Marketing V Market Orientation

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All schools market to some extent, but very few are market oriented. There is a difference between marketing and market orientation. Research from industry clearly indicates that market-oriented organisations outperform non-market oriented organisations.

What is marketing?
Marketing is one of the most misunderstood concepts in management. Most people believe it is selling and promotion. These are important aspects, but the central idea of marketing is matching the school's offerings with the wants and needs of customers (students and parents) in order to achieve the goals of both. Marketing aims to provide student and parent satisfaction by meeting their needs and wants.

Why Market
Whether they recognise it or not, all school market to a greater or lesser degree. Despite many misgivings and concerns about marketing most schools acknowledge that it is likely to play an important role in determining their success. There are basically three reasons why schools market: to increase or maintain enrolments; gain financial resources and other forms of support; and improve the school's reputation or image. These factors have become even more important with increased competition due to demographic social, political, and economic changes in the environment.

Marketing Activities
Marketing activities in schools have increased, although the current approach basically reflects the belief that marketing is essentially promotion, public relations and fundraising.

Marketing activities aimed at promoting the school include glossy brochures, pamphlets, prospectuses, advertisements in local newspapers, letter drops, school videos, billboards, word-of-mouth advertising, promotional visits to feeder schools, shopping centre displays, information evenings, and speaking engagements. The development of the School Homepage on the Internet is a recent addition to the advertising tools. Fetes, fairs and open days are promoted through all forms of media.

Public relations activities are a developing trend and include activities such as festivals, open days, newspaper articles, special events, public performances and educational programs for parents. The breakfast function for parents and local business people is a growing phenomenon. Personally conducted school tours by the principal, or a senior representative, are one of the most effective selling approaches and are usually conducted in relation to advertisements in local newspapers.

While most schools highlight quality education and excellence, an emerging marketing approach is to emphasize a distinctive feature, program or aspect of the school's educational program; for example, philosophy programs in schools have been given media exposure. Yet schools need to do more than just conduct marketing activities which in a number of cases may not produce the expected results: schools need to become 'market oriented.'

Market Orientation
But increasing the range and level of sophistication of marketing activities and engaging in 'the trappings of marketing' does not guarantee that a school is market oriented. Research in industry is suggesting that while engaging in marketing activities may be important, 'market orientation' is a vital ingredient in determining an organisation's success.

Market orientation is more than simply 'getting close to the customer.' An organisation can be market oriented **only if it completely understands its market**. Customer information must go beyond research and promotional functions to permeate every organisational function.

What Does It Mean to be Market Orientated?
Market orientation is generally regarded as the implementation of the 'marketing concept'. The marketing concept is a philosophy of doing business, which puts the customer's needs at the centre of the organisation. In terms of the school, the marketing concept starts with the student's and parent's needs as the central function of school purpose. The school must identify these needs and then decide which ones it should try to satisfy. This is the responsibility of all members of the school community. The opportunity to meet school objectives will occur through the school's efforts to determine student and parent satisfaction.

Key Features Market Orientation
There are several key characteristics of a 'market oriented' organisation (Wrenn, 1997)

Customer focus
My research (Drysdale, L. and Gurr, D. 1998) indicates most teachers and school administrators reject the term 'customer' preferring to use the terms parents, students or families. Despite disagreement over the use of 'customer' the essential feature of this characteristic is the demonstration of understanding and commitment that results in enhanced value to the clients. The key behaviours of a customer-centred approach include: researching customer needs; committing to students; providing services of value; concentrating on needs; focusing on student (customer)

satisfaction; measuring and reporting satisfaction; and augmenting existing services.

Competitor orientation

This characteristic meets with the most resistance by many school communities who believe that competition amongst schools is unhealthy and counterproductive. But competition needs to be defined more broadly to include generic competition. Competition, from the viewpoint of the customer, is whatever will directly or indirectly satisfy a need. To understand the market, the school must recognise that there is competition and that it is advantageous to 'benchmark' the school against other quantity programs and facilities that are offered by other schools as well evaluate the offerings from other generic competition. Key behaviours are open discussion of competitors; evaluating competitor behaviour; assessing competitor strategies; and examining opportunities for improvement.

Inter-functional Coordination

The key indicator of this characteristic is the total commitment of all members to a marketing philosophy and the integration of marketing activities to provide value to the customer. Typical behaviours would include: departments and teams working together to meet student needs; departments and teams sharing market information; teams and departments integrating strategies; all sections working together to offer value to students; and teams willing to share resources.

Long-term Focus

Many schools regard a three year cycle as long term, claiming that the environment is too uncertain to plan beyond this time frame. Despite this, research indicates that organisations should develop strategic plans, or strategic intentions, that go well beyond a three year cycle. Behaviours associated with this aspect include: adopting a long term focus in matters of growth/survival; attempting to service all customers (students, parents, agencies, suppliers etc) in the long run; aiming for effective organisational performance in the marketplace; identifying and implementing new value added services; and identifying and overcoming deficiencies in school services.

Market Intelligence System

Most schools carry out parent surveys and obtain feedback from informal observation and discussion, but they seldom have a systemic and integrated approach to data gathering, analysis, storage and retrieval of market information. Market oriented organisation have intimate knowledge of their customer needs from a number of perspectives which are continuously communicated and discussed by organisational members. Key behaviours include systemic methods of organising and retrieving of current information; an intelligence network who collect and share information with everyone in the organisation; a systematic research approach to gather new market information through qualitative and quantitative methods; and a process for analysing information for decision making purposes.

Why the need for market orientation?

There are now sufficient studies that have investigated market orientation to substantiate the claim that market orientation does improve performance. My research would indicate that while schools are becoming more market oriented there are gaps. In light of the mounting evidence for the positive link between market orientation and performance, it is important for schools to re-examine their marketing activities and attempt to understand the potential of 'market orientation.'

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