

THE MARKETING COURSE AT OTAGO 1966-1990: A case study in curriculum technology, university fashions and politics

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December 1990 (Revised August 2007)

Abstract

This paper is a case study of the development of the Marketing Management course at the University of Otago over 25 years. Key development phases and turning points in the history of the curriculum are presented and discussed.

In 1966 the first Marketing Management paper at the University of Otago was taught by the then Professor of Accounting. In 1990, the Department of Marketing offered a programme which took up half of the course work for the B.Com. in Marketing Management. It had a very large number of undergraduate and postgraduate students and its staffing establishment included two chairs and more than 35 staff, some of them part-time.

In such an enormous operation, academic leadership and staffing problems arise which are quite different from those of most of the small Marketing groups and departments typical for Australasian tertiary institutions.

1. The need for curriculum analysis and planning in Marketing

Considering that Marketing is a subject area which deals with consumer satisfaction and delivering the product/service package in the most effective and efficient way, it is surprising how little is known about the success of alternative tertiary Marketing courses and the critical success factors which determine the product quality of such Marketing courses.

The quality of a tertiary Marketing course lies in both student satisfaction and the contribution the course makes to society. Critical success factors for the achievement of a high quality output include a good understanding of market requirements, the competence of the instructors, the effective use of modern teaching techniques, the student quality mix and many other factors, including the structure of the course itself. Because of the highly personal 'service nature' of teaching, the same course structure may, however, still lead to different course designs.

The case study of the development of the undergraduate course in Marketing at the University of Otago serves as an example of the interrelationship between opportunities for course developments seen as relevant at different points in time, and the constraints of resource allocation and general university politics. It is not claimed that this course should serve as a model for all other Marketing courses.

2. The battles leading to Marketing at Otago

In 1987 Otago celebrated the 75th anniversary of Commerce teaching. “What had begun in 1921 as a modest contribution to the provision of educational courses in accountancy subjects developed by 1987 into one of the largest faculties of the University, covering in its teaching and research a range of business-related subjects” (Cowan 1988, p.1). Within the Faculty of Commerce, Marketing Management became the second largest area – after Accounting and Finance.

While “Marketing” (as distinct from “trade” or “distribution”) was found in university course titles as early as 1905 at the University of Pennsylvania, in 1909 at the University of Pittsburgh, and in 1910 at the University of Wisconsin (Bartels 1970. p. 33). It was not until much later that the possibility of mounting a Marketing course at Otago was discussed.

In 1959 the University of Otago introduced “Business Organisations and Management” as a new subject. The Dean’s notes for justifying this development stated “The principles of management can be made a suitable University discipline. At Manchester a course has recently been organised including Management as ‘a compulsory and examinable discipline’. ... the London Economist reported that the University of Cambridge had approved the introduction of a course in the Faculty of Engineering which believes that, ‘there is a sufficient body of knowledge and that teaching can be of a sufficiently high standard to justify the introduction of teaching in management at a standard comparable to a Tripos’ ” (quoted from Cowan 1988, p.26). Business Organisation and Management as a B.Com. degree unit at Otago was approved and first taught in 1963 following the appointment of a Senior Lecturer in Management, Dr. Adolf Diegel (D.B.A., M.B.A. Oregon).

Dr. Diegel found the course in Business Organisation and Management as too limited and the year 1964 saw the introduction of more Management courses, including at third year level, the subject of “Marketing Management” to be taught for the first time in 1966. Tom K. Cowan, the Dean at the time, recalls “The proposal to offer Marketing Management as a final year unit lead to expressions of concern at Senate. I recall assuring members that it was rather like surgery in a medical course. One needed a background in economics, accounting, business law, organisational theory etc. in order to deal effectively with the specialism. It must have been a sufficiently convincing argument to get majority support from Senate, with its strong representation from the Medical School” (Cowan 1988, p.50).

When the newly-appointed Marketing lecturer, Wilfred White (B.Com., M.B.A. Melbourne), was to arrive only half-way through the Academic Year in 1966, the Dean of Commerce (and Professor of Accounting) Tom K. Cowan decided to step into the breach – and he became the first “temporary lecturer” in Marketing Management at Otago. The course prescription in the 1966 Calendar reads “Marketing Management” (as part of Management) “Two papers: An advanced study of the marketing function”.

During the period following the introduction of the first Marketing Management course at Otago in 1966, a number of rather entrepreneurial Lecturers and Senior Lecturers experimented with the course structure and contents in Marketing

Management – as part of the major in Management. With growing numbers of students doing Marketing Management (still within their B.Com. in Management!), the Faculty of Commerce decided to introduce a “Major in Marketing” as an alternative to Accounting, Economics and Management from 1972 onwards. Presumably to justify a “Major in Marketing”, it was decided to offer an additional paper “Intermediate Marketing” at stage two level in 1971, to enable students to move on to a revised stage three course in Marketing Management in 1972.

These course prescriptions reflect the dominant concerns of Marketing at the time: The growing awareness of the role of Marketing not just as a business function but as a social phenomenon, and the growing desire of the academic Marketing profession to prove to others that Marketing is not just a “wordy subject” by introducing quantitative modelling and other methods.

1975 saw the break of Marketing Management from Management Studies with the establishment of the B.Com. in Marketing, and a sharp turn into the societal concern direction, as reflected even in the change of the name of the area, dropping “Management” from “Marketing Management”. At second year level, “An introduction to the field of Marketing, its relation to the social, economic and political environment” became “An introduction to the field of Marketing, its relationship to other aspects of business, and its role in society” (1975 Calendar, p. 364).

To underline the societal concern, “Macro Marketing” was introduced as one of five optional papers in addition to the (now only one) paper in “Marketing Management” at third year level. The prescription of the optional paper in “Macro Marketing” reads:

“Macro Marketing Examination of the environment within which marketing operates, with particular emphasis on the interactions between marketing and the social system”.

The other options introduced in 1975 were “Consumer Behaviour”, Industrial Marketing”, “International Marketing”, and a “Special Topic in Marketing”. In addition to the paper on Marketing Management and the optional paper, a research project was required “based on the study of marketing information systems, including techniques of data collection, storage and interpretation” (1975 Calendar, p. 365).

The 1975/76 Marketing course at Otago had moved away from the business core which was its original justification. Although trendy and attractive for the politically aware student of the day, the course offered much less professional content than the “Major” in Accounting and Finance, Economics or Management. In fact, the “Major” in Marketing, the compulsory course component in Accounting and Finance was higher (four papers) than “Marketing” itself (three papers).

The introductory course in Marketing was at second year level. Conceptually, as it is still the case in many Australasian Marketing courses, it was thought best to have Marketing on top of a “general” course with Accounting, Economics, Statistics, and some Management as the basic building blocks.

Had anyone thought about the fact that young marketers start out as specialists, while young doctors start their career as generalists? Had anyone thought about the length

and structure of course that is necessary to develop professional skills as compared to “understanding and knowledge only”?

Marketing had obviously arrived as a university subject in its own right, but it was struggling to find its own place relative to its “parents”, Management and Economics, its stepfather Accounting, its seemingly so much more colourful nieces from the behavioural sciences (Psychology and Sociology), and its elegantly strict and non-waffle “scientific” cousins (or were they step brothers?) in Statistics and Management Science!

How much did lecturers at Otago think about students as customers? The numbers in the second year course in Marketing/Marketing Management at Otago dropped from 128 in 1973 (132 in 1974) to 101 in 1975 and 110 in 1976, third year numbers dropped from 34 in 1973 (25 in 1974) to 16 in 1975 and 18 in 1976!

3. Towards a professional course in Marketing Management

In February 1976, the Foundation Professor in Marketing arrived to become head of a Marketing group of three (two lecturers in addition to the chair). This Marketing group was part of the Department of Marketing, Qualitative and Computer Studies, which in turn was one of the four academic departments of the Faculty of Commerce (Accounting and Finance, Economics, and Management were the other three). Marketing had NZ \$1,000 available for tutors, it had to share one secretary with the Dean and five colleagues in Quantitative and Computer Studies; the Marketing budget for “paperclips” was NZ \$600. There was no conference or travel money.

Despite many uncertainties, opposition from within and outside the faculty, difficulties in recruiting staff and placing students, fourteen years later (in 1990), the Department of Marketing at Otago has a total academic staffing budget of 23 “Standard Senior Lecturer Equivalents” or over NZ \$1.24 million which translates into more than 30 academic staff including two Professors, six Senior Lecturers, nine Lecturers, three semi-permanent Assistant Lecturers, and a large number of 1-year appointments at the level of the Assistant Lecturer and departmental Research Assistants. The department also has three full-time secretaries, and a full-time Computer Assistant. The “paperclips” budget has risen to NZ \$28,000, the university-funded Departmental Conference Travel fund from zero to NZ \$21,000. The E.F.T.’s (Equivalent Full-Time Students) in Marketing have climbed from a mere 35.55 in 1976 to 430.4 in 1990.

Much of the growth achieved in Marketing can be attributed to a general increase in student numbers at Otago from around 5,000 in the mid ‘70s to over 11,500 in 1990, and the increased popularity of Commerce courses within this trend, both in terms of students studying for a B.Com. as well as Arts and Science students taking Commerce subjects to increase their chances of landing a job after they have finished their B.A.s and B.Sc.s. Also more than 10% of the 1990 E.F.T.s in Marketing Management are postgraduate students, undertaking M.Com. or Dip.Com studies in this subject area (outside the Otago M.B.A. programme). By comparison, there were no postgraduate students in 1976! A substantial further contributing factor to the growth in Marketing

Management at Otago were strategies adopted in the development of the Marketing curriculum.

The first change introduced by the Foundation Professor for 1977 was a re-introduction of a “strong managerial” rather than “managerial as well as societal” direction of the course. Macro marketing was dropped and the pseudo-political “role of Marketing in society” was changed from a platform for discussing whether marketing was “good or bad” for society to the more “managerial” concept of “social responsibility” and “societal implications” of Marketing. To underline these philosophical changes, the course name was changed back to “Marketing Management” in 1977.

Since the Faculty had mounted the first New Zealand MBA course in 1977, there did not seem to be a need for postgraduate students other than the MBA’s. Although B.Com. (Honours), as well as M.Com. and Dip.Com. regulations existed, there were neither students who were prepared to undertake postgraduate studies, nor staff who encouraged such endeavour. When the Foundation Professor of Marketing proposed the admission of one M.Com. student in 1978, the Professor of Management seriously questioned the wisdom of such an admission, “considering that we now have an MBA course”.

After a few years of experience with the Otago MBA Programme, it became very clear, that Marketing postgraduate and in particular research ambitions could not be fulfilled in the General Management-oriented post-experience MBA course with students of an average age of 35 years. In fact, many New Zealand Marketing academics in other universities expected a substantial lift of their overall academic standards from the introduction of the MBA programmes. As it turned out, this cannot be the case because the Business School-type MBA programme is – and has to be – very shallow academically in each functional area, although broad in General Management and in the number of business aspects covered. By comparison, most academic research and postgraduate programmes are rather narrow and specialised.

A strategic window opened for an expansion of the Marketing Management course when in 1978 the National Government of Robert David Muldoon proclaimed an “Export Year” to stimulate interest in “overseas trade”. In this climate, a proposal for a new paper (half unit) in “Export and International Marketing” could not possibly be rejected; and it wasn’t. For 1979 “Export and International Marketing 3” was added to the two other papers in Marketing Management 3.

During the period from 1979 to 1981 it became clear that it was not possible to attract many top Commerce students to major in Marketing Management when the subject area was not represented in the first year, where other “majors” such as Accounting and Finance, Economics, even Quantitative and Computer Studies, and Management had substantial first year courses. Many students tended to stay with the course they had been successful in during their first year of study.

A review of the under- and postgraduate programmes of the Faculty of Commerce in 1980/81 resulted in two vital changes for the longer-term development of Marketing Management at Otago. Firstly, the Faculty of Commerce adopted the “Arts Model” for its own Honours programme, which progressively separates Honours students (B+

or better) from “normal” students after the first year by offering extra tuition at stage two and three, and a course of three postgraduate papers and a dissertation in their fourth year. To enable Marketing Management to participate in this Honours programme, it had to be given at least one paper at stage one level to select “its own” Honours students. Marketing Management finally broke the “first year oligopoly” of Accounting, Economics and Quantitative Methods.

The course prescription for the new first year course in Marketing Management was virtually the same as for the “old” second year course – “A management-orientated introduction to Marketing...” The third year undergraduate course prescriptions also remained the same. The big question was what to put into the second year of this “stretched version” course in Marketing Management, how to fill the sandwich between “introductory” and “advanced”.

4. An interesting international comparison

It is interesting to compare the elements of the Otago course of the late ‘70s and early ‘80s with marketing courses taught about the same time in the USA. A survey undertaken by Murphy and Lacznik of all the “chairs of marketing department or area from each school within the US and Canada listed in the 1977 American Marketing Association Directory” (N=566) resulted in 225 responses with the frequency of different courses detailed in Table 1.

Based on an analysis of their “building blocks” the Otago course, compared with the “typical” US course, took a more holistic and “managerial” approach, but showed similarities with the high-frequency “required courses” (there were no options at Otago): Introduction to marketing, Marketing Research and Marketing Strategy were and are probably the core of most courses.

The advantages of the Otago course of the mid ‘80s compared to the typical US course described were the three-stage differentiation of the introductory knowledge-based course (first year), followed by the intermediate decision-by-decision skills-development orientated course (second year), followed by the integrating “strategic” planning-organisation-control based course (third year). In addition, as a finishing touch before entering into a Marketing career third year students could do the Advanced Consumer Marketing course, providing a focus on a specific application of Marketing knowledge and skills and/or the International Marketing course with its emphasis on multi-environment influences on Marketing. Overseas visitors to Otago at the time suggested, however, more emphasis should be given to advertising and promotion as well as sales management and consumer behaviour.

Some other traditional Marketing courses found by Murphy and Lacznik were not seen as necessary for Otago at the time. These included “Physical Distribution” (40% of the sample schools, of which 18% ‘required’), “Channels (36%, of which 12% ‘required’), “Industrial Marketing” (35%, of which 3% ‘required’), “Advertising Management” (28%, of which 9% ‘required’), “Quantitative Methods” (20%, of which 36% ‘required’), “Product Management” (17%, of which 9% ‘required’), “Materials Management” (17%, of which 9% ‘required’), “Industrial Buyer Behaviour” (14%, of which 14% ‘required’), and “Product and Price Management”

(11% of the 225 respondents, of which 25% 'required' this course for the major/degree) (Murphy and Laczniak 1980, p. 20).

Table 1: Undergraduate Marketing courses in the USA and Canada (1978)

	Number & % (*) of Institutions offering the course	Required course (**)	Not required but offered at least once a year	Not required and offered less than once a year
Introduction to marketing	189 (84%)	90%	10%	0%
Marketing research	182 (81%)	62%	36%	2%
Consumer/buyer behaviour	161 (72%)	42%	49%	9%
Sales management	155 (69%)	13%	78%	9%
Marketing strategy/policy	131 (58%)	63%	31%	6%
Advertising principles	117 (49%)	25%	73%	2%
Principles of retailing/merchandising	110 (49%)	19%	69%	12%
Retail management	110 (49%)	13%	71%	16%
International marketing	108 (48%)	7%	79%	14%
Promotional strategy	101 (45%)	23%	74%	3%
Personal selling	98 (44%)	18%	75%	7%

(*) Percentages in this column are based on the entire sample (N=225). Percentages may seem low because some schools do not offer any undergraduate course.

(**) Percentages in this column are based on schools offering the course.

Source: Murphy Patrick E. and Eugene R. Laczniak (1980), Marketing Education: Current Status and a view for the 1980's, Chicago Ill.: American Marketing Association, p. 19

Murphy and Laczniak also found a number of schools offering "non-traditional Marketing courses". They included "Marketing and Society" (offered by 18% of the respondents), "Marketing Non-Profit Organisations (offered by 10%), "Legal/Public Policy Issues" (offered by 6%), "Marketing of Services" (offered by 5%), and "Marketing ethics" (offered by 2% of the responding schools). Considering that this survey was undertaken in 1978, the scene was obviously set for fashionable curriculum developments in the USA during the ensuing decade.

At Otago, out of a Faculty review in 1986, the possibility arose to mount a second paper in Marketing Management at first year level. This development forced the department to reconsider the content and sequencing of its courses.

5. Developing the three year “professional” course in Marketing

The B.Com. degree at Otago has 16 full year papers which makes each paper much more substantial than the typical six credit course in the USA. With seven out of these 16 papers in Marketing Management and one paper in Statistics as a pre-requisite for the second year course in place, the Marketing content made up half of the total B.Com. course content from 1987 onwards. The days of Marketing Management being a “top-up” element following the more traditional Commerce “base courses” were history. Now the department had to develop a new course philosophy for 1987.

Marketing Management had become the substantial core of the B.Com. in Marketing over all three years of the programme. The position of other Commerce subjects changed from their previous function as a pre-requisite into that of providing a useful environment for the Marketing course in its own right.

In 1986 the Faculty decided to liberalise the required course content for different B.Com.s to the extent that students were now only required to do any 12 of their 16 papers in Commerce subjects, including, in the case of the Marketing Major, the eight papers for Marketing Management (including Statistics). Within the residual four Commerce papers there was “freedom of choice”. Students could, for example, now avoid Accounting or Economics previously thought essential pre-requisites for Marketing Management, although both these areas were highly recommended by the department.

This decision was not taken lightly. It was, however, made easier by the fact that Economics required students to take both Macro- and Micro-Economics at first year level, rather than only Macro-Economics which was considered more useful as a complementary course for Marketing. Micro-Economics, while highly relevant for commodity trading, was seen as only marginally relevant for a “true” Marketing course with its emphasis on market segmentation and product differentiation! Consumer/Buyer Behaviour was seen as the more relevant “behavioural” replacement for Micro-Economics.

Also, the Marketing-relevant areas of Cost and Management Accounting as well as Finance could only be taken at second year level, after sitting through – and passing – a rather irrelevant course in bookkeeping and accounting principles at first year level. To ensure that “anti-Accounting” students understood the meaning and mechanics of “dollars and cents” in business, the department decided to introduce “Financial Aspects of Marketing” as part of its own first year programme, and certain aspects of Macro-Economics in its later International Marketing course.

Recognising the growing importance of managing Marketing information effectively and efficiently, a module on “Marketing Information Systems” as well as “Marketing

Information Management” was introduced as part of the first year programme, leading to a more traditional Marketing Research course at second year level.

The final decision regarding the structure of the new first year programme was about the relationship between both first year papers in Marketing Management. It was decided to offer the first paper as a “terminal” course, providing prospective Marketing students with a synopsis of things to come, and non-Marketing (Commerce and non-Commerce) students with a “Window on Marketing”, a service course. A classic structure for a Foundation Course in Marketing had been established.

6. The benefits of a well-structured 3-year course

The popularity of its first and second year courses has given the Department the leverage to mount (and be able to afford!) a substantial Honours and postgraduate programme. The 1990 numbers in the two first years courses alone justified almost half of the total staff establishment at a “funding ratio” of just under 19 EFT’s per Standard Senior Lecturer Equivalent (in 1990 at just below NZ \$55,000). This enabled the department to look well after the 25 M.Com. (Marketing) and five Dip.Com. (Marketing) students as well as the five staff PhD students enrolled in 1990. EFTs out of this postgraduate class “generate” just over 1 ½ staff members – not enough by far to teach the large number of postgraduate papers required and to supervise the many theses and dissertations! In 1990 15 different postgraduate papers were offered with an average class size of 4 to 6 students.

To ensure that the enormous research power which comes from such a large postgraduate class is not completely wasted by letting students “walk off into all research directions at once”, the department carefully defined five strategic research programme areas. Students (and staff!) were encouraged to participate through their own research effort in any of these programmes rather than follow highly subjective “research desires”.

Each research programme had a five year planning horizon, was headed by a (staff) Research Director, and had access to departmental funds to appoint research assistants, mainly from the group of postgraduate students. It was expected that there would be around 15 to 20 research assistants, each working for one of these areas, which is normally also the area from which they develop their M.Com. theses or PhD dissertation topics.

7. Conclusion

Student satisfaction, a worthwhile contribution to society, and – last but not least – a strong research orientation can be based on an attractive, well-structured and well-financed undergraduate programme. A large undergraduate programme provides the financial basis for a substantial postgraduate programme, which in turn provides highly relevant material for teaching and research.

At Otago it took a long time to develop and re-develop the peculiar “Marketing Management” formula.

In time, it is hoped, the research output from the postgraduate area will free lecturers from their current role of sometimes highly uncritical “brokers” or “retailers” of imported marketing knowledge that emanates largely from different economic, business and cultural systems. In this way, the “financial gains” from the large and attractive undergraduate programme will be re-invested to further improve its own quality.

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