

The Role of the Concept of Advertising in Interaction Between the Market for Education Services and the Sphere of Business

E.G. Gushchina, I.A. Morozova and E.M. Vitalyeva

«World economy and the economic theory», The Volgograd State Technical University

Abstract: In most cases the social responsibility of businessmen is realized by means of social investments. It is identified only with financial investments of the companies in objects of the social sphere. However it's not only "feed" by financial means, but also business in accordance with established legislative and ethical standards. Today the public opinion concerning the company and its production is defined both quality of goods or services, and the social image of the organization including responsible behavior to own personnel, partners in business, local communities and society as a whole. Thus realization of social responsibility assumes providing reliable and truthful information about the organization and types of its activity. As a result, advertisement is one of mechanisms in formation of socially responsible image of business.

Key words: Social important market • Social responsibility • The concept of advertising • Matrix standards of conduct

INTRODUCTION

In the early 90's, the changes which had taken place in Russia's economy, due to its transition to the market economy, made public attention focus on both solving economic problems and building an efficient marketing mechanism. Nevertheless, in the present time, there occurs a need, for establishing social responsibility for currently operating enterprises.

In this contemporary situation, the market demonstrates multi-functional behavior-besides the main exchange function, it fulfills a set of other functions (i.e., intermediary, regulating, informational, value, reorganizing, communicating, prognostic, stimulating and reproducing ones). The realization of which is gaining a higher social importance. A multifunction market reflects the current processes, which don't correlate with the vision of a classic market, thus determining its varying nature [1]. These are mainly the processes associated with socialization and institutionalization, a growing role of social factors in the development of market relations and preconditioning the restricted market exchange. This, in turn, look it through appears to be under dependence from a degree of a state interference into the economy, determined by either a type or model of economic system and a character of economic good being an object of exchange [2].

For contemporary Russia, the target of building a socially oriented market economy primarily demands a balance between economic business efficiency and social justice [3]. In this case, the role of business, which is growing in the current world socio-political life, implies that a private sector of Russia's economy will perform as a driving force in solving this issue by means of implementing the policy of corporate social responsibility and mainly of social investing as one of the most important forms of market appearance.

In the present time, most companies are trying to make their business look like a socially responsible undertaking, using "easy" ways of implementing their social responsibility. One of such ways deals with investment in social advertising. It is necessary to point out that these investments don't impose a harmful impact on the society. But they are not systemic and function only as a result of financial investment in the society.

PR and advertising are information tools, which help to broadcast the data of the company's social mission, to report on socially important initiatives and investments, to create a positive image and business reputation, thus resulting in the increased market value and profitability of the company. PR is usually associated with a way of communication being more expensive than advertising. But a more efficient method for influencing society deals with a combination of these instruments of marketing communication.

In the present time, advertising is an essential part of the social life. Passing several stages in its evolution, it has gained new forms and reinforced its impact on the society. Advertising features its own peculiarities for a definite country or region, forming native cultural traditions. Advertising adapts to current economic and social conditions or political regimes and develops in relation to the achievements of scientific and technical progress. But advertising usually experiences a one-sided approach. Solving one problem, theorists and practitioners don't take into account other issues, sometimes triggering new negative effects of advertising. It should be pointed out that considering advertising in the context of socially important markets, e.g., the market for educational services, is becoming more important. We can affirm advertising has become a concept, i.e., the act of "getting senses" of the problem in the unity with a speech act. Let us discuss other characteristics of advertising as a concept:

- Manifesting in different ways due to a definite situation;
- Enabling to build a "perspective", algorithm, model for the process of advertising with allowance for a previous experience to provide clearness in the future;
- Adapting to current conditions, intensifying one of the meanings;
- Denoting the structure and helping to identify particulars in general and vice versa;
- Featuring the ability to interact with other concepts to solve the problem.

As mentioned hereinabove, considering advertising in the context of socially important markets, e.g., the market for educational services, is becoming more important. The significance of obtaining higher professional education for the Russian society is statistically proved-for 2012, 52% of those aged 25-60 possess-university diplomas) [4]. Another socially important market is the labour market. The problem of interaction between the entities of the market for educational services and those of the labour market deals with their isolation and the absence of strong interrelation for the interests of these entities. One of the ways for businesses to demonstrate their social responsibility is associated with cooperation between employers and institutions of professional education. However, the process of interaction between the labour market and that of educational services is in need of extra stimuli and motivation.

Education can be considered from different perspectives. On the one hand, we can evidence a casual attitude to education as a product. Nevertheless, on the

other hand, this is a way to obtain knowledge, to accumulate it and to expand it. Education allows joining a definite social class or reference group and becomes an integral part of science, culture and art. Thus, education is also a phenomenon being in need for advertising. According to some statistical data, Russia's institutions of higher education spend huge amounts for advertising. We analyzed the contracts of 17 leading state universities for 2012 from the state procurement website and found out that the minimum amount equaled to 2 million RUR and the maximum amount approximated 112 million RUR. Such advertising was directed at the consumer of education services [5].

Such advertising activity can be explained by growth of competition conditioned by their struggle to attract entrants in the context of both demographic crisis and implemented Uniform State Examination, which allows entrants to choose from five state higher education establishments. Moreover, the authors conducted a sociological poll with a sample of 450 respondents, i.e., consumers of educational services in Volgograd. The key criterion for choosing a higher education establishment was tuition cost and return on investment in education, i.e., the confidence of the consumer of educational services in further employment. To satisfy the needs of such consumers, universities develop systems of discounts for a fee-paid education from 20% to 70% of the cost of providing a service per year.

However, both a devaluation risk and that of the consumer's casual attitude to education occurs. Education can be treated as a product, a process of obtaining knowledge, as an integral part of life contributing to personal development, knowledge accumulation and as a way to build the country's intellectual capital, etc. All essential aspects of education should be represented in advertising.

In this research, the authors discuss one of the sides of advertising, which is a mechanism for communication. In its turn, education is explained as a process of obtaining knowledge and skills and the market for education services is viewed as a mediator between university entrants and the labour market. Therefore, advertising performs as not only a mechanism for information influence but also a way of interaction between market participants.

Let us consider the mechanism of interaction between market participants and reveal the possibility to stimulate cooperation between labour market and that for education services via advertising [6].

In Figure 1, / shows the advertising vector directed at labour market rather than the buyer and consumer of education services, thus motivating the employer to cooperate with a higher education institution. In this

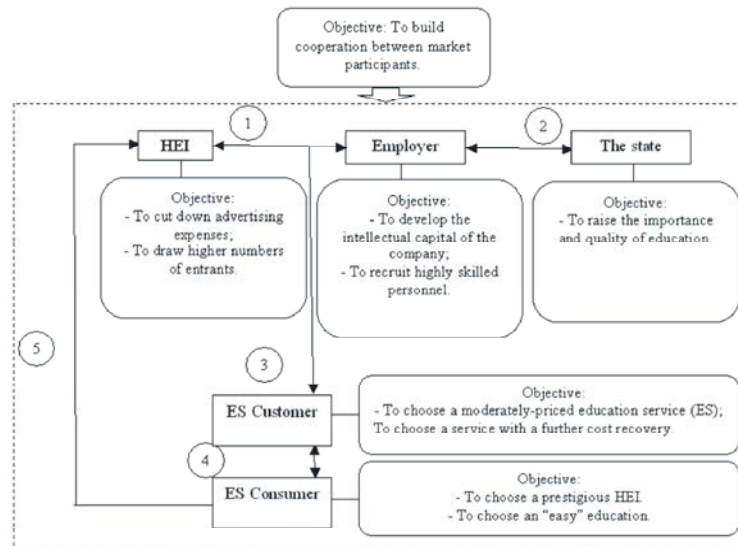


Fig. 1: Interaction between market participants via advertising.

case, education is not considered as a product but as a mediator actively promoting human resource onto the labour market. The advertising is developed about a student rather than for a student. In its turn, the employer advertises his business and product on the website of the higher education institution, holds event meetings, i.e., Doors Open Day, festivals, conferences, etc. Moreover, the employer recruits personnel with the involvement of the staff of the higher educational establishment, thus providing extra guarantees of the future employee's qualification.

2 shows governmental interests in operating this process. For the state, this cooperation is advantageous for solving the problems related to unemployment, migration and in relation to depreciated importance of domestic education.

The employer conducts socially important activities, which satisfies all modern economic trends and functioning institutes [7].

3 refers to the satisfaction of needs of the ES customer, who chooses education with a further possibility to recover its cost. This situation helps to promote the certainty in future employment for the entrant and builds a positive attitude to Russia's education performing as both a guarantor of obtaining knowledge and mediator between the entrant and the labour market.

4 shows the occurrence of motives for education of the ES consumer to get employed by a large company and to show himself as a skilled specialist of wide competency.

5 demonstrates the process of building reputation for the higher educational institution, triggered by educational, scientific and labour activity of the ES consumer.

This interaction will help to cut down advertising expenses of both the higher educational institution and the employing company, since their advertising activity will be conducted in cooperation and within the context of social partnership and realization of the goals of all participants. It should be noted that such advertising will be efficient in relation to not only entrants and customers but also the state, in virtue of a socially oriented process of interaction between market participants.

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