

# THE USE OF MARKETING COMMUNICATIONS MIX IN THE ORGANIZATIONS IN THE MARKET OF INFORMAL EDUCATION IN LATVIA

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## Annotation

*The use of marketing communications by the enterprises in different fields, for today, is incontestable fact. But, the research of their use in a complex in enterprises is particularly relevant. To identify the effective use of tools of marketing communications mix in the paper the place of informal education is defined and the concept is given to it. The objects of the research are identified and characterized, in the commercial and non –commercial fields, in the market of informal education, the results of the carried out survey of recognition of selected objects of the research in commercial field are represented and the assessment of use of marketing communications mix is given.*

**Key words:** *informal education, commercial and non-commercial field, marketing communications mix, tools of marketing communications.*

In recent years, simultaneously with the increase of role of marketing, the role of marketing communications has increased. It is not enough to have good products and services – to increase the volumes of their sales and profit taking, it is necessary to bring home to the consumers benefits from their use. Marketing communications allow carrying out the transfer of messages to consumers for the purpose to make products and services of companies attractive to target audience. Indeed, the effectiveness of marketing communications with customers has become a key factor of success of any organization, including the organizations, carrying out their activity in the field of informal education. The study of the development of the field of informal education in Latvia is of the utmost interest and the study of use of marketing communications in this field is very **relevant**. In this regard, we will define **the goal** of this paper, as: ***The use of marketing communications mix in the organizations in the market of informal education in Latvia.*** For the implementation of the stated objective, we will fulfill the following tasks: - 1) we will represent the definition of informal education; - 2) we will define the object of the research of informal education in Latvia and characterize them; 3) – we will represent the results of research of use of marketing communications in the objects of research; - we will provide the assessment of use of marketing communications by the objects of research and – 4) we will outline the suggestions for the use of marketing communications mix for the effective activity of the enterprises and in the market of informal education.

## 1. Informal education in Latvia

Informal education in Latvia, along with the formal one is regulated by the Law on education. Formal education it is a system which includes the levels of basic, secondary and higher education, acquisition of the programme which approves and recognizes the state or a document on professional qualification.

The term “informal education” it is an organized outside the formal education, on interests and on demands of the corresponding educational activity [1]. In other words, informal education it is the subsequent education which first of all follows the basic one. The selection of direction of informal education depends on need, demand, priority and desire of each individual [3].

The analysis of informal education in Latvia has allowed dividing the enterprises, operating in this field into commercial and non –commercial. To non – commercial organizations in the field of informal education refer so –called state organizations. Along with variety of offered courses, especially popular and in demand with the Latvian consumers are the enterprises, offering car driving trainings. This circumstance has allowed distinguishing: a) industry direction of research – training of driving of vehicles, as a service; b) Non –commercial organizations, providing service – driving training of motor vehicle; c) commercial enterprises, as which act driving schools.

According to the statistical data, in Latvia there are 309 enterprises – driving schools and driving courses [4], i.e., 309 commercial organizations of informal education, providing a service to the Latvian consumer – car driving training.

At the same time, along with the commercial enterprises in the market of informal education the similar service offers noncommercial organization – Labor exchange, NVA.

Thus, for carrying out the research from the total number of enterprises was chosen four sites, these are three commercial enterprises, driving schools in Riga: CREDO/AUTOPRIEKS, Real Proff, Fortūna and noncommercial organization NVA/Labor exchange.

### **The characteristics of the objects of the research. Commercial and noncommercial organizations in informal education.**

For the first object of the research was chosen the labor exchange in Latvia. NVA – as an “agency” is noncommercial, state organization. It provides and implements the policy of reduction of unemployment in Latvia. The “agency” provides the various opportunities for unemployment people, including, it offers a free opportunity of obtaining a driving license. This program occurs within the framework of informal education and during the training process, the trainee/unemployment person each month draws benefit in the amount of 99.60 EUR [5]. According to the statistics, in Riga, in 2015 on the accounting of unemployed people were 2906 people of whom only 354 of unemployed people participated in this program for training of vehicles [6].

As it was mentioned above, among the commercial organizations were chosen three driving schools. We will provide their characteristics.

**Autoprieks/Credo.** In order to provide the best training, two largest driving schools of Latvia, CREDO and AUTOPRIEKS have been united and since 11.01. 2015 work in new office. In 14 years of operation of driving school, more than 25 000 trainees took the training courses. In the staff of the driving school works more than 100 employees. The branches of driving school are not only in Latvia, but also in Balozi, Jurmala, Liepaja, Jelgava, Ventspils and Daugavpils. The average percentage of passing state exam among trainees is 88%. The driving school bears the social responsibility and takes part in various events, supporting good initiatives [9].

The following organizations cooperate with driving school “Credo”: The state agency of employment, “Riga” airport, Policy College, National armed forces, Riga Samaritan Society and other state and commercial organizations trust professionalism of the driving school.

**Real Proff.** LLC “Real Proff” was established in 2010 on the basis of professional training center of Riga. Traditions put in this educational institution are closely intertwined with the modern innovations, embodied in qualitative and available training. Driving school actively use discounts for students [7].

**Fortūna.** The driving school “Fortuna” was founded in 1994 and is one of the leading driving schools of Latvia. In the driving school are working the experienced teachers, instructors and team of managers of training courses. In Riga and Latvia are 12 branches, including in Liepaja, Daugavpils, Jurmala, Bauska and Valka [8]. Instructors of “Fortuna” are the masters of their profession. “Fortuna” offers the following categories: A1, A, B, C1, D1, C1E, C, D, CE, DE, professional category, preparation of drivers of water, tractor transport, car and electro car. Courses of extreme driving. Many drivers have come to study to get higher qualification and supplement forgotten knowledge.

Thus, the general characteristic of the objects of the research has allowed highlighting the objects of the research of informal education in commercial and noncommercial field.

Among the commercial enterprises of informal education, in the market of offers, services of mastering skills of car driving and other transport vehicles were outlined three main competitors. Nevertheless, from the above mentioned characteristics, i.e., a variety and attractiveness of provided services by the above mentioned enterprises, it is possible to suggest that for the consumer the selection of object for the satisfaction of his/her needs is quite complex process. In such conditions, namely the marketing communications and its complex, used by enterprises help the consumer in choosing of future consumption of service.

On the other hand, the participation in the research of noncommercial organization, such as “Agency” will allow looking more widely at the use of marketing communications mix in the market of informal education.

It should be noted that the motives of consumption of service and material security of consumers are different. However, they are united by one thing that for the implementation of desired will contribute the information on the possibility of choice of consumption of service, obtained by the means of marketing communications. In such case, the important is the research of use of marketing communications in the complex of promotion of service of organization in the informal education.

**The assessment of use of marketing communications by the objects of the research**

For obtaining the objective information on the use of communications by the organizations in the informal education, was carried out the marketing research, using desk and field method by the means of observation and by the means of survey. The sample of the research for the survey made 181 people.

1.1 The carried out research of use of marketing communications by noncommercial organization in informal education – Labor exchange (NVA) has shown that it actively use the home page on Internet as a whole and in particular as a means of advertising. The website is made quite conveniently, functionally; it has all the necessary information for the customer, as well as current news.

Periodically, news portals publish various articles about the activity of the labor exchange, as well as statistics that publish exchange on the website (for example, the level of unemployment in the country). At the same time, on television it is very seldom you can see any information, regarding the labor exchange. At the same time, the public relations, NVA are used quite actively, cooperating with the large number of enterprises, with the social European funds, various ministries in Latvia. The use of the above mentioned communications is settled by the organizational and legal form of activity of this organization, i.e., organization is noncommercial, state. From the point of view of competition, monopolist, consequently, communications bear other and different from field, content. From the perspective of analysis of use of traditional marketing communications mix which include: advertising, PR, personal/direct sales, sales promotion [2.106], the last two tools are not used by NVA for this reason. But nobody doesn't cancelled communications as a whole, from the perspective of their use in the complex, visually is represented their use in the table 1. 1.

Table 1

The use of marketing communications

	Labor exchange (NVA)
Advertising	X
Personal/direct sales прямые продажи	-
Sales promotion	-
Public relations	X

Thus, the availability of information on Internet and full recognition of the organization as a whole is clarified – labor exchange in Latvia. But to get the information about the availability of provided service – training of driving will help the carrying out the survey.

The results of the survey have shown that the great majority of respondents (72.08%) have heard nothing that the labor exchange (NVA) provides free training and obtaining of the driving licenses for unemployment people. In its turn, only 27.2% of surveyed respondents stated that they are aware of such possibility.

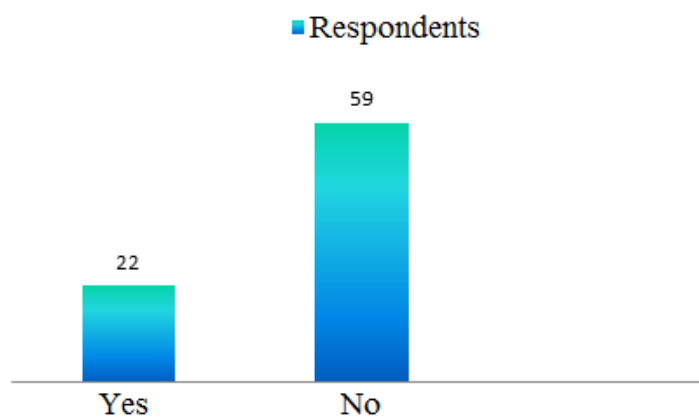


Fig. 1. The awareness of respondents, regarding the provision of free training for obtaining the driving license for unemployment people by the labor exchange (NVA) [made by the author].

As 59 of the surveyed respondents had never heard about such services of the labor exchange, their votes are expressed in the form of the answer “I don't possess the information”. Votes of the other respondents were divided in the following way: 10 respondents get information from the Internet, 7 – from friends and acquaintances and the rest 5 – from TV advertising.

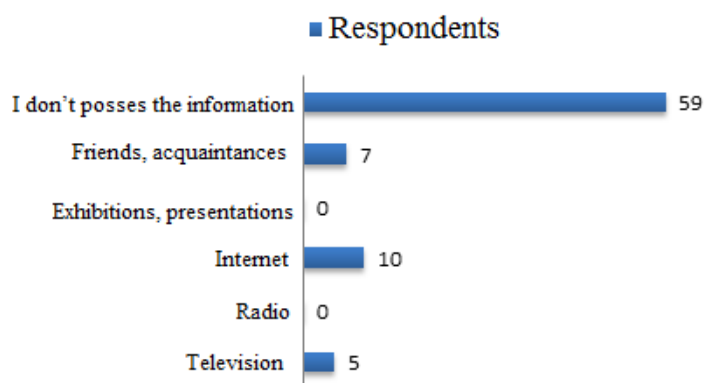


Fig. 2. Sources of obtaining information by the respondents about the provision of free training for obtaining driving license for unemployment people by the labor exchange [made by the author].

The great majority of respondents (60.5%) has evaluated the efficiency of public relations of labor exchange is extremely satisfactory that testifies about the insufficiency intensive work in this direction. About 30% of surveyed respondents consider that the labor exchange carries out the effective public relations and only the remaining 13.6% evaluates the public relations negatively.

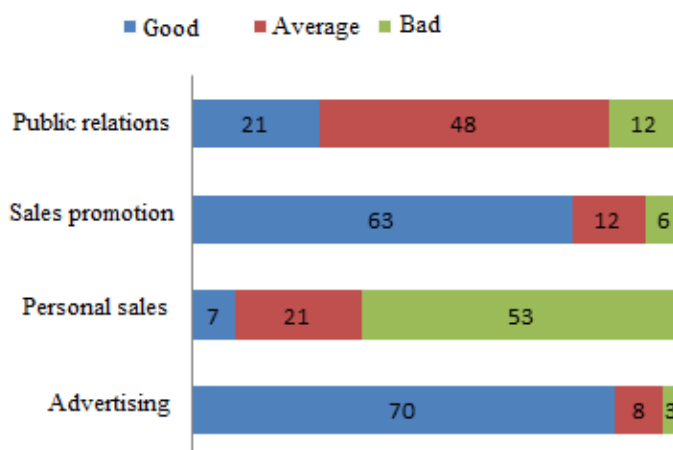


Fig. 3. The assessment by the respondents the methods of promotion of services and opportunities of labor exchange [made by the author]

As the obtained results by the means of observation, the results of the survey has also confirmed that the labor exchange practically doesn't hold any sales promotional events, i.e., to the potential customers (i.e., employers), the additional bonuses are not offered; besides the standard offers about an opportunity to find an employee. This circumstance has become the fundamental in the distribution of voices of respondents: 69% estimate events for sales promotion of the labor exchange – badly, 26% - so –so and only 5% - good.

Personal sales are ineffective in this field. It is determined by the fact that this organization is noncommercial. Therefore, the labor exchange often resorts to services of advertising, oriented on extensive target audience, rather than to individual tools. Consequently, the distribution of votes of respondents is quite predictable: the great majority (81.5%) negatively evaluates the effectiveness of personal sales, 16% give an average score and only 2% of respondents evaluate these events positively.

Positively, advertising of services of labor exchange have evaluated only 20% of all surveyed respondents, while negatively only 11%. Thus, the effectiveness of advertising events of labor exchange, the great majority of respondents (69%) evaluate quite satisfactory that against the background of the other tools of communications testifies about the necessity of additional elaboration of this direction on the part of management of labor exchange.

3.2. The results of the carried out research of use of marketing communications have shown that only CREDO/AUTOPRIEKŠ, uses four main tools of marketing communications mix, namely: advertising, direct sales, sales promotion and PR [2.106] what allows saying that

this enterprise uses traditional marketing communications mix. The final results of use of main tool of marketing communications are represented in the table 1.1.

Table 2

The use of marketing communications

	Autoprieks/Credo	Real Proff	Fortūna
Advertising	X	-	-
Direct sales	X	-	-
Sales promotion	X	X	X
Public relations	X	X	X

To determine the effectiveness of use of tools of marketing communications was carried out the survey of consumers which has shown the expected results. The greatest recognition among the respondents uses the driving school Autoprieks/Credo for it has voted almost 94% of all surveyed. On the second place, according the recognition is the driving school Fortūna with 58% of votes. The least recognizable driving school among three offered options, to respondents seem the driving school Real Proff, for it has voted only 15% of respondents.

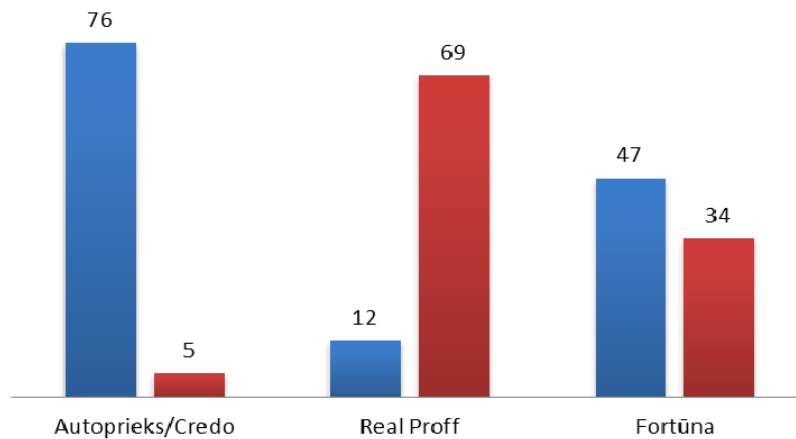


Fig. 4. Recognition of driving schools among respondents [made by the author]

The great majority of respondents have pointed out that they have learned about the driving school Autoprieks/Credo from the Internet (44%), as well as from their friends and acquaintances (30%). The similar situation can be traced in the case of the driving school Fortūna – on the Internet about it has known 26% of respondents and from friends, a little less – 18%.

Evaluating the methods of promotion of services of the driving school Autoprieks/Credo in Latvia, the highest scores were assigned by respondents to the effectiveness of events on sales promotion (78%) and advertising (86%). The high estimate to the public relations assigned only 26% of respondents and the lowest score got the effectiveness of personal sales (8%).

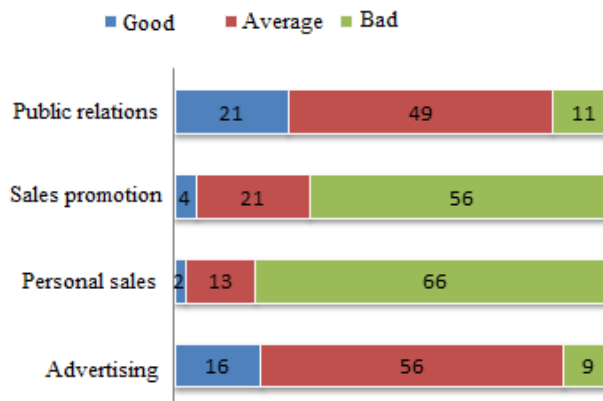


Fig. 5. The assessment of effectiveness of promotion methods of services by the driving school Autoprieks/Credo [made by the authors]

All without the exception tools of marketing communications mix of the driving school Real Proff, the respondents estimated whether satisfactory or bad. The greatest attention the management of the driving school, according to the opinion of respondents should be paid to the issues of effective sales.

The driving school Real Proff to the great majority of respondents (85%) – is not familiar at all. Nevertheless, the respondents get to know about it also mainly from Internet (6%) and from acquaintances (8%).

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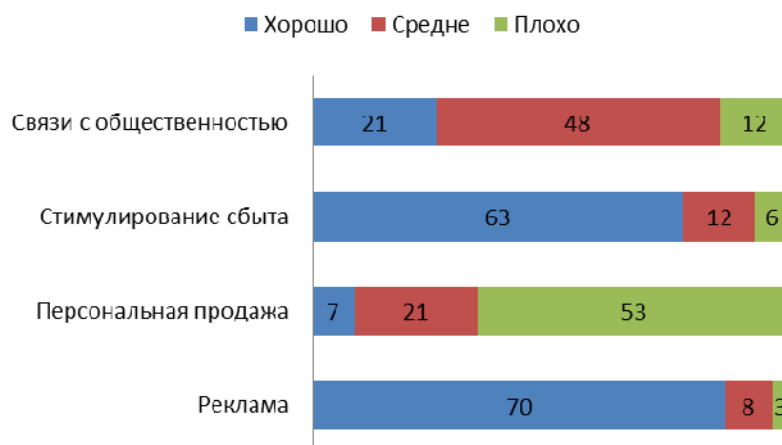


Fig. 6. The assessment of effectiveness of use of marketing communications for the promotion of services Autoprieks/Credo [made by authors]

All without the exception tools of marketing communications mix of the driving school Real Proff, the respondents estimated whether satisfactory or bad. The greatest attention the management of the driving school, according to the opinion of respondents should be paid to the issues of effective sales.

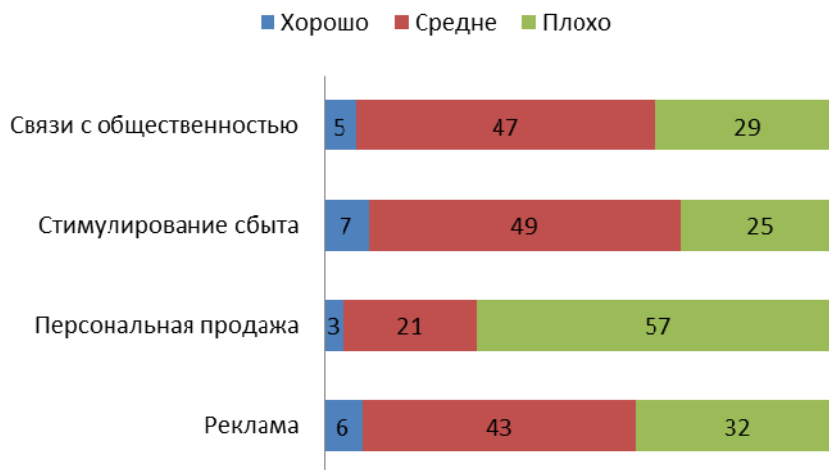


Fig. 7. The assessment of effectiveness of use of marketing communications for the promotion of services Real Proff [made by authors]

In the case of driving school Fortūna the situation looks more optimistic, rather than in the case of Real Proff. For example, the effectiveness of work with the public relations estimated approximately 30% of all surveyed. In the case of events on sales promotion, this indicator was higher – 32%. The effectiveness of advertising recognized also 30% of surveyed. However, as in the case of the previously examined driving schools, Fortūna, according to the opinion of respondents has a low efficiency of effective sales.

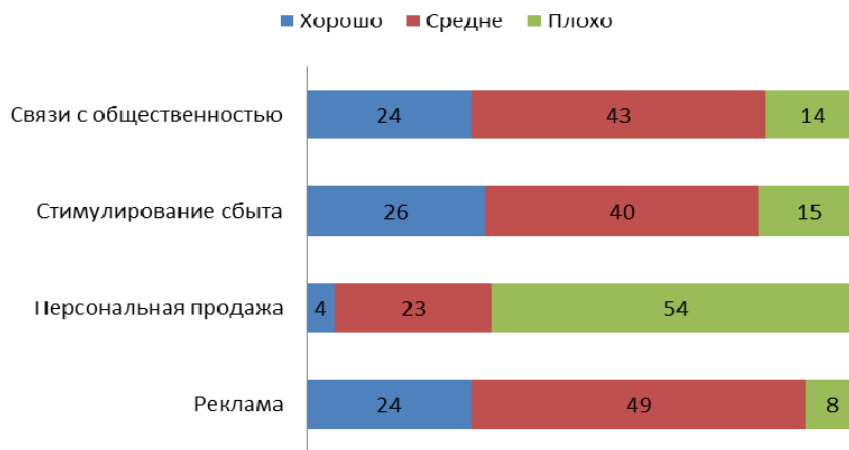


Fig. 8. The assessment of effectiveness of use of marketing communications for the promotion of services Fortūna [made by authors]

The carried out analysis has shown the effectiveness of use of tools of marketing communications mix, allowing promoting their service in the market of informal education. In the result, the carried out survey has revealed a leader in recognition of consumer among the commercial enterprises – driving schools in the market of informal education, it is Autoprieks/Credo.

### Conclusions

The carried out research has shown that the informal education is defined as the formal education and organized in accordance with the interests and demands. The most interesting and popular with consumers in Latvia is the offer for the training of driving cars and other transport vehicles. Among the commercial organizations, offering a similar service in Latvia is more than 309 enterprises that is an impressive figure for the country.

For the assessment of availability and use of marketing communications were chosen four objects of the research, including noncommercial, state organization – labor exchange organizations, driving schools.

The analysis of use of marketing communications in noncommercial, state organization has shown that the “agency” uses only two of four tools of traditional marketing mix. Being a monopolist in noncommercial field of education can allow not using all marketing communications mix. However, for the commercial field, in the conditions of severe competition, the similar thing is not allowed. The results of the carried out research only have confirmed this fact. The analysis of use of marketing communications has shown that only Autoprieks/Credo out of three commercial objects uses the all mix of popular tools PR). The use of so –called traditional marketing communications mix as the results of the carried out survey have shown, has a positive influence on the brand awareness Autoprieks/Credo. This, in its turn proves that the use of marketing communications mix only for commercial enterprises in the market of informal education plays a significant role in the attraction of large number of consumers.

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