

Marketing Mix as a tool to ensure sustainable competitiveness for a private higher education institution in Latvia

Jevgenija Dehtjare*, Victoriia Riashchenko

ISMA, 1 Lomonosova Str., build. 6, Riga, LV-1019, Latvia

**Corresponding author's e-mail: jevgenija.dehtjare@gmail.com*



Abstract

The paper gives a review of current tools of marketing mix complex applied in a context higher education services in the market of the Baltic States and Poland. These countries have much common characteristics and features that make them almost equally attractive for incoming applicants interested in obtaining a degree there. Due to these circumstances higher education institutions (HEIs) are currently operating in unstable and highly competitive environment, besides private HEIs in Latvia are experiencing even harder pressure due to the lack of state financing and tightening legislative measures. It seems the only weapon able to help a private HEI to ensure sustainable competitiveness is the complex of marketing mix. The aim of the paper is to analyze modern elements of marketing mix in education and to offer its improvement measures that should lead to increase of the competitiveness. The object of the research is the market of higher education institutions of the Baltic States. The subject of the research is the process of an educational activity and its development on the market of the Baltic States with the application of modern marketing mix complex tools. Marketing mix traditional complex including four known elements as product, price, place and promotion are analyzed in the paper with its application possibilities exactly in the field of higher education. Additional marketing mix element – the personnel is especially important when the object of the research relates to educational services and is considered in the research as well. As a result of the research conclusions are obtained and the recommendations how to ensure sustainability and competitiveness for the services provided by a higher education institution in Latvia are given.

Keywords: HEI, academic marketing, marketing mix

The problem of the research should be defined as following: the system of higher education in Latvia is currently functioning under the pressure of following factors- the lack of domestic applicants due to demographic decrease of the 90s and current migration, according shortage of financing especially for private higher education establishments, legislation pressure for private institutions related to a limitation of application of non EU languages as a tool of education, growing interest of international markets, especially Central Asian and Asian, increase of competitiveness of the neighboring region, such as Lithuania, Estonia and Poland.

These conditions require special attention while the Higher Education Institution's (HEI) marketing mix formation, development and modernization as it is quite obvious the only implementation of the modern marketing complex ensures sustainable development on a market of educational services. Traditional approach of marketing mix includes the development of 4 elements, such as product, price, place and promotion. Due to the highest personification of the provided educational services it is necessary to enlarge the line of the elements with the 5th factor, such as the personal. Qualified administrative and especially academic staff of a HEI is a background of successful institution presentation on a market of educational services. The aim of the paper is to analyze modern elements of marketing mix in education and to offer its improvement measures that should lead to increase of the competitiveness. The object of the research is the market of higher education institutions of the Baltic States.

The subject of the research is the process of an educational activity and its development on the market of the Baltic States with the application of modern marketing mix complex tools.

The market of higher education institutions in Latvia, the Baltic States at large and Poland is highly competitive. Latvian private educational institutions are under high pressure also because of local legislation and lack of financing. Their survival is supported by own force mostly, so the only opportunity for such a HEI not only to survive but even to succeed on the international market of higher education is to ensure its competitiveness at a maximum level. Marketing mix with its practical and easy applied tools is a key to establish sustainable competitiveness and to keep it. The enhancement of marketing mix and continuous modernization of its elements will ensure secure HEI's operation in the conditions of unstable and dynamic environment and will lead to increase of educational service realization effectiveness.

Qualitative education obtained in a country of origin by the graduates helps to increase national gross domestic product, to ensure wealthy rate of the population, to decrease migration and to increase manufactory. The same education, obtained in Latvia by international students from Central Asia and South Asia countries helps to increase multicultural level in the country of origin that leads to many related factors, such as morality, creativity, acceptance and others.

Nowadays mostly used pricing policies for HEIs are flexible combinations of costs plus, customer oriented, oriented on competitors, oriented on the "perceived value" of

the educational services. A constant combination of pricing methods in a mix with continuous analysis of marketing demand and other offers presented on a market is the only key to success in such a field of entrepreneurship as education is. An institution of higher education should have clearly structured multichannel distribution network that includes schools, colleges, businesses interested in obtaining of qualified graduates, non-profit organizations, public services; educational services should be also delivered on a remote

basis. Creation of joint programs, double diplomas, providing internship and study abroad possibilities also leads to enlargement of education service dissemination network. Regarding promotion of education services, there should be used well know traditional tools such as direct intake, visits, fairs, open days etc. but the role of social media is increasing rapidly as well. The personnel structure in a HEI should be diverse and include both representatives of an academic area and related business representatives.

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