Researching and Marketing Services: Demand-led Approach

Case Study: Spanish Courses for Foreigners in the University of Alicante

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UA: Centro Superior de Idiomas

- Formally the Sociedad de Relaciones Internacionales S.A (Limited company)
- This was formed in 1998 to create services for the university community and external parties in international affairs
- The company was private, owned by the university and designed to be completely self-financed
Transition...

• The SRI had some very lucrative (and others not so much) services

• It was decided to concentrate on the most lucrative of these, the Language element

• Why?
  – Alicante is a hub for international students (Erasmus students)
  – Over 10 years of functioning taught valuable lessons about the target group, and customers
CSI – Current Services

- Languages
- Official Exams
- Translation
- Accommodation
- Activities
- Services
- Conference Organisation
- Shop
- And our case study.. Spanish courses
Service: Languages

- Languages other than Spanish which is a separate service
- French, English, German, Italian, Arabic
- Oriental Studies Centre offers Chinese and Japanese
- Courses offered for the university admin and teaching staff also
- From basic to advanced and official exams
Service: Translation

• Professional translation and interpreting service
• All translators are natives
• German, Arabic, Bulgarian, Czech, Chinese, Danish, Slovakian, Slovenian, Basque, Finnish, French, Galician, Greek, Hebrew, Dutch, Hungarian, English, Italian, Japanese, Norwegian, Polish, Portuguese, Russian, Romanian, Swedish, Turkish, Valencian, and others.
Service: Conferences

• Event and conference organisation service
• Includes: management of registration, mailing of information, preparation of conference documentation, logistics, catering, hostesses and staff, accommodation arrangements, travel agency service, etc.
Service: Accommodation

• Mainly aimed at overseas students coming to Alicante
• Selection and management of potential accommodation
• Students register and can request
  • - shared flat / house
  • - with a family
• - university halls of residence
Service: Activities

- Socio-cultural and leisure activities
  - Trips
  - Excursions
  - Language exchange programme
  - Sports
  - Tailor-made activities
Spanish courses..

• Highly adaptable programmes, offering a wide variety of formats, levels, timetables
• From “Basic” to “Perfection”
• Combination courses such as e.g. “Spanish and Company Placement”

Let’s look at how the concept was designed, changed, researched and marketed
Educational Marketing

Spanish courses for foreigners: Case Study
Analysing the Environment - Tools

• All those factors which can positively or negatively impact upon or affect our operations

• It is divided into three sections:
  – Macro-Environment
  – Micro-Environment
  – Internal Environment
Three levels of the Marketing Environment

MACRO
POLITICAL
ECONOMIC
SOCIAL
TECHNOLOGICAL

MICRO
ENTRANTS
SUPPLIERS
BUYERS
SUBSTITUTES

INTERNAL
MEN
MONEY
MACHINERY
MATERIALS
MARKETS
Macro-Environment: PEST Analysis

• **POLITICAL**
  – EU Structures such as Erasmus programme, national laws governing university authority, political situation with other countries could affect demand

• **ECONOMIC**
  – Disposable income of potential students (ex. Sweden), economic factors affecting demand, relative costs of living in Alicante and other cities
PEST Analysis

• **SOCIO-CULTURAL**
  – Situations such as 9/11 make certain students less willing to travel, culture conflict, demographic factors

• **TECNOLOGICAL**
  – Availability of internet to fill in online applications, levels of computer literacy could affect demand for multimedia courses
Micro Environment

- The number of competitors in Spain and Alicante
- There are language schools, academies, and other international universities
- Main competitors are Malaga and other coastal universities
- Our product is easy to emulate – threat of entrants to the market is high
- Buyers have high bargaining power, because supply is high
- Distance and e-courses substitute us
Looking at Competitors

• By studying the influence of other institutions and, more importantly, their actions we can gain an understanding of ‘how’ the market is currently

• Successful institutions are a good example to follow – their marketing will be suited to the needs, wants, and preferences of consumers
The Internal Environment

- **Men**
  - We have a good team of experienced teachers in this field

- **Money**
  - We have the funding to set up and promote the courses and develop new ones

- **Materials**
  - We have sufficient space and resources to develop and implement new opportunities

- **Markets**
  - We believe we have a niche
SWOT – internal aspects

• STRENGTHS
  – good range of courses offered
  – location is excellent
  – good facilities
  – good reputation
  – strong teaching team
  – relatively good value for money

• WEAKNESSES
  – promotion could be increased
  – not reaching all market niches
  – funding for the future
SWOT – external aspects

• THREATS
  – competitors with more ‘appeal’
  – new entrants to the market
  – local language academies
  – economic downturn making migrations less frequent
  – Change in reputation

• OPPORTUNITIES
  – new markets
  – new products (courses)
  – extension of other language courses offered (italian, french, english, german, chinese, japonese)
Consumers

• Our consumers are 18 – 26 yrs old (usually)
• They are beginning or completing full time education
• Mainly, they are beginners in Spanish
• Typically, they are studying Translation or Business Studies
Maslows’ Hierarchy of Needs

- Physiological
- Safety
- Social
- Esteem
- Self-Actualisation
Objectives should be:

- **SPECIFIC:** “What exactly are we going to achieve?”
- **MEASURABLE:** “How can we quantify this?”
- **ACHIEVEABLE:** “Are you attempting too much too soon?”
- **REALISTIC:** “Do we have the real resources to do what we propose?”
- **TIME-BOUND:** “When can we have this achieved by?”
Our objectives for marketing:

• Specific: to increase the number of students attending Spanish courses
• Measured by: a statistical database of numbers of participants
• Achievable?: past experience and an steady increase shows that this is
• Realistic: we have enough funding and space to increase capacity
• Timebound: within a one year period
The 4 P’s of Marketing

- In this section, we look at one of the more common and fundamental aspects of marketing, the Marketing Mix
- This is made up of 4 ‘P’s – Product, Price, Place and Promotion, which are those aspects which we need to adapt carefully to our chosen market
- It is called the ‘mix’ because we alter the mix of elements according to our product, market, needs etc
The Product Element

• Courses for foreigners at various levels: beginners, intermediate, advanced and proficiency
• Spanish Civilisation and Culture courses also offered, plus ‘combi’ courses
• Tailor-made courses for groups offered
• Our product is moving through these stages from Cash Cow to Dog

• Extend or allow to decline?
In theory, a product is introduced into a market, undergoes a period of rapid growth, growth begins to slow down, we reach a peak point, and then the product declines.
• We have to begin to extend the life cycle of our offerings
• We have chosen a Market Development Strategy (North Africa and Far East)
The Service Aspect

• In reality we are offering a service
• Services are intangible products, which must meet certain levels of service expectations
• Satisfaction of consumers = difference between service provided and expectations of consumers
The Price Element

• Price is not just monetary
• We are also talking about effort and time needed by the consumer to either inform about our product, or to use it
• minimise monetary cost, effort, and time = successful pricing strategy
Pricing (monetary) Strategies

- **Economy**: Low Price - Low Quality
- **Penetration**: Low Price - High Quality
- **Skimming**: High Price - Low Quality
- **Premium**: High Price - High Quality
The strategy at the UA

- Our initial price was low for the product quality, as we originally only offered tailor-made and ‘made-to-order’ courses.
- Once interest developed and new courses were offered, the price was changed in line with interest.
- Our main competitors (Madrid, Granada, Salamanca) charge higher prices for their unique and more ‘appealing’ locations.
Price in terms of effort and time

- Online application form and placement test allows for consumer freedom
- Can complete when they have time
- Makes effort levels needed lower
- Also, complementary services such as Accommodation Service, Erasmus, and Travel Agency makes for less effort on behalf of the consumer to come to Alicante
The Place Element

• Mechanism by which our services reach the users, and where their promotion is placed
• In this case, the place will always be the Universidad de Alicante, Spain
• Our distributors will be ourselves, and our teachers
The Promotion Element

• These are all the tools we have to ‘sell’ our product, raise awareness about it, etc

• The ‘Promotional Mix’ are different types of promotion we can use, according to our target group and what we know about them
The Promotional Mix

• Personal Selling – ‘sales people’
• Sales Promotion – “buy one get one free”
• Public Relations – communication
• Direct Mail – highly focused on specific groups
• Exhibitions – increase awareness through renewing old contacts and creating new ones
• Advertising – ‘Paid for’ communication
• Sponsorship – to have your name ‘seen’
The Promotional Mix at the UA

- Public Relations (international publications “La Torre de Babel”)
- Direct Mail (Partner institutions sent information about courses to give to students)
- Plus: internet marketing, and word-of-mouth communication
- Agents – sales promotion
Public Relations

• Torre de Babel Publication – tri-monthly publication about the internationalisation activities of the University of Alicante
• Local press when new courses or agreements are developed
• Conferences – information and promotional material handed out to other universities
Direct Mailing

• We send our partner institutions information about new updates, such as new courses
• These take the form of promotional leaflets and web links
Internet Marketing

- Internet is our main marketing tool
- Here we advertise the University of Alicante, the service of the International Relations Centre, and the Spanish Courses for Foreigners
- Positioning of the website is a key element to gaining ‘hits’
Search Engine Positioning

• Submit your website and then be patient
• Have a good website – lots of text, use keywords sensibly, but remember keyword density is important
• Put links to other pages
• No frames
• Important content near the top of the page
• Don’t have too many images (esp. near the top)
• And look at your competition
Agents

• The University of Alicante also sends staff to ‘fairs’ with agents, typically in Europe, the USA, and Japan

• Agents are agreed a fee according to the number of students they find

• For 1 – 5 students – X €

• Most students from the north of Europe and Japan are found in this way
Specific Example: Japan

• Marketing Objective: To enter the market in Japan and attract more students to Alicante
• Measurable indicators: Number of students, number of enquiries, subscriptions, number of agreements with agents, agreements with Japanese universities
Marketing for Japan

- Activities developed so far for marketing in Japan:
  - Contracting of a native Japanese worker in charge of this section
  - Market study of the Japanese educational sector
  - Studies about demand and levels of interest of Japanese students
  - Creation of a Japanese version website
  - Personalised attention service only for Japanese students
  - Creation of specialised services such as a Japanese-Spanish language exchange setup in collaboration with the Oriental Studies Centre
Marketing for Japan - Agents

- Attendance to a trade fair for educational agents in Japan
- Promotional visit to those agencies who centre especially upon ‘Study Abroad’ Programmes
- Publicise in Internet, and revise periodically
- Development of contracts and special procedures
Marketing for Japan - Institutions

- Attendance at a meeting with representatives from Japanese Universities
- Departmental visits and visits to the international relations offices of the Japanese Universities
- Visit to a Language Academy where Spanish courses are offered
Thank you for your attention

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