



## TENNESSEE HIGHER EDUCATION COMMISSION

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**REGULAR CALENDAR ITEM:** IV. C.

**MEETING DATE:** May 19, 2022

**SUBJECT:** New Academic Program  
University of Tennessee, Knoxville  
Master of Science in Marketing, MS-MARK  
CIP Code: 52.1401 (Marketing/Marketing Management, General)

**ITEM TYPE:** Action

**ACTION RECOMMENDATION:** Approval

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### **PROGRAM DESCRIPTION**

The University of Tennessee, Knoxville (UTK) proposes a Master of Science in Marketing (MS-MARK) which is a year-long, 32-credit hour program designed to meet a rapidly increasing industry need for graduates with advanced training in marketing. The program will be housed in the Haslam College of Business and will complement existing graduate programs in accounting, management and human resources, business administration, business analytics, and supply chain management.

The program's learning outcomes center around training students to understand customers and markets, create and implement effective marketing strategies, and to leverage technological tools for market success. Students in the program will have access to a wide network of involved industry partners and will provide frequent, meaningful experiential learning opportunities. The program will initially be offered in-person but another parallel online program will be developed utilizing simulcasted courses in year three after the residential portion of the program is fully established.

### **INSTITUTIONAL GOVERNING BOARD APPROVAL**

The proposed Master of Science in Marketing program was approved by the University of Tennessee Board of Trustees on February 25, 2022.

### **PROPOSED IMPLEMENTATION DATE**

July 2022

### **ALIGNMENT WITH STATE MASTER PLAN AND INSTITUTIONAL MISSION/STRATEGIC PLAN**

The proposed Master of Science in Marketing program aligns with the State's Master Plan by supporting greater degree attainment, improving the state's workforce, providing an affordable option for advanced marketing training, and providing an agile and cutting-edge program that will qualify graduates for high-paying jobs.

The proposed program aligns with the University of Tennessee System's mission to educate, discover, and connect by enhancing educational excellence, expanding research capacities by employing students as

research assistants, and leveraging existing industry partnerships to create a flexible program that will continue to meet evolving industry demand.

**CURRICULUM**

The proposed MS-MARK program is structured so that full-time students can complete the required 32 credit hours in one academic year. The curriculum has been designed to adhere to the Association to Advance Collegiate Schools of Business (AACSB) accreditation standards.

At the completion of the program, graduates will meet the following program learning outcomes, which have been mapped to specific courses:

- Explain the determinants of contemporary consumer behavior;
- Utilize quantitative and qualitative methodologies to generate marketing insights;
- Leverage marketing insights to develop marketing tactics, strategies, and plans;
- Monitor market and marketing performance;
- Identify and refine insights-based innovation opportunities;
- Build a marketing technology stack;
- Employ advanced and emerging digital tools in support of marketing practice; and
- Demonstrate an ability to collaborate effectively in cross-functional customer teams.

The proposed Master of Science in Marketing program will require the development of 11 new courses which will be supported by \$100,000 in startup funding from the Haslem College of Business. Faculty have already been identified to develop and teach each of these new courses.

**PROGRAM PRODUCTIVITY**

Projections by the UTK Marketing Department estimate that eight students will enroll in the MS-MARK in its first year, with enrollment growing to 39 students by year five. Online enrollment is expected to begin in the third year. The program projects graduates starting in the first year and anticipates a seven percent attrition rate for in-person, full-time students, and a ten percent rate for online full-time students.

	2022-23	2023-24	2024-25	2025-26	2026-27
<b>Enrollment</b>	8	13	25	37	39
<b>Graduates</b>	7	12	19	29	31

**PROGRAM DUPLICATION**

There are currently no public institutions who offer a Master of Science in Marketing in the state of Tennessee. However, Vanderbilt University offers a Master of Marketing with the same CIP code and East Tennessee State University offers a Master of Science in Digital Marketing.

**EXTERNAL JUDGEMENT**

An external review of the proposed program was conducted during a virtual site visit on November 18, 2021 by Dr. David Hardesty, Carol Martin Gatton Endowed Chair of Marketing and Director of the Master of Science in Marketing at the University of Kentucky. The site visit included meetings with campus administrators, faculty, prospective students, and industry partners.

Dr. Hardesty highly recommended the approval of the proposed MS-MARK, observing that the program is “needed and will provide outstanding opportunities for students and help fulfill the demand for students with a master’s degree in marketing.” Dr. Hardesty also pointed out that “the institution [UTK] has the necessary faculty and institutional resources to implement the program” and highlighted the robust network of industry partners and the quality of the program faculty.

## **STUDENT DEMAND**

The Haslem College of Business surveyed 140 currently enrolled students in the undergraduate marketing program capstone course concerning their interest in the proposed program. Sixty percent of the students indicated interest in a MS in marketing program, and 52 percent were interested in enrolling within two years following the completion of their undergraduate degree.

## **OPPORTUNITIES FOR PROGRAM GRADUATES**

Program graduates will be well qualified for many opportunities in marketing positions including marketing research analysts and marketing managers which are in demand both nationally and in Tennessee.

According to the U.S. Bureau of Labor Statistics, marketing research analyst positions are projected to increase over 24 percent and marketing manager positions by nearly 13 percent in Tennessee between 2018 and 2028. Additionally, a review of job postings in Tennessee for marketing research analysts and marketing managers produced nearly 40,000 unique opportunities between 2016-2020. Twenty percent of those job postings required or preferred a master’s degree, 50 percent were in the Nashville Metro area, 23 percent in the Memphis Metro area, 9 percent in Knoxville, and 5 percent in Chattanooga.

In addition, the 26<sup>th</sup> Edition of the CMO survey (February 2021), which solicits input twice a year from nearly 3,000 marketers at for-profit US organizations, projected a 7.6 percent increase in marketing hires within the year. Furthermore, Georgetown University’s *Economic Value of College Majors Report* states that median wages for individuals with a marketing graduate degree are \$18K higher nationally and \$10K higher in Tennessee compared to individuals with a bachelor’s degree only.

Letters of support are provided from Procter & Gamble, Lutron Electronics Co. Inc. E&J Gallo Winery, Ryder System, Inc., Weigel’s, and Smarter Searches. These companies and several others participate in the Marketing Department’s Professional Sales Forum, which is a strong source of industry support and partnership.

## **INSTITUTIONAL CAPACITY TO DELIVER THE PROGRAM**

The MS-MARK program will be housed in the Department of Marketing in the Haslem College of Business (HCB). The marketing department currently employs fourteen faculty members who will teach in the proposed program. No additional faculty will be needed to fulfill the instructional requirements for the MS-MARK program. One current faculty member will serve as director of the program. The HCB Office of Graduate and Executive Education will support program recruitment and admissions; partner relationships; student support services; and career development.

## **ASSESSMENT AND POST-APPROVAL MONITORING**

An annual performance review of the proposed program will be conducted for the first five years following program approval. The review will be based on benchmarks established in the approved proposal. At the end of this period, the campus, institutional governing board, and THEC staff will perform a summative evaluation. The benchmarks include, but are not limited to, enrollment and graduation, program cost, progress toward

accreditation, and other metrics set by the institution and staff. If benchmarks are not met during the monitoring period, the Commission may recommend that the institutional governing board terminate the program. If additional time is needed and requested by the institutional governing board, the Commission may choose to extend the monitoring period.

# FINANCIAL PROJECTIONS

**Tennessee Higher Education Commission  
Appendix A: THEC Financial Projections Form  
University of Tennessee, Knoxville  
Master of Science in Marketing**

Seven-year projections are required for doctoral programs.  
Five-year projections are required for baccalaureate and Master's degree programs  
Three-year projections are required for associate degrees and undergraduate certificates.  
Projections should include cost of living increases per year.  
Planning year projections are not required but should be included when appropriate.

	Planning Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
<b>I. Expenditures</b>								
<b>A. One-time Expenditures</b>								
New/Renovated Space <sup>1</sup>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Library	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Consultants	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Travel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ 80,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Sub-Total One-time</b>	\$ 85,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>B. Recurring Expenditures</b>								
<b>Personnel</b>								
<b>Administration</b>								
Salary	\$ 60,000	\$ 61,800	\$ 63,654	\$ 65,564	\$ 67,531	\$ 69,556	\$ -	\$ -
Benefits	\$ 18,000	\$ 18,540	\$ 19,096	\$ 19,669	\$ 20,259	\$ 20,867	\$ -	\$ -
<b>Sub-Total Administration</b>	\$ 78,000	\$ 80,340	\$ 82,750	\$ 85,233	\$ 87,790	\$ 90,423	\$ -	\$ -
<b>Faculty</b>								
Salary	\$ -	\$ 176,250	\$ 176,250	\$ 176,250	\$ 176,250	\$ 176,250	\$ -	\$ -
Benefits	\$ -	\$ 52,875	\$ 52,875	\$ 52,875	\$ 52,875	\$ 52,875	\$ -	\$ -
<b>Sub-Total Faculty</b>	\$ -	\$ 229,125	\$ 229,125	\$ 229,125	\$ 229,125	\$ 229,125	\$ -	\$ -
<b>Support Staff</b>								
Salary							\$ -	\$ -
Benefits							\$ -	\$ -
<b>Sub-Total Support Staff</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Graduate Assistants</b>								
Salary	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tuition and Fees <sup>4</sup> (See Below)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Sub-Total Graduate Assistants</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Operating</b>								
Travel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Printing	\$ 2,000	\$ 4,000	\$ 4,120	\$ 4,244	\$ 4,371	\$ 4,502	\$ -	\$ -
Equipment	\$ 2,500	\$ 5,000	\$ 5,150	\$ 5,305	\$ 5,464	\$ 5,628	\$ -	\$ -
Other	\$ 4,000	\$ 83,137	\$ 116,588	\$ 184,018	\$ 307,763	\$ 344,310	\$ -	\$ -
<b>Sub-Total Operating</b>	\$ 8,500	\$ 92,137	\$ 125,858	\$ 193,566	\$ 317,597	\$ 354,440	\$ -	\$ -
<b>Total Recurring</b>	\$ 86,500	\$ 401,602	\$ 437,733	\$ 507,924	\$ 634,512	\$ 673,988	\$ -	\$ -
<b>TOTAL EXPENDITURES (A + B)</b>	\$ 171,500	\$ 401,602	\$ 437,733	\$ 507,924	\$ 634,512	\$ 673,988	\$ -	\$ -

**\*If tuition and fees for Graduate Assistants are included, please provide the following information.**

Base Tuition and Fees Rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Number of Graduate Assistants	-	-	-	-	-	-	-	-

## II. Revenue

	Planning Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Tuition and Fees <sup>2</sup>	\$ -	\$ 197,785	\$ 321,401	\$ 561,467	\$ 783,068	\$ 832,515	\$ -	\$ -
Institutional Reallocations <sup>3</sup>	\$ 171,500	\$ 203,817	\$ 116,332	\$ (53,543)	\$ (148,556)	\$ (158,527)	\$ -	\$ -
Federal Grants <sup>4</sup>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Private Grants or Gifts <sup>5</sup>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other <sup>5</sup>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>BALANCED BUDGET LINE</b>	\$ 171,500	\$ 401,602	\$ 437,733	\$ 507,924	\$ 634,512	\$ 673,988	\$ -	\$ -

Base Tuition and Fees Rate	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Number of Graduate Assistants		-		-		-		-		-		-		-		-

**II. Revenue**

	Planning Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	
Tuition and Fees <sup>2</sup>	\$	-	\$ 197,785	\$ 321,401	\$ 561,467	\$ 783,068	\$ 832,515	\$ -	\$ -
Institutional Reallocations <sup>3</sup>	\$	171,500	\$ 203,817	\$ 116,332	\$ (53,543)	\$ (148,556)	\$ (158,527)	\$ -	\$ -
Federal Grants <sup>4</sup>	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Private Grants or Gifts <sup>5</sup>	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other <sup>6</sup>	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>BALANCED BUDGET LINE</b>	<b>\$</b>	<b>171,500</b>	<b>\$ 401,602</b>	<b>\$ 437,733</b>	<b>\$ 507,924</b>	<b>\$ 634,512</b>	<b>\$ 673,988</b>	<b>\$ -</b>	<b>\$ -</b>

**(1) Provide the funding source(s) for the new or renovated space.**  
N/A

**(2) In what year is tuition and fee revenue expected to be generated? Tuition and fees include maintenance fees, out-of-state tuition, and any applicable earmarked fees for the program. Explain any differential fees.**  
Tuition and fee revenue is first expected to be generated in the 2022-2023 academic year (projected enrollments per year are provided in the narrative). Fees include a \$7,500 program fee (subject to board approval) that will be used, in part, for student support and programming activities (associated costs listed under "other" operating expenses).

**(3) Identify the source(s) of the institutional reallocations, and grant matching requirements if applicable.**  
The source of institutional reallocations will be the Haslam College of Business (Graduate and Executive Education programs office).

**(4) Provide the source(s) of the Federal Grant including the granting department and CFDA (Catalog of Federal Domestic Assistance) number.**  
N/A

**(5) Provide the name of the organization(s) or individual(s) providing grant(s) or gift(s).**  
N/A

**(6) Provide information regarding other sources of the funding.**  
N/A