



# The Strategic Enrollment Planning Imperative: Higher Education Past and Present

Wes Butterfield

*Senior Vice President*

“

The future is not something we enter. The future is something we create.

*Leonard I. Sweet*

Transferred from [en.wikipedia](#)

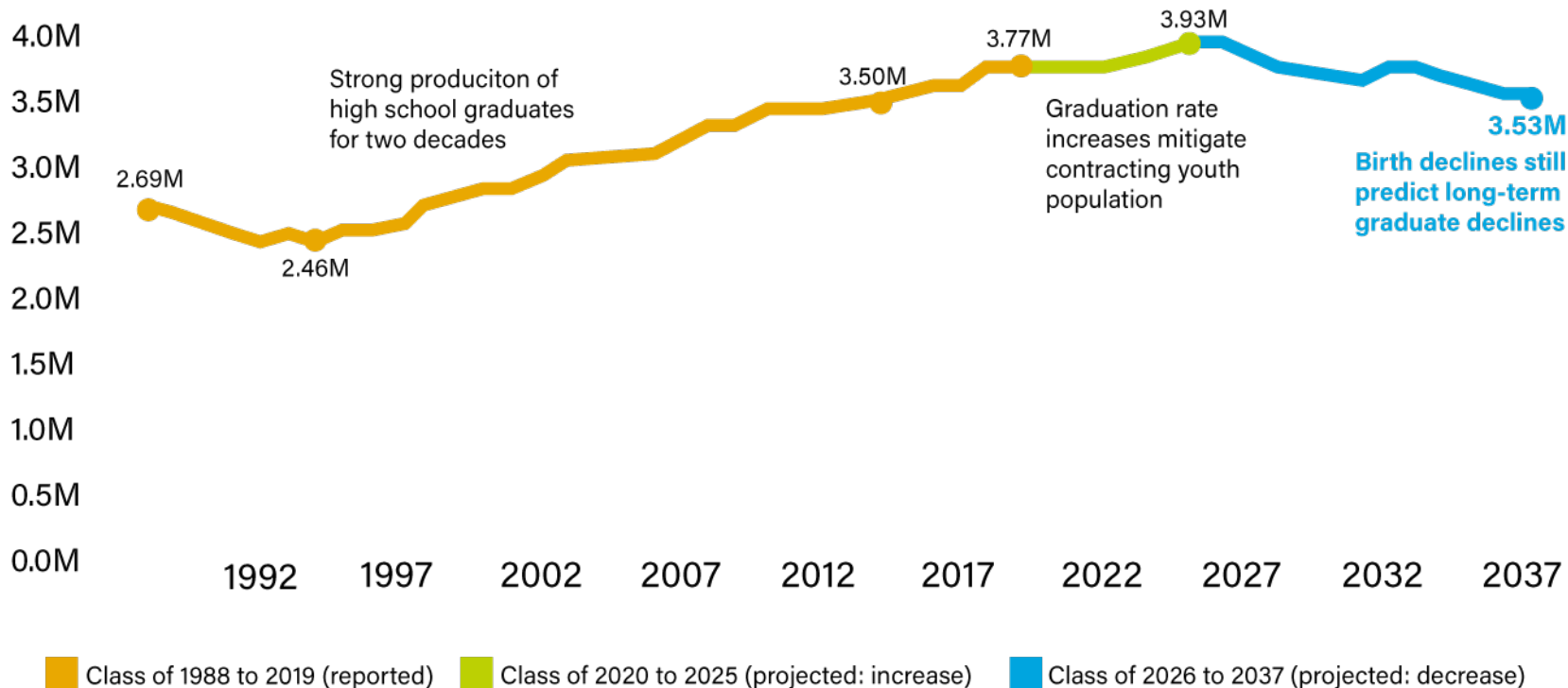
# Trends That Impact SEP

1. Total enrollment is declining, and demographics are shifting.
2. Economics of Higher Education in the U.S. are strained.
3. Retention and completion is critical to long term goals.
4. Student behavior is causing shifts in recruitment activities and where to invest.



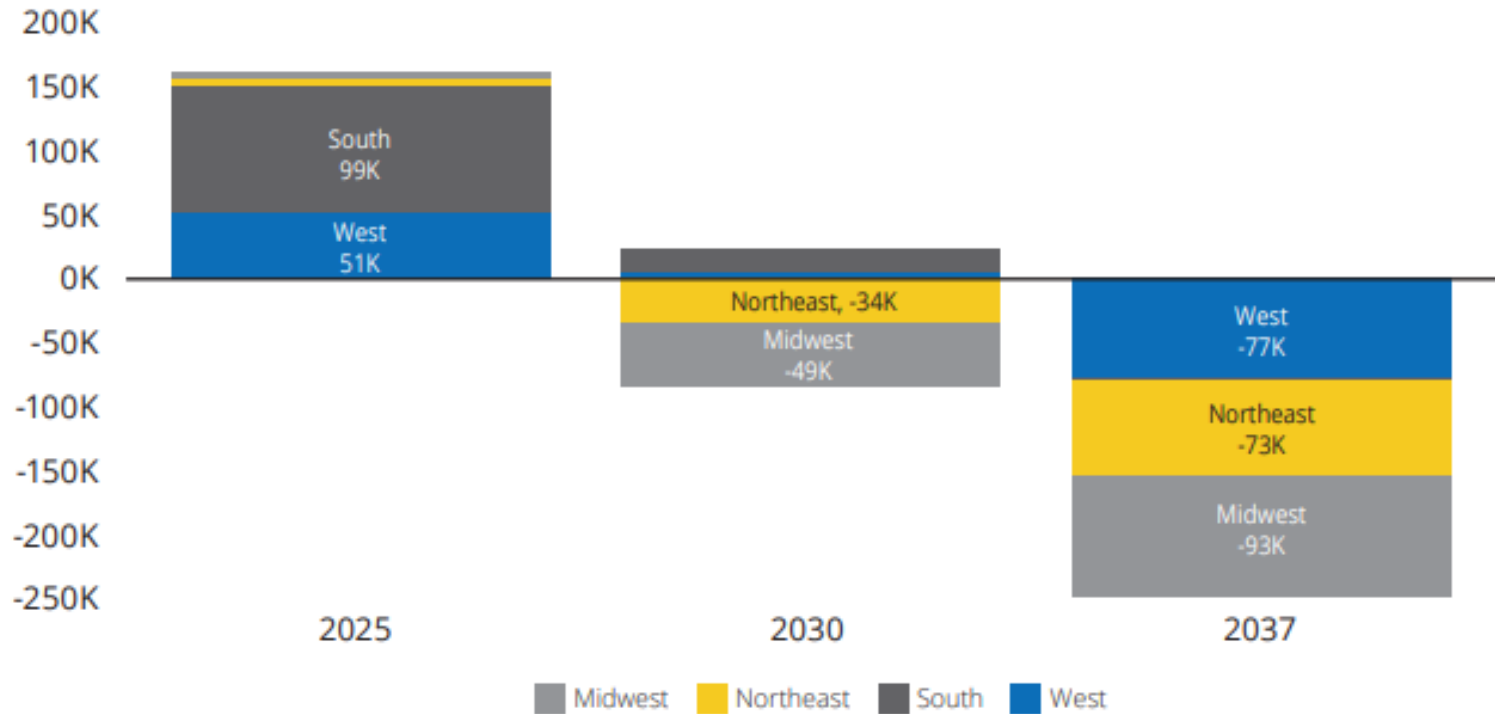
Enrollment is in decline and demographics are shifting

# Slowing Growth in Number of U.S. High School Graduates, then Decline (U.S. Total High School Graduates)



Source: Western Interstate Commission for Higher Education, *Knocking at the College Door*, 10<sup>th</sup> edition, 2020. See Technical Appendix for detailed sources of data through the Class of 2019: WICHE projections, Class of 2020 through 2037.

# Regional Contribution to National Increase or Decrease

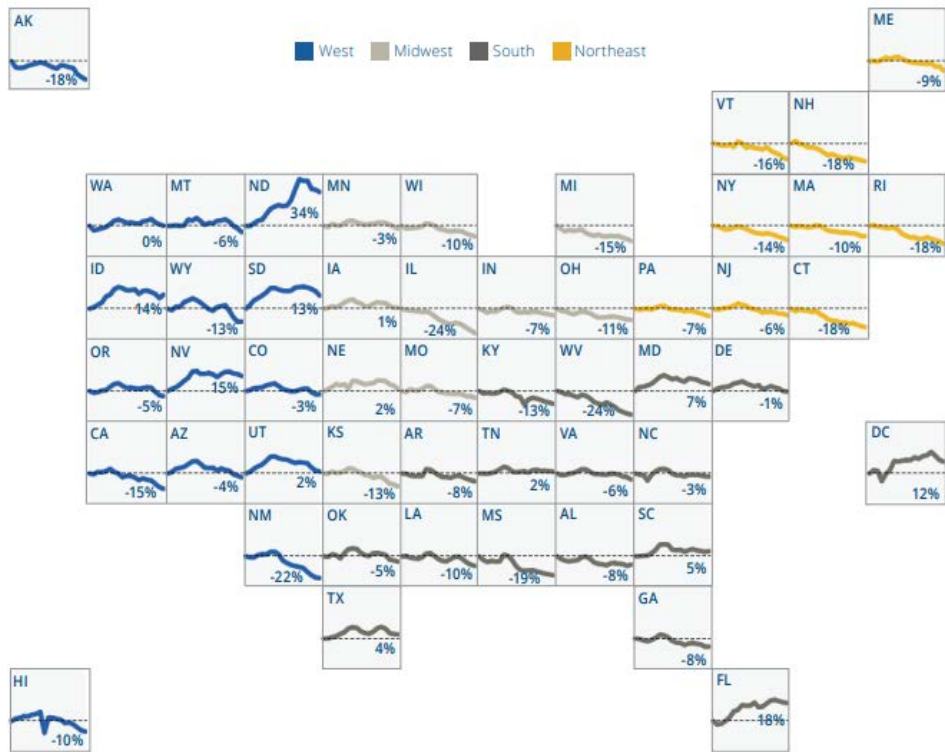


Source: Western Interstate Commission for Higher Education, *Knocking at the College Door*, 10th edition, 2020. WICHE projections and analysis.

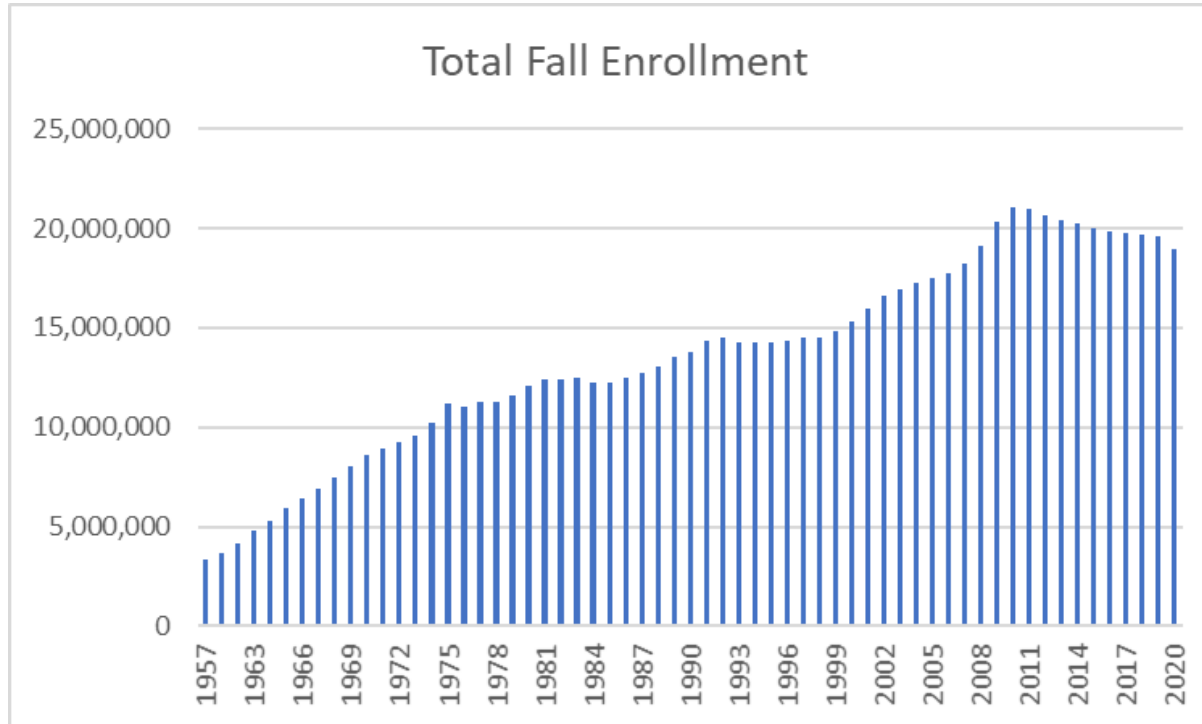
Note: See Figure 2a for states included in each region.



# State-by-State Projected Percent Change from Class of 2019 to 2037, Grand Total of Public & Private Schools



# We Are In The Midst Of Historic Contraction In Total Enrollment



Source: U.S. Department of Education. Institute of Education Sciences, National Center for Education Statistics. Digest of Educational Statistics

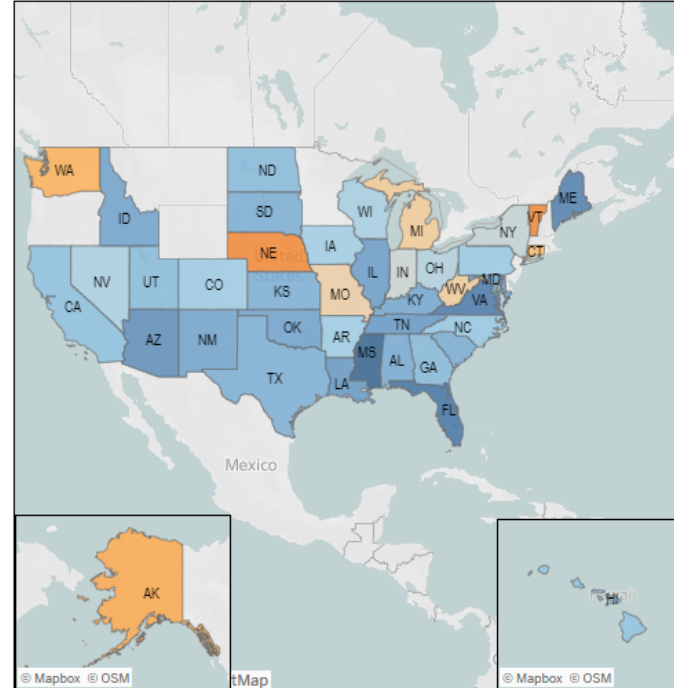
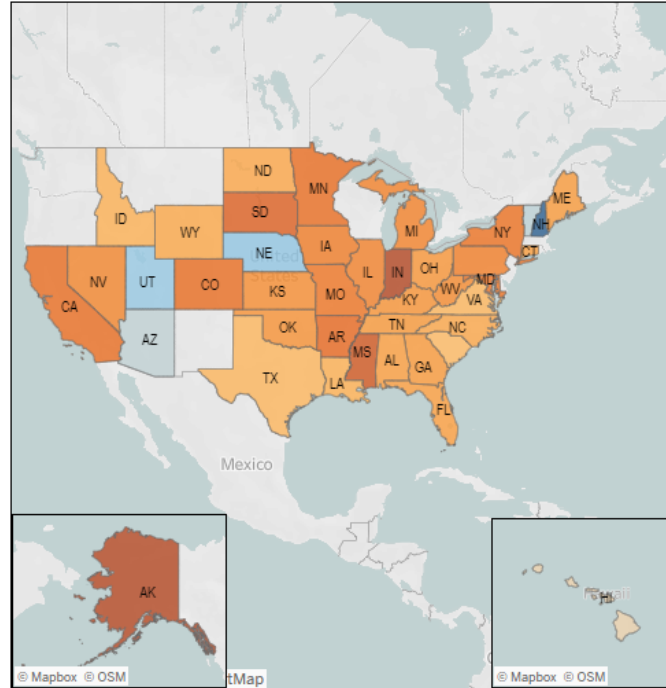


# Graduate Is Growing While UG Is Shrinking In USA

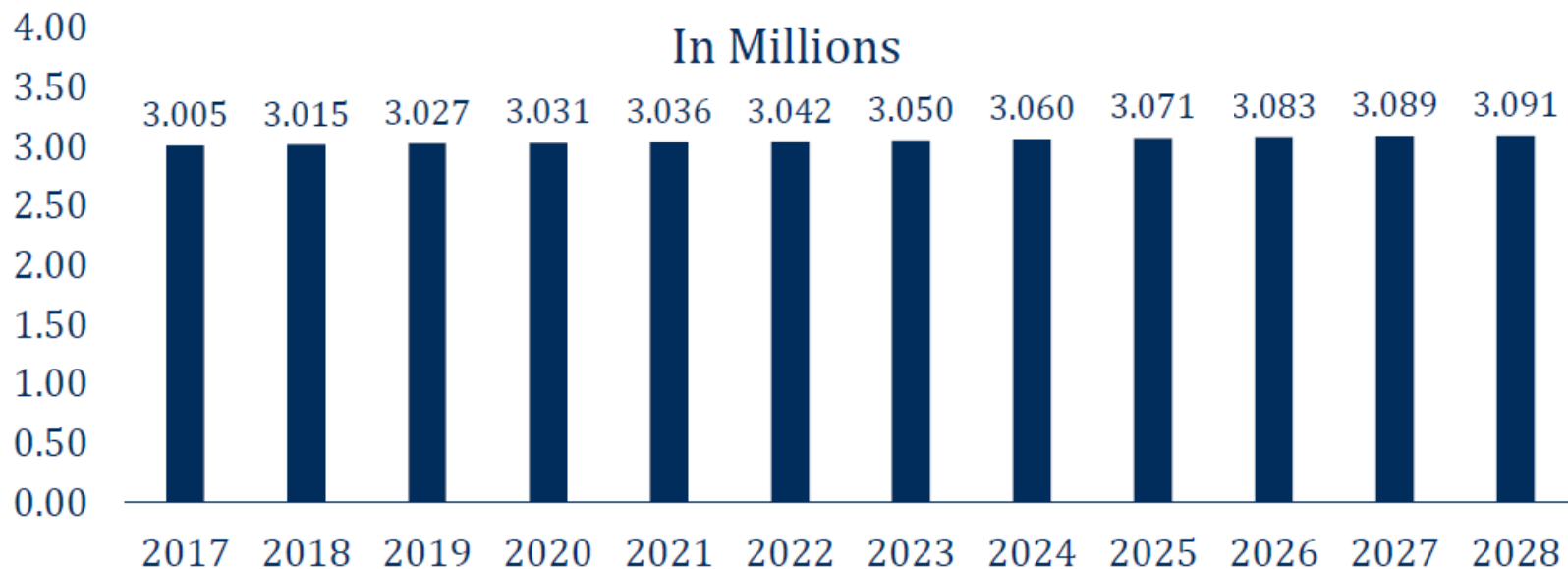
*Undergrad*

*Fall 2019-2021 Enrollment Change*

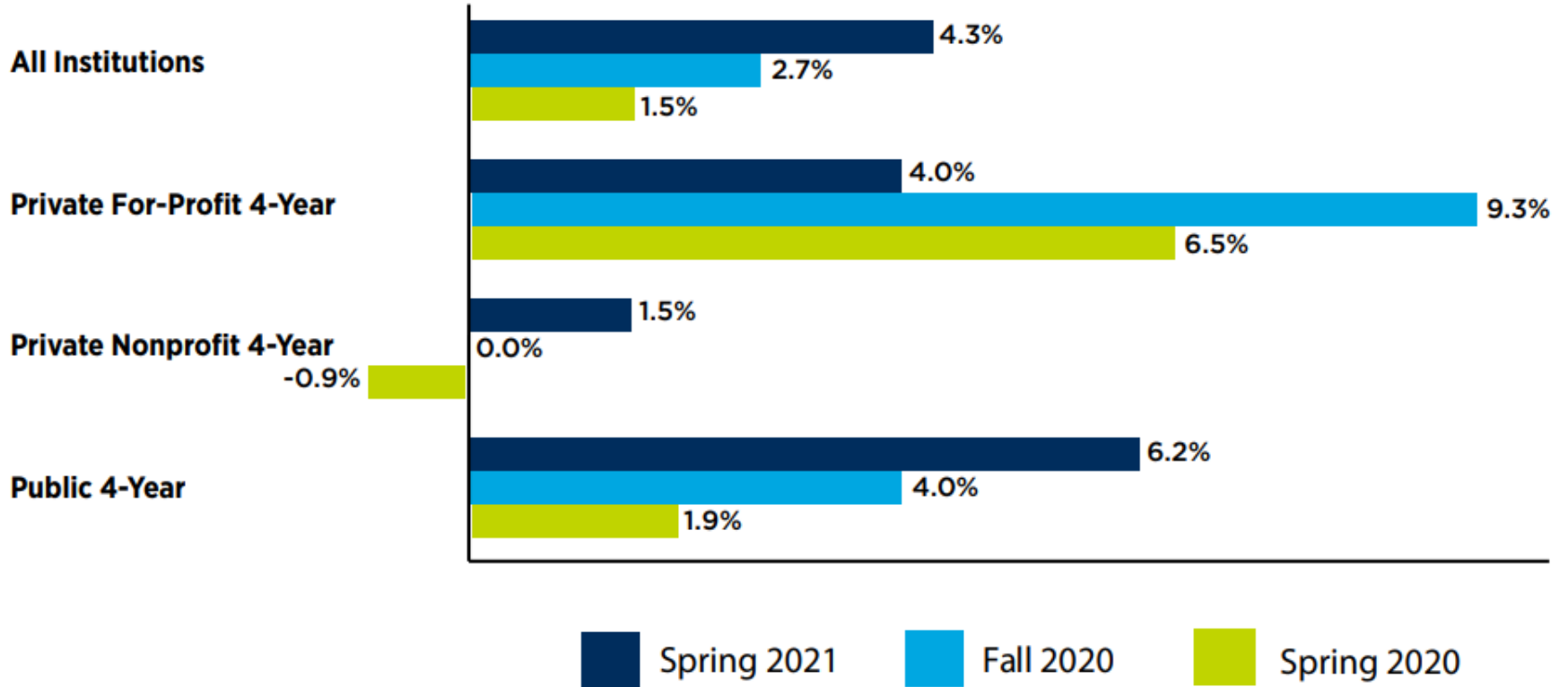
*Graduate*



# Graduate Enrollment Is Expected To Be Flat or Increase Slightly From 2022-2028



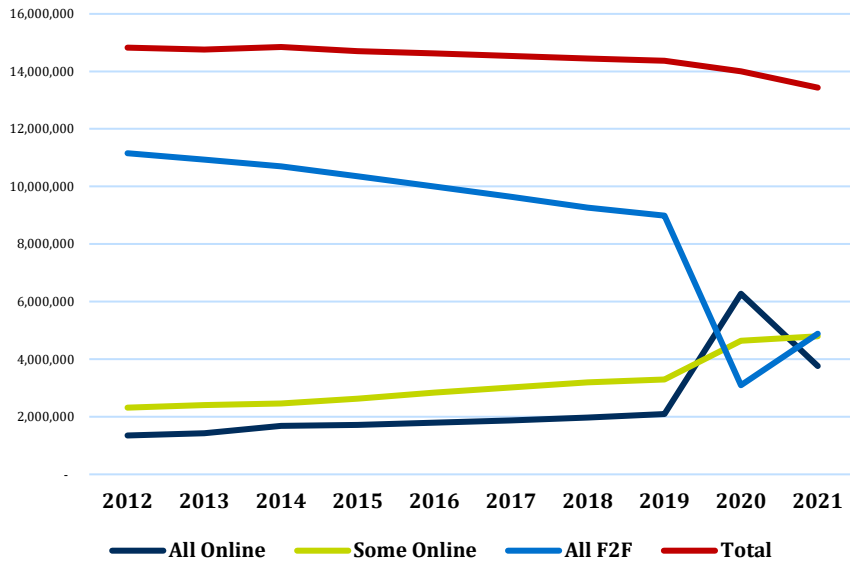
# YEAR-OVER-YEAR GRADUATE ENROLLMENT SNAPSHOT



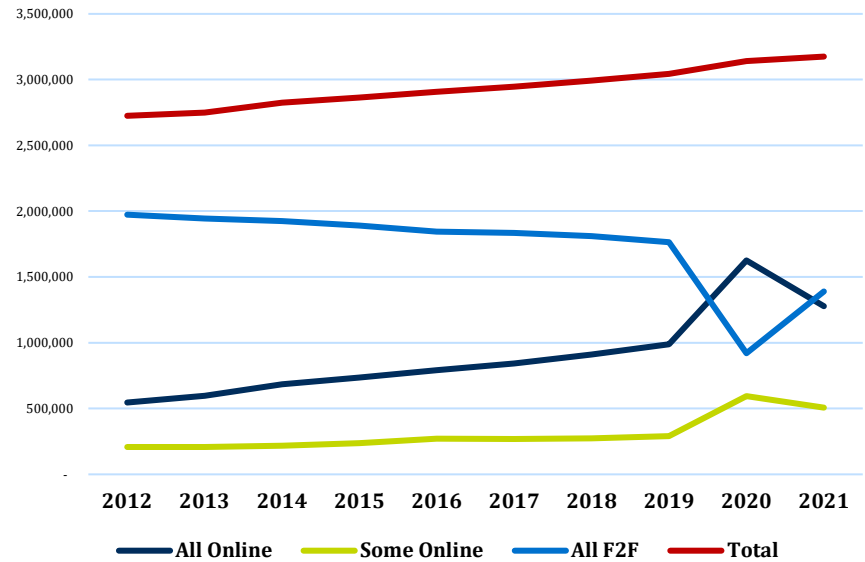
# Enrollment Trends and Format Choice Since 2012

At both the undergraduate and graduate levels, fully online and fully classroom students are now at near parity. Is this the future of higher education?

## Undergraduate

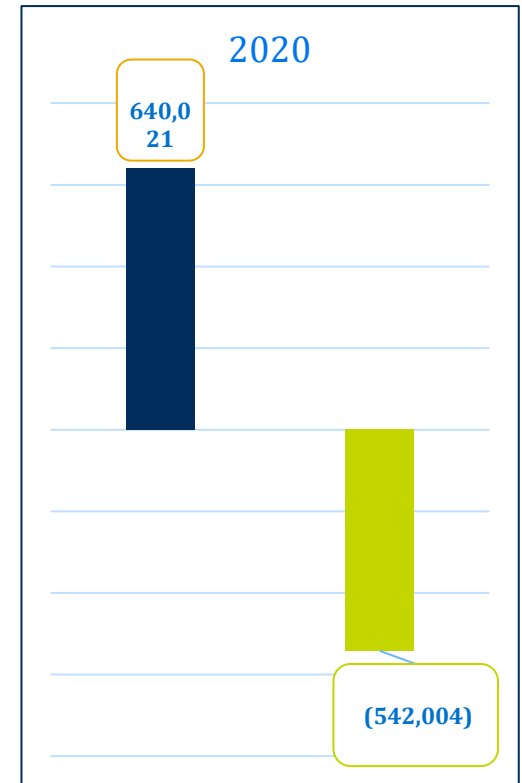
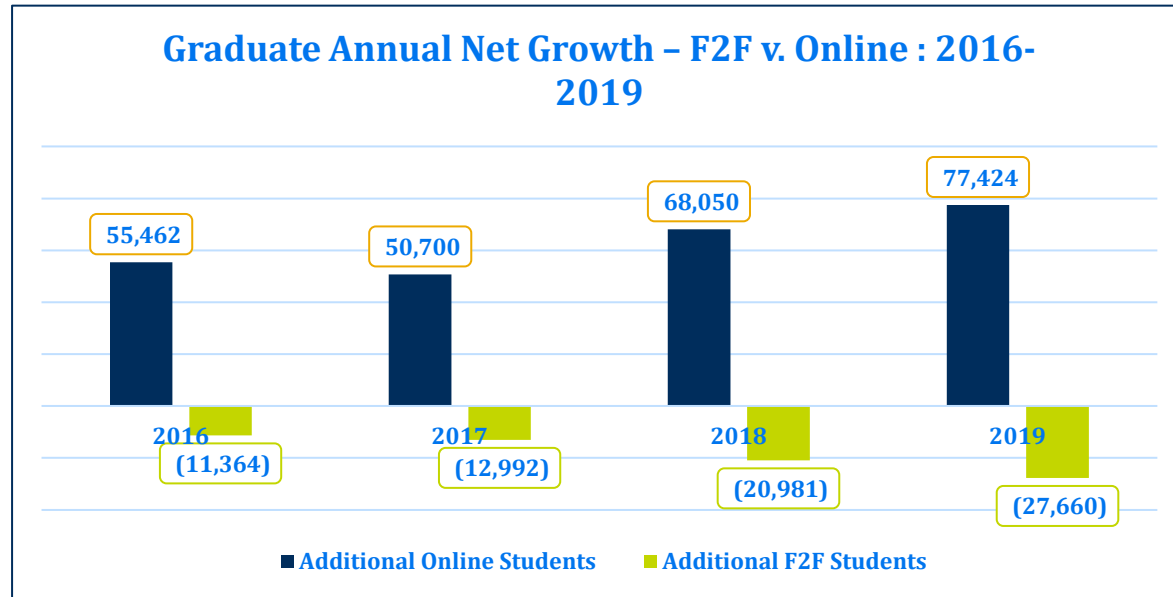


## Graduate



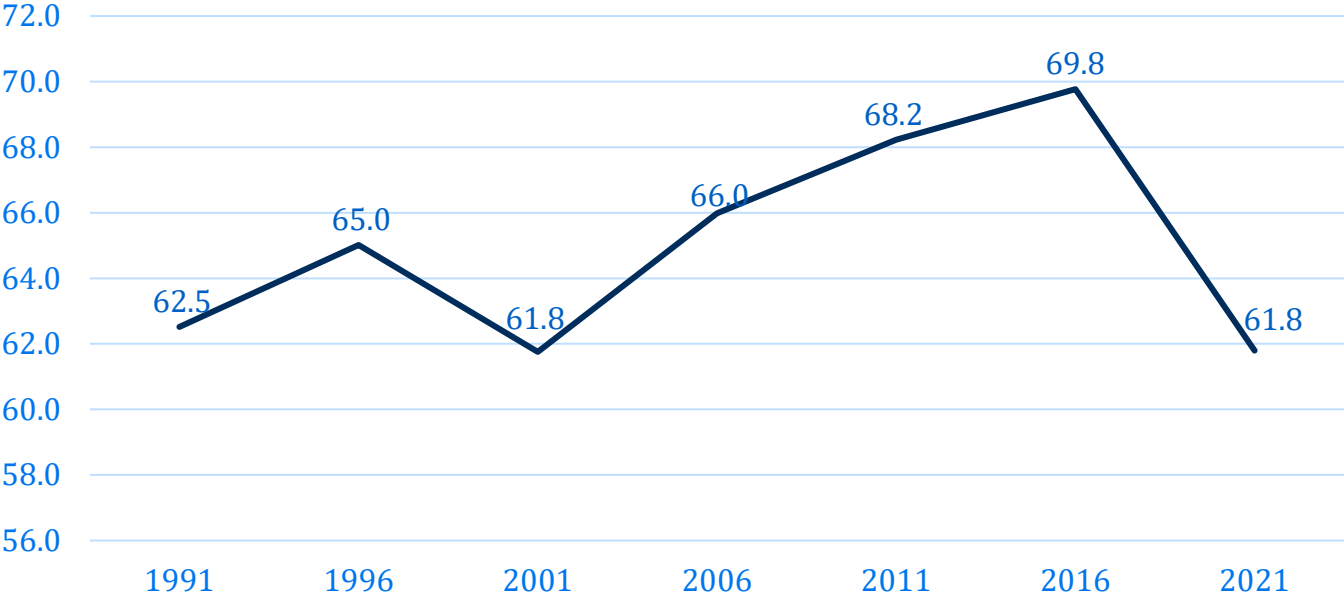
Source: RNL Analysis of IPEDS Fall Enrollment Snapshot data. (U.S. degree granting institutions of at least two years.)

# All net graduate growth has been among online students



# College Participation Rates Had Been A Key Growth Driver

Percentage of recent high school completers enrolled in college



Source: NCES, Digest 2022 Table 302.20

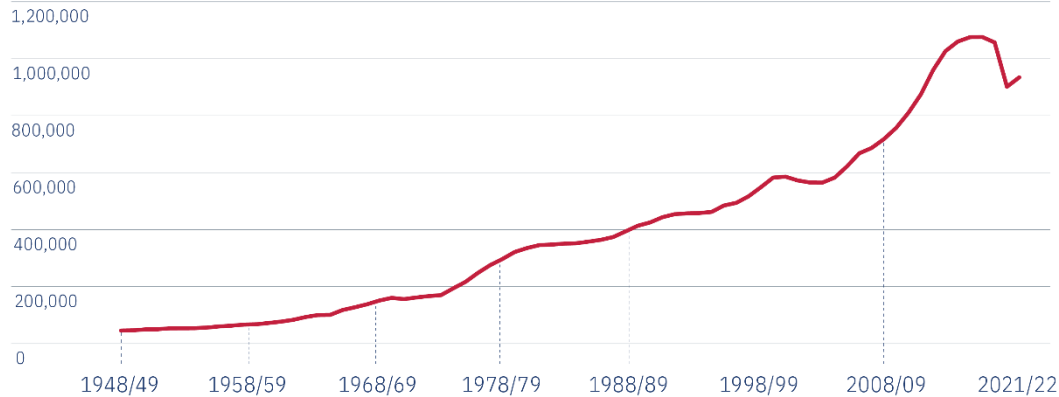
**948,519** international students enrolled at U.S. higher education institutions and were on Optional Practical Training (OPT) in the 2021/22 academic year.

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**Source:** The *Open Doors Report on International Educational Exchange* is a comprehensive information resource on international students and scholars at higher education institutions in the United States and U.S. students studying abroad. It is sponsored by the U.S. Department of State with funding provided by the U.S. Government and is published by IIE. For more information, visit [www.opendoorsdata.org](http://www.opendoorsdata.org).

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## INTERNATIONAL STUDENTS, 1948/49 – 2021/22



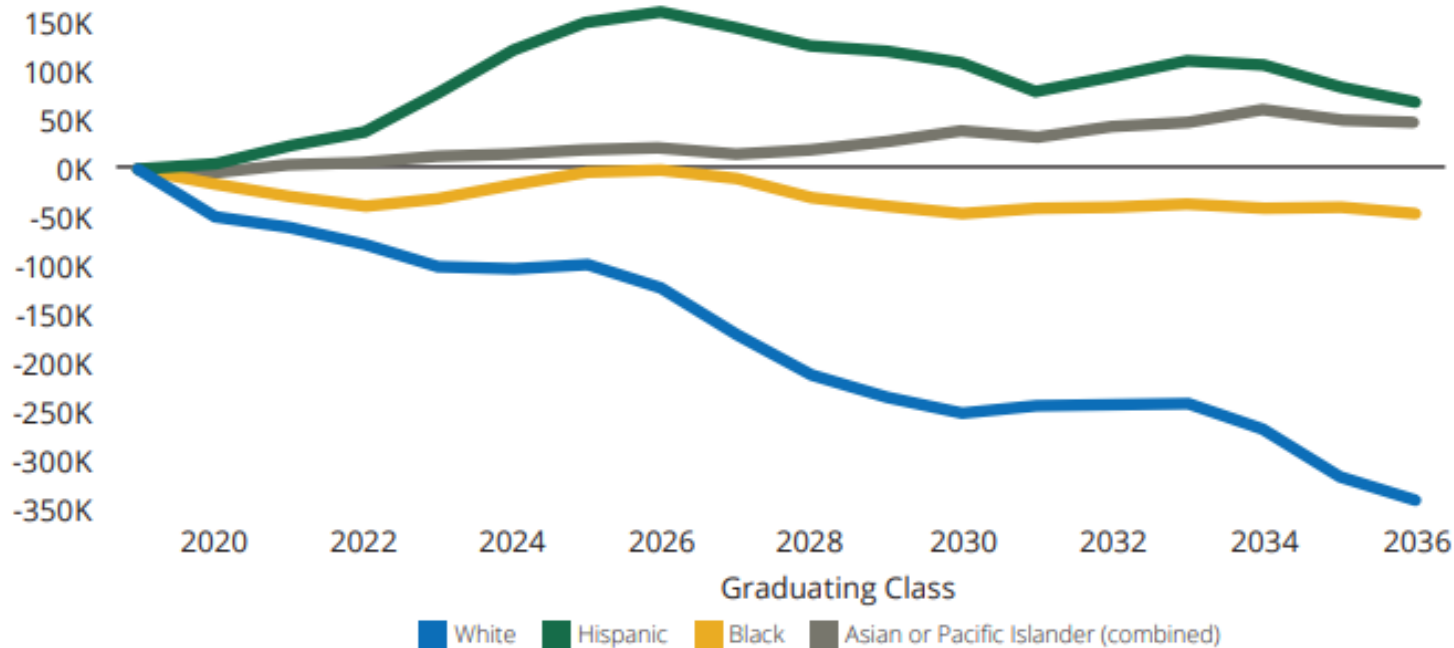
In 2021/22, the total number of international students **increased by 4%** from the prior academic year.

**Source:** The *Open Doors Report on International Educational Exchange* is a comprehensive information resource on international students and scholars at higher education institutions in the United States and U.S. students studying abroad. It is sponsored by the U.S. Department of State with funding provided by the U.S. Government and is published by IIE. For more information, visit [www.opendoorsdata.org](http://www.opendoorsdata.org).

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# Projected Change in Number Among U.S. Public High School Graduates Compared to 2019



Source: Western Interstate Commission for Higher Education, *Knocking at the College Door*, 10th edition, 2020. WICHE projections and analysis.  
Notes: Showing White non-Hispanic, Hispanic of any race, Black non-Hispanic and Asian/Pacific Islander (combined) non-Hispanic. Figure 5a shows additional race categories.

# Implications of Enrollment Decline and Demographic Shift

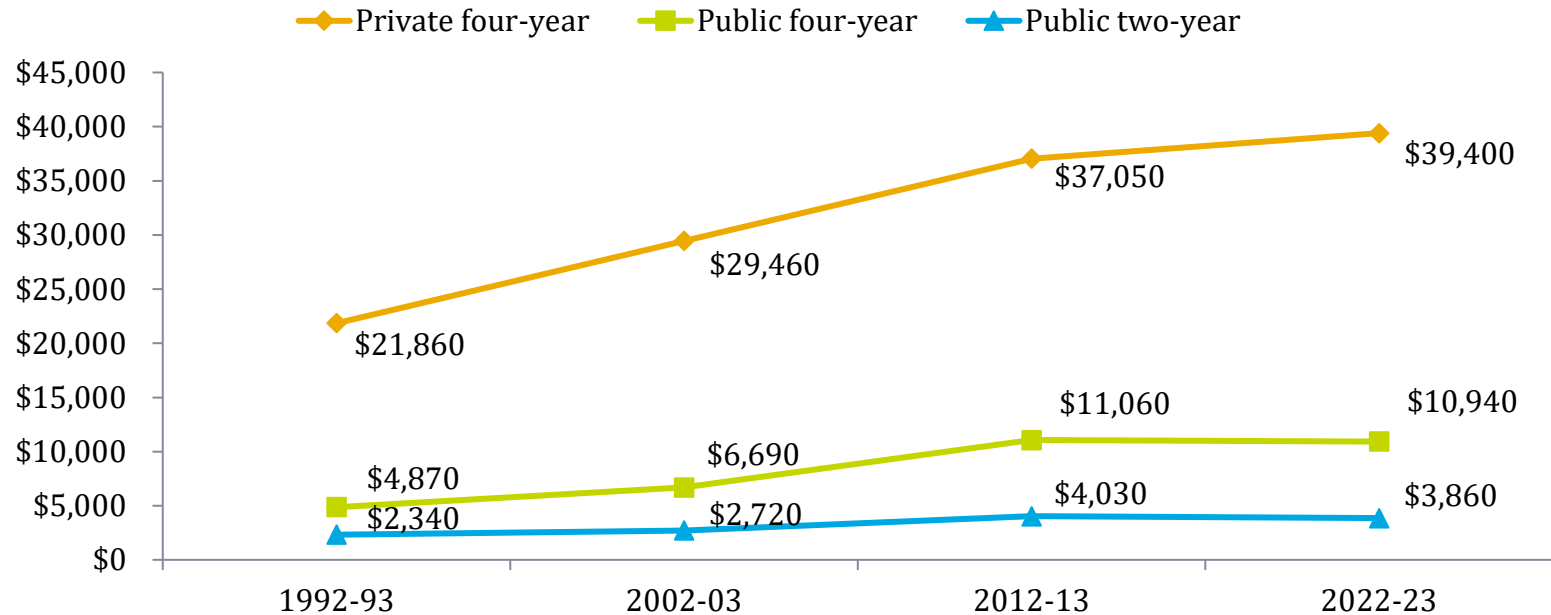
- Understand the market segments, market potential, and market share for your institution.
- Set realistic goals given the market pressures. Understand the data for your market.
- Investigate new market segments with a realistic plan driven by data.
- Creating a welcoming environment and segmented recruitment to diverse populations is necessary.
- Graduate programs and International should be growth areas in the future.



# The Economics of Higher Education

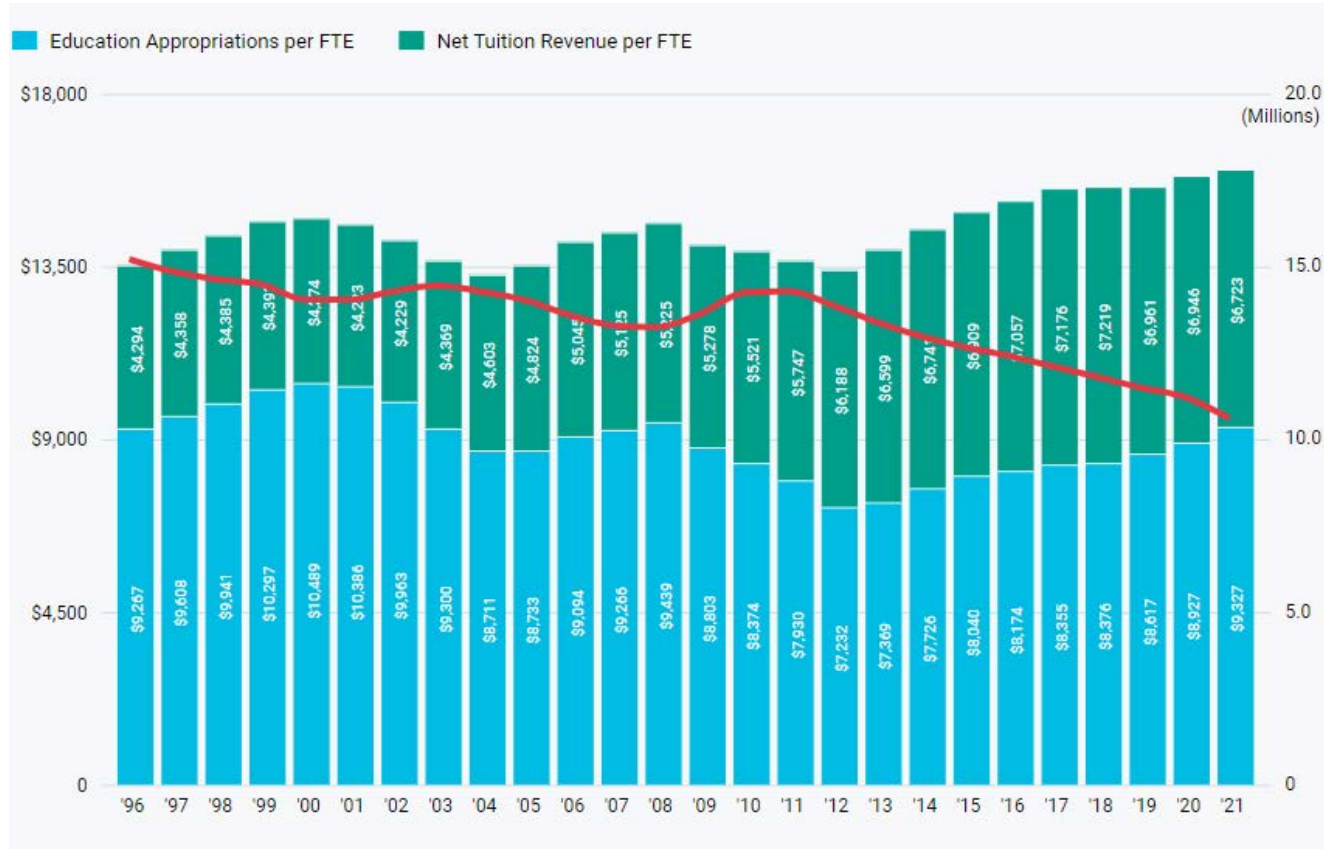
# Average tuition and fee charges in constant dollars

## 1992-93 to 2022-23 (enrollment weighted)



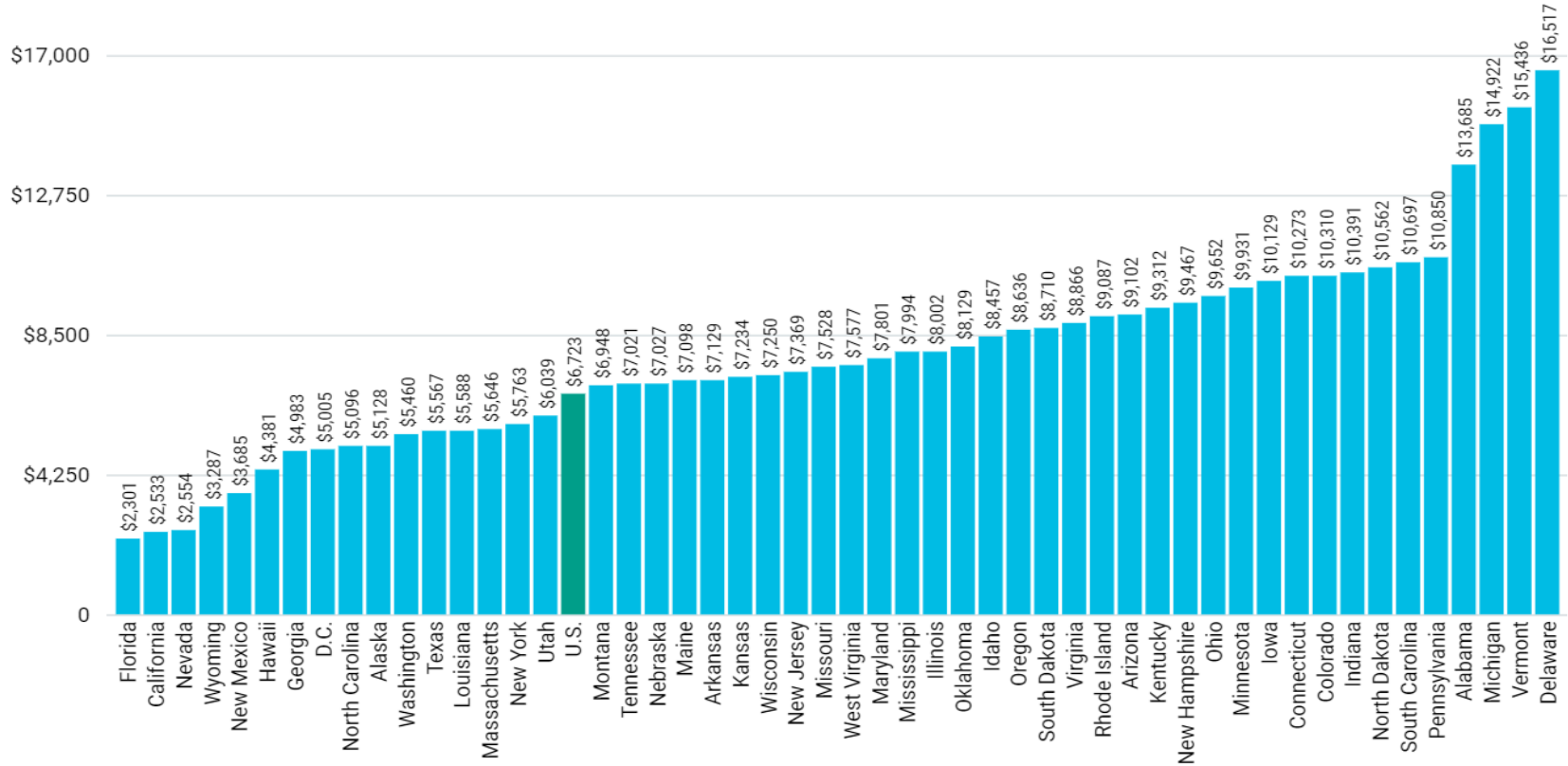
Source: Trends in College Pricing. Copyright © 2022, the College Board. [www.collegeboard.org](http://www.collegeboard.org).  
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# Public FTE Enrollment, Education Appropriations per FTE, and Net Tuition Revenue per FTE, U.S., FY 1996-2021 (Constant Dollars)



Source: SHEEO: State Higher Education Executive Officers Association Finance FY21

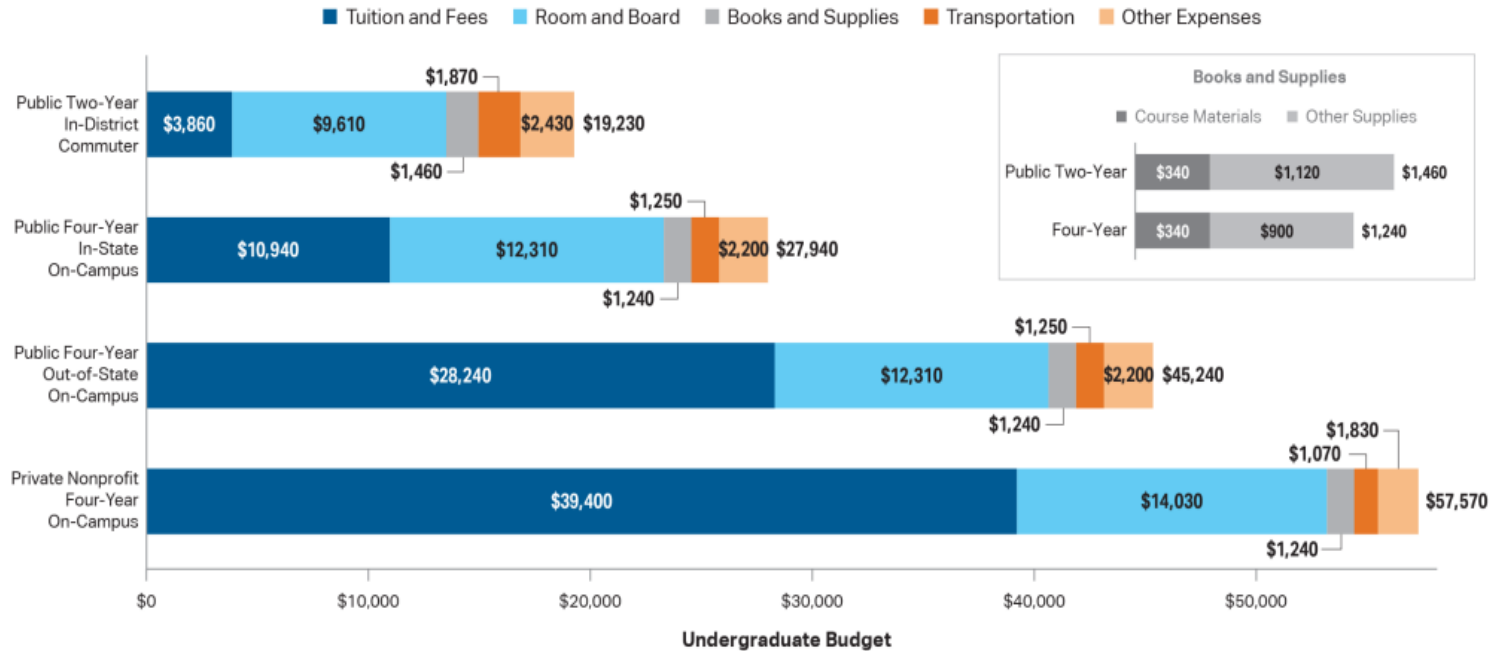
# Public Higher Education Net Tuition Revenue per FTE by State, FY 2021 (Adjusted)



Source: SHEEO: State Higher Education Executive Officers Association Finance FY21

# Average estimated Undergraduate Budgets

## 2022-23 (Enrollment weighted), by Sector



# Average net tuition revenue by Institutional Type in constant dollars: 2009-10, 2014-15, and 2019-20

Institution Type	2009-10 NTR	2014-15 NTR	2019-20 NTR	10 Year % change ('09-'19)	5 Year % change ('14-'19)	5 Year Annual % Change
Public Doctoral	\$10,080	\$11,960	\$12,560	24%	5%	1.7%
Public Master's	\$7,480	\$8,220	\$8,320	11%	1%	.72%
Public Bachelor's	\$5,400	\$5,920	\$5,860	8%	-1%	.75%
Public Associates	\$3,220	\$3,740	\$3,770	17%	.8%	.84%
Private Non-Profit Doctoral	\$22,470	\$24,280	\$25,800	15%	6%	1.65%
Private Non-Profit Master's	\$15,560	\$15,930	\$15,270	-2%	-4%	-.07%
Private Non-Profit Bachelor's	\$17,730	\$17,560	\$17,070	-4%	-3%	-.67%

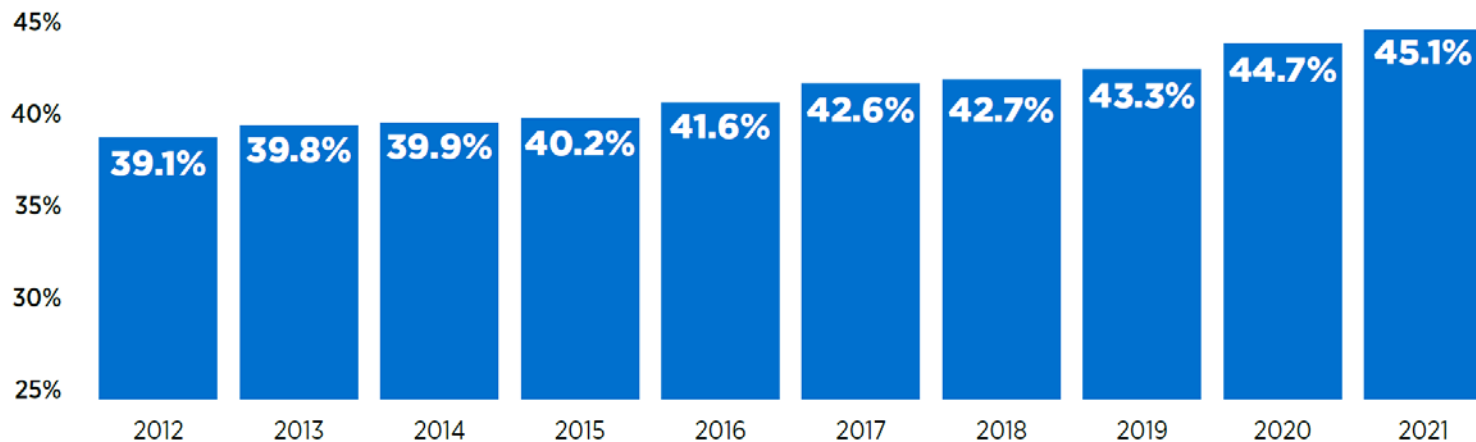


Source: Data derived from 2022 Trends in College Pricing. Copyright © 2022, the College Board. [www.collegeboard.org](http://www.collegeboard.org).  
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# First-year student discounting benchmarks

## *Four-year private institutions*



**+0.4**

**POINT INCREASE**

in overall average discount rate

**58.2%**

**AVERAGE TUITION AND FEE**

discount rate in 2021



# Implications of Higher Education Economics

Campuses need a detailed understanding of net tuition revenue (NTR) and revenue sources for proper goal setting and planning.

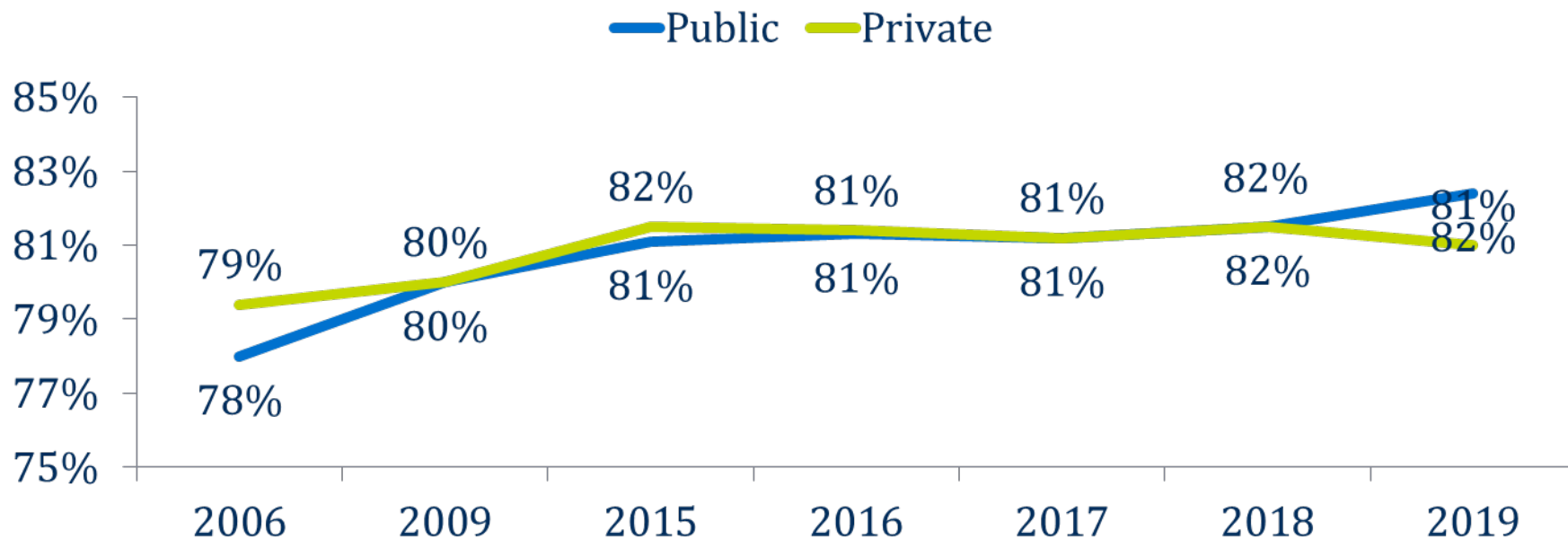
Families are cost conscious and growing populations may be loan adverse.

Knowing what investments have the best return on investment (ROI) to meet revenue goals is critical to long term success.

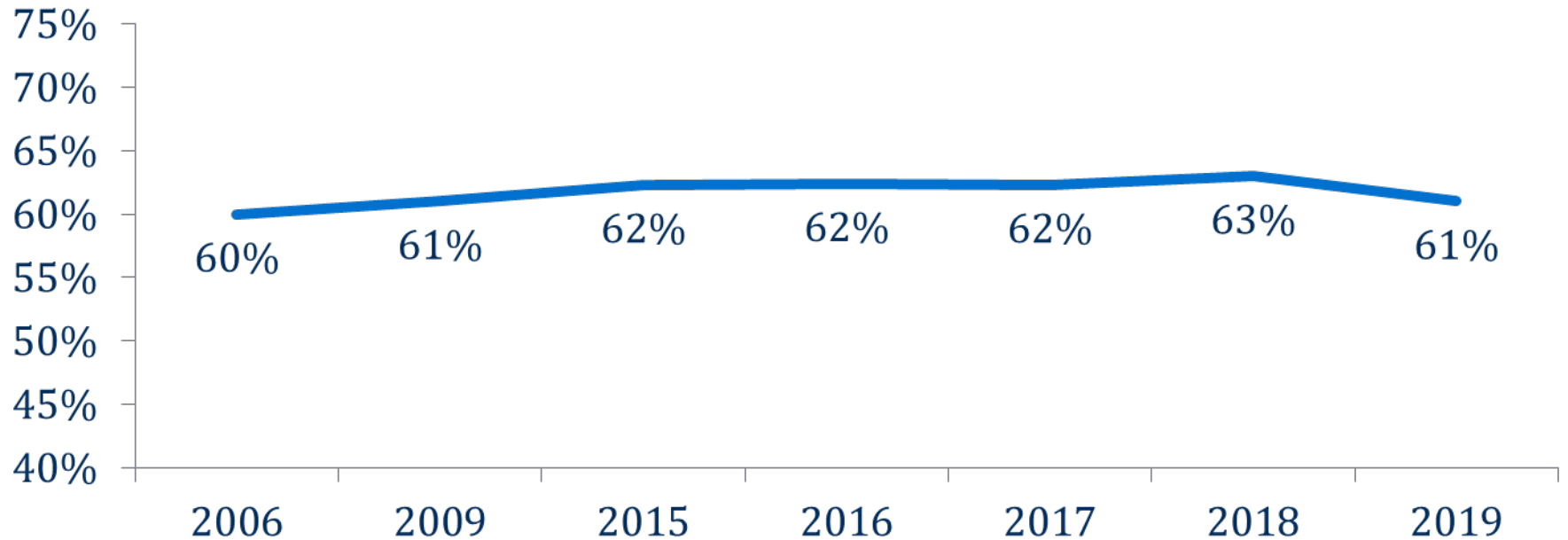


# The Retention and Completion Imperative

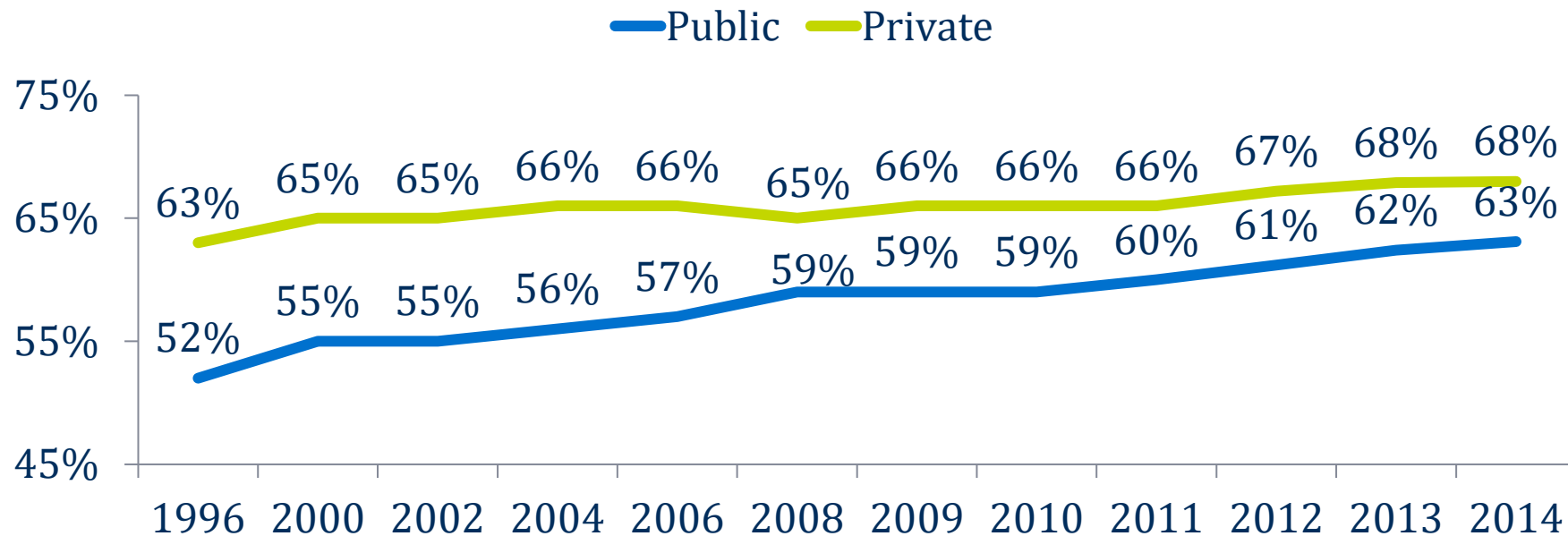
# Percentage of first-year students at four-year colleges/universities who return for a second year: 2006-2019 selected cohorts



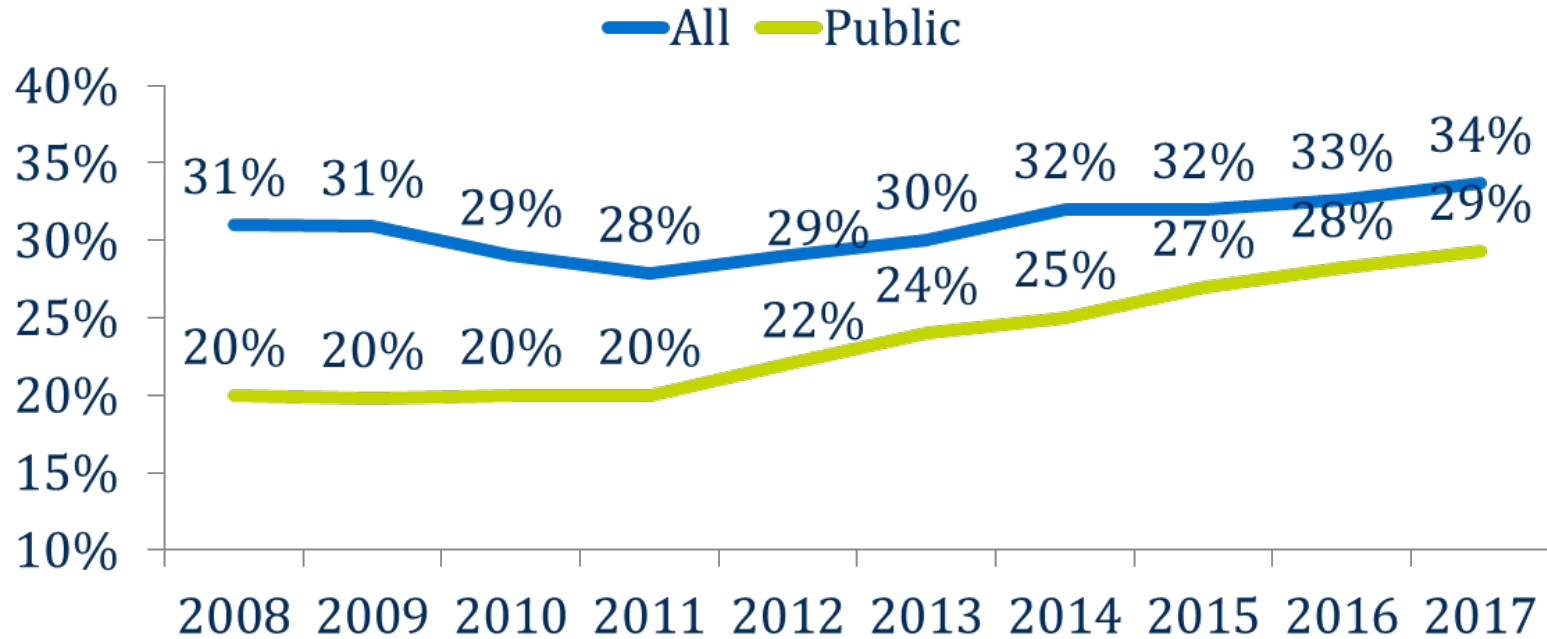
# Percentage of first-year students at two-year colleges who return for a second year: 2006-2019 selected cohorts



# Percentage of four-year college students who earn a degree within six years of entry: Selected cohorts 1996-2014



# Percentage of two-year college students who earn a certificate or associate degree within 150 percent time: 2000-2017



# Term-to-term persistence benchmarks

## *FTIC term-to-term persistence rate benchmarks*

Persistence Ratios	FOUR-YEAR PRIVATE			FOUR-YEAR PUBLIC	
	ALL	HIGHER SELECTIVITY	LOWER SELECTIVITY	ALL	
Persistence from term one to term two, 2020-2021 academic year	25th Percentile	84.8%	85.0%	82.0%	81.3%
	<b>Median</b>	<b>88.0%</b>	<b>88.5%</b>	<b>87.5%</b>	<b>86.5%</b>
	75th Percentile	92.5%	91.8%	92.5%	89.0%
Persistence from term two of the 2020-2021 academic year to term three (the beginning of the 2021-2022 academic year)	25th Percentile	80.3%	82.3%	76.8%	78.0%
	<b>Median</b>	<b>83.5%</b>	<b>87.5%</b>	<b>81.5%</b>	<b>82.0%</b>
	75th Percentile	88.5%	90.5%	85.3%	85.0%



# Retention benchmarks

## *Longitudinal view for FTIC students: Continuing enrollment, terms one to five*

Continuation Rates	FOUR-YEAR PRIVATE	FOUR-YEAR PUBLIC
Persistence from term one to term two, 2019-20 academic year	88.5%	87.0%
Persistence from term two of the 2019-20 academic year to term three (first term of 2020-21 academic year)	87.0%	83.0%
Persistence from term three to term four, 2020-21 academic year	93.0%	91.5%
Persistence from term four of the 2020-21 academic year to term five (first term of 2021-2022 academic year)	93.0%	91.5%

# Retention benchmarks

## *Newly arrived transfer student fall-to-fall retention rate benchmarks from fall 2020 to fall 2021*

Retention Ratios	FOUR-YEAR PRIVATE			FOUR-YEAR PUBLIC
	ALL	HIGHER SELECTIVITY	LOWER SELECTIVITY	ALL
25th Percentile	71.0%	69.0%	73.3%	70.0%
<b>Median</b>	<b>78.0%</b>	<b>78.0%</b>	<b>79.0%</b>	<b>75.5%</b>
75th Percentile	87.0%	89.0%	81.8%	86.3%

# The Retention and Completion Imperative

- Improving persistence and retention is imperative to maintaining or increasing enrollment.
- Benchmark against your peer set and set goals/KPIs.
- ROI on retention and completion efforts are typically higher than marketing and recruitment ROI.
- Create a retention plan with accountability for key performance indicators (KPIs).



Student  
behaviors and  
changes in the  
investment of  
recruitment  
activities

# Understanding the needs of today's students

*The data are clear—students and parents need to be engaged*

- **79** —average number of times a student unlocks their phone each day
- **98%** of students consider financial aid and scholarship as somewhat or very important in enrollment decision
- **70%** of students bypass direct marketing and search on their own
- **99%** of parents say they are involved in the search process




## *Top channels*

- Website
- Email
- Video
- Social Media
- Text

## *Top desired content*

- Academic programs
- Cost/Aid
- What the community is like

# Most influential sources during college search



RESOURCE	OVERALL	SENIORS	JUNIORS	SOPHOMORES
The college's website	3.99	3.91	3.91	4.08
Results from a financial aid or scholarship calculator	3.84	3.85	3.77	3.90
Statistics on salaries of recent college graduates	3.69	3.79	3.74	3.65
Videos of campus, classrooms, students, residence halls	3.75	3.73	3.70	3.86
Email from a particular school	3.75	3.70	3.79	3.90
Phone calls from admissions counselors	3.64	3.58	3.80	3.73
Texts or live messages from admissions counselors	3.62	3.54	3.59	3.66
Virtual reality videos	3.50	3.53	3.41	3.43
Social media posts	3.36	3.51	3.46	3.28
Virtual tours	3.51	3.51	3.59	3.78

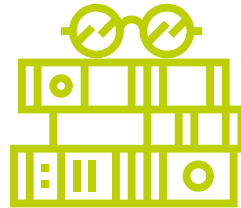
# Most commonly used search terms during the college search process



60%

## College financing terms

financial aid  
scholarships  
affordable  
tuition  
cost  
grants



48%

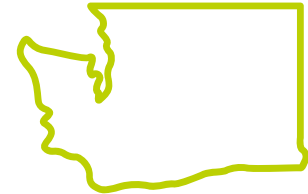
## Subject area or Major field of study

major and location  
major and type of institution



24%

## Name of the school



12%

## Location

state  
city  
region of the country

# Most important factors in the students' decision to attend a particular institution



**69%**

Availability of my  
desired academic  
program



**61%**

Cost



**51%**

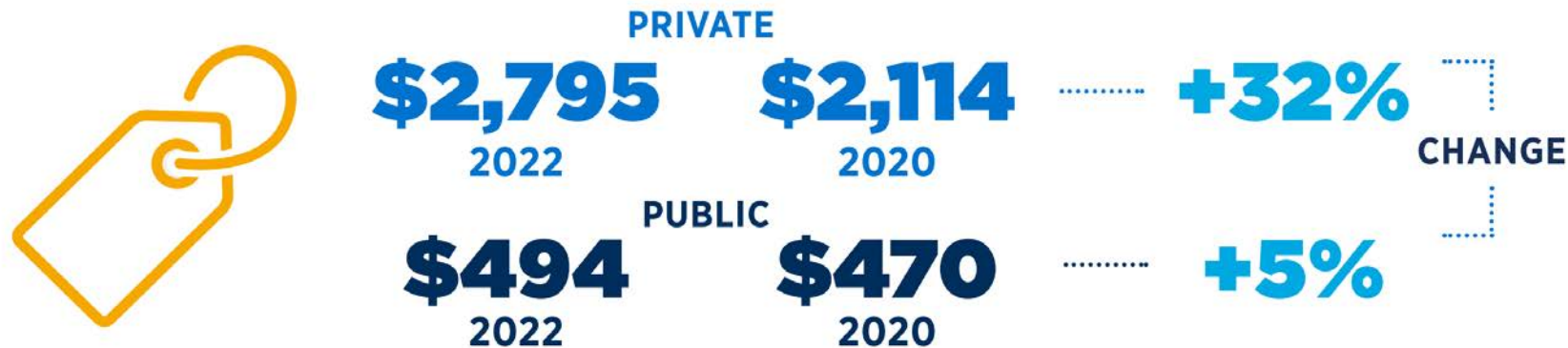
Financial aid  
or scholarships  
I was awarded



A blue-tinted photograph of three people in a meeting, looking at a document together. The image is overlaid with white text.

# 2022 Cost To Recruit Undergraduate Findings

# Cost to recruit an undergraduate student



Note: All 2020 results are from the *2020 Cost of Recruiting an Undergraduate Student Report*.

# Cost to recruit a single student

COST OF RECRUITING ONE ...	PRIVATE 2022	PRIVATE 2020	PUBLIC 2022	PUBLIC 2020
Undergraduate student	\$2,795	\$2,114	\$494	\$470
Transfer student	\$278	\$333	\$109	\$27
International student	\$855	\$585	\$0*	\$125

\*Because RNL uses the median for cost, the international student amount was \$0 for public institutions that provided data on international student recruitment costs.

# Cost to recruit a single student *minus* personnel cost






PRIVATE		PUBLIC	
<b>\$1,652</b>	<b>\$1,086</b>	<b>\$282</b>	<b>\$214</b>
2022	2020	2022	2020

# Budget




## PERCENTAGE CHANGES IN THE BUDGET FOR RECRUITMENT AND ADMISSIONS

2021-2022 Budget vs. 2019-20 Budget

### PRIVATE INSTITUTIONS

	Budget <b>decreased</b> more than 2%	22%
	Budget stayed the same	25%
	Budget <b>increased</b> more than 2%	53%

### PUBLIC INSTITUTIONS

	Budget <b>decreased</b> more than 2%	21%
	Budget stayed the same	8%
	Budget <b>increased</b> more than 2%	71%

# Budget allocation (private)

PRIVATE	2022	2020
Student search (purchased lists and full costs if outsourced to a vendor)	16%	14%
<b>Digital advertising</b>	<b>12%</b>	<b>n/a*</b>
Web services (i.e., SEO, consulting, general maintenance)	9%	11%
CRM costs	9%	n/a
Travel	8%	17%
Prospective student communications (phone, email, direct mail, and texting)	8%	13%
Recruitment publications	7%	11%
Events (on-campus, off-campus, virtual)	7%	12%
<b>Digital lead generation</b>	<b>7%</b>	<b>n/a*</b>
Traditional advertising	5%	6%
Transfer recruitment	4%	4%
International recruitment	3%	5%
Other	2%	8%
Chat	0.5%	n/a

# Budget allocation (public)

PUBLIC	2022	2020
Student search (purchased lists and full costs if outsourced to a vendor)	15%	12%
Travel	14%	16%
Recruitment publications	13%	15%
Events (on-campus, off-campus, virtual)	12%	11%
Prospective student communications (phone, email, direct mail, and texting)	9%	17%
<b>Digital advertising</b>	<b>7%</b>	<b>n/a*</b>
Transfer recruitment	6%	4%
Web services (i.e., SEO, consulting, general maintenance)	6%	13%
CRM costs	5%	n/a
Traditional advertising	4%	6%
Other	3%	3%
<b>Digital lead generation</b>	<b>2%</b>	<b>n/a*</b>
International recruitment	1%	3%
Chat	1%	n/a



# Marketing and Recruitment Practices for Graduate Students



# Average Marketing Budget For Graduate

2020-21







Private

**\$412,312**





Public

**\$598,666**





# Typical allocation of marketing budgets

	<b>PRIVATE</b>	<b>PUBLIC</b>
 <b>Digital advertising</b>	<b>40%</b>	<b>43%</b>
 <b>SEO/organic lead generation</b>	<b>16%</b>	<b>13%</b>
 <b>Traditional media</b>	<b>12%</b>	<b>13%</b>
 <b>Events (face-to-face)</b>	<b>6%</b>	<b>9%</b>




# Typical allocation of marketing budgets (cont.)

	PRIVATE	PUBLIC
 Events (virtual)	6%	8%
 Corporate partnerships	2%	1%
 Other	1%	2%
 Don't Know	17%	13%

# Budget allocations based on average marketing budget

	PRIVATE	PUBLIC
 <b>Digital advertising</b>	<b>\$164,925</b>	<b>\$257,426</b>
 <b>SEO/organic lead generation</b>	<b>\$65,970</b>	<b>\$77,827</b>
 <b>Traditional media</b>	<b>\$49,477</b>	<b>\$77,827</b>
 <b>Events (face-to-face)</b>	<b>\$24,739</b>	<b>\$53,880</b>

# Budget allocations based on average marketing budget (cont.)

	PRIVATE	PUBLIC
 Events (virtual)	\$24,739	\$47,893
 Corporate partnerships	\$8,246	\$5,987
 Other	\$4,123	\$11,973

# Student behaviors and campus investment

- Understand where students go for information and what channels they use.
- Prioritize information for what prospective students and families are looking in the college search.
- Be proactive with the value/cost information across a variety of channels.
- Ensure your academic information is up to date and you have strong search engine optimization (SEO).
- Align your strategic investments to those areas that will have the greatest return.



Questions?



# Appendix



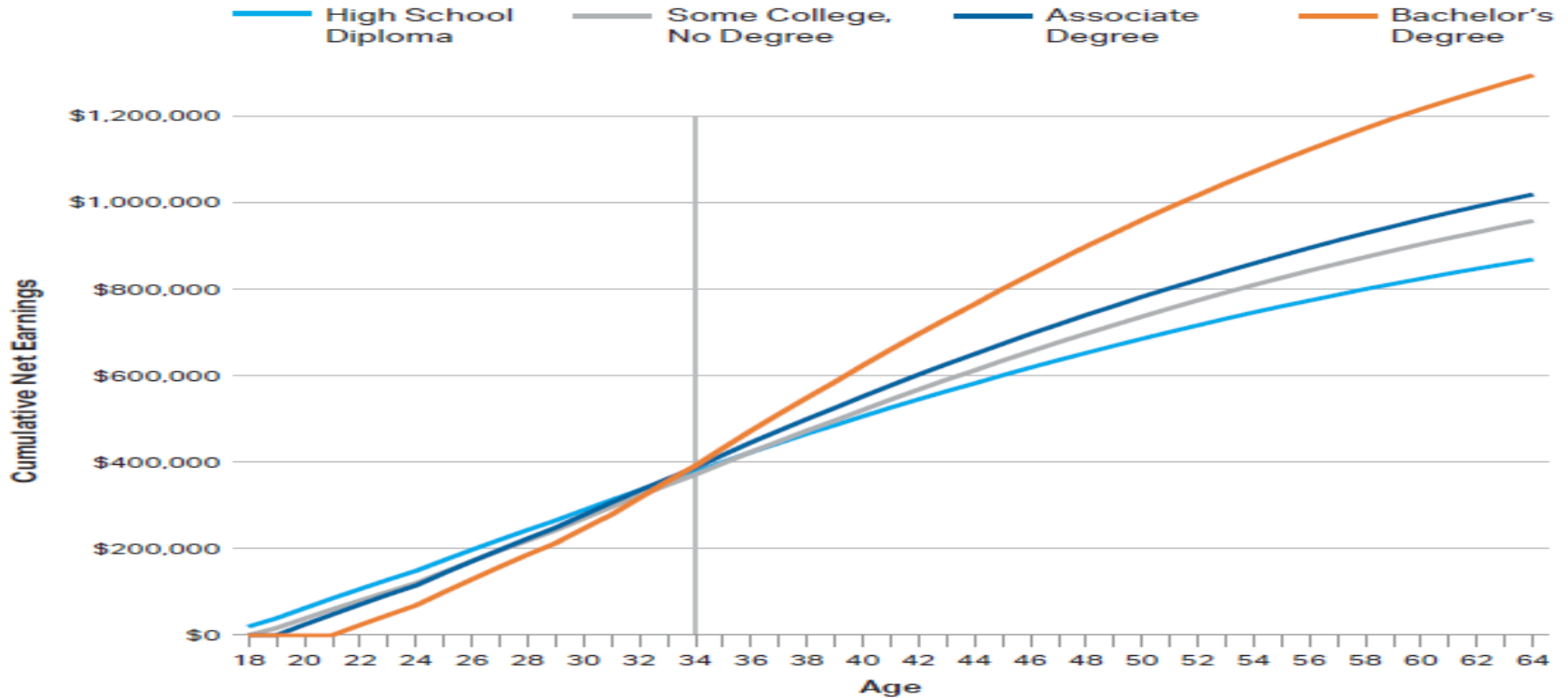


# Possible Future Budget Investment Areas

# Strategies to increase ROI and reduce cost

- 1 Increase efficiency and ROI if your costs or staff levels are at higher levels.
- 2 Make sure you are not underfunded or understaffed.
- 3 Look at your marketing and recruitment efforts across the funnel. How are you using and thinking about incorporating AI tools (like ChatGPT)?
- 4 Align your budgeting with today's digital environment.
- 5 Look for opportunities with transfer students and international enrollment.

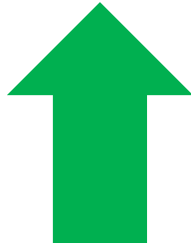
Estimated Cumulative Full-Time Median Earnings (in 2020 Dollars)  
 Net of Loan Repayment for Tuition and Fees and Books and Supplies,  
 by Education Level



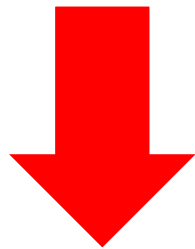
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# Possible Future Budget Investment Areas

## *Private institutions*



	Higher priority
Website (content, functionality, SEO, etc.)	75%
Operational efficiency	42%
Digital advertising	39%
Campus events	39%
Search engine optimization	28%
Digital lead generation	25%



	Lower priority
Chatbot	97%
Streaming digital audio (Spotify, Pandora, etc.)	94%
Traditional advertising (TV, radio, newspaper, magazine, billboard, etc.)	92%
Virtual tours	78%
Personalized video	75%
Traditional communication channels (email, direct mail, and telephone)	72%
Text messaging	67%

# Possible Future Budget Investment Areas Higher Priority 2020-2022 Comparison



## *Private institutions*

	2020
Website (content, functionality, SEO, etc.)	76%
Campus events	74%
Digital advertising	54%
Campus events	74%
Search engine optimization	52%
Social media	46%

	2020	2022
Website (content, functionality, SEO, etc.)	76%	75%
Operational efficiency	n/a	42%
Digital advertising	54%	39%
Campus events	74%	39%
Search engine optimization	52%	28%
Digital lead generation	n/a	25%

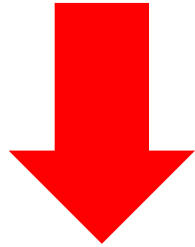


Social media was ranked as high priority only by 22% in 2022

# Possible Future Budget Investment Areas

## Lower Priority 2020-2022 Comparison

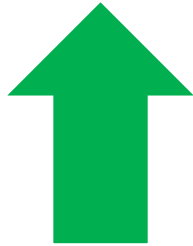
### *Private institutions*



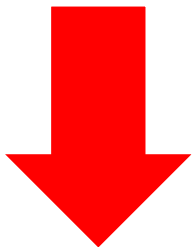
	2020	2022
Chatbot	65%	97%
Streaming digital audio (Spotify, Pandora, etc.)	91%	94%
Traditional advertising (TV, radio, newspaper, magazine, billboard, etc.)	76%	92%
Virtual tours	30%	78%
Personalized video	50%	75%
Traditional communication channels (email, direct mail, and telephone)	41%	72%
Text messaging	30%	67%

# Possible Future Budget Investment Areas

## *Public institutions*

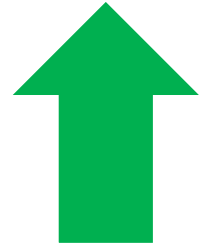


	Higher priority
Website (content, functionality, SEO, etc.)	71%
Operational efficiency	42%
Campus events	38%
Digital advertising	25%



	Lower priority
Streaming digital audio (Spotify, Pandora, etc.)	96%
Traditional advertising (TV, radio, newspaper, magazine, billboard, etc.)	92%
Chatbot	88%
Personalized video	79%
Virtual tours	75%
Traditional communication channels (email, direct mail, and telephone)	75%
Text messaging	67%

# Possible Future Budget Investment Areas Higher Priority 2020-2022 Comparison



## *Public institutions*

	2020
Website (content, functionality, SEO, etc.)	73%
Search engine optimization	59%
Campus events	46%
Digital advertising	46%
Social media	41%

	2020	2022
Website (content, functionality, SEO, etc.)	73%	71%
Operational efficiency	n/a	42%
Campus events	46%	38%
Digital advertising	46%	25%



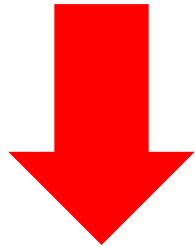
Social media was ranked as high priority only by 8% in 2022



# Possible Future Budget Investment Areas

## Lower Priority 2020-2022 Comparison

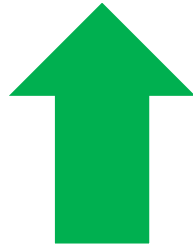
### *Public institutions*



	2020	2022
Streaming digital audio (Spotify, Pandora, etc.)	73%	96%
Traditional advertising (TV, radio, newspaper, magazine, billboard, etc.)	77%	92%
Chatbot	55%	88%
Personalized video	46%	79%
Virtual tours	23%	75%
Traditional communication channels (email, direct mail, and telephone)	59%	75%
Text messaging	23%	67%

# Anticipated Changes To Activity Allocations In The Next 12-24 Months

## *Privates*



Anticipated increase

	%
Events	56%
Travel	53%
Student search	50%
Digital advertising	50%
Web services (i.e., SEO, consulting, general maintenance)	41%

	%
CRM costs	78%
Chat	74%
Transfer recruitment	67%

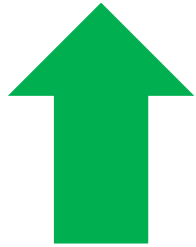
Anticipated decrease



% of respondents who anticipate an increase or a decrease in this budget area

# Anticipated changes to activity allocations in the next 12-24 months

## Publics

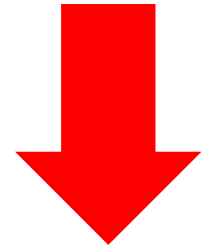


Anticipated increase

	%
Travel	67%
Events	54%
Prospective student communications (phone, email, direct mail, and texting)	46%
Transfer recruitment	42%
Digital Advertising	39%

	%
International recruitment	73%
Traditional advertising	71%
Web services (i.e., SEO, consulting, general maintenance)	67%

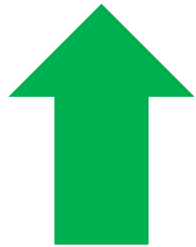
Anticipated decrease



# Budget allocation changes 2016-2022

## *Privates*

% of respondents who anticipate **an increase** in this budget area



Anticipated  
increase

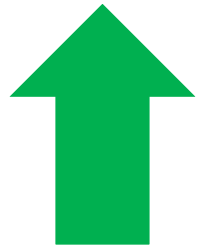
	2016	2022
Digital advertising	71%	50%
Transfer recruitment	42%	27%
Student search	39%	50%
Website development/maintenance	38%	41%
Admissions events	33%	56%

In the 2016 poll we used the term “digital marketing”, in 2022 we used “digital advertising”.

# Budget allocation changes 2016-2022

## *Publics*

% of respondents who anticipate an increase in this budget area



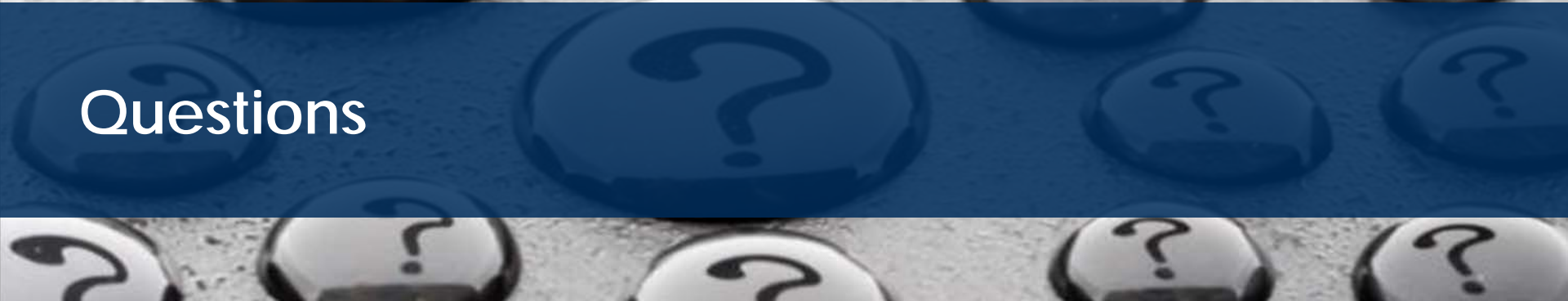
Anticipated  
increase

	2016	2022
Digital advertising	61%	61%
Transfer recruitment	40%	42%
Admissions events	36%	54%
Admissions travel	34%	67%
Website development/maintenance	30%	29%

In the 2016 poll we used the term “digital marketing”, in 2022 we used “digital advertising”.



# Questions



# Thank you



**Wes Butterfield**

*Senior Vice President*

Wes.Butterfield@RuffaloNL.com    319.471.0232 **mobile**  
RuffaloNL.com