



## **How to attract MBO pupils in Noord-Brabant for Study-Globe's portfolio.**

Seeking the right strategy



### **Marketing research**

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## Executive summary

Study-Globe is a young International travel agency situated in the city of Breda, the Netherlands. The company works closely with school institutions abroad and is therefore able to offer different study and language programmes in more than 39 countries and 100 cities worldwide.

The theme of internationalization is an important part of the higher education system in the Netherlands. As this theme is also becoming an important element of the Dutch MBO (Senior secondary vocational education) school curriculum (epnuffic, 2016), the company wants to start attracting more MBO pupils in Breda and surrounding area's (Province of Noord-Brabant) and act as a liaison between them and their partner school institutions abroad.

Therefore, the central research question is formulated as followed: ***"How can Study-Globe increase the number of Dutch MBO pupils in their portfolio?"***

The aim of this paper is to:

- ❖ gain insight into which MBO pupils are suitable for Study-Globe.
- ❖ analyze in which sectors and trainings the pupils are interested.
- ❖ analyze which marketing communication strategy is necessary to attract MBO pupils.

In order to answer the central question, desk research was conducted. Internal database documents, books, journals, articles, letters of parliaments and reports have been used. This research report consist of different marketing models like; The Canvas model, Abell and Hammond model, the DESTEP-model and the Five Forces of Porter. Furthermore, field research was conducted in a form of a survey distributed among 104 MBO pupils in Breda and surrounding areas (Noord-Brabant).

This research showed that the most suitable MBO customer groups for Study-Globe's portfolio are pupils in the age category of 16-25 years old with an MBO level 3 or 4 diploma. A large number of these pupils are international orientated, speak the English language and have shown interest in studying abroad. These pupils want an educational travel agency that can cater to their needs by providing them with good and useful information, personal involvement and many European school offerings for affordable prices. The majority of these pupils showed interest in the following three sectors: Economy, Engineering and Health & Welfare. In terms of communications, a large majority would like to receive information via email, during various international fairs and information sessions at their school institutions. This reports makes clear that all traditional and non-traditional marketing communication tools should be used effectively in order to reach their objectives.



## ***Preface***

As part of the end of the European Studies programme at The Hague University of Applied Sciences, this research report was written.

In order to find a suitable topic for my final thesis I decided to research a problem that caught my attention during my internship at the company Study-Globe. Study-Globe is an International travel education agency that focuses on the business to customer market with studies and language courses abroad for pupils and students in the MBO (Senior vocational education and training), HBO (University of Applied Sciences) and WO (Research Universities) in the Netherlands and Belgium. The company however mostly attracts students coming from the higher education and is therefore missing a part of their revenue. This research paper aims to get more insight on how to attract Dutch MBO pupils in the province of Noord-Brabant for Study-Globe's portfolio.

## ***Word of Thanks***

This whole journey has been like a rollercoaster with moments of ups and downs. I had moments where I almost felt like giving up due to the fact that I got stuck during the writing process. I am thankful for the wonderful people that cared enough to support and believe in me during this period. First of all, I would like to thank god for guiding me through this writing process and giving me the strength, guidance and knowledge to finish this research paper.

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Thank you all,

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*Roosendaal, March 2017*



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## Chapter 1. Introduction

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Study-Globe is an international mediation company in the Netherlands in the market of educational travels abroad. The company has cooperation agreements with language schools, high schools, colleges and universities abroad. By working closely with these institutions Study-Globe is able to offer different services for Dutch and Belgium customers that are interested in a complete and or short study programme on MBO (Senior secondary vocational training), HBO (Bachelor) and Master level but also language courses abroad. In this marketing research plan however Study-Globe's study abroad services will mostly be analyzed.

At this point Study-Globe mostly attracts Dutch students from the higher education. The theme of internationalization is an important part of the higher education system in the Netherlands. But this theme is also becoming an important element of the MBO curriculum (epnuffic, 2016). Therefore, the company wants to increase awareness of their services among MBO pupils and be the Dutch educational agency that assist these pupils with their educational travels abroad.

### 1.1 Problem definition

Study-Globe began on a small scale in 2012 and has become an international company with partner institutions in different parts of the world. International work is no longer limited to large multinational corporations and the higher education. The labour market is internationalizing and globalizing, which is even effecting pupils coming from the MBO sector (Van Zijl, 2014). However, the amount of MBO-pupils going abroad with Study-Globe's services is relatively low compared to HBO and WO students in the Netherlands.

Study-Globe wants to increase exposure of their services among MBO pupils. Study-Globe is currently missing potential revenue because MBO pupils are not fully aware of their services.

For the past few years the company has faced several management changes that have made it difficult for the company to focus and invest time in attracting and building relationships with the MBO sector. Since Study-Globe is growing and has reached a level of stability, this marketing research plan explores the possibilities on how to increase the amount MBO pupils in the province of Noord-Brabant and act as a liaison between them and educational institutions abroad. Therefore, the research question is:

***"How can Study-Globe increase the amount of Dutch MBO pupils in their portfolio?"***



In order to answer the main research question, the following sub-questions were formulated:

Analysis

1. What is the internal situation of Study-Globe?
2. Who is SG's customers?
3. What trends and developments are affecting the MBO landscape?
4. Who are the main competitors of SG?

Strategy

5. Who will we serve?
6. How will we serve these customers best?
7. What are the different kinds of marketing tools, which are currently used?
8. How can SG construct an integrated marketing program based on the marketing strategy?

**The purpose of this research report is to increase the amount of MBO clients in Study-Globe portfolio.**

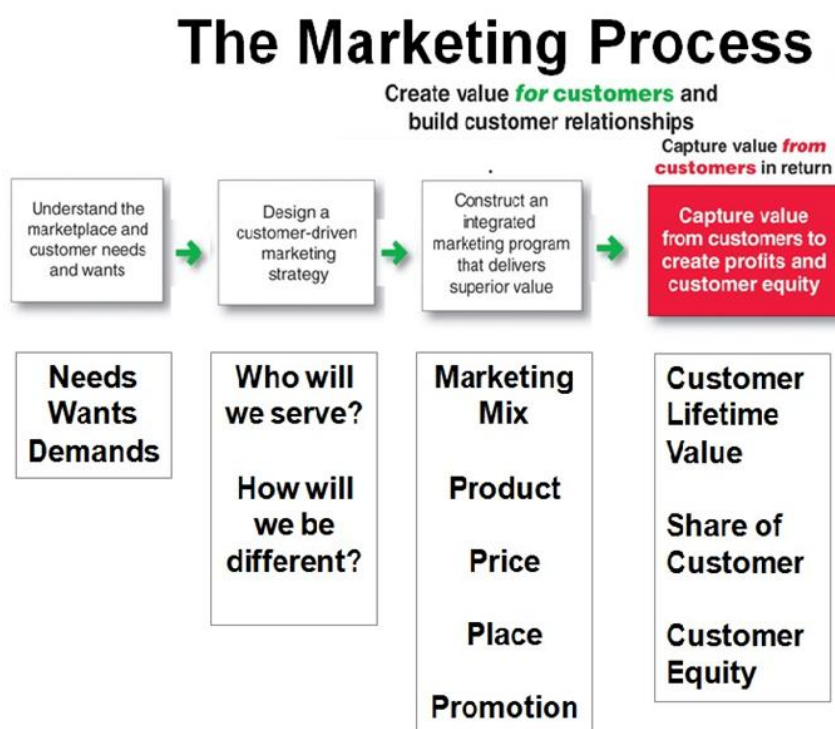
## Chapter 2. Theoretical framework

Throughout this research process, several marketing theories and models are used. Most of the theory and models used in this research plan are based on the work of Philip Kotler and Gary Armstrong. The theories and models of these authors and others are integrated in the upcoming chapters of this marketing business plan. The sub paragraphs below provide a description of these marketing theories and models.

### 2.1 Theory and rational

Marketing is managing profitable customer relationships. The goal of marketing is to attract new customers by promising and giving superior value. But also to keep retaining existing and new customers by delivering customer satisfaction. Marketing is therefore, the critical success of organizations. Kotler and Armstrong developed an innovative customer-value and customer relationships framework that captures the essence of today's marketing (Kotler & Armstrong, 2013). According to this framework, the marketing process for creating and capturing customer value consists of five steps. But only the four following steps presented in figure 1.1 will be discussed in this research report.

Figure 1.1 Marketing process







### 2.1.1 Understanding the marketplace and customer needs and wants

The first step of the marketing process is to understand the market environment and the needs of the customers. To meet the needs and desires of customers, products and services are delivered. The theoretical framework in this chapter will come from consulting marketing literature books and using the following models: **Abell and Hammond model**, **6W of Ferrel**, **Marketing mix 4P's**, **DESTEP-model**, **The five forces of Porter** and the **SWOT analysis**. These theories and models will be used as a guideline in order to develop the factors that can lead to increase the amount of Dutch MBO students in Study-Globe's portfolio.

#### **Abell and Hammond model**

The chapter market description illustrates the Abell and Hammond model. This model is applied to analyze the business scope of operations. This clear overview analysis which technologies and products are being used to assess how companies can respond to the target group's needs. According to the Abell model, a business can be defined by using the following three dimensions:

- Customer group: Who are the customers the business is going to serve?
- Customer needs: What are the customer needs that the business is attempting to meet?
- Technology: How are these needs going to be met? (Abell Model, 2016)

#### **6W's of Ferrel**

The 6W's of Ferrel is a customer analysis that can help retrieve (potential customers). With the use of this tool a company can understand the customer better. The answers to the 6W's of Ferrel can be used to help deliver a good customer based strategy. The company can adjust its strategy and if needed introduce new campaigns to address the behavior of potential customers.

The 6W's of Ferrel consists of the following questions:

1. Who are our potential customers?
2. What do customers do with our products?
3. Where do customers purchase our products?
4. When do customers purchase our products?
5. Why and (how) do customers select our products?
6. Why do potential customers not purchase our products? (Ferrel & Hartline, 2011)



### **DESTEP-model**

The DESTEP model describes all the relevant external factors that influences Study-Globe's business. Understanding the external environment of an organization is of extreme importance because it allows businesses to make effective use of the opportunities and threats. DESTEP is an acronym that stands for:

- **Demographic aspects**
- **Economic aspects**
- **Social (Cultural) aspects**
- **Technological aspects**
- **Ecological aspects**
- **Political legal aspects (Kotler & Armstrong, 2013)**

### **The five forces of Porter**

Porter provided a framework, which is part of the external analysis. According to Porter the entire industry in which a company is located can be analyzed by five powerful forces.

This theory therefore helps to identify where the power lies in an industry.

1. **Power of suppliers:** an assessment on how much power a business's supplier has and how it affects pricing and quality.
2. **Power of customers:** an assessment on the impact that customers have on a producing industry.
3. **Competitive rivalry:** This force examines how intense the competition currently is in the marketplace.
4. **Threat of substitute product or service:** This refers to how customer can switch from a business's product or service to that of a competitor/ alternatives.
5. **Threat of new entrants:** This force examines how easy or difficult it is for competitors to join the marketplace in the industry being examined (5krachtenmodel, 2016)

### **SWOT- analysis**

The SWOT analysis refers to a model that analysis the company's internal strengths and weaknesses, as well as its external opportunities and threats in order to create the basis for a marketing strategy.

### 2.1.2 Design a customer-driven marketing strategy

Strategic planning is determining the long term survival and growth of a business. Once the company has fully understood the consumers' needs and the marketplace, it can start managing and retaining customer relationships. This is important because it allows companies to build profitable customer relationships (Kotler & Armstrong, 2013). The goal of marketing strategy is to create customer value among the right customer group. The company decides which customers it will serve (segmentation and targeting) and how they can serve these customers best (differentiation and positioning). Figure 1.2. describes the activities involved when managing a customer driven strategy.

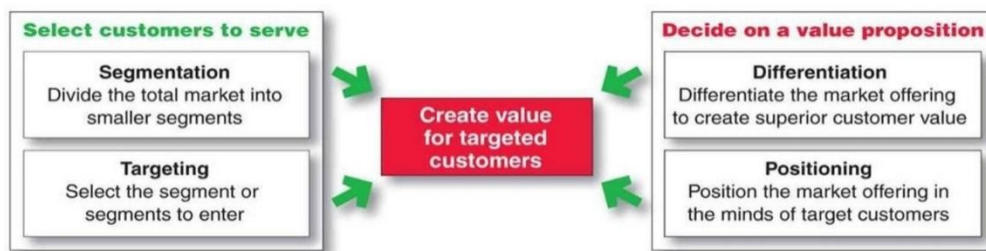


Figure 1.2. How to create value for targeted customers (Kotler & Armstrong, 2013)?

#### Segmentation and targeting

The market consists of all types of customers, products and needs. In order to determine where the best opportunities lies in order to create value for targeted customers, target markets needs to be divided in segments. Because by trying to serve all customer groups, they may not serve all customers well. All customer groups are different and need to be addressed differently. Therefore the company only needs to select the customers that it can serve well and profitably (Kotler & Armstrong, 2013). After determining which market segments to enter, the company needs to decide what it should do to market its products/ services to the customers.

#### Differentiation and positioning

After the segmentation and targeting, the company needs to decide how to differentiate themselves from the competitors to create superior customer value. The company also needs to know how to position themselves in the perception of the target group. Therefore, in order to design a good marketing strategy , the following two questions should be considered:

- What customers will we serve?
- How can we serve these customers best (Kotler & Armstrong, 2013)



### 2.1.3 Preparing an Integrated Marketing Plan and Program

The marketing strategy of a company describes which customers it will serve and how it can create value for these customers. After the marketing strategy, the marketer should prepare an integrated marketing program that will actually deliver the intended value to the targeted customers. (Kotler & Armstrong, 2013). This consists of the marketing mix which is also called the 4p's of marketing. The 4p's of marketing refers to the set of actions, or tactics, that a company uses to promote its brand or product on the market. These marketing elements are part of the business plan for a company and handled right, can give it great success. The marketing mix was described by McCarthy as:

- Price: refers to the actual price that is put for a product.
- Product: this refers to the product or service that is being offered.
- Place: which refers to the location of where the goods are being offered.
- Promotion: refers to the activities that are being taken to promote the products and or services among the target groups. (Kotler & Armstrong, 2013)

### 2.1.4 Capturing Value from customers

The first three steps in the marketing process outlined in figure 1.1 should result into capturing value from customers in return in the form of sales, market share and profits. By creating superior customer value, the company creates highly satisfied customers who stay loyal and buy more. This in return means greater long term profits for the firm (Kotler & Armstrong, 2013). The last step in the marketing process often includes building relationships with customers. Therefore the following three elements of creating customer value are discussed; Customer loyalty and retention, share of market and share of customers.



## Chapter 3. Methodology

This chapter contains information on why certain methodologies and research methods were used for this research report. It will present how data is gathered in order to find the answers to the stated sub questions.

### 3.1 Research methods

Sub question (SQ)	Research methods
<b>SQ1: What is the internal situation of Study-Globe?</b>	This sub question is part of the internal analysis of this report. It will be answered by conducting desk and field research within the company <sup>1</sup> . This means that this research report will contain information that will come from reports, books, brochures and documents of the Study-Globe website.
<b>SQ2: What trends and developments are affecting the MBO landscape?</b>	The second sub question will be answered in the form of desk research where journals, (demographic / economic) reports and statistics of the CBS, MBO-Raad, SBB in the Netherlands will be used.
<b>SQ3: Who is SG's customers?</b>	The third sub question will be answered by analyzing the internal documents of SG. This includes brochures, documents and reports.
<b>SQ4: Who is SG's competitor?</b>	Furthermore the fourth sub question will come from analyzing the websites of the competitors.
<b>SQ5: Who will we serve?</b>	The fifth and sixth sub question will be used to describe the communication strategy. In order to identify the potential consumer profile (MBO pupils), a survey among these pupils will be distributed <sup>2</sup> .
<b>SQ6: How can we serve these customers best?</b>	Furthermore this sub question will be answered by analyzing the competitors and survey answers.
<b>SQ7: How does SG's marketing mix look like?</b>	Desk research will be used to describe this sub question.
<b>SQ8: How can SG construct an integrated marketing program based on the marketing strategy?</b>	In order to answer the last sub question, desk research ( the Internet and research reports) will be used during the research process <sup>1</sup> .

#### Desk Research

The first chapters of this research report involves secondary research on the company Study-Globe. Desk research is necessary in order to define the MBO sector in the province of Noord-Brabant and to know which marketing strategies Study-Globe already applies. The information provided in this research report will come from internal documents, brochures, reports, articles, journals and the official website of Study-Globe that will cover several chapters of this report. In order to determine which marketing models and theories can be used best, different marketing books and articles are



consulted. The book Principles of Marketing by Kotler and Armstrong is used as a framework throughout this entire research report.

### **Field research**

#### ➤ Survey

For the external analysis, quantitative research methods will be used to measure MBO pupils preferences in studying abroad and their knowledge of educational travel industries. Therefore, an online survey through Survey Monkey is designed in order to get a better understanding of what their needs and demands are, when it comes to studies and or (language) courses abroad. By providing to the needs of the target group, the company can attract more MBO pupils in their portfolio.



### 3.2 Structure of the report

The chapters of this research report for Study-Globe will be outlined below: The first chapter starts with introducing and describing the problem statement. The second chapter, the theoretical framework explains the theories and marketing models that have been used in this marketing research report. The third chapter provides information on why certain methodologies were used.

Chapter four is the company description, which includes its mission and vision. The following subchapter is the internal analysis which provides information on the internal situation of Study-Globe. The company's current business aspects are displayed with the use of the Business Canvas Model. This model contains information such as customer segments, revenue stream, partners, value proposition and other elements. Furthermore, the internal strengths and weaknesses of the company are describes as part of the SWOT analysis.

The external analysis starts with chapter five which describes the different meso-and macro analysis that are used to describe the external factors that influences Study-Globes business. The first part of the meso-analysis is the MBO analysis. This analysis describes the most important aspect of the MBO sector (Senior Secondary Vocational Education) in the Netherlands, which includes the MBO curriculum, the international focus and the connection with the labour market. The second part of the meso analysis is the customer analysis which is described by applying the 6W's of Ferrel with the use of the answers of the questionnaires.

The macro analysis describes the different marketing models such as the power within the market (Five forces of Porter) and the DESTEP analysis. The following analysis in this report is known as the competitor analysis which describes the main competitors of Study-Globe. The opportunities and threats of the SWOT analysis will be the outcome of the external analysis.

Moreover the most important elements of the survey outcome are also displayed in the potential market and segmentation chapter, which also includes the Abell model. This model displays the target group: MBO pupils, needs and technologies. Furthermore it gives answers to the following two questions: 1. Who will we serve? 2. How will we serve these customers best?



In addition, the most relevant marketing communication strategy will be described. A conclusion and recommendation will be made at the end to sum up the most important outcomes of this marketing research report.

### **Validity**

The purpose of this research report is to attract more MBO pupils in Study-Globe's portfolio. The questions that were asked to potential customers was to understand their needs, demands and wishes when it comes to studying abroad and consulting an educational travel agency. The validity of this report is therefore guaranteed by conducting quantitative research among MBO pupils. By doing this the company will gain insight into information, observations and innovative ideas on how to attract MBO pupils. To start, the company wants to focus on its own province, to see how the results will turn out and later expand. For this reason a survey was distributed among MBO pupils in Breda and surrounding areas (Noord-Brabant). A test pilot was conducted to see how students and pupils would interpret and answer the questions. This contributed to assuring that all relevant questions that were needed in order to answer the central research question were asked. The survey was conducted among 104 respondents. In order to ensure valid results, the empirical research will be analyzed and processed.

### **Reliability**

Reliability is a term that is used for testing or evaluating quantitative research. It is the ability to repeat or observe the same results over. The reliability of this survey increases with the amount of questionnaires that are distributed (Golafshani, 2013). These questions were all asked and distributed in the same way, namely online. In addition there was no interference of any kind during this process. To ensure a high response rate, the survey did not take more than 8 min of the pupils time. Furthermore, all survey questions were asked in English however a Dutch translation was provided to students that did not speak nor understood the English language. The field research is not entirely representative because the outcome of the survey filled in by 104 pupils in Breda and surroundings cannot speak for all MBO pupils in the province of Noord-Brabant. But the desk research retrieved from sites as EP-Nuffic, MBO-Raad, SBB and Rijksoverheid are representative because these official governments reports provide publications and statistics of the entire MBO sector in the Netherlands, which also includes statistics of the province Noord-Brabant.





## Chapter 4. Internal analysis

The internal analysis gives an overview of Study-Globe, including all internal factors. This chapter starts by outlining the company's history (subchapter 4.1), mission, vision and strategy (subchapter 4.2). The business analysis (subchapter 4.3) contains a general overview of the company itself and an outline of the products and services. The following subchapter 4.4 provides the organizational structure of Study-Globe and information about personnel policies. Furthermore, the Canvas business model (subchapter 4.5) outlines an internal overview of the state of operations within Study-Globe. This model consists of the following elements: the organizations customer segments, customer relationships, channels, key partners, key activities, key resources, value propositions, cost structure and revenue streams. The end of this business analysis gives an overview of the internal **Strengths** and **Weaknesses** of the company, which are part of the SWOT analysis will be displayed.

### 4.1. History

Study-Globe is an international educational travel agency which focuses on pupils and students who would like to study abroad. The office is situated at the Liniestraat in Breda, The Netherlands. The company has international knowledge and experience in the field of education. Their experience is strengthened by well-established partnerships with educational institutions and language schools in all continents of the world. Study-Globe is part of G.E.T International that was founded 8 years ago.

The company Study-Globe however, was founded 4 years ago. There are two other international corporations named Stagehuis and Backpack Me under G.E.T. International (Personal Communications, 2016). Stagehuis serves customers with internships opportunities in eight different countries and Backpack Me helps customers that are interested in challenging Backpack experiences in New Zealand and Australia (Backpack Me, 2016). Study-Globe's main objective is to advise and mediate about the different study possibilities and language courses abroad. This involves providing information on the preferred country, providing educational counselling and to ensure the most appropriate programme selection. Study-Globe provides no education themselves. The education that Study-Globe offers are provided by educational institutions abroad. But Study-Globe takes great care in selecting these individual providers. Furthermore the consultants assess and process the applications to the school institutions abroad (VET Export office, 2009).



## 4.2. Mission, Vision & strategy statements

### Mission of Study-Globe

For Study-Globe, it is important that the customers as well as the cooperating institutions are satisfied and the consultants work hard to achieve that. The idea behind the concept of Study-Globe is to make studying abroad easier and more accessible to everyone. Study-Globe's motto is therefore; De gemakkelijkste weg naar het buitenland, which means the easiest way to go abroad in Dutch (Study-Globe, 2016). Their mission is therefore, to be the most accessible, flexible and customized educational travel agency in the Netherlands. This will enable Study-Globe to give every individual a stress free, unique, interesting and instructive international experience abroad. Therefore, customer service and quality needs to be at the highest level.

### Vision

Currently, Study-Globe is an educational travel agency with contracts/ partnership agreements with educational institutions in more than 39 countries, which includes 100 cities in the world. The company intends to add more destinations and school institutions into their study portfolio over the next 5 years to come (Personal communication, August, 2016).

### Strategy

Market penetration in the Netherlands and Belgium via expansion of (study)services and stimulation of new opportunities.



(Study-Globe, 2017)

Figure 1.3. Study-Globe office



### 4.3. Business analysis

In this part, a description of Study-Globe's products and mediation services will be provided.

#### 4.3.1. Product description

##### **Study-Globe, Studies Abroad**

Study-Globe is a relatively small international mediation company in the market of educational travel companies. This company operates from the Netherlands in Breda. The company has two official departments:

1. Studying abroad
2. Language/vacation courses abroad (Study-Globe, 2016)

In this marketing research plan however, Study-Globe's studying abroad services will be analyzed. The study consultants of Study-Globe are there to help plan and arrange educational travels abroad. The company can offer advice in different field of studies and levels. Dutch and Belgian customers can receive advice and information on where to go and stay, as well as to notify students of the documentation that is needed in that particular country. Study-Globe provides solutions to most study and travel related needs for customers abroad and is representative in many European colleges and universities. The Study-Globe consultants handle the application and admissions for students and always have a person on sight that is at their disposal.

Study-Globe has a large database with cooperation agreements of colleges and universities in more than 39 countries and 100 cities (Personal communication, August, 2016). Because of this large database people have more than one possibility to choose from. Mediation begins when a customer is interested in one of the two services of Study-Globe. The consultant listens to the customers wishes and demands and tries to meet their expectations by advising them on the educational option that suits them best.

There are several possibilities for students within the Study-Abroad department of Study-Globe:

- High school, minimum duration abroad six months.
- MBO, minimum duration abroad two to three years for VMBO (vocational education) level students.
- HBO (University of Applied Sciences), minimum duration two to four years, target audience HAVO, VWO and MBO students.
- WO (Research University), minimum duration one to two years, target audience VWO or Bachelor.
- MBA, minimum one year programme, audience, high educated customers



- Study semester abroad, minimum duration 6 months for all target groups (MBO-HBO-WO)
- Minor, specialization course, available from up few weeks, it depends on the course, target audience MBO, HBO, WO (Study-Globe, 2016)

\* The ones highlighted in grey can be customized for most MBO pupils.

The main target group are therefore current students or graduates of high school, MBO, HBO or WO in different study directions. Some for example are:

Biology/ Chemistry	ICT/ Graphic design/ Web design	Nature/ Environment
Communication/Culture/ Media	Logistics	Education
Economy	Real estate/ facility	Psychology
Engineering/ Construction	Marketing/ Sales	Engineering
Event management	Medical/ health	Tourism/ Leisure
Finance/ Accountancy	Fashion/ Styling	Foreign language

Table 1.4. Study-Globe, study possibilities

The services that Study-Globe offers are customized and therefore differ from one customer to another. For example, leisure management courses for a vocational students in Morocco. Another example, business & management training combined with professional writing courses on Master level for six months in Australia. There is a wide range of study possibilities and schools options with Study-Globes services. Some Colleges and universities in different countries that Study-Globe mediates for are:

United Kingdom (UK)	Australia	United States (USA)
HULT Business school	Bond University	CSU San Marcos
University of South Wales	James Cook University	George Mason University
LIBT Brunel University	ICHM	Drew University
LCCA College	SAE & QANTM	SAE Institute

Table 1.5. Study-Globe, partner institutions (Study-Globe, 2016)



#### 4.3.2 Mediation service

##### **Study-Globe, International mediation study-service**

The Study-Globe consultants are able to help students by giving them personal advice about the different study possibilities. This includes advice and guidance during the enrolment procedures, application forms, motivation letter and of course official translations of several documents that are needed. Apart from the study and language possibilities via Study-Globe, customers are able to purchase various sub-products and services that are important when considering going abroad. Study-Globe is able to provide additional support in the following areas: Accommodation, insurances, flight tickets and much more.



Table 1.6. Study-Globe, services (Study-Globe, 2016)

Many questions and concerns come along when deciding to study abroad.

- Which study do you choose from?
- Which country and or college/university?
- How do I know if these school institutions are the right fit for me?

The Study-Globe consultants are there to inform and advice on all delicate matters. Study-Globe knows that searching for the right study programme abroad can be difficult and time consuming. But with the help of Study-Globe's consultants it can be carefree. All colleges and universities that Study-Globe work with are accredited and therefore international recognized.

All Study-Globe's mediation services concerning studying abroad will become available for students after they have decided to go abroad for a part of their studies. In order to understand the customer needs and wishes, the Study-Globe consultants keep contact with the customer through mail and



telephone. In order for the study consultants to provide students with the best advice, they have developed a simple step-by-step question plan which is displayed under table 1.6.

- What are your interests?
- What training do you follow and or have you completed?
- What would you like to study or what would you possibly want to learn?
- What is your preferred destination?
- When and for how long would you like to study abroad?
- Do you have a specific budget for a study programme abroad?

*Table 1.6. Step-by-step question plan*

By answering these questions, the consultations are able to match the students interests to the best possible study programme abroad. Study-Globe has cooperating partners and can therefore almost always find a study programme in the customers desired country. The advice about the best possible study programmes is always given in person.



#### 4.4. Organizational description

##### Organizational structure

The company of Study-Globe, which is also the headquarter of the parent company Stagehuis and Backpack me is located in Breda, The Netherlands. The CEO's of Study-Globe are Jeroen Bastiaansen en Dolf Hendrixx. Figure 1.7. demonstrates the current official organizational structure of Study-Globe.

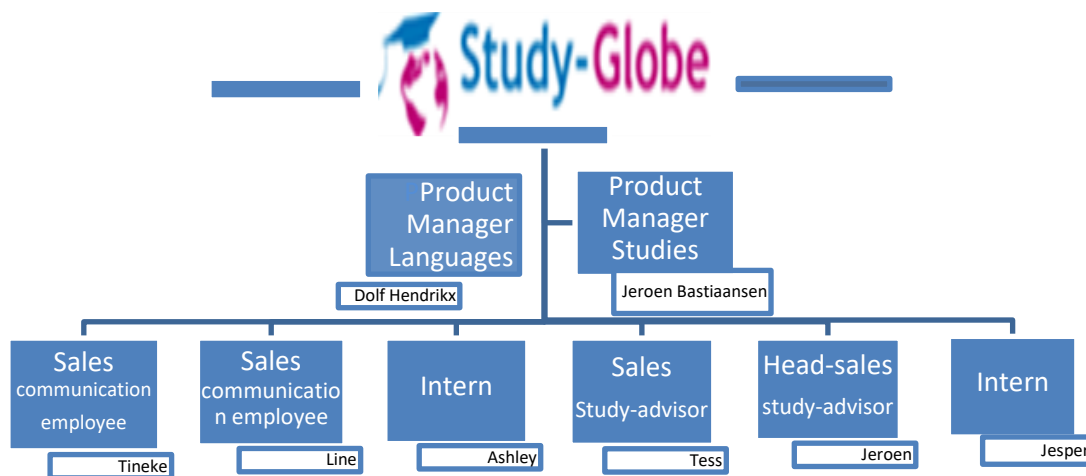


Figure 1.7. Organizational chart Study-Globe

##### Personnel policies

Study-Globe currently employs ten professionals in the head office in Breda. For the language and study departments of Study-Globe, the company uses internal and external recruiting methods to find qualified people for the job. The company mostly recruits students that have at least a bachelor's degree in one of the following sectors; Marketing, Communications, Leisure and Business. According to the official website of Study-Globe, the best candidates should have affiliation with travelling, languages and cultures (Study-Globe, 2016). Moreover, Study-Globe only hires people that have international experience in the form of internship, study and or travels abroad. This will allow the employee to speak from personal experience to the customer, which will make them more trustworthy in the eyes of the customer. Modern foreign languages as English and French are really important for Study-Globe due to the fact that the company works with clients coming from Belgium. Moreover, the company has to deal with international partners coming from France and countries where English is spoken. The company is furthermore small and is therefore eager to hire young interns in the marketing and communication departments.

## 4.5. Business Model Canvas

With the use of the Canvas Business Model, Study-Globe's internal scope of operations can be analysed to determine whether if the company is capable to enter the MBO market with its current state of affairs and increase a significant amount of MBO pupils in their portfolio. A short summary of each key element is described under table 1.8.

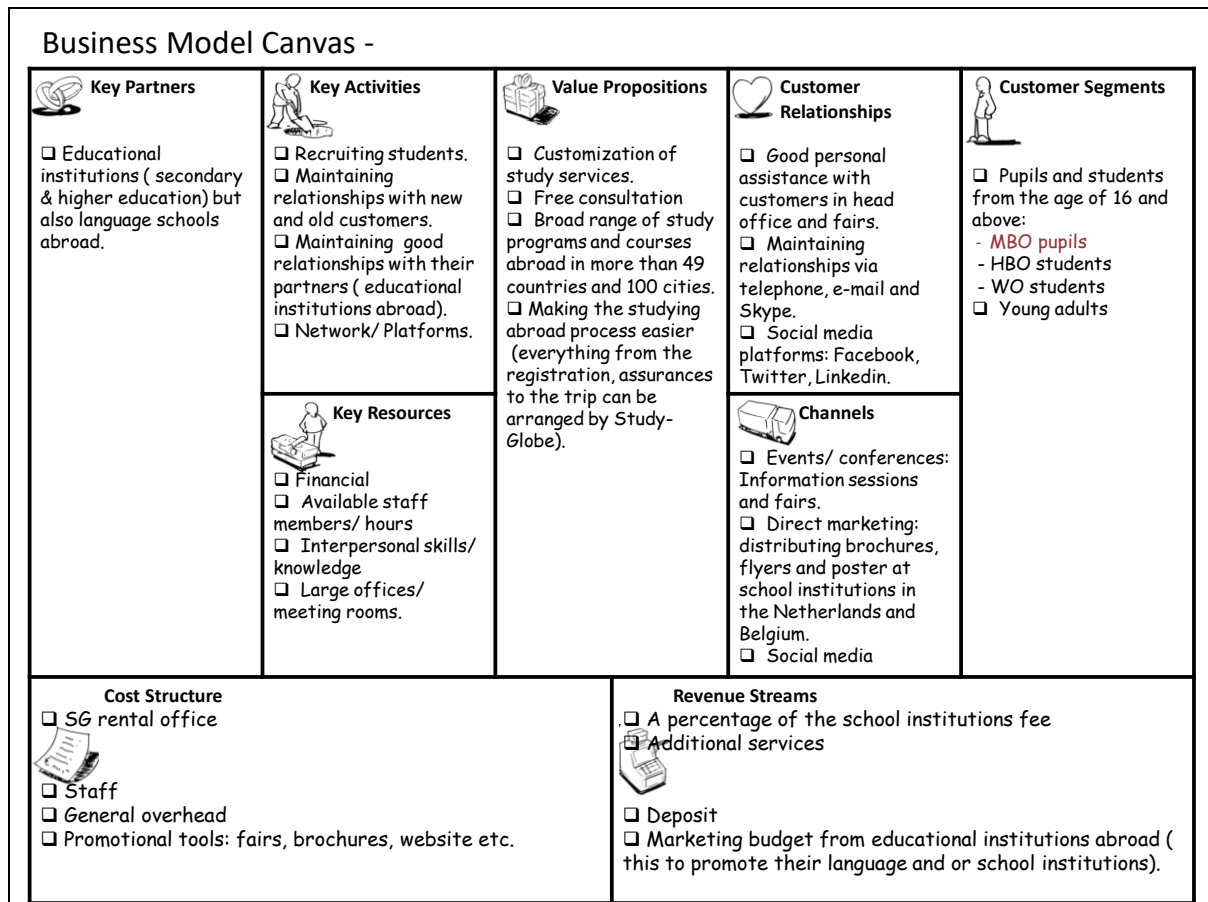


Figure 1.8. Business Model Canvas

### 4.5.1. Customer segments

Study-Globe applies a differentiated segmented marketing strategy to attract different types of customers. By allowing this the company is able to win a larger share of the Dutch educational travel market. For this reason Study-Globe offers a wide range of studies and language possibilities at different levels in more than 39 countries and 100 cities to individual specific target group.





### Study abroad department

The different study programmes and courses are offered to pupils and students in the age category of 16-30 years in the Netherlands and Belgium. Study-Globe targets these customers group because they often still attend school, for example secondary education MBO, HBO and universities (WO).

<b>MBO</b> (Senior secondary vocational) training	Requirement: At least VMBO level certificate
<b>Bachelor</b>	Requirement: At least have a HAVO, VWO or MBO level diploma
<b>Master</b>	Requirement: VWO or bachelor level diploma
<b>Semester/ Minor/ specialisation</b>	MBO-HBO-WO

This divers group is often looking for a foreign experience in the form of an internship, study and or language course abroad. The main target group of Study-Globe are pupils and students who are interested in a study adventure abroad.

### Language/ vacation course department

For this department, there are no fixed target group. Pupils, students and even adults that want to learn a language course in a foreign country are able to utilise the services of this department and choose a language course of their choice. There are also no entry levels for language/ vacation courses via Study-Globe. However, a language test is given to determine the customers language level. On the basis of the test results the customer will be placed in the right class

### **4.5.2. Customer relationships**

When customers show interests in the services provided via Study-Globe, the consultants usually introduce the company and the services that they are able to offer. By asking them questions about their ideal study experience, destination and courses, they are able to find out more about the customers interests and wishes. The company values the importance of personal contact and therefore invites all customers at least once to the head office in Breda. After the introduction phase, a personal consultation appointment is planned to discuss the different possibilities. When the customer has made his or her choice about what and where they want to study, the company can start mediating and guiding them through the entire process.

The customer can also choose to receive help with additional services like insurances, accommodation, travel documents and more. After their departure, the team of Study-Globe in Breda and their partners abroad continue to provide assistance at the offshore destination ( Personal communication, 2016)



The Study-Globe consultants are always available to provide information and answer questions on study related matters abroad. Customers are able to communicate with the consultants via the official website of Study-Globe, the phone, email and even Skype. Furthermore social media platform such as Facebook, Twitter and LinkedIn are utilized to promote information sessions that are planned at the Study-Globe office. The aim of most customer groups is to gain study experience in an international environment. Their wishes are therefore often similar: To help them find a suitable education programme abroad and organize the trip as much as possible. Good customer relationship with customers are very important in the educational travel industry.

#### 4.5.3. Channels

Study-Globe is able to communicate with its customers through different communication channels. Study-Globe tries to build name recognition by creating more awareness among different target groups (pupils and students) in the Netherlands and Belgium. Every year the company has to deal with new incoming students that enter the educational travel market. Therefore, promotion is a very effective tool for Study-Globe to keep reaching a larger audience. Currently, Study-Globe is using more cost effective ways to promote their services because of their limited marketing budget (Personal communication, 2016). The promotion of Study-Globe is largely dependent on the following traditional and digital marketing promotional strategy:

##### 1. Events, exhibitions and fair and open days visits

The limited marketing budget of Study-Globe allows the company to only visit the bigger fairs and exhibitions in the Netherlands. Study-Globe stands at international fairs such as: De buitenlandbeurs (The Go-Abroad Fair) and Studiebeurs-West (Study Exhibition West) in the Netherlands. The company organises open days and events a few times a year to inform pupils and students about their educational partner institutions abroad.



Figure 1.9. Fairs and open days that Study-Globe attend/ organises



## 2. Study-Globe official website

The website is a source of information for all target customer groups. There is information available about many services that Study-Globe offers on [www.study-globe.com](http://www.study-globe.com)

Customers that are interested in one of Study-Globes services can request a quotation via this website. Furthermore it provides a search engine where visitors can search for a specific training or language course by selecting criteria's such as; continent, country and training preferences. By doing this, visitors will be redirected to the destination and study/ language course of their choice. The information provided on these pages contain particular information about specific countries and or continents and a few study possibilities. However not all possibilities are displayed on the official website.



Figure 2.0. SG's study search engine (Study-Globe, 2016)

Furthermore, during office hours From 8:30 till 17:00 visitors can be in direct contact with the Study-Globe consultants through the chat function on the website. Besides all these extras the company has clear information details and is available from Monday to Friday during office hours to answer emails and phone calls. The Study-Globe website also provides seasonal discounts on language courses to attract more customers.



Figure 2.1. SG's seasonal discounts on website



### 3. Social media platforms/ online marketing

Study-Globe uses several social media platforms like Facebook, Twitter and LinkedIn to promote their service offerings. These platforms are often updated in consultation with their partner institutions abroad. Facebook is used in order to communicate the open days that are frequently organised at the Study-Globe office. In addition, there are several promotional videos of Study-Globe's destinations and studies available on YouTube which can be described as online marketing.

Study-Globe places advertisements, links and banners on different travel and study related websites such as; <https://www.onderwijsportaal.nl/studeren-in-het-buitenland.html>

Visitors of this website are confronted with Study-Globe's banners, which can lead to more awareness of Study-Globe's services.



Figure 2.2. Study-Globe banners

### 4. Direct marketing

The company is able to spread the word about their services through direct marketing. Study-Globe has designed booklets that are mainly distributed during information days and educational fairs in the Netherlands and Belgium. Furthermore information packages are send to MBO-HBO-WO school institutions in order to create awareness for their study programmes and courses abroad.

All communication activities such as; information booklets, social media platforms and website are focused on all customer target groups, which includes MBO pupils.



#### 4.5.3. Key partners

Study-Globe works closely together with school institutions at MBO-HBO-WO level abroad. The company has partnership agreements in more than 39 countries and 100 cities. These partnerships are therefore crucial, because Study-Globe itself is no educational institution nor provider but a mediation company that mediates on behalf of different school institutions abroad. The company is able to place students on the basis of their wishes, needs and demands. Study-Globe collaborates with the admission offices of school institutions abroad in order to ensure that applicants are accepted.

Study-Globe's head office is shared with two other companies, Stagehuis and Backpack Me. Stagehuis is an internship provider and Backpack Me a small organization that is specialized in offering backpack adventures in the following countries, Australia, New-Zealand and Asia. Backpack Me is also the organization that arranges profitable and flexible plane tickets for Study-Globe's customers (personal communication, august 2016). Moreover, the company has a partnership agreement with an international insurance company named Alliance global assistance that offers tailor-made insurances to fit each individual travel purpose. These (travel) insurance services are recommended to Study-Globe's customers.

The company has recently (since august of 2016) formed an alliance with an organization called Information planet. The reason for working with information planet is because the organization has national and international brand presence and years of experience in the educational travel market in Europe, Latin-America and Australia. This company started on a small scale in 1996 with educational study programmes and courses for Brazilian students to Australia. Since then, the company has expanded its business with more than 28 offices worldwide (Informationplanet, 2013). Information planet has become a platform where people around the world visit in search of a study programme and or course abroad. By working closely together with Information planet, Study-Globe is able to increase awareness among different target groups. Via the website of information planet, potential customers can retrieve information about Study-Globe and contact the company when needed. Moreover by cooperating with Information planet Study-Globe is able to offer more study programmes and courses abroad, which will allow them to satisfy more customers.



Figure 2.3. Examples of SG's partnerships

#### 4.5.5. Key activities

The main activities of Study-Globe includes recruiting and maintaining customers for Study-Globe's portfolio. This portfolio consists of various study and language institutions abroad. Study-Globe is able to ensure that students are accepted to their desired study programme abroad. In order to make this happen Study-Globe maintains strong relationships with the offshore school institutions (admissions). The communication towards partners are mostly done via phone, email and Skype conversations. The head of the study abroad division and other consultants travel once or twice a year to inspect school institutions and the additional services they advice on.

The main goal for Study-Globe is to win customers over and provide them with the best customized study possibility abroad. As previously mentioned in subchapter 4.5.2 the communication towards customers is mostly done via the official website, telephone, Skype and of course through an appointment at the head office. Furthermore, Study-Globe's activities also includes recruiting students by attending various international and local fairs where they focus on studying and going abroad. These are platforms where the company can network with possible partners and people in the educational travel industry. Another activity that involves promoting Study-Globe's services is visiting Dutch school institutions which are often done by interns.





#### 4.5.6. Key resources

Study-Globe relies on their partnership agreements with school institutions on MBO-HBO-WO level abroad. The company is able to sell and promote these programmes and courses to their customer target groups. As previously mentioned in the section personnel policies; The company is heavily dependent on skilled staff members and study consultants, as they recruit and maintain contact with customers. Furthermore the consultants are required to have basic knowledge of (marketing) and on how to approach and sell products and services to different kinds of target groups. Having a certain knowledge and understanding of foreign policies and different educational systems is very important in order to inform customers about the different study possibilities in a particular country. Study-Globe calls itself; 'The specialist in educational travels' and therefore needs to effectively deliver on their promise.

The consultants depend on Study-Globe's customer database that includes former, potential and new customers of the company. This customer database consists of (potential) customers of all target groups that have shown interests in one or more services during educational fairs, visits at school institutions and the official website.

The consultation sessions and information days at the Study-Globe office are made possible by using meeting rooms. With the use of these meeting rooms, employees and study consultants are able to talk in private with customers. The company has currently two meeting rooms available which is shared with another company in the same building. Study-Globe therefore has the means and opportunity to address MBO pupils in Breda and surrounding areas. But must invest time, manpower and finances in order to achieve their objective.

#### 4.5.7. Revenue streams

Study-Globe's pricing strategy is generally categorized in the medium to higher market segment, since this company offers customized quality study offers abroad.

The primary source of income of Study-Globe consist of selling studies and language programmes broad. The company receives 10 to 15 percent of the tuition fee once the student has enrolled and paid the full amount to the school institution abroad (Personal communication, August, 2016). The earnings that the company receives can be compared to the a real estate business model, where a percentage of the study programme, course and or training is given to the educational travel agency. By selling language courses abroad the company is even able to receive a higher percentage, what can add up to 30 percent of the total fee.



The revenue is complemented by offering several additional Study-Globe services. These are for example assurances, plain tickets and accommodation. Besides the commission per student and additional services, Study-Globe receives an annual investment allowance of every school institution in their portfolio.

Furthermore, the customer is required to pay a onetime deposit fee of € 35, which will be refunded once the customer decides to go abroad for a study programme and or training via Study-Globe. The deposit fee is mandatory and is applied to attract serious customers that are eager to go abroad. Study-Globe has chosen not to reveal their financial balance sheets with accounts of gains and losses.

#### 4.5.8. Cost structure

As previously described in the revenue streams, management has chosen to not reveal their profit and losses accounts. For this reason these specific costs are unknown. Different businesses in the educational travel industry have different costs. However an educational travel agency as Study-Globe needs to deal with the following expenses; paying staff members, accountants, the monthly rental office, promotional activities and tools. Study-Globe is in the business of providing educational services. The expected on-going business expenses (overhead) are utilities, subscriptions and facilities as the cleaning company that is ordered to clean the offices two times a week (Personal communication, august, 2016).

#### 4.5.9. Value proposition

The idea behind Study-Globe's concept is to make study services accessible for everyone (pupils and students) in the age category of 16 - 30 years old. The company matches the customers budgets to the customers wishes. Study-Globe aims at growth, profitability and Dutch expansion by the means of customer focus and closer integration with customers. This reflects upon guaranteeing trustworthy, first-rate services to its customers and partners. With many educational institutions in their portfolio, the company is able to link pupils and students to the school institution that matches their personal interests and needs the best. Study-Globe provides customers with professional guidance and expertise. This includes the following consultation services:

- The consults and advise on studying and living abroad.
- Information about possible grants, scholarships and loans (optional)
- The search of a study and or language (course) possibility abroad.
- Advise on completing application forms and submitting them to the institutions.
- Assisting students with VISA applications.
- Arrangement for English language testing ( optional) (Study-Globe, 2016).





Besides the two main services that the company offers, students are able to choose and combine additional services and elements of Study-Globe such as accommodation, airline tickets and insurances. All these additional services are there to complete the study abroad process. Study-Globe takes the workload out of pupils and students by providing them with quality customized study services.



#### 4.6. Strength & Weaknesses/ SWOT Internal analysis

*The Strength and Weaknesses of Study-Globe are described in this chapter.*

##### Strengths

- **S1** Experienced study consultants that have International knowledge on the Western European higher education market.
- **S2** Broad study possibilities and training offers abroad for MBO, HBO and Master level in 39 countries and 100 cities.
- **S3** Customized service: Large variety of options (accommodation, insurances, location on different budget)
- **S4** Strong communication ties with school institutions abroad (admissions).

##### Weaknesses

- **W1** Only one small head office in the city centre of Breda ( The Netherlands).
- **W2** Not many (staff members) study consultants to work with.
- **W3** Customers are asked to pay a onetime consultation fee of 35 euro's.
- **W4** Lack of brand recognition & reputation.
- **W5** Lack of outstanding communication strategies.

## Chapter 5. External analysis

This chapter of the report describes the external environment of the Dutch market for Study-Globe. Furthermore, the ability to attract and build customer relationships with MBO pupils will be analyzed. The external analysis consists of meso-and macro environmental factors.

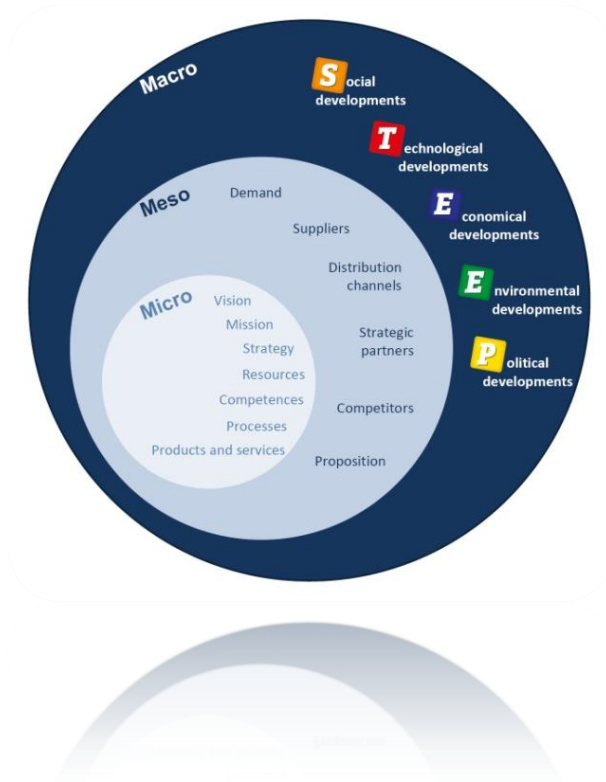


Fig 2.4. Macro, meso, micro environment tool (Cards)

### 5.1. Meso-environment analysis

It describes the sector or market in which the organization is active. This also includes developments concerning the customer group MBO pupils. Therefore, the meso-environment in this research report starts with an analysis of the MBO sector which provides information on how the MBO landscape works and its international reputation. Moreover, the meso-environment also describes the customer analysis in subchapter 5.1.2.

#### 5.1.1. Analysis MBO sector

In this part a general description of the MBO landscape will be provided.

The MBO is the Dutch acronym for vocational education and training (VET) in the Netherlands. This field of education is focused on preparing pupils for the labour market and is often called the foundation of the economy in the Netherlands (MBOraad, 2016). Pupils that study at an MBO sector come from the VMBO (Voorbereidend Middelbaar Beroeps Onderwijs), which is the pre-secondary



education in the Netherlands. There are two types of training possibilities on MBO level. Pupils of the MBO sector are able to study fulltime or part-time, which is called BOL (beroepsopleidende leerweg) and BBL (beroepsbegeleidende leerweg) in Dutch. The BOL school-based pathway is fulltime and gives pupils theoretical and practical experience in the form of an internship. The BBL training is work-based and therefore, pupils can work four days a week and follow one day of theoretical education (MBOraad, 2016). The Dutch MBO education courses can be followed in the following levels:

level 1: assistant training

level 2: basic vocational training

level 3: professional training basic

level 4: middle-management training (EPnuffic, 2016)

Each MBO level has a different entry requirement and can take up from one to three years of studying (Rijksoverheid, 2016). The goal of completing an MBO training is to receive an MBO diploma and start working or to continue studying at another level. An MBO-4 diploma gives pupils entry to the higher education (Universities of Applied Sciences) in the Netherlands. The MBO works with a qualification structure to ensure the quality of the skills that are being taught. The requirements of the MBO training in order to graduate are described in a qualification file, which consists of a basic and profile part. This file consists of one or more qualifications and skills that the pupil needs to acquire in order to receive an MBO diploma. Each completed qualification on itself is worth a certificate (Herzieningmbo, 2016). Within these colleges, there are three different MBO-institutions: ROC (regional training colleges), AOC (agrarian colleges) and vakinstellingen (specialized vocational colleges). The ROC offers regional training offers in the following sectors; technology, economics, personal social services, health care and adult education. The AOC colleges offer vocational courses in the agricultural sector in the areas of nutrition, nature and the environment. And the specialized vocational colleges are mainly focused on training courses for one particular profession within one sector. A few examples are hairdressing, beautician, locksmith, shoemaking, house painting and shipping and transport (MBOraad, 2016). Most MBO courses depending on the level vary greatly in size and divisions. The more larger MBO study programmes are often divided across multiple locations, while the smaller ones are combined together.



### **Connection with the labour market**

The Dutch MBO sector has a good International reputation abroad. Especially the connection between labour market and education is appraised. In the EU notification "Rethinking Education" of December 2012, the Dutch MBO sector was named as one of the five world class education systems in Europe (the others were: Switzerland, Austria, Germany and Denmark). The already large international interest for the Dutch MBO has since then increased in size (Bussemaker, 2014). Every year there is a large demand for graduated of the senior secondary vocational education (MBO). For this reason MBO Colleges are in constant contact with companies and organizations where pupils work or can obtain their work experience. The communication between MBO Colleges and companies are extremely important in ensuring a close match between the education that these colleges offer and the skills that company's needs (MBOraad, 2016). Companies and students close more than 450.000 work placement agreements a year. Pupils that study fulltime (BOL) have a practice time of more than 40% of their MBO training. Part-time pupils (BBL) spend however 80% of their study in the work field. A large percentage of these pupils receive employment from their internship provider after graduation (Beroepsonderwijs bedrijfsleven, 2016).

### **Internationalization in the MBO sector**

Despite the international interests among the MBO education system, the outgoing mobility in the MBO sector is limited. MBO pupils are only able to go abroad by doing an internship. Approximately 50.000 MBO pupils have done their internship abroad within 20 years' time. This is only 1.1% of the student population of 5500 students in 2013 (Bussemaker, 2014). The idea of MBO pupils going abroad is not being stimulated and promoted like in the Higher education in the Netherlands.

The Dutch MBO sector has an objective that they want to reach. In the EU bench-mark for outgoing mobility in the MBO sector it is stated that; 'By 2020 at least 6% of the MBO population should have gone abroad for an internship or study programme with a minimum period of two weeks (Bussemaker, 2014)'. The labour market is internationalizing and developing rapidly. The European and international labour markets demands nowadays highly-educated workers who are participating in lifelong learning in an European context (MBOraad, 2016).



### 5.1.2. Customer analysis

The customer analysis is conducted to gain insight on the potential MBO customer. The six questions to the 6W's of Ferrel will be answered by the most important answers of the questionnaires that MBO pupils in Breda and surrounding areas (Province of Noord-Brabant) have filled out. The section potential market & segmentation will also discuss the most important outcomes of the survey. Furthermore, all questions and answers of the questionnaires results can be found in appendix 1.

## 6W's of Ferrel

### 1. Who are the potential MBO customers in Noord-Brabant, the Netherlands?

Study-Globe's current and potential customers are all students of the MBO, HBO or WO education. These customers should have interest in an international study and or language experience abroad. For this customer analysis however the selection was made to only address MBO pupils in Breda and surrounding areas (Noord-Brabant), because these are the potential customers that this research paper is focused on and Study-Globe wants to increase in their portfolio.

The majority of MBO pupils in Breda and surrounding areas (63,5%) is interested in studying abroad.

- 104 surveys were completed by MBO pupils in Noord-Brabant (Breda and surrounding areas).
- The majority of the respondents (72,3%) are in the age group of 16-20 years old and (25%) in the age group of 21-25 years old.
- 69% of these pupils are currently studying a fulltime MBO training and (31%) a part-time programme.
- Furthermore, (42,6%) of these MBO pupils want to continue to study after receiving their MBO diploma, (25,7%) wants to work and (26.7%) would want to combine work with their studies.

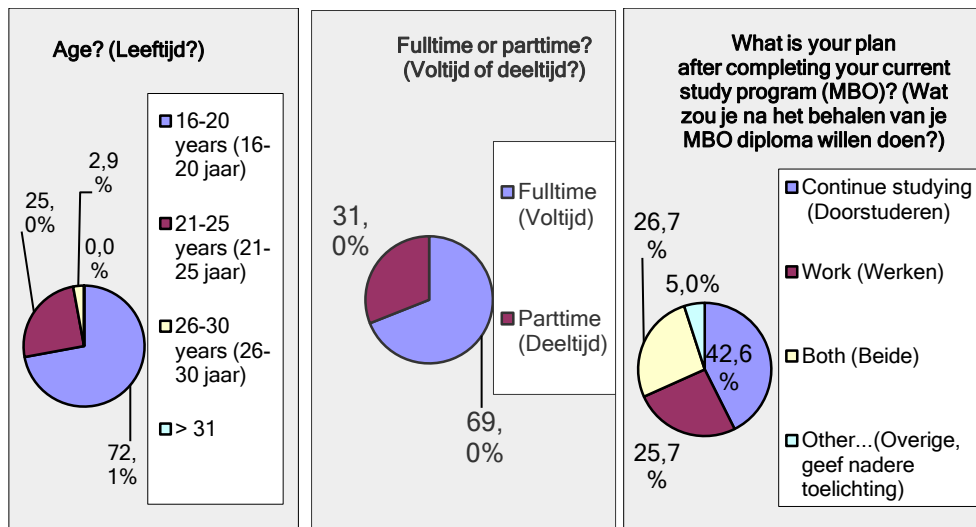


Table 2.8: Age

Table 2.9: Fulltime/ Part-time

Table 3.0: Plan after MBO training



## 2. What do potential MBO customers do with our services?

The three most popular study sectors among potential MBO pupils that would like to study abroad are; economics (36%), health & welfare (24%) and engineering (15%). This is beneficial for Study-Globe because the company has many possibilities for MBO pupils in those field of studies. Furthermore, when asked to the respondents of this survey where they would like to study; (87,5%) indicated within countries in the European Union, (43,3%) in North America, (12,5%) in South-America, (17%) in Australia and a minority in other continents of the world.

However 74,3% of the respondents indicate that they currently do not have a possibility to go abroad during their MBO training. When asked about their plans after completing their studies (42,6%) indicated that they would continue to study, (26,7%) would start working and (25,6%) would do both.

To the question if these MBO pupils who are currently following an MBO training are willing to learn a language course in the meantime; (72%) answered yes, (20%) no and (8%) answered maybe.

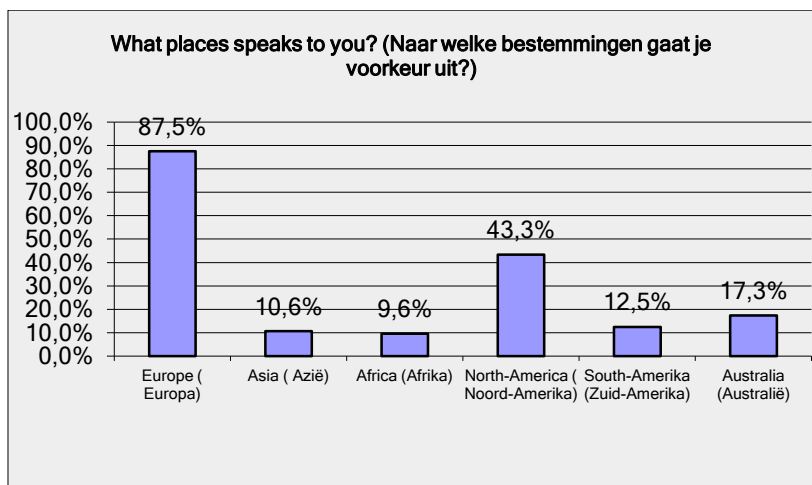


Table 3.1 destinations





### 3. Where do MBO customers purchase our services?

The information about the different services that Study-Globe provides can be found online on the official Study-Globe website and in brochures.

The company needs to know the MBO customers marketing and communication preferences. For this reason it is of extreme importance to know where they would seek for information when considering going abroad. Almost 39% indicates that they would visit educational fairs where they can get information about different studies. Furthermore, 21% would use website operators and 15% search engines on the web. To the question what would be the most preferable way for them to communicate with an educational travel agency, the majority 52,4% answered being contacted through email. The reasons for the majority to prefer information via email is that the respondents often find this communication method personal. Furthermore, it can be concluded that the majority checks their mailboxes on a daily basis and can decide whether they find the given information useful or not. In addition, 34% would like to receive a presentation at their school institution and 12.6% would like to receive and maintain contact on the telephone.

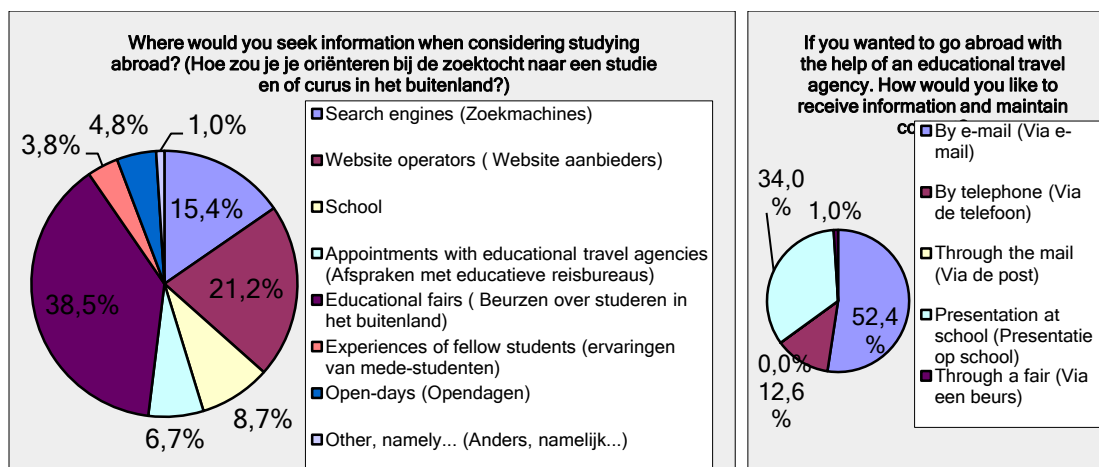


Table 3.2: orientation

Table 3.3 receiving information



#### **4. When do potential customers buy our products?**

Most of MBO customers that want to study abroad need to follow the academic study year, which means attending classes in August/September or at the beginning of January/February ( the autumn and spring semester). Customers that want to study a full vocational or bachelor study programme usually need to attend classes from the beginning of the academic school year. The ones that would study a semester and or minor on bachelor or vocational level have the opportunity to choose between the beginning of the first or second school year. Language courses however can be purchased throughout the entire year, because Study-Globe can offer short and long-term courses from 1 to 52 weeks (Study-Globe, 2016).

The search for a school institution in the country of the MBO customers wishes can take from a few days to a few weeks, as each study consultant needs to review and research within their database. For this reason customers usually need to consult the help of Study-Globe's services at least one month prior to departure.

,



## 5. Why do MBO customers purchase our products

MBO customers come from an education sector where work and school goes hand in hand together. When asked to these MBO pupils in Breda and surrounding areas (Province of Noord-Brabant) why they would want to study-abroad. The following answers were given:

1. International experience on CV (33%)
2. Personal development (22%)
3. To gain more knowledge on a specific matter (17%)

Also nearly 10% of the respondents answered that the motivation behind studying abroad is simply to travel. Which was followed by 8% of the students answering that they would like to speak a second language fluently.

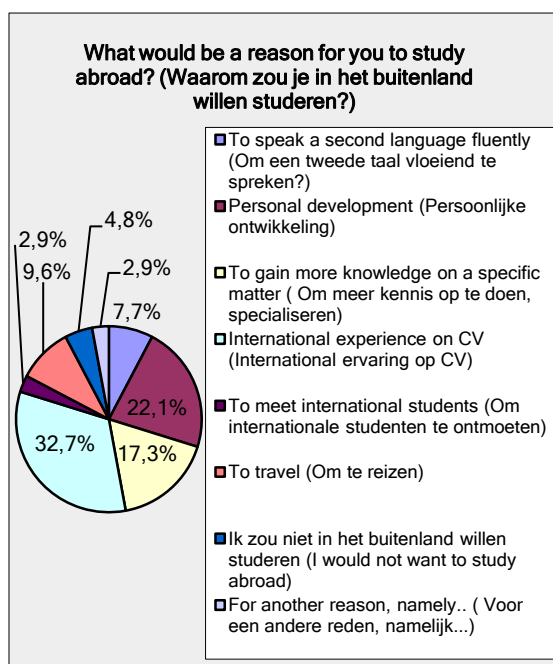


Table 3.4

**What is the deciding factor for you to choose for an educational travel agency? <more than one answer possible> (Wat is de doorslaggevende factor voor het kiezen van een educatief reisbureau?) <Meerdere antwoorden mogelijk>**

Answer Options	Response Percent	Response Count
Reliability (Betrouwbaarheid)	12,5%	13
Customer service (Service gerichtheid)	12,5%	13
Quality of programmes and or courses abroad (Kwaliteit van programma's en cursussen in het buitenland)	21,2%	22
Good and useful information (Goede en bruikbare informatie)	84,6%	88
Personal involvement (Persoonlijke betrokkenheid/aanpak)	34,6%	36
Many school offers abroad (Aanbod van scholen in het buitenland)	42,3%	44
Others, namely... (Andere, namelijk...)	1,9%	2
<b>answered question</b>		<b>104</b>

Table 3.5 →

The most important reasons why MBO customers would consult the help of an educational travel agency are according to 84,6% of the respondents, when they would receive good and useful information. Furthermore, 42,3% would prefer an agency with many school offers abroad and 34,6% values personal involvement of the company. The quality of the study programmes and or courses abroad are also very important according to 21,2% of the respondents.

## 6. Why do potential customers not choose our products?

The price of an education programme is very important according to 67% of the MBO respondents. A high price ratio is an important factor that can influence this target groups buying decision.

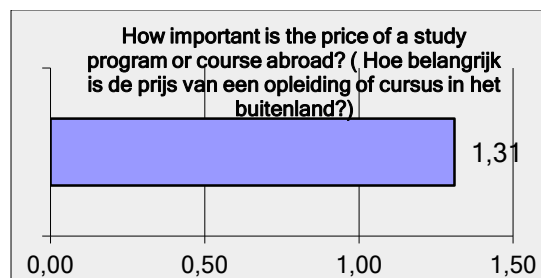


Table 3.6 Price

Very important (Heel belangrijk)	Fairly important (Vrij belangrijk)	Not important (Niet belangrijk)	Rating Average	Response Count
74	28	2	1,31	104

When MBO students were asked why they would not choose for an educational travel agency. The top three answers given were:

1. The opinions of others which includes reviews and experiences ( 40%)
2. Insufficient school offers abroad (19%)
3. The lack of customer service (12%)

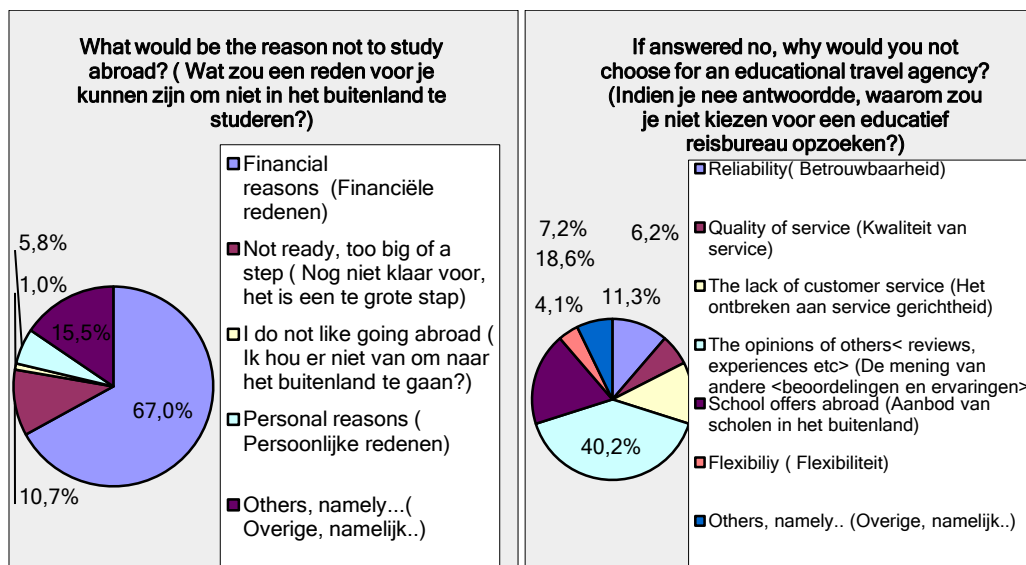


Table 3.7 Why not study abroad?

Table 3.8 Why no educational travel agency?



## 5.2. Macro-environment analysis

It includes the analysis of larger social actors and forces that may increase opportunities or pose threats to the entire business of Study-Globe. Under this subchapter various analysis are describes, such as the competition analysis, the Five forces of Porters and the DESTEP analysis.

### Industry analysis

The industry analysis will be analysed by the DESTEP model and the industry structure by the Five forces of Porter. According to porter there are five forces that can determine profitability of a business (Kotler & Armstrong, 2013).

#### 5.2.1. DESTEP-analysis

This section provides the most relevant elements of the DESTEP analysis. Only the **D**emographic, **E**conomical, **S**ocial-cultural, **T**echnological and **P**olitical factors of the Dutch educational travel market are discussed below, because these aspects mainly drive the purchases within the market.

#### Demographic factors

- Total population in the Netherlands: 16 979 120 (CBS Statistics Netherlands, key figures, 2016)

Age group	Population in The Netherlands October 2016	Percentage
<20 years	3, 818,499	22.5 %
20 - 40 years	4,163,702	24,5 %
40 - 65 years	5,911,611	34,8 %
65 - 80 years	2,366,560	13,8 %
80 years and above >	748,748	4,4 %
	= 16,979,120	= 100%

Table 3.9 Source: (CBS Statistics Netherlands, key figures, 2016)



- Total number of Dutch students enrolled at Dutch (MBO,HBO,WO) school institutions in the academic study year of 2015-2016 are: 1,180,332 (CBS statline, 2016)

Type of education	Pupils/ students in The Netherlands	Pupils/students in the Province of Noord-Brabant
<b>MBO</b>	476 589	67 993
<b>HBO university of applied science</b>	442 567	68 121
<b>WO University</b>	261 176	24 322
	= 1,180,332	= 160,436

Table 4.0 Source: (CBS statline, leerlingen deelnemers en studenten; onderwijssoort woonregio, 2016)

The largest ethnic group in the Netherlands are Native Dutch (77,9 %) versus (22,1%) of ethnic minorities (CBS Statistics Netherlands, key figures, 2016). These minority groups are largely from former colonies such as the Netherlands Antilles, especially coming from Aruba and Surinam. The Netherlands has also minority groups coming from guest worker recruitment countries like Morocco, Turkey and other non-European countries. The first generation guest workers arrived in the early 60's to fill shortages in the Dutch labour market after the devastating WOII (Wetenschappelijk onderzoek en- documentatiecentrum, 2012). After helping rebuilding the country many of them returned to their native country, but a large number decided to stay permanently and bring their family over to the Netherlands.

### Economic factors

The global financial crisis of 2009 had a huge impact on the disposable income and spending of the Dutch households. The following years after the financial crisis have been moments of uncertainty. A large number of people have lost their jobs due to downsizing which resulted in depending on unemployment benefits. These moments of uncertainty has led consumers to look for ways to reduce expenses and save money. The Dutch economy was negative and unbalanced in the last decade with moments of highs and lows. The financial statistics on the Dutch economy in 2014-2015 showed an improvement of the financial conditions. The Dutch economy showed considerable growth but the country was still not as before the crisis (CBS, 2015).



However, in 2016 the Dutch economy has again been facing problems. The unemployment rate in the Netherlands fell by 13 thousand per month over the previous three months, ending at 502 thousand in October (CBS, Unemployment continues downward trend, 2016). This amounts to 5.6 percent in the labour force. This downward trend is the strongest compared to other EU countries.

However the Dutch consumer was somehow more positive in January of 2017 than in December of 2016. The consumer confidence indicator is a tool that gives a fairly accurate picture of future developments in consumption expenditure, particularly expenditure on durable consumer goods. With the help of this tool, information on the economic and financial situation are evaluated. According to the CBS, The consumer confidence indicator increased from 1 to 13 points in January, the highest level in 9.5 years. The small increase is due to consumers being more positive about the economic climate (CBS, 2017).

One of the important industry sectors of the Netherlands is the tourism sector.

- In 2014, the direct contribution of Travel & Tourism to GDP was EUR12.5bn (1.9% of GDP).
- Predicted to rise by 1.4% to EUR12.7bn in 2015.
- By 2015, the direct contribution of Travel & Tourism to GDP is expected to grow by 2.7% pas to EUR16.6bn (2.1% of GDP) (World Travel & Tourism Council, 2015).

**NETHERLANDS: DIRECT CONTRIBUTION OF TRAVEL & TOURISM TO GDP**

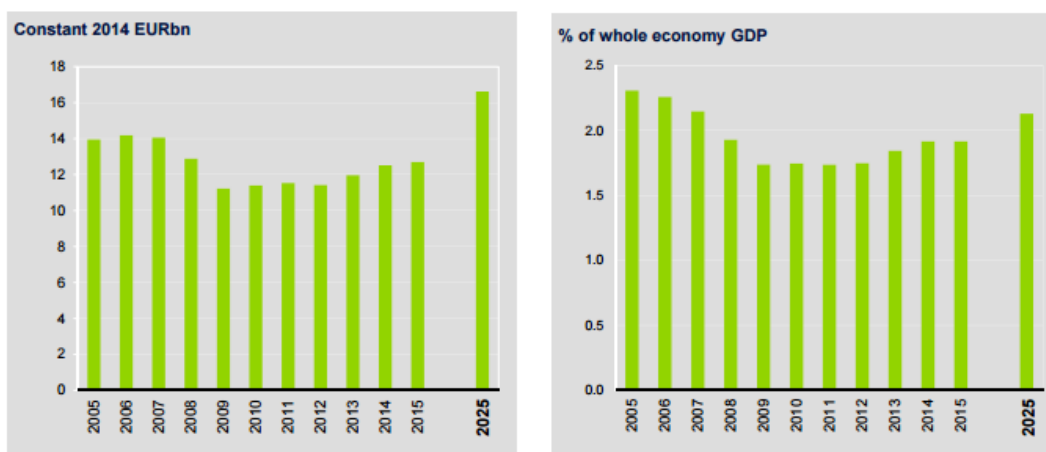


Table 4.1

Source: (World Travel & Tourism Council, 2015)



### Social- cultural factors

The social status of customers and their role within society are important factors that can influence customers decisions. For example, people that are unemployed will think twice before making decisions concerning finances. However people that are financial stable could afford more luxury products and services. The educational travel industry offers different services for all customers. Most customers perceive the studying abroad experience as an investment for the future. There are different study possibilities in different countries available for all kinds of pupils and students. Depending on their wishes, needs and budgets customers are able to fulfill their study dreams.

Social cultural factors that can influence the buying decision of customers in the educational travel market are lifestyle, language and cultural identity. According to the CBS report "the Netherlands on the European scale (CBS, 2016)" people in the Netherlands in the 16 years and older category are the happiest people in Europe. It can be concluded that people that are happy are satisfied with their lives. These people tend to enjoy life by doing things that satisfy their needs and makes them truly happy such as; traveling, exploring new cultures, studying abroad, food, partying, listening to music and learning new languages.

### Technological factors

- The Netherlands has an internet penetration rate of 94%, which means there are approximately around 15.8 million people who use the internet (CBI, 2016).
- The number of Dutch internet users on their mobile phones is very high among the youth, young adults and old adults.

Age category	% mobile internet users in the Netherlands 2016
12-25 years old	86,9%
25-45 years old	88,4%
45-65 years old	77,2%
65 years and older	33,5%

Table 4.2

Source: (CBS Statline, 2017)





- Frequent users of social media platforms are listed in the table below:

Type of social media platform	Number of users in the Netherlands 2016
Facebook	9,6 million
Twitter	2,6 million
LinkedIn	4,2 million
YouTube	7,2 million
Instagram	2,1 million
Pinterest	2,0 million

Table 4.3

Source: (Van der Veer, Sival, & Van der Meer, 2016)

Social media offers the chance to interact with people on a larger scale. The use of social media in the Netherlands is very high and keeps growing among all target groups. For years, Facebook has been the leader of social media platforms in the Netherlands. There are approximately 9.6 million people who have a Facebook account, which 6.8 million login daily (Van der Veer, Sival, & Van der Meer, 2016). Besides the more traditional networks there are more non-traditional social media platforms and people keep switching between them. The focus of the newer social media platforms are established on images and videos. Examples of these platforms are Twitter, Pinterest and Instagram. Instagram for example is a popular social media platforms among 52% of pupils and students in the Netherlands (Van der Veer, Sival, & Van der Meer, 2016).

### Political legal factors

The financial aid (grant) for studies that was called studiefinanciering for Dutch students no longer exists due to changes within the Dutch government policy in 2015. In order for students to accommodate their tuition and or additional study costs students now need to apply for a student government loan. It is calculated that students who are taking this loan end up in debt that can add up to 3348 euro on a yearly basis for students that live independently and 1200 euro for students that live at home (Mouwens, 2015). However, students have the possibility to make use of the loan at the lowest rates of 35 years (Mouwens, 2015) .

### 5.2.2. Porters Five Forces Framework

The industry analysis describes the market for Study-Globe, which is related to the five forces of Porter. Together with the **DESTEP** model, **Porter's Five Forces** model will help to assess the external environment. Porter's Five Forces determine the attractiveness of the market by analyzing the competitive intensity.

The five forces consists of:

1. Bargaining power of buyers
2. Bargaining power of suppliers
3. The threat of new entrants
4. The threat of substitute services
5. Rivalry among existing competitors

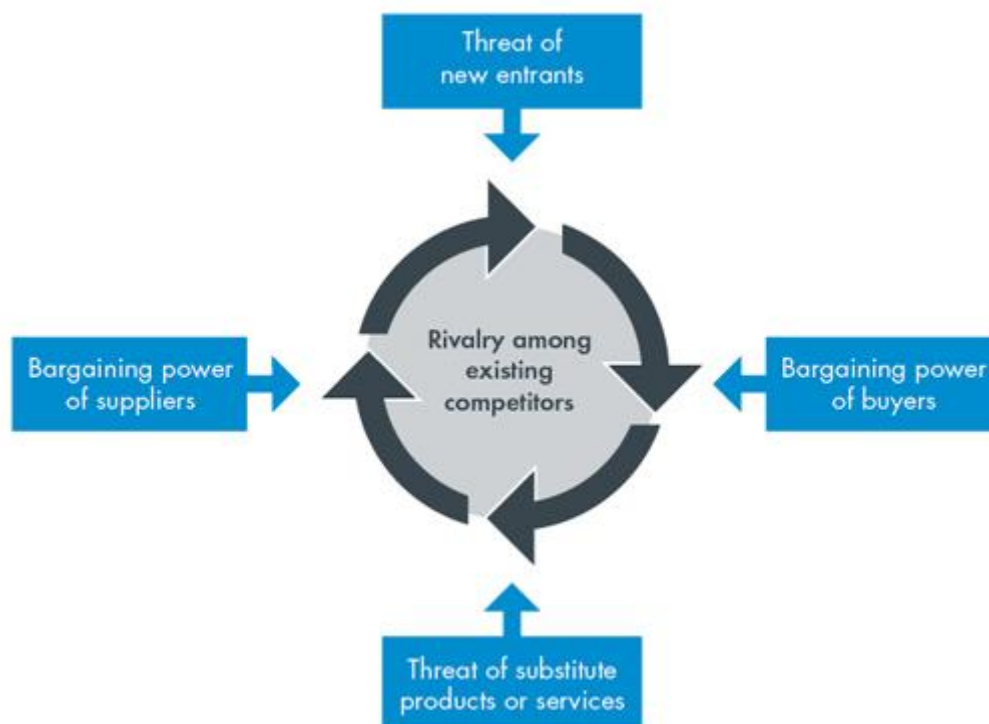


Figure 4.4

Source: (WIKISKY, 2016)



### **1. Bargaining Power of buyer:**

Study-Globe has offered many customer target groups with educational travels abroad. The majority of Study-Globe's loyal customer groups can be found among students of the higher education in the Netherlands and Belgium. The company is young but keeps increasing their number of study possibilities and destinations all around the world. Study-Globe however, still needs to prove its self and capture the target group MBO pupils attention in order to obtain larger market share in the Netherlands. There are a few large competitors in the Dutch educational travel industry that have been in the educational travel industry for years and have therefore created brand recognition and consumers loyalty among different target groups which also includes MBO pupils. Because of the fact that most educational travel agencies are situated in the larger cities of the Netherlands, Study-Globe can gain competitive advantage by starting to increase awareness of their services and brand recognition in their own region (Noord-Brabant). The communication with customers has become impersonal. Therefore, Study-Globe can differentiate themselves from its large competitors by offering high quality study and language services, personal commitment and great services for (competitive) affordable price. Nowadays customers have the ability to book educational travel services online but also read reviews, compare prices and service offerings. The customer can decide to look for an alternative if the price that is listed or service does not meet their requirements. For this specific reason, the buyer power can be considered high.

### **2. Bargaining power of suppliers**

Study-Globe is not an educational institution, but a mediation company that represents the students interests and school institutions abroad. The main activity of the company is to offers guidance and counselling about the different study offers and possibilities they have to offer via partner institutions abroad. They are able to accommodate different needs of customers by working closely with school and language institutions, insurance companies, accommodation, housing companies and flight ticket services in different parts of the world.



### **3. Competitive rivalry:**

The rivalry in the educational travel market can be considered high because of the considerable number of market leader in the Dutch educational travel market. Therefore Study-Globe needs to be aware of the threats of competitive rivalry. The larger educational agencies have considerable larger resources at their disposal and can reach more market share in the educational travel industry. However, the small company Study-Globe in Breda is able to manage and compete with the larger companies in the Netherlands because they differentiate themselves in terms of customization, customer service. Furthermore the company offers large study offerings in European countries but also in all other continents.

### **4. Threat of substitution:**

There are no specific products or services of substitution for educational travel. However, customers can decide not to study abroad but instead to book a vacation with cultural activities. Dutch customers have two study options. They can choose an offshore destination as the place they want to learn and explore their international study possibilities or study in the Netherlands.

Furthermore, the educational travel industry can be divided within the following segments: Study programmes, language programmes and Internships abroad. Therefore customers are able to switch between these product offering in order to achieve their goals and personal objectives. There are different personal reasons for customers to decide to study abroad. One can consider studying abroad as an opportunity to strengthen their résumé, explore cultures and learn different languages while others go abroad in the hope to network and build international relationships that can help them in the future. Nevertheless, the study services that Study-Globe's offers are complete services. The consultants of the company are there to find the right educational travel possibility for every individual customers.

### **5. Threat of new entry:**

The threats of new entry in the market of educational travel agencies is relatively low. This due to the fact that it takes a large amount of time and investment for an agency to build up a brand, cooperation agreement and mutual trust with school institutions abroad. An educational travel company recruits customers on behalf of language-and school institutions abroad. In order for the company to respond to different target groups needs and wishes , it needs to have a broad range of



study possibilities and programme at their disposal. Depending on their target group, it is effective to offer different study possibilities in different parts of the world for students to choose from.

Furthermore, Large capital costs are required for branding, advertising, market research, networking, choosing reliable providers of school institutions, insurances, recruiting talents, accountants and much more. New entry players often stay away from the educational travel industry because of the substantial amount of work, financial risks and security factors that needs to be considered.

However, already established smaller agencies in the Dutch educational travel industry can merge or work together with other companies to have deeper market penetration (Renaud, 2016). This can allow smaller companies to offer a wider range of products and services.

### 5.2.3. Competitors analysis

In order to design an effective marketing strategy and gain competitive advantage, Study-Globe needs to investigate its competitors. Study-Globe operates in the field of educational travels in two different domains: study programmes and language courses abroad. The competitive threats needs to be taken into consideration when approaching and entering a new customer segment ( MBO market). For this reason, the following three direct competitors have been selected for this competitor analysis: Education First (EF), Kilroy and Interlanguage Study Abroad. Based on the answers of the questionnaires that was distributed to MBO pupils, a selection has been made to describe the distinct features of the top three competitors in terms of service offerings, study programmes, target groups, destinations , price, website and other communication tools.

Education First (EF) can be seen as one of the top competitors where students and MBO pupils are able to go abroad for their studies. According to EF's official website, their mission is: *"to give confidence and freedom to people of all ages, nationalities and backgrounds (Education First, 2017)"*. Therefore, it can be assumed that this organization values customer satisfaction and provides study and language services abroad to all customer groups. Education first is able to perceive competitive advantage due to its large variety of study possibilities, service offerings, size and locations in nearly 116 countries worldwide. Their strong national and international brand recognition, strong social media presence, positive reviews, large headquarter with many employees and presence in the capital of the Netherlands (Amsterdam) are EF's strengths. As the company is completely independent and has associated organizations worldwide, it is able to differentiates itself from its competitors and establish a premium pricing strategy. By combining language courses with cultural



exchanges, academic achievement and educational travels, EF is able to deliver courses and programmes that transform dreams into international opportunities (Education First, 2017). Furthermore, the company knows how to retain and keep in touch with past-customers for example by making them ambassadors the company. These ambassadors can advocate on behalf of them and share their study and travel experiences with fellow students and new customers. Word-to-mouth advertisement is a core component of their communication strategy.

Another company that offers study services abroad for customers (pupils and students) at different study levels is Kilroy. This company is well known in the Dutch educational travel market and focuses on providing professional services abroad for competitive prices. Apart from the different study possibilities abroad, the organization is specialized in all around the world travels, internships and backpacking (Kilroyworld, 2016). Kilroy is able to attract the youth because of its strong social media presence and deep product assortment. By involving them in their world travel journeys, video portraits, stories and competition on different social media platforms students are able to enjoy and connect to the company. The organization knows how to attract their customers target groups and keep them interested.

The last company that can be seen as one of Study-Globe's competitors in the Dutch educational travel industry is Interlanguage Study Abroad. According to Interlanguages official website, Interlanguage is an educational travel agency that is focused on the youth (Kilroyworld, 2016). The company's ability to combine leisure with their study programmes abroad makes them appealing to this target group. Interlanguage Study Abroad offers more than 27 years of work experience and knowledge. The company identifies itself as a educational travel agency that offers quality services, independency, personal approach and free professional advice (Interlanguage, 2017). The organizational structure of the educational agency Interlanguage and Study-Globe are similar in terms of providing comparable service offerings, different study possibilities and language courses for the main target groups, specialized courses, transportation and accommodation services (Interlanguage, 2016). Furthermore, the tuition fees and prices for full study programmes in Europe are nearly comparable to those of Study-Globe, except for the study programmes including leisure activities. Interlanguage also offers seasonal discounts on language and study programmes abroad that can run up to 20% of the tuition price (Interlanguage Study Abroad, 2017).

The rivalry among these existing competitors in the Dutch educational travel industry is high. There are many travel agencies that have been in business for a long time. Study-Globe is young and small and for this specific reason they are able to be flexible and provide customized high quality services.



Also where bigger companies try to beat its competitors or match the existing competition on price, Study-Globe tries to add value by personalization and customization of their study possibilities. The table below describes the main characteristics of the above mentioned competitors in terms of service offerings, additional services, selected target groups, destinations, costs, website and marketing communication tools.



	Education First	Kilroy	InterLanguage Study Abroad
<b>Services (educational travels)</b>	<ul style="list-style-type: none"> <li>- Language course abroad</li> <li>- Cultural exchange abroad</li> <li>- Academic studies</li> <li>+ Counseling and registration process</li> </ul>	<ul style="list-style-type: none"> <li>- Studies, Internships, Language courses abroad and long-foreign travels.</li> <li>+ Counseling &amp; registration process</li> </ul>	<ul style="list-style-type: none"> <li>- Language courses, studies abroad combine with leisure activities.</li> <li>- Internships abroad</li> <li>+ Counseling and registration process</li> </ul>
<b>Additional services</b>	<ul style="list-style-type: none"> <li>- Accommodation</li> <li>- Insurances</li> <li>- Optional activities &amp; excursion</li> <li>- Flight tickets (with discount)</li> <li>- Transfer service</li> </ul>	<ul style="list-style-type: none"> <li>- Accommodation</li> <li>- Insurances</li> <li>- Flight Tickets service</li> <li>- Tours</li> <li>- International student card</li> </ul>	<ul style="list-style-type: none"> <li>- Accommodation</li> <li>- Insurances</li> <li>- Transportation</li> <li>- Activities</li> </ul>
<b>Selected target group</b>	<ul style="list-style-type: none"> <li>- Secondary school juniors</li> <li>- University students &amp; Young adults</li> <li>- Adults and professionals</li> </ul>	<ul style="list-style-type: none"> <li>- Youth</li> <li>- Students</li> <li>- Backpackers</li> <li>- Adults</li> </ul>	<ul style="list-style-type: none"> <li>- Junior/ pupils</li> <li>- Students</li> </ul>
<b>Destinations</b>	<ul style="list-style-type: none"> <li>- 46 Destinations</li> </ul>	<ul style="list-style-type: none"> <li>- Long foreign travels all around the world.</li> <li>- Language course in 4 EU countries and studies in 11 countries.</li> </ul>	<ul style="list-style-type: none"> <li>- 22 countries and within these countries more than 100 cities for all services.</li> </ul>
<b>Languages</b>	<ul style="list-style-type: none"> <li>- English, French, German, Italian, Chinese, Japanese, Spanish</li> </ul>	<ul style="list-style-type: none"> <li>- English, French, German, Japanese, Chinese</li> </ul>	<ul style="list-style-type: none"> <li>- English, Spanish, French, German, Italian, Russian, Portuguese, Chinese</li> </ul>
<b>Costs</b>	* Premium pricing	*Competitive pricing	* Competitive pricing:
<b>Website</b>	<ul style="list-style-type: none"> <li>- Professional, well-structured and offered in different languages such as Dutch, Arab, English, French, Chinese etc.</li> <li>- Appealing to all customer groups.</li> <li>- Brochures and information booklets can be downloaded online.</li> </ul>	<ul style="list-style-type: none"> <li>- The website is up-to- date, informative, advanced and well structured.</li> <li>- Offered in many languages.</li> <li>- Additional services like flight tickets can be purchased online via MasterCard and Visa.</li> </ul>	<ul style="list-style-type: none"> <li>- Available in Dutch and English.</li> <li>- The website is designed to appeal to the youth. Its clean and easy to follow.</li> <li>- All information can be found on the website (price list, data, colleges etc)</li> </ul>
<b>Other communication tools</b>	<ul style="list-style-type: none"> <li>- EF is an international organization that is represented worldwide and is situated in 116 countries.</li> <li>- One main office in the Netherlands, Amsterdam.</li> <li>- Contact: E-mail, telephone, personal appointment</li> <li>- Presentations and reviews of EF ambassadors.</li> <li>- EF blog: Tips, experiences of fellow students etc</li> <li>- Visits national and international fairs to recruit/ inform people about their studies and travels abroad.</li> </ul>	<ul style="list-style-type: none"> <li>- International organization with offices situated in the Netherlands, Belgium, Denmark, Finland, Island, Sweden and Norway.</li> <li>- Kilroy travel agencies in the larger cities of the Netherlands: Amsterdam, The Hague, Groningen and Utrecht.</li> <li>- Contact: E-mail, phone, personal appointment</li> <li>- Kilroy Blog: to review &amp; share experiences.</li> <li>- Organizes/ visits events &amp; information days about travels.</li> </ul>	<ul style="list-style-type: none"> <li>- Dutch company since 1986 with one head office in Rotterdam.</li> <li>- Study advisors are just one phone call away ( office hours)</li> <li>- Contact: E-mail, phone, personal appointment</li> <li>- Regular orientation meetings</li> </ul>

Table 4.5 \* Depending on the duration, country and service.





## Opportunities & Threats/ SWOT Internal analysis

*The Opportunities and Threats of the external environment of Study-Globe are described in this chapter.*

### Opportunities

- **O1** Growing need of internationalising the Dutch MBO education: Revision of the qualification structure in the MBO sector (MBO pupils have the option to fill 20% of their curriculum with an educational option/course of their choice)
- **O2** Growing number of Dutch mobile internet users
- **O3** Increased customer demands on quality products & study services abroad

### Threats

- **T1** Competitive rivalry
- **T2** Internet users ( Digital world, customers are able to do their own research concerning educational travels, which will allow customers to look for information and compare prices, products and services).
- **T2** The Dutch economic instability can effect consumers decision and buying behaviour
- **T3** Governmental student grant (studiefinanciering) is no longer a grant but a government student loan



## Chapter 6. Potential marketing & segmentation

After analyzing and comparing competitors with Study-Globe, it is safe to say that there is no educational agency exactly similar to the company. In order to reach the target group MBO pupils effectively, the market needs to be segmented. The outcomes of the questionnaires that are described in the Abell model will be utilized in order to achieve competitive advantage. Therefore the needs and the most promising MBO target groups for Study-Globe will be described in this chapter.

### Potential MBO-customer market

As mentioned in the DESTEP analysis, the province of Noord-Brabant exists of at least 67 993 MBO pupils. Study-Globe's potential MBO customer group exists of pupils in the age group of 16-25 years old in Noord-Brabant with an MBO level 3 and 4 diploma.

### *Segmentation*

According to Kotler and Armstrong, market segmentation addresses to the question; **Who will we serve?** In order to find the best way to view market structure, different segmentation variables such as geographic, demographic, psychographic and behavioral can be used (Kotler & Armstrong, 2016, p.223)

The geographic segmentation divides the market into different geographical areas. The Dutch province Noord-Brabant has been chosen due to its geographical setting. Study-Globe's head office is situated in a small city in Breda. Noord-Brabant is a province that has a large number of MBO pupils and school institutions. In terms of demographic segmentation, age, education, income and occupation are important factors. For Study-Globe the most attractive MBO customers are pupils of the ROC and AOC with qualification level 3 and 4. These pupils tend to be more international orientated, respectively 79% of the surveyed spoke at least one modern foreign language (English). Therefore Study-Globe should pursue MBO pupils that want to start an MBO training or MBO pupils that are near the end of their MBO training. More than 74,3% indicated that they currently have no possibility to study abroad during their MBO training except for an internship. Students with an MBO level 3 certificate are able to follow courses at colleges abroad and start studying at the higher education. MBO pupils with a level 4 certificate are directly allowed to start a bachelor study programme of their wishes abroad. Study-Globe needs to take into consideration that these pupils have low income and are therefore often dependent on their parents, savings and jobs.



Furthermore, psychographic segmentation refers to dividing the market into different segments based on social class, lifestyle and or personality characteristics. To the question why MBO pupils would not choose for an educational travel agency, 40,2% answered if they were influenced by the opinions of others. Therefore it can be concluded that the direct environment of MBO pupils have a lot of influence on their decision making process. People in their direct environment can include relatives, friends, school mates, teachers and even acquaintances.

Behavioral segmentation covers the customers knowledge, uses and responses to a product or service. In order to capture an idea of the needs, behavior and study preferences abroad of MBO pupils in Breda and surrounding areas, 104 MBO pupils have been asked to fill out a questionnaire which have been processed and analyzed. The lack of brand awareness and knowledge of study possibilities abroad plays a big role within the decision of MBO pupils to not choose for an educational travel agency as Study-Globe. MBO pupils are unable to choose for something they have no knowledge of as 82,7% has mentioned not being familiar with the term "educational travel agency".

### **Market targeting**

After dividing the market into segments, the following question can be answered; **How will we serve these customers best?**

After the customer market has been segmented based on the different four segmentation previously describes, the target market can be segmented. Study-Globe's target market exists of MBO pupils in the age category of 16-25 years old that are studying and living in Breda and surrounding area's (province of Noord-Brabant). This target market consists of Dutch pupils that are international orientated, adventurous and are willing to go abroad, as a majority of 63,5% have showed interest in a study possibility abroad.

There are three important factors during the evaluation of the different market segments; size and growth, structural attractiveness and company objective and resources (Kotler & Armstrong, p.232, 2016). Study-Globe needs to use a differentiated marketing (or segmented marketing) strategy by dividing the educational market into several target groups of customers and designing different study possibilities for each target group ( Kotler & Armstrong, p.223 -246, 2016).



AI services that Study-Globe provides are custom made and therefore differ from one individual to another. People are able to customize their study possibilities depending on their budget, country preferences, study possibilities and additional services. For example, a one year MBO (Vocational) leisure management programme in Spain + accommodation. Another example, one semester HBO (Bachelor University) international business administration in Malaysia + accommodation + flight ticket service + insurance. By offering a wide range of programmes to satisfy specific needs of each (individual) target group of customers, Study-Globe is able to acquire a stronger position on the MBO market in Noord-Brabant.

### Positioning

Positioning in the terms of marketing has to do with customers feelings and first impressions towards a company, products and services. Before making a buying decision customers go through different phases. People tend to get confused by all the information that is available. Therefore, customers first receive information on the different possibilities. Customers then process and reevaluate the products and services by dividing the company, products and services into different subcategories in their minds.

By analyzing the outcomes of the questionnaires a conclusion can be drafted on how Study-Globe should be perceived in the minds of consumers compared to competing companies and services. A deciding factors for MBO pupils to choose an educational travel agency is if they are provided with good and useful information about the different study possibilities according to 84,6% of the respondents. Furthermore, 42,3% found the amount of school offers abroad very important. Also 34,6% of the MBO pupils considered personal involvement of the organization a deciding factor for them to choose for an educational travel agency. Therefore, Study-Globe should be able to provide MBO pupils with good and useful information about the possibilities and different vocational and bachelor courses abroad. In order for Study-Globe to be successful, the consultants needs to be personal committed and involved with these target group and have a broad offer of school institutions and programmes they can choose from. Moreover out of 104 respondents, 74% indicated that the price (tuition) of a study programme abroad plays a very important role when considering going abroad. For this reason a good price/ quality ratio is of extreme importance. Moreover, when asked to the respondents of the questionnaire where they would like to study; 87,5% indicated within countries in the European Union, 43,3% in North America and 12,5% in South-America. This is something Study-Globe should take into consideration when approaching these target groups.

### The Abell & Hammond model

This subchapter provides a market description which includes the Abell & Hammond model. After analyzing the information obtained from the questionnaire results (6W's), the target groups needs/interests and preferred communication technologies have been determined and displayed in the following three dimensional model (fig 2.2)

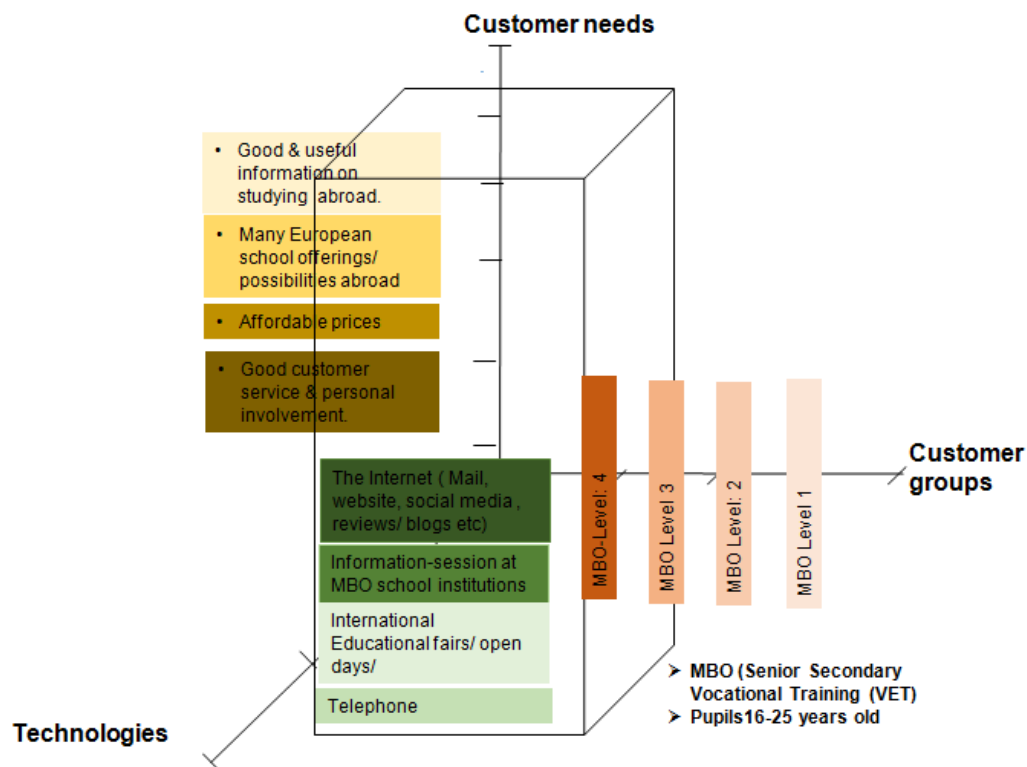


Figure 4.6 The Abell model



## Chapter 7. Communication Strategy

The overall objective is to increase the number of MBO pupils in Study-Globe's portfolio but in order for this to happen, Study-Globe needs to increase (brand) awareness of its products and services in Noord-Brabant, as many of these pupils are unaware of the study possibilities abroad. Study-Globe therefore needs to deliver a clear message to MBO pupils in Noord-Brabant. The message needs to include Study-Globe's unique selling points: Broad study possibility in many countries, customization, skilled study consultants and this for affordable prices.

Study-Globe should change its current strategy and invest budget in creating different advertising campaigns. MBO pupils are young, therefore it is more effective to reach them by combining new media channels with the more traditional ones. By combining, multiple strategies the company will be able to reach a larger MBO customer target group in Noord-Brabant and increase brand awareness.

- × **Direct marketing** (distributing brochures, booklets, newsletters)
- × **Word of mouth**
- × **Events** (visiting educational fairs and attending career days at MBO school institutions)
- × **Promotion** (seasonal discount offers)
- × **Internet** (email, newsletter)
- × **Social media** (Facebook, Twitter, YouTube, LinkedIn, Instagram)
- × **Mobile advertisement**

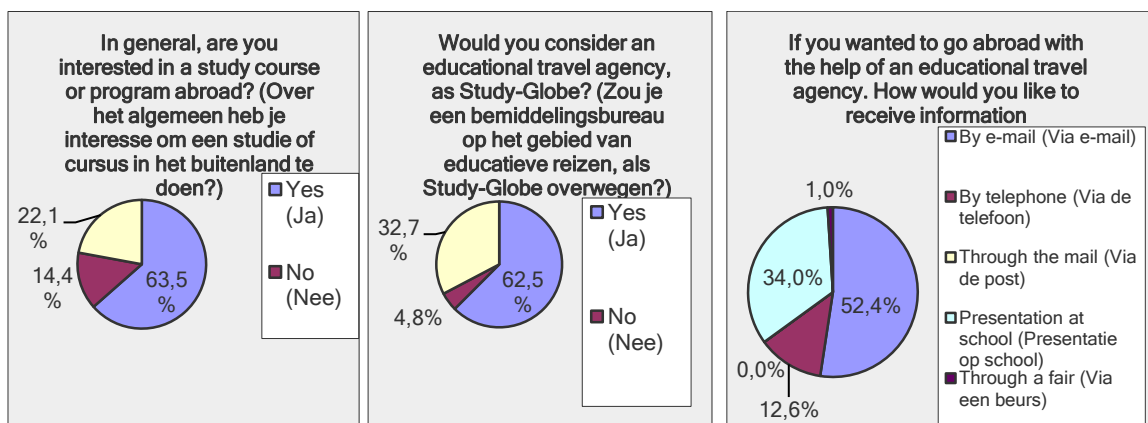


## Chapter 8. Conclusion & Recommendation

The Study-Globe team is a young and dynamic group that come from the higher education themselves. Therefore, they know how to approach, speak and retain good relationships with these customer groups because customers are able to relate to them. Furthermore the employees are trained and have international mobility knowledge in the higher education. This is not similar to the senior secondary vocational education (MBO) market. For the company to reach its goal, it should invest time, manpower and knowledge in the MBO sector as its starting internationalizing.

63,5% of MBO pupils in Breda and surrounding areas are interested in studying abroad. Respectively, 87,5% indicated to want to study in a European country. Therefore study-Globe should respond to the needs of these customer groups and inform about the different study possibilities for them in Europe.

The lack of brand awareness and possibilities plays a big role within the decision for an MBO pupils to not choose for an educational travel agency as Study-Globe. MBO pupils are unable to choose for something they have no knowledge of, as 82,7% has mentioned not being familiar with this concept. After given a small description of Study-Globe's function and study possibilities pupils were asked if they would consider an educational travel agency. The majority 62,5% responded yes and 32,7% responded maybe and the rest 4,8% responded no. This is a large number of potential new MBO customers in the province of Noord-Brabant. Therefore, the company should definitely continue to pursue these MBO customer target groups in Noord-Brabant and apply the above mentioned communication strategies in order to increase their portfolio.



\* Due to the fact that respondents of the survey were able to select one or more multiple answers from the defined list of choices, the total sum of several questions are higher than 100%



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## Appendices