

# a marketing management strategy

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Different Extension educators have approached the management topic in various ways. The usual approaches are described within the framework of program planning. For example, Houle<sup>1</sup> has outlined seven decision points for an adult educational framework and Knowles<sup>2</sup> has presented seven steps in his andragogical process of program development. This article supplements the work of these Extension educators by suggesting a new perspective for the Extension manager to adopt in developing programs for clients. This perspective is based on a marketing management orientation. A marketing orientation lends itself to specific task descriptions that are easier to understand by Extension professionals because these tasks aren't abstract and theoretical. Therefore, we believe this approach is more likely to be used by Extension managers.

A marketing orientation to Extension administration includes nine elements structured around the four management functions—analyzing, planning, organizing, and controlling. Analyzing includes the specific marketing tasks of generic product and target market definition, customer behavior analysis, differentiated marketing, and differential advantage. Planning comprises multiple marketing tools and integrative marketing. Organizing includes organizational design, staffing, and motivation. Controlling encompasses continual marketing feedback and audit.<sup>3</sup>

Since a marketing approach may not be familiar to some Extension personnel, we'll first introduce these nine elements in an Extension case study. Then, we'll provide comprehensive guidelines to establish a marketing plan for the Extension unit.

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## A Case Study

A few years ago, administrators in the Division of Services of the College of Business Administration, University of Georgia, decided that the state could make the best use of college resources by implementing a marketing management approach, with its nine elements.

The division defined its product in *generic terms*, "the interface of college resources with the needs of the state." Resources at the University of Georgia were inventoried. A few of those identified included faculty expertise, library facilities, computer facilities, and the Center for Continuing Education.

The broad product definition resulted in a large state-wide market with many felt and ascribed needs. It became necessary, because of scarce college resources, to offer the programs/services to clearly defined *target groups* within the total market. The analysis is summarized in Table 1. We considered each identified market segment relative to organizational data and *behavior characteristics*. This information was collected by mail questionnaires and personal interviews.

The market segmentation process eventually identified by name 800 manufacturing firms, 2,000 service firms, 35 associations, 240 governmental units, 40 educational institutions, 159 Chambers of Commerce, and 50 volunteer organizations. These organizations then became the target markets for the college.

Table 1. Market grid for service program.

Characteristics of target groups	Target groups						
	Manufacturing firms	Service firms	Associations	Governmental units	Educational institutions	Chamber of Commerce	Volunteer organizations
Type of organization							
Size of organization							
Geographic location							
Internal characteristics of the organization							
Needs of the organization							
Capabilities of the organization to finance the service.							
Purpose/mission of organization							
Number of organizations							

This *differentiated marketing* approach provides an array of programs for the selected target groups—training programs, consultative services, and research projects. At present, the university has only five percent of its programs offered to the general public. The remaining 95% are co-sponsored by an organization or a number of organizations.

Also, a differentiated program promotion and delivery system have enabled the division to create a service demand that's trying to make maximum use of available resources. For example, the college conducts many in-plant management development training programs and continuing management development series on campus. The programs are essentially the same. The in-plant programs are promoted through a personal visitation schedule and the on-campus series by direct mail brochures. The in-plant series is aimed at large firms with 200 or more employees. The on-campus series is primarily for firms whose size prohibits economical in-plant training.

Employing another element of marketing management, the college promotes those aspects of its reputation and resources that other organizations in the same market area don't have, that is, *differential advantage*.

For example, the Georgia Center for Continuing Education was the only residential center in the southeastern United States for a number of years. The promotional case of the college emphasized the favorable characteristics of this residential center during this time. More recently, the college has turned to other elements to create a special value in the minds of its potential clients. Programming flexibility and programming quality are two aspects now being promoted extensively.

To implement the strategies developed through the analytical tasks, the Division of Services uses *multiple marketing tools*—product, promotion, price, and place. By carefully blending these four tools, programs are marketed to all of the selected clients.

Such a diversity of clients and resulting multiplicity of marketing strategies and tactics, necessitates *integrated marketing planning*—an overall coordination of the marketing plan. To do this, the college appointed an administrator to manage all Extension activities.

To evaluate the effectiveness of the division's Extension programs, continual *marketing feedback* is necessary. The division has several field representatives who travel throughout the state visiting clientele groups. These representatives serve as one avenue for gathering this feedback. Routine procedures have been developed that allow these professionals to provide the Extension administrator with vital information that affects the planning and

programming process. Thus, this feedback system enables the division to stay attuned to market demands.

Finally, a *marketing audit* is conducted annually by the staff of the Division of Services of the college. The audit tries to keep the service unit attuned to the dynamic felt and ascribed needs of the client situated in a changing environment. Many new trends in programming have resulted from this analysis. For example, the marketing audit conducted in 1971 revealed that more off-campus programming would give the college tremendous opportunities to serve a greater number of its clientele. More recently, the audit revealed to administrators that short programs are becoming more acceptable to client groups. Also, the audit showed the degree of effectiveness of the various communication techniques being used.

In applying these marketing techniques, the service activities of the university have increased. The average annual increase in the number of programs held on campus has been 20% for the last 3 years, while the number of off-campus programs and projects conducted in the same period has tripled. This expansion has occurred without additions to the resource base. In addition, the pre- and post-program evaluations have revealed that the quality of service now being received by the clientele groups has risen sharply.

## **Applying Marketing Management**

### *Basic Analytical Tasks*

The starting point for the basic analytical tasks is generic product definition. First, the Extension unit should analyze its functions in its broadest terms with emphasis on the basic client needs being served. Thus, Extension's generic product may be education for the whole man.

The generic approach results in a very wide market being described with many possible program offerings. It then becomes necessary, because of limited resources of the institution, to narrow the program offerings to clearly defined groups within the described market (target group definition). The Extension manager must carefully research the market's size, location, felt and ascribed needs, perceptions, and values. Any gap of deficiency between a potential client's present level of competencies and a higher level required for effective performance as defined by him, his organization, or society provides a marketing opportunity.<sup>4</sup>

This way, the Extension manager is able to match the unit's best potential program opportunities with specific clientele groups.

Having selected subsets from the total market, the Extension manager must analyze client characteristics and behavior—such as customer organization size, customer location, identification of formal organization decision makers, and client history of Extension education use. These data

provide some general indication of potential users of Extension services. More specific data concerning why people and their organizations behave as they do and what their deficiencies in the Extension education area are must also be collected. *These additional data provide an insight into the customer's decision-making process.* Collectively, this information helps the Extension manager assess program opportunities more fully.<sup>5</sup>

The above approach is best implemented through *grid analysis of the potential markets, as shown in Table 1. Such analysis is one of the most valuable marketing techniques available to the Extension administrator.*<sup>6</sup> This analysis helps the administrator determine who has a felt or ascribed need for Extension services. *The administrator must understand the demographic and motivational characteristics of the publics that can be served by the organization. The target client then becomes the focal point toward whom the service is aimed. This target client is a subset of the total market for Extension. A specific marketing strategy can then be directed toward the potential target client.*

Based on the specifications and characteristics of the potential client, the particular target market for a specific program offering is further defined. Table 1 shows the first step in a sequential process as the target market is narrowed down on the basis of similar characteristics, needs, and preferences of the potential clients. This enhances the probability of an exchange of values between the Extension unit and its publics. Also, it provides for the creation of unique offerings that can be tailor-made for a target group. Most importantly, it reorients the perspective of the Extension manager. Instead of focusing on a set of available institutional services, the Extension manager now begins the program development process based on felt and ascribed client needs.

Once the Extension unit selects more than one target group to serve, it will be most effective if it differentiates its product offerings and communications—differentiated marketing. The Extension unit will approach each target group differently. These differences should stand out clearly if the Extension administrator is doing an adequate job of market definition, market segmentation, and customer behavior analysis. Often the same service will be aimed at two or more different groups, with quite different characteristics, and those different groups might respond better to different overall marketing appeals.

The final basic analytical task requires the Extension unit to select its product offerings and target groups so that it effectively uses its limited resources to obtain a differential advantage with its clients, that is, a unique value for a particular program as perceived by a client group.

To do this task, the Extension unit must determine the elements in its reputation and resources that can be most effectively used to create this special value in the minds of its clients.

#### *Other Tasks*

Having selected the target group, completed marketing research studies, and determined approaches to realize a differential advantage, the Extension administrator must develop a plan using the marketing variables under his control. These variables, multiple marketing tools, are commonly known as the four P's for marketing—product, price, promotion, and place.

The Extension manager, using the marketing management perspective in program planning, may alter and arrange these variables within institutional parameters. The *product* is the program offering and its content and format are usually determined by the market research studies—client characteristics and felt and ascribed needs. *Price* is the fee charged, and, in Extension, the unit manager may not be able to alter this variable appreciably. However, it's a variable that could be changed to accommodate program and client characteristics.

*Promotion* informs, educates, and persuades. It involves many techniques of communication. Essentially, it's the coordination of all institutionally initiated efforts to set up channels to implement the communication techniques necessary to achieve the desired information exchange. From a marketing perspective, promotion consists of personal selling, advertising, publicity, and sales promotion.

*Place* is the site for the program offering and it may be varied to accommodate the requirements of the client.

Another task, integrated marketing, must be carried out by the Extension manager for the implementation of the marketing management approach. The Extension unit normally will provide many program offerings, and, following the marketing perspective, will develop an array of marketing activities related to each specific program. Thus, an integrative structure must be developed to assign job responsibilities and line and staff relationships that will provide overall coordination of the diverse factors involved in this program planning phase.

Finally, the Extension manager must do the control tasks—continual marketing feedback and audit. The services rendered by Extension to the various clientele groups have differing degrees of success and failure. Some programs meet the objectives set forth in the initial plan, while others fall short of expectations. The probability of success can be increased by the Extension unit using an information system to provide program inputs from the client groups as well as keep the Extension unit tuned to its environment.

The Extension program will ultimately fail unless marketing information is collected and used to develop marketing plans that effectively serve the Extension unit's publics.

## Summary

The University of Georgia case demonstrates that Extension administrators can use a marketing management perspective to effectively create and offer values to stimulate desired transactions between Extension units and their publics. Incorporating the nine elements of a marketing management philosophy within the conventional functions of management, the Extension unit can carry out its mission of service to its publics more effectively.

## Footnotes

1. Cyril O. Houle, *The Design of Education* (San Francisco: Jossey-Bass Inc., 1972), pp. 46-56.
2. Malcolm S. Knowles, *The Modern Practice of Adult Education* (New York: Association Press, 1970), p. 54.
3. Philip Kotler and Sidney J. Levy, "Broadening the Concept of Marketing," *Journal of Marketing* (January, 1969), 13-15.
4. Knowles, *Modern Practice of Adult Education*, pp. 85-86; Houle, *Design of Education*, p. 223.
5. The need for behavior science expertise is clearly indicated by Fred P. Frutchey, "The Learning-Teaching Process," in *The Cooperative Extension Service*, H. C. Sanders, ed. (Englewood Cliffs, N.J.: Prentice-Hall, Inc., 1966), p. 51; the scarcity of meaningful information to determine what programs to offer is noted by Renee and William Petersen, *University Adult Education* (New York: Harper and Brothers, 1960), pp. 24-25.
6. See E. Jerome McCarthy, *Basic Marketing*, 4th ed. (Homewood, Ill.: Richard D. Irwin, Inc., 1971), pp. 37-52 for specific details.