

APPLYING MARKETING IN THE PUBLIC SCHOOL SETTING

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ABSTRACT

Traditional public schools no longer have a guaranteed market share of students, or tax dollars, based on geographic location. Families with little to no options in the past about where their child would attend school, now have many. In response to the expanding options available to them-- in the form of charter schools and vouchers—families today are no longer simply sending their students to the school assigned to them based on geographic location. Today's public school employees need to understand why, when, where, and how to market their schools to continue to serve their communities in this changing educational climate. If public schools are going to thrive in today's society, they must respond to a new operating environment. Due to the changing competitive landscape in education, it becomes vital to understand how families select schools for their children. To date, there have been a number of published books and articles calling for greater need for schools to market. However, we argue that the emphasis of the literature has not provided administrators with a solid foundation of marketing theory. Instead, too great a focus is placed on communication tips and techniques, which gives educators a mistaken understanding of the marketing process. This paper will address the principles of marketing and how they can be applied in a public school setting. It focuses on the elements of the marketing mix, in a context unique to the competitive climate in which today's educators are operating.

INTRODUCTION

Public schools do many good things and play a vital role in our society. Unfortunately people don't seem to know this part of the story. Public schools tend to have wider courses of study, more qualified teachers, guidance services, transportation, more extracurricular activities, social services, special education services and—due to their larger sizes—they often offer the students a richer experience which helps prepare them for life. In spite of this, administrators and teachers have tremendous difficulty making the local community more aware of the good things that are happening in their public schools—all the while recognizing that it is the positive facets of the public school system that help distinguish it in the face of growing competition. However, merely telling a good story isn't enough. Public school employees are not helpless victims of today's education policies; they are in fact, the valiant defenders of public education's future. While it has not been a skill

set traditionally or explicitly taught, public school administrators and teachers must become masters of their own destiny. Today's public school employees need to understand why, when, where and how to market their schools to continue to serve our communities in this changing educational climate.

One of the biggest shifts in thinking that must take place is for public school employees to begin to see that in today's society education is a product. Like it or not, they are now competing with others. This ideological shift is a difficult one to make and can initially leave passionate educators feeling defeated. If public schools are going to thrive in today's society it is necessary to recognize and respond to the current field of education.

One of the most important factors in marketing a school—or any product, for that matter, is understanding the customer. Due to the changing competitive landscape in education, it becomes vital to understand how families

select schools for their children. No longer does the process simply entail enrolling the child in the closest school and hope all goes well. Families today are shopping for schools in a manner similar to the way they research a new appliance or automobile prior to purchase. Unfortunately, many public schools are unprepared to assist families in this decision-making process. Public schools have a tremendous opportunity before them. However, it will require them to become aware of the changing dynamics of education, understand the reasons for telling others about what they do, and then work, using new media and old, to develop a comprehensive and coherent strategy for successfully marketing their program.

This paper will address the principles of marketing and how they can be applied in a public school setting. It addresses the elements of the marketing mix, in a context unique to the competitive climate in which today's educators are operating.

UNDERSTANDING EDUCATIONAL CONSUMERS

Previously, school shopping meant buying school supplies and uniforms, but in today's world, school shoppers are taking a more consumer-like approach to the school selection process. School shoppers are becoming more savvy and growing in numbers. In 2004, the Washington DC Opportunity Scholarship program gave choice scholarships to over 1,700 public school students whose families were navigating poverty, as a way for them to pursue a non-public education for their children (Wolf, 2010). The program has grown considerably and now serves more 8,400 students. A study by Michigan Future Inc., (2012) found more than 71% of Detroit Public School families were shopping for or utilizing school alternatives for their children. Additionally, the Indiana Department of Education released a report documenting more than 9,300 students who obtained a voucher to attend a nonpublic school during the 2012-2013 school year (Damron, 2012). The city of Milwaukee started its school choice programs in 1990. More than 23,000 students now take part in Milwaukee's Parental Choice Program (Wolf, 2012). Currently, there are 18 voucher programs in 12 states, 14 tax-credit scholarship programs in 11 states, an educational savings account system in one state, and six individual tax credit/deduction programs in six states (Friedman Foundation, 2013). In addition to voucher and choice programs, 42 states now have various forms of charter schools. According to the National Alliance for Public Charter Schools (NAPCS) there are more than 5,000 public charter schools across the country serving more than two million students (NAPCS, 2013). According to the National Home Education Research Institute (2013) there are

more than two million students being homeschooled and the Council for American Private Education (2013) cites more than five million students attending 33,000 private schools nationally.

These numbers mark a new trend taking place in the field of education. Traditional public schools no longer have a guaranteed market share of students, or tax dollars, based on geographic location and families with little to no options in the past, now have many. Millions of families are no longer sending their students to the school assigned to them based on geographic location. They are looking into options and doing their homework.

Recognizing that parents are now searching for schools in ways unheard of 10 or 20 years ago and there is a competitive marketplace for education that public school employees are completely unprepared for. The initial response is to put out a press release extolling the latest test scores hoping it will be placed in the local newspaper. Even if that does get published, who reads it? What does it really say about your school? Are decision makers paying attention to that story? Are parents? Does it really level the playing field with all information available from other schools?

For many educators, discussing education as a product and the landscape of public education as a marketplace is an ideological shift. The marketing of education should not be viewed in a negative light, nor should it contradict the overall mission of public education. A more specific understanding of the role marketing plays in public education is a vital next step for educators in their pursuit of innovation and evolution. To move forward, educators must embrace a proactive role in deliberately sharing the importance of what is provided to students and communities, while recognizing many others in town offer similar services. As public schools find themselves yet again facing the expectations of an evolving society, it is important to recognize it is not the only profession that has needed to embrace marketing as a means to grow.

Several other public entities have embraced the importance of marketing strategies as competition entered their fields. In 1973, the Department of Defense became an all-volunteer organization and began its first marketing campaign to educate the public on their services and opportunities (Cross, 2010). These efforts still continue today and offer the public an alternative understanding of the military experience from those portrayed by popular media. In the face of technological advances and competitive markets, public libraries have also turned to marketing strategies to continue to pursue their mission (Robinson, 2012). For public libraries, they have determined that to thrive they must make sure the public understands what they provide and center their efforts on being more user

focused. One of the most notable public entities that has strong ties to marketing campaigns is the US Postal Service. In the age of the Internet and email, the US Postal Service recognized a shift in the manner in which consumers thought about the mail service. In response, they implemented a large scale marketing campaigns to inform the public of their services (Schuyler, 2001). These public entities all recognized that, in order to be successful in their changing operational environment, they had to recognize that what consumers were expecting of them had changed.

As public schools look to the future, they must recognize the changes in the societal landscape and decide what this means. Until recently, the lines between public and private education were very clear and bureaucratic systems were in place based on these boundaries. The recent legislative push for choice and competition has muddied these once clear waters. Public education is now one piece of a much larger and more complex educational marketplace. As the marketplace has changed, so must the behaviors of public schools.

The field of educational research has spent a considerable amount of energy examining the relationship between schools and families. Much of this research has focused on understanding what schools can do to partner with families to support the academic achievement of their students. In this new era of choice and competition, understanding and building relationships with families is only part of the story. Public schools now need to know why families choose their school, why they stay, and why they leave. From a marketing perspective, we must begin to examine the relationship between the public school and the community through the lens of the value exchange model. This perspective allows public schools a more holistic view of the relationship they engage in with the community, as well as the services they provide communities and families in exchange for their tax dollars.

The changing landscape has forced administrators and teachers to understand concepts related to business and marketing, which are generally outside the scope of their academic background and professional expertise. Schools today are being asked to market themselves but are not given the instruction on what it means to market a school, let alone the resources to do it properly. Most people think they have a general understanding of what marketing is all about because, as consumers, we've been exposed to a wide variety of marketing communications efforts in the form of advertisements, sales pitches, and other promotional activities. However, marketing communications is just a subset of marketing, a discipline encompassing far more than the act of producing an ad or sponsoring an event.

THE MARKETING MIX FOR PUBLIC SCHOOLS

When asked what "marketing" means, most educators (and most people, for that matter), believe that marketing is simply about getting the word out about their school—in the form of public relations or advertising. Marketers, however, understand that marketing encompasses so much more. The Marketing Mix includes Product, Price, Place and Promotion. The term was first coined in 1964 by Harvard marketing professor Neil Borden, who credited Professor James Culliton with describing the marketing executive as a "mixer of ingredients" (Borden, 1984, p. 7). As Borden explains, the competitive and environmental circumstances facing an organization are ever changing. Management can respond in a number of ways, including developing products, expanding distribution outlets, changing pricing procedures, or utilizing aggressive promotions. While these may be day-to-day responses, the overall strategy represents the organization's Marketing Mix.

Strategic planning for products or services encompasses three areas: planning for new products, managing strategies for existing successful products, and developing programs for unsuccessful products (Cravens, 1994). Organizations must put in place systems for gauging a product's performance. Performance can be measured in both a financial and nonfinancial manner. Financial metrics include revenues, costs and profit. Non-financial assessments include such things as customer awareness and satisfaction measurements. From a marketing perspective, financial measurements that make sense for schools include enrollment and costs. From a non-financial standpoint, there are many measures a school could use to its competitive advantage—parental satisfaction survey results, test scores, college placement and scholarship statistics, to name only a few.

Strategic planning decisions for product distribution must be consistent with the product and its positioning. A good distribution network can actually create a competitive advantage for a brand. Organizations must be able to deliver the product in a manner that meets customers' needs. Traditional businesses have a number of logistical issues to plan for—such as transportation, warehousing, inventory, and order processing. In addition, businesses must consider whether their distribution network will incorporate traditional brick-and-mortar locations, utilize a virtual e-commerce platform—or a combination of both. For schools, these same options are now available.

Where pricing is concerned, product managers must plan an effective strategy for the brand. In general, a product's price quantifies the value of the exchange. Where complex purchases are concerned, price is considered synonymous

with quality (Cravens, 1994). A product's pricing strategy is driven by its value proposition. While public schools can, and should, adopt a competitive position—they will never be called on to tie that positioning to an actual price point. Faced with increasing competition, identifying and communicating the value proposition delivered has never been more vital for public schools. Although there is no tuition price charged for public education, the value proposition allows schools to convey the degree of the value exchanged with the intended target market. Public schools deliver tremendous value—in exchange for many things, such as the time, effort and interest of students as parents, as well as the tax support, good will, and hopefully feeling of pride from the community in which the school operates.

Promotion strategy combines advertising, personal selling, sales promotion and public relations. Often referred to as the Promotion Mix, these tools can dramatically influence an organization's ability to successfully influence consumer decision making. Selection of the appropriate promotional tools must take into consideration the specific marketing objective the organization wishes to achieve. Further, because the promotional mix represents significant costs, organizations must identify the manner in which the promotional budget will be established. School leaders need to understand the strengths and weaknesses of the tools in the promotional mix, so that an appropriate marketing communication strategy can be integrated into the overall marketing plan.

Beyond recognizing the technical capabilities of each communications vehicle, school administrators need to have a deeper appreciation for the communications environment. With the evolution of the Internet and social media, the communication landscape has shifted to a model which now permits the full participation of consumers in dialog related to companies and brands. These technologies not only enable consumers to be better informed, but they facilitate the exchange of information with companies and – perhaps more importantly—with other consumers. Social media, blogs, and websites afford consumers tremendous resources to share information about their product experiences. Schools have the opportunity to become part of the conversation and utilize social media to their benefit.

Many organizations have used social media to help engage their customers in ways they never could before. Recognizing that students are heavily involved in social media, many schools are eager to add this platform to their marketing communications regimen. However, schools should be cautioned to educate themselves about social media before diving in blindly. According to the 2013 Social Media Marketing Industry Report, 86% of market-

ing professionals believe that social media is important to their business; however nearly 90% of them want to know which tactics are the most effective at engaging their audience (Stelzner, 2013). Social media encompasses a variety of communications vehicles. They include blogs, podcasts, social media sites such as Facebook, Twitter, Instagram, Pinterest, etc., as well as YouTube. However, beyond simply maintaining a blog or a Facebook page, marketers must understand how to measure the effectiveness of their social media activities.

For schools, there are pro's and con's to using social media. Without going into an exhaustive list, we shall consider some of the factors that are important to schools. First, social media is free to use. Where billboards and radio ads cost money, social media is free. Depending on how it is managed, social media can reach a large audience and it can also reach a targeted one. On the downside, social media is extremely time consuming. Content has to be generated and maintained on a timely basis, or the organization will risk losing its connection with the audience--- which is one of the primary reasons for utilizing social media marketing in the first place. Where traditional media involves sending out messages to an audience, social media marketing involves multi-directional communication--where users can initiate a topic, share, and respond to other messages with the organization or with each other. This represents a loss of control for the organization. Further, the targets for social media platforms are becoming ever-more fragmented. For example, Facebook used to be extremely popular among teens--- at least until their parents showed up on the site. As a result, teens moved to Instagram, Vine, Tumblr, and Snapshot. The ever-evolving use of social media sites helps marketers realize the importance of understanding why and how they want to use social media and most importantly, who they want to reach. Most schools focus on reaching parents, rather than students. Nonetheless, with limited human capital to devote toward managing social media messaging, schools are advised to tread lightly until they can develop a sustainable plan of action where social media marketing is concerned.

In developing a social media marketing strategy, there are five key components that should be addressed; these include: listening, planning, execution, monitoring and measurement (Chapman, 2012). Once an organization has identified the audience they wish to attract, they must listen to find out where and how the audience wants to engage online. The planning calls for an evaluation of each social media platform, in terms of the reach and any other technical considerations. From there, a communication plan should be developed for each social channel, recognizing the differences that exist within each social network community. For example, Pinterest is extremely different from Facebook and organizations cannot simply

copy and paste a single message across all platforms. With respect to monitoring, the organization must have an established, up front, against which they can measure the results. Goals can include simple counts, such as website visits, or complex analyses of the content generated in social media conversations.

In terms of technologies, schools are advised to be aware of how social media, blogs or email can be useful in driving traffic to a website, where more information can be provided, where people can sign up for events, or request more information. However, these actions will happen only if the digital experience is easy and pleasant for the user. With this in mind, schools are urged to evaluate their website to make sure it is user-friendly, accurate, and contains up-to-date information. For example, if a school wishes to use the website as an admissions tool, the site should include information parents will find useful in making a school-choice decision. This could include very detailed information about how to enroll a child in the school, such as FAQ's, key dates, necessary forms, or broader information which will help parents in their decision process, such as white papers, or links to other sites.

At all times, however, schools cannot forget their position in the community and because social media involves other parties engaging in the communication, platforms must be monitored for appropriateness. With this in mind, it is useful for schools to have some sense of established policies for social media conduct.

ADOPTING A MARKETING ORIENTATION

As a result of increased competition, most school administrators realize that they respond to the challenges of the operating environment in which they now operate. Many have expressed the desire to “do more marketing.” In most cases, “doing marketing” translates into putting out press releases or running ads in the local paper. While such communication efforts are often the visible end result of a carefully-planned marketing strategy, they do not, alone, represent an organization's marketing orientation. As we have advocated, marketing is an operational philosophy. The full marketing mix of product, price, place and finally, promotion, work together to create the value proposition that meets a consumer's needs. Many non-marketers look for a quick fix, such as a checklist or playbook to follow, in order to show “marketing activity.” Sadly, there is no single checklist that covers all marketing objectives and the simple reason is that consumers have different needs. There cannot be a single checklist because products, prices, places and promotions all vary. The same holds true for schools. An organization that has truly adopted a marketing orientation focuses on customers and produces what they want. The truth is--- that while the coordination and

communication activities may reside within a marketing or communications function-- marketing is an enterprise-wide undertaking that transcends ads, websites, and public relations.

We hold that school administrators need to educate themselves on the wider aspects of marketing. To begin, we suggest the understanding of a definition of marketing that is focused on the value exchange and meeting consumers' needs, as opposed to one emphasizing communication and promotion. A solid understanding of the marketing mix is necessary before any promotion activities or integrated marketing communication can be executed. Building any marketing campaign begins with understanding the needs and wants of the target audience and assembling an entire marketing mix of product, price, place and promotion that will motivate consumers to engage in the value exchange. Some organizations waste time and resources creating products and services, with no regard for consumers' needs or whether the product would be desired. They then attempt to “market” the product through a series of tired communication methods that do not reach the intended audience and, when all of this fails, they throw even more money trying to push a product that customers didn't want in the first place. Leaving marketing communication to pick up the slack of a poorly conceived product concept is like using a coat of paint to cover up cracks in the wall. It won't take care of the problem.

While many schools have been successful in adopting promotional communication strategies to help them become more competitive, fewer have truly transitioned to becoming marketing organizations, whose focus is on identifying customer needs and creating a marketing mix that will result in a successful value exchange.

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