Repositioning Virtual University of Pakistan

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Abstract
The purpose of this paper is to illustrate the concept of repositioning with a single case study design. Case study selected for this research is the Virtual University (VU) of Pakistan. VU is the first Pakistani university based completely on modern information and communication technologies, was established by the Government as a public sector, not-for-profit institution. One of the challenges VU management faces as of now is regarding the perception of the university. Generally, VU is perceived as a sub-standard university and it is thought that only those who could not secure admission anywhere else have joined this institution. Secondly, masses have always been skeptical about the quality of education imparted at VU. The low fees are assumed to indicate poor quality of education and the government funding and subsidies are not considered as efforts to improve the standard of education in the country. VU has also signed a number of MOUs with top foreign and local universities, but these important associations have not been promoted effectively by VU so far. Perhaps the greatest challenge surrounding the VU management is the consumer’s perception about the employability of VU graduates. This perception of masses about VU could have been changed by repositioning VU with an appropriately redesigned promotion campaign. Soon VU management realized the lack of advertising effectiveness and changed their positioning strategy. Three important changes they have made. Firstly, instead of targeting graduation ceremony or convocation, they moved towards Endorsements. They contacted their well-placed graduates in corporate sector and ask their endorsements. This was sensed immediately by the target audience and helped VU in enhancing their image. Secondly they moved towards color advertisements in black and white classified pages which resulted in immediate recognition of their advertisements. Thirdly, they changed their program offerings and started offering 18-year MS degree programs which has resulted in enhancing consumer perceptions towards high quality education at VU. This capstone decision was proved fruitful measured by subsequent perception surveys.

Keywords: Marketing, Positioning, Repositioning, Advertising Campaign, Services, University, Pakistan

Introduction
The purpose of this paper is to illustrate the concept of repositioning with a single case study design. Positioning, in very simple terms would be defined as ‘a single idea in the minds of your consumers’. This means how a marketing/brand manager wants the brand to occupy space in the minds of the target market. Positioning a brand well can be fairly difficult sometimes and it is indeed an art. It’s an art to create distinct space amongst a gazillion competitor product. It is the augmented elements in the brand product levels that determine how a brand is positioned in its category. It usually includes the intangible parts of the product or service that are needed to differentiate a brand away from its competition. Branding activities could come under this and this sums up all to position a brand a certain away. Similarly repositioning a brand means changing its existing positioning. Although this could be done for a number of reasons, it’s usually done by the brand manager with the objective that perhaps now a brand could occupy space in the consumer’s mind, a little different from it was earlier. Taking in context the Pakistani environment, below are a few reasons why a brand repositioning would be considered. (1) Increasing relevance of the brand to the consumer; (2) Search for viable positioning; (3) To get rid of earlier confused positioning; (4) Making the brand contemporary; (5) Further differentiating it from others; (6) Build brand equity; and/or (7) Falling sales.

In this research Repositioning was needed using mass media from degree awarding institution to highly rewarding and career focused institution. This is needed to address the negative perceptions surrounding the
The Virtual University of Pakistan (VU) holds a Federal Charter, making its degrees recognized and accepted all over the country as well as overseas. The university opened its virtual doors in 2002 and in a short span of time; it expanded to cover sixty cities of the country with more than a hundred associated institutions providing infrastructure support to the students. Pakistani students residing overseas in several other countries of the region were also enrolled in the university's programs.

**Literature Review**

The phrase positioning was coined by Al Ries and Jack Trout in their research titled as “Positioning: The Battle for Your Mind” (Ries & Trout, 1982). Product positioning refers to the image of the product in the mind of the customer in relation to competitors. Re-positioning is a deliberate attempt from marketers to change perceptions towards their products/services or more importantly towards their brands. This is normally achieved by changing appropriate marketing mix variables. There are many examples from the top brands to exercise re-positioning strategy; likewise Apple repositioned their distribution strategy by including third party retailers; P&G went for revamping their pricing strategy to opt for value based pricing (Ailawadi, Lehmann, and Neslin, 2002). Repositioning is a basic purposeful change in the company’s value proposition in terms changing environment (Turner, 2003). For the purpose of corporate transformation repositioning is much required (Dumphy and Stace, 1993). Moreover repositioning is considered as a response strategic in nature to a constantly changing environment (Eisenhardt and Brown, 1999). Repositioning is term which is used synonymously with corporate turnaround (Williamson, 1999). Positioning statements play a very important in directing the company’s efforts in the market place (Kalafatis, Tsogas, Blanksom, 2000). Creating a very different and favorable image in target customer’s mind is the purpose of positioning (Bhat, 1998). Positioning is much more than pinpointing benefits of product to the customer rather is something that has impact upon all stages of marketing (Berkman and Gilson, 1987). Pondering over all possible differential advantages is the first step in positioning strategy. Second step is to select the appropriate advantages for the brand and deciding upon a detailed positioning strategy and finally working in terms of communication and distribution in line with positioning strategy (Kotler & Armstrong 2006).

In Pakistan whenever the name of Suzuki car comes in the mind of a customer he thinks of it as fuel economical, averagely priced not so luxury oriented brand which is definitely different than the image of other two competitors namely Honda and Toyota. When colorful watches affordable by everyone were introduced by Swatch of Switzerland, the company positioned it as fashion accessory. Marketers must understand the element of sustainability while designing positioning strategy, that is, would marketer be in a position to resonate the same image in customer’s mind in future too. Finally the element of credibility would add character and would win customers confidence. Studies related to measuring positioning, re-positioning or de-positioning are absolutely absent in Pakistan (Siddiqui, 2011). However advertising being an integral part of promotion mix strategy is having significant influence in shaping/re-shaping brand’s image in consumer’s mind. A recent study has revealed that re-positioning can be more effective with appropriate use of advertising media in Pakistan (Fahim, Siddiqui, Anjam & Aziz, 2013). They argued about the affirmative response from general public towards advertising in Pakistan. More recently another study has illustrated an effective way of repositioning services in Pakistan. As a result brand image was shifted to a positive tone and strategy proved successful and bought he expected results. (Siddiqui & Fahim, 2014).

**Methodology**

Methodology selected for this research is case study design and Case study selected for this research is the Virtual University (VU) of Pakistan. Case research designs are of four types a) sole case holistic b) Sole case entrenched c) Several cases holistic d) Several case entrenched (Yin, 2009). In this paper Virtual University has been portrayed as sole case holistic research design. For testing a pre-formulated theory sole case methodology is considered as longitudinal in nature and character. This strategy has been proved fruitful (Siddiqui & Anjam, 2013; Fahim & Siddiqui, 2013; Mangi & Siddiqui, 2013; Siddiqui & Anjam, 2013; Salman & Siddiqui, 2013; Siddiqui & Anjam, 2013; Siddiqui & Fahim, 2013; Husain & Siddiqui, 2013; Anjam & Siddiqui, 2013).

**Case Study- VIRTUAL UNIVERSITY**

**Introduction:** The Virtual University, Pakistan’s first university based completely on modern information and communication technologies was established by the Government as a public sector, not-for-profit institution. It has a clear mission to provide extremely affordable world class education to aspiring students all over the country. Using free-to-air satellite television broadcasts and the Internet, the Virtual University allows students to follow its rigorous programs regardless of their physical locations. It thus aims at alleviating the lack of capacity in the existing universities while simultaneously tackling the acute shortage of qualified professionals in the country.

**Status:** The Virtual University of Pakistan (VU) holds a Federal Charter, making its degrees recognized and accepted all over the country as well as overseas. The university opened its virtual doors in 2002 and in a short span of time; it expanded to cover sixty cities of the country with more than a hundred associated institutions providing infrastructure support to the students. Pakistani students residing overseas in several other countries of the region were also enrolled in the university's programs.

**Program Offerings:** The institution is well suited for people who want to continue their studies and are also
Faculty: VU has maintained a very high quality of education. As the modules taught are the same as in LUMS, Yale, MIT and other universities, world class instructors have being hired to teach these modules. By identifying the top professors of the country, regardless of their institutional affiliations, and requesting them to develop and deliver hand-crafted courses, the Virtual University aimed at providing the very best courses to not only its own students, but also to students of other universities in the country. A major incentive offered to attract the best faculty members is that VU offers 10 times more lucrative remuneration packages for course development than any other institution in Pakistan, including the highly reputed Lahore University of Management Sciences (LUMS).

Pricing Strategy: With respect to pricing, VU charges very affordable tuition fees from its students. For a two year master’s degree program, it charges Rs. 50,000 (approximately), which is far below that is charged by any other public/private sector university in Pakistan. Even Allama Iqbal Open University, one of the competitors of VU, charges a higher fee of Rs. 80,000 (approximately) for comparable programs. VU also provides scholarships to deserving candidates. This fee structure is well conceived and aligned with mission statement of providing quality education to masses at affordable price.

**Online Learning Management:** In addition to the prescribed texts, comprehensive reading material / lecture notes in the form of web-enabled content are provided through a comprehensive Learning Management System (LMS) hosted on the VU web servers and accessible over the Internet. The full power of hyperlinks is utilized for making the on-line experience a truly powerful one. The LMS provides an e-mail facility to each and every student as well as discussion boards for interaction within the VU community. An important feature of the LMS is a Question/Answer Board where VU faculty provides answers to questions posed by students on the subject matter covered in the lectures. The Question/Answer Board (also known as the Moderated Discussion Board) is extremely fine grained, providing separate sessions for each lecture of each course. In addition, read-only access is made available to previous question/answer sessions and this constitutes an extremely useful study resource for students. VU faculty monitors this board on a continuous basis and answers to student questions are provided within a short span of time. Assignments are handed out through the LMS and also submitted by the students through the same mechanism. Pop-quizzes and practice tests are also conducted through the LMS.

Promotion: VU has been considered as one of the fastest growing institutions in Pakistan with perhaps the highest awareness level among masses and a very high recognition of its name and logo among the target market. VU used only print media for their admissions notifications twice a year in leading Urdu/English newspapers (Exhibit 1). The net impression created is of a university which is only distributing degrees, adding more towards negative perception among general public. The “mantra” of their marketing efforts is more towards the
Technology & Technology orientation, but VU lacks superior promotional activity on the web. There is no banner exchange program with other universities, portals and commercial websites with paramount traffic and the full potential of social networking websites like Twitter and Facebook have not yet been explored. However, VU does pay good contribution towards the signage of their own (or privately held) campuses all over the country.

**Competition:** Throughout Pakistan, there is no direct competition for VU in the category of high-tech e-learning. However, Allama Iqbal Open University (AIOU) could be considered as the only competitor for their distance learning capabilities. AIOU is the first Open University in Asia, with its main campus located in Islamabad and huge network of regional centers spread all over the country. AIOU is a distance education institution which is serving the largest enrollment base compared to any higher education institution all over Pakistan. AIOU provides multi-disciplinary education with more than 100 programs from undergraduate to doctoral level programs. In recent years, AIOU has made significant progress towards attainment of e-learning capabilities. VU management has always strived to position itself away from AIOU by positioning itself a high tech oriented university offering only market efficient programs.

**The need of repositioning:** One of the challenges VU management faces as of now is regarding the perception of the university. Generally, VU is perceived as a sub-standard university and it is thought that only those who could not secure admission anywhere else have joined this institution, for the reason that anyone could just walk in and secure an admission and there are no checks on the quality of student intake. Management is currently not focused upon improving the quality of intake as the mission statement emphasizes upon education for masses. Secondly, masses have always been skeptical about the quality of education imparted at VU. The comparatively low fees are assumed to indicate poor quality of education and the government funding and subsidies are not acknowledged as efforts to improve the standard of education in the country. At the moment Management cannot deviate from low fee structure as it is chartered in the mission of the brand. Perhaps the greatest challenge surrounding the VU management is the perception about the employability of VU graduates. It is the opinion among masses that graduates from this university do not get jobs easily and that corporate recruiters and managers do not pay attention to such graduates. This is far from the truth as VU graduates are working with leading multinational and local corporations as well as NGOs. Many have successfully started their own entrepreneurial ventures. In order to make sure that the VU graduates can secure the best job, a job portal is also being initiated in collaboration with ‘rozee.pk.’ [http://vu.rozee.pk]. More interestingly, VU graduates who applied for immigration to Europe and Canada faced no issues in recognition of their credits earned at VU. HEC also endorses the VU degrees and transcripts without any problem.

**Repositioning:** VU management realized the lack of advertising effectiveness and changed their strategy. Three important changes they have made. Firstly, instead of targeting graduation ceremony or convocation (Exhibits 2 & 3), they moved towards Endorsements (Exhibits 4, 5 & 6). They contacted their well-placed graduates in corporate sector and ask their endorsements (Exhibits 4, 5 & 6). This was sensed immediately by the target audience and helped VU in enhancing their image. Secondly they moved towards color advertisements in black and white classified pages which resulted in immediate recognition of their advertisements. Thirdly, they changed their program offerings and started offering 18-year MS degree programs which has resulted in enhancing consumer perceptions towards high quality education at VU.

**Conclusions**

Smartly crafted and implemented repositioning strategy proved successful. Subsequent year in various perception surveys, ad recall surveys and brand tracking studies VU has shown significantly improved its image in the eyes of target audience.
Exhibit 1 VU advertisements before repositioning as admission announcements

Virtual University of Pakistan
Leaders in Education Technology

Bachelor’s Programs
- Bachelor of Science (4-year) in
  - Accounting and Finance
  - Banking & Finance
  - Business Administration
  - Commerce
  - Computer Science
  - Information Technology
  - Management
- Bachelor of Commerce (3-year) in
  - B.Com (Hons.)
- Bachelor of Business Administration (2-year) in
  - B.B.A.
  - B.Mgt.

Master’s Programs
- Master’s Programs (2-Year)
  - M.B.A.
  - M.Com (Master of Commerce)
  - M.Governance (Master of Business Economics)
  - NCA (Master of Computer Science)
  - MT (Master of Information Technology)
  - M.P.A. (Master of Public Administration)

Admission Requirements:
- Bachelor’s Degree (4-year) from a recognized university (at least 45% marks)
- Intermediate or equivalent qualification form a recognized institution with at least 45% marks

Over 200 Campuses across Pakistan

Minimum Tuition Fee
- Merit & Need based Scholarships

Apply Online
OR www.vu.edu.pk
Toll free 0800-880 88
Admission Form can be availed at all VU Campuses
Exhibit 2 VU ad before repositioning highlighting University convocation as symbol of success
Exhibit 3 VU ad before repositioning highlighting convocation as student’s fantasy
Exhibit 4 VU ad after repositioning highlighting endorsement by well-placed graduates as a symbol of success.
Exhibit 5 VU ad after repositioning highlighting endorsement by well-placed graduates as a symbol of success
Exhibit 6 VU color ads after repositioning highlighting endorsement by well-placed graduates as a symbol of success

References