



Making higher education markets: trust-building strategies of private companies to enter the public sector

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Abstract

This article examines the growth of the higher education industry and specifically the expansion of private companies in the higher education sector. The higher education industry consists of diverse, multiple and variegated markets. Much of the literature concentrates on markets in which universities are increasingly sellers of products and services. This article contributes new knowledge to the field by focusing on the other side of the industry, namely on how universities are increasingly buyers. It specifically focuses on the market-making processes in the time of market emergence or initial market construction and argues that trust is a key constitutive element of market relations. Empirically, it analyses private companies' strategies of penetrating the higher education sector to establish a market and network relations with public universities through trust-building activities. Twenty-two interviews with representatives of private companies from eight countries selling products and services in higher education were conducted. The analysis shows companies have developed three groups of sophisticated strategies to produce their trustworthiness: signalling similarity and integrity, exhibiting competence and commitment and forming an emotional connection. Through these, they aim to advance their markets and consequently contribute to the construction and expansion of the global higher education industry.

Keywords Markets · Industry · Higher education · Trust · Strategy

Introduction

Higher education (HE) markets are expanding around the world (Komljenovic and Robertson 2017). Together with the variety of offered products and services, actors providing them and the systems of rules and norms, they constitute the global education industry (Verger et al. 2016).

In previous work (Komljenovic and Robertson 2016), I argued that the HE industry consists of numerous diverse, multiple and variegated markets that can be analytically divided into four

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groups along two dimensions. First, whether market transactions are immediately for-profit or not. Second, whether universities are sellers or buyers of products and services. In this article, I focus on the latter dimension.

Markets and quasi-markets in which universities are sellers have been advancing for a few decades. One way to understand these marketisation processes is through Ball and Youdell's (2007) conceptualisation of endogenous and exogenous privatisation. In the former, universities were made business-like through quasi-market or market governance reforms (Marginson 2013) including the new public management principles, which were introduced into the HE sector (Deem and Brehony 2005). Research on exogenous privatisation has focused primarily on how public HE is being commodified in terms of introducing tuition fees and turning students into consumers (Tomlinson 2017), the increasing numbers and forms of private providers in HE (Fielden et al. 2010) and the blurring of boundaries between the public/private or the for-profit/not-for-profit (Tight 2006). Although research has examined exogenous privatisation, the role of universities as buyers is mostly missing. Moreover, the actions and dynamics of private companies selling to universities are rarely investigated.

Markets in which universities are buyers are fairly recent and are subject to dynamic, vibrant and complex market-making processes (Robertson and Komljenovic 2016). It could be argued that these markets are not new as universities have outsourced some of their services like cleaning or catering a long time ago. However, what is inherently novel and different to outsourcing before is the sheer size, volume and diversity of emerging HE markets and commodities (Verger et al. 2016). Moreover, they are targeting the core activities of the university and its management (Komljenovic and Robertson 2017).

I argue that investigating the dimension of the HE industry in which universities are buyers is crucial and necessary for the following reasons. First, the number of companies that are selling products and services to universities is fast growing, and such growth should not be ignored (Komljenovic and Robertson 2016). Second, the two sides of actors being buyers or sellers of any industry are relational in that markets on the one side are affecting markets on the other and vice versa (Aspers 2011). Thus, we can safely assume that while universities engage with private companies as buyers, they also engage in social learning about practices and values from the private sector. At the same time, it can be expected that companies learn about HE and adjust their strategies in working for this sector. Finally, while we know that markets in the industry affect each other generally, research into universities as buyers is scarce as scholarship only recently recognised these broader dimensions of the HE industry (Komljenovic and Robertson 2016, 2017; Verger et al. 2016). If markets in HE are expanding, the key questions are as follows: how market-making is happening empirically; what kind of micro-work actors do to construct markets; and how market actors overcome market-making struggles and uncertainties that they face. These are the questions that I am addressing in this article.

In what follows, I first develop a theoretical account of market-making followed by introducing the methodology of the study. I then move to empirically analyse the private companies' strategies and tactics to penetrate the higher education sector. I conclude by theorising the dynamic of building trust in relation to market-making.

Market-making and trust

In line with sociological approaches to markets, I pursue the argument that markets are social structures for the exchange of property rights consisting of buyers, sellers, commodities and

competition (Aspers 2011). They are structurally, culturally and institutionally embedded in societies (Fligstein 2001; Granovetter 1985; Polanyi 1957). Being *social* implies that actors interact, form expectations about each other's actions that need to be sufficiently compatible and coordinate action. Market actors are always faced with uncertainty as they cannot be sure of others' intentions and actions (Beckert 2009). To function, markets need to be ordered in that market institutions are established, rules of behaviour and possible exchange clear and the structures of various market elements stabilised. Markets thus have to be made, and re-made, and are subject to constant dynamic processes full of frictions and struggles (Aspers 2011).

There are two ideal types of market-making, which in reality overlap. First, 'organised market-making' happens when two actors come together and intentionally decide on the order of the market. Organised market-making is either state-governed or self-governed between two organisations representing a buyer and a seller. It has two phases, contraction and cohesion. The second type is 'spontaneous market-making' in which a market is an unintended result of actors' activities. This second type has one additional phase, i.e. orientation that is preceding contraction and cohesion (Aspers 2009, 2011).

While market-making in which universities are increasingly sellers is mostly organised and state-governed, market-making in which universities are buyers shows signs of the orientation phase and thus the spontaneous type. That is, neither universities nor states come together with companies to design and order these markets intentionally. The process lacks a plan or mastermind to determine the outcome of market-making processes. Instead, private companies expand markets into the HE sector due to their constant search for profit and penetrate sectors previously closed for commodified private interests (Harvey 2010). Offered products and services in markets in which universities are buyers are often novel for them, which increases the likelihood for spontaneous market-making (Aspers 2009).

I suggest studying market-making in HE through trust as it is basic to any social exchange and economic coordination (Bachmann and Zaheer 2006). Trust can be defined as "a state of favourable expectation regarding other people's actions and intentions" (Möllering 2001, p. 404) or in other words, as buyers' expectations that sellers will not exploit them even though they could (Beckert 2006). It is fundamental to market relations in that actors would not even engage with each other without trust (Sayer 2002). It is also central to networks as actors rely on their established relations and trust that established social norms and rules based on reciprocity will be respected (White 2002). Finally, trust is critical in cognitive and normative reorientation as the public needs to trust market actors for the markets to gain legitimacy (Beckert 2009). Such cognitive reorientation is particularly crucial in the case of HE which enjoys the legitimacy of the public sector (Marginson 2011).

Trust needs to be produced and sustained, which Giddens calls *active trust* (Giddens 1994). While most of the literature studies trust from a perspective of trustors (the ones giving trust to trustees) and focuses on giving trust as a momentary decision, critical scholars have emphasised the social construction of a trusting relationship, its complexity, evolutionary nature and relational quality between trustors and trustees (Bachmann and Zaheer 2006). Trust as a process consists of, first, expectation about the outcome of trusting; second, interpretation of the situation (input in the process of trusting); and third, suspension. The latter enables a 'leap of faith' through bracketing the unknowable and making actors' interpretations into momentary certainty. Cooperation and relationships are positioned as functional consequences of trusting and should not be conflated with trust itself. Actors thus act 'as if' there were 'good reasons' that the other actor will act in line with expectations (Möllering 2001). Therefore, active trust contains a social and emotional aspect (Nikolova et al. 2015), which is even more

crucial in less institutionalised context (Möllering 2006; Trigilia 2002) such as in newly emerging markets with lack of market and social institutions in the orientation and contraction phases of market-making.

Beckert (2006) argues that focusing on trustees and their performative actions is a neglected but crucial aspect of trust-building. Trustees are not passive actors but affect trustors with various acts and strategies in their self-presentation. Moreover, it is trustors that need to take the risk in a trust relationship, while trustees always end in a positive outcome. Trustees' actions precede trustors' decisions to trust. For these reasons, it is key to analyse what trustees do and especially so in the early stages of market-making when uncertainty among actors is particularly high. In "the absence of mechanisms of confidence (information, law, contracts), one must fall back on trust (perception, moral obligation, social bonds) – it is under latter conditions that 'she acts according to what she trusts to be true'" (Tonkiss 2009, p. 199).

The study: approach and methodology

Context

This research focuses on markets in which universities are buying services and products related to their administration and management although they could support teaching and research. This research thus excludes university–industry relations for doing research and innovation together; as well as university–industry–government relations in the triple helix model (Etzkowitz and Leydesdorff 2000). The investigated markets and consequently the approach in this empirical study rest on relations between university administration staff and private companies. In line with the growth of the university management professions (Krücken and Meier 2006), universities are training their administration staff in new professional roles and are found to increasingly hire professional firms to support them in particular tasks (Drori et al. 2013). There is an expanding market for the growth of such firms (Komljenovic and Robertson 2016) and this research focuses on them in their role of the seller (trustee). I am not discussing the extent of the final success of companies' strategies in establishing trust, but rather examining the performative actions and meaning-making of these key actors.

Empirical setting and case selection

The study was conducted at two parallel HE events that can be seen as trade fairs, which are good examples of how markets and networks are strongly entangled (Aspers and Darr 2011). First is the annual conference and expo of the Association of International Educators (NAFSA) held in San Diego, USA, in May 2014, which hosted more than 10,000 participants; with 281 sessions held at the conference part and 413 exhibitors coming from 46 countries identified at the expo part. Second is the annual conference and exhibition of the European Association for International Education (EAIE) held in Prague, the Czech Republic, in September 2014, which hosted more than 5000 participants from 94 countries and 190 exhibitors.

NAFSA and EAIE are non-profit organisations from the USA established in 1948, and Europe established in 1989, respectively. They were founded by universities aiming to share experience and practices of working with international students and in internationalisation activities. In time, both grew in size and scope of their work as well as membership and audience (Association of International Educators 2015; European Association for International

Education 2017). As NAFSA and EAIE were and still are university-led membership organisations, they are considered internal to the HE sector. They are good representations of changes in the HE sector more generally while at the same time structuring the transformations of the sector. These two events are the largest sectoral events of their kind in the world. As NAFSA and EAIE create spaces where universities and private companies come together, they act as enablers or containers of market-making processes. For these reasons, they were chosen as sites for research on market-making in HE.

The sample in this study is specific in two ways. First, it is skewed towards international education as it is found to be one of the most marketised and competitive parts of the HE sector (Stein and de Andreotti 2016). For this reason, it is expected that universities would be interested in professionalising their services around international HE and interested in buying products and services to help them in this endeavour. The interviewed representatives of companies were promoting commodities that support international student recruitment or other aspects of student mobility. Second, it is not representative of all countries, or all universities, as HE marketisation is uneven across the world. However, this article does not aim for generalisation of all markets in all HE contexts. It is an exploratory study of trust-building mechanisms, which can be generalised in its broader sense of being part of market-making processes (Sayer 2003).

Methods and data

Altogether, 22 interviews with representatives of private companies were conducted (see Table 1). All of the companies were working globally, and most of them had offices or employees in several countries or continents across the world.

The research sample at these two events is comprised of a selection of representatives of private companies that attended either of the two events. This was to ensure that strategies and activities of companies, who are working or trying to work with universities, were being discussed by individuals who had first-hand experience in communication with universities.

The interviewees were chosen based on the following design. For both events, I studied the respective event programme, looked for companies that were exhibiting as well as presenting in the conference part of the events, studied their history and chose companies that were active in HE for at least 2 years. Moreover, the criteria for contacting companies were that they came from different parts of the world and that they worked in various markets around HE (for example, computer software companies, language schools, student recruitment, marketing support, pathway programme providers). I sent email invitations for the interview to chosen companies fulfilling the above criteria.

Table 1 Number, type and location of interviewed companies

Type of company	Eurostat definition (Eurostat 2017)	Number interviewed	Headquarters
Micro enterprises	Less than 10 persons employed	8	Australia (1), Germany (1), India (1), Switzerland (1), USA (4)
Small enterprises	10–49 persons employed	3	Spain (1), UK (1), USA (1)
Medium-sized enterprises	50–249 persons employed	2	Germany (1) and USA (1)
Large enterprises	250 or more persons employed	9	Australia (1), Netherlands (1), UK (4), USA (3)

The interview schedule was semi-structured. The questions inquired about the motivations of the company to attend the respective event and their practices at the events; about their services and commodities and about the company; how they approach universities, their relations with universities and the HE sector; what they see as challenges working with universities; and their views on HE in the past 10 years. The interviews lasted between 30 and 45 min, and in some cases, up to an hour. All interviews were conducted in English and transcribed verbatim. To interpret the interviews, I applied thematic analysis (Braun and Clarke 2006) that resulted in constructing three sets of strategies presented in Fig. 1.

Findings: strategies for performing trust-building

In this section, the empirical results are presented in three analytically constructed groups of strategies and subsequent social practices. These strategies are presented as distinct but are entangled in reality. Thus, companies perform several strategies with one action.

Similarity and integrity

Signalling that they understand the HE sector and its specifics and that they share academic values was reported as crucial by the interviewees. Moreover, companies work on being seen as ‘insiders’ to the HE sector and invest in their overall credibility and reputation.

All of the interviewees reported that they employ individuals who have worked in the HE sector before; either at universities, state agencies or other HE stakeholder organisations. Quite often, these would be well-known and respected persons in the HE sector. This way they already enjoy some level of trust, are immediately seen as belonging to the HE sector and can use their established social networks as illustrated by this quote:

The firm decided to hire somebody who had industry experience and he was able to sit down and have an understanding and credibility with the universities. Because

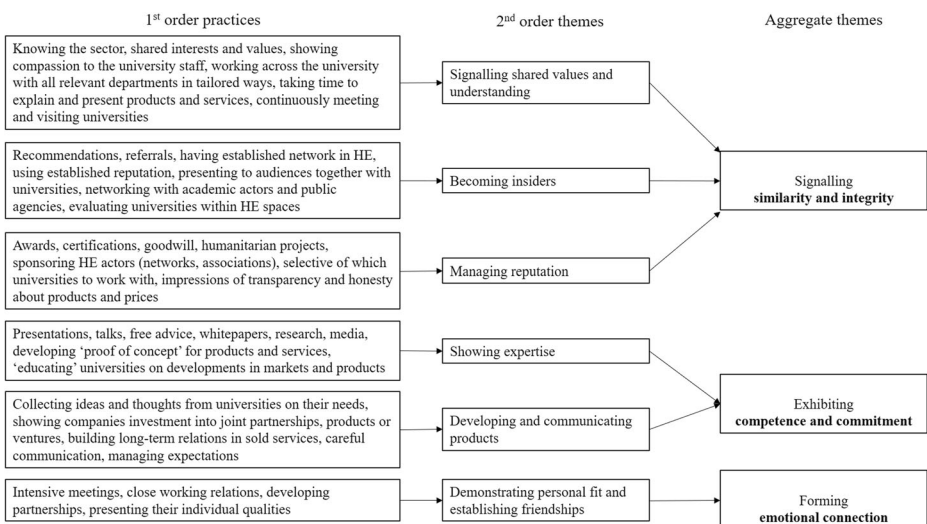


Fig. 1 Coding schema

universities want to work with people who understand the business, and understand the industry. (Interview N1)

Stepping of individuals over from the HE to the private sector is entangled with identity formation of actors on buying and selling sides in these markets. As actors' identities are not clear in the orientation phase of market-making and are only being constructed in the contraction phase (Aspers 2009, 2011), these individuals are carriers of familiarity. They bring companies' identities closer to universities' and the other way around.

Similarity and integrity are also signalled by carefully developed discourse and communication with universities, other HE stakeholders and the broader public. Companies align their discourse with universities' like developing a focus on students and stating to work in their best interest. Interviewees reported that it is essential to communicate how they are not a threat to the university more generally, its public mission and how they share aims and goals as exemplified in this quote:

The critical factor is that you guard against the obvious things that most people fear and that is that the business would trump academic quality. (Interview N12)

Companies have learned that universities are complex organisations with long and multifaceted decision-making, in which many different people and organisational units are involved. By understanding and using the complexity of universities' structures, companies attempt to orchestrate the 'rituals' in which they can strategically demonstrate the similarity of their expectations (Beckert 2006) as elaborated by this interviewee:

I know that if I'm going to speak to a university, I need to know who is going to be in that room. I can use a certain kind of language with the IT people, I can use another type of language for the marketing people - they will absolutely love what we've got. The IT people will be very risk-averse. ... If we're talking to finance people, we need to be talking about the return on investment and the reasons why they should be doing it. So it is the content and the language that we are using. I've been to meetings where I've been there for eight hours and I had probably 10 different conversations with different departments in that eight hours and I didn't repeat myself once. (Interview E5)

Careful communication in time of introducing the new product and the orientation phase of market-making is witnessed in the collective efforts of companies. There are instances where they work together towards normalising their presence in the HE spaces and often cooperate with other companies or promote the whole market in which they are involved. They have collective interest as market actors (Aspers 2009) and cooperate to establish market order (Beckert 2009). When they pass the threshold of basic acceptance of the market, they work towards recognition of their particular company and brand. Such was the case of the international student recruitment agents', who have only started to be used more widely in the USA after 2013, but were promoted for some years before:

Every year I do these presentations. If you come to my presentation tomorrow, I explain what an agent is, why use the agent. I'm kind of preaching and I'm convincing them that agents aren't bad. (Interview N15)

Attending events such as conferences of NAFSA and EAIE is an essential enabler of performing trust. Some interviewees stated that they visit more than 30 HE events per year on a global scale. By occupying HE events, the companies communicate their 'insiderness' in

that they are seen, accepted, their presence normalised and their particular name recognised. They use their previous networks and roles to endorse their insider position:

I think that because I do not come from the private sector into this – I came from [a state agency] and then the university. I have been to NAFSA before representing them. For me, it is really important that people see me as a colleague and not as a provider of services in a weird way... I feel like it helps me be part of the community. (Interview N16)

Companies' integrity and insidership are endorsed by their cooperation with universities that are made public and visible. At the HE events, companies include universities in their presentations or panels, while universities are ready to act as good case examples or even themselves promote companies' products at such events. As Aspers argues, actors' preferences and motives derive from social interaction in the orientation phase of market-making, which "means that a buyer looks both at those who want to sell and those who want to buy 'the same thing' to see what they do" (Aspers 2009, p.15). Thus, universities presenting with companies and acting as case examples make other universities trust these companies more and serve the purpose of ordering markets. Moreover, as trust is an 'evidentiary construct', the process of trusting is impacted by perceived past trustworthiness and evidence about trustees' behaviour (Currall and Inkpen 2006). Displays of cooperation may serve as such evidence.

Cooperation between companies and universities or HE membership organisations is also structural. Companies form structures like advisory boards to which they invite universities. More importantly, they have become members of HE associations' or universities' bodies, such as various committees of NAFSA or EAIE. This way they gain recognition and endorsement among other HE actors. They claim the legitimacy to occupy HE spaces as their own and the authority to judge universities and organise a symbolic and ceremonial performance of award-giving. Moreover, they launch their particular products or services to produce confidence:

We did the [this company's product] launch event yesterday - and we had over 200 universities and participants of different organisations to witness the opening. (Interview E2)

Networking more generally outside of HE events with universities or their associations, student organisations, public agencies or authorities is yet another important trust-building act:

For [the company] it was always important not to be a separate player in a way, but being a part of the field, so maintaining close relations to students, to student organisations, international student organisations and I believe by now we have official connections with more than maybe 15 international student organisations. (Interview N17)

Acts of building reputation involve receiving various awards inside and outside of the sector, such as EAIE awards or the Queen's awards in the UK; as well as recognition acts like those being hosted by the White House in the USA. Companies are certified or supported by various national agencies and institutions, including the British Council in the UK, DAAD in Germany, and Instituto Cervantes in Spain. Moreover, the companies are supported by state or regional institutions and agencies like the European Commission as "getting the support of the European Commission, of course, helps to be seen as a reputable partner by the university" (Interview N17). They are then using visuals like logotypes to make the connection between the company and those institutions. They publicly support various HE stakeholders by

sponsoring different university networks or associations, as well as give to goodwill and charity. Companies carefully communicate their willingness to be open and transparent about their business and engage with their audiences. Interviewees reported that they are selective and cautious in deciding which universities to work with as expressed here:

[T]he institutions that [work] with us must be fully accredited, they must comply with all of the government regulations, and so we're looking for high-quality institutions. (Interview N6)

Competence and commitment

Showing expertise is a crucial strategy to signal competence and commitment. Companies promote their expertise by doing research in specific areas or offering aggregate information that they communicate via free newsletters, white papers and their own media channels as well as via presenting at HE events and conferences as exemplified in this quote: “It’s more just getting our name out there and getting up in front of groups and speaking about the different issues” (Interview N1). Some interviewees mentioned the complexity of reasons to share information freely, which go beyond profit-seeking:

I feel like there is some kind of responsibility in the field to share information... and obviously, of course, search engine optimisation... also it is smart to have things that people might like. When they look up NAFSA they might come to my [company] site. (Interview N16)

Companies often sell products or services that are not perceived necessary by universities; or at least, not completely understood. Companies hold trainings and webinars or write blogs, opinions or other information that are available from different sources, but also via HE organisations such as NAFSA or EAIE webpages. Interviewees stated that they often educate or inform universities about particular services or technologies, their functions and effects regarding benefits and possibilities as expressed in this interview:

... it requires a lot of help and we really do literally go and help them to understand what they get out if they're paying. And that is why our relationship to the university; they really appreciate what we do. And they trust us as the expert in the field. (Interview N17)

Interviewees reported on a strong discourse of the ‘proof of concept’ that they develop, which comes in various forms like statistics, data on the return on investment or other hard data. With this, the companies claim to prove that their services or products are working to the benefit of client universities with the objective appearance of numbers (Ozga 2009). Moreover, Aspers argues that the easier it is to calculate a situation, the smoother are processes of organising market-making. “Only if profit can be calculated is it possible to furnish rational arguments that will be readily accepted and so encourage actors to join a market-building alliance” (Aspers 2009, p. 26).

Expertise entangled with promotion is noticed when particular services for universities are offered for free and indicating commitment and investment in HE. However, often the free services are later monetised—either directly or specific features of the product. This way, the free service or product was not only a free benefit to the sector but also building a critical mass to commodify this service or product later.

Competence and commitment are also signalled by including universities into the product innovation and development. Companies ask universities about the problems and challenges that they are facing in their work. Solutions to those needs and problems are then turned into products. Moreover, companies may have already developed a product up to a particular stage and ask universities for feedback, so that they can make it even better and more useful for the universities and HE more generally. The time that universities spend in those meetings, the built relationships that are often very personal and the interest and energy that universities invest in going to these companies' events and being active participants contribute to what Beckert (2006) calls 'barriers to termination of interaction'.

Carefully managed communication is vital to exhibit competence and commitment. Interviewees reported on tactics that they have developed when selling products and services, as well as after the transaction in the stage of service implementation. For example, companies may bring representatives of existing client universities to selling or promotional visits to other universities:

... what we do is get faculty to talk to faculty. [University x], go talk to the people at [University y] and tell them how this really works. And faculty to faculty they believe. (Interview N12)

One of the companies that are establishing joint ventures with universities to sell educational services together learned that in such partnerships, major academic decisions would need to stay with the universities and that it is essential to communicate this clearly and firmly. This gives the universities feelings of control and hence is an effective trust-building tactic. When companies are forming long-term partnerships or joint ventures with universities, an important part of constructing trust is communication about the amount of investment from the company side. It makes universities think that if the company has invested a substantial amount of resources and will start earning returns on investments only after a few years, it makes it a more trustworthy partner company. However, at the same time, it also enables a lock-in in the sense of long-term involvement of the company with the particular university and hence guaranteed income and business at least for the period of the contract.

Emotional connection

Finally, personal fit and developing close relations is an essential aspect of building trust. Staff from private companies reported on how they establish close personal relations with staff from universities as illustrated in these quotes:

I've made some very good friends that started out as a business relationship. It's definitely more a friendship now, even if we're not doing business together, we still meet up for drinks or whatever. (Interview N5)

I have relationships, professional slash personal in the sense that I know their families and we spend evenings together; and that to me is a successful business. Everybody does that differently, but I would say that is a key to success versus just treating them at arm's length and contacting them once a year. I don't really see how that could be a successful marketing strategy if you really want to grow your efforts in a specific country. (Interview E11)

While social bonds are indeed found to be a condition of doing business (Aspers 2011), friendship and competition are in complex relation (Fligstein 2001). Developing social ties is a

social process requiring interaction and mutual personal fit. It is found to be key in that positive emotional connection reduces the uncertainty of buyers and makes their potential vulnerability more tolerable (Nikolova et al. 2015). It is enabling the ‘leap of faith’ or bracketing the unknown so that social relations can be formed (Möllering 2001).

Markets are one form of economic coordination along networks and hierarchies. In market-making, actors use these different relations and strategically employ them (Aspers 2011). As my analysis shows, a common strategy of companies is to penetrate the sector by building long-term relationships and networks with universities that are only later turned into market relations, or market transactions become moments in time.

Developing interpersonal trust is relational to inter-group and inter-organisational or system-level trust. In other words, individuals developing close personal relationships and trust in each other help develop the trust between their organisations (Currall and Inkpen 2006). Forming of personal and close relationships is thus vital as it supports wider embeddedness and institutionalisation of markets in the HE sector.

Companies adjusting to the higher education sector

The three strategies of signalling similarity and integrity, exhibiting competence and commitment and forming emotional connection correspond to trust-building in other markets. They speak well to the social practices of trust-building in other empirical studies (cf. Nikolova et al. 2015). They also confirm Beckert’s (2006) theoretical analysis of trustees’ influence over trustors through four strategies, and reinforce the importance of focusing our attention on trustees and what their strategic actions are in the relational nature of the process of establishing trust.

However, the three identified strategies also correspond to what interviewees identified as specifics of the HE sector. For them, HE is an economic sector that they can enter and develop, change or expand established practices and institutions. I asked what interviewees saw as specifics of the sector and challenges of working with universities. There are four key specifics and consequent challenges that were identified.

The first is time management and complexity with temporal and management dimensions. The *temporal dimension* refers to a long decision-making cycle for buying a service or a product, which can take up to 3 years; and interviewees’ opinions on slow response of administration staff at universities. The *management dimension* refers to multiple points of communication that companies face and not knowing who is making decisions at universities. They encountered a decentralised way of working when often administration units do not know what happens on the other side of the same university. The specific of elected leaders and democratic decision making in which “everybody on campus has to kind of agree to what is going to be done” (Interview N9) as expressed by one interviewee implies the complexity of decision and change processes.

The second is lack of professional orientation with practice and discursive dimension. In terms of *practice*, interviewees reported on the lack of professionalisation of universities and noticed that the administration staff is overworked and often not trained for their particular jobs. Consequently, they often appreciate the help that they can receive from the companies. Interviewees also reported on lack of specific business practices that are done routinely in other economic sectors, like not doing market research before entering a market with a service. The interviewees noticed, however, that this is changing and that universities are indeed investing in their professional level as found in the literature (Drori et al. 2013; Elken et al. 2018; Krücken and Meier 2006). The *discursive dimension* of this group of challenges is that

particular words like ‘marketing’ are sometimes avoided as the practices are not deemed legitimate for a public university, although they are practised. This corresponds to careful, flexible and tailored communication analysed above.

The third is personal relationships and informality. Interviewees reported on how HE sector is small in that university staff know each other and regularly communicate. Thus, information spreads very quickly by word of mouth and reputation risk is high. Moreover, all interviewees stated that universities like to meet and see the people from companies and they have to visit or communicate for a long time before and even after the purchase has been made as expressed here:

I have a large network for connecting with them face to face. It is still a touchy-feely enterprise, education people like to see and they want to talk to you... So I think that element of personalization is still there, they like it. (Interview N9)

The final is motivation and values. Interviewees stated that universities want to cherish their academic values and do not want to be treated as another for-profit company. Their motivation is not only to earn profit, albeit in some aspects of their work this is so, but also to educate and research. Cooperation with private companies is not morally acceptable in all countries or localities, and they need to find ways towards normative and cognitive reorientation for their services to become legitimate (Beckert 2009).

The three strategies of trust-building correspond well to the four found challenges and specifics of working in the HE sector. The interviewees see HE as an economic sector in which they do business. They have learned how to adjust their strategies, approach the universities and work with them. The meaning-making of sellers reveals the relational nature of market-making through establishing trust, social learning that goes both ways and continuous exchanging of practices. Not only do universities learn from companies when they buy a product or a service (Kohljenovic and Robertson 2016), but companies also learn from universities and adjust their products and ways of working.

Discussion and concluding remarks

I positioned this research in the recent literature on the global HE industry and the expansion of markets in which universities are buyers. I argued that there is much to be learned about the micro-processes of such market-making and that a focus on private companies selling products and services to public universities is especially missing. In other words, as markets do not merely appear but need to be made and maintained, I was interested in the role of private companies in these processes as sellers.

I suggested using a lens of building trust as a particularly lucrative way to study market-making in the nascent stages of emerging markets around universities. As market order and institutions are not yet established in the orientation phase of market-making (Aspers 2009), trust becomes even more critical (Möllering 2006). Trust makes it possible for actors to coordinate expectations and control interactions, thus enabling social actors to start a relationship (Bachmann 2006). Albeit the empirical part of this research was limited and addressed only a small fragment of international HE, it is indicative of the complexity of market-making processes in and around universities more generally.

The data reveals that companies in their role of sellers actively and strategically perform a complex and rich set of activities and tactics to gain universities’ trust and establish relationships. By doing so, they contribute to expanding, ordering and embedding markets in the HE

sector. The three identified sets of strategies (signalling similarity and integrity, exhibiting competence and commitment and forming the emotional connection) are found to be addressing the perceived specifics of the HE sector and universities as organisations. In other words, the interviewees and their companies have learned the specifics of the sector and found ways how to work within it. As a consequence, universities and their staff are entangled in complex market-making processes.

The data revealed sophisticated individual practices of interviewees, their colleagues or companies, but has at the same time pointed to the dynamic of collective processes of establishing trust, legitimacy and order in emerging HE markets. Particularly in the spontaneous type of market-making, there is no intention of two actors to come together and establish market institutions and order (Aspers 2009). While companies that I investigated had an interest in profit, they might not have had an aim to construct and embed their markets in the HE sector. Nevertheless, the research has shown the importance of actors observing each other, establishing trusted social relations and being present consistently in the HE spaces for a longer time. Trusted internal spaces to the HE sector such as NAFSA and EAIE conferences and exhibitions became market-making enablers although perhaps unintentionally. Such organisations could also be seen as ‘the others’ in organising markets in that they provide spaces and lubricate sellers (companies) and buyers (universities) to meet, interact, form social relations and so on (Ahme et al. 2015). Trust and confidence are not crucial only in specific exchanges between particular agents, “but in terms of generalised foundation of trust that underpins a wider socio-economic system” (Tonkiss 2009, p. 196) such as emerging HE markets and expanding HE industry. Thus, trust at one level relates to and impacts trust at other levels (Currall and Inkpen 2006) so that universities seem to be increasingly willing to engage with companies in their operation more broadly.

Trust-building strategies are particularly important in the orientation phase of spontaneous market-making as examined HE markets revealed. Both sides of actors (universities as buyers and companies as sellers) meet, learn about each other and find their identities in relation to each other (Aspers 2009). For example, while a university might have been old and established before, its role in buying particular services is new as is its relation to the specific private company. The university has to learn what to expect, what to buy and how much to pay. On the other hand, established companies are transferring their knowledge and practices from working in adjacent markets (Fligstein 2001) into HE while at the same time adjusting to the specifics of working with universities. As time will pass and the orientation phase of market-making moves to the contraction phase, it is expected that both their identities as buyers and sellers will stabilise, rules of engagement will clarify and markets will become ordered (Aspers 2009).

Universities have become more professional over the past decades (Gornitzka and Marheim Larsen 2004), including the growth and expansion of new professions at university administration (Krücken and Meier 2006) and establishing or expanding particular administrative departments like communication (Elken et al. 2018). My analysis elaborates on companies establishing relationships with university administration and either managing to work closely with them or aim to in future. This is not to say that increased professionalisation of universities necessarily leads to their increased buying of new products and services and thus to the HE market expansion, but there is a class of administrators that have taken on a task to form relations with private companies. More research is needed to examine how administrators can be carriers of market logic and enablers of market-making in their milieu. Relationships that are formed between university administrators and companies’ staff seem to be long-term and enabling and lubricating social learning.

Market exchanges seem to become moments in time. A lot of the commodities that are being sold in the observed markets are not one-off buys, but some form of long-term engagements or relationships. This goes beyond joint ventures or international recruitment agents where initial investment is large, reputation risk for both parties high and contractual relationships long. But this is so for other services too, like internet marketing or even computer software. For example, in the latter case, companies host university data on their servers, work with universities to develop and support software and where employees on both sides work together. Social relationships get entangled with market relationships that are culturally, legally and economically hard to break. Markets become embedded deep into university operation.

In summary, in contrast to past research that regards HE industry as universities increasingly commodifying and selling their services, I bring to the fore private companies as an essential constitutive part of the industry. Moreover, I analyse the micro market-making processes of how HE markets are being made and maintained. Building trust and social relations are vital strategies of making HE markets. Trust-building is a socio-cultural-emotional process (Nikolova et al. 2015) that in this research consists of three entangled groups of strategies. While it is impossible to develop one definitive model of trust-building (Möllering 2001) and thus these three strategies could be amended or extended, I have shown the importance of actions on the side of sellers/trustees. More research is needed to study trust-making strategies in other parts of the HE industry; how trust is relational and co-created by universities and companies; and what are the consequences for university teaching, research and societal role more broadly.

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Compliance with ethical standards

Conflict of interest The author declares that she has no conflict of interest.

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