

ADVISORY

MANAGING MARKETING RISK SITUATIONS

by Christina Drouin

At any given moment, organizations are vulnerable to a number of marketing risk situations. Here are six most schools face as well as possible approaches for remediation (the marketing objectives, strategies and tactics are based on generic concepts put forward in Philip Kotler's text *Marketing Management*).

Situation: Decline in Enrollment

Marketing Objective: Stop the decline

Key Strategy: Remarketing through revitalization/recycling; pinpoint and address the "fix-the-ship" issues

Key Tactic: Retention analysis and planning especially for key divisional entry point years, such as 6th and 9th grades, beginning 12 months prior to the transition

Situation: Inadequate Growth or Retention of Market Share

Marketing Objective: Increase advancement and admission outcomes

Key Strategy: Market penetration, which seeks increased response to present products/services in present markets through a more aggressive marketing effort

Key Tactics: Improve retention rate; improve

application; cross-sell other products such as summer camp to current and families and alumni; offer incentives for increased use (sibling discounts); step up promotion; differentiate your school more; try to attract nonusers by increasing product trial through offering incentives and samples (more open houses, community opportunities to use facilities, etc).

Situation: Static Enrollment

Marketing Objective: Increase market share, enrollments or revenue

Key Strategy: Market development

Key Tactics: Improve relationships with referral sources; manage word of mouth referrals through parent ambassador programs; target different geographical areas that have characteristics similar to those from which you are currently drawing large numbers of families

Situation: Maintenance (Status Quo)

Marketing Objective: Avoid complacency

Key Strategy: Stay close to constituents

Key Tactic: Establish an annual survey process to understand and get ahead of changes in needs, wants, expectations, and satisfaction levels of current constituents.

Situation: New Kid on the Block

Marketing Objective: Successful launch

Key Strategy: New product or service development; take new product into current markets first, then open new geographic, demographic or psychographic markets

Key Tactics: Advertise and promote new programs or services among satisfied constituents such as current families and alumni; create experiential opportunities for target markets to come to campus to participate in events that showcase new offerings.

Situation: Sudden Change

Marketing Objective: Build a proactive marketing system

Key Strategy: Position for success

Key Tactic: Create an Educational Marketing Task Force to research and develop a marketing plan that positions the institution to respond to changes with targeted marketing programs and program/service improvements based on competitive and external environmental intelligence.

