

W2.5

Reckoning Enrollment Impact

How to Tell if Your Recruitment Marketing
Is Making a Difference

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Why You Should Assess Recruitment Impact

Uncertainty Can Starve Enrollment of Necessary Resources

Absent Compelling Results, Funding Constrained



Careful Assessment of Impact Helps Ensure Appropriate Resourcing



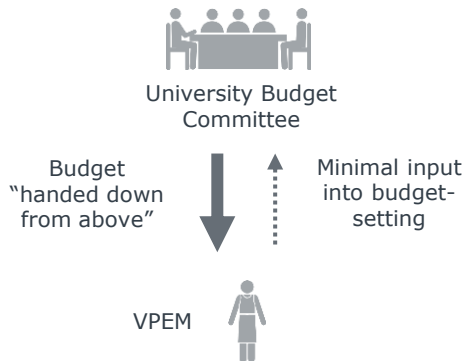
Unlocking Potential

Evidence of Impact Enables Principled Enrollment Investments

Recruitment-Marketing Budget Allocation Process

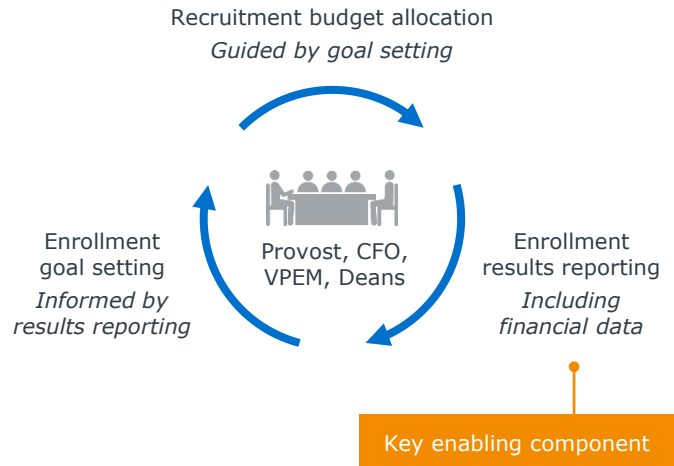
How it Often Works:

Budget-First Recruitment Strategy



How it Can and Should Work:

Goals-First Recruitment Strategy



Key Topics for Discussion

- 1 CU Denver's Experience
 - 2 Stetson University's Experience
 - 3 Four Methods for Assessing Recruitment-Marketing ROI
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University of Colorado Denver

CU Denver in Brief

A large, access-focused urban campus

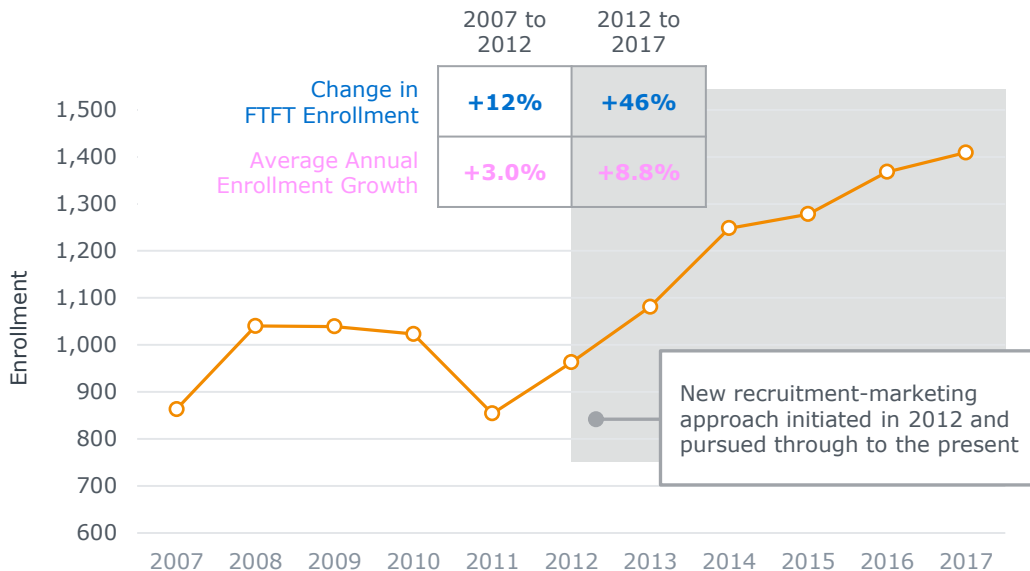
- A public institution
- Around 25,000 students total
- Balanced arts & sciences and professions curriculum
- Selective
- Primarily nonresidential
- Shared campus with medical school and two-year college
- Average cost after aid: \$15K

A Fundamental Shift

A Change in Recruitment Strategy Transformed Our Enrollment Outcomes

Freshman Enrollment

Full-Time, First-Time Degree-Seeking Undergraduates, CU Denver, Fall 2007-Fall 2017

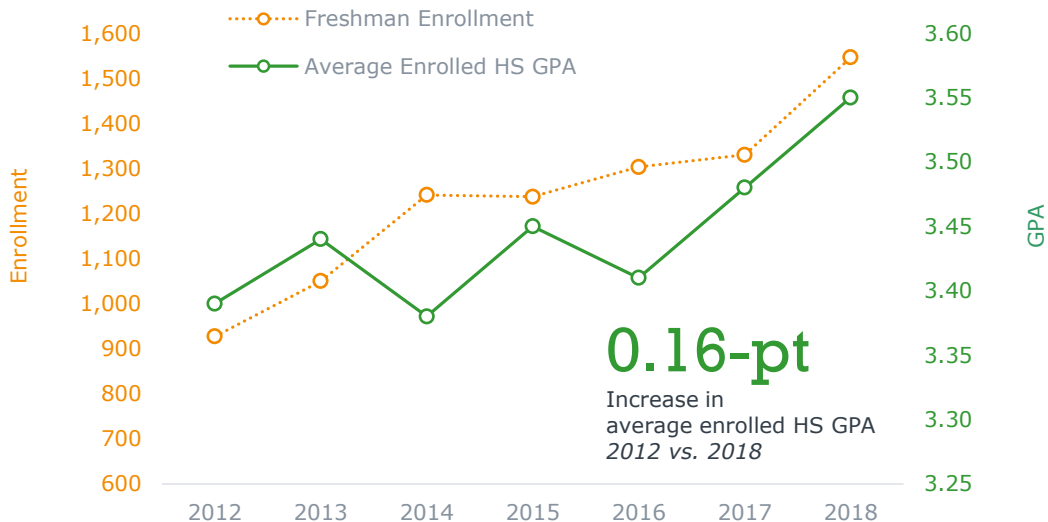


Advancing on Multiple Fronts

Boosting the Academic Profile of Our Incoming Classes

Freshman Enrollment and Average Enrolled High-School GPA

CU Denver, Entering Classes 2012-2018

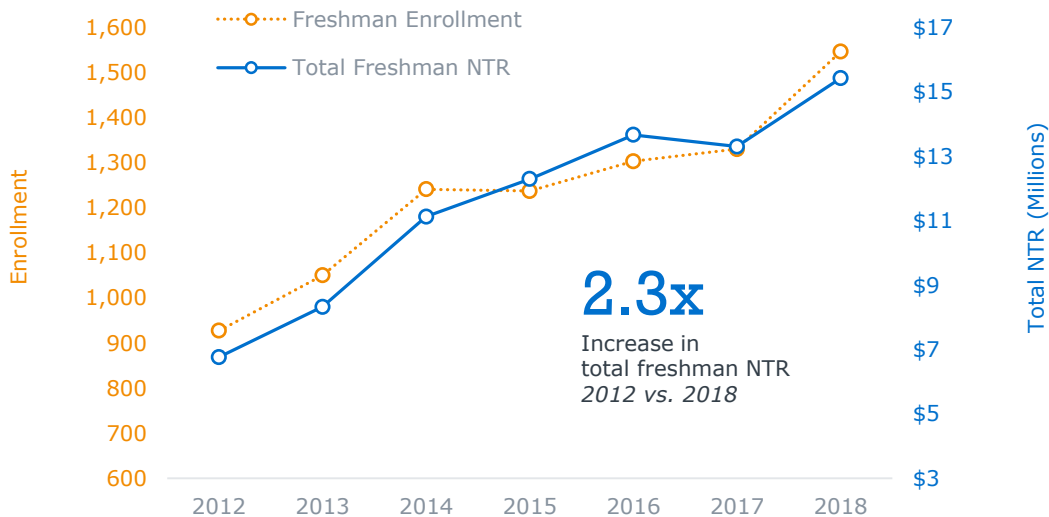


Advancing on Multiple Fronts

Generating Strong Growth in Net Tuition Revenue

Freshman Enrollment and Total Freshman Net Tuition Revenue

CU Denver, Entering Classes 2012-2018, Revenue in Millions



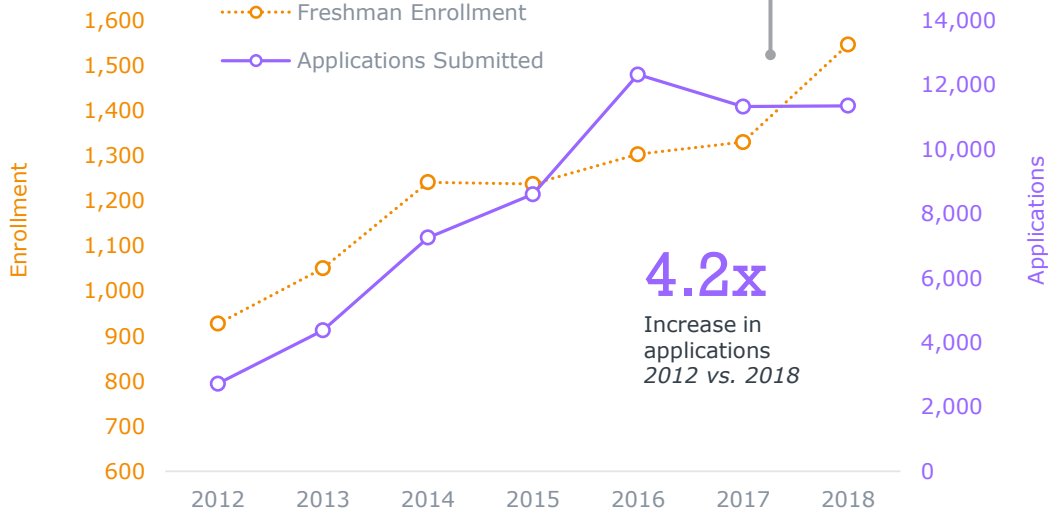
A Reliable Engine of Success

Our Enrollment Outcomes Were Driven by Strong Growth in Applications

Freshman Enrollment and Application Volume

CU Denver, Entering Classes 2012-2018

Learning from earlier enrollment cycles enabled us to pursue more targeted application growth in 2017 and 2018



4.2x

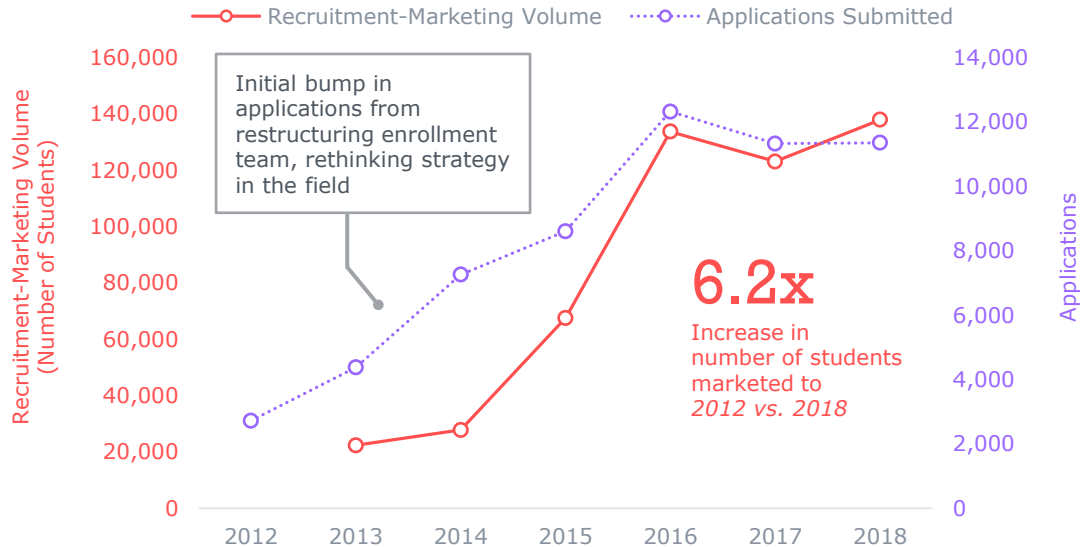
Increase in applications
2012 vs. 2018

A Volume Strategy

We Grew By Engaging More Prospective Students More Effectively

Applications and Recruitment-Marketing Outreach Volume

CU Denver, Entering Classes 2012-2018



Key Topics for Discussion

- 1 CU Denver's Experience
 - 2 **Stetson University's Experience**
 - 3 Four Methods for Assessing Recruitment-Marketing ROI
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Stetson in Brief

A small, selective, access-oriented private in the Southeast

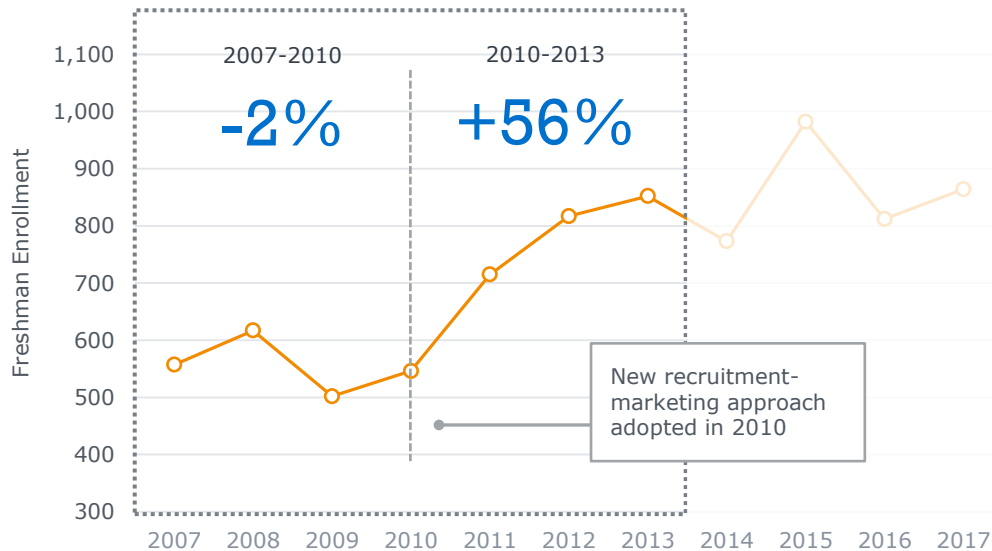
- A private institution founded in 1883
- Located in central Florida
- #5 USNWR rank for regional universities in the South
- Balanced arts & sciences and professions curriculum
- Selective
- Mostly undergraduate
- Highly residential
- 1/3 of our undergraduates are Pell eligible
- Average cost after aid: \$25K

Unambiguous Impact

Initial Returns on Modified Marketing Approach Left Little Room for Doubt

Freshman Enrollment

Stetson, Entering Classes 2007-2013

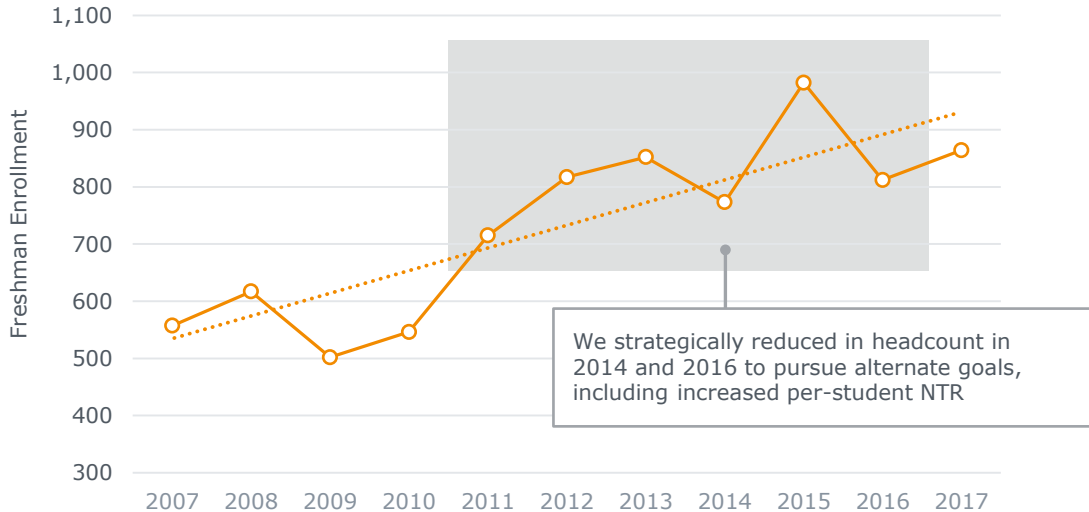


A More Complex Picture

Ups and Downs After Several Years of Consistent Growth

Freshman Enrollment

Stetson, Entering Classes 2011-2016



Summary Metrics

Sharing Shorthand Measures of Our Enrollment Success

Core Enrollment Metrics

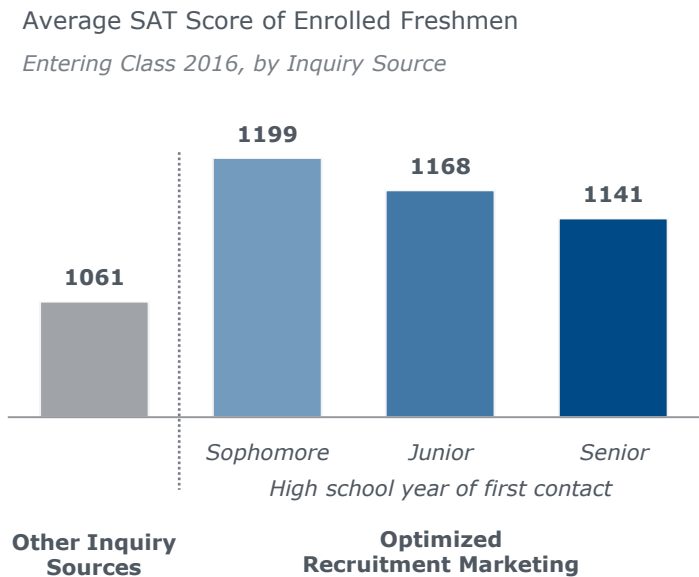
Stetson University, Entering Classes 2011-2016

30%
Increase in average net tuition revenue per freshman

48%
Increase in total freshman net tuition revenue

14-point
increase in average enrolled SAT score

2 point
Increase in % of students persisting to sophomore year

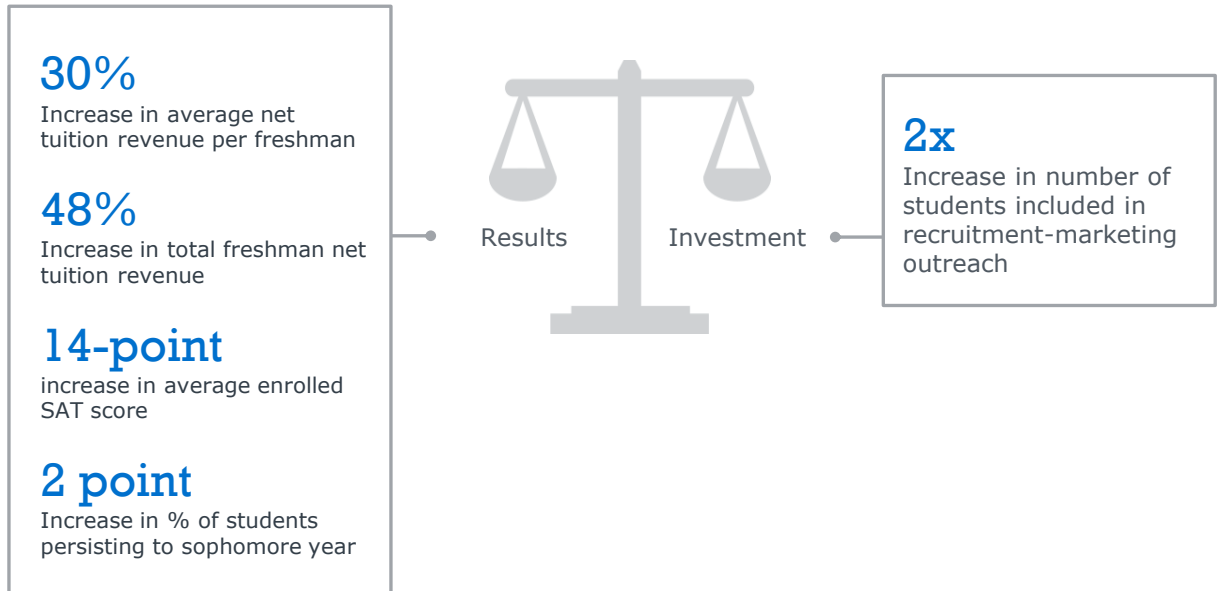


Weighing Benefits Against Resources Allocated

Major Impact on Top-Line Metrics, Major Investment in Recruitment

Core Enrollment Metrics

Stetson University, Entering Classes 2011-2016



Evaluating Multiyear Impact

Benchmarking to Market Establishes Crucial Context

Stetson's Performance Compared with That of a Basket of Comparable Schools



Stetson

VS.



10 schools similar to Stetson and serving the same markets

Figuring Out Which Schools to Include in Our Comparison Set

Representative **sources** used

- Survey of Stetson's nonyielding students (which reveals where they chose to enroll)
- IPEDS
- Google search data

Representative **criteria** applied

- Geography
- Price
- Size
- Academic "quality"

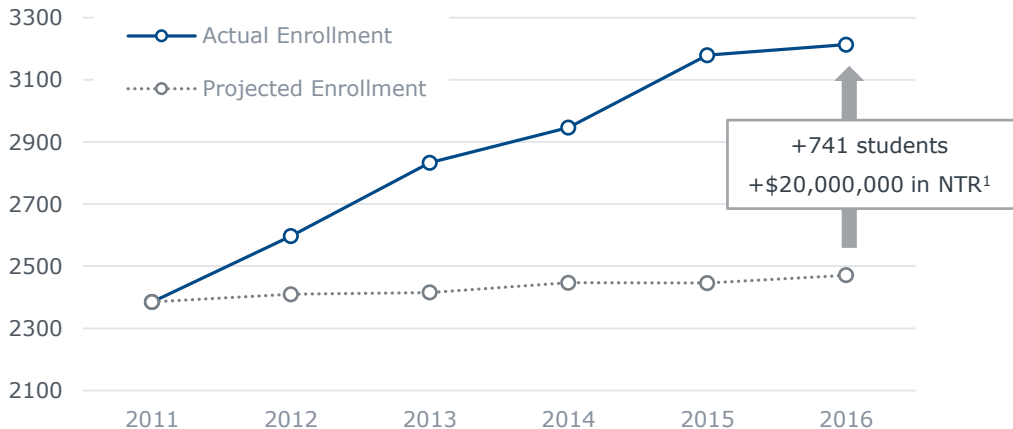
"Schools like us"

Considering an Alternate History

“There But for Expert Recruitment Marketing Go I”

Total Undergraduate Headcount

*Stetson, Actual Versus Projected (Based on Market Average),
Entering Classes 2011-2016*



Annual Change	Market Average	1.0%	0.2%	1.3%	-0.2%	1.0%
	Stetson	8.9%	9.1%	4.0%	7.9%	1.1%

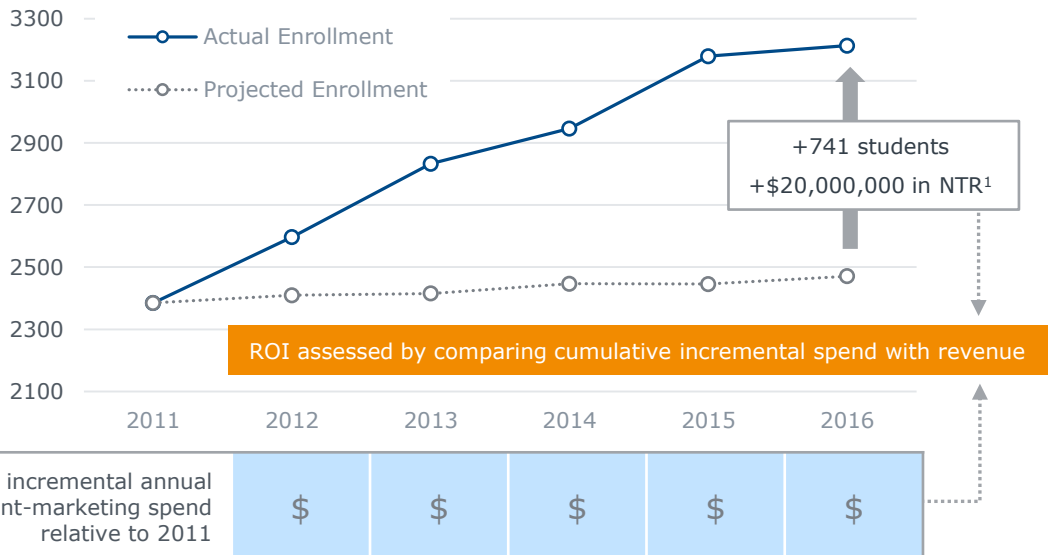
1) Based on one year's worth of tuition revenue.

Assessing ROI

Comparing Cumulative Incremental Revenue and Spend

Total Undergraduate Headcount

*Stetson, Actual Versus Projected (Based on Market Average),
Entering Classes 2011-2016*



1) Based on one year's worth of tuition revenue.

A Versatile Tool

“ROI Thinking” Finds Countless Applications in Our Work

Case in Point: A “Quick and Dirty” Assessment of Campus-Visit Impact

A Handful of Key Metrics Tracked and Trended Across Time

Event Date	September 2018	October 2018
Number of invitations sent	307,931	237,545
Total student attendance	217	163
Number of seniors who attended	156	112
Number of attendees who applied	130	100
Number of attendees who deposited	28	32
Total cost of program	\$30,743	\$27,721
Cost per applicant	\$236	\$277
Cost per deposit	\$1,097	\$866

Other metrics captured

- RSVP rate
- Guest attendance
- Junior attendance
- Sophomore attendance
- Transfer attendance

Other analyses performed

- Trend across event dates
- Multiyear trend
- % of attendees who
 - Apply
 - Deposit
 - Enroll
- Components of event cost

Key Topics for Discussion

- 1 CU Denver's Experience
 - 2 Stetson University's Experience
 - 3 **Four Methods for Assessing
Recruitment-Marketing ROI**
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One Aim, Multiple Approaches

Four Basic Methods for Evaluating Impact of Recruitment Investments

*ROI-Assessment
"Philosophy"*

1 **Increase-over-baseline analysis**

Sidesteps complex questions of attribution by simply looking at how much enrollment grew after changing recruitment-marketing strategy

Keep it simple

2 **Break-even analysis**

This shows the number of additional students who need to be enrolled to cover incremental recruitment-marketing investments

Anticipate impact

3 **Contextualized assessment**

Puts recruitment results into perspective by comparing them to local averages; especially helpful and important in declining markets

Put your results in perspective

4 **Control testing**

A more precise reckoning that incorporates an assessment of recruitment-marketing influence based on randomized control testing (RCT)

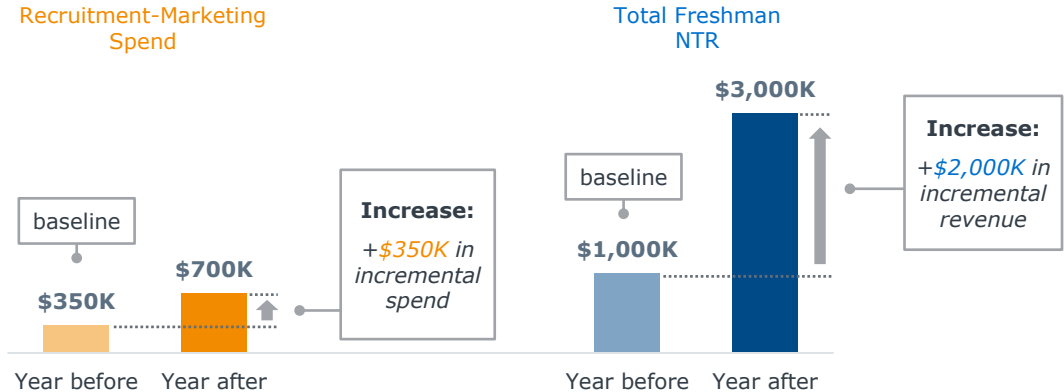
Provide proof beyond doubt

Method 1

Increase-over-Baseline Analysis

Recruitment Spend Compared to Recruitment Outcomes

A Hypothetical Example



$$\frac{\text{Incremental Revenue}}{\text{Incremental Spend}} = \frac{\$2,000,000}{\$350,000} = 5.7x \text{ ROI}$$

Each \$1 in additional spend produced \$5.7 in additional revenue

Summary Assessment

Things to Keep in Mind When Using Increase-over-Baseline Analysis

Pros

Easy to generate

Inputs for this analysis are readily available and do not require highly developed data and analytics capabilities.

Easy to understand

Because this analysis has simple inputs, it can be easily understood by laypersons lacking deep enrollment knowledge.

Heads off unproductive discussion

Because of its simplicity, this approach is less likely to get bogged down in methodological "meta-discussions" with stakeholders.

Cons

Low "resolution"

This method does not produce compelling evidence of recruitment-marketing impact unless the gains illustrated are large.

Context unaware

This method requires add-on analyses to account for important contextual factors such as changes in discount rate.

Limited scope

The output of this method is less transparently meaningful when applied to nonfinancial enrollment outcomes.



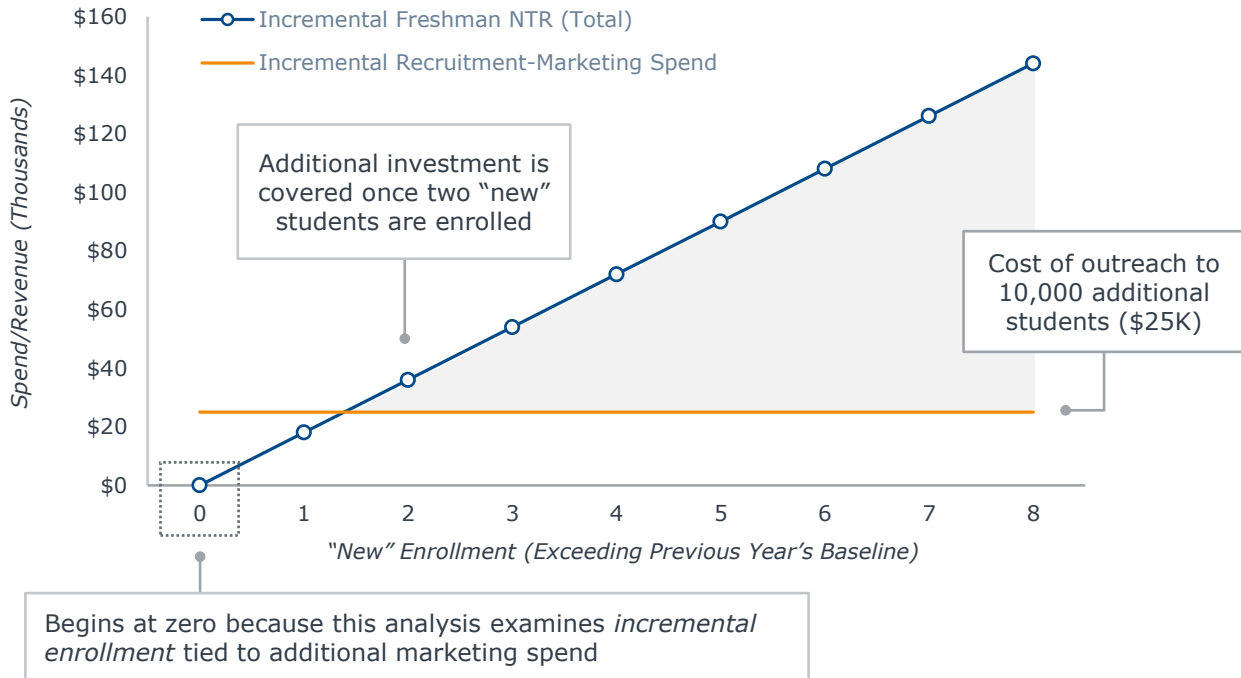
Best for:

Schools that recently changed their recruitment-marketing approach and saw significantly improved enrollment results

Method 2: Break-Even Analysis

Putting Potential Spend in Perspective

A Hypothetical Example



Summary Assessment

Things to Keep in Mind When Using Break-Even Analysis

Pros

Good for scenario planning

Well suited to live iteration on possible investment scenarios and their expected impact, which is useful for planning.

Easy to generate

A light lift in terms of data collection and analysis; therefore, it is appealing as a scenario-based planning tool.

Strong "narrative" aspect

Provides an unusually clear illustration of the relationship between investment and return.

Cons

Less useful for "legacy" spend

While useful for assessing incremental spend, less helpful when gauging the impact of existing recruitment-marketing investments.

Problematic with small numbers

Break-even analyses examining small increases in headcount can be especially sensitive to externalities impacting enrollment.

Less useful in stressed markets

Harder to design and execute in markets with declining numbers of high school graduates.



Best for:

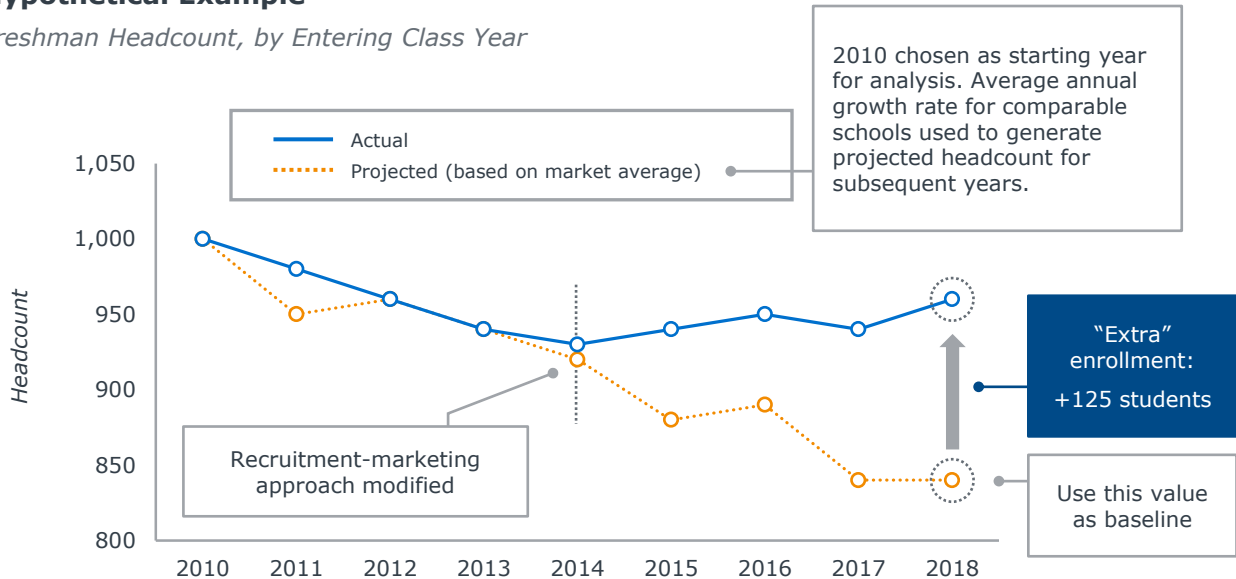
Schools considering new/increased recruitment-marketing investments

Method 3: Contextualized Assessment

“What Would Have Happened if We Merely Tracked with the Market?”

Hypothetical Example

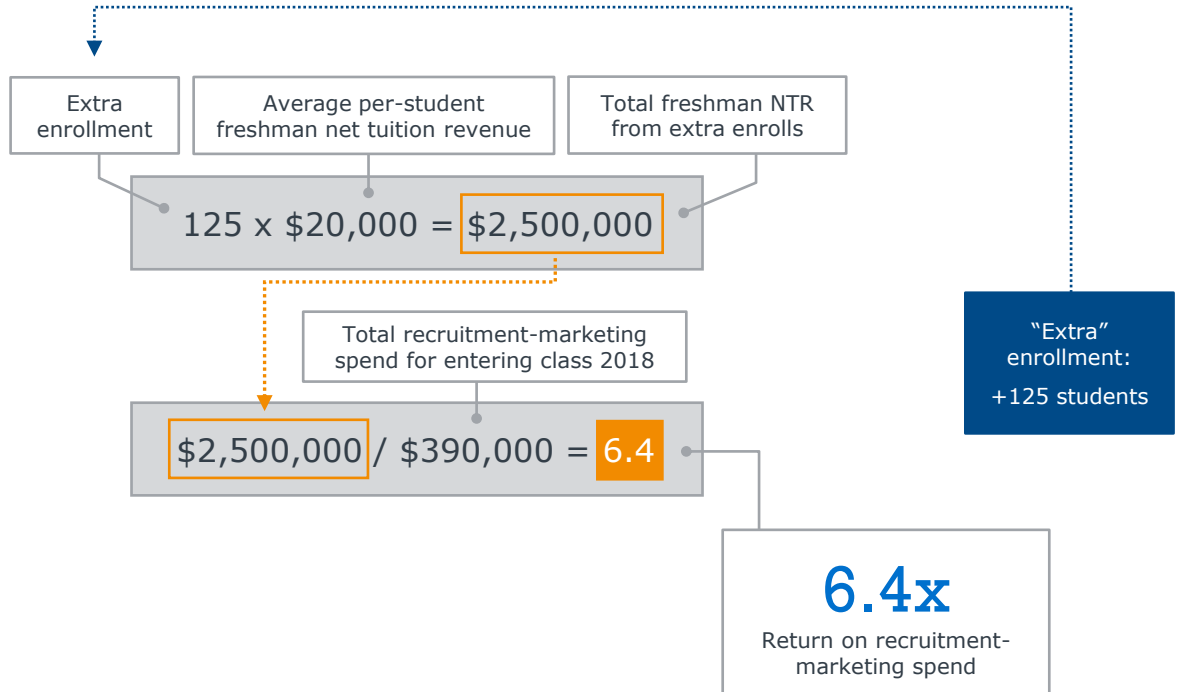
Freshman Headcount, by Entering Class Year



Assessing ROI in Difficult Markets

Linking Improved Outcome to Underlying Investment

Extra Enrollment from Previous Step Fed into ROI Calculation



Summary Assessment

Things to Keep in Mind When Using Contextualized Assessment

Pros

Reveals hidden impact

For schools in difficult markets, putting results into broader context is the easiest way to reveal otherwise hidden successes.

Benefits of benchmarking

Comparing your performance to that of other institutions can reinforce broader benchmarking efforts and reveal opportunities for improvement.

Pairs well with other methods

Providing context can boost the effectiveness of the other ROI assessment approaches, such as Method 1.

Cons

Adjusting for externalities

This approach does not automatically account for all important factors impacting enrollment; adjusting for these requires additional work.

Can be a moderately heavy lift

Versions of the assessment that draw on data sources external to your institution can be more difficult to execute.

Apples-to-apples issues

Comparing your institution to others can introduce complex questions regarding the validity of the comparison set you've chosen.



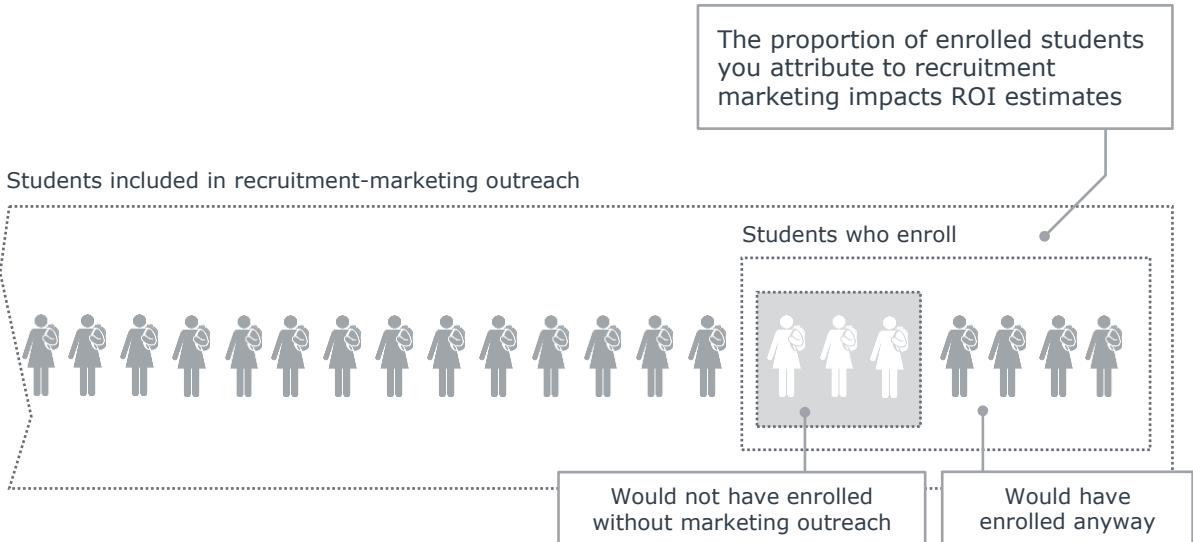
Best for:

Schools in markets where the number of college-bound high school graduates is flat or decreasing; alternatively, schools that are several years into a successful enrollment turnaround

Method 4: Control-Group Testing

Some—but Not All—Enrollments Are Attributable to Your Marketing Efforts

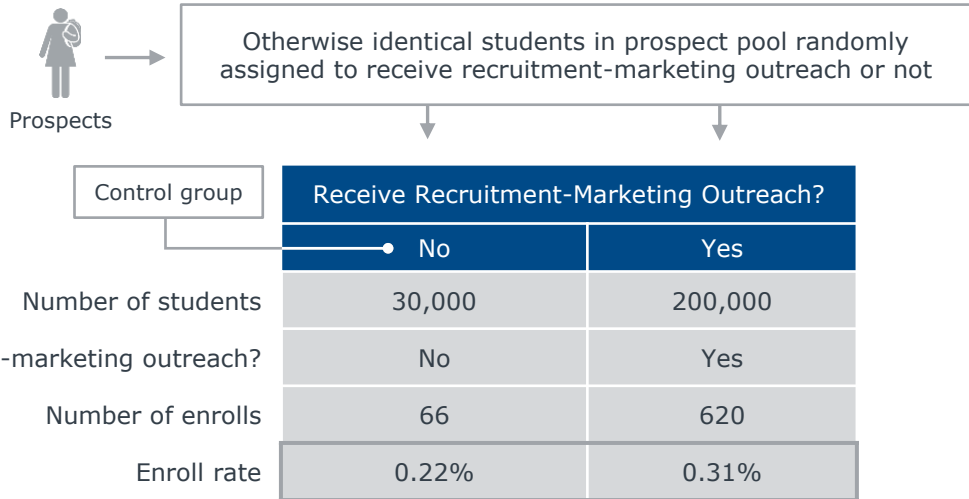
Students Included in Recruitment-Marketing Outreach, by Enrollment Status



A More Rigorous Read on Marketing Impact

Comparing Impact Across Groups Shows Direct Contribution of Marketing

A Hypothetical Example



In this hypothetical example, recruitment marketing results in a 0.09 percentage-point increase in enroll rate. The percentage of total enrollment that is attributable to recruitment marketing is therefore $0.09\%/0.31\%=29\%$.

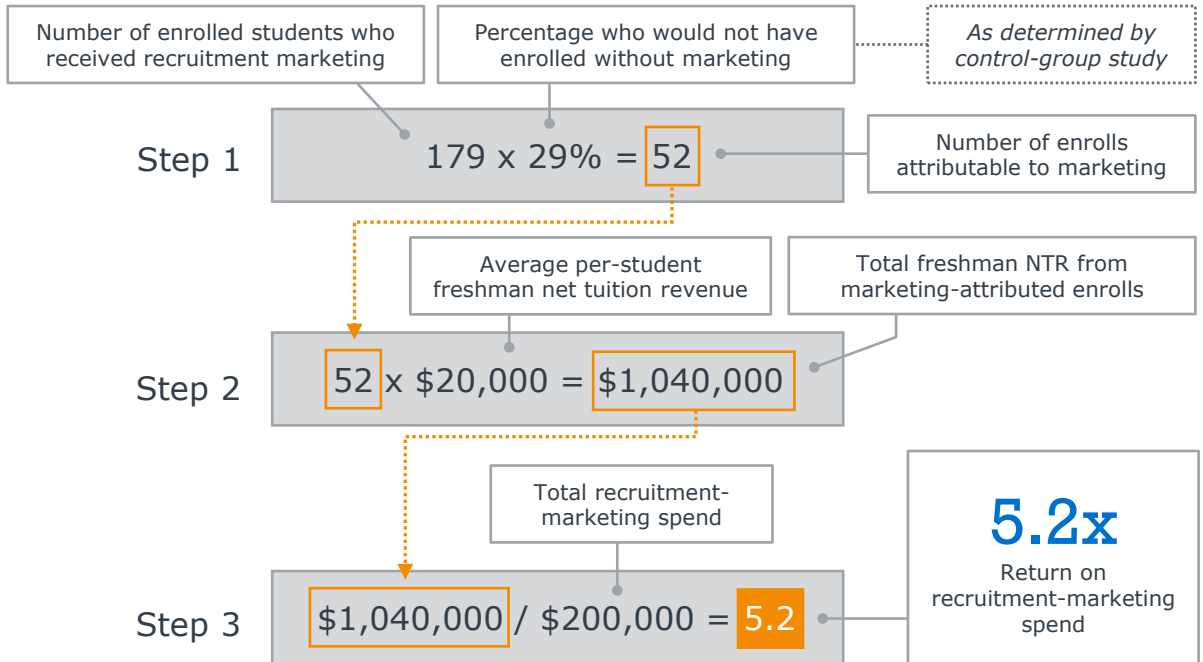
29%

Of enrollment is directly attributable to recruitment marketing

Calculating ROI Using Control-Testing Output

Tying Revenue from Attributed Enrollment to Related Recruitment Spend

A Hypothetical Example



Summary Assessment

Things to Keep in Mind When Using Control-Group Testing

Pros

A direct read on impact

This approach gives you as direct a measure as you're likely to get of the actual influence of your marketing.

Neutralizing noise

Randomization of students in the control-group portion of the methodology helps ensure that results are not skewed by externalities.

Supporting head-to-head comparisons

The improved precision of this approach enables better comparison of the relative impact of different marketing approaches.

Cons

A volume sacrifice

This approach requires some students to be excluded from marketing outreach; enroll rates for this group will likely be lower.

Time- and labor-intensive

This approach involves lengthy lead times and requires significant capacity commitments from skilled data and analytics staff.

A generalizability issue

Analyses using RCT findings may be less accurate when applied to student populations different from those tested.



Best for:

Enrollment teams for whom securing additional resources for recruitment marketing poses a particular challenge

Recap

Four Takeaways on Reckoning Recruitment Impact

1

Fortune favors the bold

Success in today's tough enrollment environment relies on extraordinary levels of commitment and innovation in recruitment

2

Providing proof

Spend for which evidence of impact is lacking is vulnerable when times get tough; generate the proof you need to protect and grow crucial investments

3

The power of pilots

Success breeds success; when considering new approaches, start small and use early successes as a foundation for expanded efforts

4

Don't hold out for perfection

While few enrollment teams have the capacity for generating truly rigorous ROI analyses, even the most basic comparisons of spend and impact can have profound benefits for the appropriate scoping of recruitment investments