INTRODUCTION

The pressure is on for higher education institutions. From every angle, presidents, deans, provosts, heads of enrollment, student affairs departments, advancement officers, CFOs, and vice presidents of marketing must coordinate to prove that, in the face of falling enrollment, their institutions are worth supporting.

From reductions in state funding, student skepticism, shaky tuition structures, disengaged donors, and digitally demanding Gen Z’ers, the TRENDS IN HIGHER EDUCATION: 2018 report unpacks the issues challenging higher education institutions. The first section outlines the six most significant challenges higher education institutions will face in 2018 and suggests how these challenges can be mitigated, from adapting to digital expectations and delivery to reimagining tuition structures and fundraising efforts. The second section provides insight into how higher education institutions across the United States tackled their challenges in 2017 with a variety of research methodologies and examines the differing research approaches among various school types (e.g., business, law) and enrollment sizes.

The result is an analysis of the trends shaping the higher education landscape and an illumination of how other higher education institutions are attempting to address the challenges facing them. Many of the problems confronting higher education institutions are new, fast-changing, and incredibly complex; however, they are not insurmountable. Higher education institutions must imagine the graduates they hope to produce and use that vision to construct the tailored education, tools, and resources needed to do so.
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SIX TRENDS IMPACTING HIGHER EDUCATION IN 2018

ENROLLMENT MANAGEMENT

A Holding Pattern: Bracing For Continued Enrollment Shortfalls

After a multi-year decline in post-secondary enrollment, institutions face mounting pressure to recruit enough students to remain profitable. Driven by an improving economy, falling birth rates, and declines in high school graduates in areas with a high concentration of colleges and universities, such as the Northeast, California, and Great Lakes, higher education institutions will need to implement new strategies to maintain headcount and protect their financial viability. These strategies include improved articulation of brand value, maximized student matriculation and retention rates, identification and development of new enrollment markets, recruitment of out-of-state and international students, development of strategic partnerships with other organizations, and cultivation of services for non-traditional students, such as online learners.

ACADEMIC DEVELOPMENT

Hitting Its Stride: Online Programming Goes Mainstream

Shedding its reputation as a peripheral education option, online programming is now an expected staple of most academic development programs. However, with the advent of online programming as an established medium, many institutions will need to overcome new challenges including higher consumer expectations, emerging best practices, a focus on student outcomes, and an increasingly competitive market. Institutions must understand which content to offer and how to market that content to succeed in the shifting online marketplace.

STUDENT EXPERIENCE

Bang For The Buck: Skepticism On The Value Of Higher Education

Prompted by rising tuition, an increasingly difficult admission process for local students, and the perception that universities and colleges are disconnected from the real demands of life and careers, pressure is mounting for institutions to quantify the value they create. This comes as no surprise to admissions directors—95% of whom agree that higher education needs to do a better job at explaining the value of a college education. This crisis of confidence in higher education institutions may impact their ability to attract students, secure state funding, and curry alumni support. In 2018, expect more institutions to implement aggressive marketing and branding campaigns to ensure that when applicants and lawmakers ask, “Is this really worth the money?” the clear answer is “Yes.”
FINANCE

House Of Cards: Tuition Strategies In Need Of A Reboot

Tuition growth at colleges and universities continued to outpace yearly inflation in 2017, adversely impacting public views of higher education institutions and student ability to attend. However, with total U.S. student loan debt exceeding $1.3 trillion, this financial growth will not be sustainable for long. Institutions will need to challenge their assumptions about tuition and implement innovative financial models to thrive in a world characterized by distrust of higher education, increasing competition, free tuition programs, and rapidly shifting enrollment patterns.

ADVANCEMENT

Closing The Gap: Rebuilding the Donor Base

Amid declining state funding for higher education and dropping enrollment, building a motivated, consistent donor base is critical to the financial health of colleges and universities. While “mega-donations” of 8-figures show some increase, overall alumni giving is down by 9%, causing institutions to re-think their fundraising outreach. To combat this decrease, advancement departments may need to deploy a two-pronged effort: building large donor support by extending the “quiet period” in their planned campaigns and reinvigorating small donor engagement with carefully curated donor list reactivation.

MARKETING

A Generational Sea Change: Reaching Generation Z

Marketing in higher education is at the brink of huge generational change. Twenty years ago, Gen X expected glossy brochures and a website to match, 10 years ago millennials expected videos of campus life, and now with Gen Z the marketing rules change again as they expect an authentic virtual experience. Gen Z was born tech-enabled and expects an emotional connection with their future school. Traditional marketing materials are viewed as sanitized and sterile. Higher education institutions need to rethink their brand strategy by building back from the expectations of the incoming Gen Z population and using a multichannel approach (social, search, email, direct mail, live) that reaches this new audience on their terms.

Diagnostic: Navigating Campus Tensions Checklist

Higher education institutions are under increasing pressure to navigate politically charged environments characterized by controversies over campus free speech, institutional names, and Confederate memorials. Turns in any direction can lead to waves of protests, negative press, and reputational damage. Decisions to remove memorials or disinvite controversial speakers, for example, can alienate older alumni and decrease donations. Meanwhile, moves to maintain memorials and speaker invitations can prompt large protests and damage institutional reputation, leading younger students—especially students of color—to feel that they are unwelcome on campus. Recognizing the challenges on both sides of the issue, educational institutions need to thoughtfully engage in a conversation with their stakeholders and can use the Navigating Campus Tensions Checklist as a starting point.
A HOLDING PATTERN:
BRACING FOR CONTINUED ENROLLMENT SHORTFALLS

After a multi-year decline in post-secondary enrollment, institutions face mounting pressure to recruit enough students to remain profitable. Driven by an improving economy, falling birth rates, and declines in high school graduates in areas with a high concentration of colleges and universities, such as the Northeast, California, and Great Lakes, higher education institutions will need to implement new strategies to maintain headcount and protect their financial viability. These strategies include improved articulation of brand value, maximized student matriculation and retention rates, identification and development of new enrollment markets, recruitment of out-of-state and international students, development of strategic partnerships with other organizations, and cultivation of services for non-traditional students, such as online learners.

U.S. HIGH SCHOOL GRADUATING CLASSES (PUBLIC TOTAL) AND CONCENTRATION OF HIGHER EDUCATION INSTITUTIONS

Projected Percent Change from 2013 to 2030

Source: WICHE.
What Do Enrollment Challenges Look Like in 2018?

1. Prolonged Enrollment Decline: Enrollment in undergraduate education has steadily decreased over the past several years. From 2010-2015, total undergraduate enrollment decreased by 6%, even as total graduate enrollment remained stable.

2. Stagnation in Pool of High School Graduates: Projections estimate that 2017 experienced the greatest decline in high school graduates in recent years—a 2.3% decline or approximately 81,000 fewer graduates. This decline marks the beginning of a period of flat growth in high school graduates with an estimated 3.4 million students graduating annually for the next five years.

3. Regional Differences in Enrollment Declines: The overall stagnation of high school graduates masks important regional differences. By 2030 the number of high school graduates in the South and Midwest is expected to increase by 10% and 3% respectively. However, the West and Northeast’s high school graduation population will decrease by 12% and 11% respectively. Faced with shrinking local populations, regional schools will have to recruit beyond their local markets to drive enrollment.

4. Improved Economy Reduces Higher Education Attractiveness: Data suggests that as the economy improves, adults choose to enter or remain in the job market rather than pursue higher education. With continued economic improvements expected, institutions may find it more challenging to convince applicants of the value of temporarily stepping out of the workforce.

5. Barriers to International Student Recruitment: Higher education institutions typically depend on international student recruitment to attract more full-paying students. However, such recruitment may be impeded by factors like the current presidential administration’s travel bans and shifting views of the United States abroad. Institutions will have a more difficult time recruiting and retaining these students.

TOTAL U.S. PUBLIC AND PRIVATE HIGH SCHOOL GRADUATES

School Years 2000-01 to 2012-12 (Actual) through 2013-14 to 2031-32 (Projected)

<table>
<thead>
<tr>
<th></th>
<th>Actual</th>
<th>Projected</th>
</tr>
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<tbody>
<tr>
<td>2000-01</td>
<td>3,466,888</td>
<td>3,516,951</td>
</tr>
<tr>
<td>2012-13</td>
<td>3,466,888</td>
<td>3,516,951</td>
</tr>
<tr>
<td>2024-25</td>
<td>3,561,951</td>
<td>3,611,951</td>
</tr>
<tr>
<td>2031-32</td>
<td>3,561,951</td>
<td>3,611,951</td>
</tr>
</tbody>
</table>

Source: WICHE.
HITTING ITS STRIDE: ON-LINE PROGRAMMING GOES MAINSTREAM

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UNDERGRADUATE EXCLUSIVE DISTANCE LEARNING

Percent of Total Headcount by Institution Type

GRADUATE EXCLUSIVE DISTANCE LEARNING

Percent of Total Headcount by Institution Type

Source: IPEDS

© 2018 Hanover Research
HEDWP0118
WHAT DOES ONLINE PROGRAMMING LOOK LIKE IN 2018?

1. Online Programming Continues to Grow: The percent of students taking online courses grew steadily from 2012 to 2015, and surveys suggest this trend continued in 2016. Nearly 2.1 million undergraduates now study fully online and another 2.8 million study at least partially online—meaning roughly one in every three students will participate in online programming. The percentage of total student population participating in online courses has grown in every institution type with the exception of for-profit institutions. In many cases, for-profit institutions began with predominantly online offerings so their strategy has been instead to create more live learning opportunities.

2. Online Programming Competition Intensifies: Over half of institutions believe that competition in the online space is much higher than five years ago. Turnover in the top seeded institutions offering online programming heightened as 17 of the top 50 institutions with the largest online enrollments in 2012 were replaced within three years. Especially given enrollment challenges and declines in high school graduates, online programming offers relatively easy access into a broader geographic market.

3. Higher Education Institutions Elevate Online Leadership: Over two-thirds of higher education institutions are creating a dedicated online education oversight role (i.e., Chief Online Education Officer) to focus on the expansion in online programming. The scope of challenges facing this role will grow in coming years as online education must align faculty resourcing, accreditation, curriculum, and technology with growing student demand and expectations.

4. Online Student Expectations Rise: As online education becomes more common, students’ expectations for online delivery are rising. Students now consider more schools when looking for a program, highly value institutional responsiveness, and prioritize competency-based education. Institutions including George Washington University and Eastern Michigan University received criticism from students and faculty over the quality of online programs, with stakeholders at both institutions arguing that the online programs did not meet university standards.

5. Net Neutrality Potentially Tilts the Online Playing Field: Institutions rely on high-speed, affordable internet access to deliver online programs, which frequently include “bandwidth guzzling” features like videos. Likewise, students need reliable, affordable internet access to pursue online programs. If internet providers re-envision the speed or price at which content is offered, the quality, affordability, and accessibility of some online programs may be jeopardized.
BANG FOR THE BUCK: SKEPTICISM ON THE VALUE OF HIGHER EDUCATION

Prompted by rising tuition, an increasingly difficult admission process for local students, and the perception that universities and colleges are disconnected from the real demands of life and careers, pressure is mounting for institutions to quantify the value they create. This comes as no surprise to admissions directors—95% of whom agree that higher education needs to do a better job at explaining the value of a college education. This crisis of confidence in higher education institutions may impact their ability to attract students, secure state funding, and curry alumni support. In 2018, expect more institutions to implement aggressive marketing and branding campaigns to ensure that when applicants and lawmakers ask, "Is this really worth the money?" the clear answer is "Yes."

In two years the number of performance-based funding programs more than doubled across the U.S.

<table>
<thead>
<tr>
<th>Year</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>2013</td>
<td>24%</td>
</tr>
<tr>
<td>2015</td>
<td>64%</td>
</tr>
</tbody>
</table>

Source: National Conference of State Legislatures
What does educational value look like in 2018?

1. States Implement More Outcomes-based Funding: Reacting to the loss of confidence in the value of higher education, more states are replacing enrollment-based funding models with performance- and outcomes-based models that allocate money to institutions based on indicators like course completion and time to degree rates. In 2017, 14 states considered new or additional outcomes-based legislation, and 28 already have implemented some form of outcomes-based funding for four-year institutions.

2. Rise of Alternative Education Options: Students have more freedom than before to pursue non-traditional post-secondary education options (e.g., certificates, boot camps, and apprenticeships), which they see as convenient, flexible, and tightly linked to job market needs. The current administration appears to support these alternative formats and is pursuing funding support through the new GI bill and the Perkins Act Reauthorization.

3. Proliferation of Student College-shopping Tools: Even as the dominance of the U.S. News and World Report rankings system continues to frustrate higher education administrators, student access to alternative “institution-shopping” tools, like College Abacus, Niche, and Payscale’s College Salary Report, is increasing. These tools expand applicants’ abilities to compare and scrutinize perceptions of college value.

4. Partisan Battles Erode Trust in Higher Education: A 2017 Pew Research survey found that Republicans and Democrats hold decidedly different views about the value of higher education. Nearly 60% of Republicans and right-leaning independents think colleges have a negative impact on the country, compared to only 19% of Democrats. Both sides of the political spectrum seem to agree that a post secondary degree is necessary for career success, but disagree on higher education institutions’ ability to deliver on that promise.
HOUSE OF CARDS:
TUITION STRATEGIES IN NEED OF A REBOOT

Tuition growth at colleges and universities continued to outpace yearly inflation in 2017, adversely impacting public views of higher education institutions and student ability to attend. However, with total U.S. student loan debt exceeding $1.3 trillion, this financial growth will not be sustainable for long. Institutions will need to challenge their assumptions about tuition and implement innovative financial models to thrive in a world characterized by distrust of higher education, increasing competition, free tuition programs, and rapidly shifting enrollment patterns.

**Continued Post-Recession Funding Gap...**

- **16% Decrease**
  
  Average Reduction in State Funding Per Student since 2008 (~$1,448)

**...addressed with Tuition Increases and Cost Cutting**

- **35% Increase**
  
  in annual published tuition at 4-year colleges since 2008 (~$2,484)

**COST CUTS INCLUDE:**

- Course Elimination
- Campus Closings
- Student Services Reductions

Source: CBPP
What does tuition funding look like in 2018?

1. Tuition Discounting Reaches All-Time High: Tuition discounts for first-time, full-time freshman nearly tipped 50% in 2017 to keep pace with tuition increases. These discounts were driven by increased competition for a shrinking pool of high school graduates and limited funding opportunities.

2. Pessimism for Higher Education’s Financial Future: Nearly half (44%) of surveyed chief business officers in higher education are not confident that their institutions will be financially stable over the next five years, and 71% believe that media reports about an ongoing financial crisis in higher education are accurate.

3. Institutions Collaborate to Create New Tuition Models: Given the long-term unsustainability of tuition discounting in the face of climbing tuition, institutions are joining partnerships like the University Innovation Alliance to design new tuition strategies and decrease college costs.

4. Free Tuition Movement Picks Up Momentum: The idea that colleges should be free to attend is gaining traction in the United States, and some states are already implementing free college programs. New York, for example, now covers the cost of attending four-year public state institutions for students whose families make up to $125,000.

5. New Tax Law May Shrink Endowments: The new tax law introduced a 1.4% tax on the investment earnings of college endowments with net assets of $500,000 per student. Experts are divided on the impact. Some claim the tax will discourage institutional spending by shrinking endowments, while others believe the tax will encourage institutional spending among leaders who wish to avoid growing their endowment beyond the $500,000 per student cap.
CLOSING THE GAP: REBUILDING THE DONOR BASE

Amid declining state funding for higher education and dropping enrollment, building a motivated, consistent donor base is critical to the financial health of colleges and universities. While “mega-donations” of 8-figures show some increase, overall alumni giving is down by 9%, causing institutions to re-think their fundraising outreach. To combat this decrease, advancement departments may need to deploy a two-pronged effort: building large donor support by extending the “quiet period” in their planned campaigns and reinvigorating small donor engagement with carefully curated donor list reactivation.

Donor pool size shrinks/flattens...

<table>
<thead>
<tr>
<th>OVERALL ALUMNI PARTICIPATION RATE</th>
<th>MEDIAN DONOR RETENTION RATE</th>
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<tbody>
<tr>
<td>11% 2014</td>
<td>60% 2014</td>
</tr>
<tr>
<td>10% 2015</td>
<td>61% 2015</td>
</tr>
<tr>
<td>9% 2016</td>
<td>61% 2016</td>
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...and overall donation revenue stalls for first time since 2008

MEDIAN CHANGE IN DONATION REVENUE

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
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<tbody>
<tr>
<td>median change</td>
<td>5.8%</td>
<td>4.1%</td>
<td>0.3%</td>
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</table>
What does Fundraising look like in 2018?

1. State Funding for Public Higher Education Remains Below Pre-Recession Levels: Overall state funding for public higher education in 2017 was ~$9 billion below its 2008 pre-recession level (after adjusting for inflation), indicating that the funding gap that donations must fill remains substantial.

2. “Mega-donations” Dominate Fundraising: Alumni fundraising participation and institutional donor acquisition rates are dropping, and institutions increasingly rely on mega-donations to hit fundraising goals. However, mega-donations are often restricted to initiatives their donors feel will “fulfill some big, ambitious visions” and frequently do not support basic operating or maintenance costs.

3. Competition for Younger Alumni Donations Intensifies: Millennials currently prefer to donate to causes they see as more local and immediate than their alma mater. To connect with this donor base, institutions are adapting their alumni engagement programs to include more social media outreach, young alumni councils, crowd funding, and transparency. Young donors are especially interested in knowing how their donations support their institution, and in turn, how their institution can directly support the community and the wider world.

4. New Tax Law May Inhibit General Donations: Under the new tax law, the standard amount of money taxpayers can shield from taxes (i.e., the standard deduction) will double. Because this change will encourage more people to take the standard deduction rather than itemize individual deductions—like gifts to their alma maters—experts fear that fundraising will become more difficult in coming years.

5. Fundraising Bump Driven by Stock Market Run: Higher education leaders observe that charitable giving increases during stock market surges, and decreases during drops and recessions. With the stock market reaching record highs in late 2017, institutions ratcheted up targets for fundraising campaigns. However, uncertainty exists over whether the market is due for a correction and what impact any corrections will have on the overall fundraising landscape.
A GENERATIONAL SEA CHANGE: REACHING GENERATION Z

Marketing in higher education is at the brink of huge generational change. Twenty years ago, Gen X expected glossy brochures and a website to match. 10 years ago millennials expected videos of campus life, and now with Gen Z the marketing rules change again as they expect an authentic virtual experience. Gen Z was born tech-enabled and expects an emotional connection with their future school. Traditional marketing materials are viewed as sanitized and sterile. Higher education institutions need to rethink their brand strategy by building back from the expectations of the incoming Gen Z population and using a multichannel approach (social, search, email, direct mail, live) that reaches this new audience on their terms.

WHO IS GEN Z?

Born 1995-2005
84.7 MILLION by 2020
26% of the U.S. population
50% of Gen Z will be racially diverse identifying as mixed race or part of an ethnic group

GEN Z VS. MILLENNIALS

GEN Z

Realists
Focused on the now
Communicate with images
Prefers Snapchat and Instagram
Ready to work
Digital Natives

MILLENIALS

Optimists
Focused on the future
Communicate with text
Prefers Facebook
Waiting to be recognized
Digital Savvy
What Does gen z marketing look like in 2018?

1. Emphasis on Affordability and Cost: Nearly 75% of Gen Z'ers value access to an affordable education. Marketing to this group will rely on emphasizing financial aid packages, any applicable discounts, and other offerings to make school attainable. Higher education institutions should also consider alternative education approaches that can reduce schooling costs such as online offerings.

2. Focus on Passionate Pursuits not Jobs: Gen Z'ers are incredibly entrepreneurial and believe their passions should be their income-generating pursuit—with 72% hoping to start a business one day. Given this generation’s skepticism of educational value, higher education institutions must make their education personal by emphasizing entrepreneurial paths not only in terms of program offerings, but also in terms of alumni success and alumni networking.

3. Inbound Marketing Strategy Investments Grow: Gen Z resists traditional advertisements and prefers engaging with schools on topics they genuinely care about. Higher education institutions should coordinate quality content in multiple formats, ensure their website is search engine optimized, and invest in lead nurturing tactics and campaigns to keep conversations going. Inbound marketing in particular is 61% cheaper than traditional marketing and offers a variety of tracking tools to measure ROI.

4. Virtual Reality Becomes a Reality: Gen Z'ers want to independently experience and explore institutions, making virtual reality (VR) tours or augmented reality (AR) experiences the next tech frontier in marketing. Schools implementing VR and AR assets have seen results—for example, the Savannah College of Art and Design enjoyed a 26% increase in applications since they launched VR experiences.

5. Enhanced Applicant Data Mining: Institutions are mining both applicant and student data to identify and target best-fit recruitment audiences, despite ongoing data privacy concerns. Student data provides marketers with information about which audiences tend to be most satisfied with the institution, allowing them to better locate those audiences in future years. Applicant data—like the names and phone numbers submitted during the college admissions process—then allows marketers to micro-target advertisements on platforms like Facebook according to students’ interests and level of progress through the application process.

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**DIGITAL NATIVES**

- 96% of Gen Z own a smartphone
- Gen Z views 5 screens at once including smartphones, TVs, laptops, desktops and tablets

**ADVERTISING CONSUMPTION**

- 8 seconds—average Gen Z attention span
- 75% of Gen Z'ers prefer ads that show real people in real situations
- 65% of Gen Z'ers dislike ads that make people look perfect

**SOCIAL MEDIA USAGE**

- Gen Z'ers connect using:
  - 49% Facebook
  - 46% Instagram
  - 49% Snapchat
  - 13% Twitter

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**WHAT DOES GEN Z MARKETING LOOK LIKE IN 2018?**

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**NAVIGATING CAMPUS TENSIONS CHECKLIST**

*A Guide to Responding to Politically Charged Campus Tensions in 2018*

**STEP #1: ASSESS POTENTIALLY SENSITIVE ISSUES**

Higher education institutions should preemptively take a campus wide inventory of potential issues. With tensions continuing to escalate on campuses, understanding what could be divisive is an important first step. Points to focus on in the initial issue inventory include:

- Building names
- Memorials or statues
- Upcoming speakers
- Historical actions of the institution

**STEP #2: SOLICIT FEEDBACK**

After taking the issue inventory, higher education institutions should survey staff, students, and alumni to gauge their reactions. Which issues do they find problematic? How strong is their response? Can they unpack the issues and articulate their concerns? The survey should also illuminate any issues that may have been missed in the initial inventory. Collecting feedback from all parties in this way helps create a conversation where all groups feel heard and involved.

**STEP #3: RESEARCH BEST PRACTICE SOLUTIONS**

Understanding what has and has not worked for other institutions is paramount to addressing delicate issues. Looking at the best practices employed at similar sized and resourced institutions can be an important first step for higher education institutions. However, exploring the solutions laid out by institutions with different resources and larger or smaller student populations can provide new insights as well.
**Step #4: Use a Disciplined Decision Approach**

To best address and consider the priorities of all stakeholders, higher education institutions should weigh all sides’ concerns and integrate that feedback into the final decision. Prioritizing one group can jeopardize the future of the institution, either by alienating donors, or by isolating the student body and potentially driving down enrollment. Higher education institutions may benefit from using a balanced scorecard approach in arriving at a decision. This scorecard can include items such as:

**Stakeholder Feedback**
- Stakeholder sentiment: Measure the intensity of feelings across current and prospective students, alumni, faculty, staff, parents, and connected organizations.
- Enrollment influence: Estimate any impact on future enrollment and prospective student applications/acceptances.
- Talent management: Gauge any impact on talent acquisition and retention among professors and staff.

**Communications and Marketing**
- Press: Estimate potential press coverage surrounding the change (positive/negative, local/regional/national).
- Campus communications: Gauge the difficulty of communicating the change across campus, the amount of expected effort to create buy-in, and the identification of any student ambassadors to serve as advocates.

**Financial Costs**
- Donations: Measure the impact on fundraising efforts.
- Expenditures: Estimate the cost to change/rebrand (including marketing costs) and any additional financial impact (ex. donations to advocacy organizations).

**Step #5: Communicate the Decision**

Higher education institutions should run an informative marketing campaign on the decision and measure responses. Communicating the change provides institutions with an opportunity to shape messages for multiple audiences with a positive frame.

- Institutions can promote the change through paid, earned, social and owned media. Publicizing the event through an email marketing campaign (paid media) is a simple initial step to shaping a positive narrative. Working with media outlets like newspapers (earned media) can provide institutions with positive external PR. Finally, using social media and institutional websites (social and owned media) to announce the change and generate hype allows the administration to control the narrative and promote the change as a positive development for the campus.
- Preparations for any negative press or reactions that may come from the change are an important part of a communications plan in these circumstances. By generating a strategy for addressing the implications of the change, institutions can protect themselves from potential repercussions.

**Step #6: Gauge Response**

Using the elements identified in the balanced scorecard, higher education institutions can assess the impact of pursuing the change. Was it worse, better, or as expected? Many institutions may want to build this issue assessment into an annual risk assessment exercise. While such exercises cannot prevent all issues from occurring, they can help institutions develop robust capabilities to sense and address issues in a timely, balanced, and considered manner.
OVERALL RESEARCH PRIORITIES

In 2017, Hanover fulfilled approximately 1,000 research projects requests from deans, administrators, and educators. These projects reflected key research priorities for higher education institutions. Academic development continued to stand out as the top priority as higher education leaders sought to ensure their academic portfolios delivered the most in-demand offerings. Over half of academic development projects—55%—were "Program Feasibility Studies" examining the market demand, competitive landscape, and employer outlook for prospective new program offerings. Feasibility studies for business, marketing, and management programs were the most popular in 2017, and accounted for nearly a fifth of all studies. Feasibility studies for education and health programs were also popular, and respectively accounted for 18% and 13% of all studies.

RESEARCH PROJECTS BY PRIORITY

<table>
<thead>
<tr>
<th>Priority</th>
<th>Includes</th>
<th>Percent of Total Higher Education Research Projects</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACADEMIC DEVELOPMENT</td>
<td>Academic Portfolio Analyses, Program Feasibility Studies, Program Opportunity Dashboards</td>
<td>58%</td>
</tr>
<tr>
<td>ENROLLMENT MANAGEMENT</td>
<td>Enrollment Funnel Assessments, Geomarket Opportunity Dashboards, Matriculation Analyses</td>
<td>14%</td>
</tr>
<tr>
<td>STUDENT EXPERIENCE</td>
<td>Career Tracking, Dropped Student Analyses, Graduation Early Warning Systems, Institutional Climate Assessments</td>
<td>9%</td>
</tr>
<tr>
<td>MARKETING</td>
<td>Brand Perception Analyses, Marketing Channel ROI Assessments, Messaging Differentiation, USNWR Ranking Analyses</td>
<td>8%</td>
</tr>
<tr>
<td>ADVANCEMENT</td>
<td>Alumni Engagement Surveys, Donor Segmentation Analyses, Economic Impact Studies</td>
<td>5%</td>
</tr>
<tr>
<td>FINANCE</td>
<td>Faculty Benchmarking, Program Cost Tracking, Tuition &amp; Aid Optimization Assessments</td>
<td>5%</td>
</tr>
</tbody>
</table>
TOP PROGRAM FEASIBILITY STUDIES BY DISCIPLINE AREA

- **Business, Management, Marketing, and Related Support Services**
  - Management and International Business Majors
  - Bachelor of Commerce and OCC in Digital Marketing
  - MS in Business Analytics

- **Education**
  - Online M.Ed.
  - Special Education
  - EdD in Montessori

- **Health Professions and Related Programs**
  - Bachelor’s/Master’s in Physician Assistant
  - MS in Psychiatric Rehabilitation
  - Doctor of Nursing Practice

- **Multi/Interdisciplinary Studies**
  - Bachelor’s in Neuroscience
  - PhD in Digital Culture and Communication
  - BA in Global Studies
  - Data Science and Informatics

- **Public Administration and Social Service Professions**
  - Bachelor’s Degree in Social Work
  - Master of Public Administration Concentrations
  - Public Policy

- **Engineering**
  - Systems Engineering
  - Materials Engineering
  - Coastal Engineering

- **Communication, Journalism, and Related Programs**
  - Sports Journalism Undergraduate Specialization
  - BS in Digital Communications
  - PhD in Multisector Communication

- **Computer and Information Sciences and Support Services**
  - Interaction Design
  - Bachelor of Computer Science
  - Artificial Intelligence (BS, MS)

- **Homeland Security, Law Enforcement, Firefighting and Related Protective Services**
  - Online Criminal Justice
  - Cybersecurity and Intelligence Program
  - BS in Public Safety Administration
INSTITUTIONAL RESEARCH PRIORITIES

Segmenting 2017 project data by institution type and enrollment size reveals unique patterns within the higher education landscape. For example, while institutions universally prioritize academic development concerns, some institutions prioritize academic development concerns more than others. The largest institutions by enrollment size focus most on academic development as they try to decide which of their programs can be converted to online formats. Meanwhile, a review of the second most popular concerns shows that law schools uniquely emphasize the student experience and enrollment management as they grapple with retention challenges. In comparison, business schools emphasize marketing challenges.

RESEARCH PROJECTS BY INSTITUTION TYPE*

<table>
<thead>
<tr>
<th>Institution Type</th>
<th>Percent of Total Higher Education Research Projects</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>BUSINESS SCHOOLS</strong></td>
<td></td>
</tr>
<tr>
<td>Academic Development</td>
<td>45%</td>
</tr>
<tr>
<td>Marketing</td>
<td>20%</td>
</tr>
<tr>
<td>Enrollment Management</td>
<td>17%</td>
</tr>
<tr>
<td>Student Experience</td>
<td>12%</td>
</tr>
<tr>
<td>Advancement</td>
<td>10%</td>
</tr>
<tr>
<td>Finance</td>
<td>3%</td>
</tr>
<tr>
<td><strong>COMMUNITY COLLEGES</strong></td>
<td></td>
</tr>
<tr>
<td>Academic Development</td>
<td>48%</td>
</tr>
<tr>
<td>Enrollment Management</td>
<td>17%</td>
</tr>
<tr>
<td>Student Experience</td>
<td>17%</td>
</tr>
<tr>
<td>Finance</td>
<td>5%</td>
</tr>
<tr>
<td>Advancement</td>
<td>2%</td>
</tr>
<tr>
<td>Marketing</td>
<td>2%</td>
</tr>
<tr>
<td><strong>FOUR-YEAR INSTITUTIONS</strong></td>
<td></td>
</tr>
<tr>
<td>Academic Development</td>
<td>61%</td>
</tr>
<tr>
<td>Enrollment Management</td>
<td>13%</td>
</tr>
<tr>
<td>Student Experience</td>
<td>8%</td>
</tr>
<tr>
<td>Marketing</td>
<td>7%</td>
</tr>
<tr>
<td>Finance</td>
<td>5%</td>
</tr>
<tr>
<td>Advancement</td>
<td>5%</td>
</tr>
<tr>
<td><strong>LAW SCHOOLS</strong></td>
<td></td>
</tr>
<tr>
<td>Academic Development</td>
<td>50%</td>
</tr>
<tr>
<td>Student Experience</td>
<td>38%</td>
</tr>
<tr>
<td>Enrollment Management</td>
<td>25%</td>
</tr>
<tr>
<td>Marketing</td>
<td>19%</td>
</tr>
<tr>
<td>Advancement</td>
<td>6%</td>
</tr>
</tbody>
</table>

n=1000
*Some projects addressed several priority areas simultaneously.

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HEDWP0118
RESEARCH PROJECTS BY ENROLLMENT SIZE

Percent of Total Higher Education Research Projects

**GREATER THAN 20,000 STUDENTS**

- **ACADEMIC DEVELOPMENT** 71%
- **ENROLLMENT MANAGEMENT** 10%
- **FINANCE** 8%
- **STUDENT EXPERIENCE** 7%
- **MARKETING** 4%
- **ADVANCEMENT** 3%

**5,001 TO 20,000 STUDENTS**

- **ACADEMIC DEVELOPMENT** 59%
- **ENROLLMENT MANAGEMENT** 15%
- **STUDENT EXPERIENCE** 11%
- **MARKETING** 6%
- **FINANCE** 4%
- **ADVANCEMENT** 2%

**5,000 OR FEWER STUDENTS**

- **ACADEMIC DEVELOPMENT** 51%
- **ENROLLMENT MANAGEMENT** 13%
- **MARKETING** 11%
- **STUDENT EXPERIENCE** 10%
- **ADVANCEMENT** 7%
- **FINANCE** 5%

n=800

*Some projects addressed several priority areas simultaneously.*
DEPARTMENTAL RESEARCH PRIORITIES

Across all departments, we conducted research projects on academic development most frequently. This trend reflects higher education institutions’ focus on delivering the most in-demand program offerings. Projects on enrollment management represented our next most popular offering for most departments, many of which sought to confirm they offer what students want and model incoming enrollment. Given the intense pressure on enrollment, this dual focus on academic development and enrollment management will likely continue in 2018.

RESEARCH PROJECTS BY DEPARTMENT*

<table>
<thead>
<tr>
<th>Office of the President</th>
<th>ACADEMIC DEVELOPMENT</th>
<th>50%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>ENROLLMENT MANAGEMENT</td>
<td>14%</td>
</tr>
<tr>
<td></td>
<td>FINANCE</td>
<td>6%</td>
</tr>
<tr>
<td></td>
<td>STUDENT EXPERIENCE</td>
<td>4%</td>
</tr>
<tr>
<td></td>
<td>MARKETING</td>
<td>4%</td>
</tr>
<tr>
<td></td>
<td>ADVANCEMENT</td>
<td>2%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ACADEMIC AFFAIRS</th>
<th>ACADEMIC DEVELOPMENT</th>
<th>63%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>ENROLLMENT MANAGEMENT</td>
<td>13%</td>
</tr>
<tr>
<td></td>
<td>STUDENT EXPERIENCE</td>
<td>8%</td>
</tr>
<tr>
<td></td>
<td>MARKETING</td>
<td>8%</td>
</tr>
<tr>
<td></td>
<td>ADVANCEMENT</td>
<td>5%</td>
</tr>
<tr>
<td></td>
<td>FINANCE</td>
<td>4%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ADVANCEMENT, GRANTS, AND RESEARCH DEVELOPMENT</th>
<th>ACADEMIC DEVELOPMENT</th>
<th>65%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>ENROLLMENT MANAGEMENT</td>
<td>15%</td>
</tr>
<tr>
<td></td>
<td>STUDENT EXPERIENCE</td>
<td>8%</td>
</tr>
<tr>
<td></td>
<td>MARKETING</td>
<td>5%</td>
</tr>
<tr>
<td></td>
<td>FINANCE</td>
<td>3%</td>
</tr>
</tbody>
</table>
Some projects addressed several priority areas simultaneously.

n = 1,000 (includes records with points of contact that could be classified into these fields)

*Some projects addressed several priority areas simultaneously.
RESEARCH METHODOLOGIES

Benchmarking, program demand, peer reviews, and recommendations of best practices are overwhelmingly the most commonly requested project methodology. However, nearly one in five research requests are for the collection of feedback from students, teachers, prospective employers, alumni, and donors, which adds valuable context to our higher education clients’ work. Data analysis—our next most popular methodology—provides value to higher education institutions by illuminating insights hidden in datasets that otherwise may seem unwieldy. Higher education institutions that conduct data analysis projects receive objective results that can factor into difficult decisions, like tuition modeling and cost benchmarking. Finally, our grants support helped secure our clients $64 million in funding across 2017 for a variety of institutional priorities.

RESEARCH PROJECTS BY METHODOLOGY*

Percent of Total Higher Education Research Projects

- **SECONDARY RESEARCH**
  - Benchmarking
  - Best Practices
  - Environmental Scan
  - Literature Review
  - Market Evaluation
  - Peer Analysis & Regional Scan
  - Policy Review
  - Program Demand
  - Survey Design/Administration/Analysis
  - Open-Ended Response Coding
  - Data Segmentation
  - Conjoint Analysis
  - Data Mining
  - Linear Regression
  - Trend Forecasting

- **SURVEY**
  - Focus Group Design/Administration
  - IDI Design/Outreach/Administration/Analysis

- **DATA ANALYSIS**
  - Benchmarking, program demand, peer reviews, and recommendations of best practices are overwhelmingly the most commonly requested project methodology. However, nearly one in five research requests are for the collection of feedback from students, teachers, prospective employers, alumni, and donors, which adds valuable context to our higher education clients’ work. Data analysis—our next most popular methodology—provides value to higher education institutions by illuminating insights hidden in datasets that otherwise may seem unwieldy. Higher education institutions that conduct data analysis projects receive objective results that can factor into difficult decisions, like tuition modeling and cost benchmarking. Finally, our grants support helped secure our clients $64 million in funding across 2017 for a variety of institutional priorities.

- **QUALITATIVE PRIMARY RESEARCH**

n=1,000

*Some projects employed several methodologies simultaneously*
GRANTS PROJECTS BY APPROACH

Percentage of Total Higher Education Grants Projects

60%  PROPOSAL REVIEW & SUPPORT
- Proposal Review
- Proposal Revision
- Proposal Support

20%  FUNDING RESEARCH
- Funding Opportunity Analysis
- Prospecting
- Forecasting

16%  GRANT SEEKING CAPACITY
- Grantseeking Strategy
- Grantsmanship Training
- Consulting

8%  PROPOSAL DEVELOPMENT
- Proposal Production
- Proposal Research

1%  PRE-PROPOSAL SUPPORT
- Letter of Inquiry
- Pre-Proposal

SAMPLE PROJECTS

PROPOSAL REVIEW
- NIH R21 STEP Proposal Review
- NSF MSN Proposal Review
- ED Title V Review

FUNDING RESEARCH
- Agribusiness Program Prospecting
- Campus Security Prospecting
- Health Disparities Cluster Funding Calendar

GRANT SEEKING CAPACITY
- New Faculty Grantsmanship Training
- Webinar–NIH Rigor and Reproducibility
- Grantseeking & RFPs–Onsite Training

PROPOSAL DEVELOPMENT
- NSF ADVANCE Proposal Development
- Title III Planning and Proposal Production
- NIH U01 Proposal Development

PRE-PROPOSAL SUPPORT
- CCF Research Grant Program Letter of Inquiry
- LOI Production: Patrick and Anna M. Cudahy Fund
- Josiah Macy Jr. Foundation Letter of Inquiry


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Hanover enables higher education institutions to offer a world-class educational experience and operate an efficient and sustainable institution. Hanover’s Higher Education Solutions tackle the academic and administrative challenges facing every department at your institution—amplifying your individual efforts with our tried and tested suite of solutions. Our partners include higher education institutions of all varieties: from large to small, public and private, two-year, four-year, professional, graduate, and for-profit schools.

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- Academic Development: Strengthen your academic portfolio through market analysis of existing and potential new programs.
- Student Experience: Spot at-risk students early, identify the drivers of attrition, and pinpoint factors driving poor post-graduate outcomes.

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- Marketing: Reach the right audience at the right time with the right message.

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- Pre-Proposal Support: Facilitate the development of competitive project concepts prior to submission.
- Proposal Review & Support: Provide review and revision to ensure robust proposal submissions.
- Proposal Development: Engage full proposal development support.

ABOUT HANOVER RESEARCH

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