



## Entrepreneurship in Higher Education. The EU scenario analysis

### Introduction

Major steps are currently being taken to make European Union an attractive destination for foreign students willing to increase their competencies and skills in various fields. They include the creation of a comparable structure of academic degrees, mutual recognition of diplomas and course units, the assessment of academic institutions and programs based on common quality standards and direct incentives for geographical mobility of students and staff. Among the different educational fields that are emerging as most attractive for young and talented students, entrepreneurship higher education is one of the most interesting. However, although starting from 2000 the 'Lisbon Strategy' was introduced by the European Council in the attempt of boosting the promotion of entrepreneurship education towards young people in order for them to learn the skills they need to be successful in this competitive environment (European Commission, 2000), still there is not a clear picture about the state of the actual offering of higher education initiatives on entrepreneurship provided by European universities. As well, so far there is not a common understanding about the opportunities related to the attraction of foreign students who consider the European Union an attractive destination for higher education and are interested to get more information about actual and future opportunities in entrepreneurship.

As consequence, the main purpose of Endeavour project is to help the European Union to increase the interest in the EU Universities as an educational destination of choice, especially for academically talented students of Third countries, in order to expand the potential market for higher education offer and detect emerging opportunities for European Institutions. However, in order to support innovative educational planning, both academic and practitioners need a marketing strategy able to "package" and promote the actual opportunities offered by European public academic institution and to support the design of new educational products able to satisfy the emerging needs of talented students from Third Countries and to attract potential new "customers".

As consequence at the end of this project we attempt to propose a strategic marketing framework aiming to match the actual state of art of entrepreneurship training and education within the EU Member States at Higher Education level and emerging needs coming from Third Countries. According to our vision, strategic

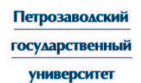
marketing framework has been developed through the following steps:

1. Product and segments definition: in this section we provide a brief synthesis of the current situation of entrepreneurship education offered across EU Institutions in the attempt to define the overall "product portfolio"; moreover, we define emerging segments in Third Countries and we will define their profile and needs;
2. Identification of market opportunities in order to define attractive educational products: in this section we analyze the different strategic alternative to resource allocation by evaluating the single "educational products" on the basis of how attractive the actual/prospective market is and how well the European institutions are positioned to take advantage;
3. Conclusion and marketing implications: in the last section we provide some final recommendation and implications for strategic marketing planning.

### Defining European portfolio and Third Countries segments in Entrepreneurship higher education

The European "product portfolio" of higher education in entrepreneurship can be defined through the following categories:

- Undergraduate courses: they are offered mainly in business and engineering programs; Spain, Slovenia and Italy are the countries that provide the wider range of opportunities (49% and more percentage of universities offer entrepreneurship undergraduate course); as well, Ireland, Cyprus, Malta, Austria, Lithuania and Romania also provide a significant offer in this field;
- Post-Graduate Programs: which in turn can be splinted in the following categories:
  - Master Courses: they enables students and practitioners to operate effectively at a high level of executive responsibility in creating and managing new businesses; such programs are offered especially in France, Slovenia and UK;
  - PhD Programs: they provide skills and competencies for academic research in entrepreneurship and are offered especially by Universities located in UK and Ireland. However the overall offer provided by European institutions so far seems till too tight;
  - Professional Courses in Entrepreneurship: they aim to support business start-up and to develop leadership skills. Professional courses are concentrated especially in France, Ireland and UK.



In figure 1, the European product portfolio of higher education in entrepreneurship is categorized through a 2x2 portfolio matrix, which classifies each product according to the following criteria:

- Complexity: it represent the effort needed to create and manage the product offering and can be categorized as low (course) and high (program);
- Orientation: it represent the main focus of content and purposes in the product offering and can be defined as research-oriented and practice-oriented.

Figure 1. The European “product portfolio” of higher education in entrepreneurship

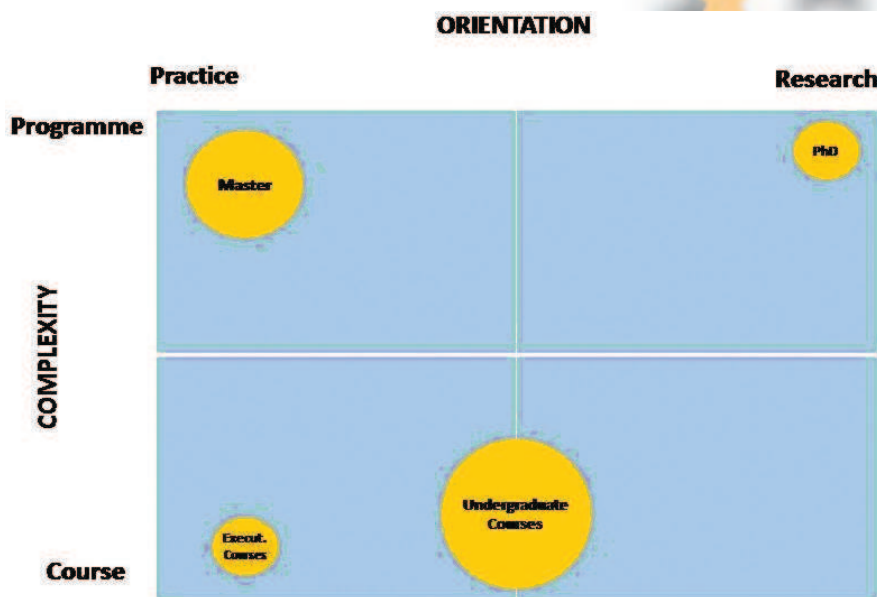


Figure 1 shows the actual portfolio of European higher education offering in entrepreneurship; the size of the circle in each cell of the matrix represent the size and strength of the offering for each product category. According to results, European offering seems to be well positioned mostly on practice-oriented programs (Master, Executive education), while research-oriented initiatives (PhD) still need more effort and investments for growth.

### *Emerging Segments in Third Country Demand for European Higher Entrepreneurship Education*

Results from our large survey conducted among students in seven different countries about actual needs and potential interests toward European entrepreneurship education show that students in Third Countries are fairly interested in pursuing studies abroad and that European Union (especially countries like UK, Spain, France, Italy and Germany) is perceived as an attractive destination. As well, interest in pursuing Entrepreneurship courses in Europe is fairly high in all the countries where the survey was conducted. Practice-oriented programs (Master and executive education) are considered the most attractive product categories (especially among Asian students) but results also show a relevant interest for PhD programs; programs at the

undergraduate level emerge as the least preferred, probably because high quality initiatives at that level are nowadays available in Third Countries.

Comparative data analysis put in evidence that it is possible to detect specific needs and attitudes among the different countries involved in the survey, as well as common patterns in them. As consequence, a marketing strategy designed to support innovative educational planning and promote the actual opportunities offered by European public academic institution must use segmentation procedures in order to meet emerging needs and allocate resources more efficiently.

Arising from results of the survey, different segments of prospective students from Third Countries are evaluated according to the following variables:

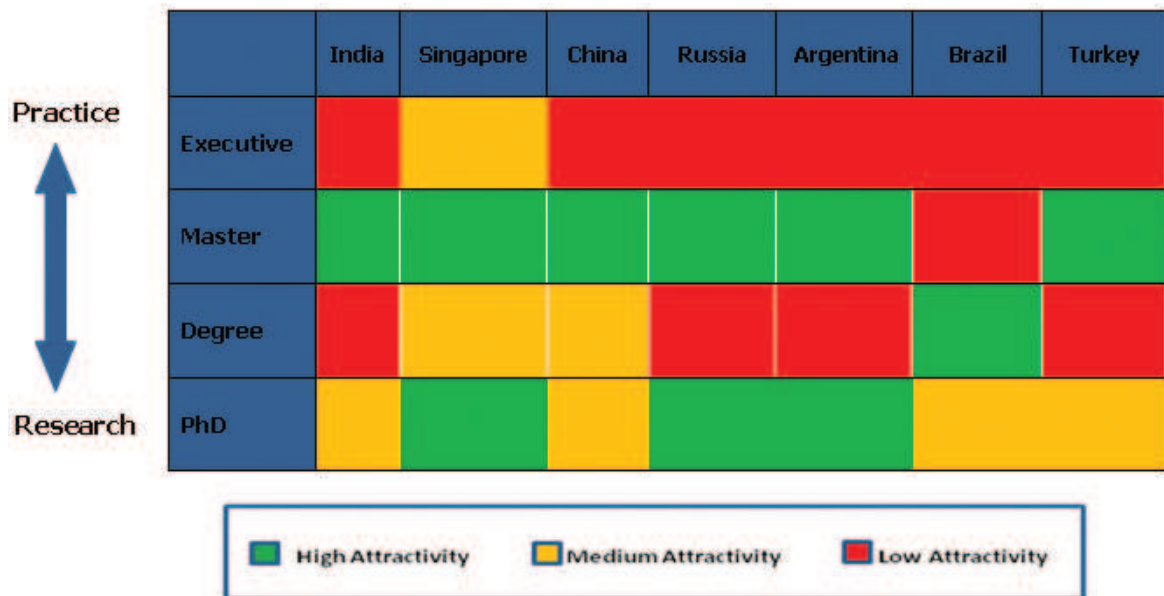
- Orientation: this variable involves segmenting Third countries students by orientation toward the entrepreneurship education (research vs. practice)
- Geography: this variable involves segmenting students by Area of origin

Figure 2 shows the segmentation map; colors express the size of each segment and thus its relevance for the development of higher education programs in entrepreneurship.

Figure 2. Size and relevance of Third Countries student segments for Entrepreneurship offering

According to figure 1, practice-oriented students (especially for Master programs) emerge as the most substantial and attractive segment for higher education offering across all the countries investigated. As well, students interested in pursuing studies at doctorate level emerge as a high-potential segment for the development of high quality educational programs in entrepreneurship. According to our survey it is possible to identify common patterns across all the segments: in particular, the need of financial resources, the proficiency in English and the favorable perceived image of European institutions emerge as significant inputs for a successful marketing strategy.

3. Identification of market opportunities in order to develop attractive educational product



In order to allocate resources with efficiency across all the product offered, organizations must identify and evaluate market opportunities and analyze its own resources and competencies. An helpful tool aiming to support the identification and selection of marketing strategies is the market attractiveness/ organization strength matrix. In such matrix, each product of the organization's portfolio is allocated according on the basis of how attractive the actual/ prospective market is and how well the firm is positioned to take advantage. The grid is divided into four quadrant summarized as the following:

- high strengths in high attractive markets

suggest that it may be convenient to invest in market development ("Develop the market" quadrant);

- finally, low organization strengths in slightly attractive markets indicate the needs to select initiatives in order to better allocate resources ("Select" quadrant).

Figure 3 present a market attractiveness/ organization strength matrix for European offer of higher education in entrepreneurship.

Figure 3. The market attractiveness/ organization



represent opportunities for gaining or maintaining a competitive advantage ("Keep up the good work" quadrant);

- low strengths in high attractive markets indicate high priority in intervention for product improvement ("Improve the product" quadrant);
- relevant skills in slightly attractive markets

strength matrix for European higher education in entrepreneurship

According to results reported in the matrix, there are no products that completely fall in the Keep up the good work quadrant; both Masters and PhD are located in the area of product improvement, while undergraduate and executive courses are located in

the “Develop the Market” and “Select” quadrant. As consequence, in order to properly allocate resources among within the actual “product portfolio”

European Union can explore the following options:

- **Product development:** primary attention should be devoted to the improvement of both Master and PhD offering, as they both fall in the high attractiveness quadrant. However, the different consistency of the actual offering (represented by the different size of the circle) underlines the need to develop different strategies for them. As regard to Masters, our results show that a fair number of academic programs are already offered by European universities and departments; as consequence, European Union could allocate resources mostly in the direction of the improvement of collaboration and integration among existing experiences and competencies, in order to increase the overall quality and attractiveness of product offering and create significant opportunities for knowledge sharing. On the contrary, results from the analysis of the state of art of PhD initiatives show that the number of programs offered by European university is still too tight: as consequence, priority in resource allocation should be devoted to the creation of new and high quality programs, both by leveraging the skills and competencies of existing institutions and by supporting the creation of new Departments and Centre devoted to the analysis and research in entrepreneurship.
- **Market Development:** it involves attracting new customers and stimulating market growth. Such strategy could be of interest for undergraduate courses. As the actual offering of European university is already consistent and quickly growing, the main priority for European Union should be in the direction to increase promotion in order create knowledge and attract new consumers to existing products.
- **Selection:** it involves to devote less attention in the short term and to select a limited number of products. Such strategy could be of interest for executive education, as both the actual offer and the market potential seems to be still slight; as consequence resource in the next future could be allocated in a selective way.

#### *Conclusion and marketing implications*

Results from the analysis of European offer and Third Countries needs put in evidence the existence of significant market opportunities. Actual offering of European Institutions is positioned mostly on practice-oriented programs (Master, Executive education) and in such sense it seems able to detect needs and preferences of prospective students from Third Country. However, in order to boost its potential, the main priority for European Union should be to allocate resources in the direction of improving the “product strategy” through the integration of existing competencies and experiences and the support to the creation of new and high quality research programs. Moreover, in order to increase the interest of students from Third Countries, “pricing” plays a significant role: as the need of financial resources emerges as the major constraint for pursuing studies abroad, European Union should create and promote significant opportunities for scholarship and grants. As regard to “promotion”, the main direction of resource

allocation should be in the direction of increasing awareness and developing interest in European educational offering. Given the wide range of countries involved in such activity, public relation (i.e. participation in international fairs and events), web-marketing as well as publicity seems the most appropriate instruments for integrated marketing communication. Finally, a unique “distribution” strategy should be developed in order to facilitate the application procedure by international students. A potential high-value solution could be the creation of a prospective-student web-portal with a standard and centralized application procedure.

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