

# Market Segmentation in ACE

A study commissioned by the NSW Board of Adult and  
Community Education

Prepared by Margo Couldrey

Lista Consulting

November 2006



NSW BOARD OF ADULT & COMMUNITY EDUCATION

# Contents

<b>ACKNOWLEDGEMENTS</b> .....	1
<b>TABLES AND FIGURES</b> .....	2
<b>EXECUTIVE SUMMARY</b> .....	3
<b>1. INTRODUCTION</b> .....	3
Background to study .....	10
ACE in NSW .....	10
The national policy context for ACE .....	10
Purpose of study .....	11
Methodology .....	12
<b>2. MARKET SEGMENTATION APPROACHES</b> .....	13
National Marketing Strategy for VET .....	13
• The general community segments .....	14
• The employer segments .....	17
Marketing ACE in Victoria .....	18
Other approaches to market segmentation .....	18
Market segmentation approaches in summary .....	19
<b>3. CASE STUDIES – PROVIDERS AND THEIR MARKETS</b> .....	20
Current markets .....	20
What market segmentation do providers do? .....	21
• Diversity of client segments identified .....	21
• Employer segments .....	23
• Multiple dimensions of segmentation .....	23
Reaching new markets .....	25
• Shift to vocational training – contributing factors .....	25
• Underdeveloped markets .....	25
Marketing approaches – using market segmentation to extend reach .....	26
• A clear value proposition .....	27
• How and why clients choose .....	28
• The challenges of market research .....	30
• Partnerships and collaborations in broadening markets .....	30
• The challenges of partnerships .....	34
• Innovation in ACE organisations – grasping new opportunities .....	34
• Market segmentation and innovation .....	36
Market segmentation and ACE in summary .....	37
<b>4. CHALLENGES – PROVIDER PERSPECTIVES</b> .....	39
<b>5. ACE NSW – MARKET ADVANTAGES</b> .....	41
<b>6. A FRAMEWORK TO BUILD CAPABILITY IN MARKET RESEARCH, PARTNERSHIPS AND INNOVATION</b> .....	43
<b>7. CAPITALISING ON THE ACE ASSET – MOVING FORWARD</b> .....	45
Recommendations .....	45
<b>REFERENCES</b> .....	48
<b>APPENDIX 1</b> Market segmentation in ACE – Focus questions to prompt discussion .....	50

# Acknowledgements

The author gratefully acknowledges the guidance provided by the Chair of the NSW Board of Adult and Community Education's Innovation and Research sub-committee, John McIntyre.

Assistance provided by Helen De Silva Joyce and her team at the Department of Education and Training, including Gina Perks and Jorge Trujillo is also appreciated, as is the time that was given by John Shugg, the Executive Director of Community Colleges NSW.

The author extends particular thanks to the Chief Executives of the 10 ACE colleges who generously gave their time and energy to participate in this project and share their insights.

The author takes full responsibility for the presentation and interpretation of data in the report.

## Tables and figures

<i>Table 1</i>	The eight community segments. Adapted from the National Marketing Strategy for VET, p.43	15
<i>Table 2</i>	Community segments, behaviour change path and strategies for change. Adapted from the National Marketing Strategy for VET, p.44	16
<i>Table 3</i>	Employer segments, behaviour change path and strategies change. Adapted from the National Marketing Strategy for VET, p.11	17
<i>Table 4</i>	Summary of college client profiles against behaviour change path, <i>National Marketing Strategy</i> general community and employer segments and Victorian client segments	23
<i>Table 5</i>	Examples of providers' formal partnerships	32
<i>Figure 1</i>	Multiple dimensions to client analysis	19
<i>Figure 2</i>	A framework to build capability – the continuous cycle and tools for use	44

# Executive Summary

## Introduction

This report presents the findings from a study of market segmentation in Adult and Community Education (ACE) which was commissioned by the NSW Board of Adult and Community Education (BACE) to inform public policy on ACE and provider practice. The context for the study is a changing and competitive environment in which providers must be increasingly responsive to client needs in order to remain sustainable. A key element of responsiveness is a well-developed analysis and understanding of client groups or “segments” in the adult learning market.

The study also comes at a time of significant re-positioning of adult learning at a national level which may offer substantial opportunities for ACE providers to extend their markets. The changes include a human capital agenda being implemented by the Council of Australian Governments (COAG), a review of the 2002 Ministerial Declaration on Adult Community Education (Ministerial Council on Education, Employment, Training and Youth Affairs 2002) and a recently released discussion paper on community education and national reform commissioned by the Department of Education, Science and Training (Bardon 2006). In this context market segmentation approaches which can strengthen market position become even more important.

The findings of the study present a synthesis of the qualitative information and data gathered through 10 case studies of providers in NSW.

## Market segmentation approaches

The research undertaken for the study identified a number of approaches to market segmentation which could be applied in the ACE setting. The potentially most useful one is the National Marketing Strategy (ANTA 2000) because it is based on a broad community and employer survey, relates to attitudes, values and behaviours towards learning rather than training, and has developed strategies to engage each of the identified community and employer segments, which could be readily adapted to the ACE environment.

However there are two other dimensions which can usefully supplement the National Marketing Strategy. The first is a Victorian study which segmented students into nine groups according to why they enter training and what they want from it (Office of Training and Tertiary Education 2005). The analysis refines the nine segments into three key groups, and maps them against characteristics which include age, employment status, gender, use of VET and study choices. This approach of understanding motivation for learning is a useful addition to the information about attitudes and values and perceived barriers to learning which is available through the National Marketing Strategy as it potentially enables providers to target groups with particular motivations through their products and promotional materials.

Literature in relation to transitions and life course provides a second dimension which is relevant to understanding market segments and the way that such transitions drive choices. Anderson (2005) considers life course and labour market transitions as a driver of choice and the need for new policy settings to actively support people through such transitions, including through facilitating opportunities for learning and skills development.

The addition of motivation and intent for learning and the life course and labour market transitions which are driving needs to the National Marketing Strategy data about attitudes to learning and skill development provides powerful information for providers to develop responses to their markets.

## The case studies

The 10 case studies found that providers have a substantial base of skills in business development and management, development of new markets, and innovative responses to market needs, including through use of collaborations and partnerships.

However the analysis also demonstrated that while providers are unconsciously and intuitively aware of market segmentation approaches, they are not consciously and systematically applying them and they face challenges in relation to their capacity for market research, development and management of partnerships and building innovative approaches, all of which both underpin and are driven by market segmentation.

If the potential of market segmentation is to be realised then a systematically applied framework to support providers in their efforts to build sustainable businesses will be needed to capitalise on their current skills base and turn their intuitive awareness of market segmentation into conscious application and analysis.

## Challenges

Provider perspectives on challenges in understanding and responding to their markets included:

### 1. Managing and accessing knowledge, information and data

Providers are acutely aware of the need for information and data to make evidence-based decisions but the pressures of volume of data, time limitations, their diverse roles and the specialist skills required create challenges.

### 2. Skills base

All providers referred to the nature and breadth of business and education skills required to run an ACE business. The most commonly identified skill requirements were:

- Market research and data/information analysis
- Development and management of partnerships and strategic alliances
- Quality of teaching and learning.

### 3. Funding models, cycles and policies

Concerns about the impact of funding issues fell into four categories:

- Short-term funding cycles which make it difficult to generate long term, sustainable outcomes for clients and create challenges for managing risks, stabilising markets and creating sustainable market niches
- The limited outcomes-based nature of some funds with outcomes tied to completions as the only measure of success
- The level of funds available for equity initiatives which don't acknowledge the intense effort required to achieve sustainable outcomes
- The importance to the "ACE ethos" of maintaining some common level of funding rather than driving providers to be totally "stand-alone" bodies which risk losing the ACE identity built around community development and responsiveness.

#### **4. Image**

A number of providers said they are still battling an old image as “just a community education provider” which hampers their efforts to break into new markets and effectively manage the balance they need between community and commercial activities in order to be viable businesses.

## **ACE NSW - Market Advantages**

A number of clear market advantages for ACE providers emerged during the case studies which if capitalised upon will enable them to create new markets and become more sustainable.

The market advantages identified include:

#### **1. Flexibility and responsiveness**

Being community based and managed gives ACE providers an advantage in the market place as they are able to move quickly to respond to opportunities, set their own prices and customise products to meet need.

#### **2. Innovation**

The providers’ range of networks and connectedness into communities, together with the flexibility and responsiveness mentioned above, puts them in a strong position to create conditions for innovation.

#### **3. Pathways**

Most providers mentioned that one of the features clients like about their ACE services is the opportunity to see and take different learning pathways from leisure through to qualifications and on to higher education. There is evidence however that this market advantage could be made more explicit to clients to fully capitalise on it.

#### **4. Reaching clients**

Some clients are harder to reach and engage in learning than others. The case studies have demonstrated that in terms of the National Marketing Strategy segments, ACE providers are reaching some of the hard to reach groups, including those who are the target of the COAG human capital agenda and the Prime Minister’s recently announced Skills Package (see <http://www.pm.gov.au/news/speeches/speech2175.html>). Their expertise in reaching these groups together with strategies which might support their efforts to extend their markets, such as a systematic market segmentation approach, offers a significant opportunity in the current policy environment.

## **A framework to build capability in market research, partnerships and innovation**

ACE providers need to develop a diversified market and financial base to be sustainable. One of the fundamentals of a successful and sustainable business is the capacity to anticipate and understand client needs and respond quickly to them. Market segmentation provides a framework for providers to do this and through its client-responsive approach gives providers the opportunity to extend their market reach and numbers.

The *National Marketing Strategy* market segmentation enables providers to identify their market segments and once they have done so, to draw upon the range of strategies and initiatives which have been developed in the

Strategy to reach each segment. However it can be strengthened by the use of a number of other tools which build underpinning skills in market research, development of partnerships and innovation.

A framework for building capability has been proposed which uses the *National Marketing Strategy* as its base but draws upon other market segmentation approaches and sets of tools identified in the research which providers can use to undertake market research and develop responses to client demand. This framework to build capability can be implemented as a continuous cycle to ensure responsiveness to changing client needs.

The underpinning principle is that it is not “one size fits all”. One of the defining features of the ACE providers in the case studies is their diversity and it is important that any frameworks agreed upon capitalise on this diversity and allow them to space to build on their own skills bases and strengths.

## Capitalising on the ACE asset – moving forward

The case studies examined in this study demonstrate that those ACE providers have already worked to diversify their markets, achieved some measure of success in generating revenue through fee-for-service activities, and developed expertise in reaching “hard to reach” groups. Many are now underway with shifting their image and position to reach new business markets.

The challenge now will be support them to continue that journey while ensuring that a balance is maintained so that they maintain their essentially ACE characteristics – local management, community responsiveness and diversity of offerings which give them market advantage.

Efforts now should focus on nurturing and growing the ACE asset and expanding reach by active use of market segmentation approaches.

This study was to examine how market segmentation approaches can strengthen ACE’s market position and reach and this report contends that market segmentation is fundamental to achieving this and to therefore sustaining ACE providers as viable and vibrant businesses. However market responsiveness cannot be considered in isolation from the broader policy and funding context in which ACE providers operate. They can only understand and respond to their markets if the environment in which they exist creates the conditions they need to grow their businesses.

A number of the following recommendations therefore focus on issues beyond market segmentation but are based on growing the ACE asset. The recommendations are grouped together in themes and are based firmly on the principle that “one size does not fit all”. They aim to build on the diversity and substantial leadership and skills base that already exists.

## Recommendations

### **1. A framework to support market segmentation**

A framework for building capability in market segmentation, market research, partnerships and innovation has been proposed.

**It is recommended that** the framework be workshopped and tested with providers as the basis for an agreed market segmentation approach and a state-wide professional development strategy. This would include the following tools:

- The strategies, initiatives and messages developed for each community and employer segment in the National Marketing Strategy (ANTA 2000) so providers can supplement their current strategies and approaches with ones which have been tested and validated
- Use of clients' motivation and intent (Victorian client segments, OTTE 2005) and life course and labour market transitions (Anderson 2005) to complement the data in the National Marketing Strategy
- Tools for identifying and profiling clients, researching client needs and expectations, responding to clients, and testing and evaluating impact and outcomes which are outlined in a guide for organisations looking to build their skills in understanding their customers (ANTA 2004)
- The ten tips for improving partnership capacities (Yarnit 2000)
- The practical steps for increasing innovation (Callan 2004).

## **2. Building on the clusters**

Non-metropolitan providers have been working in regional clusters which are at present supported by one provider from each cluster who acts as convener. The clusters used to be supported by a paid cluster coordinator. However this was discontinued due to funding cuts. Views about the cluster coordinator were mixed given its cost but a number of providers commented positively on this concept as a way to support providers and build capacity.

Clusters have the potential to act as a significant support by reducing the isolation and risk of burn-out for providers, building capacity from within by sharing stories and learnings, providing a forum for professional development initiatives, and fostering innovation by creating communities of practice. However to maximise their potential they need to be professionally coordinated and to include all providers, not just those outside the metropolitan area. The current arrangement of convener falling to one provider is not feasible in the long term as it is a significant load to carry in addition to an already diverse role. **It is recommended** that employment of cluster coordinators be reinstated, perhaps via a different model that is cost neutral. Employment of coordinators can still be a cost-effective way of supporting providers if it includes business development functions and is partly self-funded by revenue raised. Functions could include:

- Exploring and securing cross-cluster business opportunities
- Chasing and managing tenders, contracts and project briefs
- Exploring joint ventures and strategic alliances
- Identifying state trends for which a particular campaign or capability response could be developed
- Coordinating professional development and organisational capability initiatives
- Providing data and information on which evidence-based decisions can be made in relation to market shifts
- Connecting policy and practice by providing a proactive link between the Department, ACE and the community colleges of NSW.

### **3. Developing a model of professional development**

If providers are to become self-reliant, sustainable businesses then they need support to continue their journey towards that goal. This will require some investment but will generate medium and long term returns on the investment. Areas for priority include the skills challenges identified earlier including:

- Use of market segmentation approaches
- Implementation of the framework for building capability in market research, data and information analysis, entrepreneurial skills, skills to develop image, position and brand, development and management of partnerships and strategic alliances, and innovation
- Ways to lift quality of teaching and learning and to respond to the learning needs of particular client groups.

**It is recommended that** a model of professional development be developed that could include use of the clusters as communities of practice. A significant part of capacity building can draw upon the source of expertise within as the case studies have demonstrated a diverse skills and leadership base. Dedicated professional development funds should be set aside with a proportion aligned to agreed priorities and a proportion available to meet locally identified needs.

### **4. Make policy settings compatible and complementary**

It goes beyond the brief of this project to make recommendations about how funding and policy decisions should be made. However it is recommended that a general principle be considered for adoption based on complementarity of federal and state settings and that some funding settings be reconsidered.

If ACE is to retain its market advantages it needs to remain ACE. If national policy settings focus on accredited training, the ideal would be for State settings to complement that and create the space for ACE to remain ACE, particularly by fostering pathways and outreach to “hard to reach” groups which are the target of COAG decisions, building capability to generate revenue through outreach to business in the area of short courses and skill sets, and encouraging community development activities that create their own flow-on opportunities.

**It is recommended that**

- funding levels in relation to equity groups be reconsidered for increase, given the intense nature of work with these groups and the increased priority given to outcomes sought for them via the COAG human capital framework and;
- funding cycles be reviewed to create more time for sustainable outcomes to be generated.

### **5. Fostering innovation**

Many of the innovations which emerged through these case studies relate to broad-based community development activities as well as new and innovative ways to respond to markets. Callan (2004) contends that it is imagination, not merely investment that drives innovation (p.10). A little bit of investment could go a long way to capitalise on the imagination of providers. It is recommended that some funds be made available which are not tied to Student Contact Hours, to foster innovation. Such funds could be used as seed funding to experiment with different learning solutions for diverse social or business issues. Accountability would be maintained by requiring outcomes to be documented and shared across the provider network.

## **6. Capitalise on opportunities to profile and reposition ACE**

The time has never been better for ACE to claim the broad benefits it generates in the community which go beyond workplace outcomes. ACE has the potential to play an important role in the COAG human capital framework and to increase its profile, position and recognised value as a result. **It is recommended that** ACE works with providers and their peak body CCNSW to create a series of consistent messages about the social and economic capital generated by ACE and the diversity of activities through which it achieves those outcomes. This will complement the work recommended to assist providers in skills around branding, positioning and image.

# 1. Introduction

## **Background to study**

The NSW Board of Adult and Community Education (BACE) has commissioned a study of approaches to market segmentation relevant to Adult and Community Education (ACE) providers to inform public policy on ACE and provider practice. The context for the study is one of significant and rapid change in the post-compulsory education and training environment, including changing market expectations and policy frameworks. This project on market segmentation in ACE acknowledges that education and training organisations are increasingly required to respond flexibly to the varied needs, preferences and circumstances of different groups of clients and that a key element of this responsiveness is a well-developed analysis of client groups and “market segments” in the adult learner population. This study considers the applicability to ACE of established approaches to community and employer segmentation, what variations there are in practices reflecting local needs and circumstances, and how improved client segmentation might assist ACE providers to position themselves in different markets for adult learning, extending both reach and numbers of participants.

## **ACE in NSW**

In 2005 ACE providers across NSW delivered almost 8 million student contact hours in with 321,602 enrolments. Of this total for 2005, in excess of 6.5 million student contact hours were in vocational education and training (VET).<sup>1</sup> And this only tells part of the story. The figures include delivery of bridging and general education programs to a variety of groups who experience disadvantage in accessing learning, including Indigenous Australians, people with a disability, young people at risk and mature age people. Almost 12,000 enrolments were in accredited language and literacy programs in 2005. Many providers are also involved in significant community development and capacity building projects in areas such as environmental sustainability and others specialise in child care and employment services. They offer a diverse range of lifestyle, liberal arts and enrichment programs which for many people open up pathways to further learning. Many of their outcomes are achieved in both formal and informal collaborations and partnerships with others inside and outside the education sector.

## **The national policy context for ACE**

This study by BACE comes at a time of significant re-positioning of adult learning at a national level.

The Ministerial Declaration on Adult Community Education (Ministerial Council on Education, Employment, Training and Youth Affairs 2002) is under review and the Council of Australian Governments (COAG) is also implementing a far-reaching human capital agenda. While, the outcome of the review of the Ministerial Declaration is not yet known, it will be important to follow its progress and consider opportunities which might arise to increase the role and profile of ACE.

<sup>1</sup> Figures supplied by BACE

COAG's focus on the development of human capital to improve workforce participation and productivity and support economic and social wellbeing potentially provides opportunities for the ACE sector. One of the eleven high level indicative outcomes in the framework for COAG's human capital agenda is to "increase the proportion of adults who have the skills and qualifications needed to enjoy active and productive working lives" (Council of Australian Governments 2006).

Several of the other indicators relate to learning participation particularly for young people and one focuses on improving overall workforce participation with "a particular focus on target groups". ACE in NSW has a long commitment to disadvantaged groups and those excluded from the labour market who are key targets of the COAG human capital reforms and although the proportion of overall participation is small, the sector could play an increasingly important role in efforts to extend and lift workforce participation for these groups. As the COAG human capital framework is developed and policy initiatives flow through to support it, ACE providers may well find that their strong connections in communities will give them advantages in capitalizing on funding opportunities that arise. The skill will lie in articulating services which are aligned to that policy framework.

Also relevant at a national level is a piece of work commissioned by the Department of Education, Science and Training to take a fresh look at adult learning. A discussion paper on community education and national reform has recently been released and may provide opportunities to leverage new profile and an enhanced position for the sector in relation to the COAG human capital agenda. The paper affirms the potential role for ACE in the agenda. It suggests that the community education sector (broadly defined and including ACE) can play its part in a number of ways, with the key theme underpinning the options being the ability of the sector to engage adults who would not otherwise use the formal VET system (Bardon, 2006, page 12).

In the above policy context, with renewed attention on adult learning by Heads of Government, the need for quick and effective responses to market needs and capacity to extend market reach into new areas, has never been more important.

## **Purpose of study**

The purpose of this study is to develop a better understanding of the current and potential client markets for ACE by applying "market segmentation" and from that understanding to inform public policy on ACE and provider practice.

The specific objectives are to:

1. identify how ACE providers understand their clients and what "market segmentation" they do when planning programs and services
2. identify sound approaches to segmenting markets that will assist ACE's positioning
3. identify how market segmentation strategies can assist in broadening the ACE participation profile
4. identify ways in which market segmentation may facilitate closer collaboration with other educational providers and local agencies.

The study will also consider how such approaches can assist in innovation in ACE organisations.

## **Methodology**

The project approach has included:

1. A review of existing relevant research on client segmentation, in addition to reviewing broader related issues such as work on social partnerships and learning communities
2. An analysis of past and current ACE client data for relationships between provider client profiles and market segmentation
3. Collection of qualitative data through structured interviews with 10 ACE providers, using a set of briefing materials and prompt questions to test the themes drawn from the research against the insights provided by their practical experience and expertise.

Providers were selected on the basis of a number of factors, including size, location (metropolitan, regional/coastal, regional/rural), client composition and local demographics, diversity of funding base, partnerships and alliances, and transitions (recent RTO status, mergers, change of key personnel), to ensure market segmentation was considered within the context of a diversity of features and settings. All providers interviewed were Registered Training Organisations (RTOs).

Information gathered from the interviews was returned to each provider for comment and verification. The case study information is presented as a synthesis rather than by individual providers. The analysis has identified a number of ways in which providers approach market analysis and strategies which could support and strengthen these approaches so they are strongly positioned to extend their reach.

## 2. Market segmentation approaches

There is no shortage of research about ACE. A review of ACE research for the decade 1990 to 2000 (Golding, Davies and Volkoff 2001) identified some of the key challenges of data, definitions and scope and summarised research which has been conducted about participation, and ACE outcomes and contribution. It also proposed directions for future research, including a suggestion that the marrying of both macro (the overview studies which deal with participation) and micro (the course or provider based studies highlighting services provided to particular groups) aspects of participation could take participation studies to a new level by exploring not only who does ACE but why (p. 124). ACE providers already know a lot about participation and demographics – who is doing what. However there is less information known about why people are behaving in particular ways through an analysis of their values and attitudes. The combination of information about “who, what, why and why not” in relation to clients and their choices can potentially be a powerful tool for ACE providers in extending their “reach” within communities and enhancing their market position. This study about market segmentation in ACE presents an opportunity to fill some of the gaps identified in the research review mentioned above.

There are a number of specific studies in the vocational education and training (VET) sector which can provide a framework for examining the way ACE providers understand their markets. In addition there are some broader research contexts which can provide insights to complement and underpin the market segmentation approach. These include work on learning communities and life course and labour market transitions. These broader perspectives are referred to throughout this report.

### **National Marketing Strategy for VET**

One of the most comprehensive studies which has been used as a framework for considering the way ACE providers analyse their markets in this project is the ***National Marketing Strategy for VET*** (ANTA 2000) which analyzed the attitudes, values and behaviours of Australian individuals and employers towards learning and skill development. The research identified the different segments in the market and their common characteristics such as age, gender, employment status and media and leisure preferences. Market segmentation describes the division of a market into homogeneous groups that respond differently to the six “Ps” of marketing, products/services, price, place, promotions, position and people (p.2). It provides a way of sorting clients into groups with similar needs, making it easier to devise targeted strategies to respond to those needs.

This segmentation provided powerful data to develop specific strategies for each segment to encourage them to learn, and in the case of employers, strategies to encourage them to invest in skills development for their workers. The strategies are based on the needs of each segment and their position on a “behaviour change path”, indicating their readiness to engage in skills development and learning. This psychographic analysis provides insights into why people are behaving in particular ways through understanding their values and attitudes and is a rich addition to the information available to providers on learner demographics and choices.

The *National Marketing Strategy* provided the VET sector with:

- Market segmentation that shows where key segments fall along a spectrum of attitudes and values, and their insights into such concepts as training, lifelong learning and skills acquisition
- A better grasp of how well existing products and services meet market needs and demand, and what might be done to improve the fit between supply and demand
- Identification of a range of new strategies and initiatives to target market segments
- Key messages that may overcome barriers to learning and increase motivation
- A framework to assist all education and training stakeholders to effectively market skills and lifelong learning to enterprises and the community (p. 101).

It goes without saying that one of the fundamentals of a successful and sustainable business is a capacity to anticipate and understand client wants and needs and to respond quickly to meet them. Having a framework available which can separate clients into groups with common needs and which identifies strategies to reach and engage them, is potentially a powerful addition to the kitbag of tools already used by clever and adaptive providers. For this reason the key elements of the *National Marketing Strategy* are explored in more detail.

The *National Marketing Strategy* sets out to change people's learning behaviour by identifying their needs and tailoring strategies to meet these. The Strategy used extensive market research to identify eight general community segments and three employer segments.

#### • **The general community segments**

The *National Marketing Strategy* identified eight segments in the general community, each with different individual learning attitudes, learning habits, demographics, and media/leisure preferences.

*Table 1* summarises the main attitudinal characteristics and demographics identified through the survey. Note: demographic characteristics are not exclusive but are the characteristics which are over-represented in each segment.

**Table 1**

<b>Passionate learners 21% of community</b>	<b>Almost there 6% of community</b>	<b>Learn to earn 17% of community</b>	<b>Might give it away 7% of community</b>
Love every aspect of learning. It delivers personal and work benefits and every experience reinforces their love of learning. Young and in mid life. Highly likely to learn in the future. Tertiary qualified women, 16-44 years, metro based.	Love learning and believe it's the way to reach their goals. They want to learn more but have to overcome their fears and many other barriers such as fear of technology and lack of confidence. People 25-44 years in non-professional roles and with dependents.	Actively learning because it's the way to get ahead. Only value learning that brings material benefits and leads to jobs or qualifications. See few barriers to learning. 16-24 year old men and women, and men 25-44, single, students or tradespeople.	Young and pessimistic, they are learning now only because they feel they have to. Other people expect it. They haven't seen any benefits from learning yet and are on the verge of dropping out. 16-24 year old men and women, single, actively looking for work, studying, or working in personal services/retail.
<b>Make it easier 16% of community</b>	<b>Learning on hold 11% of community</b>	<b>Done with it 14% of community</b>	<b>Forget it 8% of community</b>
Love learning but face the highest barriers to participation. Their focus is on getting by every day. Learning is all too hard, just another stress to contend with. Face a lot of barriers so access, cost and family support important. Women over 45 years on low incomes or not in the workforce.	Love learning and have already benefited from it but it's not on the short term agenda. They have either achieved their goals or there are just too many other priorities right now. Might face real or perceived barriers such as juggling work and family life. Tertiary qualified women 25-64 and men over 65, para-professionals with dependents.	Valued learning for work but have achieved what they can. They see no point in learning any more, unless they face a career reversal or some other major work change. Too many other non-work priorities in their lives right now to engage in learning. Men over 45 and women over 65 with carer responsibilities, low incomes or not in work.	Their heart is just not in it. The learning they've done hasn't got them very far, they don't love it, and anyway they are happy with their lot. What more do they need? Men 25-64 in non-metro areas, low skilled work, have dependents.

Table 1 The eight community segments. Adapted from *National Marketing Strategy for VET*, p.43

The *National Marketing Strategy* draws on the social marketing work of Andreassen (1995) to develop strategies to engage the market segments in learning. The model is based on the premise that behaviour change occurs in stages, *indifferent, aware, ready* and *doing it* and the segments can be plotted on that behaviour change path. The strategies required for moving people along the behaviour change path are different for each stage (*National Marketing Strategy*, p.44). Some possible strategies and actions suggested in the report are mapped in *table 2*.

**Table 2**

<b>Stage 1: Indifferent</b>	<b>Stage 2: Aware</b>	<b>Stage 3: Ready</b>	<b>Stage 4: Doing it</b>
Forget it Done with it	Make it easier Learning on hold	Almost there	Might give it away Learn to earn Passionate learners
↓	↙ ↓	↓	↓

**Some possible strategies and actions**

Use community networks to promote messages about the benefits of learning for them and their children and counter previous negative experiences of learning. Reposition learning as important for family and for changing work. Recognition of Prior Learning to show relevance of current skills. Courses targeting mature age men.	Flexible learning options and short programs. Address cost barriers through advice on government assistance, pay as you go. "Taster sessions." Use local papers and radio to target with positive messages about benefits of learning. Family and work friendly schedules.	Recognition of Prior Learning to build confidence. Address fear of technology. Learning supports. Address cost barriers through advice on government assistance, pay as you go. Schedules which take into account work and family responsibilities.	Know what they want. Make the benefits tangible and visible. Offer services linked to jobs. Provide learning supports and peer/mentor support. Address past negative experiences and reinforce positive ones with quality teaching and value for money.
---	--	---	---

*Table 2* Community segments, behaviour change path and strategies for change. Adapted from *National Marketing Strategy for VET*, p. 44

The *National Marketing Strategy* includes a menu of possible initiatives linked to the above strategies, together with the media and leisure preferences of each segment and suggested messages for reaching them. Many of the possible initiatives are ones which are readily adaptable to the ACE environment.

• **The employer segments**

The market research and analysis of the National Marketing Strategy identified three market segments among employers: high valuers, here and now and not interested. Although the number of employers surveyed was less than the number in the general community survey, the findings still provide a useful tool for providers to apply in considering enterprise client needs and ways to reach new enterprise markets.

The study identified a number of strategies and initiatives designed to achieve changes required for each of the three employer segments to move along the behaviour change path from indifference to sustained levels of training (p.10).

A summary of the key features of each segment, their position along the behaviour change path and some of the initiatives and strategies relevant to each is at table 3.

Note: demographic characteristics are not exclusive but are the characteristics which are over-represented in each segment.

**Table 3**

<b>Stage 1: Indifferent</b>	<b>Stage 2: Aware</b>	<b>Stage 3: Ready</b>	<b>Stage 4: Doing it</b>
<i>Not interested</i> Mainly small businesses which don't value training unless it increases productivity and reduces cost, see training as a cost, value informal training for their staff.		<i>Here and Now</i> Also in the doing it stage of the behaviour change path. Large employers, rural/regional firms, focused on keeping ahead of the competition and dealing with turnover. Prefer on the job training.	<i>High valuers</i> Established medium-sized firms in the cities. Value all forms of learning, on and off the job, work related or not. Use learning to deal with challenges of globalization, new technology and competition. <i>Here and Now</i>
↓		↓	↓
<b>Some possible strategies and actions</b>			
Make training flexible, relevant, affordable, short. Take training to the market don't make the market to come to training. Customised training solutions using community business networks. Use language they recognise – they are anti-training and pro-learning.		Develop programs customised to deliver training on site or before/after work to minimise loss of productive time. Identify needs for short courses and enterprise specific products.	Use business associations and networks to reach these businesses. Develop skills audits and training needs assessment products to assist them in identifying skill needs. Promote the link between employee learning and long term investment in human capital. money.

Table 3 Employer segments, behaviour change path and strategies for change. Adapted from the National Marketing Strategy for VET, p.11

## Marketing ACE in Victoria

An effort has been made to apply the *National Marketing Strategy* for VET to the ACE market. The *National Marketing Strategy* is easily transferable to the ACE context as it surveyed cross-sections of the entire Australian community and the entire employer market, not just those doing VET and its focus was on attitudes to learning, not just training. **Marketing ACE in Victoria** (Department of Education, Employment and Training Victoria 2001) proposes a set of marketing objectives and outlines a strategic marketing framework but also notes that there is very limited experience of working with market segmentation models although providers do understand their markets in terms of demographic groups. However customers who share demographic characteristics do not necessarily share values, attitudes, preferences or learning needs (p.11). Therefore a reliance on demographics to group clients will not necessarily result in strategies which are successfully meeting their needs.

The report also notes a number of other challenges which need to be considered in applying market segmentation to the ACE sector including:

- The ACE ethos to provide learning opportunities for all which often leads to providers trying to be “all things to all people”, which makes effective marketing almost impossible (p.5)
- Marketing is sometimes understood as advertising and promotion only, with demand often being identified through intuition or by who walks in the door. Almost all providers in the study said they needed help to collect information, analyse it and use it to inform marketing (p.6)
- Lack of strong connection to local government, business and industry groups, or employment organisations which can provide significant commercial opportunities or improve reach into existing markets. The report noted that networking skills are critical but take time and effort (p.12).

The report noted that in terms of the *National Marketing Strategy* segmentation, the bulk of effort goes into addressing barriers in order to improve participation by the *learning on hold*, *make it easier* and *almost there* segments and providing ongoing services to the *passionate learner* segment. The study also found that to a lesser extent providers are picking up some participants from the *might give it away* and *learn to earn* segments and that they would like to do more to attract people from the *forget it* and *done with it* segments but recognise how difficult and costly it is to do so (p.11). Some of the NSW providers interviewed for this study presented a different pattern of participation in relation to the market segments and this will be discussed later in the report.

## Other approaches to market segmentation

In 2002 the National Centre for Vocational Education Research (NCVER) took a different look at the market. It described the results of a market segmentation approach that divided the TAFE graduate respondent population of the 2001 Student Outcomes Survey into six segments based on the students' motivation for undertaking VET (NCVER 2002). The segmentation approach used was based on a method developed by the West Australian Department of Training and Employment. The NCVER suggested that the approach was complementary to the National Marketing Strategy for VET and that it gave marketing practitioners a valuable tool to understand and respond to training needs (p. v).

A Victorian study took this approach and further segmented students into nine groups according to why they enter training and what they want from it (Office of Training and Tertiary Education 2005). The analysis refines the nine segments into three key groups, employment seekers, career improvers and self developers and maps them against characteristics which include age, employment status, gender, use of VET and study choices. This

approach of understanding motivation for learning is a useful addition to the information about attitudes and values and perceived barriers to learning which is available through the National Marketing Strategy as it potentially enables providers to target groups with particular motivations through their products and promotional materials.

The 2007 release of the next version of the Australian Vocational Education and Training Management Information Statistical Standard (AVETMISS) will include for the first time a mandatory question for the national collection about study reason. The question is aligned quite closely to the segments identified above. It will provide the opportunity to track shifts in student intentions and motivations across the period of their study as the information will be collected at commencement of study as well as in the student outcomes survey which is conducted annually. This will assist providers to understand the motivations of key elements of their markets so information, services and promotions can be targeted and differentiated in order to attract different segments.

Literature in relation to **transitions and life course** is also relevant to understanding market segments and the way that such transitions drive choices. Both the *National Marketing Strategy* and the Victorian client segmentation include consideration of life course as a motivator around people's choices about when and what to learn. Anderson (2005) also considers life course and transitions as a driver of choice and uses Transitional Labour Market theory which acknowledges the rise of non-standard and precarious forms of employment and the need for new policy settings to actively support people through such transitions, including through facilitating opportunities for learning and skills development. A consideration of people's life course and labour market transitions could provide ACE with a new way to examine and respond to the needs of current and potential clients and would be complementary to the COAG human capital framework which has as one high level outcome the improvement of overall workforce participation with "a particular focus on target groups".

### Market segmentation approaches in summary

The *National Marketing Strategy* offers the most powerful set of tools as it has devised strategies to engage each of the market segments identified.

However providers could also combine the above approaches and consider multiple dimensions of a client's life, including the characteristics of the *National Marketing Strategy* segments, the learner intentions and motivations for learning, tracked over time at enrolment and in the student outcomes survey, and any life course or labour market transitions which may impact on learning needs.

**Figure 1** shows the combination of these dimensions.

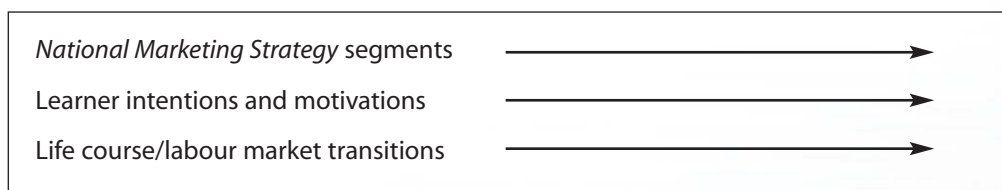


Figure 3 Multiple dimensions to client analysis

### 3. Case studies – providers and their markets

Ten ACE providers were selected for interview to explore their understanding of their markets and the approaches they used to analyse market information, including whether they used the segments identified in the *National Marketing Strategy* for VET or the Victorian client segmentation. The case studies also sought to test the themes and frameworks drawn from the research and data against providers' insights and expertise and to distil the strategies they adopt as they adapt products and services to respond to changing demands. The focus questions used to guide the structured interviews with the providers are at appendix 1. Interviews were conducted with the Chief Executives of each college.<sup>2</sup>

Prior to the visits past and present (to 2005) ACE client data for NSW was examined for relationships between client profiles and the *National Marketing Strategy* and Victorian client segments. Client data specific to each provider was also examined.

The overview data does not lend itself easily to matching against the segments but some assumptions can be made. For example, given the substantial growth in VET enrolments in 2005 compared to 2004 (210 049 enrolments, 6 546 867 student contact hours, a 48% growth in enrolments and a 107% growth in student contact hours over 2004<sup>3</sup>), it can be assumed that there is a large proportion of *learn to earns* in terms of the *National Marketing Strategy* segments and significant numbers of *employment seekers* and *career improvers* in terms of the Victorian client segments. In the traditional client base of ACE, with its diversity of enrichment programs, there is also likely to be a good proportion of *passionate learners* (*National Marketing Strategy*) and *self developers* (Victorian client segmentation). The ACE data also reveals a client base of Indigenous Australians, people with a disability, people of mature age and increasingly young people. While the numbers are small in proportion to overall participation rates, qualitative information collected during case studies indicates that providers are putting significant effort into working with these groups and see them as a priority. It is likely that these groups will contain many people who have had past negative experiences of learning and who face significant barriers to their learning now. These would fall into the *might give it away*, *make it easier* and *almost there* groups (*National Marketing Strategy*). Assumptions cannot be made from the client data available about employer segments in the *National Marketing Strategy*.

#### Current markets

Providers were asked about how they would describe their communities, their services and their current clients, including whether their clients match the segments identified in the *National Marketing Strategy* and the Victorian client segmentation.

The provider group was very diverse, located in both metropolitan and regional areas, inland and coastal. All were Registered Training Organisations but their mix of services varied markedly with some including up to 80% of vocational education and training, both accredited and non-accredited and others just venturing into accredited training, but with a long history of work with equity clients in a range of general education and bridging programs.

<sup>2</sup>The heads of colleges have a diverse range of titles. For the purposes of this report the title of Chief Executive has been used.

<sup>3</sup>Data supplied by BACE with qualification that data collection has been improving each year and may not be complete for 2004.

They described a range of community features which present particular challenges including:

- very geographically dispersed services, making market research and analysis difficult
- very small geographic areas, forcing them to look outwards to extend business
- a high number of commuters, making access to clients difficult and community connections tenuous, and driving the imperative of flexible learning
- lots of small business who are hard to reach and engage in learning
- petrol prices and drought impacting on people's disposable income, and
- high numbers of clients who work in the city but live elsewhere so need special strategies to be reached.

"We have a huge commuter population, 27,500 people each day. It means they may not be very connected into the community and when they get home they want to stay home. We need to offer more flexible delivery." (*large regional college*)

All providers referred to their commitment to and history in serving equity groups and most indicated they use fee-for-service programs to cross-subsidise their equity and community learning and development activities. While some providers have a long history of working with businesses, with one indicating one third of the services are direct to business and industry, others say this is an area for further development.

Most providers indicated they are developing a specialisation in relation to particular client group/s such as young people and in relation to accredited training, all described a planned and targeted approach to deciding areas of focus within their scope. This will be discussed further in relation to providers' approaches to market analysis.

## What market segmentation do providers do?

**Several providers were aware of the *National Marketing Strategy* but none had used the segmentation to consider their markets.** Some expressed an interest in seeing the strategies developed for the segments to assess its use as a tool, with one provider indicating that different branding is needed for different groups. Not all thought it would be useful with a view expressed that it was too academic and that there needed to be stronger consideration of the important skills required to understand your competitors in the market place. Some providers are clearly using demographics as the major market analysis tool, however all were able to readily identify where their client groups matched the segments in both the *National Marketing Strategy* and the Victorian client segments.

### • Diversity of client segments identified

The Victorian study which applied the *National Marketing Strategy* to ACE in Victoria (Department of Education, Employment and Training Victoria 2001) found the bulk of effort by providers in that study went into addressing barriers to improve participation by the *learning on hold*, *make it easier* and *almost there* groups, as well as providing ongoing services to passionate learners (p.11).

However while one provider in this study estimated up to 50% of their clients were comprised of *make it easier* and *passionate learners*, and two others said *make it easier* was a big group for them, several others identified large groups of *learn to earns* and *might give it away*. While these two groups are in the *doing it* stage of the

behaviour change path, they hold higher risks for providers than others because their commitment to learning in terms of attitude is tenuous. With low commitment, the risk of them dropping out is high (ANTA 2000, p.48). The high level of identification of *learn to earn* is not surprising given the increasing proportion of VET programs being delivered by the providers.

Providers also readily identified their clients in the Victorian client segments, with many indicating significant numbers of *employment seekers*, *career improvers* (especially in higher level qualifications), and *self-developers* in ACE programs and lower level qualifications.

The *make it easier* groups are providing challenges to providers and a number said they are developing their capability in flexible learning to respond to these needs, while others are implementing strategies such as night and weekend scheduling, short programs, workshops and pay-as-you-go schemes to reduce barriers. Of interest are the differing views about *passionate learners*. While several providers track the level of return business they receive and indicated a proportion of these will be *passionate learners*, others made the point that they see fewer *passionate learners* these days due to changes in lifestyles with time pressures, economic impacts and other competition for people's funds.

*Passionate learners to learn to earn*

"There has been shift from the intrinsic joy of learning something new to 'how will it be good for me – what will I get out of it?' " (*large regional college*)

Several providers also identified significant numbers of *done with it*, *learning on hold* and *forget it* clients, particularly providers working in employment services and with equity groups who had experienced long term disadvantage. These clients present particular challenges to both reach and keep engaged and a number of providers indicated they carry substantial risk when working with these groups if the funding is tied to completion as a measure of success. They are at high risk of dropping out due to the many barriers they face in their lives, their past negative experiences of learning and their literacy and numeracy difficulties, but their dropping out can also mean success as the clients obtain work and achieve the outcome they are seeking. Providers pointed out that this is also the outcome being sought by governments but the funding incentives do not acknowledge the qualitative difference in reasons for non-completion. Others pointed out that to reduce risk, they have to recruit learners who are most likely to complete the training, thus the completions-based nature of the funding arrangements is making it harder for providers to work with the people who are in greatest need and have the most barriers to overcome.

*Forget it and done with it*

"We have lots of under- and unemployed people here, many of them long-term unemployed. It means we have lots of unskilled people with literacy problems and they have been out of learning for a long time so we have to look at how to reach them and meet their needs." (*small regional college*)

• **Employer segments**

A number of providers with strong business connections also readily identified their enterprise clients against the *National Marketing Strategy* employer segments, with significant numbers of *high-valuer* and *here and now* clients. No one identified the not interested group as ones they were trying to reach although this is probably just a case of not using the market segmentation language because a number referred to outreach to small businesses to extend their markets. Those who identified *high valuers* in their client groups have an opportunity which they can tap into as this segment's characteristics indicate they can be used as drivers for change, will most likely provide access to other *high-valuer* networks and see all forms of learning as value-adding, including employees' non-work learning.

• **Multiple dimensions of segmentation**

The most detailed responses actually broke down their client groups across the segments, albeit using best guess estimates, but also broke them down across the different types of delivery; lower and higher level VET qualifications, commercial/fee-for-service, general education etc. This is potentially a more sophisticated way to analyse markets as the segments are likely to be very different across delivery groups and will also reflect life course and labour market transitions. An analysis which includes these multiple dimensions is likely to identify strategies which are successful in reaching particular groups, as well as gaps in reach.

Table 4 summarises college client profiles against the behaviour change path, the *National Marketing Strategy* general community segments and employer segments and the Victorian client segments. **The next step would be to assist providers to turn their unconscious awareness of market segments into conscious analysis against client participation and non-participation and apply the strategies which are identified in the *National Marketing Strategy*.**

**Table 4**

<b>Behaviour change path</b>	<b>Stage 1: Indifferent</b>	<b>Stage 2: Aware</b>	<b>Stage 3: Ready</b>	<b>Stage 4: Doing it</b>
<b>National Marketing Strategy client segments</b>	Forget it (FI) Done with it (DWI)	Make it easier (MIE) Learning on hold (LOH)	Almost there (AT)	Might give it away (MGIA) Learn to earn (LTE) Passionate learners (PL)
<b>National Marketing Strategy employer segments</b>	Not interested (NI)	Not interested (NI)	Here and now (HAN)	High valuers (HV) Here and now (HAN)
<b>Victorian client segments</b>				Employment seekers (ES) Career improvers (CI) Self developers (SD)

**Table 4 (continued)**

<b>Behaviour change path</b>	<b>Stage 1: Indifferent</b>	<b>Stage 2: Aware</b>	<b>Stage 3: Ready</b>	<b>Stage 4: Doing it</b>
<b>College client profiles</b>	<p>"We have a percentage of FI and DWI – job seekers who are referred to us and who have major life problems" <i>(large regional college)</i></p> <p>"My feel is we have 5% FI and 10% DWI" <i>(large regional college)</i></p>	<p>"Most of our equity clients (20% of our total) fall into MIE and LOH" <i>(metro college)</i></p> <p>"We've got some MIE – it's the challenge of time and money – 'only if you do it quickly, do it cheap and give me just what I want'. We're looking at ways to 'make it easier'" <i>(large regional college)</i></p> <p>"We would have 30% MIE and 15% LOH" <i>(large regional college)</i></p> <p>"We have lots of the MIE group – they don't have time- that's why we are offering shorter programs and workshops" <i>(medium-sized regional college)</i></p> <p>"We work with a lot of the MIE group who have carer responsibilities and just can't make it to a set time for a long program each week. We package things around their carer responsibilities" <i>(small regional college)</i></p>	<p>"We would have 10% AT and 70% of our employers (which are 10 to 15 % of our income) would be HAN" <i>(large regional college)</i></p>	<p>"80% of our clients fit in stage 4 of the behaviour path – they are 'doing it' <i>(metro college)</i></p> <p>"We've got lots of people in the stage 4 'doing it' part of the behaviour change path" <i>(small regional college)</i></p> <p>"We have 5% MGIA, 5% LTE and 20% passionate learners. 30% of our employer clients fall into the HV group. 25% of our people would be ES, 50% CI and 25% SD" <i>(large regional college)</i></p> <p>"We've got the HAN and HV employers in our commercial programs as well as LTE – in some cases progression through the company is linked to participation in VET programs. In the general ACE program there is the cohort of PL – they return year after year. ES feature predominantly in the public access VET programs, especially at lower level qualifications. CI are accessing higher level qualifications. Our SDs enrol in literacy and numeracy, personal development and Certificate Is" <i>(large regional college)</i></p>

Table 4 Summary of college client profiles against behaviour change path, National Marketing Strategy general community and employer segments and Victorian client segments

## Reaching new markets

Providers were asked how and why their markets have changed over the past five years, what their under-developed markets are and how they expect their markets to shift in the next two to five years.

### • Shift to vocational training – contributing factors

**Virtually all providers pointed to an expansion in VET/accredited training and/or fee-for-service and a reduction in leisure and lifestyle programs, particularly those which are not financially sustainable.** While many pointed to financial pressures as a key factor in the changed profile, including reduction of funding combined with economic factors reducing learner numbers, most indicated the change also reflects community demand for a wider diversity of learning with a focus on learning for career and business outcomes. Most also indicated that they had benefited from the expansion of their markets to include VET and business training.

“We’ve gone into accredited training because firstly we can generate funds to cross-subsidise our other work and secondly because we can see the work value of it. We can see people genuinely wanting and benefiting from outcomes.” (*medium-sized regional college*)

“A lot is done so that we can cross-subsidise the community work but in fact we now have a name in business training because we do it well. So it is both a means to an end as well as part of our core business.” (*large regional college*)

Other factors identified by the providers as contributing to the change in profile included increased competition, particularly in the lifestyle arena where many clubs, churches and community organisations now offer competitively priced options, new government initiatives which can alter business overnight, and local factors such as closure of industry requiring learning solutions to assist displaced workers.

Providers expressed a strong view about their commitment to a diversified approach to services which reflects community demand for both accredited and non-accredited and community learning. They experience no difficulty in working along the ACE/VET continuum. However there was a prevailing view that there is an apparent lack of valuing of the more intangible benefits of the community capacity building and development at the ACE end of the continuum and that the focus on student contact hours as the key measure of outcomes fails to recognise non work-based outcomes and the complexity of networks and collaborations that underpin their work.

### • Under-developed markets

Providers were able to readily identify what they considered to be their under-developed markets and were able to articulate what they expect their markets to look like in the next 2 to 5 years.

Several indicated that they need to reach **more business markets**, including fee-for-service offerings in short courses, workshops, and in-house training, as well as increasing accredited training programs. Many mentioned the high numbers of **small businesses** in their communities and the as-yet untapped opportunities to assist them in skills in running a business. Several indicated they needed to build **better engagement with particular client groups** and advised of plans to do so, including with young people, mature aged people, men

and Indigenous Australians. Some are already unconsciously tapping into the potential offered by life course and labour market transitions by reaching out to low-skilled employment seekers and matching them with local labour market shortages. One provider is keen to reach nearby ethnic communities but needs the expertise and resources to conduct appropriate market research into needs and demands. A number of providers advised they have a gap in meeting demand for **flexible and distance learning** and advised they are building capacity in this area as well as looking at ways to market it.

The question which asked providers to look ahead and anticipate market shifts in the next 2 to 5 years elicited interesting responses. Not all focused on growth, with a number advising that they are looking for some stability and to find some niche roles. For some this is about managing growth which has been large and rapid over recent years and for others it's about managing risk that accrues through short term buckets of funding that come and go. All said they will continue to offer fresh, new products and services in response to community demand, but within a risk management framework that considers viability. A large number indicated their market shifts will be related more to ways of delivering (more flexibility), new partnerships and strategic alliances, and repositioning through new image and facilities. All providers mentioned they expect to build their markets in a way which enables them to reduce their reliance on particular sources of funding. They also are planning for success in reaching the under-developed markets listed earlier. A number of providers expect to tap into current policy agendas, such as the focus on return to work and upskilling by COAG and the potential opportunities offered by the recently announced Skills Package by the Prime Minister (see <http://www.pm.gov.au/news/speeches/speech2175.html>).

"Our aim is to build our market research capacity, do less and do it well, spread our risk and reduce our reliance on government funding." (*large regional college*)

"Quality and staff welfare are two key areas that can be compromised if growth isn't managed carefully.... For us there won't be big changes in the market – more flexible options and more strategic alliances – targeting who we want to be aligned with and for what purpose, making us stronger." (*large regional college*)

## **Marketing approaches – using market segmentation to extend reach**

A "marketing mindset" – a focus on understanding the needs, desires and demands of customers as drivers of successful services – can be seen to align well with the ethos of ACE provision which has traditionally been recognised as strongly "learner-centred" (see for example Golding, Davies and Volkoff, 2001, p. 5).

However the study *Marketing ACE in Victoria* (Department of Education, Employment and Training Victoria 2001) found that too many providers try to be "all things to all people" reflecting a strong commitment to serving the community and that this makes effective marketing almost impossible (p. 5). It also found that marketing capacity is patchy across the sector and many understand marketing as advertising and promotion only. However this picture was not evident in this study where providers demonstrated considerable understanding of market needs and ways to respond.

**While none were using the segmentation from either the *National Marketing Strategy* or the *Victorian client segmentation*, their efforts extended well beyond advertising and promotion.** In this study, their approaches to understanding and responding to their markets were explored via a number of focus questions including asking:

- what their unique features are
- why and how their clients choose them
- community and industry factors that might impact on demand for products and services
- their methods of tracking successes and evaluating outcomes
- their decision making in relation to products and services for the coming year and introduction of new products and services.

A number of clear themes emerged from the discussions and these are outlined below.

#### • **A clear value proposition**

A recently published sustainability framework for community-based organisations (Adult, Community and Further Education Board (ACFE) Victoria 2006) considers a number of case studies and proposes four key elements for organisational sustainability. One of those elements is “having a clear value proposition” – a clear and unique statement of the programs and services that the organisation will provide to its customers and stakeholders, based on a comprehensive understanding of community need (p.vi).

A clear value proposition will enable an organisation to develop and deliver services which provide superior perceived value, deliver services which have a measurable impact on the users, and distinguish services from those of other organisations. The framework proposes that a clear understanding of community needs is required to develop a strong value proposition and that this is obtained by ongoing research such as surveys, focus groups, client feedback and an environmental scan which maps programs being delivered by other organisations and enables duplication and opportunities to be identified (p.10). Once an organisation has a clear understanding of its beneficiaries it can sort or segment them into groups which share similar needs and design its services to more effectively meet those needs as well as design other elements of its marketing appropriately, including price, communications and method of delivery (p.11).

**All providers in the study were able to clearly articulate their views about the unique characteristics of their business.** Factors mentioned regularly included being community owned and managed, scrupulously analyzing and following up evaluations, carefully matching expectations to outcomes, offering quality combined with value for money, having a well deserved reputation for flexibility and responsiveness and being able to offer pathways to clients, from leisure through to career outcomes. Whether the value propositions so clearly expressed by the providers in this study are also consistently expressed in their communications and positioning so that all stakeholders know and recognise them, is less clear although a number did refer to their mission statements and indicate that their unique features are enshrined there.

A large number of the providers are actively working to develop a particular image as part of their positioning strategy in relation to markets. Branding, positioning and image are all important components of establishing a clear value proposition. For some there has been considerable investment in new facilities to build a new image with new markets, mainly with business markets. For example one provider has built a new training facility with

state-of-the-art technology in the growth town and hub of the provider's region. It is expected to generate profile, create revenue from hire-out and position the provider to offer centralised, short course, fee-for-service training to regional business which currently sends staff to Sydney for such training.

Another provider spoke of the need to update image and reach by moving to a shopfront location in the business district which will reinvigorate profile and provide accessibility to both the community and businesses. This provider sees the move as offering the best of both worlds, with delivery still being offered at lots of different sites, including comfortable community based buildings, but with the public face being very visible in the central business district.

Others spoke about the strong brand recognition of ACE in their communities but still want to develop a new professional image by moving into high profile central locations. One provider sees significant opportunities in the move to shared space with a business incubation centre where there are potential synergies between business, green technology and training. The building has the potential for showcasing green technology. This provider believes in creating the conditions for ideas to flourish into reality and works to build the connections which might allow it to happen. Other providers which do not have the capacity to move as a way of updating image said they are actively working to change image through their personal connections with key businesses.

In addition to considerable effort being made around value proposition and image, methods of market research were also evident although one provider indicated that building organisational capability in these skills is an area for development in the coming year, with the recruitment of a person who will be responsible for market research and customer analysis. Strategies which were repeatedly mentioned included analysis of telephone inquiries to track interest and unmet demand, mapping provision against demographic information to identify gaps in meeting needs, analysis of competitors' offerings including price, coverage and areas of strength and weakness, Board or committee of management knowledge and input, scanning "fads and fashions" for opportunities, use of networks and forums to develop strong relationships and community knowledge, conducting surveys and using anecdotal intelligence. There was also reference to strong and structured planning processes involving community input and taking a proactive approach to research and development – "we look at local issues and think 'what is the learning solution?'".

#### • **How and why clients choose**

It is clear that there are multiple dimensions to client choice of provider and it is not easy to separate the strands. Some relates to how clients are reached, for example through marketing tools and promotions, and some is about why they choose, for example availability of a particular program or return business due to satisfaction. Some choice also occurs because providers successfully target a particular group and there were many examples of this in the case studies including outreach to long term unemployed to participate in a particular funded program and success with a particular industry for which the provider developed expertise and a track record.

All providers use a variety of marketing and promotions tools, with most distributing printed course guides and a number also using print and broadcast media. One considers that availability of on-line enrolment will attract a significant market due to ease and convenience and another has success with a large email distribution list. Several track the level of return business and use it as an indicator of their success.

"After the distribution of our course guide, the hits on our website go from about 2000 to 14000 per day for the next four days." (*metropolitan college*)

"People like what they get – this is reflected in the level of return business we get." (*large regional college*)

Several providers said they would like to start finding out why people don't choose to come to them by using methods such as community forums or tracking why people drop out.

Providers were also asked how they track success and evaluate returns. Many said they would like to do this more and the most common methods used are analysis of evaluations and tracking return business. Others use random telephone surveys, have business plans with targets, review enrolments and completions and have implemented surveys in relation to particular programs to track what happens to students after they complete.

Despite most providers saying they would like to track and evaluate in more ways and more systematically it was clear from responses that they mine a rich source of data about the reasons for clients' choice and the broader context of their communities such as demographics. Almost all providers indicated that they use census, Australian Bureau of Statistics, local government and AVETMISS data. The majority of providers also referred to use of NCVET research, the importance of their participation in networks and forums, their tracking of trends and fashions across the country and their analysis of their competitors' offerings, pricing, successes and weaknesses.

In many instances it was apparent that the feedback they receive about client choice relates directly back to the "unique value proposition" about their businesses. The three most frequently cited reasons for client choice were:

- a welcoming environment, particularly for clients who might be intimidated about learning
- flexibility and responsiveness; and
- the pathways and holistic nature of programs offered.

"People choose us (over competitors) because they can do their programs quickly with us, we are flexible, in a good location.... and people are not locked into a long term program structure." (*large regional college*)

"We have smaller classes, a less intimidating environment and they know we won't cancel classes if there are drop-outs." (*medium-sized regional college*)

"Most business comes to us because we are quick." (*large regional college*)

"Our mixed delivery – community and VET – shows people there are other opportunities and pathways. 12% of clients who commence a non-VET program will pathway to VET....similar figures are showing for VET learners accessing non-VET programs." (*large regional college*)

"We do a lot of work with people with an intellectual disability and we can offer them a holistic program which gives them vocational skills, plus language and literacy but also includes some art and music." (*small regional college*)

NSW providers' views about why clients choose them has been affirmed in a recently published report of a longitudinal study in Victoria which confirms that ACE clients like what they get, in other words, the market is providing positive feedback about the services it is receiving from ACE providers (Walstab, Volkoff and Teese 2006). Although this study occurred in the Victorian setting, there are clearly some parallels to the NSW ACE setting, based on qualitative information gathered in these case studies.

Overall respondents were extremely positive about their experiences of learning. Almost the entire cohort found that: it was "easy to get along with the teachers (98% agreement), "everyone was made to feel welcome" (98% agreement), "learning was enjoyable" (98% agreement), "the teaching was good" (98% agreement), "there was a supportive learning environment" (97% agreement) and "individual help and guidance were available" (95% agreement). The report concludes that this is a strong endorsement of the ACE sector's learning environment by all students (p.41).

These key themes which emerged around client choice will be returned to later in a discussion of market advantages for ACE NSW.

#### • The challenges of market research

**While the case studies demonstrated evidence that providers are clear about their unique features – their "value proposition" – evidence of a continuous cycle to research community needs, segment clients into groups with similar needs and demands, and then design communications, products and services to meet those needs, is less clear.** They have started a journey towards a market segmentation approach but the path is not clear and the progress is patchy and based more on intuition, a range of strategies and good business skills than an organised framework.

This is likely because there are significant challenges for providers in conducting market research including the diversity of markets for those who cover a broad geographic area, the specialised skills required which can be costly to buy in, the difficulties of accessing and analysing appropriate data, and the diversity of roles which need to be covered by heads of small providers, with market research just one more to add to the list for already time-challenged managers of ACE businesses. One provider is addressing this by ensuring all managers have marketing and business development included in job descriptions and managers with these skills are a target for recruitment. Some small providers have an advantage which is that they know their communities well and are strongly networked with good brand recognition. This is an advantage now but could be denuded by incoming competition. Later in the report a framework to build capability in this area will be proposed.

#### • Partnerships and collaborations in broadening markets

This study has as one of its objectives to "identify ways in which market segmentation may facilitate closer collaboration with other educational providers and local agencies". Research was reviewed in relation to **learning communities and social partnerships** to identify insights about partnerships for ACE and to inform questions for the case study interviews.

Many ACE providers are already active participants in learning communities across Australia and the partnerships involved offer significant opportunities for broadening markets and increasing participation. Yarnit (2000) suggests four main types of learning community partnerships, of which one is creating local learning partnerships to promote collaboration, shared use of resources and to widen and deepen participation in

learning. He argues that there are three key aspects of learning community partnerships – the three ‘Ps’ - learning how to build effective *partnerships* which add value, engaging the public in learning - *participation*, and assessing the value added by the partnership, its *performance* (p.3).

Providers in this study were asked about any formal partnerships, joint ventures or more informal collaborations they have in place, how many are outside the education sector, what were the drivers for setting them up and what have the outcomes been? All listed a range of collaborations and business relationships, particularly in serving equity clients where the providers’ educational expertise is paired with community organisations’ specialist program development and support to meet the needs of clients.

In fact this is where the market segmentation approach can strengthen providers’ efforts to identify and build collaboration with other organisations. Other organisations which have established links with clients who fall into segments such as *make it easier, forget it or done with it*, provide both access to those clients and the complementary services which are required for a holistic approach. A number of providers commented that a several groups would not normally make their way to the provider without the collaborative relationship that is in place with their primary service provider. This includes particularly young people, Job Network clients, Indigenous Australians and people of from non-English speaking background communities. In these instances, market segmentation provides a tool to identify particular clients and their needs as well as the links needed to connect with them.

“We do not have the resources to develop deep community links on our own; therefore we rely on organisations already connected with groups within the community.... By connecting with them we take advantage of their credibility and established links. Other groups already working in the area of equity such as the St Vincent de Paul Society are good examples of how our educational expertise and RTO status have been combined with their community connections and premises to deliver education to clients who would not find their way to us.” (*metropolitan college*)

A number of providers also identified formal and legal partnerships or memoranda of understanding (MOUs) that are a strategic part of growing their businesses, together with significant benefits. Examples of these formal partnerships are included in *table 5*.

**Table 5**

<b>Examples of providers' formal partnerships</b>	<b>Benefits identified:</b>
MOUs with universities	Provide articulation and pathways to higher level qualifications Income, influence, entry into broader networks.
Partnership with a local council and an employment and training agency in a business incubation centre	Synergies to be generated with business incubation, sustainable technology and VET. Joint reputation and marketing. Generation of innovative ideas. Broader offerings, with diversity of community and vocational outcomes.
Partnership with an employment and training organisation in a labour hire firm	Provides a holistic service to employers. Provides a marketing opportunity – market training while working on labour hire business. Access to new connections and clients.
Partnership in a tri-sector co-located learning precinct with a TAFE and a university	Pathways from leisure to university – one stop shop. Access for clients to a broader range of services due to shared facilities and economies for partners in shared facilities. Capacity to make joint applications for funding. Generates profile.
Joint provision/scope sharing with other ACE and non-ACE providers	Economies of scale in programming, class sizes, sharing of trainers and facilities, professional development and assessment. Building capacity, connections and influence in new areas.
MOU with a youth service	Combined expertise - youth service has experience in youth program development and support and provider has educational planning and delivery experience, so funding can be shared to achieve outcomes for clients.

Table 5 Examples of providers' formal partnerships

The most common formal partnership identified was in joint training provision. The drivers for the decisions make good business sense; economies of scale – pooling numbers makes sense in small communities to create viable class sizes, complementary programming, sharing of trainers and facilities, assessment validation,

collaboration around professional development, building profile, revenue sharing and building capacity, connections and influence in new areas. Some mentioned that it provides a low-risk way to “try before you buy” – to test out whether a new area is one which is worth-while pursuing for the business. Scope sharing can also have some drawbacks for both partners though, with the primary partner carrying a lot of responsibility and paperwork, and the smaller partner not getting the recognition in terms of the student contact hours counted against their effort. One provider indicated that they are exploring opportunities for off-shore delivery as part of their efforts to extend market reach.

**It was noted that few providers mentioned collaborations or connections with local councils and none mentioned participation in learning communities.** This aligns with the findings of the report on Marketing ACE in Victoria (Department of Employment, Education and Training Victoria 2001) which found a lack of strong connections to local government (as well as business and industry groups) may limit significant commercial opportunities or reach into existing markets (p.12). Given that many councils are now actively involved in community development activities such as learning community initiatives, as outlined in Waterhouse, Virgona and Brown (2006) and many are also major employers, this could be a focus of effort for new strategic alliances. Providers also identified significant direct benefits for clients in their partnership arrangements including the provision of pathways from leisure through to university and in cases where there are shared facilities, access to a broader range of services and a “one-stop shop” which appeals to business clients. At least one driver of the increase in collaborative relationships has been government policies in relation to funding applications, which indicate that collaborations will be “highly regarded”.

“It’s about meeting the client’s need. We know that we are not the only part of meeting people’s learning needs. Our relationship with the university is about meeting the needs of clients who want a stepping stone to higher level qualifications.” (*large regional college*)

Allison, Gorringer and Lacey (2006) consider the role of VET in building learning communities, partnerships and social capital but many of the findings are relevant to ACE. Several of the case studies documented in this report analyzed partnerships which work through sharing resources and markets in a form of “collaborative competition” and noted that while a highly competitive market had forced the development of partnerships, it has delivered significant benefits to clients through creation of new learning infrastructures and learning environments such as use of mobile learning, virtual classrooms, and shared facilities which as extended the opportunity for learning in the community (p. 24). These findings are reflected in the qualitative data gathered for this study on market segmentation, which demonstrated that providers are moving increasingly to deliver their services via a range of partnerships. Several identified the building of strategic alliances as a key focus of activity for the coming year.

### • The challenges of partnerships

Most providers in this study expressed the view that while partnerships are essential to business success, developing and maintaining them presents significant challenges.

“Developing partnerships takes a lot of skill in terms of ensuring compatible values, complementary programs, clear sets of protocols about who is responsible for what, and skills in change management.”  
*(large regional college)*

“There are lots of challenges – to define the purpose, how to put the right structures around the purpose to achieve the outcomes, the mechanics of how to make it happen without dramatically changing the culture of either organisation and achieving benefits for both.” *(small regional college)*

In terms of the market segments which are “hard to reach”, as mentioned earlier there is a need to form solid relationships with the organisations who serve those clients, such as Centrelink and Job Network agencies. Several providers pointed out that most business relationships are built on personal connections of the players and turnover of staff can halt the progress and be very time consuming.

Yarnit (2000) proposes that managing partnerships may become a new professional skill which is required to operate in the context of learning communities and outlines ten tips for improving partnership capacities and activities built around the three ‘Ps’ mentioned earlier – partnerships, participation and performance (p. 87-89). Although some of the tips for improving these activities are more relevant to the social and policy context of the United Kingdom, others are broadly applicable and together with a market segmentation approach could usefully be used by providers to build their skills and capacity in this area. This will be particularly important if the range of partnerships is to be extended within learning communities and to the local government sector.

### • Innovation in ACE organisations – grasping new opportunities

**This study has also considered how market segmentation approaches can assist innovation in ACE organisations and to what extent is client segmentation a feature of innovative practices.** To do so, literature has been reviewed for key themes in relation to innovation. Callan (2004) set out to explore ways to build innovative VET organisations and this provides some useful insights which can also be applied to the ACE context. Callan conducted a review of innovation literature to inform his observations and noted that of the six practices of innovative organisations, VET providers are using only three; identification of innovators, partnerships with industry and teamwork, with partnerships being the most dominant strategy in shaping and driving innovative thinking and practice (p.4). The other three which are underutilised are having leaders who are failure-tolerant, rewarding people who bring forward innovative ideas and creating learning cultures which promote innovation as a core capability.

Callan’s characteristics of innovative organisations provided a framework in which to consider the range of approaches the providers take to understanding and responding to their markets, to consider how they are currently innovating in relation to their products and services and to identify if market segmentation approaches drawn from the research could strengthen their efforts to reach new markets. As outlined earlier, ACE providers are also using partnerships to drive new ways of doing business. In addition, through the regional clusters in which non metropolitan providers participate, they have the beginnings of communities of practice which can be used to share and drive learnings and innovation. Callan found that use of teams,

teamwork and communities of practice is the other major tool being used to promote learning and innovation, allowing people to share stories and learning and turning implicit understanding into more explicit knowledge (p.6).

Identifying or anticipating and then grasping new opportunities is another important skill in understanding and responding to markets and is one approach that was evident in the range of market approaches used by providers in this study.

All the providers recognise and grasp opportunities as they arise and several are actively scanning potential opportunities and working to build the connections they believe they will need to bring them to fruition.

One small regional provider operates in an area with high numbers of under- and unemployed people with low skills. This means the market includes substantial numbers of the segments which are the hardest to engage in learning, in terms of the National Marketing Strategy. The provider has turned this into a positive by:

- actively building links with Job Network agencies and convincing them that ACE can meet their needs
- developing RTO scope around skill shortage areas which are not offered by competition
- recruiting staff who have an established reputation in the industries selected
- matching the unemployed population to the available job opportunities
- launching a new business brand to tap into business training; and
- planning to reach the “hard to reach” segments, such as Indigenous men, by offering “skill combinations” such as a qualification together with a driver’s licence and integrated language and literacy components.

Some providers are targeting industries which although slow or stable in growth, offer other opportunities for fee-for-service training. An example is an industry which is regarded as a “good employer” and who therefore has high retention rates. The provider has assessed them as likely to be interested in investing in their people development. They would most likely fit into the *high-valuer* segment in terms of the *National Marketing Strategy* and may provide access to substantial additional opportunities through their networks. Another provider is targeting employers which although not in growth industries, have been identified as “change industries”, needing to adopt new technology to stay ahead of the competition. These employers most likely fit into the here and now employer segment of the *National Marketing Strategy* and the strategy indicates that these employers can be persuaded to invest in training with some consistent and strategic messages about the benefits of workplace training to meet competitive demands and the requirements of new technology (ANTA 2000, p. 22).

Other providers see their flexibility and capacity to respond quickly as the basis of success in adapting to market changes and responding to new demands. One provider was able to quickly muster the resources required to respond to a major structural shift in the community caused by industry closures and the need to provide upskilling for displaced workers. The same flexibility is driving improved services to business clients in the mode of delivery and the costing structures.

“Skill sets are an emerging area for us. Business doesn’t want to hear about qualifications. They want to hear about how people can do their jobs better. They will spend money if you give them what they want and we are able to move more quickly than our competitors to offer flexible services.” (*large regional college*)

“We know that lots of employers don’t care about the qualification, they just want skilled workers so we now price the training separate to the assessment. Increasingly the employer pays for the training and the individual pays for the assessment and the issue of the qualification.” (*large regional college*)

Taking the business to the clients instead of expecting the clients to come to the business is also one way that providers are tapping into business markets. One provider formed a partnership with an aged care provider to use their facilities for training, then the trainees did their work placements with them, with a number subsequently attaining employment, achieving a win-win for all parties. Another employs full-time trainers who are totally based in the industry workplace.

A frustration with lack of sustainable outcomes for young people who had dropped out of learning led to the establishment of a school to cater for those students. The school model is now being adopted by a number of other providers and reflects the strong history and commitment to serving the needs of disadvantaged groups that was expressed by providers during discussions. These students would fall within the hardest to reach groups identified in the *National Marketing Strategy* and providers’ success with re-engaging them in learning puts them in a strong position to capitalise on the current focus by Heads of Government on transitions for young people.

A number of providers also spoke about the strong market potential of LifeWorks, a holistic life skills program which has been developed in New Zealand and for which Community Colleges NSW (CCNSW), the peak body for ACE providers in NSW has secured an exclusive licence for Australia. Efforts are now being made to secure funds so the program can be rolled out. The program is not only ideally suited to ACE providers, who have in these case studies demonstrated experience in meeting the needs of disadvantaged groups, but its purpose to assist people to reengage in learning and transform their life and goals, also aligns closely with the directions set by COAG’s human capital framework. There will be an inherent tension to be resolved around the commercial opportunities presented by the program. If it is not adequately funded to target disadvantaged clients, then its commercial potential may need to be exploited as a fee-for-service program, thus potentially locking out the clients which could most benefit from its content. However this challenge of balancing social justice/community development with commercial imperatives is not new to ACE providers as demonstrated by these case studies.

#### • **Market segmentation and innovation**

**It is clear from this analysis that providers have a range of innovative approaches in place to respond to their markets although they don’t actively use market segmentation.** They apply a combination of business skills, community networks and knowledge, clever use of tools and data, local intelligence, and intuition to develop market responses. Given the ease with which the groups they are reaching can be matched to the National Marketing Strategy segments, the strategies and messages identified in the Strategy to reach particular segments could provide a useful additional tool to supplement what they already do. This is especially the case in relation to the employer segments which most are actively trying to reach and the hard to reach community segments that form a significant proportion of ACE clients.

Callan's (2004) work, which suggests a number of practical steps for increasing innovation, could also provide a useful set of tools for providers, particularly through workshopping them in the provider clusters mentioned earlier. He describes them as relatively cost effective actions including selecting partnerships which allow the organisation to develop its skills and knowledge, encouraging communities of practice, building an expectation among staff and boards of management that staff will be putting new ideas and projects to the Board for consideration and debate, defining and publicizing a simple process which staff can use to propose new ideas to be taken forward for feasibility testing and encouraging innovative ideas from students through sponsorship of competitions in which students can compete for cash or in-kind support to take their innovations to market (p.28).

Finally, Callan contends that it is imagination not merely investment that drives innovation. His case studies illustrate that it has been some investment mixed with the considerable imagination of passionate individual managers and teachers that is driving most of the more exciting thinking and innovations occurring in VET today (p.10). This study of market segmentation has tapped into the considerable imagination that is driving ACE to meet the needs of its markets and later in this report a number of suggestions will be made about how to further capitalise on this source of innovation.

### **Market segmentation and ACE in summary**

As outlined at the beginning of this report, ACE providers are operating in a competitive and changing environment and like all businesses, need to develop a diversified market and financial base to be sustainable. One of the fundamentals of a successful and sustainable business is the capacity to anticipate and understand client wants and needs and respond quickly to them. Market segmentation provides a framework for providers to do this and therefore any set of strategies which aim to build capacity and sustainability should include this framework and the skills to apply it.

The research has identified a number of approaches to market segmentation which could be applied in the ACE setting. The potentially most useful one is the *National Marketing Strategy* because it is based on a broad community and employer survey, relates to learning rather than training, and has developed strategies to engage each of the identified segments, which could be readily adapted to the ACE environment.

The tools of the *National Marketing Strategy* could be usefully supplemented by considering other dimensions of client lives including their motivation and intent for learning and their life course and labour market transitions which are relevant to their motivation, need and capacity for learning. In addition, the *National Marketing Strategy* can be complemented by approaches set out in the study on *Building Sustainable Community Businesses* (ACFE 2006) and the report on *Client Focus* (ANTA 2004), which together provide ACE with a framework for continuously researching and responding to client needs. A proposed framework is set out below.

The case studies found that no providers in the study are using the *National Marketing Strategy* but there is evidence that they are "unconsciously" or intuitively segmenting their markets and formulating specific responses. In many instances their market analysis extends well beyond the use of demographics to consider features such as labour market transitions, barriers faced and prior experiences of learning. They also consider broader community contextual information. When prompted, most providers were able to identify their clients in relation to the *National Marketing Strategy* segments, including across streams of delivery. In many cases it was clear that one of the drivers of more sophisticated market analysis has been a need to diversify funding sources.

Market segmentation, through its client responsive approach, also has the potential to extend reach into new markets and increase numbers. There are two significant opportunities. The first is that many providers have indicated that a priority is to tap into business markets and the *National Marketing Strategy* provides a set of strategies to engage different employer segments, which some providers are already readily able to identify in their client groups. The second is that a number of providers are well positioned to capitalise on the opportunities which may flow from the COAG human capital agenda as they have a demonstrated track record in reaching some of the COAG target groups. The strategies outlined in the *National Marketing Strategy* may give providers additional tools to engage these clients.

Market segmentation provides the underpinning framework which drives development of partnerships and innovative responses to client demand. However it requires a number of skills. Challenges in the areas of market research, partnerships and building innovation have been identified through the case studies. If the potential of market segmentation is to be realised, then a systematically applied framework to support providers in their efforts will be needed in order to turn their intuitive awareness of market segmentation into conscious application and analysis and capitalise on their current skills base.

## 4.Challenges – provider perspectives

Providers were asked to identify the biggest challenges they face in understanding and responding to their markets and some of these challenges have already been referred to in the case study synthesis above. They were also asked how pressures from government policies such as targeted funding have influenced their client base, what information they collect and use about their current and potential markets and what other information they wish they had.

The most commonly identified challenges fell into the following categories:

### 1. Managing and accessing knowledge, information and data

The volume of information is so great, time is a constant pressure and sometimes information does not come in easily useable form and needs mining and analysis. The point was also made that one of the most accessible forms of data is AVETMISS information but it is limited in its usefulness because it captures data in a “directed” or funded market, rather than the broader customer base served by most providers. It also captures information about clients who learn rather than about the ones who don’t learn and who providers want to try and reach. Other information identified as “useful to have” included the community profiles that BACE used to provide, better intelligence for forecasting and planning such as data on regional and social planning which has the potential for impact on community development and adult learning futures, and briefings in advance on significant government policy work around adult learning so there can be debate and analysis.

Some providers said they struggle to even mine the AVETMISS data due to challenges with the data system. This seems to relate partly to the fact that different data systems are being used, which vary in their application and utility, and partly to the fact that not all providers are fortunate enough to have developed skill sets in staff around data analysis.

A number of providers mentioned how important it is to address the issue of access to data and information to assist them in making evidence-based versus anecdotal decisions in relation to markets.

### 2. Skills base

All providers referred in various ways to the nature and breadth of business and education skills required to run an ACE business. Not only does this breadth of roles and skills carry a risk of burn-out, particularly for those in smaller colleges, but it also presents a challenge to ensure targeted professional development to build organisational capacity in the skills required. The most commonly identified skill requirements are:

- **Market research and data/information analysis.** All of the providers were very aware that market research is multi-dimensional, requiring a number of tools, data and information. The range of approaches they use is innovative in its use of resources available but they identify market research as requiring specialist skills and resources if it is to be done thoroughly, including a capacity to analyse the competitive environment to assist in decision making.
- **Development and management of partnerships and strategic alliances.** The skills required to do this successfully were identified as critical and diverse, including understanding of business models, high level negotiation and change management and entrepreneurial skills.
- **Quality of teaching and learning.** Quality was frequently mentioned as a feature that ACE providers offer to their communities but there are significant challenges in attracting, developing and retaining

staff in a volatile market with mainly sessional staff, particularly in relation to skills in working with particular groups, such as mature age, young people, Indigenous Australians, and people with a disability, all of whom require different approaches to learning. This challenge will increase if ACE providers take up the COAG challenge and increase their involvement in working with the “hard to reach” segments.

### **3. Funding models, cycles and policies.**

Concerns about the impact of funding issues fell into four categories:

- Funding cycles. The nature of funding policy by all levels of government tends to be short-term and often requires quick turn-around of spending. This “quick turn-on, turn-off, come and go” model of using small buckets of funds means there is not the level of length of investment required to see long-term and sustainable outcomes generated. It not only impacts on clients significantly but in terms of running an ACE business it makes it difficult to manage risks, stabilise markets and create sustainable market niches, including building organisational capacity around particular market segments.
- The limited outcomes based nature of some funds (with outcomes tied to completions as the only measure of outcomes) means that because providers are carrying the risk they may recruit “less risky” clients (ones more likely to complete) meaning that the ones in most need become excluded. A limited view of outcomes also means that those who don’t complete for positive reasons such as getting a job, are not acknowledged in funding terms.
- Level of funds for equity initiatives. Concern was expressed at the level of funding provided for equity initiatives, with most providers cross subsidizing their equity work with other funds to ensure they could achieve outcomes for clients. The view was that funding levels do not acknowledge the intense nature of effort required to generate sustainable outcomes, including the upfront time that needs to be invested to assist disadvantaged clients to “learn to learn”.
- The importance to “ACE ethos” of maintaining some common level of funding base rather than driving providers to be totally independent stand-alone bodies. It wasn’t suggested that a common funding base is the only “tie that binds”, but concern was expressed that there is a risk of losing the ACE unique identity built around community responsiveness and community development if the sector loses its common interest and “fragments” into individual providers.

### **4. Image**

A number of providers said they are still battling an old image as “just a community education provider” when trying to break into business markets so they can generate fee- for-service activities. The dilemmas of image and development of a market position highlight the genuine challenge for providers of balancing the tension between “community” and “commercial”. Managing this fine balance to ensure an “and/and” approach rather than an “either/or” one has implications for image, brand and positioning and can make the difference between financial sustainability and insolvency. While no provider wants to lose the community education part of their provision as it is integral to their community base, the image it creates does pose a challenge in reaching new segments and is an area where useful assistance could be provided in generating a more inclusive image that reaches both business and individual clients, together with a funding model which provider more stability as mentioned above.

## 5. ACE NSW – market advantages

Throughout the case studies a number of clear market advantages for ACE providers emerged. These advantages are outlined below as ones which, if capitalised, will not only enable them to achieve an edge on competitors but importantly occupy new space in the market. This approach of creating “blue oceans” of uncontested market space rather than just fighting for shrinking space in the competitive environment of “red oceans” is one explored by Kim and Mauborgne (Harvard Business School Press, 2005). The case studies provided a number of examples of providers searching for “blue ocean” space and it is something ACE providers have the strengths to do, given the innovative thinking they apply to working with limited resources across diverse markets. However this approach will work best if policy and funding settings create the environment for providers to choose their space and flourish, with appropriate tools and capacity building.

The **market advantages** that emerged include:

### 1. Flexibility and responsiveness

Being community based and managed gives ACE providers a remarkable advantage over their competitors in the market place as local versus centralised management means they move beyond the rhetoric to the reality of flexibility and responsiveness so often heard in education and training sectors. They are able to move quickly, be spontaneous if opportunities present themselves, set their own prices and customise products to meet need.

### 2. Innovation

The providers’ range of networks and connectedness into communities, together with the flexibility and responsiveness mentioned above, puts them in a strong position to create conditions for innovation, when the features of innovative organisations outlined by Callan (2004) are considered. Innovative organisations are more likely to be able to create “blue oceans” space.

### 3. Pathways

Most providers mentioned that one of the features clients like about their ACE services is the opportunity to see and take different learning pathways. Providers mentioned three ways in which pathways present themselves to clients:

- Through their mix of community/leisure and business programs
- By being part of a learning precinct in which co-location makes opportunities apparent and available
- Through establishment of strategic partnerships with other providers such as higher education which offers people a pathway to higher level qualifications.

Evidence from the Victorian ACE setting seems to suggest this advantage could be further developed. In the report of the longitudinal study of ACE students in Victoria (University of Melbourne, 2006), more than half of the cohort continued to undertake some form of education and training in the two years following their original ACE course. For those undertaking a new course in 2006, strong connections were made between this decision and their experiences in study in ACE in 2004 and ACE and elsewhere in 2005. Their previous study had

encouraged them to apply, there were links between courses in terms of content, and completing their previous course had helped them to get into the new course. Course completion rates amongst the cohort were high (p. 57) However, while most people felt that information about study pathways was available in terms of what level study came next and where they could study (79% and 77% respectively), this still leaves one in five not finding this information available from their ACE provider (p. 44). Areas for development could include clear communication about pathways in all materials so the market advantage is made explicit and development of more strategic alliances and shared facilities which offer pathways for clients.

#### **4. Reaching clients**

Some clients are harder to reach and engage in learning than others. The case studies have demonstrated that in terms of the *National Marketing Strategy* market segmentation, ACE providers are successfully reaching some of the hardest to reach groups including *forget it, done with it*, and *make it easier* and the groups at high risk of dropping out including *learn to earn* and *might give it away*. Most providers also indicated they have a significant history and expertise in working with clients from equity groups, even where these groups form a small proportion of their total participants. Expertise in producing holistic programs which integrate language and literacy with skill sets and qualifications is also valuable. Many of the groups served by ACE providers are those who match the targets of the COAG human capital agenda and the Prime Minister's recently announced Skills Package and providers' expertise in reaching these groups offers a significant opportunity.

In addition a number are connecting with *high-valuer* and *here and now* employers and importantly have identified their capacity to respond to the expressed needs of small businesses, many of whom fall into the *not interested* group. The language of learning used by ACE providers is also more likely to reach the *not interested* group who value informal quick training that meets immediate needs and who identify more closely with the word learning than training (ANTA 2000, p.11). And it is not just small business that is seeking short courses, customised training and skill sets. *High-valuer* and *here and now* employers want it too and other providers who don't have the flexibility of ACE are finding it hard to respond quickly to those demands. In an environment in which providers need to expand their revenue base these are big advantages.

An expanding client base which includes both individual and business clients also offers opportunities to create combined programs which hook into meeting the needs of both sets of clients. For example, providers who identify they are working with high-valuer employers (identified in the *National Marketing Strategy* as employers who value all learning, including non-work employee learning), could be offered the opportunity to create an employee incentive package through employer-sponsored courses. Providers with language and literacy expertise could offer employers fee-for-service literacy programs integrated with other workplace training.

## 6.A framework to build capability in market research, partnerships and innovation

The *National Marketing Strategy* provides a solid framework for providers to identify their market segments and once they have done so, to draw upon the range of strategies and initiatives which have been developed in the Strategy to reach each segment. However it can be strengthened with the addition of a number of other tools which build underpinning skills in market research, development of partnerships and innovation.

A guide for organisations looking to build their skills in understanding their customers (ANTA 2004) provides a number of tools for identifying and profiling clients, researching client needs and expectations, responding to clients, and testing and evaluating impact and outcomes. This systematic approach to researching client and community needs could be used by providers to identify their *National Marketing Strategy* client segments which in turn could be used to develop the clear value proposition (ACFE 2006) building on the substantial base providers already have in place as evidenced in the case studies.

The combination of knowledge about client segments and a clear value proposition leads in turn to designing products and services which meet client needs. Tools for turning research into responses are available in the guide for organisations mentioned earlier (ANTA 2004, p.14). Again providers are already doing this in many cases and their efforts can be strengthened by use of a framework for designing their responses, as well as testing and evaluating them.

Tools for building skills in developing and managing partnerships will be particularly important if partnerships are to be extended into the commercial and business arenas and with local governments and learning communities. Yarnit (2000) in his survey of learning communities explores learning community partnerships and outlines a number of ways to build effective partnerships which add value, engage the public in learning and which can be assessed (see p.3, pp 87-89).

Finally market segmentation offers providers the community intelligence they need to drive innovative responses to meet demand. Callan's (2004) exploration of innovative VET organisations suggests a number of practical steps for increasing innovation, many of which would be easily adaptable to the ACE environment.

*Figure 2* below outlines the continuous cycle suggested for building capability in market research, partnerships and innovation skills which both underpin and are driven by market segmentation. The tools which can be used at each point are also included. The important features of this framework are that firstly it is a cycle, which recognises the need to be responsive to changing client needs and secondly, it is not "one size fits all". One of the defining features of the ACE providers in the case studies is their diversity and it is important that any frameworks agreed upon capitalise on this diversity and allow them to space to build on their own skills bases and strengths.

**Figure 2**



Figure 2 A framework to build capability – the continuous cycle and tools for use

## 7. Capitalising on the ACE asset – moving forward

The case studies examined in this study demonstrate that those ACE providers have already worked to diversify their markets, achieved some measure of success in generating revenue through fee-for-service activities, and developed expertise in reaching “hard to reach” groups. Many are now underway with shifting their image and position to reach new business markets.

The challenge now will be support them to continue that journey while ensuring that a balance is maintained so that they maintain their essentially ACE characteristics – local management, community responsiveness and diversity of offerings. It would be a great loss to pass the tipping point and turn the ACE sector into just another VET sector, when a VET sector already exists and ACE possesses market advantages that can take it into “blue ocean” space. NSW has a substantial asset within its borders that is now uniquely positioned to reach groups that have been identified as priorities by all Heads of Government in Australia. Due to repositioning that has already occurred it has also broken into enterprise markets and possesses important market advantages to meet client needs in that market. Efforts now should focus on nurturing and growing the ACE asset and expanding reach by active use of market segmentation approaches.

This study was to examine how market segmentation approaches can strengthen ACE’s market position and reach and this report contends that market segmentation is fundamental to achieving this and to therefore sustaining ACE providers as viable and vibrant businesses. However market responsiveness cannot be considered in isolation from the broader policy and funding context in which ACE providers operate. They can only understand and respond to their markets if the environment in which they exist creates the conditions they need to grow their businesses.

A number of the following recommendations therefore focus on issues beyond market segmentation but are based on growing the ACE asset. The recommendations are grouped together in themes and are based firmly on the principle that “one size does not fit all”. They aim to build on the diversity and substantial leadership and skills base that already exists.

### Recommendations

#### 1. A framework to support market segmentation

A framework for building capability in market segmentation, market research, partnerships and innovation has been proposed.

**It is recommended that** the framework be workshopped and tested with providers as the basis for an agreed market segmentation approach and a state-wide professional development strategy. This would include the following tools:

- The strategies, initiatives and messages developed for each community and employer segment in the National Marketing Strategy (ANTA 2000) so providers can supplement their current strategies and approaches with ones which have been tested and validated
- Use of clients’ motivation and intent (Victorian client segments, OTTE 2005) and life course and labour market transitions (Anderson 2005) to complement the data in the *National Marketing Strategy*

- Tools for identifying and profiling clients, researching client needs and expectations, responding to clients, and testing and evaluating impact and outcomes which are outlined in a guide for organisations looking to build their skills in understanding their customers (ANTA 2004)
- The ten tips for improving partnership capacities (Yarnit 2000)
- The practical steps for increasing innovation (Callan 2004).

## **2. Building on the clusters**

Non-metropolitan providers have been working in regional clusters which are at present supported by one provider from each cluster who acts as convener. The clusters used to be supported by a paid cluster coordinator. However this was discontinued due to funding cuts. Views about the cluster coordinator were mixed given its cost but a number of providers commented positively on this concept as a way to support providers and build capacity.

Clusters have the potential to act as a significant support by reducing the isolation and risk of burn-out for providers, building capacity from within by sharing stories and learnings, providing a forum for professional development initiatives, and fostering innovation by creating communities of practice. However to maximise their potential they need to be professionally coordinated and to include all providers, not just those outside the metropolitan area. The current arrangement of convener falling to one provider is not feasible in the long term as it is a significant load to carry in addition to an already diverse role. It is recommended that employment of cluster coordinators be reinstated, perhaps via a different model that is cost neutral. Employment of coordinators can still be a cost-effective way of supporting providers if it includes business development functions and is partly self-funded by revenue raised. Functions could include:

- Exploring and securing cross-cluster business opportunities
- Chasing and managing tenders, contracts and project briefs
- Exploring joint ventures and strategic alliances
- Identifying state trends for which a particular campaign or capability response could be developed
- Coordinating professional development and organisational capability initiatives
- Providing data and information on which evidence-based decisions can be made in relation to market shifts
- Connecting policy and practice by providing a proactive link between the Department, ACE and the community colleges of NSW.

## **3. Developing a model of professional development**

If providers are to become self-reliant, sustainable businesses then they need support to continue their journey towards that goal. This will require some investment but will generate medium and long term returns on the investment. Areas for priority include the skills challenges identified earlier including:

- Use of market segmentation approaches
- Implementation of the framework for building capability in market research, data and information analysis, entrepreneurial skills, skills to develop image, position and brand, development and management of partnerships and strategic alliances, and innovation

- Ways to lift quality of teaching and learning and to respond to the learning needs of particular client groups.

**It is recommended that** a model of professional development be developed that could include use of the clusters as communities of practice. A significant part of capacity building can draw upon the source of expertise within as the case studies have demonstrated a diverse skills and leadership base. Dedicated professional development funds should be set aside with a proportion aligned to agreed priorities and a proportion available to meet locally identified needs.

#### **4. Make policy settings compatible and complementary**

It goes beyond the brief of this project to make recommendations about how funding and policy decisions should be made. However **it is recommended that** a general principle be considered for adoption based on complementarity of federal and state settings and that some funding settings be reconsidered.

If ACE is to retain its market advantages it needs to remain ACE. If national policy settings focus on accredited training, the ideal would be for State settings to complement that and create the space for ACE to remain ACE, particularly by fostering pathways and outreach to “hard to reach” groups which are the target of COAG decisions, building capability to generate revenue through outreach to business in the area of short courses and skill sets, and encouraging community development activities that create their own flow-on opportunities.

**It is also recommended that:**

- funding levels in relation to equity groups be reconsidered for increase, given the intense nature of work with these groups and the increased priority given to outcomes sought for them via the COAG human capital framework; and
- funding cycles be reviewed to create more time for sustainable outcomes to be generated.

#### **5. Fostering innovation**

Many of the innovations which emerged through these case studies relate to broad-based community development activities as well as new and innovative ways to respond to markets. Callan (2004) contends that it is imagination, not merely investment, that drives innovation (p.10). A little bit of investment could go a long way to capitalise on the imagination of providers. **It is recommended that** some funds be made available that are not tied to Student Contact Hours, to foster innovation. Such funds could be used as seed funding to experiment with different learning solutions for diverse social or business issues. Accountability would be maintained by requiring outcomes to be documented and shared across the provider network.

#### **6. Capitalise on opportunities to profile and reposition ACE**

The time has never been better for ACE to claim the broad benefits it generates in the community which go beyond workplace outcomes. ACE has the potential to play an important role in the COAG human capital framework and to increase its profile, position and recognised value as a result. **It is recommended that** ACE works with providers and their peak body CCNSW to create a series of consistent messages about the social and economic capital generated by ACE and the diversity of activities through which it achieves those outcomes. This will complement the work recommended to assist providers in skills around branding, positioning and image.

## References

- Adult, Community and Further Education Board (ACFE) Victoria 2006, *Building Sustainable Community Businesses: A Strategy for Success*, ACFE, Melbourne.
- Allison J, Gorringe S and Lacey J 2006, *Building Learning Communities: Partnerships, Social Capital and VET Performance*, National Centre for Vocational Education Research (NCVER), Adelaide.
- Anderson D 2005, *Choice, Transitions and Learning Careers: Issues and Implications for Vocational Education and Training Policy*, Refereed paper presented to the *Transitions and Risk: New Directions in Social Policy Conference*, Centre for Public Policy, University of Melbourne 23-25 February 2005.
- Australian National Training Authority (ANTA) 2000, *A National Marketing Strategy for VET: Meeting Client Needs*, ANTA, Brisbane.
- Australian National Training Authority (ANTA) 2004, *Client Focus: Guidelines for Good Practice*, ANTA, Brisbane.
- Bardon B 2006, *Community Education and National Reform*, Discussion paper prepared for Department of Education, Science and Training see [www.dest.gov.au](http://www.dest.gov.au).
- Callan V 2004, *Building Innovative VET Organisations*, ANTA, Brisbane.
- Clemans A, Hartley R and Macrae H 2003, *ACE Outcomes*, NCVER, Adelaide.
- Council of Australian Governments (COAG) July 2006, *Communiqué 14 July 2006 Meeting*, <http://www.coag.gov.au>.
- Department of Education and Training on behalf of the Ministerial Council on Education, Employment, Training and Youth Affairs (MCEETYA) 2002, *Ministerial Declaration on Adult Community Education*, DET Victoria, Melbourne.
- Department of Education, Employment and Training (DEET) Victoria 2001, *Marketing ACE in Victoria*, DEET Victoria, Melbourne.
- Garlick S (forthcoming), *An Enterprising Approach to Regional Growth: the Role of VET in Rural Development*, NCVER, Adelaide.
- Golding B, Davies M and Volkoff V 2001, *A Consolidation of ACE Research 1990-2000*, NCVER, Adelaide.
- NCVER 2002, *2001 Student Outcomes Survey*, NCVER, Adelaide.
- National Institute of Adult Continuing Education (NIACE) 2005, *Successful Participation for All: Widening Adult Participation Stocktake at 18 Months*, NIACE, Leicester.
- Office of Training and Tertiary Education (OTTE) 2005, *Segment (Ed: a fresh look at the VET Student Market)*, OTTE, Melbourne.
- The Hon John Howard MP 2006, *Skills for the Future*, Ministerial Statement to Parliament 12 October 2006, see <http://www.pm.gov.au/news/speeches/speech2175.html>.
- Walstab A and Teese R January 2005, *A Community Studies Approach to Researching Strategic Issues in ACE: Final Report*, University of Melbourne, Melbourne.
- Walstab A, Volkoff V and Teese R 2005, *ACE Connects! Building Pathways to Education, Employment and Community Engagement: ACE Longitudinal Study- 2005 Survey: Final Report*, University of Melbourne, Melbourne.

Walstab A, Volkoff V and Teese R 2006, *ACE Longitudinal Study, ACE makes a difference: building pathways, providing opportunities and creating outcomes. Final Report - stage 3 – 2006*, University of Melbourne, Melbourne.

Waterhouse P, Virgona C and Brown R 2006, *Creating synergies: Local government facilitating learning and development through partnerships*, NCVER, Adelaide.

Yarnit M 2000, *Towns, Cities and Regions in the Learning Age: A Survey of Learning Communities*, Department for Education and Employment, London, viewed 26 July 2006,  
<http://www.ala.asn.au/learningcities/LGALearningLayout.pdf>.

## Appendix 1

# Market Segmentation in ACE

## Focus questions to prompt discussion

### **A bit about you and your community**

1. What is your “catchment area”? For example, do you operate within or beyond a geographical boundary?
2. How would you describe the services you offer and your course profile?
3. How much of your services are offered off-site or via on-line delivery?
4. What do you think your “unique features” as a provider are?
5. Why do your clients come to you and not other providers in the area? How do they know to choose you?
6. What’s happening in your community that might affect demand for your products or services?
7. What are the industry growth or decline sectors in your community/region?

### **Your current market/clients**

1. How would you describe your current client base?
2. How much do you know about them? For example, why are they doing a course/program, their occupation, employment status?
3. What do you think are under-developed markets for you and why?
4. Looking at the client segments from the ANTA National Marketing Strategy and the Victorian Client Segmentation (see attachment 1), can you tell me whether your clients match any of those groups?

### **Looking back...**

1. How have your markets changed in the last five years?
2. Can you tell me why?
3. How do you track your success and evaluate returns and outcomes?

### **Looking forward...**

1. How do you expect your markets to shift in the next 2 to 5 years and what are the factors influencing your view?
2. How do you decide what products and services to offer in the coming year?
3. How often do you introduce new products and services and what do you base your decisions on?
4. What are the biggest challenges you face in understanding and responding to your markets?
5. How have pressures from government policies such as targeted funding influenced your client base?
6. Current government policies are targeting clients such as the ageing workforce, those needing upskilling etc – what challenge will there be in reaching such clients?

## **Partnerships and collaborations**

1. Can you tell me about any formal partnerships, joint ventures, or networks (more informal collaborations) that you have in place? How many are outside the education sector?
2. What were the drivers for setting them up and what have the outcomes been?
3. Is it possible to reach some clients only in cooperation with other agencies? Do you have any examples of these sorts of partnerships?

## **Data, research and information**

1. What information do you collect about your current and potential markets and how do you use it? For example, AVETMISS data, census or local government data, local business and employment information?
2. What other information do you wish you had? What are the gaps?
3. What other ways do you gather information or get a picture of your markets?

Published by  
Board of Adult and Community Education  
Level 3  
84-86 Mary Street  
SURRY HILLS NSW 2010

Postal Address  
PO Box 1222  
DARLINGHURST NSW 1300

Phone (02) 9289 9287  
Fax (02) 9289 9166  
Email [acedesk@det.nsw.edu.au](mailto:acedesk@det.nsw.edu.au)

Further information may be obtained by accessing the ACE website at  
[www.ace.nsw.gov.au](http://www.ace.nsw.gov.au)

ISBN 978-1-921084-20-1