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The Formation of Marketing Strategy of the Higher Educational Institutions to Increase their Efficiency

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ABSTRACT

The article deals with the problems, connected with the marketing strategy formation under the higher educational institutions functioning. There are considered the main preconditions to implement the full-scale marketing investigation into the educational institutions in the system of the higher professional education. The necessity to use the market analytics, based on the marketing studies of not only private, but also state educational institutions, is proved. In the course of study, using the analysis of historical data, the dynamics of number of educational institutions was studied, as well as the factors, that influence on its structure. The system of stages was formed; it provides the educational institution with an opportunity to form the optimal marketing strategy. The notions of operational efficiency of the institution and marketing strategy are shown interconnected. The possibility to increase the institution efficiency, by means of creation of strict marketing strategy, is analyzed.

Keywords: Education, Marketing, Marketing Strategy, The Efficiency of the Higher Educational Institution **JEL Classifications:** M30, M38, I21, I25, I28

1. INTRODUCTION

At present, the native system of education experiences the epoch of changes. Due to the fact, that there appeared the necessity to form the new market space, none of the spheres missed the reforms. The social economical policy has changed, as well as the system of budgeting at federal level, and the moment has come, when the preconditions to evaluate the efficiency of the higher school have been formed. If in the end of the XX century, the matter dealt with the formation and self-determination of the Russian higher school, then, at present, the matter deals with its development. All this resulted into the fact that the efficiency evaluation system for the higher educational institutions began to attract attention. In order to make the process more understandable, the clearer system of criteria and indices has been formed for the higher educational institutions to reach, in order to exist at the educational space of the Russian state.

According to the selected criteria, the higher educational institutions begin to form the development strategy. In this

moment, there appears a question, how to treat this process. The higher educational institutions, especially the state ones, did not get used to form their activity in conditions of market economy; in its turn, it influenced on their functioning system. The large flow of students was lost, when the system of non-state educational institutions was developed in Russia; they had the commercial-based activity (Zykova, 2008). These higher educational institutions differed by their mobility and maneuver capability in approaches to the educational market; they immediately got rather high popularity. All this, undoubtedly, reflected in the quality of the provided educational services (Rubtsov, 1996).

In conditions of absence of clear strategic development system, based on marketing activity, the state higher educational institutions began a searching process for themselves at the market of educational services (Katasonov, 2007). Frequently, the activity of the higher educational institutions was similar to "seesawing," that had a negative impact on the image of some higher educational institutions. Finally, it had a negative impact on their general activity (Shalygina et al., 2012).

Unfortunately, the majority of the higher educational institutions, especially the state ones, tried to adapt that system of social-economical relations, which was formed in the society. However, Russia exists in another formation, which does not allow acting in this way at the market, despite the fact, that it is the educational market. This situation shows that the heads of the higher educational institutions lack the abilities to shift to market conditions, i.e. when the market of educational services shall form itself and adapt to social economical conditions, and not vice versa (Gomayunova, 2014).

The state institutions get the necessity to shift partially to the system of self-financing, what bewilders the institutional system of administration. In this situation, there appears the necessity to form the system, used in the work with both applicants, and companies and organizations, which require skilled professionals, graduating from the higher educational institutions, which would provide them with an opportunity to find their place and to become maximally useful in the current situation in the country (Federal Law "About Education in Russian Federation"). The formation of clear marketing policy can answer the question, how the higher educational institution can function properly at the market of educational services (Kirillina, 2001).

The problems, connected with introduction of marketing departments into the system of higher education, are rather urgent, as they provide the last with an opportunity to distribute optimally their resources and to find new possibilities with the least costs, including the material ones, to get the maximum effect. At that, this effect can be previously formed and forecasted by the marketing system, which not only brings the new educational services to the market, but also promotes them to the consumers' market.

2. PROCEDURE

2.1. Preconditions for the Analysis

Based on the current situation in the system of social economic development of Russia, the companies' heads have more and more questions, related with the quality of graduates' training. It is mainly reflected in the fact, that the graduates of the majority of the higher educational institutions are not ready to fulfill their duties to the full. A response to this situation is the involvement of people, who present the employees, to the educational process. In this case, there are also a lot of problems in integration of the abovementioned people to the educational process. Thus, there is a gap between the obtained education and practical activity.

Such situation has a lot of different affecting factors, but, finally, all comes down to the deep analysis of that market, for which the future personnel is formed, as well as the possibilities of the higher educational institution itself to provide the adequate situations of educational services. In conditions of absence of the full-scale financing, the higher educational institutions are to monitor that population layers, which present the future students. As a rule, such activity is carried out, but it has nothing in common with the full marketing investigation. Frequently, it is shown in distribution of fact sheets, questionnaire survey for a limited group, open days and relevant events. Let us not forget, that to hold such events

properly, it is necessary to study thoroughly the school leavers, at that, the study shall be started from the middle school, as it allows creating the full picture about the future consumers of the educational services. At that, the higher educational institution shall have constant relations with the employees, but it shall be expressed not only in seminars and meetings, but in co-financing of the skilled professionals training. It is possible to distinguish a number of reasons, why the majority of Russian institutions does not have the clearly formed marketing strategy:

- The long-term existence of state monopoly at the market of educational services. Let us not forget, that the USSR had a clearly formed system, which deprived the educational institutions of the need in any investigations of "competitors" and consumers of educational services. The presence of command and administration system made the institutions feel maximally confident in tomorrow, and, consequently, they lost the necessity to get the required management skills. It was related not only to the heads of the educational institutions, but also to the administration of educational bodies in whole.
- 2. It is too long process, as per the market approach, covering the period from the student's entry to his graduation. Unfortunately, in rapidly changing conditions and in absence of definite social economic and political stability, the process of personnel training is carried out practically at random. Consequently, the educational programs shall be maximally approached to that perspective, which expects, but not is based on what was formed and what is quite possible to be changed in near future.
- 3. The absence of skilled professionals in the sphere of marketing investigations in the educational sphere. It is necessary to mention, that for that period, when Russia was forming market relations, unfortunately, a wide circle of specialists in the sphere of market investigations, was not formed. At that, it refers not only to the educational sphere, but also to the majority of other spheres. As this sphere is quite new, there is no possibility to train such specialists, which are required at present; their training can be grown to several years.
- 4. The lack of clear informational basis for the required studies. At present, the general data base is only being formed at federal regional and municipal levels. In conditions of absence of full and reliable data, the process of marketing investigations formation and creation of marketing strategy becomes problematic; in the majority of cases, it will have errors. The results of these errors will affect the results of activity of the educational institution.
- 5. The policy of Educational Ministry towards reduction of the higher educational institutions. Recently, the state carries out the activities on closing of that higher educational institutions, that fail to meet the requirements, developed to determine their efficiency. In this situation, the higher educational institutions, which stay at the market of educational services, will have the possibility to do nothing, as they could become privileged with the lack of competitors in the course of time. It is necessary to note that, for sure, it will involve those higher educational institutions, that are quite clumsy in the system of educational services. Such situation can complicate the process of marketing policy implementation into the general strategy of the higher educational institution.

Proceeding from the analysis of the reasons, that impede the formation of clear marketing policy and insufficient attention of the institutions themselves to the problem under study, there is a necessity to form a clear system, expressed in the view of algorithm. It will provide an opportunity to systematize the marketing activity and integrate it into the system of general strategy of the higher educational institution. Proceeding from the executed analysis and the materials, related to this problem, it is possible to conclude, that the majority of them is aimed at the significance of formation of the marketing policy in the system of general development strategy for the higher educational institutions. Mainly, the information, related to the principles and directions of the marketing activity of the higher educational institution, is presented. In this case there is a question about the formation of clear sequence of stages, which would allow forming the system, which would provide the higher educational institution with an opportunity not only to make any actions, aimed at strengthening of their positions at the market of educational services, but also to accumulate and to systematize them.

2.2. The use of Statistical Data Analysis Method to Forecast the Formation and Development of Marketing Policy in the Higher Educational Institutions

To form the general picture of educational services market situation, the most outspread methods of statistical data analysis, providing the objective evaluation, were selected. It will undoubtedly influence on the general policy of the educational institutions and, respectively, affect the marketing policy formation. In its turn, it will become the facility in development and adaptation of the institution at the market of educational services.

In this connection, let us start the study from the simplest index, such as the number of higher educational institutions. Let us present the data in the view of diagram, shown in the Figure 1 (Reznik and Kurdova, 2014).

Based on the data, presented in the Figure 1, it is possible to conclude the following. The number of higher educational institutions has a strict tendency for reduction in the last 5 years. Thus, the number of competitors is being reduced in the market of educational services, providing the rest institutions to work in rather calm rhythm in relation of the market of school graduates. It provides an opportunity for weak activation before the market of school graduates, but, in its turn, strengthens the activation before the main establisher - the state, if we speak about the state higher educational institutions. A reverse process can be forecasted in commercial higher educational institutions. In order to strengthen their positions in the market of educational institutions, they need to improve their marketing policy for effective existence, both in the sphere of educational services, and from the viewpoint of commercial practicability. Calculating the percent change of number of higher educational institutions, it is possible to note, that in 2011//2013, their number reduced by 3%, as compared with 2010/11 school year. We can see the same situation in the next period under study, i.e. their number reduced by 3% in relation to the previous period. In 2013/24 school year, the number of higher educational institutions reduced by 7% in relation to

2012/2013 year. In 2014/2015, in relation to 2013/14, the reduction of number of educational institutions was equal to 2%. Thus, at the average in the period from 2010 to 2015, the annual tendency is 3.7%. If to consider the relation of the period 2014/15 to 2011/12 (a culminating point in the diagram, reflecting the beginning of reduction of number of higher educational institutions), then we have the following percent index - 15%, i.e. for the last 5 years (2010-2015), the number of educational institutions reduced by 15%. It is a quite significant figure in conditions of vast territory, occupied by the Russian Federation, and uneven concentration of population in this territory.

Let us consider the number of what educational institutions reduce, either state or commercial, in order to evaluate the perspectives of development of marketing system in whole in the educational structure of the higher education. Let us use the statistical data to form the Figure 2 (Reznik and Kurdova, 2014).

Based on the data, shown in Figure 2, it is possible to conclude the following. If to consider the correlation of private and state higher educational institutions, it is possible to note, that by 2015, there are 58% of state institutions and 42% of private ones. For the studied period, such tendency is kept during the whole period of study, with 1-2% difference in definite time periods. It speaks about stable proportion between private and state higher educational institutions, equal to 40/60 respectively. However, if we pay attention to absolute indices, we note, that by 2015, the number of private educational institutions increases by 11, in relation to the same period of the previous year, and the number of state educational institutions reduces by 30. In this connection, the educational policy of state is traced: Epy elimination of the least effective educational institutions from the number of state ones. explained by the strengthening budget deficit. Thus, the struggle is held in two directions: The increase of effective activity of the educational institutions and the reduction of costs on financing of

Figure 1: Quantitative dynamics of the higher educational institutions

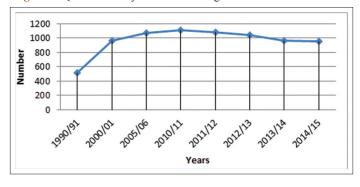
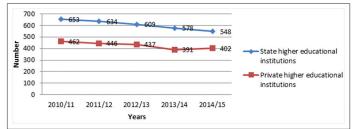


Figure 2: The correlation of private and state educational institutions



state higher educational institutions. In its turn, it is possible to note the growth of private higher educational institutions, which form their budget on their own, and, consequently, are not burdensome for the state from the financial point of view.

To carry out the fullest study in the sphere of formation the structure of the educational institutions, it is necessary to consider the number of students in the system of state higher professional education, as compared to the number of students in the system of private state higher education. The data, characterizing the number of students in state and private higher educational institutions, are presented in the Figure 3 (Reznik and Kurdova, 2014).

Based on existing statistical data, it is possible to conclude the following. The correlation of students in the whole period under study is formed based on the correlation 54/46. The first figure characterizes the number of students in percent in the state educational institutions, and the second is the figure of the private ones. Consequently, private educational institutions can provide a significant competition to the state educational institutions, at that, the number of the least ones has the clear tendency to reduction.

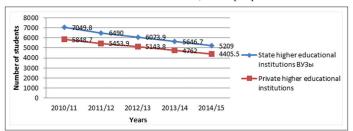
2.3. Recommendations on Marketing Strategy Formation in the Sector of Educational Services, Provided by the Higher Educational Institutions

Based on the abovementioned analysis, there is a necessity to form definite stages, which should be made by the higher educational institutions on the way of formation of their marketing strategy. This item shall present the general structure of required studies, which would provide any higher educational institution with the opportunity to build its own marketing strategy, reflecting the peculiarities and conditions, where it stays. Such conditions can be social components, geographical, demographic, economic etc. That is why, only general structural sequence is suggested, as well as the characteristics of definite stages with specific methods to achieve the results in the course of the stage execution.

Due to the fact, that there is a need to adapt the notion of marketing strategy to the sphere of educational services, the following structure of stages on formation of marketing strategy for the higher educational institution is suggested:

 Data collection. This stage suggests to collect the information by means of quite simple marketing instruments (questionnaire, interviewing) on not only demographic situation of that region, where the higher educational institution functions. It is suggested to form the data base, characterizing the level of population income and specialization of the region.

Figure 3: The number of students in state and private higher educational institutions, thous people



- 2. To carry out the market segmentation based on formation of mission of the higher educational institution. During this stage, it is necessary to evaluate the market capacity, to analyze the segment, where the higher educational institution has definite advantages, and to evaluate the advantages of the selected segment. At this stage, it is possible to use such types of marketing investigations, as SWOT-analysis.
- 3. To evaluate the potential of the higher educational institution and its competitors. The competitors, working in the same segment, where the higher educational institution woks, are analyzed. There are elaborated the criteria, which can differ from the general criteria of efficiency, forming the evaluation of efficiency of the higher educational institution. It can happen due to the peculiarities of the region, where the higher educational institution functions. The main method is the integrated index to evaluate the competitive ability or the coefficient of competitive ability.
- 4. To evaluate the external factors, influencing on the development of the higher educational institutions. The number of such factors involves both political, economic and social demographical ones. As a result, the higher educational institution shall get the evaluation of effect level of macroenvironemnt factors, in order to take them into consideration when forming the marketing structure. In this case, it is possible to use the PEST-analysis as the main method.
- 5. Direct formation of marketing development structure for the higher educational institution.

Thus, the suggested structure of stages for marketing structure formation has the generalized view; this form can be used of both state and non-state educational institutions. The elements of each stage are being formed by the educational institution itself depending on the functioning conditions.

3. RESULTS

Based on the executed study, it is possible to conclude the following:

Taking from the development tendencies of the Russian education in modernization of the higher educational institutions, it is necessary to leave only those educational services in the market, that will work efficiently. There are a lot of criteria of efficiency, among which it is possible to select only those, which can be achieved by means of formation of clear marketing structure. At that, the necessity to form quite firm marketing system was explained both on the basis of functioning of separate educational institution, working in the system of higher professional education, and on the basis of Ministry of Education directly. It would allow the whole educational system, relating to the higher professional education, working coordinately and more flexibly, in relation to rapidly changing environment. It would also provide an opportunity to create efficient coordination process, aimed at adaptation of higher educational institutions to the conditions of social demographic character. In whole, the significance of marketing strategy formation would provide the higher educational institutions with an opportunity to execute their activity on the basis of deeper marketing investigations of the market of educational

services. All this will result in the increase of the efficiency of not only definite higher educational institution, but the whole educational system, as it would promote the efficiency of personnel training. In its turn, it would form a new social economic policy of the state, aimed at creation of innovative economy in the sphere of service production and rendering, as the staff constituent or non-material actives play a significant role in development of not only separate industries of national economies, but the economy in whole.

- 2. The main preconditions were determined in the course of analysis; they were formed to create the marketing system, expressed in formation of marketing structure. The main ones involve the strengthening of accreditation system of the higher educational institutions in order to increase their efficiency, the formation of innovative policy in social economic sphere, the shift of Russian from the sector of raw material industry development to the development of real economy sector. All this is conditioned by the entering of the Russian Federation to the higher development level. In its turn, it is promoted by instable political situation, which is being formed in the world in the last years. As the policy has a direct impact on the economy, then it is necessary to rebuild a model of state development, based on the higher educational institutions, which prepare one of the main production factors labor resources.
- In the course of executed study, the main reasons were determined, which influenced on formation of marketing activity of the higher educational institutions, what was directly expressed in the absence of formation system of marketing structure, as one of the keys, opening the doors to increase the efficiency of the activity of the higher educational institution. Proceeding from the executed analysis, it is possible to note, that the number of reasons was historically formed on the basis of command administrative regime, existed for a long time in the territory of Russia. However, the number of reasons is connected with the new policy in the educational system, showing a vague system of staff training in the structure of professional education. One of the reasons is quite frequent reforming, which prevents the educational system from establishing, that is why there is no clear system of data transfer about the obtained results of previous reforms. In its turn, some informative dissonance prevents from the formation of clear marketing environment in the educational system. Thus, the completeness and reliability of information is the basis to carry out the marketing studies and to form the marketing strategy; its absence can result in insufficiently developed results of marketing studies. All this will impede the formation of marketing strategy in the system of higher professional education.
- 4. Based on the study of statistical data, there were obtained the results, connected with the analysis of number of educational institutions, working in the sphere of higher professional education. As a result, it was found out, that for the last 5 years, a tendency to general reduction of educational institutions, both state and private, was formed. It was also determined, that the correlation of students in state higher educational institutions increases the private ones only by 8%. It was found out, that the number of state institutions is being reduced with quick tempo as compared with the private ones. It was also found

- out, that in 2014/15, despite instable political and economic conditions for the Russian Federation, the number of private educational institutions, functioning in the sphere of the higher professional education, increased. It proves once again, that the reforms in the educational system are aimed at mobility and attractiveness of the higher educational institutions, as well as at their adaptedness to local markets of educational services. They are mainly the private higher educational institutions. Consequently, the formation of all elements of market relations are quite applicable. The formation of marketing strategy is an integral part of such relations.
- 5. The stages on formation of marketing strategy in the functioning system of higher educational institutions are developed. On completion of all these stages on the marketing strategy formation, the company gets all required information, which will provide an opportunity to self-determine in the system of educational services.

4. DISCUSSION

Proceeding from the results of the study, it is possible to note, that their part was formed on the basis of statistical data. Consequently, it is possible to make more thorough analysis in this direction, which would include not only the figures of the educational system, but also the factors of impact and their dynamics. In this case it would be possible to form the system of interconnections and to provide a definite dependence between definite time intervals and existing social economic preconditions that form the system of higher professional education. This study could be continued by means of segmentation of the market of educational services. At that, such criteria, as the average income per capita, the number of school graduates can become the analytical material. It is also possible to make a forecast based on existing statistical data, which would provide an opportunity to evaluate the capacity of the educational service market in the sphere of higher professional education. All this would create a foundation to form the marketing strategy, based on functioning of the higher educational institutions, both private and state ones.

Further on, when developing the problem, related to formation of marketing strategy and its inclusion to the functioning system of institutions, working in the sphere of higher professional education, it is possible to elaborate in details the criteria of efficiency, formed to accredit the higher educational institutions and to connect them with separate elements of the marketing strategy formation. It would provide an opportunity to form all elements of marketing structure of the higher educational institutions more thoroughly. It is also possible to elaborate in details the separate elements of the suggested stages on formation of the marketing strategy, which are presented in this study.

5. CONCLUSION

At present, the educational system becomes one of the main and prior directions in social economic development of Russia. However, it is not that system, which functioned in the epoch of command administrative regime. Quite many market elements were integrated to the educational system, what made an imprint on its functioning. The modern high school involves the notions, connected with self-repayment, self-finance, economic efficiency, efficiency of educational services etc. Consequently, such system of higher professional education is being formed, which combines social necessity and economic efficiency. As the education law speaks about the educational service, then the elements of the educational sphere, which involve the institutions of the higher professional education, use the market laws (Federal Law "About Education in Russian Federation"). Let this market be quite specific, many-sided, and formed on the basis of multifactorial processes, the elements of commercialization make the heads of educational institutions behave themselves more as commercial company managers. Thus, the struggle at this market generated the necessity to act on the basis of market, marketing and management laws.

In the course of analysis, there was determined the necessity and urgency of marketing structure formation in conditions of development of the educational service market. Carrying out the study, dealt with comparison of number of state and private institutions, it was found out, that the higher educational institutions of private character come closer to the number of state ones in number, and, it is possible, that in future, they will constitute the major part of the educational service market. There were also determined the reasons, why private educational institutions have definite advantages over the state ones; consequently, the problems of marketing strategy formation also refer to the state educational institutions. When analyzing the dynamics of institutions of higher professional education, a method of statistical data analysis was used.

In the course of investigation, a recommended sequence of stages to form the marketing strategy was formed. This sequence can be used by any educational institution of the higher professional education, irrespectively of its geographical location or functioning conditions. Consequently, it is possible to elaborate each of the elements in details for the clearer view on the essence of each element and for formation of optimal investigation methods.

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