A PYRAMID APPROACH TO REVAMP MARKETING EDUCATION ON A SECOND YEAR UNDER GRADUATE LEVEL

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ABSTRACT

Using the marketing concept as a foundation a pyramid approach has been developed which will assist universities in taking the students through each of the phases during their three-year education in Marketing Management. This approach also takes into account the movement towards integrated marketing education. The principle idea behind this is to provide the student with a holistic view on what they have studied over a three-year period. It shows them that each sub-segment can only be effective if it is integrated into the complete delineation. The focus of the second paper, in a trilogy, falls on the second level of the pyramid. During the second year project a consumer orientation, social responsibility and/or profit orientation are pursued. This is achieved with the aid of an entrepreneurship project.

INTRODUCTION

This paper examines the importance of practical projects to marketing students in tertiary education. The added value of practical education to students is of significant value and imperative to their entrance into the labour force. It is therefore important that the education of marketing keep up with the needs in the market since educational institutions provide the training for tomorrow's workforce and should provide them with a competitive advantage and not just theoretical knowledge.

The practical projects presented at the University of Pretoria deal with the principles of the marketing concept. Using the marketing concept as a foundation, a pyramid approach was developed in demonstrating the practical phases the students undergo during their three year education.

PYRAMID APPROACH TO SECOND YEAR MARKETING EDUCATION

Figure 1 presents a visual explanation of the pyramid approach. The focus of the first paper of the trilogy was on the first level of the pyramid, namely a market orientation.

The unemployment rate in South Africa has increased from 19.4% to 29.3% from 1991 to 1995 (Viljoen, Maintjes, Calitz). Due to this increasing scarcity of jobs, there has been an increase in entrepreneurs starting their own businesses on a small scale. Since most of the marketing education focuses on marketing on a corporate level, a serious need developed to educate students on aspects of small business management as well. That was thus the driving force behind the origin of the Entrepreneurship project on second year level. As can be seen on the second level of the pyramid (Figure 1), a consumer orientation, social responsibility and/or profit orientation is pursued. The objective of a consumer orientation is to aim all marketing actions at satisfying consumer needs, demands and preferences.

One of the primary objectives of profit orientation is maximizing profitability. A social orientation is the contribution of profits to charitable organizations.

AIMS OF THE PROJECT

The Entrepreneurship project had its origin in 1993 in conjunction with the Small Business Development Corporation (SBDC). It was their enthusiasm and financial support that got the project off the ground. After two years of
The core of the project is to provide a (unique) product or service to the broad student community and other target groups involved. Students and other consumers (customers) may buy these products or services with their available disposable income (pocket money and income after tax). The presentation of this product or service must be based on fundamental marketing research and a well-designed business plan. The project is presented annually and consists of four phases. Phases one and two are completed during the first semester and phases three and four during the second semester. All phases are compulsory and follow chronologically. The practical project contributes 30% to the final mark of the student.

Phase 1: Research proposal

Students have to develop three unique product or service ideas that will be of interest to the broad student community and other target groups. The product or service must possess the necessary need satisfying qualities that will convince the students and other consumers to spend their money. A research proposal has to be prepared in order to test the feasibility of each product or service idea in this given market.

Firstly, students have to develop as many product or service ideas as possible and then screen the ideas down to three. After the screening process the product or service concept is developed in terms of market characteristics and product or service characteristics. The concept testing is conducted by using marketing research. This testing must include a detailed 4 Ps execution of marketing, in other words the product or service, the price acceptability levels, marketing communication and a suitable venue off campus. Students are free to choose any research method.

Groups have to deliver an oral presentation of their research proposal to the lecturers. A maximum of ten minutes are provided for each presentation.

Phase 2: Research results

This phase includes the conducting of physical marketing research as was presented and authorized in the research proposal during phase one. After processing and analyzing the acquired data, the main research results, findings and interpretations must be presented in a formal research report.

Finally recommendations should be made according to the proposed product/service which will be marketed to the student community and other target groups. Lastly students submit their typed research reports containing the most important results and findings.

Phase 3: Business plan

Each student group has to compose a business/marketing plan for their product or service based on the research results from phase two. If the results were unsatisfactory, product or service ideas have to be changed and new research conducted. In this phase the students are compelled to write a business plan and design their promotional material for phase four. This phase entails an oral presentation of 15 minutes per group. During their oral presentation their final product or service must be presented, the advertisements and posters submitted and their typed business plan handed in, with a preliminary income and expenditure statement. Students also have the opportunity to book a suitable position for their stalls at a venue off campus.

This particular venue was chosen firstly because of its closeness to the university and secondly because of its popularity among different types of consumers. Due to the fact that a lot of restaurants and pubs form part of the square it generates a lot of consumer traffic throughout the year. Because of this venue the students now have the opportunity to get more exposure for their products/services among the student as well as the broader community.

Phase 4: The business operational phase

In this phase the students operate their stall/business according to their business plan in phase three. This phase can only be successful if proper planning is done in advance. Students have to attend to the logistical side of their business. This includes all the necessary equipment and any other needed accessories. They have to start their advertising campaign two weeks prior to the selling date of their products.
• Students get exposure to entrepreneurship, production management, stock control, financial management and marketing.
• Students learn how to approach a potential sponsor and fulfilling the relationship.
• Some groups learn to negotiate and deal with suppliers.
• Students see the project as a challenge due to the fact that all the profit is for their own pockets. Some also learn the real meaning of social responsibility when they donate a percentage of their profits to a charitable organization.

CONCLUSION

The positive feedback from students, parents and the business community is proof enough of the success and significance of the project. Students get a thorough background needed for their next project on third year level where a more professional approach is used and a thorough marketing background needed.

REFERENCES

Viljoen, D., Maintjes, C. and Calitz, J. Unpublished data provided by the Development Bank of Southern Africa.