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DIRECT MARKETING OF HIGHER EDUCATION IN RUSSIA

Higher education (HE) is an 'industry' where knowledge is generated, kept, and delivered to consumers. The main products offered by universities are academic programs. Universities that have existed in a competitive environment for decades, like those in the US, Great Britain, Australia, were the first to recognize the necessity of applying business tools for higher education development, in particular, marketing techniques. Hemsly-Brown and Oplatka (2006) have made a focus on marketing strategies for higher education and have argued that "[in] the context of increasing competition for home-based and overseas students higher educational institutions now recognize that they need to market themselves in a climate of international competition" (p.1). This idea is becoming more and more popular in spite of some resistance from a considerable part of the academics (Oplatka, 2008), and the use of market orientation strategy in higher education has already spread so widely that it has become a subject of investigations itself (Webster, & Hammond, 2008). As Beneke (2011) argued, marketing tools and techniques were, first of all, applied by private HE institutions as they had no state support and functioned more as business enterprises or for-profit organizations. But as the universities that had a governmental financial support could not cover their expenditures completely from this source, they followed private institutions in using marketing tools. Eventually, as most part of higher education all over the world is not free, it can earn money. For example, according to Douglas, Edelstein, and Hoaraeu (2011), international students studying

in the US have brought about $18.8 billion to the US economy in 2009-2010. All factors mentioned above have stimulated the use of marketing tools and techniques in higher education, and direct marketing (DM) has become an integral component of a marketing mix used by universities to attract and retain students.

Direct marketing used to be successfully applied for marketing of HE educational programs, fundraising, and building alumni relations. As cited in Tapp, Hicks, and Stone (2004), the US Direct Marketing Association stated that DM "… uses one or more advertising media to effect a measurable response and or transaction at any location" (p. 336). Stone and Jacobs (2008) define Direct Marketing as: "...the interactive use of advertising media to stimulate an (immediate) behavior modification in such a way that this behavior can be tracked, recorded, analyzed and stored on a database for future retrieval and use." (p. 5). In general, as mentioned in Module 1 (2011), direct marketing tools include catalogs, magazines and newspapers, direct mail, telemarketing and direct response television (TV), e-mail, banner ads, search advertising, cell phone apps, social media, and browser toolbars. Some of these tools have been used in higher education for decades while others appeared not very long ago, together with a rapid development of technology.

University course catalogs have migrated today from a printed form to an electronic one, more cost-efficient and convenient to be permanently refreshed. In general, it is difficult to find the university which does not have its own site with electronic catalogs of courses on it now. For example, nobody will be astonished by the fact that, for instance, sitting at home in Eastern Siberia, Russia, one can instantly retrieve Harvard University's course catalog (2010), and this fact can be considered as an indicator of contemporary development and wide use of information technologies.

Magazines and newspapers have traditionally been used by universities for advertising. Placing ads in newspapers, especially in local ones, is considered helpful for local universities as they can deliver information on their educational programs and attract students that, otherwise, could go to other universities. Magazines' advertising helps build a strong brand widely, depending on its audience. Despite of decreased roles of traditional media today, they are still successfully used for DM. Moreover, old and new media now often complement each other, i.e. almost all (if not all) newspapers and magazines have their web sites and are available not only in a printed form but also virtually. Most universities have their own printed media which are quite popular among students and can help build strong relations with customers, i.e. students. For example, Seven24 (2011), lists medias of several American universities and claims that "[s]tudent newspapers are a great tool to reach students at universities and colleges, and everywhere on campus". Though cited above appeal addresses mostly companies that would like to sell something to students, universities use them for their own marketing purposes as well.

Direct mail used to be one of the first tools applied in HE, and it was very effective. In particular, more than twenty years ago, Burdenski and Shanklin (1987) claimed that "in today's American colleges and universities… in the view of college and university presidents and their advertising personnel, direct mail is the single most effective medium for student recruitment" (p. 40). They also mentioned that,

according to budgets spent by the quoted in their research American universities on advertising, direct mail was the third after newspapers and radio being, meanwhile, more cost-efficient and effective in producing results. Eventually, Burdenski and Shanklin (1987) concluded that "the heavy spending on several media – particularly direct mail, magazines, and radio – demonstrates that the media are correctly viewed to be complementary and synergistic rather than substitutes for one another" (p. 42). Recently, e-mail has supplemented traditional direct mail as most of perspective students and all of current students (and alumni) are active users of e-mail in their every day life, work, and studies. Two other reasons of e-mail popularity are its low cost and fastness, in comparison to a traditional direct mail, which, most likely, will be gradually substituted by e-mail or its modification in future.

Telemarketing and direct response TV allow targeting definite audience more carefully. Inbound telemarketing of universities is used widely and makes a considerable contribution to their brand building and customer relationship management (CRM). Large universities can have special call centers, for instance, the University of Toronto (Call Center, n.d.). As for outbound telemarketing, it is convenient for targeting local prospects but should be applied carefully, with thoroughly selected lists, trained agents, good scripts, and well formulated offer. In addition, it must avoid intrusiveness and take into consideration information from Do Not Call Registry. Direct response TV can be used by universities locally, mostly short commercials, i.e. short form DRTV, but it is rather expensive.

Banner ads are used by universities rather actively. They are placed on popular sites which prospective and actual students and their parents are likely to visit often. Landing pages for these banner ads mostly take visitors to the main page of the university's site or the page of registration for courses, for example, banner ads placed on *University World News* (n.d.), invite to Amity University, India. But sometimes banner ads can lead to a sort of a gateway to the universities' sites, similar to *INTO University Partnership*s (n.d.) where we can get clicking on banner ad placed on site of *Multitran* (n.d.), a popular online dictionary. In their turn, universities sometimes place banner ads of some organizations on their sites. As purely commercial spirit is not presentable for the university site, these organizations and their activities should be somehow related to the university, e.g. it can be a company producing academic dress or giving it for rent, organizations that offer scholarships, etc. For example, according to information from University of Melbourne site, "Ads that are primarily intended for the purpose of selling goods of a commercial nature will not be posted." (*The University of Melbourne*, n.d.).

Social networks have become a phenomenon of today's Internet reality. Many businesses use them to promote their goods and services, build brands and attract customers. For example, Carnegie Mellon University (2011) presents itself on Twitter, brings lists of alumni, faculties, etc., together with its site's address. Moreover, Yale University uses Twitter and Facebook to make its science libraries closer to students and others, stating that "The Yale science libraries are your gateway to the world of scientific information" (Yale science library, 2011). Similarly, many universities try to reach their audience, using social networks.

Till 1990s, Russian universities had no strong need in marketing tools, at least, explicitly because there were no private higher educational institutions (as well as educational institutions in general) and higher education used to be free for students as government paid for their studying. All universities arranged entrance examinations, and applicants strived to get as high grades as hey could. Certainly, some universities were considered more prestigious than others and attracted more prospective students. The more applicants the university had, the better students it could select. Sometimes competition for one place at the university, depending on a faculty and major, could comprise a few dozens per one student place. With large scale economic changes of 1990s, higher education has been significantly changed too. In general, the situation became similar to that of other countries with market economy, including appearance of private universities which began to compete with state universities for students. Moreover, state universities began to experience financial shortages due to awful inflation and some mess of society's transition from one economic system to another. The only difference was that, at the very beginning of this transition, the use of marketing tools and techniques (and, in particular, direct marketing tools) in education was more intuitive as business education itself needed some time to be established after decades of socialist economy in theory and practice. Since the end of 1990s, a lot of marketing research of target audience has been initiated by many universities. The interest has grown under the condition of demographic problems experienced by Russia today, making competition between higher educational institutions more intensive. Today, direct marketing techniques are widely used in working with prospects and building relations with current students (customers) and former students (alumni). Working with current and former customers is promising as, first, satisfied customers can attract new ones; second, they can continue studying experience with the institution, for example, taking postgraduate program after completing the undergraduate program, and, third, successful alumni can help with fund raising, arranging internship programs and attracting new students.

Some of direct marketing tools have been used since the Soviet times, in particular, advertising in magazines and newspapers and direct mail. In the past, universities used to arrange distance courses in mathematics, physics and other subjects, and ads about such courses were placed in specialized magazines. Those who wanted to take the courses, paid acceptable money for a few months of studies, got theoretical materials and assignments, sent their assignments for checking and were sent checked ones (with comments of markers) back; on a successful completion of such courses, got certificates that could help compete for entering the university which arranged these courses. Similarly, magazines (not only specialized) and newspapers were used to place ads about Olympiads (intellectual competitions on different subjects) to attract high fliers. Winners of a state level Olympiads were invited to enter the best universities, such as Moscow State University, without competition.

Direct mail was also used in Russia for decades already though it was not called DM. In the Soviet Union it used to be popular as a tool to inform target audience about universities, their courses and majors, distance courses, and Olympiads. As a rule, direct mails were addressed to secondary schools all over the

regions, and teachers told pupils about them and often encouraged them to participate. Response was almost guaranteed, if not individual than collective, for instance, a group of schoolchildren could take distance courses using one copy of materials. Today, direct mail is heavily used for building relations with current students and alumni. According to Kaverina (2007), it is recognized as "one of key methods of educational services promotion and sales", personal sales are "key communication technologies of HE institution promotion", and direct mail is especially effective "in communication with high schools" delivering information for prospects directly, without intermediaries.

Recently, Direct Response TV was established by some Russian universities as a media to attract the most talented applicants. The most successful and long-lasting project is the one initiated and maintained by Moscow State University of Foreign Affairs, called similar to 'Clever boys and girls'. It is an intellectual competition (with elements of intellectual show) among the most talented schoolchildren from all regions of Russia and often from Ukraine and other countries of former Soviet Union. TV watchers can take part in the competition. The winners are enrolled in the university immediately after the competition is completed. Taking into account a good reputation of the university and great interest in diplomatic activity among prospective students, this project is very successful.

Since 1970s, a sort of the university catalog has been published every year (in the Soviet Union and later in Russia). It is called a handbook for university applicants and it contains detailed information about many higher educational institutions of Russia. Besides, every university can have its own catalogs which now exist mostly in electronic form, on their sites, and are available 24/7. For example, list of faculties available on site of Moscow State University (2011). Lists of offered courses (in Russian only) are available for each Department.

E-mail is actively used for direct marketing in Russia, which can be confirmed by any e-mail user getting lots of direct e-mails every week. Databases with customers' data are numerous as this data are collected everywhere. Russia has a federal law of 2007 about personal data; a new version of this law is expected in July of 2011. Unfortunately, despite of this, cases of illegal using of personal data and e-mails, in particular, are not rare. However, addressed opt-in direct e-mails can be very useful for universities as they will be read by recipients interested in this information.

Social media in Russia are very popular now, as they are all over the world. According to Markin (2009), advantages of social media marketing are the following: high activity of participants allows to use virus marketing (according to *HiddenMarketing* (2011), in Russia, 78 percent of users trust each other, not advertising), social networks allow to focus information by some parameters of target audience, for example, age, gender, geographical location, interests, hobbies, etc., high speed of information transfer makes it possible to react instantly to the events and get feedback from consumers in a real time mode. HE institutions do understand this. For example, Moscow State University (MSU) is widely represented on Twitter, in particular, general MSU news (msunewsru, 2011), as well as separate faculties: Politology Faculty (polit_msu, 2011), Journalism Faculty (journ_msu, 2011), etc.

Similarly, MSU is represented on Facebook (MSU Faculty of Foreign Languages, 2011). In the nearest future, this channel is expected to be used by universities more and more actively, all the more so as, according to Markin (2009), Russian social media users are more communicative than Western users, and their audience can grow up to 10,000. As cited by Markin (2009), percentage of respondents of special polls having accounts on social networks in 2009, comprised 85.3 percent, comparing to 74 percent in 2008 and 41.7 in 2007. The tendency of growing is likely to retain, and, thus, social networks offer large opportunities for HE in Russia.

Overall, according to Pankrukhin (2006), distinctive features of modern direct marketing are: personal contact, significance of seller's personality, possibility of establishing long lasting partnership relations between seller and buyer, existence of sustainable feedback, using database where individual customers and legal entities are presented.

Direct marketing of higher education in Russia can not be considered a matured one despite the fact that catalogs, direct mail, advertising in printed media and DRTV have been used for decades, and new channels - social media, banner ads, etc. - are also recognized as promising and are used to a certain extent. On the ground of observations of current state of DM in HE in Russia, one can say that it needs more attention from the universities, and serious research of results of its using is still expected. However, this direction of marketing is most likely to grow in Russian HE as well as in business, as competitiveness will continue to grow in this 'industry' in the nearest future, and, in order to survive, HE institutions will have to apply all possible marketing tools and techniques to attract students.

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