Revisiting the Relationship Between Marketing Education and Marketing Career Success

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Introduction

Thirty years ago, Hunt, Chonko and Wood (1986, HCW herein) published a paper providing evidence that an undergraduate degree with a major in marketing was unrelated to success in a marketing career. The purpose of the present research is to collect fresh data and revisit the question of whether a marketing education is related to success in a marketing career.

Literature Review

At least two reasons suggest that this counter-intuitive finding may still be valid, and at least two reasons indicate why the findings are questionable and should be re-examined. HCW's findings may be valid because marketing knowledge taught in colleges and universities may be quickly forgotten. Studies indicate that the retention of marketing knowledge is quite brief (Bacon & Stewart, 2006; McIntyre & Munson, 2008). Secondly, HCW's provocative findings may still be valid because the marketing knowledge taught in school may not be valuable in the workplace. Employers seem relatively uninterested in the marketing knowledge of graduates. McDaniels and White (1993) found that employers ranked "marketing knowledge" 19th out of 22 characteristics of graduates, behind items such as work ethic, planning and organizing skills, initiative, and maturity.

However, HCW's original findings may not be valid. The statistical power may have been low due to using only a few explanatory variables in their analysis. The present study uses additional variables, including gender, region, hours worked per week, age, the quality of the undergraduate institution (Thomas, 2003; Thomas & Zhang, 2005), percentage time respondents spend in management, organization size, and organization type (Bacon & Stewart, 2015). Whether a person works on the agency side or the client side of marketing or whether they work in B2B or B2C marketing are also variables included in the model. In addition, a log linear model, rather than a linear model, is used in the regression analysis as is now common practice in regression studies of income (Thomas, 2000; Eide, Hilmer, & Showalter, 2016).

Methodology

Data were collected online using Qualtrics survey software and an online panel purchased through Qualtrics. Respondents were screened by an initial question to include only individuals who worked full time in marketing in the U.S. in 2015. A total of 864 usable responses were acquired. Regression analysis was applied using the log of income as the dependent variable.

Results

HCW Replication Regression

To re-examine HCW's primary research finding, the log of income was regressed on the same variables used by HCW: experience, GPA, major, and MBA. The new findings differ substantially from HCW. In contrast to HCW, a marketing major and GPA are each significantly associated with higher income in a marketing career. However, years of work experience was not found to have a significant association with income, creating the concern that the model excludes important covariates. To overcome this problem, a larger, more exploratory model was tested next.

Exploratory regression

The results of the exploratory model are shown in Table 1. All of the variables that were significant in the HCW model remain significant in the exploratory model. In addition, years of experience is significant in the new model, indicating a more appropriate specification. The negative second order term for age indicates some diminishing returns with age, consistent with other studies (Thomas & Zhang,

2005). Having a marketing major is again significant, indicating that having a marketing major is associated with higher incomes in marketing careers.

Discussion

The results presented here offer some good news and bad news for marketing educators. Yes, a marketing education is associated with higher income in a marketing career. The coefficients in Table 1 can be interpreted as percentage increases. Thus, an employee with a marketing major would be expected to earn 11.5% more (a "wage premium," in economic terms) than a person without a college degree or someone with a degree outside of business or STEM. The bad news is that other business majors (e.g., accounting or finance) would be expected to earn more money in marketing careers, with an 18.4% wage premium, and STEM majors would expect to earn even more, with a 27.4% wage premium.

The results regarding education in particular should be interpreted with caution. A cross-sectional correlational study is used here, not a true experimental design. Differences in education may not *cause* differences in income; rather differences in educational choices are *correlated* with differences in income. Students who would otherwise choose to study marketing may not necessarily earn more money if they instead complete STEM degrees. Students who choose to study any particular major may differ in some way that was not measured here and is later reflected in earnings. Other studies have noted that marketing majors may not be strong students in general (Aggarwal, Vaidyanathan, & Rochford, 2007).

In conclusion, the current research finds a positive association between an education in marketing and success in a marketing career, but those with other majors appear to have even more success in a marketing career. Rather than the marketing content itself, it may be that higher education selects students with greater ambition and aptitude and/or it imparts to all students, regardless of major, some higher-order thinking skills and abilities that are valuable in marketing careers. This study should motivate additional research into the nature of the skills and abilities not measured here as these abilities may be more valuable in the marketplace than imparting the marketing knowledge that we marketing faculty hold so dear.

References Available upon Request

Table 1
Exploratory Regression

		B	Standardized B	*p*-value
First Stage Stepwise Model				
	Constant	**10.541**		
	Years of work experience	**0.0089**	**0.118**	**< .001**
	GPA	**0.162**	**0.075**	**0.013**
	MBA	**0.386**	**0.174**	**< .001**
	College major			
	STEM	**0.274**	**0.115**	**< .001**
	Other business	**0.184**	**0.094**	**0.002**
	Marketing	**0.115**	**0.078**	**0.015**

	Percentage time in management	**0.0058**	**0.335**	**< .001**
	Other graduate degree	**0.282**	**0.156**	**< .001**
	Agency size	**0.00017**	**0.091**	**0.012**
	Work in agency	**0.085**	**0.074**	**0.044**
	High institution quality	**0.093**	**0.064**	**0.037**
	State cost of living	**0.0019**	**0.062**	**0.035**
Second Stage Stepwise Model				
	Constant	**-0.484**		
	Male	**0.093**	**0.096**	**0.004**
	Age	**0.018**	**0.332**	**0.001**
	Age squared	**-0.00016**	**-0.224**	**0.031**

Notes: **First model R^2 = .293, $F(12,851) = 30.824$, $p < .001$.**
Second model R^2 = .027, $F(3,860) = 8.998$, $p < .001$.