PROSPECT GENERATION IN A POST-RECESSION ECONOMY

The education landscape is changing once again.
Here’s how you can adapt your strategies—and grow your enrollments.

INTRODUCTION

HOW THE UPSWING CAN BRING SCHOOLS DOWN.
Since 1990, the United States has experienced three major recessions, and during each of these tumultuous periods, higher education marketers have found a unique silver lining. As uncertainty and unemployment have increased, student inquiries have sprouted easily—and school enrollments have grown sizably.

But each time, as economic recovery has turned the corner and unemployed prospects have found new job opportunities, the bounty of inquiries has gradually withered. In past recessions, the emergence of new media has softened the blow. During the 1991 recovery, cable and satellite provided a new prospect generation medium to offset the decrease in inquiries and enrollments. And in 2001, as the desktop Internet gained critical mass, schools were able to leverage its emerging strength to adapt to a less fertile landscape.

THE NEW ERA OF ECONOMIC RECOVERY.
This time it’s different. As the economy begins to recover, education marketers won’t find the next new medium squarely in place, ready to save the day. Although the mobile web is growing rapidly, it’s not expected to mature until 2013.1 And unlike cable and desktop Internet, it doesn’t represent an entirely new medium. Instead, it’s a “replacement channel” that will trump older digital mediums, like desktop Internet. It’s also an increasingly noisy medium, fragmented with a multitude of new devices, mobile platforms, and technologies.

Digital natives, who see their phones as part of their identity, already understand this. In fact, they’re living it every day. And with their ravenous appetite for all things mobile, they will be the force that breaks down mobile cost and coverage barriers, and quickly makes the mobile web ubiquitous for all of your students and prospects, including adult continuing education students.

PREPARE TODAY. WIN TOMORROW.

To succeed during this unique and challenging post-recession period, schools must adapt once again to an ever-changing landscape. By preparing now for the challenges and opportunities presented by the upcoming economic recovery and emerging mobile technologies, schools can develop cost-effective strategies for attracting, converting, and retaining quality students.

UNDERSTAND THE CHALLENGES

HAPPY DAYS ARE HERE AGAIN. BUT EDUCATION MARKETERS FACE NEW STRUGGLES.

As people everywhere look hopefully toward an economic upswing and the promise of new technological advances, recession-savvy schools are taking their optimism with a grain of salt. They know that economic recovery doesn’t always equal enrollment success, and that shiny new devices must be proven before they increase conversions.

But by understanding these challenges and confronting them head-on, they’ll also be among the first to refine their marketing strategies—and to adapt their practices for increased success in spite of an unstable marketplace.

EMPLOYMENT IS RISING. INQUIRIES ARE DECLINING.

Most financial experts anticipate a slow, steady economic recovery that will stretch into 2011. And statistics show that this recovery is already gaining momentum. In May 2010, the unemployment rate dropped to 9.3 percent, down from its highest spike of 10.6 percent in January 2010.²

¹ The Mobile Internet Report, Morgan Stanley, December 2009.
² Google Public Data
If this recession follows the same job loss pattern as the two previous recessions, then it can be anticipated that the unemployment rate will continue to remain flat or decline over the next 18 months. And that means inquiry volume will begin to steadily decline, too, as student prospects return to full-time work.

Consumers are keeping their wallets closed.
During this recovery, it’s likely that consumer spending will remain conservative, especially on big-ticket items like higher education. The most recent consumer spending report for June 2010 indicated that while spending rose slightly, the increase was in the services sector, not the durable goods sector. This indicates that consumers will continue to keep their wallets closed, even as the job market improves. With this combination of low consumer spending and increased job opportunities, schools will see more student prospects choosing a steady paycheck over an investment in higher education.

**EMERGING MOBILE TECHNOLOGY WON’T BOOST SHORT-TERM PROSPECT GENERATION.**

The Mobile Web is coming—and by 2013 it’s projected to overtake PCs as the most common way to access the Internet. But right now, it’s still in its growth period, and the economy is projected to recover long before it matures. That means education marketers won’t be able to leverage it as a reliable source of new inquiries—at least not yet.

Mobile adoption will lead to decreased contact rates.

Text messaging is growing exponentially, too—especially with the Gen Y demographic. Today, 60% of people under 30 read their text messages within a minute of receiving them—but they can take up to four days to listen to their voicemail.

And as SMS and MMS continues to grow in popularity, Helix Education predicts that traditional, one-on-one phone contact with inquiries will become even more elusive.

“Already, people are becoming more responsive to text messaging than they are to phone calls,” says Steve Winchester, CMO/VP, Student Marketing at Helix Education. “To keep contact rates up, schools will need to develop new SMS contact strategies.”

**SEIZE THE OPPORTUNITIES**

**8 STRATEGIES TO HELP YOU SUCCEED.**

Lower inquiry volume. Stagnant consumer confidence. Dwindling contact rates. If you’re feeling less than ebullient about economic recovery and the iPhone, you’re not alone. But there are ways to turn these post-recession challenges into distinct marketing opportunities.

“Focus on increasing your conversion rate, not just purchasing the inquiries,” says Steve Winchester, CMO/VP, Student Marketing at Helix Education. “And make sure you’ve got strategies for retaining students once they’ve started.” To ensure these higher conversions, you’ll need to refine every step of your marketing life cycle, from prospect generation all the way to student retention. Because soon enough, your pool of prospective students will begin shrinking.

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1 Bureau of Economic Analysis, News Release: Personal Income and Outlays, June 2010
2 December 2009 Morgan Stanley Internet Report
3 Compliance Point data.
1. **Pay for inquiries based on their quality.** Use an inquiry scoring system that allows you to pay based on the quality of inquiry scores, because some inquiries are simply more valuable than others. Consider using a CPL arrangement instead of CPE, because new Department of Education regulations may eliminate CPE by 2011.\(^1\)

2. **Prioritize your inquiries based on their likelihood to convert.** As the upswing begins to eat away at your inquiries, it will be more important than ever to give high-scoring leads top marketing priority. Use an outside admissions service to follow up with mid-tier and/or low-scoring inquiries in a low-touch, cost-effective manner.

3. **Contact high-scoring inquiries within the first three minutes.** Schools that follow up with interactive inquiries within three minutes of inquiry submission enjoy a distinct competitive edge. Consider partnering with an education-focused admissions center to contact inquiries, verify their eligibility, and transfer them to your admissions team.

4. **Develop a text messaging contact strategy.** As even more people use text messaging as their primary form of communication and contact rates by phone and email begin to dip, text messaging will become an essential strategy to help education marketers keep their contact rates up. Right now, while text messaging is still maturing, ensure that you’ve got the technical infrastructure to support SMS communication strategies and begin creating a list of “textable names” by capturing mobile phone information in your CRM system. Before you build your first text messaging campaign, be sure to familiarize yourself with the Mobile Marketing Association’s code of conduct and best practices. They can be reviewed online at: http://mmaglobal.com/policies.

5. **Use online fulfillment packages and viewbooks.** When enrollments are down, efficient communications become even more vital. To keep your fulfillment practices as lean as possible while still making personalized contact with student prospects, send online fulfillment packages and viewbooks as opposed to traditional printed materials. These packages can be created with either print on-demand or PDF on-demand (for electronic delivery) and customized versions can be sent instantly to your prospects.

6. **Carefully control dialog marketing strategies and cadence.** To further ensure the best use of marketing resources and money, prioritize your dialog marketing based on your inquiry scoring—your most qualified inquiries may need nothing more than an email, while mid-tier inquiries may merit a more robust dialog marketing campaign. In addition, ensure that all messages are integrated, consistent, relevant, and carefully timed.

7. **Refine messaging based on economic conditions.** While consumer confidence remains low, messages surrounding safety, security, and affordability may make the most tactical sense. However, as the economic recovery takes hold and consumer attitudes shift, messages surrounding higher psychological ambitions, like finding meaning and achieving potential, may hold more weight with prospective students.

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—Steve Winchester, CMO/VP, Student Marketing

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8. Keep enrolled student profiles updated. With fewer inquiries to draw from in 2011 and beyond, schools must focus on retaining and nurturing the students they already have. For starters, make sure you keep updated profiles on each and every student—and remember, the more transitory your student body is, the more frequently student profiles should be updated. By keeping close tabs on enrolled students, you’ll be better equipped to identify those who are struggling or considering dropping out of your program. Armed with this information, you can focus your retention contact and mentoring programs on at-risk students, and provide the extra support they need to stay enrolled, persistent, and successful.

CONCLUSION

FINDING THE NEW SILVER LINING.
You can't control the marketplace. But you can control your marketing strategies. By ensuring greater efficiency at every stage of the marketing life cycle, you can maximize the window of opportunity that exists between inquiry and enrollment. And you can drive more prospects to your school—even in a tight, uncertain marketplace, where there are fewer students than ever to choose from.

“Be disciplined about who you’ll accept and learn how to keep the students you have,” says Helix Education’s Winchester. “As we come out of the recession, the schools that have done this will be much further ahead. They will have adapted their internal systems to meet current challenges, and they’ll have the resources in place to pursue the limited, qualified inquiries that are out there in the marketplace.”

PLAN YOUR POST-RECESSION STRATEGY NOW.
Now is a time of major upheaval and transition for education marketers, which means there’s never been a better time to refine your marketing practices—and to discover brand-new strategies for success. Learn how Helix Education can help you win in the new era of economic recovery. Call 800-279-9335.

ABOUT HELIX EDUCATION
Since 1987, Helix Education has provided innovative, data-driven marketing exclusively to higher education. The company provides marketing advisory research services, delivers full-service lead generation and management, and offers conversion marketing solutions designed to reach, engage and motivate prospective students. Focusing on performance and visibility into the student enrollment cycle, Helix Education helps schools drive higher return on their marketing investment.