

Executive Summary

My prior research objective is to prepare a marketing plan to increase the enrollment of College Of Business Administration at Texas A&M University-Kingsville and offer strategic goals that support this objective. The other main objectives to do this are as follows:

1. Obtain information about the general characteristics and student demographics of College Of Business and use statistics of enrollment and retention rates to understand the current situation and define the target population.
2. Refer to the results of previous studies and marketing plans to determine the strengths and weaknesses to prepare a SWOT analysis.
3. Analyze the survey results of all external and internal audiences, learn the general opinions and focus on the biggest qualities and lacks of the school.
4. Search the rival institutions in South Texas, learn their superiorities and lacks to compare with A&M-Kingsville
5. Evaluate performance and offer goals to implement a plan with resources available.

1. Situation Analysis

1.1. General Information

Texas A&M University-Kingsville is located in historic Kingsville, a friendly, safe city of 25,000 that is the home of the legendary King Ranch. Corpus Christi and its beaches are just 40 miles to the northeast, and the border with Mexico is 120 miles to the south at Brownsville or 119 miles to the west at Laredo. College of Business is noted for preparation of business professionals and offers a broad variety of undergraduate and graduate programs. College of Business Administration, is nationally accredited by the Association of Collegiate Business Schools and Programs (ACBSP) to offer the Bachelor of Business Administration (B.B.A.) degree at the undergraduate level and the Master of

Business Administration (M.B.A.) and the Master of Professional Accountancy (M.P.A.) degrees at the graduate level.

The College of Business Administration is composed of the following three departments:

The Department of Accounting and Computer Information Systems

The Department of Economics and Finance

The Department of Management and Marketing

In addition, the College houses the J.R. Manning Center for Professional Ethics which serves as the location of the Philosophy program for the University.

Primary service area of the College of Business is the three counties of Kleberg, Nueces, and Jim Wells. However, it has traditionally also drawn many students from the areas around San Antonio, Victoria, and The Rio Grande Valley.

1.2. Enrollment Status

Since A&M-Kingsville became part of The Texas A&M University System, and changed its name in 1993, its identity has suffered. No external campaign promoted the name change or made it known. And, no marketing effort has attempted to re-establish the old identity, or create a new one. In this same environment, competition for students has increased from community colleges and universities throughout South Texas, while universities from other parts of the state and nation are increasing their recruitment efforts in South Texas as they attempt to increase their minority enrollments. From 1998 to 2002 the enrollment of College Of Business increased 38%, from 713 to 986. However this is significantly lower than desired. Table I shows the enrollment of CBA for the last 5 years based on the information on *Appendix 1*

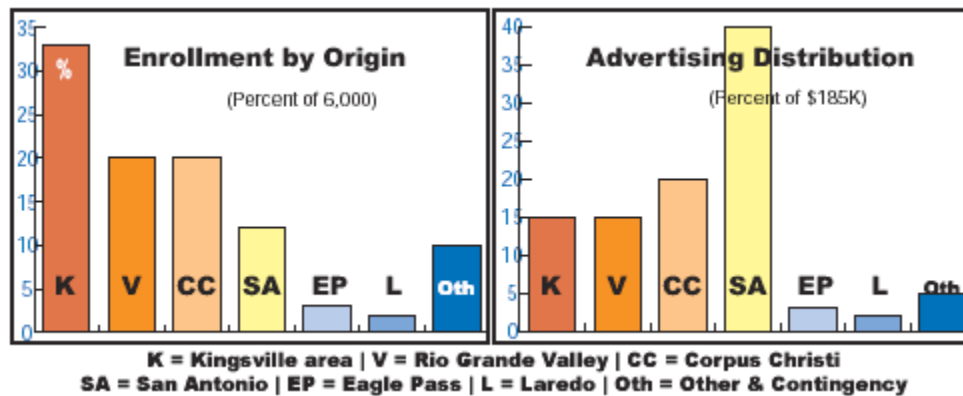
Table I. Recent Years Enrollments

1998	1999	2000	2001	2002	5 YR AVG
713	730	776	876	986	816

1.3. Target Population

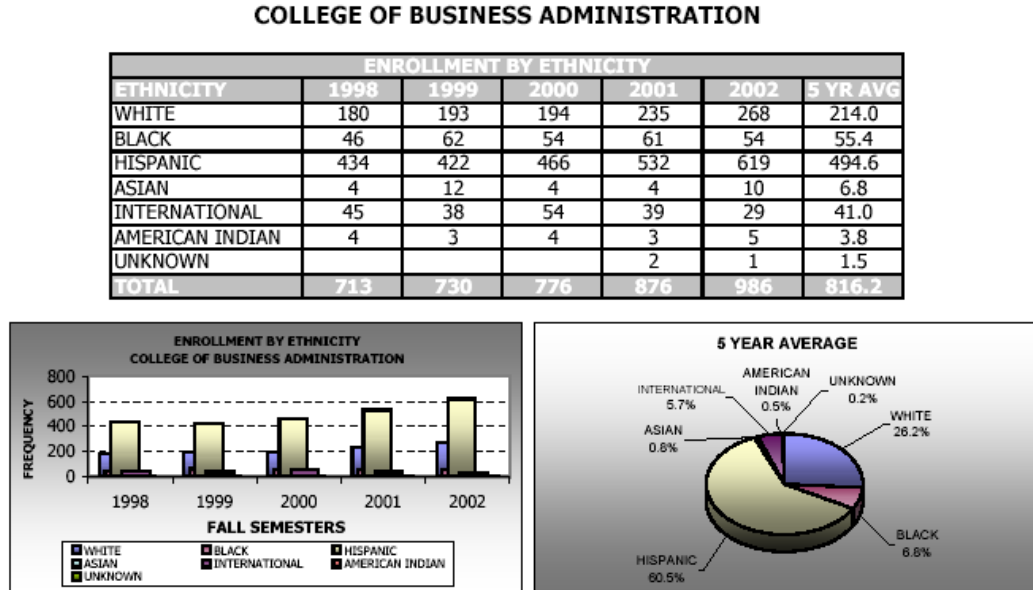
Within the past decade, a number of higher education institutions have entered A&M-Kingsville's traditional geographical recruitment area from San Antonio south, including the Coastal Bend and the Rio Grande Valley. Some recruitment activities also target the area directly north of San Antonio and in Houston. Figure 1 shows the ratios of enrollments by origins and their advertising distributions. As we see Kingsville and Rio Grande Valley areas have the largest enrollment ratio and the metropolitan areas like San Antonio and Corpus Christi have the largest share in advertising budget.

Figure 1



Texas A&M University-Kingsville CBA primarily targets as many freshmen and transfer students from the region as possible, without focusing on any particular ethnic group. The current recruited student body reflects the ethnic composition of recruitment region which is 60% hispanic, 26% white, 8% asian, black and American indian, 6% international students. Figure 2 shows the recruitment ratios by ethnicity.

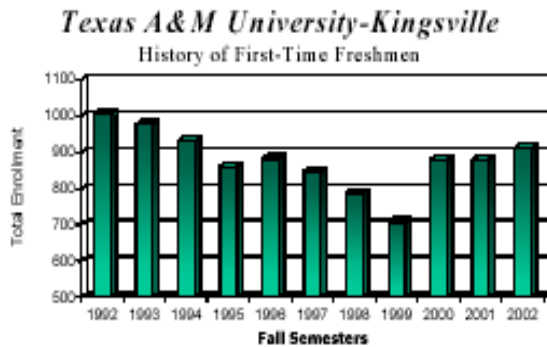
Figure 2.



An effort is being made to attract more students who fall in the top 25th percentile of their high school graduating class through scholarship opportunities and the Honors Program. A similar strategy has been developed for community colleges, focusing on high-achieving students, particularly those who are members of Phi Theta Kappa Honor Society.

While recruitment is getting more difficult, keeping students is also a problem. Currently, fewer than two-thirds of A&M-Kingsville's entering freshmen are still enrolled a year later. Part of this problem is due to the fact that, while A&M-Kingsville has seen an increase in applications, the yield of matriculants has not seen a parallel increase. In addition, the majority of applicants that do matriculate are under-prepared to succeed at the university level. Figure 3 shows the history of freshman enrollment from 1992 to 2002.

Figure 3.



1.4. Competitive Analysis

Texas A&M University-Kingsville has experienced increased competition in recruiting students from South Texas. In 1989, Texas A&I University (now A&M-Kingsville) joined The Texas A&M University System along with two upper division universities from the region – Corpus Christi State University (now A&M-Corpus Christi) and Laredo State University (now A&M International). Both of these schools became four-year institutions after joining the System, increasing the number of institutions competing for first-year freshmen. In addition, South Texas Community College (STCC) was created in McAllen in 1993. This college, with teaching sites throughout the Rio Grande Valley, has enrollment currently exceeding 13,500 students. The University of Texas-Pan American in Edinburg is another major competitor, which has seen enrollment increase over 16% in the past five years to over 14,000 students in fall 2002. These two institutions are in a growing urban area, and their enrollments have grown accordingly. UT-Pan Am continues to be aggressive in its recruitment efforts. The University of Texas at Brownsville/Texas Southmost College also competes for students from the region. This partnership between an upper division university and a community college is appealing to local students, who are able to earn a four-year degree and pay community college tuition the first two years. Prior to this merger, A&M-Kingsville was able to successfully recruit

a number of community college transfer students from Texas Southmost, but those numbers have dwindled.

2. SWOT Analysis

2.1. Internal Environment

2.1.1. Strengths

a. Accreditation--The College of Business Administration, accredited by the Association of Collegiate Business Schools and Programs (ACBSP), is the only accredited business school in the Coastal Bend. As such, the College can use its accreditation to demonstrate its unique quality to students of the region. Additionally, the College was accepted into the Candidacy program with AACSB-The International Association for Management Education during the past year, and successful accomplishment of the accreditation plan will lead to accreditation within five years, and an additional level of distinction for the College.

b. Curriculum--The curriculum within the College of Business Administration (CBA) is based simultaneously upon two models. The first model was developed by the American Assembly of Collegiate Schools of Business (AACSB) and the recommended topics for inclusion in a business curriculum were known as the Common Body of Knowledge (CBK). The curriculum of the CBA was revised according to those guidelines during the 1970s, and remained basically in that framework until the College engaged in a system of self-study leading to accreditation from ACBSP in 1991. ACBSP also recommends a comprehensive curriculum known as the Common Professional Component (CPC). While there are no major differences between the CBK and the CPC, the latter requires coursework in the global nature of business and also requires that the student study business ethics, as well. The curriculum meets the standards of, and the College is accredited by, ACBSP. The College offers the only bachelor's degree in International Business Management in the region.

c. Faculty--Of the 22 full-time faculty on the CBA payroll this year, 20 have their doctoral degree, and one other is enrolled in a doctoral program. These faculty, who view their primary responsibility as teaching, are for the most part also engaged in significant research leading to publications and presentations in scholarly colloquia. Many are engaged with students outside the classroom as sponsors of student organizations, and as professional advisors and mentors.

d. Student support system--

(1) The College of Business Administration offers a full-time academic advisor to all undergraduate CBA students, as well as a graduate advisor who is also a full-time staff person. (The position of the assistant dean, who functions as the graduate advisor, is presently vacant.) This service allows the College to provide “anytime” advising, degree planning, registration, and other student services that would not be possible otherwise.

(2) Additionally, the College developed the concept of "Senior Night" each semester in which all students planning to graduate are invited to an information session designed to ensure that each student is aware of all requirements with which they must comply in order to graduate.

(3) Faculty and staff are involved, with the help of the Career Services Center, in working with students to maximize their opportunities for obtaining meaningful employment in their major fields upon graduation.

e. Technology--Recent years' HEAF allocations and Tuition Revenue Bond funds have been expended on bringing computers up to date, and acquiring additional equipment and software. Having the Computer Information Systems (CISA) area within the College makes possible the awareness of current technological developments and assists the College in ensuring that students are afforded the latest and most up-to-date software packages for their instruction.

f. Class size--One of the key selling points for a university the size of Texas A&M University-Kingsville is the relatively small size of the classes in which students are

enrolled. Faculty and students are able to get to know one another, and learning is often enhanced by the active discussions that are possible in such an environment.

2.1.2. Weaknesses:

a. There are not enough joint alliances with other departments and other universities. More joint degree programs or emphases with other departments or colleges are needed in engineering, agriculture, education, and the arts.

b. Lack of integrating technology into the classrooms-- The CBA classroom building is completely connected to the Internet, and information appropriate to classes taught within the College is widely available through that medium. Additionally, software packages have been and are being developed which enhance learning in most of the business disciplines. The potential exists for using computers in the classroom in practically any capacity, but additional integration needs to take place.

c. Improving knowledge of specific skills needed in the workplace-- Although contact with the business community is substantial and ongoing, no systematic method exists for determining specific skills graduates may be lacking.

d. There is a need for trained professionals for developing the logistics and transportation area into a stand-alone degree program.

2.2. External Environment

2.2.1. Opportunities

a. Since November, 1997, any person sitting for the state CPA examination must have completed 150 semester credit hours of college work (as well as certain specified hours in accounting). Accounting students have known this requirement was coming for several years, and have begun to enroll in the CBA's joint 154-hour BBA/MPA program in

accounting. Continued steady growth is anticipated in this program. But not all students will be able to qualify for entry into graduate school, a necessary condition for completion of the MPA degree. And not all accounting majors wish to become CPAs. Therefore, the regular BBA degree in accounting will need to be supported on a continuing basis.

b. The number of people in the 18-22 age group (the traditional college student ages) will continue to increase in South Texas. Therefore, the University and the College of Business Administration should continue to have growth prospects that exceed those of the rest of the state. Faculty and staff must continue to develop and deliver top quality undergraduate business programs. Competition for these traditional undergraduates will be intense, and the College must be adequately prepared to recruit and retain these students.

c. Non-traditional students continue to increase and place very different demands on the College in terms of programmatic needs, class scheduling, and advising.

d. Continued growth is anticipated in the area of Computer Information Systems, as new and replacement courses find increased acceptance across the campus. Already, a significant number of non-business students fulfill their computer literacy requirement by enrolling in CISA 1301 (Personal Computer Literacy and Applications). The new follow-on course CISA 1302 (Personal Computer Applications II) will provide additional attraction to non-business students.

e. National and state economic trends will have significant effects on the content and format of the College's programs. The number and kind of jobs needed in tomorrow's national economy will depend on the interplay of demographics, economic, social and technological factors. The College can provide the education necessary for students to enter the job market and compete effectively, but through connections with industry and business leaders, it can be at the forefront of identifying those areas where increased emphasis needs to be directed.

f. Continued development of economic and trade agreements with other countries and geographic regions indicates that an emphasis on global business is appropriate for any person entering today's job market. The continued expansion of trade with Mexico because of NAFTA, and ultimately with other Central and South American countries, implies that tomorrow's graduates will need to be prepared to work easily with other ethnic groups, languages, and cultures.

g. The growing emphasis on professional ethics provides an opportunity for the College to be at the leading edge of academic research and service in this important area.

2.2.2. Threats

a. The continued development of the business school at Texas A&M-Corpus Christi poses a severe threat because they recently obtained AACSB accreditation. The president of that university has provided resources to hire research faculty with publication records appropriate for that accreditation. No other university in the coastal bend area of Texas has that accreditation. Our College of Business Administration has achieved the same candidacy status. The plan leads ultimately to accreditation, but the funds to execute the plan have not yet been provided.

b. There is a lack of adequate funding to be able to recruit the faculty needed to provide courses needed for the existing majors; to support research through the hiring of graduate assistants, acquiring databases, and providing other research materials; and to provide travel support for faculty to attend scholarly meetings.

3. Strategic Plan

Texas A&M Kingsville is assumed to be one of the leading universities in South Texas; maybe the best. It is also one of the 15 biggest universities in Texas. So while we are stating the strategic goals, we are going to take TAMUK as a large institution in South Texas which has a strong competitive advantage (smaller market segment) and has rivals

like TAMUCC or Texas Pan American and second as a small institution which has a weak competitive advantage in a relatively bigger market like the whole state of Texas; and has rivals like University Of Texas or Texas Tech University.

Market Attractiveness

Attractive

Small Institution		
		Large Institution

Unattractive

Very Weak

Very Strong

Competitive Advantage

Small Institution-Grow Market Share

In this market TAMUK CBA will have more competitive advantage if it gets some important accreditations and opens new concentration programs to functionally enter the new market of top business schools in Texas. So the new market is very attractive but requires great amount of funds.

Large Institution- Protect/Focus

The school already have a strong competitive advantage in South Texas but can still follow a grow market share strategy with new investments or can protect its position by narrowing its focus on profitable segments.

3.1. Large Institution Segment Strategy

3.1.1. Product

College of Business Administration at Texas A&M-Kingsville offers academic programs in bachelors degree like marketing, management, accounting, economics, finance and CIS at the undergraduate level and M.B.A and M.P.A degrees at the graduate level. The three-county area, from which A&M-Kingsville draws most of its students is not growing. And, competition from other institutions of higher learning is increasing in all the primary areas from which A&M-Kingsville recruits. This includes competition from other A&M universities. The marketing messages are similar among smaller universities that boast small classes and personal attention. The exceptions are the universities that have found and promoted a marketing niche, such as the “Island University,” and the “International University.” The following goals are the techniques in order to develop “product” image to increase the enrollment at the College Of Business Administration.

- Increase the funding to be able to recruit the faculty needed to provide additional courses needed for the existing majors and attract students from non-business majors who fulfill their computer literacy by enrolling CISA 1301(Personal Computer Literacy and Applications). The new follow on courses in CIS will provide additional attraction to non-business students.
- Increase the integration of technology into classrooms, bring the computers up to date and acquire additional equipment and software.
- Keep the relatively small class size of the classes in which students are enrolled.

3.1.2. Promotion

Since A&M-Kingsville became part of The Texas A&M University System, no external campaign promoted the name change or made it known and no marketing effort has attempted in order to promote the new image of the university. Listed below are some goals that the University may follow in order to help promotion.

- Utilize recruitment coordinators and conduct information fairs and registrations at community/junior college campuses in South Texas.
- Create student volunteer tour guides in order to accommodate special tours at the College Of Business.
- Work with the academic deans and public affairs office to actively advertise, promote and recruit new students.
- Prepare brochures to pass out at high schools.
- Display ads in local and surrounding area newspapers about the special events in university rather than direct advertising.

3.1.3. Place

College Of Business is located in historic Kingsville, a city of 25,000 that is the home of the legendary King Ranch. Corpus Christi and its beaches are just 40 miles to the northeast, and the border with Mexico is 120 miles to the south at Brownsville or 119 miles to the west at Laredo. Kleberg, Nueces, Jim Wells, San Antonio, Victoria, and The Rio Grande Valley are the main recruitment areas. Enrollment Support Services Office was allowed to hire recruiters to specifically focus on the Valley and San Antonio markets. Figure 4 and 5 show the primary recruitment area and the areas of opportunity.

Figure 4. Primary Recruitment Area



Figure 5. Areas Of Opportunity



The following are some of the goals to increase the recruitment in other areas.

- The recruitment efforts should expand between Corpus Christi and Houston areas.
- Increase the fundings that support campus recreational facilities to attract more visitors.

3.1.4. Price

Texas A&M University-Kingsville has a long tradition of providing affordable, accessible higher education to students in South Texas. Different tuition rates are assigned for residents and non-residents. The minimum tuition rate for a resident is \$120 and for a non-resident is \$253. There are also many other service charges excluding tuition which are the same for both residents and non-residents. Some of these fees are student service fee, athletic fee, computer use fee, library access fee, international education fee, transcript fee, hospital fee, student center fee and student ID fee. There is also an additional \$35 per credit hour for distance learning classes. These fees aren't dependent on a student's major, therefore a business major will be charged the same as other majors. *Appendix 2* shows the Texas resident and non-resident fees for undergraduate and graduate students.

The university is increasing the tuition and fees to cover the demand for university's resources. However, a large number of students still find these costs expensive when compared to the services provided. Thus

- The university should increase the advertisement fundings for the people who are unaware of the benefits of low tuition.
- New business scholarships and financial aid opportunities should be offered to attract more student students to the College Of Business
- Increasing the tuition and the fees is a must but new payment options can be offered to increase the enrollment.

3.2. Small Institution Segment Strategy

3.2.1. Product

- Increase the funds to provide resources for new accreditations. Obtain the AACSB accreditation as soon as possible, so that the College Of Business can attract more students from other states.
- Increase the concentration programs in graduate studies, hire more academic personnel to open additional classes.

- Develop a new image for the College Of Business to enter the top business schools' market.

3.2.2. Promotion

- Hire more graduate assistants, acquire databases, provide other research materials and provide travel support for faculty to represent the university in important national and international meetings and research seminars.
- Develop the web site of College of Business and make it more appealing.
- Increase the College Of Business Sponsorship events.

3.2.3. Place

- Focus on recruitment facilities from other states and highlight the strategic importance of the location of the university, being close to coastal bend and other big cities like Houston and San Antonio.
- Increase the athletic events which attract students from other states.

3.2.3. Price

- Display ads in well known business magazines and give information about the tuition costs.
- Send recruiters to national and international educational fairs and advertise A&M-Kingsville as an affordable institution.

4. Projections and Marketing Budget

Texas A&M Kingsville's retention rate for the last two years has been consistent at 61,1 percent. The institution affords the opportunity to attend A&M Kingsville to many individuals who typically are not accepted at other universities. Figure 6 shows the proposed projections and percent increase by year at Kingsville campus.

Figure 6.

Proposed Percent Increase by Category and Year at Kingsville Campus

Years	03-04	05-06	07-10
Freshman	4.0%	6.0%	9.0%
Transfers	8.0%	9.0%	9.0%
Graduate	8.0%	9.0%	9.0%
Returning	68.9%	69.0%	69.0%

Proposed Projections and Percent Increase by Year at Kingsville Campus

	2002	2003	2004	2005	2006	2007	2008	2009	2010
Co-enrolled	6	10	12	14	14	15	15	16	16
Freshmen	904	940	978	1,036	1,099	1,197	1,305	1,423	1,551
Transfers	334	361	390	425	463	505	550	599	653
Graduates	250	270	292	318	346	378	412	449	489
Returning Fresh	518	542	573	606	653	714	778	848	925
New Students	1,494	1,581	1,671	1,793	1,922	2,095	2,282	2,487	2,709
Returning	4,064	4,183	4,342	4,545	4,791	5,083	5,445	5,869	6,351
TAMUK	6,076	6,306	6,586	6,944	7,366	7,891	8,505	9,204	9,985
% Increase	Actual	3.76%	4.44%	5.43%	6.08%	7.13%	7.78%	8.21%	8.48%

Figure 7 and 8 shows the recent years revenue sources and expenditures. As we see the system looks cost effective when we compare revenues with expenses.

Figure 7.

SOURCES OF REVENUE

SOURCES OF FUNDS	FY00	FY01	FY02
NET TUITION AND FEES	\$13,955	\$14,651	\$14,973
REMISSION AND EXEMPTIONS	\$1,541	\$1,434	\$1,415
GENERAL REVENUE-STATE APPROP	\$34,496	\$33,900	\$38,259
HEF - STATE APPROPRIATIONS	\$3,506	\$3,556	\$3,556
CONTRACTS, GRANTS AND GIFTS	\$18,434	\$20,804	\$15,795
INVESTMENT INCOME	\$2,589	\$638	\$614
SALES AND SERVICES	\$701	\$817	\$981
MISCELLANEOUS	\$97	\$96	\$57
AUXILIARY ENTERPRISES	\$7,300	\$7,232	\$7,121
TOTAL REVENUES	\$82,619	\$85,020	\$112,771

*Dollars in thousands

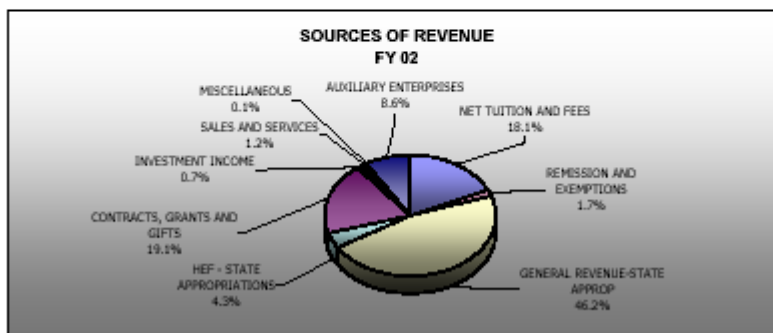


Figure 8.

FISCAL, RESEARCH, & FINANCIAL AID PROFILE EXPENDITURES			
EXPENDITURE DESCRIPTION	FY00	FY01	FY02
INSTRUCTION	\$26,488	\$28,285	
RESEARCH	\$6,780	\$6,740	
PUBLIC SERVICE	\$32	\$35	
ACADEMIC SUPPORT	\$2,962	\$2,632	
STUDENT SERVICES	\$3,984	\$4,110	
INSTITUTIONAL SUPPORT	\$8,089	\$9,011	
OPERATIONS & MAINTENANCE	\$5,228	\$6,268	
MAJOR REPAIRS	\$618	\$608	
SCHOLARSHIPS & FELLOWSHIPS	\$10,739	\$11,642	
RFS DEBT SERVICE TRANSFER	\$3,169	\$3,833	
AUXILIARY ENTERPRISES	\$6,484	\$7,628	
NET SERVICES DEPARTMENTS	-\$67	-\$31	
TOTAL EXPENDITURES AND DEBT SERVICE	\$74,406	\$80,741	
NET FROM OPERATIONS	\$6,572	\$911	
GRAND TOTAL OF REVENUES	\$81,078	\$81,652	
NET TRANSFERS & ADDITIONS DEDUCTIONS	(\$6,162)	(\$2,256)	
INCREASE (DECREASE) IN FUND BALANCE	\$410	\$1,324	

*Dollars in thousands

Table 2 summarizes the estimated revenue projection for the 2003-2004 fiscal year. There was no information available to the public except the recent years, so those predictions have been made according to the enrollment projections.

Table 2. Estimated Revenue Projection

Sources of Funds	FY 2003	FY 2004
Net Tuition and Fees	16,482,045	16,976,000
Remission and exemptions	2,235,000	2,682,500
General Rev-State Approp.	35,722,000	36,187,000
HEF-State Appropriations	6,100,500	6,284,000
Contracts, Grants Gifts	21,816,000	26,135,000
Investment Income	1,448,380	1,588,870
Sales and services	4,109,000	4,117,000
Miscellaneous	700	750
Total Revenues	87,913,625	93,971,120

5. Evaluation

As we see in enrollment and revenue projections, the university and the College Of Business Administration will have great opportunities in the next years. These will be achieved through external and internal communications, which begin to establish an identity for A&M-Kingsville, while the overall marketing program will help the university fulfill its promises. External communications must be directed at both creating and improving A&M-Kingsville's image, while also recruiting students. Internal communications must be directed at establishing the image internally, improving staff morale, instilling pride in students, and ultimately improving retention. Further, growth of the graduate program will benefit the undergraduate programs and help them to grow. Finally, College Of Business Administration must become more strategic in targeting both traditional and non-traditional students. While growing the traditional undergraduate enrollment is the primary goal, other growth is also desirable and will help the school become more selective in its admission of traditional undergraduate students.

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