

HIGHER ED MARKETING COMES OF AGE

DATA AND INSIGHTS
FROM COLLEGE
MARKETING LEADERS

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EXECUTIVE SUMMARY

When Neil Kerwin earned his Ph.D. at Johns Hopkins University in the 1970s, marketing, branding, and communications were not exactly campus watchwords. “I came up in a very traditional academic environment. I can’t imagine that a faculty member in my political science department would ever have thought of marketing. It was taken for granted that Hopkins was well-regarded,” he says.

Today, as president of American University in Washington, D.C., Kerwin’s appreciation for the value of marketing has grown immeasurably. AU’s “American Wonk” brand campaign, designed to help it stand out in the capital’s crowded higher-ed marketplace, is just one manifestation of the seriousness with which colleges and universities across the country are approaching marketing.

With competition between colleges surging, institutional and state finances often shaky, student demographics shifting, and pressure to maintain and grow enrollment intense, today’s higher-education challenges require the skills and perspectives that marketing departments and their senior marketing executives can bring.

Issues such as student debt and the return on investment for a college education place added pressure on the public perception of higher education. No longer will producing brochures and reacting to press inquiries suffice for marketing and communications units. “We’re in a period now

in our history when the fundamental questions that are being asked about the value of American higher education are as persistent as any in my 40 years in this business,” says Kerwin. “More and more we’re going to have to rely on marketing and communications offices to help us tell the story as accurately and fully as we can.”

Now, more than ever, reputation matters and strengthening an institution’s reputation falls squarely in the domain of the marketing department. In fact, presidents ranked strengthening their institution’s reputation just second to a balanced budget when asked to rank 18 measures of success for their presidencies in a survey of chief executives of four-year campuses conducted by The Chronicle of Higher Education in January 2013.

Although more institutions are embracing the role and influence of marketing, wide variances still exist across campuses, particularly in areas of responsibilities, reporting structure, and whether the function is centralized or decentralized. With very few standards in place, benchmarking marketing budgets and staff size based on institution size or type is nearly impossible to do.

To further examine the role of marketing in this increasingly important sector, The Chronicle and SimpsonScarborough collaborated on a survey of marketing executives at four-year colleges and universities around the United States. The survey covered a range of areas, from budgeting and staffing to the status and responsibilities of the marketing department. The goals were to offer the most thorough insights yet available into the resources colleges and universities are investing in marketing, and to establish a benchmark against which future marketing efforts can be measured.

HIGHLIGHTS

BUDGETS VARY WIDELY

Marketing budgets vary dramatically, even within the same category of institution, because the scope of what “marketing” comprises can differ from college to college. For example, one institution’s marketing budget might include marketing for alumni and fundraising events but another might not. The large figures reported by some institutions acted to pull up the averages significantly, while outliers on the low side of spending pulled the averages down.

DECENTRALIZED STAFF WITH DIVERSE DUTIES

Institutional marketing executives face significant challenges because far-flung campus marketing activities, from student recruitment to sports information, mean that many people engaged in marketing don’t actually report to the chief marketing officer or the equivalent. Like IT or human resources, marketing and communications departments serve many constituents on campus.

MARKETING EXECUTIVES INCLUDED IN THE LEADERSHIP TEAM

While only 8 percent of top campus marketing leaders bear the title Chief Marketing Officer, they’re firmly entrenched in senior campus leadership: 57 percent are members of the college or university’s cabinet or executive leadership team.

A YOUNG FIELD, WITH DIVERSE PROFESSIONAL BACKGROUNDS

The survey underscores that campus marketing is a relatively young field: Forty-five percent of respondents hold positions that have been in existence for less than five years. In addition, most marketing executives previously worked in fields other than higher education.

DEFINING MARKETING’S ROLE ON CAMPUS

Almost half the survey respondents agreed with the statement: “Others around campus generally think the marketing department’s primary role is to produce brochures.” One-third said their institution still has not defined its institutional brand strategy. And a little more than one-third say they do not feel comfortable using the word “marketing” with all of their campus constituents.

SUCCESS OFTEN MEASURED BY ENROLLMENT

Undergraduate enrollment is the top indicator of marketing success for all types of institutions, especially at baccalaureate colleges. Marketing executives across all institution types also viewed measures of engagement and opinions about reputation as key measures of success.

FUTURE PRIORITIES INCLUDE HIRING

Looking ahead, large percentages of institutional marketing executives said they would like to add a social media manager, a videographer, a market researcher, a copywriter, or a web content manager to their teams. Their immediate priorities for next year included social media strategies and analysis, ad campaigns, and video storytelling.

THE STATE OF MARKETING BUDGETS

It takes money to market a college or university and one of the key areas probed by the survey was the state of marketing budgets. The findings were striking. One is that marketing budgets vary dramatically even within the same category of institution (See Figure 1). So while doctoral-granting universities spend, on average, \$3.56 million annually on marketing, the minimum spending among those surveyed was \$300,000, while the maximum was a massive \$25 million. The spread was similarly wide for master's-level colleges and universities, with average marketing budgets of \$2.27 million, a low of \$200,000, and a high of \$18 million. Among baccalaureate colleges, the average marketing budget reported by respondents was \$1.26 million, with a low of \$100,000 and a high of \$7 million. The generous budgets reported by some institutions pulled up the averages significantly; among master's institutions, for example, the median spending of \$1.4 million was almost \$900,000 below the average.

These budgets may be so wide-ranging and difficult to benchmark because there do not appear to be any standards for marketing department responsibilities and for whether the function is centralized or decentralized across campus. One institution's marketing department might be responsible for the web, but another's might not.

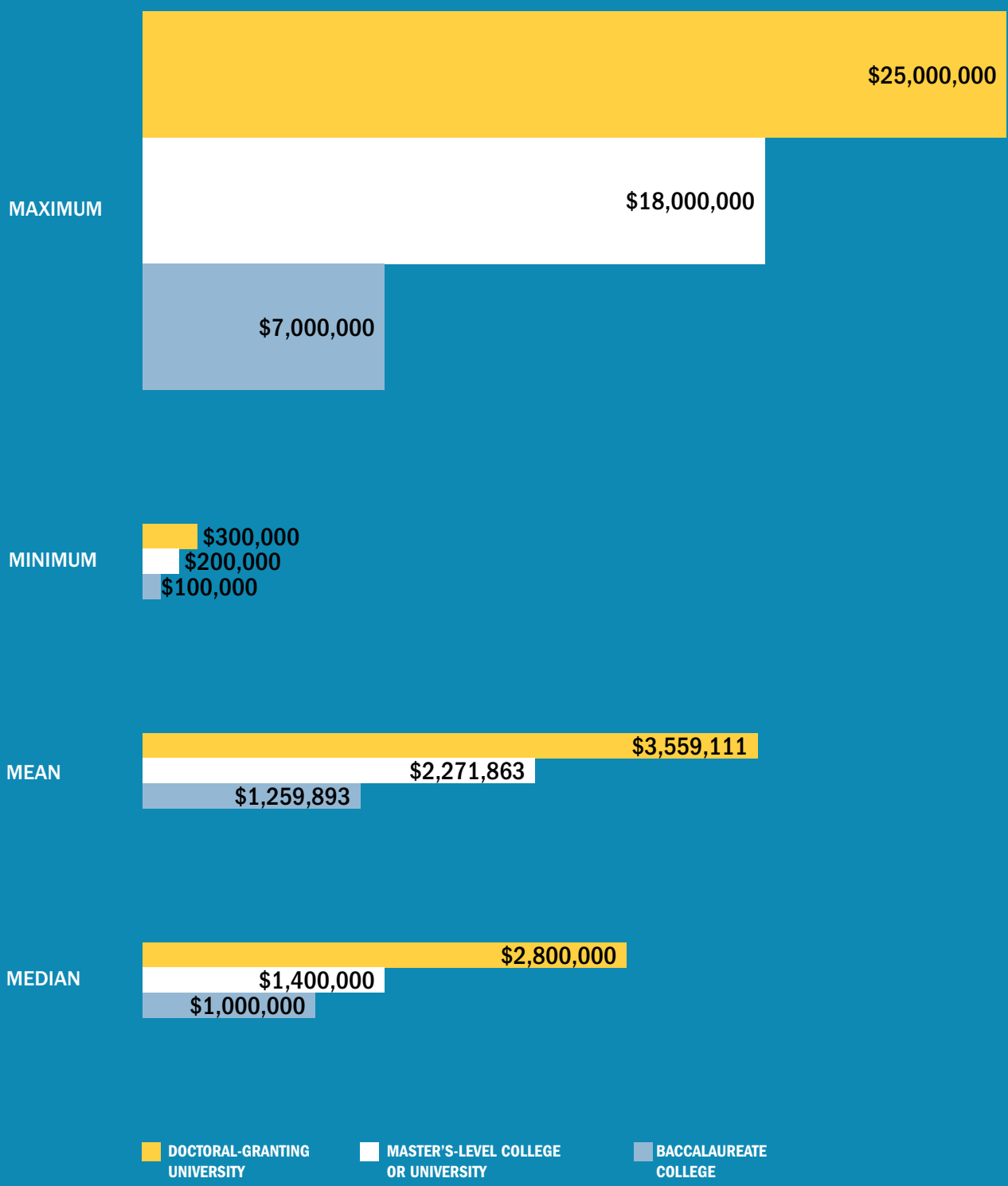
One might include government and media relations and another's might not. There is significant variability.

At California State University-Northridge, President Diane Harrison says the imperative to spend on marketing is obvious. The university is still recovering from California's massive higher-education budget cuts, and is working hard to get the word out about how much it can do for students who may not start as academic stars but who can finish with great job prospects. She wants to raise the value of a Cal State-Northridge degree among employers, and to raise philanthropic support from non-alumni who wish to be associated with a university that's on the rise. "People want something they've heard of," she says. "They want a winner."

No wonder, then, that CSUN (pronounced "SEA-sun"), the university's preferred new brand name, has doubled its marketing budget in the past five years, from \$950,000 to \$1.9 million. Says Harrison: "If you're a best-kept secret, people aren't communicating about you, and maybe you need to communicate about yourself." That means hiring, including in roles such as social media coordinator or web producer that either didn't exist, or were not prominent, even in the recent past.

VARIATIONS IN MARKETING BUDGETS

FIGURE 1



DECENTRALIZED STAFF

The survey also examined the distribution of marketing activities on campus and found that institutional marketing executives face significant management challenges. While most college and university campuses have a centralized marketing department, other staff members perform similar functions at a range of units around campus. Fully 30 percent of doctoral-granting universities have 20 or more marketers who are not part of the central marketing department, and 7 percent of those institutions have 100 or more such staff members. About three-quarters of master's-level colleges and universities and baccalaureate colleges have marketers who work outside the central marketing division. Often, then, many people engaged in marketing activities don't actually report to the CMO or marketing department.

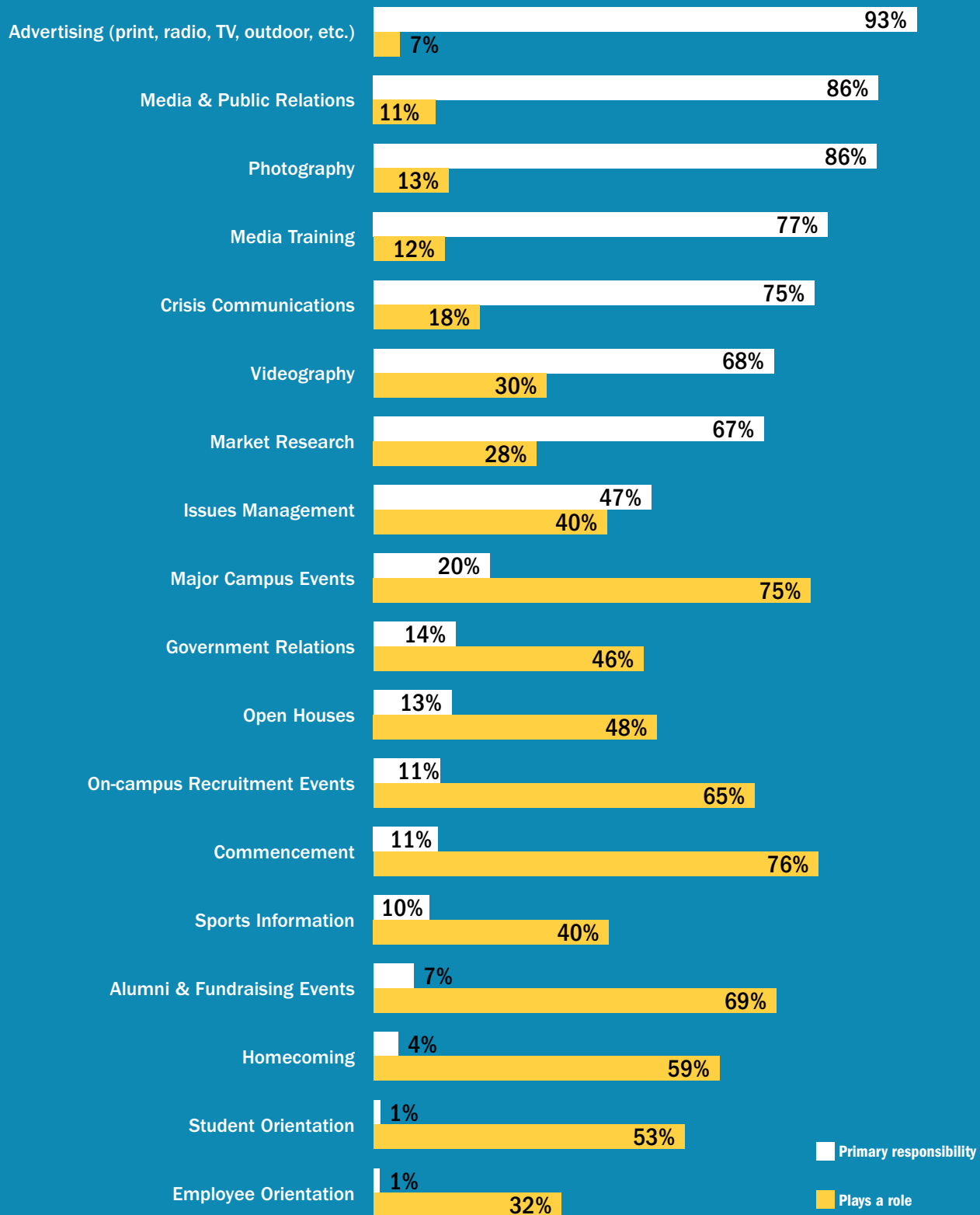
The survey also showed how the significant reach of marketing departments is reflected in the tasks for which they're responsible. Two-thirds or more of respondents say they are

“primarily” responsible for advertising, media/public relations, photography, media training, crisis communications, videography, and market research (See Figure 2). But more than half also play a role in commencement, major campus events, alumni and fundraising events, recruitment events, homecoming, and student orientation. Like IT or human resources, marketing and communications serve many other units on campus.

The management challenge posed by far-flung distribution of marketing resources can be significant, according to David Maxwell, president of Drake University. Like most institutions, Drake has a centralized office of university communications, but various units on campus also have marketing responsibilities. “We’ve made progress on a unified message and brand across campus,” he says, “but I think we still have work to do on coordinating and consolidating resources to make sure that we’re as effective and efficient as possible in using the resources we have.”

RESPONSIBILITIES OF MARKETING DEPARTMENT

FIGURE 2



MARKETERS AND CAMPUS LEADERSHIP

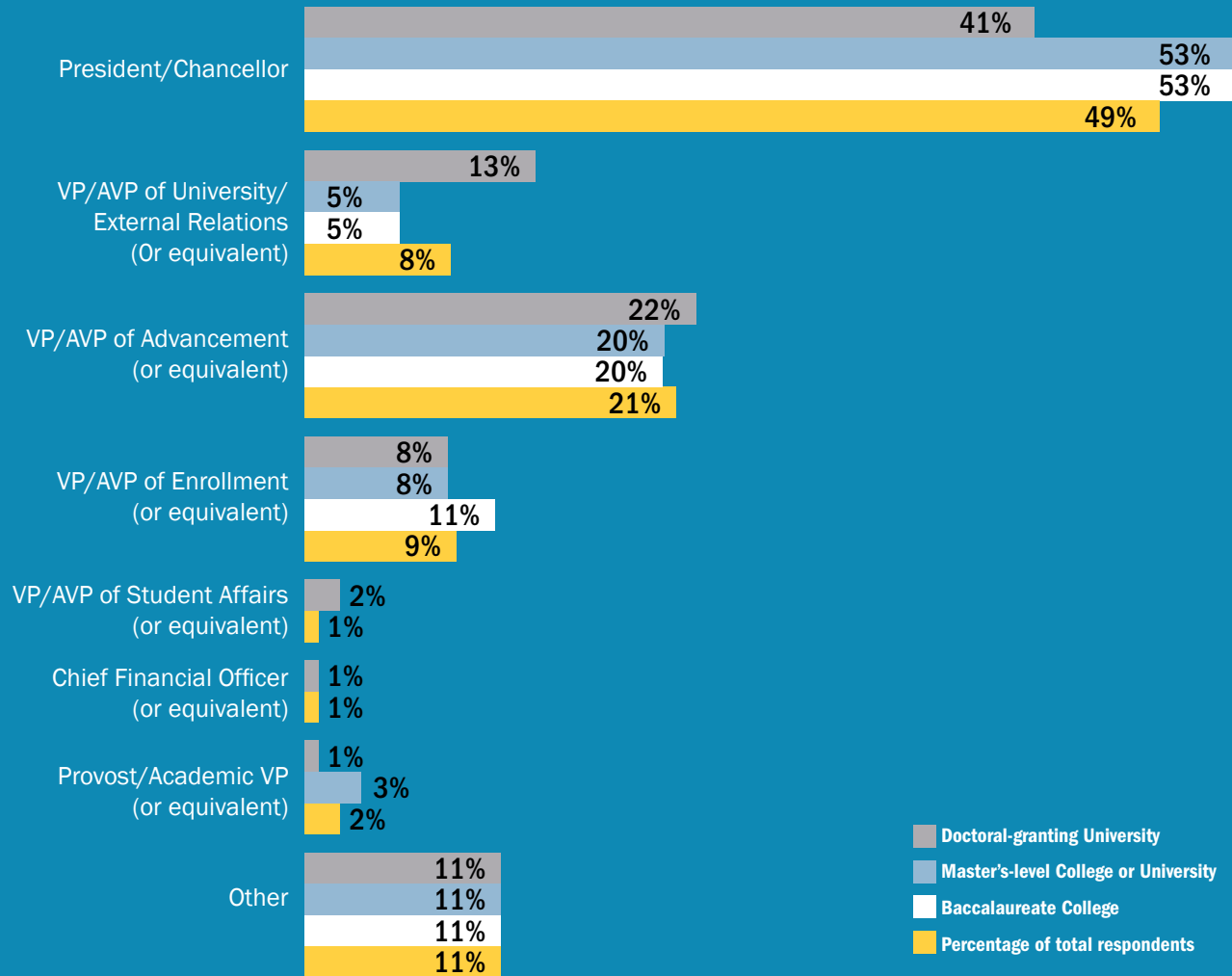
Although each survey respondent is the senior decision maker for marketing on his or her campus, only 8 percent of those surveyed bear the title “Chief Marketing Officer.” Thirty percent are called “Director” or “Executive Director”; just over a quarter are called “Vice President,” and 14 percent are called “Associate Vice President.”

Whatever their formal titles, top marketers are firmly entrenched in senior campus leadership, the survey shows. Forty-nine percent report directly to the president or chancellor of their institution (See Figure 3), and 57 percent are members of the college or university’s cabinet or executive leadership team (See Figure 4).

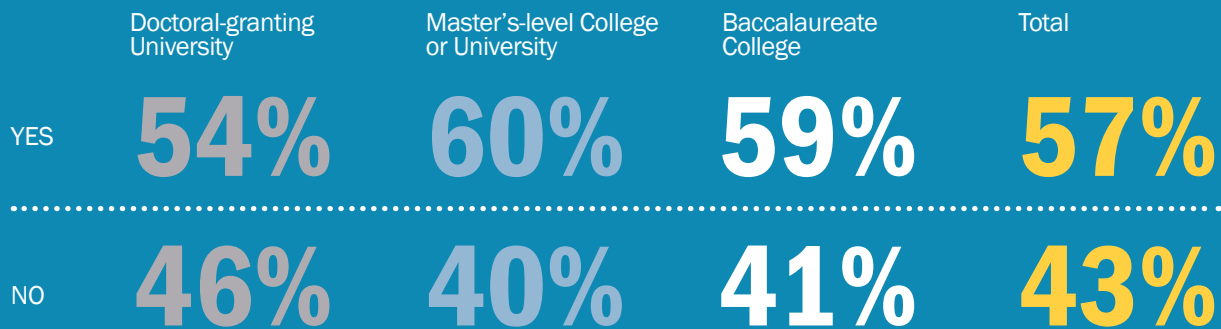
The participation of CMOs in institution-wide strategy makes perfect sense to Neil Kerwin, president of American University. “Just for purposes of pure organizational efficiency, you want the chief marketing officer at the table. If nothing else, they can put in context the issues you’re going to have to contend with.”

The context-setting role of CMOs may be especially valuable when the going gets tough. “Not all the stories you’re going to have to deal with are happy,” Kerwin says. “The role of communications and marketing in periods of crisis is important.” Kerwin says he seeks “a full range of views” on his senior leadership team, which includes the provost, chief financial officer, general counsel, chief information officer, vice president for campus life, and vice president for communication. “The chief marketing officer needs to be there,” Kerwin says.

TO WHOM DO CMOs REPORT? FIGURE 3



ARE CMOs MEMBERS OF THE PRESIDENT'S CABINET/EXECUTIVE LEADERSHIP TEAM (OR EQUIVALENT)? FIGURE 4



NEW TALENT IN A YOUNG FIELD

HIGHER EDUCATION IS NOT DEVELOPING ITS OWN MARKETERS FROM WITHIN, AS HAPPENS WITH MANY POSITIONS WITHIN ACADEMIC ADMINISTRATION.

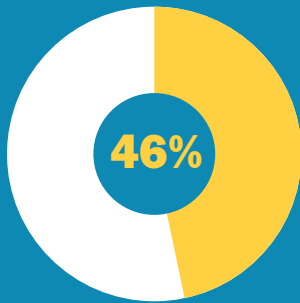
Even as campus leaders like Kerwin underscore the importance of CMOs, the survey suggests that this influence is a relatively new development in what remains a relatively young field. Forty-six percent of respondents said that the positions they hold have been in existence for less than five years (See [Figure 5](#)). In addition, nearly seven in 10 are quite new to their jobs, having held their positions for less than five years (See [Figure 6](#)).

What's more, higher education is not developing its own marketers from within, as happens with many positions within academic administration. A significant number of chief marketing officers have previously worked in fields other than higher education. At doctoral-granting universities, just 7 percent of respondents said they had worked only in higher ed. At master's-level colleges and universities, the figure was 18 percent, and at baccalaureate colleges the percentage was 23 percent (See [Figure 7](#)).

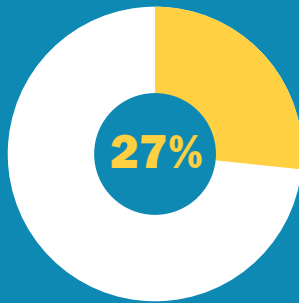
YEARS POSITION HAS EXISTED

FIGURE 5

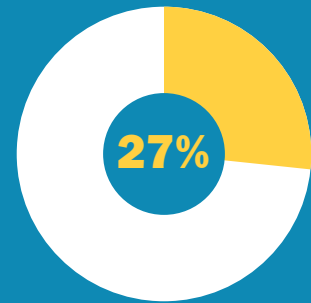
Less than 5 years



6-10 years



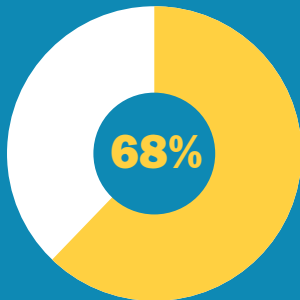
More than 10 years



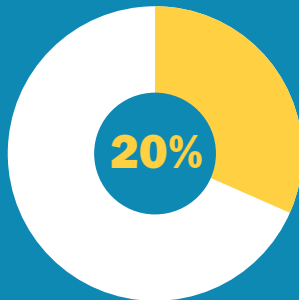
YEARS SPENT IN CURRENT POSITION

FIGURE 6

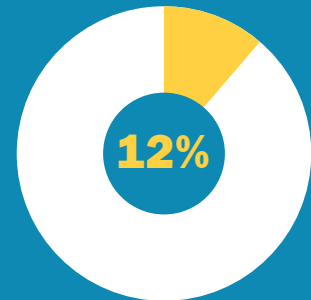
Less than 5 years



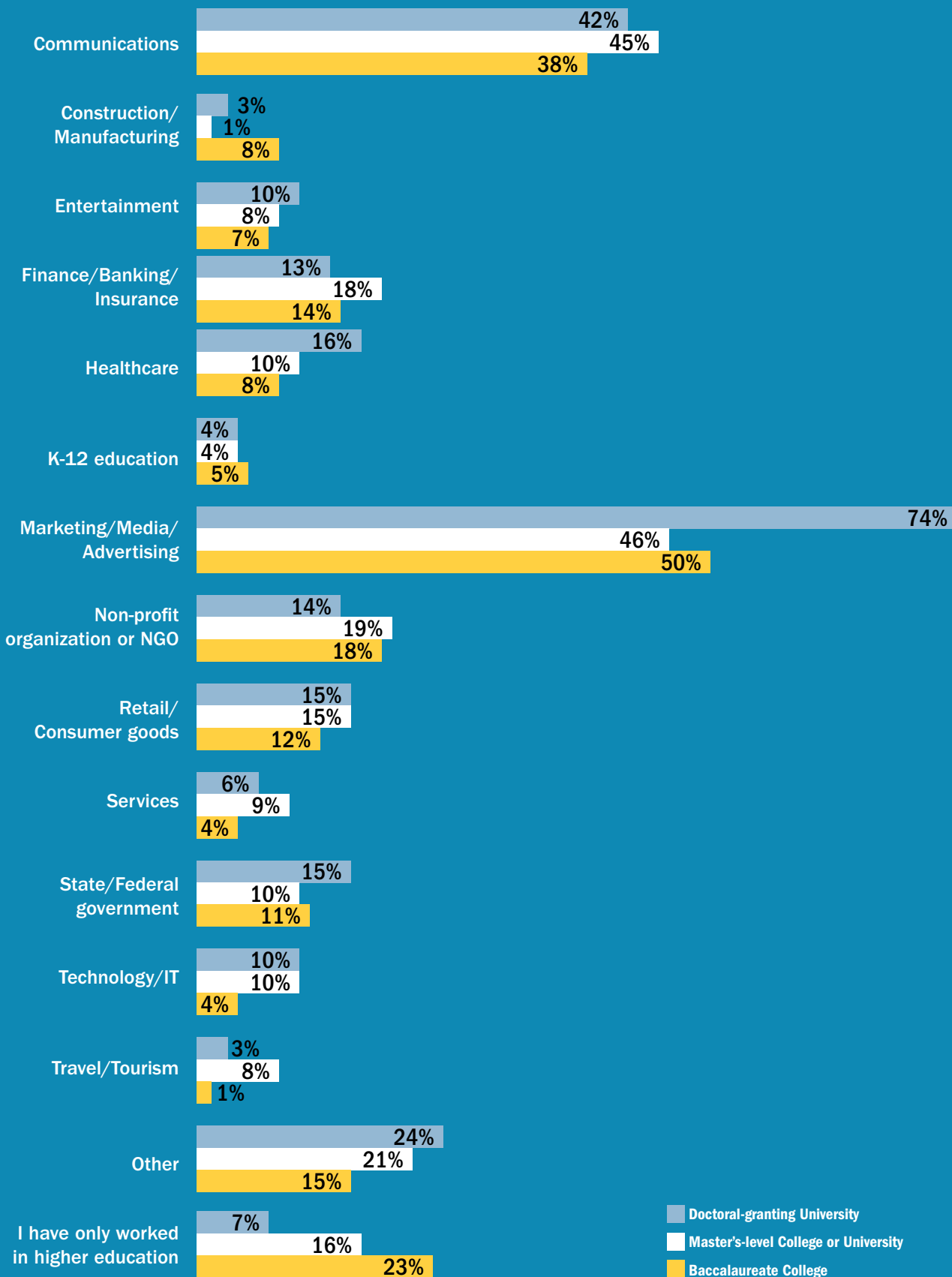
6-10 years



More than 10 years



PREVIOUS WORK EXPERIENCE OF CMOs FIGURE 7



Unsurprisingly, high percentages of respondents at all three types of institutions had previously worked in marketing or communications. But at doctoral-granting universities, 15 percent of campus marketing executives had previously worked in retail and consumer goods. At master's-level institutions, 18 percent of marketing chiefs said they had worked in healthcare. And in baccalaureate colleges, 14 percent had previously worked in finance, healthcare, or insurance.

Daniel Dillon, chief marketing officer for Arizona State University, is a prime example of this phenomenon. Before joining ASU in September 2013, he spent his career in the restaurant and consumer packaged goods industries. His two most recent positions were executive vice president and chief branding officer for Ruby Tuesday Inc., and chief marketing officer for Outback Steakhouse—perhaps signifying a different skill-set or perspective that universities now seek to apply to their institutional marketing efforts.

STILL SEEKING RESPECT

Although the importance of marketing on campus has grown, the ways in which marketing contributes to institutional goals continues to be misunderstood, according to survey respondents. Almost half agreed with the statement: “Others around campus generally think the marketing department’s primary role is to produce brochures” (See Figure 8).

In addition, while six in 10 marketing chiefs surveyed agreed that their school’s brand “is championed throughout the institution from the President on down,” 36 percent disagreed. What’s more, almost two-thirds of marketing chiefs disagreed with the statement that orientation for new faculty and staff includes education about the institution’s brand. Marketing mavens might reasonably be concerned, too, that one-third of

respondents said their institution still has not defined its institutional brand strategy. Marketing chiefs surveyed split down the middle as to whether their institutions had “an integrated brand strategy that is embraced by all the schools, colleges, and departments.”

Against this backdrop, it may be no surprise that significant percentages of institutional marketing executives still don’t feel comfortable using marketing language on campus. Twenty-eight percent said they don’t use the word “marketing” with faculty, and 33 percent don’t use the word “branding” (See Figure 9). Overall, a little less than two-thirds said they use the word “marketing” with all their campus constituents—meaning that one-third do not.

MARKETING CHIEFS RATED THEIR LEVEL OF AGREEMENT WITH THE FOLLOWING STATEMENTS **FIGURE 8**

Others around campus generally think our department's primary role is to produce brochures.



Our brand is championed throughout our institution, from the President on down.



Our orientation program for new faculty and staff includes education on our brand and the role it plays in enhancing our competitiveness.



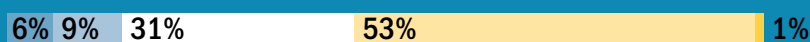
Our institution views "branding" as applying to far more than just our visual identity and our marketing communications.



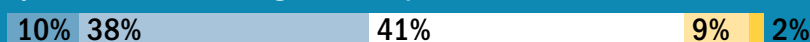
Our institution has defined its institutional brand strategy.



My department has the authority and responsibility to manage the institution's overall brand.



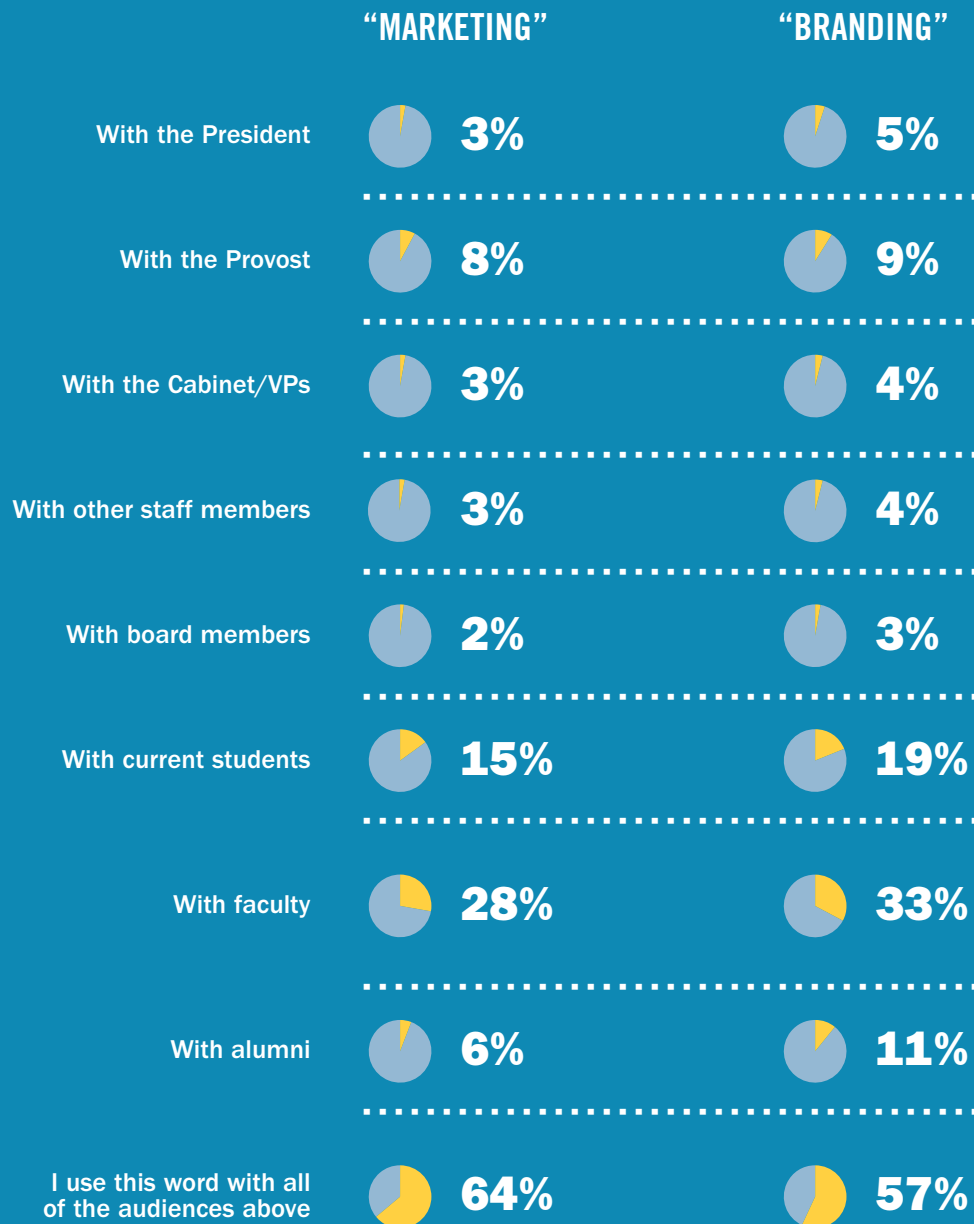
Our institution has an integrated brand strategy that is embraced by all the schools, colleges, and departments.



Strongly disagree
 Disagree
 Agree
 Strongly agree
 Don't know/does not apply

I GENERALLY DO NOT USE THE WORD...

FIGURE 9



SHAPING THE NARRATIVE ON CAMPUS

“I DO NOT USE THE WORD ‘BRANDING.’... I TALK ABOUT POSITIONING, OR A POSITIONING PLATFORM. ...IT’S A HOLDOVER FROM MY EARLY EXPERIENCE.”

CSUN’s Harrison says she understands why that one-third might hesitate. She, too, seeks to sidestep controversial language that some associate with the world of commerce. “I do not use the word ‘branding,’” she says. “I talk about positioning, or a positioning platform. ...It’s a holdover from my early experience. Because there will still be some people who don’t want to equate our business with real business. You will hear faculty say, ‘We are not a business.’”

The need to find language for conversations about marketing also became apparent at Drake when it undertook strategic planning four years ago. In a series of structured campus conversations involving faculty, administrators, students, and trustees, “as long as we used the words ‘story’ and ‘narrative’ they recognized the importance of the issue,” Maxwell says. “They were much more comfortable using the word ‘story’ than the word ‘brand.’” Everyone on campus, he adds, gets the importance of finding agreement on a common, honest, complete, and compelling narrative.

MEASURING SUCCESS

When all is said and done, how do marketing chiefs know when they have done a good job? According to the survey, marketers report that undergraduate enrollment is the top indicator of marketing success for all types of institutions. That said, this varies quite dramatically by institution type. Seven in 10 marketing executives at baccalaureate colleges said that undergrad enrollment is their top indicator of success, while half of those at doctoral-granting institutions said the same thing (See Figure 10). Respondents at all schools called measures of awareness and engagement, plus anecdotal opinions about reputation, key indicators of success. Marketing chiefs at doctoral institutions were particularly concerned about these things. In addition to crafting the brand image for prospective students, marketers also have to shape the identity of the institution with business and community leaders, prospective administrators and faculty, higher education peers, as well as alumni and donors.

These findings largely jibe with Maxwell's experience at Drake. "Admissions has to be number one, without question...we're enrollment-driven," he says. Yet keeping alumni closely connected to, and supportive of, the university also ranks high on his priority list. More broadly, he says, Drake aims to reach these goals by focusing on the university's overall image and reputation, echoing the results of the 2013 Chronicle survey of college and university chief executives. "That's really the overarching goal of our marketing efforts—the institution's image, its stature on the national and international stage," he says. "And that translates into these other priorities—how to capitalize on [image and reputation] in admissions, fundraising, communications, and alumni relations."

HOW CMOs MEASURE SUCCESS

FIGURE 10



FUTURE PRIORITIES

How would chief marketing officers like to shape their efforts in the future? For starters, large percentages of respondents would like to make strategic new hires. Right now, the average doctoral-granting university has 2.7 media/public relations staff, 2.4 graphic designers, 2.2 people in management/leadership positions, 1.8 in administrative support, 1.7 in web development/programming, 1.6 in copywriting, 1.3 in web content development, and others in a range of different positions (See Figure 11). Master's-level colleges and baccalaureate colleges have teams that are concentrated in similar specialties, though with fewer staff members.

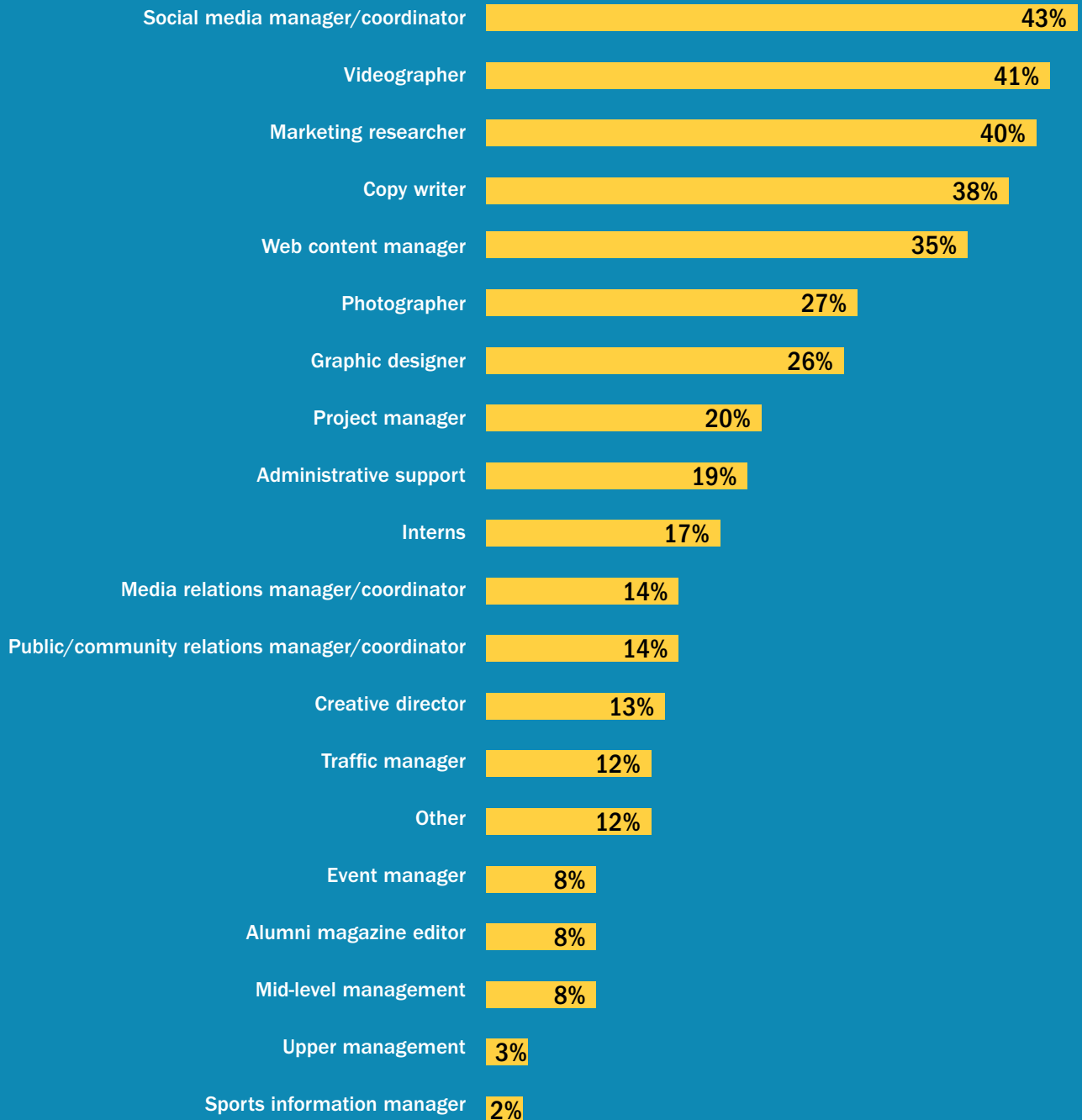
Given additional budget for hiring, large percentages of respondents said they would like to add a social media manager, a videographer, a market researcher, a copywriter, or a web content manager to their teams (See Figure 12). They had considerably less interest in hiring event managers, alumni magazine editors, mid-level and upper management staffers, and sports information managers.

AVERAGE NUMBER OF FULL-TIME POSITIONS BY TYPE **FIGURE 11**



NEW HIRES CMOs WOULD LIKE TO ADD IF BUDGET ALLOWED, BY PERCENTAGE

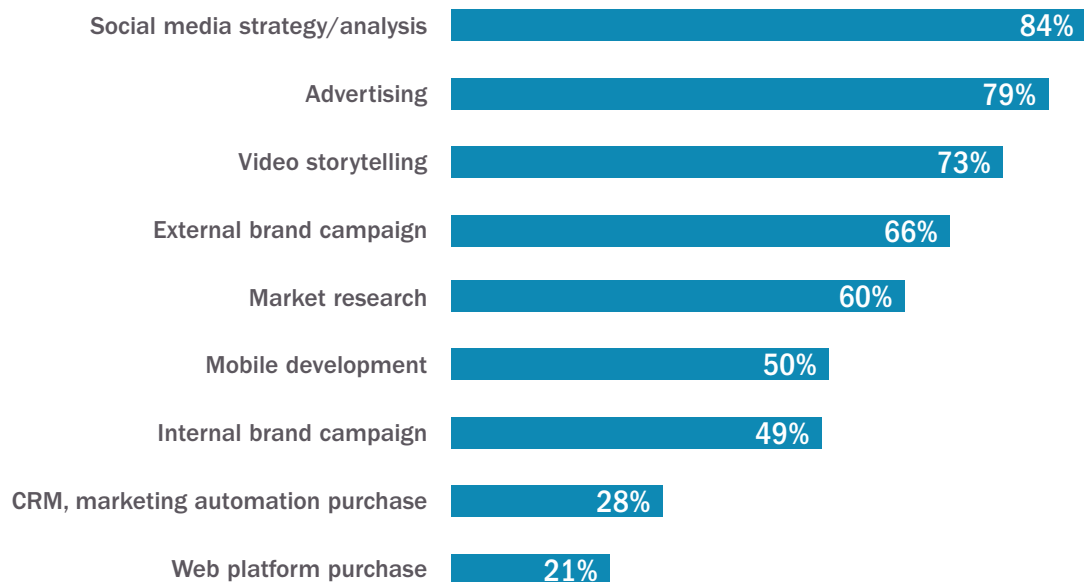
FIGURE 12



As for immediate initiatives, the survey asked what CMOs had in store for the coming year. The top priority for the largest number (84 percent) was implementing social media strategies and analysis (See Figure 13). Nearly as many—79 percent—said they planned ad campaigns, while 73 percent had video storytelling on their immediate to-do lists. (Bear in mind that the question allowed CMOs to identify more than one initiative for 2014-15.) Six in 10 said they planned to conduct marketing research and engage in external brand campaigns. Buying CRM marketing automation software or a new web platform (28 percent and 21 percent respectively) were lower on the list of priorities for the coming year.

INITIATIVES PLANNED FOR FY 2014 -15

FIGURE 13



CONCLUSION

In the end, whether a marketing chief's influence is determined by the size of their staff, their ascendance to senior campus leadership, their ability to shape a college or university's narrative, or other measures, the survey strongly suggests that their day in the sun has come. "The biggest change in higher education administration in the last 20 years is the emergence of the chief marketing officer," says Elizabeth Scarborough of SimpsonScarborough. Just as chief information officers had an enormous impact in the 1990s by engaging technology to improve teaching and learning, today marketing chiefs are helping colleges and universities better tell their stories.

This is no accident. Like so many other parts of the nonprofit sector, colleges and universities have come to realize that they have to compete. Many campus leaders understand more than ever before that marketing and communications is an essential tool. "Without being arrogant or prideful," says American University's Kerwin, "we want to make

sure that the outside world understands what we think is important. It's kind of interesting to be in a marketplace as competitive as this one—it really does keep you on your toes."

If campus marketers still fret about gaining respect from the faculty, if their confidence is sometimes shaky, if they despair of their carefully honed branding messages ever being embraced around campus, the time for them to worry is over. The competitive environment described by Kerwin—and just about every observer of higher education—can't be ignored. Institutional marketing executives, and the efforts they lead, are going to be more vital than ever to helping colleges and universities survive and thrive in challenging times.

To track the continued evolution of higher education marketing, The Chronicle of Higher Education and SimpsonScarborough plan to conduct a study of marketing leaders every other year (with the next round of data collection occurring in spring 2016). Over time, the data should paint an even clearer picture of the typical marketing department budget and staff, thereby providing higher education marketing professionals with the benchmarking data they need to drive decision-making and solidify the case for marketing on their campuses.

METHODOLOGY

The results of *Higher Ed Marketing Comes of Age: Data and Insights from College Marketing Leaders* are based on a survey of chief marketing executives at four-year, not-for-profit institutions that fall into a selected group of classifications developed by the Carnegie Foundation for the Advancement of Teaching. SimpsonScarborough, of Alexandria, Va., conducted the online survey for The Chronicle Insights Group. Of those invited, 351 university marketing executives completed the survey. The data collection took place in July and August 2014.

SimpsonScarborough is a market research, brand strategy and creative firm that specializes in higher education. By pairing insightful research techniques with unparalleled insights, SimpsonScarborough helps colleges and universities create effective strategies for defining and expressing their brands and marketing strategies, engaging and communicating with their most important stakeholders, and establishing benchmarks that allow clients to measure the effectiveness of their efforts. The company can be found at www.simpsonscarborough.com.



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- ▶ Pre-built integrations
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