The effect of increased tuition fees on Higher Education marketing in the UK

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‘Qual’ and ‘Quant’ stages

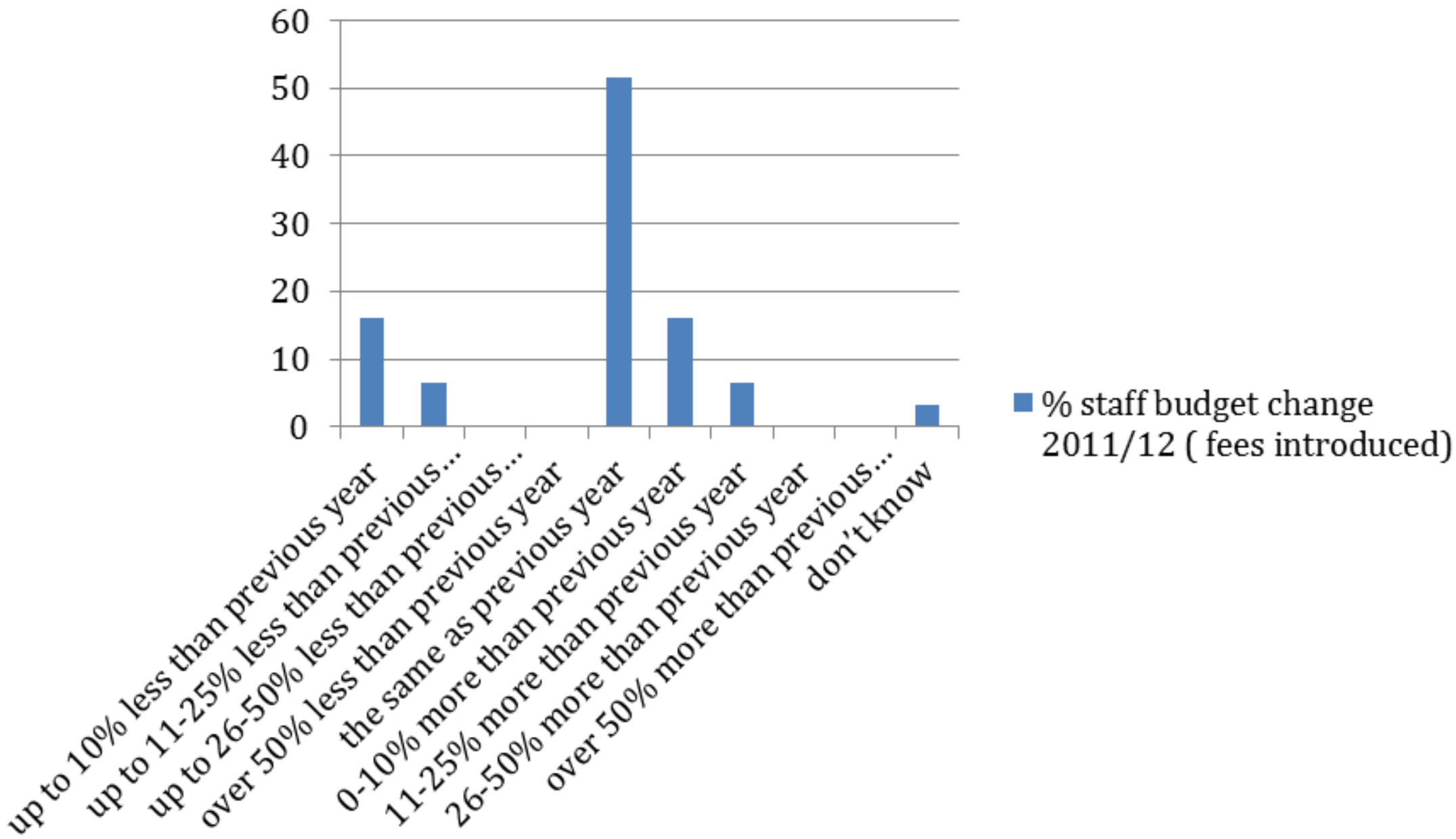
- This research was conceived to explore whether marketing budgets have increased in the three years since the advent of tuition fees, by how much, and where marketing budgets are being spent.

- Initial stage concerned depth interviews with Marketing Directors .
- Second stage built upon the exploratory work
- Staff and non-staff budgets were viewed separately.
- The sample was robust, with 37 marketing budget holders (Directors of Marketing or similar) responding (almost a third of UK universities).

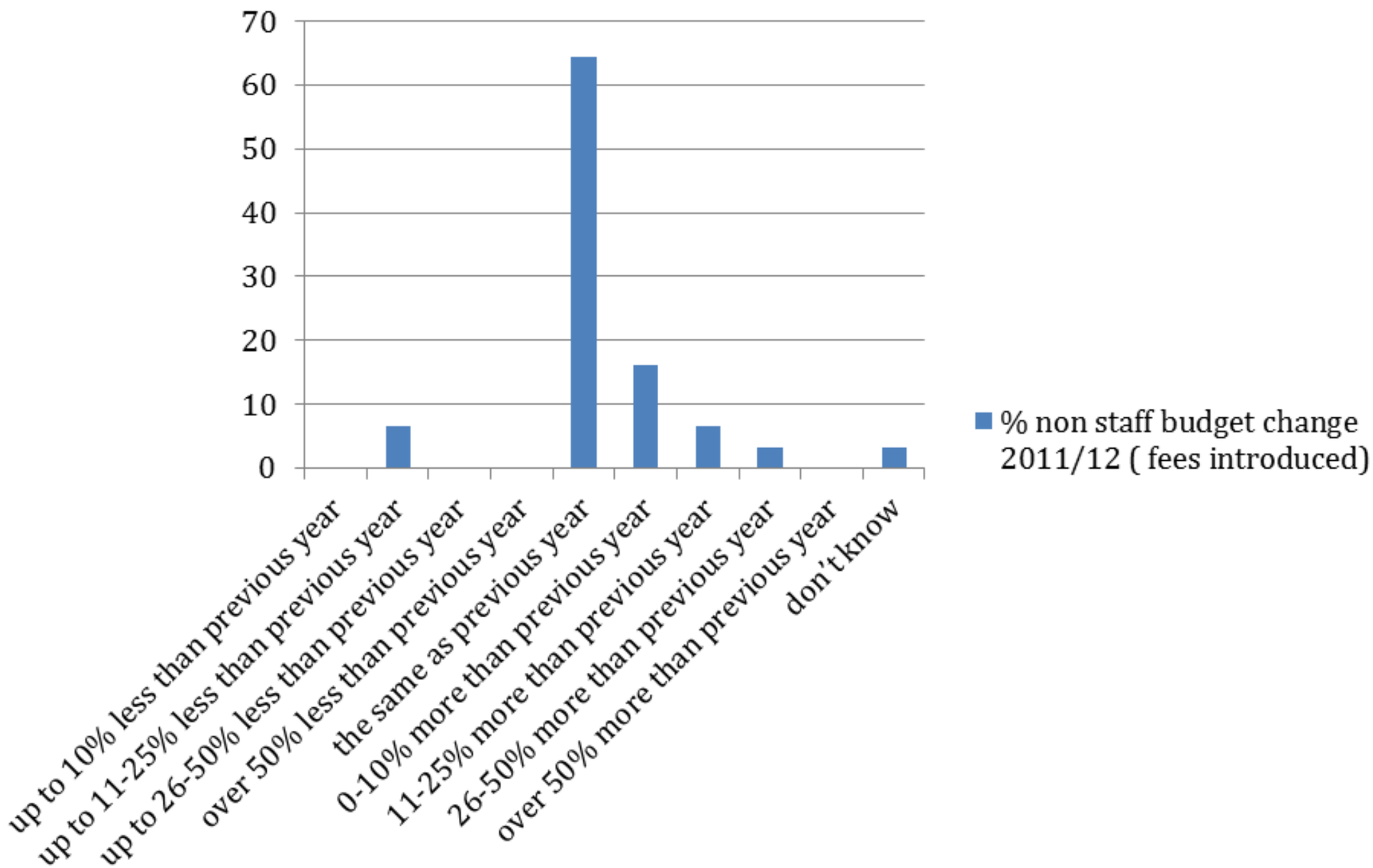
Key points from qualitative stage

- Marketing budgets in universities have generally increased (but not uniformly) across the sector.
- Indicative generally greater perceived value of marketing as an ethos; evident through increasingly senior strategic appointments?
- Marketing communications tools have evolved, particularly in terms of a shift to digital media at the expense of traditional advertising
- Analytics and data modelling are increasingly important and sophisticated There is a clear focus on the ‘student journey’ and Marketers are increasingly embracing this though ‘lifetime communications’ pre, during and after university

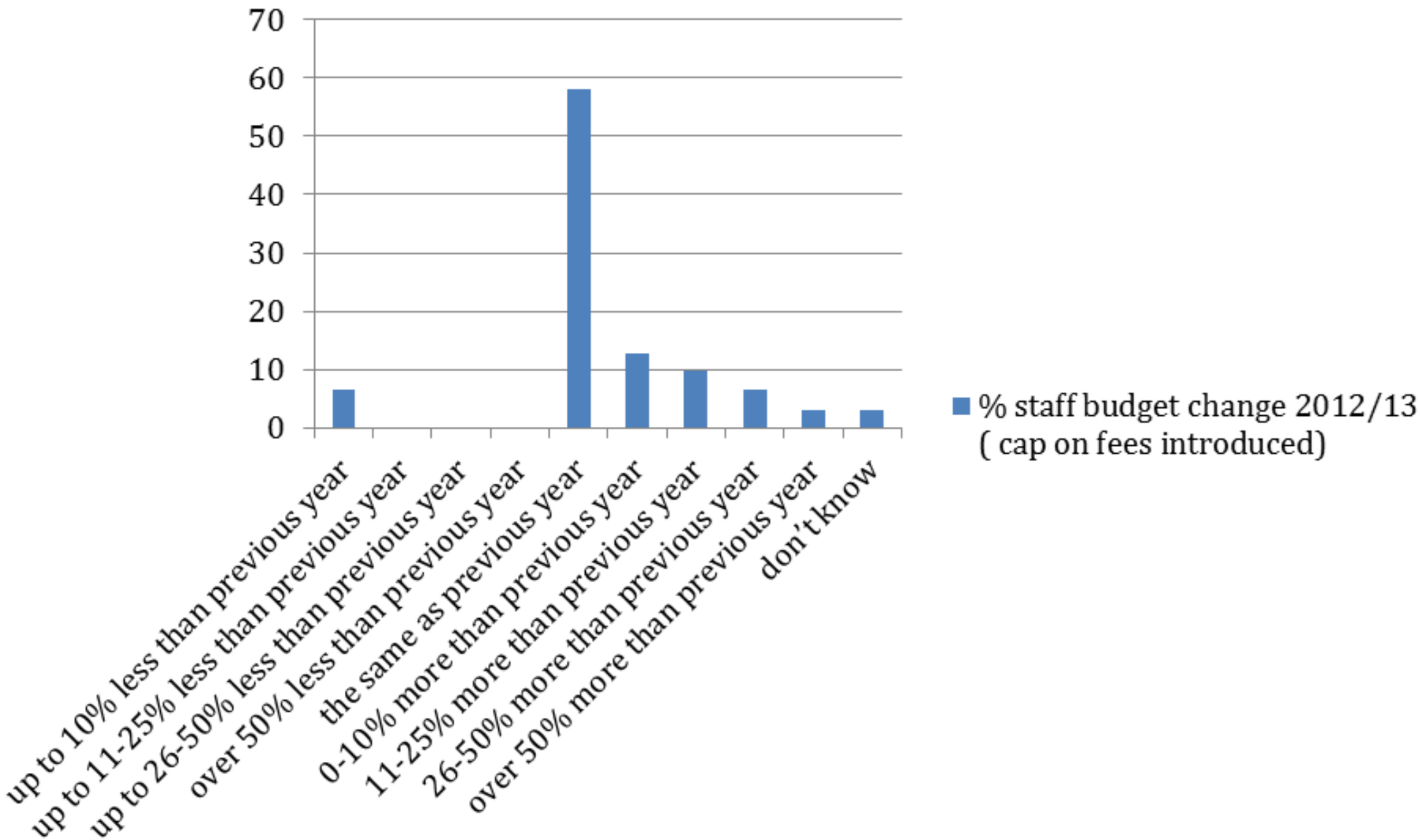
% staff budget change 2011/12 (fees introduced)



% non staff budget change 2011/12 (fees introduced)



% staff budget change 2012/13 (cap on fees introduced)



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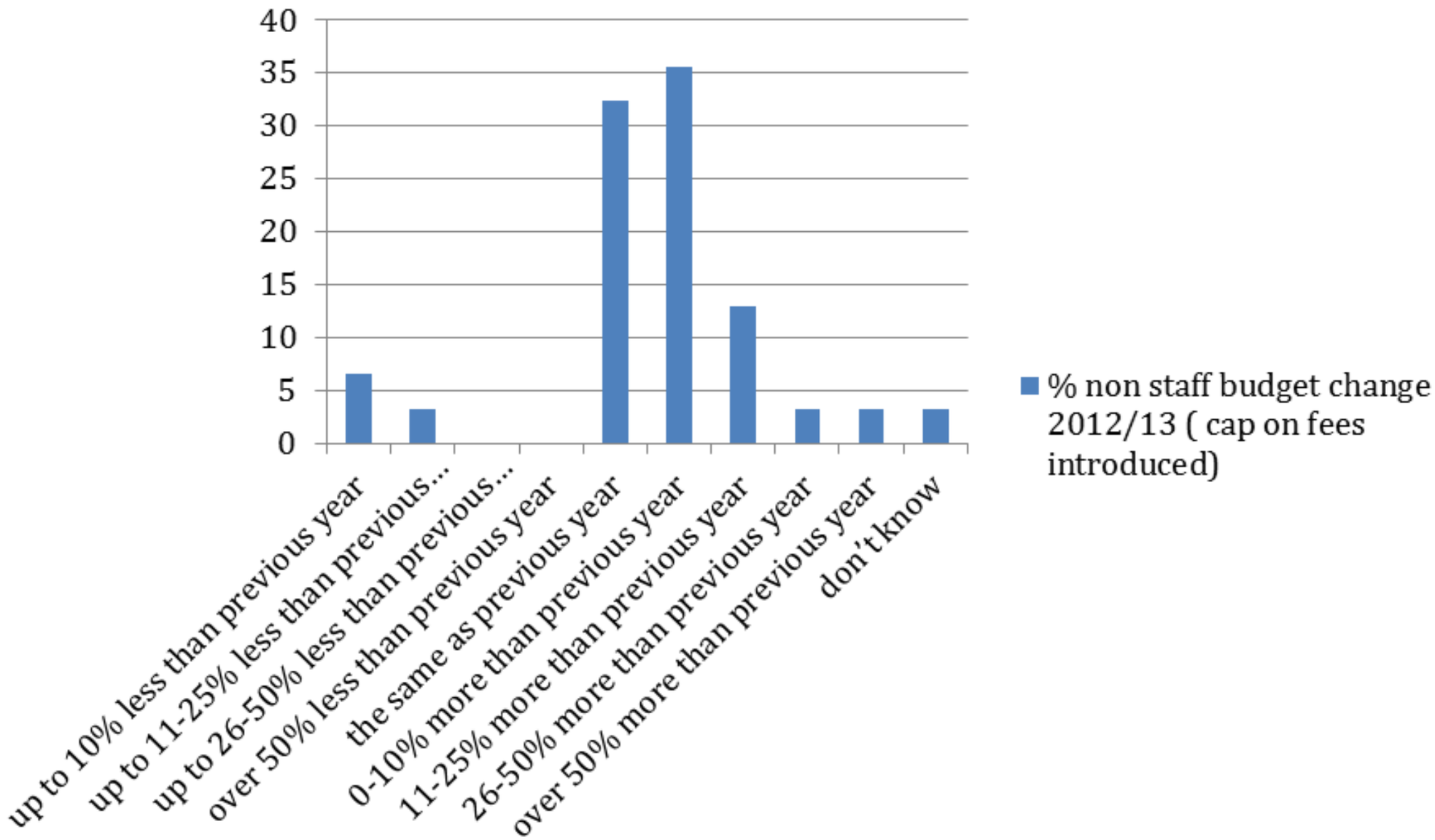
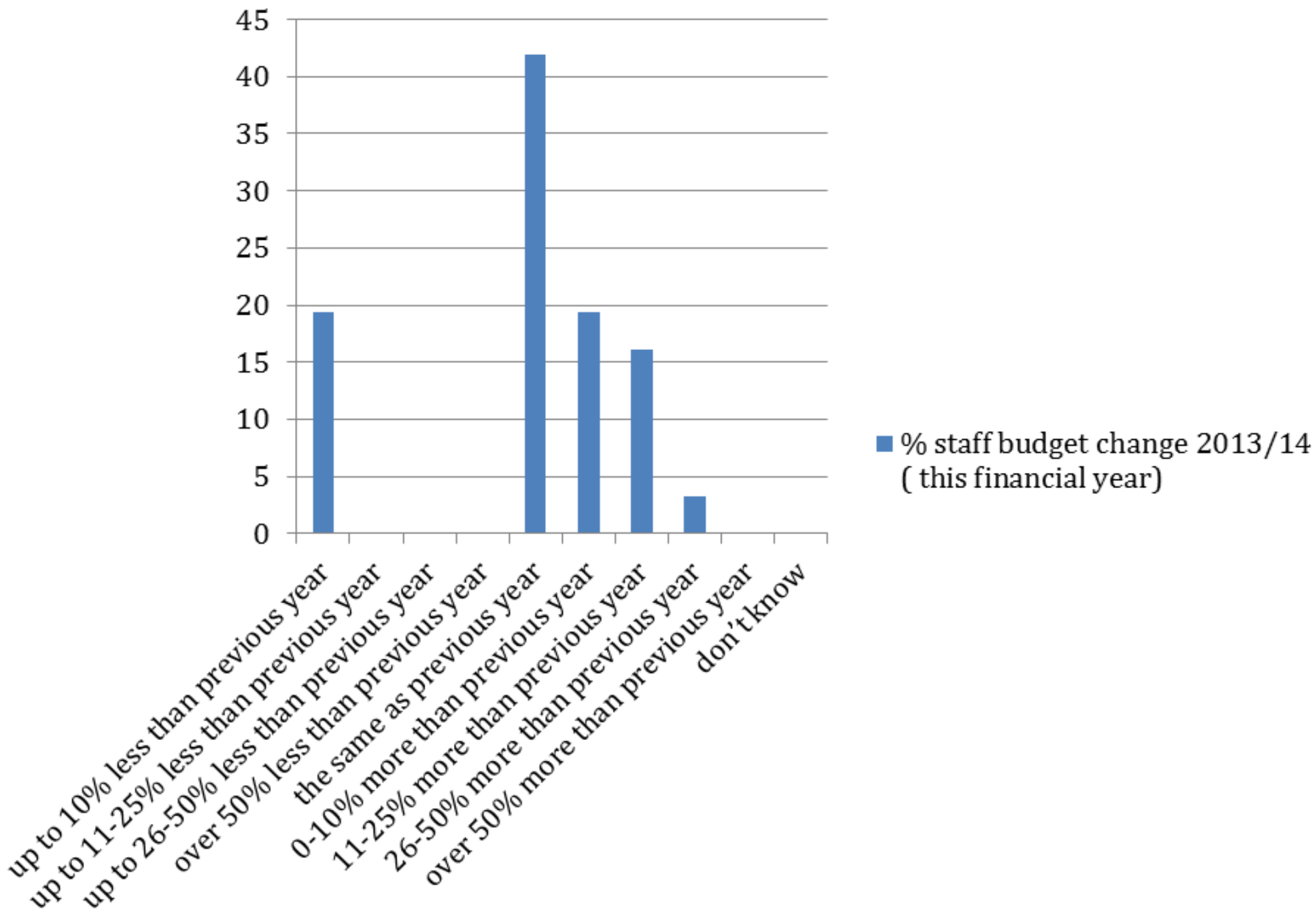
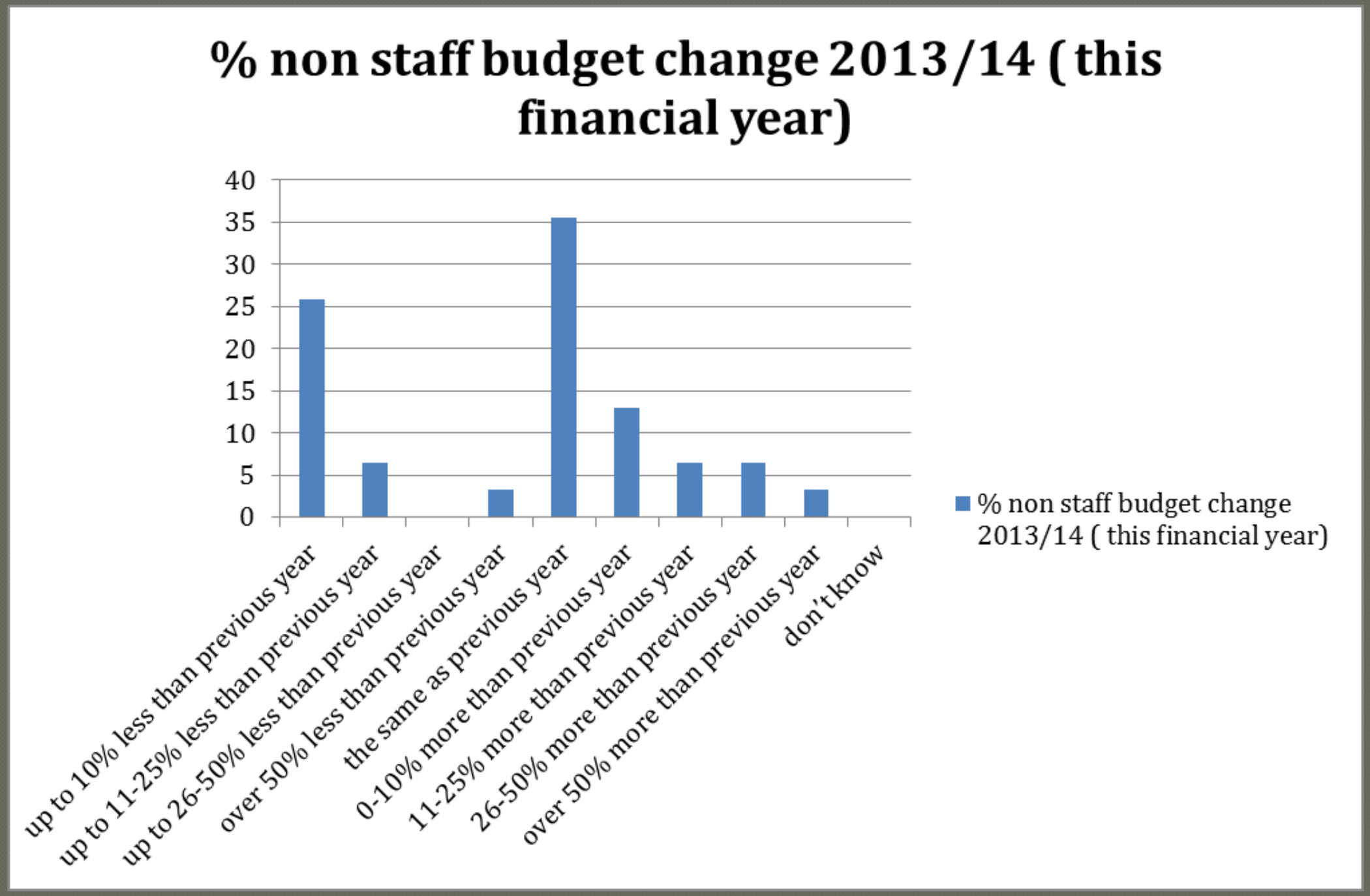
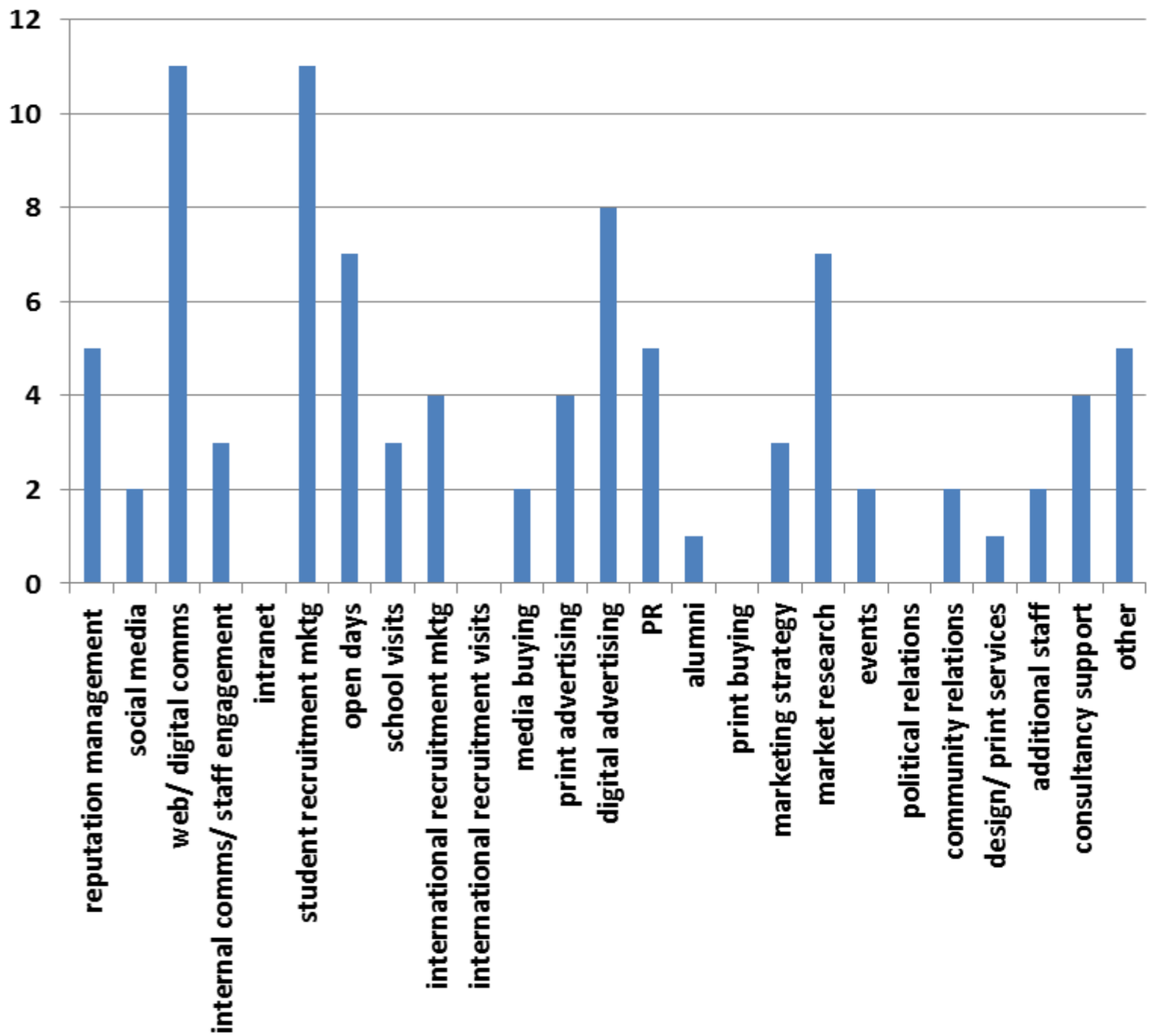


% staff budget change 2013/14 (this financial year)



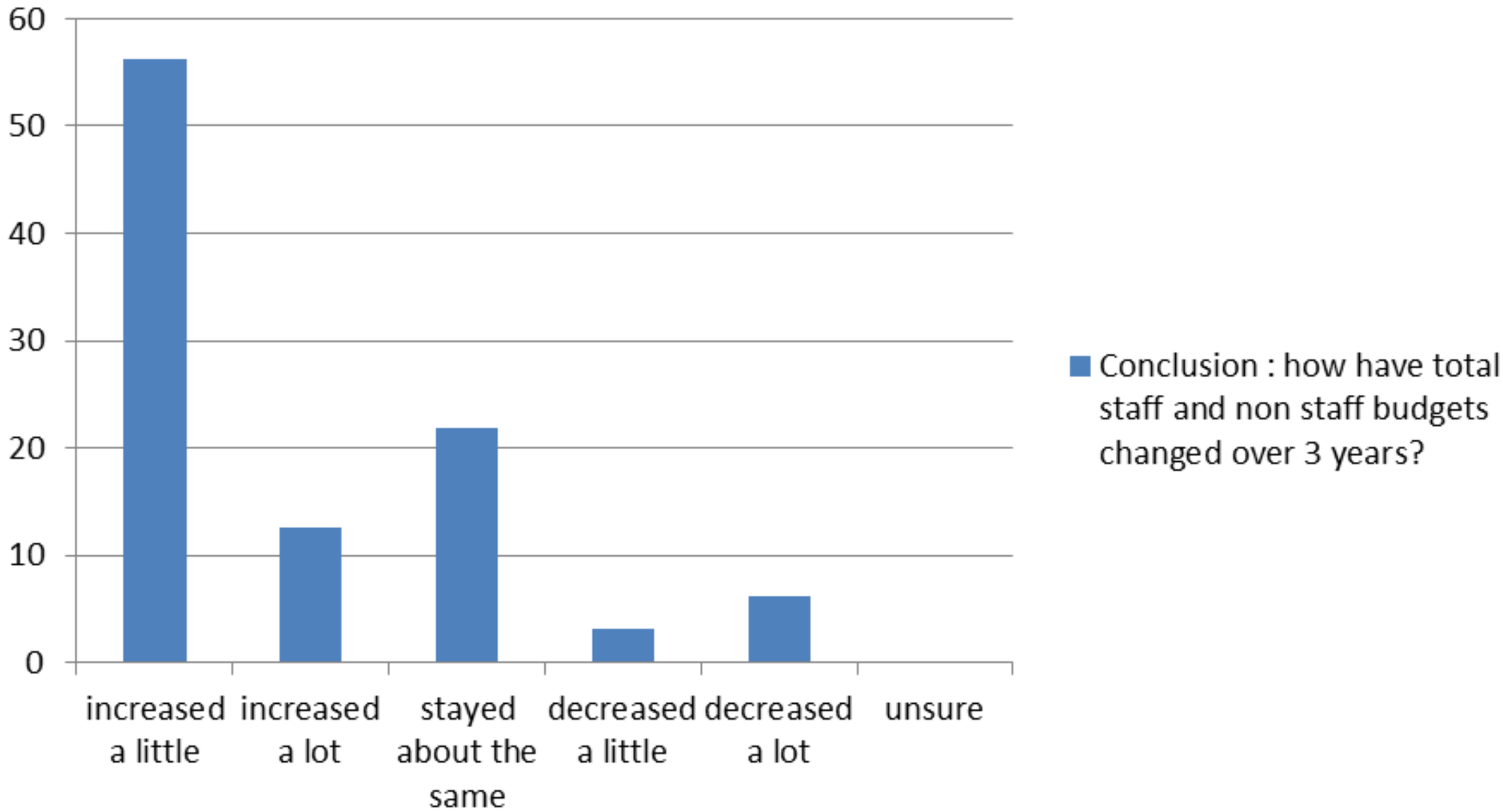

% non staff budget change 2013/14 (this financial year)
40
35
30
25
20
15
10
5
0
up to 10% less than previous year
up to 11-25% less than previous year
up to 26-50% less than previous year
over 50% less than previous year
the same as previous year
0-10% more than previous year
11-25% more than previous year
26-50% more than previous year
over 50% more than previous year
don't know
% non staff budget change 2013/14 (this financial year)

If budgets increased , which areas have additional funds been invested in?



If budgets increased , which areas have additional funds been invested in? (total responses)

Conclusion : how have total staff and non staff budgets changed over 3 years?



Conclusions

- ‘Staff budgets ‘were largely the same or up a little through the three years.
- ‘Non-staff budgets’ generally saw bigger rises than staff budgets (e.g. in 2012/13 over 55% saw some budgetary increase; a significant figure).
- Overall it seems that 2012/13 (when the cap on fees was introduced) was the year of most significant increases in overall budgets with 2013/14 seeing more modest increases and some falls (Obviously all increases/ decreases are on the previous year’s budgets).
- Over 80% of respondents have secured additional funds. These have particularly been used for digital communications, web projects, digital ads student recruitment and marketing research.

Implications

- Where budgets are being spent is interesting -Social media, reputation management and PR being the mostly commonly cited tools among the sample.
- Within digital communications, social media in particular is now widely and strategically used. However, respondents cautioned against over reliance on social media alone?
- CRM has become widespread in the sector, with some institutions using relatively innovative approaches
- Are brands they fully managed? - genuinely differentiated brands = the ‘Branded Experience’?
- How are results being quantified- metrics?

Thank you- any questions?

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