

## LEGAL ISSUES OF INTERNET MARKETING

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### ABSTRACT

The explosion of marketing knowledge over the past two decades has made it increasing more difficult for marketing educators to remain current in their field. This is particularly true in areas such as Internet marketing where technology is rapidly transforming the practice of marketing. However, the legal aspects surrounding its use have not been clearly defined. The purpose of this paper is to summarize the emerging legal issues related to the use of the Internet.

### INTRODUCTION

The Internet has become a medium of great interest for marketers since 1993 when the graphical portion of the Internet known as the World Wide Web was developed. The number of participants on "The Web" has been doubling every 53 days (Wehling 1996). Accordingly, industries which hardly considered the Internet a few short years ago are rampant with discussion and activity surrounding "Web presence" as an integral portion of marketing communications programs. Furthering the interest in this medium is the fact that it serves a global clientele. While most Internet service providers, content providers, and users are still North American or Western European, the accesses from Asia and smaller developing regions is growing rapidly.

Many issues arise for marketers as the stream of participants approaches a population surpassing that of many industrialized countries. One of the particularly interesting areas is that of the legal environment. Many legal issues relevant to the Internet are being handled as popularity dictates. A good example is the attempted censorship of pornography transmitted via the Internet in ways that are accessible to children. This issue was addressed through a provision of the 1996 Telecommunications Reform Act. However, it was later deemed unconstitutional by the federal courts. The purpose of this paper to summarize the legal issues related to marketing via the Internet. Due to paper length constraints only a broad discussion of these issues is possible.

### LEGAL LITERATURE RELATED TO INTERNET MARKETING

Much of the literature addressing the legal aspects of the Internet has focused on consumer privacy issues, fraud, and misleading advertising (Yang 1996). However, there exists a host of other issues. There are potential antitrust problems if a marketing effort is conducted while having an exclusive dealer network in place. The three day cooling off requirement for telephone sales also may apply to sales made via the Internet. There are potential copyright issues dealing with printed materials and music. Federal, state, local, and international laws apply in specific industries such as gaming, the distribution of beer, wine, and distilled spirits (Ferguson and Samuelson 1996), and financial services (Vogelstein 1996). Lastly, common legal issues involved in store retailing, such as bait and switch, sales and other taxes, and liability may apply to Internet marketing. These issues are summarized below in a form that marketing educators can use to supplement their existing course material on Internet marketing.

#### Privacy

This issue has been addressed extensively as consumers are concerned about the privacy of information pertaining to them and their families. Social security numbers, driver's licenses, credit reports, financial status, etc. are all considered personal and widespread distribution is not desired.

Regarding privacy self regulation by Internet marketers has been both aggressive and effective. In June 1996, The Direct Marketing Association announced a plan for extended self regulation to include Internet based commerce as well as other mediums in direct marketing (*Business Wire* 1996a).

#### Fraud & Misleading Advertising

Another major area that has been addressed is the area of fraud and misleading advertising. The Federal Trade Commission (FTC) has been active in the regulation of these practices on the Internet. The FTC proposed the Telemarketing Sales Rule in April, 1996 which covers sales made by mail, telephone, computer, and fax machine. In a statement released June, 1996, the FTC noted that "the same laws that

protect you when you shop by mail or phone apply when shopping online." (Federal Trade Commission 1996b). Likewise, the Fair Credit Billing Act also applies if a consumer uses a credit card to make an on-line purchase (Federal Trade Commission 1996b). Statements with this kind of clarity are easy for marketers and consumers to understand; however, not all statements are quite as clear in applicability. For example, the FTC released a rule in 1993 (prior to the onslaught of Internet marketing) which required marketers soliciting pay-per-call services to disclose certain information in any print, radio, and television advertisements (Federal Trade Commission 1993). It is unclear whether or not this rule would apply to Internet marketers. One could generalize the above statement about laws applying to marketing via mail applying to shopping on-line to conclude that laws applying to print advertising (such as direct mail) would apply to on-line advertising, but this would be an as-of-yet ambiguous conclusion.

Internet industry leaders encouraged the FTC to allow the industry to regulate itself to achieve the desired goals of Congress when it authorized the rule. The Electronic Messaging Association President vowed to work with the FTC to avoid what he called a "chilling effect" on digital commerce (*Business Wire* 1995). Since then, the FTC has largely allowed self regulation except in instances where self-regulation has failed to accomplish a stable environment. For example, the recent arrest involving Fortuna Alliance in Redmond, Washington which was using a fraudulent Internet pyramid scam to funnel money to a Caribbean account (Bunker 1996).

Another form of misleading advertising via the Internet "newsgroups" or "chat-rooms" is the "posting" of false endorsements for products by employees or affiliates of the seller. On the Internet, it is very easy to disguise one's identity to create a false air of credibility. The FTC is beginning to investigate everything from these false endorsements to false miracle cures which have made their way to the Internet. (Yang 1996).

#### Three Day Cooling Off Period

In November, 1992, the FTC released "The Cooling-Off Rule" which protected consumers who made a purchase from the consumer's home or from a location that is not the seller's permanent location (Federal Trade Commission 1992). This rule includes telephone and Internet sales. There are a number of exceptions to this 1992 rule. Most notably, "The Cooling-Off Rule does not cover sales

that: ...are made entirely by mail or telephone; ...involve real estate, insurance, or securities." Therefore, if a business is exclusively a mail, telephone, or Internet retailer, the consumer is not protected by the rule. Also, under this rule, neither insurance or securities are covered.

#### Copyright Infringement

Some laws like those designed to protect copyrighted material extend to the Internet. However, copyright is one of the most difficult areas of Internet law in practice because the violations are so rampant. The free spirited knowledge sharing origins of the Internet have created an atmosphere where users seem to feel that all material on the Internet is public domain (*Business Wire* 1996b). Protection of intellectual capital through successful copyright enforcement is one of the key issues on the frontier of Internet law. Many practitioners have come to the conclusion that the Uniform Commercial Code will need to be modified to better accommodate electronic commerce (Krohm 1996). The industry is trying to step in where it feels it may better solve the problem through technical strategies rather than focusing on laws.

#### Regulated Industries

The Internet has been used for direct marketing in many industries in which applicability of laws is often quite difficult to surmise. This difficulty extends to new heights in the industries which are already regulated. From the brokerage standpoint, the direct marketing of securities is a good example because of the legal restrictions the industry has on written communication with clients. If those requirements are applied to electronic mail, the Internet would likely remain a passive element of the industry—telephone communication would still be the preferred medium of communication (Lux 1996).

In a specific extension of existing laws to the Internet, the SEC handed down its view of the Internet as a communication tool for securities marketers in a series of statements that did not disfavor the use of the Internet. The SEC stated that the responsible parties can be ensured that investors have access to and can retain paper copies of all SEC required documentation (Grand and Gary 1996).

The trend has begun in the direct marketing of stocks via the Internet to investors by the companies themselves, bypassing brokers. The SEC has also been instructive with these firms to assist them in

navigating around rules and legislation. As an example, Spring Street Brewing Co. went public with its Internet based IPO in March, 1996 (Taylor 1996). Although the SEC has cleared the way for many stock marketers and investors to use the Internet, the U.S. Commodity Futures Trading Commission (CFTC) has not approved trading via the Internet. However, futures traders can send monthly and quarterly statements via e-mail to clients who give their consent (Doggett 1996).

The insurance industry is very controlled via licenses which dictate regions in which the insurer is permitted to operate. With conventional techniques (mailings, agents, telemarketing, etc.) this is fairly straightforward. However, the Internet is not regionally divided and the entire world is accessible to an insurer just as easily as those potential customers very close in proximity. In fact, 20% of Zurich Life's policy queries on its Swiss Web are from the United States, possibly adding substantial profitability. The temptation seldom proves fruitful as regulators have routinely prevailed in court actions against unauthorized insurers extending their bounds (Krohm 1996).

Like securities and insurance, gaming and the distribution of wine, beer, and spirits are regulated industries. Gambling is illegal in most U.S. states and is one of the best examples of how jurisdiction and enforcement can be complicated when transactions are conducted via the Internet. Most gaming "hosts" take advantage of the international, boundary-less nature of the Internet and operate in locations where gambling is condoned. For example, the Caribbean island of Antigua makes tax revenues from the gaming companies and does not extradite people for this activity to the U.S. Also, the country of Liechtenstein invites international participants in its national lottery without concern for the laws of the participants native land (Krohm 1996). Unable to combat these foreign governments, the state regulators are powerless in the regulation of international gaming, even when U.S. residents do so in their home (Orwell 1996).

The Internet based distribution of wine, beer, and distilled spirits is more effectively regulated because a physical product is exchanged and most participants (sellers and buyers) are located domestically. Generally, the sellers to be affected are California's small, premium vintners who cannot crack large consolidated distribution lists. These small wineries Internet and mail order sales aggregate to over \$1 billion a year in the U.S. This does not include the "beer of the month" clubs who

are much smaller, but are ostensibly the focus of regulation (Kinnaid 1996).

The motivation for regulating this aspect of the industry is controversial. It has elements of channel conflict (distribution who are missing out on business are leveraging power in government), tax revenue (mail order shipments are untaxed), and consumer protection (preventing children from purchasing alcohol from clubs who cannot confirm ages) (Ferguson 1996).

The most publicized regulatory effort comes from the state of Kentucky which has made any kind of mail-order (including Internet based) shipping of alcoholic beverages into the state a felony. Sensing the regulation was an act of political leveraging rather than genuine consumer concern, many California wineries have boycotted the state of Kentucky. The largest, Kendall-Jackson, was lead by its owner to support the smaller vineyards which need the mail order sales to sustain their businesses (Goetz 1996).

#### Product Liability

Marketers using the Internet potentially face several sources of exposure to product liability theories including breach of warranty, and negligence and strict liability tort. These liability theories apply when the product user is injured by a product defect. There are several aspects in the marketing of a product that can create a product defect including misleading advertising copy, and inadequate labels and product warnings. These issues may apply because when it comes to using the Internet as a method of distribution, it is a challenge to control who has access to the product and how it is marketed.

Negligence and strict liability tort should be a major concern for those who use the Internet to market their products. Negligence can arise if essential label or warning information is omitted or poorly communicated through the Internet. For example, warnings of side effects must be disclosed in the marketing of pharmaceuticals. If such warnings are not included, manufacturers and distributors may be liable for consumer injuries caused by defective products. To limit their liability exposure manufacturers must foresee how distributors using the Internet might miscommunicate product attributes to the target audience.

Consumer product warranties are regulated by the Magnuson-Moss Warranty Act of 1975. Provisions of this Act require disclosure of the terms of an expressed (written) warranty prior to the product's

purchase. Breach of warranty may be avoided by providing such disclosure in an Internet sales appeal together with any specific exclusions and disclaimers.

### Antitrust

The federal antitrust acts potentially could apply to situations involving direct marketing via the Internet. Potential pitfalls exist in both horizontal and vertical price and nonprice restraints. Horizontal restraints involve efforts by distributors to fix prices. To prove horizontal price fixing one must first prove there was an agreement to fix prices. An agreement could be inferred from identical offers by different competitors to sell the same product at the same price over the Internet. Second, anticompetitive conduct must result from the agreement. Specifically, prices must become fixed due to the use of the Internet. However, the fact that prices are the same does not mean sellers "colluded" to set them.

The use of vertical price and nonprice restraints is where there are potentially the greatest problems with the antitrust acts. Vertical price restraints involving location clauses, exclusive dealerships and franchises potentially may be affected (Ostrom, Jackson and Kelley 1986). The Internet makes it easy for a distributor to compete in the territory of another or offer additional brands not covered by an exclusive dealership agreement. Manufacturers that take steps to terminate such distributors and franchisees are subject to a claim of trying to implement a resale price maintenance program.

### CONCLUSION

The FTC and other government entities have come out with statements in support of self-regulation within the industry. The FTC has expressly given the industry six month time frames in which aspects of regulation will be considered, such as privacy control (Harrison 1996). In the meantime, the government is not ignoring nor using a wholly "hands off" approach. President Clinton appointed a FTC member whose mission is "to become the first U.S. Cyber-Marshall" and she doubts self regulation will provide all the answers for adequate consumer protection (Yang 1996). A fair interpretation of that fact is that the FTC will continue to seek ways to regulate Internet commerce in areas that are not being sufficiently controlled through industry organizations such as the Direct Marketing Association. Also, the review of such self regulatory efforts is likely to be often and thorough.

One can reasonably conclude that Internet marketing bears a close tie in nature to direct marketing via mail and telephone. As the Internet develops more capabilities of telephony, this argument will get stronger; however, with this enhanced functionality will come discussion as to whether or not telecommunications regulations which apply to other long-distance service providers. This argument is only now developing (Buckman 1996).

Also, as teleconferencing capabilities increase and as buyers and sellers come together in a more face-to-face environment, personal selling laws may come into effect to help protect consumers. At that point, the virtual store front presented through Web pages may be considered equal to a conventional store front, eliminating the protection of telecommunication rules such as the potential for a three day cooling-off period.

In the long run, the ability of marketers to use the Internet successfully as a direct marketing tool seems to be largely a function of their behavior. The industry has demonstrated capable strength in self regulation of conventional direct marketing efforts; but, the relationship was created overnight. As the Internet grows in use as a commercial device, the government will increasingly monitor it for abuses of consumers.

The types of regulation we can expect down the road will likely mirror that of the medium it resembles. For example, the Internet may develop as a mass media broadcasting tool for video on demand and other television like services. In that case, the government may chose to regulate the content of direct marketing Internet sites which are intended for child audiences the way it regulates television commercial content during children's programming via the . Likewise, we may see a ban of tobacco advertisements from web sites for similar reasons.

As an interim stage, many radio stations are beginning to provide listeners with real-time ability to listen to their radio stations via Internet connections. The government does not currently regulate this service as it does the licensed airwaves, but there is potential for that down the road.

### REFERENCES

Available upon request.

# THE THEORY AND PRACTICE OF WEB TEACHING

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## ABSTRACT

With the perspective of a marketing educator, the author reviews the reality and possibilities of information technologies related to the Internet and World Wide Web. Drawing from the examples of innovative educators, she suggests ideas and methods to leverage the Web-based technologies and resources for marketing education in the Information Age.

## WEB TEACHING IN THEORY

Increasingly easy to use, visually appealing, and capable of instant global reaches, the Internet and World Wide Web is transforming how people will communicate and interact in the future (Gates 1995; Rheingold 1993). Marketers and advertisers are in the forefront of this transformation (Hoffman and Novak 1996). Electronic commerce is changing the ways goods and services are tested, marketed, and sold (Judson 1996).

This new marketing medium is important to marketing education not only because of its rapid growth, but also because it is our transition to the yet unknown marketplace of the Information Age. The Web will be the hotbed of new concepts and principles of marketing in the new millennium.

More importantly, educational organizations as well as corporations increasingly deliver their training materials worldwide, in less time and with lower costs. Indeed, the Web creates a new learning environment.

Knowledge content on the Web is growing rapidly. It has powerful tools for information search and access, is becoming a versatile broadcasting medium, and holds the promise of accessible multi-party interactions.

As part of the mass movement of digitizing information and connecting to the Web, many

academic and non-profit organizations are converting their collections of print, images, audio and video materials into digital files. Custom publishing of course materials in the information era may entail modules downloaded from publishers, journals, and authors via their Web sites on a need basis. Course materials therefore will become current and individualized.

Technologies for multi-party conferencing on the Internet using video, audio, and text also allow learning activities to go beyond the confine of the classroom. Educators can create learning communities that meet and interact on the Internet synchronously as well as asynchronously.

## WEB TEACHING IN PRACTICE

Even mainstream institutions of higher education are taking cyber education seriously (Korn 1996; Waltz 1996). An increasing number of universities offer individualized tutorial assistance from faculty and tutors on the Web (Zucca 1996).

Some innovative marketing educators require students to use the Internet for research and information gathering (Miller and Mangold 1996; Siegel 1996). Some require students to use E-mail to communicate with the instructors and peer groups abroad (Atwong et. al. 1996).

Many universities are working to distribute scholarly work on the Web (Jacobson 1995). Many more educators put their syllabi and other course materials on the Web (Young 1995).

The new generation of Internet software makes it easy to create interactive courseware and distribute learning experiences on the Web (e.g., Toolbook II 1996). Leading educators in the 21<sup>st</sup> century will also be major innovative players in cyber education.

## REFERENCES

Available on request to the author.

## MARKETING EDUCATOR WEBSITE ADOPTION: WHERE ARE WE?

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### ABSTRACT

This paper assesses the extent to which WMEA members and their academic units have a presence on the Internet. Specifically, the study evaluated the content and style qualities of web sites affiliated with current WMEA members. The authors posit that there is a shortage of such web sites and that the quality of existing web sites might be considered average when contrasted with commercial web sites.

### BACKGROUND

In 1989, the Web, which allowed easy automatic site cross-referencing, was created and began its dramatic growth. Any site could become the gateway to many other related destinations with negligible additional effort. Since 1993, the introduction of browsers and search engines has produced an explosion of growth in Internet use.

The level of marketing exposure companies have on the Internet varies from minimal yellow page type listings to conscious marketing efforts to use the Internet as their main marketing channel. Many companies have created home pages to provide numerous information functions to customers, suppliers, and employees. Marketing uses range from simple advertising-type promotional messages to fully interactive product information and ordering service. There are even companies whose entire presence is electronic: advertising, sales, order taking, financial transactions, and delivery of an information product are done directly over the line.

The usefulness and quality of electronic marketing varies in how Internet capabilities are put to use. A McKinsey report evaluates efforts as falling "short of leveraging the full capabilities of interactive media" (Long 1996, p. 25). Criticism included the lack of ability to interact to receive additional information through useful links to other sites, little effort to collect information about their users, and little opportunity to allow cross-user connections.

### PURPOSE OF THE STUDY

The purpose of this paper is provide a benchmark of the current adoption level of internet activity of

marketing educators. Specifically it addresses how marketing educators use the Internet as a marketing tool for their institutions, departments, programs, and themselves. It assesses the degree to which academe "practices what it preaches." The study does not intend to address the extent to which marketing educators use the Internet in their specific marketing courses. The domain of the study is the membership of the Western Marketing Educators Association. This organization and its annual conference focus on sharing ideas and experiences to further improve marketing education. Thus, we wondered—are WMEA's members and their academic units using this new media channel to disseminate information to their markets? Do they use the net to improve service to their students? How well do they apply Internet power and usability criteria to this means of marketing?

### RESEARCH QUESTIONS

This study focuses on three categories of Internet use: presence, content, and style. Presence is the simplest element. Is information regarding marketing education available from WMEA member institutions on the Internet? Presence may take place at multiple and progressively more specific levels: first the institutional level, second the college, school, or division level, third the department level, and fourth the individual faculty member. This study sought to identify whether or not Home Pages (i.e., web sites) were available at each level.

What content material is available on-line? Although the potential content options could be overwhelming, the following content topics were chosen to cover many substantial concerns students may have regarding marketing education: faculty and staff directories, electric contact information, direct on-line contact, current vitae, teaching interests, research interests, courses taught, course descriptions, syllabi, assignments, and links to other sites for academic units, government sources and commercial sites.

Is the Internet site style useful and easy to use? Although the technology to design and operate the Internet requires training and expertise, a few simple instructions will put the information seeker on-line in minutes. Home page design can facilitate or

complicate the user's experience. Although there is no generally recognized standard to evaluate the stylistic quality of home pages, several style systems include similar quality criteria. In addition to books on Internet marketing, some interesting guidelines are offered by widely recognized business schools like Yale (Lynch 1996) as part of their own web page development. Other books are specifically designed to address web site quality. Some of these resources are: 10 Secrets of the Web Masters (1996), Marr and Kirkwood Official Guide to Business School Webs, Criteria/Stars Page (1996), and Rate Your Site (1996).

As with content, stylistic attributes can seem countless. This study was limited to the following set of user friendly style criteria: ability to request information electronically and presence of a searchable index, audio clips, video clips, photographs, moving graphics, institutional logo/seal, date of last revision, and page author. Speed of graphic presentation, functionality of graphics, ease of site navigation such as button bars and headers, site organization, and of judgments on usefulness to potential and current students, alumni, businesses, and outside marketing faculty were also evaluated.

## METHODOLOGY

Internet home pages or web sites were accessed with Netscape Navigator 3.0 browser software. The browser was used to locate institution home pages. College or school presence was determined by reference or hot links from the institution home page to the unit that included marketing, regardless of title. Similarly, whatever department included marketing was recognized for its home page. WMEA member faculty home pages, if they existed, were identified from hot links at any of the higher level units. If no Internet presence was found at any level, the survey was terminated.

The data collection instrument consisted of five basic areas: (1) questions dealing with the basic presence of a WMEA member institutional, college, departmental, and/or personal web site, (2) questions concerning the content of any web sites to which the WMEA member would likely have direct "reporting" responsibilities, (3) questions eliciting any available web site information about specific WMEA members, (4) questions used to assess the style of web sites, and (5) questions rating the usefulness of the web site to five different potential "market segments." A total of some 42 specific questions/variables were developed. If more than one WMEA member was located at any one institution, the set of eight

questions referred to in #3 above were repeated for each of those members.

The data collection instrument was pre-tested using a mix of WMEA member sites. The pre-testing process allowed the authors and the single data collector/observer to discuss and finalize decisions on how to handle cases where more subjective judgments would need to be made (e.g., assessing the speed with which a web site's graphics "paint"). The pre-test led to minor changes in the instrument and provided a range of excellent, good, and poor web site examples. It was possible to use the pre-test data in the final sample reported in this paper.

The sampling frame used in the study was the 1995-96 WMEA membership directory, available over the worldwide web (<http://www.csun.edu/~vcmk003/wmea.html>). However, it was decided to survey only those sites belonging to educational institutions. In all, a total of 320 WMEA members are listed in this directory representing a total of 166 institutions. All 166 institutions were randomly ordered before data collection began. A total of 119 institutions and 243 individual faculty members ended up in the study.

The data collection process began using widely available search engines to locate each WMEA member institution and/or faculty member. All data were collected by a single researcher/observer in order to produce data consistent across all sample units. Data collection occurred within a contiguous ten-day period during October 1996.

## FINDINGS

A total of 111 out of the 119 (92.8 %) of the sampled WMEA member institutions were found to have a web site (university or college depending upon the school's academic identity). For the 111 institutional level sites, a total of 76 (68.5%) also had a college/school site. Of those with college/school level sites 33 (43.4%) also had a departmental level web site. If a departmental web site existed, WMEA members also had their own web site in 30 out of the 33 possible cases.

As shown in Table 1, faculty/staff directories were found on three quarters of the unit sites and most (60%) could receive electronic requests for information. Retrieving interactive information electronically was possible from less than half the institutions. Less than half provide course descriptions. Links to other useful sites were rare, and only two offered Internet based marketing courses.

**TABLE 1**  
**UNIT LEVEL WEB SITE CONTENT**  
 (For unit WMEA faculty member  
 is assigned to n = 111)

| Content Issue   | Number | Percent |
|---|--------|---------|
| Have a searchable index?  | 25     | 22.5    |
| Possible to request information electronically? (Present or hot linked) | 60     | 54.1    |
| Directory of faculty/staff?   | 75     | 67.6    |
| If available, are electronic inquiries to them possible?                | 47     | 42.3    |
| Course descriptions available? (full text or available via download)    | 42     | 37.8    |
| Links to other academic institutions or units?                          | 16     | 14.4    |
| Links to government units?  | 13     | 11.7    |
| Links to marketing organizations?                                       | 9      | 8.1     |
| Links to commercial sites?  | 7      | 6.3     |
| Links to student web sites?   | 13     | 11.7    |
| Offer internet based marketing course?                                  | 2      | 1.8     |

Only 72, out of a potential 243 (29.6%) WMEA members at the 111 sites with web pages in this survey, have their own web site or home page (Table 2). For most, their personal site provides contact information. About half the sites do provide some information about the member, either some form of vita or biographical data. Of the 20 (27.8%) who have current courses listed, about two-thirds include assignments and syllabi.

While the above questions and information deal with web site content issues, the findings shown in Tables 3 and 4 represent our quality assessment of the site's style and execution elements. Those who spend any significant time on the web quickly realize that the quality of their interaction with any one site will strongly influence their feelings or attitudes about the site and the likelihood that they will return.

The web's powerful multi-media capabilities were conspicuous in their absence. Sites omit dynamic options like animation or video and audio clips. Visual impact was limited to static photographs or images. Even so, under 50% had photos, and over a

third didn't manage to show the institution's logo or seal. As with freshness dating, many site visitors like to know how old the information is that they read. Only about half of our sample provide their last revision date. Web site designers usually rely on user feedback to improve site quality, but nearly 30% of the sites show no way to contact the site author or webmaster.

**TABLE 2**  
**WMEA MEMBER WEB SITE CONTENT**  
 (n = 72)

| Style Issue                          | Number | Percent |
|--------------------------------------|--------|---------|
| Contain audio clips?                 | 0      | 0.0     |
| Contain video clips?                 | 0      | 0.0     |
| Contain photographs?                 | 54     | 48.6    |
| Moving graphics in site?             | 6      | 5.4     |
| Author or contact person identified? | 79     | 71.2    |
| Logo or seal of institution shown?   | 73     | 65.8    |
| Date of last revision given?         | 54     | 48.6    |

**TABLE 3**  
**ELEMENTS OF UNIT LEVEL STYLE**  
 (n = 111)

| Style Issue                         | Excellent % | Good % | Poor % | Mean* |
|-------------------------------------|-------------|--------|--------|-------|
| Graphics paint quickly?             | 38.7        | 46.8   | 14.4   | 1.75  |
| Graphics functional vs. decorative? | 16.2        | 58.6   | 25.2   | 2.09  |
| Easy to navigate site?              | 26.1        | 56.8   | 17.1   | 1.91  |
| Use of button bars?                 | 19.8        | 14.4   | 65.8   | 2.46  |
| Use of headers?                     | 24.3        | 63.1   | 12.6   | 1.88  |
| Overall visual friendliness?        | 22.5        | 55.7   | 21.6   | 1.99  |

\*Where Excellent = 1, Good = 2, and Poor = 3



"Poor" indicates the style element was missing or functioned poorly, "good" means the element worked and did adequately, and "excellent" indicates that the elements demonstrated imagination or extra benefits to the user. The overall observation is that WMEA site visitors find style features are used but not very impressively. Overall friendliness is reasonably good which may well rank higher than most would rate college catalogs.

**TABLE 4**  
**ASSESSMENT OF UNIT LEVEL STYLE**  
(n = 111)

| Style Issue                         | Ex. % | Good % | Poor % | Mean* |
|-------------------------------------|-------|--------|--------|-------|
| Graphics paint quickly?             | 38.7  | 46.8   | 14.4   | 1.75  |
| Graphics functional vs. decorative? | 16.2  | 58.6   | 25.2   | 2.09  |
| Easy to navigate site?              | 26.1  | 56.8   | 17.1   | 1.91  |
| Use of button bars?                 | 19.8  | 14.4   | 65.8   | 2.46  |
| Use of headers?                     | 24.3  | 63.1   | 12.6   | 1.88  |
| Overall visual friendliness?        | 22.5  | 55.7   | 21.6   | 1.99  |

\*Where Excellent = 1, Good = 2, and Poor = 3

Table 5 displays our findings relative to assessing the degree to which we felt available web sites were of value to five unique market segments. In making these determinations the following content factors were considered to be items each particular segment might look for or expect at the web site: (1) current students: current courses, class schedules, faculty access information; (2) potential students: curriculum, application information, contact access; (3) alumni: events, placement information, student club contacts; (4) businesses: links to other web sites, employable students, faculty expertise, non-credit courses; and (5) marketing faculty at other institutions: faculty teaching/research interests, curriculum information, links to marketing related web sites.

Most sites appear better suited to the needs of current students than for the other segments. This is somewhat disappointing considering the limited access to student information observed earlier. Few are likely to find course descriptions or assignments on their professor's web site. Outside visitors will have little reward for their visit.

**TABLE 5**  
**ASSESSMENT OF VALUE TO FIVE MARKET SEGMENTS**  
(n = 111)

| Segment                                 | Ex. % | Good % | Fair % | Poor % | Mean* |
|---|-------|--------|--------|--------|-------|
| Current Students                        | 25.2  | 46.8   | 24.3   | 3.6    | 2.06  |
| Potential Students                      | 18.0  | 52.3   | 22.5   | 7.2    | 2.19  |
| Alumni                                  | 10.8  | 13.5   | 36.0   | 39.6   | 3.04  |
| Businesses                              | 4.5   | 20.7   | 44.1   | 30.6   | 3.01  |
| Marketing faculty of other institutions | 4.5   | 8.1    | 30.6   | 56.8   | 3.40  |

\*Where Excellent = 1, Good = 2, Fair = 3, and Poor = 4

Significant opportunity appears to exist to offer more value to alumni and the business community. Electronic interaction can enhance relationships that are of growing importance to many institutions concerned with "friend raising" and fund raising.

## CONCLUSION

Since WMEA members tend to actively involve themselves in using, developing, and disseminating information to enhance teaching quality; it would appear they would find websites offer exciting opportunities to expand their efforts. As yet, the potential remains relatively untapped. Internet provides a powerful, fast, and useful tool to accomplish the goal of WMEA and this conference to share pedagogical insights and tools for the advancement of marketing education.

## REFERENCES

For complete references contact the authors or search the Internet where you will find all the style references and more.

## MENTORING PROGRAMS IN BUSINESS SCHOOLS

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### ABSTRACT

This study examines mentoring programs in business schools. A national sample of 154 universities and colleges were surveyed by phone between April and June 1996 to determine the proportion of schools with mentoring programs, and the structure of such programs. Forty-one states, including the District of Columbia, are represented in the study. The sample includes both public and private, as well as AACSB accredited and unaccredited colleges and universities.

In spite of the attention the subject of mentorship has received in business and academic circles, less than half (41%) of the colleges and universities contacted indicated their university program had mentoring programs for business students. Another 7% of the schools contacted indicated they intended to develop a mentoring program in the next year or they had informal mentoring programs. The proportion of colleges and universities with mentoring programs in the West was lower than the national average. In all the schools contacted, the mentoring program was organized by the career development center, rather than the business school.

Business faculty are usually not involved in mentoring programs. In fact, only 28% of the colleges and universities surveyed indicated they had some faculty involved in their mentoring programs. It is noteworthy that among the schools indicating faculty participation in such programs, only 11% compensated faculty either in terms of load reduction or payment.

Most mentors are alumni or business leaders who volunteer their services. The activities of mentors are significant. They range from providing career advice, having students shadow them in the workplace, having lunch or dinner with the student, to having the

student stay at their home for a weekend or longer. Most schools (83%), however, provide no real training for mentors, other than a basic description of the program. Similarly, the majority of schools (57%) did not evaluate either the mentors or the mentees, while another 11% of the schools only had informal evaluations filled out by the students and/or the mentors.

This research raises some important questions for business faculty. If a mentoring program is not available at a college or university, who should take the initiative to develop such a program? What should be the involvement of business faculty in such programs given that most universities do not compensate or reward faculty for being mentors? Finally, if one's college or university does not offer a mentoring program, what can individual marketing faculty do to enhance the professional development of their students without expending large amounts of time and effort? The paper includes some recommendations for using outside resources to aid in the professional development of marketing students.

## ENHANCING CAREER SERVICES THROUGH CAMPUS PARTNERSHIPS

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### Abstract

Many students approach graduation with a career preparation plan that involves two steps; get a degree, then get a job. To improve this situation, a joint venture, involving the campus Career Development Center, the School of Business, and the student marketing club, was forged to encourage students to be less "passive" in their development of a personal career preparation plan. This joint venture has established a four-point program to make students more aware of the need for career planning, to assist them by providing career information and guidance, to provide greater access to career preparation experiences, and to expand job development and recruitment efforts.

### THE PROBLEM

All too often, educators and counselors are confronted by graduating seniors who are still unclear about their employment opportunities or their career goals. These students are approaching graduation without proper career preparation and with their only plan being a simple two-step process; get a degree, then get a job. Unfortunately, such a lack of planning frequently results in a career path that begins by accepting the most attractive job that is readily available. That first job often defines a person's qualifications and sets the conditions for the next job. Before they realize it, these graduates may find themselves locked into the wrong career path, a path they did not consciously select and one that offers very little *career-life satisfaction*.

The quality of a college or university is often measured by the success of its graduates. To ensure their initial employment success and to establish their career in today's competitive environment, graduates must demonstrate more than a good scholastic record and a willingness to work. They must also possess personal qualities, marketable skills, and a sense of purpose that separates them from their contemporaries. Those most successful in their

classroom pursuits, in obtaining an appropriate post-graduation job, and in realizing their career potential are often those who have integrated some type of systematic career preparation into their academic program.

As educators and counselors, we know that a well planned career should reflect individual interests and provide the opportunity to perform the types of work that best compliments a person's talents. We also know that planning for a career, one that ultimately provides a lifetime of financial stability, emotional satisfaction, and intellectual fulfillment, requires early self-assessment and an ongoing process of career exploration.

There is no question that most college and university career centers stand ready to assist students through this process. However, any level of success fully depends upon the students' appreciation for career planning and their awareness of services available to them. It sometimes seems that no matter how hard educators and counselors try, we are still confronted by graduating seniors who say something to the effect of: *"I've never heard about career services before" or "If only I had known about career services when I was a freshman."* A significant number of students still passively progress through their curriculum of classes without recognizing the need for career planning or making the effort to seek career counseling, assimilate career information, or engage in career preparation experiences.

At most institutions, especially larger colleges and universities, it is an ongoing challenge to develop and maintain effective ways to communicate the importance of career planning and the related services available to students. While we cannot force them into this process, a major goal of an effective career center should be to at least inform every student about the importance of integrating a career preparation program early in his or her educational experience.

Memos to department secretaries, selected faculty, and student organizations are common communication practices. Career Centers may also use campus newspapers, career fairs, and bulletin board posters. Most recently, technologies such as e-mail, *internet*, and electronic bulletin boards are being used to disseminate information. While some or all of these methods can be effective, they are still passive in nature. As a result, they often do not reach, or have little impact upon, a large number of passive students who, for one reason or another, are simply not attuned to receiving this type of information.

### ESTABLISHING A PARTNERSHIP

In an attempt to improve their communication efforts, the Career Development Center at California State University, Fresno (an institution with over 16,000 students spread among 8 different schools and over 60 academic departments), recently entered into a working partnership with the Sid Craig School of Business (CSB) and its student marketing organization, Pi Sigma Epsilon (PSE). The vision that inspired this partnership was to create a method whereby all business students would have the guidance, instruction, awareness, and services necessary to develop a personal career preparation plan. By combining the efforts of the Career Center staff, the PSE students, and the CSB faculty, this joint venture set out to accomplish four major goals:

- To provide career information to a larger segment of business students by establishing a more efficient and effective communication network.
- To make students more aware of the need for career planning and to assist them by providing systematic career preparation guidance and instruction.
- To increase student involvement in a comprehensive career preparation process, including career exploration and career development "work experiences", by providing easier access to these experiences.
- To enlarge the pool of internship, cooperative education, and other undergraduate career preparation experiences for CSB students by expanding job development activities and expanding on-campus employer recruitment efforts.

### THE PROGRAM

The program begins with the assumption that a large

number of undergraduate business students seem to be unaware of the Career Development Center and its services. To increase their awareness and involvement, the PSE students agreed to establish and maintain a "Job Network" which is basically a student-to-student delivery system for actively communicating and promoting these services. A key element of this system was the creation of a job board, a listing of current work experience opportunities, established and maintained by PSE and located on a highly visible site in the Sid Craig School of Business building.

As a way to increase outreach to all students, particularly the more passive types or those part-time, working students who do not have much time to peruse job boards, PSE assembled a student team to make periodic visits to classrooms. These 5-10 minute presentations are scheduled through the instructor and have been developed to orient students to career planning; educate students about the "Job Network" and the services of the Career Development Center; and announce current work experience opportunities.

This proactive, student-based communication mode reaches more students and tends to be more effective in capturing their attention and interest than the more traditional and passive methods previously employed. During these visits, each student is given a flyer with an overview of the career development process and information about the Career Development Center, including its 24-hour job hotline.

The Sid Craig School of Business operates an active internship program where students are placed in a supervised work experience and given three units of university credit, certifying they learn as much in their internship as they would in a three-unit class. Until recently, however, responsibility for the School's program was not centralized. With no single point of contact or coordination, many employers complained about the bureaucratic run-arounds and multiple requirements they encountered when trying to locate potential interns. There were no common standards, prerequisites, or instructional plans and no systematic recruiting or screening of students, or jobs. As a result, the program was "invisible" to many students and potential employers; and the quality of some of the participating students, and their jobs, was questionable.

In order to improve this situation, a centralized internship program was established and a coordinator has been identified to administer it. Key faculty, representing each of the business school departments, will work with the coordinator under a

common set of standards. Students will go through a screening process to qualify for a "pool of interns". Employers and job descriptions will be evaluated against a set of criteria to qualify as "training stations" for the student interns.

The Career Development Center has agreed to assist in qualifying students for the "intern pool" and to serve as an initial point of contact for employers. In addition to providing students with career counseling and an library of career information, the Center staff will give each intern applicant instruction on resume writing and interviewing techniques. The Center also will identify any business-related job listings it receives which might qualify for internship or cooperative education status. These identified listings are then sent to the Craig Business School. The internship coordinator and participating faculty will review and qualify these job listings and take responsibility for enrolling, supervising, and evaluating the "student interns" who are accepted for these positions.

Another important part of the agreement was the establishment of a student "Ambassador" position. A student is appointed by the PSE Chapter and assigned to the Career Development Center to work on a part-time basis. This is a paid position and the job duties have been structured to meet the eligibility standards for a CSB internship. Among other duties, the Ambassador is responsible for disseminating current job and service information from the Career Center to the CSB; and assisting the Center staff with job development and the coordination of special events. The Ambassador is also one of the PSE officers, and serves on the PSE Executive Board.

## RESULTS

Although this partnership has only been in effect for a few semesters, a number of positive results in quantity and quality are already beginning to surface. In 1992-93, before the initiation of this program, there were 53 recorded internships within the School of Business; 21 in the Fall semester and 32 in the Spring. In the Fall semester of 1993, the number of internships remained stable, at 23. This program was instituted in the Spring of 1994. PSE students began the process of making classroom presentations on behalf of the Career Development Center and business students began to respond. A typical example of this was highlighted when a business-related internship was listed with the Career Center. Until the position was disseminated through PSE (several days after it initially became available), there was no student response. Almost immediately after being advertised by the student group, at least three students inquired

about the position and two excellent candidates were referred to the employer. The number of internships that semester climbed to 42, creating an annual total of 65 (an annual increase of 22%). In 1994-95, there were 33 internships in the Fall and 42 in the Spring for an annual total of 75 (an annual increase of 15%). The annual total for 1995-96 was 89 (an annual increase of 18%), 46 in the Fall and 43 in the Spring. Although it was evident that more students were becoming aware of the need for career planning and more were beginning to participate in internships, part of the formula was still missing. Without some centralized coordination within the School of Business, the number and quality of available internship positions was problematic. Students often had to find their own placements and, with no standardized criteria, the screening of these placements and the quality of the internship experiences varied. It was during the Spring of 1996 that the School initiated its centralized internship program under the direction of a faculty coordinator. With the help of PSE's promotional efforts, the first orientation session for the School's centralized internship program, held in the Spring of 1996, attracted 84 students. During the Summer of 1996, 29 internships were taken for credit. In the previous four summers, only 2 internships had been completed. This semester, 188 students have filed applications and 54 students have been placed.

In addition to increasing the quantity of internships, some quality improvements have also been realized. Students are being exposed to the concept of career planning and are considering internships earlier in their college careers. The job development efforts of CDS, PSE, and the internship coordinator are generating better quality internship positions. Fewer job opportunities are being developed by the students themselves and those that are must meet higher standards of acceptance. As a result, the "job pool" offers more responsible jobs demanding more skill and offering more decision authority. In short, they are better learning experiences for the student.

Finally, with larger numbers of students applying for internships, competition for available positions has increased and student selection criteria have been raised. The bottom line is that we now have greater awareness on the part of students, more responsible internship positions, and better qualified student interns.

Maintaining good faculty relations is another important factor in operating a successful career center. This can be a challenge, particularly in what seems to many of us as an endless period of declining resources. By formalizing this partnership, the Career

Center at California State University, Fresno can now focus its efforts on establishing a few key relationships with each department within the Craig School of Business. Then, by utilizing the student team, indirect relations can be established with a larger percentage of the business faculty.

### OUTLOOK

Several immediate and long-term plans are underway to fulfill all the goals of this partnership and to enhance the connection between the Career Development Center and the Sid Craig School of Business. Earlier this year, the PSE team worked with the Center to jointly sponsor a career fair which was specifically tailored to the needs of business students. Although the Career Center already sponsors a number of campus wide events, most of the logistics for this particular business school program were handled by students from PSE. It is hoped that both partners will build on the success of this event and that a PSE/Career Development Job Fair will become an annual event. Other plans include the possibility of jointly sponsored "mixers" with the local business community and the establishment of a PSE job development team to visit local businesses.

This Spring semester, the Center is housing one of its counselors in the School of Business building. In addition, the School has donated a suite of rooms so that recruiting teams and company representations can conduct their placement interviews within the School of Business. This gives the School greater visibility with the business community and provides business students with greater access to potential employers.

This formal agreement has only been in place for a few semesters but, based on what seems to be a very positive beginning, we believe this partnership has already proven its success. The Career Development Center looks forward to building similar partnerships with student groups and faculty from other academic departments. By doing so, it will not only enhance campus communications and involve more students in the career development process, but overall, it will be able to meet today's overriding challenge of *doing more with less*.

## **COMMUNITY SERVICE MARKETING INTERNSHIPS: WIN, WIN, WIN**

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### **ABSTRACT**

An increasing number of university programs are being developed to better prepare students not only for their school to career transition, but also their transition into the mainstream of society. Traditionally these programs focus either on service learning or practical experience via internships. California State University-Fresno has implemented a program in the Craig School of Business which has resulted in expanded opportunities for marketing students to engage in both an internship and community service. This paper describes how the barriers to this type of program were overcome and provides insight for other schools who wish to provide an educational experience which benefits not only students but the school and community as well.

### **INTRODUCTION**

Service learning and internships are two topics receiving increased attention by collegiate schools of business. The attention is driven by a desire to produce graduates who are not only prepared to meet the challenges of a business career, but also willing to become actively involving in their community. University programs which can address both the school to career transition and service learning issues simultaneously can be especially beneficial to all individuals and organizations involved.

The purpose of the following paper is to describe just such a program which was recently implemented for marketing students in the Craig School of Business at California State University-Fresno. The program itself is built around three very familiar elements: internships, service learning, and scholarships. It combines marketing students, the business school, private donors, and the local community into an alliance aimed at achieving multiple goals. As is the case with many innovative concepts, a series of academic and administrative barriers had to be overcome before

the program could be implemented.

### **COMBINING INTERNSHIPS, COMMUNITY SERVICE, AND SCHOLARSHIPS**

Recent studies only reinforce what marketing educators already know about the benefits of internships (Kelley 1996) (Watson 1995) (Bell 1994) (McCombs and Van Syckle 1994). Also well documented are the benefits associated with students performing community service as our society begins to rely more and more on local organizations and agencies to help solve social problems (Hanna 1995) (Cohen and Raupp 1992). Finally, the need for financial assistance is becoming increasingly important as the cost of education continues to rise at both public and private institutions. One educator has estimated that by the year 2005, over 70% of the students in California colleges will require some form of financial assistance (Munitz 1995).

Initial attempts to combine internships with community service and scholarships suffered from a series of both internal and external problems (Kendall 1994). The first of these problems is an administrative and resource barrier. Administrative support at a university flows to activities and programs which are specifically tied to a vision or mission statement, related to goals, or part of a strategic plan. Community service concepts and school to career transition needs may not be integrated into the mission and goals of the university, schools, or departments. While administrators often like to emphasize the university's role as a vital member of the community, they often fail to match their rhetoric with tangible resources.

A second barrier could be called the legitimacy barrier. From the academic side, there have been some concerns about the legitimacy of a community service experience as a business internship. Problems commonly arise when trying to balance the needs of the community organization, student

learning goals, and academic requirements for credit.

The third barrier can result when a student is viewed as a volunteer instead of an intern. Community service agencies may not be familiar with the concept of an internship and end up treating interns as they would any other volunteer help. Experiences are not structured around learning objectives, a trait commonly associated with traditional internships. This can result in a work experience with little or no structure and too much repetitive activity.

The final barrier is a philosophical one. Community service should be, by definition, an unpaid experience. After all, one does not typically volunteer their time and then expect compensation. Unfortunately, increasing educational costs and student budget realities often result in excellent learning opportunities being passed by because they are not compensated.

## OVERCOMING THE BARRIERS

### Conquering the Administrative/Resource Barrier

The University's "Plan for the 90's" envisioned a learning environment which challenges:

*"students, faculty, staff and the community to work together to develop productive citizens; and engages students in their cooperative education, community service related activities."*

This vision initially led to the development of a general education community service course which required students to volunteer at a local agency. Some of these experiences turned out to be very valuable opportunities for students in a variety of disciplines, including marketing. In addition, a major University donor funded a series of \$1,000 "Community Service Scholarships" for students who completed 200 hours of work with a not-for-profit agency.

At the School of Business level, the mission called for, among other things, a commitment to provide "the community with the best possible service." In addition, it was a goal of the school to achieve prominence as an applied business program. To this end, the strategic plan calls for an increase in the number of internship opportunities made available for students.

In order to make the program a reality in the School of Business, it was necessary to commit resources to both internship and community service scholarship programs. Using the commitments cited in the planning documents it became easier to obtain support for a program which involved combining community service and business internships.

The initial result was partial release time for a business faculty member and the commitment of \$18,000 worth of scholarship money over the next three years. This allocation was immediately matched by a major University donor resulting in a total of forty eight scholarships (of \$750 each). In addition, a partnership was formed with the University Career Development Center which had been directly involved in the initial development of both service learning courses and the driving force behind the creating of community service scholarships. The Center was used to develop new opportunities, provide student guidance, and also as a source of additional scholarship funds. Therefore, by tying the program to administrative priorities and creating a working partnership with the Career Development Center the first barrier was overcome.

### Addressing the Legitimacy Barrier

Traditionally, business internship programs have relied on for profit businesses as their primary work stations. While some students may have volunteered at a service agency, business departments did not view this work as being academically related and therefore unworthy of academic credit. However, there are many reasons why community service organizations may be used as a legitimate source of quality internships. Perhaps the most obvious reason is the number of agencies willing to hire interns, assimilate them into the organization, and allow them to accomplish their learning objectives. In short, there is often a greater degree of commitment to learning than under more traditional internships.

When considering the academic legitimacy of these internships, most faculty realize that there is a great deal of similarity between the nature of the business activities in both profit and non-profit organizations. This is especially true today in the area of marketing. Virtually every non-profit agency is faced with having to improve their marketing program via more attention to marketing strategy, database marketing, and the design of services to



meet customer needs. In these areas, marketing students can often provide real value added since many organizations are staffed by volunteers with virtually no experience in marketing. For example, rarely will a student generate and implement an entire marketing plan, or even a portion of that plan for a business as part of an internship. In addition, students are being asked to design databases utilizing many of the same computer tools they would use at more traditional work stations.

From the student's perspective, community service assignments can provide two additional benefits similar to traditional internships. First, interns can be made aware of career opportunities they had not considered. A prime example is in the area of health care marketing when an internship is completed at a local medical facility. The other benefit relates to an access to a valuable network of business contacts. Fund raising events, donor recognition, and other similar activities often expose the student to an important network of community leaders. Internships completed at a Chamber of Commerce provide many opportunities to get to know local business executives. A third student benefit, which is not part of a traditional internship, is the new perspective they gain into the intrinsic rewards and demands of community service.

Finally, from a pedagogical perspective, there is little difference between the requirements of a community service internships and a business internship. With a focus on the broadening of knowledge, application of skills, career awareness, and personal development, the emphasis is still on the learning that takes place, not what the student is doing. Assessment of the experience in both types of internships rely on establishment of learning objectives, reflective journals or papers, and post assignment evaluation.

#### **Confronting the Volunteer Versus Intern Barrier**

Learning requirements associated with internships necessitates that student interns be treated differently than a volunteer. Volunteers are there to perform some required tasks; the intern is there to engage in a progressive learning experience. In some cases they may actually perform similar activities, but the tasks are approached from different perspectives.

To assist in overcoming this barrier, agencies were asked to submit proposals for internships describing

how the student would be utilized and the type of activities they would perform. Emphasis was placed on the progressive nature of the learning experience along with the ability to build new skills and apply academic concepts. Such proposals force the agency to think through a project or series of activities which would lead to a desired goal for the organization. Marketing professors were used to qualify the positions for academic credit. Ultimately, scholarship work stations were selected based on the clarity of activities and goals for the internship and their relevance to the academic major involved.

To insure compliance with job description activities, interns and work station supervisors are required to develop a list of learning objectives for the student during the first two weeks of the internship. Objectives must be approved by the internship coordinator and become the basis for ultimate evaluation of the internship experience. During the internship, interns are instructed to discuss any major deviations with both their supervisor and the coordinator.

#### **The Final Barrier: Pay For Community Service**

The final barrier is a philosophical one involving payment for performing community service. Some academics feel that all internships should be unpaid. Others feel that interns perform a valuable service and should be compensated, not exploited. In the case of community service, however, service is normally done for selfless or charitable reasons. Paying someone to "volunteer" is a contradiction.

On the other side, financial realities often keep students from doing unpaid internships, regardless of the nature of the organization. As stated at the beginning of this paper, the majority of students by the year 2005 will qualify for financial aid. In addition, 75 percent of these same students will be working 30 hours a week or more (Munitz 1995). The problem is that this work usually involves part-time jobs which are not related to their academic major, contributing dollars but not to learning. Providing a student with a \$750 scholarship allows them to cut back on part time work hours while gaining relevant experience.

A second source of support for community service scholarships comes from donors to the scholarship program itself. Businesses and individuals are often solicited for funds by the School or University.

These donations can sometimes disappear into a general account, such as faculty development, resulting in little visible connection between a donation and its outcome or impact. Community Service Scholarships are very specific. The money is spent supporting students (student wins) who are performing community service (service organization wins). The donor can publicize their efforts by pointing to the hours of service provided by the student (company or donor wins) and the University is viewed as providing assistance to the community (University wins). As one donor described the program, "the only thing that bothers me about this program is that I can't find anything wrong with it!"

## THE RESULTS

### The Community Service Scholarship

The Community Service Program at the University level, established in 1990, has serviced over 200 students and attracted over thirty donors. Thousands of hours of community service have been completed. Many of the experiences would have qualified as business internships, but the lack of coordination between the School of Business, Career Development/ Cooperative Education Office, service agencies, and students resulted in lost opportunities for academic credit for both the students and the Marketing Department.

Since implementing the program at the School of Business level, all community service scholarship positions relating to marketing are approved and supervised by the Internship Coordinator in the School of Business. The first of these were completed during the summer of 1996. Additional community service positions were solicited, resulting in a total of 26 openings related to marketing. Scholarships were awarded to nine agencies, and all but one were filled. In addition, five agencies were able to attract marketing majors who were willing to accept their internship experience without pay. An additional eight scholarships will be awarded in the Spring 1997 semester.

The business major most sought after by community service agencies is marketing. Of the 46 community service internship positions qualified in the Summer of 1996, more than half were in marketing. Common activities include development of marketing plans, conducting surveys, making public presentations, building data bases, and creating promotional materials. Examples of

organizations receiving marketing scholarships include St. Agnus Medical Center, Fresno Philharmonic, County Volunteer Bureau, Big Brother/Big Sisters, Valley Children's Hospital, and the Muscular Dystrophy Association.

## CONCLUSION

Based on the initial results of the program described in this paper, it is fully expected that the partnerships developed are only beginning to realize their potential. When properly supervised and structured to meet academic requirements, the combination of internships and service learning can produce learning outcomes that often exceed those provided through traditional assignments. At the same time, students obtain academic and career related skills, while gaining a realistic perspective of their community, its people and some of the problems faced by our increasingly complex society.

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## SLOVAKIAN AND AMERICAN COLLEGE STUDENTS AND THEIR MARKETING VOCABULARY KNOWLEDGE: A COMPARATIVE STUDY

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### ABSTRACT

It has been suggested that marketing training and education will be essential to Central and Eastern European societies in making a successful transition from socialist to capitalist economies. While marketing educators may argue that a great challenge exists in developing a basic understanding of the notion of marketing in such societies, perhaps this task is being accomplished by the forces and environment of the marketplace. This study indicates that both Slovakian and American students have unexpectedly similar levels of knowledge of marketing's basic vocabulary. Several implications of these findings are given, such as a recognition that many European societies may be more ripe than anticipated for advanced study of the marketing discipline.

The authors of this paper compared the marketing vocabulary knowledge of pre-business students from two major American-based universities: one representing the Slovak Republic and one representing the United States. The premises of this study are that marketing education plays a major role in the transformation from a centrally-planned economy to a market-driven economy, and that young business leaders must be cognizant of the marketing functions. The objectives of the study were: a) to identify what marketing vocabulary Slovak and American pre-business college students understood prior to their first marketing course, b) to compare and contrast the differences between the two samples and c) to help marketing educators better understand the mechanics of the marketing discipline as applied to former Central Europe countries.

Self-report questionnaires were used to gather the data at both institutions. To evaluate the vocabulary knowledge of the sample students, the researchers chose eighty-three (83) marketing-related concepts/terms from numerous principles of marketing textbooks. The respondents were asked to rate each concept/term from the marketing function perspective. That is, based on the student's schooling and personal experiences, he/she was to rate each concept/term on a five-point Likert scale with one anchor stating "definitely a part of the marketing process" and the other

stating "definitely not a part of the marketing process."

The results make clearer what marketing vocabulary young Slovak and American pre-business students know/recall prior to entering their first marketing course. The study also compared the marketing vocabulary differences between Slovak and American pre-business students. The underlying assumption being tested is that the Slovak students had had little or no exposure to the marketing philosophy and the American students, presumably, had had more exposure based on experiences living in a capitalist country. The study presents both intuitive and counter-intuitive findings.

Surprisingly, the results indicated more similarities between groups than variances, allowing the authors to infer that Slovak college students are just as cognizant about marketing vocabulary as their American counterparts. The comparative research suggests that the Slovak students are much more similar in marketing knowledge than one would expect at this stage of Slovakia's market-oriented transformation. Thus, the question being tested, in general, can be answered "no." "Are there marketing vocabulary knowledge differences between pre-business college students in Slovakia versus those in American?" Perhaps even more compelling to ask then is, "Why are these two groups so similar?"

These results suggest several implications for marketing educators. U.S. marketing educators are increasingly facing saturated markets and declining enrollments. Thus, Central and Eastern Europe is riper than expected for these entrepreneurs to expand operational sites and offer both general marketing studies and specialized marketing graduate studies.

Intuitively, one would expect American college students to know more marketing vocabulary than their student counterparts in Central Europe. However, six years after the fall of Communism, this study finds that Slovak college students have essentially the same marketing vocabulary knowledge as Americans. Perhaps Slovakia, and other Central European countries, are learning business philosophies much faster than expected.

## GENDER AND CULTURE-BASED LEARNING DIMENSIONS OF MARKETING STUDENTS AT AN AMERICAN COLLEGE

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### ABSTRACT

Due to a growing number of female and foreign learners entering the business classroom, marketing educators have to understand the learning needs and characteristics of these students. This paper describes a study comparing the learning and study strategies of American male and female marketing students with their foreign counterparts. Research shows that there are gender and culture-based learning differences. The results of this study show that both American and foreign females come to the marketing classroom with a significantly better attitude toward learning tasks and a higher level of motivation. However, anxiety toward certain learning activities is a problem for American and foreign students of both sexes. The results of the study are discussed and learning improvement plans are described.

### INTRODUCTION

Marketing educators are facing a dramatically changing student population. Today, over half of all business students are females (Chronicle of Higher Education, 1995) and some 100,000 foreign students are enrolled in business programs (Paige, 1990). This creates both an opportunity and a challenge for marketing educators. It is an opportunity to use the diversity of the student body to enrich the classroom learning experience (Mestenhauser, 1983). It is a challenge in that the professor must be sensitive and alert to the gender and culture-based learning characteristics of their students (Paige, 1990). To better identify and understand these differences, this paper describes a study comparing the learning and study strategies of American

male and female marketing students with the learning strategies of their foreign counterparts.

### REVIEW OF LITERATURE

Research indicates that gender-based learning differences are most pronounced in the areas of motivation and quantitative skills (Tyson, 1989). Furthermore, several studies have shown that females perform better in the business classroom than males (Mutchler, Turner, and Williams, 1987; Bayes and Nash, 1989).

As for foreign students, they bring their values, beliefs, patterns of behavior, ways of thinking, and learning to their new environment (Kleinfield, 1994). The contrast between the cultural orientation of the foreign student and the host culture may be sharp in some areas and subtle in others. This creates what Hoff (1979) called "education shock."

Learning strategies are behaviors that influence how the learner processes information (Mayer, 1988). The expanded interest in learning strategies is a result of the large and growing number of academically underprepared or disadvantaged students entering the college classroom (Weinstein, 1988). To deal with this development, many postsecondary institutions have created programs that help incoming students learn-how-to-learn (Noel and Levitz, 1982). Studies indicate that the more the student understands about how they learn, the more likely they will become independent, responsible, self-confident learners (Myers, 1992).

## METHODOLOGY

The Learning and Study Strategies Inventory--LASSI (Weinstein, Palmer and Schulte, 1987) was administered to 18 to 24 year old, American and foreign students at a liberal arts college. These students were either marketing majors or taking marketing courses. The survey, which was conducted by three male business professors, resulted in 171 useable inventories: 45 American males responses, 42 American female; 43 foreign males, and 41 foreign female. The LASSI consists of 10 subscales measuring Attitude, Motivation, Time Management, Anxiety, Concentration, Information Processing, Selecting Main Ideas, use of Study Aids, Self Testing, and Test Strategies. LASSI produces a score for each subscale ranging from 1 to 99. The scores approximate the distribution of LASSI scores for all college students in the U.S. (Weinstein, 1987).

## RESULTS

An analysis of variance (ANOVA) for each of the subscales indicated that both American and foreign male marketing students scored significantly ( $p < .05$ ) lower than their female counterparts in terms of Attitude and Motivation. What is more, American males also scored significantly lower than American females on Time Management, Concentration, and use of Study Aids. Foreign males also scored lower than foreign females on Information Processing skills. In addition, there was no significant difference among any of the groups in terms of Anxiety. Some research indicated that higher levels of Anxiety might have been expected from female students, but that research generally applied to only quantitative courses.

## DISCUSSION

Since this survey was exploratory in nature, the results can not be generalized beyond the specific sample. It should be noted that the student respondents were primarily juniors and seniors taking an upper-division (300-level and above) course. These are typically the students

that marketing professors would have in their classrooms. Also, research indicates that foreign students experience their greatest "education shock" during their initial transition into American college life (Paige, 1990). It is possible that the foreign students of this sample had largely weathered the transition.

Further, it is also important to remember that the foreign student sample is relatively small (84 foreign respondents), and the students themselves come from 28 different countries. Clearly, it would be hard to generalize based on such a diverse group. But again, these are typically the students a marketing professor could have in his or her classroom.

Literature suggests that students should consider improving their weaker learning and study skills in order to optimize their academic performance (Weinstein, 1987). According to the results, both American and foreign male marketing students recorded their lowest scores in the areas of Motivation and use of Study Aids. The lowest scores for American and foreign female marketing students were in the areas of Motivation and Anxiety. Foreign males and females reported their lowest four LASSI scores in exactly the same subscales.

Bogue (1993) assessed the LASSI subscales and suggested ways in which a professor and student can work together to strengthen a particular learning characteristic. Looking just at the Motivation subscale, for example, Bogue (1993) reports that motivation drastically affects the student's desire to manage his or her time and do well in college. It particularly affects the immediate or near-term tasks necessary for successful completion of course work. To improve their motivation, students need to:

- o accept responsibility for all of their school tasks.
- o begin acting motivated. This involves completing assignments before class, arriving at class on time, participating in class

- discussions, asking questions when concepts are not understood, reviewing class notes, seeking help when necessary.
- o analyze outside interests and responsibilities and determine if they are interfering with academic performance.
  - o estimate the time needed to complete outside class assignments. If there is a great discrepancy between the estimate and the actual hours needed, the student needs to evaluate the quality of the work and the time it takes to perform the tasks.

In addition, exercises and checklists are available to help students implement their action plans and evaluate their progress.

#### CONCLUSION

With females accounting for nearly half of the business student body and foreign students accounting for an ever increasing number, it is important to recognize the learning strengths and weaknesses of these two important groups. Specifically, both American and foreign females come to the marketing classroom with a significantly better attitude toward learning tasks and a higher level of motivation. However, anxiety toward certain learning activities is a problem for American and foreign females, as well as for foreign males. Research suggests that this anxiety may be particularly acute for quantitative courses such as marketing research. Nevertheless, there are things the student and professor can do to strengthen learning skills. With information such as this, the marketing educator will be in a stronger position to help the growing number of female and foreign student have a productive and successful learning experience.

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## EXPLORING ALTERNATIVES IN PRINCIPLES - A CASE STUDY

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The principles of marketing course is an opportunity to introduce students to the basics of marketing. While the specific objectives of the course vary by instructor, an unscientific review of a number of course syllabi and discussions with instructors suggest that three general goals are common. First, the course is viewed as attempting to provide students with a survey of the discipline. Second, principles instructors often view the course as an opportunity to build an interest in marketing among students who may still be uncertain regarding their major choice and ultimate career direction, in effect a sort of recruiting tool for majors. Finally, many principles instructors suggest that their course should begin the process of instilling analytical and critical thinking skills in their students.

This paper discusses the author's view, based on seventeen years of experience teaching the principles course, of the ability of a traditional lecture-format approach to accomplish the three goals described above. It then describes an approach to teaching principles which was designed to provide an alternative to the more traditional approach. The alternative approach was intended to provide an environment which would enhance achievement of all three of the goals.

### **The Traditional Approach**

The traditional approach to teaching principles of marketing typically involves heavy doses of lecture. Lecturing offers a logical means for providing students with a survey of basic material. An argument in favor of lecturing is that students must acquire a knowledge of content before that content can be used to think and apply. Lecturing, in combination with requiring students to read a textbook, can and does allow many principles instructors to achieve the goal of imparting a general knowledge of the field of marketing to their students.

Lecturing, however, is not the only means to accomplish this goal and, according to

some, not the best means. Educator David Perkins states: "The conventional pattern says that first, students require knowledge. Only then do they think with and about the knowledge they have absorbed. But it's just the opposite: far from thinking coming after knowledge, knowledge comes on the coattails of thinking. As we think about and with the content that we are learning, we truly learn it." (Perkins, 1992, 77)

A traditional lecture approach can also be effective in accomplishing the goal of creating interest in the discipline. There is no reason that lectures need be dull. Textbook publishers have provided instructors with many opportunities to spice up their lectures by making available a multitude of ancillary materials to accompany texts. Videos, slides, laser disks, transparencies, additional creative examples and the like are readily available to the principles instructor interested in enhancing his or her lecture notes. Furthermore, beyond the ancillary packages available from book publishers, marketing instructors typically find it quite easy to locate a wide variety of current material related to marketing that can be used to add interest to lectures. Any instructor, however, who has ever looked out at a mass section of principles and seen students reading the school paper or dozing recognizes that the spiciest of lectures will still fail to interest some portion of the class.

Finally, of the three goals identified at the beginning of this paper, the traditional lecture approach is most challenged by its ability to aid in instilling analytical and critical thinking skills in students. Lectures typically impart knowledge about content. Of course, a lecture course can be designed to include components that inspire critical thinking. Examinations, for example, can ask students to respond to questions that require it. Additionally, students can be required to complete assignments of some sort. The assignments might be short case studies for example. Such assignments typically build critical thinking skills. Hence while it is true that this third goal can be met with a traditional



lecture-type approach, the reality is, it is difficult. Many principles of marketing courses that use the traditional approach are large (more than 100 students). The instructors rely on test bank generated multiple choice and true false questions and few additional assignments are made (especially ones that involve writing). Research has shown that multiple choice and true false questions rarely require critical thinking on the part of students (Hampton, Krentler, & Martin, 1993; Krentler & Hampton, 1994). Class size discourages most principles instructors from using an essay exam format. Likewise, class size is the reason that few writing assignments are required in the typical principles course.

It can be concluded then, that the traditional lecture-type approach to teaching principles of marketing offers a limited ability to fully accomplish the three goals of imparting knowledge, building interest, and instilling critical thinking skills.

### **The Alternative Approach**

In an effort to enhance the likelihood of achieving the three stated goals in a large principles course, an alternative to the traditional lecture-type format was developed. The primary focus of the approach was small group work. A significant body of literature supports the value of such an approach in enhancing learning (Michaelsen, 1992; Feichtner & Davis, 1985; Michaelsen, Watson, & Shrader, 1985).

A class of 130 students was segmented into 26 five person groups. The groups were formed by the instructor on the basis of information provided on datasheets submitted by the students. Efforts were made to produce groups which contained diversity.

Lectures were scheduled in only one third of the thirty scheduled class sessions. Of those class periods, only six were devoted solely to lecturing. Hence the course placed very little emphasis on the traditional lecture approach.

Evaluation was done on the basis of three components: quizzes, case studies, and peer assessments. Quizzes were given every three weeks (5 total). They were comprised of

multiple choice questions from the textbook testbank. Each quiz was first completed and submitted individually by the students. The quizzes were then retaken by each group with the group being required to submit a single set of answers. Students were instructed to spend time in their groups discussing the questions, discussing the reasons they answered as they did on the individual test, and then deciding together what the correct answer was. This format was intended to test an individual student's knowledge of text material and to provide student's with the opportunity to learn from each other during the group test. The interaction between the students during the group portion of the exam was intended to produce analytic and critical thinking.

Each group was assigned the task of analyzing three case studies over the course of the semester. A single written analysis was submitted by the group for each case. The majority of a student's individual grade on the case analysis came from an overall evaluation of the content of the case. A small portion of the evaluation, however, was based on peer assessments of each individual's contribution. The groups were provided with some in-class time to work on their case studies.

The final component of evaluation came from peer assessments of an individual's contributions to eight small group discussion days. On discussion days each group was provided with a sheet of issues for discussion and instructed to spend the class period with their group sharing ideas. At the end of the discussion group members assessed each other, confidentially, on level of preparation, quality of participation, and quantity of participation. Students were instructed to view these discussion days as informal opportunities to share their thoughts on the issues, to hear what others had to say, and to learn from others.

No specific hypotheses were developed regarding the superiority of the alternative approach to that of a traditional approach in accomplishing the three goals common to principles courses. The alternative approach has not been tested directly, using a control group. It

has been attempted, however. The outcome may be of interest to many principles instructors.

### **The Outcome**

An evaluation of the course was completed by students during the last week of the semester. The students were asked to respond to statements using a 5 point scale based in Strongly Disagree and Strongly Agree. To encourage comparison between the alternative and traditional approaches, statements were prefaced with the following: "Please consider this course in comparison to a more traditional 'lecture-type' course. Such a course would involve primarily attending class to hear lectures delivered by the instructor. You would be tested on the material in lectures and the textbook. The course might require some individual written assignments however there would be no group assignments and no small group discussions of material."

The alternative approach's success in imparting knowledge, as measured by the self-report assessment, "I learned more in this course," was equivocal (2.96). Average final grade in the course was higher in the class than in previous sections taught by the same instructor utilizing a traditional approach. This may be the result of confounding factors, discussed later, rather than amount of learning however. Students did report that they found the alternative approach slightly more interesting than a traditional approach (3.15). Students were not asked directly to assess the extent to which their analytic and critical thinking skills had improved as a result of the course. It may be notable, however, that students reported their frustration level to be higher with the alternative approach than what they would anticipate with a traditional approach (3.46). While the intent of the course was clearly not to frustrate students, it may be speculated that striving to think critically can be frustrating to students. Students also reported attending class more regularly under the alternative approach (3.42). Motivation was reported to be slightly less with the alternative approach than what the students would anticipate with a more traditional

approach (2.84).

It is recognized, of course, that the students' evaluations of these factors are likely to have been affected by measures not accounted for. Differences in individual student's skill levels and motivation and the personality of the instructor, for example, may well have affected the likelihood of a student to attend class.

Students were also asked to evaluate the various individual components of the course. For each component, students were asked to indicate their opinion on a 7-point scale based with "1" - a waste of my time and "7" - a valuable learning experience. The two course components most closely associated with a traditional approach and most clearly linked to imparting knowledge were individual quizzes and lectures. These components received an above average (4.88) and average (3.99) value rating respectively. Group quizzes, case studies, and group discussion days are course components more closely linked to instilling interest, analytical and critical thinking skills. These components varied in terms of their evaluations by the students. While group quizzes were evaluated the highest of all components measured (4.99), the case studies and in-class work days devoted to them were rated only average (3.86) or slightly below (3.74). Group discussion days, intended to stimulate interest and ideas by having students talk to each other about marketing issues were rated lowest of all course components (3.02).

Even taking into consideration other potentially confounding factors, these results appear to offer an equivocal view of the alternative approach. In fact, the general results of the effort were less promising than that. Class sentiment regarding the alternative approach was not positive. Written comments added to the evaluations were consistently negative. Hard working, good students in particular felt that the format allowed slackers to ride on their coattails. This offers a distressing alternative explanation to improved learning for the higher grades that the class earned. If such a criticism is indeed valid, it is particularly damning. It was obviously not an intended outcome that students who chose to could receive a decent grade in the

course despite doing little work.

The alternative approach produced a second distressing side effect that was not anticipated when the approach was developed. The amount of cheating and other unethical behavior that occurred during the course of the semester was notable. The most blatant offense in this regard pertained to group discussion days. As noted previously, groups were encouraged to view these days as informal opportunities to discuss marketing with peers. The groups were told they could conduct these discussions either inside or away from the classroom. It became apparent after the first discussion day that groups had formed alliances designed to "cover" for each other. A group member, for example, would miss a discussion day but be given credit for attending by his or her fellow group members. This was done by having the group members assess the absent member's performance and submit the assessments. Such instances of falsification were fairly easily detectable due to the fact that the absent member had not submitted an assessment of his or her fellow group members.

A related problem came with the peer assessments themselves. The students were uniformly unwilling or incapable of discriminating across the range of evaluation. Given a 1 - 5 scale to use for these assessments, the average peer assessment was between 4.75 and 5. Many students routinely gave everyone in their group a 5 for all parts of the evaluation.

Greater success with the alternative approach would appear to be possible if all students buy into it. In other words, students must be willing to do their share and all must have a desire to learn as a personal objective. Unfortunately these requirements did not appear to be met in the case described in this paper.

### **Potential Explanations**

Three factors may help to explain the outcome produced in this case. First, the class was an undergraduate, first-semester junior level course. The students may not have been sufficiently mature to handle the amount of freedom and responsibility for their own learning

that they were given. The approach should be attempted with graduate principles students to determine if the outcome might be different.

Second, being a required business course, the class was comprised of a large percentage of non-marketing majors. It is likely that for many of these students, their primary personal objective was to get through the course with as little work as possible. Unfortunately if they were grouped with hardworking, motivated students, this made it easy for them to accomplish that goal, at the expense of others.

Finally, class size is seen as a factor. While the initial belief was that the approach was possible with 130 students, in retrospect this may not have been the case. The problems associated with maturity and motivation could have been better controlled in a smaller class. With twenty-six groups, the opportunity to take advantage of the system was significant.

### **Conclusions**

Without a formal test, utilizing a control group, the alternative approach described here cannot be truly evaluated with respect to its ability, compared to a traditional approach, to accomplish the three goals discussed throughout this paper. It may be noted, however, that working to impart knowledge, create interest, and build critical thinking skills is important. While difference for the sake of difference is not necessarily better, committed instructors should continue to consider how well the activities in their courses accomplish all three of these goals. Striving for innovative approaches to teaching is always a worthy goal.

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Available Upon Request

## MISSED OPPORTUNITIES IN TREATMENTS OF THE MARKETING CONCEPT IN PRINCIPLES TEXTS

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### ABSTRACT<sup>1</sup>

Current principles of marketing textbooks are examined regarding their treatment of the marketing concept. Examples of four (of five) marketing issues are provided to illustrate that texts miss the opportunity to take advantage of the marketing concept as a comprehensive theory of marketing to guide the productive efforts of the firm.

### INTRODUCTION

The purpose of this paper is to review briefly the notion of the marketing concept (MC) as it appears in active Principles textbooks. As we will show, the MC, properly understood as originally framed, is relevant to virtually every aspect of the marketing discipline. We view the failure of authors to pursue the MC in the context of marketing's basic functions as missed opportunities to apply a cohesive theory of marketing to guide the actions that marketers must take when performing their assigned function within their organizations. Finally, we challenge authors, as they revise their current offerings or undertake to write new ones to use the MC as a means to illustrate marketing responsibilities and prerogatives in the modern business organization.

**What is the MC?** In spite of dozens of papers that have been published concerning "what the marketing concept is, and what it is not," (e.g., Houston, 1986) there is still great variation in the MC's interpretation and implications for marketing practice. Remarkably, the MC's original essential meaning is rarely to the fore or explicitly noted.

An exception is the work of Fennell (e.g., 1978; 1995) which offers a clear formulation, one that we adopt as appropriate for the discussion of the fundamental principles of marketing practice: "(the marketing concept): Don't sell what you happen to make; make what the customer wants to buy. This means that marketing is an orientation to production wherein producers proactively tailor offerings to the wants of their customers. In advance of deciding an output's characteristics, producers systematically inform themselves about the characteristics of prospective contexts of use, and

choose their offering's characteristics accordingly." (Fennell, 1989)

Following treatments in early MC formulations (e.g., General Electric, 1952; Borch 1957; Mortimer 1959; Keith 1960), Fennell here outlines the essential component of the MC as guiding producers to specify the relevant conditions of prospective customers' lives before formulating the firm's offerings. Such an interpretation provides substance to the more general specifications of many textbooks, that the MC is "...a companywide consumer orientation with the objective of achieving long-run success..." (e.g., Boone & Kurz, 1992). Fennell's definition gives meaning to the term, "consumer orientation" by specifying marketing's role as bridging the gap between the customer's world and the firm's, and, specifically, guiding the firm's production capabilities in its efforts to get hoped-for return on investment. In a recent discussion of the topic, Fennell (personal communication) has outlined at least five areas where presence or absence of the MC makes a difference in issues of policy and practice. Table 1 presents these topics and their MC implications. Because of space limitations, the following sections briefly review examples of textbook treatments of the first four of these areas as illustrative of missed opportunities to use the MC as a cohesive theory of marketing that guides the actions that marketers take and the advice they give in all aspects of their professional role.

**Business Policy.** The Principles textbooks seem to espouse, as fundamental to the firm's business policy, the concept of "consumer orientation" or of providing customer satisfaction, sometimes embodied in the maxim, "the customer is king." However, when the texts discuss this notion, they often do so in terms of how the firm treats prospective customers in relation to its existing offerings. Typically, the MC is illustrated as being nice, or offering honest support, to customers when they are choosing or have chosen the firm's brands, for example: "Many firms that produce consumer products now offer an "800" number, which allows consumers to call the company tollfree with questions, ideas, and comments about the firm or its products" (Kinnear, et al., 1995, p. 13); "each executive, including Xerox chairman David Kearns, spends one day a month answering customer complaint calls and making sure that problems are quickly

<sup>1</sup> The authors gratefully acknowledge the comments of Dr. Geraldine Fennell on an earlier draft.

**TABLE 1**  
**MARKETING CONCEPT IMPLICATIONS FOR SELECTED MARKETING ISSUES**

**Business Policy.** Consider the status of customer satisfaction as embodied, for example, in the maxim, "the customer is king." The MC transforms customer satisfaction from a reactive, *ex post*, approach to handling complaints, to a proactive, *ex ante*, attempt to ascertain customer wants in the first place.

**Managerial Science.** An implication of the preceding is that trial and error is to be replaced by scientific method as a means of ascertaining customer wants (e.g., search for the systematic determinants of value in a good/service).

**Marketing as a Profession.** Marketers' functional responsibility becomes that of contributing at the initiation of the firm's product specification process, information about customer circumstances and views of available options within and outside the marketplace, replacing their former status as directors of distribution, charged with unloading goods/services to whose specifications they had made no contribution.

**Qualitative Research.** The essential, marketing-relevant role of qualitative research is not, as typically presented in textbooks, to obtain reaction (or guidance on how to sell) existing offerings, but to hear prospective users describe the (heterogeneous) circumstances in which they engage in an activity where they could consider using a good/service.

**Cross-Disciplinary Perspective.** Terms and concepts with established meanings in other disciplines need to be examined for appropriateness in the context of the MC's distinctive assignment. Some may need to take on a marketing-appropriate meaning, different from their meaning in their home discipline or in everyday language. For example,

**Demand**, which, in economics, is an *ex post* concept (e.g., goods/services sold) becomes an *ex ante* concept in marketing (e.g., attributes of user conditions specifying attributes of goods/services that users will find valuable, given existing offerings).

**Scope of concepts**, which, in psychology, spans activities and contexts within activity (e.g., trait, attitude), needs rethinking in light of the scope of individual brands of good/service, which relate to subsets of conditions within activity domains. Consider the classic marketing product, laundry detergent. A brand may, for example, be intended for heavily soiled, sturdy fabric, or lightly soiled, delicate fabric, each reflecting particular subsets of conditions found within the activity domain, doing the laundry.

Source: Fennell (1996, personal communication)

solved" (Boone & Kurz, 1992, p. 11). In such examples, often the only ones given to illustrate the MC, students get no introduction to the proactive nature of providing offerings that result from systematic and careful exploration of customer wants prior to production.<sup>2</sup> Even when the general spirit of the MC seems to have been captured (e.g., "...it is better to find out what the customer wants and offer that product than it is to make a product and then try to sell it to somebody." Zikmund

<sup>2</sup> One reviewer comments, "Is it possible... (that)...the MC may be an ideal which companies aspire to but never actually reach, especially as it is stated in marketing textbooks?" In reply, we ask, What alternatives might there be? Choose offering specifications according to what's easy to make, what the engineers think is elegant or efficient, what the competition are making, what the boss's spouse thinks is a good idea? The MC recognizes that user circumstances EXIST, and all management's product attribute choices inevitably bear some relationship to user circumstances, whether "relevant, irrelevant, appropriate, inappropriate" (Fennell 1988). As a result of ignoring the MC, users' wants have no concrete status in the marketing literature, distinct from marketplace offerings. In consequence, they have no actual existence in the minds of textbook authors, who cannot, then, but fail to communicate to students their essential role in the firm's decisions about its offerings.

and d'Amico 1996, p. 20) follow-on examples allow students to misinterpret the proactive nature of marketing as practiced within the dictates of the MC (e.g., "The chairman of the board of McDonald's restaurants increased his company's consciousness of the importance of consumer orientation. While visiting one of McDonald's outlets, he encountered a sign ordering customers to MOVE TO THE NEXT POSITION. He required that such signs be removed from all McDonald's outlets and states, 'It's up to us to move to the customer.'" Zikmund and d'Amico 1996, p. 21). Again, such examples leave open to interpretation whether the firm is exploring the customer's world prior to production, or merely trying to deal with potential objections to existing offerings. Here the opportunity is missed to point to marketing's role of bringing information into the firm about attributes of the conditions in which people pursue their (relevant) tasks and interests, which may prompt them to consider using/buying a good/service. Finally, textbook examples typically provide no discussion about what goes into implementing the MC, e.g., the pitfalls, misunderstandings, and best practice procedures, or reference to later sections where more detail might be found.<sup>3</sup>

<sup>3</sup> One reviewer notes a common misunderstanding of the MC at this point: "... (the authors') definition (of the

**Managerial Science.** Beyond the policy orientation of marketing, authors of Principles textbooks will want to have something to say about the application of managerial science to marketing practice under the MC. Here, texts might logically turn to scientific method as a replacement for a trial and error approach to developing business offerings. The textbook chapter on marketing research is an obvious place to articulate the implications of the MC for such issues. In line with the MC, one would expect a marketing research framework to help marketers to determine the qualitative nature of customer demand (proactively, as discussed above). However, the prototypical model of marketing research that appears in Principles textbooks always begins by "defining the problem." While this presents, from the orientation of the MC, an opportunity to begin by exploring customer circumstances, to investigate and describe the nature of heterogeneous demand, as found, examples from textbooks show authors typically presenting "the problem" under consideration as some difficulty the firm is experiencing with an existing offering" (e.g., "...when an ice cream manufacturer's market share began to decline, the marketing manager decided the problem was ineffective advertising" (Kinnear, et al., 1995, p. 252); "...when Eurasia restaurant, serving Eurasian cuisine...turned off the important business lunch crowd, sales began to decline. The owner surveyed several hundred business-people working within a mile of the restaurant..." (Lamb, et al., 1996, p. 221).

It is clear from such examples that Principles textbook

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MC) may not be as consumer oriented as they imply. For example, if companies were only to provide products that their customers want, they probably would not pioneer any truly new products. How many among us a few years ago knew they needed sophisticated web browsers?" Here, the commentator implies that such technology precedes, perhaps creates, demand. The (common) error here is equating goods/services (e.g., web browsers) with user wants. From an MC standpoint, customers want to search for information on topics of interest, to promote their own views and interests to others, to chat with others with similar interests, etc., regardless of whether a specific technology is or is not available to help them do so. What is important is that wants of potential users exist, prior to formulating marketing offerings, and that the MC provides a systematic, proactive, approach to business' on-going problem of deciding what to produce to get its best return on investment. User wants are distinct from goods/services. Goods/services may or may not be responsive to user wants.

authors often illustrate "problem definition" in terms of problems that the firm perceives with its existing offering. Following exposure to these examples, students are left to picture the typical business offering as originating outside of marketing's domain, from elsewhere within the firm, and to expect that management must wait until sales returns are available before undertaking marketing research.

**Marketing as a Profession.** Under the MC, marketing's functional responsibility is clearly that of contributing at the beginning of the firm's brand development process rather than after brands have been formulated elsewhere within the firm. If so, one would expect textbook authors to portray to students marketing's consultative and informational role in brand policy. In this case, we might look to ideas that Principles texts convey to students concerning their professional responsibilities, namely guiding the firm's productive capabilities toward developing competitive brand offerings. Again, however, examples from the available texts indicate lost opportunity to discuss what the MC means for a core marketing issue, in this case, the marketer's professional contribution within the firm relative to brand policy.

For example, a model that is universally used by authors to represent the firm's brand policy options is the two by two Ansoff (1957) model that crosses "product," old vs. new, with "market," old vs. new. Such a model dismisses from consideration what is, perhaps, the single most significant marketing fact, i.e., market heterogeneity—qualitative variation of demand within a market. Addressing the MC's task means that the marketer helps a producer to answer the question, which kind of demand shall I respond to, within the market in which I want to compete? Such a key role for marketing professionals finds no representation within the ubiquitous Ansoff model. Moreover, the examples used to illustrate the model again constitute lost opportunity to relate to students what the MC means in fact, here that brand opportunities derive, upstream from existing offerings, from the customer's concerns and interests as regards the focal activity, which are the source of "what the customer wants to buy."

Rather than illustrating the marketing process as exploring customer variation in demand proactively, examples typically exhort students to deal with the firm's existing brands through more advertising, (e.g., "Crest toothpaste might attempt to increase its market share through more effective advertising" Kinnear, et al., p. 95); foisting off unsold items through unexplored "new markets" (e.g., "New markets may be found in many

places like other segments of the population or through global expansion. Apple Computer announced plans in September 1993 to expand into China. Similarly, Coca-Cola is entering the market in India and Ben & Jerry's ice cream is attempting to build markets in Europe and Asia" Kinnear, et al., p. 95); or assuming that a brand that has been successful will ensure sales of other offerings to the same customers (e.g., "Mrs. Fields cookies has developed products such as muffins, biscuits, and specialty coffees into existing Mrs. Fields locations" Kinnear, et al., 1995, p. 95). Thus, by relying on these four underspecified "product marketing opportunity analysis strategies" of the Ansoff model, authors have missed the opportunity to explore the implications of the MC for the marketers professional role in the firm.

**Qualitative research.** It should be clear by now that the MC, as a charge to marketers to guide management in responding to conditions of demand and want-satisfaction as found, requires identifying and systematically exploring relevant domains of prospective customers' lives to discover unmet demand (see Fennell, 1982, Fennell & Saegert, 1995 for a description of a model that fully specifies the market definition/segmentation process).

Modern firms often turn to qualitative research for the initial stages of prospect research, specifically the use of focus groups. Such a procedure, under the MC, seeks to explore "the customer's world" in a behavioral domain that corresponds to the firm's productive capabilities and interests. Thus, researchers elicit discussion on such domains as cleaning windows, feeding dependent children, feeding pets, and "focus" the session more directly to the producer's domain of interest. The objective here is to discover conditions that might serve as candidates for subsequent quantitative research, with an eye to uncovering unmet demand for which brand attributes might be designed (see Fennell, 1991b for further discussion of the role of qualitative research in market segmentation analysis). Typically, however, Principles textbooks allow students to believe that qualitative research exists primarily to evaluate reactions to existing goods and services, (e.g., "[the researcher] is interested in gathering people's perceptions of current Old Globe promotion and prices to reverse the declining sales" Kinnear, et al., 1995, p. 246); (Focus group interviews consist of "inviting six to ten people to...talk about a product,

service, or organization" (Kotler & Armstrong, 1996, p. 122).<sup>4</sup>

## CONCLUSIONS

We have briefly reviewed four (of at least five) aspects of marketing practice as authors of marketing textbooks discuss them. It is apparent that a MC perspective is essentially absent both in the commentary of the textbook authors, and in the examples that they cite. Specifically, virtually without exception the examples refer to an existing good/service, details of whose origin, i.e., position in relation to the different kinds of demand and competitive response within the market-as-defined, are not provided.

Space restrictions constrain us to discuss only a few relevant aspects of practice. Suffice it to say, we believe that the missed opportunities of a MC perspective that we have illustrated here are widespread. Elsewhere, the MC's absence as regards market segmentation analysis, both domestically and in international marketing, has been discussed (e.g., Fennell 1982, Fennell & Saegert 1990, Fennell, et al. 1992, Fennell & Saegert 1995, Fennell 1995) and, similarly, as regards Fennell's fifth topic (Table 1), i.e., terms and concepts appropriate to marketing (e.g., Fennell 1994, Fennell 1991a). In all cases, what is missing in authors' commentary and examples, is attention to the nature of the conditions that users are experiencing, independent of goods/services, that prompt them to engage in the activities for which goods/services may be relevant. The pedagogical discussions to which we are drawing attention are missed opportunities for authors to give users their rightful presence, in substantive terms, in the marketing literature.

## References

The entire paper, including references, is available from the authors.

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<sup>4</sup> A reviewer has raised the possibility that our examples in this paper may not be typical of all such treatments in principle texts, or that they may have been taken out of context. In that regard, we offer a bottle of Irish Mist Liqueur (or Tipperary Natural Spring Water) to anyone who can find and send us, before end of 1997, an example from a Principles of Marketing textbook, of "upstream" analysis of user wants as specified by the MC, i.e., examples of discussion in terms of user conditions to which goods/services may or may not be responsive. (In the event of duplicated examples, the prize goes to the earliest arrival.)

**STUDENT SATISFACTION WITH GROUP PROJECTS:  
AN ASSESSMENT OF KEY RELATIONSHIPS**

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**ABSTRACT**

This study measured student satisfaction with group projects and related it to perceptual beliefs, evaluative approaches, group processes, and the extent of one's participation in group projects. The results point to the efficacy of beliefs and participation in explaining student satisfaction. Basically, the quartile comprised of the most satisfied students evidenced the highest extent of group participation, thus suggesting that the role of experience in group projects creates efficiencies that foster satisfaction. Also, the greater the degree of student satisfaction and group participation, the greater the perceived social benefits due to group projects, the willingness to commit time to group projects, the desire for group over individual grading, and the perceived utility of team projects in the facilitation of learning and with respect to career enhancements.

**INTRODUCTION**

With the increasing use of active learning and even complete business school positionings around this theme, group projects have expanded in popularity. Many business schools are following a paradigm shift that recognizes the need for teamwork and team building as well as team leadership (Wright, Bitner, and Zeithaml 1994) and this movement has placed a premium on group projects. Despite this shift, little has been written in marketing journals on team concepts. Dommeyer (1986), however, has compared individual versus group projects and Williams, Beard and Rymer (1991) addressed how to achieve the full potential of team projects. Other works have focused on peer evaluations of team member performance (Beatty, Haas, and Scigliampaglia 1996; Van Auken 1994 and 1995); yet, nothing has appeared to our knowledge concerning student satisfaction with the team concept. Since students are increasingly being recognized as stakeholders in continual improvement processes, their perceptions of the team approach are important. Moreover, formal studies of the team concept external to marketing and business have not delved into student satisfaction (e.g., see Cohen 1994; Hertz-

Lazarowitz, Kirkus, and Miller 1992; Johnson, Maruyama, Johnson, Nelson, and Skon 1981; Sharan 1980).

**THE STUDY OBJECTIVE**

This study is concerned with an assessment of student satisfaction with group projects and relating an overall index of satisfaction to (a) student beliefs concerning group projects, (b) team evaluation methods, and (c) group processes. Additionally, the satisfaction index will be related to the extent of a student's participation in group projects. By assessing relationships to overall satisfaction, the variables that have the greatest explanatory power may be revealed and assessed as to their implications.

**THE VARIABLES**

A questionnaire was developed that contained eleven, six-point, semantic differential scales that related to student satisfaction with the team approach. Scale anchors included, good/bad experience, good use/waste of my time, valueless/valuable, satisfactory/unsatisfactory, not enjoyable/enjoyable, challenging/boring, educational/not educational, normal/strange, useless/useful, desirable/undesirable, and ineffective/effective. All responses were coded so that higher numbers denote higher levels of satisfaction.

The predictor variables were comprised of 24 perceptual belief variables concerning team projects and were scored on a six-point Likert scale, anchored with 1 = Strongly Disagree and 6 = Strongly Agree. These variables related to student issues concerning team projects (e.g., grades; time demands; quality of other group member contributions; equity of efforts; extent of learning; preparation for the real world; and the development of an understanding of the entire project).

The evaluation methods used to assess team-member performance were assessed on a five-point scale anchored by 1 = Never and 5 = Always. These methods encompassed peer evaluations, meeting reports, attendance records,



instructor observation, confidential memos, journals, and instructor meetings (adapted from William, Beard, and Rymer 1991).

The final set of predictors was comprised of group processes, which were also measured on a five-point never-to-always use scale. These processes include role discussions, individual expectations, scheduling, use of meeting logs, discussion of group dynamics, ensuring individual participation, assessments of individual happiness with the project, and making sure that all team members felt included.

Lastly, insights were sought into the extent of one's past group participation, grade-point average (GPA), and various demographics. Extent of past involvement in group projects was included to assess a possible novelty and learning effect. Grade-point average was assessed to determine if students with higher GPAs differed in their degree of satisfaction or beliefs about groups.

#### THE SAMPLE

The questionnaire was administered to 128 business students in a rurally-located AACSB accredited business school. The sample was generated by convenience considerations. Future work will concentrate on seniors taking capstone courses from several campuses in an effort to improve the sample's representativeness. However, the sample is certainly adequate for the development of exploratory insights.

#### DATA ANALYSIS

##### Reliability of Satisfaction Data

To assess the appropriateness of creating an overall index of satisfaction, the reliability of the eleven semantic differential scales was determined through a Cronbach alpha analysis. The resulting alpha value equaled .91, thus establishing the internal consistency of the eleven measures. Given this consistency, an average score for the eleven measures was calculated for each respondent. Overall, the average score for the entire sample equaled 4.54 (s.d. = .80). The higher a respondent's average, the greater the satisfaction with student teams.

##### Multiple Regression of Satisfaction Data

In an effort to explain satisfaction, a multiple regression analysis was run using variables from

the three predictor sets (i.e., student beliefs, evaluation approaches, and group processes). Since these variables were characterized by some evidence of multicollinearity, they were initially subjected to a principal components factor analysis with varimax rotation. In this regard, a separate factor analysis was run on the 24 student belief variables, while the evaluation and group processes variables were combined for a second factor analysis. The latter was due to the use of the same scaling formats. The intent of the factor analysis was to reveal the top-loading variable on each revealed factor, so it could be included in the regression analysis.

The results of factoring the 24 student belief variables revealed five factors which explained 62.1% of the variance, while the factoring of the 15 evaluative and group process variables revealed five factors which explained 67.6% of the data variance. These ten variables produced an  $R^2$  value of .35 ( $F = 5.02$ ; 12 and 112 d.f.;  $p < .000$ ) and five of the ten variables were characterized by significant t values. These variables and their respective Beta weights appear as follows: Group projects in my courses have enhanced my learning experience (.31); In a given project, I do my part and I am required to understand everything else (-.23); Procrastination is not likely to occur during a group project (.21); I have an easy time fitting group projects into my schedule (.19); and, Time is taken during meetings to make sure everyone feels included (.19); As can be seen, only the last variable is an evaluation and group process variable. Basically, perceptual beliefs are explaining the variation in overall satisfaction. In essence, those who are most satisfied with team projects see it as a learning experience, are preoccupied with their part and not the whole, do not procrastinate, and can fit them easily into their schedule.

##### Extreme Quartile Analysis of Satisfaction Data

Given that the regression analysis only revealed five significant predictors out of 39 initial variables, we decided to follow the data partitioning procedure advocated by Weiss and Adler (1981). In this regard, we placed our respondents into quartiles and selected the extremes for further analysis. Thus, we now had a heavily satisfied group and a lightly satisfied group, and the issues germane to each group can be determined. The extreme quartiles encompassed all students who scored less than four and greater than five on the composite index of satisfaction.

As compared to students who have not been as satisfied with their group projects, the highly satisfied group members believe that team projects, are the best way to learn ( $m = 4.55$  vs.  $3.18$ ,  $\alpha < .001$ ); have enhanced their learning experiences ( $m = 5.03$  vs.  $4.03$ ,  $\alpha < .01$ ); have increased their ability to effectively work in a group ( $m = 5.24$  vs.  $4.22$ ,  $\alpha < .01$ ); and, believe that group projects are preparing them for the working world ( $m = 5.17$  vs.  $4.21$ ,  $\alpha < .01$ ). These same students were more likely to indicate that group projects demonstrate the division of labor ( $m = 4.41$  vs.  $3.70$ ,  $\alpha < .05$ ). However, they were in lessor agreement to the belief that they are required to understand everything in the project ( $m = 2.34$  vs.  $3.45$ ,  $\alpha < .01$ ). Apparently, the most satisfied team members are able to efficiently operationalize their efforts; yet the full learning benefit of a team effort may not be making its presence felt. Also, compared to lessor satisfied group members, highly satisfied group members indicate lessor grade worries ( $m = 3.79$  vs.  $4.61$ ,  $\alpha < .05$ ) and they reveal that they would much rather be graded as a group ( $m = 4.28$  vs.  $2.50$ ,  $\alpha < .001$ ). Further, highly satisfied group members do not resent the time intrusion of team projects ( $m = 4.86$  vs.  $2.88$ ,  $\alpha < .001$ ) and they indicate that they have made new friends ( $m = 5.29$  vs.  $4.12$ ,  $\alpha < .01$ ). They also indicate lessor agreement with the statement, I am not to blame when one of my group members fails at a task ( $m = 3.00$  vs.  $4.27$ ,  $\alpha < .001$ ). This suggests a greater amount of team responsibility. Empathy for others is also seen in that these team members indicate a higher response to making sure that each person has a chance to talk at meetings ( $m = 4.21$  vs.  $3.36$ ,  $\alpha < .01$ ). All in all, a profile of the highly satisfied group member has evolved. Especially salient is the contrast with students who indicated less satisfaction with group projects.

### The Influence of Past Participation

Students were asked to assess the number of group projects that they had been involved with over their college careers. They were specifically instructed to think about all the courses they have taken and to note which ones had a group project. On average, students had participated in 9.66 group projects. We then sought to determine if there was a statistically significant difference between the high and low satisfaction groups in terms of the extent of team participation. The results revealed that the high satisfaction group had, on average, participated in 11.66 group

projects, while the low satisfaction group had, on average, been involved with 7.88 group projects. This observed difference was statistically significant ( $F = 5.58$ ; 1 and 60 d.f.;  $p < .02$ ). Clearly, there is a relationship between group satisfaction and the extent of team participation.

Given the significance of enhanced participation in accounting for team satisfaction, the extent of team participation variable was ordered from low to high and was split at the median position (8 teams). As a result, low and high participation groups were created. As expected, satisfaction varied between the low participation group ( $m = 4.22$ ) and the high group ( $m = 4.63$ ), ( $F = 8.83$ ; 1 and 126 d.f.;  $p < .004$ ), thus confirming the above finding relating satisfaction groups to participation. In turn, this confirmation led us into an assessment of the relationship between the low and high participation groups on our same sets of predictor variables that we used to explore satisfaction. Compared to students who have not participated in as many group projects, students with a greater extent of group participation are more likely to state that they; like group grading more than individual grading ( $m = 3.44$  vs.  $2.88$ ,  $\alpha < .05$ ); do not resent the time intrusions due to group projects ( $m = 4.23$  vs.  $3.6$ ,  $\alpha < .05$ ); feel that team participation is the best way to learn ( $m = 4.10$  vs.  $3.67$ ,  $\alpha < .05$ ); and, feel that they understand what other team members have done ( $m = 3.87$  vs.  $3.39$ ,  $\alpha < .05$ ). This latter finding is the reverse of the extreme quartile satisfaction groups and helps to support the efficacy of the team concept. However, the mean score of 3.87 is still low and it suggests room for improvement.

The high participation group was more likely than the low participation group to have; used peer evaluations ( $m = 3.93$  vs.  $3.59$ ,  $\alpha < .06$ ); made sure that members had a chance to talk ( $m = 4.19$  vs.  $3.49$ ,  $\alpha < .001$ ); taken time during meetings to make sure everyone is happy with the project ( $m = 3.60$  vs.  $3.19$ ,  $\alpha < .05$ ); and, took time to make sure everyone feels included ( $m = 3.50$  vs.  $3.12$ ,  $\alpha < .06$ ). The magnitude of these mean scores also suggests that there is room for improvement. Despite this, the results tend to denote an experience factor that impacts satisfaction.

The results suggest that as one participates in more group projects that efficiencies are generated due to the effects of learning and experience. These efficiencies may contribute to higher levels of satisfaction with group projects. Of course, it is possible that too many team

assignments could lead to diminishing or reduced satisfaction. However, our data do not support this.

### **Ruling Out Alternative Explanations**

An analysis was undertaken to determine if GPA had any relationship to satisfaction with group projects. One might conjecture that individualistic students with higher grade point averages would fall in the least satisfied group. However, an assessment of grade point differences between the low and the high satisfaction groups revealed no differences (Mean GPA for each group = 2.88,  $F = .00$ ; 1 and 53 d.f.;  $p < .991$ ). We also partitioned GPA into high and low GPA based upon a median split (low GPA  $< 2.81$ , high GPA  $> 2.80$ ). Perceptual beliefs were also analyzed by GPA grouping with no significant findings. Differences in GPA appear to have no influence on satisfaction with a group or with perceptual beliefs regarding group projects. Finally, no discernible differences appeared based on gender, academic class standing, or ethnicity. There were some minor differences due to age. In general the older the student, the less satisfied with past group projects. The older students appeared to be more time constrained and less likely to believe the group experience facilitated their learning experience.

### **DISCUSSION AND CONCLUSIONS**

We had initially suspected that a steady dose of team assignments would reduce enthusiasm and that such assignments may even run contra to the western value of individualism that abhors the dependency demanded by group projects. However, our analysis of the high team satisfaction group revealed some interesting characteristics. To illustrate, these students viewed teams as a way to meet new friends, thus denoting more of a social orientation. They also possessed the time for team activities and they perceived the learning benefits of the group project approach for their professional career. Somewhat surprising was the observation that they liked group grading over individual grading. Of course, these findings come from a residential campus and they allow one to infer that students from urban campuses may not perceive the team concept in the same light. In essence, commuting distance and work schedules may impact the efficacy of one's perception of group activities.

Our most interesting finding was that the most satisfied team group evidenced greater team

participation, thus suggesting a learning curve or additional proficiencies that are acquired through team experiences. This would suggest the utility of a commitment by faculty to the group project approach. Again, this commitment may be greater at residential campuses due to possibly lesser external time demands on students.

Moreover, instructors can continually reinforce the benefits of the team approach and can actually enhance group processes through informational lectures. Given the relationship between satisfaction and perceptual beliefs, the instructor could try to influence perceptual beliefs which may influence satisfaction and learning. Of course, these enhancements can come from doing more projects and instructors could play a more informational role regarding groups and group dynamics.

All in all, a model of satisfaction and learning with group projects would appear to exist. The two driving influences for team satisfaction are (a) the extent of group projects (the more the better), as a learning curve apparently exists and (b) the role of the instructor in reinforcing the benefits of the group project approach and influencing the perceptual beliefs that students hold about group projects (e.g., corporations looking for people who can work well in a group.). Additionally, the instructor can facilitate the understanding of group processes. Both of these drivers interact (i.e., the extent of participation and the instructor) to influence team satisfaction and, in turn, should facilitate greater student learning.

Uniquely, the efficiencies that come from greater team participation and which apparently enhance satisfaction, may also weaken a student's understanding of the whole; hence, instructors may need to work on this possible dilemma. In essence, will increased macro understanding among students lead to lesser satisfaction with the team concept?

Overall, these issues are worthy of additional study, especially between urban and rural universities, as their respective cultures vary. This research is thus viewed as a starting point for the enhancement of learning and satisfaction through the team concept.

**References, detailed tables, and additional information on scales were omitted due to space constraints and are available upon request.**

## HOW WELL ARE WE MEETING THE NEEDS OF MARKETING STUDENTS?: A TOOL FOR ASSESSMENT

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### BECOMING LEARNER CENTERED

Being learner centered is nothing more than adopting the marketing concept. Thus, as always, marketing departments should make a determination of consumer needs and then find a way to satisfy these needs. There are several reasons to learn how students and alumni perceive the quality and relevance of their education. First, is to keep in touch and help them feel connected to the University and the school of business. Second, is to gain feedback. With this information, it is then possible to engage in continuous improvement. Ability to have graduates who feel that the skills and knowledge they have learned meets or exceeds their expectations may be a key to survival.

### METHODOLOGY

It was felt that before undertaking any curriculum revision and up-dating we needed to assess what our students thought about their education. The student portion of the sample was from all of the seniors in our program. A questionnaire in an envelope with her/his name on the outside was delivered to each senior. The graduates who were sampled by mail, included all marketing option graduates in the past four years. Responses were anonymous. No follow up contacts were made. After adjusting the sample size for inaccurate addresses, a 31% (110 of 352) response rate from alumni was realized. As might be expected, a somewhat larger 62% (74 of 118) response rate was obtained from senior marketing students.

### TOOL FOR ASSESSMENT OF PERCEPTIONS

It was determined that it would not be necessary to "invent" a survey instrument. Other studies had been conducted at other universities and in other disciplines. By adopting and adapting any instruments which had been used in previous studies, it was possible to speed up the task of

assessment. In fact, two previously validated instruments were used as the basis for one portion of the questionnaire. (Dudley 1995 & Carcello 1991) Prior to making the selection of an existing instrument to adapt, a list of needed information was created. These items were then segregated into three broad categories: items associated with skills, items associated with working conditions, and items associated with interactions. In order to accomplish this task the attached questionnaire (Appendix "A") was distributed to all senior marketing majors. Another questionnaire with the same questions but soliciting slightly different perceptions was mailed to a list of recent (within the last four years) marketing majors. Another version, for our graduates, was also prepared but is not included. Both questionnaires contained the same questions, however, each solicited slightly different perceptions. The only difference was in the introduction to each of the questions. i.e. If students were asked . . . "Do you expect to find the people with whom you work to be ethical?" Alumni were asked . . . "Are the people with whom you work ethical?" Students were asked whether they felt the education they were receiving would give them adequate preparation in \_\_\_\_ for their career in the marketing profession. Alumni were asked whether they felt the education they had received gave them adequate preparation in \_\_\_\_ for their career in the marketing profession.

As noted, two questionnaires from previous studies were very similar. Therefore, by adding to the questions they had used, it was possible to replicate what they had done in evaluating perceptions of work environment while simultaneously checking on whether skills being taught met market place needs.

Another advantage of a previously tested survey instrument was the ability to establish a ready-to-use benchmark, responses from graduates in other fields. Knowledge of how our students and alumni matched with other disciplines and other universities helped us assess our degree of success in meeting

alumni needs and meeting student expectations. Responses from alumni and students of accounting and finance studies gave us a dual focus. Business school faculty teaching Accounting students have traditionally been production oriented and seek to prepare students to become C.P.A.'s and thus for entry level job expectations. On the other hand, preparation of finance majors is more or less like marketing in that students are prepared for managerial positions and higher level career needs in addition to entry level skills. Further, validation of the instrument was not necessary since the multiple use provided a needed test of response and response validity. Although not a perfect validation, it is much better than is usually possible with a single use instrument.

### ASSESSMENT OF RESPONSES

A full report of responses is not necessarily a part of a paper designed to help others select a useful survey document. However, such a report is useful in helping those who decide to make the survey instrument a part of their evaluation process. They may want to assess their results by comparing them to these findings. In other words helping future users benchmark with ease.

Respondents from the student population were compared on the extent to which they agreed or disagreed with alumni responses to like statements on the questionnaire. The Chi Square test was used to determine whether alumni and students were alike or different in their perception. An abbreviated set of results is provided in Tables 1 and 2. This table contains only those variables which were significant because application of a chi square test generated a statistic with a statistical probability of .10 or greater. That is, where the chi square indicated that there was no match of student expectations with alumni retrospective views. A .10 (10%) level of significance was selected since the effect of accepting a type II error was not apt to be catastrophic. In other words, even had there been acceptance of a difference between students and alumni as true, when it was in fact false, no real harm would be done. If faculty exert more effort at aligning materials presented with materials needed by employers, no one would say this is of negative value. Whenever the probability of a chi square statistic being as large or larger than the one we obtained was less than .10, it was interpreted as cause to examine how to reduce this perception or expectation in future iterations of this study. In a

few years, there can be a report of longitudinal successes (hopefully no failures). It will detail efforts exerted in providing students with skills needed for success and with information to help them bring their expectations into closer alignment with the environment in which they will work.

Table 1 should be read as follows: look at question 7 a skill question which ended in a difference of opinion. Students thought they were not getting enough education on spreadsheet applications whereas alumni said they felt they had received enough spreadsheet education.

**TABLE 1**

Responses to Questions on Adequacy of Skills Which Produced a Chi Square Statistic With a Probability of Less Than .1000

| QST. NO. | WERE YOU PROVIDED ADEQUATE PREPARATION IN | PROB- ABILITY | Do students feel preparation is sufficient? | Do Alumni feel preparation is sufficient? |
|----------|---|---------------|---|---|
| 7        | Spreadsheet applications in marketing     | 6.44%         | Not enough                                  | Adequate                                  |
| 11       | Preparing marketing plans                 | 9.89%         | Not enough                                  | Adequate                                  |
| 12       | Making customer presentations             | 8.81%         | Adequate                                    | Not adequate                              |

Table 2 should be read as follows: look at question 13 on the work environment. Students thought they were entering a career where they would find frequent intellectual challenge. Whereas alumni said they felt environment in which they worked did not provide frequent intellectual challenge.

**TABLE 2**

Responses to Questions on Work Environment Which Produced a Chi Square Statistic With a Probability of Less Than .1000

| QST. NO. | DO STUDENTS EXPECT DID ALUMNI FIND        | PROB- ABILITY | Students YES OR NO? | Alumni YES OR NO? |
|----------|---|---------------|---------------------|-------------------|
| 13       | Frequent intellectual challenges          | 9.93%         | Expected            | Didn't Happen     |
| 20       | Adequate on-the-job training              | 0.035%        | Expected            | Didn't Happen     |
| 21       | People will answer my questions           | 9.30%         | Expected            | Didn't Happen     |
| 22       | Support for continuing education          | 0.07%         | Expected            | Didn't Happen     |
| 23       | To be treated as a professional           | 0.27%         | Expected            | Didn't Happen     |
| 24       | To have timely evaluations of performance | 0.26%         | Expected            | Didn't Happen     |
| 25       | To compete with my peers                  | 9.24%         | Not expected        | Happened          |
| 26       | To have high ethical standards            | 0.21%         | Not expected        | Happened          |
| 28       | Stable predictable work plans             | 0.32%         | Expected            | Didn't Happen     |
| 29       | Travel no more than 2 nights per week     | 0.70%         | Expected            | Didn't Happen     |
| 30       | Income goes up with more work             | 0.38%         | Expected            | Didn't Happen     |
| 37       | Area work or expect to work               | 0.18%         | More in sales       | Fewer in sales    |

It should be noted that there are other possible means of data analysis. T tests could be used to assess the variance in mean responses. Additionally, a Kolmogorov-Smirnov test could be used to test not only differences in groups but magnitude or direction of the difference.

In an effort to provide other potential users of this instrument with further validation, a factor analysis was employed to determine whether the questions asked proved to be useful constructs. Frequently, researchers use factor analysis as a means of reducing a large number of variables into smaller clusters which will be used in future research to help reduce the size of questionnaires. However, the primary role of factor analysis for this study was to evaluate the underlying constructs of the data. Factory analysis provided eight (8) factors from responses to questions one (1) through twenty eight (28). Table 3 illustrates that each of the factors support very distinct constructs of perceptions and expectations. Note that variable numbers do not correspond directly to question numbers due to coding restrictions. These eight (8) factors explained 67% of the variance in the responses. Thus, our endeavor to probe the constructs which are of importance to businesses was successful. Factor analytic tables are in Appendix "B". For the potential adopter of this instrument, this means that the value of the questions is supported by examining the interaction of responses. Greater reliance on the outcome can be expected when one knows in advance that underlying constructs are valid.

### IMPLICATIONS

Once the results are in, the next step is to determine the exact extent or means by which faculty in the marketing discipline can react to this information. Logically, some action should be taken to acknowledge the educational responsibility for most if not all of these areas. Possibilities range from design of a new course, to tweaking an existing course. A reassessment of requirements and prerequisites is also a possibility. Where prerequisite courses are not willing to adapt to needs, it may be necessary to include more specific input of prerequisite information into the start of a few courses, i.e. writing skills for Marketing students.

The world is changing and we must keep up. Demands on students today are different than they

**TABLE 3**

### Questions Assembled into Logical Clusters Via Factor Analysis

|                     |  |
|---------------------|--|
| <b>FACTOR ONE</b>   | <b>ORAL COMMUNICATIONS SKILLS</b>  |
| 1.                  | Verbal communication skills  |
| 3.                  | Team work skills   |
| 4.                  | Superior/subordinate skills  |
| 10.                 | Making customer presentations  |
| <b>FACTOR TWO</b>   | <b>COMPUTER SKILLS</b>   |
| 2.                  | Written communication skills   |
| 5.                  | Word processing skills   |
| 6.                  | Data base applications in marketing  |
| 7.                  | Spread sheet applications  |
| <b>FACTOR THREE</b> | <b>EXPECTATIONS OF SUPPORT</b>   |
| 14.                 | Working in marketing will provide me with the opportunity to learn a substantial amount about other functional areas of a business |
| 16.                 | Marketing professionals to be held in high regard by the general public  |
| 18.                 | To receive adequate on-the-job training  |
| 19.                 | That a knowledgeable supervisor will be available to answer my questions   |
| 20.                 | To be treated as a professional  |
| 21.                 | The firm to offer assistance and be supportive in helping me strengthen my educational background                                  |
| 22.                 | To receive timely and constructive evaluations of my performance.  |
| 25.                 | My professional responsibilities will not interfere with my social and personal activities.  |
| <b>FACTOR FOUR</b>  | <b>PROFESSIONALISM</b>   |
| 12.                 | Marketing to be an interesting profession  |
| 24.                 | The firm and my associate to maintain the highest ethical standards  |
| <b>FACTOR FIVE</b>  | <b>COMPETITION</b>   |
| 17.                 | To be responsible for supervising staff members within two years of employment   |
| 23.                 | To encounter considerable competition on the job from among my peers.  |
| <b>FACTOR SIX</b>   | <b>TIME REQUIREMENTS</b>   |
| 13.                 | To find that others perceive that marketing provides an important public service   |
| 27.                 | That my job will keep me away from home no more than two nights per week.  |
| 28.                 | My Income to reflect the hours I work,....   |
| <b>FACTOR SEVEN</b> | <b>RESPONSIBILITIES</b>  |
| 15.                 | My job in marketing will involve few, if any, menial job responsibilities.   |
| 26.                 | To be able to have daily work plans that are relatively stable and predictable.  |
| <b>FACTOR EIGHT</b> | <b>PLANNING SKILLS</b>   |
| 8.                  | Building and allocating a budget   |
| 9.                  | Development of marketing plans   |

were just eight years ago. When was the last time your program was changed? Are we aware of the new set of demands? How many years have businesses complained that students with University degrees are unable to handle Interpersonal conflict, write letters, and think critically? Since 1990 the number of high school graduates who say they want to pursue a university education in business careers dropped from 23% to 13% (Business Week, 1994).

That is why knowing what our students want and need today is but a first step. Marketers must focus on student's needs. Remedies for areas where student perceptions do not match alumni perceptions of their work will affect the direction of our program. Without the type of input provided by this survey instrument, it will be difficult to know when to reevaluate a marketing program. Without this data it would be even more difficult to know how to revamp a marketing curriculum.

This methodology may not be perfect but it is much better than traditional eight to ten year reviews based on what faculty assume to be true and confirmed by unreliable anecdotal faculty inputs. It was not uncommon for these unsystematic reviews to end in no action. One goal of any service provider, if you believe what you read, is to reduce the variance between what students (customers) perceive a career in marketing will be like and what our graduates experience in their careers. This paper has not proposed the end product of a review but the first step in a longitudinal review process. Marketing departments which are interested in taking a pro-active position in curricular design need to: a.) collect this data on a regular basis (probably each two years) b.) fine tune courses and curriculum in response to new input c.) keep up with marketing trends. This survey instrument provides a tool for all who want to be constantly moving toward improved quality in a systematic fashion.

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## DATA MINING: A KEY TECHNOLOGY FOR MARKETING EDUCATORS

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### ABSTRACT

Data mining is an emerging technology with important implications for marketing educators. The authors define the notion, describe data mining components, present applications that should interest marketing educators, and mention some obstacles to its future development. They conclude that data mining has the potential to enhance a firm's marketing strategy and improve its performance. The authors also suggest marketing educators consider mentioning data mining when carrying out their teaching, publishing, and consulting tasks.

### EDUCATORS' OVERVIEW OF DATA MINING

Marketing educators are constantly searching for new technological developments that effect their professional responsibilities. An emerging technology that should be of interest to members of the Western Marketing Educators' Association is data mining. Regarded by some an "amorphous" notion, data mining helps marketers discover certain patterns and correlations from data that were previously unknown. This in turn enables organizations to generate better marketing plans and new business opportunities (Foley, 1996).

Data mining can be the derivation of useful information from a data base through creative queries. It also can be the identification of relationships that would have gone undetected without the application of specialized approaches (Grupe, 1995). Mena (1996) describes data mining as a methodology for using software to analyze database records to discover patterns. Given a set of thousands of database records, the software searches for a pattern and rule to describe them. The knowledge extracted is then presented in usable business statements that managers who do not have extensive expertise in quantitative decision making can interpret.

Lebowitz (1996) says that data mining is one of five technologies that can enhance profitability in the financial services industry. Dickey (1996) believes that the growing importance of data mining shows a

shift from product orientation to customer orientation. Market potential also reflects the importance of data mining. For example, the markets for data warehouses and related tools are growing fast. META Group predicts that the market for data mining will reach \$300 million in 1997 and rise to \$800 million by the year 2000 (Shoesmith, 1996). The overall market was \$2 billion in 1995 (Kay, 1996).

Data mining software is an offshoot of university based artificial intelligence research and the most complex and technologically sophisticated of data query tools (Richman, 1996). It is small wonder then that marketing educators are only recently being exposed to data mining. The same is true in industrial and government sectors where data mining tools have been traditionally restricted to scientific and engineering settings.

### PURPOSE AND METHOD

The purpose of this paper is to familiarize or update attendees at the 1997 Western Marketing Educators' Conference with the subject of data mining. The authors hope it will motivate members to become more aware of this important technological development and incorporate it into their teaching, publishing, and consulting tasks. This is consistent with the objectives of data mining hardware and software providers. They plan to bring data mining out of the realm of academia, artificial intelligence, and highly skilled power users and into the corporate middle class.

This conceptual paper is based on 193 articles that cover data mining. They were published during 1995 and 1996 and recorded in the ABI/Inform data base. No attempt was made to find information from other sources such as books or scientific journals. The intent was to compile a general overview of interest to marketing educators who do not specialize in the decision sciences.

### COMPONENTS OF DATA MINING

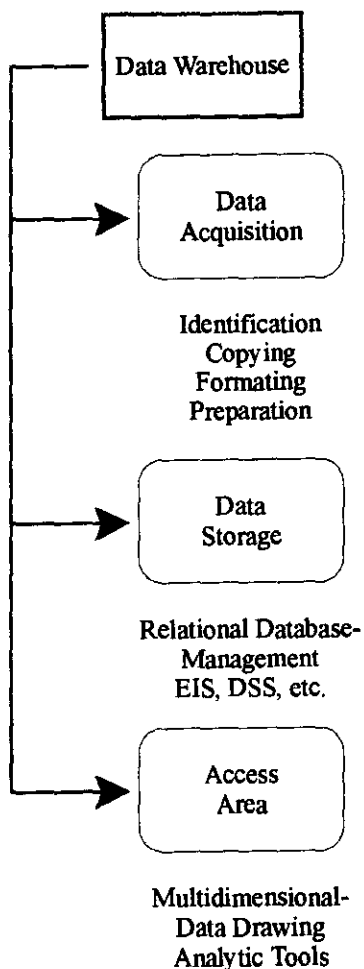
Allen (1996) noted three components of data mining when discussing mortgage banking: (1) production



systems that track customer interactions; (2) data warehouses to collect relevant data, and (3) extract engines that identify data elements. These components are similar to those described by authors who have investigated data mining in other industries. Production systems routinely collect data during an organization's day-to-day operations. An example is a firm's marketing information system that generates and stores internal corporate data, external competitive data, environmental data and marketing research data. This data is ultimately stored in a data warehouse along with that gathered from other sources.

Figure 1 depicts the three functional areas of a data warehouse that are customized to meet business needs. The first handles acquisition of data from legacy systems and outside sources.

FIGURE 1  
Data Warehouse Functional Areas



A second area of the warehouse is the storage area and the third is the access area. The widest range of unique products can be found in the user access area. There different end-user PCs and workstations mine data from the warehouse (Mattison, 1996).

Several approaches are used to extract knowledge from existing data bases. Grupe (1995) noted five: (1) software such as DataLogic/R, IDIS:2; Recon, Nice1, and KnowledgeSeeker; (2) neural networks; (3) expert systems; (4) case-based reasoning systems; and (5) data base software extensions. The approaches are designed to identify relationships that would have gone undetected without their application.

### EXAMPLES FOR MARKETING EDUCATORS

The authors contacted several executives whose organizations were involved with data mining. It was no surprise, given the idea of competitive advantage, that they refused to discuss it in detail. This probably also accounts for the sketchy descriptions of specific applications presented in the literature. We hope that the examples that follow will be sufficient to meet the paper's objective, which is to familiarize marketing educators with the topic.

Data mining has proven valuable in a wide range of applications. These include direct-marketing segmentation, credit-card fraud detection, financial and investment analysis, detection and prediction of chronic faults in large networks, analysis of healthcare information, intelligent instruments, and database cleaning (Greenfeld, 1996).

Within the financial services industry, data mining is labeled one of five technologies that holds promise of enhancing the industry's profitability. For example, Lebowitz (1996) said mortgage companies should regard data mining as strategic to their business. Nevertheless, most companies lack the information needed to make critical target market decisions. The companies have depended on databases whose design was based on products and not customers. In reality, customer buying patterns and attributes are different. Fanella (1996) agrees and notes that data mining helps develop customized products and services that are more in line with what customers want.

Another example concerns Mellon Bank that initiated a data-mining project with IBM Corporation. Its purpose is to develop computing tools that enable the institution's retail marketing group to pull information from the bank's customer databases. The objective is to identify persons likely to respond favorably to direct-mail cross-selling efforts. The first mailing based on the project's findings promotes home equity loans.

Westergren (1996), president of the Bank Marketing Association, summarized the importance of data mining to the financial services industry when he commented: "Whatever you call it, [data mining] remains the key to segmenting your customer base into workable units that you design products for and deliver service to. You must know your customers' profiles and what their propensity to buy really is. This mining of your customer database can be accomplished either internally or externally by using an outside source. What is important is that you begin to do it now or the industry will leave you behind."

A variety of other industries and organizations use data mining. One instance is Pilot Software that recently introduced Pilot Discovery Server, a data mining component of its Decision Support Suite. It is aimed specifically at sales and marketing users rather than to statisticians and data mining experts. Its objective is to analyze a relational database, identify groups of customers who have similar characteristics and make predictions for those groups. For example, Lightbridge Corporation tested the Discovery Server in the cellular telephone industry. It helped the company determine which customers are most likely to defect to another company and why. This information has helped the firm determine how to keep more of them.

Mena (1996) pointed out two marketing applications of data mining to customer purchasing. First a set of records from a huge database of individuals who bought a product, and those who did not, was exposed to data mining software. The output was a set of "what-if" statements such as the following: IF credit line = (22,78) THEN = 65.9% potential client. This means that if the company asks for a down payment of 22%, with the remaining 78% financed, 65.9% of the potential clients will likely buy the product.

The second possibility suggested by Mena (1996) was to use data mining technology to discover associations in purchasing patterns. A supermarket retailer, for instance, might discover from its bar code database that 88% of the customers who buy more than \$100 worth of groceries, including deli items, purchase expensive wine.

Within the distribution area, data mining is used to meet demands for smaller and more frequent shipments. An example reported by Hasty (1996) is Duckhead Apparel Warehouse. It is an \$8-million state-of-the-art distribution technology built around the quantity-neutral premise. That is, distribution managers attempt to get down to the store level and determine a different product mix for each store. Duckhead managers expect the facility to pay for itself in two years.

Ross (1996) reports use of data mining in retailing to reduce employee-retail shrink. Managers aim several new applications at identifying dishonest personnel who account for an estimated 38 percent of retail shrink. They also identify those who may be making errors at the point of sale. The software helps retailers find fraud patterns by collecting and "remembering" information about incidents occurring at the point of sale. For instance, they can program "self-ringing employee" alerts when employees ring up returns for themselves.

The favorable examples of data mining covered in this paper suggest that it can be easily employed in practice. This is not so since obstacles will hinder its application as discussed in the next section.

## **OBSTACLES TO DATA MINING GROWTH**

The greatest obstacles to the growth of data mining are probably consumer mistrust, privacy, and government intervention. Lucas (1996), a proponent of data mining, notes that surveys and complaints to government regulators suggest that consumer tolerance for telemarketing may be eroding. Consumer fraud and billing cost telephone companies huge amounts of money (Urquhart, 1996). Another major concern is how marketers gather and use information about children from the Internet. Consequently, the government is examining data stockpiles and how they are being used. The issue is privacy. During June 1996 the Federal Trade Commission held a workshop to

decide if additional guidelines should be set by the government. The FTC was particularly concerned with how companies use the data they collect over the Internet. Advocates are pressing proposals to regulate the way marketers garner and use information. Legislation is also pending on Capitol Hill.

Many technical considerations also present obstacles to full implementation of data mining. However, they are beyond the scope of this paper and are not presented. Despite its limitations an effective strategy for data mining is to use it to deliver business-critical customer information faster, in greater volumes, and with greater precision (Jeffery, 1996). The technology could enhance an organization's marketing strategy as illustrated in the previous section.

## SUMMARY

This paper is addressed to members of the Western Marketing Educators' Association. Its purpose is to familiarize or update them with the subject of data mining. It is also presented to help members determine if the topic should be incorporated into their teaching, publishing, and consulting tasks. Data mining is an offshoot of university-based artificial intelligence research and the most complex and technologically sophisticated of data query tools. Therefore, data mining has been confined to the scientific and technical community. It has only recently received attention from general marketing and business administration academicians and practitioners. The technology has multiple applications in marketing including direct-marketing segmentation, credit-card fraud detection, financial and investment analysis, detection and prediction of chronic faults in large networks, analysis of healthcare information, intelligent instruments, and database cleaning. Major obstacles to data mining include consumer mistrust, privacy, and government intervention. Despite these challenges, data mining has the potential to both enhance an organization's marketing strategy and improve its performance when employed in a socially responsible manner.

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## ARE MARKETING STUDENTS INTERESTED IN MARKETING?

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### ABSTRACT

Marketing students showed the same, or slightly higher, levels of interest in their major as did other business and nonbusiness majors. However, students took little initiative in reading about business and marketing outside of assigned studies. Implications for a dynamic marketing program are discussed.

### INTRODUCTION

It has been stated by Shelby Hunt (1992) that marketing education occupies a position more analogous to the professions than to purely academic disciplines like sociology. Even though colleges and schools of business have not been able to demonstrate that having a degree in marketing significantly improves a person's performance in marketing (see Hunt, Chanko, and Wood 1986), many students may be seeking a marketing degree for purely vocational reasons irrespective of any native interest in the subject matter.

Everyone is exposed to marketing in their daily lives and Wright, Bitner, and Zeithaml (1994) made a convincing argument that students should be inherently interested in, at least, service marketing because of their experience as service consumers. Yet, one of the most common arguments against a customer-driven approach to marketing education has been the realization that most of our students want a degree, and not all of that want a degree actually want an education (Clifford 1994).

The impetus for the present study was the observation by one of the authors who once taught in the social sciences. He noted that marketing students seemed less interested in the topic matter of marketing than the social science students did in the topic matter of their majors. Consequently, the

purpose of the study was to compare the interest in marketing of marketing students with the interests in the topic areas of students in other business majors and with nonbusiness students.

### PROCEDURE

A questionnaire was developed that looked at three different content areas of interest: outside readings, membership and participation in professional groups and clubs, and general interest in topic areas related to their major. In addition, students were also asked why they chose their major and what area they would have chosen if they could pick and do well in any major.

Students were junior and senior students at two midwestern regional universities. There were only two significant ( $\alpha = 0.05$ ) differences between the students of the two universities on 35 recorded measures. Consequently, the responses from the two universities were combined.

The questionnaire was administered in business classes that had a wide variety of majors: consumer behavior, principles of marketing, organizational management, and tourism marketing. The students represented a cross-section of different majors that a marketing and business instructor would face on a regular basis. In all, 200 students participated. Of these, 23% were marketing majors, 48% were business (other than marketing) majors, and 29% were nonbusiness majors. Fifty six percent of the respondents were women. The respondents had a median age of 21.0 years.

### RESULTS

#### Reading Habits

There were no significant differences between the marketing, business, and nonbusiness majors in their reading habits.

TABLE 1

PERCENT OF STUDENTS WHO  
REPORTED READING

|  | Mark | Bus  | Nonbus |
|--|------|------|--------|
| <b>I. Outside of class assignments, in a typical week, do you read all or part of</b>            |      |      |        |
| 1. the school paper  | 78.2 | 80.2 | 65.5   |
| 2. local or state paper  | 47.8 | 44.8 | 44.8   |
| 3. national newspaper  | 17.4 | 21.9 | 15.5   |
| <b>II. Have you read at least one book (not assigned) in the last year?</b>                      |      |      |        |
| YES  | 71.7 | 67.7 | 75.9   |
| <b>III. Are you currently reading a book not assigned?</b>                                       |      |      |        |
| YES  | 41.3 | 26.0 | 27.6   |
| <b>1. If you are currently reading a book, is the book you are currently reading nonfiction?</b> |      |      |        |
| YES  | 50.0 | 64.0 | 27.6   |
| <b>2. Is the book business related?</b>  |      |      |        |
| YES  | 11.1 | 12.0 | 0.0    |

About half of the students reported reading a local newspaper, but only about one in five were reading a national newspaper which could conceivably include the Wall Street Journal. Somewhere between a half to a quarter of the students were currently reading a book. About one of ten of these books related to business. It is interesting to note that only half of the students could remember the title of the book they are *currently* reading.

Membership in Organized Groups

Seventy three percent of the students were members of an organized group. Specifics are given below in Table 2.

TABLE 2

PERCENT OF STUDENTS IN  
ORGANIZED GROUPS

|  | Mark | Bus  | Nonbus |
|--|------|------|--------|
| <b>I. Do you currently belong to an organized group?</b> |      |      |        |
| YES  | 82.6 | 69.8 | 70.7   |
| <b>1. Professional group related to your major?</b>      |      |      |        |
|  | 58.7 | 39.6 | 41.4   |
| <b>2. Professional group unrelated to major?</b>         |      |      |        |
|  | 17.4 | 16.7 | 6.9    |
| <b>3. Church groups</b>                                  |      |      |        |
|  | 8.7  | 12.5 | 19.0   |
| <b>4. Fraternities &amp; sororities</b>                  |      |      |        |
|  | 6.5  | 6.3  | 6.9    |
| <b>5. Athletic groups</b>                                |      |      |        |
|  | 13.0 | 8.3  | 15.5   |
| <b>6. Special interests unrelated to above</b>           |      |      |        |
|  | 15.2 | 19.8 | 17.2   |

By far, the students are most likely to belong to an organized group that was related to their majors.

General Interest

Seven statements were included on each questionnaire that dealt with general interest that a student might have with aspects of their major. Each was measured on a Likert scale. The results are summarized in Table 3. Half of the statements were worded negatively, but all the responses below have been adjusted to the positive.

The general level of interest was quit high. Marketing students consistently indicated a higher interest than did the other two groups. The interest does, however, seem to be vocational. The marketing students' interest drops when jobs are not available and when graduate school is mentioned. This observation was reinforced by another question that asked the students why they chose their major.

**TABLE 3**  
**MEAN RESPONSES TO GENERAL INTEREST STATEMENTS**

|   | Mark | Bus  | Nonbus            |
|---|------|------|-------------------|
| <i>Disagree: 1 2 3 4 5 : Agree</i>  |      |      |                   |
| 1. The subject matter of my major is interesting.   | 4.35 | 4.02 | 4.24 <sup>1</sup> |
| 2. Most of my classes are (not) boring.   | 3.76 | 3.62 | 3.67              |
| 3. I would like to work at a job related to my major before I graduate.                         | 4.50 | 4.24 | 4.29              |
| 4. If there were no ( ) jobs in my major, I would still pick the same major.                    | 3.41 | 3.77 | 3.21 <sup>1</sup> |
| 5. I almost never ( ) think about the subject matter of my major outside of class & study time. | 4.20 | 4.11 | 4.34              |
| 6. I think I would like the type of people that would typically work in my major.               | 4.24 | 3.88 | 4.12 <sup>1</sup> |
| 7. I would like to go to graduate school and study my major area more.                          | 2.50 | 2.69 | 2.99              |

Note: Statements marked with a <sup>1</sup> were significantly different between the three groups.

Almost 22% of the marketing students indicated that the selection was for vocational reasons, while 19% and 5% of the business and nonbusiness majors indicated the same.

### DISCUSSION

Contrary to the perception of one of the authors, marketing students in this study showed the same, or slightly higher, levels of interest in their major as did other business and nonbusiness majors. The students generally report that they find the subject

matter of marketing interesting and that their marketing classes are not boring. They seem to have a positive attitude about getting involved in the work force. They have joined organized groups that reflect the interests of their majors.

On the negative side, the students take little initiative in reading about business and marketing outside of their assigned studies.

The mixed message of this study was summarized by one last question which read, "If you could pick any major and do well at it.. what would you pick as your major? Forty four percent of the marketing majors picked marketing, 29% and 22% of the business and nonbusiness majors picked their own major. While twice as many marketing students picked their own major as did nonbusiness students, still over half of the marketing students would pick another major in an ideal world.

The vocational interests of marketing students can be used by marketing faculty to further the education of their students. One of the differences found between the two schools was how many students belonged to professional groups related to the students' major. One of the universities has a very active AMA chapter and a newly instituted Mu Kappa Tau national honorary society. Both are active organization with the marketing department fully involved with the placement of concerned faculty as advisors, and with monetary and staff support. The students' response has been enthusiastic and productive. The same department also instituted a successful internship program with local businesses.

### LIMITATIONS

This small study makes no claims of being inferential in the sense that the results could be projected to the universe of marketing students. The sample sizes were small and localized. The remarkable consistency of the responses from two different universities over 500 miles apart, however, indicate that there is sufficient evidence for further investigation.

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## Integrating Marketing and Operations Management in a Global Environment: an MBA Course Approach

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### Abstract

Creating and delivering an interdisciplinary course that integrates marketing and operations management in a global environment is the challenge that faced two business faculty members. While both are experienced instructors in their own disciplines, developing a team-taught course that integrates their two disciplines in a meaningful and coherent course required considerable research, thought, and planning. During the teaching of the course, however, several aspects of the course required modifications due to unanticipated issues. This paper describes the planning efforts, the course, unexpected issues encountered, student reactions, and the instructors' concluding thoughts.

The course was part of a newly designed integrated MBA program which is taught in a Executive MBA cohort lock-step format. The program is designed for employed adults and the average age of the students is 34. The background of the students included at minimum one previous marketing course at the graduate level and one Quality Management course which covered some aspects of operations management.

This is the only course in the program that is specifically targeted toward global or international issues, therefore, the global aspects of the course received primary emphasis.

The goals of the course are that it should provide (1) a framework of analysis that integrates marketing initiatives with manufacturing and service strategies, (2) understanding of the potential benefits of looking beyond traditional national and cultural boundaries and (3) knowledge of best business practices and the transferability of practices into different environments. Other goals were to provide

an opportunity for students to improve analytical and oral and written communication skills. We decided to use cases as a primary vehicle for accomplishing these goals. In addition to case analyses, there were lectures by instructors, guest speakers with international business experience, videos, and hand-on learning of quantitative analysis using the computer.

Each student was required to be a member of one of eight case teams within his/her cohort. The team was responsible for presenting the case and was also expected to handle a Q and A session and prepare an in-depth written analysis of the case. For each case students who were not involved in the team presentation were to analyze the case and submit an individual written analysis not to exceed two pages. All written case analyses were graded in a holistic scoring manner. Particular attention was given to *analysis* of the case information, logical development of alternatives and recommendations, and writing. In addition to individual and group case grades, 30% of the students' grades were based on class participation.

In designing the course it was apparent that more than one topic could be approached from either the marketing or operations management perspective. For example product can be approached from either perspective. We decided to include both perspectives in the course, which meant that the product dimensions were not all addressed under a general "product" topic, but integrated throughout the course.

We believe the course was successful, but due primarily to the similarity in values and standards and similar teaching philosophies of the two instructors. Also contributing to the success was a huge time commitment by both instructors.



# INTEGRATING SKILL DEVELOPMENT INTO THE GRADUATE MARKETING COURSE

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## ABSTRACT

Authors of the Porter-McKibbin report and many other writers encourage the integration of skills into business curricula. Examples of such skills are team-work, written and oral communications and influencing. The challenge to Marketing educators is how to integrate skill-development without sacrificing content. This paper describes an effort in this direction based on student-centered learning. The instructor sets goals, provides guidance and directs, while students do a great deal of work in the classroom and outside the classroom. Before-and-after surveys show significant increases in student self-satisfaction with respect to abilities and skills that students consider important.

## INTRODUCTION

Since the publication of the Porter-McKibbin (1988) report, educators have been encouraged to integrate skill development into business school courses. Recent examples in the Marketing discipline are articles by Brown (1993), Shipp (1993), Cunningham (1995) and Lamb (1995). Frequently recommended skills are: team-work, written and oral communications and influencing. This paper reports efforts to integrate such skills into the core Managerial Marketing course in the Pace University MBA program.

## BASIC CONCEPT OF THE MANAGERIAL MARKETING COURSE AT "GENERAL"

Pace University's MBA program enrolls 2500 students, 40% full-time and 60% part-time. A Spring 1988 survey of graduating MBA students disclosed dissatisfaction with the lack of skill-development in the MBA program. Similar studies in the Summer and Fall of 1988 confirmed these findings.

Since 1988, course materials have been prepared to help students develop skills while they learn subject matter. These materials have been used in several sections of the core Managerial Marketing course. The skill-integrating tools used include: a creativity-enhancing approach to case analysis; teamwork in preparing and presenting answers to questions and field experiences in influencing and networking.

In the Managerial Marketing course, class size ranges between 15 and 25 students. The class meets once

a week for 14 weeks, with each meeting running 150 minutes. In the class sections where skill-integrating teaching methods are used, the instructor sets objectives, gives students written and verbal guidance and directs them to act on their own, in class and in the outside world and then to report on their experiences, in writing and orally.

## THE FIRST CLASS MEETING - INTRODUCTION

The first meeting is dedicated to elucidating course structure and requirements. The instructor leads a discussion of various ways of learning marketing, such as: listening to lectures, watching videotapes, reading the text, analyzing case studies and conducting field experiences, such as influencing and networking. Following this discussion, the instructor explains the processes to be followed in analyzing case studies and in conducting the field experiences in influencing and networking.

## THE SECOND MEETING - CASE STUDY AND QUESTIONS & ANSWERS

The first half of the second class meeting is dedicated to analysis of the assigned case in the Kotler & Armstrong (1994b) text. The first case of the term in the Fall 1995 rendition of the course was *MasterCard*. The other cases used in the Fall 1995 semester were text cases: *Quaker Oats*, *Smith's Foods*, *Steel Products*, *New Balance* and *Nestlé*. These cases were selected because they provide an interesting and useful spectrum of marketing situations.

The benefit of analyzing and discussing cases is that it helps students to obtain an understanding of what is involved in managing a marketing activity and awareness of some of the traps that await the unwary. They also learn how to apply a creative, yet systematic approach to analyzing cases and to making decisions in the outside world.

Students are required to prepare a written brief analysis of one case chosen from the list of six assigned cases and a full analysis of one other case, also chosen from that list. Case write-ups are due on or before the date when they are discussed in class. Each case is discussed for approximately 1.25 hours. The method used for analyzing and discussing the cases is summarized below:

List and arrange hierarchically, as suggested by Kotler (1994a), the objectives of the company in order to identify the Top Rank Objective (TRO). Then, discover the Strengths, Weaknesses, Auspicious Conditions and Threats (SWATs) of the company with respect to the TRO.

Decide whether the TRO is attainable, in view of the SWATs. If it is, continue. If it is not, select a different TRO and repeat the SWATs discovery, and *then* continue.

Create at least 10 possible strategies based on the SWATs, by answering these questions many times: "How can the company: Use its Strengths? Stop its Weaknesses? Exploit its Auspicious Conditions? Defend against its Threats?"

Develop action programs for implementing the most attractive strategies, covering: benefits to the company from this program, actions required, responsible person(s), location(s), resources required, control system and contingency plans.

Evaluate the action programs and select for implementation the programs that appear to be the most effective in achieving the Top Rank Objective.

The second half of the first meeting is dedicated to the Question and Answer activity, which helps students to learn Marketing concepts and to develop team work and presentation skills. The steps presented below are especially effective if a substantial portion (15%) of the semester grade is based on "class contribution."

The instructor prepares a list of subject-relevant questions, preferably of a thought-provoking, action-directed nature. The most convenient source of questions are the end-of-chapter questions presented in the text book. If this is the source to be used, it pays to select a book that has excellent questions. Kotler and Armstrong's (1994b) Principles of Marketing and Berkowitz, Kerin, Harley and Rudelius' (1994), Marketing are examples of such texts.

In class, students are assigned to groups of four or five persons. The instructor assigns one question to each group. Groups are allowed about 15 minutes to develop answers to their questions and to arrange their presentation roles. They are permitted to refer to the text and to any other materials. The instructor takes a seat at the side of the room and calls on groups to present their questions and answers. Oth-

er members of the class are encouraged to comment after each team's presentation. The instructor participates by helping students when they seem to require help and by emphasizing particularly important points. This process is repeated at five additional class meetings. To maximize students' ability to work with different people, the instructor brings randomized lists of students' names and assigns teams according to these lists. (Spreadsheet programs can be used to randomize lists of names.)

#### THE THIRD CLASS MEETING - NETWORKING PROJECT PROGRESS REPORT

At the third meeting, students bring in and present their progress reports on the "Networking Experience." *Networking* is defined as exchanging information informally and establishing personal connections. Students network mainly by conversing one-on-one in many different settings: on the telephone, in hallways, in company lunchrooms, at professional conferences, trade shows, classrooms, lounges, elevators, airplanes, trains and hotel lobbies. Some networking is planned and some just happens.

Students find *career development* networking especially useful. Therefore, the following discussion of networking focuses on career development. Many of the techniques presented may also be applied to other networking objectives as well.

The instructor prepares students for the networking experience by giving them a brief presentation at the first meeting, directing their attention to a detailed discussion in the workbook, answering their questions and outlining the two written assignments: progress report and final report. For the progress report, students are required to bring in a 2 to 3 page paper covering these topics:

1. Student's objectives and SWATs (Strengths, Weaknesses, Auspicious Conditions and Threats).
2. Evaluations of the objectives and SWATs by friends and relatives.
3. Plan for the remainder of the networking experience, including a timetable.

Several activities that students have found especially useful are described below.

#### INTERVIEWING ALUMNI

Alumni of the school are valuable networking contacts, especially alumni who work in fields that interest

the individual student and who have achieved significant career success. Some topics to be covered include: **Their job:** title, description of a typical day (activities and percent time in each), reports to \_\_\_\_\_, flexibility in work, best and worst parts of the job. **Advancement path:** How did they get to their present position? What is the next step? **Experience and education** appropriate for their job. **Recommendations** to the student: whom to see for information and/or opportunities?

#### CONDUCTING "INFORMATION INTERVIEWS"

Another information source and contact-building possibility is the "Information Interview." The student is advised to select companies that offer interesting opportunities and to attempt to schedule information interviews. The objective would be to interview people employed in higher level positions that the student might aspire to occupy in the future. The structure of the information interview would be similar to the outline presented above for the alumni interviews.

#### PARTICIPATING IN ORGANIZATIONS

Professional organizations may provide good opportunities for networking. Students are advised to network to identify suitable organizations by asking friends, associates, bosses and teachers to suggest organizations that might provide networking opportunities. Networking at meetings consists of circulating, meeting people and exchanging information about interests and activities and exchanging business cards. Usually, the networking period is followed by lunch where more networking may be possible.

Students are advised to review the experience after the meeting. Did they meet people who share their interests and goals, have information that is of value to them, have the power and money to offer them desirable jobs or consulting work? If the answers are favorable, they are advised to join the organization and go to more meetings. If they keep attending meetings, they will make friends in their professional field and learn about many opportunities.

#### NETWORKING WITHIN THEIR OWN COMPANY

Students are also advised to network discreetly within their own organization, if they are employed. For example, they may network with their own boss to discuss his (her) objectives and theirs. Also, they are advised to ask about their career prospects, as perceived by the boss and for suggestions about what

they should do to improve their chances for pay increments, promotions and career advancing transfers. They are also advised to meet other people in their company at higher levels by making appointments with managers of other departments to visit and find out about the work they do. While speaking with these managers they should ask about actual or possible openings.

#### THE FOURTH CLASS MEETING - CASE STUDY AND Q & A

The fourth, sixth, eighth, ninth and tenth meetings are structurally similar to the second meeting: case discussion and Q&A session. At the fifth meeting, students report on the Influencing experience they had conducted.

#### THE SEVENTH CLASS MEETING - MID-TERM EXAMINATION

The Mid-Term exam consists of essay questions selected from the text-book and a brief analysis of a selected text-book case. Students are advised to prepare for the exam by preparing thoughtful answers to all the questions listed on the syllabus (see Exhibit 1) for the first three Q&A sessions. The final exam, which is given at the eleventh meeting is similar in structure, but is based on the questions listed for the last three Q&A sessions and requires a full analysis of a selected text-book case study.

#### THE 12TH CLASS MEETING - NETWORKING EXPERIENCE FINAL REPORT

Students follow this outline for the Final Report of the networking experience: objectives of the networking experience, what was done to achieve these objectives, what results were obtained, the three most important things learned from this experience, plans for future networking, suggestions for increasing the usefulness of the networking experience.

In the author's experience, virtually all students recognize the value of being effective networkers. Furthermore, they recognize that networking comprises activities that are essentially of a Marketing nature, as noted above. They have applied the methodology described above to a variety of situations, many of them job related. Examples include: improving their standing with their own employers, seeking a new job, gaining information about choice of educational goals and strategies and all of the other goals listed at the

beginning of this section. Even students with previous networking experience have expressed appreciation for the great variety of activities encompassed in this networking experience.

From the instructor's point of view, the most beneficial outcome is that students practice Marketing in addition to learning about Marketing. It seems reasonable to expect that students who repeat the networking experience several times will internalize the strategic Marketing concepts of defining objectives, evaluating SWATs, specifying information needs, gathering relevant information and conducting a marketing campaign to achieve their objectives.

#### QUANTITATIVE EVALUATION

The Pace Business School conducts course and instructor evaluations routinely. Evaluations for classes that had integrated skill-development into the course work were superior to evaluations received by other instructors. While this was gratifying, it was considered to be inconclusive because, as reported by Clayson and Haley (1990) and Ekrich (1990), student evaluations of teachers and courses are not always as meaningful as they appear to be. The Clayson and Haley paper revealed that teacher personality has the highest effect on evaluation and that rigor of the course is correlated inversely with evaluation. Ekrich found that "ability to motivate me" was the principal factor in student evaluations, with "uses pertinent examples I can relate to" second. Ekrich also reported that teachers who grade strictly run a risk of receiving poor evaluations. It was concluded at Pace that these evaluations did not prove that integrating skills would lead to long-term student satisfaction.

#### DEFINING STUDENT SELF-SATISFACTION AS A CRITERION FOR SUCCESS

Lovelock (1984) has defined education as a service that is directed at the consumer's (student's) mind, i.e. increasing the student's knowledge and skills. In addition, two objectives have been recommended specifically for higher education: to give students the education they need, (Burns 1989) and to satisfy students' learning needs so thoroughly that they stay satisfied with their education for a long time (Hayes 1989). At Pace, this led to the conclusion that the measure of success for skill-integrating teaching would be the increase in self-satisfaction that students report with respect to skills and abilities that they had identified as being important.

#### THE "BEFORE & AFTER" SELF-SATISFACTION EVALUATIONS

A questionnaire was administered at the beginning of the semester in six sections of the Managerial Marketing course. The total number of students covered in this study was 116. The items on the questionnaire were selected on the basis of previous research in the exit surveys mentioned above. The questionnaire consisted of two sections covering student attitudes regarding: ability to gain a promotion, ability to gain a better job, ability to influence others, ability to make personal connections, broad business perspective and competence in Marketing. The first section asked students to rate the importance of each category. All six items received relatively high ratings with respect to importance. The second section asked students to evaluate their satisfaction with their abilities with respect to the six categories.

The Managerial Marketing course was run with all the integrated skill methods discussed above. At the end of each semester, the "How satisfied are you?" portion of the questionnaire was administered again. Statistically significant increases in self-satisfaction occurred in all six areas that students had previously identified as being important.

#### CONCLUSIONS

This paper describes an approach to teaching the core graduate Managerial Marketing course in a way that combines development of valuable skills with learning Marketing by practicing Marketing in addition to discussing Marketing concepts and cases.

The ultimate test of the value of a course, or a program is its effect on the students. If students are satisfied that it has improved them in ways that are important to them and if they complete the required work while meeting standards of the institution, the course or the program may be deemed successful. At Pace GSB, the focus had always been on meeting the second condition. Inattention with respect to the first condition led to lack of student satisfaction.

Using "before and after" measurements of self-satisfaction revealed highly significant improvement in all the categories considered by students to be important. The integration of skills appears to have been effective.

*Exhibits and References Available, on Request.*

## MISSION-DRIVEN CURRICULUM: A BUSINESS SCHOOL CASE STUDY

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### ABSTRACT

This paper describes the process by which a business school's faculty has been developing a mission-driven curriculum over the past year. It is hoped that sharing this case study will encourage others to pursue this approach.

Curriculum development models which reflect the contemporary continuous quality improvement, market-oriented model of management have been suggested by Mayo and Miciak (1991) and Giacobbe and Segal (1994). These models incorporate stakeholder input, peer comparisons, faculty values, faculty resources, and performance gap analysis. VanAuken (1991) emphasizes the role of the school's mission in the process.

### CASE STUDY

The business school at a small, traditionally liberal arts oriented, private, religiously affiliated university is the subject of this study. The school has about 20 faculty serving about 350 undergraduate majors and about 175 part-time graduate students.

A six member faculty taskforce was charged with identifying "measurable outcomes" for each of our programs. The taskforce included the dean and faculty who represented the broader faculty and, more importantly, who had information, skills, or perspectives related to implementing a continuous improvement approach.

The group used the model shown in Figure 1 to guide its work. During Fall and Winter terms, the taskforce focused on the Situation-Analysis Phase. It used an iterative process of drafting and gathering feedback from stakeholders to prepare a proposed revision of the mission statement and articulate objectives and outcomes. The taskforce then presented the proposal to the full faculty for adoption.

The initial analysis activities occurred in the latter part of the Spring Quarter and over the summer. This included surveys of current graduates, alumni, employers, and others in the business community.

In parallel, the faculty were surveyed regarding how well or how much they addressed the identified outcomes in the courses they taught. This "curriculum map" was then analyzed for areas of most and least coverage.

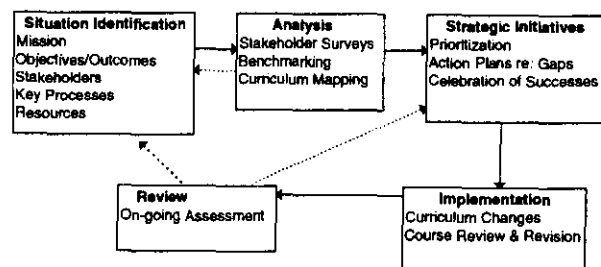
A gap analysis was used to set action priorities and framed the discussion of strategic initiatives for this year. The four action priorities were: verbal communication skills, technology skills, faith integration, and world of work awareness/ professional socialization. Actions are being undertaken to address each of these areas.

The taskforce's work concluded with the recommendation of these decision priorities. Implementation and ongoing oversight of the process has been handed-off to a newly created continuous improvement committee. The details of curriculum revision are being addressed by the undergraduate and graduate program committees. These committees are studying curriculum revisions and will be systematically reviewing courses for appropriate coverage of outcomes, especially in these four areas.

We have learned some valuable lessons from this process. Our experience mimicks that of other schools which have been similarly involved in implementing the continuous improvement approach. The renewed commitment many faculty have found through this process has made the time and effort worthwhile.

### REFERENCES ON REQUEST

FIGURE 1  
Continuous Improvement Based Curriculum Development Model



## MANAGING MARKETING ENROLLMENT: A CASE STUDY

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### ABSTRACT

Many colleges and universities face challenges unparalleled in recent decades. The Higher Education Research Institute and the American Assembly of Collegiate Schools of Business (AACSB) reported that the proportion of business majors among college freshmen declined from 24.6% in 1987 to 14.3% in 1992. As the pool of available undergraduate business majors continues to dwindle, competition among business departments to retain and gain student market share increases.

Recent developments at a California State University seem to mirror these overall trends and make it an ideal setting for a case study. The marketing department has been seeking new ways to revamp its undergraduate program aimed to encourage students to major in the field. By examining elements in the macro-environment that affect enrollment and by understanding the decision-making process of students when choosing a major will enable the department to develop effective enrollment management strategies.

The purpose of this case study is fivefold: 1) to examine trends in the macro- environment that appear to be affecting marketing enrollment, 2) to understand the overall state of business and more specifically, marketing, as a major of choice, 3) to identify new and verify existing sources of influence established by past research and to compare results among groups

(marketing vs. non-marketing majors and ethnic groups), 4) to determine business students' perceptions of the marketing field and compare results across segmented groups, and 5) to develop recruitment and retainment strategies aimed at college students.

60% of the 179 respondents indicated that they contemplated two to three different majors before selecting their current major while 21% considered only one. 17% of the students claimed to have made their decision at the last minute.

Although "printed material from department/school" did not receive a high mean (3.18), it scored the highest among the information sources provided. "Magazine and newspaper articles" (2.68) and "marketing faculty presentations about marketing in business writing classes" (2.61) ranked second and third, respectively.

Family and relatives (3.29) seem to play a rather important role in the students' decision-making process, followed by friends (2.92) and colleagues at work (2.73). The case study reveals students consider "job opportunities", "income earned" and "creativity allowed" the most appealing attributes of the field. On the other hand, students regard "being in sales" and "competition in the marketing field" as the most unattractive features.

## MARKETING STUDENT PERCEPTIONS OF NON-TRADITIONAL BUSINESS SCHOOLS: AN EXPLORATORY ASSESSMENT

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### ABSTRACT

Non-traditional business education programs continue to receive attention in the literature. However, the perception of students regarding these programs has been largely overlooked. This is particularly true in the case of marketing students. The purpose of our exploratory study was to examine these perceptions and uncover the major latent themes regarding a variety of issues related to such programs. Our findings suggest that marketing students consider non-traditional education as a viable option to traditional education. However, respondents also voiced a number of concerns such as entry and exit standards, student-teacher interaction, cost, and perceived long-term value.

### INTRODUCTION

The success of non-traditional business education, including marketing, has befuddled even the proponents of this relatively new method of instruction and knowledge delivery. While this novel educational paradigm is not currently competing with traditional institutions, it may pose a formidable threat in the future for student dollars especially in major urban areas. Non-traditional education's target market includes older, employed individuals who seek to enhance their careers by getting an additional degree without major interruptions in their lifestyles at times and places most convenient to them. To satisfy the needs of their student customers, non-traditional institutions rely on the latest communication technology such as teleconferencing and Internet-based applications. One particular form of non-traditional education is long-distance learning whereby students and teachers rely on telecommunication technology as well as more traditional forms of communication such as mail to exchange educational materials. Whether long-distance or just around the corner, non-traditional education is viewed by many as a fair alternative to traditional college or university learning. It is argued that non-traditional education offers students "real world" education by often employing instructors from industry. In fact, some non-traditional institutions choose to emphasize this in their TV or radio advertising: "Our instructors teach at night what they do during the day." Certainly, whether the quality of such education is comparable to what a traditional institution of higher learning would offer is an entirely different topic for discussion.

Part of the marketing opportunity for non-traditional business education programs comes from the perception that traditional business programs (including marketing) stress "irrelevant"

issues (such as theory and concepts) not directly related to "getting a job." In marketing, this situation could be worsened by the continued influx of psychologists and other behavioral scientists, bringing with them abstract theoretical concepts that confuse and bewilder students who are looking for a "ticket for a job." In addition, the increased emphasis on cognitive models may continue to drive a wedge between (traditional) academia and the practitioner sector that will create market opportunity for non-traditional (and more "job-related") programs: "Behaviorists are affecting the development of new ideas in Marketing. . . The continued behavioral and cognitive approach, now manifested in relationship marketing, may become a great success within academia, but few outside share that enthusiasm" (Morris 1996, p. 4).

A big perceived advantage for non-traditional programs is more emphasis on technology and what Rubel (1996) calls "technocompetency." Many traditional business programs may be doing an ineffective job of training students in this area, partially because the professors themselves may lack the necessary skill level, or they are not provided adequate support. The result may be a leverage tool for non-traditional programs. "Students have to think much more with more sophistication about the way they are going to promote products and the places to sell products. . . Students can't be afraid of that, or they can't go into marketing as a career" (Martha Gershun 1996, as quoted in Rubel 1996, p. 18).

Kelley (1996) cites a number of criticisms of traditional marketing education: "There exists a real question of whether marketing curricula have remained current with the fast pace of business change. In a world of business accustomed to a quick response to a changing environment, the time it takes to change an academic curriculum may equate to the passage of geologic time" (p. 49). Also, traditional marketing programs may lack *versatility*, where non-traditional programs have made this a feature of what they offer. "Among major trends in academia are "the continual development of technology to facilitate classroom instruction and distance learning" (p. 50), an area where non-traditional programs are already seen to have an advantage. Kelley (1996) also notes that traditional programs are hampered by declining educational budgets (meaning fewer future hires and possible elimination of tenure) and major curricula changes (pp. 50-51). Pharr and Morris (1996) also note that AACSB's "50-50 Rule" is leading to reductions in business course load requirements, to accommodate an increase of outside course work, as traditional programs try again to become more

"relevant" in a way that may distinguish them from non-traditional programs. Cunningham (1995) suggests that business schools need to adapt other curriculum models (e.g., medical school) to train students in more of a "laboratory setting." Non-traditional programs are seen as offering this, traditional programs aren't.

The purpose of this paper is to assess marketing student perceptions of non-traditional business programs with particular emphasis on graduate education. While the topic of non-traditional business education has received considerable attention from the perspective of both the practitioner and academic literature, the viewpoint of the *student* involved has been largely overlooked in favor of a more administrative and pedagogical focus. The paper begins with a description of the methodology, including the demographic profile of our sample and the research questions of interest. Following this section, we report our findings and offer suggestions for further inquiry in this area.

### METHODOLOGY

Based on a review of the current literature addressing various non-traditional approaches to education in general and business education in particular, a survey instrument was developed (e.g., Sparks and Farr 1995; Kearsley 1995; Landstrom 1995). The questionnaire contained five open-ended questions designed to elicit student perceptions of non-traditional business colleges. Questions ranged from students' understanding of the concept of these different approaches and what they thought was necessary to succeed in a non-traditional educational environment to what they considered to be the advantages and disadvantages of these colleges (*vis à vis* the traditional business college format). Additionally, students were asked to respond to questions which dealt with what they thought traditional business schools need to do in order to compete more successfully with their non-traditional counterparts and whether or not these non-traditional options represent the "wave of the future" in business education. A number of demographic questions were also included.

#### Sample

Our convenience sample consisted of 62 undergraduate marketing students at a major southwestern university. The majority (72.6 percent) of the students plan to pursue a graduate degree in business either at their present college or at another university. Nearly 90 percent of the respondents were full-time students and about 65 percent were working either full or part-time while attending classes. Slightly more than half of the respondents were female, and the sample tended to range in age from 20 to 29 years. In terms of academic achievement, the sample represented a broad range of students, about half of whom were in the "C to C+" range, with about 20 percent below this range, and about 30 percent with "B" or higher. The majority of students were in their senior year of studies at the university which makes their responses quite relevant in the context of this

study, since they already or would soon belong in the market targeted by most non-traditional schools.

#### Research Questions

The objective of our exploratory study was to gain a preliminary understanding of student thoughts and feelings regarding non-traditional business college options. To elicit these perceptions, the following open-ended questions were developed in attempt to capture the potential domain of student opinions and beliefs about non-traditional versus traditional educational formats:

1. Do you think the requirements to attend a non-traditional business program differ from the requirements to attend a traditional business program?
2. What do you feel are the advantages offered by non-traditional programs not offered by traditional programs?
3. What do you feel are the disadvantages of non-traditional programs compared to traditional programs?
4. What features do you think traditional business programs (such as the one at the present institution) must offer in order to successfully compete with non-traditional programs?
5. Do you feel that non-traditional business programs are the "wave of the future" in education (why or why not)?

### FINDINGS

#### Requirements of Non-Traditional Business Programs

A large category of responses indicated that money seemed to be the most important determinant for entry into non-traditional business programs, given their generally perceived higher rates of tuition and registration costs. These respondents alluded to the importance of students' relative "buying power" as an indicator of their ability to enter these programs. Despite the importance of money, however, entry requirements were often viewed as less strict for non-traditional programs, respondents noting "generally fewer restrictions," and "fewer barriers to entry, (importantly), *aside* from money."

In another large category of responses, entry requirements were viewed as being more dependent on differences among the students as individuals; e.g., "more tailored to student needs," "more flexible for students," and that non-traditional programs offered more opportunities to "...work around work schedules." A nearly equal-sized group indicated that less emphasis was placed on grades as a determinant for non-traditional programs. Explanations for this varied, but generally the respondents noted that money, work experience, career standing, "seriousness" of the student, and the ability of the student to demonstrate competence "up-front" (i.e., demonstrating abilities in some more direct manner than test scores or GPA requirements) were considered as more reliable indicators of success (and therefore entry) than grade point average.



## Advantages of Non-Traditional Business Programs

Respondents indicated that the largest single advantage that non-traditional programs had over their traditional counterparts was a greater flexibility in terms of course scheduling and class presentation (consistent with the "less strict/less structured" characteristic noted earlier). More than 27 percent of responses noted that this flexibility offered more options for applying and exploiting educational opportunities; e.g., "you can get the education wherever you want (for example, home, office, etc.)." Another large response group (13 percent) noted that non-traditional programs allow for more conservation of student time, in that less time was likely to be "wasted" in traveling to and from the educational site, registering for classes, being absorbed in other "administrative minutiae," and generally becoming absorbed in "non-learning activities." Respondents here noted that students often experience "time poverty," and appreciate a learning environment that is more focused on non-"time consuming" activities.

In another category (11 percent), respondents indicated that non-traditional programs offered more "independence" in the learning environment. This independence was illustrated by "more (student) choice" in class scheduling options and in how classes are structured, the ability of students to "learn at their own pace," and that "one can go to a classroom setting or access lectures externally." The non-traditional environment also is more likely to feature "high-tech" teaching tools, including a menu of telecommunication options, such as "better graphics," and "more computer 'hands-on'" applications for both faculty and students (for example, some respondents noted that "all faculty are likely to have laptop computers with them," "they are more likely to be supported by a computer networking and telecommunication infrastructure," and that "students can take advantage of greater computer literacy").

## Disadvantages of Non-Traditional Business Programs

Respondents did not see non-traditional programs as being without certain disadvantages when compared to more traditional approaches; in fact more responses alluded to disadvantages than to advantages (183 versus 158). The largest single disadvantage (39 of 183 responses) was the perceived cost of a non-traditional business education. "Expense" as an important category was thus consistent with the "importance of money" as a requirement for admission into these programs. "Impersonalized learning environment" was noted as a significant disadvantage (38 of 183 responses, 21 percent). This "impersonality" was illustrated in various ways: "students don't get as much attention," "(you) don't get to interact with professors like we do here," or "you're not able to develop friendship relationships or to interact with peers."

Nearly as large a group (18 percent) decried the "lack of external validity" of business degrees from non-traditional programs.

Comments ranged from "I can't compete with a degree from (a non-traditional school)," "many companies might not accept (such) a degree," "what would an employer think?," to "I want a *real* diploma," "it's cheap and fast-track," "you just buy a degree," "it's like mail order," and even "(it's) education by clipping coupons." Another large group (13 percent) was troubled by the absence of exit requirements. Respondents noted that "you're not 'forced' to study because exams are not administered," and "knowledge is valued less if there are no requirements or real assignments."

## What Must Today's Traditional Programs Do To Compete?

Despite concerns and criticisms concerning non-traditional programs, respondents generally believed that such programs are gaining greater prominence in the educational market, increasingly seizing market share from traditional programs. In line with this, respondents were asked to indicate what *they* thought traditional schools, still representing the majority of business educational institutions, could do to counter this competitive threat and make themselves a more viable option for prospective students. Most important, according to 15 percent of the respondents, is to place more emphasis on the use of technology in the classroom — since this is an area where non-traditional programs are generally perceived to have an advantage.

In another large category of response (14 percent), respondents emphasized the "leveraging" of traditional college faculty vis à vis non-traditional faculty. Traditional schools should exploit the perception that "(they) generally have better faculty," "students know that the faculty here...are *real* professors," and that "teachers make all the difference." One respondent noted that non-traditional faculty are "less qualified...less likely to be terminally-degreed." Nearly as large a group (12 percent) believed it was important to emphasize the "value" ("benefit versus cost") of a traditional business education. For example, "(at a traditional school) you get more for what you pay," "better academics leads to better jobs with better companies," "(traditional schools) have credentials that are more than enough," and "...are available to people who have less money." By contrast, "non-traditional programs are just too expensive," and "...are just a *game for the rich*."

## Are Non-Traditional Programs the "Wave of the Future?"

Respondents were divided in their perception of non-traditional programs as the "wave of the future" in business education. Those that believed that non-traditional programs represent the "new wave" pointed to the promotion and exploitation of "new educational values." Such comments included: "today's generation of children want things fast and easy;" "they really don't want to work as hard, so a non-traditional program looks more appealing;" "younger students don't read anymore...it's just like *Sesame Street*," it's an "easier way to get a degree," "people are

becoming lazy and try to get things the easy way," and "people want more education by sound-bite." Another large group (24 percent) thought that non-traditional programs addressed "specialized market needs" generally avoided or overlooked by traditional business schools. For example, "they reach a market that needs special attention," "non-traditional programs are expected to fill in the void," "I don't think this is just a fad," and "for traditional schools, this is a *wake-up call*."

A larger number of responses, however, seemed to indicate that non-traditional programs did *not necessarily* represent the future of business education. Consistent with earlier discussions of credibility and value issues with non-traditional programs, many respondents noted a "difference in (academic) preparation" between graduates of non-traditional versus traditional programs. In support of this view, comments included, "companies will continue to prefer people from traditional programs," "the level of preparation will never be the same . . . companies will know the difference, "this doesn't change the fact that most employers will prefer a traditional degree," "older generations will continue to want their children to make something of themselves . . . not get a *phony degree*," and "if it's so easy, what can it be worth in the long run?"

Another significant reason why non-traditional programs were not heralded as the harbinger of future business education by a number of respondents was a perceived lack of personal student-teacher interaction. These respondents believe that this lack of attention is already a problem for many traditional programs and is only worsened by non-traditional programs, whose priorities seem to be focused elsewhere. Among the views voiced were that "the demand in education will be for smaller, not larger and more remote classes," "people will get sick of video and classes on the Internet..they will want to come back to more involvement with professors in smaller classes," and "we always complain about not enough personal interaction. . . the non-traditional approach will just continue to make that worse." A related category of responses addressed a continued student preference for traditional business education, despite the trends toward technological innovation and ease of educational access offered by non-traditional programs. These respondents noted that "the intelligent person will see that (traditional programs) are more advantageous," "(traditional) learning won't go out of style," and "employers will always know the difference."

Some respondents indicated that they really "didn't know" whether non-traditional programs represented the future of business education or not. Their comments were "honestly I don't know. . . it seems that there will continue to be a need for something different, but people will always know the difference," "I can't say . . . what's non-traditional today may become traditional tomorrow," "(non-traditional programs) will always have a place, but I don't think it will cannibalize traditional education," and "it's a difficult question to answer because technology is always changing and innovating . . . people expect innovation."

## CONCLUSION

Non-traditional business education in marketing is becoming a viable alternative for today's students. Our exploratory study investigated marketing student perceptions regarding programs generally viewed as non-traditional. The findings provide insights into the nature of these perceptions. Salient categories of themes emerged suggesting that marketing students have mixed views regarding these programs. Further research can build upon our preliminary findings to examine the future direction of marketing education in the context of non-traditional methods of educational delivery.

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## AN EXPLORATORY INVESTIGATION OF COMPUTER SIMULATIONS, STUDENT PREFERENCES, AND PERFORMANCE

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### ABSTRACT

Previous studies have found no correlation between general student performance (GPA, exam performance) and performance on computer-based simulations. Additionally, there have only been limited examinations of how student learning preferences affect their performance. This paper describes an exploratory study of these two issues. Our results find a relatively strong correlation between exam performance and simulation performance. Surprisingly, we find a *negative* correlation between student preference for working with others and performance on the group simulation exercise. Implications are discussed.

### BACKGROUND

There have been mixed results for the relationship between simulation performance and cognitive outcomes, generally measured as exam performance. Research by Wellington and Faria (1996) supports the idea that good simulation performance is consistent over time but found no significant relationship between GPA or team cohesiveness and performance.

The objective of the exploratory study described here was twofold. First, we were interested in exploring the relationship between simulation performance and exam performance. It is reasonable to expect both simulation performance and exam performance to be driven by some of the same factors. Simulations require extensive reading and cognitive effort not only in quickly learning the "rules" of the simulation, but also how to integrate the marketing information into "real" decision making dynamics. Student motivation and effort is essential for success in a simulation. This variable, of course, should be a strong determinant of exam performance too. While it is possible to argue that simulations and exams test different skills, the lack of a relationship between the two is problematic in the sense that it suggests that "being a better student" in traditional terms (better

exam performance) does not translate to better simulation performance. Strong evidence that simulations are developing other skills (other than developing marketing knowledge) are needed before this issue can be laid to rest. Second, we wanted to explore the impact of some student characteristics (learning preferences, motivation, etc.) on performance<sup>1</sup>. A simple study was conducted to examine these two issues.

### RESULTS & DISCUSSION

Unlike many previous studies, this exploratory investigation suggests that simulation performance is correlated with exam performance. And those students that do perform better are those with a higher preference for learning by reading.

These results raise several questions. Do students perform better because they must still rely heavily on reading in order to understand the "rules" of the simulation, to interpret the results, and to gain sufficient marketing background and knowledge from the text? Are we as educators kidding ourselves by thinking that we provide a more "kinesthetic" learning experience when those who seem to perform the best have a low preference for working with others and a high preference for reading? Surprisingly, students with a high preference for working with others seem to perform more poorly. Is this a situation where the student recognizes their weakness and attempts to compensate for it by working with others? What impact does this have on the better performing student that has a low preference for working with others?

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**A copy of the full paper is available from the authors on request.**

## GUIDELINES FOR SUCCESSFUL ASIAN AMERICAN RESEARCH

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### ABSTRACT

Because the Asian American market in the United States is regionally large, fast growing, and affluent, many marketers will want to learn more and more about it. However, doing research on this market requires some special knowledge and techniques. Our objective in this paper is to alert readers to methodological problems, obstacles, and pitfalls that they may encounter when doing market research focused on Asian Americans.

The authors undertook an exploratory study to examine the attitudes of elderly Asian Americans toward their doctors and their health care. We faced challenges similar to researchers doing international marketing research: (1) Complexity of research design, (2) Lack of secondary data, (3) Costs of collecting primary data, (4) Coordination of research and data collection across countries, (5) Difficulty of establishing comparability and equivalence. Our versions of five significant challenges and our responses are briefly noted below in this abstract.

### FINDING RESPONDENTS

The San Francisco Area is home to many Asian Americans but gaining access to them and responses from them is difficult. Our study's population target, elderly Asian Americans, and research topic, health care attitudes, were specific enough that we contacted some health care facility administrators to obtain respondents.

### ASIAN AMERICAN SUBSEGMENTS

We suggest that it will rarely be useful to group all Asian Americans together. We believe that certain beliefs and values will differ if a person comes from Vietnam, Laos, Cambodia, Korea, Thailand, Indonesia, Japan, or China. Chinese people vary in attitudes and beliefs depending on whether they immigrated to the U.S. from Mainland China, Taiwan, or Hong Kong. In

addition to country of origin, the length of time in the United States will make a difference in their attitudes and opinions.

### QUESTIONNAIRE SCALES AND CULTURE

The scale most often used in our questionnaire was a five point scale ranging from very negative to very positive. Many of our respondents were not comfortable with using this scale, one commonly used in the United States. Also some elderly female Chinese American respondents wondered why professors would want their opinions.

### TRANSLATION FOR THE WRITTEN QUESTIONNAIRE

Getting the questionnaire translated well is a crucial task that is time consuming and expensive. We learned that the idea that although there are several different spoken Chinese dialects but only one written Chinese language does not mean all readers will obtain the same meaning from the same written characters.

### TRANSLATORS FOR FIELD RESEARCH

We did anticipate the need for translators at the senior center where we obtained about one-third of our sample. We hired a variety of translators who spoke both Mandarin and Cantonese as well as fifteen different dialects of Chinese.

### CONCLUSION

Our experiences suggest that marketing research among Asian Americans is likely to be more expensive, more time consuming, and more trying than research among the majority population of nonAsian Americans. Nevertheless, this market is a very important one for many marketers and will become more important in the future.

## A LONGITUDINAL ANALYSIS OF CHINESE ADVERTISING APPEALS: 1980 - 1995

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### ABSTRACT

This study is based on a content analysis of 1452 Chinese advertisements appearing in the Chinese edition of *The People's Daily* from 1980, when advertising was resumed, through 1995. It identifies which features and appeals are key in advertising products in China. It also examines the recent trends in these advertising appeals. Comparisons are made in ads appearing pre and post 1989, which not only marks the Tiananmen Square civil unrest but also China's move towards a more consumer oriented economy.

China represents a significant market opportunity for the United States. It is a nation of 1.2 billion people and its economy continues to grow at a 10 percent annual rate. The United States, however, is yet to fully capitalize China's potential. China's trade surplus with the United States continues to soar. To turn the U.S. China trade deficit around and to capitalize on the Chinese opportunity, U.S. companies among other things must develop and maintain an acute understanding of advertising in China.

About 41% of all advertisements appearing in *The People's Daily* over the last fifteen years were for products from major industry SIC group 3500; all machinery other than electrical. Nearly 17% was for products from major SIC group 3600; all electrical and electronic machinery except transportation equipment.

In the initial study, 1980 - 1989, the five most commonly featured traits in the advertising, were: "claims about product size or shape" (40.4%), quality (36.7%), "uniform, made to standards" (29.3%), dependability (26.4%), and "economy in operation" (17.6%). In the 1990 - 1995 sample, the use of traits in ads had increased but the ranking within the top five traits remained relatively unchanged. One exception, the trait "made in China" moved to the fourth most commonly used position from tenth.

Over time three major trends were observed in the advertising:

1. The move towards greater nationalism
2. Increased market competition and
3. The move towards a consumer society

The move toward an increasing nationalist identity in advertising was supported by increased reference to products being made in China. The increase in competition trend was evidenced by an increase in both the number of ads and the number of pages devoted to advertising in a single issue. The move towards a consumer based society is evidenced by a steady increase in the percentage of ads promoting consumer goods as opposed to industrial goods.

Those wishing to succeed in China must spend increasingly more on advertising. When advertising products in China it is important to use rational appeals. Most Chinese advertising contains many details regarding the features and functions of the product. Second, it is important not only to provide quality products but to inform buyers of the quality. The mention of quality continues to be the most frequently cited product trait in Chinese advertising. Third, when penetrating the Chinese market it is useful to have a Chinese connection. The rising emphasis on Chinese nationalism suggests that foreign businessmen should consider joint ventures to enter the market and emphasize the Chinese relationship through the advertising.

## TELLING THE TRUTH ABOUT THE MARKETING CONCEPT

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### ABSTRACT

The marketing concept, critics claim, lies at the root of manifold business ills. Its defenders, however, find no fault with the managerial philosophy it encapsulates; they blame alleged shortcomings on misinterpretations, which may be spawned unwittingly in classrooms. Accordingly, educators should choose their words carefully when discussing the marketing concept.

Exuberant lectures and fervent textbook expositions of the marketing concept, which are intended to engender interest in marketing and appreciation for marketing wisdom, commonly lead students to draw the following dubious conclusions: Sound business is never based on selling what firms want to make, but always on making what customers want to buy. It requires that marketing research professionals find needs, which the firm must fill by extending innovative offerings customers deem superior. Profit is the "natural" reward for satisfying customers. Therefore, customers must come first, always! Further, all corporate effort, not just the marketing department's, must center on satisfying customers. Since marketers are in the best position to understand customers, marketers should take charge.

Educators seem well-advised to dispel most of these misconceptions and to convey the following notions instead:

- In essence, the marketing concept is a reminder of an obvious, yet easily forgotten, axiom: No firm is likely to endure and prosper without satisfied customers! Students should learn not only that customer, product, and production orientations can be congruent, they should understand that these perspectives can be synergetic. Further, marketing miscues tend to occur when one of these orientations is given blind preference
- Although the marketing concept may be adaptable to many nonprofit endeavors and has socially desirable implications, it was formulated originally to help for-profit businesses in competitive settings achieve their pecuniary goals. It does not apply to uncompromising artists and ideologists.
- Pleasing or, better yet, delighting customers is the mean; profit is the end. Though pleasing customers is vital, it does not guarantee profitability. In addition to gratifying customers, firms should attend to exploiting competitors' weaknesses and minimizing their own vulnerabilities. Nevertheless, "The customer comes first, always!" is a slogan many employees should take (almost) literally.
- Adopting a strong customer orientation does not mean firms must subscribe to a market-pull philosophy or rely predominantly on traditional marketing research to gauge customer needs, wants, and preferences. Sometimes resources must be committed to developing new technologies and core competencies long before specific end-products can be envisioned and payoffs can be estimated reliably. Further, although professional marketing research is a valuable tool, it has significant limitations. Those who rely on it excessively and do not understand its pitfalls are apt to pursue cosmetic rather than substantive product improvement and risk overlooking or rejecting product innovations from which visionary firms willing to lead and educate customers may earn vast fortunes.
- Though innovation often explains success, innovation is not confined to developing radically new technologies and products that spawn new industries or dramatically change the way people live. Extraordinary success, such as Wal-Mart's, often stems from combinations of numerous innovations that, individually, are almost imperceptible.
- As enlightened customer advocates and functional specialists who understand customers, marketers can make important contributions at all corporate levels. Yet, overemphasizing marketing is as hazardous as overemphasizing production, finance, or any other functional specialty.

## BRAND LOYALTY MADE EASY: A PREFERENCE-BEHAVIOR MODEL

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### ABSTRACT

It is widely accepted that brand loyalty is critical to success due to the high costs of gaining new customers and the strategic advantage of the brand equity associated with high loyalty. This paper presents a new model of brand loyalty that combines simplicity with useful insights into competitive position.

The model is based on the same assumptions and mathematical calculations developed by Colombo and Morrison (1989, *Marketing Science*). Their work assumed that consumers can be classified as either hard core loyal (HCL) or potential switchers (PS). Thus, after any given purchase, a consumer will either be sufficiently satisfied that he will consider no other brands and automatically repurchase the last brand purchased (HCL), or he will consider alternatives and have some probability of buying each (PS). Hard core loyals do not switch; potential switchers may or may not switch. The proposed model differs by using attitudinal and behavior data rather than two behavior points.

In a 2 x 2 matrix of "last brand purchased" and "most preferred brand," the diagonal entries would represent the number of consumers who last bought the brand they preferred, which would consist of the hard core loyals and those potential switchers with a weaker preference for the brand who decided to stay with the brand one more

time. The off-diagonal entries represent those consumers who last bought something other than their preferred brand.

The preference-behavior model presents some important advantages over the two-behavior model of Colombo and Morrison (1989) while retaining its principle advantages. The output can be easily illustrated in two dimensions. Data collection is reduced still further. Both preference and last purchase data can be collected in a single survey. The preference measure, "What is your favorite brand of \_\_\_\_\_" is simple and clear (unlike some multi-item attitude scales). Data can be collected by mail or telephone.

Important advantages over Colombo and Morrison result from the substitution of preference for a second behavioral measure. Because it is based on purchase only, the Colombo and Morrison model does not differentiate between loyalty and repeat purchase. Also, because it can be used with panel data, it may inflate error from multiple purchasers.

Strategic diagnoses include examination of the proportion of sales to hard core loyals (a measure referred to as "focus") versus sales to consumers who prefer some other brand (a measure referred to as "gravity"). Brands with high focus have high equity and very strong loyalty--consumers buy it because they like it. Brands with high gravity "steal" sales from other brands, largely through price or temporary promotions.

# THE MARKETING MIX AS A TOTAL PRODUCT: UNDERSTANDING THE PEDAGOGICAL RELEVANCE OF PRODUCT AND PRICE

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## ABSTRACT

Marketing curriculums need to provide a "total product" for our students. It is not sufficient for students only to be proficient in promoting and distributing products and services. Students, as well as practitioners, need to know how product quality, price and customer service decisions create and maintain value in the market place. When value management is combined with expertise in promotion and distribution, then a "total product" is being provided to marketing students.

## THE MARKETING MIX AS A TOTAL PRODUCT

Because a product can have so many aspects and benefits, marketers think in terms of the total product - the broad spectrum of tangible and intangible benefits that a buyer might gain from a product once it has been purchased (Zikmund and d'Amico 1995). Similarly, the marketing mix, as a product to the student and the practitioner is a complex, interrelated set of decisions that can provide a broad spectrum of goal achieving benefits when used properly. Unfortunately, our pedagogical practice tends to ignore product and price issues in favor of the more glamorous courses such as advertising and retailing.

For three decades now, the popular approach to teaching marketing has been through the concept of the marketing mix: the 4Ps (Kellerman, Gordon, and Hekmat 1991). The authors stress that each P in the introductory course is equally important. A weakness in any "P" may result in failure. In the upper level marketing courses, various topics covered in the introductory course are covered in more detail. If each "P" is equally important, one would expect to see equal attention given to each "P" in advanced courses.

In a survey of marketing courses offered at more than 150 AACSB schools of business, Kellerman, Gordon, and Hekmat found that about seven of every ten P courses were promotion courses, one in four was a place course, only one in twenty was a product course, and fewer than one of one hundred was a pricing course. Another study found that CEOs judge pricing and product to be somewhat more

important than place and promotion (Kellerman, Gordon, and Hekmat 1991). In view of this, it appears that the marketing curriculum at most schools lacks sufficient coverage of the product and pricing elements of the marketing mix.

With scarce faculty resources and AACSB's requirement that 50% of the business major's course work be outside of business and economics, adding more courses in the product and pricing elements of the marketing mix is difficult but not impossible. Many marketers believe that product, customer service and price decisions issues, when considered simultaneously, determine "value" for the consumer. If value is a key criterion for consumer acceptance, then a way to solve the "AACSB" problem is to combine product, customer service, and pricing issues into a value management course. When value management is combined with expertise in promotion and distribution, then a "total product" is being provided to marketing students.

This paper reviews the importance of value management, reports on academicians' attitudes toward "marketing mix" courses, and develops the basics of a value management course offering. The following section provides an overview of value as a linkage of product, customer service, and price decisions.

## THE PEDAGOGY FOR VALUE MANAGEMENT

Customers have come to expect a culture of value in the market place. Shoppers today want more of those things they value (Treacy and Wiersema 1995). If they value low prices, they want it lower. If they value convenience or speed when they buy, they want it easier and faster. If they look for state of the art design, they want to see the art pushed forward. If they need expert advice, they want companies to give them more depth, more time, and more of a feeling that they're the only customer.

Competitive advantage takes a commitment not just to meet, but to exceed consumer expectations for affordable quality (Artz 1993). Competitive advantage in the marketplace cannot be profitably exploited unless it can be



converted to consumer value satisfaction (Cohen 1991). Some strategic management scholars have concluded that U.S. firms in the 1980's became so distracted with mergers and acquisitions and so burdened with debt that they neglected the key areas of competitive advantage (Hitt, Hosiisson, and Harrison 1991). As the next century approaches, American industry has reawakened to the new global competition and has responded by refocusing on unique advantages

The right combination of product quality, customer service and fair prices is the key to selling to these value conscious consumers in today's marketplace. The ideal position of value is where the product or service is the highest quality, supported by the best customer service, and offered at the lowest price. While ideal for the customer, it allows very little, if any, profit margin for the seller. A generic position offers acceptable product quality with reasonable customer service at affordable prices. Unfortunately, there is always a competitor who is willing to offer a lower price, higher quality, or better customer service. Additionally, there are always consumer segments who are attracted to one value dimension at the expense of accepting lesser performance on the other dimensions. A key principle of a value culture is to understand that you can not be all things to all people. Companies need to focus attention on one dimension of value that they are best able to provide and to target those segments who value that dimension.

Ford Motor Company considers value in their attempt to maintain a competitive advantage over Toyota. Their gamble on the value issue is most interesting (Business Week, 1995). The Taurus competes with the Toyota Camry and the Honda Accord. In recent years, it has had a price advantage of \$2,000 per car because of the sky-high yen. In designing the new Taurus, Ford decided that American consumers liked Camrys and Hondas because of their great engineering and features. So it set out to match the Japanese. This, however, boosted costs. Meanwhile, the Japanese set out to "de-engineer their cars, simplifying them to get costs out. The result? Detroit's price advantage is shrinking fast. A new Taurus with popular options will sell for about \$1,000 less than comparable models from Honda and Toyota. Toyota has promised a new Camry that will cost 20% less to make. That might allow Toyota to price the new Camry below the Taurus, unless it decides to pocket the cash as profit. Bottom line, the new Taurus will succeed or fail on the level playing field of quality, design, and features. Fair enough. But if Ford wants the Taurus to be a best-selling family car it can't let prices drift much higher.

Being competitive is going to take a commitment not just to meet but to exceed consumer expectations for affordable quality (Artzt 1993). Everything that helps the company deliver value to customers deserves reinforcement and management support. Everything else is non-value-adding overhead (Levere, 1992).

## EMPIRICAL FINDINGS FROM ACADEMIA

This paper reports the findings of faculty attitudes towards courses that comprise the marketing mix. In particular, the focus was on product management, price management, and combined product and price management courses. A survey instrument was developed to assess faculty perspectives of specific pedagogical issues of teaching the various elements of the marketing mix. In a separate study, a survey was developed to assess students' viewpoint of a value management course at the completion of the course. Overall, four key issues were found to be relevant to this inquiry.

- What is the priority for the mix of marketing courses offered?
- What are the barriers to offering courses specifically for product and price management?
- What is the relative importance of the mix variables in a classroom? In a business environment?
- How do students perceive the importance of a course that links the issues of product quality, price, and customer service?

Using a list of Western Marketing Educators' Association members who taught at American or Canadian institutions as the population frame, 174 names were randomly selected with no more than one member per institution included in the sample. There were 68 responses, giving a 39% response rate. The findings from the survey are discussed below.

### Priorities for "Marketing Mix" Courses

As expected, Table 1 indicates the courses typically required in a marketing program: marketing principles, marketing research, marketing strategy were the three most essential courses. Consumer behavior along with several courses of a promotion or distribution nature were considered important. Product and price management, product management, and price management were considered less than essential. From Table 1, it is clear that product and price management courses do not draw

attention as essential parts of a marketing program. This reinforces the findings by Kellerman, Gordon, and Hekmat (1991) that most courses like advertising and retailing are more likely to be offered than product or price offerings.

**Table 1**  
**Academics' Priorities for Marketing Courses**

|                                 | Mean | S.D  |
|---------------------------------|------|------|
| <b>Essential</b>                |      |      |
| Very Essential                  |      |      |
| .Marketing Principles           | 1.27 | 0.86 |
| .Marketing Research             | 1.57 | 1.04 |
| .Marketing Strategy (Mgt.)      | 1.75 | 0.98 |
| .Consumer (Buyer) Behavior      | 1.81 | 1.02 |
|                                 |      |      |
| .Advertising & Promotion        | 2.03 | 1.06 |
| .Global Marketing               | 2.42 | 1.15 |
| .Selling                        | 2.64 | 1.40 |
| .Retailing                      | 2.86 | 1.16 |
| Marginally essential            |      |      |
|                                 |      |      |
| <b>Non-Essential</b>            |      |      |
| Marginally non-essential        |      |      |
| .Business to Business Marketing | 3.08 | 1.06 |
| .Sales Management               | 3.17 | 1.04 |
| .Product and Price Management   | 3.52 | 1.19 |
| .Product Management             | 3.62 | 1.09 |
| .Distribution & Logistics       | 3.67 | 1.11 |
| .Sales Forecasting              | 3.72 | 1.18 |
| .Direct Marketing               | 3.74 | 1.15 |
| .Price Management               | 3.76 | 1.04 |
| .Public Relations               | 3.77 | 1.35 |
| Very non-essential              |      |      |

Respondents were asked the following: If your department had scarce resources in terms of faculty, space, students, how would you evaluate the need for each course that you offer? The scale goes from 1 for an essential to 5 for a course that is would not be missed.

#### Product and Price Management Courses

A lack of space in the curriculum was the most important reason for not including product, price, or product/price management courses in the curriculum (Table 2). Student demand was the second most important reason. However, it must be pointed out that if the courses are not offered, how can the lack of demand be substantiated. Teaching expertise as well as relevant teaching material were

considered scarce. There were no resources that were considered abundant.

**Table 2**  
**Scarce Resources for Product and Price Courses**

|                    | Mean | no resp. |     | Very abundant |     | Very abundant |    |
|--------------------|------|----------|-----|---------------|-----|---------------|----|
|                    |      | 1        | 2   | 3             | 4   | 5             |    |
| Space - Curriculum | 1.8  | 7%       | 46% | 26%           | 13% | 4%            | 3% |
| Student Demand     | 2.1  | 6%       | 26% | 41%           | 17% | 7%            | 7% |
|                    |      |          |     |               |     |               |    |
| Teaching Expertise | 2.7  | 10%      | 13% | 29%           | 22% | 22%           | 3% |
| Texts              | 2.8  | 13%      | 15% | 25%           | 24% | 15%           | 9% |
| Cases              | 2.9  | 15%      | 6%  | 24%           | 32% | 18%           | 6% |
| Readings           | 3.0  | 13%      | 6%  | 24%           | 32% | 18%           | 7% |

Respondents were asked the following: In your opinion, what scarce resources contribute to the lack of product and price courses on college campuses?

#### Importance of the Mix Variables in Classroom and Business Environments

The most substantial finding was the disparity between faculty perception of importance of product, price, promotion, and place issues in the business environment versus in the classroom. When the respondents were asked to allocate 100 points to each of the mix variables in a way that reflects their opinion as to the relative importance of the four marketing mix variables in business and classroom environments, there was considerable differences. Two key findings from Table 4 are noted:

- Product was considered the most important topics in both settings, yet in Table 3, it was clear that the teaching of product management was not considered to be essential.

Price was considered to be the least important issue in the classroom, yet it was statistically more important in the business environment ( $t=-2.905$ ,  $p=0.05$ ). There was no consistency, as the respondents were suggesting that it was more important in the business environment. At the same time, the importance of promotion in the classroom is more than in the business environment. This finding is troubling, but tends to support the thesis of this paper that academics spend too much time on the issues of promotion and to a lesser degree distribution and not enough time on issues relevant to preparing students to being effective in the business environment.

## Students Perceptions of a Product Quality, Price, and Customer Service Course

In a separate study, twenty-one students in a Value Management course taught by this author were asked in a survey at the completion of the course how they rated the course in relation to other business courses.

**Table 3**  
Relative Importance of the Marketing Mix Variables

|           | Academic Classroom | Business Environment | Paired t-test t | p   |
|-----------|--------------------|----------------------|-----------------|-----|
| Product   | 28.4               | 29.8                 | -1.2            | .25 |
| Promotion | 27.4               | 24.9                 | 2.2             | .03 |
| Place     | 23.9               | 22.6                 | 0.7             | .46 |
| Price     | 19.8               | 22.5                 | 2.9             | .01 |

Respondents were asked the following: In your opinion, what are the relative importance of the four marketing mix variables. Allocate 100 points to each of the mix variables in a way that reflects your opinion.

The findings in Table 4 indicates that the course was highly relevant to their career and was interesting. These two observations were clearly above the average. The degree of difficulty and workload were only slightly above average. The overall rating of this course was close to outstanding. In summary, the findings suggest that an interesting and relevant course on this topic can be delivered.

**Table 4**  
A Value Management Class Feedback

|                           | Mean | S.D. |
|---------------------------|------|------|
| Relevance to career goals | 4.43 | 0.81 |
| Interesting               | 4.21 | 0.64 |
| Degree of difficulty      | 3.45 | 1.07 |
| Workload                  | 3.50 | 1.07 |

A five point scale where 1 was much less; to 5 was much more.

Overall rating of the course 1.64 0.48

A five point scale where 1 was outstanding; 5 was inadequate.

### SUMMARY OF THE RESEARCH FINDINGS

There will be many mountains to climb and many miles to travel before there is a wider acceptance of product , customer service, and price course, either separately or combined. Similar to the diffusion cycle, It will take considerable efforts to convince the opinion leaders of the

marketing discipline to lead the way. While the business environment has adapted quickly to the idea of value management, academia lags behind. Oddly enough it will take considerable promotion in terms of papers written as well as conference presentations (place) to accomplish this task.

Given the tight space in a marketing curriculum, the most logical approach is to offer a course in value management. The proponents of value management need to develop a credible text book as well as cases to enhance the likelihood of acceptance. There needs to be further writing and discussion of the topic at national conferences as well as workshops to teach the idea of value management. If a "total" product is to be offered, academics need to continue introducing the marketing mix in the principles course, provide in-depth coverage in "stand alone" courses, and then focus on overall interaction of the mix variables in the capstone strategy course. The missing link is the featuring of product, customer service and price issues as a value management course.

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