

## **Educational and Economic Features in Relation to the Marketing Strategy and Marketing Mix**

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### **Abstract**

*The price of a product is influenced in its turn affects many variables of marketing during the marketing planning. Price fixing procedure is a marketing decision that involves consideration of three categories of factors, namely: (1) costs; (2) the request; (3) competition. Everything has a cost-this principle expresses the fundamental idea that nothing is free, any action involving a price, time, effort, giving up something in favor of something else when we are in a position to make a choice. Because the individual has more needs than resources, any choice you make involves a certain cost, called opportunity cost.*

**Keywords:** *Opportunity cost, prices in the market, university marketing, marketing strategy, and marketing mix*

### **1. Introduction**

Specialists (Ciobanu, 2003) have come to the conclusion that no matter what would be the price of a program of study/ training (educational program), if it is demonstrated that its completion will result in revenue growth - within a certain time - then the amount required by the educational services of this type will be higher income growth than before. The price is calculated either as actual cost (fee), either in terms of opportunity cost of the time spent for obtaining educational human capital, i.e. for educational services. Opportunity costs are amplified as the number of years of schooling increases; usually recorded including an increase in direct costs as a growing part of the costs involved with attending a university are supported by the student and his family.

The market - the category of goods and services encompassing economic and expressing all the actions made by the manufacturer and purchaser to affect the exchange. In this way, marketing offers a more practical, more concrete, and the concept of market approach on the one hand in terms of what it is, and secondly, of what could be. Accordingly, brings to the fore the distinction between actual and potential market. Actual market reflects actual market size at a time. Respectively: all actual transactions that took place already in the process of exchange, as a result of the confrontation between supply and demand. The potential market expresses the size of the market, the extreme limits of the area where they are to take place, at one time, the confrontation between supply and demand.

The intensity of competition - namely, its incorrect timely assessment - may result in changes to the pace of the national and international market forces. The reputation (prestige) of the superior

education institution may increase or decrease market share. The prestige (reputation) of the university is expressed by: the university center tradition, scientific and teaching personalities, urban area where the university is located, the design and functionality of the buildings, linkages with stakeholders (business community, research institutes, civil society organizations, political parties, media etc.), university publications, university participation in national and international circuit - projects, grants, participation of university scientific bodies, educational and economic, local, regional, national and international. The prestige of the university influences market share but in particular significantly contributes to the creation and strengthening of the competitive advantage. Market area - is the spatial dimension, aimed at locating in the territory the actions of the organization (promoting programs of study / specialization and faculties of the university etc.).

## **2. Cost estimation and economic education market**

Estimated costs for education and earnings due to it are difficult, given the concrete situations in which markets work from one period to another, lower or higher. Market work forces are the ones that consist and trim total costs and gains from acquiring human capital education, and individuals evolve in line with personal appreciations decision to invest in education (Marinescu, 2001).

*The actual cost per student equivalent (through budget allocation)*

Core funding is carried out taking into account the number of students equivalents, which leads to cost per student equivalent.

This cost equivalent per student per year CSE can be calculated with the relation:

$$CSE = A + B + C + D$$

where:

A - is the cost of education per student equivalent/ year;

B - cost of services and materials support student- equivalent/ year;

C - expenditures from its own resources;

D - expenditures for facilities students from own resources (material aid scholarships, transportation etc.).

The distribution policy is the third component of the marketing mix, it aims at targeting products, the most appropriate and efficient means, from producer to consumer.

The distribution is the economic sphere having the widest scope (content distribution concept is broader than, for example, the movement of goods, circulation of goods and trade goods), covering the space and time between production and consumption (Florescu, 1992: 354).

We can say, then, that the distribution refers to all economic activities taking place on the route of freight between producer and final consumer (Anghel, 2000). Between producer and consumer is not running only the product, but in reality, in the process of distribution economic flows are generated: (a) the flow of products (physical distribution), which relates to their actual movement from producer to consumer<sup>1</sup>, (b) the flow of the negotiations undertaken between talks involving the act of exchange partners (producers, intermediaries, end-users) in relation to routes where the

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<sup>1</sup> This flow includes a series of operations, such as those shipping, transport, reception quality and quantity, storage, storage, sorting, pre-packaging, display etc.

merchandise will circulate, the technical and economic transformations it will incur, responsibilities and timelines and (c) the property title flow, which comes with, more often than not, the product of the successive stages of the distribution process, reflecting the transfer of its ownership, with each sales operation, (d) coupon feed (includes all messages and information to the market, potential buyers, in connection with the products forming the subject-matter distribution), (e) the informational flow (operating as well, with elements of intangible nature (messages and information, but the meaning of their movement is one ascendant: the producing company and, in many cases, distributors, captures information from the midpoint of the distribution process: information on the evolution of sales, inventory, the consumer movement in terms of products, etc.).

### **3. Promotion Policy**

Few products on the market can survive without an effective promotion. No matter how good a product is, it cannot sell if buyers are not aware of its existence. Also, companies must communicate with intermediaries and public bodies. To have an effective communication, a company must:  $\frac{3}{4}$  to limit to an essential message;  $\frac{3}{4}$  to focus its resources to distinguish it from competitors;  $\frac{3}{4}$  continually repeat the ad, preserving sustainably on the same axis of communication.

Advertising is any impersonal form [in the sense differently from person to person, through the media – ed.] for the presentation and promotion of ideas, goods or services, paid by an ad [in translation was the work of Philip Kotler used the term sponsor, which I consider totally inappropriate – ed.] accurately identified (Kotler, 1997).

Promotional mix consists of five main instruments (Table no. 1):

(a) Commercial advertising (by paid advertising) is any form impersonal presentation and promotion of ideas, goods or services payable by a holder specifically identified.

(b) Sales promotion consists of short-term incentives to induce customers to try or purchase a product/ service.

(c) Public relations and advertising noncommercial concerns a range of actions designed to create and maintain a favorable image of the company and market its products.

(d) Personal selling involves direct contact with one or more potential buyers in order to make presentations, answer questions and get commands.

(e) Direct marketing refers to the use of postal services, telephone, electronic mail or the Internet to communicate directly with specific customers and potential customers or to request a response directly from them.

**Table no. 1 - advertising media**

<b>Media</b>	<b>Advantages</b>	<b>Limits</b>
Newspapers	Flexibility, appearance at the desired time, good local market coverage, broad acceptance, high degree of credibility.	Short lifetime, low quality reproductions, low rate of transmission between readers.
Television	Combine image, sound and movement; addresses the senses; captures attention; large audience.	High cost in absolute risk of confusion due to crowding advertising lower degree of selectivity of the audience.
Postal services	Possibility of selecting audience, flexibility, there is no competition between ads in the same way, individualization.	Relatively high cost, risk of saturation of distributors, has an image of "mailed small things".
Radio	Mass usage; possibility of selecting the geographic and demographic low cost.	Exclusively auditory presentation, attention level weaker than for television audience non-standard structure, transient exposure.
Magazines	High geographic and demographic selectivity; credibility and prestige; High quality reproductions; long life; significant degree of transmission between readers	Long waiting time until the occurrence; some waste of circulation; there are no guarantees positioning contents advertisement in the magazine.
Out-door charts	Flexibility; high degree of repetition of exposure; low cost; reduced competition	Failure audience selection; creative limitation
Golden Pages Repertoires	Very good local coverage; great credibility; diverse audience; low cost.	Competition sea; long-occurrence of advertising; limitations in the creative plan.
Informative bulletins	Very high degree of selectivity; full control; interactive possibilities; relatively low cost.	The costs could spiral out of control.
Brochures	Flexibility, full control; possibilities of message hyperbolisation	Overproduction could lead to runaway costs

#### **4. Features of promotional communication in universities**

Promotional communication policy is the fourth component of the marketing mix, occupying a central place in the educational marketing, where the promotional communication is probably part of the marketing mix that universities are most familiar with. It does not differ essentially from what happens in the classic marketing, tools and techniques used, as the followed approach, being practically identical.

The composition of the promotional communications submix of a university is influenced by several factors:

1. • Nature of the product offer - university product is often an intangible element (an idea, behavior or service) and in rare cases a commodity.
2. • Market peculiarities - universities must address, at the same time, to both members of the target groups (students of XII class, their parents, employees eager to improve their knowledge, employers etc.) and potential subscribers. All methods of communication are used successfully to the direction of the target groups, with an emphasis on advertising and public relations.
3. • The target groups characteristics - there are three main variables influencing the choice of one or other promotional methods:
  - (1) Geographical location (most Romanian universities address a local market, making inefficient the use of national media);
  - (2) The diversity of target groups (if the diversity is low, a smaller promotional submix is used);
  - (3) The number of members in the target groups - if they are numerous, the most appropriate means of communication is advertising; otherwise, emphasis should be on using sales forces.

## **5. Marketing and education**

In a marketing vision, the educational services and education offer is made up of all the activities that they carry out specialized units to meet demand, expressed by beneficiaries workforce, businesses that must cover their needs, leading implicitly to defining specializations, sizing volume and level of expertise. Moreover, marketing approach involves identifying, sizing and description of market segments in which the school relates and connect request in this area expressing on the one hand the need for knowledge of the following training courses on the other hand the need for skilled labor to businesses.<sup>2</sup> In this way, the development of an educational process and the quality of education becomes a strategic priority, the implementation of which depends primarily on the effective management of the education system as a whole, which can only be achieved through the use of modern management principles adapted this sector dynamic, complex and different from all productive activities or services in the economy but found a direct link with them.

A decision on education is traditionally based on consultation with school, faculties, institutes management, and bears the mark of empiricism, subjectivism and improvisation. Decisions must take into account the scientific research of phenomena through permanent structures to do so. The highly dynamic and complex environment in which educational institutions operate requires setting the current organizational structures of specialized departments to address the issue of substantiation completely different positions making and the educational process or in permanent relationships with existing structures, correlated with them in size, structure and powers, either built on the existing structure, but with specific tasks, or classic in their essence but modern in terms of their ultimate goal of improving the general education system and education.

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<sup>2</sup> The motivations of expression for this application form over many years and their study are necessary both in the interests of those who are preparing for a specific area and for the educational institution and the society as a whole.

The main activity of the units in the education sector is the educational work, alongside it met fundamental and applied scientific research, micro and commercial activities, practice in specialty areas, a series of activities designed to meet the needs accommodation, meals, leisure, with a strong social- cultural character. All these activities can be grouped into basic or supplementary services. Basic services can be considered the education but assimilating other in a group or another is difficult to distinguish because of the complex connections between different activities within the system but also by virtue of the educational system and educational engagement in the economic environment, social, political and cultural dynamic of evolution and transformation whose requirements are met by the very education system complexity.

## **6. Conclusions and proposals**

The educational management involves studying the processes and relationships that manifests within the educational institutions during the course of the educational process in order to discover regularities that generate and develop management methods and techniques by which to ensure the efficiency of this process. The schools management has the same components as any other company, for any profile would be, but with specific characteristics. The organizational component consists of all organizational elements that provide the framework, combining, splitting and functionality work processes of education, in order to achieve the expected objectives. In the field of education information systems not only reduce but technical means of information processing, but special emphasis is given to achieve complex man - machine - information, which involves a thorough knowledge of the possibilities and how to work with the computer, while taking into consideration the human implications.

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