

How marketing practices affect education:

A comparative case study of Canada, the United States and Australia

**Presented at the 76th Annual Congress of the Humanities and Social
Sciences**

Canadian Society for the Study of Education (CSSE)

**Canadian Association for the Study of Educational Administration
(CASEA)**

Session 17.08 – Monday, May 28, 2007

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Abstract: This paper examines the theory and practice of the commercialization of education in Canada, using comparative examples from the United States and Australia. Critical theory provides the framework for the study. From the broad focus of business practice, the examination is narrowed down to marketing, and even further to branding, at all levels, from kindergarten through to post-secondary.

Introduction

Educational administration of programs from kindergarten to grade twelve (K-12) and at post-secondary levels have undergone a significant shift over the past fifteen to twenty years due to globalization, advances in technology and changes to how education is funded (Dimmock and Walker, 2005; Gebhard, 2002; Molnar 2000; Oplatka 2006).

This shift has provoked educators, administrators and theorists alike to re-examine how schools operate and what, if anything, should be the relationship of education to the business world. Even scholars whose views oppose the integration of business practice into education acknowledge it as a growing trend. As Apple (2001) notes, "... even if schools and other institutions are still state-funded, their internal procedures increasingly mirror those of the corporate sector" (29).

Rather than considering the morality of this trend or linking it to political or religious motives, as other scholars have done (Apple 2001), this article instead examines without prejudice one aspect of how business practice, marketing, is playing a more significant role in the practice of school administration. It is interested in investigating how this shift has occurred and in what ways it has manifested at various levels of public education. In particular, it investigates and compares three countries: Australia, the United States and Canada.

Each of these countries has its own unique educational system, culture and political system, and yet they share some commonalities that provide an interesting framework for such a case study. Apart from the obvious fact that each is dominated by an English-speaking population, they are also large countries whose educational systems serve diverse populations. More important for the purposes of this study, their educational systems have shifted to include marketing practice in recent decades, with varying degrees of success and acceptance.

Many of those who are responsible for the promotion of educational programs have little or no background in business (Eaton 2005, Oplatka 2006). In almost every other industry, managers of successful organizations will spend time, effort and money to

hire professionals who have marketing education and experience to promote their products and services. All too often in education, it is educators, not marketers, who are left with the job of promoting programs. Often, both administrators and teachers find themselves to be unwilling participants in the practice of marketing, but do so reluctantly, feeling the pressure from school administration to increase enrollment or boost their image in the public realm (Eaton 2005; Oplatka 2006).

Theoretical framework

This paper is informed by critical theory, which as Tyson (1999) points out, assumes “the impossibility of objective analysis”, as all events are situated both temporally and culturally and perspectives may change over time. Tyson notes that we “live in a particular time and place, and [scholars’] views of both current and past events are influenced in innumerable conscious and unconscious ways by their own experience with their own culture”. Thus, my paper contextualizes the question within a historical framework, and examines it through a critical theoretical lens.

This approach requires one to acknowledge his or her own subjectivity, and further, to self-position oneself within the study, noting biases and limitations. Critical theory is often motivated by a desire to emancipate the oppressed. It explores oppression through a study of power and a subject’s relationship to it. We explore issues related to power, powerlessness and disenfranchisement as they relate to the question addressed by the paper.

As well, this paper situates language programs within an international context. In addition to examining educational issues, it takes into account world events and

economic factors that affect programs. The paper borrows from educational policy theory insofar as it subscribes to the view that “a major theoretical assumption of those who study the international arena is that the world is interdependent and that global forces affect education systems”(Fowler, 1995). We position the global forces within a historical context, showing how they affect challenges faced by program administrators.

Historical and geographical contexts

In the United States marketing practices have been integrated into higher education athletic departments since as far back as the 1920s, when Philip Morris, a major producer of tobacco products, began sponsoring athletic departments in the U.S. (Geiger, 2004). Corporate sponsorships of athletes and athletic programs and teams mean more opportunity for both athletically gifted students and the schools they represent. Such sponsorship began decades before the educational reform of the 1980s, prompted by technology, globalization and marketization of education, as noted above. Yet somehow, corporate sponsorship of athletic events and programs has always been regarded as separate from education as a whole. The reasons as to why this may be the case are outside the scope of this article, but nevertheless provide a historical context for the introduction of the merging of business and education, allowing the former to support and enhance the latter. When examined in this context, it seems less than surprising that this trend would continue to grow, as corporations gained power and money, and public education budgets were cut by governments.

Today, business and post-secondary education are linked in many ways, some of which are accepted (grudgingly or otherwise) by the academic and student bodies, such as corporate sponsorships of athletics; while others which have come under intense (and

justifiable) scrutiny, such as corporate sponsored research, particularly in the biomedical field (Geiger, 2004), where drug companies may sponsor research of their products on the understanding that favorable results will be publicized heavily.

These examples are important because not only do they show a history of linking business and education, but because they show that the issues have not only been left unresolved, but continue to become more delicate and more complex. If business interests and education are now inextricably linked, it is necessary to question how educational administration may have shifted in terms of its philosophies and operations. As government funding decreases, schools and universities are finding themselves in financial difficulty. Being centres of innovative thought with a history of being able to solve complex problems, institutions have taken on the task of how to sustain their operations and maintain programs, while continuing to cultivate their prestige and reputation of excellence. Traditional academic and school administrations have taken on business roles in order to help their institutions thrive, and in some instances, even survive. This has happened at all levels of education, from kindergarten through to post-secondary.

Case study: Australia

Australia presents a unique case study in how business practices, and marketing in particular, have come to play a significant role in the educational system, both at the grade school and post-secondary levels. This shift began in the mid 1980s at the post-secondary level, at a time when Australian universities received 85% of their funding from public sources and did not charge tuition. The government changed its policy, cutting funding to public institutions and recommending that individual institutions

charge – and retain – full tuition from foreign students. Through this policy change the government effectively turned education into an industry.

One Australian educator asserts that, “The word ‘marketing’ used to be a negative concept to educators. Not anymore... School marketing has been transformed into an essential management function.” (Vining, 2000). One way this has been done is through a dramatic increase in international students, to the point where one in every five students at Australia universities is from abroad (Marginson, 2002). This meant aggressive marketing and recruiting by Australian universities to foreign students, mainly from Asia.

Marginson (2002) notes that, “Foreign education has become the source of additional revenues for universities that have been subjected to accumulated cuts in public budgets.” In order to attract more foreign students, Australian universities adopted what could be considered a somewhat more entrepreneurial style of operating. These students brought with them significant revenues for the institutions, allowing universities to maintain standards that may have otherwise dropped, due to extreme budget cuts. By 2002, Australia, in comparison with the United States, which had seventeen times the population of Australia, it reported less than four times the number of foreign students (Marginson, 2002). At the same time, in the K-12 sector Australian schools aggressively launched into the international student market, with a view to turning their country into the destination of choice for foreign students looking to study abroad. A major activity of the new business mindset was marketing and recruiting.

Case study: Canada

In Canada, the reality is that education and business have become “silent partners”, with a growing focus on marketing, reluctant though it may be at many institutions (Oplatka 2006).

We can look to continuing education faculties and divisions at post-secondary institutions in Canada, for an example. Over the past 15 years, many, if not all of these types of units across the country have gone from offering programs such as remedial courses, professional development and general interest courses, to those which focused on cost-recovery programs in the early to mid-1990s. By the late 1990s, the focus had shifted from cost-recovery to revenue-generating programs. In the new millennium, most faculties and departments of continuing education must run programs that are not only fiscally responsible, but also lucrative enough to contribute some monies into the overall institutional budget.

The preoccupation with marketing extends beyond continuing education units (which some might argue have always been marginalized in the academy); it extends to traditional academic credit programs, as well. Target marketing, often framed in terms of student recruitment, is a major concern of most post-secondary institutions. As Ron Bond, retired Vice-President (Academic) and Provost at the University of Calgary explains, “Recruiting excellent students and providing them with a fulfilling educational experience is key to the university’s success.” (Bond)

Recruitment at educational institutions is a sophisticated process that is closely tied to activities such as enrolment management and admission. It is inter-connected with

and even dependent on institutional marketing practices. The question of how to recruit “excellent students” may also be expressed as, “How can an institution effectively market its program so as first to attract and ultimately, recruit excellent students?”

While Bond stays within the traditional vocabulary parameters of words like “recruiting” avoiding words like “target marketing” or calling students by any other name, others are not so gentle. Moore simply states, “... much as they might dislike the language derived from the corporate world, many provosts, deans and department heads have been forced to come to terms with a set of new marketing responsibilities that have been added to their traditional roles.” (Moore, 2004)

It is important to point out that the concept of marketing in schools is not new, but the use of business terms to describe it is. For example, private schools have sought to recruit the “right kind of students”, known in business as the “target market”. School crests, colors, jackets and rings identify students, faculty and alumni of the school immediately, also known as “branding”. One could argue that the use of marketing terms to describe traditions of wearing school crests or class rings is merely a matter of semantics. It may be more accurate to think of the language being used as a reflection of a deeper philosophical and operational shift that started some time ago and continues, not only at the K-12 level, but continuing through to the post-secondary level.

“Branding” is one marketing term that has crept into institutional vocabulary throughout North America, and most probably, in other countries as well. This has become a buzz word among educators charged with recruiting more students or cultivating an institutional image. Hesel states, “What marketers call a brand or market position is nothing more than a compelling identity that expresses the special qualities of

that product in ways that motivate the interest and inspire the dreams of important constituencies.” (Hesel, 2004.)

Moore (2004) points out that, “at root, a brand is the promise of an experience”. For example, at a post-secondary institution: “The authenticity of the promise conveyed by a brand name is particularly important in higher education, where the colleges or university brand becomes part of individuals’ identities, one of the key badges we wear in understanding an explaining ourselves.” (Moore, 2004)

A strong example of branding in a Canadian context would be the unique rings worn by graduates of St. Francis Xavier University, in Nova Scotia (the same province that entered into the P3 elementary school project, and failed). The face of the ring is a rectangle, with a prominent letter “X” on it. It immediately and silently identifies its wearer as someone strongly affiliated with that particular university in Nova Scotia. While the province as a whole may not have done an excellent job integrating business and education under the P3 umbrella, at least one university there, tucked away in Antigonish county, has an exceptional track record of branding, with one letter – “X”.

Case study: The United States

The United States presents an almost overwhelming case to study in terms of how marketing and business practice have become integrated into education.

Colleges and universities pass out electronic devices, stating that “their interest in their chosen gadget is primarily educational,” states Carlson (2004) who notes that in September 2004, Duke University gave its freshman students iPods, a digital music player that comes with ear-bud headphones and a mic attachment. The iPod program was

valued at \$500,000. Students themselves recognize this as a marketing tactic on the part of the school, but since they benefit from it, they don't protest. (Carlson, 2004)

Duke is not the only institution to hand out free gadgets to students in an effort to boost their image as a tech-savvy school. Carlson (2004) reports that The State University of New York College of Agriculture and Technology at Morrisville gave 1800 students living in residence free Motorola i205 cell phones, and officials told students that other brands of cell phones would not get a strong signal, or perhaps, no signal at all. The University of Maryland at College Park offered 320 students in its M.B.A. program a BlackBerry 7510 personal digital assistant, valued at \$550. Winona State University and Mayville State University both offered undergraduate students Gateway M275 tablet PC's, valued at \$1800. Finally, Samford University, offered its 680 freshmen a USB key-chain storage device, valued at a modest \$20.

One significant aspect of this is that universities are partnering with corporations, in theory to benefit students by giving them gadgets they can use in their studies. Carlson's research suggests that neither students, nor faculty, see these gadgets as having a direct link to their educational experience (Carlson, 2004.) What is more significant is that these schools want to be branded as institutions on the cutting edge of technology.

Differing views among scholars and practitioners: Who is right?

Both Vining (2002) and Moore (2004) re-frame the marketing of schools and education in a gentler, more positive light, laying professionalism and integrity as the foundation for both philosophy and practice. They do what other marketers working in the educational sector and clamouring for their "share of the market" fail to do. They remind us never to lose sight of the student in the marketing process. When professionals

working in education refer to parents and faculty as “consumers”, saying that the school must “sell” its philosophy (Spring, 2003), they’ve missed the boat. Students and faculty do not “consume” a school and philosophy can’t be sold.

Contrast Patterson Lorenzetti’s (2002) comments about branding a university with Moore’s (2004). The former posits that, “Students develop collegiate brand loyalty based on memories of football games, parties, and late night discussions in the dorm, not necessarily from the breadth, depth or quality of education available,” (Patterson Lorenzetti, 2002); while the latter holds that:

“... the goal of any branding or integrated marketing program in academe is to help stakeholders – both current and prospective – understand the real merits of the institution and the value it holds for them. We’re asking prospective students to invest four or more years of their lives with us – and have their identity forever intertwined with ours.

We’re asking the parents of those students to entrust their kids to us – not to mention making what might be the second most expensive investment their family will ever make.

We’re asking alumni – even after they’re distanced by hundreds of miles or a handful of decades – to keep us in their hearts, minds, and estate plans. We’re asking donors to recognize their own interests in our aspirations, their passion in our programs.” (Moore, 2004.)

We can see a significant difference in the view points of both writers. Patterson Lorenzetti offers the reader a superficial view of branding at best. While it is true that social life and discussions with peers are part of the post-secondary experience, to say

that students will put this above their education is perhaps somewhat short-sighted. In Canada, where *MacLean's* news magazine puts out an annual issue ranking universities, the students have the opportunity to rank their institutions. In 2004, "12,334 recent graduates delivered a report card on their university experience." In the section called "Degrees of satisfaction", respondents were asked to answer the question, "Thinking back on your university experience, was it of significant benefit to your life today?" Students from nine program areas responded, including sciences, arts, engineering and humanities. Responses varied from one program to another, but a minimum of 69% and a maximum of 84% answered yes.

Moore's views are much more thoughtful, expanding the frame of reference from a snapshot of a student in an isolated moment in time (such as a football game) to a larger, community sphere that includes family and a longer time span, that stretches as far as an alumni's passing. He recognized the financial strain that post-secondary education places on the individual and the family, and the emotional connection of the student with the institution. In other words, Moore's insight shows us that a student's identity is, in part, constructed by the institution that he or she attends. The identity of the individual and the identity of the institution become "intertwined". This thoughtful, more comprehensive view offers a framework for understanding branding that is not only more humanistic, but also accurate.

These examples have been highlighted because marketing, and by extension, branding, are activities that have taken on a greater role in university and school administration, both at the policy and practical levels. Vining points out that "Marketing concepts and practices are being applied at a rapid pace in schools. It is generally

believed that as the role matures, the profession and its functions will be more clearly defined, better accepted and more uniformly applied in schools” (Vining, 2000).

Vining wrote those words almost half a decade ago. The role of marketing in educational institutions has matured in some senses, in that institutions are becoming more sophisticated with the gadgets they give away to students, and enrollment management tools are being used on a more widespread basis. But these are, in a sense, superficial activities when compared to the more deeply rooted issues of the philosophies, ethics and morals surrounding education. What lags behind the business practice in the educational system is philosophy. Public educators do not yet passionately embrace the idea that business and education can partner, because they are not convinced that the educational system can maintain its traditional values of cultivating minds (and therefore, human beings), of creating knowledge and pursuing new ways of understanding in an unbiased environment. Adopting business practices does not mean forsaking our values, as Moore points out. We can, in fact, embrace the new without entirely throwing away the traditional.

Whether it is at an institutional level, which seems to be the case at post-secondary institutions in Canada and the U.S., or at a national level, such as that introduced in Australia, business and education are merging and marketing practice is now part of post-secondary educational administration.

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