

The relevance of a marketing degree: Employers' perceptions of Marketing Graduates in Australia

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Abstract

Australian Universities strive to provide students with a set of skills that are useful to employers. The Department of Education, Science and Training (DEST) have established a set of guidelines required by all graduates in Australia, however these are generic skills, required by graduates regardless of the degree undertaken. There are no explicit guidelines of what constitutes required skills for marketing graduates. To address this oversight, 63 organisations were surveyed to identify and rank the skills deemed to be important for marketing graduates. These were then compared against the skill sets for graduates of other disciplines. Overall it was apparent that marketing studies did not prepare students sufficiently for work within organisations. However – employers ranked communication skills as the most important skill for marketing graduates, and also indicated that marketing graduates performed well in demonstrating communication skills. In addition, marketing graduates were found to be relatively equal in comparison to graduates of other disciplines despite their lack of preparation for working in organisations. This exploratory study has identified a number of areas for further research.

Key words: Marketing education, Graduates, Perceptions, Skills, Australian employers.

Introduction

To be competitive in the market place, universities are increasingly seeking links with employers. By offering students a degree that is practical, and provides them with good chances at obtaining a job upon graduation, universities are able to promote this to potential students. While employer satisfaction surveys have been undertaken to establish how relevant university degrees are to employers, specific studies looking at the relevance of marketing degrees to employers have been lacking. To ensure marketing degrees are relevant to employers and that marketing graduates can successfully obtain jobs on graduation, it is important to ascertain the relevance of the marketing degree to employers. To this end, an empirical study was carried out addressing the opinions of employers of marketing graduates within Australia. This paper will discuss some of the skills recommended for university graduates and will analyse the importance of these skills.

Literature Overview

Literature specifically addressing employer perceptions of graduates of a marketing degree is lacking. The Department of Education, Science and Training (DEST) in Australia has established a set of general guidelines required for all graduates. These guidelines were developed after a qualitative study was carried out, analysing the skills required by employers and how graduates rank on these skills. Using these guidelines, and more marketing related skills, it is possible to determine the effectiveness of marketing degrees. Literature indicates that it is imperative that university graduates are able to respond and manage change, demands and challenges (Candy, Crebert & O'Leary, 1994; De La Harpe, Radloff and Wyber, 2000; Stephenson & Yorke, 1998, Sumison & Goodfellow, 2002).

There are a number of skills that a marketing graduate needs upon graduation. Marketing skills are those skills that have effectiveness in enablement of the marketing process, while transferable skills are the skills that all graduates, regardless of discipline, should have, such as problem solving and decision making skills (Middleton and Long, 1990). Overall, DEST believes that employers are satisfied with graduates of most disciplines. Due to the oversupply of graduates in the market, recruiters have the ability to select the best, and according to the survey, those missing out on jobs, miss out because of their lack of skills with literacy and / or numeracy (DEST, 1998). This is likely to be changing, however, with the low unemployment rate, giving graduates potentially more power than employers in terms of choice.

It is evident that issues employers have with graduates tend to be due to problems with written communication skills. This is because of the emphasis on academic writing, rather than business communication, focused on in universities (DEST, 1998). Skills required by employers have been investigated in Australia, New Zealand, the UK and USA and seem to find across the board that graduates lack written communication skills (Eagle and Hunt, 2003, Gabb, 1997, Gray, Whiten and Knightbridge, 2002, Pickard, 1999) reinforcing DEST's findings. To summarise, the literature indicates that written communication skills is the major area of concern, followed closely by the graduate's problem solving skills.

Many studies reinforce this, with some marketing related. Dolnicar and Stern (2003) analysed employers' expectations of marketing graduates in Australia and also found that communication skills were highly regarded, with 99% of respondents indicating that graduates should have good communication skills. Alternatively, Felson (2001) believes that marketing graduates need to improve their networking skills, citing that networking, internships and grades are the most important things a marketing graduate needs to bring to their employer. Middleton and Long (1990) hold that marketing education should be about giving graduates frameworks for them to apply to a particular scenario upon graduation. They believe that students should be given the opportunity to apply their skills into practice throughout their degree, regardless of

whether it is in an academic or real business environment. Doffing, a recruiter of marketing graduates (2001, cited in Felson, 2001) believes that it is much more holistic than that and that particularly at the entry level, passion is more important. People skills are more important than particular jobs tasks such as print runs which can be taught on appointment. The real joy for doing what you are doing is something that cannot be taught. This reinforces the importance of communication skills, indicating that many of the more specialised skills can be individually taught by an organisation.

To summarise, therefore, it is apparent that employers are seeking good communication skills (oral and written), problem solving abilities, networking skills and frameworks for decision making. Passion is also essential for graduates. This author believes that based on a typical marketing curriculum, Strategic Marketing, Management and Research Skills would be essential for a marketing graduate. Also, based on experience working in marketing, this author also feels that graphic design skills, budgeting and general business skills would be desired by many recruiters of marketing graduates. DEST (1998) argued that Information literacy, Lifelong learning, Effective workplace skills, the ability to work as part of a team and problem solving skills were key requirements for graduates of all disciplines. This can be demonstrated in the following conceptual diagram.

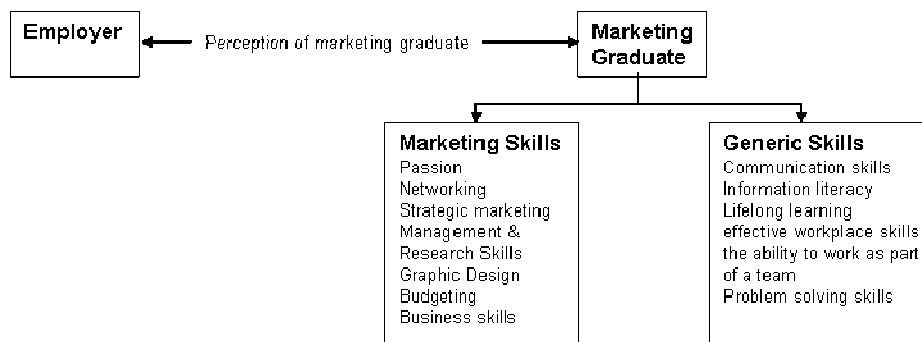


Diagram 1:

Employers Perceptions of Marketing Graduates

From the diagram it appears that the employer's perception of the marketing graduate will be dependant on the Marketing and Generic Skills of the relevant graduate.

However, as this theory is derived from the literature, it is arguably important to test the extent to which potential employers actually value each of these aspects. As a result, the methodology has been developed to evaluate the performance of graduates on these attributes, and examine just how important they are to employers.

Methodology

Taking these skills in order to determine the effectiveness of marketing degrees, an online survey was developed utilizing questions based on information from the literature. Respondents were sought in The Yellow Pages and other online business directories. Businesses from a number of different industries, including Tourism, Educational, Financial, Legal and Marketing based organisations were invited to participate. Managers or owners of smaller businesses were contacted directly, and in large organizations, the email was forwarded to the main email contact for the organisation, with a note to forward it on to the manager.

This was a combination of a non-probability judgment sample and a convenience sample. While this is not the best way to recruit survey participants, it was decided it would be a good way to get access to various businesses. Online surveys have been criticized in the past, however, it was determined that due to the nature of the study, an online survey would be appropriate. In addition, online surveys provide fast turnaround of results (Burns and Bush, 2003; Drennan and Mort, 2003). To ensure a

good response rate, the survey was quite brief with a total of sixteen questions. Due to a lack of existing scales, it was important to carry out an exploratory study (Burns and Bush, 2003). The first series of questions were focused on organisation demographics, such as the size of the organisation, and the size of the marketing department. The survey then had a series of Likert Scale statements, to determine the employers' perceptions of marketing graduates. Finally, the survey concluded with questions relating to the individual respondent, such as whether they themselves had a marketing degree, and how relevant the degree was to them.

The survey was hosted on www.questionpro.com and email invitations were sent to 547 organisations of varying sizes. Questionpro.com allows researchers to post a survey, using a number of different scales, and send invitations out to various groups and tracks survey responses. In total, sixty-three organisations responded to the survey, giving an overall response rate of 11%. For email surveys, this is relatively good and while it appears a low response rate, it is sufficient for the exploratory study. The non-response bias is a potential issue, where those that have not responded are expected to have some commonalities. This is a limitation of this study and the sample will be expanded in the next stage of the study.

Results

Size & Structure of organisations that responded:

To ensure a representation of organisations, a wide cross section of businesses were surveyed. The majority of organisations (29%) that responded to the survey had over 100 staff members in the organisation. Organisations with less than five staff members were also likely to respond to the survey, with 24% of respondents having less than five staff members. It is expected that this is because both groups of organisations may have an interest in the results.

Type of organisations:

The next question was asked to determine whether the organisation was privately or publicly owned, or a Government organisation. While the survey was distributed to many different organisations of varying size and ownership structure, the majority of respondents were from a privately owned organization (63%), followed by a Government facility (17%). Only 8% of respondents were from a publicly listed organisation, which could influence the results, as Government organisations are more likely to implement a training scheme for graduates. In addition, Government organisations are also more likely to shift staff into different areas, regardless of the discipline they graduated from.

Size of Marketing Department:

To understand more about the organisation that responded, and the importance of marketing to the organisation, questions about the size of the marketing department, and how often marketing graduates are hired were asked. Results indicated that 22% of respondents had between six and ten employees in the marketing department, followed by organisations with just one person in a dedicated marketing role (16% of organisations). Approximately 10% of respondents had no dedicated marketing role within the organisation.

Whether marketing staff are hired regularly

When asked whether the organisation hires marketing staff regularly, the results were rather equally distributed, with 48% of respondents employing marketing staff at least every two years, and 45% of respondents not employing marketing staff every two years. The questions were based on the literature.

Perceptions of Marketing Graduates

A series of 4 questions using Likert Scales were asked to determine the respondent's perceptions of marketing graduates. These questions were deliberately broad as the study was an exploratory study.

Table 1:
Responses to Likert Scales

Statement	SA	A	N	D	SD
Marketing graduates tend to be motivated	6%	61%	25%	8%	0%
Marketing graduates seem to have a good knowledge of required marketing terminology	10%	69%	13%	6%	2%
Marketing graduates tend to have sufficient communication skills for them to do their jobs properly	5%	57%	28%	10%	0%
University studies seem to prepare marketing graduates for their work within our organisation	2%	27%	34%	29%	8%

Results (refer Table 1) indicated that overall the majority of respondents felt that marketing graduates were motivated and that the majority of respondents agreed that marketing graduates had a good knowledge of the required marketing terminology to do their jobs. Strangely, 25% of respondents were neutral in responding to this question, perhaps indicating that the respondent did not feel they could answer this question sufficiently. Of concern, however, is the response to the scale "University studies seem to prepare marketing graduates for work within our organisation" with a total of 37% of respondents disagreeing or strongly disagreeing with this statement. A total of just 29% either agreed or strongly agreed that university studies prepared marketing graduates for work within the organisation, and the remaining respondents were neutral. Overall, respondents ranked marketing graduates as having sufficient communication skills for them to do their jobs within the organisation.

Respondents were also given a rank order scale and were asked to rank the skills the respondent believes are most important for marketing graduates. These skills were:

- *Communication Skills*
- *Strategic Marketing Skills*
- *Graphic Design Skills*
- *Budgeting Skills*
- *Management Skills*
- *Research Skills and*
- *General Business Skills*

Table 2:
Responses to the rank order scale of skills important for marketing graduates

Rank Value	1	2	3	4	5	6	7
Communication Skills	52%	24%	8%	2%	2%	10%	2%
Strategic Marketing Skills	28%	33%	15%	11%	3%	3%	7%
Graphic Design Skills	3%	2%	8%	7%	10%	18%	52%
Budgeting Skills	3%	2%	15%	31%	25%	20%	5%
Management Skills	2%	8%	20%	13%	15%	20%	23%
Research Skills	3%	21%	26%	20%	21%	5%	3%
General Business Skills	8%	10%	8%	16%	25%	25%	8%

The results (refer Table 2) clearly indicate that Communication Skills are the most important skills for marketing graduates, followed by Strategic Marketing Skills. The remaining skills ranked fairly low, with management skills being the least likely to be ranked at number one. The lowest ranked item was Graphic Design Skills, with approximately 52% of respondents ranking it as the least desired skill for marketing graduates. Management Skills followed this, with 23% of respondents ranking it as the least important skill. The good news coming from this is the link to the likert scale ranking marketing graduates' communication skills. Close to 80% of respondents felt that marketing graduates had the necessary communication skills to do their jobs, and

with this as the most important skill, according to the respondents, it is looking positive for the future employment of marketing graduates.

In Australia, DEST (Department of Education, Science and Training) has established a list of core skills required by all graduates of a university degree. Using these core skills, and skills required by universities, respondents were asked to rank the importance of general academic skills. These included:

- *Information literacy*
- *Lifelong learning*
- *Effective workplace skills*
- *Ability to work as a team*
- *Problem solving skills*

(DEST, 1998)

Table 3 indicates the percentage of responses to this rank order scale.

Table 3:

Ranking of the DEST Graduate Skills

Rank Value	1	2	3	4	5
Information Literacy	20%	12%	17%	29%	23%
Lifelong learning	17%	10%	7%	10%	56%
Effective workplace skills	17%	22%	15%	30%	15%
Ability to work as part of a team	22%	25%	27%	22%	3%
Problem solving skills	24%	30%	34%	8%	4%

As indicated above, the most important skill for graduates, according to the respondents, was problem-solving skills, however, this was followed closely by the ability to work as part of a team, and then information literacy. The least important skill, according to the respondents, was that of lifelong learning. It is important to note that both rank order scales discussed above required respondent to rank their preferences in order, and respondents could not rank all of them as the most important, so to ascertain the number one skill required (Burns and Bush, 2003). One respondent commented that this altered their ability to properly answer the rank order scales, as they felt several of the skills were equally important. This may be an issue that needs addressing in further research, and qualitative studies would obviously pick this up more than a quantitative assessment.

Relevance of Marketing

Perhaps most importantly, respondents were asked to state how relevant they felt the material taught to marketing students is to the organisation. This particular question was used to reinforce the previous Likert scaled based questions.

Table 4:

Relevance of the material taught to marketing students

Details	Number	Percentage
Yes – very relevant	4	7%
Yes – somewhat relevant	36	59%
Not sure	10	16%
No – not really relevant	8	13.11%
No – not at all relevant	2	3%
Other	1	1%

As clearly indicated (refer Table 4), the majority of respondents felt that the material taught to marketing students was relevant to the organisation. This response is not consistent with the responses to the likert scale previously discussed (Table One) which found that many respondents believed that university studies did not prepare students well for work within the organisation. Respondents were also asked how

marketing graduates compare to graduates of other disciplines. Table five presents the responses to this question.

Table 5:

Comparison of marketing graduates compared to graduates of other disciplines

Details	Number	Percentage
Marketing graduates tend to compare more favourably	6	11%
Marketing graduates tend to compare equally to other graduates	22	40%
Marketing graduates tend to compare less favourably to other graduates	5	9%
We do not recruit marketing graduate	11	20%
We do not recruit graduates from other disciplines	8	14%
Other	4	7%

Overall, it is evident that the respondents felt that marketing graduates compare equally to other graduates, with a total of 40% of respondents feeling this way. Approximately 9% of respondents felt that marketing graduates compared less favourably from other graduates, and approximately 11% of respondents felt that marketing graduates compared more favourably. As a point of interest, respondents were also asked whether they had a marketing degree themselves, and if they did, how relevant their degree is to their work. Table six indicates these responses.

Table 6:

Impressions of respondents with marketing degrees about the relevance of the degree:

Details	Number	Percentage
very relevant	8	24%
somewhat relevant	13	40%
Not sure	0	0%
not really relevant	6	18%
not at all relevant	0	0%
Other / NA	6	18%

Overall 33% of respondents held a marketing degree, while 36% of respondents had studied some marketing subjects. The remaining respondents had done no marketing study. There was no real correlation between whether the respondents had a degree, and whether they had favourable attitudes towards marketing degrees. Approximately 11% of respondents with a marketing degree felt that marketing graduates compared more favourably to other graduates, compared with just 6% of respondents without a marketing degree. Overall, 42% of respondents with a marketing degree felt that marketing graduates were equal to other graduates, compared to 31% of respondents without a marketing degree. And finally, approximately 11% of those with a marketing degree felt that marketing graduates compared unfavourably compared to other graduates, compared to 12.5% of those without a degree. Therefore, it is evident that there is some bias, however, without a larger sample, it is impossible to determine exactly what impact this could have on the recruitment of university graduates.

Respondents were also asked how marketing graduates are recruited within the organisation. Respondents could select any relevant responses that apply. Table Seven presents these responses.

Table 7:*How marketing graduates are recruited:*

Details	Number	Percentage
Newspaper advertisement	31	25%
Organisation website(s)	9	7%
Recruitment Website(s)	22	18%
Word of mouth	15	12%
Internal recruitment	13	11%
Through universities	5	4%
Through general graduate recruitment	4	3%
We do not recruit marketing graduates	17	14%
Other / NA	6	18%

Cross Tabulations:

To determine whether there are relationships between organisational characteristics and their satisfaction of marketing graduates, some cross tabulations were run. Firstly, the relationship between size of the organisation and opinions about whether university studies prepared graduates for work within the organization was examined. This cross tabulation indicates that the size of the organisation can impact on the satisfaction of marketing graduates. The larger the organisation, the more likely it was that "neutral" was selected in regards to satisfaction - this would be due to the lack of experience in working closely with the graduates. In addition, the smaller the organisation the more likely they were to be dissatisfied with the relevance of university studies. DEST also found this in their general survey of employers. They hold that the larger the organisation, the more likely they are to be satisfied with the graduate appointed. DEST states that this is due to the differences in recruitment effort and budget, and also the ability of large organisations to select the best graduates in general (DEST, 1998). Cross tabulations were also done to determine whether there was a relationship between organisations that recruited marketing graduates regularly, and their opinion of marketing graduates, compared with other graduates. Forty-three percent of respondents who hire marketing graduates ranked marketing graduates as equal to other graduates, while 36% of those who do not hire marketing graduates regularly comparing them as equally.

Cross tabulations analysing whether respondents felt marketing graduates had the required marketing terminology and the comparison with other graduates indicated that 60% of those who felt that marketing graduates definitely had the required terminology also believes marketing graduates compared more favourably from other graduates. Finally, a Cross Tabulation addressing the communication skills of graduates and the comparison of marketing graduates to other graduates indicated that 67% of strongly agreed that marketing graduates had the required terminology also rated marketing graduates as superior to other graduates. In comparison, 40% of those who ranked marketing graduates as not having required communication skills also felt that marketing graduates compared less favourably. These conclusions are to be expected.

Implications for Universities

The study has indicated that overall, communication skills are viewed as the most important skill for marketing students. The results of the study indicated that overall, marketing graduates scored well on their communication skills. Many respondents felt that university studies did not prepare marketing graduates well for work within the organisation. It is therefore recommended that further study be carried out, and that universities work more closely with organisations to determine where marketing graduates are having issues, and whether these issues can be solved. It could be simply an organisational based training issue, and that the skills required by the organisation are too specific to be taught at university, however, it is expected that given the high number of respondents stating this, there is an issue. The cross

tabulations indicated that the larger the organisation, the more likely they were to state that university studies prepared marketing graduates for work within the organisation. Given the training often used within large organisations, this could indicate that it is industry specific information that is lacking. Given the lack of industry experience from graduates, some authors suggest that industry placements should be used to encourage experiential learning (Pickard, 1999 and Dolnicar and Stern, 2003).

LIMITATIONS AND CONCLUSION

While this study has provided some relevant implications to Universities teaching Marketing, and also to employers hiring marketing graduates, there are some issues with this study. The study was an exploratory study, and while it was uncovered that the majority of organisations responding to the survey were not happy with the quality of marketing graduates overall, the survey did not ask respondents which areas in particular marketing graduates fall down on. This area needs to be further researched so that universities in Australia can utilise the results more effectively.

In addition, while the relatively small sample size did not appear to be a problem, particularly when considering the broad range of organisations surveyed, it was evident that a larger sample would have added value to the analysis of data. Therefore, it is planned to undertake this survey once again with a larger sample size of several hundred organizations recommended that this survey be carried out with a desired sample size of approximately 500 organisations of differing sizes and structure. Also, due to the exploratory nature of this study, a qualitative study should be undertaken prior to the next quantitative stage to understand the issues facing organizations in more detail.

Overall, this study has analysed the relevance of marketing degrees to Australian employers. The study has looked at both marketing related skills and generic graduate skills, to see how marketing graduates rank, compared to other graduates, and in relation to their preparedness to do their jobs. The study was carried out looking at organisations of different sizes and structure. Cross tabulations performed indicated where these organisational characteristics were an influence.

Through the study, it is evident that there are some issues with the relevance of information taught to marketing graduates. It is therefore recommended that universities work more closely with employers to ensure that the curriculum meets the needs of employers, whilst also providing a sound educational base for students. The two most important skills for graduates were that of communication skills and problem solving skills. Overall, marketing graduates scored well in regards to their communication skills, but unfortunately, problem-solving skills of marketing graduates were not addressed, and will need to be in future research. This exploratory study will provide a good basis for further research, and for universities wishing to make changes to their marketing degrees. It is important to note that overall marketing graduates compared relatively equally to graduates of other organisations according to the respondents. Therefore, it is important that universities in general focus more on employer needs.

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