2013 CPE Market Update
Mapping the decision journey
Designing the customer experience
Who are we?

1. CE unit leader
2. Marketing/market research
3. Enrollment management
4. Educational services provider
5. Other
NOW HIRING

versus

76% employment rate

Source: U.S. Bureau of Labor Statistics
38.7%  
... of working-age population with two- or four-year degrees

Source: Lumina Foundation, U.S. Census Bureau, 2010 American Community Survey
Mobile, cheap, vast
#EAC13

Customer decision journey

1. The consumer considers an initial set of brands, based on brand perceptions and exposure to recent touch points.

2. Consumers add or subtract brands as they evaluate what they want.

3. Ultimately, the consumer selects a brand at the moment of purchase.

4. After purchasing a product or service, the consumer builds expectations based on experience to inform the next decision journey.

Source: McKinsey
Time/cost barrier

Majority of adults interested in school but many see no possibility

- Anticipate Going/Returning to School in next 3 years (33%)
- Do not Anticipate School, but Interested (22%)
- Do not Anticipate School, not Interested (44%)

Source: Eduventures Consumer Preferences Survey
Marginalized majority

• 85% (~15 million) of undergraduate students today are “post-traditional”
  – 38% are 25 years old+
  – Share of students 25+ to increase 23% by 2019

• Almost 40% of undergraduates are enrolled part-time

• In 2010 conferrals:
  – 935,000 certificates
  – 849,000 associate’s degrees
  – 1.7 million bachelor’s degrees

Source: NCES, ACE
Enrollment status by age

Source: National Student Clearinghouse, 2012
Enrollment status by intensity

Source: National Student Clearinghouse, 2012
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Enrollment status by institutional type

Source: National Student Clearinghouse, 2012
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Student experience barrier

```
West of House

Score: 0  Moves: 1

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Revision 88 / Serial number 840726

West of House
You are standing in an open field west of a white house, with a boarded front door.
There is a small mailbox here.

>open mailbox
Opening the small mailbox reveals a leaflet.
```
Reality check

Online Value Proposition Too Limited

<table>
<thead>
<tr>
<th></th>
<th>Online/Majority Online as % of Adult Student Headcount (Fall, 2006)</th>
<th>Online/Majority Online as % of Adult Student Headcount (Fall, 2011)</th>
<th>Prospective Adult Student Preference for Online/Majority Online (2006)</th>
<th>Prospective Adult Student Preference for Online/Majority Online (2012)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>18%</td>
<td>28%</td>
<td>37%</td>
<td>38%</td>
</tr>
</tbody>
</table>

Source: Eduventures Consumer Preferences Survey

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Acquisition costs

Cost to recruit and admit a student

- **Mean**
  - Cost per Inquiry: $142
  - Cost per Applicant: $374
  - Cost per Enrollee: $2,464

- **Median**
  - Cost per Inquiry: $102
  - Cost per Applicant: $343
  - Cost per Enrollee: $1,476

Source: Eduventures Benchmarking
($10.8 million)
Costs from societal perspective

• Loss of potential future income and career advancement

• Loss of valuable credential in exchange for significant debt

• Loss of workforce competitiveness
Unwanted policy window
Not a fit

Mensch

Every letter is negotiable.

2013 @mathplourde • #digedcon #moocposter
Recognizing hype

25. Have you taken any of these free online courses? (Please select all that apply)

<table>
<thead>
<tr>
<th>Answer</th>
<th>Response</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>I'm currently taking a free online course</td>
<td>593</td>
<td>6%</td>
</tr>
<tr>
<td>I started but dropped out of a free online course</td>
<td>386</td>
<td>4%</td>
</tr>
<tr>
<td>I have not taken any free online courses</td>
<td>8,354</td>
<td>81%</td>
</tr>
<tr>
<td>I've taken, and finished, one or more free online courses</td>
<td>1,174</td>
<td>11%</td>
</tr>
</tbody>
</table>

Source: Eduventures Consumer Preferences Survey
A better policy window
How can we make the most of this attention?
Percent change in enrollment

Source: National Student Clearinghouse, 2013
Managing tuition revenue anxiety

Should we start a degree completion program?

Why not 10?
Where does your institution fall?

0%  1. In heavy conversations about growing new programs
0%  2. In heavy conversations about closing programs
0%  3. Working on governance of institutional program portfolio management
0%  4. Happy with portfolio management process
Build or enhance?
Improving program portfolio strategy
Bar chart showing the percentage of students by major:

1. Business administration and management: 16%
2. Computer sciences/information technology: 14%
3. Health professions: 9%
4. Education: 8%
5. Arts: 8%
6. Other: 7%
7. Engineering and engineering technologies: 6%
8. Psychology and Counseling: 5%
9. Health support: 5%
10. Law and legal studies: 4%
11. Humanities/liberal arts: 3%
12. Social sciences and history: 2%
13. Public administration and social services: 2%
14. Mathematics and Statistics: 2%
15. Biological and biomedical sciences: 2%
16. Security and protective services: 2%
17. Communications (including journalism and public relations): 1%
18. Environmental studies/science or Agriculture: 1%
19. Philosophy and religious studies: 1%
20. Physical sciences: 1%

Source: Eduventures Consumer Preferences Survey
Eye on the prize

What type of study would you most likely pursue?

<table>
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<tr>
<th>Answer</th>
<th>Response</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Just take one or two college credit courses</td>
<td>593</td>
<td>7%</td>
</tr>
<tr>
<td>Doctoral degree</td>
<td>439</td>
<td>6%</td>
</tr>
<tr>
<td>Noncredit course or certificate</td>
<td>317</td>
<td>4%</td>
</tr>
<tr>
<td>Graduate certificate-giving college credit</td>
<td>315</td>
<td>4%</td>
</tr>
<tr>
<td>Professional degree (e.g. MD, JD)</td>
<td>314</td>
<td>4%</td>
</tr>
<tr>
<td>Undergraduate certificate-giving college credit</td>
<td>312</td>
<td>4%</td>
</tr>
<tr>
<td>Other (please specify)</td>
<td>183</td>
<td>2%</td>
</tr>
<tr>
<td>Bachelor’s degree</td>
<td>2,494</td>
<td>32%</td>
</tr>
<tr>
<td>Master’s degree</td>
<td>1,760</td>
<td>22%</td>
</tr>
<tr>
<td>Associate’s degree</td>
<td>1,190</td>
<td>15%</td>
</tr>
</tbody>
</table>

Source: Eduventures Consumer Preferences Survey
Designing the customer experience

Source: Forrester

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How can we enhance the customer experience through outside-in design?
Homegrown solutions: student services and scaffolding
Growing instructional effectiveness
Strategic partnerships

PEARSON

INTO the global education partners

COMMUNITY COLLEGE
Discoverability
Managing perceptions and expression
Crafting your analytics plan
Globalization

International student enrollments as a percentage of total higher education enrollments by leading host country

Source: IIE Open Doors
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Meeting consumer demands
Educating generation flux: identify emerging needs

Source: Fast Company

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How to better understand and enhance the customer journey

CPE Agenda

• Pricing strategy
• Pedagogic innovation
• One-stop shop student services design
Thank you!

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Tell us what you think about this session:
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