

# Marketing of Higher Education: Future Challenges

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## Abstract

**Purpose:** The aim of the study is to analyse marketing challenges facing Polish public universities. Polish universities must urgently adjust their educational offers to deep declines in internal demand and to increased internationalisation of the educational market. The author explores the impact of management decentralisation in faculties of higher education institutions upon their market orientation, relationships with the external world and commercialisation of educational services targeting foreign students.

**Methodology:** The study is based mostly on direct observations and an extensive review of international literature devoted to the model of the university of the future and its relationships with the environment. The author has been lecturing on marketing for many years; he also manages educational business programmes at a large public university in Poland where he acts in the capacity of a dean.

**Findings:** Future universities should develop an array of services based on the relationship marketing with key strategic partners (business, local authorities, students and graduates). The idea of a modern educational service should be based on an individual approach to students expanded with complementary services. Educational services should be developed interactively in cooperation with key stakeholders.

**Practical implications:** Polish public universities should become more marketing oriented and develop a set of commercial educational services addressed to foreign students and to entrepreneurial and internationally-oriented Polish students.

**Originality/value:** Conclusions formulated by the author result from his long personal experience and knowledge of the specificity of the educational market in Poland and across the world and his experience in managing an interdisciplinary faculty of a large public university. The interdisciplinary approach to the subject combines elements of the relationship marketing and interactive development of new educational services.

**Keywords:** university, educational marketing, educational services, internationalization of universities, relationship marketing

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## | Introduction

The study analyses marketing challenges currently faced by Polish public universities. The analysis has been conducted based mainly on direct observations of the author, who himself is a lecturer and a marketing practitioner but also a manager of an interdisciplinary faculty at a public university. The described experiences relate mostly to Polish public universities and are contrasted with the experiences of European and U.S. higher education institutions.

Many years of being a part of the management team at a public university in Poland allows the author to formulate several questions concerning the role of marketing in managing such an institution. Polish public universities compete not only among themselves but also with non-public universities, which are adopting a more marketing-oriented approach. Differently from the corporate market, one can find in the higher education market, side by side, entities exercising very different philosophies and approaches to marketing. The need for a marketing orientation in higher education institutions was highlighted by Kotler more than 40 years ago in his writings on both the general idea of marketing (Kotler, 1972) and on marketing for *non-profit* organisations (Kotler, 1982; Kotler and Fox, 1994). In Poland, even though these publications are known, marketing has only recently started being discussed at public universities.

The author considers the necessary modifications to services offered by higher education and positioning universities in the context of increasing internationalisation of the educational market. Future challenges relate to the creation of new value added educational services as well as to the adjustment of higher education institutions to new expectations of the market. The process will require universities to be able to build new relationships with the environment and to develop new educational services in English with a view to attract potential foreign students. On top of that, one of the key strategic challenges for universities is building new relationships with business, local and regional authorities. The model of a university of the future is not only about a market-oriented university but also about a teacher of decision-makers, who will exert impact upon the selection of a proper development model for the local community (Etzkowitz and Zhou, 2006).

Marketing strategies pursued by higher education institutions call for a new approach to the outcomes of globalisation and internationalisation of the educational market and to how relationships with the environment are exploited. Relationships of academia with key stakeholders groups interested, directly or indirectly, in the effects of higher education will gain a special importance (Broström, 2011; Etzkowitz et al., 2008; Feldman, 2007; Göransson, Maharajh and Schmoch, 2009; Vauterin, Linnanen and Martilla, 2012). The majority of authors dealing with the future of universities have focused so far mainly on relations between universities and business in the context of commercialisation of research (Kelli, Mets, Jonsson, Pisuke and Adamsoo, 2013; Van Horne, Poulin and Frayret, 2012) and on stimulating innovation in a city or region (Coenen and Moodysson, 2009; Datta and Saad, 2011; Etzkowitz, 2002; Etzkowitz and Carvalho

de Mello, 2003; Isaksen and Karlsen, 2010). In the Polish reality, there is a lack of analyses exploring the need to change the model of education in relation with market orientation (Jaworski and Kohli, 1993) and internationalisation (Knight, 1999; Vauterin, Linnanen and Martilla, 2011).

## | Marketing in educational services

The specificity of marketing in educational services results from treating education as a special type of service offered to domestic and international clients (Ng and Forbes, 2009; Zeithaml, Bitner and Gremler, 2009). The higher education market develops dynamically in the context of a modern model of the knowledge-based society. Its heterogeneity makes marketing something completely different in public and private universities. Public universities were, and still are, less marketing oriented. By delivering a “public mission,” they usually disregarded market needs. Private universities, in turn, that emerged in Poland are strongly market-oriented. Their educational offers focus exclusively on the most profitable courses and has been constructed based only on demand criteria.

Only recently have the offers of public universities been adjusted to market challenges. Marketing orientation of a public higher education institution largely depends on the management staff. The staff should be able to combine managerial qualities and scientific achievements. A credible leader should be a good scientist with strong marketing orientation and excellent managerial skills. Unfortunately, the majority of research workers, because of their educational background and scientific profile, do not have such an orientation. In contrast to private ones, public universities are very rarely administered by professional managers.

In manager-researchers, there is a conflict of roles they are expected to play. An independent researcher who manages a faculty at a university, on the one hand, wishes to make it more marketing-oriented but, on the other hand, would like to protect the unit against a too far-reaching market orientation. They often feel the pressure of their co-workers who do not fully understand the need for the marketing orientation of a public university. Many researchers on non-business faculties are still very much sceptical about the need to deepen the marketing orientation of higher education. The problem of divergent functions and scepticism of independent researchers vis-à-vis the market was also observed in other countries (Hetzl, 2000; Krücken, 2003; Tuunainen, 2005).

Such divergent goals are not identified for private universities where lecturers focus primarily on the market aspect of their activities. The best private universities usually have a very clear marketing orientation. The homogenous array of educational activities and fields of research are subordinated to this orientation.

In public universities, one can speak to a specific dichotomy of marketing goals, which is especially visible in non-business faculties. They are faced with a dilemma between a rational need

to become more marketing-oriented driven by purely financial motivation and a simultaneous wish to become independent of market requirements to preserve their “scientific independence”.

The least dichotomy for the goals in question can be observed in business faculties. Marketing orientation is, in this case, much more clear and generally raises no doubts. Research can easily intertwine with various types of expert opinions and business consultancy. This is the case when educational services and research may and should be complementary activities.

At public universities in Poland, marketing orientation is first and foremost forced out by decentralisation of financial management. Thus, financial shortages have turned into stimuli, which boost the marketing orientation of universities and their faculties.

Marketing orientation of public universities depends mostly on the initiative of the leaders, who manage individual entities and their awareness when it comes to building a marketing development strategy. Differently from private universities, the status of public universities *de facto* does not make them have a strong marketing orientation. External circumstances, in the best case scenario, stimulate the leaders to be more marketing sensitive and to take account of market conditions in their activities. At the same time, the approach requires far-reaching education for the staff, who should understand the importance of the change of attitude toward educational goals they deliver in the context of the market. Each lecturer should be ready to play marketing roles *vis-à-vis* potential students, although, as shown by studies conducted in other countries, this is far from obvious (Poole and Evan, 2010).

Observing the gradual evolution of marketing orientation in higher education institutions, one needs to stress that it was provoked by the reforms of public higher education. The key instrument in those changes was the decentralisation of the management system at public universities. It consisted primarily in decentralisation of financial management in faculties linked with the bottom-up shaping of educational services capable of meeting market expectations. Besides partial commercialisation of educational services, another issue is the need to expand the commercialisation of research. Market-related adjustments will force public universities to look for hybrid solutions (Tuunainen, 2005).

For public universities, the key for adopting a marketing orientation lies in the hands of the leaders who, on the one hand, understand the importance of market challenges and, on the other hand, are able to enter into dialogue with their staff, who are guaranteed a specific autonomy and partial independence from the market pressure. Attracting such leaders is extremely important but equally difficult because of their specific characteristics and aptitude. The leader of such an autonomous entity (a faculty at a public university) needs interdisciplinary management knowledge (finance, marketing, human resource management, strategic management) as well as a strong scientific recognition. Paradoxically, the position is much more demanding than when doing a similar job in a private university. Together with clear managerial skills, it calls

for the ability to demonstrate knowledge and scientific recognition. It is worth considering the recruitment of persons with scientific degrees and practice in business as managers at public universities.

The second element that makes public universities intensify their marketing orientation is radical changes in the market, which have resulted in the decline of internal demand due to demographic factors. The effects of such changes make public universities revisit their educational offers and relations with the environment. Public universities will have to seek potential students abroad on a commercial basis, which will also require new services to be developed for this specific market segment.

Challenges relating to the knowledge-based society are important factors that impact the marketing orientation in higher education institutions. In this model, universities may find new potential customers (lifelong learning) of new educational services also offered on a commercial basis.

## | Educational product and its evolution

When analysing the marketing orientation of public universities, one should first of all take a look at the formula for educational services. At public universities, the product is offered, in most cases, free of charge or at a nominal price. Such a pricing policy often negatively impacts the quality of service and hampers the adjustment of the offer to the changes in the marketplace. Free-of-charge educational service preserves its standard form and does not encourage a university to initiate any innovation. Under these circumstances, modifications in the educational services are forced out by legal regulations rather than by observation of the market and the ability to adjust to changes in buyers' expectations.

The only impulse for innovative changes may come from paid educational services (post-graduate studies, programmes in foreign languages). Commercialisation of educational service stimulates undertaking innovative and marketing steps. The biggest possibilities with respect to that are on the side of schools of business or university business faculties at public higher education institutions. Co-financing of some educational services by students also stimulates innovative thinking and marketing activities at public universities.

This is dealing with the divergence from a standard offer, disregarding market expectations and opting for interactive and more flexible building of the array of educational services in a direct relationship with potential clients (Zeithaml et al., 2009). A student can and should co-create the concept of classes he/she wishes to attend, in particular when speaking of workshops or projects (Washburn and Petroschius, 2004). This is also true of relationships with business partners (de los Santos and Jensen, 1985). Interactive methods are vital for the students of business courses as the graduates need to develop or improve their abilities in the following areas: teamwork

(especially in international teams), team leadership and communication skills (Wright, Bitner and Zeithaml, 1994). The development of public universities calls for attractive curricula and forms of education with active involvement of students and partners representing business and other groups of stakeholders (Clark, King and Jurn, 2012). The future of Polish public universities requires them to reinforce their marketing orientation by offering commercial programmes that personalise the approach to students. New paid educational programmes will require an individual approach to students as this is an integral element of the service and decisive for comparative advantage. A drop in the student population calls for improving the quality of the educational services.

As a result, educational offers will be segmented and there will be standard services with free-of-charge courses, on the one hand, and higher standard services and individualised approaches in paid courses. Paid educational services may become the point of departure for innovative activities and new positioning of universities. Commercialisation or co-funding of educational services will become the source for improving their quality and increasing the value offered to clients. Paid educational services are better tailored to clients' expectations and call for fundamental changes in the operational frameworks of public universities. Universities must maintain certain standards required both by law and by elements of their market game in competition with non-public universities.

Polish public universities still have little experience in the area of paid educational services. To start them, they need to train the staff and develop a system of services for the participants for global educational services, which goes far beyond traditional forms of education. Commercial services necessitate a higher standard and a completely new approach to customer relations.

Services offered to foreign students are a good example of the commercialisation of educational services in Poland. This is also an example of the strong impact of internationalisation in public universities upon the commercialisation of their services. Foreign students may enrol in standard educational programmes offered free-of-charge to domestic students or choose commercial courses addressed to a selected segment of the market (niche programmes taught in English). When a foreign student enrolls in a standard course addressed primarily to domestic students, there is usually a strong cognitive dissonance. The dissonance is explained and caused by the mismatch between a standard course and a foreign student's expectations. It is also multiplied because a foreign student takes part in it on a commercial basis and hence her/his expectations vis-à-vis educational service are higher than those of Polish students for whom the course is free. The dissonance may be reduced only by developing "tailor made" programmes meeting the expectations of foreign students.

At the same time, one must bear in mind that the expectations of foreign students relating to special commercial programmes will be even higher and educational services must take account of that. Programmes addressed to groups of foreign students representing different cultures

and nationalities are actual innovation among educational products. Such a group of students is a collection of various expectations resulting from students' individual experiences. High expectations of students from developed EU member states have become the reference point for the highest standards of the quality of education. Students from these countries automatically become interactive partners for improving the quality of the curricula. The approach requires a lot of openness from the university but may add dynamics to innovation and marketing orientation of the programme.

At public universities for a programme to be successful, it must be addressed to a small number of students, which enables deep personalisation of the teaching process and individual counselling for students. The formula helps public universities shift towards a marketing orientation. A foreign student gets involved into the improvement of the quality of education. The approach is absolutely future-oriented as it combines elements of profound multicultural diversification of a small student group with the possibility to master the quality of an educational service. Strong cultural diversification of a student group serves well in working out the highest acceptable quality standards, which result from the experiences of students from various countries. The strategy excellently fits diversification-oriented activities, cultural openness and tolerance, i.e. the values of key importance to universities and for the development of modern cities and regions, that continuously remain in touch with the international community (Florida, Mellander and Stolarick, 2010). It takes a lot of openness on the side of a university. Persons involved in this type of education are catalysts and stimulants of modern marketing orientation in a higher education institution in its relations with the external world.

Permanent improvement of the idea of educational services, especially in its commercial dimension, to meet increasing and changing expectations of the participants for the educational process is another crucial factor. The process may be improved as long as it is continuously evaluated and assessed by the parties involved. This is true, of course, for both paid and free-of-charge educational services.

Because the level of educational services depends primarily on the people, adequate selection of the teaching and administrative staff, who identify themselves with the fundamental marketing values of the programme, is the key to success. The selection is much more difficult in a public university where human resources and remuneration policies are less flexible than at a private university. Recruiting people with experience in international business in the area of broadly understood services to manage such programmes is also worth considering.

A new marketing challenge for public universities also consists in taking a different view of educational offers in the context of a modern knowledge-based society model (lifelong learning of various groups of adults). Meeting these expectations will require many new educational products addressed to different segments of the local community. The offers should be commercial and make intellectual and material resources of the university available to the local community.

The use of educational services should be on a co-financing basis, even if their price is nominal. The development of educational services for adults, besides services addressed to foreigners, may be a source of important marketing innovation for public universities and help build new relations with the environment. The goal is to develop a modern selection of educational services targeting the local community, and in particular adults, who expect modern education to deliver using new media and technologies. To achieve that, public universities should be open to new functions and relations with the external world.

Public universities in Poland have a lot of experience in educating adults, and in particular retired people, gathered within the framework of the University of the Third Age initiative. This type of education is very much future-oriented and should be treated as a priority. There is also a need to consider new forms of education for socially excluded people and selected market segments that need special attention. A new approach is needed to this specific social mission of public universities. Actions should be taken that goes beyond special EU programmes or occasional social activities.

One can refer to a new social responsibility of public universities for the development of local communities. This responsibility should be broader and not limited to instrumental operations connected with concrete EU projects and co-funding. This is a societal challenge rather than only the issue of subsidising specific projects.

## | Positioning universities

Future positioning of Polish public universities calls for taking a new look at the international market. Previously, the strategy of public universities was focused on attracting students mainly from the local and regional markets (90% or more of all students). There is also a need to critically analyse the foundations of their competitive advantage at domestic, international and global levels. This is the only approach that can provide the starting point for new positioning of universities with an international dimension. In this area, it is worth using the experience of Anglo-Saxon countries (Gibson-Sweet, Brennan, Foy, Lynch and Rudolph, 2010).

New positioning requires performing an in-depth critical analysis of the present market position and seeking the sources of a lasting competitive advantage for the future. Repositioning of Polish public universities should take place in the context of internationalisation of the educational market and the increasing mobility of students (Vauterin et al., 2011). The latter makes public universities reconsider the potential sources of their competitive advantage and their sustainability in the context of intensifying competition. Competition globalisation in the market of educational services generates completely new possibilities accompanied by equally new and previously unknown threats.

New positioning of public universities will largely depend on stable networks of international contacts that they have been able to develop. These networks will turn into solid elements of



competitive advantage and they will guarantee the students of the best public universities access to prestigious foreign universities and their renowned educational programmes. Such a competitive advantage is relatively sustainable as it is based on strong partnership relations, which emerge from personal relations and contacts as well as from mutual trust.

Positioning universities in the future will become increasingly dependent on the network of sustainable partnership relations with foreign universities. It will depend on who the key partners are and how many joint educational and research programmes are available. From this perspective, the value of educational services is connected with the access to a concrete network of partners. The direction in which partnership relations expand becomes a vital element of the building of new competitive advantages. The same can be said about partners representing emerging markets and the most innovative and prestigious universities in highly developed countries.

The network of contacts with foreign partners will also impact the expansion of offers addressed to the local community. Future universities must be open to bigger groups of local partners. New expectations vis-à-vis universities need to acknowledge a more active involvement into the development of the local community. One should ask these questions: to what extent are public universities prepared and ready to play this role and to what extent are local authorities open to cooperation? These expectations are a classical example of a new formula for providing educational and advisory services to the local community.

The new strategy will require redefinition of university functions and repositioning of its marketing offers. A classical educational offer should be enriched with various forms of advisory services to the local community and more active identification of new development directions for this community. Repositioning assumes building sustainable links with local partners representing self-government, business and NGOs. Acting for regional development, one must notice the demand for specific human resources necessary for a given community and its companies and also for foreign investors (Gunasekara, 2004).

## | New strategies in the context of internationalisation in education

Increasing internationalisation and globalisation of national economies will impact university marketing strategies. Demographic changes in developed countries have forced out the shift towards potential “customers from emerging markets.” New educational services must be more regularly available in English and better take account of the expectations of foreign and Polish students with strong international drive. That in turn will necessitate a consistent application of niche segmentation strategies (Lewinson and Hawes, 2007) and an expansion of standard educational services with new contexts of complementary services (consultancy, seeking internships and assistance in finding a job). Hence, more often universities will be faced with a product being tailor-made for an individual foreign and Polish student.

Competitive advantage of the new generation educational product will come from deep personalisation of the attitude towards a foreign student. The process will be linked with progressing commercialisation of educational services (special programmes for foreign students). Changes in the model of education will be inspired by new and differentiated demands of foreign students originating from culturally diversified markets. Foreign students, as they will pay more for educational services, will generate more changes, which will require marketing adjustment processes from public universities.

Internationalisation of public universities will also serve as a foundation for developing new relationships with the environment. Universities with strong international orientation will become attractive partners for local and regional authorities in building globalisation strategies. These strategies will provide the basis for new types of partnerships between universities and local and regional authorities within the framework of the internationalisation of cities and regions.

In the Polish circumstances, the strategies concern mainly collaboration between universities and urban and regional authorities with selected regions and cities abroad and with their universities as well as representatives of foreign investors and business circles. The approach is also of a network nature and is focused on building internationalisation strategies, where universities can play the key role. A city may play an important role in such cooperation as it may make specific resources available to universities, which will assist internationalisation and innovation, especially with respect to collaboration with business (van Geenhuizen and Soetanto, 2012).

From the viewpoint of universities' internationalisation strategies and the development strategies of cities and regions, natural marketing alliances emerge. They will attract talented and highly creative foreign students to a given university and also encourage them to stay in the city and contribute to its development as a result of attractive conditions offered by the city. This factor has often been highlighted in the writings by Florida (Florida, 2000).

## | University branding

Strategies for building strong brands of public universities have a relatively short history in Poland. The present trend results from the need to compete for students at regional, national and international levels. From 2005 to 2010, the majority of universities had to take a more professional look at their development strategies, including brand development strategy. The approach was a novelty for public universities. The marketing communication strategy of a university requires putting a clear emphasis on its identification and distinctive values of the brand. Little distinctiveness in the brands of individual universities undoubtedly continues to be their weakness (Gibbs and Murphy, 2009).

In Poland, most universities consistently use one common brand for all the units within their organisational structure. Some big decentralised universities have decided to create specific

sub-brands for the faculties. Therefore there are a family of faculty brands that are used side by side with the main brand of the university. The strategy, although less orthodox, builds up strong identities for individual faculties. It is particularly important for new and innovative faculties based on the interdisciplinary concept. In this case, university brand strategy and its faculties' brand strategies complement each other. The university brand is the umbrella that accompanies the brands of faculties. The future challenge consists of the improvement of the two marketing communication streams, i.e. university brand and brands used by its faculties. The strategy also helps decentralise marketing communication strategy and builds a distinctive image of selected teaching and research units.

In Poland, there is a very strong dependence between the perception of the attractiveness of a given university and the attractiveness of a city or region where it is located. A less attractive image of a city or region also adversely affects the perception of a university. That is particularly important for good universities based in cities whose image is rather poor. In such cases, the possibility of a university attracting potential students is objectively smaller. Then the impact of a university on the development of a city or region is also smaller as more graduates move to other cities and regions after completing their studies. These conditions will be very important in the future and they call for greater symbiosis in the marketing strategies of cities and regions and the universities located in them.

In the U.S., the best universities have started to employ professional managers to manage their marketing communications and to build a distinctive brand strategy (Morrison, 2013). The trend will surely come to Polish universities together with intensified competition and the need to develop distinctive positioning.

## | Relationship marketing at universities

Marketing of higher education is increasingly about building new relations with the environment. These relations and the selection of key partners affect the position of a university in local and international contexts. By the same token, relations with the external world become an important element of the value of services offered by universities and the source of their competitive advantage.

Relations with the environment will become an integral part of the offers by universities. They will affect the teaching quality, availability of internships and placements, involvement in consultancy projects and employment perspectives for students. Relations with various stakeholders groups will require specific marketing for each of them and building separate partnership strategies based on mutual benefits (Grönroos, 2004; Marzo-Navarro, Pedraja-Iglesias and Rivera-Torres, 2009). Relationship marketing will generate new value of the educational service for the university, students and partner businesses (Ravald and Grönroos, 1996). Links with business

will ensure the improvement of business studies and Ph.D. studies (Bienkowska and Klofsten, 2012). These activities remain within the framework of the new mission of universities, which is to identify and develop the most talented students. The model is already being delivered by the Danish university in Aarhus, which uses an international recruitment system of students for doctoral programmes (Holm-Nielsen, Thorn, Olesen and Huey, 2012; Holm-Nielsen and Warming, 2009).

Relationship marketing with business will require more knowledge about mutual expectations, building joint long-term projects and stable strategic alliances. Occasional projects will have to fit in a given strategic sequence. To do that, managers are needed who will be responsible for relations with particular categories of partners such as firms, local or regional authorities or NGOs. These relations will evolve into long-term links representing the characteristics of alliances. The key to a satisfactory relationship is making mutually beneficial commitments (Morgan and Hunt, 1994) and observing them in accordance with adopted rules in a longer-term perspective (Marzo-Navarro et al., 2009). Partnership marketing requires close cooperation of parties in identifying common marketing goals, which will translate into common thinking in terms of projects. Educational services are developed based on commonly identified goals and mutual expectations.

The relationship marketing with the authorities of the city or region should be similar to collaboration with business. Universities should be permanent partners to the self-government in concrete socially relevant projects. The projects should be enriched with diagnostics and advisory elements and by implementing recommendations. Such an approach to mutual cooperation can lead to the development of joint educational services representing a new dimension. In general terms, marketing concerning relationships with various stakeholder groups should be in line with project-wise thinking. Students could get involved into various activities of partner organisations.

Besides such stakeholders' groups, the relationship marketing should more directly target the student segment. Three groups of addressees can be distinguished: the first is current students, the second is potential students, and the third is former students, i.e. graduates of a particular university. There is a sequence of actions addressed to different groups that takes account of the time factor. In this case, time also has three dimensions. It concerns present relationships (with current students), future relationships (with potential students) and past relationships (with graduates). This structuring serves in building future relationships (potential students), taking care of present relationships (current students), and maintaining former relationships (graduates). All of them together build ongoing sustainable relationships with each of the groups.

Building new relations with potential students and with the graduates poses a real challenge. When it comes to potential students, the strategy calls for effective communication that could encourage candidates to enter into a lasting relationship with a university. Tools that could be used for this purpose include social media focused around interests of potential students. This is a classical preparation of a client to purchase a service.

A plan for graduates could be a series of unique marketing activities targeted at maintaining earlier relationships and developing new forms of cooperation that could be mutually beneficial. Engaging graduates in various forms of students' education may add a completely new value to the educational services and enrich it with relations with the external world. Collaboration with graduates may open up educational offers to attractive forms of practical education, stimulate the development of mentoring when writing diploma theses or help establish new relationships with the environment.

With respect to current relationships with students, the focus needs to be on individual forms of vocational counselling for students that highlight the importance of direct contacts. Personalisation of the approach makes up an important part of the value of the service. Virtual contacts with students will also gain in importance. However, they will require individual approaches to students. This direction of improving educational services will necessitate the development of individual educational and vocational counselling for students, which will build new quality in mutual relations. Virtual contacts must also be based upon a deepened understanding of students' needs and expectations. One should expect shifting from a standard, mass service towards a more individualised form of mutual relations, which helps better prepare for students' future professional careers and further monitoring of graduates aimed at building new relationships with the university.

## | Conclusions: key future challenges

The analysis of strategies pursued by public universities in Poland makes one believe their marketing orientation will intensify. Orientation at a student/client level will positively affect new definition and understanding of the value of educational and counselling services and the placing of new educational products addressed to different market segments. Counselling addressed to an individual student will become an integral part of the educational product for new generations. Complementary functions of education may gradually become a source of competitive advantage for the most innovative universities.

New generation universities must be ready to play the role of an integrator of relationships with the environment. They will be expected to stimulate certain projects addressed to business and innovative initiatives for local and regional communities with active involvement of students.

Globalisation experienced by firms will also come to universities and will help determine their positioning. Higher mobility of companies and workers demands a new type of education and a new graduate profile that is strongly internationally oriented. The offer of Polish universities must take account of these challenges. The process must create educational services adjusted to the expectations of deeply differentiated international student groups. Programmes addressed to foreign students will become important stimuli for innovation at public universities and will inspire improvement of the quality of educational products.

These challenges must be faced with a new management model for public universities based on strong decentralisation. Only in this way can the educational offers be differentiated and new unique international programmes be developed. Diversification and internationalisation of educational services will also be the effects of the limitations of Polish local and regional markets (e.g. decrease in the birth rate).

The success of the marketing orientation and internationalisation strategies of Polish public universities will depend on the ability to find entrepreneurial leaders to manage faculties and universities. To be a leader of a public university, and in particular, of its decentralised faculties requires specific qualities. Such a leader and a manager needs both an interdisciplinary management background and a strong scientific and academic authority, which gives credibility to what he/she is doing.

In the context of the described market challenges and requirements of the knowledge-based society, marketing of higher education will have a specific importance. Its implementation will need a much greater commitment of the staff than was the case previously and a more open attitude to innovation and challenges.

The ability to adjust to market changes, which will at the same time preserve certain distinctive values of public institutions (hybrid model), will remain the key challenge for universities (Tuunainen, 2005). The challenge for new generation universities will be an attempt to combine mass education with educating elites and the most talented individuals (Holm-Nielsen et al., 2012).

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