Integrated Marketing Communication: Where Does It Stand in the Malaysian Institutions of Higher Education?

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Introduction

Globalization foresees the rapid development of information technology (IT) and the Internet, where by customer's choices grow at a very fast rate. These factors are well reflected in the extremely competitive market environment in institutions of higher education (IHEs) (Dawes & Brown, 2002). Potential student customers are more sophisticated; they have a very wide variety of IHEs and program choices, and they have access to ample program information from various sources including government quality control agencies. As a result, today's students do not easily trust the advertisements of IHEs. In emerging customer-driven IHEs marketplace, the customer is in control rather than the IHEs (Kim, 2006).

In fact, the stiff competition in the marketplace among the IHEs in Malaysia has made them realise that it is not easy to capture the hearts of students in selecting their institutions, and even more difficult in maintaining their student recruitment, let alone increasing productivity in that vein. Hence, IHEs need to improve the coordination of their marketing communication (MARCOM) programs and create a strong emotional bond with their markets in order to be perceived as a relevant choice in their target market's minds (Rosen, Curran & Greenlee, 1998).

The concept of integrated marketing communication (IMC) is able to significantly add value to the management strategies of the Malaysian IHEs by sending clear and consistent messages about the institution in every contact point, thereby, enabling the improvement of IHEs' reputation. To reach the goal of becoming a regional center of higher education, Malaysian IHEs must prevail in the marketplace and have their own sustainable competitive reputation, and this is where the role of IMC fits in.

The identified problems include the need to observe (1) the level of IMC implementation, (2) the barriers in implementing IMC processes and (3) the leadership style in the Malaysian IHEs. In this study, a quantitative analysis of survey research was employed to measure and access those aspects, with regards to Schultz and Schultz's (2004) four-stage IMC framework and Lewin's (1939) leadership styles, whereby keywords and themes were identified through the interview transcripts.

The Malaysian Higher Education System

The National Higher Education Action Plan (2007) stated that the success of human capital development

is closely related to the quality of a national education system, whereby, IHEs play an important role in influencing human capital development (Morshidi, 2010). Moreover, to transform Malaysia to an international center of higher education excellence until 2020 and beyond is the vision of Malaysia's government for the higher education sector (NHEAP, 2007; Malaysia Ministry of Education, 2008). In other words, IHEs contribute to the economic growth of Malaysia by leading the industry through the power of knowledge.

In 1995, the Malaysian Ministry of Higher Education (MoHE) found that 20 per cent of overseas-trained Malaysian students cost the country around USD800 million in currency outflow, constituting nearly 12 per cent of Malaysia's current account deficit. In order to reduce the outflows of funds, the government has intervened by increasing the capacity of public universities and expanding the capacity of local (private) higher education sector (Ziguras, 2001; Sirat, 2008). The Malaysian MoHE saw the local public and private IHEs as the key means of reducing this currency outflow and in the long term of transforming Malaysia into a net exporter of higher education (Ziguras, 2001).

In 1996, the Malaysian government enacted five higher education legislations, of which, they were considered a 'revolutionary' milestone in the development of the Malaysian higher education system (Johari, 1996). The following are the five lists of 1996 higher education legislations:

- 1) Education Act, 1996,
- 2) The Private Higher Educational Institutions Act, 1996,
- 3) National Council on Higher Education Act, 1996,
- 4) National Accreditation Board Act, 1996 and
- 5) Universities and University Colleges Act (Amendment), 1996.

Furthermore, as an effort to emphasize the important role of higher education, the Malaysian government had set up the Ministry of Higher Education in March 2004. It was aimed at spurring the country towards attaining a world-class education system (Kim, 2006).

In 2009, Malaysia was ranked the world's 11th most preferred study destination by the Institute of International Education (Lim, 2009). Malaysia achieved a 26 per cent increase in 2009 in international student numbers compared to 2008 and is estimated to reach 80,000 students in 2010 (Lim, 2009). Thus, seeing how important the roles of IHEs are in Malaysia, it should be well supported with IMC. In fact, Michael (1997) describes university in terms of relationship marketing

as an assemblage of communities with different ideologies, agenda and academic traditions held together by a common institutional logo and image.

The Integrated Marketing Communication

Schultz (2004: 9) defined IMC as "a strategic business process used to plan, develop, execute and evaluate coordinated, measurable, persuasive brand communications programs over time with consumers, customers, prospects, employees, associates and other targeted relevant external and internal audiences", which is apparent in the four stages of IMC framework (see Figure 1).

Stage 4: Financial and Strategic Integration

Emphasis on using the skills and data generated in the earlier stages to drive corporate stategic planning using customer information. Reform if financial information infrastructure to foster "closed-loop" planning capabilities to return-on-customer investment measures.

Stage 3: Application of Information Technology

Application of empirical customer data using IT to provide a basis to identify, value, and monitor the impact of integrated internal and external communication programmes to key customers segments over time. Integration of various sources of customer data to obtain a richer and more completer view of customer/brand relationship.

Stage 2: Redefining Scope of Marketing Communication

MARCOM planners view communication as dynamic and ongoing and seek to incorporate customer insight at all points of contact. Scope of MARCOM activities broadens to encompass internal marketing to employee, suppliers, and other business partners and to align them with the existing external communication programmes.

Stage 1: Tactical Coordination

Focus on tactical coordination of diverse outbound marketing, communication elements, and achieving consistency and synergy between functional efforts. Emphasis typically on development of overall communication policies and practices and delivering "one sight, one sound" via marketing communication.

Figure 1 The Four Stages of Integrated Marketing Communication Model (Source: Adapted from American Productivity and Quality Center, 1998)

The tactical coordination of MARCOM requires a high degree of coordination between departments to speak with one voice. The coordination challenge between departments varies based on the complexity of the organization, which can be measured by size, number of departments involved in a particular business activity and amount of available resources (Horrigan, 2007: 9). The goal is to achieve a high-degree of interpersonal and cross-functional coordination and communication between internal departments and external consultants (Kitchen et al., 2004).

Commitment to market research in support of IMC comes second, where information about the institution's consumers is collected and evaluated on their feedback. Schultz (2009: 14) highlighted; "to effectively develop MARCOM messages and incentives that will be of value to the customers and prospects the marketing firm aims to serve and to solve the problems they have, the MARCOM manager needs to identify customers who might have those needs or wants". The most common way to identify customers is through some type of analysis of the information normally held in the organisation's database (Schultz, 2009).

IT in support of IMC needs to be applied in order to

develop databases and to globally segment customer data into customer knowledge for the purpose of communication and relationship building (Ireland, 2002). Intelligent and creative human resources are needed to manage the capabilities of technology in order to identify appropriate relationship building strategies for each organisation's market segment (Horrigan, 2007: 10). There are four critical areas which define the third stage of integration, such as (1) empirical customer data, (2) behavioural versus attitudinal, (3) valuation tools and techniques and (4) differentiation of customers on economic criteria (Schultz & Schultz, 1998).

The fourth stage is strategic integration of IMC that describes an institution's ability to continually measure performance from a return-on-investment perspective by market segment. IMC process, as presented by Schultz (2009: 12) requires that the various functional groups in the organization work together and relate to customer needs. When the marketer knows enough about the customers or prospects, the communication planner will be able to forecast the results outcome, and if the MARCOM manager has an idea about the returns then the communication program will achieved, it will be possible to develop a MARCOM investment plan.

The final step in the IMC process is to invest the firm's resources in various MARCOM programs pertaining to the selected customers, measure the returns, and use that as the basis for the next level of investment (Schultz, 2009: 14).

"These messages from every employee and customers will then be oriented towards a 'one-voice' communication. since in IMC, productivity is not merely directed at the marketing department, but it involves everyone".

The Leadership Styles

According to Lewin, one of the factors that determine a leader's choice of leadership style is the need to make decisions (Learn to be a leader, 2009). Lewin and his colleagues (1939) had undertaken leadership decisionmaking experiments and thus, identified three different styles of leadership, that is, autocratic, democratic and laissez-faire.

In the autocratic style, the leader makes a decision without consulting others, and this, can cause the most level of discontent. An autocratic style works when there is no need for input on the decision, where the decision would not change as a result of input, and where the motivation of people to carry out subsequent actions would not be affected irrespective of whether they were involved in the decision-making (Lewin, Lippit & White, 1939).

In the democratic style, the leader involves the people in the decision-making, although the process for the final decision may vary from the leader having the final say to them facilitating consensus in the group. Democratic decision-making is usually appreciated by the people, especially if they have been used to autocratic decisions with which they disagreed. However, it can be problematic when there are a wide range of opinions and there is no clear way of reaching an equitable final decision (Lewin, Lippit & White, 1939).

The laissez-faire style is to minimise the leader's involvement in decision-making, and thus, allowing people to make their own decisions, although they may still be responsible for the outcome. Laissez-faire works best when people are capable and motivated in making their own decisions, and where there is no requirement for central coordination, for example, in sharing resources across a range of different people and groups (Lewin, Lippit & White, 1939).

In Lewin et al.'s experiments, they discovered that the most effective style was democratic. On the contrary, excessive autocratic styles led to a revolution, whilst under a laissez-faire approach, people were not coherent in their work and did not put in the energy that they did when being actively led (Lewin, Lippit &

White, 1939).

The Integrated Marketing Communication and Leadership Style in Malaysian Institutions of Higher

Face-to-face interviews were carried out with administrators and educators from four Malaysian public IHEs (i.e., a university in Negeri Sembilan, Penang, Perlis, Terengganu) and Malaysian private IHEs (i.e., a university in Kedah, Perak, Selangor) to access the level and barrier of IMC implementation, as well as the leadership style of their institution.

Based on the analysis, the survey respondents were adequately experienced in MARCOM and management, since most of them have had experiences in those areas for more than five years. Through those kinds of knowledge and experiences, they are able to educate and set an image and impression of the institution to the students.

However, a contradiction is present in the responses of the administrators and educators of the selected Malaysian IHEs regarding the level of IMC implementation; the administrators were certain that all four stages of the IMC framework were applied in their institutions, whereas the educators were uncertain about the level of IMC implementation in their institutions.

The lack of budget and competent employees and functional silo appear to be the barriers concerning IMC implementation. The data obtained reveals that territorialism exists in the selected Malaysian IHEs because the traditional structures of their institution tend to rely on professional expertise rather than interdepartmental cooperation. The administrators had often mentioned about the lack of budget compared to the educators since they might have feared that IMC could cause budget reductions.

Despite that, most of the survey respondents claimed that their leaders were democratic, by means that decisions were made based on discussions. Most of them believed that it is important for leaders to listen to other people's opinions and suggestions as a good sign of appreciation towards subordinates, which echoes to Lewin's (1939) statements on democratic leadership style.

Overall, the MARCOM functions are separated from each department in the selected Malaysian IHEs due to their organisation setting. Therefore, leadership that supports an open system (i.e., permeable boundary, adaptive to environmental change, accommodative, holistic, ethical, encourages of feedback) operating philosophy, as suggested by Mulnix (1996) is required beforehand in the Malaysian IHEs in order to support open and honest communication policies. Then, every employee needs to be engaged in achieving their IHE goals by communicating between them and customers to convey a message on their institutions. These messages from every employee and customers will

then be oriented towards a 'one-voice' communication, since in IMC, productivity is not merely directed at the marketing department, but it involves everyone. When IMC works well in the institution, stakeholder relationships could be sustained, and thus, brand and customer equity could be leveraged.

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