Seizing the future

A MARKETING PROGRAM FOR INSTITUTES OF VOCATIONAL EDUCATION STAFF

South Australian Institute of Vocational Education
DEET SA
Acknowledgments

The text of this publication has been assisted by the work of other tertiary institutions to establish a way of integrating marketing into education management planning. In particular, New South Wales TAFE, the TAFE National Centre for Vocational Education Research and the Further Education Unit of Great Britain. Their publications are listed under "Recommended Further Reading" at the end of this publication.

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This book was nearly completed when Neil Wearne suddenly passed away. Various people have helped complete it. Neil worked hard to develop the first material of its kind in South Australia. His dedication, knowledge and humour is sadly missed.
The Purpose of this Marketing Program

TAFE has been marketing itself effectively since its inception – even though it may not perceive itself as a marketing orientated organisation – and leads the way in providing employment-related skills training.

Now, with former colleges in South Australia operating under the banner of "Institutes of Vocational Education", we want to build on that base and seize the future by taking advantage of changes in the training and education market.

Improved marketing skills will be essential in meeting the challenges of the future. The purpose of this marketing program therefore is to aid the process and make use of marketing techniques that have particular relevance to an Institute.

When you have worked through this handbook you will be able to:

1. Use a management process for identifying markets and opportunities for training programs.

2. Satisfy the needs and wants of your markets with viable and commercially successful courses.

3. Create a client-centred service culture within your Institute that will improve quality control and increase client satisfaction.

4. Prepare and write a marketing plan.
How to use this Program

This Handbook outlines the marketing theories that can be applied to an Institute of Vocational Education and its products.

It explains how to conduct a situation analysis, come to conclusions about which markets to target, decide which products to put in place and which strategies to employ.

There are special sections for point of contact strategies, market research, promotion and advertising, and achieving a corporate identity for an Institute.

Marketing planning for an Institute involves four levels of participation:

1. The corporate identity of an Institute – positioned within an overall corporate identity – so that it can be presented as a competitive, client-orientated provider of vocational learning.

2. Each section marketing itself as a service provider.

3. The development of courses, consulting and other products that satisfy market wants.

4. The creation of a client-centred culture that manages the client's point of contact experiences.

This Handbook has been designed to help an Institute meet its goals and the strategic priorities of the Department.
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PREFACE

WHAT IS MARKETING?
PREFACE: What is Marketing?

Definitions, Key Terms and Phrases

The marketing process is as old as civilisation. It was called "trade" until this century when as a result of new technology, an amazing number of products came into being to make life easier and more comfortable. At the same time, the population of the world increased dramatically and expanded the markets for new and sophisticated products. This expansion of opportunity brought competition and to deal with it the producers and providers of the products improved their "trading" techniques. This was done mainly through branding, packaging, and design which made their products more appealing to buyers, and also by mass production to achieve lower prices and greater production efficiencies. The skills they developed were eventually developed into a package of knowledge called "marketing".

Markets are now very diverse

Markets, or groups of intending purchasers if you like, are now diverse, very demanding and precise about what they want. Consequently, more time and effort than before have to be expended in marketing to ensure that the products are right for the markets and that there are carefully planned strategies in place to satisfy those markets.

What is a market?

It can be a place of trade where people exchange goods and services for money. These days it is mostly a term to describe a group of people with common needs or wants for something they can acquire or experience.

People are the core of marketing. An organisation's efforts are directed towards client satisfaction with the product and the client's experiences when acquiring the product. Consequently, effective marketing requires an understanding of people, their needs, wants and attitudes.

Because people's requirements in a civilised society are so diverse, markets have to be segmented into a variety of physical and psychological sub-markets.

A target market is a segment or sub market that an Institute decides warrants particular attention.

Most Institute activities are intended for specific groups or target markets, and identification of the clients in a group will ensure that training is tailored to their requirements.
Students are clients

As part of a strategic priority to "initiate a client service improvement program within the department", there is a shift of emphasis for an Institute of Vocational Education to be client-driven rather than course-driven. Students are therefore referred to in this document as clients. Other "clients" for an Institute include industry, government (DEET, ANTA, VEETA, etc).

Marketing defined

We can define marketing this way: marketing is the process of developing, producing and delivering products and services that satisfy the needs and wants of a market so that an organisation's goals of growth, profit and competitiveness can be achieved.

With that definition in mind, an Institute of Vocational Education is not unlike any commercial enterprise, the only difference being that it does not return a profit to its owners - the tax-paying public.

Marketing is more than selling

Advertising, promotion, brochures, signs, selling and counter service are the most visible aspects of the marketing process, which is why some people think that is all there is to marketing. However, each of the activities mentioned really is only involved with promotion and selling - the communication part of marketing. Essential to the whole marketing process are planning and management - researching client's needs and wants, identifying key market segments, developing appropriate products to satisfy each market's wants, deciding how they should be delivered to the markets, pricing and then promoting them.

In the words of American business and marketing authority Philip Drucker, "good marketing makes selling unnecessary".

To emphasise the difference, selling is the endeavour, practice or activity involved in attempting to secure a transaction. Mostly, selling involves a favourable presentation of the benefits of a product, or simply information so that the potential client is given reasons to purchase.

The various skills used

Marketing is a combination of skills which are subjects in their own right, and depending on the objectives, they are selected by an Institute at the planning stage to help it achieve those objectives. In graph form the process looks like this:
What is a product?

"A product is anything that can be offered to a market for attention, acquisition, use or consumption that might satisfy a need or a want."¹ An Institute's products are its training programs or any education materials it produces. For example, a service such as consulting is a "product".

A subject is not a product. It is a course which is a marketable product. For example, Accountancy is a subject that can be marketed as an Accountancy course, or along with several other subjects be marketed as a Management Certificate or Management Diploma course.

In the future, Institutes of Vocational Education will be marketing TAFE products. Supplementary Bulletin No. 575, dated 31/3/93, outlines the official DETAFE policy on this situation.

A product is also the way an Institute delivers its training – especially if there is something unique about the mode of delivery and the materials used in the delivery process such as the text, slides, overheads, videos or computer presentation.

Market demand is a measure of the strength and extent of a market's wants. Demand is subject to people's ambitions, employment opportunities, financial resources, external influences such as government action and laws, technological change and social change.

What are strategies and tactics?

Strategies are the ways and means of achieving an objective. A strategy or series of strategies is the basis of a plan. Tactics are the detailed means of executing strategies. For example, an Institute may decide on a strategy for delivering a training program by conducting the course on the client's premises. The allocation of staff resources, teaching materials – in other words the physical application of that strategy is its tactical approach.
Chapter 1

THE MARKETING ROLE IN AN INSTITUTE
1. THE MARKETING ROLE IN AN INSTITUTE

Being market driven and not product orientated

In marketing it is important to remember that products are only tools for solving a particular problem. Needs are fairly constant but wants can change very quickly. A client may need a trade or profession but want to be an engineer one year and a drafter the next. The diplomas, certificates, knowledge and the diverse range of skills we provide are the means to an end for our markets.

Clients may also undertake a course to improve their ability to do something, to satisfy a craving for more knowledge, to feel that they are doing something worthwhile or merely to meet people.

For our products to be wanted they must be seen to provide the best means to those ends. Which is why we should be market driven and not product orientated and be prepared to change quickly when we observe that the market's wants are changing. Hence, an Institute should be responsive to its clients' wants and continue to achieve credibility as an education institution by providing high quality training.

Are Institutes really marketing "training"?

There may be a few people who love sitting in lecture theatres and classrooms but the majority don't want training any more than they want life assurance. They want the benefits of training. Which begs the question: "What business are we actually in?"

Maybe we are not marketing training at all but through our courses, we are providing our clients with a means of:

- Gaining employment
- Making more money
- Being promoted
- Achieving status and respect
- Enjoying a more interesting working life

Products in themselves have no value to prospective clients, it is the benefits they seek to obtain from products which motivate them to undertake training.
What is client-centredness?

Responding to client's needs involves service. An Institute doesn't market "things", it markets a product that is a package of knowledge and skills communicated by people with the assistance of teaching aids.

To be successful, the product and its implementation has to be sensitive and responsive to the clients' needs. This careful handling of clients from the time they apply for a course till they graduate or qualify and then after they leave and become a product of the Institute, is called "client-centredness".

It should be at the heart of all service provided by everyone in the Institute.

Clients' impressions of the Institute, their respect for its professionalism and their satisfaction with the product will be in direct response to the attitudes and actions of the staff and how the Institute is managed.

Creating a good Institute environment is an essential part of good marketing. It is part of a process called "positioning" and involves communicating positive images that reflect the Institute's differences and the competitive strengths of its products.

Meeting the challenges of change by being flexible

An Institute is in the business of meeting the challenges of change so it should be reactive to market demand. It is not in the Department's charter to be conservative and rigid in the training Institutes provide but to be flexible, adaptable and wherever possible to be the ones to herald change by drawing the markets' attention to newer and better ways of achieving improved skills and job opportunities.

Good marketing requires close cooperation and team work

In a marketing organisation like an Institute, you could say there are really only two groups of people:

(a) Those who produce and deliver the products - the lecturing staff and education managers.

(b) Those who make it possible for the products to be delivered - the management and administrative people who provide the supporting services.
Both groups are obviously not mutually exclusive. They have the same aim of supporting the Department's objectives and one can't do the job without the other.

In an Institute, not everyone lectures or has direct contact with a client but if you are not talking to a client you are helping the person who is talking to a client. Everyone contributes to the marketing effort because it is not only the seen but also the staff behind the scenes that builds client satisfaction.

**Marketing has to be consultative and interactive**

Marketing has to be integrated with an Institute's management, administration and personnel planning which in turn are modified by the Institute's location, physical and financial resources, and the capacities and capabilities of its staff.

The marketing process is consultative and interactive with industry and clients. In concert with all of an Institute's activities, the marketing function is to produce marketable products and an equitable learning environment for the Institute's clients.

The **driving forces** behind all of an Institute's activities are DETAFE's corporate objectives and strategic priorities, and the Institute's strategic objectives for growth, competitiveness and survival. See DETAFE Corporate Objectives and Strategic Priorities 1992 – 1994.

The graph shows the link between marketing and other management processes and the interaction and consultation necessary to achieve the organisation's goals.

![Diagram showing the link between marketing and other management processes](image)

*Figure 1.1*
There are different levels of marketing planning:

1. There is an overall Corporate Marketing Plan for Institutes to ensure a corporate view of the Institutes and an overall identity and coordinated approach.

2. There are individual Institute marketing plans which take the institution view.

3. The marketing plans of each section or department.*

4. The marketing plans for each product.

5. The marketing plan that manages the client's point-of-contact experiences.

* Sections need marketing plans because they market their support services to education management and to clients.

The next graph demonstrates how every working section of an Institute is marketing its services in some way, and either directly or indirectly they are affecting the client's experience of the Institute.

Figure 1.2
2. MARKETING PLANNING

What is a marketing plan?

A marketing plan is a document which:

1. Examines all the information that is relative to the marketing of an Institute and its products.

2. Identifies markets and any problems and opportunities within and outside the organisation in respect of satisfying those markets.

3. Forecasts the future and then sets organisation goals and product marketing objectives to achieve these forecasts.

4. Proposes strategies to take advantage of opportunities, overcome problems, and achieve the organisation's goals.

5. Outlines the tactics – the working details of how the human, financial and physical resources will be deployed to achieve the strategies.

6. Determines how the marketing plan will be managed and measured so that changes or improvements can be made.

The purpose of a marketing plan

Achieving growth in an orderly manner is the purpose of planning. It is about making the future happen.

A business plan and a marketing plan are the same thing. Financial people tend to talk in terms of "business planning" while obviously marketing people call theirs "marketing planning". There is also a difference in emphasis, with financial people underlining the implications of looking after the cash while marketing people stress the concern of satisfying markets.

A good marketing plan does not start with products and then seek markets for them. Quite the opposite, it finds and verifies the viability of markets and then produces products or modifies existing products to satisfy them with the resources at the organisation's disposal.
The mission statement

A mission statement "defines the business domain in which the organisation will operate. Business domains can be defined in terms of products, technologies, client groups, client needs or some combination".²

Theodore Levitt³ contends that market definitions are superior to product or technological definitions because business must be viewed as a client satisfying process. A marketing orientated mission statement therefore defines the operation of an organisation in terms of serving particular client groups or needs instead of the products it produces – in our case, training programs.

"Umbrella" mission statement for the Institute

In its planning, an Institute will probably have an "umbrella" marketing plan that considers the organisation as a whole as well as marketing plans for each individual product. The reason for this is that an Institute is a marketable entity that has to be a credible source of learning otherwise its products will not achieve the recognition they will need to be successfully marketed. In this sense, an Institute is its products and its staff and an Institute will only ever be as good as the quality of those products and the efficiency of their delivery by the staff.

Strategies for each product and strategies for every market

The axiom to be observed in marketing is that for every product there has to be a separate strategic plan, and for every market different strategies are required because each market is a different set of people with their own agenda of wants.

For example, an Institute may market itself as a business specialist. Its mainstream products to back up this claim could be Accounting, Financial Management, Marketing, Small Business Management, Computing and Keyboard Skills. However, a subject like Accounting for instance may consist of several products – a diploma course, a certificate course, advanced certificate, plus a series of mini modules offering a range of skill updates. So, the potential client base (markets) for the subject would include a range of people such as local high school graduates, company accountants, small business owners, overseas clients, employed clerks and unemployed people. Obviously, you can't say the same things to a high school graduate for instance that you would to a company accountant. Different strategies are needed.

Accurate costing is essential

Responsible marketing is concerned with the costs of growth as well as the returns from that growth. For example, an Institute that secures fee-for-service business by taking lecturers out of the classroom and replacing them with part-time lecturers must cost their time and associated administrative costs into the exercise. It can't claim the gross return from the additional business as profit.

See the "DETAFE Fee For Service Policies & Procedures Guide" for information on this subject.

The elements of the marketing mix

The marketing mix is the series of strategies that management decides in combination will enable an organisation to satisfy the wants of its target markets and achieve its marketing objectives.

The strategic options that are available can be grouped into categories called the "marketing elements" that are the primary influences on a client's choice of product. All of them have to be considered in the marketing plan. Some elements will need to feature larger than others but they are all interrelated.

What the client wants and expects

People are the core of marketing. The needs and wants of specific markets have to be satisfied with a bundle of benefits provided by the elements of the marketing mix:

- **A Product** which does what they want.
- **A Price** they think represents value.
- **A Place** where they can get the product.
- **Promotion** that tells them what they can get and where it is available.
- Reassurance that the product and place are respected and reliable. This **Positions** the provider in the client's mind.
- Satisfaction with the **Point-of-contact** experience when acquiring and using the product.
Trouble-shooting and achieving growth

The objective of every Institute is to achieve growth. If there is a marketing problem which is preventing this from happening, the cause and therefore the solution will be found in any one of the seven elements of marketing above.

1. You may be aiming at the wrong people.
2. The product needs to be re-developed, modified or presented in a different mode.
3. The price doesn't reflect value.
4. The place of delivery is not appealing enough.
5. You need more promotion or improved promotion.
6. The Institute or the product is not positioned correctly in the market's mind.
7. The point-of-contact experience for the client is unsatisfactory.

In the succeeding chapters we will address strategies for each of these elements as part of the marketing planning process.

All strategic decisions are based on reliable information

Strategies, and therefore marketing planning is based on the information obtained from detailed analysis of the markets. Strategic planning begins with a goal and then proceeds through a number of steps so that you can decide how the goal will be achieved. However, it can't be emphasised enough that good planning — good decision-making in other words — can only happen if there is good market intelligence.

In a practical sense, marketing planning is the link between the organisation and its potential clients. It is a two-way process. Information is obtained from the market about what it wants, where it wants it, and how much it is prepared to pay. This is then digested, understood, acted upon and regurgitated as a product that meets the market's requirements. Hopefully, what happens next is a transaction — provided that it is effectively promoted and that the Institute is positioned properly as being the best provider.

Markets dictate the planning process

Irrespective of what the organisation wants, the people in the market, their needs and wants, dreams and aspirations must be the realities of the marketing planning process. In
addition, markets must be large enough, easy to access, within the organisation's capabilities, and profitable, otherwise they are not viable.

An existing market that has proven to be viable must always take precedence over a potential but unproven market.

For example, an Institute that has an unsatisfied demand for an award course may be better advised to develop strategies that will meet that demand before it attempts to diversify and pursue a new market with an untried product.

The step by step discipline of the planning process

The skill of marketing is in the ability to apply a step-by-step discipline that considers all the elements of the marketing mix involved in preparing a marketing plan. It is essentially a method of thought, a means of making decisions that considers all the possibilities and problems.

The plan must be written

When a marketing plan is committed to paper the resulting document is then used to inform and direct all the people who are involved in the marketing process (that's about everyone).

When the plan is approved it becomes a working document that is the bible of the organisation. Its benefits are:

(1) It focuses on the latest information available.

(2) It gathers facts and organises thinking everyone can appraise and consider its implications.

(3) It offers a challenge to those involved to produce ideas and information that could solve problems and take advantage of opportunities.

(4) It minimises the possibility of poorly considered thinking and planning.

(5) It integrates all the departments concerned because every action has to be considered in relation to the total activities of an Institute.
Writing a marketing plan

The document must take the reader from a state of ignorance to awareness, knowledge and understanding. The writer has to assume that the reader knows nothing, even though the majority of the readers may have some prior knowledge and be conversant with the issues.

The document requires purpose and direction. Information should be assembled and presented progressively by backing up each statement with facts and only proceeding to develop each point when it is based on the information placed before the reader.

If the writer wants to put forward a recommendation it must be based on reliable facts or sound reasoning. In simple English, "planning is studying the past to decide in the present what should be done in the future".  

As a matter of interest...

Marketing planning is mostly about selecting strategies from a large range of acceptable options. Choosing the best options depends on:

1. Analysis of the market.

2. The resources that exist, can be developed or acquired.

Making a marketing plan work is the vital phase of marketing. It depends on:

1. Continually researching the market and getting feedback from industry, clients, graduates and staff.

2. Product development and controlling the quality of the product at all levels of the production process.

Promotion and selling are the most obvious elements of marketing but other less evident elements are also important.

Achieving client-centredness within the Institute, developing a high quality product, and maintaining a responsive working environment are as vital to marketing success as any other steps in the marketing process.
THE MARKETING PLANNING STEPS

6. Decide how you will manage the plan

5. Work out the details (tactics) of your plan

4. Create a marketing plan and decide your strategies

3. Identify the significant aspects of all the information you have gathered and decide your markets and products

2. Identify client needs and market opportunities

1. Conduct research and situation analysis
3. THE SITUATION ANALYSIS

The situation analysis is an examination of the marketing environment in which an organisation exists (or intends to enter). It is an appraisal of the internal and external conditions that will affect its marketing planning decisions. Internal conditions are generally within the control of management whereas external conditions generally cannot be controlled and they include the economy, competition, social and cultural forces, technology, and political and legal forces.

The controllable conditions as they apply to an Institute are its physical resources – buildings and equipment, its human resources – staff and their expertise, financial capability, location, corporate identity and its clients.

Marketing planning must resolve all the issues that arise from the marketing environment so that it can reach the markets it can service in an effective and socially responsible manner, the markets being the focal point of every endeavour.

When you are writing a marketing plan for an Institute you begin with a plan for the Institute as a marketable entity, ensuring that it will fulfil the Performance Agreement, integrate it with the plans of each department, prepare plans for each program area (and even develop a separate plan for every course or product). Then you will have a master plan for the whole Institute – a working document that should be your blueprint for growth.

Which courses and products are you going to market? Why have you decided to market that one? Is there a market for it? What makes you think so? Have you got the staff, the facilities, and the rooms to run the program? There is a lot to think about and decide before you get down to developing strategies for each product.

This is why the first stage in marketing planning is to conduct a situation analysis. It is only by having a thorough understanding of the marketing environment and its relationships with the Institute that sensible decisions can be made.

Market research and market analysis is essential for the completion of a situation analysis. Marketing research is covered in more detail in Chapter 10.

A situation analysis is a fact-gathering procedure that involves:

1. Self assessment – what is your Institute good at, what are its human and physical resources? How can these resources be better utilised to serve new or existing markets in the future?

2. Market research – which groups of people (markets) does (a) the Institute now serve that could be expanded because there is an unsatisfied demand,
and (b) which groups offer a potential for new products the Institute could satisfy in the future?

(3) Product assessment – can the Institute provide the products the existing and potential markets want with its existing resources? If not, can the resources be acquired so that it can provide what the market wants? Is the content as relevant as it was? Should other modes of delivery be explored and developed?

(4) What competition does the Institute have? How strong is it? Where is it located? What are the other providers doing that the Institute can copy or do better? Are there training materials the Institute can obtain from elsewhere in order to be competitive?

(5) What external influences are being brought to bear on the market situation? What is the Government doing or likely to do next? What state is the economy in? What social changes are occurring that may affect what the Institute does?

(6) What does industry want? What do clients want? It is vital to be progressively updated with market and marketing intelligence.

(7) What is the Institute's image in the market? How is it positioned? For example, is it perceived as being high-tech, regional and insular, community based, single purpose, narrow or broad based, big or small? Positioning an Institute and its products is necessary to achieve a competitive point of difference that provides benefits for the clients.

3.1 Self Assessment – Appraising the Institute resources

It is very tempting to scan the lists of markets and come up with a bag full of possible products to be marketed but there may be a problem – do you really have the human, financial and physical resources to handle them?

In your self assessment, which should cover all areas, it is advisable to include an appraisal of:

1. The lecturing staff in terms of numbers, classifications, skills, effectiveness, standards achieved, attitudes and contact hours.

2. The number of class rooms, lecturing facilities, and the standard of equipment, etc., their client capacity and how they are being utilised.
3. The subjects and program areas that are being covered, which courses are on offer, enrolment numbers for each, and client satisfaction levels (see Problem and Opportunity Tracking on page 97).

4. The facilities and amenities available for clients and staff.

5. The presentation of the Institute, its buildings, maintenance, cleanliness, etc.

6. The general level of competence and attitude of administrative support provided to clients and staff.

7. In addition to courses, other products and activities either in hand or being developed that will add to the reputation and income of the Institute or campus.

The purpose of a self assessment is to identify and recognise strengths and weaknesses in both the way the Institute operates and the resources it has. Growth is usually achieved by overcoming weaknesses and building on strengths.

**What are your conclusions?**

In the process of evaluation which is the purpose of a situation analysis, you will come to conclusions about the resources you have at your disposal and how they can be modified, developed or formulated into products for the clients you have identified in your market analysis. Your attention should be focused on what the market wants and what you can do as opposed to what you have done in the past.

The production-line system that has prevailed in education for a long time is now falling into disfavour among educationalists around the world. The trend is towards clients being treated as individuals and for education institutions to be responsive to their separate needs and wants with customised products – almost like a corner shop.
3.2 Identify your present markets

Students begin as clients and leave with their certificates and diplomas as products, but who hopefully have become advocates for the Institute.

**THE EVOLUTION OF A CUSTOMER FROM A MARKETING POINT OF VIEW**

![Diagram of customer evolution]

Despite this desirable progression from client to advocate and even client again, most times the Institute's clients leave with their pieces of paper and no one ever bothers to contact them again. Do they always go away and speak well of the Institute to their future employers, their families and their friends?

Remember, the reputation of an Institute is built on the references given by our clients. We will only ever be as good as the good they do. All the promotion in the world won't rescue a product or a place that has earned a poor reputation. What respect will employers have for Institute qualifications if an Institute turns out bad products?

Studies conducted in the USA reveal that client satisfaction with a product or service is earned after the sale is made, and that most advertising is read by purchasers looking for reassurance that they have made the best decision. Satisfied clients are the best forms of publicity because word-of-mouth recommendation is far and away the most effective form of advertising.

Therefore, past clients should always be considered as being of equal importance to an Institute as present clients.
Categorising your clients

The point of a client analysis is to review the client mix to find out if there are market segments that can be increased in number, whether there are opportunities for new types of clients, or if there is a threat of a decline in some segments.

An Institute's clients are usually broadly categorised into local clients, overseas clients, employers and industry clients, fee-for-service clients, skill update clients, hobby and special interest clients, other Institutes and course providers, and perhaps seminar and convention organisers. However, is this the best way to segment the complexities of the many markets that constitute the whole for an Institute?

In the process of reviewing each of these broad categories, it is advisable to consider the needs and wants of each one and identify sub-markets or segments that are not being effectively satisfied. Institutes tend to fit their clients into courses instead of thinking about developing courses that suit existing and potential markets.

1. Local clients
   The majority of clients come from the city, town or suburb in which the Institute is located. Predominantly they will be straight from secondary school but there will be significant numbers of mature-aged clients. The demographics of local clients requires further segmentation for possible market omissions. Comparisons can be made with other providers and census statistics to uncover any missing segments. It is also worthwhile investigating the reasons why various types of clients have enrolled to see if they are actually getting what they want.

2. International clients
   International clients generally pay full fees, speak another language most times, and come from different cultures. They are highly valued because of the potential for increasing budget resources (in addition to the social contribution they make to the Institute identity). However, each country is a market segment and their reasons for seeking education in Australia may vary significantly. Which is why different strategies are usually required for each one.

It isn't possible to get a balance of clients from each country or region but some areas are more productive than others. The reasons why are important because some markets may offer scope for considerable expansion. However, the quest for numbers needs to be tempered by the ability of clients from some areas to cope with the language and cultural differences. It is also important to develop a notion of balance and to determine the maximum number that will produce the optimum benefit.
3. Local, national and international employers
At an Institute of Vocation Education we speak about being "industry-driven" and that employers are the ultimate clients because they "consume" (employ) the products we produce. As the employment needs of industry are the main reason for our existence, each Institute should continue to research its requirements and maintain the relevance of its training programs.

It is worth knowing which companies or Government departments are participating in training programs and which are not and uncover the reasons. Once again, existing courses may not be relevant to clients' needs.

4. Fee-for-service clients
These clients mainly come from the industries we serve. They are an obvious source of consulting work, conferences, seminars, and customised products.

How often does an Institute talk to individual firms in industry? The experience with some Institutes would suggest that the views of industry are mostly canvassed through an industry association or union. The accuracy of such opinions will rely on how well the industry body is in touch with its own constituents. It should be remembered too that an industry association's views are not always representative of the whole industry and often there is a political bias to the views presented. Frequently, not every firm is a member of an industry association, or a respondent in the case of a union.

Nevertheless, unions and industry associations can be excellent catalysts for the creation of worthwhile training programs. In addition, individual contact with firms, time consuming as it may be, is probably the best way to source consulting work and individualised training courses – especially for on-job training.

Fee-for-service business is not necessarily restricted to the local firms or industry bodies. Interstate contracts are possible.

Marketing to nearby Asian countries can be a valuable source of work for an Institute – as many have proven – but for all international contracts, only the CEO, or the Manager, Marketing Services have delegations. Proposals should be discussed with the Marketing Services Branch at the earliest opportunity.

5. Skills update clients
These are usually mature-aged people who want to improve their job opportunities with better qualifications, be better at what they do, or succeed in their own small businesses.
This group appears to consist of many unsatisfied markets – mostly because the hours required to attend courses conflict with their work or home obligations. Flexibility in the modes of delivery is one way that would probably expand this market and earn more fee-for-service business. This is an area worthy of additional research.

Holidays, non-term periods, weekends and nights are other ways of offering product solutions to the needs of working clients.

6. **Hobby and special interest clients**
These clients don't seek qualifications but want to know how to do something or improve their quality of life. There are many segments in this market group. It is an area of considerable competition but because of the credibility of Institutes of Vocational Education as an education provider there may be many viable segments worthy of investigation as fee-for-service clients.

7. **Other Institutes and providers**
No one Institute can service all of its clients' needs. Fellow Institutes can become a source of business provided that you can service them. A communication network between Institutes with an exchange of information, courses and clients has benefits for all parties involved, and while this is working to quite a large extent already it should be further encouraged to enable Institutes to widen the scope of the services they can offer their clients.

8. **Joint ventures**
Joint ventures with other providers is a source of potential business. "If you can't beat them join them" could be a profitable way to go in some cases.

It could be worth considering joint ventures for under-supplied courses as well as for testing the waters with new markets.

9. **Seminar, convention organisers, trade shows and displays**
As well as providing income, conferences and seminars expose the Institute, its facilities and expertise to prospective clients. Some Institutes will rightly claim that their building facilities are stretched to the limit now. Nevertheless, these activities don't have to be held on the premises.

**What is significant about your existing markets?**

At the conclusion of your client analysis, you should be able to identify the clients which:
Seizing The Future Handbook

(a) are being adequately covered with current products
(b) you consider offer potential for expansion
(c) are prospects for new or modified products, or
(d) could be abandoned.

3.3 Identify the products you now market

Kotler defines a product as anything that can be offered for attention, acquisition, use or consumption that might satisfy a need or a want.5

The point of this part of the situation analysis is to examine all the products currently being marketed and determine which ones are either in demand or under-utilised and if they offer scope for expansion. Also, to find out if there are products that can be re-formulated or developed for new markets.

1. The Institute as a place of specialised learning.
An Institute is not a saleable product in itself but its correct strategic positioning in the client's mind assists in the marketing of its other products. Essential to the success of marketing the Institute therefore, is its credibility for quality programs and its perceived responsiveness to a client's needs and wants.

Market research (see Chapter 10 on this subject) is the best way to uncover the attitudes of an Institute's clients, the general public, employers, industry bodies, Government departments and politicians, the media, other educationalists, and groups (the publics) whose goodwill is important to the Institute.

2. Award courses
The award courses an Institute offers are its mainline products upon which it can build its reputation. Not every Institute can offer a complete range of courses. Each one has to specialise or have a homogeneous product line that suits the local community or the markets it serves.

However, through video conferencing and open learning packages, it is possible for an Institute to considerably expand its product range. It can introduce new programs when there is a spill from other Institutes or when there is sufficient demand for a course that can be economically produced with the human and physical resources at its disposal.

3. **Non-award courses**

Non-award courses are a source of fee-for-service business. Non-award courses are those programs that don't meet the requirements of a specific award or employment condition but assist someone to earn a living, improve their quality of life or achieve success in a recreational pursuit. They are aimed at market segments of the general public and are not necessarily industry related.

This is a competitive market but one with potential for an Institute prepared to research people's needs and interests. An Institute's image as a quality provider of education should give it an advantage.

4. **Fee-for-service courses**

This category of products is aimed at the industries an Institute is now serving and includes training programs, seminars and conventions – products specially packaged to meet a demand from industry bodies and individual firms, or when an Institute identifies a need and produces a product which it then markets to a specific target market.

Which organisations have never been approached? Which ones mostly conduct their own training? Is there potential for joint training ventures or programs?

5. **In-house training**

On-job training in the work place is a growing preference for many firms because it is effective, work specific and time saving. Although expensive to produce, many companies don't mind the costs because of the superior results it can produce. A systematic needs analysis of organisations may uncover many product possibilities for an Institute.

6. **Consulting**

Small to medium size firms in most industries frequently need the services of skilled practitioners and an Institute can be an excellent source of help through its lecturers and facilities. For example, a needs analysis is a product that can be marketed to them and it may be used to introduce the Institute's range of products and uncover potential new business opportunities.

7. **Licensed or franchised courses**

An Institute which has developed a special program, whether it be for an award or non-award course, can market it to other education providers on a franchise or license basis. This category of product also includes the joint-venture approach.
Regency Institute for example, has been franchised to conduct courses in Australia on behalf of a Swiss hotel school. Regency has also franchised its own Management Diploma course to a Malaysian Institute. Other entrepreneurial developments of a similar nature are under negotiation by Regency, Adelaide and other Institutes.

8. Books and teaching materials
Any educational material developed by an Institute, especially if it is unique or special in some way, is a marketable product that can be offered to other education providers. There are exemplars of returning a handsome profit from books, client work manuals and lecturers' manuals, (e.g. Tea Tree Gully campus of Torrens Valley Institute).

9. The graduating clients
Anyone who has successfully completed a course with an Institute is a "product" as well as a client who can be sold another training program. As a product, they can be marketed to industry for employment. In principle, an Institute should not look to make a profit from a placement service but it can recover its costs from such a service by making a small charge to the employer. Students, industry and the Institute would benefit from this service.

A commercial enterprise uses its successful products to make other sales or as a lever to introduce new products in the same line. Outstanding graduates can be used in the same way and be promoted as examples of the Institute's ability to turn out a quality result for industry and as an inspiration for potential clients.

10. Students' products and projects
This is an area of opportunity to promote the work of the Institute and the skills of its clients. Earning income is not the objective but encourages clients in their projects when they see tangible recognition of what they do.

11. Hire of premises, facilities and staff
Provided that these types of activities don't interfere too much with the main business of the Institute, hiring can produce income and draw attention to an Institute's expertise.
3.4 What is the competition doing?

This part of the situation analysis is where you take a good hard look at other providers and compare their enrolments, facilities and image with your own.

You also compare products and make an honest assessment of their advantages and disadvantages. It is no good saying "We're better", even though that may be true, if the client's perception is that you are not.

To be a competitive provider, an Institute and its products must endeavour to create a discernible difference which benefits the clients and enables them to differentiate between products and learning environments.

Competition can be analysed by considering the following factors:

1. Who are your competitors?
2. What are they doing with their products that is better?
3. How can you compete on more level terms?
4. Which products are fulfilling what the markets want?
5. Which products are failing?
6. Which products should be expanded to cope with the demand?
7. Which products offer potential for development?

When it is found that a product is failing to compete successfully, it is advisable to establish the reason:

- Is it a question of image?
- Does the product need up-grading?
- Is there anything they are doing that you can copy?
- Can you get a program, either by purchase or franchise from another provider?

The sources of most competition come from the following areas:

1. The providers which compete directly by covering the same or similar qualifications or curriculum. The client can only decide on the basis of the provider's image or credibility, other people attending, the time or place of delivery, cost and nearness.

2. Providers which indirectly compete, such as universities that may provide similar training in the early stages but offer higher qualifications. Another example is a private provider which may cover the same material as an Institute course but in a different format, often shorter, or an alternative mode of delivery.
Then there are niche or special interest courses that collectively can cover a whole subject but be taken in small bites. For example, private providers have courses in advertising, selling, sales promotion, public relations, direct marketing, retail marketing and so on.

3. **New providers.** These will be of continuing concern because they are being encouraged by Government policy. They are less likely to affect courses that require a high capital outlay in plant and equipment.

4. **Industry providers.** Many industries have their own training establishments because they want specialised input and consider they know their own training requirements better than anyone. This type of competitor takes many clients away from Institutes and more are likely in the future. Large companies and Government departments also have their own training departments. Joint venture arrangements may be a solution in some cases, (the Regency/QANTAS joint venture is one example).

5. **In-house trainers.** Major sources of competition for some time have been the private training consultants. An Institute could obtain more of this business if it wanted. However, it would have to overcome the stigma in some executives' minds of being too academic and not commercial enough for their needs.

6. **Seminars with visiting gurus.** Much of this business is being provided by management consultants and promoters. It can be a big revenue producer and it is business an Institute should seek in order to enhance its image as a relevant, commercially orientated provider.

7. **International competition.** Some American and European universities and schools have either ventured into Australia with courses or licensed their programs to providers. Their numbers could increase. In addition, our Asian neighbours are seeking to develop a stronger education base, posing a threat to much of the business Australia has been able to obtain from these countries in the past.

**Strategic options to meet competition**

- Specialisation – courses that concentrate on one aspect of a subject.
- Niche courses – for markets no one has considered or bothered about.
- Joint venturing.
- Licensing and franchising.
Diversified training.

Flexibility with modes of delivery and course times.

In-house and on-job training.

Seminars and conventions.

Consulting.

Needs analysis.

Increased marketing endeavour and more promotion.

3.5 What does industry want? What do clients want?

The groups of people who represent your markets have to be satisfied with the products you provide. You have to know what they want, what they think, feel and believe about what you are doing.

The only way to find out is to ask them – regularly. A brief questionnaire is the best way to do this.

For industry, the survey needs to be aimed at a random cross-section of companies, large, medium and small.

For existing clients, a questionnaire can be handed out towards the end of each semester.

For past clients – an important group – a random mailing of a questionnaire to clients who have completed their studies over the past three years would uncover how they have used their training in their employment – and of course, what sort of employment they have obtained.

Using market research techniques

A market survey is the best way of finding out which markets offer potential for product development.

(Market research techniques are covered in more detail in Chapter 10.)

Market research is classified into two categories – primary data, which is acquired by face-to-face interviews (or telephone) and secondary data, which is gathered from sources such as Government agencies, media and industry associations or unions.
All research is driven by objectives which establish what it is you want to know and what you intend to do with the information when you get it.

For example, you may well need to know:

1. If existing clients believe their training is relevant and whether they are satisfied with its time, place and mode of delivery.

2. If past clients think their training and qualifications have helped them and if there is any additional training they need.

3. If employers are satisfied with the skills and competence of an Institute's graduates.

4. If employers have a need for skills updates or specialised training of any description for their staff.

5. Where there are new markets for training.

Having got this information, how do you intend to use it? Here are some objectives to consider:

1. Modify the training programs to upgrade their relevance and quality.

2. Achieve greater client-centredness at the Institute.

3. Develop new products to meet changing needs.

4. Reorganise the product portfolio to gain more income.

3.6 What external influences are being brought to bear?

External influences are matters over which an Institute has little or no control, which is why markets are always fairly volatile. They can change – often without notice.

For example, the economy is a significant issue at all times, so is unemployment. Government policies can change.

New technology and new ways of doing things are a constant challenge for Institutes to update and maintain pace with industry requirements.

Then there are social changes, new trends and styles of living that can influence training program design. In hospitality for example, the trend is away from formal dining to more relaxed and casual environments and service. Poker machines will cause dramatic changes to public hotel facilities and layout.
Chapter 4

Analysis of Market and Product Opportunities
4. ANALYSIS OF MARKET AND PRODUCT OPPORTUNITIES

Identify the significances of the information you have

The Situation Analysis process you have been through should have provided you with some vital information and thoughts. You are now in a position to make some important observations about what action you should take, such as which markets to pursue and which products to market.

SWOT analysis
A good way of sorting the information and selecting the situations that offer the best opportunities for growth is to start with a S. W. O. T. analysis and maybe brain-storm on the opportunities.

SWOT is an acronym for Strengths, Weaknesses, Opportunities and Threats. It is a diagnostic tool for identifying and comparing the issues arising from a situation analysis so that decisions can be made about objectives and strategies.

It is in two parts. Part one concentrates on listing strengths and weaknesses which involve the internal marketing environment – those matters over which an Institute has control. Part two concentrates on the external marketing environment – matters affecting an Institute over which an Institute has little or no control. It lists opportunities that can be identified for growth and outside issues that could threaten the marketing effort.

When the lists are completed the information is sorted into priorities and less important issues eliminated so that the key issues are highlighted.

In the next step, possible solutions are examined. Brain-storming and lateral thinking are useful means of producing ideas. These are then culled and reduced to the most feasible options. Decisions are then made on which opportunities should be taken advantage of by making use of strengths, overcoming weaknesses and minimising threats.
Figure 4.1

Chapter 4: ANALYSIS OF MARKET AND PRODUCT OPPORTUNITIES
Growth opportunities

No organisation can depend on existing markets and products to last indefinitely. Every product has a life cycle that can be of short or long duration depending on the demand which can change as the marketing environment changes. For example, the demand for TV repair technicians plummeted with the introduction of the more sophisticated and reliable colour TV sets. Courses on computer programs have to be continually updated and sometimes abandoned.

Each product should be tracked on a product life cycle graph so that an early assessment can be made on its future marketing. For example, a product which is of declining interest to clients can be either allowed to "die" or be "revitalised" with new material or modes of presentation.

![Product Life Cycle Graph](image)

Figure 4.2

Like any other organisation, an Institute has to consider potential opportunities for growth. There are a number of growth options which can be categorised as follows:

1. **Market penetration.**
   This is usually the first option to consider – can more clients be found for existing products? When there is already an unsatisfied demand this is an easy decision to make and it generally involves expanding the resources or changing the mode of delivery to meet the unsatisfied demand. Another option may be to sell different products to the same markets – such as fee-for-service clients who have already purchased one service or training program and could be encouraged to buy another one or a different one.
2. **Market development.**
If the demand for an existing product is being satisfied it may be possible to find new markets by going interstate or overseas. Another alternative may be to focus on different types of clients.

3. **Diversification**
This may be the least attractive option because it would mean both developing a new product and endeavouring to attract a new market. This opportunity could well be considered for fee for service clients if the product and the market were not too far removed from the Institute's existing portfolio of subjects. For example, an Institute with a range of products associated with business training would find it relatively easy to add another one provided it was not already over-catered for by other providers.

4. **Integrative growth**
This type of growth seeks to own or control either the manufacturing or distribution aspects of an organisation's marketing. An Institute for example, may see merit in producing more of its education aids and teaching materials, or operate a placement agency for its graduates. It can be motivated by an endeavour to save money or to create another source of income. It could be a major growth area.

5. **Product development**
If you have an existing client base such as a number of fee-for-service clients, you could consider developing new products to meet other needs they may have.

It is easier to develop products that are an extension of a core-base of products in a given subject area. This is exploiting the known and established expertise of an Institute.

**Improve your core products first**

Business history clearly says that an organisation should stick to what it knows best and concentrate on improving its sales and efficiency to achieve success in its own field of expertise before venturing into new pursuits. The time an existing product range should be abandoned is when it becomes obvious that there is no longer a market or that it is too costly to continue providing for that market. Most business failures are caused by either too little capital, growing too fast, or diversifying too soon.

For an Institute that already has an established base of core products, it should first satisfy itself that it is doing as much as it can to service that base. When that point is reached it should look for market opportunities in areas not already serviced adequately that offer good potential for growth.
A good area for growth opportunity for most Institutes would be in the modes of delivery of their existing subject base. For example, research may well discover that many clients, existing and potential, have a problem with times and places of courses — as well as class sizes and sheer numbers that exclude a large number of them from gaining entry.

The "Dial-a-Pizza" and other take-away markets which have flourished in the last decade are a classic example of expanding the market size simply by offering a mode of delivery that suited the clients. "Customers do not buy products; they seek to acquire benefits".

An Institute which wants to develop its future by increasing its returns from fee-for-service business has to define its scope of activity. This can be accomplished by the benefits it can offer the markets it determines are right for it.

Inspiration tempered by experience

An open mind is vital when strategic options are being considered. Concepts are put forward, analysed and refined into practical products and strategies. The following graph may be helpful in sorting through the information you have and provide various options for your consideration:

Chapter 4: ANALYSIS OF MARKET AND PRODUCT OPPORTUNITIES
4.1 Deciding on markets and products

This is decision time. Based on the findings of your situation analysis, you should now be in a position to decide which markets to pursue and which products to develop, or modify in some way in order to be competitive and satisfy those markets.

The basis of your decisions will be:

1. The significant industry wants and client wants you have identified through research that have potential for the resources your Institute can offer.

2. The markets that have the highest potential for penetration.

3. The products you think should be:
   (a) modified or expanded;
   (b) created to meet the market's wants, or;
   (c) abandoned.

4. How you will allocate resources to these projects.

5. Whether it will be cost effective to proceed with your ideas for marketing these products.

6. Whether the marketing action you contemplate fits with the Institute's overall goals.

7. If the marketing can be integrated into the other sections' activities and goals.
Chapter 5
FORECASTING AND BUDGETING
5. FORECASTING AND BUDGETING

Any marketing decision involves money, time and effort. This is where realistic enrolment forecasts have to be made for budgeting purposes and income objectives set, based on the market opportunities identified in the market analysis.

A feasibility study is, in effect, a situation analysis that has identified target markets and made an accountable forecast of the likely financial outcome when marketing activity is applied to products that have been designed to satisfy those markets.

In budgeting, an amount of money is allocated to the marketing activity required to achieve the sales forecast and a financial target established for the desired outcome of the marketing.

Profit may not be the primary purpose of all training programs but they still need to be contained within reasonable cost limits.

Setting objectives

Setting marketing objectives is the decision-making time in marketing. The questions, "What is a reasonable number of enrolments to expect?" and "What makes you think you can achieve those enrolments?" have to be answered with judgments that can be supported by the situation analysis.

By having objectives that are specific and which stipulate a measurement by performance, the criteria for evaluation by administration is established. If the performance of the plan, either by the people or the things involved, does not measure up to the criteria established, management can use the plan as a means of determining why it did not work to expectations.

An objective which doesn't contain a means of measuring its outcome is merely an expression of intent.

There are several categories of marketing objectives. Each one should lead to the next to create a series of links in a chain of imperatives. If they don't then you will have an organisation that is divided against itself.

1. The long-term and short-term goals of the whole organisation.

For full details of DETAFE goals refer to the document "Corporate Objectives & Strategic Priorities 1992 – 1994".
2. Institute marketing objectives and strategies.
3. Section marketing objectives and strategies.
4. Program groups and campus marketing objectives and strategies.
5. Subject and product marketing objectives arising from the former goals.
6. Point of contact objectives and strategies.

**Forecast and budget for markets and products together**

Budgeting is based on sales forecasts and cost analysis with a range of options to cover the best and worst outcomes of the marketing plan. A budget will only be as accurate as the enrolment forecast.

It is better to forecast and budget for markets and products together than to concentrate on products alone. The reason being the focus of attention should be on the markets not the products because the products are only the training means created to satisfy the market's wants. This way you can isolate whether the costs of trying to access a market are justified or if the costs of the product are worthwhile.

**Forecasting the size and growth of a market**

This is always difficult and it mainly relies on informed deliberations arising from the accuracy and depth of research of the market analysis.

It is the variables of competition, client reactions to the product, new technology and ideas, changes in fashion and taste, prevailing economic circumstances and government intervention that make forecasting so hazardous. For example, who in the airline industry could have foreseen the catastrophic sequence of a pilot's strike, the Gulf War and a world-wide economic down turn?

Analysing each market segment in turn is better than trying to encompass a forecast for an entire market. Small segments are more predictable because they are more understandable. Also, it usually becomes apparent when segments are analysed and compared that some are more viable than others. For example, when segmenting the market for a plumbing course by age, the younger age groups would obviously be more cost-effective to reach than the older groups.

The following graph demonstrates the variable factors to be measured when assessing the prospective returns from each market segment. One factor should not be taken by itself but be considered in relation to the others so that a picture can be formed of the dimensions of the market and the costs of reaching it.
Figure 5.1

For example, an Institute may identify a growing trend for clients from Vietnam (location) who are aged between 25 and 45, are in their own businesses and of Chinese extraction (sociological) who want to learn advertising (reasons for purchase). They come from a higher social class (lifestyle) but because they can’t be away from their businesses for too long they want their learning to be available in one semester (timing). They don’t have much money; they don’t want to travel and expect to get their training in their own country (market expectations). The problem is their government has to give permission for the training to take place in their town (purchase influences). Let us say for the sake of the exercise that there are around 50,000 small business people who could be prospective clients. It’s a reasonably big market but is it worthwhile given the problems involved?

Where there have been past sales, a trend either up or down should indicate the future size of the market. If there is no prior information because it is a new market, measuring a similar market can be a helpful guide.

A warning - a market is seldom as big as it appears and a survey of buyers’ intentions – that means asking a sample if they would purchase – is about as reliable as a punter’s tip at the races.

It is advisable to remember that the cost of reaching a market is dependent on its interest in the product and accessibility to the provider’s media, so promotion expenditure is an important cost consideration. Some prospects are too difficult to reach economically; many won’t see the advertising; some won’t understand it; many will not be interested at the
time, and only a minority of the predicted potential market will respond. It is best to allow more money than seems needed.

A test or trial marketing exercise is a practical means of establishing the response levels and therefore a reliable basis for forecasting. Test marketing also enables adjustments to be made to the marketing strategies.
6. MARKETING PLANNING STRATEGIES

Strategies are the means of achieving objectives, and because an Institute has many products to market, a strategic plan is required for each one. That means having a strategic marketing plan for:

(a) The Institute as a marketing identity;
(b) Each section as a service provider;
(c) Each program group (or campus);
(d) Every product, and;
(e) Each point of contact experience for the client.

For each of these, it is necessary to identify the markets with the most potential to aim at and decide the products that would achieve the most growth against those markets. The next step is to tackle the strategies for achieving their separate objectives.

It is advisable to concentrate on one product, one market and therefore one set of strategies at a time. After all, a marketing plan for all the products in an Institute is simply the same exercise repeated many times.

The elements of the marketing mix

There are different types of strategies, and in marketing each type of strategy applies to an element of marketing that begins with the letter "P". As discussed in Chapter 1, whether anyone buys any product will depend on the strategies you use for each of the elements in the marketing mix – people, product, price, place, promotion, positioning and point of contact. These are the factors that have to be satisfied before people will buy.

Some elements are more important to potential clients than others, and in the planning process of marketing the elements that are of the most importance to the clients have to be understood so that the mix of elements is right, otherwise enrolments may not meet the forecast numbers.

Therefore, in your strategic planning you must make a decision about each element of the marketing mix.

6.1 People – Who will you target?

Who are the potential clients? Which market segments do you identify as being the most viable for
(a) Market penetration
(b) Market development
(c) Product development
(d) Product and market diversification?

What types of people are they and where are they?

Just as you did in the section on budgeting and forecasting, you must define the major market segments in precise terms. It is no good selecting a broad category of potential clients under the heading of "international clients", for example. What is meant by "international clients"? You have to be very specific about whom you mean otherwise you will find that the market you want merely exists in your own mind and isn't there in fact.

For example, you could cite India as a potential market of overseas clients and claim that it is a very big market, but for what? Sure, there are nearly a billion people in India but only a minute fraction of that populous mass has the remotest interest or intention of ever taking any course in Australia. Most would have neither the money nor the opportunity, the rest would be too old, too young and wouldn't see the point anyway. Of the remainder, whom among them wants the courses you have to offer? You must nail them down to age groups, genders, incomes, cities and even life styles, and of course whether they need or want the products you have to offer.

Why do you have to be so precise? Because most product failures have foundered on the simple fact that the market for it didn't exist in the first place, or was so small that the sales were inconsequential.

Which market have you chosen? Identify it precisely by:

(1) Age group.
(2) Occupation or employment status.
(3) Income (or parents' income if the market is predominantly unemployed dependent children).
(4) The market's wants - eg. qualifications, skills up-date, etc.
(5) Entry requirements or prior learning.
(6) Nationality.
(7) Location.
(8) Social class or lifestyle.

(9) Who decides, influences, uses and pays?

Repeat the process for every market segment because even one change to the client profile may entirely alter the strategies that need to be applied.

6.2 Product – What benefits will you provide for the target markets?

How will you produce the product that the markets you have identified want?

A product strategy revolves around its basic appeal – its outcomes for the proposed clients (market). It has to have benefits for them. Also, as those benefits will be compared to other similar products, yours has to be competitive, and on balance, have more advantages.

The name of the product for example is a very important part of your strategic planning. An unattractive, complicated or misleading title may ruin every other aspect of your planning.

Product quality, the quest for excellence must be the goal, because in the end the clients will be the final judges. Quality and quality control have to be built into the product at the concept and planning stages.

Some product strategies you may consider:

1. **End use specialisation**
   For example, a training program that meets the needs for solving a particular industry problem. Regency Hotel School did this with hotels and clubs for the introduction of poker machines.

2. **Product range**
   For example, a broader range of alternative programs on the same subject with different topics from other course providers so that prospects have a choice.

3. **Customising**
   A curriculum that can be adapted to meet individual needs.

4. **Flexibility of delivery**
   Offering clients a choice of location, timing and means of delivery.
5. **Vertical diversification**
For example, alternative levels of entry to a program, or staged learning to match the abilities or status of a prospect. Recognition of prior learning could play an important part with this type of approach.

6. **Needs-based programs**
Customising extended to the development of a whole new program if required.

7. **Added-value programs**
Customers are offered an additional benefit, such as free consulting with every program, or two programs for the price of one.

8. **Guarantees**
For example, a guarantee of outcome for every client – they keep going until they pass without financial penalty or a fail on their academic record.

9. **A core program with spin-offs**
For example, a base course with a range of electives that suit individual requirements.

10. **Line extension or modernisation**
This means offering an update on a past program, an additional qualification for a short extension to an existing program, or an interesting variation that may suit people with a specific skill need.

### 6.3 Price – How much will you charge?

Price is matter of perception and comparisons. It is all about value, and what is value to one group of buyers is regarded as rubbish by another.

For markets that frequently buy a certain category of product there is an expectation about what they want and what they are willing to pay. For example, regular hamburger buyers know exactly what is value and what is not.

In the training field, some management consultants get away with very high prices to attend a one day seminar by a visiting business guru. The same people though don't expect to pay big prices for training that comes from a recognised education provider. Pitching your price at an acceptable level for your training products requires understanding of the market's expectations.
Pricing is different from costing


The cost of a product is the sum total of the expense that can be traced to lecturers, teaching aids, equipment and facilities etc., educational, management, and administrative support salaries, promotion, and travel and accommodation if they apply. A percentage amount is usually added for recovery of departmental operating costs.

The price of a product is what the client pays, which is normally the cost plus an added profit margin. The amount of profit may vary considerably, so when you have estimated your product costs and have established an ideal selling price which will return a worthwhile profit, your pricing strategy may be one of flexibility with different prices for various situations.

On occasions, it may be necessary to charge less than cost (i.e. a "loss leader" situation) in order to obtain more business in the future, or to win the "big" one. Or, in some situations where you have a virtual monopoly and a high demand product you may consider charging a fee that will provide a very high return.

Total costs are usually spread over the anticipated number of enrolments in a given period of time so that a unit cost price can be established.

The first time a course is offered is always the most expensive. If the course is successful and the forecast number of enrolments is exceeded it is then possible to re-examine pricing policy.

For some courses, a "price ceiling" is imposed by government and this needs to be considered as part of the overall strategy.

Some pricing strategies to consider

Cost plus pricing. This is where you simply add a profit margin to the cost price so that the product provides a reasonable return.

Price skimming. This is when you charge a high figure for an exclusive course for which there is a high initial demand, subsequently reducing the price when other providers compete or if the demand for the product becomes price sensitive.

Price ranging. This approach would accompany a product ranging strategy and it provides the client with a number of training options with a choice of prices to consider.
Price discrimination. This approach allows for differences in clients, time of delivery, product, place of delivery. For example, international clients versus local clients, wealthy versus underprivileged clients, night classes versus day (or holiday programs), award levels or types of scholastic achievement, distance learning and Institute delivery, and so on.

Demand differential pricing. This approach can be used to meet fluctuations in demand or to encourage demand in seasonal down-periods.

6.4 Place – Which modes of delivery will you use?

The benefit to the client is a major consideration when determining the location for training.

The client may wish to consider parking, child care, library, equipment, catering, public transport, etc. For some of these factors, the Institute campus may provide the best option – but we need to be flexible.

Training these days has to be portable. The "talk and chalk" days of class room and Institute based programs are declining in favour of the options offered by open (or flexible) learning and in-house training. The ability to "place" training where the markets want it conducted many consider is the marketing reality of the future.

For example, it may be more convenient to deliver training in a central location, and it is arguably less expensive if the human and physical resources of an Institute are under-utilised. However, with continued demands for increased productivity within current budgets, it makes sense to be flexible about delivery. It makes even greater sense if after consultation with a prospective client it becomes clear that the other options are preferred.

The options you may consider are:

1. Delivering the training in the client's premises or hiring a suitable venue for the purpose.

2. On the job, customised training.

3. Distance learning. If the Institute doesn't have a distance learning package, it can develop its own or purchase one from another Institute or private provider.

4. Open or flexible learning, where there may be a mix of mediums that can be applied to deliver the training such as some parts being delivered via the class room, video or audio tape, video-conferencing, computerised learning, television or radio, text book or manual, post, phone or facsimile transfer.
(5) Accrediting or franchising a private provider to deliver a training program.

(6) Joint venturing with another Institute, union, industry association, company or private provider.

(7) Establishing a branch of the Institute in another town, state or country.

(8) Being franchised or licensed to conduct someone else's training.

Each of these options could offer some interesting opportunities for an Institute to earn fee-for-service training work. Also, they enable an Institute to overcome shortages in rooms and staff. Some Institutes throw up their hands when faced with staff or room problems instead of considering the many alternatives open to them.

If there is more than one mode available, each one should be treated as a separate product.

6.5 Promotion – How will you communicate to the target markets?

This subject is covered in more detail in Chapter 11 – "Promotion and advertising".

The purpose of promotion is to seek enrolments for the courses an Institute has to offer by making prospective clients aware of them and encouraging their acquisition.

The usual promotional approach used by Institutes is to "stick an ad in the paper" among the rest of the training providers. It is easy and convenient but mass media advertising may be wrong for many courses and training packages.

Promotion is a term that encompasses a variety of message delivery systems of which "sticking an advertisement in the paper" is only one. It can involve any of the following types of communication, singly or in combination:

- Direct personal approach
- Brochures and leaflet distribution
- Direct mail
- Exhibitions
- Open days, tours
- School visits
- Seminars, dinners
- Public relations
- Publicity
- Sales promotion
- Catalogues
Mass media advertising
Trade journals
Outdoor/indoor signs
Alumni associations

Mass media advertising is fine when the markets that have been targeted are wide spread and the individual names of the markets are unknown, in which case advertising acts like a fishing net – you're never sure what you are going to get until you pull it in. Then you have to discard the fish you don't want in order to get the ones you do want.

Sometimes advertising is the most economical solution to communicating. However, other communication means can be more effective and cost less money. Some promotion strategies to consider are:

Direct mail is an excellent means of communicating directly to old clients, selected firms, unions and industry associations and to wider markets that can be economically accessed by mail.

Phoning or calling on viable groups of prospective clients provides the personal touch, as long as the prospects are carefully selected beforehand so that each call has a high chance of being successful.

Exhibitions can be an excellent opportunity for an Institute to be exposed to members of an industry group or prospective clients wanting to enter a particular industry.

Tours, open days, seminars, dinners, etc.
Many Institutes use this tactic to effect. It builds helpful friendships with individuals and organisations as well as promoting the Institute, its expertise, and its products.

School visits are a form of sales promotion that can be timed to introduce potential school leavers to the Institute's many career and employment-based courses.

Publicity requires the cooperation of "friendly" media contacts. It doesn't cost very much but media, especially commercial media, will only run a story if it is "news" and is an item of interest to the medium's readers, listeners or viewers.

Sales promotions are one-off, short-term special selling pushes to boost sales or introduce a new product. They usually require a special deal or price offer to be successful. For example, an Institute could consider a free introductory course in order to sell a longer, fee-for-service course.

Sales promotions can involve several or all of the message delivery systems including advertising, publicity, brochures, exhibitions and personal representation.
Brochures and sales aids are the basic sources of information for most training programs. They should also aim to do a selling job by presenting the program and the Institute in the most favourable way. Unfortunately, some brochures fail either to inform or sell. They lack vital information and present what information there is in a lack-lustre fashion and invite more questions than they answer. They are also out of date on many occasions. Brochures or sales literature items are vital tools of marketing because they are like silent, unpaid sales people. They can have a long life too.

Catalogue or leaflet distribution will work for Institutes in specified geographic and demographic situations. It can be a letter box drop for a general training program for instance. Australia Post has an excellent system whereby they will deliver to business premises, specified districts and even assist in obtaining lists of business categories for their clients.

Another way of effectively distributing pamphlets is to do a cooperative deal with a company or organisation which is in a field allied to the course being promoted. Wine companies for example, could be interested in using their mailing list of clients to advise them of a course on wine tasting – especially if their products are featured.

Industry associations and unions are often happy to help promote a training program that will serve the interests of their members.

Networking. An Institute is in an ideal situation to make use of its "sphere of influence" with other education institutions or its network of contacts with clients and fee-for-service clients.

Alumni. Contacting past clients on a regular basis through a newsletter to "keep in touch" and outlining new programs that are on offer – especially updates and advanced skills courses. Creating "old scholar" associations and having regular events that maintain their interest have always worked well for private colleges and some secondary schools.

Vocation counselling could be promoted as a means of reaching out to people who are uncertain about which direction to take in their career. This service could be offered to mature age prospects as well as school leavers.

For information on how to prepare various promotions and write copy etc. see Chapter 11.

6.6 Positioning

About the most important part of the marketing process is gaining a "position" in the market – to be well known and to have a substantial number of people who respect, like and mostly buy or use your product or service.
Positioning is a competitive stance and it requires the creation of a marketable difference that represents a superior benefit for the client.

In every market there are products seeking to obtain a share of the available business. The best selling brands are invariably those with high visibility, good credibility and an easy recall of their name and their major benefits. No one wants to buy an unknown.

**Positioning takes place in people's minds**

The term is not about the physical space or place the product or service occupies, even though to gain a position in people's minds often it is necessary to use a physical place to achieve recognition.

Positioning is about what people think, know, feel, or believe about an Institute and its products. Credibility is the main objective and to achieve that the staff, the program content and the method of delivery have to be credible to the would-be purchaser. Above all else, an Institute has to be perceived as a reliable and effective institution of learning.

**Changing what people think, feel or believe**

Building a position or changing an existing one does not happen overnight. It requires a continuing flow of information that contains valid reasons for the people concerned to change or build on the way they think.

A product will be positioned in clients' minds by its format and purpose. When it is promoted, the main benefit should be offered so that there is a clear reason for its acquisition by a client. If the product is a course for example, it is packaged and presented as being "easier to do", "quicker", "more practical content", "can be started any time", "work at home", and so on. These are positioning strategies.

**Avoid tarnishing the positioning image**

The pity of most marketing endeavours is that the marketers may get their part right from the planning through to the sale but then be let down by the product's quality or by the performances of others in the organisation.

Unfortunately, client's degree of satisfaction is often determined by a range of people in the organisation. For example, the reception staff are rude or haven't been given sufficient information; the accounts are wrong; the place is dirty; the visual and audio equipment

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7 Recommended reading: "The 22 Immutable Laws of Marketing" by Al Ries and Jack Trout.
doesn't arrive on time or it breaks down; the coffee is cold; the air-conditioning fails to work – the litany of disasters can be a long one. The worst part often is the lecturer may be boring, out of date or patronising.

**Use several information feeds**

Good positioning requires several sources of information to consistently confirm the benefits of the courses and their delivery. Those exposed to the Institute's products must go away feeling they have got what they came for and paid for. Word-of-mouth recommendation is clearly the ultimate means of improving one's position in people's minds. Advertising and all the promotion factors then merely have to substantiate what others have said about the product.

The other elements in the marketing mix – price and place – also play a part in supporting the goal of achieving a strong position in the market's minds. The price for instance, has to represent value and the place of delivery has to suit the clients.

For information about creating a positioning strategy for the marketing identity of an Institute, refer to Chapter 12.
Chapter 7

TACTICAL PLANNING
How to allocate human, financial and physical resources
TACTICAL PLANNING: How to allocate human, financial and physical resources

Up until now it has all been theory and words. Now you have to demonstrate how you intend to make it happen. This is the tactical phase of the plan. Strategies are the broad-term decisions. Tactics are mini strategies – the details of the plan – the moving about of the various resources such as people, materials, rooms, finances, and promotion items; the establishment of systems and procedures essential for achieving the strategies. These have to be carefully worked through and incorporated into the plan.

It is important that the tactical details be listed for each product and each market for that product. It is best to repeat the strategies and then detail the tactics. The graph shows the chain of actions:

* See Chapter 9, "Point of Contact Strategies"

Figure 7.1
Because tactical planning is about doing things, we have not provided a lengthy description on tactical planning. Instead below is a practical example of how to make it happen:

EXAMPLE

PRODUCT
Advanced Certificate in Souffle Preparation (outcome, etc. described).

MARKETS
(1) Large hotels, motels, resorts and restaurants employing three or more chefs.
(2) Small hotels, motels, resorts, restaurants, cafes, caterers and clubs.
(3) Full and part time employed chefs.
(4) Clients undertaking a cookery course as an extension of their studies.
(5) Interested members of the general population.

(Notice that the markets for this product are ranked in order of size and importance and that each one requires a different set of marketing strategies. Therefore, each one has to be dealt with separately. In this instance we will take the first market only)

MARKET
(1) Large hotels, motels, resorts and restaurants employing three or more chefs.

PRODUCT STRATEGIES
To provide a 16 hour course on souffle making that can be adapted to client's needs according to length or numbers on the program.

* TACTICAL DETAILS
Course can consist of four hours theory and demonstration and twelve hours practice by the client, and each course can be delivered in eight two–hour sessions 16 one–hour sessions or whatever suits the client.

Make Laura Harrison available for souffle and patisseries fee–for–service programs and relieve her from other full–time teaching commitments. Audrey Hamilton to be available on PTI basis whenever Laura is required for on–job training.

PLACE STRATEGY
To offer flexibility of place of delivery.

* TACTICAL DETAILS
Delivery can be on the client's premises during rostered working hours before main preparation time, or at the Institute. Minimum number per program is six. When delivered on client's premises, two firms may combine, alternating between kitchens if necessary. Other options are.....etc. When delivered at the Institute, kitchen 4c is to be used...etc.
PRICING STRATEGY
To offer the program on a fixed price basis, not numbers of clients, but with an upper limit of ten per lecturer during practicals.

* TACTICAL DETAILS
Price to be $.... based on lecturer's time on job and travelling, plus promotion costs....etc.

PROMOTION STRATEGIES
To promote the program using direct mail and personal contact.

* TACTICAL DETAILS
(1) Mail letter about the program and its benefits to three, four and five star hotels as per Institute mailing list 41A.
(2) Test reaction by phone call.
(3) Amend letter if necessary and mail to restaurant and hotels as per Institute mailing list 41B.
(4) Ted Armstrong (EM1) to phone for appointments to discuss program in more detail one week after mailing.
(5) Ted Armstrong and Laura Harrison to receive calls from those clients who are interested and want to discuss further.
(6) Details of completed transactions to be forwarded to Principal Lecturer Cookery for rostering, Administration for charging, etc.

Budgeted costs for EM1 and lecturer's contact times, etc. are....

POSITIONING STRATEGY
To convey to clients that the Institute is a flexible provider of quality programs that will cater for their specific requirements.

* TACTICAL DETAILS
Mention policy in letter mailed to prospects. Also include Institute brochure. Obtain publicity if program successful. May Wentworth (information officer) to be kept informed.
The review phase. How will you measure the effectiveness of the plan?

A marketing organisation must always be prepared to change, modify or improve each aspect of the marketing plan. Nothing in marketing is ever static. There are internal and external factors that are always altering the playing field and the rules of the game. They have to be understood and the challenges they pose have to be faced and acted upon.

Your way of measuring the effectiveness of the plan has to be part of the plan. Effectiveness can be measured in several ways:

**STRATEGIC MEASUREMENT**

1. Markets penetrated and numbers achieved
2. Product numbers sold and delivered
3. Modes of delivery utilised and their effectiveness
4. Levels of client satisfaction – by markets, products, price, the place and modes of delivery
5. Effectiveness of systems and procedures
6. Promotion effectiveness and returns on expenditure

**FINANCIAL MEASUREMENT**

1. Costs incurred by each phase of activity
2. Details of costs recovered
3. Profits earned
4. Enrolment numbers – time taken

**HUMAN RESOURCE MANAGEMENT**

1. The effectiveness of the program delivery
2. Staff utilisation
3. Staff satisfaction with the training, the training environment, the client outcomes and the support received from other staff.

**Monitoring**

All Institutes have means whereby they ensure that all of their resources such as staff, equipment, buildings and courses are used to maximum capacity.
The "problem and opportunity" tracking graph in Chapter 10 on Market Research is a way of measuring the marketing performance of products and the overall marketing of an Institute. Every product and product line can be constantly monitored in this way so that the quality of delivery can be maintained. The monitoring can also indicate if the product is satisfying the markets' needs and wants.

Who will be responsible for each Institute's marketing?

It is recommended that there be three levels of responsibility for an Institute's marketing, bearing in mind that its marketing efforts have to fulfil five different sets of objectives:

1. The goals arising from the Performance Agreement.
2. The Institute's own corporate objectives and therefore its strategic objectives.
3. Each section's strategic objectives.
4. Each program area's objectives for its subjects.
5. The objectives for each course.

Level one marketing responsibility
The objectives and strategic priorities of the Institute in fulfilment of its Performance Agreement are similar, which means one person should have the responsibility for their achievement. It is possible that one person could perform this function and have a coordinating role to play in ALL marketing planning for the Institute.

Level two marketing responsibility
For each section, it is advisable to have a person whose responsibility it is to ensure that the section effectively markets its services to the clients it is meant to serve.

Level three marketing responsibility
It is advisable that every program area have a marketing person to ensure that it markets products that meet and satisfy the needs and wants of the clients and industries its subjects are meant to serve. In some Institutes, the amount of marketing activity may warrant more than one person to fulfil the purpose.
Chapter 9

POINT-OF-CONTACT STRATEGIES
9. POINT-OF-CONTACT STRATEGIES

What is client-centredness?

Client-centredness is a service culture and it is achieved by making sure that each point of contact experience for a client meets the DETAFe corporate objective: "To achieve continuous and identifiable improvement in management practices and systems at all levels of the Department."

The moments of truth

Before you turn your marketing plan into reality there is another step in the process which is actually another P in the marketing mix to be added to People, Product, Place, Price, Positioning and Promotion. It is the "Point-of-Contact" element – that part of the plan that ensures it will measure up to the clients' expectations when they contact your Institute.

How will the clients be handled by the staff from the initial contact through to the completion of their training and afterwards? These are the "moments of truth" for the Institute and the client. All your other planning conceivably could amount to nothing if the client is not properly treated so that he or she is provided with a conducive and acceptable learning environment.

"The moments of truth" is a phrase created by Jan Carlzon to describe the times when a client comes in contact with an organisation and forms an impression of its ability to satisfy what he or she wants. Carlzon's experiences with SAS (Scandinavian Airline System) and how he brought a loss company into profit is recorded by Karl Albrecht and Ron Zemke in "Service America!".

The current commercial interest in service would suggest that it has only recently been discovered or invented but this is far from the truth. For thousands of years humanity has been able to trade quite effectively without modern marketing or hard selling simply by having a good value product and offering it for sale in the appropriate marketplace. Nothing has changed. Most goods and services are sold quietly and effectively by the simple expedient of attending to client's needs and wants through service.

In a society which has become inured to the entreaties of aggressive marketing by vast amounts of advertising, promotion and hype, the discrete marketing of service is emerging as a very effective and cost-efficient means of achieving organisational goals. Hence the sudden interest in service by pragmatic marketers.

88 "Service America!" by Karl Albrecht and Ron Zemke (Dow Jones–Irwin, 1985).
Service is a marketing strategy

The word "service" conjures up impressions of servility and even humility – being at the beck and call of people, and of pleasing and appeasing them. This is wrong.

To start with, it isn't a good idea to be rude and unhelpful to anyone, let alone a client, but the real intention of client-centredness is to remove obstacles to the client's receiving a smooth passage to product satisfaction. This benefits the client and the organisation while at the same time making the staff feel happier about what they are doing. It's the old adage, "If a job's worth doing it's worth doing well".

For example, the shops we prefer are the ones that not only have good products and value prices but also staff who provide the most help with our purchase. The trouble is, as clients we are confronted daily with examples of disinterest, poor attitudes and lack of product knowledge. If we complain, we frequently are met with a complete denial that it happened the way we said, an argument sometimes ensues, and there are excuses and self-justification. The surprising part is that sometimes the chief offenders can be companies that spend vast sums on advertising and promotion.

We can't always blame the front line sales assistants. Often the problem arises with management and support staff. Why haven't the goods arrived? Why are they out of stock? Why don't they make that product any more? Why are they short staffed? Why doesn't a machine work? Why is it management policy not to provide what is requested? The point is that all departments in an organisation contribute to the total marketing effort. It is not always a matter of client relations nor the fault of the assistants.

"Front line staff do not create service, they merely deliver it. Certainly, the level of service a client receives is partly dependent on staff performance but it is mostly dependent on the underlying design of the service – its systems and procedures, its processes, its components and its work flows. Therefore the outcome of statements like, "They're still not doing it right, give them some more training," is both damaging and costly – damaging because front line staff know they are being blamed when the fix really belongs with management; costly because in the end nothing changes. Quality service is everyone's job, but it is management's responsibility." 9

Goal-orientated service

Client-centredness has to be goal orientated, measurable and managed. It has to work to performance standards. It is not just being nice. It isn't a frill or an add-on. It is an organised way of smoothing the path towards the ultimate aim of a transaction and client satisfaction.

9 From an article, "Battling the boss for customer focus", (Marketing, April, 1993).
Most staff believe they provide good service and that they are client-centred because they don’t know what good service really looks like. They have no criteria to measure against. Actually, client-centredness is performing to a *strategically planned standard*, not strived for as an ideal. Client-centredness is a series of strategies that develop a culture of client understanding and help.

The objective of strategically planned point of contact service and client-centredness is to make sure nothing that happens to and for the client is left to chance. From reception to lessons, from graduation to employment, the client’s needs are understood and each procedure is PLANNED to provide the client with a controlled experience that ensures satisfaction. Everyone concerned knows what to say and do so that their part of the plan is performed with interest in the client’s sense of well-being.

Here are some of the main areas of contact in an institution which should be strategically planned so that they contribute to the client’s perceptions of the place, what happens there, if it is the type of place where they want to learn and where they believe many other people are benefiting from the experience. These are all "moments of truth":

1. **Product design**
   This means having products that fit with the client’s needs so that the Institute provides the right qualifications, offers the best learning environment, delivers its courses at convenient times and in appropriate locations or circumstances.

2. **Quality control**
   The founder of the world-wide "Total Quality Management System", Dr. W. Edward Deming, states we must believe in quality as we once believed in progress. "Businesses seldom learn of their clients' dissatisfaction. Customers do not complain. They merely switch. How much better it would be to have clients who would boast about products and bring in new business". An Institute that devotes itself to TQM can spend less time and money in promotion when its reputation and its clients' praises provide a continuing source of enrolment applications.

What is Total Quality Management? The influential management consultant, Kaoru Ishikawa, defines it this way: "Quality means quality of work, quality of service, quality of information, quality of process, quality of division, quality of people (throughout an organisation), quality of company, quality of objectives".

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10 "The Deming Management Method" by Mary Walton (Information Australia, 1989).
Total Quality Management when applied to an Institute means creating constancy of purpose for the improvement of product and service. It involves driving out fear, developing pride, and breaking down the barriers between departments so that they don't work in cells but as part of a planned, integrated standard of service for the clients.

3. Equal opportunity
Many see equal opportunity as a social issue but it is just as much a benefit for clients and is therefore a practical marketing issue.

4. The elimination of racism
Racism is unjust, illegal and it disadvantages everyone, especially clients.

5. Health and safety
Any issue which affects the well-being of the staff and the clients is also a marketing issue.

6. Maintenance of equipment
Equipment that breaks down, is inefficient, or isn't available is not only counter-productive for teaching but it also lowers the image of the Institute.

7. Stock and inventory control
Planning ahead so that supplies of materials and teaching aids etc. are available as and when required.

8. Rooms
Gaining maximum utilisation of the available accommodation can assist with enrolment numbers and Institute revenue. Clients should not be turned away because of insufficient accommodation when training facilities can be found elsewhere.

9. Cleanliness
Pride and efficiency is engendered by having everything cleaned and painted so that the Institute environment is pleasing to everyone.

10. Places of retreat
Customers/clients, like everyone else, need time out on occasions, a place where they can think in a calm and relatively private environment.

11. Entertainment
Although entertainment is not a mandatory requirement of most clients, it is a welcome distraction. It says to the client, "We are thinking about you".
12. **Extra curricula involvement**
Clients like to feel that they are part of the Institute and not merely something which is being processed through it. Additional activities outside of the learning environment, or at least access to them, helps to achieve this sense of involvement.

13. **Amenities and facilities**
When these are readily available and in good condition, it always reflects well on an Institute.

14. **Credit**
Various payment options for clients just as in any business are another way of providing good service.

15. **Good layout and design**
This has been proven over the years to considerably aid efficiency and improve the working conditions for staff and clients.

16. **Staff presentation**
Who wants to be lectured to by scruffy-looking lecturers? Indeed, who wants to lecture to scruffy looking clients?

17. **A sense of belonging for the clients**
Most of the factors mentioned in this list will help to achieve this sense of comfort and belonging for a client, but it is also provided by the attitudes of staff.

18. **Brochures, catalogues and information**
Up-to-date, well-presented information in every form avoids confusion and considerably enhances productivity and efficiency. An Institute is a member of a communications type of industry and by the materials it produces it should be an exemplar for its clients and the industries it serves.

19. **Product range and choice**
As a service to clients, as well as providing an opportunity for expanding its markets, product range and choice is clearly an excellent strategy for an Institute.

20. **After sales service**
The modern marketing approach is called "relationship marketing" but it simply means building on existing business because it is easier, cheaper, more efficient and leads to further enrolments from the recommendations of satisfied clients. Maintaining contact and offering further help after the courses are concluded will reap a rich harvest.
More check points for client-centredness

Achieving client-centredness begins with looking at an organisation through the client's eyes, becoming alerted to failures in the system and then changing the procedures. Remember, the client sees and knows.

Here are ten more classical "moments of truth" for the clients of an Institute. They have been selected as examples of where service can fail or be a winner because they are direct contact situations for the client:

1. Phoning an Institute

   How do they find an Institute in the phone directory?

   How long does it take before the phone is answered?

   How is the phone answered?

   By whom is the phone answered and how much knowledge does the person who answers the phone have of an Institute, its courses, the various departments and the staff who work there?

   How many times is the client or inquirer put through to the person who is best able to help?

   If an Institute staff person is not there, what is the procedure?

   What happens to messages that are left?

   How often is a person who phones your Institute satisfied with the treatment of their call or enquiry?

   How is satisfaction with phone answering procedures measured?

2. Arriving at an Institute

   Is there adequate car parking for clients and visitors?

   Are there helpful signs or location maps for the people coming for the first time?

   Are the toilet facilities clearly marked and indicated?

   Is it clear where people should go?
How many people become disorientated and have to seek directions? Is it their fault? Who is available to provide directions?

3. The front desk encounter

Does the person at the front desk also have to answer the phone?

How long does the average person have to wait to get attention?

How is the counter person dressed?

Do they have a name tag or are they anonymous?

Has the person on the front desk had sufficient training to ensure that they actually know about the Institute, where departments and people can be found, the courses, etc?

Who is responsible for ensuring regular/necessary training?

The front desk person probably smiles but how helpful are they really?

Is there a comfortable waiting area?

How many people who make enquiries record that they received good, adequate or poor service?

Is every client treated fairly and equally?

4. Getting information from an Institute

Most Institutes have leaflets and brochures to hand out but how accurate and up-to-date are they?

Is there someone on hand to explain or provide the information the client wants?

How many times is the obnoxious phrase, "What you'll have to do is...." heard?

How many people go away truly understanding what the information they have been given means?
Who conducts inductions and how good are they at what they do? Who checks on what they say, how often and when?

Is it some one's permanent role to do inductions or is it just given out to anyone who has nothing better to do at the time?

Is the person selected for their knowledge and personality?

How many people express satisfaction and gratification for their induction? How would you know?

5. Course selection procedures

How are clients selected for their preferred courses? On merit, first-come-first-in basis, entrance qualifications, prior learning, suitability, or anyone will do?

Are other options of delivery available?

Are alternative courses discussed?

Is Institute vocational guidance assistance available?

How many clients are satisfied with selection and enrolment methods adopted by an Institute for each course? Who checks when and how?

How are applicants advised?

How are class numbers and sizes organised?

Are clients streamed, if so on what basis?

6. Meeting other clients and the staff

What arrangements are made for clients to meet each other and the staff with whom they will mostly be associating?

Specifically, what special arrangements are made for international clients or disadvantaged people?

Leaving social occasions aside or the canteen and other facilities that provide a meeting opportunity, how are clients made to feel welcome?
In most Institutes there are student associations and student services available but the frequency of usage varies from Institute to Institute?

Is there a creche available? A canteen that operates at times convenient for the clients and staff? A gymnasium? A place for clients to study? A recreation area?

7. The lessons and lectures

How many clients are confused about where they should go and at what times?

How does each lecturer go about introducing his or herself and their subject? Is there a set standard or is it left to individual lecturers? What information should lecturers be expected to give the clients?

What are the rooms and facilities like? Poor, adequate, good, and by whose standards are they judged?

How many clients per class? Is there over-crowding and how often does this happen?

Are the rooms clean? Boards washed regularly? Chalk or markers on hand? Tidy bins? Places to put bags? How often is chewing gum and graffiti removed? When was the last time someone checked?

How many lecturers say they are satisfied with the assistance they receive from non-lecturing staff?

Do lecturing staff provide appropriate information/assistance to non-lecturing staff?

Who checks to make sure that staff get the assistance they need – or is it on a response-to-complaint basis?

8. Student satisfaction levels

Many clients who drop out of courses do so for a reason. What system is in place to check the clients' satisfaction with the rooms, the lecturers' facilities, the lesson content and its delivery?

Instead of waiting for the clients to signal their problems, what counselling services are put into place to check their progress and head off potential
difficulties?

Are some courses more prone to dissatisfaction than others? If so why?

9. Exams and results

The end of the course is "crunch" time for clients – and an Institute. Are exams or tests set at the times most convenient to an Institute or the clients?

Is enough time allowed for revision and swotting?

Are the exams set to make them easier to mark or to test the clients' knowledge and skills? Who checks and how?

Where are the exams held? Are the facilities comfortable and adequate?

What arrangements are made for exceptional circumstances or clients with special difficulties?

Is there a review of results? How is it conducted? What is its purpose precisely?

Most people are anxious about their results. How are clients advised of their marks? When are they told? How are clients with "special results" at each end of the spectrum handled?

10. When it's all over...

The graduating clients have gone and a new semester and a new crop of clients has begun but what about the previous clients? They are the products of an Institute and a possible resource for the future. Are they contacted again to find out:

(a) Their satisfaction with an Institute?
(b) Their complaints and suggestions for improvements?
(c) Their employment progress?
(d) Their interest in doing further training?

Is there an old scholars' or alumni system for them to maintain contact with an Institute and renew acquaintances with others?

Is there a newsletter that maintains contact?
Can they be influential in gaining contacts with their employers?

Are the employers contacted to find if they are satisfied with an Institute's products?

The truth is....what?

Do you have difficulty in answering the questions about the moments of truth for the clients? Can you honestly say that the organisation is client-centred? Apart from the ones mentioned, what other areas of the clients' contact with the Institute can be improved?

While everyone in an Institute is focussing their attention on "processing" the clients through their learning program of lectures, tutorials and lessons, often it isn't recognised that part of the learning experience is the environment in which the clients learn.

9.1 How to build a client-centred culture

It can be argued that the purpose of an Institute is not teaching and administrating, it is serving the education needs of an Institute's clients, therefore as Carlzon, Albrecht-Zemke and many others who have written about service and Total Quality Management say: "Make sure you're really selling what the client wants to buy!"

The basis of a client-centred organisation is working to a measurable performance standard so that there is a predictable and goal-orientated outcome for the client.

Building a client-centred culture based on real client service won't just happen by saying it will or by merely running a series of training sessions. It requires ten critical factors to be in place:

1. An understanding of clients' needs.
3. A commitment to service at the top.
4. Having people in the key contact positions who like people and can communicate with them on the same level.
5. Established objectives for service procedures.
6. The development of operating procedures that will achieve the objectives.
7. Administrative support of the procedures and management by regular measurement of them.
8. Training.

9. Physical changes made where necessary and quickly.

10. Constant update of the objectives and a review of the procedures.

Here are the ten points in more detail.

1. **An understanding of clients' needs**
   
   Market research is the life blood of marketing. Only with knowledge can the market's needs be understood and then acted on to keep an Institute's training programs relevant to the needs of both the employers and the clients.
   
   **This topic is covered in more detail in the next chapter (Chapter 10).**

   Research is goal-driven and the research goals should include uncovering servicing needs – ascertaining that the clients are being effectively treated and handled at all stages of their passage through the Institute and afterwards.

2. **Review existing procedures**
   
   In the light of new knowledge provided by the research, the existing ways of doing things may have to be revised. Every procedure should be questioned. "Why are we doing it this way?" If the procedure is not in the client's interests and doesn't follow "best practice" it should be replaced by one that is and does.

3. **A commitment to service at the top**
   
   Without the total support of an Institute's decision-makers a service strategy will fail. Service is not something that only contact people do.

   At all times an Institute should be perceived by the hierarchy as the student perceives it. The student doesn't see and certainly doesn't have to care about the problems of Institute administration but they do see the results of good and poor administration. Carlzon calls this "visual management" and its purpose is to manage the client's experience from all points of the services provided by an Institute.

   Current management thinking and training suggest that the "management from on high" approach is outdated. These days management's job is to help the staff do their job. If you are familiar with the principles of Total Quality Management you will know that involving the staff and working with the staff is one of the best ways to achieve a product that satisfies the client.
When there is a commitment to service from management an Institute divides into two groups of people of equal and compatible importance – those who serve the client and those who help them serve.

A client-centred culture turns the old management pyramid upside down into a flatter, wider structure. The old version has the director at the top and the lecturing staff at the bottom serving the clients. Compare that with the service pyramid that has the client at the top and the full responsibility for serving them bearing down on the support people and the director.

4. Having "people" people in the key contact positions
In the second century, the Greek scientist, Galen, identified two basic types of people – those who are people orientated and those who are task orientated.

A "people person" likes other people and is liked in return. He or she is generally warm-hearted, helpful, talkative, and careful about relationships with others.

A task-orientated person is usually more interested in doing things, getting on with the job in hand and less inclined to want to talk for long. He or she is not as caring of other people's feelings as the people person.

It is clear that most clients prefer to deal with the people-orientated person. It makes sense therefore to select them for the key contact roles in an
Institute such as phone reception, on the counter, doing inductions — anywhere they are likely to have to handle a client.

The temptation is to put the most efficient person on the counter — the one who gets the job done and whizzes through the enquiries. "Next!" he or she shouts out. "Fill this form in. Write in capital letters please." "No, you haven't filled this in properly. Do it again but this time..." "You can't see....she's busy. You'll have to either wait or come back another day." "What you've got to do is..." "Wait in line please!"

You know the type of person? Sure, they get through the work but leave a trail of battered egos and upset people in their wake. The people they are ordering about are clients...!

They don't believe they are being rude or officious but merely getting on with the job. "I smile and speak nicely to them," they will say in their defence, and then tell you, "What you don't seem to realise is that we get very busy here at times. Now. What we need here is..."

Everyone knows when they are being treated with respect, interest, concern — and being given real help. The people who can do that are the ones for the contact positions.

Allocating tasks and responsibilities to people who can perform the operating procedures willingly and helpfully for the client is the major factor in making the service strategies work.

Another vital point: service is not someone else's job. It is a total commitment by everyone. That means when you notice that a client needs help and the person isn't around who normally provides the help, you do it or make it your immediate job to find someone who can.

5. Establish objectives for service procedures

What is it you want to have happen to and for the client? More importantly, what is it they want to have happen to them?

Procedures are essential for an organisation to function properly. However, management research around the world reveals that the problem often encountered in companies is that the procedures generally suit the organisation and not the client.
A service strategy is committed to words. It is laid down as an objective and then as a series of actions required to achieve that objective.

Setting a service objective requires a decision on what it is you want the client to experience. For example, let us assume that you want everyone who rings the Institute to receive a totally satisfactory result from their call - in other words, when the client hangs up the phone they will either have spoken to someone they want, will have obtained the information they want or know they will have someone respond to their call, and they will feel happy that they have been made welcome and "looked after". The strategic objective therefore is stated as exactly that.

Service objectives are set for every phase of contact the client is likely to experience right through the entire Institute. This may mean having objectives for areas of the Institute's operation that no one has considered necessary before, such as the vocation counsellor, the cleaning staff, the lecturers, the Library Resource Centre counter staff, the chaplain and so on.

6. **Operating procedures that achieve the strategic objectives**

Operating procedures (tactics if you like) describe how the objective is to be achieved in detail so that most contingencies are covered. For example, how soon the phone is to be answered must be made clear - after three rings? If there are too many calls for the operator to handle, how are the waiting calls handled? By an intercept? How is the phone answered - what does the operator say? If the enquiry is for a person known to the operator, is the call put through and left to ring or does the operator check after six rings and suggest taking a message? How is the message passed on? Etc.

Phone handling procedures are basic and there are courses which most operators will have attended. However, each Institute has its own facilities and requirements. Strategically, they may want specific things to happen on certain occasions and to meet contingencies peculiar to the Institute.

For example, the biggest danger to a smooth phone answering procedure occurs when the main operators take a break and are replaced by a temporary. We can shrug and say that it doesn't happen all the time but that's usually just when an important client attempts to make contact with the Institute. Properly constructed procedures deal with that contingency. Leave nothing to chance.

**Involve the people who have to use the procedures**

Detailed procedures must be worked out with the staff who have to work to them so that there is commitment to the objectives. Without the active support of the staff, service that works to defined procedures becomes a
bore and a nuisance. However, when everyone is "reading off the same hymn sheet" interest, enthusiasm and pride are the usual result and these are the primary ingredients of a client-centred culture in an organisation.

7. Administrative support, measurement and management
The supervisory role is to monitor what is happening and step in and help or train whenever it is necessary to maintain the procedures so that the objective is achieved. Communication at all times is vital. Praise for those who are doing it correctly is essential. It is a team effort.

Modifications to the procedures may be required from time to time because better ways of doing things will emerge. This is why part of the supervisory function is to check regularly with the clients to find out if the service procedures are satisfactory.

Crucial to all procedures is the understanding by those following them that the role they play in achieving the long-term goal of client satisfaction is being appreciated by the Institute and the clients.

There are three ways of measuring the outcomes for the clients so that performance standards are maintained.

1. Each staff member keeps a record of each contact outcome and registers the result.
2. A supervisor maintains a watching brief and observes outcomes
3. Clients' attitudes to outcomes are regularly reviewed.

A combination of all three is best.

When it becomes apparent that a procedure is not working there are several actions to consider:

1. First, find the cause.
2. If the procedure is too demanding to achieve the goal, either modify the goal or the procedure.
3. If better equipment is required, get it – or apply point 2.
4. If more staff are needed, get them – or apply point 2.
5. If the staff don't understand the procedure properly, train them.
6. If a staff member resists using the procedures, replace them – do not apply point 2.

8. Training

A typical management complaint about staff goes like this: "Our staff know what is expected of them. They don't always do what they should, but they know".

Experience shows that this is often a false premise. The truth from research reveals that in many cases staff do not know what is required of them. They may know the general details of the procedures but in many instances they think they only have to perform them in a general way, they don't look for the reasons for the procedures.

There is also the natural inclination to rebel against rules and regulations. Procedures are regarded by some people as restrictive impositions on their free will so they do things their way. This is fine in some cases, provided that the intention is still to achieve the objectives of the procedure and the outcome for the client is the same.

Staff are an integral part of the product being sold. Therefore the objectives and the reason for the procedures have to be understood by the staff and their cooperation gained. This is why involving staff in the development of procedures should be an integral part of the training program so that there is staff acceptance and commitment to the concept. It cannot be an "us and them" approach but a joint deal for mutual benefit, with the clients' satisfaction as the primary objective.

We come back to commitment from the top if client-centredness is to be achieved. The contact people have to know they have the full support of the Institute and that what they are doing is being appreciated.

9. Make physical changes where necessary

Any physical object such as part of a building, a piece of equipment – whatever prevents the service from being performed – should be changed, moved or replaced. "Money! Where's the money coming from?" the outraged scream will go up. Yes, often financial reasons will preclude early change but that should NEVER be an excuse for poor service. Ways of working around the problem should always be found so that appearances can be kept up.

10. Continually review and improve the service

Not every procedure will serve the clients and the organisation for ever. Conditions change. Expectations change. An Institute committed to client satisfaction will change with the clients' needs and remain competitive.
However, if a procedure is working well to everyone's satisfaction, leave it alone.

Summary

Service strategies are not "holy writ". They are to be followed as closely as possible but should never be an inflexible system. The client is not there to be processed like a piece of food – nor are the staff.

The skill of management is the creation of a client-centred culture which provides a happy, interesting and even exciting outcome for the clients. That should always be the objective. It must also be the objective for staff to have a happy, interesting and exciting environment in which to provide the services for the clients.

When you plan a client-centred strategy, you begin by establishing the objective or client outcome that would be best, develop the procedures that will achieve that outcome, and decide how the actual outcomes should be measured.

<table>
<thead>
<tr>
<th>OUTCOME - OBJECTIVE FOR THE CUSTOMER</th>
<th>OPERATING PROCEDURES</th>
<th>MEASUREMENT OF ACTUAL OUTCOMES</th>
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<tbody>
<tr>
<td>Set an objective for an outcome</td>
<td>Create operating procedures that will achieve the objective</td>
<td>Outline how you would measure the outcome</td>
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</table>
Chapter 10

MARKET RESEARCH
10. MARKET RESEARCH

Market research is the process of gathering information about the size and nature of an organisation's markets, its needs, preferences, and demands. The information is collected, sorted and analysed so that it can be used for marketing planning. Market research finds out what is happening and marketing research suggests why it is happening.

Why you need market research

Before you can effectively plan marketing strategies you need the help of market research to find out:

- Unknown marketing problems.
- Market opportunities for viable products when you are developing a product portfolio.
- Courses which will best meet the needs of the markets you have defined.
- How you should design your products and points of contact so that the needs of the markets are satisfied.
- Trends in education and career opportunities.
- Changes in industry technology and employment.
- Clients needs and wants, their potential numbers and expectations.
- How the Institute's facilities and resources are coping.
- The image, positioning or corporate identity of the Institute and its program areas.
- Relevant market shares of courses available by each provider in the same field.
- Competitive comparisons of benefits and features of courses.

Other functions market research performs:

- Test marketing of proposed subjects and courses.
- Promotion effectiveness.
Cost effectiveness comparisons.

There is a huge reliance on market research because effective decisions can't be made without the knowledge it provides.

**What to do with the information**

How you will use market research information will depend on the goals of your Institute. However, most Institutes and schools will want the information provided regularly by market research so that they can plan to achieve the following corporate goals:

1. Increase training opportunities and learning outcomes for individuals.
2. Increase the Institute’s income earning opportunities.
3. Meet the training needs of industry and be more competitive.
4. Identify marketing problems within the Institute organisation.
5. Develop or modify products so that they are more productive.
6. Change operating procedures to make them more effective and client-orientated.
7. Provide direction to future marketing efforts.

These seven corporate goals tie in with the strategic priorities outlined in the DETAFE document: "Corporate Objectives & Strategic Priorities 1992 – 94".

**Where and how you can get the information you need**

It is recommended that an Institute develop a marketing information system so that market information is fed to it on a continuous basis. Markets are not static conditions.

There are six basic sources or means of obtaining marketing information:

1. **Internal records**
The information provided by the utilisation of school courses, departments, resources and services, cross analysed by numbers of clients and client demographics, reveals what has been happening in the Institute, and when taken over several periods will indicate trends and significant changes.
2. **TAFE publications**
   What has been happening in education generally and in Institutes across the nation is available and will highlight national trends and other institutional experiences that may be very pertinent to your Institute.

3. **Government statistics**
   A vast amount of relevant information culled from census figures, Government departments and relevant industry bodies is available from government statistics covering population, industrial and employment movements.

4. **Market intelligence**
   This is information that comes from a variety of sources and media is a major contributor with reports about new business development, new technology, overseas education experiences, trends, fashions and emerging preferences. Also, market intelligence is provided by industry committees and bodies such as industry associations and unions. Your staff are also good sources of opinion about what is happening within and outside the Institute.

5. **Surveys of clients**
   Attitudes and opinions from the clients themselves are one of the best sources of data about the Institute and how it is performing. Present and past clients should be regularly surveyed.

6. **Surveys of employers and employed past clients**
   Reactions to clients' performances on the job, future employment prospects, training needs, and perceptions of the Institute from these sources provide vital intelligence.

**Qualify research for cross analysis**

When defining markets, it is vital to assess them not only in quantifiable terms but quality terms. Markets segment according to their age, gender, income, nationality, prior education, family stage, occupation, aspirational values or social class, behaviour and attitudes.

In fact, every marketing research survey should include a demographic profile of the respondents. Also, when the data is being assembled, it should be capable of being cross tabulated by a computer program so that the responses to the questions can be allocated to specific groups of people.
Who needs to know?

There is a plethora of information bombarding everyone these days. In fact, the so called "information society" has resulted in an overload. Most of us have become like dripping sponges, incapable of taking much more. Therefore, at the design stage of research it is important to identify who needs to have the information so that dissemination is controlled and restricted to those who can use it.

More than that though, market research is goal-orientated, and therefore the ones who need the information are the ones who must be consulted so that their special requirements are met.

There is a danger of foraging for information simply because someone says "it would be handy to know this or that". This is why goals are important. They specify exactly what information is needed and why and so avoid lengthy and cumbersome surveys that are irrelevant and boring for the respondent and less useful for the user.

The best way to handle the situation is to circularise administrators and educational managers and ask the following questions:

1. What decisions are you required to make?
2. What information do you need to make those decisions?
3. How often and when do you want the information?
4. In what form do you want the information?
5. What types of information are you not getting?
6. What types of information would you find helpful but not essential?

Research objectives and problem definition

Sometimes an Institute will have a problem it does not know exists, which is why one of the best uses of market research is to uncover and gather an understanding of the marketing problems the Institute faces.

For example, the California Province of the Sisters of Notre Dame de Namur had a spread of eleven secondary schools which suffered a downturn in enrolments during the seventies. They closed five of the schools in the belief that admission standards were too high, then when enrolments sagged again they thought it was their strict academic and behaviour standards which were causing the problems. They were actually shooting at phantom problems that existed in their own minds.

Additional troubles emerged and they were about to close more schools because of a shortage of funds and teaching sisters when they brought in a business and marketing consultant with extensive experience working with Catholic schools.
"After visiting schools, meeting with school administrators, and reviewing data, the consultant concluded that the underlying problems were not the shortage of funds and teaching sisters. Instead, the schools were victims of neglect - poorly managed, without long range planning."

Long range plans, enrolment marketing programs and a more effective management structure turned the problems around for the Sisters. "They also hired a team of marketing professors to conduct an image study of the school and to examine the sources of its clients over the previous five years. With this information, the principal and the school's board of trustees could better understand the school's position in relation to other schools. They could then set realistic enrolment goals and plan long-range recruiting strategy." \(^{11}\)

It is possible that some directors, administrators and managers think they know their own problems and have ready solutions - most of them requiring more money and staff. Business experience as well as educational experience suggests that this is not always the case. Many companies don't know what problems they have until they conduct market research, nor do they always see the opportunities.

**Identifying market problems and opportunities**

The following graph is a helpful way of assembling information for appraisal and then identifying problems and opportunities.

This example does not list all the topics that can be addressed, many more can be added depending on what you need to know and what information is available on a continuing basis.

Other columns can be included to show income and cost trends relating to products.

Recognising trends is one thing. Understanding *the reasons* is just as important.

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**PROBLEM AND OPPORTUNITY TRACKING GRAPH**

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<thead>
<tr>
<th>CONDITION</th>
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<th>TREND</th>
<th>REASON</th>
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<td>Conversion to enrolments</td>
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<td>Subjects</td>
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<td>Courses</td>
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<td>Modes of delivery</td>
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<td>Client ages</td>
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<td>Gender</td>
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<td>AUSTUDY applications</td>
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<td>Employed</td>
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<td>Full fees</td>
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<td>Book sales</td>
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<td>Gymnasium use</td>
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<td>Canteen use</td>
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<tr>
<td>Client complaints (itemise)</td>
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<td>Satisfactory contact outcomes</td>
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<td>Satisfaction with lecturers</td>
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<td>Satisfaction with equipment</td>
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<td>Satisfaction with course content</td>
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<td>Fee-for-service sales</td>
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<td>Clients repeating</td>
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<td>Attendances</td>
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<td>Student retentions</td>
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<td>Pass results (by course and subject)</td>
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Market information like this has many uses for the management of an Institute apart from improving its marketing strategies. The value it will produce depends on the Institute's goals and what it believes is an acceptable level of service, enrolment numbers, income, use of facilities, academic achievement, and so on.

Most of this information will be available from internal records. Some, especially client and industry attitudes will have to be surveyed.
10.1 Types of surveys (methodology to employ)

Much of the research an Institute may need will require some type of survey. The type or style of survey to employ will depend on the research objectives and the nature of the information needed. Here are some methodologies that are commonly employed:

**Observation**
This is the most simple type of survey and often very effective provided it is thoroughly completed and conducted by people who are not emotionally involved and have an open and questioning mind. An experienced colleague from another Institute may be an appropriate person. It comprises a systematic observation of what clients do for example, and how they react to lecturers, curriculum, courses, use of equipment, facilities and so on.

**Experimentation**
This is a trial and error type of research, familiar in science, that begins with a hypothesis and then sets up a condition similar to or identical with an actual event and in the process either proves or disproves the hypothesis.

For example, an Institute could experiment with teaching methods, new courses, advertising approaches, equipment, selling methods and so on.

**Exploration**
Exploratory research is ideal for situations where initially there is not a clear direction to take with formal research. The most common form of exploratory research is a series of focus groups – informal discussions with a group of people who represent a particular market, usually consisting of eight to twelve people. The person conducting the focus group is called a monitor. The conversations are recorded on audiotape or videotape and then played back several times to gauge responses and attitudes to the questions posed by the monitor. The information obtained is qualitative and not quantitative. Focus groups are frequently used to give direction to a formal survey that follows.

Other forms of exploratory research include observational and experimental research and reviewing existing data such as office records and problem identification analysis.

**Mailed questionnaires**
Questionnaires can be mailed to people who represent the known market or left for them to complete. The questionnaire in this case has to be worded carefully because an interviewer is not present to answer questions or check responses. Some misunderstandings can often occur.
Another weakness of this type of survey is that the response rate is usually very low because people don't find the time to complete the questionnaire or sit down and go through it properly. It seems that only those who like answering survey questions or who feel obliged to respond to the request will cooperate. This places a bias on the result – in other words, the response is seldom truly representative of the whole group.

**Telephone surveys**
The telephone survey is cheaper and quicker and is therefore very popular – especially if there is a small budget. There is a small bias caused by a small percentage of people not having phones but the real problem with phone surveys is the reluctance of some people to discuss things over the phone. An interviewer can miss the subtleties of expression too, which can be important in some types of surveys.

**Door stop or in-house interviews**
Sitting down in a relaxed environment and with sufficient time to go through the questions with a trained interviewer is the best means of gaining information. It is also the most expensive because it does consume the time of interviewers. As an alternative, standing at the door and asking questions is OK but it has its obvious limitations.

**Campus interviews**
For quick surveys, those with a short list of questions, the street or campus interview works fine. It is normally used to get a general reaction from respondents (people who agree to be interviewed).

**Pilot studies**
A pilot study is a survey of a small percentage of the sample. Its main purpose is to prove the questionnaire before it is put into the field. At this stage strange responses to questions may indicate an error in a question, or several questions, because they are too ambiguous, misleading, or unclear in their meaning.

Quite often, a full scale survey is not necessary. Exploratory research or a pilot study may be sufficient to provide the answers you want – especially when the final percentages are not important and only rough guide lines are required.

For example, if you want to find out why enrolments for a part-time course begin with 80 and fall away to 30 before it is completed, you don't have to ask everyone. Randomly select 10 of the people who dropped out and if 60% tell you the course was boring and they lost interest, what more do you need to know before you fix the problem?
The steps in the marketing research process

The following table illustrates the sequence of steps involved in the research process.

<table>
<thead>
<tr>
<th>Step</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Problem/opportunity definition</td>
<td>Either as a result of a marketing problem, the identification of an opportunity - or simply needing to know more about the market - a hypothesis is formed about how things might be if you had more information.</td>
</tr>
<tr>
<td>2. Research objectives</td>
<td>You define precisely what it is you want to know about the market. The objectives may arise from the demands of your administrators and education managers as well as the direction for research provided by the problem/opportunity definition.</td>
</tr>
<tr>
<td>3. Exploratory research</td>
<td>You may choose to run some focus groups or conduct some investigation of opinions and attitudes to help with the construction of your questionnaire. This step can precede the establishment of research objectives and assist with their formulation.</td>
</tr>
<tr>
<td>4. Decide methodology</td>
<td>The research method you use will depend on the information required and the available budget.</td>
</tr>
<tr>
<td>5. Questionnaire design</td>
<td>The style of the questionnaire will be dictated to some extent by the methodology as well as the type of information needed.</td>
</tr>
<tr>
<td>6. Pilot study</td>
<td>This is not an essential step but it is recommended to prove the questionnaire. In some cases, a pilot study is sufficient.</td>
</tr>
<tr>
<td>7. Proceed with the research</td>
<td>You go ahead with the research and supervise its progress. You may decide to stop the project if the results become clear before it is completed. More about this in &quot;sampling&quot;.</td>
</tr>
<tr>
<td>8. Data collection &amp; analysis</td>
<td>All the information from the research is collated and entered into a specially designed computer program that enables you to cross-tabulate the information. With the research objectives as the basis of your analysis, you add up numbers or use percentages to form a picture of how many people, and which demographics or types of people hold certain opinions or attitudes.</td>
</tr>
<tr>
<td>9. Report</td>
<td>Preparing the information for presentation and dissemination to those who requested the information is the final step. You can provide a straight reportage of the facts and leave it for others to come to their own conclusions about the findings. Some reports interpret the findings and make appropriate recommendations.</td>
</tr>
</tbody>
</table>
Some types of questions to use

Designing a questionnaire is not an easy task. Most questionnaires fall into the common trap of asking questions that cannot be answered precisely, that are ambiguous or are misleading. Another fault is to leave out bridging questions. A good questionnaire should lead the respondent logically and progressively so that they feel at ease about volunteering the information.

Each question should be checked against the research objectives and any questions that are simply interesting but serve no useful purpose should be eliminated.

It is advisable to write a question in several different ways until you are satisfied that the meaning is clear and that it will give you the information you need. You should also be aware of the alternative answers you may get to a question. A double-barrelled question for example, which is two questions in one, will usually lead to confusion in the respondent's mind and make it difficult for the interviewer to distinguish between one answer and another. For example:

"To do this course, do you think you need lectures or would you prefer to only have lessons?"

YES [ ] NO [ ]

What would a "yes" answer mean? Either or both?

This is the advantage of having a pilot study to iron out any bugs in the questions.

There are basically two types of question – open-ended which allows the respondent to answer any way he or she feels, and closed-end which forces the respondent to make a choice of the options you present – most often either "yes", "no", or "don't know".

For example, an open-ended question may read: "What do you think of the way the marketing course is presented?" The respondent can answer a question like that in many different ways, each response being difficult to code when it comes to entering the data. A closed-end question provides a prescribed choice of answers, making the task easier for the respondent to answer and making it far easier to enter the data when the survey is completed.

Open-ended questions are normally used in exploratory research while closed-end questions are preferable in a field survey. Some of the different types of questions and some examples are illustrated in the following table:
## CLOSED-END

<table>
<thead>
<tr>
<th>Type</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dichotomous</td>
<td>A question with two answer choices - &quot;yes&quot; or &quot;no&quot; and sometimes &quot;don't know&quot;.</td>
</tr>
<tr>
<td>Multiple Choice</td>
<td>A question with several answer choices. For example: &quot;Here are a number of learning options for this subject. Which would you prefer?&quot;</td>
</tr>
<tr>
<td></td>
<td>Answer:</td>
</tr>
<tr>
<td></td>
<td>Weekly lecture and weekly lesson</td>
</tr>
<tr>
<td></td>
<td>Lesson only but one hour longer</td>
</tr>
<tr>
<td></td>
<td>Lecture only and reading time</td>
</tr>
<tr>
<td></td>
<td>Open learning with access to lecturer</td>
</tr>
<tr>
<td>Graduated Response</td>
<td>A statement that requires the respondent to indicate whether they strongly agree, agree, neither agree or disagree, disagree or strongly disagree. Alternatively, on a scale, say of 1 to 5, whether they think something is very important or not very important. The graduated response question uncovers the depth of feeling about a situation.</td>
</tr>
<tr>
<td>Semantic Differential</td>
<td>Descriptive words are used to find out how the respondent perceives something and how strongly they feel about it. For example: &quot;How do you feel about this course?&quot;</td>
</tr>
<tr>
<td></td>
<td>Answer:</td>
</tr>
<tr>
<td></td>
<td>Too long --- About right --- Too short</td>
</tr>
<tr>
<td></td>
<td>Hard --- Reasonable --- Easy</td>
</tr>
<tr>
<td></td>
<td>Advanced --- Contemporary --- Out of date</td>
</tr>
</tbody>
</table>

## OPEN-ENDED

<table>
<thead>
<tr>
<th>Type</th>
<th>Example of question: &quot;What do you think of this course?&quot;</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unstructured</td>
<td>&quot;What do you think of this course?&quot;</td>
</tr>
<tr>
<td>Word Association</td>
<td>Different words are presented and the respondent reacts with the first thing that comes to mind.</td>
</tr>
<tr>
<td>Activities, Interests and Opinions (AIO's)</td>
<td>Various lifestyle statements are presented to respondents and they rate their own reactions to them depending on the degree to which they think each one applies to them.</td>
</tr>
<tr>
<td>TAT Games (Thematic Apperception Tests)</td>
<td>A picture is shown and respondents are asked to make up a story about what they think is happening.</td>
</tr>
<tr>
<td>Q-Sorting</td>
<td>Respondents are given cards with various statements affecting the Institute or its courses and they sort them into their priorities of importance or relevance.</td>
</tr>
<tr>
<td>Sentence, Story or Picture Completion</td>
<td>Unfinished sentences, stories or picture with balloons are presented and respondents are asked to complete them.</td>
</tr>
</tbody>
</table>
Most open-ended questions like the ones in the graph are designed to uncover the reasons for attitudes or behaviour patterns that are apparent from Institute statistics. Straight questions don't always get straight answers so some of the techniques are helpful in finding out what people are unable or too anxious to express openly. However, it really requires a trained psychologist or researcher to set the questions and interpret the answers.

**Some useful pointers**

Always lead from easy questions to hard ones.

Avoid loaded questions that imply an answer such as: "Would you say that in the main, given the difficulties most Institutes operate under, that here at......we provide good service to our clients?" How is the poor client going to answer a loaded question like that? Only a very disgruntled client is going to answer "NO!"

Most people have short memories, so don't ask questions like: "How many times have you used the canteen in the last two years?" Unless the person never or seldom uses the canteen any other answer is next to useless.

There is always a tendency for a respondent to want to "look good" in the eyes of the interviewer, therefore in many instances they will avoid giving an answer they think will incriminate them in some way, or make them appear racist, sexist, insular, silly, bigoted or unpopular. You will also get a lot of "smart" answers if you are not careful with your questions.

Interviewers must be affable and "win" the cooperation of the respondent. They must also avoid reacting to answers with responses like, "Good heavens! Most people don't think that way! Are you sure?"

**Sampling and sample sizes**

Who should be surveyed? The basic principle which dictates the choice and size of the sample is this: if the sample is representative of the whole the results will be true of the whole. Therefore the characteristics of the whole of the market to be surveyed have to be known before a sample can be efficient and reliable.

When present and past clients are being surveyed, the whole market is reasonably simple to determine from school records. It isn't necessary to survey all of them, only a sample that represents the whole by their demographics, pass records and any other characteristics that are important to the purpose of the survey. For example, the relationship of attitudes between various countries may be significant, with some countries' clients being satisfied with the Institute while others are not for various cultural reasons that may have led to unrealistic expectations. On the other hand, they may have been misled by the literature or
the person interviewing applicants. Once again, it is the research objectives which drive the decision-making process.

The size of the sample is dictated by the degree of error which is tolerable. The larger the sample the smaller the error factor. However, even a large sample is likely to have an error of 1.5% either way. As a matter of interest, this is why close elections are referred to as "being too close to call" or on the "knife edge".

It is not necessary to sample the entire target market or even a major proportion of it to obtain a reliable result. All percentages have significances for the person reading the information who wants future direction on strategic action.

There are several ways of selecting a sample:

1. A simple random sample where every person in the market has an equal chance of selection. Taking every fifth or twentieth name from enrolment records is one way of achieving this.

2. A stratified random sample is where the market is divided into mutually exclusive groups – such as by age, location, pass records, subject or whatever is applicable – and random samples are drawn from each group. This is the most precise way of preparing a sample and the one that is favoured by professionals for maximum reliability.

3. A cluster or quota sample where groups are selected for a particular reason and then randomly sampled, such as clients who achieved credits and distinctions.

4. A convenience sample where the easiest and most accessible people are chosen. This approach also applies to choosing people who are regarded as being the best prospects for information, such as companies that are regular purchasers of training while ignoring the remainder of the market.

Summary

The situation or market analysis is the major tool in the marketing process for determining future action and giving direction to marketing objectives and strategies. In a nutshell, when making management decisions you can never have enough information that good research will provide. And if you don't ask, you'll never find out.
Chapter 11

PROMOTION AND ADVERTISING
11. PROMOTION AND ADVERTISING

To promote is to make something known and encourage its use or purchase. All promotion involves a communication through some form of media or message delivery system, such as advertising, direct mail, selling or publicity.

The need for an Institute to use promotion is obvious. It has to advise its various markets of its courses and it has to promote itself as being an educational body of distinction and importance. It must also be seen to be competitive.

Every communication emanating from the Institute is an opportunity for promotion - either to promote its courses or to improve the image and community standing of the Institute as an education provider.

An Institute is not a large commercial enterprise that has to spend millions on image and product advertising. In most instances it is sufficient to make people aware of courses available for a subject on a minimal budget. Fee-for-service courses however, mainly require more promotion and some persuasive approach that will encourage people to make an enquiry. Such courses therefore generally require a larger promotion budget.

When it is added up, it is surprising how much an Institute does spend over a year on various communications, and one of the aims of this chapter is to encourage an Institute to make more use of non-marketing communications and to seize on them as opportunities for promoting itself or its products.

Examples of message delivery systems used in promotion

Promotion can mean anything from a photocopied leaflet to an extensive advertising campaign in mass media. For promotion purposes, the various message delivery systems an Institute can consider are:

- Advertising in mass media
- Brochure distribution – handed out or left on counters
- Enclosures with other mailings
- Direct mail
- Letter box drops
- Personal selling
- Publicity
- Sales promotion
- Outdoor and indoor signs
- Exhibitions, displays, etc.
- Seminars and conferences
Targeting your promotions

The essence of success in any form of promotion is a precise definition of your target market.

The choice of target market determines both your selection of message delivery system and the content of the message.

For example, an "advanced cookery course" designed to update chefs' skills defines the target market as chefs. There is no point therefore in using mass media because the vast majority of the audience could not participate. A direct mail shot aimed at working chefs would make sense. On the other hand, a general cooking course aimed at members of the public who simply want to be better cooks, either for their family or home entertaining, suggests a mass medium because the markets are larger and more diverse.

The choice of target market also gives direction to the style of the message. In the case of the chefs, if direct mail is the best vehicle the letter can be personalised with particulars about the course that can offer significant individual advantages.

The target audiences for the general cookery course need to be defined carefully because there may be many different reasons for taking such a course and each reason represents a different target market. Targeting therefore isn't always as simple as dividing the population into straight demographics. Some people may want to impress their family or friends and overcome some derogatory comments that have been made in the past about their cooking. The strategy could be expressed in a headline like this: "Who said you couldn't cook? Surprise them! In just 12 weeks, you will be able to..."

Here's another approach aimed at career minded people: "When someone important is coming to dinner, how will you cope?"

Here's one aimed at men: "Should a woman have a permanent relationship with a man who can't cook?"

Market research is helpful in deciding which are the best markets to target for each course and how and when a course should be delivered for maximum appeal. For example, more people every year want to learn how to use a computer but a large proportion of them buy the computer first and then seek help with the program that came with the computer. Research will find out which programs are mostly being sold and that will determine which courses should be offered. Also, the degree of expertise most people want needs to be checked so that the course doesn't overwhelm them. They can always come back to do an advanced course!
What are you promoting?

People undertake training for a variety of reasons, and whereas an Institute may be promoting a course the customers will be acquiring a means to a job, career advancement, improved status, a sense of worth – any one of many reasons. It makes sense therefore to promote what they want to acquire not what you want to sell. The same applies to industry clients. They want their employees to be able to do something or become better at what they do. An Institute's promotion therefore has to be geared to those wants.

This is called "selling the sizzle instead of the steak". It means promoting benefits and supporting the benefits with features, not the other way round. It also means avoiding wherever possible education "jargon", especially acronyms, which only confuse and ultimately annoy potential customers.

Finding the right appeal for each target market is called a "positioning strategy" which requires the sender of the promotional message to have a clear idea of the desired response from the recipient.

Sometimes the promotional message is only meant to create a conducive environment for a sale to take place. For example, General Motors create a demand for their vehicles while Holden dealers make the actual sales. An Institute may want to create interest in a subject to encourage enquiries but leave it to the enrolment people to provide the range of course options in that subject.

How to prepare a promotional message

There are five steps that most people in advertising and promotion follow when preparing a promotion or a campaign.

1. Decide the target markets for the product you intend to promote.
2. Find out through research what they want to acquire and the reasons for their interest in the course.
3. Decide the main benefits of a product and get a match with what the target markets want and what you can offer. Quite often it will pay to amend the product so that you get a better "fit" with the market's wants.
4. Decide what you want to say to each of the target markets which will achieve the "positioning strategy", the key benefit that has the strongest appeal. The "hot button" that is most likely to activate a response.
5. Choose the message delivery system that is best for reaching each of the target markets. It isn't always the case that one message vehicle will reach all of the people in a market. It may require a mix of vehicles.
Managing the promotion

If after considerable exposure of a course through promotion it fails to gain much response, it is for one or more of the following reasons:

(a) Few people are interested, in which case the course may have to be changed to fit the market's wants, or it could be best to forget it.

(b) The promotion is not reaching the right markets, in which case different markets should be tried to get the right match.

(c) The wrong message vehicle is being used, in which case it is advisable to try another one.

(d) The wrong message is being sent, or the positioning strategy isn't hitting the hot button, in which case, provided research indicates the content and benefits are on target, re-word the promotional message and experiment until the right appeal is found.

How to write a promotion piece

A promotion has five basic tasks to perform if it is to communicate effectively and gain a positive response. AIDCA is an acronym for the five tasks – Attention, Interest, Desire, Conviction and Action.

You must get the attention of the target market immediately or else the promotional piece won't be read. If you are using a print vehicle, one of the best ways of doing this is with an illustration. Pictures are attention-grabbers. If it is a mailing piece, start the letter with an arresting sentence.

Interest is achieved if you quickly establish the key benefit for the prospective customer. If it is a print advertisement, the headline should feature the positioning strategy – the hot button that says in effect: "Here's what you want because it will do this for you!"

Follow through the key benefit with the supporting benefits and back them up with features. This is where you argue your case and build desire for the product.

We are all sceptics, (some might say discerning) probably for good reason, which is why you have to achieve conviction about what you are offering. The job here is to reassure the clients and overcome their doubts. Testimonials are one way of doing this. Records of achievement are another but essentially it is the credibility of the organisation making the offer that will count most.
Finally, suggest some action for the prospective customer, the step that answers their unspoken question, "Where and how do I get it?" Reply-paid envelopes, coupons, phone numbers and addresses must be included to make it as easy as possible for the prospect to respond.

International Correspondence Schools know what they are doing!

As an example of good promotion work it is hard to go past ICS. "Train at home for a great career" is the headline of a typical mailing piece. "Get into marketing. Meet interesting people in a fascinating job." There are plenty of attention-grabbing pictures to go with the headlines showing smart, well-dressed and obviously successful young men and women talking, writing, phoning and enjoying their work.

Desire is created by supporting benefits such as: "Now it's easy to get started! Opportunities are everywhere! Get a nationally recognised qualification." Every benefit is backed up with facts about the course.

Conviction is achieved by comments from past students, a picture of the certificate, the ICS building, and a personal letter from the Executive Director.

The reader is encouraged to do something with statements like: "The decision is yours - Take this giant step ahead to a better career." And it's so easy! All you have to do is put this reply-paid card in the nearest post box..." Payment isn't a problem either. "Now you can save with our convenient, no finance monthly payment plan!" Well, come on. What are you waiting for? "Step into the exciting business world of marketing!"

Maybe International Correspondence Schools isn't the style that would suit your Institute but the ICS success rate over many, many years suggests that they are doing a few things right.

How to lay out an advertisement

Advertising must conform to the corporate guidelines. This ensures maximum exposure and strengthens the corporate identity. Advice is available from the Marketing Services Branch.

Writing an ad or brochure is simply a matter of following the steps of attention, interest, desire, conviction and action (AIDCA) and so is laying out the advertisement.

Although there are many different approaches to layout, the easiest and most effective has proven to be the one illustrated with a picture at the top, a headline which relates to the picture, a copy panel for the bulk of the information, and an area for the name and the contact details.
The copy area can be broken up by using sub headings in the case of a brochure or a long ad. Breaking up the copy this way maintains interest and keeps the eye of the reader following the logic of the presentation of information and its benefits.

Similarly, the copy area can be broken up with illustrations.

Panels, "sun bursts", boxes, roundels serve to make additional points. However, the main error of layout design to avoid is to clutter the ad or brochure with too much "interest" because it is distracting and prevents the flow of information which should be presented in logical, sequential steps.

Stick to one style of type. Never use anything less than 10 point type (it's too hard for some people to read, and readership is the objective). If the type won't fit the area, trim the words not the legibility. Leave plenty of white space for this reason.

Create your own spread sheets in just 18 hours of tuition!

Many travel agents knew that Australian holiday-makers were spoilt by caravan parks being located near the sea-side. In the mid-1970's they were beginning to offer the "holiday home" for rent. To attract more people, they included features such as swimming pools, golf courses, tennis courts, petting zoos, etc.

Local, national and international clients would pay a commission to travel agents who agreed to take reservations for their clients. Many travel agents were not interested in this business because it meant too much paperwork and not enough commission for the time spent doing it.

Many travel agents were not interested in this business because it meant too much paperwork and not enough commission for the time spent doing it. Many travel agents did not want to take bookings because it meant too much paperwork and not enough commission for the time spent doing it.

INSTITUTE NAME

Action details - who to call, where to go, what to do, and anything else that is relevant. Keep it simple.
How to talk to your target markets

Creative brilliance is not necessary for successful promotion. Ease of communication is the major objective. Certainly, there are better ways of saying something which may add more interest and be more entertaining but don’t ever believe that when you write copy you have to be clever or imaginative. If there is someone with a flair for words to write the copy so much the better but it is not an imperative.

Most advertising these days sets out to achieve what the industry refers to as "cut through" - getting attention among the clutter of messages being delivered by an enormous barrage of mediums. However, cut through does not always require huge type, commanding statements and bizarre illustrations. Saying what the target market would like to hear or see is the purpose of any communication.

"In just three short months you can be creating spreadsheets that would impress even Paul Keating!" is better than merely saying: "SPREADSHEET WORKSHOP - Windows Excell. Course starts May 1." At best it is adequate but sounds as about exciting as last week's left overs.

Talk to people like you would in conversation but be brief and to the point. The right tone of voice gets attention and respect whereas the loud voice and belligerent utterances may get attention but they don't get respect. Credibility is always at stake in promotion.

"Please consider...", the suggestion phrased by Mitsubishi has the right tone of voice. "DON'T SIGN ANYWHERE!" is loud and less convincing.

The famous advertising authority John Caples, who wrote some of the most effective advertisements in history, in his book "Making Ads Pay" compared two car insurance ads to make the point about effective communication. The only difference between the two ads was the headline. The illustration showed a person driving a car. The headlines were:

First ad: "Car insurance at lower cost if you are a careful driver".

Second ad: "How you can turn your careful driving into money".

Which ad worked best? The first headline was a clear winner. Why? It was more believable. It said straight away that the ad was talking about car insurance and in one sentence spelled out the message about saving money "if you are a careful driver". Isn't everyone? The second ad was less successful because it is unreasonable to suggest that careful driving is a means of making money. Also, it omitted to say "car insurance", so it could be selling driving lessons for instance, or it might be an employment ad for a driver. It was being too clever.

Always try to get into the prospect's mind and find the real need and want and hit the emotional hot button that will trigger a response.

Chapter 11 : PROMOTION AND ADVERTISING
How to make the best use of each message delivery system

"The medium is the message" claimed Marshall McLuen, one of the doyens of communication. In other words, choosing the right vehicle for the message is as important as the message itself. And it may take a mix of delivery systems to achieve the best result. For example, reaching all the prospects for the general cookery course mentioned before could involve radio advertising in selected programs as well as a newspaper or magazine. In support there should be brochures that can be posted in response to enquiries, or for people to take away and consider. All of this depending on the budget and the likely returns on income of course.

Repetition is often necessary, especially with direct mail. One letter is seldom enough to reap the full harvest of a promotion.

Let us review the main message delivery systems.

Direct mail
This form of communication is very effective, especially if it is addressed to people by name – present and past students for example, and company executives. Most names will come from your own records but lists of names can be acquired from friendly trade and industry associations. You can also buy lists from list brokers but be warned about their recency value. A two year old list is almost useless.

A "mail shot" is a direct letter to a person's position, like "The Manager". It is not as effective as personalised mailing so it has to work harder to get attention and interest. It needs to be a quality production and be spot–on with the positioning strategy.

In direct mail you must make it easy for the recipients to respond. A reply–paid envelope or card is mandatory.

Two or even three letters on the same theme will often work better than one. It also pays to experiment with copy approaches and test the reactions before doing the whole mailing.

Daily newspapers
Most courses are promoted in daily newspapers and because newspapers are used by people interested in employment, there is an expectancy that training advertising will be found there. In terms of cost per target reached, newspaper advertising is probably best provided that the course being promoted has a broad base of interest. A course on making single span bridges for example, would be wasted in mass media advertising.
A list of unrelated subjects and courses in an advertisement is not advisable. It is better to concentrate on one subject area and list the types of courses and their various options.

Local and community newspapers work well, especially for an Institute that gains most of its enrolments from a known geographic area.

Trade and industry journals that reach the target market for a subject are excellent value. Also, many of them will allow you some editorial mention as a back up for your advertising. Inserts too can be considered for these types of publications. They are expensive but you have ample scope, a whole brochure if you want, to get across the information. You can include reply paid cards as well.

Newsletters are another inexpensive way of reaching reader groups and they have the advantage of usually being read intently because of the specific nature of the information they contain.

Your own newsletter or magazine. It is surprising that more Institutes don’t make use of this medium. It should not be the intention to use them solely as self-serving publicity organs and cram them like a notice board.

The objectives must be clear before embarking on a magazine or newsletter. By whom is it meant to be read? What is its mission? These two main objectives will dictate the editorial policy and content.

There are two types. One type of publication can be for internal distribution among the staff and be a means of maintaining interest in what others are doing in the Institute and their social or family activities. Management can also use it to disseminate items of interest about the Institute and any developments which have consequences for the staff. However, once it becomes a medium for policy directives and management instructions it becomes political and ceases to have any goodwill value. If such a publication is a serious undertaking and its intention is to foster pride in the Institute and interest in what everyone is doing, it can make a significant contribution to staff and management relations.

Another type of publication is aimed at students, both past and present, and industry bodies that have an interest in and connection with the Institute. It can also be distributed to media. It needs to be a quality publication and if done well, with articles of broad interest, it can be an excellent public relations vehicle for the Institute. It should also provide an opportunity for staff to have a professional outlet for their papers.

Enclosures with other mailings
Every letter that goes out from an Institute provides an opportunity for a promotional stuffer for courses or image-building publicity.
Catalogues
Before the beginning of a semester, a catalogue of subjects and courses can be sent out and be made available at the counters. The wider the distribution the better. This is the Institute's "shop window" and it can be an extremely valuable means of increasing awareness of, and interest in what is available through the Institute. In the larger Institutes it can reveal some surprising information - even for the staff!

Publicity
Getting publicity for the Institute should be an on-going task. It requires someone or several people to be constantly thinking of ways and means of generating interest in the Institute. An Institute's activities, which mainly are employment and career-based, are of interest to a wide number of people in the general population, especially today.

It is really a specialist's job and you may consider engaging the services of a public relations consultant to assist in the task of identifying, creating and implementing publicity situations and stories.

The purpose of publicity should be to:

1. Increase public awareness of the Institute, the subjects and courses it provides, and how it services community needs.
2. Draw attention to the Institute's students' successes and staff abilities.
3. Strengthen the corporate image of the Institute.

Every project or activity should be regarded as a possible opportunity for gaining a mention in media. Essentially, media are looking for "items of interest" for their readers, listeners or viewers. For the Institute, it is a matter of seeking the right angle for such stories.

Sometimes, a particular news item or issue in main media will trigger a reason for the Institute to capitalise on it because it fits with an Institute's projects and activities.

Once you have decided on an event or development that has general "reader appeal"- especially one that has a human interest angle - you can draw the attention of media by contacting a journalist or editor known to the Institute, or by a media release. You would probably do both.

Some tips for media releases:

- Use your letterhead and head it "MEDIA RELEASE".
• Write a headline which describes the main point of the story.

• In double space type, write the story as you hope it will appear in print or be read by an announcer. Leave generous margins.

• Use one side of the paper.

• Use short sentences. (If you are not familiar with the journalesse style read some newspaper stories or listen to the radio.) Do not overwrite. Keep to the point and don't bring in extraneous material.

• Just like an advertisement, get the main points across from the beginning.

• Don't use general statements. Media want facts and corroboration of stories. Provide ways they can check a story with contacts and references.

• Dates and addresses, any detail relevant to the story must be included and be accurate.

• Include a picture if you can (for newspapers) and attach a short caption that describes what the photograph means.

• Provide a contact person and number so media can follow up the story.

Don't be disappointed if your story is "hacked around" and shortened. It is the sub-editor's job to minimise the number of words because space and time are at a premium in the media.

Build a strong relationship with your media contacts so that you can have quick access to them when required. Build your Institute as a credible source for good stories and if they are short of copy they may even come to you.

Look for stories that have pictorial interest and you'll get the interest of the television channels. Unlike newspapers, theirs is a visual medium and they seldom run stories that can't be filmed.

You may find that trade journals are keener than mass media to take your story because it may have specific reader interest for their readers and subscribers.

Exhibitions and displays
Exhibitions attract people who are interested in their content and theme. If you have a subject which fits with an exhibition's purpose, it is an opportunity to take some space and attract attention to what you are offering in the way of training.

It is advisable that you make your display a working exhibit that demonstrates
what the course is about. A desk in a box-like room with a pile of literature, a sign, and someone in smiling attendance to answer questions is often a waste of time and money.

**Seminars and conferences**

Institutes should be generators of seminars and conferences. They achieve a great deal of exposure for an Institute by:

1. Creating interest in the Institute and enhancing its image as an education provider.
2. Producing income for the Institute.
3. Publicising the Institute's subjects and courses to target markets for fee-for-service programs.

Any reason for holding a seminar or a conference should be considered. In addition, the Institute should make it known to the industries it serves that it is interested in providing a venue for them and becoming involved in the organising.

With each seminar or conference there is an opportunity for the Institute to set up a display, hand out literature and publicise its activities. It is important to realise that the people who attend these functions are prospects or people who can influence future business for the Institute.

**Award nights, open days, tours, dinners, concerts, etc.**

There are numerous events that increase public awareness and knowledge of an Institute, such as award nights, open days, tours of the Institute and its resources, presentation dinners, parties for special occasions. Then there are concerts or shows that involve the students and staff and give them an opportunity to show what they can do. They are all sources of publicity and image enhancement. The list of opportunities is only restricted by one's imagination and resources.

However, when you do them it is advisable do them well. A mishandled occasion that hasn't been properly planned has an effect opposite to what it is meant to achieve.

The recommended planning sequence is:

(a) Each occasion should have a set of objectives. Who are the target markets? What is the purpose of the occasion? What do you want it to achieve?
(b) Decide who should be involved and who should be invited.
(c) Plan it like a military campaign so that the Institute looks great, it works to a strict timetable, and the people concerned have a running sheet with their responsibilities detailed.
(d) Communicate the event to everyone so that they are prepared – even those not directly involved.
(e) Advertise if necessary and get maximum publicity mileage from the occasion.

Sales promotions
Sales promotions are usually one-off, special pushes to boost sales or introduce a new product. There is a number of techniques that can be used to make a sales promotion a success. Some of the more common ones applicable to education are:

- Special incentives to purchase, such as a give-away like a free book, tie, consulting service, a piece of equipment – whatever is possible and relevant to the selling situation.
- Sampling – a free seminar for example as an introduction to a course.
- A demonstration of skills that can be acquired as a result of doing a training program, such as an art display, a working engineering exhibit by students, a model students have designed, a cookery tasting, etc.
- A bonus course as a come-on, such as six fine art lessons with every pottery course, or an optional short introductory course on a graphics program with every desk-top publishing computer course, and so on.
- Competitions, like "Enter this competition and you could win a course on....." This flushes out the names and addresses of interested prospects.
- Free trial offer – if you don't like the course after four lessons you don't pay anything.

Most sales promotions are a concentration of effort on promoting a particular course with assistance from advertising, direct mail, publicity and personal selling.

Brochures
The most common form of promotion used by TAFE Institutes is the brochure which varies in size, amount of information and standard of quality. Because it is often the main promotion thrust, it should always be:

1. A quality production.
2. Carefully designed with an easy-to-read format and pictures wherever possible.
3. Well written, so that it contains everything the customer needs to know.
4. Be up-to-date.
5. Reflect the image of the Institute.
A brochure should be written as an advertisement, following all the AIDCA steps outlined earlier, with the main benefit, the positioning strategy, clearly evident on the cover.

It is advisable to scrap any existing brochures that do not fulfil the highest standards. Because there are "plenty left over from last year" is a crazy reason for continuing to use bad literature, particularly if it doesn't have current information.

Pictures are worth a thousand words, so always include them in a brochure - even if it is nothing more than a picture of students in a classroom. It helps to orientate the readers so they can understand what they will be doing and feel comfortable with the possibility of doing the course. It is always best to demonstrate the tangible result of completing the course. Remember the famous headline of the advertisement that sold millions of piano tuition courses? "They laughed until I sat at the piano and started to play".

Mass media – radio
Radio can be within the budget of an Institute for a course that is going to repay the expenditure of the advertising. It is certainly possible for Institutes in country regions.

It is not recommended to buy what the station would like to sell you, which is a run-of-station package of spots. This is a discounted rate for having commercials spread over the entire day – including from midnight to dawn. It seems attractive because some spots will appear in the heaviest listening period which is breakfast, but the majority will be put to air at times when few people are listening. It is better to pay the premium for your commercials to appear when your target markets are most likely to be listening.

Radio stations sell time as opposed to print media which sell space. The average commercial is of thirty seconds duration. You can buy shorter and longer ones but thirty seconds should be enough.

The temptation always is to cram as many words as possible into the time allowed. This does not work and does nothing for the reading of the commercial or its understanding by the listener. The stations will severely edit it anyway because they don't like bad commercials that gabble and fail to communicate to their listeners.

Allow between fifty and sixty words for your thirty-second commercial. When you think about it, that is still more than a word a second. The art of commercial writing is not dissimilar to writing for print, except of course it is the spoken and not the written word. Get the point of what you want to say at the beginning, add some additional facts and benefits to support the point, then repeat it at the end and say where listeners can get the course.
The secret of writing for radio is to use the theatre of the mind. Conjure pictures with your words if you can while giving out the information. A bit of neutral background music doesn't hurt to set a mood. In the main though, your commercial will probably be designed simply to make people aware of a course and little creativity will be needed.

**Indoor – outdoor signs**

The oldest of message delivery vehicles is still effective. There are few outdoor sites available these days because they are regarded as environmental pollutants. However, busses, taxis, trains, shopping centres, shop windows, display and notice boards, etc. offer opportunities for messages and they are not very expensive.

Most signs have a short life before they become part of the scenery and should be changed regularly. Their main use for an Institute would be for a general image message or courses that are running more or less continuously.

Signs must be capable of being read and absorbed within two seconds. This restricts the creative approach to a picture and less than ten words—including your name.

**Personal selling – the face of the Institute**

The customers seldom meet or know the managers of most businesses. They mostly deal with the representative or the person on the counter. Therefore, for the customer, the faces they meet ARE the organisation.

This places a large responsibility on the selection, training, appearance and personality of the contact people. The faces of the Institute mainly belong to the staff filling the functions of attending the counter or in the learning resource centre, the lecturers and the education managers.

Initiating contact with outside clients is a vital area of promotion these days because of the need to capitalise on every opportunity to increase revenue-producing products. The more contacts or "calls" that can be made the more business is likely to be generated for the Institute.

Unfortunately, it often happens that the person in charge of a particular project takes on the "selling" role without considering his or her suitability to be the main and maybe only representative of the project.

Outside client contacts should be made by people who are likeable, skilled presenters who can "share the gift of friendship". Obviously, there are some people who have better people-handling skills than others. Contacting clients is high-profile activity with a big responsibility resting on their outcomes.
Personal contact is a form of promotion which is far more effective than a letter or brochure for eliciting business and forming strong, on-going relationships with clients.

The objective of personal contact promotion is to go direct to organisations which are known to be sources of training requirements to uncover needs and wants, and then satisfy those needs and wants with suitable Institute products.

Personal contact is more expensive and time consuming than the indirect methods of mail and advertising but ideal for:

1. High value industry calls - organisations with known strong training interests.
2. Industry bodies which encourage and develop training packages for their members.
4. Talks to industry and business groups.
5. Discussions with seminar and conference organisers.
6. Contact with training managers and other education providers.

How to plan the personal contact promotion

Prospecting is the basis of good personal contact promotion. This involves identifying the most likely prospects and building a data base which records every contact and the on-going outcomes of those contacts.

A good personal contact person will methodically plan how to achieve results in much the same way as they would develop a marketing plan. The steps are:

1. Have a sound product knowledge - know which products are available, which ones can be adapted, and how new products can be developed to satisfy various customer's requirements.
2. Have a kit of high quality supporting literature, audiotapes, video tapes, photographs or slides that can be presented to a client during the discussion.
3. Develop a list of prospects and prioritise them.
4. Set a call rate objective and a conversion rate objective. Plan either by volume of income the conversion rate you want by a certain time.
5. Phone for appointments and diarise your call plan.

6. Plan how you will handle the appointment, what you intend to say and what supporting material you will present.

7. Put the promotion into operation, assess each contact and record the outcome.

8. Follow through every contact. When a client decides to go ahead with a project, supervise the course progress and provide assistance where necessary. Even though you may have handed the training over to someone else, as you were the person who originally contacted the client you retain the responsibility for the client's satisfaction.

9. Follow up and go through the training action and results afterwards. Maintain contact and plan for the next course or service that the client may want.

The principles of the presentation

The discussion or interview with the client can take place on their premises or at the Institute. If it is at the Institute, you have the opportunity to show off the place and its facilities in the best possible light. You can also have the luxury of calling on other people to assist you with your presentation. It is obviously important to have everything in readiness for the client, with everyone and everything the client is likely to see showing the Institute to advantage.

Preparing the format of the presentation is very similar to preparing an advertising promotion. The principles of AIDCA apply just the same.

Once the discussion begins you must get the attention and the respect of the client. The primary benefit for the client, the point that you believe will interest him or her most of all is what you present first. Then you proceed to develop desire for the product. Conviction can be achieved by showing the results of previous courses, providing evidence of satisfied clients, or some testimonials from students. Another way is to arrange for the client to see a similar course in action and talk to the lecturers and students.

The most vital factor in any discussion with a client is to LISTEN CAREFULLY TO WHAT THEY SAY AND HOW THEY RESPOND TO YOUR PRESENTATION. Their statements will tell you if there is real interest or if there are matters about which they are uncertain. Most of the time it is more information they will want, more examples of benefits, and your help in removing their doubts.
The action part of AIDCA is asking for some sort of commitment. Because most people are reluctant to make a decision, the objective is to make it as easy as possible for the client to say "yes" or to agree to a further meeting to resolve some details.

In any business discussion it is always advisable to recapitulate the main benefits. Go over the ground several times if necessary to remove any misunderstandings or problems.

**An example of a presentation to a prospective client**

Let us assume you have made a time to talk Jim Folkinghorn, the accounts manager of a large organisation, about computer training.

"How many people are you responsible for, Jim?" you ask.

"Thirty nine," he replies proudly and goes on to explain what they do and how he has organised their work.

"And what program are they using?"

He tells you and reveals that it is Dataform, an out-dated program that has been superseded by Zippy and two others.

"You realise that they could turn out accounts 20% faster if you changed over to Zippy?" You tell him without sounding like a know-all and that he is behind the times.

"Oh, yeah, sure." Jim says with a smirk. He has had this discussion before with the Zippy software representative and remains unconvinced. "When we put in Dataform we had a year of chaos until everyone got it right. If we changed to Zippy it would happen all over again and we can't afford the down time or the back-log of accounts that would occur right at this time. Besides, I've heard that Zippy isn't all that it's cracked up to be."

Here are two objections that Jim Folkinghorn has put up. The last thing you do is argue. Instead, you ignore the objections and present a benefit.

"Changing over wouldn't be a problem. We would train one person at a time on the job. It would take about two weeks for each one. That means within four months everyone would be using a new system that is faster and more efficient. It doesn't have to be Zippy, there are alternatives. The main thing is there would be no chaos, just a smooth transition and you would be responsible for a far more productive team."

Jim is no fool. He's looking for kudos and promotion. So with his big worry largely overcome, the discussion then revolves around how the training would be done. It is Jim who would probably raise the issue of the merits of Zippy and ask your opinion. The chances are Zippy wasn't his main concern. He just didn't want his department getting the
blame for causing hassles for his directors. With cash flow a problem for the company, getting accounts out on time was vitally important.

You then go on to say, "We've done four change-overs so far this year. The organisations are very pleased with the results. I'll give you their names so that can contact them if you like."

Jim takes down the names and to conclude the presentation, you ask for the order. "Two of our top trainers will be finishing an assignment in three weeks' time. They could move in and begin getting your people up to speed. You'll notice a huge difference. How does that time frame suit you?"

In this example, attention, interest, desire, conviction and action have all been encompassed.

Don't "sell" : develop mutually beneficial relationships

There is no point in trying to force an issue. The Institute wants the client for a long time and to have a continuing relationship that enables the client and the Institute to work together to produce the best training result for both parties. Goodwill in the end will bring its own rewards. It is not like a commercial situation with commissions, income and profits at stake.

Building a relationship requires service by the person providing the personal contact, therefore follow through, attention to detail, cooperation, and willingness to meet the client's wants are the essence of the exercise.

How much should be spent on promotion?

How long is a piece of string? Each situation requires a different answer. It all depends on what is placed under the label of "promotion". For example, a letterhead is a stationery cost even though it forms an important part of the corporate "look". On the other hand, the artwork for the logo on the letterhead is a promotional cost item.

Promotion includes the planned commitment by people at all levels, within the Institute. The major cost is people's time and the promotion may be a product or the Institute itself.

Here are some rough yardsticks to use.

Commercial manufacturing enterprises may allow around 10% to 15% of their total costs to be used for promotion. However, many retailers have to provide for a higher figure because their existence depends on heavy promotion.
For an Institute, there are different budgeting circumstances to consider for each course it promotes. For example, award courses with a high demand require very little promotion and between 3% and 5% of total costs may be adequate. A course with a low demand may need the application of between 5% and 10% of total costs.

Fee-for-service courses need a more flexible budget and the cost of promotion can be included in the end selling price, provided it is not excessive and beyond what the market will bear. In many cases the amount spent on promotion can range up to 20% of total costs and still leave an adequate profit margin.

Those who are concerned with income and outgoing expenses should always regard promotion as one of the essential costs of doing business because without promotion there is no communication about the courses and services from which customers and income are derived.

It makes sense to keep all costs to a minimum but it is also wise to allow a healthy margin for promotion. In the end, it is experience with various courses and services and what it takes to promote each one which will determine more accurately a reasonable promotion allowance.
Chapter 12

Achieving a Corporate Identity for the Institute
12. ACHIEVING A CORPORATE IDENTITY FOR THE INSTITUTE

A corporate identity for all of the Institutes has been developed. This includes design issues such as logo, colours, typefaces and sizes as well as more practical issues such as signage, stationery and advertising layouts. All Institutes are required to use this corporate identity. Full details of the corporate identity are outlined in the Institutes Style Guide. A strong corporate identity benefits all the Institutes.

Individual Institutes can then develop their own image within the corporate framework. Points of difference such as their names, specific program bias or base and their geographical location can be used.

A corporate identity or image is a fragile thing that needs careful planning and nurturing to bring it to fruition and then being able to sustain it.

Every Institute is concerned about its image because it has many groups (publics) to consider, such as:

- The clients
- The industries it serves with graduating clients (products)
- The companies that are or could be clients
- Industry bodies that represent its key industries
- Trade unions
- The general public
- Politicians
- Government departments
- The media
- Insurers
- Other education providers
- Staff
- Suppliers

Everything an Institute does contributes to the formation of an opinion about it in people’s minds and all the advertising in the world can only add to the perception. In time, promotion can do little to change the reality of an Institute's performance.

Deciding the position you want

The mission statement is the starting point for establishing the positioning of the Institute and determine its corporate identity for the future. Successful marketers determine the position they want to occupy and it is no accident that companies like Coca-Cola, IBM,
McDonalds, Ford, Mercedes, etc. have such high public profiles. They manage their positioning by controlling their public image.

Most Institutes have achieved their position by the subjects and courses in which they have specialised. However, an Institute, like a commercial enterprise, has to manage its future. Positioning is a mind concept that needs to be written into a marketing plan as a statement that describes how the organisation wants the market to think about the organisation as a whole as well as its program areas and campuses.

Adjectives such as old, new, smart, expensive, traditional, clever, etc. are used in the statement to define the desired "mind picture". Therefore, when deciding the ideal position for an Institute the words and their meanings have to be considered carefully. Terms like best, good, and excellent are comparative generalisations that are regarded as empty claims and have little meaning in a public statement that expresses the position an Institute wants to occupy.

The terms you may consider for a positioning statement

1. Any term to do with "age" if it is relevant. A "new" Institute for example suggests modern and progressive. "Old" implies maturity, experience and tradition.

2. Size – big suggests powerful. Small could mean specialised. Most people like to get a picture of size in their mind.

3. Status descriptions such as respected, progressive, popular, well known, exclusive, etc. are very important to people considering education.

4. Price and value are important image positioning terms in commerce but not very relevant to education.

5. Place – where it is located signifies many things to people. For example, "In the cathedral town of...", "On the banks of the River...", "Adjacent to the seaside resort of..." etc. conjure appealing mind pictures for clients and publics.

6. Ability is vital for an Institute. Is the Institute hi-tech, specialised, efficient, reliable, up-to-date, highly qualified, academic, practical, well-equipped?

7. Attitude – is the Institute helpful and friendly, cold or warm, concerned for its client body?

8. What support will you require from other departments to achieve the positioning you want?
The use of promotion for positioning

The Institute can use promotion to make people aware if they are unaware and improve their opinion if it is unfavourable, but opinions are slow to form and are even slower to change. This places importance on consistency of performance and a single-mindedness to achieve a quality of presentation based on performance.

The American Financial Times in 1975 published a promotion piece on corporate advertising and listed some of the messages that an organisation should be sending to its corporate publics to help form its image. It is a handy list to consider for adaptation to an Institute's needs, especially when planning corporate strategies. The list is not necessarily in order of importance.

MESSAGES TO CLIENTS

- The size of the company
- The range and diversity of products
- New product research and development undertaken
- Problem-solving skills
- Experience and ability of its employees
- Service and delivery record
- Accent on client relations
- Quality control
- Successful work completed for other clients
- The type and nature of existing clients

MESSAGES TO THE FINANCIAL COMMUNITY

(Maybe more applicable to the perceptions of the Department and the Government)

- How investments are utilised
- Future plans and expansion
- Restoration of confidence after a crisis
- The expertise of management in difficult situations
- Spread of investment and stability
- Profit and growth information
- Sales achievements

MESSAGES TO GOVERNMENT

- The benefits of the company to the community
- Its self-regulation attributes
- The levels of employment
Productivity and national contribution
Care for the environment
Conservation of natural resources
Willingness to cooperate with Government
Achievement of equal opportunity parities

MESSAGES TO EMPLOYEES AND UNIONS

Appreciation of work and productivity
The maintenance of wage levels
Staff amenities provided
Willingness to work together and cooperate
Full information on company plans, improvements and changes
Attitudes to contentious issues
Participation and worker involvement

MESSAGES TO THE MEDIA AND GENERAL PUBLIC

The growth and achievements of the organisation
Different companies in the group (or program areas in the case of an Institute)
Contribution to exports, national earnings, etc.
Social responsibility, environmental protection, conservation
Community involvement and contribution
Sponsorships, awards, scholarships
Building plans
Possible expansion, re-equipping
New processes, products, developments, inventions, etc.
The importance of the company to the state or nation
Attitudes to issues affecting the company's industry

As a check list it demonstrates the heavy responsibility on management to manage itself effectively and thereby manage its image because its image can be as important as the products it sells.

Advertising should not be regarded as a separate campaign. Every marketing activity and piece of literature produced by an Institute will contribute in some way to its overall perception. Therefore, an Institute must make sure that the presentation of its marketing actions looks good in the eyes of its clients, its staff, the industries it serves and its other publics for everything it does and produces.
How to build a corporate position

There are seven steps recommended for achieving a strong image:

1. Establish the position you want to occupy in people's minds through a mission statement that outlines corporate philosophies for all areas of the Institute's activities.

2. Set corporate objectives and strategic priorities.

3. Research each of the Institute's markets and publics to uncover their attitudes to the Institute and its activities and then compare their perceptions with your objectives and strategic priorities.

4. Decide which attitudes need developing, modifying or changing.

5. Decide on the physical realignments which are necessary to close any gaps between the present image of the Institute and the desired image so that the reality (what everyone believes) is closer to the perception you want.

6. Communicate to the markets, the publics and the staff that you are making changes and why.

7. Make the changes, manage them, then use the same market research methodology to test the effectiveness of the changes. Repeat the process until you have what you want recognised and acknowledged by your markets, publics and staff.
CONCLUSION

WILL IT FLY? & RECOMMENDED READINGS
CONCLUSION

Will It Fly?

Having completed all the planning, the big question is will it work? This is the quandary of every scientist, inventor and marketer. There is only one way to find out — try it! The Wright Brothers believed their plane would fly but they didn't know it would until that memorable day at Kittyhawk. Edison didn't know his globe would work until he turned on the power.

The more research that is done the more likely the plan will succeed. Concept research — exposing the product details to a representative sample of the target market — is a helpful indicator of the market's likely acceptance. Test marketing with a pilot program is another low-cost way or proving the product before large sums are committed to the final implementation.

If the results of the research or the pilot study are not promising, don't do it! Business history says that those who have flown in the face of adverse findings in the research phase have invariably failed.
Recommended Further Readings

**Marketing TAFE** (TAFE National Centre for Research and Development, 1988)

**Marketing TAFE New South Wales** (NSW Technical and Further Education Commission, 1991)

**Marketing For Results, TAFE Edition** by Michael J Auden, MED (Training for Enterprise, 1992)

**Marketing Further and Higher Education** by Peter Davies (Longman for Further Education Staff College, United Kingdom)

**Coombe Lodge Report** (Developing the Responsive College, Bristol, England, 1988)

**Serving the Customer** by Ernest Theodossin (Fuller Education Staff College, Bristol, 1989)

**Developing a Marketing Strategy for Adult and Continuing Education** (London, 1990)

**Marketing for College Managers** by Angela Hutton and Lynn Sedgmore (Butterworth-Heinemann)

**Marketing for Education Institutions** by P. Kotler and K. Fox (Prentice-Hall, 1985)

**Marketing in Australia** by Kotler, Chandler, Gibbs, McColl (Prentice-Hall, 1989)

**Positioning** by Al Ries and Jack Trout (Warner Books, 1981)

**Service America!** by Karl Albrecht and Ron Zemke (Dow Jones-Irwin, 1985)

**Ogilvy on Advertising** by David Ogilvy (Pan Books, 1983)

**Reinventing Australia** by Hugh Mackay (Angus and Robertson, 1993)

**Marketing Strategies and Tactics** by Neil Wearne (Regency College, 1990)
Chapter 13: CONCLUSION