

## MEASURING THE EFFECTIVENESS OF DIRECT MARKETING AND NATIVE LANGUAGE APPEALS TO MARKET HIGHER EDUCATION

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### Abstract

In trying to attract ethnic students from a community college, this study tested the effects of whether a greeting in a students' native language on a letter will attract more responses to a direct mail solicitation compared to just the simple letter with no greeting. Letters were sent to a list of Hispanic students from a local community college qualified to transfer. Treatments were assigned at random so that half the students received letters with a greeting in Spanish while the other half didn't. Results showed significantly more students who received the greeting responded compared to those with no greeting. This study also illustrates the effectiveness of using direct mail to help attract students to transfer to a four-year state university as well as discusses measures undertaken to ensure that those students who showed interest actually enrolled.

### INTRODUCTION

Public colleges and universities nationwide are starting to experiment with a variety of marketing techniques as enrollments and state funding decline dramatically. These activities include participation at school fairs, mass advertising, direct marketing. However, little is known about which of these techniques is most effective and efficient for attracting a market which is shrinking in size but increasing in cultural diversity. It is also uncertain how well techniques developed by business will transfer to marketing publicly supported academic institutions.

The public institutions of higher learning who embark on the marketing highway face both internal and external challenges. Internally, public academic institutions often lack marketing experience. When student bodies grew steadily in the 1970s and 1980s, colleges and universities kept their marketing activities to a minimum.

Today they lack marketing plans and integrated communication programs. Tightened budgets do not leave much money for marketing activities when academic programs face extinction. Moreover, faculty often resist acting as recruiters. Faculty dislike viewing students as customers and dislike the idea that institutions are in a competitive market.

Externally, the decrease in 18-25 year olds and increase in college costs has resulted in dramatic drops in enrollments. For example, at one state university in California, enrollments dropped from an all time high of 21,838 students in 1990-91 to 18,571 in 1993-94, a decline of approximately 1,000 students per year.

The racial and ethnic makeup of the target market has become more diverse, especially in states like California. For example, based on 1993-94 statistics at this state university, approximately 63% of the students were from identified ethnic groups, including 3 percent African American; 35% Asian and Pacific Islanders; 37% Caucasian; 18% Hispanic and 1% Native American. According to the U.S. Bureau of the Census and the State Department of Finance, by 2020 the population of California will be 36.5% Hispanic, 34% Caucasian, 20% Asian, 8% African American, and 0.8% Native American. During the next ten years the percentage of Hispanic students in California public schools is expected to increase from 36% to 48%. Asian students, including Pacific Islanders and Filipinos will increase to 16%. The percentage of African American students will grow only slightly.

### METHODOLOGY

During July, 1995, The state university conducted on a trial basis a direct mail campaign to help turn around its lagging enrollments. Other limited recruitment tactics, particularly print and radio

advertising, had met with minimal success. Direct mail was perceived to be a more effective way to reach qualified students with a tailored message.

The direct mail package consisted of a letter and a self addressed, postage paid return post card. The letter informed students that the state university was still open for application in the Fall and cited the top ten reasons for enrolling at the state university. The letter urged the students to act immediately by returning the post-card requesting additional information. On the return post card, the respondents were asked to indicate how likely they would be to attend the state university and why. Some 443 of the letters contained a greeting in Spanish, "We're Open For You". The rest of the letters, totalling 456, did not. The letters were signed by hand, using a blue pen, by the associate director for academic affairs. They were metered and mailed first class.

The letter was sent to 899 self-identified Hispanic students from a local feeder community college.

This included students who declared themselves to be "Mexican, Central American, South American, Hispanic, or Other Hispanic". Only students who had completed 40 semester units by Spring, 1995, with a grade point average of 2.0 or higher, were targeted. The Cal State University system requires that transfer students complete 56 semester units with a grade point average of 2.0 to qualify. Thus, by requesting a list of students with 40 units or more, it was assumed that students taking summer classes would have accomplished this requirement by Fall and be qualified to transfer.

TABLE 1 - Comparison of Ethnicity of The State University Students and Ethnicity of General Population of CP Service Area

	African American	Asian & Pacific Island	Caucasian	Hispanic	Native America
The state university	3%	35%	37%	18%	1%
Immediate Area	6	17	39	37	1
LA County	11	10	41	38	1
Orange County	2	10	65	23	1
California	7	9	57	26	1

Source: This data was derived from reports provided by the U.S.

Bureaus of the Census and the State Department of Finance. The state university data is for the Fall, 1993, and the regional, county, state data are for 1990. The percentage of The state university students does not sum to 100% because students who responded 'other' or 'decline to state' were not included in the table.

Hispanic students were targeted in part because although 18 percent of the state university's students are currently Hispanic, the percentage is lower than expected when compared to Hispanic representation in the state university's potential target area (Tables 1, 2). The state university draws 60% of its students enrolled from Los Angeles County and another 13% coming from Orange county.

TABLE 2 - Comparison of the Ethnicity of The state university Students and the Ethnicity of the 1993 Twelfth Grade Graduates of California Public Schools

	African American	Asian	Caucasian	Hispanic	Native American
The state university	3%	35%	37%	18%	1%
LA County	11	17	41	31	0
Orange County	2	18	58	21	1
California	7	14	51	27	

This data is derived from the California Department of Education report, Racial or Ethnic Distribution of Staff and Students in California Public Schools.

The Spanish greeting was tested because a number of companies have found that using Spanish language and media has been an effective way to market to their Hispanic customers. It has been successful in such industries as health care (Jaklevic, 1994), banking (Danowski, 1993; Holliday, 1993; Mink, 1994), and telecommunications (Brill, 1994). Ethnic media are less expensive than mainstream media and some believe that today's immigrants unlike previous ones feel less obligated to assimilate (Brill, 1994). However, it is uncertain how individuals seeking a higher education respond to an appeal that recognizes their ethnicity. They may be flattered and more responsive or may be turned off by an appeal which calls attention to their differences.

The purpose of this study is twofold: 1) To measure the effectiveness of using direct mail as

a marketing tactic to increase interest among students transferring to a four-year university from community colleges; and 2) To determine whether using a personalized greeting in the language of the recipient will help increase interest among Hispanic students.

### FINDINGS

One month after the letters were sent, 14 percent or a total of 121 responses were returned. This suggests that the use of direct mail, especially in a case where there is an urgent and timely message is decidedly applicable for university recruitment. Sixteen percent of the students receiving a letter with a Spanish greeting returned the postage card seeking more information compared to 10.9 percent of those who received a letter with no greeting. The response rates for the two groups were significantly different at  $\alpha=.01$ . Fifty nine percent of the total 121 respondents had received letters with the Spanish greeting and 41 percent had received letters with with no greeting.

Thus, direct marketing strategies aimed at ethnic groups where the native language is used to attract attention and increase response is also applicable in this setting.

Table 3 Willingness To Attend The State University Of Greeting Vs. No Greeting Respondents

Likelihood of Attending	Greeting	No Greeting
Definitely Will 1	50%	38%
2	16	44
3	30	16
4	3	0
Definitely Won't 5	1	2
Respondents	71	50

Those individuals who responded were highly qualified leads. Not only did they meet the grade point and unit requirements, they indicated that they were highly motivated to attend the university. When asked to indicate on a five point scale how likely they will attend The state university with 1 being "definitely will" and 5 being "definitely won't", 45% checked 1, 27% 2, 24% 3, 2% 4 and 2% 5. The individuals who responded to the letter with the

Spanish greeting were some what more motivated to attend than those responding to the letter without a greeting (Table 3).

Students were most interested in enrolling in the college of business (41), followed by the college of education (30), engineering (17) and sciences (17) (Table 4). Table 4 shows the frequency of students' preferences when asked to indicate which college they wished to receive more information about. The students could check more than one college.

Table 4 Respondents' College Preferences - Greeting Vs. No Greeting

College	Greeting	No Greeting
Agriculture	2	2
Arts	6	7
Business	21	20
Education	13	17
Engineering	11	6
Environmental Design	3	1
Hotel Restaurant Management	2	1
Science	16	2
N/A	3	3
Total Responses	58	77

### MANAGERIAL IMPLICATIONS

In an era of shrinking budgets and declining revenues, state funded institutions of higher learning must make the most of their marketing dollars. This study suggests that a direct mail marketing campaign may be one of the most effective means of recruiting new students.

Direct mail is appropriate because lists of prospects are available at little or no cost from community colleges and high schools. Moreover, these lists can be segmented in numerous important ways such as grade point average, units completed, ethnicity, zip code, and university preference. The direct mail message can be

modified easily depending on the university's objectives. These objectives may include notifying students of the availability of space, financial aid, and admission requirements. It may be used to reposition the university or to build public awareness.

The message can be successfully personalized depending on the target audience's demographic characteristics. As this pilot study shows, the message can be made appealing to a culturally diverse, ethnic population.

Direct mail is very cost efficient for universities especially compared to media like newspapers and radio. For example, this trial, including printing and mailing costs, was conducted for under \$500 and had an overall 14% response. The cost of obtaining one enrolled student was \$4.14. The responses to the direct marketing campaign were followed up by personal telephone call by an individual who helped the prospective student through the application process. Approximately 90 percent of those students who were contacted and admitted were subsequently enrolled in the university. Historically realization rates are 33 to 35 percent.

A newspaper ad which was run for similar purposes cost \$11,500 and resulted in only a single request for information. A similar appeal on a radio station costing \$5,000 did not yield a single inquiry.

Segmenting the market by ethnicity also seems to be very effective. Given the success of reaching Hispanic, the campaign should be extended to other ethnic groups from other community colleges and high schools. This is particularly heartening given California's increasingly ethnically diverse student population.

Since personalization seems to be so effective, the response rate in the future could be increased by mail merging the letters and including the name in the salutation. Instead of labels on the envelope, the names and addresses of the recipients should be typed directly on the envelope.

Activities like the direct mail campaign should not be conducted in isolation. Instead it should be coordinated with other activities like the distribution of posters to the community colleges and high schools, placement of ads in the school newspapers, development of recruitment

brochures, and a program of personal visits to the school campuses. Follow up is also key. The students who requested the information should be mailed information promptly and contacted personally. Without prompt and courteous follow up the impact of the direct mail campaign may be diluted. Implementing these suggestions, on the other hand via well conceived direct mail campaigns may hold the key to increasing enrollments and attracting culturally diverse students.

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