ATHABASCA UNIVERSITY

CHALLENGES AND OPPORTUNITIES FOR CANADIAN PUBLIC UNIVERSITIES
MARKETING ONLINE EDUCATION

BY

RONALD GEORGE STRAND

A DISSERTATION
SUBMITTED TO THE FACULTY OF GRADUATE STUDIES
IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE
DEGREE OF DOCTOR OF EDUCATION

CENTRE FOR DISTANCE EDUCATION

ATHABASCA UNIVERSITY
AUGUST 2015

Athabasca University
FACULTY OF GRADUATE STUDIES

The future of learning.

Approval of Dissertation

The undersigned certify that they have read the dissertation entitled

**"Challenges and Opportunities for Canadian Public Universities Marketing
Online Education"**

Submitted by

Ronald Strand

In partial fulfillment of the requirements for the degree of

Doctor of Education

The thesis examination committee certifies that the thesis
and the oral examination is approved

Supervisor

Dr. Patrick Fahy
Athabasca University

Committee members

Dr. Debra Hoven
Athabasca University

Dr. Kam Jugdev
Athabasca University

External Examiner

Dr. Kendra Hart
Mount Royal University

August 12, 2015

Dedication

This dissertation is dedicated to my granddaughter, Veronica, who has been, and continues to be, an endless source of joy and inspiration for my work and in my life.

Acknowledgements

First, and foremost, I have to acknowledge and thank my dissertation supervisor, Dr. Pat Fahy, without whose patience and wise counsel this dissertation would not have been possible. I also feel a great deal of gratitude to the other members of my supervisory committee: Dr. Kendra Hart, Dr. Debra Hoven, Dr. Kam Jugdev, and Dr. Norman Vaughn.

Throughout the doctorate program, I received instruction and guidance from many fine professors: Dr. Terry Anderson, Dr. Susan Bainbridge, Dr. Marti Cleveland-Innis, Dr. Debra Hoven, Dr. Rick Kenny, and Dr. Susan Moisey. The members of my cohort were also extremely helpful, especially in the early going, and continue to be a source of encouragement. A special thank you goes to Pearl McGhee, who was always there to answer questions about the logistics and administrative aspects of the program.

My colleagues at Mount Royal University have also been supportive throughout the process and I would like to mention in particular Jane McNichol, Chair of the Public Relations Department of the Faculty of Communication Studies, for her encouragement. A thank you also goes to the Mount Royal University Faculty Association for its support.

Thank you to the participants in this research and to all the advancement professionals working to make our universities better for students and employees.

A special thank you goes to my wife Kathy who has endured my absences from normal life these past five years with a never-ending patience. For this, I will always be grateful. My daughter Rebecca and son-in-law John have also been there for me in more ways than I can remember.

Abstract

This dissertation is the result of research into the marketing practices of Canadian universities for online education. The research questions asked: What are the types of activities used by Canadian universities for the marketing of online education? Why are they using these activities? What other marketing activities might universities consider?

A general inductive methodology based on Grounded Theory (GT) guided the data collection and analysis. Data were collected from a sample of 14 universities identified by the Canadian Virtual University (CVU) as active in marketing online education. Data included material gathered from university websites, social media, and interviews with university representatives.

Coding and categorization of the data identified eight main areas of marketing conducted by universities. These are managing and leveraging the brand, reflecting product quality, understanding online students and prospective students, exploring and expanding markets, attracting inquiries, maintaining useful websites, initiating and maintaining relationships, and facing challenges. Each of these areas of activity is explained in the research results.

The influence of the brand on other marketing activities led to the identification of distinct types of situations for marketing online education that are informed by extant theories. Universities that are well established as primarily large, campus-based institutions, have high brand loyalty in their regions. The brand loyalty extends to online courses. This situation is informed by the theory of retail gravitation, which provides the metaphor of *brand gravity* (see glossary) as a factor for attracting both online and classroom-based students. Brands with high loyalty and low overall market penetration

are an exception to the theory of *double jeopardy* (see glossary). The theory or law of double jeopardy shows a correlation between market penetration and brand loyalty. Brands tend to increase loyalty only as market penetration also increases.

This analysis provides hypotheses for marketing online education that can be used for further research: the identification of competitor behaviors, the promotion of online education as a brand category, and the allocation of advertising and promotion budgets. The analysis provides insights into the marketing process that will be of interest to university administrators responsible for marketing online education programs.

Contents

List of Tables

List of Figures and Illustrations

CHAPTER 1 - INTRODUCTION

The general area of interest for the research presented in this dissertation is the marketing of *online education* (see glossary) by universities. Several observations led to this interest, including the growth of private universities, the increased participation in consortia by public universities, the possibilities for competition among public universities, and the expansion of online programs by predominantly campus-based universities. Some preliminary explorations and pilot studies, including literature reviews, investigated specific aspects of marketing online education. These included examining websites and analysis of advertising. This preliminary work pointed to the lack of work in the field and the need to conduct a broader, exploratory, and inductive investigation, taking all of the marketing processes into account.

This conclusion led to the development of three research questions: What types of activities are Canadian universities using now for the marketing of online education? Why are they using these activities? What other marketing activities might universities consider?

The practicalities of doing a dissertation necessitated some boundaries for the research. Using a sample of Canadian public universities engaged in marketing online education, the study determined the current marketing practices used by the universities for marketing online education and the rationale for using those practices. Examining the rationale for marketing practices using general inductive methods (Thomas, 2006) for data collection and analysis, three situations emerged that influence the marketing practices for online education used by public universities. The theories of brand gravity

and double jeopardy inform these situations. There are recommendations based on the analysis, which address the third research question, for practices that institutions may consider and recommendations for further research.

This dissertation provides the details of how the research was conducted, the factors that led to the development of the recommendations, and the conclusions derived from the research.

Background and Overview

Interest in this area of study came from observations, such as those made in the reports referenced in this section, that the growth of online education may be changing the structure and dynamics of higher education. These changes include a new era of competition among Canadian universities. A report by the Canadian Virtual University (CVU, 2012) indicates that Canadian post-secondary education has been relatively sheltered from international competition, but warns that it is only a matter of time before competition for international students becomes *heated*. Athabasca University, Canada's largest English language provider of online education and a member of the CVU, in a recent Business Plan (Athabasca University, 2013), identified increased competition as one of its major challenges.

While competition is increasing, universities are collaborating to offer students opportunities to register for online courses and seamlessly transfer credits among institutions. This is evident through increased participation in consortia at both national and provincial levels (Bates, 2011). Collaboration potentially has many benefits, such as decreased duplication of courses, thus decreasing development costs while increasing

opportunities for students. Increased collaboration may help to insulate Canadian universities from international competition.

Increased collaboration may be evidence of a market-oriented response to the new environment of online education. This environment is dynamic and fluid, as universities are large, complex organizations that may compete in some areas and collaborate in others (Johnson, Becker, Estrada & Freeman, 2014). Most Canadian universities offer both *classroom-based* (see glossary) and online education. Provincial governments are the main source of funding for Canadian universities. Within this complex context, there is a need to understand how publically funded universities are responding to the competitive environment of online education. Recent research has not examined marketing in this context (Ross, 2012) and has not taken an inductive, holistic approach to understanding marketing processes. This presented an opportunity for a research project that will further understanding of marketing online education. To this end, this research focused on the marketing of online education by *Canadian* public universities. Limiting the research to Canadian universities requires some explanation of the context of higher education in Canada, which is explored in the next section.

The Canadian Context for Online Education

The unique Canadian model for education was formed during the process of transforming a British colony into an independent nation. The British North America Act, enacted by the English Parliament in 1867, gave Canada independence and formed the basic structure for its government, namely a confederation of provinces. Subsequent legislation, the Constitution Act, recognized that education was the responsibility of the provinces. There is no federal government ministry of education. Public education is

funded by the provinces and governed autonomously by a Board and a Senate (Council of Ministers of Education, 2012).

Canada has 163 recognized public and private universities, including theological schools and affiliated colleges. There are 183 recognized public colleges and institutes, including those granting applied and bachelor's degrees (CMEC, 2013). In addition to the recognized institutions, there are 68 university-level institutions and 51 college-level ones operating as authorized institutions, which have selected programs approved under provincially established quality assurance programs.

The Association of Universities and Colleges in Canada (AUCC, 2014) estimates there are over a million undergraduate university students in Canada. There are no statistics kept nationally on online education enrollments (Bates, 2011), but the CVU estimated that about 100,000 students enrolled in university online courses in 2010 (CVU, 2012). It is likely that the number has increased since 2010, as more universities adopt online education. There are no data on the number of students enrolled in online education courses and programs at colleges, institutes, or continuing education programs.

Canada does not have a national department of education or a national strategy for online education. Some authors have pointed to the lack of a national strategy as a reason for slower acceptance of online education in Canada compared to other countries (Kaznowska, Rogers, & Usher, 2011; McGreal & Anderson, 2007). With the authority for higher education remaining at the provincial government level, online education developed under provincial jurisdiction. In the early part of the 21st century, most provinces invested in infrastructure and coordinated online programs and courses among public institutions (McGreal & Anderson, 2007).

In some provinces, these initiatives resulted in the formation of consortia that allowed online students to register for courses and transfer courses through a single entry point into the system (Banks-Pidduck & Carey, 2006). Along with the consortia, there are corresponding government departments, such as Alberta's Department of Admissions and Transfer, to assure this happens seamlessly (Alberta Government, 2015). Examples of these consortia are eCampusAlberta in Alberta, CampusBC in British Columbia, and ContactNorth in Ontario. These consortia make it possible for students to transfer credits among institutions within their province and for students to access education in provinces other than their home province.

Other examples of innovation in online education in Canada are the two publically funded online universities. Established in 1970, Athabasca University became the first university in Canada dedicated to distance education, and remains the largest online education provider for English Canada (Athabasca University, 2014). The university TELUQ serves French language speaking Canadians with courses and programs in that language. Athabasca University also founded the CVU, a consortium of 11 universities (at time of writing) across both English and French speaking parts of Canada, to facilitate cooperation among universities offering online education. The CVU allows students to transfer credits from one university to another, making it possible to piece together a degree from online courses, even if the student's home university does not offer all of the courses needed. The degree earned is from the student's home university. Canadian universities also participate in an international consortium, University of the Arctic, comprising universities from nine countries (University of the Arctic, 2014).

The development of online education and corresponding consortia in Canada is changing the competitive environment for students. Traditionally, most undergraduate university students in Canada attend university in their home province, but the advent of online education means students from across the country can access programs in any province that has the desired program available (CVU, 2012). Understanding this changing environment is part of the rationale for the research conducted during this study.

In addition to increased competition for undergraduates, the demand for adult and continuing education continues to grow (CMEC, 2008), leading universities in Canada to strive to meet this demand with online education. As Rovai and Downey (2010) pointed out, the fast growing market of continuing and professional education for employed adults is a natural market for online education. There are likely many other reasons for students choosing online education, in addition to the market of working adults. Understanding the possibly changing market for online education was another area of interest that led to this study.

The competition for undergraduate and graduate students is also increasing from foreign institutions, especially in the for-profit sector, further necessitating the need for Canadian universities to promote their online programs (CVU, 2012). Canadian students may choose foreign, for-profit options for higher education because they are not aware of equivalent online programs at Canadian universities and colleges. While the possibility of losing students to foreign competition exists, there may also be increased opportunities for Canadian universities in foreign markets. The possible reaction to foreign competition by universities and the need for Canadian universities to promote online

programs were some of the other reasons for exploring the marketing done by universities.

Marketing (see glossary) is a broad field, requiring further definition and discussion to establish its development and use by universities. The next section provides an overview of marketing, including some definitions, and some of its current applications in online education.

Marketing Online Education

For several decades, marketing theory focused on the transactions between buyer and seller, the economics of trade, and the distribution of goods (Shaw, 2005). In the middle of the last century, the focus shifted to a systems approach to managing marketing functions. McCarthy (1960) identified the components of the transaction as price, product, promotion, and purchase, with marketing as a general term describing the management of these components. During this time, the American Marketing Association (AMA) used a definition of marketing based on McCarthy's components. The AMA has been responsible for the *official definition* of marketing since 1948 (Keefe, 2004). The AMA changed its definition recently to "the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society" (AMA, 2014). This change in definition indicated a broadening of the perspective of marketing as a process that creates value beyond the immediate sales transaction.

Part of the shift in the definition of marketing has been the result of *relationship marketing theory* (see glossary). Introduced by Berry in 1985, it shifted the focus from single transactions to establishing long-term relationships with customers through a

variety of means (Berry, 1995). The introduction of relationship marketing led to a shift in perspective of marketing managers (Gronroos, 1994). Initially, relationship marketing had a focus on post-purchase relationships, aimed at motivating customers to make repeat and continued purchases (Kotler, 1992). This emphasis shifted over time, particularly as new forms of communication allowed vendors to begin the relationships with prospects before a purchase decision and subsequently continue the relationship by using a variety of forms of communication (Gronroos, 2010, 397).

As will be discussed later, relationship marketing has been recommended for universities as a model for marketing and student recruitment (Bowden, 2011), and is considered suited for marketing online education (Yilmaz, 2005). There are a number of reasons for the adaptation of relationship marketing by universities. Prospective students cannot experience the product beforehand. They essentially buy into a set of promises about the services, instruction, credibility, usefulness, and experience provided by the university (Anctil, 2008). The relationship a student enters into with a university is potentially long-term. Many argue that this relationship is different from a supplier and consumer relationship, being more akin to the relationship between citizen and community (Svensson & Wood, 2007).

The relationship between the institution and the student often begins when a prospective student reviews an institution's website (Durkin, Filbey, & McCartan-Quinn, 2013). Research has shown that over 90% of prospective students will review an institution's website during their selection process (Schimmel, Motley, Racic, Marco, & Eschenfelder, 2010; Simoes & Soares, 2010). In addition to the influence of family and friends (Garrett, 2007), prospective students base their decision to enroll in an online

education program mainly on the information on the website and the subsequent communications with the institution that are initiated by website visit (Helgeson, 2008).

In spite of the numerous authors that promote the usage of relationship marketing by universities, there appears to be a lack of empirical evidence on the effectiveness of relationship marketing. Some studies have examined the use of relationship marketing on university websites (Hartley & Morphew, 2001; Pegoraro, 2006). The research was based on a content analysis instrument with which the researchers determined the presence of types of website content deemed to be reprentative of relationship marketing. However, this research did not verify that the presence of certain types of website contact had an effect on prospective students. Another problem with research in relationship marketing is that studies tend to focus on only one relationship, buyer and seller. As Gummesen (2010) points out, organizations involve multiple types of relationships that influence marketing activities.

Gummesen (2010) also identifies a tendency of marketing research to focus on small, specific aspects of marketing activities and a lack of exploratory research to identify new perspectives. He calls for more inductive approaches in marketing research. Doyle (2011) reinforces Gummesen's observation with the statement:

> Much of the academic theory of marketing is based on what
> academics think professional marketers ought to do, rather than
> what they really do each day. … I have rarely seen complex marketing
> models and theories used purposefully and effectively in
> marketing practice. (p. 114)

The situations described by both Gummesen and Doyle point to the need for research focused on what marketers are actually doing. This is remeniscent of the work done by Minzberg (1971) who found that there were many theories applied to management but little research that explored what managers actually did day to day and the effects of management actions. Based on this observation, he conducted an exploratory study into management actions. These writers helped to confirm the need for exploratory research into marketing online education.

More research in the field is discussed in the literature review chapter. The lack of applicable theory and research into marketing online education supports the decision to use an exploratory and inductive approach to the area of inquiry.

Statement of the Problem and Purpose of the Research

Traditionally, Canadian public universities have operated within provincial boundaries, have been prominent institutions within those boundaries, and have served mainly a regional population. Online education is changing this environment by expanding or eliminating borders, making education more accessible across provincial boundaries and across national borders. This changing environment has increased competition for students, thus increasing both the marketing efforts of universities and the collaborative activities of universities offering online education. There appears to be only a small amount of research on how and why Canadian public universities are marketing online education. This may be due to marketing of online education being a relatively new phenomenon for most universities. Therefore, this exploratory study was done to increase the understanding of how universities are marketing online education and to be of potential benefit to university administrators and marketing practitioners.

Research Questions and Methodology

Given the lack of prior research in this area, an inductive approach to the research seemed appropriate. The choice of a general inductive method based on grounded theory to guide the data collection and analysis was determined to be suited for this type of investigation. Chapter 3 contains a further explanation of the method. Rather than exploring the answers to specific research questions, some grounded theorists recommend approaching the research as an *area of interest* and have questions emerge from the data (Glaser, 1978). However, there are precedents (Bainbridge, 2012; Burgoyne & James, 2003; Georgieva & Allan, 2008; Shattuck, 2013) that indicate general research questions can be used to guide this type of inquiry. Thus, the research questions were:

1. What types of activities are Canadian universities using for marketing online education?

2. Why are these universities using these activities for marketing online education?

3. What other marketing activities might institutions consider?

At the core of grounded theory methods are the principles of simultaneous data collection and analysis, iterative and constant comparison of data, writing conceptual memos, and exploring new data sources based on emerging concepts from data analysis. Some of these principles were followed, but were modified, particularly duing analysis, based on a general inductive approach developed by Thomas (2006). The general induction method varies from traditional grounded theory primarily by including a literature review, placing more emphasis on coding of transcripts, and developing illustrations of temporal or causal relationships found in the data. Validating and

reporting the results also varies from traditional grounded theory. This proceess and the decision making process that led to the choice of method is outlined in more detail in Chapter 3. The results of the research are explained in Chapters 4 and 5.

Significance of the Study

Administrators of institutions in Canada, faced with increased competition for their online programs, are focusing more attention on marketing (Bates, 2011; Farrell, 2012). Marketing, student recruitment, and student retention are important contributors to the success of online education (Rovai & Downey, 2010). Marketing for public universities is a complex process, inter-related with other advancement activities including public relations, government relations, and fund development. Identification of activities for marketing online education in the context of the scope of advancement activities of a publically funded university will be useful to university administrators and practitioners and could guide further research. The results of this research meets these objectives.

Chapter 1 Summary

The competition for students in online education has increased for Canadian universities. In response to this competition, universities increased the marketing of online programs and courses. The research presented in this dissertation explains the types of marketing activities used by universities for online education programs and courses, the reasons for these activities, uses extant marketing theories to explain different situations that exist for universities marketing online education, and using those theories, makes recommendations for marketing online education in the context of advancement of public universities.

Glossary of Terms

Marketing and online education are fields with specialized vocabularies. This glossary provides definitions of terms as they are used in this dissertation. The glossary is in two sections – definitions of marketing terms and definitions of associated Internet related terms. Terms used throughout the dissertation found in the glossary are italicized, followed by the parenthetical reference to the glossary. In many cases, further explanation of the terms in the glossary, such as the origin of the term, is provided in the context in which they are used.

Marketing Terms

Advancement - Advancement is a strategic, integrated method of managing relationships to increase understanding and support among an educational institution's key constituents, including alumni and friends, government policy-makers, the media, members of the community and philanthropic entities of all types. The primary core disciplines of educational advancement are alumni relations, public relations, communications, marketing, and fundraising (CASE, 2014). While the communication functions of these aspects of advancement may overlap, marketing is usually distinct from other advancement functions like public relations and fundraising as the intent of marketing is to lead consumers to a point of sale. In the case of universities, this typically means leading students to enrollment.

Advertising and Promotion – The aspects of marketing that involve communication to potential consumers. Advertising usually refers to the purchase of space in publications or electronic media. Promotion tends to be a collective of all other forms of

communication that may bring persuasive and informational messages to consumers. The two terms are often used together to indicate marketers using a variety of means of communications to bring messages to consumers.

Brand and Branding – Brand refers to both the visual identity of an institution, expressed by its logo, name, and related symbols, and the meaning that the visual identity represents, such as the "values, vision, and mission of the university" (Hemsley-Brown & Goonawardana, 2007). The process of branding "involves the development of a set of expectations about desired outcomes in the mind of the buyer that differentiates the brand from its competitors" (Heslop & Nadeau, 2010). To distinguish between these related concepts, the term visual identity will be used throughout this dissertation to refer to brand as logo. The term brand will be used in the broader, general sense of the expression of the attributes of the institution and the development of those attributes for communication purposes.

Brand Equity – Brand equity is a combination of assets and liabilities associated with a name and symbol that add to or subtract from the value provided by a product or service (Aaker, 1991). According to Aaker (1996), there are four contributors or dimensions to brand equity: loyalty, awareness, perceived quality, and associations. Keller (1993) defines brand equity in terms of customer response to the brand, indicating it has a differential effect on response, or in simpler terms, brand equity makes a difference. In addition to customer based brand equity, Williams and Omar (2014) identify firm based brand equity, or institutional identity, and employee based brand equity.

Brand Gravity – A concept based on an extrapolation of the Law of Retail Gravitation (Huff, 1964), which originally defined trading areas and later location of department

stores and shopping malls. Brand gravity extends the use of the concept beyond retail

locations to the ability of some brands to attract consumers. Rajagopal (2009) defines

brand gravity by brand characteristics including high levels of brand equity, while having

low levels of consumer switching and competitive threats. Typically, the concept has not

been applied to universities, a position argued for in this dissertation.

Classroom-based education – Education takes place in a variety of venues including

classrooms, laboratories, lecture halls, museums, field sites, and uses a variety of

technologies in those venues. For the purposes of this dissertation, classroom-based

education is used as a collective term for the purposes of contrasting education that

requires students to be in a specific place with education that does not require students to

be in a specific place, namely online education.

Double Jeopardy – In marketing, this term has no relation to the legal use. Rather, it

is defined as:

> A term for a marketing problem in which smaller brands are
>
> bought both less frequently and by fewer people. This usually
>
> marks the beginning of a spiral of brand decline. Brands with a
>
> large market share have a huge benefit over smaller brands in
>
> stable markets. This results from the 'double jeopardy' effect
>
> that demonstrates how big brands that have more customers
>
> (who buy more often) have the double benefit effect and smaller
>
> brands have the double jeopardy effect. … The benefits for big
>
> brands ensure that new small brands simply have no real

chance, unless they truly disrupt the market (Doyle, 2013, p.484).

Thus, double jeopardy refers to the constraints faced marketers when seeking to overcome a phenomenon of consumer behavior. "In fact, the two variables of penetration and frequency always move together in a highly constrained way with the movements of one closely correlated with the movements of the other" (Mitchell, 2011, p.78).

Marketer - When referring to people involved in the marketing process at a university, the term marketer is used. This is done for purposes of inclusion and simplification. Universities are large complex organizations that employ many different people in roles related to marketing. The term marketer refers to all of these people and functions that contribute to marketing.

Marketing - "The activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society" (AMA, 2014). Kotler and Levy (1969) were among the first scholars to recognize distinct differences in marketing nonprofit organizations and provide a definition of marketing developed for the public and nonprofit sector. Their definition is: "Marketing is that function of the organisation that can keep in constant touch with that organisation's customers, read their needs, develop products that meet these needs, and build a program of communication to express the organisation's purposes" (1969, p.15). Both definitions are needed to understand the marketing done by universities, which do both value exchange and expressions of purposes. It is important

to note that marketing is a process involving many actions, and is not synonymous with advertising and promotion, which are distinct actions within the process.

Market Penetration – The extent to which a product is distributed and purchased. High market penetration exists when a product, identified by its brand, is widely available and purchased frequently by consumers (Sharp, 2010).

Mission – "For higher education a mission statement reflects the clarity of its central purpose; why institutions do what they do, not the means by which they do it. A mission is about results for the institution's customers (for example, learners, stakeholders, and the greater community). An effective mission reflects a match of opportunities, competence, and commitment by the institution to these customers" (Calder, 2014).

Online Education - A term that refers to "learning that requires no face-to-face component" (CVA, 2012) that will be used throughout this dissertation and is meant to include various similar terms such as distance education, e-learning, computer-mediated learning, blended learning, et cetera.

Relationship Marketing – "Marketing with the conscious aim to develop and manage long-term and/or trusting relationships with customers, distributors, suppliers, or other parties in the marketing environment" (AMA, Dictionary, 2015).

Value Proposition - Fifield (2007, p. 443) states, "the value proposition is a written statement focusing all the organization's market activities onto customer-critical elements that create a significant differential within the customer's decision process, to prefer and/or purchase the organization's offering over a competitor's."

Vertical and Niche Marketing – A marketing strategy aimed at making sales to customers defined by their characteristics rather than their geographic location. As an example, identifying all CEOs as a customer base would be an example of vertical marketing. Vertical marketing is most often used in business-to-business marketing. Systems of distribution are also aligned to serve the market. Niche marketing is similar to vertical marketing but typically indicates a small, clearly identified market that may be based on customer characteristics and/or on location (AMA, Dictionary, 2015).

Internet Related Terms

Home Page – The typical name for the main page of a website that is highest in the hierarchy of pages in a directory of all the pages on the website. The home page is usually the page that appears when a URL is entered into a search engine or Internet browser. As an example, if www.athabascau.ca is entered into a website browser like Google Chrome, the website page that appears on the computer screen is the home page of the website.

Landing Page – The typical name for a website page that is designed to be found from a keyword search in a search engine. This is an alternative entry into a website from the home page and will appeal to users who are searching for specific information.

Micro-site – A page of a website that is similar to a landing page but will also have a menu or directory to associated pages on a website. It is an alternate entry into a website and will usually link to the main website.

Search Engine Advertising – Paid advertisements that appear on the page of results that appear on a computer screen after a user conducts a search.

Search Engine Optimization – A series or process of actions taken by the owner of a website to enable search engines to find and display a link to the website when a user conducts a search for information using a search engine. Typically the types of words used on website pages, the links to those pages from other sites, the ease of navigation on a website, will all be a part of a search engine optimization strategy.

Social Media – The collective term for a variety of website types, characterized by the ability of users to easily share information and images. Typical forms of social media are *Facebook, Twitter, YouTube*, and *Linkedin*.

CHAPTER 2: LITERATURE REVIEW

As described in Chapter 1, results of preliminary literature searches indicated a lack of research in the field of marketing online education, leading to the decision to explore the field from an inductive research perspective. Some writers discourage further literature review at the outset of inductive research. This is particularly true of some proponents of Grounded Theory, who indicate the potential for previous research to bias the researcher, which may influence research findings (Glaser, 1978).   However, in a review of the papers on the subject, Dunne (2011) provides some reasons for the inclusion of a literature review.

Some of the reasons for a literature review (Dunne, 2011) include confirmation of the rationale for the study, and ensuring that the planned research will not duplicate previous research. The literature may sensitize the researcher to important concepts in the field. If approached from the perspective of an open exploration of these concepts, the literature may help the researcher avoid potential preconceptions and other methodological pitfalls. It may also provide some insights into concepts that will aid in the understanding of the research results. The literature may increase an understanding of the practitioners who were a part of the research, and the institutional and societal contexts within which they work. The literature review in this study was used to identify themes that could be explored during the research. Taking the approach of exploration of themes minimized the potential for bias.

A starting point for the literature review is a book edited by Demiray (2007) on marketing online education. Based on his review, Demiray concludes that *relationship marketing* (see glossary) provides the best paradigm for marketing online education.

Several authors support this position. However, there is little in the way of empirical evidence to support this claim. The literature review contains a summary of these articles. A brief summary of the background of the development of relationship marketing is also included.

Another observation of Demiray is a correlation between the growth of online education and the unprecedented use of media advertising by universities, especially private universities in the United States. A recent study by Ross (2012) confirms Demiray's (2007) observations about advertising. Ross also compares marketing of online education done by private universities. A brief review of some of the issues related to public sector or nonprofit marketing is included, that explores further some of the points made by Ross (2012).

The Sloan Consortium in the U.S. tracks the growth of online education, the most recent of which shows growth slowing (Allen & Seaman, 2013). Related research confirms some shifts in the growth of online education, and some reports discussed in the research review provide speculation about the reasons behind the slowing growth. From a marketing perspective, the slowing rate of growth may indicate a maturing market. This is important because different marketing strategies may be required than have been used in the past growth stages. Research in this area should explore if marketers believe the market is maturing and whether or not marketers are changing strategies in reaction to changes in the market.

The literature review includes a discussion of articles that provide different perspectives on the market for online education, and how the market might be changing. In the Canadian context, the market for online education has typically been associated

with the market for adult education. With this in mind, the review includes some articles that include recent insights into the market for adult education in Canada.

In summary, the literature review in this chapter contains research and opinions of academics and practitioners that contain reoccurring themes related to marketing online education. These themes provide a context for the study of marketing online education in Canada.

Overview

A natural starting point for literature review is to find papers that review the literature in the field. As an example, Hemsley-Brown and Oplatka (2006) reviewed literature related to higher education marketing from 1998 to 2004. They describe the higher education marketing literature to be "incoherent, even inchoate, and lacks theoretical models that reflect upon the particular context of higher education and the nature of their services" (p.318). They found the literature to be composed primarily of commentary on marketing and comparisons to service marketing without any supporting research. The paper was somewhat negative about the state of research in the field to that point, but led to the questioning of whether theoretical models and more empirical research has been done in the decade since this paper was published.

A literature review done by Demiray (2009) provides some insights into the marketing done during the early and growth stages of online education. Demiray reviewed 54 articles published between 1995 and 2008, with most of the studies published between 2002 and 2005. According to Demiray, no books were published in related areas during that timeframe. Demiray grouped the reviewed articles into four categories: directly related to marketing *distance education*, descriptions of commercial

advertising and public relations activities applied to universities, private consultancies'
descriptions of their activities, and universities sharing their experiences of marketing
distance education. Only a few of the articles were on primary research directly related
to marketing distance education. Based on this review, Demiray makes several
recommendations for marketing online education.

Unlike Hemsley-Brown and Oplatla's (2006) conclusion that higher education
marketing lacked a theoretical model, Demiray believes that *relationship marketing*
emerged as an overarching theory for guiding the practice of marketing online education.
Other researchers have pointed to *relationship marketing* as a form of marketing
applicable to online education (Bowden, 2011; Farrell, 2012; Helgesen, 2008; Rashid &
Raj, 2006; Shaik, 2006; Yilmaz, 2005). However, review of these papers indicates that
Hemsley-Brown and Oplatla's (2006) observation that much of the marketing literature
in the field of education lacking empirical evidence is correct. There seems to be a
tendency for authors making recommendations about *relationship marketing* to cite each
other as evidence. This warrants further investigation into the nature of *relationship
marketing,* presented in a separate section of this chapter.

Demiray also noted that during the period of rapid growth of online education in
the early 2000s, for-profit institutions used unprecedented mass media advertising
campaigns to recruit students to online programs. Recent research confirms Demiray's
observation about a correlation between media advertising and rapid growth of online
education (Ross, 2012). However, Ross (2012) found a distinct difference between the
advertising, and other marketing activities, by private universities compared to public

universities. These findings indicate further exploration into the marketing done by public universities may be of benefit to understanding current trends.

The rapid growth of online education cited by Demiray seems to have slowed in recent years (Eduventures, 2012). As noted above, much of the growth in online education has been the result of the success of for-profit, private universities, especially in the United States. Recently, public universities are offering more online education (Ross, 2012). Aslanian (2013) found a preference by students for public universities offering online education over private universities. According to Eduventures (2012), part of the reason for this preference is the favorable perception of public universities' *brands*.

The Eduventures (2012) report provides four possible reasons for a slowdown in online education enrollments: changing demographics, a maturing market, registration in Massive Open Online Courses (MOOCs) that are not included in enrollment statistics, and changing strategies by universities. The last point is especially applicable to public universities, which are blurring the distinction between online and classroom education, with schools offering various combinations of the two delivery modes, appealing to their traditional, regional markets. The last two observations from this report seem to be contradictory. While enrollments in MOOCs are growing, students are also showing a preference to enroll in nearby public universities. The report suggests public universities consider adopting regional marketing strategies for online education. Further exploration into the purchasing behaviors of students may provide some insight into this apparent contradiction.

The brief overview of some of the studies that reviewed the literature up to about 2007, and some recent reports from the U.S., identify several areas of marketing that, if explored further, may provide a broader perspective of the field. These include the observation that *relationship marketing* is a recommended theory or paradigm for universities marketing online education. Another topic is the increased entry into the field by public universities and the differences in marketing by public universities, the preferences of students for public universities, and their brand strength. This topic includes the use of advertising and related marketing activities. There is possibility of the market maturing and changing purchasing behaviors of students. The effect of MOOCs on the market for online education also warrants further investigation. The literature was selected in this review to provide insights into these topics, beginning with a discussion on the background and nature of relationship marketing.

Relationship Marketing

The term *relationship marketing,* coined by Berry, first appeared in the marketing literature in 1983. It has developed into a leading model for *services market*ing (Berry, 1995). Services marketing, at a basic level, refers to the marketing of services compared to tangible products and the *inseparability, heterogeneity, and perishability* of services (Fisk, Brown & Bitner, 1993). Vargo and Lusch (2004) indicate that services marketing requires different marketing methods to communicate the nature of the services being provided. On a more complex level, services marketing is a change in perspective of the marketing process for both products and services that recognizes a customer makes purchases based on the perceived benefits of the offering (Vargo & Lusch, 2008). This

change in perspective shifts the emphasis on exchange to an emphasis on relationship

and customer service, linking services marketing and relationship marketing.

In the context of post-sale consumer service, Kotler (1992) identified five stages

of relationship between a consumer and a seller. The first level is a *basic* sales

transaction, where no relationship is established; the next is a *reactive* relationship, where

the customer is encouraged to follow-up if they have a problem; and the third is an

accountable relationship, where the seller makes follow-up contact with the customer.

More advanced stages are the proactive relationship characterized by repeated contact

with the customer by the seller, and a partnership between buyer and seller, working

together to enhance value. The concept of forming a partnership between supplier and

consumer has evolved to include pre-sale relationships. As Gronroos (2010, p. 401)

states, "Value is not delivered by a firm to customers but created in customer processes

through assistance to those processes and through the firm's co-creation in interactions

with customers."

The concept of co-creation of value by entering into a relationship describes the

student experience. This understanding of relationship marketing explains why the

theory has become widely accepted in higher education marketing and student

recruitment (Bowden, 2011). Potential students usually cannot experience the product

beforehand. As noted above, they essentially buy into a set of promises about the

services, instruction, credibility, usefulness, and experience provided by the university

(Anctil, 2008). These promises form the basis for university promotional materials,

including the content of the promotional sections of university websites. The reputation

for fulfilling promises becomes the institution's image and brand. They are what differentiate an institution from other institutions.

A guide produced by The Commonwealth of Learning (Farrell, 2012) explains the role of relationship marketing in online education. It describes relationship marketing as three phases: establishing stakeholder relationships, building institutional brand value, and achieving sustainability. The brand should differentiate the institution and its programs, while expressing quality assurance to the marketplace. Measurements of success in using relationship marketing include re-enrolment and graduation levels. Some of the specific recommendations associated with relationship marketing include providing free samples of online courses, having a website that is friendly and easy to use, providing support services, access to faculty information, and offering financial incentives to potential students.

Relationship marketing communications have been the focus of analysis of several studies of university websites (Kittle & Ciba, 2001; Klassen, 2002; Pegoraro, 2006). Using the Kotler taxonomy of relationships as a guide for content analysis, these researchers examined websites for evidence of attempts to establish relationships with website visitors, the premise being that the degree to which a website establishes a relationship with a prospective student determines the likelihood of enrollment. As a result, they found varying degrees of relationship marketing on university websites.

The applicability of this research to marketing online education is questionable, as none of these studies examined sections of the websites specific to the promotion of online education. There are other problems with the research on the application of relationship marketing to university websites. The studies cited above used an

instrument to measure evidence of relationship marketing, without any confirmation that this form of marketing actually improves enrollments or enquiries about enrollments, thus having a narrow objective. Since the time of these studies, university websites have grown in size and complexity, further casting doubt on the usefulness of the studies.

Most of the research on relationship marketing has focused on the relationship between the supplier and the customer (Gummesson, 2002). Although the goal of implementing relationship marketing is to form lasting relationships between customer and supplier compared to transaction marketing (Shaik, 2005), the focus on the dyadic relationship limits the theory (Gummesson, 1994). There are more relationships necessary for the success of an organization than the customer-supplier relationship. Gummesson suggests 30 distinct relationships that should be managed as a part of relationship marketing.
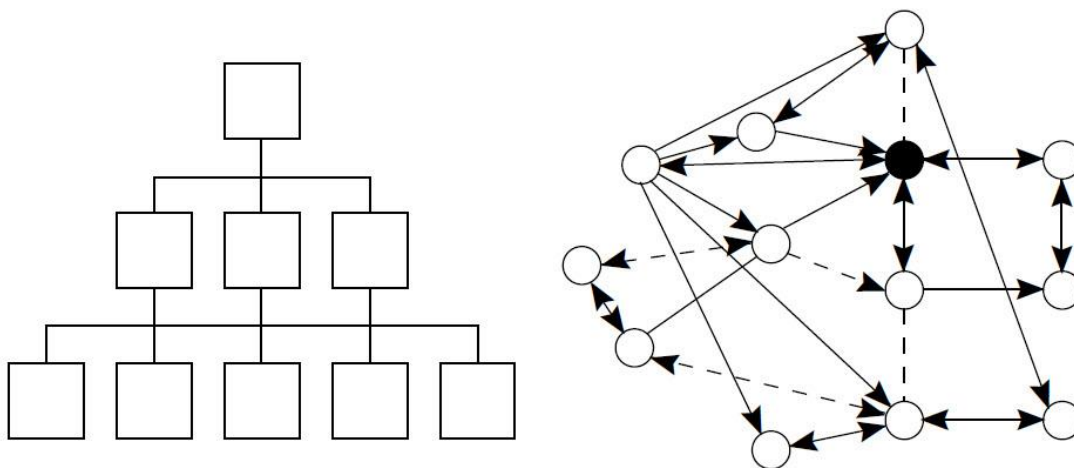
Figure 1. Diagram contrasting the traditional organization chart with a cluster of relationships around a core competency of an organization. (Gummesson, 1994.)

This concept may be more applicable to a complex organization like a public university that has many advancement and/or external relations activities, including marketing, which communicate with a variety of stakeholders. Each of these relationships has an influence on the success of the institution. This more complex type of organization, with multiple stakeholders and multiple objectives, is characteristic of nonprofit organizations and may be applicable to public universities. The study by Ross (2012), which found public universities used a wider variety of marketing activities compared to private universities, confirms this observation. Compared to public universities, private universities tend to rely more on advertising. This difference may be an indication of the increase in communication channels that comes with the necessity of communicating with a variety of stakeholders. In order to understand this type of organization, some further discussion of marketing by public universities as nonprofit organizations is required.

Marketing by Nonprofit Organizations

Relationship marketing began as a change in the concept of marketing as an exchange to an emphasis on creating longer-term relationships between sellers and buyers. This shift in thinking occurred during a period when the concept of marketing broadened beyond the business context to include exchanges of other types in a variety of contexts. According to Shaw and Jones (2005), much of the shift in the concept was the result of the work of Harvard marketing professor Philip Kotler, an influential scholar who published numerous books and articles that applied marketing principles to many areas of life. Kotler applied the concept of the exchange to include exchanging *beliefs, feelings,* and *opinions* (Shaw & Jones, 2010, p. 266). With this change in perception,

marketing principles and practices were applied to religious, political, and societal organizations and causes.

Kotler and Levy (1969) may have started the shift with the publication of an article that called for a broadening of concept of marketing to include nonprofit organizations. Shaw and Jones (2005) characterize this paradigm shift in marketing as the Exchange School (p. 265) that dominated marketing thought and research from about 1975 to 2000. Several academic journals connecting marketing and other disciplines began to appear around this time. As an example, the *Journal of Higher Education Marketing* began publication in 1988 (Taylor and Francis Online, 2015). Another example, *The International Journal of Nonprofit and Voluntary Sector Marketing* began publication in 1996 (Wiley Online Library, 2015). The shift in marketing paradigms is of significance, as it has influenced how marketing is implemented by higher education and public universities.

Unlike businesses, which are motivated to create and distribute profits to owners and shareholders, nonprofit organizations have the primary motivation of fulfilling their mission to serve the public in some way. Financial considerations may enable or constrain the process of achieving the mission, but it is not the objective (Kaplan, 2001). The marketing process functions within this context by contributing to the mission. This is not only a change in perception of marketing. It is a change in the consequences of marketing. In a for-profit context, there is a direct correlation between marketing success and sales revenue, which contributes to the achievement of the profit objective. The sale of a product replenishes the resources of the business. The constraint in this situation may be the ability of the business to produce and deliver its product; however, sales

success may provide the capital, or the access to capital, to increase production capacity to meet demand. In spite of these possible constraints, there is generally a correlation between sales success and success of the business endeavor.

In a nonprofit context, the sale of a product or service may deplete the resources of the organization, requiring the replenishment of the resources from sources other than sales (Silverman & Taliento, 2006). Sales success may ultimately lead to the failure of an organization, unless there is a correlating success in achieving revenue from other sources. This situation exists because the mission of a public institution is to provide services related to fulfillment of its mission. In the case of public universities, this generally means a mandate and mission of providing education at a cost that is greater than the tuition charged. In order to operate, additional revenue is required from government sources and private donations. Attracting those resources becomes part of the marketing process, requiring a balance between making sales in proportion to the organization's ability to attract other resources. Kaplan (2001) provides a diagram that illustrates this balance, as shown on the next page.

The Mission

The Mission rather than the financial/shareholder objectives drives the organization's strategy.

"If we succeed, how will we look to our financial donors?"

"To achieve our vision, how must we look to our customers/recipients?"

"To satisfy our customers, financial donors, and mission, at which business processes must we excel?"

"To achieve our vision, how must our people learn, communicate, and work together?"

Figure 2. Diagram showing the balanced scorecard concept adapted for nonprofit organizations. (Kaplan, 2001.)

In order to satisfy customers and financial donors, and to accomplish its mission, the organization must define the business processes at which it must excel. In the case of public universities, other funders are primarily government and government-related. Andreasen (2012) provides a broader definition of these stakeholders as *upstream enablers*. Further complicating the mission of the organization are complex goals related to societal change, and serving specific populations within society that marketing processes may need to take into account. Consistent communication, to all audiences, with all communication channels, represents a challenge to institutions as complex as public universities. An awareness of this complexity seems necessary when researching marketing done by public universities.

Up to this point in the literature review, the focus has been on the nature of public universities and their relationships. The focus shifts to the market for online education and discussions about the possibility of market maturity and other market characteristics.

The Nature of the Market for Online Education

The report by Eduventures (2012) cited in the beginning of this chapter indicated a slowing growth in post-secondary online education. A report on the University of Phoenix, a major for-profit provider of online university level courses, confirmed this observation, which described the institution as having three consecutive quarters of declining enrollments (Bloomberg, 2013). An examination of the Apollo Group (University of Pheonix parent company) indicates enrollment at the University of Pheonix declined from 356,000 students in 2012 to 251,000 for the same reporting period in 2014 (Apollo Group, 2014).

As cited in Chapter 1, Athabasca University, the major English language provider of online education in Canada, also reported declining rates of enrollments. In its *Business Plan 2010 – 2014*, Athabasca University identified increased competition in the online and distance education market as one of its challenges (Athabasca University, 2013). Their latest annual report shows modest growth, less than one percent year to year, in student enrollments for the past two years (Athabasca University, 2014).

In the U.S., a part of the trend is that large public universities offering online programs continue to take market share away from for-profit institutions. About 1% of the universities in the U.S have about 30% of online enrollments (Ross, 2012). These data are based on enrollments in *traditional* university programs providing credit towards degrees or continuing education certificates. The report notes that Massive Open Online Course (MOOC) enrollment is not part of the data. There is scant information about overall participation in MOOCs and their effect, if any, on university enrollments. This

may be due to the reliance by universities on the Sloan Consortium for enrollment statistics and that organization not including MOOCs in their annual reports.

The Sloan Consortium annual report on online education in the U.S. (Allen & Seaman, 2013) indicates that the number of students taking at least one online course grew from 2011 to 2012, but, at 9%, was the slowest rate of growth in the previous ten years. The survey for this report included classroom-based education delivering at least 30% of the content online in their definition of online education. If the number of students that are classroom-based were taken out of the statistics, the growth would be less than indicated.

In Canada, there are no statistics on overall enrollment for online education. A review of the members of the Association of Universities and Colleges in Canada (AUCC, 2014) revealed that about 48 of the 98 member institutions offer online education programs and courses. Without enrollment statistics, it is not possible to extrapolate the enrollment in these programs, but the situation does indicate that an increased adoption of online education by almost half of the universities in the country, coupled with the slowing enrollments at Canada's major online university, may be signs of slowing growth.

Slowing or plateauing of growth, increasing entry of competitors into a market place, and diminished differentiation of products are all classic characteristics of a mature stage in the market-product life cycle (Levitt, 1965). The model of technology adoption developed by Rogers (1962, p. 162) is often cited in relation to product life cycles. Typically, the growth stage of a product is achieved when the majority of consumers purchase a product, following a stage of early adoption. Unless the growth

stage can be extended through innovations or new applications of a product, a stage of decline will develop. The bell curve described by Rogers can be reshaped into a Sigmoid curve with decline being reversed (Lind, 2005). Extension of a growth stage is accomplished through combinations of innovations, new applications of an existing product, and developing new markets (Levitt, 1965). There are many examples of both of these situations. However, Shaw and Jones (2005) describe the product life cycle as one of the most studied topics in marketing, to the point that it may be overused as an explanation. They caution marketers to explore alternative explanations before concluding their product is entering marketing maturity.

Shaw (2012) developed a model that overlays marketing strategies with the different stages of the product life cycle. Shaw recommends implementing one of four marketing strategies the growth stages of the product life cycle that may extend into the maturity stage of the cycle. These strategies are *niche marketing, segment expansion, brand expansion,* and *product differentiation. Niche marketing* involves finding a small, specialized market for a product. *Segment expansion* strategy involves expanding a company's product line into additional market segments to extend its growth. *Brand expansion* is similar and involves serving the same market segment with additional products or enhancements to existing products such as improved service.

Often during a growth phase in the product life cycle new competitors enter the market. Combating competition may require a differentiation strategy. The company may position or differentiate its product versus the competition by lowering the price, improving the quality, expanding distribution, enhancing the brand with improved advertising, or some combination of these tactics. A differentiation strategy has the

advantage of being much less expensive than the development of new products, and may extend the growth stage of the product life cycle or keep the product from slipping into decline.

Paden and Stell (2006) recommend the use of a *brand extension* strategy by universities marketing online education. Brand extension refers to the use of the existing brand for all new programs, including online education. The alternative is the creation of a unique brand for a program, delivery mode, or a combination of these. Whatever the strategy, there should be alignment between the brand and the various parts of an organization. Hatch and Schultz (2001) characterize brand alignment as having three components – alignment with the organization's mission and vision, alignment with the organization's culture, and alignment with the organization's public image. Culture refers to the behaviors, attitudes, and values, the way employees throughout the organization express their feelings about working for the organization. Image refers to how the organization is perceived by all external stakeholders.

As Shaw (2012) notes, increased competition in a mature market may require more emphasis on product differentiation. This may cause the organization to reevaluate its *value propositions* (see glossary). *Value proposition* statements are created to describe the product and its characteristics, and the value those characteristics may have to the potential consumer. These statements represent *suggested value* that customers ultimately realize from the product or service (Gronroos, 2010, p. 400). In the context of marketing online education, value proposition statements are a first step in establishing the relationship between institution and student (Farrell, 2012). A challenge for marketing online education is that prospective students, especially inexperienced students

such as typical young undergraduates, may not perceive the value of what the institution is offering in relation to its competitors, requiring detailed explanations.

Flexibility and convenience were the predominant value propositions for online education during the growth phase of online education (Eduventures, 2012). Some research has pointed to other considerations made by prospective students considering enrolling in online education. Relevance of the program to student needs, support services, communication technology used, and tuition costs were part of the decision for prospective students (Eastman, Bocchi, & Rydzewski, 2013; Farrell, 2012; Hagel & Shaw, 2008; Manhas, 2012; Mann & Henneberry, 2012; Nunan, 2005; Simpson, 2004; Spair, 2006).

Pentina and Neeley (2007) found that *perceptions of risk* were more of a determining factor in a prospective student's decision to enroll in an online program than considerations of time and place. Lim and Zailani (2012) confirmed this finding. Students who enroll in online education do so because they perceive it as less risky than on-campus education. Pentina and Neeley (2007, p.62) concluded that "segmenting the student market into those who are time- and place-bound (potential online students) and those who are not (potential traditional students) is not valid." Garrett (2007) argued that the value propositions for online education are a *balancing act*, requiring the familiar statements about flexibility and convenience balanced with educating the prospective student about the benefits of the pedagogy and the technology used by the institution. These changes in perception of the benefits of online education represent a challenge to marketers.

When considering product differentiation, a marketer must be sensitive to the product attributes that the customer thinks are important, more than the attributes the company thinks are important (Barwise & Meehan, 2004). Research on consumer preferences is necessary to know what is important to consumers. Aslanian and Clinefelter (2013) conducted a comprehensive survey of 1500 students currently enrolled, planning to enroll, or who had recently completed an online university course. Almost half indicated they considered only online options, with those who had taken some of their education online previously being the most likely to register for an online program. Reputation of the institution, assessed by accreditation and the perception of faculty quality, was the top determinant in the choice of institution. Most students did not comparison shop to any extent. This study indicates the attributes of online education discussed in the preceding paragraphs may not be as important to students as some marketers believe. The main point of differentiation was the reputation of the institution.

Aslanian and Clinefelter (2013) found the reputation of most institutions tends to be regional. Local universities have an advantage of brand recognition, enhanced by emphasizing the connections between the university and the community. Most students were able to match their program of choice with their university of choice, but a significant number, 21%, were not. This may provide opportunities for institutions that offer these programs at a distance. The respondents showed a preference for public universities, which may also be an indication of local brand strength. Another benefit of public universities was uncovered by Ross (2012), who found that they offered a wider

variety of prices, with some programs lower and some higher, than the typical cost of tuition at a for-profit university.

These findings indicate a trend in online education. It appears to be the preference of students to enroll in online courses within their own region. This is confirmed by a study showing 75% of enrollments in online education in the U.S. were at universities are from students that live within the same state as the institution (Fleming, 2014). Part of this trend may be the result of some universities having a local or regional marketing strategy. As an example, Gallagher and LaBrie (2012) outline a regional marketing strategy for online continuing education used by Northeastern University based on detailed market research tied to local employment needs, dispersed faculty, and regional sites that facilitate online education.

The demographics of Canada suit regional strategies for online education, with 80% of the population residing in urban areas and, therefore, within commuting distance of post-secondary institutions (CMEC, 2008). However, the relationship between regional, national, and international marketing strategies requires research, as does the relationship between regional marketing strategies and participation in consortia.

This section has explored research related to many aspects of the market for distance education. Some researchers indicate there are signs the market is maturing, leading others to consider strategies to deal with market maturity. Part of the strategy for market maturity may be to identify value propositions that differentiate an institution's online education program from its competitors. Other researchers indicate that the reputation of the university is more of a determining factor in a student's choice than the attributes of online education. Reputations tend strongest within a university's region, a

factor that some universities are leveraging with a regional marketing strategy. All of these points require consideration during research into marketing online education.

Another consideration is the origin of most of the research. Most of the studies cited above took place in the U.S. or Europe. There is limited similar research done in a Canadian context. While there may not be much research in the markets for online education in Canada, there is some on adult education that may be applicable to an understanding of the market for online education, as discussed in the next section.

Relationships between Adult Education and Online Education

Departments of extension and/or continuing education have been the *administrative home* for adult education and distance education at universities (Pittman, 2003, p. 21). These departments have evolved as independent business units of universities, operating as profit centres, serving the market for adult education (Kett, 1993). As the technology used to provide adult education evolved from correspondence, by mail and telephone, to online education, these departments became home to online education at many universities.

In Canada, adult education is a relatively small part of universities, representing less than 10% of overall university revenues, with about 400,000 students registered in 2009 (Middleton, 2011). This number remained about the same for the previous ten years. Citing Statistics Canada, Middleton also points out that in 2009 less than 1% of adults between the ages of 30 and 64 were registered in degree programs at universities, compared with 24% of 18 to 24 year olds, and 8% of 25 to 29 year old adults. Middleton stresses that universities need to provide more programs for adults in both degree credit and continuing education, or these people will find other education opportunities.

Livingstone and Rakov (2013) found that about 50% of Canadian adults enroll in some form of education each year usually related to learning skills associated with work or household activities. Houle,(1961), as cited by Boshier and Collins (1985), developed a typology of adult learning identifying adult learners as being goal, activity, or learning oriented. The typology has stood the test of time, indicated by reference in current research (Cachioni, Nascimento, da Silva, Batistoni, Sanches, Caldeira, & Lopes, 2014). Kett (1994), in an historical review, indicates that similar patterns of motivation for continuing education have been relatively consistent for the past century.

Livingstone and Rakov (2013) also uncovered the statistic of 20% of adults who searched for suitable education but were not able to find any courses in their area of interest. This represents a potential untapped market for educators of about 4 million people, roughly about 10 times the number of people registered each year in university continuing education programs. Other reasons for not participating in further education included high costs, and inconvenient times and places for the courses. These findings indicate a large potential market for online courses.

The unfulfilled educational needs of many adults may be an indication that universities are not keeping up with current job requirements and changing industries. Historically, universities have been slow to react to changes in the marketplace. In the past, this has provided opportunities for private and correspondence schools. As an example, Kett (1994) describes the situation in the 1920s in the United States as:

Industrial growth also stimulated the demand for managers

to devise and implement incentive plans for workers, forecast

sales, perform market analysis, decide on the best way to

finance expansion, and comprehend the relationships between

raw materials, production, marketing, and sales. Colleges and

universities taught none of this. (p. 228)

The situation Kett describes provided opportunities for correspondence schools to respond to the growing need for business education. Public universities recognize the need to be responsive to the needs of the market, but also recognize their inability to react quickly to changing needs. Online education may be a way for universities to keep up with these changing demands.

The need for continual upgrading throughout careers also creates the desire for transferable credentials on the part of adult learners. Livingston and Rakov (2013) portray a situation where adults are twice as likely to continue their education if they already have post-secondary education. Although the majority of adults expressed interested in PLAR, the people without formal post-secondary education expressed the most interest. About one-third of adults who had not taken post-secondary education courses said they would enroll if learning assessment took workplace learning and training into account. They conclude their assessment of adult learning in Canada by stating, "There is clearly a large unmet demand for further education courses in Canada" (p. 11). Given these findings, there should be a large market for online education, as it solves the problems of access, if it offers the programs people want, with the possibilities of PLAR.

Changing technology alone will not make post-secondary education more accessible to more people. Bates (1995) identified cost and accessibility as the two most important criteria for adoption of technology. As Middleton (2011) states, "lifelong

learning needs to be strategically central to a university's vision, mission, and goals. Right now, in its non-degree form, it is a peripheral activity" (p. 1). If the market for online adult education is to be realized by universities, they must make it part of their mission, vision, and strategic plans. This may require repositioning and rebranding, which are essentially marketing activities.

Some universities have included lifelong learning in their mission and vision, especially universities that have open education as a central component of their mission. Open learning is the ability to enroll any adult regardless of the level of previous education attained. Part of the role of these institutions is to make adults aware of these possibilities. As Myers and de Broucker (2006) note, communication strategies figure prominently in the promotion of education opportunities to adults. They recommend easily accessed information that provides clear instructions about how to access education with necessary information such as costs.

Based on research into adult decision making processes for enrolling in higher education done by Stein and Wanstreet (2006), Stein, Wanstreet, Saunders, and Lutz (2009) tested the home pages of 24 universities for the presence of persuasive factors targeting adult learners. They found that scant attention was paid to the needs of adult learners. This may inform online education marketing in that the market for online learning tends to be working adults. Some of the recommendations made in the study were the inclusion of links to employment statistics in specific fields, chat rooms or discussions about issues like child-care and transportation, and suggestions for how to approach employers about education plans. Durkin, Filbey, and McCartan-Quinn (2014) made similar findings from research done on university websites in Britain.

This discussion has drawn attention to some of the issues related to adult education in a Canadian context and similar research related to adult education in other contexts. As previously identified, working adults continue to represent a major part of the market for online education. Research in marketing online education should take adult education into consideration during an investigation. This concludes the literature review, which is summarized in the following section.

Summary of Literature Review

A review of the literature pointed to some topics investigated during this inquiry. Some of these are:

- Online education may be entering a mature phase of its lifecycle. This may necessitate changes to marketing activities to adapt to the new environment.

- Some researchers and practitioners recommend relationship marketing as a paradigm for marketing online education. Relationship marketing forms the basis for some studies of university communication materials.

- Flexibility and convenience has been the main value proposition of online education. Some researchers argue that as the market matures, consumers become more sophisticated and discriminating. Value propositions may require updating to include expanded and specific benefits.

- Articles and reports about online education frequently mention MOOCs as having the potential to change the market for online education, but enrollments in MOOCs to date, and completions, are very low and their

effect on the market is still unknown (Allen & Seaman, 2013). Related to the new phenomenon for education delivery, MOOCs also have the possibilities of changing the business models for online education. These changes may affect the marketing of online education.

- In spite of the ability to take courses from anywhere in the world, students prefer to take courses from local and regional universities, leading some researchers to conclude that a regional strategy should be included in the marketing of online education.

- University websites remain the main source of information for prospective students when they are seeking a university. Private universities use advertising as the primary means of attracting students whereas public universities use a wider variety of communication methods.

- There is limited research about how participation in consortia by universities plays a role in marketing online education.
- The market for online education has been adults primarily. Some researchers provide some insights into marketing for this target audience. Other researchers point out the lowering average age of online learners at universities, possibility indicating new marketing strategies to reach a younger audience.

In keeping with inductive research methods, described in the next chapter, these observations from the literature formed an increased understanding of the area of concern, and as such influenced questions during the research and some of the findings.

These are described in Chapters 4 and 5. However, no hypotheses came from the

research and, in the methodology used, neither was the research used for testing

hypotheses. The research process is described in more detail in the following chapter.

CHAPTER 3: RESEARCH METHODS

The *Research Process* section of this chapter describes the process of data collection and analysis that was done for this study. Some introductory remarks are necessary before this section, describing decisions made to arrive at the process that was used. An inductive research project requires a general research method that could take into account a variety of data sources and provide an analytical structure for drawing explanations from seemingly disparate strands of data. As shown in the literature review, there have been studies on very specific aspects of marketing online education, but there do not appear to be any studies that asked marketing managers what they do and why they do it. As cited in Chapter 1, this situation is similar to what led Mintzberg (1971) to use an inductive process in studying management. According to Mintzberg, there were theories of management being applied without anyone studying what managers actually did. He conducted one of the first studies in this area and his approach (Mintzberg, 2005) to inductive research influenced the methods used in this study, as discussed in this chapter.

Grounded theory (GT) approaches to gathering and analysis of data also influenced the methods for this study. Although it is often thought of as a qualitative methodology, a way of gathering and analyzing qualitative data, GT is actually a general methodology (Holton, 2008), making it suitable for inductive research into areas where there are limited existing hypotheses. Gynnild (2006, p. 1) makes this observation about the choice of research method for a doctoral dissertation: "Doing a PhD can principally be carried out in three ways; firstly by applying existing theories on new data, secondly by theoretically comparing existing theories, and thirdly by generating a new theory.

Choice of approach of course depends on awareness and accessibility of alternatives."

The lack of applicable theory in the area of interest led to the exploration of GT as the

main research method.

There are a variety of understandings and approaches to GT. Part of the reason

for the variety of approaches is a difference of opinion on the epistemological

foundations of GT. Some researchers view GT as a positivistic approach to research,

others see it as a constructivist approach, and others consider GT to be epistemologically

neutral (Holton, 2008). Taking the position that GT is epistemologically neutral frees the

researcher from alignment with either the positivist or constructivist orientation. Some

of the common elements of most strains of GT are data sampling that supports

developing theories, continued comparison of new data with developing explanations,

and continuing these comparisons with increased levels of abstraction of ideas (Suddaby,

2006). However, Suddaby (2006) also makes the point that some research using

seemingly well-constructed GT methods produces findings that are *obvious and trite* (p.

635). Thomas and James (2006, p.776) observe: "Problems come in distinguishing

generalization from over-generalization, narrative from induction."

Further exploration of GT led to the conclusion that the focus of GT on the

discovery and explanation of *basic psychological social processes* (Glaser & Holton,

2005) was too narrow a focus for a broad, exploratory study. In this study, the concern is

not as much about what it is like to be a marketing professional within the context of a

university, although learning this may become a part of the analysis. Of more concern is

what marketing managers, and others in related functions, are doing to conduct the

marketing process for online education. Related functions of the universities and the

environment for marketing online education also needed to be taken into account. These functions are referred to by Glaser and Holton (2005) as *basic social structural processes*, which are typically not identified using GT.

There has been recognition by others (Clarke, 2009) that original approaches to GT may not be suitable for all inductive inquiry. As a result, modifications to GT have been made to broaden the scope of the methodology, taking influences beyond basic psychological process into account (Clarke, 2009). Influenced by the work of postmodern scholars like Foucault, who developed concepts of social discourse, and theories like Latour and Callon's Actor Network Theory, which takes the role of nonhuman actors like technology into account in social analysis, Clarke (2009) sought to expand GT to include the influence of participants' context and *social worlds* as a part of the analysis (Clarke, 2009). The result of Clark's work was the GT related method of *situational mapping*. This involves a three-step process of identifying all of the human, nonhuman, discursive, and other elements of the area of inquiry, *laying out* the *arenas of commitment* and discourse in which the actors are engaged, and laying out the *major positions* taken or not taken in the data (Clarke, 2009, p. 210).

Leonard Schatzman, took GT in another direction that resulted in a method he called Dimensional Analysis (Bowers & Shatzman, 2009). Schatzman conducted research using GT and taught GT methods in research courses, but came to believe "despite the usefulness of comparison, the method seemed to minimize the complexity and the subtlety of analytic reasoning and failed to acknowledge the wider range of processes that, in addition to comparison, were involved in analysis" (Bowers & Shatzman, 2009, p. 90). Through his teaching he noticed that researchers will *conjure*

dimensions related to an analytic process and attribute values to these dimensions. These dimensions are frequently based on the experience of the researcher and "constitute the wherewithal to construct, analyze, and define situations" (p. 93). Focusing on comparison as the main analytical method, as done in GT, ignored a range of, sometimes latent, analytical processes. Furthermore, he thought GT focused on a basic social process too early in the process, often limiting the researcher's understanding of the phenomenon. Dimension analysis provides a method for the researcher to identify complexities and perspectives that GT methods may not take into account. It also recognizes that researchers from different disciplines will have varying concerns related to the data. Agreement with Schantzman's perspective, particularly the caution about focusing on a basic social process too early in the analysis, led to some of the adaptations to GT that resulted in the methods used in this research.

Thomas (2006) recognized some of these problems with using GT and developed an alternative general induction method. This method was followed for the analysis of the data in this study. This approach, as outlined by Thomas (2006), is very similar to the approach for inductive research described by Mintzberg (2005). Mintzberg describes the analytical process as moving from categories to typologies to relationships, to identification of patterns in the relationships, to *fully explanatory models* (p. 465).

Thomas (2006, p.238) describes a similar general inductive process based on GT. He uses a more general definition of induction analysis described as "approaches that primarily use detailed readings of raw data to derive concepts, themes, or a model through interpretations made from the raw data by an evaluator or researcher." He proposes five stages of analysis, including the preparation and reading of raw data,

coding of data into categories, reducing the overlap and redundancy of categories, and developing a *model, theory, or framework* that includes the most important categories. Thomas does not provide a definition of models and frameworks, rather, he describes them as illustrations of three types of processes: temporal, categories sequenced over time; causal, one category causing changes to another; or open networks of categories without any hierarchy or sequence. Consistent with the inductive approach, the model, framework, or theory is the result of the analysis and not predetermined.

The application of this process to the analysis done for this study is described further in the *Research Process* section of this chapter. The approach seemed to be more applicable to the answering of the research questions, and the development of an illustration of the relationships between the categories proved to be a valid way of understanding the processes involved in marketing online education by universities. However, the process was not as ordered as the division of analysis into steps would suggest. It was more of an iterative process of data collection, analysis, memo writing, and comparison of categories, done over several months. The validity of the process was tested in follow-up interviews, which are also described further in the *Research Process* section of this chapter.

Ethics Approval

Before proceeding with contact of human subjects, the researcher received approval from the Ethics Review Board of Athabasca University. The certificate of approval dated June 16, 2014 is attached as Appendix F.

Research Process

Selection of universities for data collection

As identified in chapter 1, the substantive area of interest, and the research questions, related to marketing online education by universities in Canada. Therefore, data were required from universities marketing online education. A review of the websites of all 98 universities that are members of the Association of Universities and Colleges of Canada resulted in finding 48 universities offering online education. Of these universities, 11 are members of the Canadian Virtual University (CVU, 2015). In order to avoid the potential of selection bias of the researcher, these universities were used as the sample for the study. Membership in the CVU was seen as an indication that these universities are active in providing online education.

The members of the CVU (at time of writing) are Athabasca University, Carleton University, Laurentian University, Memorial University of Newfoundland, Mount Royal University, Royal Military College of Canada, Royal Roads University, TELUQ, Thompson Rivers University, University of Manitoba, and University of New Brunswick. In addition to these member universities, the CVU identifies four other universities has being leaders in online education. These are Concordia University, Ryerson University, Simon Fraser University, and University of Waterloo and were added to the sample. One member of the CVU, TELUQ, was eliminated from the sample after an exploration of its website revealed that it is a French language university only university.

The resulting sample of 14 universities that provided data for the study included Athabasca University, Carleton University, Concordia University, Laurentian University,

Memorial University, Mount Royal University, Royal Military College of Canada, Royal

Roads University, Ryerson University, Simon Fraser University, Thompson Rivers

University, University of Manitoba, University of New Brunswick, and University of

Waterloo. These universities are located across Canada, from Vancouver Island on the

west coast to the east coast of Newfoundland. This dispersed geography made travel

impractical, requiring remote data collection, using the Internet, email, and telephone.

All of the research was conducted in English. The geographical distribution of the

universities included in this study is illustrated in Figure 3 shown below.

Figure 3: Map of Canada showing the location of the universities included in this study. The red dots from left to right represent Royal Roads, Simon Fraser, Thompson Rivers, Athabasca, Mount Royal, Manitoba, Laurentian, Waterloo, Ottawa, Ryerson, Royal Military College of Canada, Concordia, New Brunswick and Memorial. Map source is Microsoft Clipart.

Types of institutions included in the study

All of the institutions used in the study are Canadian, publically funded, accredited universities. According to Altbach, Reisberg, and Rumbley (2009), there is a *recognized typology* of universities providing online education. Using the terms from their report, all of the universities in this study, with two exceptions, are *dual-mode* institutions, meaning they provide both online education and traditional campus-based face-to-face instruction. The exceptions are Athabasca University and Royal Roads. Athabasca University is a comprehensive research and degree granting university that delivers almost all of its courses by distance education. Royal Roads University is primarily a graduate university that delivers almost all its courses in a blended format, which is primarily online but requires periodic face-to-face meetings of most students.

In addition to these online universities, the dual-mode institutions included in the study represent a cross section of Canadian universities with three major provincial universities, two smaller regional universities, and six large, comprehensive, urban universities. One of the universities is operated by the Government of Canada primarily for the purpose of training military personnel. The universities in the study are located in every region of Canada, with two in the Atlantic region, one in Quebec, five in Ontario, three in the prairie region, and three in British Columbia. More information about the universities in the study is in Appendices A, B, C, D, and E.

Sources of data

Data include interviews with representatives of the subject universities, and material on university websites, government websites, social media accounts, news media articles, advertisements placed by universities in a variety of media, and

commentary on university marketing practices. Review of pages on university websites related to online education, such as pages providing information for prospective students considering online education, admissions and registration pages, news media releases, and descriptions of departments providing online education. Documents downloaded from university websites included business plans, mission statements, annual reports, and similar published information. Social media accounts examined included *Twitter, Facebook*, and *YouTube.*

Materials gathered from websites and social media accounts were saved using a variety of means. The software programs for data collection and analysis, *Nvivo* and the companion *Ncapture*, were used to record and store some of the website information. Some data sourced on websites were available in PDF format; thus, these could be downloaded and stored. Some website pages and images on those pages were saved on a personal computer using screen capture software. Side-by-side comparison of some images was enabled with the use of *Photovisi* collage creation software.

Data were not collected in any particular sequence or order. Interviewees would make reference to examples of points of discussion on their institutions' websites, competitors' websites, and other sources which were examined during or subsequent to the interview. These examples sometimes then lead to searches for similar examples on other institutions' websites, social media accounts, or similar online locations. Thus, data were collected in an iterative fashion as recommendations and referrals of study participants, ongoing interpretations, and analysis of some of the data led to the collection and analysis of more data.

Interviews with university administrators

Interviews with ten representatives of nine of the subject universities were conducted between June 15 and September 3, 2014. Follow-up interviews to clarify specific issues were conducted with two of the study participants in November 2014. The interviewees were selected by searching the websites of each of the 14 subject universities for the name and email address of the person in what appeared to be of the most senior advancement, communication, or marketing role. These people were all contacted by email using the letter approved by the Ethics Review Board, which is attached as Appendix F. In most cases, the email was forwarded by the initial contact to another person considered by the initial contact to be more useful for this research. These people were also emailed the ERB approved script with an invitation to participate in the research. This process resulted in 10 interviews with people representing nine of the 14 universities. Three of the invited subjects declined to participate in the research, and no responses were received from two of the people contacted. The people interviewed included a Vice President of Advancement, a Dean of Extended Studies, four marketing directors, and four department heads.

The principal investigator conducted each interview over the telephone, recording the conversation with the permission of the interviewee. The questions used in the interviews were open-ended, enabling the participants to describe their approaches to marketing online education, and explain why they took those approaches. The results of each interview informed the questions asked during subsequent interviews. In addition to these questions, participants volunteered additional comments that they thought might be pertinent to the research. In most cases, the interviewer also asked a few questions

specific to observed practices. Often both the interviewer and the interviewee were looking at their university's website during the interview allowing the interviewee to reference specific pages related to marketing activities.

Written transcripts were made from the recordings. These transcripts were sent to the respective interviewees for review and editing. The transcripts were then entered into *InVivo* software for coding and analysis. Manual coding was also done using printouts of the transcripts. Consistent with GT methods, the interview analysis was done in an iterative manner, with other data informing the analysis, and examining the responses from different perspectives. The next section describes the procedures for coding and analysis of the transcripts. This process is described further in the section below on coding data.

Data Analysis and Validation

Consistent with GT and general inductive methods, analysis of the data was done throughout the data gathering process. Memos were written during the process to record impressions and ideas about what the study participants said and what was observed in the materials they referenced. This form of preliminary analysis provided opportunities to question study participants on some initial ideas and concepts. Some of these initial concepts held up throughout the process and some were discarded as unimportant personal conjectures or over-generalizations. In particular, the memos aided in connecting the transcripts with the observations made from the study participants' references to website pages, social media usage, advertising, university logos, and similar sources of data that tended to be combinations of text and images. More than impressions, these were concrete examples of what marketers do, their work products.

The review of data and the accompanying memos were consistent with the first two stages of analysis, the preliminary stages, described by Thomas (2006) in the previous section.

Coding

The transcripts were coded after completing the interviews. An example of the coding would be taking a sentence from the transcript, such as "the brand of the university can be built tremendously at a school level" and placing it in a category of statements about branding. Coding was done in three stages. The first stage identified sentences of the text that could be categorized by the subject the study participant was describing or discussing. The categories were *in vivo*, meaning that they reflected the participants' areas of interest and concern rather than the researcher's preconceived categories. However, given the topic, the categories reflected marketing and education related topics, which probably would not have been that different from predetermined categories. During the coding process, sections of text were either, copied from the transcripts and pasted into a category, or, if necessary, a new category was made to accommodate a new topic.

This first round of coding produced 25 categories: advertising, alumni, blended education, branding, challenges, competition, history and mission, industry comparisons, instruction, international (markets), investment risk, opportunities, partnerships, personal experiences, product development, product life cycle, program type, quality, social media, student characteristics, student experiences, target markets, technology, value propositions, and websites.

The next step involved the review of the contents of each category to determine if there were redundancies, natural combinations of subjects, or other ways the categories could be regrouped. Some of the codes contained only one or two statements and easily fit into other categories. As an example, there was a single reference to alumni in all of the interviews, and the comment was made in reference to the importance of word-of-mouth as a means for generating inquiries from potential students. Thus, the alumni category was deleted and the reference to alumni was placed in the category of advertising. The advertising category was broadened to include all promotional activities and relabeled as *Promotional Communications*. The category *Social Media* was placed as a subcategory of the Promotional Communications. Similarly, there were only two references in all the transcripts to comparisons with industry. In both those incidents, a reference was made to the online retailer Amazon as having exemplary marketing techniques, particularly related to that company's website. Thus the category *Industry Comparisons* was collapsed and the references to Amazon put in the category of *Websites*.

Not all of the consolidation of categories were as straightforward. There were overlap of incidents, some interpretation of the text was necessary, and new categories were developed to accommodate the results of the analysis. As an example, there were references to the quality assurance processes implemented during course development. In some cases, these references referred to quality in reference to the university's mission and reputation, which in turn influenced perceptions of the university's brand. Other references to quality related more to an empathy with prospective students and the desire to provide students with the best quality of education. Similarly, references to student's

use of websites indicated an empathy for prospective students that marketers tried to reflect in website content and design. These references were put in a subcategory of *Markets*.

After the continued coding and consolidation of codes, the following categories were identified – *Brand, Mission, Markets, Promotional Communication, Relationships, Website, Capacity,* and *Metrics*. A diagram of these categories was created to illustrate the relationships between the marketing activities and university functions that were identified as important by the study participants. This diagram, shown below, was used as the basis for discussions to check the validity of the categories and the coding.

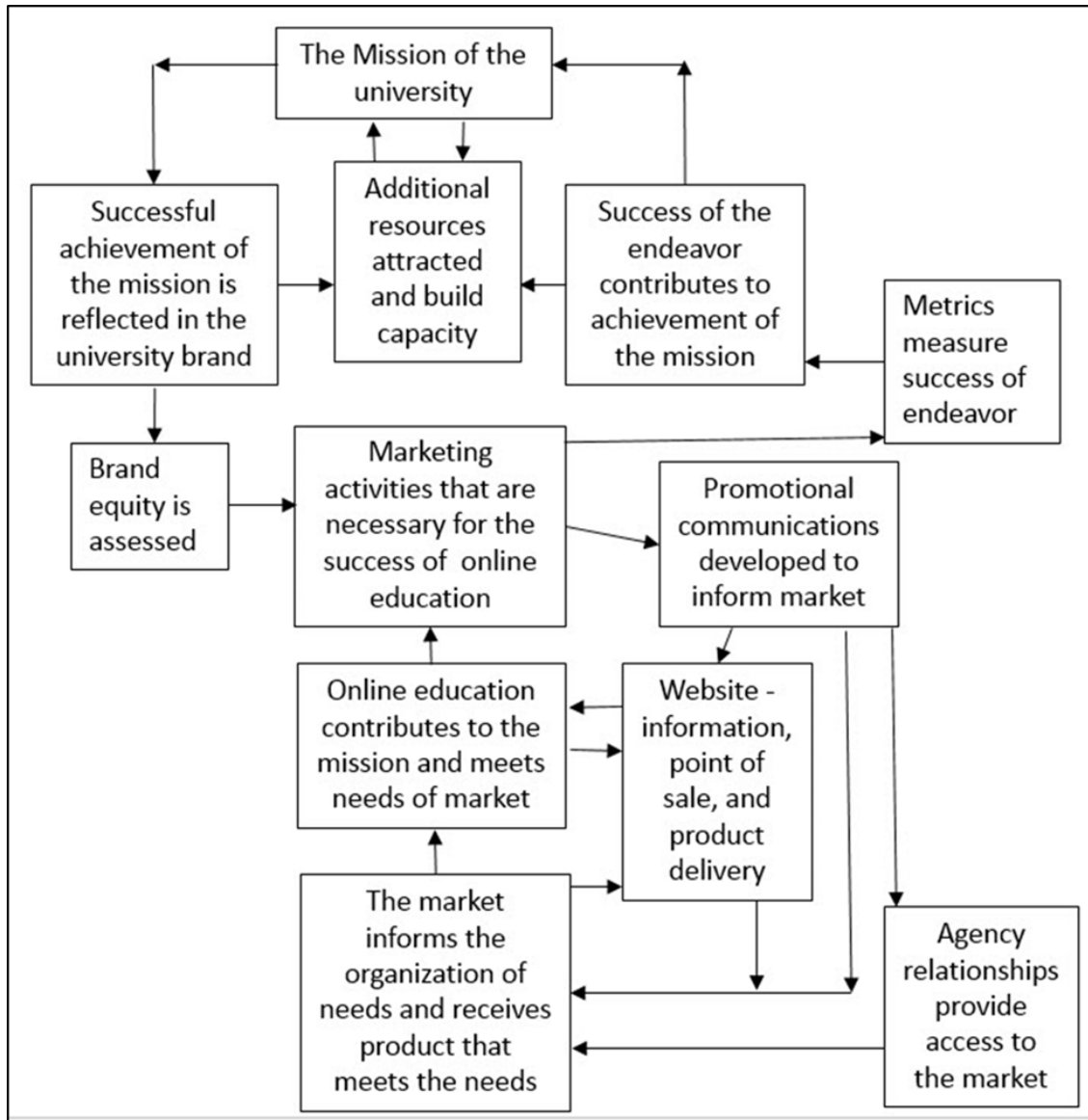Figure 4: A diagram for marketing activities related to online education situated in relation to functions of a nonprofit, publically funded university. Copyright Ron Strand 2015.

The diagram illustrates the relationships between the various marketing activities

within the context of a publically funded, nonprofit university. Illustrating the context

was important because unlike a business corporation, which engages in marketing

products or services to make a profit, a public university engages in marketing as an activity that contributes to fulfilling its mission. Also unlike a corporation, which receives resources in exchange for its products that are sufficient to sustain and grow its capacity, a nonprofit organization does not receive resources that are sufficient for this purpose. This is the case with public universities marketing online education. The purchase price, the fees paid by students, does not adequately cover the cost of operations. If the organization is to sustain itself and increase its capacity, marketing must take into account the addition of resources from sources other than the customer.

Therefore, the marketing of online education within this context must be coordinated with other marketing, and any other communications, done by other endeavors within the institution. This concept is drawn from Kaplan (1983) who proposed that the actions of marketing must be balanced with other related functions in an organization. As noted by Aaker (1996), the brand equity of the institution reflects the successful accomplishment of its mission and the continual building of institutional capacity. As such, marketers recognize that brand equity and strength are essential foundations for marketing, which determine the necessity and extent of promotional communications. Building capacity continues through multiple types of relationships beyond the customer-supplier dyad that is central to commercial marketing, as noted by Gummesson (1994).

If described as a process, the starting point would be when marketers of online education within nonprofit universities make an assessment of the brand equity in any marketplace. They then determine the promotional methods appropriate to reach that marketplace. The website is the hub of information and the basis for most promotions is

to lead a prospect to the website for information. Websites also are the point of sale for the products. Websites are monitored and updated continually based on student needs. This diagram was used to solicit feedback as a way to validate and possibly refine the research. The process of validation and the sebsequent changes to the code categories are described in the next section.

Validation

Validation of the coding, the categories, and the relationships illustrated by the diagram was done through discussion with several people. These people were all located in the same city as the researcher, making face to face meetings possible. All of them were known to the researcher and selected because they were employed in senior capacities in post-secondary institutions and included a dean, department heads with responsibilities that include marketing online education, and in senior institutional advancement functions. The people selected for these follow-up discussions were independent from the universities in the study, but worked in similar capacities at different universities from the study participants. The diagram shown above in Figure 4 was used as the basis for the discussions. One of the reviewers checked an interview transcript, after all references to the university were removed to protect the participant's privacy, and compared her perceptions of the study participant's comments with the categories in the diagram. The diagram was also presented to an online research seminar, and feedback solicited from the participants. Another discussion took place that focused on the methods more than the resulting categories and relationships. In summary, the following validated the research:

- Four conversations with people that centered on the coding, resulting categories, and their relationships as described in the diagram.

- One reviewer checked transcripts and the resulting coding categories.

- An additional discussion took place at more of a conceptual level related to the methods and the results.

- The findings of the research up to that point were presented at a research seminar with verbal feedback from three seminar participants and written feedback from another two seminar participants.

- Follow-up emails were exchanged with some of the reviewers as the concepts were modified based on their comments.

The feedback on the categories in the diagram and the initial findings were mixed. There was agreement that the diagram illustrated some of the important elements of marketing online education. There was not agreement on the relative importance of each of these elements and of the causal relationships. Suggestions were made to demote some of the elements and elevate others in importance relative to the marketing process.

In particular, the relationship of mission and brand in the diagram was not seen as that important. However, the relationship between student satisfaction and brand was thought to be more important. The importance of brand strength overall was agreed on but the components of brand strength were seen as more variable, particularly influenced by the prominence of a university in its own community. Student characteristics and understanding student needs were also noted as components of marketing that were not reflected in the diagram. The direct influence of government was seen as a factor in marketing whereas the more vague reference to capacity was not seen as a factor, other

than the influence of the size of an institution on its brand strength. This is explained further in the findings in Chapter 5.

The feedback on the diagram led to a re-examination of the data and the categories that resulted from the coding process. This re-examination found that the study participants had stated all of the elements noted by the feedback and the importance of these statements were elevated as either reworking of categories or creating new categories. Considering this feedback, the reworked categories better expressed the importance of the content provided by the study participants. These are explained in the Chapter 4, the results of the research that answers the first research question. Further analysis, informed by extant theory, is presented in Chapter 5, answering the second research question about why marketers are engaging in the types of marketing they choose.

Summary

The eleven members of the Canadian Virtual University were used as a sample of Canadian universities engaged in marketing online education. This provided a sample that was independent of possible research bias. A report by the CVU identified four additional universities as leaders in online education. These universities were added to the sample. One university that operates in the French language only was deleted from the sample. The result was a sample of 14 universities.

Interviews were conducted with ten people representing nine of the universities in the sample. Representatives of the other five universities in the sample refused to be interviewed for various reasons. The interviews were conducted by telephone, the interviews were recorded, and transcripts were made of the recordings. As each

university is somewhat different, as is each representative of the university, a standard questionnaire was not used. Rather, the study participants were asked open questions and encouraged to offer their own insights and opinions. Other data were collected from all of the universities in the sample including website pages, social media accounts, reports published on the university websites, and advertisements placed by the universities in various online media.

The interview transcripts were coded and the codes categorized. Initially, the categories were *in vivo*, meaning they were chosen based on common statements made by the participants. The statements in these categories were recoded and reorganized into fewer more general categories. The categories that resulted from the second round of coding were incorporated into a diagram as a way to illustrate relationships between the various categories of marketing activities and university functions.

The diagram of the marketing activities and related university functions was used during discussions as a way to test the trustworthiness of the analysis and the conclusions being made by the researcher. Discussion took place with four people, all of whom work for universities and colleges (different from the universities in the study) in related functions, for their evaluation and feedback. In additional, the findings to that point were presented to the participants in a research seminar for their evaluation and feedback. As a further test of trustworthiness, a senior advancement person at an independent university reviewed one of the transcripts to determine if the code categories matched the coding done by the primary researcher.

Based on the feedback from these discussions and presentations, there was agreement on the identification of the basic categories of marketing activities and

university functions as representing marketing done by universities. However, there was

not agreement on their relative importance or the influence one activity or function had

on the other. Specifically, the mission and capacity of the university that were categories

in the diagram were not seen as important as the university brand and reputation. Based

on this feedback, the codes were revisited and reorganized, resulting in the categories

that are discussed in Chapter 4. Further analysis showed differences in marketing

activities done by the universities in different circumstances. These differences,

including a discussion of the implications of these differences, are explained in Chapter

5.

CHAPTER 4: FINDINGS – MARKETING ACTIVITIES

The analysis of the interviews and the analysis, as explained in the previous chapter, provide an answer to the first research question, what types of activities are Canadian universities using for marketing online education? These are divided into two parts: 1) the perspectives of the study participants; and 2) examples of the types of activities they referred to in the interviews as found on university websites and other forms of communication.

The process of consolidation of categories and the creation of some new more inclusive categories after the feedback during the validation discussions resulted in seven categories:

- Managing and Leveraging the University Brand

- Reflecting Product Quality

- Understanding Online Students and Prospective Students

- Exploring and Expanding Markets

- Attracting Inquiries

- Maintaining Useful Websites

- Facing Challenges

These categories summarize the perspectives of the study participants and form the outline for the first part of this chapter.

Managing and Leveraging the University Brand

Marketers discussed brand management one of their main responsibilities. As one study participant stated, brand management and creating awareness about the university are the primary responsibilities of marketing:

Although we do have an enrollment services department that

also contributes to enrollment management, our primary

responsibility though is to really manage the brand of the division

and drive inquiries. (S8, personal communication, July 2014)

The brand of a university, its name, its identity, its reputation, and the awareness

of the name and/or brand were seen as at the core of marketing activities. It is one of a

university's main strengths when marketing online education, as stated by one study

participant:

…in relation to the university brand, we certainly

look at that as one of our greatest assets as we begin

to try to attract, well, not begin, as we continue to

to attract distance learners. So we would want to carefully

orchestrate all of our marketing activities with the

university in this case." (SP4, personal communication, June 2014)

All of the interviewees discussed at some point in the conversation the

importance of their university's reputation, quality of its programs, awareness of the

university's name, and its image in the community. The term *brand* was often used in

reference to one or many of the characteristics associated with public awareness and

perception. The brand is important to marketing because the reputation of the university

for providing a quality education provides an assurance to prospective students who will

be associated with that brand throughout their lives whenever they seek employment or

in other situations where their education is recognized.

Everything a university does potentially influences its reputation. One interviewee used the term *cascading* as an image to reflect how the quality of one part of the university influences its reputation in other areas. There was recognition that a good reputation for quality in other areas will affect the university's reputation for the quality of its online programs.

Marketers recognize a correlation between the level of awareness about a university and its location. Many of the interviewees noted that their university's reputation is strongest in close proximity to their location and that strength dissipates as the distance from the university increases. This is seen as a disadvantage for marketing online programs outside of their region, but an advantage when it comes to competing with other universities entering their space:

> But largely where institutions are known in Canada and
>
> I think to a large extent in the U.S. tends to be where they're
>
> geographically located. And then you get into the whole
>
> exercise as ideas about expansion do come up about exactly
>
> where you're going to go and how you're going to establish
>
> your brand in places and markets where it traditionally hasn't
>
> been established. (S4, personal communication, June 2014)
>
> We've tried to reach out to the market more effectively. We've
>
> learned that internationally our University was not a brand, so
>
> we had to properly brand it. Domestically, the farther the east
>
> in Canada that you moved, the least known the university was.
>
> (S6, personal communication, July 2014)

The importance of maintaining the integrity of the university brand through all departments and programs of a university was stated a number of times. Some of the participants have brand management responsibility and others discussed the importance of compliance with university brand management directives. Some participants have been involved in rebranding to align their departments with the overall name and visual identity of the university:

> One of the first observations I noticed about the marketing was
>
> we focused on continuing education and didn't really leverage
>
> that University brand (S1, personal communication, June 2014)
>
> Marketing-wise, Ron, you probably have already noticed, is that three,
>
> two-and-a-half years ago, we rebranded the university. We have a new
>
> logo. We have a new motto. We've tried to reach out to the market more
>
> effectively. (S6, personal communication, July 2014)

A strong brand is a combination of a high level of awareness and recognition, coupled with positive brand attributes. A strong brand is seen as a hedge or protection against competition, particularly competition from the private sector. :

> The for-profits that are out there in education. Being much more nimble
>
> and able to move quickly towards their market style. They lack the
>
> brand, but they're able to move very quickly. Our challenges is to
>
> really be able to become more nimble and fully utilize our brand.
>
> (S1, personal communication, June 2014)
>
> Plus, making that a point - the credibility and the quality factor
>
> - making that some of our prime message for raising awareness

at the university has helped us well. (SP 7, personal communication, June 2014)

Brand attributes are often associated with specific strategies of the university, associated with the mission statement, strategic plans, or other formal communications, formal meaning they are approved by consensus after a consultation process. Marketers then strive to include attributes of the university's mission into the brand.

,,,technology and innovation and entrepreneurship, those types

of things are definitely some of the words that our University

wants to - pretty much - to own those words within the mind

set of our marketing. (SP3, personal communication, July 2014)

…to do online learning purposely and meaningfully to support

the University's overall strategic directions, which are to expand

and increase access to provide greater flexibility for our students.

SP10, personal communication, September 2014).

At the end of the day, the trump card we have is our approach to open,

our flexibility, because we will recognize learning, legitimate learning,

articulated learning, much more than anyone else. (SP9, personal

communication, August 2014)

Online learning definitely embodies much of that and we've been

doing it for quite a while and we've got a very good reputation

within the industry at least, for providing quality online learning.

(SP4, personal communication, July 2014)

Technology-enabled learning is one of the - the term I'm using right now -

is one of the pillars (of the strategic plan), and one of the main aspects of

the reputation of the university. (SP3, personal communication, July

2014)

Although brand integrity and consistency is important, the branding of specific

campaigns or programs is used as a strategy. In marketing terms, this form of branding is

known as *flanker brands* (Khan, 2012), in other words, brands for specific products used

in conjunction with company brands. Branding specific advertising campaigns, website

landing pages, or other media may be done related to objectives with a particular market.

As one participant stated:

…in how we are planning our campaigns each year, we do have to

be aware of any trends and changes within those analytic communities

and change things up fairly regularly. So those types of trends we

definitely have to stay on top of as far as sort of the brand of a

campaign or the look and feel of a campaign. (SP7, personal

communication,

July 2014)

The centers that are doing it are so closely entwined with the university

brand. We don't create our own materials. We are bound by what our

marketing and communications team - how they would like the university

to be represented.

(SP5, personal communication, July 2014)

…a lot more rules and details put into what can and cannot do with regard

to the brand and how the messaging needs to be composed, and those

types of elements which really help to keep everything on brand. That is

each piece being very individual. (SP3, personal communication, July

2014)

Also important to universities is the association between their brand and the

credential students receive when they complete a program. It is important that students

have a credential from the universities for their online program that is recognized as

being equal to other programs.

All the assessment will be proctored once the student decides

they want to get a credit, and if they complete successfully

the assessments as well as the components of the open course,

they'll receive a credit from the University. Not a University X credit,

not an online learning credit, a University credit. (S10, Personal

Communication, September 2014)

It's that quality and reputation that we do depend on for any of our

programs.

If, you know - whether it's a kids' camp or professional development

program, a degree program - we are established, we do have a

good reputation, and in any marketing we certainly leverage that.

(SP1, personal communication, June 2014)

Well, you identify exactly the issue that as we go out, what students,

they don't so much want to think of themselves as taking a program

or courses from extended education. They are interested in the brand of

the University. (SP4, personal communication, July 2014)

The name of a university, the name that goes on graduates' resumes throughout their lives, is the product of a university. Whether it is obtained online or in person, the credential that graduates receive is as good as the reputation of the university where it was obtained. Managing a brand that reflects the quality of the credential is a foundation for marketing online education. Whether the brand is represented by a new stylized logo or the traditional university shield, it is the quality represented that is important. This is seen as a constant in an era of dramatic change in higher education:

I think that the whole landscape of education is going to change quite

dramatically over the next decade, and my hope is that we continue

to provide quality education and good support services to our students

to help them transition to this different style of learning, and not –

we're able to stay in the game because the competition

is getting so intense. (S8, personal communication, July 2014)

The reputation of the university that is reflected in the university brand is seen as fundamental to all marketing efforts. It is particularly important as graduates carry the reputation of the university with them throughout their lives. The relative strength of the brand is strongest in the university's geographic location and dissipates with distance. Generally, universities use their name as their brand and do not develop *flanker brands* for online education programs. The brand is associated with quality education and marketers are sensitive to the steps universities take to ensure quality education is associated with their brand.

Reflecting Product Quality

If the main product of a university is the credential a graduate receives, as discussed in the previous section, then online education becomes a means to obtain the product, rather than being the product. Technology enables online education, rather than being the driving force to implement online education. Quality of instruction, course design, and delivery must be maintained in online education in order to best serve the needs of students. Study participants reiterated these themes throughout the interviews. Online education involves the integration of sound pedagogy, technical innovation, and quality standards. This is summarized by two study participants as:

> Now, the reasons we still have those models are two-fold. Pedagogically, I would argue that for the most part our web-based, purposely-designed online courses provide richer and more engaging learning - or the potential for more engaging learning opportunities for our students - because they're purposely designed for online delivery. It's not a compromise between a face-to-face lecture and an online course. I would argue, in those cases, pedagogy drives far more any sort of technology or the approach that's taken, and it's a very collaborative effort.
> (SP10, personal communication, September 2014)
> I see the technology as a catalyst. We have numerous examples of how technology has facilitated demand for flexible learning. It has certainly driven online learning provision…it's about

technology assistance as opposed to the technology being the

solution to this. It is not. It is the gateway or the platform that

will enable this to happen.

(SP2, personal communication, July 2014)

Participants also made the point that students see technology as a means to an

end. As these participants stated:

I think that it's (online education) just another option for people.

I don't think they-- I think they're kind of looking for 'I need to

gain these skills and maybe there's an online option to learn that,

maybe there's a face-to-face.', so it's kind of a preference but we

definitely see there is more demand … so we will continue to

grow and expand our online learning options.

(SP1, personal communication, June 2014)

I think students see-- they don't see the technology as an end,

they see it as a means. In other words, how can the technology

assist my learning? The device itself is not going to enable

them to succeed, or create a richer learning experience, but

certainly it assists in them achieving that objective.

(SP2, personal communication, July 2014)

To a certain extent, implementing technology for teaching and learning and

offering online education is simply keeping up with changes in society generally and

how people communicate with one another. As students become increasingly used to

using technology in their everyday lives, online education becomes less unique and more

ubiquitous. There is an increasing expectation that online communications will be a part of all teaching and learning. These participants summarized this trend:

> There's no doubt about that - they expect to be able to learn and do whatever they want to do, whenever they want to do it, on whatever device and kind of switch between devices, as well. Even communication methods have changed for some of them. It's not all email anymore - there's text, there's social media. There's all kinds of other ways that people expect to be receiving information about. Is there an easy way to guarantee that you reach everyone?
>
> (SP3, personal communication, July 2014)
>
> I tend to see younger generations to be way more open and willing to learn using technology. I think this has to do with a significant generational leap that we're experiencing. I have teenagers at home, my kids, and they are so familiar with technology that it comes natural to them. I don't think that they really see a big difference between face-to-face and electronic interaction. I think for them, they're just different channels.
>
> (SP6, personal communication, July 2014)

Quality is seen as being multifaceted, related to the content and delivery of courses, student support services, and the integrity of instruction. When asked about the measures their universities were taking to ensure quality, the study participants described

thorough processes of quality control, perhaps more thorough than the processes in place to ensure quality in-person education. Quality assurance is collaborative and research based. These examples of how study participants described the process are typical:

> We have a pretty robust development process. It's peer-
> reviewed, which is actually-- not very many universities do that
> as well. We work in a team environment - so we have an
> instructional designer, we have an online technician, we have
> typists as needed, or to help us with the online setup. Everybody
> knows what they're doing. By having that, we have the
> consistency, and ensure that the best practices are followed.
> (SP5, personal communication, July 2014)
> We have nine or ten online learning consultants who work
> directly with the faculty member, the person developing the
> course, helping them understand what works - best practices,
> usability, accessibility - all those types of elements. We've got a
> sizable course development area. We've got a sizable digital
> media people, and also a good chunk of people working on
> quality assurance.
> (SP3, personal communication, July 2014).

Quality is monitored and the metrics inform research into the best ways of doing both online education and in-person education. Recognizing the types of education that work best in both environments allows universities to improve pedagogy and instruction in the classroom and online. One study participant described the research process as:

On the teaching and learning dynamics side we've done research

across - success with students that study purely online versus

students in a classroom, and control for certain phenomena, and

looked at phenomena that actually in some instances, success in

one set of phenomena is greater in an online environment, and

success in another set of phenomena or variables are greater in a

face-to-face. Trying to strengthen them in either pocket, or

transferring them and trying to create a sweet spot.

(SP2, personal communication, July 2014)

Another aspect of quality assurance is related to accreditation and ensuring that

all online education meets with accreditation standards. Online education must meet the

standards of professional accreditation organizations. This was discussed as another way

to ensure online education is of equal quality to other forms of education:

When it comes to a program like that, that falls within a

regulatory body, we have a checklist of three pages of things

that we want to look at for due diligence and making sure that

there's consistent, transparent academic quality that's

comparable to training found in the public post-secondary

system, then yes. Once we go through that evaluation and the

academic panel and so on and so forth, then we will ladder that

into one of our degrees so it comes in as par.

(SP5, personal communication, July 2014)

> Depending on the department, the credit transfer processes can
>
> be quite simple. In social work, for example, they're aware of
>
> what these online courses are and, essentially, if the student can
>
> demonstrate that they've successfully completed with it, they
>
> automatically give them the credit - the equivalent credit.
>
> (SP10, personal communication, September 2014)

Assurance of quality to students is the main focus, but also expressed was the need to maintain a consistent message to other audiences, including the general public, that online education can be high quality education. Some of the study participants discussed the perception of the general public that online education is of lesser quality than in-person education. They perceive part of their job to be countering this perception:

> There is the credibility part that we grapple with, and that's
>
> sort of that public perception, that online or - we used to do this
>
> quite a bit - correspondence schools. It's not quite so prevalent
>
> anymore, but the whole idea of a distance learning institution
>
> has generally a lower credibility value on that - that scale post-
>
> secondary education quality. And it's battling that perception…
>
> (SP7, personal communication, July 2014)

Hand in hand with the concern for quality in online education, the study participants demonstrated a great deal of empathy for students and prospective students and their needs. This area of discussion emerged as another theme in the interviews.

Understanding Online Students and Prospective Students

Generally, the marketers who participated in the study did not speak about prospective students as customers. Terms that might be typical in other marketing contexts were not found in the transcripts. Searches of the transcripts confirmed that the words *sell, persuade, persuasion*, and *convince* were not used by any of the participants. There were no references to conversions, closing, or capture. Instead of these types of marketing terms, the language showed a high degree of empathy for anyone considering a university education, using language related to helping and assistance. As one marketing director stated:

> So, coming back to school sometimes can be daunting. So,
>
> those services certainly- we kind of bridge that – many learners
>
> would come with a lot of anxiety asking, 'How do I make this
>
> happen?' and 'How do I fit this into my business schedule?' So
>
> we have people on staff and all those resources just to kind of
>
> ease them into it.
>
> (Study participant SP1, personal communication, June 2014)

This statement also speaks to an understanding of the reasons many students are enrolling in online education. Another study participant summarized the reason for choosing online education as:

> The other point of demand, I think, stems from the need for a lot
>
> of adults to get back and re-skill in some way, and retool some
>
> of the knowledge base that they have - acquiring new skills,
>
> wanting a promotion at work, venturing on to their own

enterprises, businesses. That's powering a lot of the online and

distance delivery as well.

(SP2, personal Communication, June 2014)

On a related topic, another participant showed some enthusiasm for the ability of online communication to engage prospective students in conversation, rather than using a sales pitch. The content of advertising, website pages, and other material should be meaningful more than promotional.

I think the investment in digital content is huge - really

understanding that it's a two-way conversation now and not, I

call it pitch slapping people. So you're not going out with actual

ads, but you're going out with relevant content that will connect

to them on a level that sometimes your education message is

secondary. Being present online with relevant content

everywhere and anywhere that would make sense to us.

(S8, personal communication, July 2014)

Providing the flexibility of online education with a high degree of quality to students was a common theme. Promoting online education was expressed as a secondary concern when compared to the importance of maintaining quality:

So to do online learning purposely and meaningfully to

support the University's overall strategic directions, which

are to expand and increase access to provide greater flexibility

for our students and provide greater learning opportunities for

students, while at the same time drawing enrollment in certain

areas. (S10, personal communication, September 2014)

…continually is impressed upon me is that while the details may

be unique, everyone has a shared concern around how they're

going to remain relevant to their students and what does it

mean… (S9, personal communication, July 2014)

Some caution was expressed when considering some potential markets because there was a perceived need to acquire a better understanding of the prospective students. This need for understanding may be due to differences between the prospective market and the traditional markets. As an example, the differences may be cultural, demographic, or geographic:

they might actually have to have some cultural awareness

training to give them that sensitivity that they're needing,

exactly, to be able to take that step back, instead of just plowing

forward. And go – Oh, let's sit back and see how does this

actually work for whatever student population we're trying to

give our education to. (S5, personal communication, July 2014)

High school students in the past haven't been our target audience

just because of those very reasons, where taking an online

course, sometimes there's High a perception that it's going to be

easier, when in fact, in some ways it is quite challenging,

because you have to be quite disciplined. You have to be very

mindful of your own time, and making sure that you're staying

on top. So there's a lot of self-responsibility associated that

sometimes 16, 17, 18 year olds don't necessarily have.

(S7, personal communication, July 2014)

Formal, institutional support services for online students are an important part of the work of every university. Universities strive to provide similar support services to online students as those available to students studying on campus. Support services include library access, counselling, financial, and academic assistance. In one case, marketing online education to international students is being considered only if the university can resolve support services that can be available at all hours of the day.

Empathy for students, expressed in how marketing is done, the services offered, and the quality of education is seen as a competitive advantage. As one participant stated:

I think that the whole landscape of education is going to change

quite dramatically over the next decade, and my I hope is that

we continue to provide quality education and good support

services to our students to help them transition to this different

style of learning …we're able to stay in the game because the

competition is getting so intense. (S4, personal communication,

July 2014)

The understanding of students and their needs extends to prospective students in specific markets. This topic is discussed in the next section.

Exploring and Expanding Markets for Online Education

The primary market for online education for most universities seems to be the students who might otherwise be in the market for in-person courses or those students who are already on campus and are attracted to online courses because they are a solution to scheduling problems. This was described as a *captive market*, or in similar terms:

> I think it's more that universities are really trying to figure out
>
> who the clientele are for their distance education programs. That
>
> seems to be the real big thing right now. Yes, they can use online
>
> for their on-campus courses. Not an issue there, because they
>
> have a captive audience. But how do they attract, and who do
>
> they want to attract outside of that captive audience? (SP5,
>
> personal communication, July 2014)

In addition to the *captive market,* another natural market for online education has been working adults. This market is broken into distinct segments based mainly on the type of industry that prospective students work in, matching these segments to the applicable programs.

> They are putting together programs for the working professional.
>
> They're planning learning experiences where there's a greater
>
> emphasis on the application of knowledge, rather than the theory.
>
> (SP6, personal communication, July 2014)
>
> As we're targeting that unique-- that non-traditional learner.
>
> Now, as far as professional development, you know a lot of the

people that take those courses, they already have a lot of post-

secondary education. They might have a degree and they are

just coming to sort of enhance some of their skills.

(SP1, personal communication, June 2014)

One of the strategies for reaching the market of working adults is to negotiate partnerships with industry associations, corporations, and governments. These partnerships allow the universities access to the individuals within those organizations. Access may mean membership lists, advertising on organization websites, articles in organization newsletters, and word of mouth within the organization. Study participants identified these partnerships as a key part of their marketing activities:

But that's something that as we're working through marketing

campaigns, we're always mindful of and it is the second piece

to the puzzle. We're making sure that we're identifying all the

audiences that we can and partnerships is one of those audiences

that we're really gonging to be focusing more on as a priority

in the next few years, just being able to create partnerships with

larger organizations and government agencies. (SP7, personal

communication, July 2014)

Another type of partnership pursued by university marketers is agreements with two-year colleges. Students graduating from a two-year diploma program may apply the credits from their college program to a four-year degree. Online education is often a viable option for these students and represents a major market for online education. One study participant described this process as:

Primarily we go out to a lot of associations and colleges, where

we will ladder prior learning or credit that they've gained

through certificate diploma into bachelor degree programs.

Because of the nature of being an open institution, we have the

ability to do that. So we'll establish these articulation

agreements that will say, X number of credits can be gained

if you are a member of this association and have this diploma or

certificate.

(SP8, personal communication, July 2014)

Universities that are primarily classroom-based are using online education to develop relationships with high school students by offering courses that help prepare them for university. Many of the study participants expressed the belief that high school students represent a market for online education. Two examples come from universities targeting online courses at the high school level:

We've got a few initiatives that will be bringing high school

math, information and course-ware to math teachers, as well as

high school students who want to improve their skills prior to

coming into the university, which really is a marketing effort, as

well. They're familiar with the material and quality they can get

at the University before they even apply to a school. That

definitely helps the reputation there and the brand.

(SP3, personal communication, July 2014)

I saw the marketing optic around this. That is, the brand of the

university can be built tremendously at a school level. The

school supplies the very fabric of what the university works

with over three to four years, and that is the student. Having an

investment in that student in terms of quality, in terms of

understanding, in terms of bridging the gap between school and

university. (SP2, personal communication, July 2014)

Most of the marketers participating in the study agreed that international markets

represent an area of growth for online programs offered by Canadian universities.

Universities have approached international markets with an emphasis on establishing

partnerships and building on existing relationships.

We should not only think about Canada or the US. I think we

should think about the whole world. There are many, many,

many millions of potential students around the world that would

change the face of post-secondary education if they became

more attracted to, more confident with the different forms of

distance learning. (SP6, personal communication, July 2014)

The analytics coming out of that (international advertising),

especially this last year, were quite favorable. They had

increased from the year before, so the attention is definitely

growing. It's something that we have to resource more

seriously. So it's a work in progress. But the understanding that

this needs to increase and it needs more attention, so that it can

grow is in the works. It's just something that we have to chip a

way out. But it's a little bit frustrating from our end especially

when we know that the attention is already there, they're kind of

waiting for us to find them. So being able to resource that better

is a priority for the next few years. (SP7, personal

communication, July 2014)

…so students that are distributed around the world. With the

majority of them in Canada, but we certainly have students in

Australia, Asia, and we do have a few students in Africa. Most

of them are in North America. Those students appear, at least at

some point, have had some sort of previous connection to our

university. (SP10, personal communication, September 2014)

Attracting Inquiries

Another of the main responsibilities identified by university marketers

participating in the study is to attract inquiries from prospective students. As described

in the previous section, many universities have what they describe as a *captive* audience.

Universities with a large physical and geographic presence in an area with large numbers

of students and prospective students, are able to accomplish attracting sufficient numbers

of online students with very little advertising or promotion. One study participant

working at this type of university described the situation as:

We've - like I said - done very little marketing in almost three

years I've been here. The piece that works extremely well for us

is our website. We get a lot of traffic on our website in this one

for part-time studies. There's one for online learning.

Professional development - that is a different story again with
that – so that means our marketing works extremely well, but
they're mostly professionals who are working. We send out a
monthly newsletter, we get a nice spike in traffic and a nice
spike in registrations whenever we send it out. (SP3, personal
communication, July 2014)

In the situation described above, where universities have a large physical presence in a
community, it is likely most members of the community are aware of their brand.
Minimal advertising is necessary, often specific to communicating basic information
such as registration deadlines or the start of new programs.

Another scenario for marketing is created when universities identify a particular
target market and develop a program specific to the needs of people in that market.
Usually these are vertical markets, meaning they are defined by common characteristics
such as profession, rather than being defined by geographical location. Examples of this
type of situation include the Master degree program in leadership of nonprofit
organizations created by Carleton University, and the degree in police forensic science
developed by Laurentian University. There are times when the program is developed
with an industry partner specific to the needs of the industry. An example of this type of
program is the online management training developed for Salvation Army officers by
Simon Fraser University and offered through Booth College. Promotion of these
programs is done mainly through professional association communication vehicles, such
as electronic newsletters and association websites. Word of mouth promotion becomes
important within these targeted or partnership situations:

There the goal really is to be able to capture a larger group at

one time and raise awareness in that scenario. That also includes

partnership, so we've got several partnerships with different

organizations and companies. So word of mouth through those

internal organizations and relationships really spreads the words

much, much faster. (SP7, personal communication, July 2014)

Targeted marketing and word of mouth within the target markets are also

important for universities with a broader range of online programs. There are *spin-off*

effects from targeted advertising that may reach other types of students.

So maybe it's the MBA and accounting. As people become more

familiar with the university, then you create more awareness of

other programs that they didn't know about. And then there's

that spillover where we'll attract other employees that maybe

weren't interested in the MBA or accounting, but they might be

interested in finishing their Bachelor of Arts or getting a history

degree. Things like that where there's sort of the happy

circumstances and spin-off from those relationships. So it's not

always just about that priority target audience, but making sure

that that awareness level is there with all the groups. (SP7,

personal communication, July 2014)

Overall, promotion of online education includes paid advertising in a variety of

media, word-of-mouth, trade show attendance, face-to-face information sessions,

advertising on partner websites, search engine optimization, and social media, all of

which tend to drive prospective students to the institution's website for more information. The choices marketers make is determined by their assessment of the market and the forms of communication media best suited to reach the market. Generally, the need for advertising and promotion is increased when universities have multiple online programs and multiple markets for those programs, spread over large geographic areas. While striving for the efficiencies of targeted marketing, marketers create and implement a wider variety of communications.

Within this diverse range of communications used by marketers, is a shift from traditional advertising such as ads on buses or in newspapers, to digital and online forms of advertising. One marketer indicated this shift would continue over the next few years:

> I see us going in the direction of 100% digital marketing. I
> divide my budget, and then seven years ago it was 80% offline -
> publications, and magazines, and transit ads, outdoor, at home,
> radio. It's shrinking every year, that portion of it, and the digital
> side of our marketing spend is increasing and increasing and
> increasing. So I see a real shift for us in moving from traditional
> advertising and marketing to a much more … comprehensive
> digital strategy. So utilizing the channels to the maximum –
> whether if they're owned media like our Facebook pages and our
> Twitter pages and our website, to the paid advertising that we do
> online, to content creation - that's where I see us moving. (SP8,
> personal communication, July 2014.)

In spite of the diversity of advertising use, marketers indicated they often receive complaints from program directors and faculty about the lack of visibility of the university. One marketer expressed some frustration with this tendency by stating:

> Even just with staff, they'll say, "I never see our ad." It usually
>
> is because that particular person isn't our target audience. So
>
> that's actually good news that they're not seeing it because that
>
> means we are not wasting marketing dollars on somebody that
>
> we know isn't in that prime target audience. So that's really key
>
> in identifying who and where our target audiences are for any
>
> specific program. (SP7, personal communication, July 2014)

Advertising tends to be the most visible and ubiquitous form of marketing, so much so that lay people often think of marketing as being synonymous with advertising. "Everybody wants ads" was a sentiment expressed by one of the interviewees (SP1, personal communication, June 2014), referring to pressures put on marketers by department heads to produce advertising for their programs.

This frustration was not an indication of any animosity with faculty of department heads. On the contrary, marketers indicated they work closely with faculty and program staff to ensure the messaging in the advertising accurately reflects the program:

> …we have to work very closely with the faculty and with the
>
> program administrators to make sure that all the messaging is on
>
> target and correct. And then we would do our own market
>
> research to define and really focus in and identify exactly who

and where those audiences are going to be…. (SP7, personal

communication, July 2014)

The market research mentioned in the quote above is an indication of the

diligence marketers put into tailoring messages to communication media and to the

markets they reach. These forms of analytics has become increasingly important for

online marketing, as stated by the quote below:

We have a lot of data on our students, and we've done a lot of

work over the years on identifying the different audiences. Our

audiences tend to be adult learners. The average age of our

students is 28. We're more female-skewed. We've done a lot--

based on our own data, we know where our students are coming

from, the demographic information about them - and that's

really helped us shape the messaging and the segmentation. So

we know where to actually advertise geographically, the tone of

the messages. All of that has sort of-- the information that we've

gained, has helped us shape out our marketing strategy. (SP8,

personal communication, July 2014)

The use of website analytics, meaning the study of the how people find a website,

how they navigate the website, and how much time they spend on each section or page of

the website, is an important part of how marketers understand their markets.

Understanding analytics is necessary, not only to determine the best approaches to

advertising, but also to manage *search engine optimization* or SEO (see glossary).

SEO is an important part of marketing online products because the majority of potential customers will search online using a search engine when they are considering a major purchase. Search results can be influenced by specific actions such as links to a website, the words used in the website content, the use of social media in conjunction with a website, and the frequency with which a website is updated. Some of the universities that are fully online and significantly online have full time SEO personnel who continually monitor analytics and make adjustments as required to ensure high ranking on searches made using various key words. The ongoing challenge of search engine optimization is supplemented by paying search engines to display results in the form of online ads. Another factor that boosts search engine rankings is links to the university websites from other websites. This is described in the next section.

> I have a specialist here who really is incredible in the area of
>
> search engine optimization and search engine marketing. So I
>
> have a dedicated person, actually. We used to outsource this,
>
> and we had another company manage our paid search
>
> campaigns. We brought it in-house, hired a person, and he's on
>
> top of it every day. It's a full time job.
>
> (SP7, personal communication, July 2014)

Even though Internet search behavior has become vital to understanding markets, there are challenges identified with balancing the analytical nature of Internet marketing with the ability to communicate real human experiences in online education. One marketer identified this as perhaps, in his opinion, the main challenge of marketing online education.

> The problem is that the learning experience that students go
>
> through is very difficult to describe in a newspaper, or in a
>
> magazine, or in a radio ad, or even in a traditional ad.
>
> (S6, personal communication, July 2014)

Part of the solution for communicating the student experience that was identified by marketers is the use of social media. Marketers indicated that social media, the use of websites like Twitter, Facebook, and Youtube, provides increased opportunity to engage with students and potential students.

> And then we're starting to do a lot more social media content
>
> marketing, so writing about it on the blog, making sure that all
>
> of our Twitter followers are aware of it, and then it can get
>
> spread out through all those networks, as well.
>
> (SP7, personal communication, July 2014)
>
> Social media is very powerful. It allows you to be present. It
>
> allows people to think about you. (SP6, personal
>
> communication, July 2014)

In addition to advertising and the use of social media, other ways universities promote online education is through participation in consortia of universities offering online education. Almost every province has a consortium of institutions within the province that advertise their courses on a common website. This is seen by marketers as a passive, but important way to promote online education, as stated by one study participant:

One of the greatest advantages of online education is just pure

accessibility. So we do have our urban population, but we also

have great many dispersed communities through the province.

So I think, what the government is emphasizing is access, just

awareness of what is available to students in our province, but

also portability between institutions. So they're really trying to

firm up educational pathways and linkages between institutions

and then student awareness of what those pathways are. So

students can see all possibilities before them. (SP4, personal

communication, June 2014)

The reference to government in the quote above is an indication that the

provincial consortia are often initiatives of government and funded by government for

the purpose of establishing credit transfer among institutions which may decrease

duplication of some courses and optimize the benefits of online education. However, the

opinion of some marketers was that awareness of the consortia is low, and governments

could be doing more to promote consortia and online education.

However, the Ontario Government - and I understand this - has

not publicly announced anything about the Ontario online

initiative in any sort of specific sense. In other words, if you're

an Ontario student, there's very little that you could actually find

out about these Ontario online courses other than visiting each

of the 13 institutions individually, going to their online

department website, and then seeing some information there. In

other words, there is no portal yet. There is no central body yet

that is a champion of Ontario online learning opportunities.

That's a little bit of a problem, because if the purpose of these

courses is to broaden access and provide flexibility to Ontario

University students, it would make a lot of sense to broadly

advertise these courses before the start of term. However, that's

not happened. (S10, personal communication, September 2014)

Others described consortia as a low investment, low strategic value initiative. Others

disagree, citing the example of the Canadian Virtual University, which has a low

investment requirement but offers benefits to institutions desiring to increase their

exposure nationally. As an example one study participant stated, "It's probably the only

consortium of that type. It definitely - being involved - it expands our reach and our

awareness of our programs." (SP1, personal communication, June 2014)

The main purpose of all advertising is to attract prospective students to make an

inquiry about a course or program. According to marketers, the first step in this process

is almost always a visit to the institution's website. Therefore, websites are an important

part of the marketing process and are described in the next section.

Maintaining Useful Websites

The following statement summarizes the importance of the university website to

the process of marketing online education:

What we've done is try to offer as much information as possible

through our website. Our website is our main means of

communication, supported by people who are very familiar with

the details of each one our programs, who are on the other side

of the phone. (SP6, personal communication, July 2014)

The websites contain the information a prospective student requires to make a

decision or the contact information of people who can provide more information if

required. Websites are also the point of sale, providing online enrollment. Typically, a

section of the university's website is created for each specific program. There are also

typically sections of the website dedicated to information required by prospective

students interested in enrollment.

Marketers initially determine the content of these sections after consultation with

program directors and faculty. The content is modified on an ongoing basis based on

analysis of website visitors' behaviour. Sections of the website visited frequently may be

expanded whereas sections of the website that are not visited may be deleted. As one

marketer explained:

…most prospective students do not click on testimonials or

stories or articles that come from students or alumni. They are

much more interested in fees, deadlines, course selection, course

and program selection. So, actual real information. (SP7,

personal communication, July 2014)

Also included in the *real information* is contact information, such as telephone

numbers and email addresses, for visitors who wish an explanation or to obtain more

information than is provided on the website. The website is the focal point for the

marketing activities of online education.

The problem is that for most universities, the website is also the focal point for disseminating information about a wide variety of aspects of the activities at a university. Each area, from news about research and sporting events to information about cafeteria specials and social gatherings, vie for space and prominence on the website. The result is described by one marketer as the websites becoming *junked up:*

> … for our type of students, I think a lot of clean visuals, clean website, easy content, more video is great. I don't think education institutions actually do this well. I think most websites are junked up - even our own, I have to say. It's not ideal. There's too much information on it. I think that we're in an information overload in our lives right now, and it's only going to get worse. There are some sites, the retail sites that I like that are very, very simple, very clean, and provide video tutorials or instruction on the product. (SP8, personal communication, July 2014)

The comparison to the retail sites was made with specific reference to the online retailer Amazon. The references to Amazon were the only comparison marketers made between university marketing of online education and a for-profit business.

> ...it's a matter of recognizing, at core, we offer a very different product than Amazon, but certainly, looking at the way they manage their marketplace and what tactics they use, I think we can learn from them…. (SP3, personal communication, June 2014).

> …but one thing that I love is the idea of the Amazon effect,
>
> where if you liked this, you would also like that. So now, if we
>
> could get every one of our single course takers to take just one
>
> more course – wow [be consistent with use of quote marks]
>
> (SP8, personal communication, July 2014).

Another challenge identified with managing university websites is that as all universities face similar problems with their websites, and deal with those issues in similar ways, all university websites start to look the same:

> If you look at 10 different university campaigns side by side, it's
>
> difficult to differentiate which one is which. They tend to blend
>
> together and look quite similar, doing same kind of thing.
>
> (SP7, personal communication, July 2014)

This challenge of maintaining distinctiveness while at the same time meeting the needs for similar types of information sought by prospective students, is being met by marketers in some ways that will be discussed further in the final chapter of this dissertation. Other challenges faced by marketers are presented in the next section.

Facing Challenges

Marketers identified several challenges being faced by them and their universities that they deal with on an ongoing basis when marketing online education. These challenges include capacity and funding issues, interaction with other university departments, the growing interest in Massive Open Online Courses (MOOCs) in the education marketplace, and the general perception that online education is substandard compared to traditional classroom-based education.

The issue of capacity is related to the university's ability to provide the resources necessary to meet the demand for specific online courses and programs. This is often related to government funding. It is a frustration to marketers because they can only be successful to a point if the university cannot meet the demand. One marketer expressed the situation as:

> However on the online learning side of things, since we don't control capacity, we don't control enrollments and we don't even necessarily see measure anything other than just awareness and views. That is another challenge. Even if we did a sizable campaign for, say, your graduate programs - I can't increase capacity… (SP3, personal communication, 2014)

The challenge of capacity is ever changing as programs are created and eliminated, while funding is increased in some areas and decreased in other areas. This situation is related to what one marketer described as the *zero-sum game* universities play, meaning that resources tend to be relatively finite and increasing the allotment of resources to one area usually means taking away resources from another area. Generally, these challenges are accepted as a fact of life at a university.

MOOCs, or *mini-MOOC* types of courses, were identified as a possible solution to *course bottlenecks*, a specific capacity issue. However, MOOCs were also identified as a potential competitive challenge as they grow in popularity and number.

> Now we know that the MOOCs are out there, and they could actually become relative competitors as soon as they get finally fully established. They're not fully established yet. There are

several questions that are still pending to be answered about

MOOCs, but as soon as those answers are provided, I think that

they would become a very, very important player in the

education market. (SP6, personal communication, July 2014)

Marketers expressed a *wait and see* attitude about MOOCs, keeping close watch on their

developments but not integrating them, or a reaction to them, into their marketing plans

at this point.

In spite of the increased popularity of MOOCs indicating an increased acceptance

of online education, marketers expressed opinions about dealing with the general lack of

acceptance of online education as an equal alternative to a traditional classroom based

education. As one marketer expressed this situation from the perspective of a faculty

member:

The faculty members from traditional universities-- and by

traditional universities, I don't mean it in a bad sense. I simply

use this expression to describe those universities that have been

teaching face-to-face, for many, many decades, if not centuries.

The faculty members that belong to those organizations, those

institutions, tend to be extremely skeptical of distance learning.

There is a very entrenched idea that the only way for effective

learning-- it can only come from face-to-face, in-person

interaction. (SP6, personal communication, July 2014)

The views of online education as a second-best type of education are still firmly

entrenched in the minds of the general public is expressed by another marketer:

>…there is the credibility part that we grapple with, and that's
>sort of that public perception, that online or - we used to do this
>quite a bit - correspondence schools. It's not quite so prevalent
>anymore, but the whole idea of a distance learning institution
>has generally a lower credibility value on that; that scale post-
>secondary education quality. And it's battling that perception…
>(SP7, personal communication, July 2014).

These negative perceptions seem to be improving as the use of technology by almost everyone in society is increasing. The increased use of technology also presents other challenges, in terms of keeping up with student demands for the use of newer technologies.

>Technology is always changing, too. What we're doing today
>will be outdated in - depending what it is - six months to a year.
>You always need to try and stay - not exactly on the leading
>edge - but you want to stay somewhere close of it. Falling
>behind with the expectations of our students.
>The students coming in are so technology strong, that they're
>often doing things themselves that we aren't able to do for
>various limitations within the university, the systems or
>technology areas as well. They have devices too,
>so people want to do everything, everywhere. Can we keep up
>with all the devices? Hard to say.
>(SP3, personal communication, July 2014)

These challenges indicate the very dynamic and fluid environment in which marketers work and in which online education is evolving. These challenges will be discussed further, but prior to that part of the paper, some examples of the types of marketing activities discussed above are provided in the next section.

Examples of Marketing Activities

As discussed in the previous section, the university website is the focal point for all communications, the source of information, the point of purchase, and the method for delivering the product. Advertising of various types and search engine optimization attract interested visitors to the website. The visual identity, representing the university's brand, of the university is usually a prominent feature of all communications including advertising and websites. Examples of the visual identity, advertising, and websites of the universities featured in the study are the subject of the sections that follow.

Visual identity

As discussed earlier in this chapter, the term *brand* may refer to the name, reputation, and attributes of the university or it may refer to the *visual identity* of the institution (see glossary). In Canada, many universities use the traditional heraldry shield for their logo, registered with the federal government (Governor General of Canada, 2014). Some universities have updated traditional shields with stylized versions, while others have an official seal registered with the office of heraldry but use another logo as their public image. Simon Fraser University is an example of the latter (Simon Fraser University, Convocation, Traditions, and Symbols, 2015) Athabasca University, have redesigned their shield and registered it with the Heraldry Office. (Athabasca University, 2014).

According to the marketers in the study, logos of universities reflect a balance between the need to be recognized as universities, in other words, similar to their peers, while at the same time demonstrating distinctive qualities that distinguish them from other universities. This distinctiveness may be geographic, as depicted by the rock in the Memorial University logo, the sail in the University of New Brunswick logo, and the pine tree in the Laurentian University logo. These features may also demonstrate historical elements of the university associated with their location. Royal Roads illustrates a transformation from the castle on its campus to the digital world it has entered. Athabasca shows an open shield as a symbol of an open university.

Taglines are often used with logos to describe *brand attributes* (see glossary), which work together to form the visual identity. The table below contains a summary of slogans and taglines displayed on the respective universities' websites.

Athabasca University	Canada's Open University Focused on the future of learning. Everywhere.	
Carleton University	Canada's Capital University	
Concordia eConcordia	Learn with Me	
Laurentian	No slogan	
Memorial University – DELTS – Distance Education, Learning and Teaching Support	Access. Engagement. Learning.	
Mount Royal University	Face to Face Your education, your choice	

Royal Roads University	Life. Changing	
Ryerson University	Transform ideas into plans	
Simon Fraser University	Engaging the world	
Thompson Rivers University	Unlock the possibilities. Do it your way!	
University of Manitoba	Find your focus – trailblazers do Find your voice – explorers do Design your world – rebels do	
University of New Brunswick	EST. 1785	
University of Waterloo	Most innovative university in Canada Entrepreneurial from the start Investment that pays off	

Table 1. University logos and slogans, from university websites. Retrieved from university website homepages (See Appendix A). Copyright (from top) Athabasca, Carleton, Concordia, Laurentian, Memorial, Mount Royal, Royal Roads, Ryerson, Simon Fraser, Thompson Rivers, Manitoba, New Brunswick, and Waterloo universities.

The significance of some of the distinctions used in the logo, particularly the geographic markers, and the historical references, compared to the more stylized and modern renditions, will be discussed in chapter 6 of this dissertation. The next section reviews some examples of advertising used by marketers of online education.

Advertising and promotion

Visitors find the website and the specific sections of interest in several ways. These include advertisements on other websites, advertisements in a variety of media, links on other websites, Internet searches using search engines, email campaigns, links in posts on social media accounts, and in news media. In addition to advertising, the visits to the website may be initiated by word-of-mouth conversations, encounters with university recruiters, and other forms of personal communication. As discussed in previous sections, universities engage with a wide variety of partners who provide access to different market segments. Advertising is done through these networks, allowing marketers to use specific messages for different audiences, directing members of the market segment to applicable sections of the website.

The variety of different advertising methods is extensive. The examples in this section are indicative of only a few techniques used by marketers. These are online ads with a brief message containing one of the benefits of online education, also called a *value proposition* (see glossary). Another type of ad uses a more provocative approach, expressing an alternate view of education. Two examples of ads, in print and online, targeting members of specific professions are also provided.

In three of the examples, the flexibility to obtain a degree or other credential, which may help advance a career, while continuing with work or other responsibilities, is the primary value proposition for online education. According to marketers, flexibility remains the main value proposition for promotion of online courses to all target markets.

As an example, the illustration below is from a series of ads produced by Thompson Rivers University.

Figure 5. Advertisement used by Thompson Rivers University.
http://www.tru.ca/distance/about/communications/yourway/pass-it-on.html Copyright
Thompson Rivers University, 2014.

The point made in the ad is that not only can a student continue with their present job, they can continue their education during their lunch breaks. A similar approach to advertising is shown below, targeting a specific program to a specific industry or professional group. This type of advertising tends to be lower cost with a higher result than advertising in media that has a broader base of viewers or readers.

Figure 6. Laurentian University advertisement for the Online MBA program featured in the Certified General Accountants Magazine. http://docs.cgamagazine-digital.ca/doc/cga-magazine/cga-magazine-march-april-2013/2013030501/2.html#2 Copyright Laurentian University, 2013.

Another example of targeted advertising is from the relationship between

Athabasca University and the Canadian Football League Players Association. This

example illustrates how an ad and its placement target a specific profession, while not

promoting a specific degree or program. The ad panels shown in Figure 7 appeared on

the CFL players association website. Figure 8 shows the page the Athabasca University

website designed to receive visitors directed there from the CFL website.

Figure 7. Screen captures of Athabasca University ad panels displayed on the CFL Players Association website, www.cflpa.com November 5, 2014. Copyright Athabasca University.

Figure 8. Screen capture of CFL Players Association website home page displaying Athabasca University advertisements www.cflpa.com on November 5, 2014. Copyright Athabasca University.

The ad and corresponding website page illustrate the targeted advertising

universities are able to do after establishing relationships with organizations that

represent specific segments of the market for online education. This particular campaign was extended through the use of a Facebook page and other similar media. Most universities are taking advantage of these types of opportunities when they are available. Another related strategy is to use links on partner websites, including colleges and consortia. Links on partner websites aids in search engine optimization, a marketing activity explained in more detail later in this section.

Sometimes marketers choose advertising with a more provocative message than the value proposition of flexible education. The next example is part of a campaign done by Athabasca University to promote connections with alternate views on education.
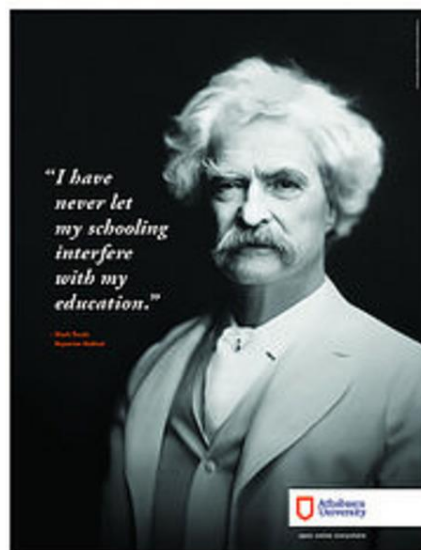
Figure 9. Athabasca University advertisement featuring Mark Twain. From https://landing.athabascau.ca/photos/image/899847/twain-poster Copyright Athabasca University, 2014.

This advertisement, along with similar advertisements featuring Madam Currie and Gandhi, was used in a variety of media including transit station billboards and on Facebook. The purpose of the ad appears to be eye-catching and provocative, providing alternate perspectives on education, which may prompt a viewer to explore how these

perspectives are associated with the university. Marketers monitor the response to these types of ads, as they do with all types of ads, to determine the effectiveness in different media and with different target markets. This is a more straightforward process with online advertising, which can direct a viewer immediately to a page of the university's website by clicking the cursor of their computer on to the ad. This and other website strategies are discussed in the next section.

Website content and design

As stated in the introduction to this chapter, university websites promote online education, are the point of sale for online education, and are the delivery mechanism. The interviews confirmed that marketers monitor visits to websites and base decisions about website content on that visitor data. Continual monitoring of website traffic, analysis of traffic and navigation patterns, and the time spent on specific pages of the website are done in order to make modifications and refine the website content. Traffic analysis refers to identifying the location of the visitor, the page on which they enter the site, keywords they may have used in search engines to find the site, the pattern of moving from page to page on the site, and time spent on each page.

Visitors to a website find it in a number of ways, the main ways being entering the universal resource locator (URL; e.g. www.athabascau.ca) into an Internet browser, clicking on a link to the website located on another website or in an online ad, or by entering a word or phrase into an Internet search engine, such as Google. Typically, websites are designed to direct users to different parts of the website depending on the method they use to find it, and in the case of search engines, the words or phrases the user enters into the search engine. Entering a URL into a browser will typically take the

user to the main part of a website known as the *home page* (see glossary). The use of a search engine, or the click on a link on an ad or other website, will typically take the user to a specific part of the website known as a *landing page* (see glossary). Examples of home pages and landing pages are shown in the following parts of this section.

University websites provide the information needs of a variety of stakeholders from alumni and prospective donors, to researchers and politicians. Typically, the design of a home page of a university website is similar to an illustrated table of contents, with items of interest to a variety of stakeholders and corresponding links to more information about specific topics. The illustration below is of segments of the home pages of sample universities.

Figure 10. Examples of sections of university website homepages found by entering the university's URL into a web browser. (See Appendix A for website URLs). Copyright 2014. Athabasca, Carleton, Concordia, Laurentian, Memorial, Mount Royal, Royal Roads, Ryerson, Simon Fraser, Thompson Rivers, Manitoba, New Brunswick, and Waterloo universities.

The purpose of the diagram is to illustrate comments made by marketers during the interviews. One is that the university home pages contain a wide variety of information and links to information that can appear cluttered. Competition for space on university website homepages by different departments can be intense, requiring compromises on the part of marketers and others. These examples also illustrate the comment about university websites looking the same. Most have very similar looks, with the faces of notable people, buildings, and activities featured prominently. The distinctive aspects of a particular program can be lost on the home page. Marketers have the challenge of bypassing the home page to direct website users to specific parts of the website.

A typical tactic for attracting specific market segments or *niche markets* to online education programs is the use of *landing pages and/or mini-sites* (see glossary). The name *landing pages* (see glossary) is derived from the practice of a visitor finding, or landing on, the page as the result of a click on a link in search results or another website. As an example, a person searching for a specific online program, such as a nonprofit management program, may use a search engine such as Google and type in the words *online degree nonprofit management*. The result of the search is shown in the figure below.
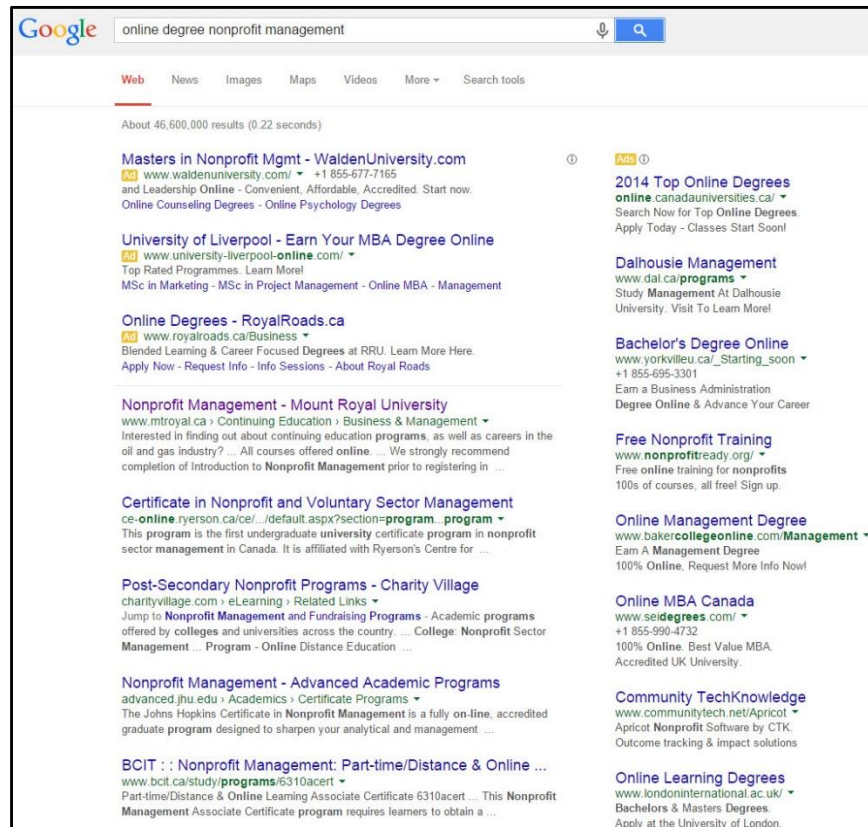
Figure 11. Screen capture of Google search engine results from the term "online degree nonprofit management taken on October 30, 2014. Copyright Google Inc. 2014.

As Figure 10 illustrates, search results are displayed as two categories. One category is identified as advertising by a yellow icon. These are displayed because payment is made to Google by the respective institutions. The links with no icon are not advertising, typically known as organic search results. Organic search results appear as a function of the confidential algorithms search engines use to rank various websites. In this particular example, Mount Royal University's Nonprofit Management program ranks first among the organic search results. Clicking on this link will take the user to the program landing page on the Mount Royal University website, shown in Figure 11.

Figure 12. Screen capture of the Nonprofit Management Extension Certificate program landing page found by clicking on a link in Google search engine shown in Figure 7. Screen capture taken from www.mtroyal.com on October 30, 2014. Copyright Mount Royal University.

The screen capture shows a landing page with links to various other pages on the website that contain information the prospective student may need when considering this program. The screen capture above shows only part of the page. The user may scroll down to other information such as course content, fees, availability of courses, or may click on the menu items under the main heading to receive additional information such as faculty biographies and student testimonials. Additional contact information such as telephone numbers are also available for the prospective student who wishes to speak with someone directly about the program. This type of page is found, typically, for each online program offered by a university. Usually accompanying the landing page is a

page with general information, often in question and answer form. As indicated in the sections above, this information is refined based on use.

Summary Chapter 4

This chapter presents the findings in answer to the research question "What types of activities are universities using for marketing online education?" University marketers identified their main responsibilities as attracting inquiries from prospective students and managing the brand of the university. The strength of the university brand was seen as one of the main assets of the university. Brand strength is related to perceptions of the quality of online education. For many universities, brand awareness and strength seems dissipate with geographic distance from the university. The need for advertising increases as the physical distance from the university increases.

University marketers showed a high degree of empathy for students, especially adult students who are returning to university by taking an online course. The empathy with students leads to concerns for high levels of customer service, to ensure prospective students have their questions answered and are directed to the right areas within the university. Part of the concern for student needs is reflected in the approaches to website design and content. The websites are designed to make information about online education pertinent and accessible. This is done by monitoring website usage and deleting sections of the website that are not used while adding to parts of the website that are used frequently.

Marketers attract visitors to their websites by a variety of forms of advertising. Some marketers indicated they were able to attract sufficient numbers to their programs

with minimal advertising while others indicated they were using multiple forms of advertising. Some marketers indicated a shift from traditional advertising to increasing use of digital or online advertising media. In addition to advertising, marketers also make presentations at conferences, attend community colleges career fairs, and use social media.

Some of the challenges that come with marketing online education identified by marketers include overcoming the perception that online education is an inferior second choice compared to classroom-based education, the challenge of the capacity of the university to meet the growing demand for online education, and the potential competition from MOOCs.

The study participants did not identify any dominant models, theories, or paradigms that guided marketing practice. Rather, they referred to a mix of activities that they believe suited their situations based on their understanding of their markets. There were many similarities in the ways marketers approached their jobs and the actions that resulted from their approach. However, there were some notable differences. The extent to which advertising seemed necessary varied. Some marketers described attracting adequate numbers of students, meeting capacity, with very little promotion. Others described very targeted promotion to very specific market niches. Others discussed a wide variety of advertising and promotional activities. Accounting for these differences led to a line of inquiry that is described in the next chapter.

CHAPTER 5 - REASONS FOR MARKETING ACTIVITIES

As presented in the previous chapter, the responses to questions posed by the researcher provide much of the information or data required for the researcher to understand the actions of people working in a particular field. In addition to this source of data, the questions posed to the researcher also provided insights into the field. Two questions in particular, asked by a department head, stood out. One question posed was whether or not there is any evidence that marketing makes any difference to online enrollments. The other question was if the marketing that is done to boost online enrollments is different from any other type of marketing. The response to these questions led to directing some of the analysis at comparisons of the universities marketing activities, which in turn led to explanations of marketers actions based on the context of their of university.

The initial and somewhat trite response to the first question, if there is any evidence that marketing makes a difference, is that it is impossible not to do marketing. If an institution has a sign in front of its building or has a website discovered from time to time by search engines, it is doing marketing. The question really has to do with advertising and promotion effectiveness. Marketers answer this question with analyses of each specific ad placement or ad campaign. Based on this analysis, marketers choose advertising methods they believe will provide the optimum return on their investment. Given that similar advertising techniques are used in similar media, and these techniques are analyzed in similar ways, one would expect that universities' advertising and promotional campaigns would be similar. However, following this line of thought led to

a realization that marketers were doing very different things related to advertising and promotion.

Some further analysis led to the realization that the differences were more in the extent to which universities were advertising, the variety of media used, and the diversity of their target markets. Exploring the second question about the difference between marketing online education and other forms of marketing, if a difference exists, led to the conclusion that for some universities there is little difference between marketing online education and marketing other programs. As an example, these universities may advertise continuing education, adding a footnote that some programs are offered online, or leaving it to the prospective student to discover that some programs are online when they visit the website. Some but not all universities tend to have very little difference between marketing online programs and their overall marketing activity. This difference requires some further explanation.

Returning to the basic job description one marketer provided as attracting inquiries and managing the brand provides a starting point for further investigation about the motivations behind the activities marketers do in order to market online education for a university. Some of the reasons involve the parameters within which they work, including their interpretation of the mission of the university, the capacity of the university to accept new students into the various programs, and the resources they are provided to do their jobs. Given these parameters, marketers will try to attract students in efficient and effective ways in order to maximize the resources they have to work with, while maintaining the strength of the university brand.

Marketers approach their jobs in the same way, yet they do different things depending on their assessment of the situation. Some marketers reported having very little involvement in advertising and promotion mainly because these activities are not required to keep their online programs at capacity. One study participant stated quite succinctly, "We've done very little marketing in the three years I've been here" (SP3, personal communication, July 2014). Some study participants discussed using a few targeted promotional activities to attract students, while other discussed using a wide array of advertising and promotions. As an example, in the quotations below, a study participant reports managing an array of advertising and promotion activities, while the other study participants reports relying mainly on alumni referrals to generate inquiries through the university's website:

> So utilizing the channels to the maximum - whether if they're owned media like our Facebook pages and our Twitter pages and our website, to the paid advertising that we do online, to content creation - that's where I see us moving to. I'm very excited about it actually.
> (SP8, personal communication, July 2014)
> What we have learned is that between 85 to 88% of our students actually choose our university and its model because of word of mouth. Our most powerful - in my opinion - tool, is and probably will continue to be word of mouth. That is, they just hear about our programs and our model. They come to our

website. They gather information. … It's not the most

effective marketing tactic, but it's a very powerful one.

(SP6, personal communication, July 2014)

Understanding these differences seems to be key to understanding why university

marketers are using the marketing methods they choose.

Based on the feedback from the study participants, some universities have the

ability to attract students to their online programs with very little in the way of

advertising and promotion activities. This ability is analogous to a gravitational pull or

force. A concept around the analogy to the law of gravity has been in use in retail

marketing for a number of years. Reilly (1931) called *the law of retail gravitation*,

which Converse (1949) and Huff (1964) expanded and refined to determine store and

shopping mall locations. The resulting model, known as the Huff Model, is used when

determining the size of trading areas and the location of retail stores (Suárez-Vega,

Gutiérrez-Acuña, & Rodríguez-Díaz, 2014). Extending the concept, the analogy of

gravity has been applied to retail brand strength (Cristian & Raluca, 2012; Findlay &

Lowe, 1996). This concept of *brand gravity* seems to be applicable to some universities

(see glossary).

From a marketing perspective, these universities are like regional shopping

malls. Study participants did not use the term *gravity*, but alluded to the concept when

discussing how the strength of the brand of their university dissipates with distance from

the university, or by mentioning the numbers of students they are able to attract based

solely on brand recognition, as stated by:

So the University has very strong brand in the Province and it does have strong brand beyond the Province. But largely where institutions are known in Canada and I think to a large extent in the U.S. tends to be where they're geographically located. And then you get into the whole exercise as ideas about expansion do come up about exactly where you're going to go and how you're going to establish your brand in places and markets where it traditionally hasn't been established and of course, that is something that requires a great deal of thought because it's very expensive to do. … it also came to mind that not only the brands known in their own province, but each province in Canada in our history of course has the major provincial university. And collectively, those have a lot of roots in the country, a lot of credibility and so on.

(SP4, personal communication, June 2014)

It's very interesting how they're (private education) offering it through so many different types of organizations throughout America - the library system in the next county over offers them free to any of their cardholders. We pretty much say that we've got people who will come and pay to take it for the value of the University certificate.

(SP3, personal communication, July 2014)

It appears that universities, which have a relatively large base of students taking classes in classrooms, primarily serving the city and region in which they are located, attract students to online programs in the same way that they attract students to classroom-based programs. These universities tend to be large institutions that have been in their communities for decades, or in some cases centuries. Large numbers of employees and students, frequent appearance of the name of the university in the local news media, the use of the university as a venue for a wide variety of events and activities, all provide a high level of name and brand recognition in the community. There may be associations that continue this awareness, such as affiliation with a teaching hospital, sports teams that have the same colors as local professional teams, or reference in the brand to local landmarks. All of these associations with the brand create high levels of brand awareness, and with it brand loyalty. Brand gravity is a metaphor that describes universities in this situation. This phenomenon is illustrated in Figure 13.
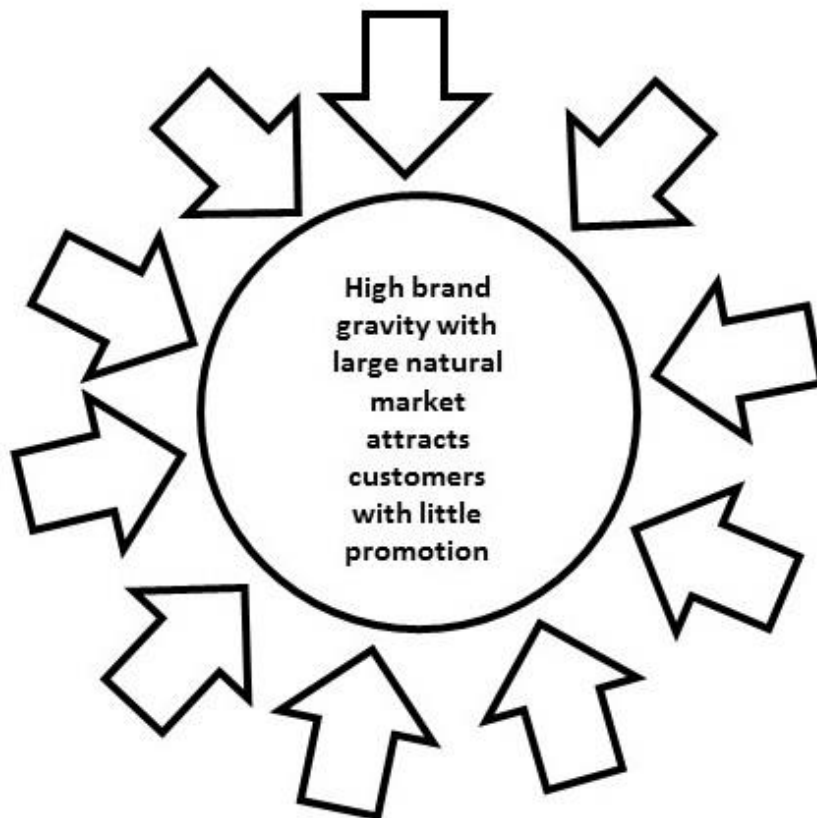
Figure 13. University with high brand gravity attracting students from region it has served historically with both classroom-based and distance education courses. Very little promotion is required to attract students. The market tends to be regional. Copyright Ron Strand 2015.

Marketers working in a situation where they assess the brand strength of the university as having a high degree of brand gravity tend to focus advertising and promotional efforts on providing basic information to the regional marketplace. As an example, one study participant referred to people still reading the daily newspaper in their area. There is not a great deal of difference between the promotional efforts made to recruit students to online programs or to classroom-based programs, or to advertise sporting events or other activities on campus. Awareness of the university is high, so

marketers can assume that the viewer of an ad already has some familiarity with the institution. Advertising provides pertinent information, such as start of term, types of courses offered, and similar information.

Examples of universities marketing from a position of high brand gravity are the major provincial universities and the comprehensive universities located in regions with relatively large populations. In the sample of universities used for this study, the University of Manitoba, Waterloo University, Memorial University, Mount Royal University, Ryerson University, and Concordia University seem to be examples of universities with high brand gravity. Ryerson, as an example, receives about 90% of its students from the Greater Toronto Area (Ryerson University, Enrollment Statistics, 2015), the University of Waterloo receives about 85% of its students from its region (University of Waterloo, Enrollment Statistics, 2015), and the University of Manitoba has similar statistics (University of Manitoba, Enrollment Statistics, 2015).

Also among the universities in this study are those that have high brand gravity within their city and region, but have also identified niche markets for online education and have developed programs for those niche markets. Along with these developments are marketing activities directed at these target markets. Advertising and promotion uses the same media used by the prospects, such as professional association publications, on partner websites, and with conference attendance.

In some cases, such as with Simon Fraser University as an example, most of the online students are students also enrolled in classroom-based programs. These students choose online education mainly for convenience of scheduling and the ability to review course material. Internal communications advertise online courses to these students.

This situation indicates high brand gravity, as in the diagram in Figure 13. However,

Simon Fraser is also targeting niche markets with online programs, such as to Salvation

Army Officers described in the previous chapter. Universities of this type have high

brand gravity in their regional markets and are developing niche markets for online

programs, as illustrated in Figure 14.
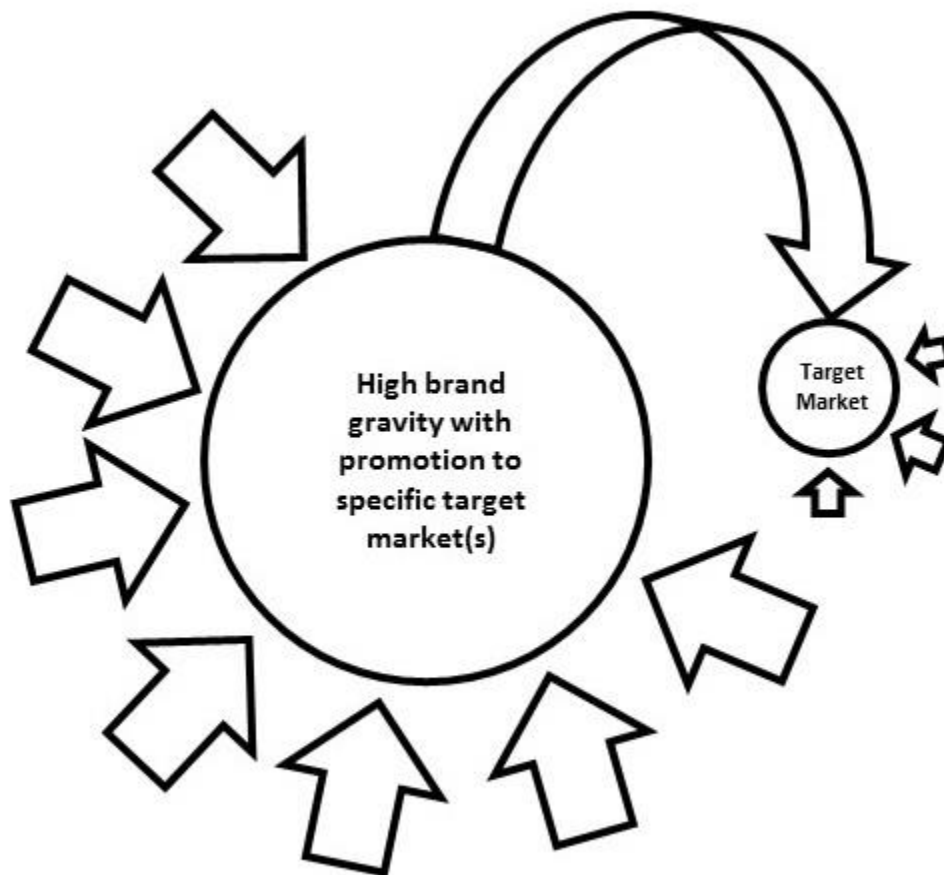
Figure 14. Diagram of the situation where a university is well established in a regional market as in Figure 12 but has developed niche markets for online education and promotes those programs to a very specific market(s). Copyright Ron Strand 2015.

The diagram illustrates the brand gravity of the university attracting the majority

of its students from within the field of gravitational pull, but with exception to this

phenomenon illustrated by the curved arrow. This arrow represents advertising and promotional activities directed at a target market. In doing so, the university strives to build brand strength within that target market. Other examples are Laurentian University and its online forensic science program, University of New Brunswick and its online health and safety program, and Carleton University with its online graduate program in philanthropic organization leadership.

As with any illustrations, which are over-simplifications of reality, some universities are not going to fit within one type exactly, as they may be in transition at any point in time. As an example Concordia University, which is an example of the university marketing from a position of high brand gravity, appears to be developing expansion of its online programs with the establishment and branding of eConcorida. However, the diagrams are not intended to explain every possible situation and transitions, but do help to answer the research question of why marketers make some of their choices and why universities are engaged in different types of marketing activities.

The third type of university marketing online education are those universities which are almost fully online, such as Athabasca University, and those that are significantly online and located in small markets, like Thompson Rivers University and Royal Roads University. These universities have lower brand gravity, attracting relatively few students from their geographic areas. As an example, Athabasca University attracted about 15% of its students from within Alberta, its home province (Athabasca University, Annual Report, 2014), whereas Mount Royal University, a university of similar size in the same province, attracts about 80% of its students from

within Calgary (Mount Royal University, Fast Facts, 2015). Universities of with smaller regional markets, and therefore lower brand gravity, have greater marketing challenges.

Athabasca University in particular has the challenge of having most of their courses and programs online. The exceptions are some cohort-based graduate programs that require periodic meetings of students and faculty. The university is located in a small community in north-central Alberta, with satellite facilities in Edmonton and Calgary. This type of university requires more extensive and ongoing advertising and promotions to attract students from diverse markets. A diagram of a university engaged in this type of marketing is in Figure 15.
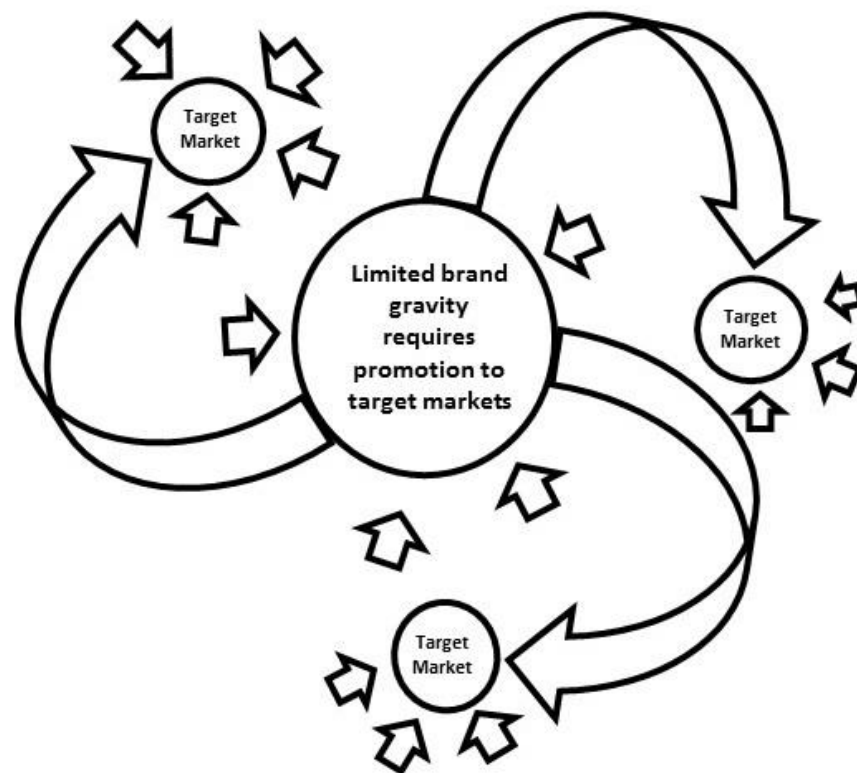
Figure 15. An illustration of universities with little or no local market, resulting in low brand gravity. These universities are more specialized in marketing online education. They also advertise more extensively to a variety of target markets over vast geographic areas. Copyright Ron Strand 2015.

The diagram in Figure 15 shows the curved arrows representing advertising and promotion activities directed at numerous target markets. The universities strive to establish their brand within each of those markets. These universities may have some level of regional brand gravity. An example is Thompson Rivers University, located in a small city, Kamloops, with a population of about 75,000. The university has classroom-based programs on its campus and attracts about half of the total student body with online courses and programs, about 12,000 students (Thompson Rivers University, About, 2015). The location in a small market requires extensive marketing across Canada.

Universities in this situation may face *double jeopardy* (see glossary) when competing with universities that have high *brand gravity*. The theory of *double jeopardy* was developed in the early 1960s (Ehrenberg, 1969) and has shown to have almost invariable consistency in numerous empirical studies conducted over the past 50 years (Sharp, 2010). Sharp (2010) cites empirical confirmations of the theory in a number of different industries that any given brand will receive most of its sales from infrequent purchases, and will grow mainly from customer acquisition rather than from brand loyalty. The term *double jeopardy* comes from the struggle of brands with lower market share or lower market penetration having both lower customer acquisition rates and lower retention rates than brands with higher market penetration. Therefore, the primary focus of marketing should be new customer acquisition. As more customers are acquired, loyalty rates also tend to increase (Sharp, 2010). According to double jeopardy, brands cannot grow by trying to increase customer loyalty. They grow with new customer acquisition.

There are two main deviations from the norm of *double jeopardy*. One is brands that have high loyalty, but low market penetration, also called *niche brands*, and the other is brands that have high market penetration but low repeat business, also called *change-of-pace* brands, usually for seasonal products (Kahn, Kalwani, & Morrison, 1988). According to these authors, some retailers are naturally high loyalty in spite of their low market penetration because they are located to serve a distinct geographic market. Although they may lack broad market penetration, within their marketplace these brands have high awareness and high loyalty. This is the phenomenon explained by *brand gravity*, discussed above and illustrated in Figure 13.

This phenomenon seems to be very applicable to traditional universities. These universities have a high level of awareness in their own communities and attract most of their students from their local community. Statistics cited above from a number of universities confirm this assertion. Universities typically are large institutions in terms of metrics like physical presence, number of students, number of employees, and number of suppliers, making their names, their brand, well known in the communities where they are located. This phenomenon is analogous to a kind of gravity that continues to draw students to these institutions.

The preference for students to enroll in online courses offered by their local university over courses from remote universities indicates that the university's brand loyalty continues even though there is no physical presence on campus. As reported by some of the study participants, these universities are able to enroll students in online courses and programs with minimal marketing efforts. Universities that try to market their online programs in those communities face the *double jeopardy* of lower brand

awareness and lower brand loyalty. Similarly, traditional universities that market online education outside of their home communities will face *double jeopardy* in the new markets. Marketers recognize this local competition. Direct marketing tactics, like sending recruiters to colleges in those areas, is an example of a marketing tactic that compensates for lower brand awareness.

The theories of brand gravity and double jeopardy and their potential usefulness to university marketers is discussed further in the next chapter. However, there are some other influences on marketing actions that should be considered. These are presented in the following sections of this chapter.

Relationship Marketing and the Virtuous Cycle

Another way of answering the question about why marketers are engaged in specific marketing activities is to look at their job functions in relationship to other university departments. Marketing functions at universities tend to be organized as a part of what Skinkle (2010) describes as the *student relationship continuum*, which ideally forms a *virtuous cycle* of self-perpetuation. The figure below illustrates this continuum and the university departments that correspond to the different stages in the continuum.
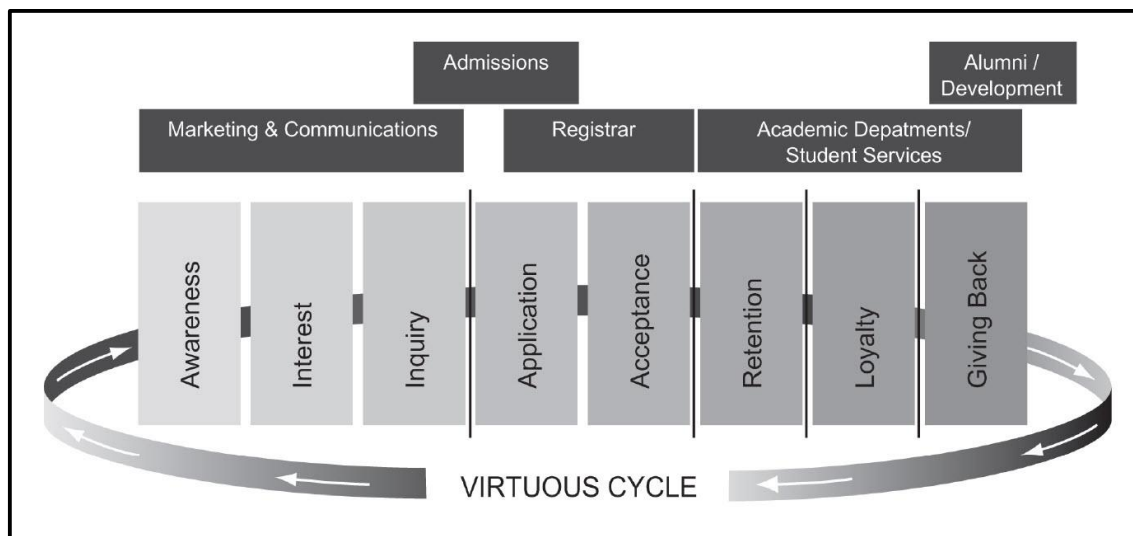
Figure 16. The virtuous cycle of the student relationship continuum corresponding to university administrative departments. From Skinkle, R. (2010). Actionable intelligence: Research for SEM. In Black, J. Ed., Strategic Enrollment Intelligence. Copyright 2010, Academica Group.

Most of the study participants were marketing people responsible for the *awareness, interest,* and *inquiry* parts of the diagram shown above. A few of the study participants were in senior positions having responsibilities that span some or all of the departments illustrated in the diagram. The study participants had somewhat different perspectives, but all referenced at some point the internal interdepartmental relationships at their universities. The student relationship continuum is important to note as it reinforces the concept of brand gravity discussed in the previous section.

The basic premise of the student relationship continuum is that if the university does an excellent job of retention, loyalty, and giving back through student services during the time a student is with the university and institutional advancement after the student graduates the university will build its brand and receive referrals for prospective students. This relationship continuum suits the basic premises of relationship marketing discussed in Chapter 2, and may be the reason why many writers recommend relationship

marketing for online education. This premise may be applicable for universities with high brand gravity. However, the research done for this dissertation indicates it may not be as applicable for universities marketing online education in diverse markets.

> So we started doing research into the effectiveness of
>
> testimonial and just through being able to analyze web data,
>
> most prospective students do not click on testimonials or
>
> stories or articles that come from students or alumni. They are
>
> much more interested in fees, deadlines, course selection,
>
> course and program selection. So, actual real information.
>
> (SP7, personal communication, July 2014)
>
> Another challenge in education, as I think about this now, or our
>
> online education, is all those things that lead students to come to
>
> open or to online education - flexibility, the anytime, anywhere
>
> sort of aspect - are those that actually prove to be the things that
>
> are challenges as well. Retention, I guess, is something that is a
>
> challenge for us. Being flexible is great, but you need to have
>
> that conviction to stay in the program, stay in the course.
>
> (SP8, personal communication, August 2014)
>
> We'll reach out, and we'll say, 'We're going to be in town on this
>
> day. We invite you out to dinner.' Now you'll get maybe a 5%
>
> to 10% response rate, and by response I mean people actually
>
> showing up. But those people that do show up, they're very
>
> excited to connect because they look for somebody to talk to,

they look for help, they want to know that we're real. It's nice

for them to actually see someone. (SP9, personal

communication, August 2014)

These statements indicate some of the challenges related to developing a traditional

student relationship continuum. As noted earlier, one university indicated a majority of

its prospective students come from alumni referrals. Most of the study participants

referred to brand strength and marketing activities as the main sources of student

inquiries.

The possible challenges of developing a virtuous cycle with online education and

allocation of resources become a question for university administrators. The basic

question is one of similarity between the student relationship continuum and the concept

of brand loyalty. Models of brand growth based on overcoming double jeopardy suggest

that universities marketing online education should focus on student acquisition and, in

doing so, will increase loyalty as they grow (Smart, 2010). There is another school of

thought based on managing the student relationship continuum and strengthening the

virtuous cycle (Shinkle, 2010). This potential dilemma is discussed further in Chapter 6.

Prior to that discussion, the following sections explore some other explanations for

marketing activities used by universities.

Matching Markets with Mission and Mandate

In the specific case of online education, one consideration a university takes into

account when it makes the decision to develop online education is the fit between online

education and its *mission* (see glossary). The interpretation of the mission also

influences the marketing of online education, mainly by influencing marketers'

interpretation of their mandate to reach specific markets. An interpretation of mission also guides decisions related to program and subject area development. Based on the discussions with the interviewees and analysis of the universities' mission and mandate statements, it appears that three types of mission and interpretation of the mission will cause universities to develop and offer online education beyond their own region. These are open admissions, a commitment to innovation in both pedagogy and use of technology, and/or a philosophy of community engagement. The aspects of mission that tend to drive the development and marketing of online education, community engagement, open access, and innovation, require further elaboration.

Community engagement

Public universities in Canada have a responsibility for community engagement, defined in different ways. An example of a definition is, "a collaboration for the mutually beneficial exchange of knowledge and resources within a context of partnership and reciprocity" (Simon Fraser University, 2012). There are a variety of ways knowledge and resources exchange takes place. For many universities, distance education, which became online education, grew out of this responsibility, the exchange of knowledge and resources. As these study participants stated:

> This (funding for online education) allowed us to get beyond
> our traditional programming, or use traditional programming,
> i.e. undergraduate or graduate courses, and take that into a non-
> credit space, or take that into a community- engagement type
> environment or an NGO.
> (SP2, personal communication, June 2014)

We received productivity innovation funds from the Ministry

last year to develop a blended or online teaching certificate. To

the best of our knowledge, we are the only institution that

received productivity innovation funds that made the

commitment to release everything that we've done to all of the

Province - tax payers, any individual in the world, or institution

in the world. All our resources are unbranded.

(SP10, personal communication, September 2014)

The advent of online learning required, for some universities, redefining their mandate and the nature of the university community. The online world makes the community potentially endless.

Open access

A second driver for online education is as an enabler of open access to learning. This mandate influences the marketing of online education as described by one study participant as follows:

We actually have a mandate from the province to provide open

learning to the Province and beyond. So, therefore, we do try to

iterate in our messaging the difference between just simply

online and distance education to open education.

(SP8, personal communication, July 2014)

Open access is interpreted as the mission of a university to accept students regardless of previous academic accomplishment. Students may have encountered barriers in their past that prohibit further education. Open access removes the barriers of qualification

while online education may remove other barriers such as location, employment and family responsibilities, finances, and life situation. Some universities, Athabasca and Thompson Rivers as examples, have the principle of open access as part of their mission.

Innovation

A commitment to innovation is another driver of online education. Universities have a commitment to keep pace with changes in technology and pedagogy, continually reviewing and revising practices in both areas. This commitment tends to be the main driver behind the development of online education primarily for students in classrooms, rather than students who are remote from campus. Often the technology is in place for on-campus students before becomes available and accessible to students off campus. On-campus students require limited communications to make them aware of online options and become a convenient test group before promotion of the courses to a wider audience. A commitment to innovation extends to the exploration of new subject and program areas, faculty training and renewal, experimentation and modification, and a commitment to academic excellence.

The administrative home for online education

The interpretation of the mission of a university leads to decisions about the location of online education within the institutional structure. As noted in the literature review, Pittman (2003) described how distance education typically found its *administrative home* in extension departments at universities, although the names of these departments vary. This is true, in most cases, of the Canadian universities in the study, where online education is a part of the extension department. However, online education also finds its home in academic development departments and open education

divisions, at some universities. The interpretation of the mission of the university that caused the development of online education to a certain extent determines where online education finds its home. As a result, online education has its home in the extension department at some universities even though the online programs now include online degrees and online courses available to classroom-based undergraduates. Extension, also named continuing education, departments typically appear to be more marketing oriented than credit programs, making marketing online education a natural fit with their traditional activities.

Summary of matching markets with mission

Missions of universities that lead to marketing of online education beyond the traditional region of a university include missions of community engagement, open access, and/or a commitment to innovation. Marketers interpret the mission of the institution as a part of marketing goals. Interpretation of mission also influences the administrative home of online education, which in turn influences marketing. When marketing to broader markets, as directed by the university and its mission, marketers must assess the most effective and efficient ways to access those markets, as discussed in the next section.

Access to Markets

The concept of *brand gravity* illustrated above demonstrates the strength of a university's brand in its own region. When venturing outside of the region, marketers assess the brand strength in specific markets, both *geographical* and *vertical* (see glossary), as they decide on the best advertising and promotional activities. There is an inverse correlation between brand strength in a particular market and the need for promotional activities. Access to markets also determines the need for promotions and

the type of promotions. Using communications that are as direct as possible tend to be more efficient and cost effective than communications that target broader segments of the population. As stated by one interviewee, "We're a fairly small team with not a very large marketing budget, so we have to be very smart in how we target those dollars to get our biggest return on investment" (SP7, personal communication, July 2014). As an example, an advertisement on a professional association's website will likely cost less and have a better result than an advertisement on a daily newspaper's website.

An influence on the type and frequency of advertising and promotion are the budget allocations for these purposes. The table below contains data on advertising expenditures of 14 Canadian universities compared with annual sales revenue. (The source of the information is the CRA data base T3010 statements. All registered charities in Canada are required to submit an annual financial return known as the T3010.) This form was chosen to compare advertising and promotion expenditures because all of the institutions fill out the form based on the same fiscal year and all have the same requirement for the line item of advertising and promotions.

The table illustrates similar expenditures on advertising and promotions by universities in relation to their size, between 1% to just over 2%. One exception is Royal Roads University, which spent 8.5% of sales on advertising and promotion. These figures are for all expenditures on advertising and promotions done by the universities. There is no way to itemize how much of these expenditures were used for advertising online education specifically, as most of the universities are advertising a wide variety of programs and services.

University	Revenue (000s $)	Sales Rev. (Tuition)	Advertising Expenditure	%Ad/Sales
Athabasca	132,312	80,000,000	1,857,000	2
Carleton	514,892	275,000,000	6,053,000	2
Concordia	517,011	196,000,000	4,929,000	2.5
Laurentian	1,631,177	61,000,000	0	0
Memorial	576,664	140,000,000	2,193,000	1.4
MRU	230,218	99,000,000	2,671,000	2.6
RMCC	1,468	0	189,000	N/A
RRU	57,376	35,000,000	3,046,000	8.5
Ryerson	540,565	265,000,000	3,147,000	1
SFU	635,289	259,000,000	2,125,000	.7
TRU	167,647	90,000,000	2,244,000	2.2
UM	795,709	237,000,000	2,640,000	1
UNB	327,035	128,000,000	1,097,000	.7
Waterloo	877,538	426,000,000	3,122,000	.7

Table 2. Advertising and promotion expenditures of fourteen Canadian universities in relation to overall revenue and sales revenue. Data taken from T3010 tax returns filed with the Canada Revenue Agency, 2014. www.cra-arc.gc.ca.

The significance of these expenditures is discussed in the next chapter in relation to the *law of double jeopardy*. There is also some significance to a comparison to the expenditures of the large private university in the United States, The University of Phoenix, whose parent company, the Apollo Group, is consistently among the top 100

advertisers in that country (Ad Age, 2014), with annual expenditures on advertising that exceed $600 million (Johnson, 2013), discussed in the next chapter. These expenditures on advertising are about 18% of revenue of the Apollo Group (Apollo Group, Annual Report, 2014).

University marketers strive to stretch their advertising and promotion budgets by engaging in *niche* and *vertical marketing* (see glossary). Vertical marketing often involves establishing a relationship with a partner organization that can provide access to the market. This may require a multi-level marketing strategy, which establishes relationships with an organization such as a professional association or accrediting agency, and marketing to the people within that organization or profession. The association members are under no obligation to take any courses from the university, but the relationship adds credibility to the university, which may encourage them to enroll. Another example of vertical marketing is the establishment of relationships with two-year community colleges for credit transfer to four year degree programs offered online by a university.

Niche marketing and vertical marketing strategies have a number of advantages for the universities using them. Targeting specific market segments with information about specific programs makes promotions more effective and decreases the cost. Universities may have access to lists of people, used for direct marketing tactics. They may also have access to advertising in industry- or organization-specific communication material, such as websites and newsletters, and industry-specific venues, such as trade shows and conferences. Word-of-mouth within industries and professions, which may take the form of social media posts and comments, aid in the propagation of the

university brand. These strategies decrease competition, as competitors may not have as direct access to the market. The advantages of vertical marketing strategies make them one of the dominant strategies used by universities for marketing online education.

A possible drawback of vertical marketing is that, over time, relationships, both formal and informal, develop between the university and multiple, sometimes hundreds, of partners. These relationships will vary in terms of the strategic importance and the resulting investment of time and expense required to maintain the relationship. All of the relationships require resources to manage, which has a cumulative effect on the amount of resources required by the university.

The vertical marketing strategies may result in formal, legal agreements and other, more informal relationships that require management. Typically, *high strategic value* partners, as one study participant referred to these relationships, have a larger investment associated with them and require additional investment in their maintenance. These relationships include articulation agreements with other institutions, agreements to provide training towards credentials for specific industries, agreements with professional and other associations, and contract training for specific businesses. Universities are also a part of various consortia, established for the convenience of students who may transfer credits from one institution to another. These consortia may be a part of government initiatives, which add another layer to the relationship.

Summary Chapter 5

The concept of brand gravity was introduced as an explanation for why some universities attract the majority of their students to both online and on-campus programs from within their own region with relatively low marketing efforts. Brand gravity

decreases the need for advertising and promotions as students are attracted to a university, which for them has high brand awareness, a perception of offering quality credentials, and an alternate way to obtain the credentials. Universities with lower brand gravity must use a wider variety of advertising and promotional methods, with greater frequency, as they seek to attract students from different target markets. Universities in this situation may be subject to the *law of double jeopardy*. They compensate for low advertising budgets by vertical marketing and building relationships in those markets.

Marketing university online education depends largely on the cultivation and management of a wide variety of relationships, from formal, legal agreements to informal relationships with various stakeholders through social media. The cultivation of relationships aligns in the form of a student relationship continuum with university departments organized by the stages in this continuum. Market segmentation by using *niche marketing* (see glossary) is another strategy for the identification and exploitation of specific markets. These marketing strategies reduce the competition in specific markets, as the brand is associated with the best suppliers of credentials for those markets. Niche marketing provides access to prospects via industry specific communications, making promotion to those prospects more credible, effective, and efficient. Discussed in the next chapter is the possibility that relationship marketing in the form of the virtuous cycle and niche market strategies will overcome the law of double jeopardy.

CHAPTER 6 – DISCUSSION AND RECOMMENDATIONS

The research presented in this dissertation has explored marketing online education from the perspective of a literature review, from the perspective of representatives of universities active in marketing online education, and from analysis of the marketing conditions that emerged from those perspectives. Each of these perspectives provides some insights for recommendations for practitioners and for further research, which are discussed further in this chapter.

The literature review identified some issues or areas of concern warranting some consideration during the investigation. The research provides a response to some of those concerns. These issues or areas of concern included:

- the assertion of some writers that relationship marketing is the best paradigm for marketing online education (Bowden, 2010; Shaik, 2005);

- online education is entering a mature phase of its lifecycle, and as the market for online education matures its value propositions will change;

- MOOCs are changing the market for online education and may also change how universities market online education;

- students tend to have a preference for taking online courses from public universities that are within close geographic proximity requiring universities to have a regional marketing strategy;

- websites remain the source of most information for prospective students and public universities tend to use a variety of advertising and promotions to attract prospective students to their websites;

- consortia have a role in marketing online education has not been

  researched and therefore not understood; and,

- the market for online education seems to remain focused on working

  adults.

The findings of this study inform each of these areas, which will be part of the discussion in this chapter. The findings related to some of these areas of concern or issues are relatively straightforward. There were no indications by the study participants that online education is entering a mature stage of its lifecycle. Contrary to this idea, the marketers generally asserted continued growth and demand for online education. They did not indicate any shift to marketing strategies to cope with a mature market. This research provides alternate explanations for the slowing growth experienced by some universities. Further research may verify the hypothesis that slowing growth may be the result of brand jeopardy as online universities compete in areas where established, classroom-based universities are also entering the online market.

Another area that seems to be widely accepted is that websites remain the main source of information for prospective students. Marketers are continually monitoring and refining their websites. One marketer referred to Amazon and that company's ability to provide personalized suggestions to website visitors based on past purchases. This functionality may be desirable for the university's website. The ability of this type of website to convert people who take single courses to take multiple courses may be something that universities could explore.

Consortia were not a significant part of discussions with marketers. These arrangements were perceived as rather passive forms of marketing that marketers do not

count on for many students. Some marketers identified provincial consortia as primarily government initiatives for which government should be responsible for promoting. However, study participants generally did not identify consortia as a priority and no specific recommendations for research came from this inquiry. One related area that has some potential for further research is the possible negative effect of central admissions associated with consortia. Marketers can attract applications but the admissions experience of using a government website may be a deterrent to registrations. This situation points to the need for further research into the effect of government admissions websites on registrations.

Also as indicated in the findings, the markets for online education tend to be dominated by working adults currently, but marketers are exploring new markets by working at the high school level, internationally, and as new subjects for online programs are introduced. There may be some research required, especially in the area of bridging high school and university. The effect of high school level online education on future registration of undergraduates in online education could be explored.

Some of the issues and areas of concern identified both in the literature review and during the inquiry are more complex, interrelated, and warrant further discussion and research. These are presented in the following sections, in order of priority.

Advancement of Marketing Theory

In a broader context, the combination of the two theories discussed in the previous chapter, brand gravity and double jeopardy, potentially advances the understanding of both theories. As Sharp (2010) illustrates, in the world of consumer products to which double jeopardy is most often applied, market penetration is correlated

with physical distribution of goods by a supplier. The definition of what constitutes market penetration for an online service is possibly the subject of some debate and further research. This research demonstrates that the preference of students to enroll in online courses offered by local universities may be explained using the concept of brand gravity, the idea that the brand strength of a physical location extends to online purchasing behavior. This concept may explain consumer behavior in other fields and may inform marketers of online goods and services, other than education, who are competing against suppliers of those same goods and services from physical locations in specific geographical markets.

In practical terms, recognizing double jeopardy in some geographic markets, may lead online marketers to direct promotions into areas that are not as well served by dominant suppliers. Similarly, suppliers that have a dominant position in a specific geographical location or region may recognize limitations in their online marketing as they move outside of their regions. Further development of marketing theory that explains the interplay between marketing of a brand that has strength in a certain place and online marketing that is inherently global is needed.

Recommendations for Further Research

There are several areas within this inquiry that justify further research. One of these areas is relationship marketing. There was no indication provided by the interviewees or the other information gathered during the study that relationship marketing is a dominant model or paradigm for marketing online education. The premise of relationship marketing, the emphasis of long-term relationships with customers rather than sales transactions, seems to be an intuitive fit for education because students

typically enroll in multi-year programs. As discussed in the Chapter 4, marketers are concerned about the customer service aspects of marketing, ensuring that information is provided to enquiries in an accurate and timely manner. Marketers are a part of the student relationship continuum around which various other university departments are organized. These concerns for service to students and the related efforts to establish long-term relationships with students could be interpreted as relationship marketing tactics.

In spite of these efforts, there is no indication that these techniques help to form lasting relations with online students. This is evident in the numbers of students who take single courses compared to students in degree programs. More empirical research is necessary to determine if relationship marketing has a positive effect on enrollments, particularly enrollment in degree or diploma programs compared to single course enrollments. Another area of research could be based on examinations of comparisons of the concept of brand loyalty, evidenced by repurchase of a product, is similar to students registering in multiple courses at an online university, as in degree programs.

A number of potential recommendations for further research come out of the comparison between universities with high brand gravity and universities with broader market penetration. As an example, do universities with strong brand gravity need to increase advertising to maintain their base as online competitors enter their space? Finding *niche markets* outside of their space, as Laurentian has done with the forensics program or Carleton has done with the nonprofit leadership program, make sense as a way to increase their brand strength in other areas. Does brand gravity *cascade* (using the word of one of the study participants) to their online brand in these niches?

The concepts of brand gravity and brand cascading could also be studied in relation to differences between online education offered for credit compared to adult continuing education that is offered online. A potential research question could focus on the observation that a university brand cascades to bolster continuing education programs in different geographic and vertical markets. This study did not examine potential difference between marketing online education as continuing education and marketing online education for credit degree programs. Potential similarities and differences could be an area of research that may benefit universities.

The potential effect of MOOCs is also an area of research in the field of marketing online education. MOOCs are rapidly increasing market penetration in the online education space. At time of writing, the MOOC facilitation company Coursera reports enrollments of over 22 million students (Coursera, About, 2015). Coursera is only one of many MOOC providers. The business model of MOOC providers has been questioned, as has the quality of some of the courses, retention rates, the inability to gain credentials, and a number of other drawbacks. However, from a marketing perspective, particularly from the perspective of *double jeopardy*, MOOC providers are growing their brands with customer acquisition. MOOCs should be of concern to universities marketing online education. There are numerous precedents for business models of successful companies, such as Google and Facebook, based on building a brand through user acquisition. According to *double jeopardy*, as user rates build, so does brand loyalty. If this happens, the MOOC providers may become large brands, and figuring out how to compete with them will be a challenge for universities, as they become relatively smaller brands in the online space.

Universities may consider publicizing online education generally and be seen as a part of a global trend towards online education rather than being distinguished as critics of alternate forms of education. There can be marketing advantages from promoting the benefits of a product category along with promotion of a brand (Barwise & Meehan, 2004). Advertising the benefits of online education as a sector in the post-secondary education space compared to advertising the benefits of a specific institution may also be an area of research.

MOOCs are an example of what has been identified as the *anarconomy*, a portmanteau word created by combining anarchy and economy, coined by the Copenhagen Institute of Future Studies (Morgenson, 2009). The *anarconomy* is a development of the Internet due to the increased availability of something that was once relatively restricted by cost, distribution, or similar limitations, thus changing the dynamics of an industry. An example is found in the life insurance industry, where prices for term life insurance dropped dramatically after the Internet made comparing rates relatively easy for consumers (Levitt & Dubner, 2005). It is possible that MOOCs may have a similar effect on higher education. However, the effects of MOOCs is speculative at this point and more time, and research, is necessary before drawing too many conclusions about reacting to this form of education delivery. One area of research may be to explore if MOOCs and online education are changing the perceptions of exclusivity and value in higher education.

Recommendations for Marketers of Online Education

The implications of the analysis presented in Chapter 5 for online universities are potentially more profound than they are for traditional universities. Traditional

universities with high levels of brand gravity can likely continue what they are doing and not face significant challenges unless their local markets change significantly or they decide to enter other markets. On the other hand, universities that require success in marketing online education to diverse markets for their continued existence may benefit from recommendations coming from this study. These recommendations for marketers are included in the following sections.

Relationship Marketing or Aggressive Acquisition

As described in Chapter 5, when universities enter markets dominated by local universities with high brand gravity, they are subject to double jeopardy. In striving to overcome double jeopardy, the focus of marketing should be on new student acquisition (Sharp, 2010). This may mean increasing advertising and promotions. Facing choices with finite budgets for marketing, university administrators must ask themselves if they should increase advertising and promotions or spend more on trying to increase customer loyalty, in other words, focus on student retention.

As an example, Athabasca University has a current enrollment strategy focusing on three areas, "to become the university of choice for a diverse student body, to enhance the quality of the student experience, to build community by engaging students and alumni throughout the student lifecycle" (Athabasca University, Annual Report, 2014). Each of these enrollment strategies indicates attempts to increase brand loyalty (in marketing terms) are the priority. Based on the theory of *double jeopardy*, these strategies will not increase student enrollments. Instead, the university should be focusing on increasing new student enrollments by increasing advertising, promotions, and external communications of all types.

Sharp (2010, p. 86) provides some insights on the choice between relationship marketing and aggressive advertising:

> Today the fashion is for loyalty programs, websites for loyalists,
> targeting influencers, customer relationship management, and
> new media. Yet buyers are busier than ever, and many brands
> are vying for their attention and custom. Forming deep
> relationships with a substantial number of buyers seems more
> unlikely than ever. Consequently, it is logical to expect
> marketers to strive to become better at mass marketing, rather
> than abandoning it.

Mass marketing techniques, such as national television advertising campaigns, may not be options for universities with limited budgets, but the logic remains the same. If successful with this goal of increasing awareness and new enrollments, the current enrollment strategies for Athabasca University would stand more of a chance. Based on overcoming double jeopardy, a strategy requiring improved advertising frequency and effectiveness would be required.

An examination of strategies in each market would determine if this is possible without increasing marketing budgets. Online universities face what might be termed *triple jeopardy*. Not only do they face the double jeopardy of competing with universities that have better market penetration and higher customer loyalty, they are faced with government approval of their budgets. Increased marketing success does not necessarily equate to financial success. Government also regulates the prices that can be

charged, which influences a potential point of differentiation for online education. This factor is discussed in relation to perceptions of quality in the next section.

Perceptions of Quality

The brand of the institution transfers to the credentials issued by the institution that convey meaning throughout graduates' lives. As Williams and Omar (2014) state, "the brand of the higher education experience bestows a certain level of social status affording graduates a sense of identification and a way to define themselves." In order to bestow status, a university brand represents quality. A problem that online education has encountered in the past is the perception that increasing access to education decreases the quality of the education. Typically, quality of post-secondary education has been assessed by two factors – exclusivity and high cost (Daniel, Kanwar & Uvalić-Trumbić, 2009). These authors state, "Under this assumption, an institution with tough admission requirements and high fees is a good institution, regardless of what happens within its walls" (p. 33).

The perception of exclusivity related to quality is not unique to higher education. Exclusive access to a resource increases the perception that the resource is scarce and thus increases its perceived value (Cialdini, 1993). Stephens (2013) describes the relationship between perceptions of exclusivity and accessibility in somewhat different terms:

> You can't have both high fidelity and high convenience at
> the same time. It simply doesn't work. They are opposing
> energy forces that cancel each other out. Products and services
> that have high fidelity are so because they are not high

> convenience and vice versa. Experiences that are rare cannot also be plentiful and common. Things that are exclusive cannot be inclusive simultaneously. Brands that attempt to chase this dual positioning – what Maney calls the *fidelity mirage* – put themselves in abject peril. (Stephens, 2013, p. 175)

Maney (2010, p. 10) defines fidelity as "the total experience of something." It is quality plus some of the intangible benefits of the experience. Maney (2010, p. 15) describes the continued trade-off between these two attributes as the *fidelity swap*, stating, "Technology constantly improves both fidelity and convenience. … These boundaries move over time."

A problem encountered by marketers of online education is the apparent contradiction between their main value proposition, increased access to education due to flexible delivery, and the perception that increasing access to education decreases its quality and therefore value. This problem is compounded by the improved access to education that occurs through open admissions policy and related policies such as recognition of prior learning assessment, transfer from community colleges, student loan availability, and so on.

The perception of quality associated with higher cost and the amount spent per student has an effect on tuition fees. In Canada, institutions that specialize in online education have similar tuition fees as institutions that remain primarily classroom-based (see Appendix B for comparison of tuition fees). Provincial governments regulate tuition fees. If online education lowers costs of operations, the savings may not lower tuition fees. Instead, the lower costs may benefit government. As an example, the primarily

online university, Athabasca University, received government funding of $47,865,807 from the Province of Alberta, the main funder of education, in the fiscal year ending March 31, 2013 (CRA, 2013), and had sales revenue (tuition fees) of $ 80,467,925 during the same time period. Another university in the same province, which has an enrollment of approximately the same number of fulltime equivalent students, Mount Royal University, reported income of $97,269,428 from the Province of Alberta for the fiscal year ending June 30, 2013. The primarily classroom-based Mount Royal reported $90,444,607 in sales revenue (tuition fees) for that period. Part of the discrepancy in revenue is explained by the higher tuitions paid by students who reside outside of the Province, but even if this was taken into account, the discrepancy is still large. In summary, the online university is operating with about half of the government funding of a similar-sized classroom-based university, and receiving about the same amount of revenue from tuition fees. As the comparison of tuition fees charged by the sample of Canadian universities used in this study shows (Appendix B), the annual tuition fees charged by Athabasca University and Mount Royal University are almost identical.

Maintaining high tuition fees is apparently a strategy on the part of the Province of Alberta to maintain a perception of quality. The Minister of Advanced Education, at that time, was on record as stating that lower tuition fees at universities may be perceived as those universities having lower quality standards, stating, "Price does matter and there is a feeling that you get what you pay for" (Ferguson, 2014). This statement illustrates an example of a government basing funding decisions on marketing strategies. It appears marketers of online education may be facing *triple jeopardy* in relation to differentiation.

They have to compete with universities that have both higher market penetration and brand loyalty in both markets, while not being able to differentiate on price.

Universities marketing online education need to change the focus of the public discourse from comparison of online education to classroom-based or blended forms of education to a discussion focused on the emerging reality that online education is a better way to teach and learn some things, and face-to-face education is better at other things (Bates, personal communication, February 2015). In doing so, online universities could draw attention to what they are doing that is better, rather than just as good, changing perceptions of exclusivity equated with quality.

Part of the change in perception could come from shifting the understanding the difference between the poorer quality of what is convenient and the higher quality of what is exclusive. The shift to comparison of the difference between what is convenient and somewhat limited in terms of total human experience to what is inconvenient but more inclusive of total experiences. An analogy might be to live music compared to digital recordings. The latter may have better sound quality, even though it is also convenient, whereas a live concert may have poorer sound quality but may offer more in terms of the overall experience. Working towards a degree online will be a different experience than studying for the same degree in a classroom. The difference does not necessarily make one type of study mode better or worse than the other. Based on this line of thought, marketers could focus on what makes their institution distinctive, rather a focus on differentiation of one study mode compared to another (Sharp, 2010, p. 226).

Summary

There are several recommendations for research based on the findings and the analysis of the findings of this inquiry. These are summarized below:

- Research that verifies the observation that universities seeking market penetration with online education are subject to *double jeopardy,* as they compete with larger, established institutions in different markets.

- Based on the theory of double jeopardy, the better strategy may be to increase new student acquisition rather than focus on increasing student retention. This may be a subject of future research.

- As a result of this research, the concept of brand loyalty, typically evidenced by product repurchase, has been applied to students registering in multiple courses at an online university. Further research could verify if this is a valid application of the concept or if student loyalty to an institution is unique and different from consumer brand loyalty.

- The concept of brand gravity, which previously has been applied to shopping districts, has been applied to describe the loyalty of consumers to their local or regional universities. More research is needed to test this concept. If the concept is valid, other research could be done to determine strategies for these universities to maintain their positions as online competitors enter their space.

- Awareness of MOOCs will continue to grow. Further research may determine if MOOCs will have this positive effect on awareness of online education generally, possibly benefiting universities.

- Research could determine if governments may benefit from the increased investment in advertising and promotion of online education. This may be done by advertising the benefits of educational consortia, which would be another area for further research.

In addition to these recommendations for further research, there are some specific recommendations for marketing practitioners. These include a preference for increased advertising and promotions emphasizing student acquisition rather than relationship marketing strategies. Part of this emphasis should be shifting the framing of online education from a trade-off between quality and convenience to the differences between equals. This shift would involve developing brand distinctiveness instead of product differentiation.

Limitations of the Research

This research was conducted using data from Canadian, publically funded universities marketing online education. The research may not apply to universities in other countries and private, for-profit universities. The findings are the result of an inductive approach, identifying some of the larger issues related to marketing online education. No empirical tests were done on the hypotheses developed from the research, as this was not the intent of the exploratory nature of this research.

Conclusion

The marketing professionals that participated in this research exhibited high levels of competence and knowledge, pride in their universities, and concern for students. Hopefully, this research reflects their commitment to higher education and is of benefit to them as they continue to expand online education in Canada. The insights gathered during this research may be of benefit primarily as an aid to marketers planning and explaining their plans to university administrators. There are a number of research applications that are summarized. This is a study that makes a contribution to the understanding of marketing by universities as they face uncertainty in terms of government funding, increased competition, and a changing educational landscape.

References

Aaker, D. (1996). Measuring brand equity across products and markets. *California Management Review, 38*(3), 102-120.

Aaker, D. (1991). *Managing brand equity: Capitalizing on the value of a brand name*. The Free Press: New York.

Ad Age. (2014). Top 100 advertisers in the U.S. Retrieved from http://adage.com/datacenter/marketertrees2014

Alberta Government. (2015). About admissions Alberta. Retrieved from https://alis.alberta.ca/ps/tsp/ta/abouttransferalberta.html

Allen, I. E., & Seaman, J. (2013). *Changing Course: Ten Years of Tracking Online Education in the United States*. Newburyport, MA: Sloan Consortium.

Allen, I.E. & Seaman, J. (2011). *Going the distance: Online education in the United States, 2011*. Newburyport, MA: Sloan Consortium, Babsom Survey Group.

Altbach, P. G., Reisberg, L., & Rumbley, L. E. (2009). Trends in global higher education: Tracking an academic revolution. UNESCO World Conference on Higher Education retrieved from http://atepie.cep.edu.rs/public/Altbach,_Reisberg,_Rumbley_Tracking_an_Academic_Revolution,_UNESCO_2009.pdf

Anctil, E. (2008). Selling higher education: Marketing and advertising America's colleges and universities, *ASHE Higher Education Report, 34*(2), 1-119.

American Marketing Association. (2014). Definition of marketing. Retrieved from http://www.marketingpower.com/AboutAMA/Pages/DefinitionofMarketing.aspx

American Marketing Association. (2015). Definition of vertical market. Retrieved from

https://www.ama.org/resources/Pages/Dictionary.aspx?dLetter=V

Andreasen, A. (2012). Rethinking the relationship between social/nonprofit marketing

and commercial marketing. *Journal of public policy & marketing*, 31(1), 36-41.

Apollo Group. (2014). Annual Report. Retrieved from

http://investors.apollo.edu/phoenix.zhtml?c=79624&p=irol-reportsannual

Aslanian, C. & Clinefelter, D. (2013). *Online college students 2013: Comprehensive*

data on demands and preferences. Louisville, KY: The Learning House, Inc.

Association of Universities and Colleges of Canada. (2011). Media release:

Undergraduate student enrolment surpasses million mark. Retrieved from

http://www.aucc.ca/media-room/news-and-commentary/undergraduate-student-

enrolment-surpasses-million-mark

Athabasca University. (2014). *Annual Report to Alberta Innovation and Advanced*

Education. Retrieved from

http://www.athabascau.ca/content/aboutau/documents/annual/report2014.pdf

Athabasca University. (2014). *History*. Retrieved from

http://www.athabascau.ca/aboutau/history.php

Athabasca University. (2014). *About the coat of arms.* Retrieved from

http://www.athabascau.ca/aboutau/coat-of-arms.php

Bainbridge, S. (2012). Development and evaluation of a pedagogical model for an open

university in Nepal based on geographical, regional, and linguistic factors. Ed. D.

Thesis, Athabasca University. Retrieved from

https://dt.athabascau.ca/jspui/handle/10791/33

Banks-Pidduck, A. & Carey, T. (2006). Partner power: A study of two distance education consortia. *International Review of Research in Open and Distance Learning*, *7*(3), 1-13.

Bates, A. (2011). 2011 outlook for online learning and distance education. Contact North. Retrieved from www.contactnorth.ca

Bates, A. (1995). *Technology, open learning and distance education*. New York: Routledge

Berry, L. (2000). Cultivating service brand equity. *Academy of Marketing Science, 28*(1), 128-137.

Berry, L. (1995). Relationship marketing of services – growing interest, emerging perspectives. *Journal of the Academy of Marketing Science*, *23*(4), 236 – 245.

Boshier, R., & Collins, J. B. (1985). The Houle typology after twenty-two years: A large-scale empirical test. *Adult Education Quarterly*, *35*(3), 113-130.

Bowden, J. (2011). Engaging the student as a customer: A relationship marketing approach. *Marketing Education Review*, *21*(3), 211–228.

Bowers, B., & Schatzman, L. (2009). Dimensional analysis. , 86-126. In J. Morse, P. Stern, J. Corbin, B. Bowers, K. Charmaz, & A. Clarke (Eds.), *Developing grounded theory: The second generation*, (pp. 86–125). Walnut Creek, CA: Left Coast.

Brewer, D., Gates, S., & Goldman, C. (2009). *In pursuit of prestige: Strategy and competition in U.S. higher education, 2nd Ed*. Piscataway, N.J.: Transaction Publishers, Rutgers.

Burgoyne, J. & James, K. (2003). Towards best or better practice in corporate leadership

development: Issues in mode 2 research. The Department of Management

Learning, Lancaster University Management School. Retrieved from

http://www.research.lancs.ac.uk/portal/en/publications/towards-best-or-better-practice-

in-corporate-leadership-development-issues-in-mode-2-research(e4794528-349b-4f47-

a36d-9000b37d5096).html

Canada Revenue Agency. (2014). Athabasca University T3010 Financial Statement for

reporting period ending March 31, 2013. Retrieved from http://www.cra-

arc.gc.ca/ebci/haip/srch/t3010form23sched6-

eng.action?b=106735830RR0001&fpe=2013-03-

31&n=Athabasca+University&r=http%3A%2F%2Fwww.cra-

arc.gc.ca%3A80%2Febci%2Fhaip%2Fsrch%2Ft3010form23-

eng.action%3Fb%3D106735830RR0001%26amp%3Bfpe%3D2013-03-

31%26amp%3Bn%3DAthabasca%2BUniversity%26amp%3Br%3Dhttp%253A%252F%

252Fwww.cra-

arc.gc.ca%253A80%252Febci%252Fhaip%252Fsrch%252Fbasicsearchresult-

eng.action%253Fk%253Dathabasca%252Buniversity%2526amp%253Bs%253Dregister

ed%2526amp%253Bp%253D1%2526amp%253Bb%253Dtrue

Canada Revenue Agency. (2014). Mount Royal University T3010 Financial statement

for reporting period ending June 30, 2013. Retrieved from http://www.cra-

arc.gc.ca/ebci/haip/srch/t3010form23sched6-

eng.action?b=119047959RR0001&fpe=2013-06-

30&n=Mount+Royal+University&r=http%3A%2F%2Fwww.cra-

arc.gc.ca%3A80%2Febci%2Fhaip%2Fsrch%2Ft3010form23-

eng.action%3Fb%3D119047959RR0001%26amp%3Bfpe%3D2013-06-

30%26amp%3Bn%3DMount%2BRoyal%2BUniversity%26amp%3Br%3Dhttp%253A%

252F%252Fwww.cra-

arc.gc.ca%253A80%252Febci%252Fhaip%252Fsrch%252Fbasicsearchresult-

eng.action%253Fk%253Dmount%252Broyal%252Buniversity%2526amp%253Bs%253

Dregistered%2526amp%253Bp%253D1%2526amp%253Bb%253Dtrue

Calder, W. (2014). Achieving an institution's values, vision, and mission. *College

Quarterly*, *17*(2). Retrieved from http://www.collegequarterly.ca/2014-vol17-num02-

spring/calder.html

Canadian General Accountants Association. (2013). Laurentian University

advertisement. *CGA Magazine, March-April*. Retrieved from

http://docs.cgamagazine-digital.ca/doc/cga-magazine/cga-magazine-march-april-

2013/2013030501/2.html#2

Canadian Virtual University. (2012). *Online university education in Canada:

Opportunities and challenges.* Retrieved from http://www.cvu-

uvc.ca/Online%20University%20Education%20in%20Canada%20jan17%202012

.pdf

Cachioni, M., Nascimento Ordonez, T., da Silva, T. B. L., Tavares Batistoni, S. S.,

Sanches Yassuda, M., Caldeira Melo, R. & Lopes, A. (2014). Motivational

factors and predictors for attending a continuing education program for older

adults. *Educational Gerontology*, *40*(8), 584-596.

Cialdini, R. B. (1993). *Influence: The psychology of persuasion*. New York: Quill,

William Morrow.

Clarke, A. (2009). *Situational analysis*: *Grounded theory after the postmodern turn*.

Thousand Oaks: Sage Publications. In Morse, J. Ed. *Developing Grounded

Theory*, p. 194 – 221. Left Coast Press: Walnut Creek, CA.

Council for the Advancement and Support of Education. (2014). About Advancement.

Retrieved from http://www.case.org/About_CASE/About_Advancement.html

Council of Ministers of Education, Canada. (2008). *The development and state of the art of adult learning and education*. Retrieved from

http://www.cmec.ca/Publications/Lists/Publications/Attachments/194/FINAL%2

0CONFINTEA%20VI%20EN.pdf

Council of Ministers of Education, Canada. (2012). *Education in Canada: An overview.*

Retrieved from http://www.cmec.ca/299/Education-in-Canada-An-

Overview/index.html#04

Council of Ontario Universities. (2014). Online learning: Dozens of online courses

coming to Ontario universities this fall. Retrieved from

http://www.cou.on.ca/policy-advocacy/online

Coursera. (2015). *About Community*. Retrieved from

https://www.coursera.org/about/community

Daniel, J., Kanwar, A., & Uvalić-Trumbić, S. (2009). Breaking higher education's iron

triangle: Access, cost, and quality. *Change: The Magazine of Higher*

Learning, *41*(2), 30-35.

Demiray, U. (2009). Lesson learned from reviewed literature on marketing for distance

education, Chapter XXII p. 673 – 718, in *The Challenges for Marketing Distance*

Education in an Online Environment. Demiray, U & Sever, S. Eds. Eskisehir,

Turkey: Anadolu University.

Doyle, C. (2011). *Dictionary of Marketing, Ebook Edition*. Oxford: Oxford University

Press.

Dunne, C. (2011). The place of the literature review in grounded theory

research. *International Journal of Social Research Methodology*, *14*(2), 111-124.

Durkin, M., Filbey, L. & McCartan-Quinn, D. (2014). Marketing to the mature learner:

exploring the role of web communications. *The Services Industry Journal, 34*(1),

56-70.

Eduventures. (2012). Market update 2012/2013: Confronting market maturity and new

competition. Retrieved from

http://www.eduventures.com/insights/online-higher-education-market-update/

Ehrenberg, A. (1969). Towards an integrated theory of consumer behavior. *Journal of*

the Market Research Society, 11(4), 305-337.

Ehrenberg, A., Goodhardt, G. & Barwise, T. (1990). Double jeopardy revisited. *Journal*

of Marketing; *54*(3), 82-91.

Farrell, G. (2012). *Marketing and branding of open and distance learning*. Vancouver,

BC: Commonwealth of Learning. Retrieved from

http://www.col.org/resources/publications/Pages/default.aspx

Ferguson, E. (2014). Students say tuition concerns ignored. *Calgary Herald, October*

27.

Fifield, P. (2007). *Marketing Strategy Masterclass: Making Marketing Strategy Happen.*

Oxford: Butterworth-Heinemann.

Fisk, R., Brown, S. & Bitner, M. (1993). Tracking the evolution of the services

marketing literature. *Journal of Retailing*, *69*(1), 61-103.

Fleming, B. (2014). The elusive national online opportunity. *Eduventures Reports,*

March. Retrieved from http://www.eduventures.com/2014/03/the-elusive-national-

online-opportunity/

Foreign Affairs and International Trade Canada. (2009). *DFAIT: Best practices on managing the*

delivery of Canadian education marketing. Ottawa, Canada. Retrieved from

http://www.international.gc.ca/education/assets/pdfs/best_practices-

pratiques_exemplaires_eng.pdf

Garrett, R. (2007). Expanding demand for online higher education: Surveying

prospective students. *Journal of Asynchronous Learning Networks*, *11(1), 49-53*.

Gallagher, S. & LaBrie, J. (2012). Online Learning 2.0: Strategies for a Mature

Market. *Continuing Higher Education Review*, *76*, 65-73.

Glaser, B. (1978). *Theoretical sensitivity: Advances in the methodology of grounded*

theory. Sociology Press: Mill Valley, CA.

Glaser, B. & Holton, J. (2005). Basic social psychological processes (BSPP) and basic

social structural processes (BSSP. *Grounded Theory Review, 3*(4). Retrieved

from http://groundedtheoryreview.com/2005/06/22/1533/

Gronroos, C. (1994). From marketing mix to relationship marketing: towards a paradigm

shift in marketing, *Management Decision*, *32*(2), 4-20.

Gronroos, C. (2010). Relationship marketing as promise management. In Maclaran, P.,

Saren, M., Stern, B. & Tadajewski, M. Eds. *The Sage handbook of marketing*

theory. London: Sage Publications.

Governor General of Canada. (2014). Canadian Heraldic Authority.

http://www.gg.ca/document.aspx?id=81

Gummesson, E. (2002). Relationship marketing and a new economy: It's time for de-

programming. *Journal of Services Marketing*. 16(7), 585-589.

Gummesson, E. (1994). Making relationship marketing operational. *International Journal of Service Industry Management*, 5(5), 5-20.

Gynnild, A. (2006). Growing open: The transition from QDA to grounded theory. Grounded Theory Review. 1(6). Retrieved from http://groundedtheoryreview.com/2006/11/30/1229/

Hagel, P. & Shaw, R. (2008). The influence of delivery mode on consumer choice of university. *European Advances in Consumer Research*, 8, 531-536. Retrieved from http://www.acrwebsite.org/volumes/eacr/vol8/eacr_vol8_12.pdf

Hatch, M. & Schultz, M. (2001). Are the strategic stars aligned for your corporate brand. *Harvard Business Review, February, 128 - 134.*

Helgesen, O. (2008). Marketing for higher education: A relationship marketing approach. *Journal of Marketing for Higher Education*, *18*(1), 50-78.

Hemsley-Brown J.V. & Goonawardana, S. (2007). Brand harmonisation in the international higher education market. *Journal of Business Research, 60, 942-948.*

Hemsley-Brown, J. & Oplatka, I. (2006). Universities in a competitive global marketplace: A systematic review of the literature on higher education marketing. *The International Journal of Public Sector Management*, 19(4), 316-338.

Heslop**,** L. & Nadeau**,** J. (2010). Branding MBA programs: the use of target market desired outcomes for effective brand positioning. *Journal of Marketing for Higher Education**, 20(1), 85–117.***

Houle, C. (1961). *The inquiring mind*. Madison: University of Wisconsin Press.

Huff, D. (1964). Defining and estimating a trading area. *The Journal of Marketing*, *28*(July), 34-38.

Johnson, B. (2013). University of Phoenix … how to spend $614 million on advertising. Retrieved from http://www.bobjohnsonblog.com/advertising/

Johnson, L., Becker, S., Estrada, V., & Freeman, A. (2014). Horizon Report: 2014 Higher Education. Retrieved from https://scholar.google.ca/scholar?as_ylo=2014&q=Johnson,+L.,+Becker,+S.,+Estrada,+V.,+%26+Freeman,+A.+(2014).+Horizon+Report:+2014+Higher+Education.&hl=en&as_sdt=1,5&as_vis=1

Kahn, B., Kalwani, M. & Morrison, D. (1988). Niching versus change-of-pace brands: Using purchase frequencies and penetration rates to infer brand positionings. *Journal of Marketing Research,* 25(November), 384-390.

Kaplan, R. (2001). Strategic performance measurement and management in nonprofit organizations. *Nonprofit management and Leadership*, *11*(3), 353-370.

Kaznowska, E., Rogers, J., & Usher, A. (2011). The state of E-Learning in Canadian universities, 2011: If students are digital natives, why don't they like E-Learning? Toronto: Higher Education Strategy Associates. Retrieved from http://higheredstrategy.com/wp-content/uploads/2011/09/InsightBrief42.pdf

Keefe, L. M. (2004). What is the meaning of 'marketing'? *Marketing News*, *38*(15), 17-18.

Keller, K. (1993). Conceptualizing, measuring, and managing customer-based brand equity. *Journal of Marketing*, 57(1), 1– 22.

Kett, J. (1994). *The pursuit of knowledge under difficulties: From self-improvement to adult education in America, 1750-1990*. Stanford, CA: Stanford University Press.

Khan, S. (2012). Concentric diversification as new product offering or cannibalization: A descriptive study. *International Review of Management and Business Research*, *1*(1), 18.

Kirp, D. L. (2009). *Shakespeare, Einstein, and the bottom line: The marketing of higher education*. Cambridge, MA: Harvard University Press.

Kittle, B. & Ciba, D. (2001). Using college web sites for student recruitment: A relationship marketing study. *Journal of Marketing for Higher Education, 11*(3), 17-37.

Klassen, M. (2002). Relationship marketing on the Internet: The case of top-and lower-ranked US Universities and Colleges. *Journal of Retailing and Consumer Services*, *9*(2), 81-85.

Kotler, P. (1992). The five levels of relationship. *Marketing News*, 26(12), 21- 22.

Kotler, P. & Levy, S. (1969). Broadening the concept of marketing. *The Journal of Marketing*, 10-15.

Levitt, T. (1965). Exploit the product life cycle. *Harvard Business Review, November-December*, p. 81-94.

Levitt, S. & Dubner, S. (2005). *Freakonomics: A Rogue Economist Explores the Hidden Side of Everything*. New York: William Morrow.

Lim, L. & Zailani, S. (2012). Determinants influencing intention to enrol on an online

MBA programme. *International Journal of Business Information Systems*, *9*(1),

51-88.

Livingstone, D. W., & Raykov, M. (2013). Adult learning trends in Canada: basic

findings of the WALL 1998, 2004 and 2010 surveys. Retrieved from

http://www.wallnetwork.ca/Adult-Learning-Trends-in-Canada-2013.pdf

Manhas, P. (2012). Role of online education in building brand image of educational

institutions. *Journal of Economics, Finance and Administrative Science.17(32),*

75-85.

Maney, K. (2010). *Trade-off: Why some things catch on, and others don't*. New York:

Broadway Business.

Mann, J. & Henneberry. (2012). Undergraduate students' preferences and willingness to

pay for college course attributes. *Presentation at the 2012 AAEA Annual*

Meeting. Retrieved from

http://ageconsearch.umn.edu/bitstream/124946/2/Mann.pdf

McGreal, R. & Anderson, T. (2007). E-Learning in Canada. *Journal of Distance*

Education Technologies, *5*(1), 1-6. Retrieved from

http://auspace.athabascau.ca/bitstream/2149/580/1/ELCanadaJET.pdf

Middleton, A. (2011). The times they are a changin': Time for a major emphasis on the

three Ls of lifelong learning at Canadian universities. *Canadian Journal of*

University Continuing Education, (37,2).

Mintzberg, H. (2005). Developing theory about the development of theory. In Smith, K.

& Hitt, M. (Eds.). *Great minds in management: The process of theory*

development, 355 – 372. Oxford University Press: Oxford, UK. Retrieved from
http://www.mintzberg.org/sites/default/files/Developing%20Theory%20About%2
0the%20Development%20of%20Theory%20Jan%202014.pdf

Mintzberg, H. (1971). Managerial work: analysis from observation. *Management science*, *18*(2), B-97.

Mitchell, A. (2011). The laws of brand gravity. *International Commerce Review*, *10*(1), 76-81.

Morgenson, K. (2009). *What is anarconomy?* Copenhagen Institute for Futures Studies: Copenhagen. Retrieved from www.cifs.dk

Mount Royal University. (2015). Fast Facts. Retrieved from http://www.mtroyal.ca/AboutMountRoyal/FastFacts/

Myers, K., & de Broucker, P. (2006). *Too many left behind: Canada's adult education and training system*. Canadian Policy Research Networks: Ottawa, ON.

Nunan, T. (2005). Markets, distance education, and Australian higher education. *The International Review of Research in Open and Distance Learning, 6*(1).

Paden, N. & Stell, R. (2006). Branding options for distance education programs: Managing the effect on university image. *International Journal of Instructional Technology and Distance Learning, 45(3), 45-53.*

Pegoraro, A. (2006). *Using university websites for student recruitment: A study of Canadian university home pages examining relationship marketing tactics and website usability*. Lincoln, NB: The University of Nebraska.

Pentina, I. & Neeley, C. (2007). Differences in characteristics of online versus traditional students: Implications for target marketing. *Journal of Marketing for Higher Education*, *17*(1), 49-65.

Pittman, V. V. (2003). Correspondence study in the American university: A second historiographic perspective. *Handbook of Distance Education*, 21-35.

Rajagopal, R. (2009). Brand gravity and performance in satellite markets. *Journal of Transnational Management*, *14*(4), 292-308.

Rashid, T. & Raj, R. (2006). Customer satisfaction: Relationship marketing in higher education E-learning. *Innovative Marketing*, *2*(3), 24-34.

Rogers, E. (1962). *Diffusion of innovations*. New York: Free Press.

Ross, C. (2012). Are the sleeping giants awake? Non-profit universities enter online education at scale. *Parthenon Perspectives*. Retrieved from http://www.parthenon.com/ParthenonPerspectives_AretheSleepingGiantsAwake_October2012.pdf

Rovai, A. & Downey, J. (2010). Why some distance education programs fail while others succeed in a global environment. *The Internet and Higher Education*, *13*(3), 141-147.

Ryerson University. (2014). *Enrollment Statistics*. Retrieved from http://www.ryerson.ca/upo/statistics/students-2013-geog.html

Seel, K. (2007). *Boundary Spanning: A Grounded Theory of Sustainability in Canada's Nonprofit Sector*. Doctoral Dissertation published by the University of Calgary. ProQuest.

Shaik, N. (2005). Marketing distance learning programs and courses: A relationship

marketing strategy. *DLA 2005 proceedings*. Retrieved from

http://www.westga.edu/~distance/ojdla/summer82/shaik82.htm

Sharp, B. (2010). *How brands grow*, *e-book edition*. Oxford, UK: Oxford University

Press.

Shattuck, J. (2013). Training higher education adjunct faculty to teach online: A design-

based research study. Doctoral Dissertation. Retrieved from

https://dt.athabascau.ca/jspui/handle/10791/27

Shaw, E. & Jones, D. (2005). A history of schools of marketing thought. *Marketing

Theory, 5*(3), 239-281.

Shaw, E. (2012). Marketing strategy: From the origin of the concept to the development

of a conceptual framework. *Journal of Historical Research in Marketing, 4(1),

30-55.*

Silverman, L. & Taliento, L. (2006). What business executives don't know – but should

– about nonprofits. *Stanford Social Innovation Review, Summer, 36 – 43.*

Simon Fraser University. (2015). *Convocation, traditions, and symbols.*

http://www.sfu.ca/convocation/traditions/symbols.html

Simon Fraser University. (2014). Enrollment reports. Retrieved from

http://www.sfu.ca/irp/enrollments/EnrollmentDashboard.html

Simon Fraser University. (2012). Community engagement defined. Retrieved from

https://www.sfu.ca/sfunews/stories/2012/community-engagement-defined.html

Simpson, O. (2004). Student retention and the course choice process: the UK Open

University experience. *Journal of Access Policy and Practice*, *2*(1), 44-58.

Skinkle, R. (2010). Actionable intelligence: Research for SEM. In Black, J. Ed. *Strategic Enrollment Intelligence*. Academica Group: Toronto.

Stein, D. & Wanstreet, C. (2006). Beyond yes or no: Factors in adults' decisions to enroll in higher education. *The Journal of Continuing Higher Education*, *54*(2), 2-12.

Stein, D., Wanstreet, C., Saunders, C & Lutz, M. (2009). The promise and the pathway: Marketing higher education to adults. *Online Journal of Distance Learning Administration*, *12*(3). Retrieved from http://www.westga.edu/~distance/ojdla/fall123/stein123.html

Stephens, D. (2013). *The retail revival: Reimagining business for the new age of consumerism*, *ebook edition*. New York: John Wiley & Sons.

Suárez-Vega, R., Gutiérrez-Acuña, J. L., & Rodríguez-Díaz, M. (2014). Locating a supermarket using a locally calibrated Huff model. *International Journal of Geographical Information Science*, 1-17.

Thomas, G. (2006). A general inductive approach for analyzing qualitative evaluation data. *American Journal of Evaluation*, *27*(2), 237-246.

Thomas, G. & James, D. (2006). Re-inventing grounded theory: some questions about theory, ground, and discovery. *British Educational Research Journal, 32*(6) 767–795.

Thompson Rivers University. (2015). About. Retrieved from http://www.tru.ca/about/glance/facts.html

University of the Arctic. (2012). www.uarctic.org

University of Manitoba. (2014). *Enrollment Statistics*. Retrieved from http://umanitoba.ca/admin/oia/media/Undergraduate_Student_Credit_Hours_Distance_Online_13_14.pdf

University of Waterloo. (2015). *Enrollment of first year students by place of origin*.

    https://uwaterloo.ca/institutional-analysis-planning/university-data-and-

    statistics/common-university-data-ontario-cudo-0/common-university-data-

    ontario-cudo-2013/section-e-common-university-data-ontario-2013#sectione1

Vargo, S. & Lusch, R. (2008). Service-dominant logic: continuing the evolution. *Journal

    of the Academy of Marketing Science*, 36(1), 1-10.

Vargo, S. & Lusch, R. (2004). Evolving to a new dominant logic for marketing. *Journal

    of Marketing*, 68(1), 1-17.

Williams Jr., R. & Omar, M. (2014) How branding process activities impact brand equity

    within Higher Education Institutions. *Journal of Marketing for Higher

    Education, 24*(1), 1-10.

Yilmaz, R. A. (2005). Using marketing communication for distance education

    institutions. *Turkish Online Journal of Distance Education*, *6(2).*

Appendix A

Descriptions of Universities Included in the Research

Members of Canadian Virtual University

1. **Athabasca University**

- Website – www.athabascau.ca

- Located in Athabasca, Alberta.

- Established in 1970, AU became Alberta's fourth public university in 1978.

- AU offers over 800 online courses in a broad range of undergraduate and graduate degree, diploma and certificate programs in arts, sciences, and professional disciplines, including the first EMBA offered in Canada.

2. **Carleton University**

- Website – www.carleton.ca

- Founded in 1942 and located in Ottawa.

- Carleton offers more than 175 undergraduate and graduate programs

- Carleton's academic and support programs offer a wide variety of opportunities to cross disciplines, span international borders and encourage a variety of perspectives

- Carleton University Online makes videos of lectures available online from most courses.

- Offers Canada's only online Master degree in Philanthropy and Nonprofit Leadership

3. **Laurentian University**

- Website – www.laurentian.ca

- Founded over 50 years ago on a 765-acre peninsula in Sudbury, Ontario.

- The university, with its unique bilingual and tri-cultural mandate, currently offers over 140 undergraduate programs (38 in French) and 35 master and doctoral programs in diverse fields, such as management, health sciences, mining and the environment.

- Niche programs at Laurentian University include its engineering programs with chemical, mechanical, and mining specializations; the only U.S.-accredited forensic science program offered online by a Canadian university; its sports administration program; its limited-enrolment medicine, human kinetics, and midwifery programs; its commerce and MBA offerings; and multi-streamed education and concurrent education programs.

4. **Memorial University**

- Website – www.mun.ca

- Founded in 1925 as Memorial University College, Memorial University is the only university in Newfoundland and Labrador. It is located on multiple campuses throughout the province, with a main campus in St. John's.

- A comprehensive university that offers more than 100 undergraduate and graduate degree programs in arts, science, education, fine arts, medicine, engineering and applied science, business, music, maritime studies, technology and ocean instrumentation, human kinetics and recreation, nursing, pharmacy, resource management and social work.

- Located on the edge of the Atlantic Ocean, the Marine Institute is recognized as one of the most respected centres of marine learning and applied research in the world.

- Distance Education, Learning, and Teaching Support (DELTS) offered the first distance education course in 1961 and created the university's first online course in 1994.

5. **Mount Royal University**

- Website – www.mtroyal.ca

- Located in Calgary, Alberta, Mount Royal was founded as a college in 1910 and became a university in 2009.

- Mount Royal provides more than 60 bachelor's degree, applied degree, university transfer, diploma, and certificate programs.

- Programs are offered in arts and science, nursing and health, business, communications, community studies, design, education, performing arts, and Aboriginal studies.

- The Faculty of Teaching and Learning – unique in Canada – also enables faculty to conduct research into successful student learning and effective teaching.

- The Academic Development Centre creates online courses for credit programs and the Faculty of Continuing Education offers a variety of online certificate programs.

6. **Royal Roads University**

- Website – www.royalroads.ca

- Located on Vancouver Island, Royal Roads is a former military college that became an independent university in 1995. Royal Roads pioneered a teaching model that combines short, intensive on-campus residencies with online instruction.

- Royal Roads has built a suite of interdisciplinary undergraduate, graduate, and doctoral programs, as well as lifelong learning opportunities, in business and social sciences.

- Royal Roads University's Doctor of Social Sciences program is Canada's first applied research doctorate designed exclusively for working professionals.

7. **Thompson Rivers University**

- Website – www.tru.ca

- Located in Kamloops, British Columbia, Thompson Rivers University (TRU) was formed in 2005 after a merger between Caribou University College and the Open University of British Columbia.

- TRU offers undergraduate and graduate degrees, diplomas, and certificates on the main campus in Kamloops, certificate and diploma programs from its regional campus in Williams Lake and smaller communities, offers distance programs through Open Learning, and has a strong presence internationally through TRU World.

8. **University of Manitoba**

- Website – www.umanitoba.ca

- Founded in 1877 in Winnipeg, Manitoba, the University of Manitoba offers a diverse range of programs, with a full complement of professional programs

including engineering, law, and medicine. It offers master and doctoral programs and opportunities for postdoctoral education in many disciplines.

- The continuing education division offers a large variety of professional and certificate programs.

9. University of New Brunswick

- Website – www.unb.ca

- Founded in 1785, the University of New Brunswick (UNB) is one of the oldest public universities in North America. It is located in St. John and Fredericton, New Brunswick.

- It is a comprehensive university with undergraduate and graduate programs in most disciplines. UNB offers an international experience by attracting students from more than 100 countries.

- The College of Extended Learning makes UNB accessible around the world through distance education and web-based courses.

Non-member Universities Recognized by CVU as Significant Online Programs

1. Concordia University

- Websites – www.concordia.ca and www.econcordia.ca

- Located in Montreal, Quebec, Concordia University is the result of a merger in 1974 of Loyola College and Sir George Williams University.

- Concordia is a comprehensive university that offers 300 undergraduate programs, 195 graduate programs, diplomas, and certificates and 35 postgraduate programs.

- Online programs are provided by eConcordia, a partnership between Concordia University and KnowledgeOne, a private Canadian company.

2. **Ryerson University**

- Website – www.ryerson.ca

- Ryerson has its roots in a teacher college founded in 1842, which became Ryerson Institute of Technology in 1948 and a degree granting university in 1993. It is located in Toronto, Ontario.

- Although a relatively new university, Ryerson has grown to include Canada's largest undergraduate business school and the third largest engineering school. Ryerson offers more than 100 undergraduate, Master and PhD programs in five faculties.

- The G. Raymond Chang School of Continuing Education is largest of its kind in Canada with 70,000 registrations annually. Online programs are offered through the Chang School.

3. **Simon Fraser University**

- Website – www.sfu.ca

- Founded in 1963, Simon Fraser University opened its Burnaby, British Columbia campus in 1965.

- SFU is a comprehensive university with over 150 disciplines offering undergraduate and graduate degrees from eight faculties. Online education is a part of all programs with about 50% of students combining online courses with campus-based programs.

- In early 2012, SFU launched a new vision to be the leading engaged university as defined by its dynamic integration of innovative education, cutting-edge research, and far-reaching community engagement.

- SFU is also the first non-US member of the National Collegiate Athletic Association (NCAA)—the world's largest college sports association.

4. **University of Waterloo**

- Website – www.uwaterloo.ca

- Founded in 1959 as a merger of faculties from various colleges in Waterloo, Ontario, the University of Waterloo is a comprehensive, research-intensive university recognized as a leader in science, technology, and mathematics.

- Differentiated by a culture of innovation and entrepreneurship, the University of Waterloo has nurtured a unique creator-owned intellectual property policy and programs like VeloCity, an on-campus commercialization incubator for student entrepreneurs.

- It is also a leader in the development and implementation of technology-enabled learning, with more than 300 courses and more than a dozen undergraduate and graduate degrees offered online.

Appendix B

Comparison of Tuition Charged by the Subject Universities

Name of University	Canadian	International
Athabasca University	4,720 - 5,860	9,440 - 10,580
Carleton University	5,818 - 8,373	18,530 - 21,274
Concordia University	2,224 - 6,241	14,956 - 16,701
Laurentian University	5,668 – 5,752	16,387 – 17,604
Memorial	2,550	8,800
Mount Royal University	4,894 - 5,505	11,011 - 13,213
Royal Military College of Canada	5400	17,500
Royal Roads University (business)	6,870 - 8,670	16,320 - 17,340
Ryerson University	5,772 – 5,857	18,782 – 19,532
Simon Fraser University	5,115 - 5,115	17,862 - 17,862
Thompson Rivers University	3,830 - 3,830	15,800 - 15,800
University of Manitoba	3,307 - 3,867	11,573 - 13,534
University of New Brunswick	6,007	13,282
University of Waterloo (and colleges)	5,820 - 7,188	20,020 - 21,330

Table B1: Comparison of subject university tuition fees. Source, AUCC 2014.

Appendix C

Comparison of Student Enrollments of Subject Universities

University Name	FT Undergrad.	FT Graduate	PT Undergrad.	PT Graduate
Athabasca	0	0	28,260	3,120
Carleton	20,200	3,000	4,500	620
Concordia	20,720	4,500	9.460	920
Laurentian	6,400	450	2,100	370
Memorial	12,590	2,310	2,200	1,370
Mount Royal	9,450	0	1970	0
Royal Military	N/A			
Royal Roads	1,450	3,470		
Ryerson	21,800	2,060	14,400	300
Simon Fraser	13,520	3,650	12,040	750
Thompson Rivers	6,430	180	1,120	9
Manitoba	21,500	2,970	3,980	700
New Brunswick	7,970	940	970	630
Waterloo	29,100	4,000	1,500	1,300

Table C1: Comparison of university enrollments, rounded to nearest 10. Source, AUCC 2014.

Appendix D

Comparison of Revenues by Source for Subject Universities

University	Prov. Gov. (millions $)	Sales (includes tuition)	Donations	Other (includes Fed. Gov.)	Total
AU	48	80	1	3	132
Carleton	168	275	4	68	515
Concordia	264	196	17	40	517
Laurentian	77	61	3	22	163
Memorial	383	140	15	38	576
MRU	97	99	10	24	230
RMCC					
RRU	20	35	.4	2.6	58
Ryerson	221	265	12	42	540
SFU	233	259	14	129	635
TRU	76	90	1.5	9.5	177
UM	407	237	21	186	851
UNB	134	128	8	57	327
UW	272	426	40	140	878

Table D1: Comparison of subject universities revenue sources. Source, CRA Database.

Notes:

The numbers shown in the table above were taken from the CRA Database of T3010 financial statements filed annually by all Registered Charities in Canada. These statements were used because the statements have common line items and filing deadlines. The statements were also compared to the annual reports of each university.

The revenues are shown to provide a comparison of the general size and scope of the universities in the study. It is not possible to draw many inferences from the financial information because there are numerous variables that influence revenue. These include government funding variations from province to province, the configuration of the university and the presence of a medical school, variations in tuition, number of graduate and international students, income from endowment funds, and the extent of the university's research contracts.

Revenue from online education is not a line item on the T3010 or in the annual reports. It is not possible to calculate the revenue from online education.

Appendix E

Comparison of Online Programs Offered by Subject Universities

University	Administrative Home	Marketing Home	Online Courses and Programs
AU	Institution-wide	Dedicated Department and Embedded Business Faculty	850 courses – 50 online degrees and certificates
Carleton	Carleton University Online (CUOL)	No marketing dedicated to online education	100 online courses One online grad degree Videos classroom lectures
Concordia	eConcordia	eConcordia	About 50 courses online No online degree programs
Laurentian	Continuing Education	Continuing Education	250 courses Online B.A., Certificate, MBA
Memorial	(DELTS) Distance Education, Learning and Teaching Support	Marketing department within DELTS in cooperation with university marketing	About 320 online courses Online bachelor degrees, master degrees, and graduate certificates
MRU	Continuing Education Academic Development	Continuing education	About 50 online courses Online Cont. Ed. Certificates A few online courses developed as a part of degree programs
RRU	Institution - wide	Centralized	Primarily graduate programs combining short residency with online courses
Ryerson	Chang School (Extension)	Chang School	About 320 online courses Variety of certificate and part-time undergraduate degree options
SFU	CODE (Centre for Online and Distance Education)	Decentralized	About 200 online courses Available to registered undergraduates Limited online degree options
TRU	Open Learning	Open Learning	About 600 online courses Variety of undergraduate degrees and certificates

UM	Continuing Education	Continuing Education	About 250 online courses Online Bachelor degrees with a variety of majors.
UNB	Continuing Education	Continuing Education	About 150 online courses Graduate programs in education. Certificate programs in occupational health.
UW	Centre for Extended Learning	Centre for Extended Learning	320 courses in 40 subject areas. Online Undergraduate degrees and certificates

Table E1: Table comparing types of online programs offered by subject universities, administration of online programs, and marketing. Source, compiled from university websites.

Notes:

- Athabasca U is unique as the only English language institution with all its courses either completely online or, in the case of some graduate programs, with some face-to-face meetings. It is comprehensive and degree granting with open learning mission.

- RRU has a unique mission and pedagogy offering blended on-campus and online programs primarily to graduate students.

- TRU is also unique in that it has a large online component offering open learning but also has an equal on-campus and regional mandate.

- Most universities offer online education as a part of extended or continuing education, and have expanded these capabilities to include online degree

programs. This is the situation of Universities of Waterloo, New Brunswick, Manitoba, Ryerson, Laurentian, and Mount Royal.

- Carleton and SFU have centers for online education that primarily support on-campus undergraduates. They have also developed specific programs for niche markets. Memorial has a similar situation but offers more online degrees.

- Concordia has partnered with a private company to create a unique online entity, eConcordia, which appears to support primarily on-campus undergraduates but also has some courses available for single enrollment.

Appendix F

Certificate of Ethics Approval

Athabasca University
RESEARCH CENTRE

June 16, 2014

Mr. Ronald Strand
Other Academic Centres/Depts\Centre for Distance Education
Athabasca University

File No: 21453

Expiry Date: June 15, 2015

Dear Mr. Ronald Strand,

Thank you for your recent resubmission to the Athabasca University Research Ethics Board (AUREB), addressing the clarifications and revisions as requested for your research entitled, 'Canadian Universities Respond to Global Competition: Best Practices for Marketing Online Education'.

Your application has been **Approved** and this memorandum constitutes a *Certification of Ethics Approval*. You may begin the research immediately.

This REB approval, dated June 16, 2014, is valid for one year less a day.

Throughout the duration of this REB approval, all requests for modifications, renewals and serious adverse event reports must be submitted via the Research Portal.

To continue your proposed research beyond June 15, 2015, you must submit a Renewal Form before May 15, 2015.

When your research is concluded, you must submit a Final Report Form to close out REB approval monitoring efforts.

At any time, you can login to the Research Portal to monitor the workflow status of your application.

If you encounter any issues when working in the Research Portal, please contact the system administrator at research_portal@athabascau.ca.

Sincerely,

Marguerite Koole

Chair, Centre for Distance Education, Departmental Research Ethics Committee
Research Ethics Board