

# STRATEGIC AUDIT AND MARKETING PLAN

**Executive Summary** The strategic audit for AdSum involved interviews with the Owner, Professor Yin Kean and analyzes what she has accomplished thus far with strategy, marketing and enrollment. The hope is that this strategy audit will be a comprehensive blueprint she can use going forward to accomplish (a) attracting and enrolling students to her online programs, (b) attracting start-up money and / or support from partners and grant sponsorship, (c ) marketing, and (d) if necessary, expanding the course offerings.

We appreciate the opportunity to present this strategic audit to AdSum that will serve as their strategic map.

*Submitted by  
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## Company Profile

**AdSum is a for-profit start-up professional development online school offering healthcare skills, training, and certification. It was started in 2010 and is owned by Professor Yin Kean. According to Professor Kean, it is a professional development career growth certification school. It wholly resides online and has no on-campus presence. Last year the school was certified by the Illinois Board of Higher Education. The owner started the school with the purpose of training students in the allied health field and international students wishing to learn English (ESL-English as a second language). At the end of training the students test and receive certification.**

## Industry Environment

In 2004, nearly half of all high school students and about one-third of college students were involved in vocational programs as a major part of their studies (Silverberg, 2004). Perhaps as many as 40 million adults—one in four—engage in short-term, postsecondary occupational training. The advantages of attending a vocational school are stated in the key findings of the National Assessment of Vocational Education (Silverberg, 2004).

- Vocational education has important short- and medium-run earning benefits for most students at both the secondary and postsecondary levels, and these benefits extend to those who are economically disadvantaged.
- Over the last decade of academic reforms, secondary students who participate in vocational programs have increased their academic course taking and achievement, making them better prepared for both college and careers than were their peers in the past. In fact, students who take both a strong academic curriculum and a vocational program of study—still only 13 percent of high school graduates—may have better outcomes than those who pursue one or the other.

The report further states,

While positive change is certainly happening at the high school level, secondary vocational education itself is not likely to be a widely effective strategy for improving academic achievement or college attendance without substantial modifications to policy, curriculum, and teacher training". (Silverberg, 2004)

The overall conclusion of the report is that vocational training and education gives a boost to a student's furtherance of continuing education.

The author of *The Gatekeepers* (Gray, 1997) found that only two of three college students can find employment related to their field of study; of college students who graduate with a professional credential, such as teaching, only one in two will find related employment; professional occupations make up only 20 percent of all jobs and the remaining 80 percent are vocational; the fastest-growing segment of the high-skill, high-wage technical jobs only require an associate's degree or certificate from a vocational school.

## Overview of Need

- A strategic plan and goals to aid in recruiting students
- A marketing plan to jumpstart branding and recognition
- A strategy that embraces a competitive advantage

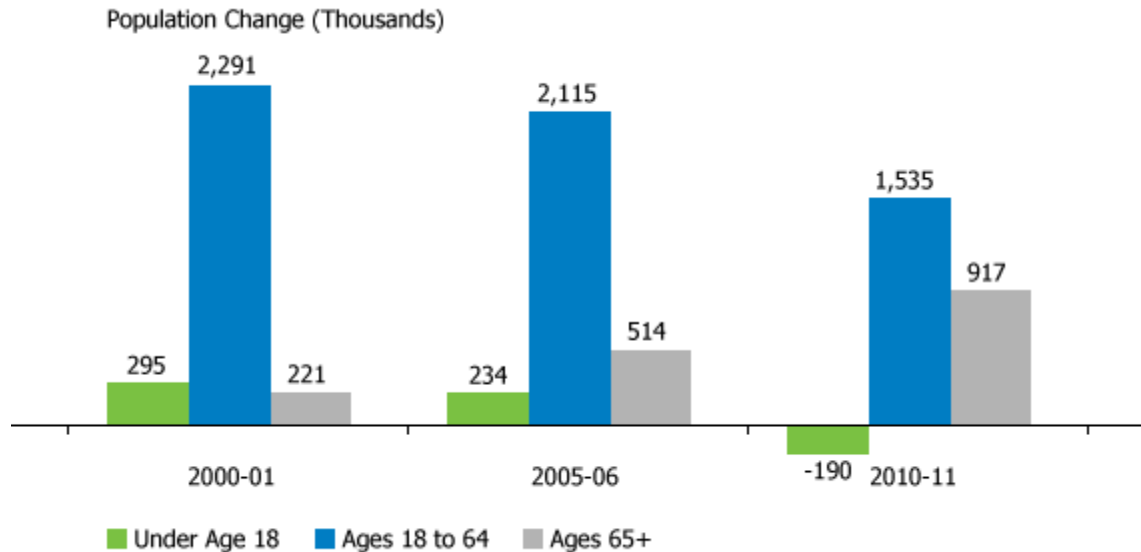
## Competitive Advantage

Among an organization's first strategic steps is to have a vision for the company and develop a strategy around the vision. Next, the organization should execute or implement and assess. At the heart of the vision is a competitive advantage that requires AdSum to enroll students, build the brand, and compete on costs and value. If an organization cannot compete on costs then it must look at value, quality, and excellent customer service to gain customers.

## External Environment Analysis

These external influences can have indirect and direct effects on the business. AdSum would be affected by all of these environments as follows:

1. Changing Economy. The United States is in a jobless recovery (Washington, 2012). AdSum's allied health certifications can only be positive for the student, as allied health occupations are in demand and are one of a few occupations requiring direct contact with customers. Projections from the Bureau of Labor Statistics indicate that careers in the health professions will continue to represent a vibrant part of the economy (Dynamics of the Educational Landscape, 2013). During bad economic times, it is not unusual for attendance to increase as workers return to school for retraining and the lack of jobs encourage the unemployed to change careers.
2. Changing Demographics. Census stats show that between 2000 and 2010 the population of children nine years old and younger decreased ("baby bust") due to fewer babies being conceived. Chicago alone lost 1/5 of its young residents (Turner, 2013). The trend seems to encompass most of the United States. See chart below from the U.S. Census.



The effect is that secondary schools will have fewer students to fill seats. This works both for and against AdSum's future. If AdSum intends to grow in the next 10 years, the pool of students will be fewer; however, if it can sustain itself with small online classes and enhanced curriculum, there will be little effect.

3. Competition. As with all business owners, Yin Kean must stay updated on the industry and ask herself,
  - a. What is the long-range viability of the for-profit school sector? (Admin, 2011)
  - b. What is the strategy of the competition?
  - c. Does the competition compete on quality, cost, speed or service?
  - d. What does the competition do better than anyone else?
  - e. Who are the competitors' primary customers and how do they recruit? (Admin, 2011)
4. Government, Regulations and Politics. 2012 saw Senatorial attacks against for-profit schools for their high lending rate and low graduate rate. No single for-profit technical school or university was spared.
5. Accreditation organizations. Students comparing schools will seek out accredited schools and AdSum has certification through IHBE.
6. Broad focus vs. narrow focus. One way that a start-up can best compete is to have a narrow focus, explained by Michael Porter as a niche strategy. It means the company narrows its competitive focus onto low-cost strategies. It may be the only way for the organization to compete. (Porter, 1996) However, this strategy can be disastrous as the start-up may dissuade customers who may feel low-cost means low quality. The organization must convince customers that they have a quality product at a low-price.

Internal environmental influences that may affect the business would be management-related, finances, and capable instructors. Internal environment is the extent to which resources, and the ability to deploy them, will generate and sustain competitive advantage. These include company culture, company structure, resources, and competencies (Internal Environment of Business, n.d.).

### Direct competitors

There are many competitors operating online training schools and programs. These range from accredited universities that offer degree and certification in allied health to smaller training schools. The following is a list of wholly online allied health training schools.

School	Programs & classes
Allied Health Institute <a href="http://www.alliedhealthinstitute.edu/">http://www.alliedhealthinstitute.edu/</a>	Medical Assistant Programs
American Allied Health <a href="http://www.americanalliedhealth.com/certifications.php">http://www.americanalliedhealth.com/certifications.php</a>	Medical coding and billing, medical assistant, et al
Ultimate Medical Academy <a href="http://www.ultimatemedical.edu/online-learning">http://www.ultimatemedical.edu/online-learning</a>	Medical coding and billing, medical assistant, et al

### Findings

Through interviews and research, the following are findings for AdSum:

1. Currently AdSum has 7 students, one active class (Medical Coding) and one instructor. Ideally it should have another concurrent class running, a prerequisite class, which would ensure having students for the subsequent semester. In interviews, Professor Kean stated there is a prerequisite class, Medical Terminology, to be taken before the Medical Coding class.
2. Professor Kean plans to expand and offer more certification programs and named a Project Management program (PMP Certification).
3. AdSum has flexibility to grow.
4. Professor Kean is supporting students with loans in an effort to attract students and get them certified.
5. The ESL portion of AdSum, by Professor Kean's admission, is not working and she had zero interest from overseas students.

### Recommendations

#### Marketing

This section will concentrate solely on a marketing strategy and will make recommendations related to the website, the use of social media, and how to generate buzz for the school. Most of the marketing suggestions are derived from Hubspot's 4 Enrollment Marketing Tips For Vocational Schools (Weinhaus, 2012).

- **Blog.** Blogs are used more and more by education institutions and departments. For example, City Colleges of Chicago has several blogs, one written by the Provost, one written by the Vice President of Academic Affairs, and a faculty voice blog. Chicago State University has a faculty voice blog (see image below). By using keywords to optimize search, Hubspot estimates a blog should drive 100 unique visitors and 3 leads each week.



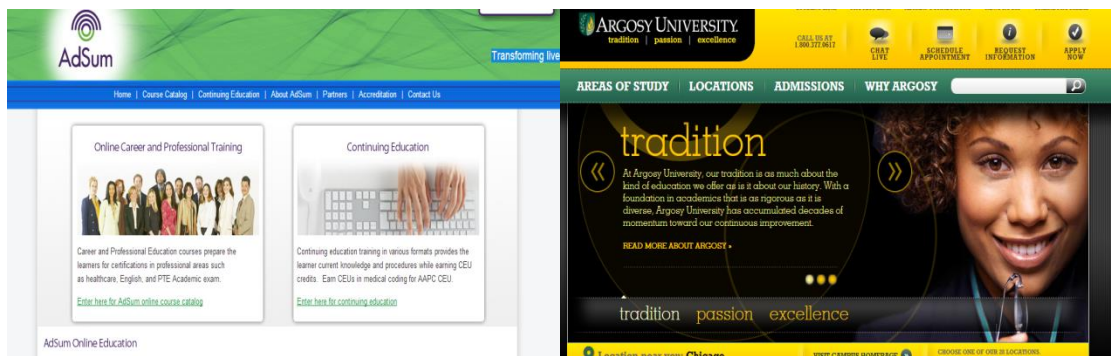
- **Start a YouTube channel.** Many schools freely submit full and partial lectures to YouTube as advertising mechanisms. Professor Kean is a seminar speaker and could easily start a channel that features parts of her project management lectures.
- **Websites** are an essential element for any business, in any industry, whether big or small. However, websites must convey the organization's purpose and goals clearly and communicate in such a way that people are attracted to it and want to explore it more. It is highly recommended that Professor Kean redesign the website in these ways:
  - Design the website to be more intuitive and interactive.
  - Write a stronger vision and mission statement using strong keywords. Compare the current AdSum mission statement to one that is much stronger and straightforward:

<p><b>Adsum's Mission statement</b></p>	<p><b>AdSum trains and prepares a digital learner for a successful</b> career and professional advancement.</p>
<p><b>Allied Health Institute Mission statement</b></p>	<p>Mission Our mission is to provide educational opportunities to ensure equal access to qualified students regardless of geographic area and socio-economic background. Allied Health Institute is committed to assisting in meeting the educational needs of communities by reaching out to dedicated students. We seek to provide students with the opportunity to acquire viable skills to rapidly enter the workforce.</p>

To simplify, AdSum may want to combine the mission and vision statement as one solid statement, rather than separate the two.

Vision and mission statements are often combined. Some 'Vision' statements may actually be mission statements, that is, statements of how rather than of what the school seeks to achieve or to be (Example Vision Statement, n.d.).

- o Personalize the website with images of people. Compare the current AdSum home page to one that is more personalized.



The Argosy University website has stark colors and a student face that spatially takes up about 1/2 of the home page. The name "Argosy University" is in big, bold letters. Argosy's home page uses single words to describe the school environment – "Tradition" "Passion" "Excellence". Consider placing testimonials on the home page. Does the name AdSum have meaning and if so, it should be spelled out. A Google search gives the translation in Latin as ***I am present***.



- A strong Call to Action. Hubspot recommends that the site have a call-to-action for response on the home page. See example below. There is a lot of information about AdSum's programs but nothing asking for the application.



AdSum has an awkward way to explain the registration process. There is a YouTube icon at the bottom. The icon is rather small and can be overlooked. If one clicks on that link, they are taken through another site, to another link before making it to the desired destination. This is too many steps and will lose the viewer. The social media icons should be repositioned to the side of the screen (left or right) and images made bigger to be noticed.



- **Embed a “subscription alert”** widget so potential and current students can be alerted to school information
- **FAQs.** Include a link on the home page titled “FAQs” (frequently asked questions) that would assist with answering questions before the student contacts the school.
- **Start** an AdSum LinkedIn alumni channel.
- **Use local newspapers.** If student(s) has an unusual life story to tell, have them featured in a newspaper (i.e., Chicago Tribune, Chicago Reader, Skyline, or the student’s local newspaper).

The Course catalog is online at <http://adsumedu.com/index.php/course-catalog>. It takes several clicks and three tabs to find the program and costs. There are a wide range of classes and certifications offered, but instead of making the course catalog web-based, it may be more alluring if it were a downloadable

PDF document or a sophisticated catalog like this one from World Education University. <http://www.theweu.com/catalog/>

## **Funding**

Yin Kean funds students and is seeking private lenders. In the meantime, she should investigate ways to generate revenue to offset operating costs.

There are several ways the organization can earn revenues. The students need to buy textbooks and instructional materials. The professor can embed a Google Books and/or Amazon link to the site for click-through revenues. If the student buys the book, the professor gets a residual. There are several videos at YouTube that explain these simple revenue-generators:

1. Adwords at YouTube: <http://www.youtube.com/watch?v=MH1iAmv3Z1o>
2. Adsense at YouTube: [http://www.youtube.com/watch?v=Y\\_w9GT8oTSU](http://www.youtube.com/watch?v=Y_w9GT8oTSU)
3. Adsense at YouTube: <http://www.youtube.com/watch?v=qPceds0IXIU>
4. Amazon Associates at YouTube: <http://www.youtube.com/watch?v=4oYXJ-CG6ig>

However, embedding advertising links in the home page is risky since it may be a turnoff for students and dilute the credibility of the school, except if the link is to textbooks. Professor Kean can write instructional materials and sell them to the student(s). In addition to selling instructional materials, Prof. Kean can videotape and submit a professional lecture series for sale at Udemy.com, one of many education video sites that shares revenues with instructors. Partnerships should include a means by which Prof. Kean can receive revenues. She currently has two partners, World Book and Pearson Education, but no means of receiving residuals from those partnerships, such as click-through advertisements.

## **Staffing**

It is strongly recommended that Professor Kean consider hiring a part-time intern whose sole task would be social media communications. The intern would be responsible for creating “buzz” for AdSum through Twitter, Facebook, and other social media, updating and maintaining the media, responding to requests and other social media related tasks.

## **Recruiting**

Professor Kean expressed a desire to recruit current and past military personnel as students. Here are ways she may consider to ramp-up recruiting,

Outsource the recruiting efforts to companies with expertise in recruiting, such as All Campus <http://www.allcampus.com/>.

Contract with a telemarketer to recruit from home.

Rent vendor space at Job Fairs for Veterans. Several job fairs are offered in Chicagoland each year and calendars can be found at [Military.com](http://Military.com) and [Hiring Our Heroes](http://HiringOurHeroes.com) websites.

Finally, upon student certification, AdSum should send by email or mail an exit interview evaluating what worked and did not work for the student.

## **Next Steps and Conclusion**

Based on what I understand about this company and the industry sector, these are my conclusions. The most pressing strategic issue facing AdSum is increasing and sustaining enrollment. An organization must probe and answer these questions:

- What is the organization trying to achieve?
- Where is the organization at?
- Where does it want to go?

AdSum meeting future and emerging needs will be crucial as the for-profit sector is rapidly changing due to government investigation and regulations and continued scrutiny with pressure to insure gainful-employment for graduates and decrease student loans through tuition containment. The Department of Education reports that college student enrollment at for-profit schools dropped .2% and overall (enrollment) dropped 2.8% in 2011 (Korn, 2012). Recently, brand name universities, such as DeVry and University of Phoenix, have changed their tactics for recruiting and admissions. Both have lost students and are closing hundreds of campuses, thereby rethinking strategy for admissions and marketing

(Korn, 2012) partially due to students not wanting to take out loans with no guarantees. Thus, the organizations are concentrating on academically strong and employed students.

The owner should look for partnerships with non-profit and profit training schools that do not have allied health classes. If the owner could find a non-profit jobs training school (i.e. Job Corps), AdSum could receive fees for offering online classes. The owner should aggressively recruit military personnel since they get tuition reimbursements for training. The owner should invest in technology tools that assist with admitting students and rapidly responding to requests.

AdSum should consider differentiating itself from similar online schools by offering career services.

Prof. Kean must analyze its internal and external environments and determine,

- How and how much she wants to grow and at what pace?
- What financing will support the growth?
- What staffing needs will support its credibility and reputation?

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