Self study unit: Marketing

LSIS
LEARNING AND SKILLS IMPROVEMENT SERVICE

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The Executive Leadership Development programme has been developed by the Learning and Skills Improvement Service (LSIS). This self study unit is one of a series produced for the flexible Executive Leadership Development Programme. It is designed to support first and second tier managers and leaders in leading their institutions in a time of rapid and complex change for the sector and to strengthen the leadership capacity of the further education sector.

The qualifying programme has been developed using the LLUK benchmark role specifications for managers and leaders at these tiers. It will recognise formally the specific expertise required in FE leadership

This module was first published in January 2008. It was reviewed in October 2010.

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Published by the Learning and Skills Improvement Service 2011

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Introduction

Marketing can often make the difference between an effective college with over-subscribed efficiently operating programmes and one which is struggling to fulfil and manage contract requirements. Historically, marketing in further education has often been focused on the 'promotional' aspects, and only in relatively recent times have we seen the function develop into an area with strategic and commercial importance.

This material is aimed at providing you with a strategic understanding of the marketing function and the approaches employed for success, from the marketer's perspective.

This unit has five sections relating to different aspects of marketing. The diagnostic questions will help you identify which sections you need to focus on. Each section includes at least one task aimed at helping you to reflect on how your college uses the concepts and techniques described. Feedback on each task is provided in a separate section at the end of the unit.

If you wish to look into a topic in more depth, you will find additional operational detail in the annex.

Overview

Why you need to know about marketing

As strategic leader, you want to be confident that:

- your college is proactive, responsive and has a detailed understanding of its current and future customers and routes to market;
- you can deliver sound marketing strategy that keeps you ahead of the competition and in line with current government agenda;
- your planning is effective, measurable and financially viable and
- your college enjoys an excellent reputation, commercially and publicly for its achievements, flexibility and diversity

For the majority of time you will not be directing the marketing effort personally. You will have a team of colleagues, some specialists in marketing, others directing, developing and delivering the curriculum and college services. It is important that you understand, strategically, how marketing can shape the direction of your business and also to distinguish between the strategic and operational/tactical elements. With this knowledge, you will then be able to evaluate critically, the delivery of the marketing

function in the college and advise your team accordingly.

Marketing activities are all those associated in understanding the requirements of a target group of customers (customer voice), and then developing and delivering the most appropriate activities to meet these requirements.

In commercial industry, marketing is driven and evaluated by profit. In the not-for-profit sector, marketing is driven by other imperatives, although these are almost always income-related. What is often missed in further education marketing is a clear method of performance measurement and metrics for analysing return on investment for marketing activity.

In many colleges, the marketing strategy forms a large part of the strategic plan. However, the extent to which the planning process is informed by reliable evidence and market knowledge is quite variable across organisations. Therefore, college marketing strategies are frequently overly generic, often with limited tangible outcomes.

The key challenges in marketing are:

- gaining high quality information about what your customers need and want, and understanding what information is actually required (Section 2);
- designing and delivering a portfolio and service to meet those needs (Section 3);
- communicating effectively with your customers - internal and external (Section 4);
- managing relationship with the public (Section 5) and
- developing an overall strategy/plan to meet these challenges (Section 1.

Key documents

The following college documents are likely to be helpful:

- mission, vision and values statements;
- strategic marketing plan;
- operational and tactical marketing plan and
- a range of communication materials: website, prospectus, leaflets, leavepieces, newsletters, press releases, mailings, DVDs etc.

Understanding key marketing terms

Like all business processes, marketing has its own language including the following key terms.

- Brand – often misunderstood as just an organisation's logo (corporate identity). Your brand includes how the organisation image (or specific element of business) is perceived by your current and potential customer base. A brand is developed in a number of different ways, but is portrayed through all elements of communication including: logo, tone of voice in written materials, product, service and staff behaviour. All of these elements combined create a brand identity which enables you to differentiate your offering from your competitors.
- Market segmentation – the process of identifying or describing groups or types of customers who share identifiable common characteristics that influence their consumption patterns.
- Marketing mix – the different elements that together comprise the overall service that users experience – in education this is often listed as the '7 Ps'.
- Marketing research – the gathering of data and information on the market, both how the market behaves and why it does so.

- USPs – Unique Selling Points. An element of your offer that is unique to your organisation.
- Customer voice – The wants, needs and requirements of your individual customer group.
- Above the line – paid-for media communications, which are relatively high profile and brand building, but often difficult to monitor for direct responses, sales and levels of success.
- Below the line – targeted and specialised communications, which have a measurable and direct outcome.
- Value Proposition – A value proposition is a relatively new concept in Further education that has been used successfully in commercial marketing for many years. A value proposition is how a particular organisation can 'partner' and support the various wants and needs of customers. This can be communicated verbally and also in written materials.

Other common terms are highlighted in bold in the text and explained in the glossary at the end of the unit.

Which sections do you need?

Use the questions below to assess your current understanding of marketing. If you need help in answering the question, then you need to look at the relevant section:

1. Does your marketing strategy and associated plans meet the strategic needs of the college? (Section 1)
2. What are your college's target markets? How and why did you choose them? (Section 2)
3. How does your college's marketing activity and tactical implementation target the markets identified in your strategic plan? (Section 2)
4. To what extent does your portfolio of products and services meet the needs of your current and potential customers? How do you know? (Section 3)
5. What methods does your college use to reach your target audience? For each one, how do you know how cost-effective they are? (Section 4)
6. What sort of reputation does your college have amongst the learner community, local employers, students and staff? How do you know? How could you improve the reputation? (Section 5)

Section 1: A systematic approach to educational marketing

Introduction

This section sets out a systematic approach to educational marketing, using a four-stage model drawn from authoritative marketing texts and evidence from marketing plans developed by FE colleges.

This section will help you to:

- describe how a marketing plan can be developed for your college's services to a specific market segment;
- explain how the marketing plan and tactics can support the overall strategic plan;
- identify the central role of marketing in learner and employer centric educational organisations and
- outline ways in which the marketing function can be organised most effectively.

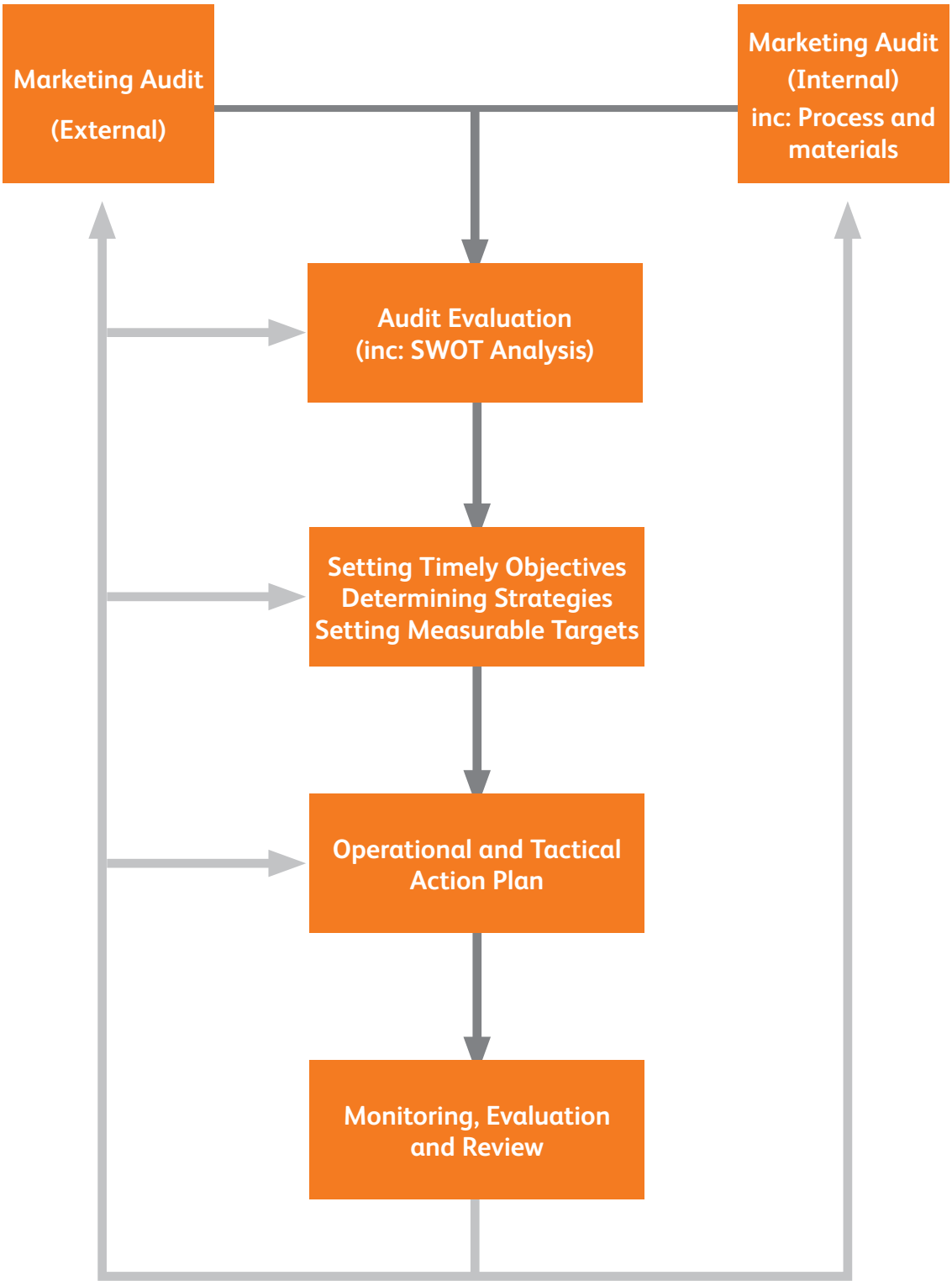
A four-stage approach to educational marketing

Ideally, a marketing strategy should cover a maximum of three years in timescale, with the first year set out in full detail, including operational activity and tactical implementation. Historically, it was common practice to build a strategy for up to five years, however, this has become more impractical in recent times, with common changes to funding and targets. Initially, the senior management team, marketing team and curriculum managers, should conduct a review of the market environment, and of the college's marketing activities and future direction. This can be a major exercise the first time round, but in subsequent years you will be able to concentrate on adaptations to the plan arising out of changes in the marketplace and/or the college's capabilities. If your college hasn't been through this process before, you may consider the support of a facilitator for your first planning event.

An effective way of implementing this process is through a practical workshop event where areas are brainstormed and discussed openly as a group. These ideas can then be collated and developed further to build the foundations of the marketing strategy.

Keep in mind that the wider a college's range of services, and the greater the variety of market segments it targets, the more formal the marketing planning process will need to be. A marketing strategy and subsequent plans should be 'live' working documents that are referred regularly during the delivery process. The planning process follows the sequence set out in Figure 1.

Figure 1 The marketing planning sequence



For more detail about each stage in the planning process see the annex.

Organising marketing in the college

Effective marketing should ensure that the college is customer-centric rather than product (courses) -centric – the design and delivery of its services should be derived from the wants and needs of actual and potential customers, including learners, employers, funding bodies and under-represented groups.

Key elements of the marketing function

A number of marketing activities support the college's strategic plan.

- Marketing strategy and planning
- Market research
- Marketing communications
- Defining specification on which portfolio development can be based, including curriculum and services
- Customer care and relationship development
- External liaison, publicity and PR
- Internal marketing (co-ordination and internal selling).

These activities may be split between several departments or sections within the college, as it's not always practical to physically deliver this under one 'marketing director', but they must always be effectively co-ordinated and led by the senior marketing person within the college. This means giving marketing strategic level status within the college and supporting its implementation from the top down. Not only will this allow the function to develop to a high level, but will often also begin the cultural development of marketing in the college.

It is still common place for the marketing department to be viewed internally as the promotional, design and brochures facility. A strategic marketing team has become a vital part of further education and can now form the commercial link with full cost recovery training in business, understanding employer requirements and relating to the growing demands and requirements of learners themselves.

Strategic marketing issues should feature on the agenda of the governing body alongside financial or personnel matters. This is vital if Board members are to discharge their role in setting the educational direction of the college, founded on empirical evidence from the marketplace.

A strategic approach is also necessary to make sure that all marketing activities and materials are fully measurable by using agreed performance indicators often referred to as SMART (Specific, Measurable, Achievable, Realistic and Targeted).

Figure 2 lists key marketing success factors and is drawn from studies of the management of educational organisations.

Figure 2 Key marketing success factors

Area	Key success factors	Rating (1 – 5)
Mission and strategic marketing	High quality and enthusiastic leadership, setting market-led and customer-centred example Well motivated staff with 'can do' attitudes Encouragement of bottom up as well as top down **communication** Willingness to encourage risk-taking	
Environmental analysis and market research	Continuous monitoring of student/client feedback Systematic competitor analysis Targeted market research to inform cost–benefit analysis of major developments Effective understanding of the requirements for and the use of labour market intelligence (LMI), desk research, learner and employer databases and tracking systems	
Customer voice	Delivery of advisory groups and workshops formed with representatives of key customer groups Gaining feedback from customers in face to face communication, continuous review and/or questionnaires	
Market segmentation	Clear identification of differing market segments Clear recognition of their distinctive needs, motivations and Barriers Customisation of service to individual student/ client: active role of student services Understanding of market share	
Curriculum development and quality assurance	Quality assurance systems which link to curriculum and strategic planning Business plans linking curriculum and resource plans to market information	

Area	Key success factors	Rating (1 – 5)
Publicity, sales, customer relations and PR	Professionalism of materials and campaign design Distinctive targeting Excellence in external liaison with individuals, communities and partner agencies Materials that promote and reflect diversity	
Organisation, planning and resourcing	Substantial time and effort devoted to curriculum review and development, quality assurance, student services and client relations	
Monitoring and Evaluation	Quantifiable costs and benefits of specific marketing activities Spend proportionate to resources and anticipated benefits Balance of research and promotional spend Tracking of enquiries/ applications / enrolments/ complaints	

Task 1

1. Use the list in Figure 2 to assess the extent to which these success factors apply to your college within the range of 1 (poor) to 5 (excellent). [If you don't feel able to make that assessment in any particular performance area, you might need to review the relevant part of this study guide and then come back to this task.]

2. Take a closer look at those performance areas which you rated as 3 or less and assess the key success factors individually on the same scale. What improvements do you think need to be made and who should action them?

Feedback

For feedback see end of unit.

Key points - Summary

- A four-stage approach to educational marketing strategy can be used to generate a marketing plan for the college which can be rolled forward annually to focus on change in response to developments in the marketplace and/or the college's capabilities.

- The marketing function should ensure that the college is customer-centric rather than product (course)-centric. Decisions concerning the strategic direction of the college should be genuinely market-led.

- For marketing to have a full strategic role within the college, its various functions must be effectively co-ordinated across the relevant departments. Strategic marketing issues should feature alongside financial or human resources matters on board agendas. A strategic approach is also necessary to make sure that all marketing activities and materials are fully measurable by using agreed performance indicators often referred to as SMART (Specific, Measurable, Achievable, Realistic and Targeted).

Section 2: Knowing your market – learners & employers

Introduction

Factors that shape a college's actual and prospective client groups are formed by its local, regional and national operating environment. This environment has several interlocking and often complex dimensions, including:

- the economic environment, including local, regional and national employment opportunities and indices of deprivation;
- the socio-economic environment – the characteristics of the local population as it divides into various sub-sets, and the extent to which this is mirrored in the college's staff/ learner diversity;
- the demographic (or sometimes geo-demographic) environment – the distribution, (rural, urban, suburban, etc.) of those socio-economic groups and their home or business location and
- the competitive environment – alternative provision such as the presence of school sixth forms, other colleges and independent training providers and further non-educational opportunities available locally.

This section will help you to:

- develop strategies which are both evidence-based and market-led;
- identify how educational market data can be used most effectively to inform decision-making;
- identify methods for market segmentation and evaluate your college's approach and
- explore the potential for tailoring your college's marketing more closely to learners' and employers varying requirements.

Marketing research and marketing management information systems (MIS)

Information for educational marketing purposes extends beyond that held on current or potential learners. The extent of the educational market can be usefully categorised under several headings:

Consumers (users)	Learners, employers, voluntary organisations
Customers (payers)	Learners, parents, employers, voluntary Organisations
Funders	Government, funding agencies, charities
Influencers	Parents, partners, friends/relatives, politicians, employers, professional bodies, the media.
Planners, policy-makers and regulatory bodies	National and local government, regional planning bodies, YPLA, SFA, inspectorates, qualifications design, accreditation and awarding bodies

Information across all these areas is potentially relevant to marketing decision-making. Using market data effectively to inform decision-making requires a well maintained marketing management information system (MIS). Such a system has three principal interlinked components, shown in Figure 3 on the next page.

The various components are described in more detail in the annex.

Conducting and commissioning market research

Educational market research should help you to:

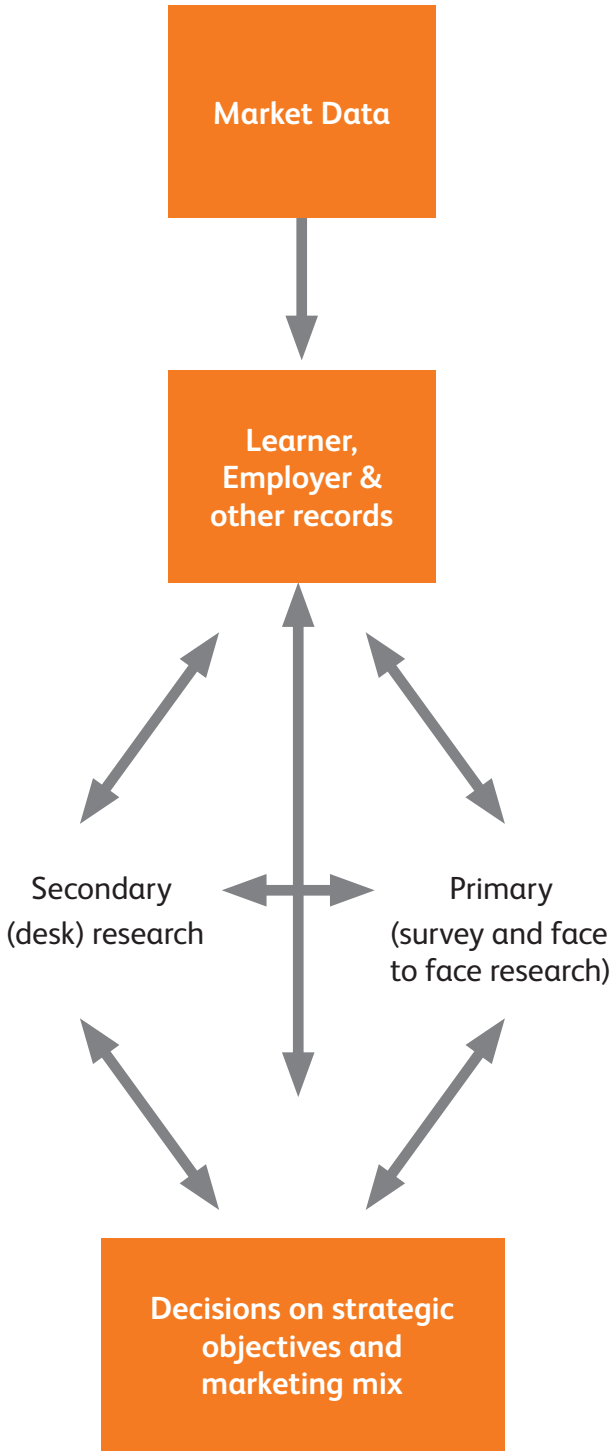
- forecast demand for learning and other educational services – to ensure the efficient planning of resource allocation;
- identify market wants, needs, attitudes and opportunities – to design and deliver the right courses and other services, to develop a positive identity, and to communicate effectively with target audiences and
- evaluate provision and performance – to review the effectiveness of the current marketing mix(es) and to reassess corporate objectives and strategies.

For primary research and major desk research exercises, it is often more cost and time effective to commission an agency or consultant to do the work.

Below are some key points to consider when commissioning an agency.

- Much of the work commissioned to researchers and consultants is often not targeted correctly and, as a result, may not provide specific value for planning and setting strategy by being overly generic. It is important that the marketing team are clear about what the requirement is, before commissioning takes place.
- Provide a realistic and professional research brief. Be clear about what you want to know and in each case why you want to know it – spell out the particular decisions that the research is intended to inform.
- It is the role of the consultant/agency to advise on and justify the methods that will fit the available budget, and to point out the limits, such as questions that their research cannot answer without spending additional time or money.

Figure 3 Components of a marketing management information system (MIS)



Disseminating market research findings

High quality market research can be invaluable in informing curriculum and business planning decisions. Both commissioning managers and the researchers themselves (agreed during commissioning phase) should ensure that key findings are disseminated in forms appropriate to the target audiences. Findings should always be accompanied by a clear and concise review of the data, explaining the potential or known reasons for the findings, what they could mean to the organisation and whether, for example, numerical differences are significant, and whether they are likely to continue in a similar pattern in the future.

As an example, differences between courses and departments in learner satisfaction, retention and achievement may be due to differences in the gender, age and ethnicity profiles of their learners, rather than to variations in quality of delivery. Evidence shows that learners respond positively to open and regular feedback about survey results and action that will result from the findings. A lack of feedback tends to provoke negative reactions.

Furthermore for employers, understanding market dynamics, current market share and developments in local, regional and national economy can all be used in building a valuable knowledge base of the business market and how the college can best engage with employers as a key customer of the future.

With developments in funding provision, comes the greater pressure of competition. Many colleges and training providers are developing fully commercial arms to their delivery model. By developing marketing resource to look into new models of supporting industry and engaging with employers, it is possible to build successful full cost recovery elements to the portfolio and becoming a flexible and responsive provider of commercial training, which in turn provides the college with further control over its future income

Market segments

Market segmentation is the mechanism by which an organisation identifies commercial opportunities, plans services, and differentiates and targets prospective customers. Figure 4 on the next page indicates the type of broad market segmentation typically used by a general FE college. Each main segment and sub-group has distinctive educational wants and needs. These provide the starting point for designing effective provision.

Figure 4 Market segments of a general FE college

Main segment	Sub-group
Young people	14 –16 year-olds seeking vocational and skills training 16–19 year-olds: seeking vocational and skills training, apprenticeships seeking academic qualifications for entry to university unemployed, seeking entry to employment market
Adults	Adults, defined as aged 19 years and above: seeking to improve qualifications and/or update skills in order to advance career adult apprenticeships unemployed, seeking to return to labour market women seeking to return to labour market after child rearing mature learners, seeking new interests minority ethnic groups with language/ other needs individuals with learning difficulties or disabilities overseas students
Employers	seeking training for workforce towards national qualifications seeking training for workforce to meet legislative requirements supporting continuous professional development and loyalty of workforce through specific training programmes seeking tailor-made training courses, consultancy or research services Employers are also typically segmented according to industrial sector and occupational grouping, which helps to determine specific vocational areas in which training and other services are required.

(Source: Davies, 1999)

There are various research reports and methods which can inform institutional understanding of the characteristics of different client groups – see 'Suggestions for further reading' for details.

Widening participation and reaching hard-to-reach or under-represented groups

A growing number of public sector agencies continue to develop strategies for researching the needs of, consulting with and marketing to under-represented groups who may not be adequately reached by current marketing and information channels. If necessary, managers responsible for diversity and/or marketing will find a range of good practice ideas on the internet under 'reaching hard to reach groups'.

Task 2

- What key market segments does your college aim to recruit?
- Is the segmentation done at the right level of detail to support effective decision-making?
- In what proportion do the segments reflect government priorities versus local circumstances?
- To what extent does the range of programmes offered by your college meet the needs of your target market segments?

Feedback

For feedback see end of unit.

Customer relationship management (CRM)

Customer relationship management (CRM) is an element of marketing, which focuses specifically on relationship development between the organisation and the customer. Often mistaken purely as a software system, CRM is a set of planned processes and activities for tailoring your marketing and communications to the individual customer's requirements. A CRM software tool can assist and enable the delivery of your college CRM strategy, however it is not the most important element of the CRM model.

When developing a CRM strategy, it is vital to engage internal stakeholders in the planning stages of the process. If departments and individuals can see the value and importance of strong CRM, they are likely to be helpful and supportive of initial CRM delivery or the consequent implementation of CRM software. There are many organisations and colleges that have a CRM system in place for recording learner and employer information, but it is less common that this information is used to its full capability for structured CRM campaigns, mailing and reporting for example.

A number of organisations have encountered difficulty in the engagement of cross college department staff, primarily around the issue of inputting accurate and consistent data for CRM. On occasion, this can be due to a lack of training or support from senior management, but is usually due to the lack of visible output from college CRM systems. To maintain staff engagement it is important to regularly show output and disseminate information relating to CRM activity.

Organisations in the learning and skills sector have been slow to exploit databases for tracking, research, segmentation, sales development and managing relationships with customers over a period of years. Most MIS offer some limited potential for CRM but are seldom used for this purpose, since they are more frequently seen as a mechanism for releasing funding and usually have limitations on CRM functionality.

In the UK, supermarkets and service led commercial organisations have led the way in using CRM technology, tracking our preferences through loyalty cards etc. A successful CRM system for a college would track learners and employers from the point of first contact (such as course enquiries or business training requirements, open day attendance) through:

- Application;
- interview enrolment;

- completion and achievement;
- re-enrolment or other progression

and for employers through:

- initial meeting or enquiry;
- organisational needs analysis;
- health and safety;
- work place assessments, etc. and
- completion and future engagement in training,

and link to a range of other personal data (home or business address, telephone number, previous schooling and qualifications, courses taken and completed, and so on).

When managed correctly, systems can also monitor employer contacts, produce diversity data and generate documentation, correspondence, invoices, pre-populated enrolment forms, maps, charts and graphs, and much more.

In full operation, a good CRM system can run and monitor all individual marketing campaigns and provide reports on outcomes and milestones within each activity. A fully operational CRM system will help enable the team to make informed decisions on future strategy and campaigns.

Key points - Summary

- In a competitive environment, colleges need to have detailed knowledge of both existing and prospective client groups so that they can tailor their provision to the needs of those likely to want to use it. Important techniques for achieving this aim are, firstly, market research using marketing management information systems (MIS) and, secondly, detailed market segmentation for learners, employers and other key customer groups.

- Marketing MIS bring together market data – both qualitative and quantitative. When commissioning market research from external agencies, colleges must be very clear about the precise information that they want to generate.

- Customer relationship management (CRM) further refines market segmentation by tailoring marketing to the individual customer's characteristics.

Section 3: Addressing and meeting customer needs (learner and employer)

Introduction

As you have seen, a key element on the marketing function in college is to tailor its provision to the needs of learners and employers.

This section will help you to:

- use your understanding of marketing mix to evaluate and re-design the components of the college's service in relation to the identified needs of a given market segment;
- explain the criteria underlying the pricing of services that the college provides and
- use different portfolio analysis models to examine critically your college's range of programme areas/courses, taking into account market circumstances and trends and the college's organisational capabilities.

The educational marketing mix

A concept basic to marketing is the marketing mix. This is the term given to a checklist of the constituent elements that together comprise the overall service that users experience. For services such as education, the marketing mix is usually listed under seven main headings commonly referred to as the '7 Ps'. These are:

Product	People
Place	Physical evidence
Price	Processes
Promotion	

The four on the left are common to all products – manufactured goods and services. The three on the right specifically apply to marketing services in recognition of the much greater level of day-to-day interaction between the organisation and users that is typical of services.

For more detail about what is meant by the 7Ps see the annex.

Pricing educational services

Funding from the YPLA, SFA and other sources, plus the income from fees are key determinants of the amount, quality and take-up of the educational services that a college provides. Colleges and other providers of educational services must recoup their overall costs and more from the combination of funding and fee income in order to cover central college costs.

The aims of a college's pricing policy are to:

- support overall strategic objectives;
- enhance the appeal of the marketing mix to the target segment(s) in question and
- enable the college to be financially secure.

The price, or fee, that any individual or business is prepared to pay for a course or any other educational service is not necessarily dependent upon the costs of putting on provision. It is based upon the combination of their perceptions of:

- its value to them, which in turn is interlinked with their feelings about its quality;
- its affordability and
- the price of competing alternative services.

Price is seen as a powerful indicator of quality. A common assumption is that a low-price service cannot be high quality. Conversely, a high price often gives the expectation of high quality.

The more distinctive a service is in the eyes of potential users – that is, the fewer genuine alternatives to it that are available – the greater the freedom the provider has in setting its price. Different market segments have different perceptions of the ideal relationship between price and service quality. In markets with many providers, a combination of either 'high quality–high price' or 'no frills–low price' may prove more attractive to learners and employers, than the 'medium quality–medium price' mixes of most suppliers.

Portfolio analysis

Portfolio analysis means analysing the college's present and future offer to ensure strategic use of resources. A number of conceptual models can be used to help inform strategic decisions on the range of services to be offered, new services to be developed and launched and older ones to be withdrawn. Staff often want to offer new courses but are reluctant to drop anything from the current prospectus. The pressure is therefore towards an ever-growing range of courses and other services with the ultimate consequence that the college's resources become too thinly spread.

There are several different models to stimulate your thinking about decisions on your college's

future offer.

- Portfolio Strategy (Ansoff) Matrix
- Boston Matrix
- Product Life-Cycle
- Product Development (GEC) Matrix.

For more detail about these models see the annex.

Task 3

- Select a market segment which particularly interests you. Against each of the 7 Ps
- Outline the key features of the current marketing mix that your college offers for that segment.
- Identify the matches and mismatches between the current mix for the segment and its wants, needs and other relevant characteristics.
- How do the marketing mix(es) of any competing providers compare? (If you do not know this already, your marketing department should be able to glean some idea from their websites or publicity materials.)
- Use the Ansoff Matrix approach to analyse and assess the risks and benefits of changing or expanding your existing portfolio to reflect your analysis of demand.

Feedback

For feedback see end of unit.

Key points

- The 'marketing mix' is the combination of different elements that make up the overall service that the user experiences. Educational marketing mixes may be expressed in terms of the '7 Ps' – product, place, price, promotion, people, physical evidence, processes. A successful marketing mix assembles the 7 Ps in the way that best meets the needs of target market segments or individual users.
- The price of an educational service is an important part of its appeal. Colleges should recognise that whilst providers think in terms of what the service costs to provide, potential learners and partnering employers will think in terms of the course's value to them, or their business, its affordability and the price of equivalent services offered by competitors. Potential learners and employers alike, also tend to equate price with quality, so a low price may not in itself guarantee high take-up rates.
- Portfolio analysis models are valuable tools for helping colleges make strategic decisions as to what services to offer, which new services to develop and, crucially, which older or outdated services to withdraw.
- They take into account factors like market share, changes in the market and organisational capacity.

Section 4: Marketing communications

Introduction

Marketing communications are a vital aspect of the marketing department's remit – and also the most visible. This is where colleagues can support the Principal to ensure that both internal and external communications are fully effective. It is important to ensure this element of marketing works for your college, but that it does not become the overriding element of the teams work.

This section will help you to:

- review and critique your college's marketing communications;
- define and apply the concepts of brand, corporate identity and image and explain the pivotal role of all three in shaping the college's reputation;
- describe how the college's mission, vision and values are reflected in all its communications and
- outline the key elements in planning a marketing communications campaign.

What is marketing communication?

Effective and successful marketing communication is the distribution of values, information and ideas so that the receiver becomes engaged and understands what the sender intends. Marketing communications primarily fall into three different categories

- Informational
- Promotional
- Informational and promotional.

Marketing communications are sometimes called marcomms or corporate communications. (Note that public relations is sometimes also called corporate communications but marcomms and PR are not the same thing – see Section 5). Marketing communications encompass both channels of communication – how the organisation communicates – and messages – what the organisation says about itself. They are closely linked to the college's reputation (see Section 5 for detailed discussion of reputation) because if they do not reflect the college as it really is or as it wishes to be seen they will damage its reputation.

Think about the channels your college uses to communicate with your learners and stakeholders – some examples of the likely range are listed in Figure 5.

Figure 5 Channels of communication for marketing

Print	Broadcast	Digital/Online	Personal
Various Prospectuses Course leaflets Annual Report Guidance materials Course materials Adverts for the Newspapers Posters Newsletters Corporate literature ie. press packs, candidate packs for Prospective employees incl. Value proposition document application forms Enrolment forms Press releases Information in alternative formats (eg audio, DVD or Braille) Information in Community Languages Signage Memos Various leaflets Letters /stationery (business cards, compliment slips)	Radio or TV advertisements Podcasts	Website Intranet VLE Web logs (blogs) Emails Text messaging Social media Facebook Twitter Linkedin DVD, CD	Open days/evenings and awards events School visits Taster days Parents' evenings (at feeder schools and within your college) Careers fairs Staff meetings Reception Student services Answering phones Employer days

All of these channels are opportunities to communicate with your stakeholders and to deliver your key messages. To choose the most appropriate channel for your communication you have to consider:

- the objective;
- the audience and previous feedback;
- the messages and
- budget constraints.

It is important to ensure that marketing activities are consistent with the overall position of the college in terms of its mission, vision, values, corporate culture and objectives. The mission, vision and values may themselves require review to ensure they are specific and relevant to your college and customer group. In addition, marketing (and the related function of PR) must recognise the activity of other areas of the college that have direct contact with key stakeholders/publics.

Brand, corporate identity and image

The college's mission, vision, values and corporate culture need to be reflected in all its marketing communications. In marketing terms, they need to be translated through the brand, identity and image.

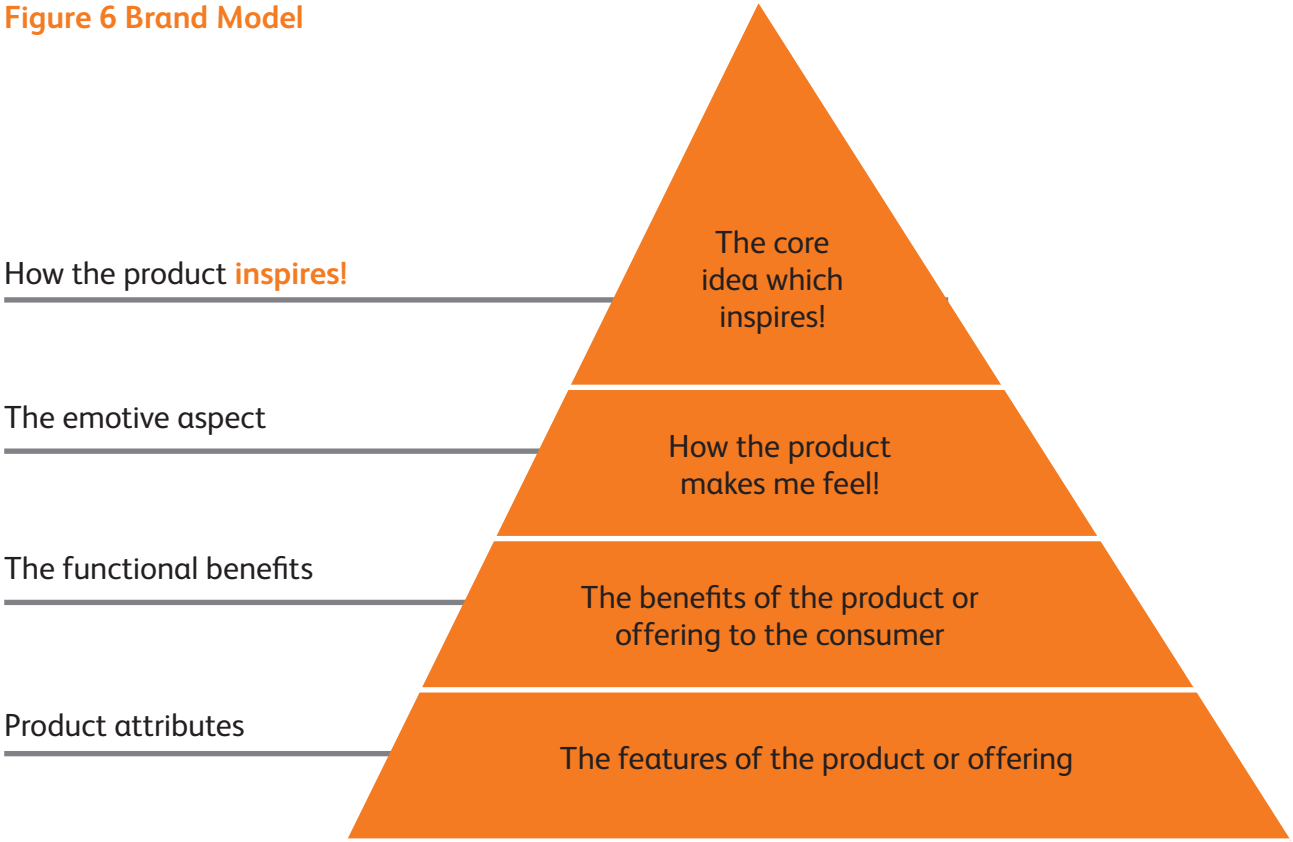
What is the college brand?

'Brand' is a word much bandied about within marketing departments, but often misinterpreted. A brand was historically an 'identifying trade mark', but today a wider definition is applied as branding has become a key business function in its own right. Brands are now used as a means of differentiating company values, approach to market and physical products from those of their competitors and can be positive or negative in their effects. David Aaker (1996) defines brand equity as: 'A set of assets (or liabilities) linked to a brand's name and symbol that adds to (or subtracts from) the value provided by a product or service…'

Think of the Mercedes logo. Now imagine you were picking up a brand new, top-of-the-range Mercedes S Class (luxury limousine). How would you be treated by the staff? What would the showroom be like? What would their stationery look like? All of these things, and many others, together build the brand. The Mercedes brand is so strong that you could probably draw the logo from memory and you probably have quite strong ideas and feelings about the service aspects of the brand too. All this and you may have never been in a Mercedes or experienced their service first hand. This is very much how experiential marketing is being built on as the corner stone of premier brands across the globe and there is no reason why your college can't implement many of these methods and models into its own delivery of building a powerful brand.

When reviewing or building a brand for your college, whether it is across many functions or for a specific target market group, it is useful to follow the brand model from the ground up as shown in Figure 6. Each element forms the basis for the development of key messages you will display and communicate from within your brand.

Figure 6 Brand Model



How does the college brand affect its reputation?

There is a relationship between the college brand, its corporate communications and its reputation. Charles Fombrun (1996) identifies five key characteristics that contribute to a strong corporate reputation. He suggests that these characteristics are linked to strategic positioning, brand marketing and corporate communications.

Figure 7 Five characteristics that contribute to reputation

Distinctiveness	Strong reputations result when companies occupy a distinctive position in the minds of stakeholders.
Focus	Companies which focus on a core theme tend to have strong reputations. US medical products group Johnson & Johnson is highly ranked on public trust from its focus on the company as nurturing and caring. Its communications feature babies even though baby products represent less than 10% of the company's portfolio.
Consistency	Global surveys show well-regarded companies are more likely to orchestrate and integrate initiatives across functions. Those with weaker reputations demonstrate compartmentalised relationships with different stakeholder groups. Such approaches tend to engender inconsistency. At General Motors, for example, overlapping and conflicting communications emanate from the level of individual brands, stifling the development of stakeholder loyalty to the whole company.
Identity	Fombrun maintains that a strong reputation is built from authentic representations of the company to its stakeholders rather than attempts to manipulate external images through advertising or public relations campaigns that are disconnected from the company's identity.
Transparency	Strong corporate reputations develop when companies are transparent in conducting their affairs according to Fombrun. Highly regarded companies are found to be more visible in all media than direct rivals who are not so well regarded. They disclose more information and are more willing to engage stakeholders in dialogue. Communications increase the probability that a company is perceived as genuine and credible and so attracts support from stakeholders.

(Source: Adapted from Fombrun, 1996)

It can be easy to confuse 'brand' with the related concept of corporate identity.

Corporate identity

Corporate identity is defined by Van Riel (1995) as 'the self-portrayal of an organisation', ie. the cues or signals which it offers via its behaviour, communication and symbolism.

So while brand relates to the physical attributes of a product or service, together with the beliefs and expectations evoked in the mind of the audience on seeing the logo or hearing the name, corporate identity is the character that an organisation seeks to establish in the minds of its stakeholders, reinforced by consistent use of its brand(s) and the beliefs/expectations that the brand evokes. Both are vital to the ultimate success of one another.

An organisation may have an overarching corporate identity as well as maintaining several different brands. A college might have a distinct corporate identity and master brand, which accommodates or endorses, different sub brand identities created for different target markets – for example, a dynamic, youthful brand for its under 18 courses and a separate corporate and professional brand identity for its business management courses.

Communicating the corporate identity, identifying when it is appropriate to develop it, and getting the balance right in creating targeted communication platforms within the college's overall identity, is part of the art and science of marketing and brand development.

Visual imagery and corporate identity

Visual imagery is one of the most important, and often overlooked area in establishing strong corporate and brand identity. The visual nature of your identity sets the tone and basis for how your provision is interpreted by the viewer. You can have the best offer, written copy and brand values, but this can all be detracted from significantly if imagery is overly generic, poor quality or not tightly targeted at your specific market and sector. Here are some of the ways in which we regularly use visual images as clues to identity.

- Nationality: consider how flags, military uniforms, and other symbols reflect particular countries. The traditional red of the London bus, telephone box and post box epitomises the identity of Britain for many
- Stereotypes: visual imagery acts as a shorthand. We expect someone with a white coat and stethoscope to be a doctor or a woman with a veil to be Muslim
- Group cohesion: the use of badges, dress, uniforms and other aspects of visual identity help group members identify each other and differentiate from outsiders. This is true from the military to groups such as the scouts; teenagers and young people adopt the 'uniform' of youth conformity.

Similarly, organisations use visual imagery to create cohesion and corporate identity through, for example, logos, corporate colours, uniforms, buildings and product design. Consider the power of the classic Coca Cola glass bottle as visual imagery.

In terms of marketing communications, we can exploit the power of visual imagery by using memorable high quality photography and artwork. Images, such as those used by the media, are able to evoke memories and also make connections so that more complex messages can be understood. For learning organisations, the picture of 'success' is too commonly one of awards ceremonies and results days. Vocational provision such as hairdressing, construction, IT and engineering, etc., are usually promoted using action shots in their environment, and not always good quality, which is a fundamental area to ensure is right.

What is a common mistake is for the identity to become overly generic and conformist in its approach to reach a specific audience. Of course, using standard photography has a place within every college identity, but it's also beneficial to build your own direction and to use creative accents within the college visuals. This will enable you to differentiate your offer from the competition and ensure you are noticed by your intended audience.

Use of visual imagery can help the college create a strong identity. For example, consider your college logo, and when and where it is used. Consider also the quality of images used

on your website, and in your prospectus. Are they appropriate? Some colleges use stock photographs, instead of, or as well as, pictures of real students as a cost effective way of developing a professional image bank – these can be off-putting if they look overly American or too 'posed'. It is important to get these images right. Working with a creative agency to ensure you develop the right feel to your visual may benefit your organisation. There are also two types of photography available to purchase as stock. Royalty free, which can be purchased at a one of fee and used by as many people who decide to buy it, or 'rights managed' which allows you sole right to use a certain image in particular media and usage boundaries. It is also important not to confuse the use of visual imagery to promote the corporate identity with the organisation's 'image' in the minds of other people. This distinction is explored next.

Image

Image is 'the set of meanings… through which people describe, remember and relate [to the organisation]' (Van Riel, 1995).

The organisation can fully control many elements of its corporate identity, but not its image. An image is formed in the mind of other people and comprises their own feelings and beliefs about the organisation, as well as, what they glean from elements of the organisational identity. So organisations and individuals have 'an image' whether they manage it or not. Of course, by building your brand and identity in the correct manner, will allow you to shape your identity to a greater extent.

A useful concept here is the corporate personality of an organisation. This can be seen as consisting of its corporate identity (factors controlled by the organisation itself) and its image (other people's perceptions of the organisation).

Gregory and Wiechmann (1999) provide a useful definition of corporate personality:

'Corporate personality is made up of the organisation's history, culture, values, beliefs (which drives its philosophy, mission and strategies) as realised through staff, structures, its products and or services.'

Marketing communications need to take account of the organisation's personality and tackle any discord between corporate identity – how it projects itself – and image – how other people actually see it.

Task 4

Over a week or so, as you go about your business in college, carry out your own visual audit of the current presentation of the college. The aim of this informal audit is to:

- increase your awareness of the visual imagery used by your college
- identify areas of inconsistency in messages that are communicated through graphics and other visual routes.

Aim to cover at least some of the areas in Figure in your personal audit and add any others that you think relevant.

Feedback

For feedback see end of unit.

Figure 8 – Personal Audit

Points to review	Premises	Service/ product	Packaging	Logo	Advertising
Is its appearance appropriate?					
Is it fit for purpose?					
Is it conveying the right message?					
Can it be improved?					

Persuasive communication: selling your organisation

Your USP

The unique selling proposition/point (USP) is what makes the company, product or service the best solution to a problem, the best way to fulfil a need or desire or the best way to achieve a goal. This should be kept in mind when targeting your audience. What attracts some potential learners to your college and why do others choose to go elsewhere?

Your USP convinces your learners and staff and other stakeholders of the value of your college and its products or services. It is what distinguishes you from your competition.

To work out your USP you need to define your target audience, know your competition and work out your organisational or individual product's features and benefits. For example, if your target audience is aspirational parents then your USP may be quality or results; if your audience is young people, then your USP may be choice or success or a fun campus; if your target audience is large corporate business, then your USP may be your responsiveness to unsociable teaching hours and diverse training needs – your market research will help inform this.

You may feel that your college doesn't currently have a specific USP. If this is the case, maybe this is an area for development and could form part of your marketing objectives for the coming planning period. Many colleges fall into the trap of simply selling the course or programme offer. If you sell the college, how it delivers its portfolio and how it differs from the competition, this can form the basis of a 'value proposition', that has worth and meaning to potential students, businesses and partners.

Marketing communications are tools for promoting and selling your college's services. The same rules apply whether you are planning a campaign or event

- Identify your audience
- Communicate appropriate messages
- Use appropriate media for the audience and messages
- Evaluate effectiveness.

Makng the best use of media

Publicity produced in-house

It is important that chosen media are fit for purpose and reflect the content. An expensive looking, thick glossy brochure may not be appropriate for community learning – the perception could be that it's 'too expensive, not for someone like me' and people may not pick it up. Conversely, if a brochure selling management and professional courses looks cheaply produced, people may not give it a second glance and could opt for a competitors service, without even considering the real 'service' you offer. Some people (eg those who are sight impaired or speakers of other languages) may rely on verbal, audio or word-of-mouth communication rather than the written word. It is always important to think about the market segment and customer base you are communicating with and deliver your communications in the most appropriate and accessible manner.

Commercial media

You need to know your local media, their target audience and their reader demographics. Most newspapers are happy to share this information with you. If you are recruiting students for a basic skills course, the local paid-for paper is not necessarily a good choice. If you are recruiting students for a level 4 management course then the business pages of your paid-for newspaper may be more appropriate than the local free press.

You should also understand how local radio broadcasting works for different audiences. Again your local independent stations should be happy to help you.

Media relations

Because colleges have a finite budget, and because not everyone believes or takes time to digest what they read in an advertisement or a promotional leaflet, local press coverage remains important. If your coverage is positive it is a third party endorsement of your college. If your coverage is negative then this is an indication that there is more work to do in order to build the newspaper/college relationship.

Building relationships with your local press is important. Very often your assigned journalist will be inexperienced. But all journalists need help to understand the complexities of the sector. Relationships are key and your marketing department should treat the local newspaper as a key stakeholder.

Developing a strong relationship at senior level with the local press editors, can aid in the process of building a supportive two way partnership, where each organisation supports the other in its activities and publicity. Contrary to popular belief, not all publicity is good publicity.

Useful resources for using the media

The Association of Colleges (AoC) have produced a spreadsheet to compare the financial value of different types of print and broadcast coverage.

You can download it from the LLE at: www.leadershiplearning.org.uk. This is a generic tool issued by AoC as one of a suite of analysis tools. For more information, contact AoC – website details are at the end of the unit.

Three questions to ask your marketing specialists

1. How does our corporate identity encompass and translate the college's mission, vision and values?

Your marketing colleagues should ideally be able to give you a cogent account of how the college's mission, vision and values are expressed in the different aspects of its corporate identity. In the absence of this, they should at least be able to discuss work in progress towards achieving a clear corporate identity, and the issues involved. Not all colleges are currently at this level, often due to the structure or resource and focus not being present in marketing. As discussed previously, enabling your

marketing function to maintain strategic status within the college, will allow the process of ensuring this core piece of work is within scope and under development.

2. Can I see a recent press release? How does it compare with what actually appeared in print?

To get the college's message across without being altered, press releases need to be written to the individual style and tone of local press. If they're not, or if the quality of information they provide is poor, journalists may have to adapt, substantially rewrite them or not publish them.

3. How do we evaluate our marketing communications' effectiveness? What is the return on investment?

It's important that your marketing colleagues have a process of evaluation. They should be able to explain the process and give a breakdown of costs and results achieved. If this is not the case, then a planning event to develop relevant metrics for review could be planned and fed back post completion.

Evaluation

Marketing communications can be expensive – printing, advertising and design are not cheap and it is important to know where and how the money is being spent and whether it is effective.

Your marketing team should be able to provide information about specific costs associated with all marketing activities, and how the effectiveness of these is monitored and evaluated. It is good practice to have design agencies and printers to pitch for work on a rolling basis. This will ensure you work with the correct suppliers who value your business. Biggest is not always best, as a large design agency may see you as a small client and may not always be able to react quickly to new or urgent projects. Conversely, you must be sure that smaller agencies are able to manage the work load during prospectus development, etc.

It may be worth considering shared service purchasing with other providers within your region. You may ultimately be in competition with each other, but you may also be able to benefit by developing purchasing consortia on bulk buy schemes, such as print.

Marketing activities can be measured along a cost–benefit analysis model, to provide information about, for example:

- how students find out about the college and the programmes it offers;
- the level of enquiries related to promotional activities and
- the cost of communication activity used in relation to meeting enrolment targets.

Key points

- In order to enhance the reputation of the college and its performance all marketing communications should:

- accurately reflect the mission, values and vision of the college

- take into account the impact of the interrelated concepts of brand, corporate identity and image on the college's reputation.

- 'Brand' relates to the physical attributes of a product or service, along with the beliefs, expectations and inspirational emotions evoked by its logo, name, tone of voice in communications and method of delivery.

- Corporate identity is the character that an organisation seeks to establish in the minds of stakeholders; this is reinforced by consistent use of its brand(s) and by appropriate visual imagery.

- An organisation's image is formed in the minds of other people and comprises their own feelings and beliefs about the organisation as well as what they glean from elements of the organisation's corporate identity.

- An organisation's corporate personality is its corporate identity (controllable by the organisation) and its image (not fully controllable). Marcomms should address any discrepancy between corporate identity and image.

- Marcomms should identify and emphasise the college's USP or unique selling proposition/point – that which makes the college the best solution to a problem and distinguishes it from the competition.

- Colleges can successfully exploit various media for marketing purposes, but should choose with care the most appropriate medium for the product/service and its target audience.

Section 5: Public relations

Introduction

Reputation management is part of public relations (PR) and should be recognised as a strategic management function. It is vital for communicating with key stakeholders the role, purpose and future of a college. This section will help you to:

- differentiate between the functions of marketing and PR;
- understand the concept of organisational reputation;
- describe the importance of communicating effectively with key stakeholders in the organisation and
- identify the various PR functions within the organisation that can assist with reputation management .

What is public relations (PR)?

Public relations is a key element of marketing, although depending on the setup of an organisation it may, or may not, sit within the marketing department. (Note that the term 'corporate communications' is used by some to mean PR and by others to mean marketing communications – but these are not the same thing.) The Chartered Institute of Public Relations (CIPR) defines PR as:

'The planned and sustained effort to establish and maintain goodwill and mutual understanding between an organisation and its publics.'

http:// www.cipr.co.uk

Public relations is all about managing your reputation, the result of what your college offers, what it actually delivers, what your college says and what others say about it. It is the function which looks after reputation, with the aim of establishing understanding and support, and influencing opinion and behaviour.

What is reputation?

Reputation is a perception of an organisation; it can also be applied to:

- the whole FE sector, a department or
- an individual person.

A reputation is earned over time – it is what people actually believe, based on their own or other's experience, and generally relates to the way a college conducts itself eg quality, performance, purpose, value for money, ability to deliver and so on.

Reputation, like image, is a perception and it may not necessarily reflect reality. It is important to understand your college's reputation. You can only do this successfully through a formal audit, using both qualitative and quantitative methods. Various groups and individuals can be seen as stakeholders who can affect your college's reputation. Regular consultation, surveys or interest groups may be needed to identify the perceptions of under-represented groups or communities. Finding out what they really think about the college is essential if you want to build on or try to change its reputation.

Charles Fombrun **(http://www.reputationinstitute.com)** developed a method to evaluate reputation across industries and stakeholder groups (Fombrun and Foss, 2001). He identified six characteristics that people used to decide which companies they liked and why, see Figure 8.

Figure 8 Six key elements of reputation

Emotional appeal	How much the organisation is liked, admired and respected.
Products and Services	Perceptions of the quality, innovation, value and reliability of the services organisation's products and services.
Financial performance	Perceptions of the organisation's profitability, prospects and risk.
Vision and leadership	How much the organisation demonstrates a clear vision and strong leadership.
Workplace environment	Perceptions of how well the organisation is managed, how good it is to work for and the quality of its staff.
Social responsibility	Perceptions of the organisation as a good citizen in its dealings with communities, staff and the environment.

(Source: Fombrun and Foss (2001)

The Foster review (2005) moved FE reputation management up the agenda.

'For too many people, particularly employers, the experience is that colleges are not delivering what is needed.'

'There are two important aspects to reputation. The first is about how clearly you and others understand what you are there to do. The second is about how well you are seen to be doing it… While FE colleges have done a significant amount in recent years to promote their successes, including improvements in education achievement, our evidence suggests they are still not sufficiently well understood and valued.'

The Foster review concluded that:

'General further education, tertiary and specialist colleges need to have a clear purpose and role. They should have as their primary purpose improving employability and supplying economically valuable skills.'

Much of the development work across the UK FE sector continues to focus in the areas highlighted by Foster.

What are the drivers of reputation?

Various factors are likely to drive perceptions of a college's reputation. These include the perceptions of different interest groups or stakeholders involved with the college, government policy, the quality of strategic management and the presence of effective feedback systems.

Stakeholders

A stakeholder is a person or interest group on whom the future of the college depends. They have a 'stake' in its prosperity and/or are affected by the college's behaviour, its policies, decisions, actions and goals. Conversely, their decisions and actions – what they say and what they do – can affect the college.

Most stakeholders are passive. Those stakeholders who become more aware and active in the world of PR are called 'publics'. This can be both positive and negative: a student may do a sponsored walk to raise funds for a new piece of college equipment; or suppliers may withhold services because the college has a poor payment record.

Stakeholders' perceptions of your college will be shaped by their views on the following questions.

- Do stakeholders feel that that FE education and training is good quality and value?

For those that have directly experienced teaching in FE, the answer will be driven by that experience. Those that have not will be influenced by word of mouth from those with FE experience (eg ex-students, employers and employees) as well as by the media.

- What kinds of people do stakeholders think are employed in FE colleges?

If you have a low opinion of the college's workforce, you will likely have a low estimate of the quality of the education or training provided.

- How well do stakeholders think FE colleges are funded?

If you believe that FE is badly funded, you may believe that this will affect its quality.

- What kind of people do stakeholders expect to be learners?

If you think that an institution is for low achievers, you may have a poorer perception of this institution. You may think that it is good for the country as a whole, but not necessarily good for your employees, your child, or yourself as an adult learner.

If you doubt the relevance or currency of vocational qualifications in the jobs market, then you may perceive the college which delivers those qualifications as being less relevant.

Your college should have a clear strategy that identifies the aims and objectives of any communication with stakeholders. The strategy to manage your reputation should be contained within your risk management policy and procedures.

Task 5

Consider your college's stakeholders. Choose a specific situation or live issue (such as a managing a curriculum review, a health and safety issue, or poorer than expected student achievement) and identify which groups are key stakeholders whose positive perceptions will be important.

- What is each group's current perception of the college?

- What needs to be done to make sure that their perceptions of the issue you have chosen are positive? By whom and to what timescale?

Feedback

For feedback see end of unit.

Key dimensions of the PR function

Along with the marketing communications role that forms part of the PR function, there are other important dimensions that contribute to it.

Publicity

Much of the news and information in the media originates from PR sources. Larger organisations have press officers who take responsibility for getting organisational 'good news' published or broadcast. It is also their responsibility to deal with the 'not so good news' too. Journalists may or may not use the information; they may edit the content and seek further corroboration or argument. Building a good relationship with local media is a sound investment of your time.

Advertising

Advertising is information placed in the media by an organisation that pays for either time or space. An organisation has full control over design and content, placement and timing by planning and paying premiums. Planning advertising in advance and paying for repeat inserts can significantly reduce costs. This adds further weight to getting return on investment metrics robust and operational, to understand where the best channels for your college are. If you know this in advance you can afford to make longer term bookings to reduce costs.

Press agency

Press agency is the function of creating newsworthy stories and events with the sole purpose of attracting media attention and gaining public notice.

Public affairs

This is an interesting part of PR which builds and maintains governmental and local community relations in order to influence public policy (YPLA, SFA, MPs, local authority, schools etc).

Issues management

Issues management is the proactive process of anticipating, identifying, evaluating and responding to issues that affect a college's relationships with its publics, such as the changes in funding for adult learners. These may be national events but there will be interest in the local effect.

Lobbying

Lobbying is a specialist part of PR, especially with not-for-profit organisations such as colleges, which builds and maintains relations with government for the purpose of influencing legislation and regulation. The Association of Colleges (AoC) takes on this role for FE colleges collectively.

Development

For colleges this is mainly the role of an alumni officer/ student services. The role builds and maintains relationships with donors, employers, sponsors and learners or members for the purposes of securing financial and sometimes volunteer support.

Investor relations (IR)

Sometimes called financial relations, IR concentrates on building and maintaining mutually beneficial relationships with the financial community and others. Although not previously so relevant to FE colleges, it is becoming increasingly important as providers seek funding from sources other than the funding bodies.

Key points - Summary

- Public relations (PR) is 'the planned and sustained effort to establish and maintain goodwill and mutual understanding between an organisation and its publics'.

- The Foster review identified reputation management as a significant challenge for the FE sector because of a widespread lack of clarity about the sector's role and effectiveness. Five years on, this continues to be a relevant and poignant review.

- Stakeholders' perceptions are a key driver of a college's reputation. Colleges should have a clear strategy identifying the aims and objectives of any communications with stakeholders. The college's reputation management strategy should be contained within its risk management policy and procedures and be monitored regularly.

- The role of the college Principal or Chief Executive has an important PR dimension and impacts on the college's reputation. The Principal may be directly involved in the more strategic elements of the PR function but will generally delegate other elements to the marketing director or manager.

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www.cim.co.uk Website of the Chartered Institute of Marketing.

www.empra.co.uk Website of the Education Marketing and Public Relations Association with many articles and downloads. Free to users.

www.rcu.co.uk RCU is a company specialising in mapping and data analysis for educational organisations.

www.m-network.org/home.asp Website of FE Marketing Professional Association (subscription site).

www.eurorscgheist.com Largely HE-related site, but with material relevant to FE and downloadable articles from the journal Education Marketing.

www.mrs.org.uk Website of the Market Research Society.

www.cipr.co.uk Website of the Chartered Institute of Public Relations.

www.dma.org.uk Website of the Direct Marketing Association.

www.neighbourhood.statistics.gov.uk/dissemination/ Website for the Office of National Statistics.

www.business-strategies.co.uk/Home.aspx Website for Experian, manufacturers the MOSAIC profiling tool.

www.businessballs.com/crmcustomerrelationshipmanagement.htm Further reading on CRM systems.

www.businesslink.gov.uk/bdotg/action/layer?topicId=1073869186 This website gives a free downloadable guide on writing a marketing plan.

Suggestions for further reading

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Glossary	
Rating	**Definition**
Brand	A brand was traditionally an 'identifying trade mark', although today a wider definition is applied. An organisation's logo, product, service, staff's behaviour and visual identity all come together to create consumer perception and brand.
Communication	Successful communication is the distribution of information and ideas so that the receiver understands what the sender intends.
Corporate communications	Marketing communications are sometimes called marcomms or corporate communications. This refers both to channels of communication – how the organisation communicates – and messages – what the organisation says about itself.
Corporate identity	Defined by Van Riel (1995) as 'the self-portrayal of an organisation'. ie. the cues or signals which it offers via its behaviour, communication and symbolism.
Corporate personality	'Corporate personality is made up of the organisation's history, culture, values, beliefs (which drives its philosophy, mission and strategies) as realised through staff, structures, its products and or services.' (Gregory and Wiechmann, 1999).
Customer-centric	Term used for any organisation which focuses on the needs of its customers rather than being driven by other internal or external imperatives. The opposite of product-centred.
Image	A consequence of how the organisation expresses its corporate identity. The identity is what is projected whereas the image is what is perceived. The two are not always the same.
Marcomms	See corporate communications.
Market segment/ segmentation	Market segments are groups or types of customers who share identifiable common characteristics that influence their consumption patterns. Segmentation is the process of identifying or describing such groups.
Marketing	Marketing activities are all those associated with identifying the particular wants and needs of a target market of customers, and then setting about satisfying those customers better than the competitors.
Marketing mix	The constituent elements that together comprise the overall service that users experience – in education, often listed as the '7 Ps'
Product-centred	See customer-centred.

Glossary	
Rating	**Definition**
Public relations (PR)	'The planned and sustained effort to establish and maintain goodwill and mutual understanding between an organisation and its publics.'**(www.cipr.co.uk)**
Qualitative research data	Qualitative data are descriptive. By themselves they cannot be aggregated, averaged or otherwise subjected to statistical analysis. They are vital if we are to understand the whys of market behaviour.
Quantitative research data	Quantitative data can be measured and translated into numerical form. They can be subjected to a range of statistical techniques to inform our understanding of what is happening in the marketplace.
Reputation	The regard in which an organisation is held by its publics and stakeholders Reputation is managed through effective public relations.
Reputation management	Strategies used by an organisation to shape or manage the regard in which it is held.

Feedback on tasks

Feedback 1

From this task you may have identified that your college has a robust and effective marketing function. However, it's more likely that you have also identified some areas for improvement.

If you were able to identify some improvements you thought necessary, you have the basis for an action plan, identifying who will be responsible for each area and the deadline for its completion.

Feedback 2

Commercial organisations and some larger colleges use sophisticated segmentation techniques to identify customer characteristics. Segmentation software usually takes the home postcode brick as the principal point of reference and then aggregates datasets around that. Smaller colleges and other providers are less likely to invest in segmentation software but could use agency services to undertake analysis and mapping of local population contours.

There is a strong pressure within many colleges to be 'all things to all men'. In contrast, government departments and funding bodies are often looking for greater focus and specialisation (such as that called for in the Foster review). It is for the Principal and the Governors to decide where the balance point lies.

Feedback 3

You may find it helpful to note your thoughts and findings in a table like the one below. This example shows a current mix that is clearly not entirely suitable for the target market segment. The college might need to reconsider whether it can compete effectively with other providers who already have a mix attuned to the needs of this target market.

Target market segment:				
Adults who are or want to become self-employed				
Mix	**Match**	**Gap/mismatch**	**Competitors'** mix(es)	**Improvements** needed
Product: Range of business studies courses leading to national qualifications	Good for those Seeking Qualification	Unattractive to those not motivated by qualification	Some offer wider range of short courses to this market plus, in some cases, a telephone helpline	A more flexible offer including short courses and tailor-made advice
Place: Choice of day and evening classes at main college site	Reasonable choice of times mid-week College centrally located	Not available in a 'pick and mix' on-demand format	Some offer more flexible options on demand	Extend delivery to include distance learning and small business park locations
Price: Free for those attempting first full level 2	Not seen to be a major problem	Some parts of the market are prepared to pay for quality	Fees charged for tailor-made services	Set full-cost fee levels for tailor-made services
Promotion: College part-time prospectus plus information leaflet	Adequate information for those who are already thinking of taking a course	No promotion of specific benefits to this market	Emphasis on support to successful self-employment Targeted use of direct mail	Specific promotional materials leading off the benefits to the target market
People: College full-time staff	Well-qualified in their field	None have recent experience of running own business	Use trainers with current small business experience	Recruit part- time staff with current small business experience

Target market segment:				
Adults who are or want to become self-employed				
Physical evidence: Main college site	Buildings in reasonable condition IT facilities good	College has '16-19 atmosphere' during day time	Delivered at business park locations and via distance learning IT facilities usually not as good as colleges	Combine advantage in IT with more flexible delivery in business environment
Processes: As per normal college part- time courses	Flexible enrolment now in place	Still some complaints about difficulty of enrolment	Easy sign up and payment via phone or email	Offer commercial standard phone and email booking facilities

Feedback 4

This task will have helped you to think about the related concepts of brand, identity and image and how they apply to your own college. If your sources of information were all from inside the college, think about how you might get an external perspective. Make the most of occasions when you meet local community leaders, employers and others whose perspective would be valuable. You could also, of course, ask a cross section of students for their views. Your marketing team will benefit from developing advisory boards of all key customer groups.

Feedback 5

The specific group of stakeholders will depend on the issue you choose and on local circumstances but here is an example:

College X wants to undertake a review of commercial training opportunities suited to generating growth in the local economy, through the introduction of full cost recovery programmes. The programmes will be purely commercial and unfunded and therefore must have detailed outcomes and benefits for businesses. This would require a potential cultural shift for internal stakeholders/ departments and also the backing and acceptance of this type of cost recovery programme from local business leaders and employed learners. Clearly, in times of change in education funding and commercial competitiveness, engaging with key stakeholders early in these processes will allow for smoother implementation and successful delivery. By engaging stakeholders, it will also be possible to modify output and service offering.

Hopefully your response to this activity reflected the fact that your college will need to communicate with different stakeholders in different ways, as each group may have different wants and needs. There is no 'magic wand' for getting all stakeholders onside. You might find it useful to discuss the issue you have chosen with colleagues who have more experience of particular stakeholder groups.

Technical annex

The marketing planning sequence

See Section 1 Figure 1 The marketing planning sequence.

Stage 1a: The external marketing audit

Who do we serve? Market segmentation, characteristics, trends and data requirements

The first part of this initial stage of marketing planning embraces the activities described in Section 2.

- Identify the key market segments that the college serves now and aims to serve in the future. (Ideally, each segment should have requirements which are distinctive in relation to those of the others, and should be large enough for it to be worthwhile for you to provide for it.)
- Define the characteristics of each segment in terms of those factors likely to influence the nature of its educational take-up
- Define the key benefits that each segment is seeking that education might help to provide
- Identify any gaps in the information currently available to you concerning these segments. (For advice on how you might do this cost-effectively, see Section 3)

Stage 1b: The internal marketing audit

What kind of service do we provide? Reviewing the marketing mix

The second part of this initial stage of marketing planning encompasses the activities that are covered in Section 3.

Using the '7Ps' checklist, define the current marketing mix for each of the segments identified under Stage 1a above.

- Identify significant mismatches between the current mix and the characteristics of each segment as identified in Stage 1a
- Identify likely developments in competing provision that might impact on the relative attraction of your own marketing mix during the period covered by the marketing plan.

Stage 2: Audit evaluation using SWOT analysis – Strengths, Weaknesses, Opportunities and Threats

What opportunities and threats face the college, and how well is it equipped to meet them?

Using the external marketing audit results in Stage 1a, make a list of:

- Opportunities – Potential areas in which the college could market new services or develop existing provision.
- Threats – Factors that could bring about significant reductions in the demand for the college's services and its funding and other income sources.

Your conclusions about the characteristics and trends for the market segments that you serve – arrived at in Stage 1a – should form one basis for your list. You should also make use of empirical evidence concerning the economic, demographic, social and legislative environment in which the college operates – including data on competing provision.

Then, from the results of Stage 1b, continue the list to include:

- Strengths – Things that the college is recognised for doing well, and areas where human and other resources are of the appropriate quality and quantity to meet current needs and respond to future opportunities.
- Weaknesses – Areas where the college is not currently capable of delivering the quality and quantity of service demanded by your target market segment(s).

Stage 3: Setting objectives, determining strategies and setting targets

Where do we want to get to?

Taking the outcomes of the audit evaluation SWOT analysis, your aim in Stage 3 should be to:

- exploit the opportunities you have identified counteract or reduce the threats

by

- building on the college's strengths
- eliminating or bypassing the weaknesses.

The sequence recommended in this stage of the marketing planning process is:

- determining strategies;
- setting objectives and tactical implementation and
- setting measurable targets – (SMART targets).

Think about each of these in turn.

Determining strategies

Strategies are the collective means by which we aim to achieve our stated objectives. For example, to achieve the objective above, the agreed strategies might be 'to introduce new opportunities for unemployed members of the public', 'to develop childcare provision' and 'to hold events in order to attract people who have been unemployed for over 6 months, to meet with local employers and course leaders'. These will be agreed with curriculum colleagues or come from their business plans.

Setting objectives and tactical implementation

Marketing objectives should be goals expressed in terms of meeting an identified market need – for example, 'to assist the long term unemployed to return to employment'. They should therefore be related to the segments identified under Stage 1a. In this case, the objective might be one of a number within the Adult (vocational) segment.

Where possible, objectives should include a measurable outcome (SMART target) so that the team and/or individuals responsible for the tactical implementation can measure and be measured on the success of the objective during and post completion.

Once the college's overall objectives have been determined, they should be ordered according to their relative importance. This will help you prioritise if there are insufficient resources simultaneously to pursue all the objectives.

A tactical implementation plan, should include how different tools will aid implementation and completion of marketing objectives and will likely include planned dates, media and communication channels employed for delivery.

Setting targets

Targets are the specific benchmarks against which we measure the achievement of our objectives. Returning again to our example above, possible targets might be expressed along the lines of:

> **'enrol a minimum of 200 women returners next year, with a minimum of 10% per annum increase in the two years thereafter, and with a minimum of 80% of the direct costs met from external funding.'**

Objectives, strategies and targets can be set out in a tabular format, as shown below, to provide an effective executive summary of the overall marketing plan.

In commercial marketing teams, individuals are often measured against specific targets they are involved in setting. Performance and remuneration (bonuses) are often linked to the successful delivery (or the exceeding) of targets. It allows the team to remain focused on the key areas of delivery throughout the year and is a proven method of motivation and direct involvement in outcomes for marketing teams.

Stage 4: Drawing up an action plan

How will we get there?

Taking each of the objectives and accompanying strategies arrived at in Stage 3, you should now set out the tasks that arise as a consequence, and the organisational arrangements necessary to carry them out. The target student numbers, of course, belong to the relevant curriculum area; marketing's contribution is in setting up the open day, producing materials and perhaps arranging the childcare facilities.

Figure 8 Marketing plan pro forma – executive summary

Market segment	Objectives	Strategies	Targets
Adult (vocational)	To assist the long term unemployed to return to employment.	• Introduce new employment course • Put on long term unemployed open day event • Produce associated publicity materials • Arrange on-site childcare facilities etc., etc.	• 200 enrolees in 1st year • 10% minimum growth per annum in years 2& 3 • Minimum 70% of direct costs covered from external funding
	To provide training and consultancy support in local SMEs etc.,etc.		

The detailed actions or tasks necessary to implement the agreed strategies (ie the action plan) will be delegated to the appropriate staff members.

Those involved will need to agree:

1 specific responsibilities/authority

2 timescales

3 allocation of resources, including staff time

4 budget requirements.

Monitoring, evaluation and review

Once the marketing plan is finalised and put into operation, establish thorough monitoring and evaluation procedures to check on performance against targets, and to explain significant variations. An Equality Impact Assessment may also be needed. Issues should be fed back at each stage of the process as the plan is rolled forward. It may be necessary to change the original objectives if they prove unrealistic in practice. (We discuss monitoring and evaluating marketing performance in Section 4.)

Components of a marketing management information system

See Section 2 Figure 3 Components of a marketing management information system (MIS).

Learner and other records

The Individualised Learner Record (ILR) and Employer Record can be invaluable for marketing purposes. You can use them with census and other population data to analyse take-up by different groups of potential learners and employers highlighting strengths, weaknesses, and recruitment.

Leading edge retail marketing has honed the use of customer records to a fine art – even down to targeting marketing communications at individual households and business based on employee size. You might want to look at how some of these techniques can be adapted for your college.

Colleges don't always have the same level of information about employers or other clients, but this has become a vital part of Further education, so to establish and maintain effective customer databases and employer responsive provision.

Desk research

There is a wide range of published market data. Central and local government, government agencies and other bodies provide data about the take-up of education and employment. Often this is downloadable as spreadsheets from their websites so that you can interrogate and analyse the data..

Useful internet sources of market data

Data derived from the census

www.statistics.gov.uk/census
Unemployment, vacancy and skills need statistics

www.statistics.gov.uk/cci/nugget.asp?id=12
Findings from research into learner participation, satisfaction, retention and achievement

www.dfes.gov.uk/research/

www.lsneducation.org.uk/pubs/

www.nfer.ac.uk

www.rcu.co.uk

The real problem is finding the information that is relevant to you. Up-to-date evidence about developments in the market, such as a proposal for a new commercial development in your area, can be the most cost-effective desk research. By taking advantage of market intelligence – the 'soft' data about the area your college serves, gathered from networking activities, from the media, and from professional updating undertaken by teaching staff – you will know about developments long before they appear in the official statistics.

Primary - Survey research

Primary market research involves first-hand investigation of the local market, often through surveys. Primary research becomes necessary when specific information is required about market reactions to the college and its offerings that cannot be generalised with any confidence from existing sources. But

doing it properly can be costly, so avoid it if desk research, learner records and feedback from previous consultations can provide the answers you need.

Educational providers often conduct regular surveys of learners currently enrolled. Some also conduct regular surveys of employers. Other circumstances where primary research in the wider population might be useful are to:

- check out possible options for a new corporate identity or brand introduction;
- inform decisions on the location and curriculum offer of new outreach facilities and
- seek the views of a particular cohort.

Types of market data and their analysis

When thinking about the type of market data that you want to collect, it is useful to distinguish between quantitative and qualitative data.

Quantitative data can be measured and translated into numerical form. They can be subjected to a range of statistical techniques to inform your understanding of what is happening in the marketplace (eg the percentage of school leavers in one area with low KS3 scores not progressing to FE).

Qualitative data are descriptive. By themselves they cannot be aggregated, averaged or otherwise subjected to statistical analysis but they are vital if you are to understand the whys of market behaviour (eg why these school leavers are not attracted by FE and the kind of educational offer that would attract them).

Your marketing department may have the capacity to carry out primary research and analyse the results in-house or the college may need to commission market research from an outside agency.

The educational marketing mix – '7 Ps of Marketing'

See Section 3

Product

The educational product is the courses and other services that a college or other training provider typically offers. It is also sensible to view it in terms of user benefit – qualifications, career advancement, etc. Many of the key decisions on the design of the educational product – the qualifications framework, curriculum content and assessment requirements – are determined by national bodies and not by individual providers, who operate in a role analogous to franchisees. Nevertheless, service quality as perceived by learners and other users is heavily influenced by efficiency and effectiveness at the level of the individual provider. In practice, many of the decisions that determine these factors are the province of curriculum and quality managers. The role of the marketing function is to help ensure that such decisions are properly informed by – and founded upon – an understanding of learners' needs and other relevant information about the educational marketplace.

Place

This refers to the delivery systems that bring together the service and its users. In principle, the more flexible the provision in terms of where it is offered, the more learners and employers it will attract. The time of day/week/year at which provision is available also helps to determine ease of access – particularly important when considering the needs of learners who are disabled, have childcare needs or work night shifts only, etc.

Price

'Price' means the fees charged for courses and other services. Since much provision is free at the point of delivery for under 19 year olds – or priced well below its full cost – it is helpful to consider two further aspects.

- Funding income, from the YPLA, the Skills Funding Agency or via other sources
- Opportunity costs that learners perceive they incur from participating in education, such as lost earnings and the sacrifice of their time and the other potential ways they might have utilised it.

There is a useful Excel spreadsheet on the LLE which contains formulae to calculate costs and fee levels. Go to: **www.leadershiplearning.org.uk**

Promotion

This is the area that most people instinctively associate with marketing – the publicity and promotional materials and public relations activities via which organisations communicate information about their services to their intended audiences, and persuade them of their benefits.

People

This covers the college's staff – academic and support – with whom learners and other clients come into contact. Colleges should recognise that the decisions of potential new users on whether or not to enrol will inevitably be influenced by their perceptions of those served at present. The diversity of staff – ie. how well they 'mirror' the learner communities served – will also be an important factor.

Physical evidence

This element of the mix covers the environment in which the college's service is experienced by users – its buildings, furnishings, facilities, equipment, and learning resources.

Processes

The final part of the mix comprises the college's administrative procedures with which learners and other clients come into contact – application processes, fee payment, course enrolment and related activities.

Examples of portfolio analysis techniques

See Section 3.

The Ansoff matrix

The American management theorist H. Igor Ansoff put future marketing strategies facing organisations into the four broad categories shown below,

none of which are mutually exclusive.

Figure 9 The Portfolio Strategy (Ansoff) Matrix

		Products	
		Existing	New
Markets	Existing	Market penetration	Product development
	New	Market development	Diversification

(Source : Ansoff 1987)

The least risky short-term strategy is to stick with what you know, and try to get a greater take-up of your existing range from the type of people who are your existing users (the top left quadrant of the matrix). The downside of this strategy is that it may present little or no opportunity for growth, and decline may be inevitable if downward demographic trends are reducing the size of your current target segments.

By contrast, the greatest risks are present when an organisation launches a new product of which it has no previous experience (the bottom right quadrant). The attraction of this type of strategy is the high rewards that can accrue if it comes off – especially where the product is genuinely innovative and the market is one with few other providers.

Product development (top right) may be a sensible strategy when a well-known market undergoes upheaval – for example, many land-based colleges reacted to changing

agricultural patterns by developing and offering leisure and tourism courses to farming families diversifying into these areas.

The analogous market development strategy (bottom left) represents a means of growth by playing to an organisation's existing strengths – for example, many sixth form colleges did this by extending their successful A level provision for 16 to 19 year-olds to adult learners.

The Boston Matrix

The Boston Matrix, developed by world leader, the Boston Consulting Group in the USA, requires an organisation to plot its services according to the size of the market at which each is aimed, and the share of that market that each enjoys.

Figure 10 The Boston Matrix

		Market share	
		High	Low
Market size/ growth rate		stars	Question marks
		Cash cows	Dogs

(Source: www.bcg.com)

'Star' services enjoy a large share of a large market. But large markets are very attractive to new providers, so maintaining the Star position can be demanding in marketing time and resources.

'Cash cows' are products with a large share of a limited market. This can be an attractive and profitable position. Smaller markets are less likely to attract entry from new providers so it may be possible to maintain a dominant position with only minimal demands on the marketing budget.

As well as market size, the Boston Matrix considers trends – that is, whether the market in question is expanding, static or in decline.

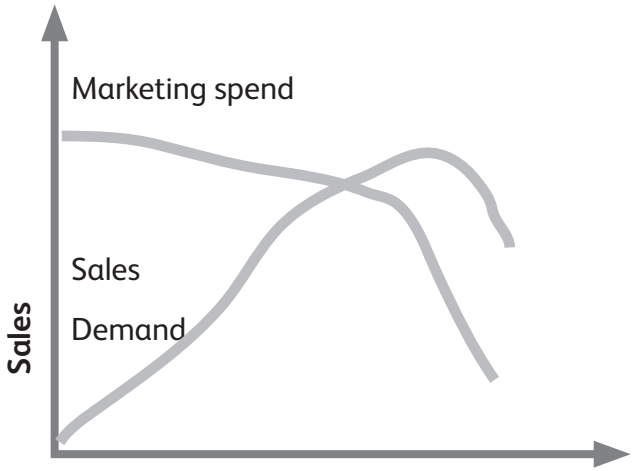
This is a particularly important consideration with the 'question marks' – services that enjoy only a small share of a large market. If the market is static or in decline, an organisation must question whether it is worth continuing to compete in it.

The 'Dogs' are services with only a small share of a limited market. Unless the market is growing rapidly, this is an unsustainable position. Continuing the offer in question does not represent a sensible use of resources – especially where actual and potential Stars are losing ground because there are not enough resources to meet the costs of providing extra capacity. Better to put down the Dogs as humanely as possible, and reallocate the resources to services that will benefit larger numbers of learners.

The Product Life-Cycle

The concept of the product life-cycle is based on evidence that demand for goods and services tends to follows the shape of the 'Demand' curve in Figure 11 below.

Figure 11 The Product Life Cycle



The 'demand' curve shows a gradual rise after initial launch, then a period of steady growth reaching a plateau of demand, followed by a decline more rapid than the original growth. The time span can vary from a matter of weeks with fashion products, to years in the case of more durable products. Eventual

decline is inevitable and terminal unless changes are made to the existing marketing mix. Even long-established products have to revamp their marketing mix from time to time – often in the form of a new and innovative promotional campaign.

In most sectors, marketing expenditure typically follows the profile of the red curve in the graph above. The costs of effective R&D mean that it is often at its peak before the product is launched. Well-established, mature products frequently require a lesser budget to secure their position in the marketplace than those that are still growing.

There are dilemmas here for providers of educational services. Often, marketing budgets are increased in response to a growth in demand, rather than allocated in advance to help generate take-up. And pressure from staff for additional marketing expenditure tends to peak when a service enters its decline phase, and demand has started to drop off. If this decline is unlikely to be reversed by re-designing the marketing mix, then succumbing to such pressure simply wastes resources that could be better used elsewhere.

Overall, organisations should aim to arrive at a balanced service portfolio, with a gradually changing range of offers spread across the different stages of the life-cycle.

The Product Development (GEC) Matrix

The Product Development Matrix was designed by McKinsey for the General Electric Company in the USA. This model considers the attractiveness of a market for a given product or service in terms of its size, growth rate, income/profit potential, etc. It then sets this against the provider's capability to sustain a high quality, high reputation service to that market.

Figure 12 The Product Development (GEC) Matrix

Organisational capability

Market attractiveness	High	Medium	Low
High	A	A	B
Medium	A	B	C
Low	B	C	C

A = invest

B = review

C = divest

(Source: www.tutor2u.net/business/strategy/ge_matrix.htm)

Areas where there are high levels of market attractiveness and/or organisational capability represent major strengths and opportunities in which organisations should invest. Areas where the opposite applies should be withdrawn from as soon as possible, and resources allocated to more worthwhile offers. Those in between should be kept under review.

The Learning and Skills Improvement Service (LSIS) is the sector-owned body supporting the development of excellent and sustainable FE provision across the learning and skills sector. Its aim is to accelerate the drive for excellence and, working in partnership with all parts of the sector, builds on the sector's own capacity to design, commission and deliver improvement and strategic change.

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