

2 The commodification of marketing

In the past 20 years or so, higher education has undergone a major transformation in support of the knowledge economy. Throughout Europe, the general trend has been towards the erosion of the social contract. The underlying direction of change has been towards efficiency, driven by competitive forces both within existing and between new providers of higher education. Technological changes have fuelled the globalization of higher education with the General Agreement on Trade in Services (GATS) likely to accelerate the trend of transforming higher education into a commodity that can attract international customers and, through private investment, compete on a global scale.

We begin by defining what is meant by **commodification** and non-commodification. Here, commodification refers to the production and delivery of goods and services for monetized exchange by capitalist firms in pursuit of profit. In Marxist political economy, commodification takes place when economic value is assigned to something that traditionally would not be considered in economic terms, for example an idea, identity or gender. Such 'commodity fetishism' (Ball 2004) goes beyond the notion of consumption which typifies our everyday lives and again, as Ball states, we are 'denying the primacy of human relationships in the production of value, in effect erasing the social' (2004: 2).

As such, commodification has three constituent components, all of which must be present for it to be defined as commodified: goods and services are produced for exchange, exchanges are monetized and monetary transactions take place for the purpose of profit. For exponents of the commodification discourse, therefore, contemporary economies are characterized by one mode of exchange replacing all others. In this view of an increasingly hegemonic capitalism, the commodity economy becomes the economic institution rather than one form among others of producing and delivering goods and services. Does this sound like higher education to you? To commentators such as Wilmott (1995, 2003), it certainly raises issues

about the essential values of higher education in the development of the student as a person and as a carrier of culturally valued knowledge. It seems to him that this development is being replaced by activities devised to increase the exchange value in terms of resources that will flow to form external metrics such as research assessment exercises.

Knowledge economies

The notion of a knowledge economy is widespread and as such we shall limit comments here to key points relevant to the argument regarding higher education. The notion of a knowledge economy has emerged to account for the transformation in the Organization for Economic Co-operation and Development (OECD) countries from industrial to post-industrial economies. Rather than focusing on the production and transformation of raw materials, as was the case in the past, new information and communication technologies and increasing **globalization** allow 'knowledge economies' to focus upon knowledge-intensive activities: the production, processing and transfer of knowledge and information (Nowotny et al. 2001). The currency of knowledge economies is novelty, or innovation; the emergence of new ideas and new ways of doing things. As a consequence, knowledge, once considered a scarce resource, has proliferated into 'information' and into a marketable product. In a knowledge economy, knowledge is valued for its potential to generate economic development and prosperity through innovation. This instrumentalization of knowledge has meant that the kind of knowledge that is particularly prized in a knowledge economy is that which is readily transformable into marketable products and services. This re-situating of knowledge as a tradable product radically changes the role of university research. As Nowotny and colleagues have argued, a new set of demands is being made of universities, so that knowledge is increasingly being produced for, and in the context of, application.

The notion of '**mode 2 knowledge**', a term coined by Gibbons et al. (1994), points to a blurring in the past of the division between knowledge 'creators' and knowledge 'consumers', where the academy was equated with the former and industry and the professions with the latter. As Nowotny and colleagues point out, this has created a context where a university's research is increasingly contextualized and packaged for trade.

The demands of 'application', or the usability of knowledge, are increasingly influential in determining what is researched and how, particularly through the research funding arms of government. Policy initiatives on the part of governments are increasingly aimed at promoting education and research in the 'key innovation areas' of information and communications

technologies, mathematics and science. This creates tensions in university environments where knowledge has traditionally been pursued for its own sake (Readings 1997).

The OECD sees universities as playing a key role in strategies for building a national innovation system. The logic of economic growth through the creation and transfer of knowledge is both persuasive and pervasive. But are other benefits of a renewed emphasis on 'applied knowledge' being overlooked? What other reasons might there be for reasserting the value of knowledge that emerges through and is relevant to practices that are not reducible to economic value? We consider this a form of de-commoditization where we turn the instrument of the market – marketing – onto itself to work against the dominance of the marketing and realize the liberating notion of education we spoke of in the Introduction.

The term 'commodity', as used in management literature, does not assume the tightly defined notion of the economist but is used more freely to mean a packaged, consumable product capable of being considered a component of the market mechanism. It has become part of the corporate discourse of the academy as it finds its place in the knowledge industry, where the university is a revenue generator, where its intellectual capital is a resource, an asset to be leveraged, and knowledge itself becomes a commodity to be produced and traded in a market where academic endeavour and students are the content. But this use is ever more dangerous in an educational context, for it seduces the educationalists into devising marketing-orientated offerings in place of education. In doing so, it confirms the transformation of education into business and, with it, the origins of its creation.

Seeking to turn education into a commodity, framing it in market terms and encouraging the entry of commercial concerns could be seen as simply an expression of neo-liberal politics in a particular country. However, we need to understand the nature of the forces that have pushed governments into adopting such policies – and it is here that we can see the process of globalization directly at work. This might be conceptualized as a fundamental attack on the notion of public goods, and upon more liberal ideas of education. Learning has increasingly been seen as a commodity or as an investment rather than as a way of exploring what might help lives flourish.

Doti (2004) has described colleges and universities in the USA using price as a discriminator of their product, claiming that price is the discriminator that distinguishes the higher education market from a commodity market. He argues that this ability is being lost and, if this is the case, that higher education is becoming more like a commodity. His empirical study suggests the practice of balancing fees and rebates to attract students is declining, although at different rates. Thus the more selective universities retain a greater edge of discrimination values in financial terms than the majority, which cannot aspire to such a policy and decrease fees and increase

discounts when they see their returns decline over time. This represents a financial argument to resist the market forces of commoditization – there are others.

Furthermore, the operating principle of the market tends to hand over the moral responsibility to the market-making educational services for more attributes than are appropriate. Should the following attributes be mediated through a market mechanism: tolerance; justice; and protection of the vulnerable? Moreover, the reaction speed of the market should surely have a different pace to that of a commodity market; time to contemplate, reason and deliberate rather than simply assemble information, draw the most obvious self-interested conclusion, then act.

In this sense, we envision the commodification of higher education somewhat as Standish (1997), reflecting on the use by Heidegger of the concept of **'ready-at-hand'** and **'present-at-hand'**, comments that when functioning correctly, things become what they are when used, not when they are observed. It is only when they malfunction that their contribution is really perceived. This awareness allows us the possibility of re-relating to things and seeing their wider potential. The point is that if education becomes no more than a taken-for-granted, instrumental service which is ready-at-hand, personal engagement is limited to its perceived use. The educative process can reveal the potential of what is ready-at-hand through allowing us to become involved in ways which are more than treating that which we encounter as mere equipment for something. There is a danger that students may 'come to think of themselves in terms of sets of competences aptly summed up in standardized records of achievement, and to see education in these limited terms'. Further, the 'supposed priority of the student's autonomy is emphasized through the principles of the negotiated curriculum and the students' ownership of learning ... where the student selects from a variety of prepared packages and where learning is, in fact, resource-driven' (Standish 1997: 453–4).

This reduction of the students' learning experience from a holistic one, where they form their future from the decisions they are able to make, to one of training students to fit into one predominant role, is paramount in the shift from Sartrean learning-for-itself to learning-for-others. It is the production model of education best suited to central control and planning. Accompanying this shift is the real risk of students facing the angst of their existence alienated from their authentic beings.

If this reflection is to be genuine, however, it requires a sense of self-assuredness to the authentic facing up to the anxieties resulting from fear of personal finitude. This facing up can threaten to reject the social world and it is the management of this process, without inappropriate loss of both self-concern and being-with-others that is, we propose, an element of education which can claim common assent from those involved in it. This

communal involvement in the self-authenticating of members of the community helps oneself to find meaning in the everydayness of its existence: students would feel sufficiently at home to be prepared to risk reflection on themselves as becoming, rather than being. As Bonnett proposes, 'A concern for authenticity would lead to a shift of emphasis in which education is regarded as a process in which the expression and development of the individual through the acquisition of authentic understanding is central' (2003: 60).

Many universities are now responding to the demands of professional people at work. In the past ten years there has been a steady growth of professional doctorates (Scott et al. 2004) and master's degrees that focus on professional areas of learning. Universities have embraced the ways of managerialism in many respects and under the influence of technology (see Heidegger 1977; 2000) have distanced themselves from a *paidea* of education, of knowledge and conduct towards the instrumentality of securing work. This has been argued in many places (e.g. Readings 1997; Aronowitz 2000; Bok 2003) and could, as predicted, lead to the self-destruction of the university as it competes in a knowledge economy with commercial research institutions and proprietary training organizations (e.g. Microsoft). In this respect it could be argued that work-based professional studies ought to offer a route to the revitalization of the university's research considerations. This is needed because of a decline in the focus of universities due to the fragmentation of their endeavour, based upon the specialized ground-plans of the disciplines and the objectification of beings into the entities of research.

A further difference is in the form of knowledge that the context of application creates. It has been acknowledged as being very different to knowledge that is researched in the more conventional way and has been described by Gibbons et al. (1994) and others (Nowonty et al. 2001) as 'mode 2' research. Within this mode of research, there is also a considerable and growing body of literature that addresses research undertaken by practitioner researchers. Robson (1993) discusses the advantages and disadvantages of being a practitioner researcher, and Gray (1991) briefly examines their possibilities and limitations. Gray then relates in more detail how practitioner researchers who are insiders and use the methodological approach of action research can easily become implicated with ethical issues.

Globalization and commoditization

Shaw (2005) claims that trade in higher education has been intensified by the rapid growth of newly established universities and colleges in the Middle East and North African region and in South-East Asia, both state-financed and private. Many of these are strongly oriented to the provision of specific

courses, notably in vocationally related areas such as English language, management, paramedical services, media and information technology. Trading in knowledge, then, is big business: organized, thoroughly commercial and part of the global capitalist market. It well deserves detailed local research. Higher education is a valued international commodity and the idea that higher education is a commercial product, to be bought and sold like bananas or airplanes, has reached the global marketplace. The World Trade Organization will be considering a series of proposals to make the importing and exporting of higher education subject to the complex World Trade Organization (WTO) protocols and that would free international education from most current restrictions, many of which are designed to ensure its quality and to maintain national control over higher education. As a practical matter, WTO accreditation excludes some providers from offering higher education services, and it involves a somewhat arbitrary application of a constantly evolving set of regional standards.

It is against this background of changes and developments that one must consider the GATS and its implications for the world of higher education. Adopted in 1995 under the WTO, GATS clearly identifies education as a service to be liberalized and regulated by trade rules. While its supporters see GATS as an opportunity, others view it more as a threat. For some, the notion of higher education as a tradable commodity is a challenge to the traditional values of higher education – especially the idea of higher education as a public good and a public responsibility.

More universities and new for-profit companies will export academic and professional programmes as a commodity to a variety of student populations. There are already some noticeable differences among national policies in this domain. Australia, the UK and Canada are more oriented to the international market (Ryan 2002). Many of their universities try to export their higher education as a commodity to Third World countries. American universities are more directed inwards, generally preferring campus-based integration of digital technologies, with a few examples of purchases and partnerships in physical campuses overseas.

The inclusion of education in free trade agreements has given rise to a major controversy in the world of education, as is apparent from the numerous campaigns – and other institutional responses – that have been organized in recent years to demand that education be left out of the free trade agreements. At the same time, a large number of empirical studies and theoretical analyses have been carried out on the problems associated with the commercialization of education services. These studies have addressed a wide range of issues, such as the inclusion of trade agreements in the concept of 'global governance of education' (Robertson et al. 2002); the fact that trade agreements have acquired formal sovereignty over certain aspects of

national education policies (Robertson and Dale 2002); and the reasons why such agreements deepen the existing inequalities between northern and southern countries (Altbach 2004).

Sir John Daniels' view (2005) is supportive of the globalization commodity argument. He argues that when products become commodities, there is fierce price competition between manufacturers and profit margins are squeezed. Producers dislike this and industries often have to restructure, but consumers benefit greatly.

Specifically, when querying the implications for education and asking whether the commoditization of learning materials is the way to bring education to all, Sir John's answer is:

Yes, it is, and 'open' universities in a number of countries have shown the way. By developing courseware for large numbers of students they can justify the investment required to produce high quality learning materials at low unit cost. Such materials can be used successfully outside their country of origin after local adaptation and translation. Commoditizing education need not mean commercializing education. The educational community should adopt the model of the open source software movement. We can imagine a future in which teachers and institutions make their courseware and learning materials freely available on the web. Anyone else can translate and adapt them for local use provided they make their new version freely available too.

(Daniels 2005)

Sir John's views (2005) are supported by Czinkota (2004), who claims that there are a number of reasons why higher education should be liberalized in the GATS:

- Knowledge is crucial to advancement anywhere around the world.
- In spite of much support and goodwill, higher education remains a privilege or is entirely elusive for a large proportion of the global population.
- The key constraint to progress is not the availability of knowledge but its distribution, absorption and application. In its role as a global channel of distribution, higher education has become a bottleneck.
- Major funding and productivity enhancements are required.
- International competition offers the key opportunity to boost productivity and attract resources.
- Institution and programme mobility will be particularly instrumental in global capacity building.

Pierre Sauvé of UNESCO, on the other hand, recognizes that there is a danger of 'McDonaldization' of higher education with the spread of a single formula on the Western model. He suggests that, when

faced with increased competition, universities are tempted to invest in subjects that are going to be most profitable for them, to the detriment of less profitable ones such as human sciences. They will also be tempted to move more and more towards doing research that pleases their funding sources. In the future, parents will have to spend a greater part of their income on their children's education and that will only increase social inequality.

(UNESCO 2002)

We argue that, while convenient, the notion of commodity is unhelpful and misleading when applied to education. Unlike other commodities, education already has the attributes that satisfy consumers' needs to a great extent in any sense. The job of the marketer is not to simplify the selection but to widen consumers' notions of what is available. This is not a process of a limited provision of the same product in a series of differently coloured boxes, but of realizing demand for education, not accreditations. Shifts in consumers' needs as they manage their relationship with the modes of production will demand that marketers use the power of the brand as a lever. Failing to do so will force marketers to seek lowest-cost provider status, to compete against other goods or services primarily on price, and to realize no more than commodity margins. As Doyle (1998: 35) comments, technology has 'had the effect of first "commoditizing" then making obsolescent the products of companies that are not staying ahead'.

Resisting commoditization for the sake of education

The idea behind the concepts of commodification and de-commodification is that the development of modern capitalism transferred 'labour' into a commodity so that income and survival depended on labour market participation. The establishment of such a context which can both match and confront expectation is, however, a dangerous business. Particularly for those new to the discourse of higher education within higher education institutions, the danger lies in society's value-laden practices which have invaded the truth-seeking ethos of Jasper's ideal university. Higher education institutions owe a responsibility of critical self-scrutiny both to themselves and to their present and future communities whose adults are, or will be, entrusted to them. In this project they will need to accept that its students are vulnerable to the reality defined for them. That reality imposes an obligation

upon higher education institutions to reflect on the values of their host communities and, through their own autonomy, offer students the choices associated with the development of authentic, autonomous decision-makers. As Wilcox and Ebbs state: 'The relationship between students' attitudes and values and the environment that supports or challenges them stands as a dynamic dialectic of confirmation or rejection that affects the ethical positions and choices of both the individual and the institution' (1992).

Nentwich (2001) raises some very interesting issues regarding the commoditization of academic knowledge through the issue of copyright and academic journals. Basically, the argument is whether specialized academic information should be understood as a commodity intended to generate revenues, or whether access to scholarly information is a social good that must be freely available. Contextualized in the educational arena, the argument is at the core of what commoditization is and why there can be a case for de-commoditization. Essentially it concerns the loss of the social good in the valuing of production. Returning to the Nentwich example, the case for de-commoditization of the academic work involved removing those whose primary interest is in the revenue value of knowledge. If the work that is being conducted is the production of academic articles for dissemination, what actually does the publisher do to transmute the academic work into one that has an exchange value never intended in its product? Nentwich believes it is not a great deal and argues for open and free distribution through the universities themselves of the knowledge created by their academics as one way of de-commoditizing the process.

Useful as this strategy may be, it will fail if the institutions are themselves intent on commodifying for their own benefit. The answer seems to be to view the problem from a perspective other than the market, from where value is more intrinsic and education offers both an economic and social good made manifest in the freedom of ideas.

Prior to 1992, undergraduate and post-graduate degrees were built into strong brands by a small group of universities whose influence was beneficially reflected in the other members of the university sector. This halo effect has now been diluted to such a point that its original value is being questioned. Global positioning is not possible for all or even for a large minority of UK universities. Once the link of the ubiquitous honours degree has been re-positioned as a thing of value only from certain universities, many new and mass institutions are rapidly left without a concept to offer their publics. Indeed, this change would happen more rapidly if universities were able to charge their own levels of fees.

The marketing of higher education ought to be about de-commoditizing its offerings, not commoditizing. It should seek to integrate product and service, and combine both in an inclusive package to encourage future growth by de-commoditizing current offerings. A precedent is seen in

banking, a service traditionally based on complex structures which have been commoditized to make them plainer to the consumer. The result is a commitment to serving customers' needs by providing superior service and niche products. Yet many banks are decoupling the complexities of their products to reveal the costs. They earn profit by making what they actually do seem clear, but not simple, to the customer. Similarly, higher educational services could become an internationally tradable commodity within an increasingly competitive global market. The process of de-commodification of higher education should borrow from the marketing knowledge without being seduced by its non-critical discourse. Whether or not communication should be totally transparent needs careful development and theorization.

Marketing synthesizes a notion of value beyond that of an experiential world and this makes us overseers rather than participants in knowledge creation. A consequence is to displace experiential meaning, as technology leads us to discard value and behaviour becomes a means to an end, losing its potential to hold intrinsic meaning. This clearly has ramifications for the world of being: as we abstract ourselves from our world, our notion of being becomes world-less. We behave as we think scholars should, and induct students into a learning community where neither they nor we know what scholarship is.

Young (2002) offers the example of the bureaucratic, machine-like modern university in which it is no longer customary to find teachers and students but rather 'suppliers' and 'consumers', with all that this system entails. He adds that in modernity, to be is to be an item of resource. Fitzsimons (2002) and Standish (1997) have articulated similar views of the impact of enframing on education. Yet it is in Clegg (2003) that the full expression of the changes in temporality in academic setting is expressed, and this is discussed in Chapter 3.

The purpose of the application of forms of knowledge is, we think, very different for marketing and education. Marketing aims to achieve predetermined ends and it does this by applying marketing skills and technologies. It has a tangible goal: market share, sale volumes or profit. This is quite unlike the development of an educated person and here we distinguish 'educated person' from an academically-accredited person. The accreditation goal is indeed more similar to a marketing goal and this notion of education is rapidly replacing the idea of an educated populace with that of an accredited one. Indeed, we believe it is in this sense that the government interprets participation levels in the UK, perceiving it as a marketing problem rather than one for education.

We are less critical of marketing skills *per se* than the unguarded consequences of their application. If we allow a consumer marketing concept to create a form of educational experience appropriate to marketing techniques, then we allow authentic well-being, revealed through education, to

be compromised by the totalization of the marketing concept. We become something, rather than someone, and consumption of the known holds sway. This is inappropriate under a self-transcendent notion of education.

This debate has been rehearsed, to some extent, in the social marketing literature. There, Peattie and Peattie have developed the argument that we need 'a more thoughtful and selective application' (2003: 387) of marketing principles. They are not alone in this stance. See, for example, Gibbs (2002), Janic and Zabber (2002), Wasmer et al. (1997) and Brownlie and Saren (1992). The last two authors state that there has always been a paradox: 'marketing techniques are used by firms as much to influence and manipulate consumer demand as to identify and anticipate it' (1992: 41). They have all supported the view that the ideology of marketing, constructed in the commercial era of the 1980s, is problematic when applied to other areas of human endeavour where the market might not always hold sway. In short, marketing of higher education should not be about manipulating recruitment and demand. Rather, it should reflect a deep-seated desire to deliver value to those who seek to engage with it. *Techné* (the emphasis on outward manifestations and technical competence) should be subservient to *poiesis* (the fundamental desire to change the human condition for the better).

Education as being, not consumption

Marketing's influence on the way we view ourselves has been well charted, e.g. Featherstone (1991), Richins (1994) and Brown (2001). Less well explored are the consequences of marketing in the odyssey made by community of scholars towards its members' well-being as healthy, authentic and worthy individuals. We make sense of our lives authentically by revealing ourselves meaningfully in our actions, for example, consumption. All too often it becomes the principal mode of revelation – consuming a book, getting the course out of the way or passing the last module in the series. Marketing transactions can be exchanges of meaning, but are more often presented as exchanges of value stripped of any but the value they bring to the parties. Thompson, in his significant contribution to the subject (1997: 438), argues that 'interpreted (or perceived) meanings are fundamental to marketing's core interests', but this is only correct if marketers respect meaning and have the means and dispositions to understand these meanings and act upon them. Thompson offers such a way when he suggests hermeneutic frameworks to interpret the meanings of consumption in relation both to a consumer's sense of personal history and a broader narrative context of historically-established cultural meaning. This is the educational transformation we refer to when we talk of payment rather than an exchange of value.

The technological world of planning seeks to populate the future, to make it a linear extension from the past through to the present, usually by extrapolation. It 'owns time' through the hegemony of determinism and it thus ignores the heuristics of the decision-making of a multi-faceted potential student population. How else could we seek to anticipate rather than guess what will satisfy consumers' requirements? This rationality seeks to transcend the reality of these heuristics and stands as a signifier of reliability, competence and prudence. Such implicit application moves marketing away from a creative endeavour into the nihilism of determinism, of a time devoid of temporality and where the *techné* of planning is used without the need for the wisdom of experience as it relates the revelation of what is being marketed. This is the new marketing myopia.

However, as indicated later, with regard to the issue of fees, it is up to institutions how they pay the bursaries to students. According to OFFA:

The majority have said they will be paid to students in cash, but some will be in kind, either in addition to cash bursaries or as standalone offerings. For example, some students could expect to receive travel passes, laptops, vouchers for bikes, sports centre passes and art equipment.

(OFFA 2005)

This is a neat marketing ploy, but hardly worthy of a long-term, developmental notion of education. The student may be dissatisfied if the rigours of education do not match the expectation created in the marketing hype used to cover the fees issue.

Summary

The challenge that we face is to de-commoditize higher education. We believe that a marketing concept that respects the benefits of social and economic capital offers such an opportunity. In marketing theory, the commodity is an indistinct product for which there are many suppliers and many buyers, which is traded in a market where the price is variable and supply and demand are elastic. In this simplification, the market behaves in a way that will balance supply and demand, however, it is accepted that this is not typical behaviour. Markets are distorted by supplier intervention to build and support brands which are differentiated in consumers' minds and which attract prime prices over generic products by offering perceived value. The idea of selling the commodity of higher education is thus a little over-worked, as brands already exist. We are not against brands but feel that distinct forms of higher education have become homogenized in a collusion of mediocrity based on immediacy, hedonism and financial return. The

position of higher education is such that it does not encourage institutions to resist the scrutiny of the market, to confront the model and overcome commodification. In the pages that follow we hope to show how the right tools in the hands of the educationalist can achieve the desired de-commodification.

First, we discuss the roles of the main actors engaged in the creation of education and what they might do to resist commodification. What can they do and how should we conceptualize their contribution to education? Quite simply, we ask whether students are defined as customers and academics as service providers. Do these labels sit comfortably with the values and ethos of higher education?