

The Online Higher Education Learning Collaborative Helps the Kelley School of Business Increase Its Online Class Size through Improved Differentiation of Its Online Offerings

Challenge:

The Kelley School of Business at Indiana University was looking to better differentiate its online offerings in an increasingly crowded online marketplace.

Solution:

The Online Higher Education Learning Collaborative (OHE-LC) research team shared with the Kelley School the results of a recently completed study detailing common points of positioning and differentiation for online education providers and helped it analyze its implications.

Results:

Using insight drawn from the study the Kelley School re-organized its Web site to more explicitly highlight the key benefits of its online offerings to better differentiate itself from its competitors. Since launching its new Web site the Kelley School has increased its class size by 75%.

About the Kelley School of Business at Indiana University:

Location: Bloomington & Indianapolis, IN

Ownership: Public Institution

Size: 7,000 Undergraduate and Graduate Students Combined in Bloomington and Indianapolis campuses (2008)

About the Online Higher Education Learning Collaborative:

(OHE-LC) undertakes market and operational research to help universities and colleges grow their online enrollments, develop strategies for online higher education, and reduce costs through increased operational efficiencies.

About Eduventures:

Eduventures is the industry leader in research, analysis, and consulting for higher education. With more than 15 years experience in the field of higher education, Eduventures is committed to providing colleges and universities with cost-effective, data-driven insight to support institutional success.

Differentiating in a Crowded Marketplace

In the spring of 2007, as the number of online higher education providers continued to expand, the Kelley School of Business at Indiana University was trying to differentiate itself in an increasingly crowded marketplace. Despite its status as the first BusinessWeek Top 20 MBA School with an online program, the Kelley School felt it needed to improve its ability to articulate the strength of its online offerings and the value they provided. The Kelley School asked the Eduventures Online Higher Education Learning Collaborative (OHE-LC) for guidance.

Data and Insight to Inform Decision-Making

To help with its branding efforts, the Kelley School first reviewed a Collaborative Research Report recently completed by the OHE-LC research team, titled *Competing in Online Higher Education: Positioning & Differentiation Strategies*, that was part of the OHE-LC Research Archive. The study featured an analysis of Web sites of leading online higher education providers and examined eight points of positioning and differentiation (pedagogy, acceleration, accreditation, pricing, program range, status/experience/size, access, and performance) to determine how providers were attempting to differentiate themselves from their competitors. According to Darren Klein, the Director of Marketing at the Kelley School, "The report really opened our eyes as to what we needed to do to differentiate ourselves, what we stand for, and why we are a good value. We knew we had to improve our differentiation, but the study showed us just how much work we needed to do."

After discussing the research further with a member of the OHE-LC research team, the Kelley School used the methodology of the report to examine the Web sites of several competitors to gain a better understanding of how they were differentiating themselves and conducted a series of interviews with current students to better understand their needs.

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Darren Klein
Director of Marketing
Kelley School of Business
Indiana University

Improving Discipline and Integration of Messaging

Based on this research, the Kelley School realized that it had several inherent advantages in its online offerings once potential students became aware of them, but the school needed to improve its articulation of those advantages. For example, while most online providers promoted the flexibility of their programs, the Kelley School had a level of flexibility unavailable in most other providers, yet most potential students were unaware of this advantage. In addition, the Kelley School was not doing enough to highlight the strength of its top-ranked faculty.

Armed with this understanding, the Kelley School re-organized its Web site to more explicitly highlight the key benefits of its online offerings to better differentiate itself from its competitors. In addition, it became more disciplined with its messaging and integrated its marketing themes across all its advertising channels.

Increasing Class Size Through Improved Messaging

Since launching its new Web site last fall, the Kelley School has increased its online class size by 75%. Since the Web site was redone last summer, the number of unique visitors to the Web site has remained flat, but what they do once they access the site has changed dramatically; visitors now spend more time on the home page as well as on the program pages. According to Klein, “Although some of this rise in enrollment might have been driven by an increase in our target market, we feel at least two-thirds was driven by our improved ability to differentiate ourselves by stating more explicitly who we are.”