARKETING TOOLS AND ACTIVITIES WITHIN EDUCATIONAL SERVICES ORGANIZATIONS, IN ORDER TO INCREASE THEIR EFFICIENCY

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Romanian education, which is an important pillar for human resource forming process and the basis for economic development, suffered a lot of changes in the last decades. The main factors that have influenced the undergraduate and university training programs are the political and social-cultural ones. Educational services organizations are facing various challenges as: creating and maintaining a good institutional image, managing all types of resources efficiently, motivating the academic personnel, satisfying the community needs and supporting the public policy. The marketing tools and activities help these entities to improve the educational programs and adapt them to the individual needs of the clients, to keep under control the production costs, which are limited by the small public budget and to perform and promote these services efficiently, leading to an increased organizational performance.

The paper begins by presenting the current situation of higher education in Romania, underlining the fierce competition among the universities, the increased market potential and the financing sources. It continues by mentioning the advantages of strategic marketing planning for universities, as superior results and effectiveness, improved decision making and multiple benefits for the people involved. The paper reveals also the characteristics of segmenting and positioning on higher education market and the specific of marketing mix. Thereby, educational product is more easily adapted to customer needs when it is designed in collaboration with existing and future students, their parents, with other universities in the field or even with graduates. Students themselves can contribute to the increase the quality of their education. Price may be a factor of choice when future student chooses to pursue a university course, especially in those situations where the price does not include only the payment of annual fees for education. Distribution takes into account school location, or method of providing educational services. The educational institution can achieve a corporate identity on the market through the undertaken promotional activities.

Keywords: educational services, marketing tools, marketing activities, marketing mix, efficiency

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1. Introduction

At the beginning of the last century, higher education was considered a symbol of the privileged high-class society, but over time increasingly more young people have been able to enjoy both social and financial benefits derived from specialization in a higher education institution. The measures implemented within each state, at the central administration, regarding grants, budgets, and investment, led to the expansion of university education.

Nowadays, in Romania, within state universities, there are more than 230,000 students that study in the budgeted programs and over 250,000 students that pay for their studies, while in private universities there is learning over 350,000 students. (www.agenda.ro 2011)

On the other hand, the number of higher education institutions – according to HG 676/2007 – enrolled in an uptrend, currently acting nationally: 56 state institutions, 27 accredited private institutions, 21 private institutions authorized to function temporarily and 5 private institutions authorized to work temporarily in the accreditation process (Romanian Ministry of Education, Research, Youth and Sport). The number of universities is currently much higher than the existing higher education institutions in the year 1989 (46 universities, most of them were institutes of technology in the field of mining, oil, mechanics).

This significant increase of the students' market potential over the past 20 years, and the increasing competition among universities, will cause educational service providers to use effective measures to attract more students. A further reason is related to Romanian higher education funding, which is made from the budget of the Ministry of Education, Research, Youth and Sports, at the proposal of National Council on Higher Education Funding. The two components of funding are core funding (faculty expenses paid on the principle of student numbers, forms of education within a profile and quality of education) and additional funding (for social spending). Other fundamental principles underlying the formulation of proposals for funding are: the strategic development priorities of higher education and the basic principle that "resources should follow students". (Romanian National Council for Higher Education Financing)

Challenging the fierce competition, expressed by other public or private universities, attracting a certain segment of students (large or select), and obtaining substantial funds from the state budget and other private sector sources are goals of the higher education institution. These goals are met successfully only by understanding the marketing concept and the need to adopt it within educational services units.

As noted in the specialty literature, marketing is needed in public service organizations, because it leads not only to more efficient public services, but also to customer focused services (Mitchell 2005). In addition, market orientation can lead also to an increased performance and there are studies whose results confirm a positive relationship between market orientation and overall performance of public services organizations (Caruana et al. 1998; Cervera et al. 2001; Kara et al. 2004).

2. Advantages of strategic marketing planning for universities

First of all, in order to be market-oriented, the universities should analyze their past and current actions, review their mission and decide what activities should be conducted in the future. To achieve this goal is necessary to identify the strengths and weaknesses of their own demarches, as well as opportunities and threats that educational organizations may face at a time. Given the mission of the university, individual customer needs and the experience of other competitors, the next step is regarding the decision on developing various activities, reducing or eliminating certain services representing parts of its educational offer.

After completing these steps, there should be a formulation of action strategies. Implementing marketing strategies in universities should consider the image and position of the organization among the target audience, identifying the best ways to communicate with different market segments (especially potential clients) and a realignment of marketing mix components.

Following these steps consciously, consistently and continuously leads to an efficient implementation of a classic tool of the management-marketing literature, namely strategic marketing plan.

The stages of marketing plan can be found in a precarious form even in the writings of Sun Tzu, who says: "To evaluate the outcome of a war, there should be compared the conditions of the opposing armies in the light of five constant factors - moral influence, weather, terrain, commander and the doctrine. These five constant factors should be familiar to any general. Who owns them, wins, who does not master them is defeated." (Michaelson 2007: 22). It can be made an analogy between the five factors listed above and the company's mission, external marketing environment, market, marketing manager and guiding principles.

Currently, the strategic marketing plan has the following stages established: a mission, the financial summary, a market overview, SWOT analysis, assumptions established, marketing goals and optimal strategies, resources allocation, with details of time, responsibilities and costs, but also forecasts and budgets .(McDonald 2002)

There are studies that examine the relationship between strategic marketing planning and financial non-financial, or corporate performance, (Rudd, Greenley, Beatson and Lings 2008; Andersen 2000), and marketing capabilities that are necessary to increase the performance (Phillips, Davies and Moutinho 2001).

Also, research shows a direct correlation between qualitative strategic planning and superior institutional performance (Oliver 2007: 16). Decisive and significant evidence confirm that firms, which have assimilated marketing planning gain superior results compared to those, which haven't been oriented towards this kind of planning (Pop 2000: 191).

Moreover, according to Bryson (2004), strategic planning has taken off within the public sector, bringing numerous benefits, including: (1) promotion of strategic thinking, acting, and learning; (2) improved decision making; (3) enhanced organizational effectiveness; (4) enhanced effectiveness of broader societal systems; (5) benefit the people involved.

3. Segmenting and positioning on higher education market

In higher education field, as in private sector, the identification of market segments, whose needs must be satisfied, is a basic step, specific to any marketing activity. The argument that supports the process of segmentation is a simple one. More precisely, people are different one from another and they also have different needs, and any university in the private or public sector should consider this.

In Romania, there is still a mass marketing in educational field that is characterized by lower costs, easiness in implementation, but neglect the differences between consumers' needs and preferences. It is therefore recommended that universities identify both the relevant segmentation criteria such as customer preferences for an education form (in campus or distance learning), customers' income or education level, and those viable market segments, which are homogeneous groups of consumers whose needs are to meet. The segmentation is followed by targeting, positioning and marketing mix development for each target market concerned.

An efficient positioning will lead to the formation of a favorable image.

Future students, as potential consumers can choose an educational institution taking into account only the image. The image can be changed or enhanced by creating a distinct identity. Positioning regards the differentiation of an educational institution's offer from other possible alternatives on the market. By determining the causes of attraction or rejection of an institution by its clients, can be determined its position in the market, can be explored and identified the best positioning methods and can be outlined several strategies in order to reach this position.

If the university is characterized by well-trained teachers or exclusive study conditions, it is possible that some private companies to propose their association with the image of the educational institution concerned. The consequences of this combination can be advantageous for both partners. Thus, the university can attract sponsorships and can provide attractive practical stages for students, while the private company has a positive image, differentiating from its competitors, due to involvement in the community life and in the professional education of youth. In fact, according to research conducted in 2007, most Romanian considers that among the most important things for an educational service unit to be considered good are: good teachers (72.1%), school facilities (37.0%), prestige, reputation, tradition (16.9%), and quality of school management (16.9%). And for a professor to be considered good, the most important is to be well prepared (68.6% of respondents) and a good teacher (39.2%), but also have moral qualities (25.6%), and to maintain good relations with students (23.3%). (Direction for Governmental Strategies 2007)

In addition, results of research conducted among students or doctoral students may be a factor influencing the decisions made in schools and universities, in the public or private sector. For example, only 13% of the 1,101 students of state universities in Romania, respectively 13.4% of the 1102 students of private universities in Romania consider that the Romanian education is

better than the West one and only 12.5% of the first sample, and 16.7% of the second believe that what is taught in Romanian universities is useful for them in life. (Direction for Governmental Strategies 2008)

4. Higher education marketing mix

Marketing mix consists of four components: product, price, distribution and promotion. If the mission was clearly defined, then this will influence the marketing mix elements. Also it will help create a balance between all four components and a course of development for each. The development of an effective marketing mix is basing on a market research. The need for a marketing research is justified by the rapid changes that are recorded in the demographic and economic environment in Romania.

a) Product

Educational product is more easily adapted to customer needs when it is designed in collaboration with existing and future students, their parents, with other universities in the field or even with graduates. Students themselves can contribute to the increase the quality of their education.

Higher education offer, as other types of services, includes three elements. Basic services are those that assure the transfer of information from its owner (the teacher) to the customer (the student) and are conducted during classes and seminars. Secretarial services, which involve the enrollment of students in the academic year, establishment of program and working groups and the release of diplomas and certificates are auxiliary services, while accommodation and catering services provided by the university are supplementary services.

In order to sustain and adopt a product strategy, universities, as tangible goods providers, take into account three essential strategic elements: (1) the quality of the educational program, (2) the degree of renewal of the education service and (3) range size and structure.

Universities' strategic decisions can be affected by limited financial resources whose use must be reflected in tangible results, as the performance indicators. Thus, a state university whose offer is no longer found in the preferences of high school graduates or among employers' requirements can not allow funding marketing research to identify the main customer segments and their psychosocial characteristics. Moreover, if the manager lacks the marketing vision, he will consider these costs unnecessary, because from his point of view there are other pressing responsibilities to be carried out successfully, such as providing the academics standards and a modern and pleasant working environment.

Therefore, due to these considerations, there is likely that the educational offer to include within undergraduate or master programs some disciplines that can be overcome in terms of information value, without assuring graduates a good training in a specific field, or a well-paid job. This is why the universities can lose their clients or damage the organizational image.

There can be noticed that the four causes of a poor-quality service (Zeithaml, Parasuraman and Berry 1990) can be found in the field of education, too: (a) poor knowledge of customers' needs and aspirations, (b) establishment of inappropriate quality standards, (c) employees' insufficient training and/or lack of motivation, (d) the difference between organization's promises on the service provision and what it really offers.

b) Price

Price may be a factor of choice when future student chooses to pursue a university course. The price includes not only the payment of annual fees for education, but also includes accommodation and food costs, especially if students come from another city than where is located the faculty, but also costs related to transportation or telephone conversations with parents. There should not be neglected the emotional and psychological costs, as the price paid by a student for being away from home and family, nor the constant effort required to achieve satisfactory academic results.

The total price can be reduced by obtaining financial aid as scholarships, sponsorships, potential earnings during internships or by reducing the courses length, as these take place intensively.

c) Distribution

Distribution takes into account school location, or method of providing educational services. In light of demographic change, the educational institution must adapt their offer on the continuously changing needs of clients. Sometimes there are necessary the distance-learning programs that offer two advantages: students can deepen the information at their own pace and in addition, they have sufficient time to enable them to carry other activities.

Also, regional education centers meet the needs of those customers who would like to attend a university, but are restricted by the inability to leave their current job in another city, because this can be their main source of income.

d) Promotion

The educational institution can achieve a corporate identity on the market through the undertaken promotional activities. The organization must inform its customers about all the activities it carries and the portfolio of goods and services it offers. This communication consists both of promotional and continuous demarches. At a high level of importance stand the university's logo and architecture, which can create for the educational provider an exclusive image and help it to differentiate from its competitors.

Information that institution wishes to transmit to its future students may take the form of brochures or leaflets distributed in schools and high schools, posters placed on campus, high-traffic spaces, or can be shared on the official website of the institution. The public relations can not be neglected, taking into account that this technique is recording an upward trend in all marketing communication. Alumni organizations can be effective also, but their influence on the university image shows on long term.

All elements of the marketing mix are interrelated. The quality of an educational program that is effectively promoted can attract a larger number of customers. The university's location and quality of educational services influence the price level. It is very important for a university to establish the price level low enough to attract a large number of students, but high enough not to sacrifice the quality of the product, or give rise to a negative image of the institution. It is also essential to know the needs of current students, but also of the future ones, so the university to adjust its marketing-mix in order to provide them an attractive educational package.

5. Conclusions

Addressing a proper marketing orientation, higher education institutions will seek to better understand the needs and wishes of the people they serve and also seek to develop services to suit their needs best. In addition, it should be noted that actions of these organizations have an impact on their image, on their ability to attract new customers and at least to maintain if not to improve the existing customers' satisfaction level, on building loyalty and attracting the volunteer donors. Moreover, it can be said that the role of marketing is to create a link between communities and educational units through a system of mutually advantageous relations. To maintain these advantages, the universities must use instruments to collect and analyze data, so to conduct marketing research, to follow the right steps in choosing the target market, and through marketing strategies to adapt the educational offer according to potential students' needs and preferences.

Efficient training means the greatest amount of learning for the least expenditure of time, money and effort (Waheed, Mansor and Ismail 2011: 37). This is why the universities in Romania need to control the budget, to coordinate all marketing activities and to be coherent and consistent in all their actions. Thus, they can integrate all efforts in a strategic marketing planning process, and ultimately achieving economic efficiency and organizational performance.

A future research direction may result in a comparison of universities in Romania, in terms of efficiency using Data Envelopment Analysis.

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