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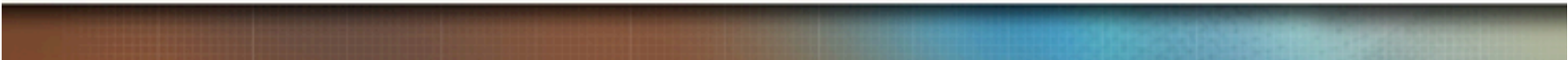
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Hendrick Conference: Best Practices for Adult Learners May, 2010

2009 Stamats Adult Student TALK™ Study

**Presented by
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About Stamats

Stamats is recognized and respected as the nation's higher education integrated marketing thought leader. Our comprehensive array of innovative services has set the standard for pairing insightful, research-based strategic counsel with compelling creative solutions.

We promise our clients the highest level of professional service and attention to detail in the industry because, in the end, we know our success is measured entirely by theirs.

Research, Planning, and Consulting Services

- Image, perception, and brand studies
- Recruiting, marketing, brand, and academic program marketability audits
- Tuition pricing elasticity and brand value studies

Creative Services

- Creative concepting
- Web strategies
- Recruiting and advancement publications



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The State of Higher Education.....



The Perfect Storm

- A confluence of three gales:
 - Changing demography
 - Rising cost to attend
 - Increased competition for students

..... and a fourth – the economy

- Add to the confluence:
 - Colleges and universities increasingly unable (unwilling) to make the tough decisions that will truly differentiate themselves from their competitors
 - The rise in for-profit education and their intentional efforts to serve underserved populations.



Tough Times – Higher Education

- According to NACAC, 78% of colleges and universities reported an increase in traditional age student applications
 - An increase in applications does not mean much, but a decrease in applications does
 - Expect more incomplete applications as students shop for aid
- Only three states did not cut funding for public education
- According to *USA Today*, states will cut an estimated \$80 billion from their higher ed budgets (about 18.5%) over the next three years
- 39% of colleges said giving is down 10% or less, 17% said it is down 10% or more
- College endowments are down (at least the 3–4 year rolling average)

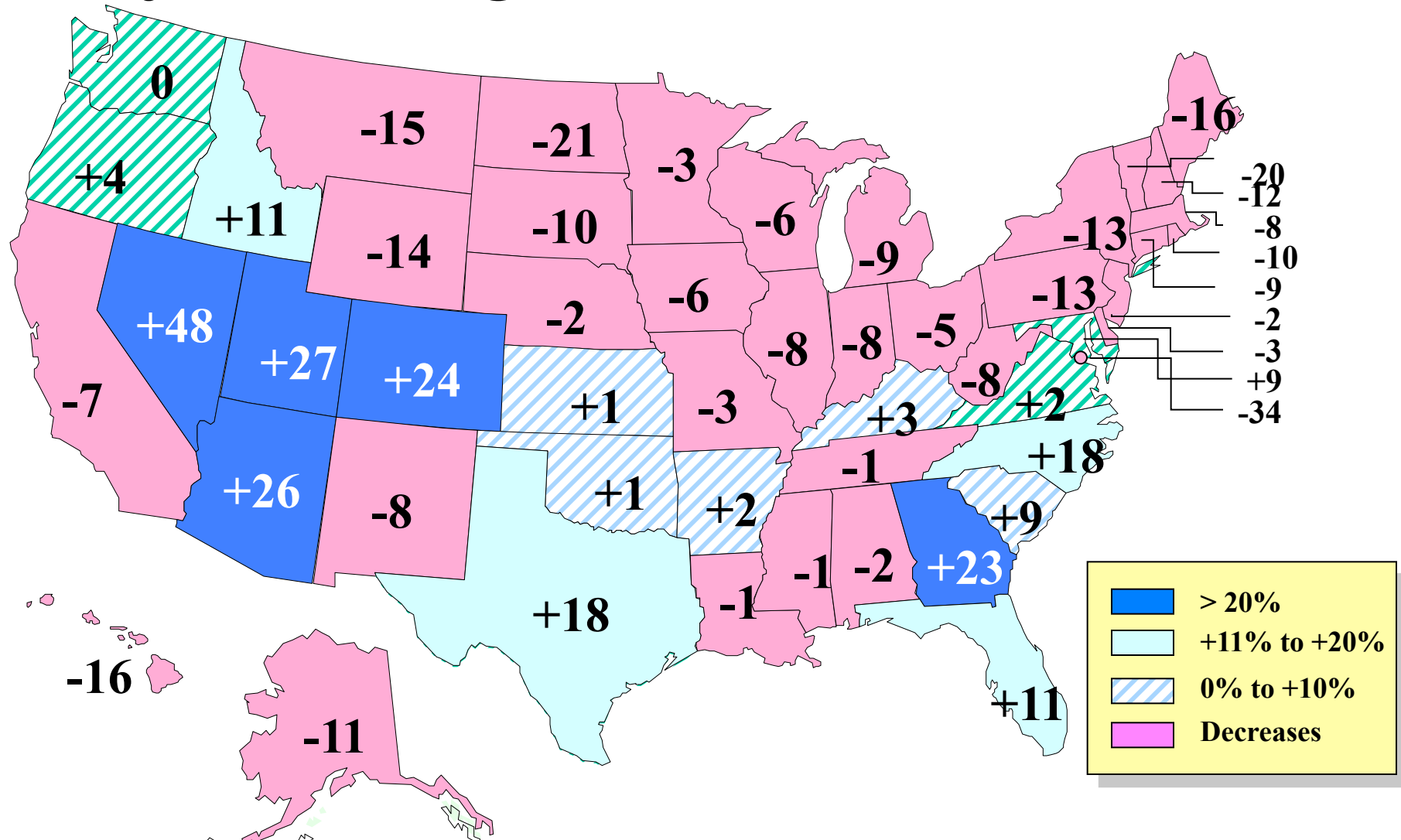


Conflicting Information

- Many schools are reporting record enrollments
 - And the media is covering that story
- At the same time, many of these schools are facing significant budget shortfalls
 - This story is not getting much play
- Many institutions exceeded their enrollment goals, and are having discussions about layoffs and extensive budget cuts



Projected Change in H.S. Graduates to 2018

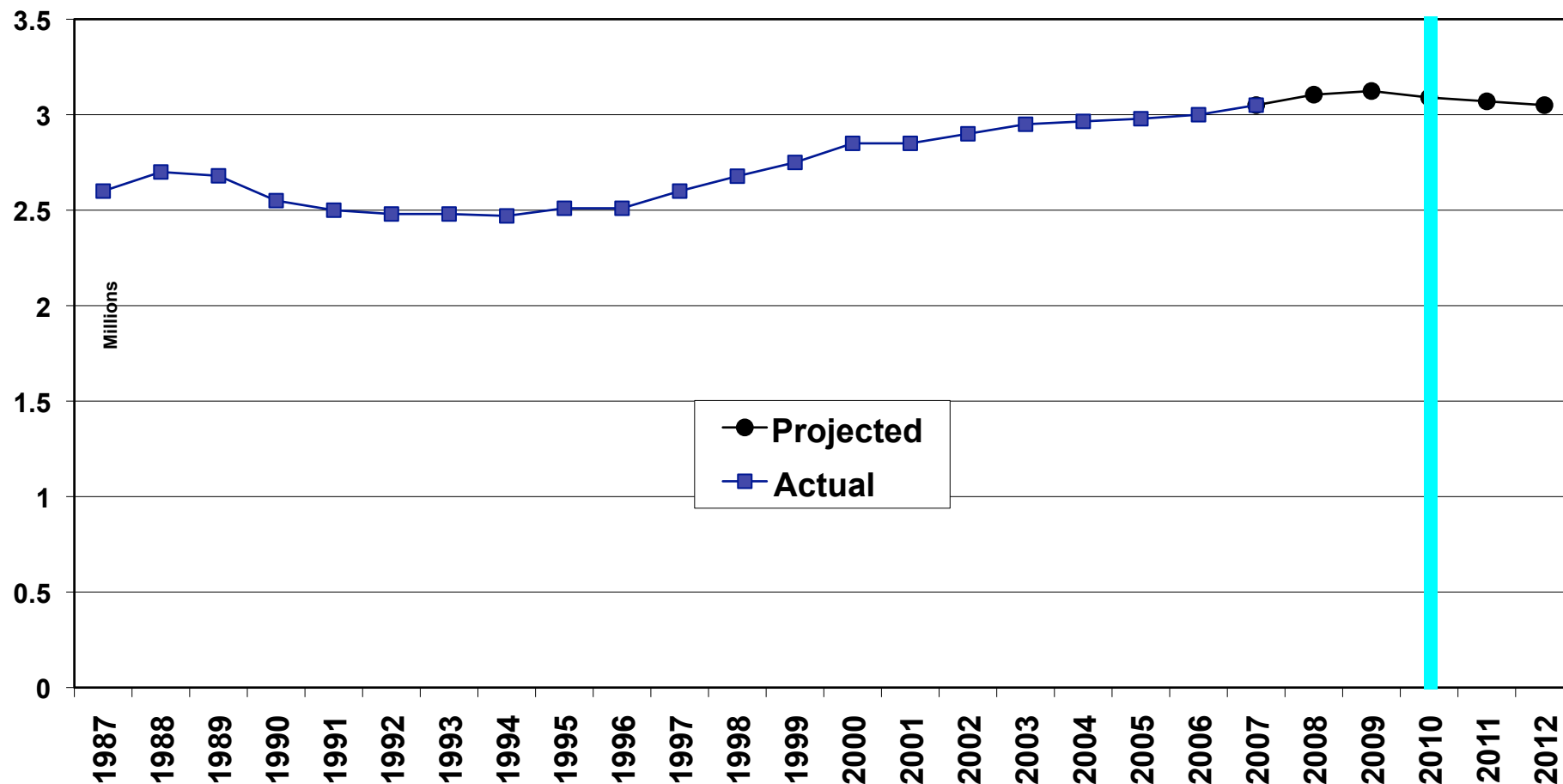


Source: *Chronicle of Higher Education Almanac* 2006-07

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Projected Number of High School Graduates



Sources: National Center for Education Statistics

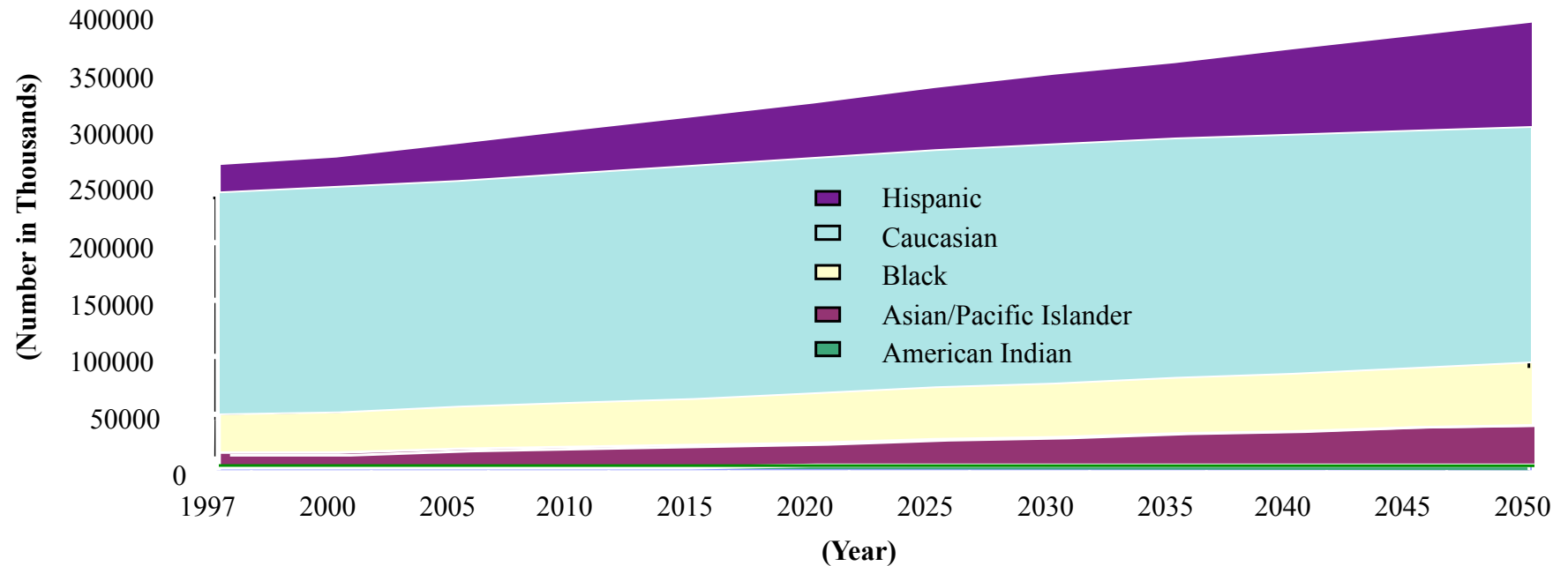
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U.S. Population Growth by Ethnicity

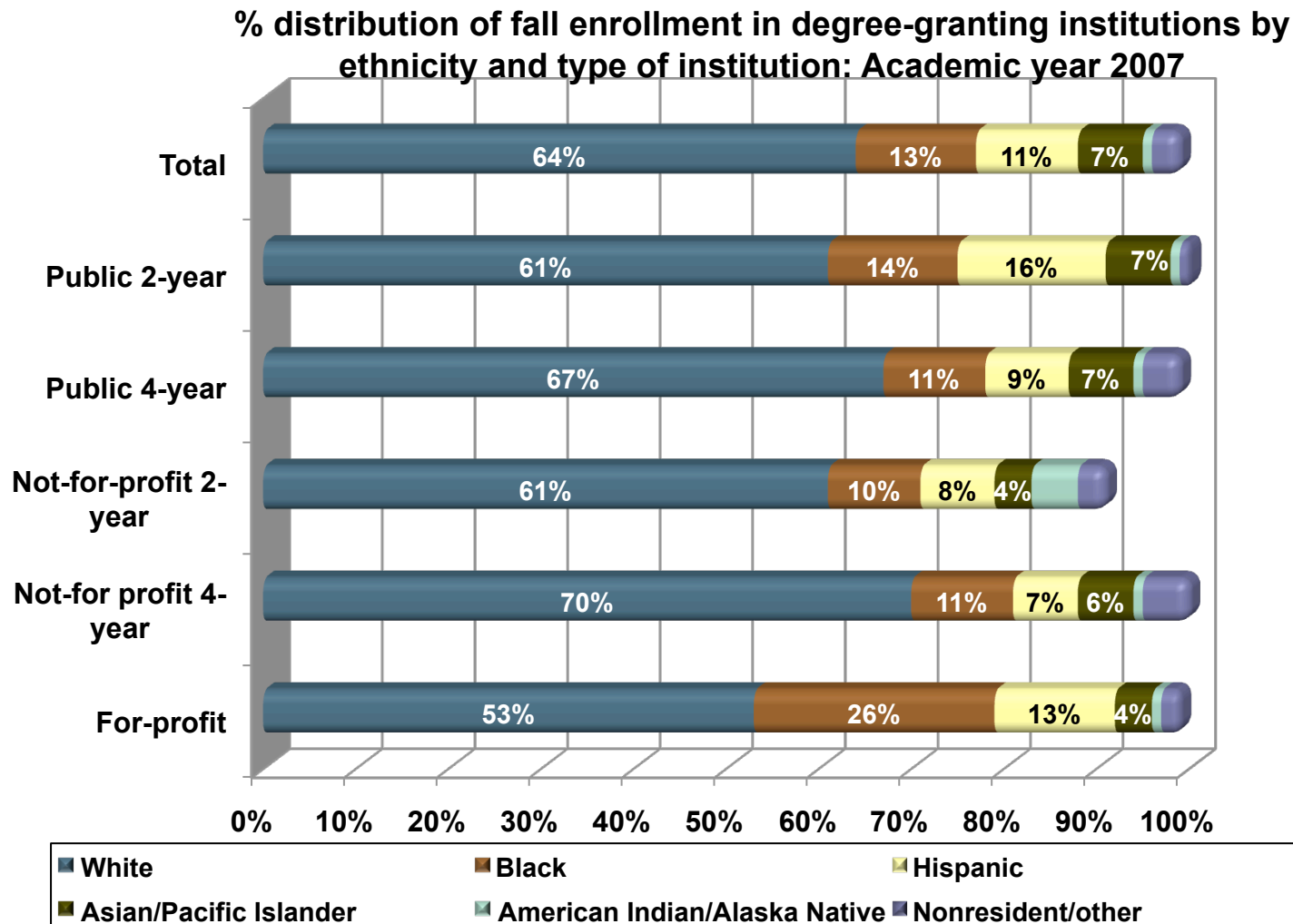


- Minority population rising to about 50% of population by 2050
- 76% of Asian Americans have college degrees (only 67% of whites, 9% of blacks, and 7% of Hispanics have degrees)

Sources: U.S. Census Data, The College Board



Fall Enrollment by Ethnicity



SOURCE: U.S. Department of Education, National Center for Education Statistics, 2007 Integrated Postsecondary Education Data System (IPEDS), Spring 2008.

The Rise of Online Education

- Some 75% of all institutions offer online courses
- 2.6 million students enrolled online
- Approximately 125,000 students enrolled in online MBA programs at over 150 accredited schools (Bus 2.0)
- Several institutions, including Concord Law School (owned by Kaplan) and Northwestern California University offer online JD degrees



For-Profit Institutions

- Nine percent of all U.S. four-year college and graduate students attend for-profit institutions
 - About 22% of two-year college students attend for-profits
- U of Phoenix is America's biggest college
- Stock increases over 2006:
 - ITT stock up 78%
 - DeVry up 55%
 - Apollo Group 13%



Source: *Eduventures*



Educational Attainment in the U.S.

In 2008

- 31.2% high school diploma
- 19.1% bachelors degree (16.4% in 1998)
- 8.8% graduate degree (6.4% in 1998)
- 1.3% doctorate degree

US Census Bureau – Current Population Survey 2008



Graying Electorate

- 2002 10% of electorate under 30; 23% over 65



- 2022 8% of electorate under 30; 33% over 65

Source: *Washington Post Web Site*

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Today's Adult Students

- Only 16% of college students fit the traditional model: age 18-22 years old, attending college full-time, and living on-campus
- The “over 25” population is the fastest-growing student segment in higher education and has consistently increased during the last three decades
- Despite this information, the majority of opportunities within higher education are designed with a traditional-aged student in mind



Today's Adult Students

No Clear Definition

21-year-old working full-time, taking part-time classes

37-year-old widow returning to college full-time

53-year-old returning to school via NAFTA

30-year-old veteran wanting to take advantage of his
educational benefits

44-year-old professional earning a master's degree via an
evening program

19-year-old single mom living at home with parents and
working full-time job while attending evening
classes

67-year-old taking classes for personal enrichment

39-year-old earning a certificate through the local college
for work



Why Is This Important....

- Adult student programs will more than likely be called upon even more heavily to generate revenue to add to the institutions bottom line
- Programs focused on serving adult students are the largest potential growth market, according to demographics, in higher education
- Adult student programs who are able to serve minority students well will be better positioned to compete (particularly in the South)
- Understanding the landscape allows adult student programs to leverage their role
- Realizing who the competition is and who their target audience is allows you to intentionally position your program



2009 AdultTALK™ Results

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Historical Perspective....

In April of 2008 Stamats completed its first Adult Students TALK™ Study which was developed and executed to gauge the attitudes and views on a wide range of issues pertaining to adults returning to higher education

2008 Methodology

- Web survey of 406 geographically dispersed adults interested in continuing their education
- The sample was intentionally drawn to look at both undergraduate and graduate-degree seekers
- Respondents were members of an online panel. Before beginning, respondents were screened to ensure they were:
 - Between the ages of 25 and 54
 - Somewhat or very likely to continue their education within the next three years



2009 Methodology

(surveying done in October)

- Web survey of 408 geographically dispersed adults interested in continuing their education
- The sample was intentionally drawn to look at both undergraduate and graduate-degree seekers
- Comparisons with 2008 responses were made, where applicable
- Respondents were members of an online panel. Before beginning, respondents were screened to ensure they were:
 - Between the ages of 25 and 54
 - Currently had a level of education of a GED/high school diploma or higher but not beyond some graduate work
 - Somewhat or very likely to continue their education within the next three years



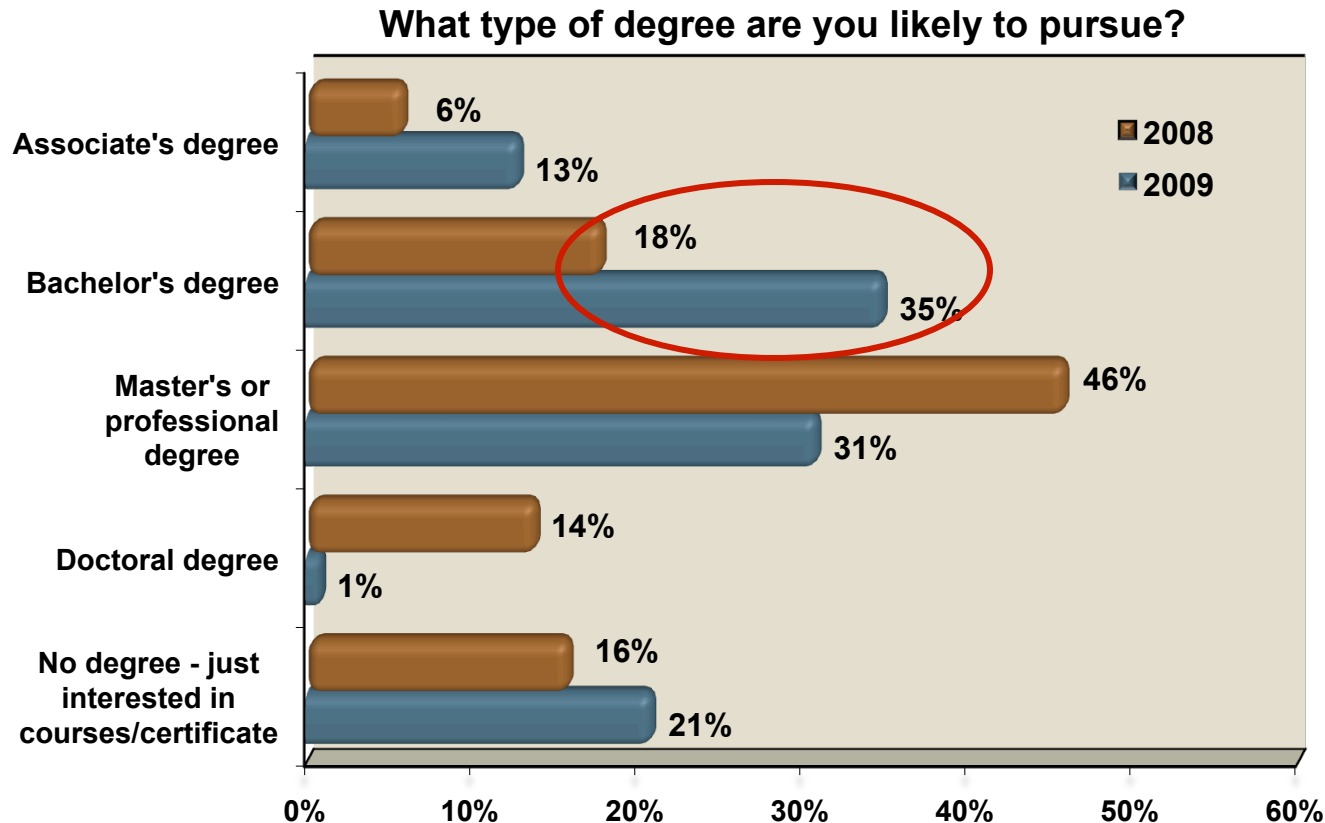
2009 AdultTALK™ Results

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Degree of Interest



- More respondents today are interested in going back to school to complete a bachelor's degree versus getting a master degree or beyond
- Rise in respondents who are interested in certificates or courses

Associate or Bachelor Degree Seekers

Type of Education Pursuing

2008 Among undergraduate adult students:	2009 Among undergraduate adult students:
<ul style="list-style-type: none">• 19% plan to pursue an Associate's degree• 71% plan to pursue a Bachelor's degree• 10% are not seeking a degree (certificate or personal enrichment courses)	<ul style="list-style-type: none">• 21% plan to pursue an Associate's degree• 52% plan to pursue a Bachelor's degree• 4% plan to pursue a graduate degree• 23% are not seeking a degree (certificate or personal enrichment courses)

- Interestingly, more undergraduate adult students are not seeking a degree, up 130% from 2008
- Female respondents are more likely to be going back to school for non-degree reasons



Why Pursue Additional Education?

2008 Top motivations for pursuing additional education:

- 97% desire personal enrichment
- 89% want to increase their income
- 78% have always enjoyed education
- 76% want to prove they can do it
- 75% are considering changing their careers
- 73% want to improve their job satisfaction
- 66% hope to advance within their current job or career
- 62% want to be a role model for their family
- 42% need to due to personal circumstances/major life changes

2009 Top motivations for pursuing additional education:

- 87% desire personal enrichment
- 83% want to increase their income
- 65% want to improve their job satisfaction
- 63% want to prove they can do it
- 61% hope to advance within their current job or career
- 60% are considering changing their careers
- 57% have always enjoyed education
- 51% want to be a role model for their family
- 45% need to due to personal circumstances/major life changes

Motivations down from 2008

Younger respondents find that increased income is more motivational than older respondents.

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Defining Personal Enrichment

(2009 only)

What does personal enrichment mean to you? (Top 6)

- 26% Better oneself
- 18% Gain knowledge
- 9% Sense of accomplishment
- 7% To learn more
- 7% Satisfied with self
- 6% Enhance your life

“The satisfaction of knowing I can do anything I set my mind to.”

“To better myself and my life circumstances so I can be proud of who I am and what I have and can become.”

“Being satisfied with who I am and where I am at the time as far as my personal knowledge and experiences have taken me.”

“Personal enrichment is the act of improving one's education, engaging in new activities and thus having new experiences with which to draw from.”

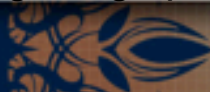


College Programs of Interest (Top 13)

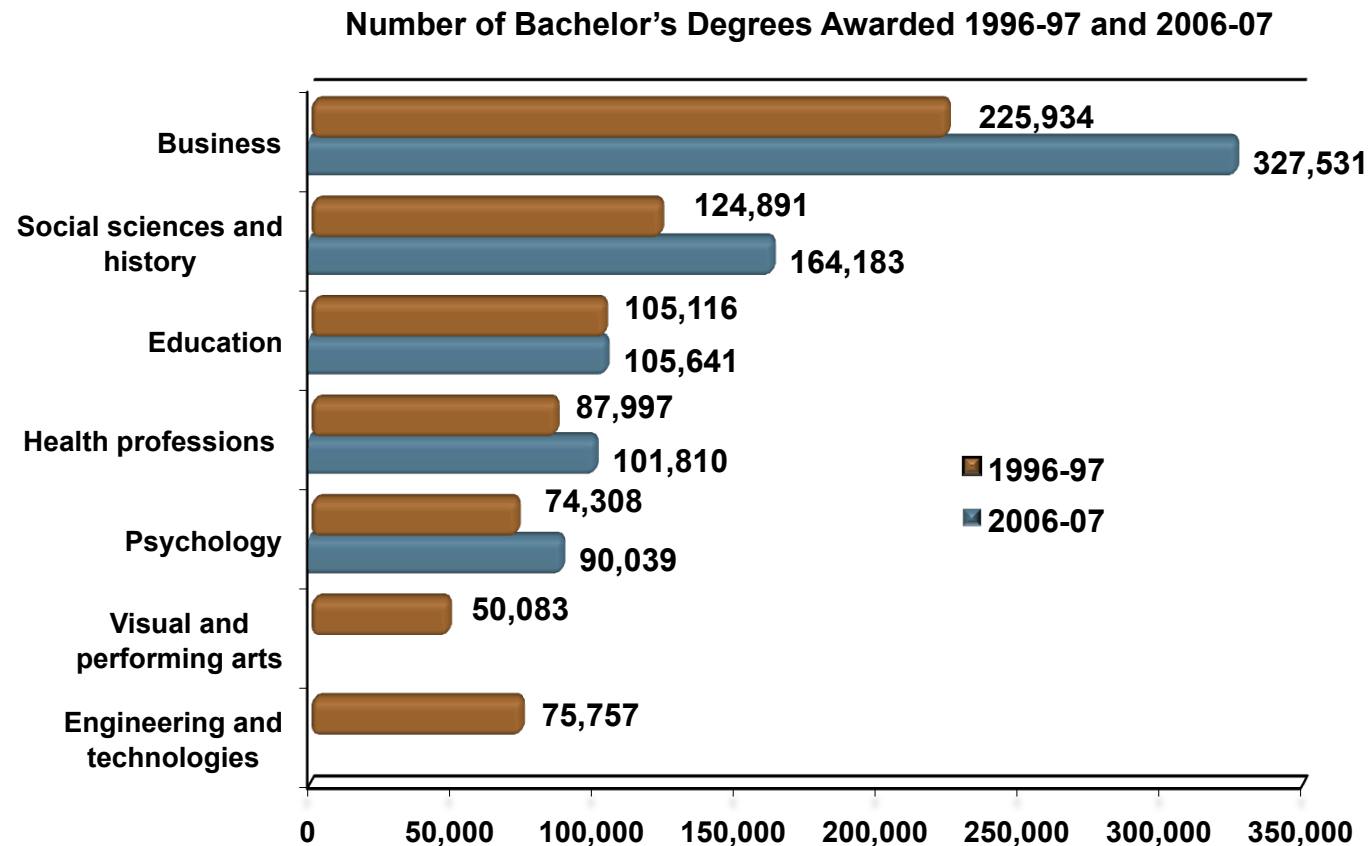
Program	2008
Business administration	22%
Computer science/info mgmt	10%
Accounting	9%
Education	5%
Psychology	5%
Nursing	4%
Graphic design	3%
History	3%
Art history	2%
Communications	2%
Criminal justice	2%
Healthcare management	2%
Medical billing	2%

Program	2009
Business/business administration	29%
Accounting	11%
Nursing	8%
Computer science	8%
Criminal justice	6%
Marketing	6%
Education	5%
Finance	5%
Information technology	5%
Psychology	5%
History	4%
Medical	4%
Teaching	4%

- Business majors remain the favorite program, followed by accounting in 2009, after that majors of interest vary into single digit percentages



Bachelor's Degrees Awarded



SOURCE: U.S. Department of Education, National Center for Education Statistics (NCES), 1996-97 and 2006-07 Integrated Postsecondary Education Data System, "Completions Survey" (IPEDS-C:97) and Fall 2007.

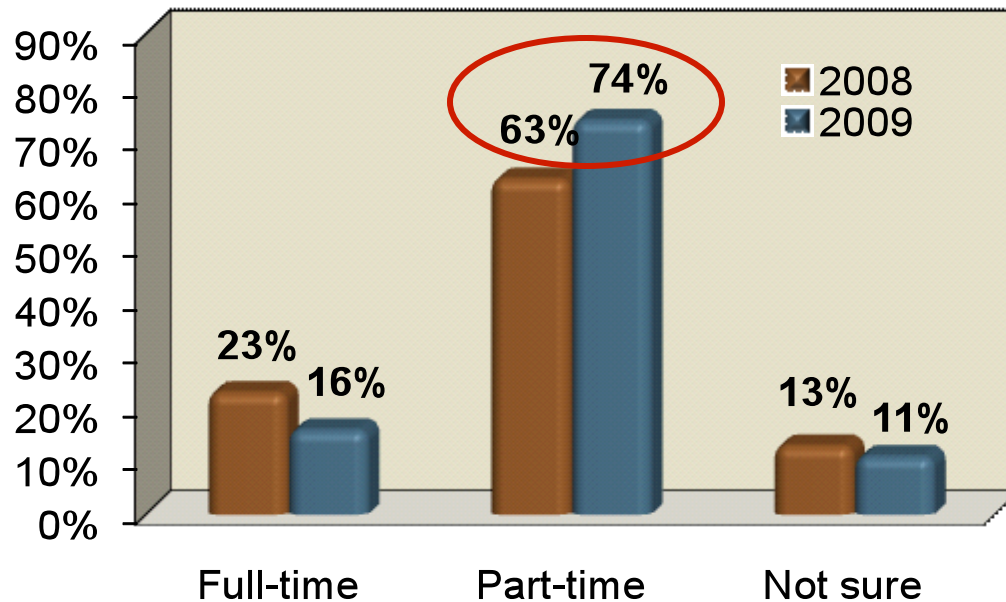
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Full or Part-Time Study

If you go back to college, would it likely be full-time or part-time?

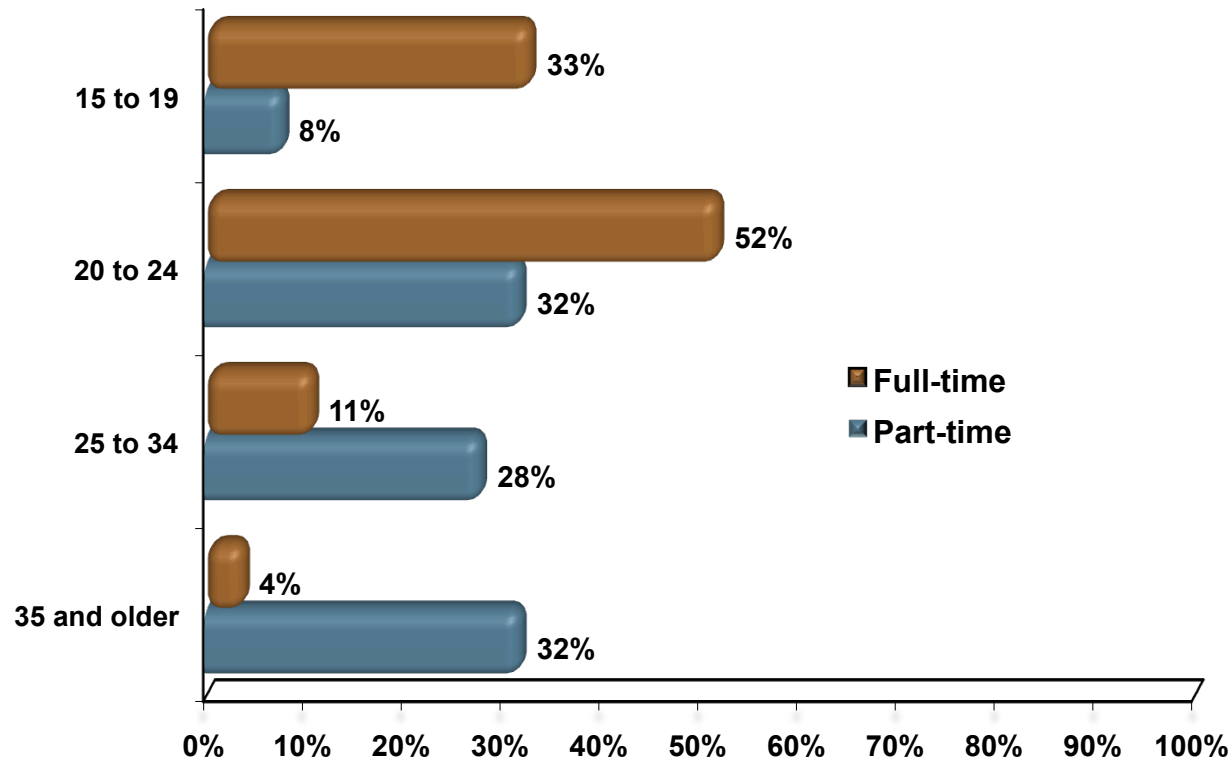


- Part-time interest is up from 2008
- 73% of those indicating they would go back part-time are currently employed full-time



College Enrollment by Age

Percent of undergraduate students enrolled full-time and part-time at a 4-year institution by age – Fall 2007



% based off an enrollment population of 9,550,000

SOURCE: Census Bureau

Institutions Likely to Consider

2008 Among adults seeking an undergraduate degree:

- 83% would consider a public college or university
- 44% would consider a private college or university
- 64% would consider a community or technical college
- 73% would consider an online program

2009 Among adults seeking an undergraduate degree:

- 78% would consider a community or technical college
- 73% would consider an online program
- 71% would consider a public college or university
- 38% would consider a private college or university

Younger respondents are more likely to consider a public college or university.



Preferred Course Format

Please indicate how appealing each of these formats is to you.	2008		2009	
	% very appealing	% not at all appealing	% very appealing	% not at all appealing
Courses entirely on-line	66%	9%	57%	6%
Courses at night	53%	16%	39%	11%
Online & on-campus hybrid	38%	15%	38%	8%
Daytime courses during the week	18%	47%	23%	27%
Courses on the weekend	32%	37%	21%	29%

- Middle of the road appeal (people cited less extreme appeal to course formats), indifference to appeal could mean lack of intent to enroll
- Asked of 2009 respondents only who are currently enrolled in college courses, "What course format are you currently enrolled in?"
 - 43% Courses entirely online
 - 23% Daytime courses during the week
 - 20% Hybrid courses
 - 13% Courses at night

Important College Attributes

Attributes (in order of 2009 importance)	2008	% "Very important"	2009	% "Very important"
Flexibility of class scheduling/times	4.6	73%	4.5	64%
Cost to attend	4.5	64%	4.5	67%
Location is convenient to home or work	4.4	63%	4.4	58%
Faculty are good teachers and mentors	4.3	51%	4.3	54%
Ability to transfer in credits	4.4	66%	4.1	49%
Amount of financial aid available, including scholarships	4.2	53%	4.1	49%
Online learning options	4.3	55%	4.1	47%
Academic reputation of the college/university	4.2	41%	4.1	41%
The college places a strong focus on educating adult students	4.1	41%	4.1	43%
Quality of academic facilities	4.0	38%	4.0	36%
The college is known and respected within my community	3.9	30%	3.9	33%
Availability of accelerated programs	3.7	34%	3.8	33%
Success of graduates	3.9	35%	3.8	31%
Small student/faculty ratio	3.7	24%	3.6	24%



Major Concerns Among Adults

2008 Major concerns among adult undergraduate students:

- Paying for college courses (48% cite as a “major concern”)
- Managing time between family and classes (46%)
 - Among respondents with children, this increases to 71%
- Managing time between work and classes (42%)

2009 Major concerns among adult undergraduate students:

- Paying for college courses (57% cite as a “major concern”)
- Managing time between family and classes (44%)
 - Among respondents with children, this increases to 57%
- Managing time between work and classes (48%)



(Primarily) Non-Issues Among Adults

2008 “Major concerns” cited by less than 10% of graduate degree seeking adults:

- I don’t think I’d do well academically (7% cited as a “major concern”)
- What I learn in college will not be useful in my career goals (6%)
- I would feel embarrassed or out of place on campus (6%)
- I am not prepared to succeed on a highly technological campus (5%)

2009 “Major concerns” cited by less than 10% of graduate degree seeking adults:

- I wouldn’t know where to start to find financial aid (7% cited as a “major concern”)
- There are no colleges for me to attend that are close enough to my home (8%)
- I am not prepared to succeed on a highly technological campus (8%)
- I don’t think I’d do well academically (8%)
- I would feel embarrassed or out of place on campus (7%)
- Don’t feel what I would learn in college will be useful in my career goals (6%)

More non-issues cited in 2009

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Adult Services to Consider

Please indicate if having this service would make you MUCH MORE INTERESTED in going back to college. Top 8	2008	2009
	% much more interested	% much more interested
College credits given for prior work/life experience	75%	71%
Online learning programs	68%	60%
Accelerated programs	60%	64%
Financial aid specifically for adult students	61%	58%
Central location for admissions, financial aid, and class registration	51%	55%
Extension site located near you	53%	46%
A personal advisor to help you through the application and financial aid process	52%	44%
Tutorial services specifically designed to assist adult students	46%	36%

- Life experience credits are important factors for undergraduate degree seekers as well as graduate degree seekers
- The less credits needed, the less money needed to reach goals (recall that cost to attend is a highly important aspect to consider when looking to go back to school)



Researching College Options: Sources of Information

If you wanted to begin gathering information on enrolling in college, would you...	2008 % "Yes"	2009 % "Yes"
Visit specific colleges' Web sites	96%	93%
Contact the admissions office at a specific college	89%	87%
Conduct a general Web search for college-related Web sites	78%	84%
Talk with friends or family members	70%	74%
Get advice from someone in a career I'd like to pursue	63%	65%
Get advice from an employer for whom I'd like to work	40%	36%
Talk with my company's human resources staff	36%	29%
Talk with my supervisor	32%	24%

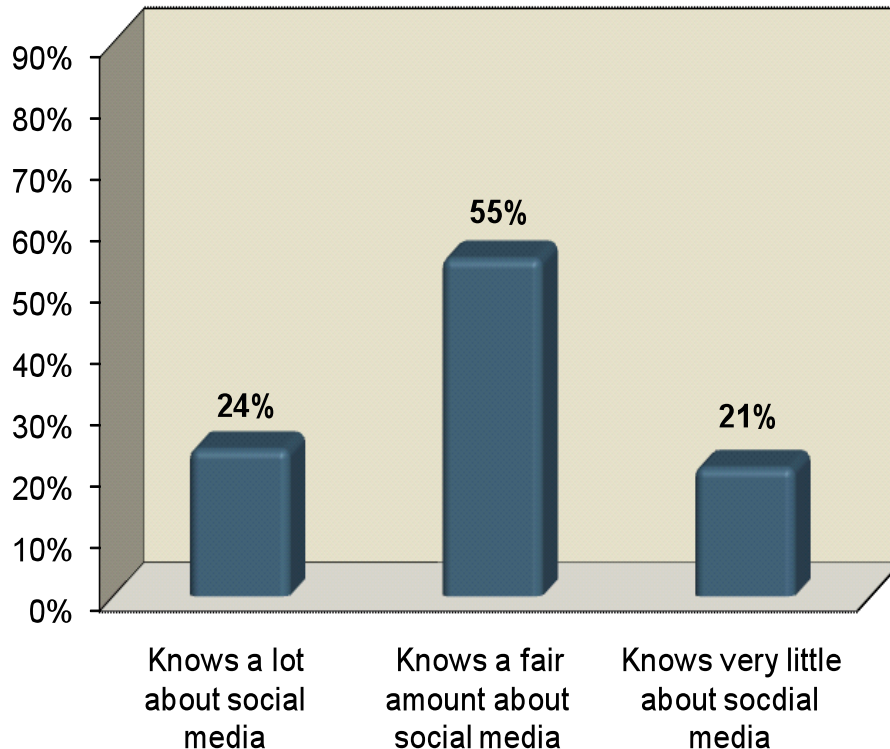
- Both undergraduate and graduate-degree seekers go about the same way in researching their college options
- A college's Web site is the #1 resource and will be a key factor (based on navigation capabilities and content about the school) in determining whether or not a potential student will consider that school further



Social Media Sites

(2009 only)

Do you consider yourself someone who...



- Younger respondents claim to know more about social media sites than older respondents
- Top social media community platform memberships:
 - 49% Facebook
 - 16% MySpace
 - 12% LinkedIn
 - 20% Don't participate in social media community platforms

How often do you visit your profile?

- 59% once to several times a day
- 26% once to several times a week
- 14% once to several times a month

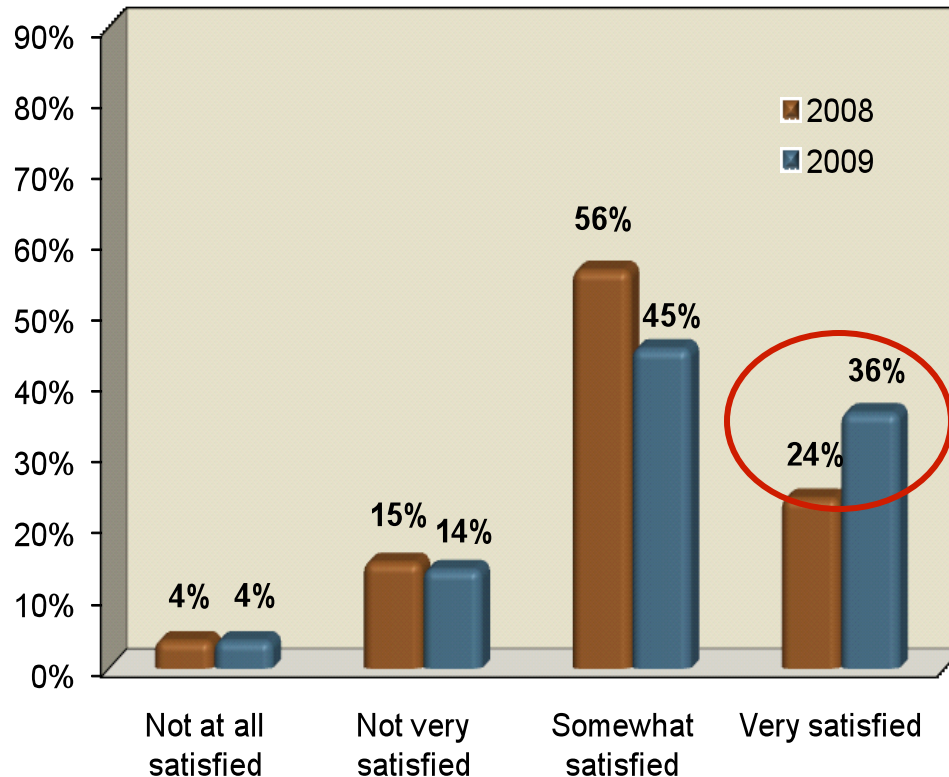


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Current Job Satisfaction

How would you describe your current job satisfaction?



- Current job satisfaction has increased since 2008
- Perhaps because many are just happy to have jobs right now?
- Current job satisfaction is directly related to whether or not a person would consider going back to school (38% not at all satisfied would be very likely to go back to school within the next three years compared to 14% of those very satisfied with current occupation)



Graduate Degree Seekers

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Why Pursue Graduate Education?

2008 Top Motivations for Pursuing Additional Education:

- 90% desire personal enrichment
- 81% have always enjoyed education
- 79% want to increase their income
- 79% hope to advance within their current job or career
- 75% want to improve their job satisfaction
- 62% want to prove they can do it
- 61% are considering changing their careers
- 39% want to be a role model for their family
- 34% need to due to personal circumstances/major life changes

2009 Top Motivations for Pursuing Additional Education:

- 81% want to increase their income
- 78% desire personal enrichment
- 74% hope to advance within their current job or career
- 68% want to improve their job satisfaction
- 59% are considering changing their careers
- 57% have always enjoyed education
- 54% want to prove they can do it
- 38% want to be a role model for their family
- 24% need to due to personal circumstances/major life changes



Defining Personal Enrichment

(2009 only)

What does personal enrichment mean to you? (Top 5)

- 19% Gain knowledge
- 17% Better oneself
- 13% Learn more
- 8% Satisfaction with self
- 6% Sense of accomplishment



“In this context, the satisfaction that comes from having pursued and succeeded (as measured by grades and quality of work) at a rigorous course of study.”

“Learning for the benefit of becoming well versed in a subject that you have always had an interest in.”

“Personal enrichment means to generally and genuinely increase my personal satisfaction level with whatever I'm pursuing.”

“It is the experience by which a person might be fulfilled and/or witness an increase in a physical, emotional, intellectual and/or spiritual sense.”



Graduate Programs of Interest

(Top 12)

Program	2008
MBA	18%
Education	9%
Computer science/info mgmt	6%
Psychology	5%
Nursing	3%
Accounting	2%
English	2%
Finance	2%
Medicine	2%
Counseling	2%
International business/relations	2%
Law	2%

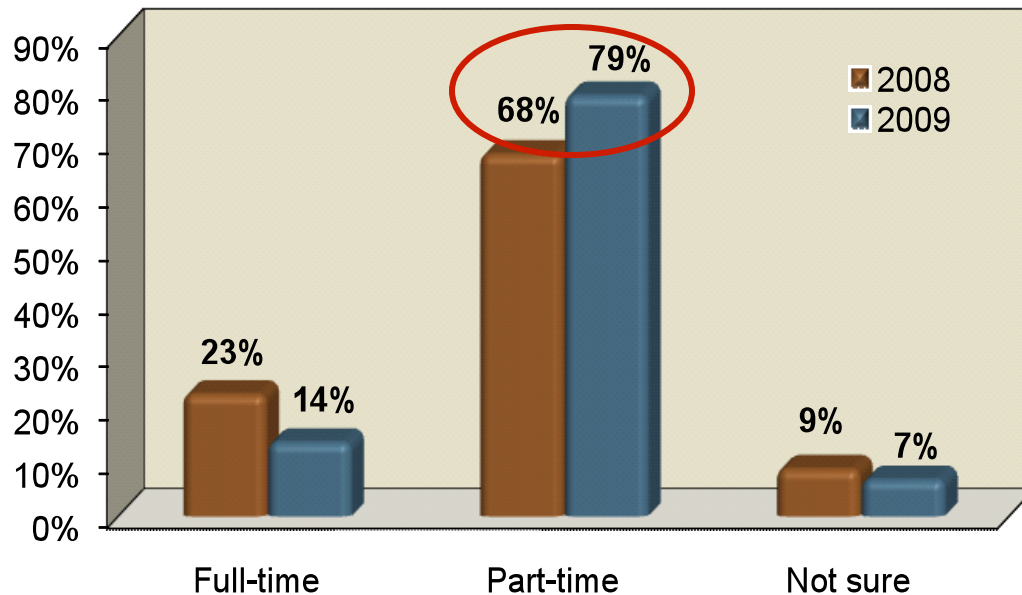
Program	2009
MBA/business	38%
Education	11%
Nursing	9%
Finance	9%
Human resources	7%
Psychology	7%
Information technology	4%
Sociology	4%
Accounting	4%
Criminal justice	4%
Engineering	4%
Law	4%

- Business-type majors make up over one-third of top interest in 2009. Education and nursing continue to be staples for advanced degrees



Full or Part-Time Study

If you go back to college, would it likely be full-time or part-time?

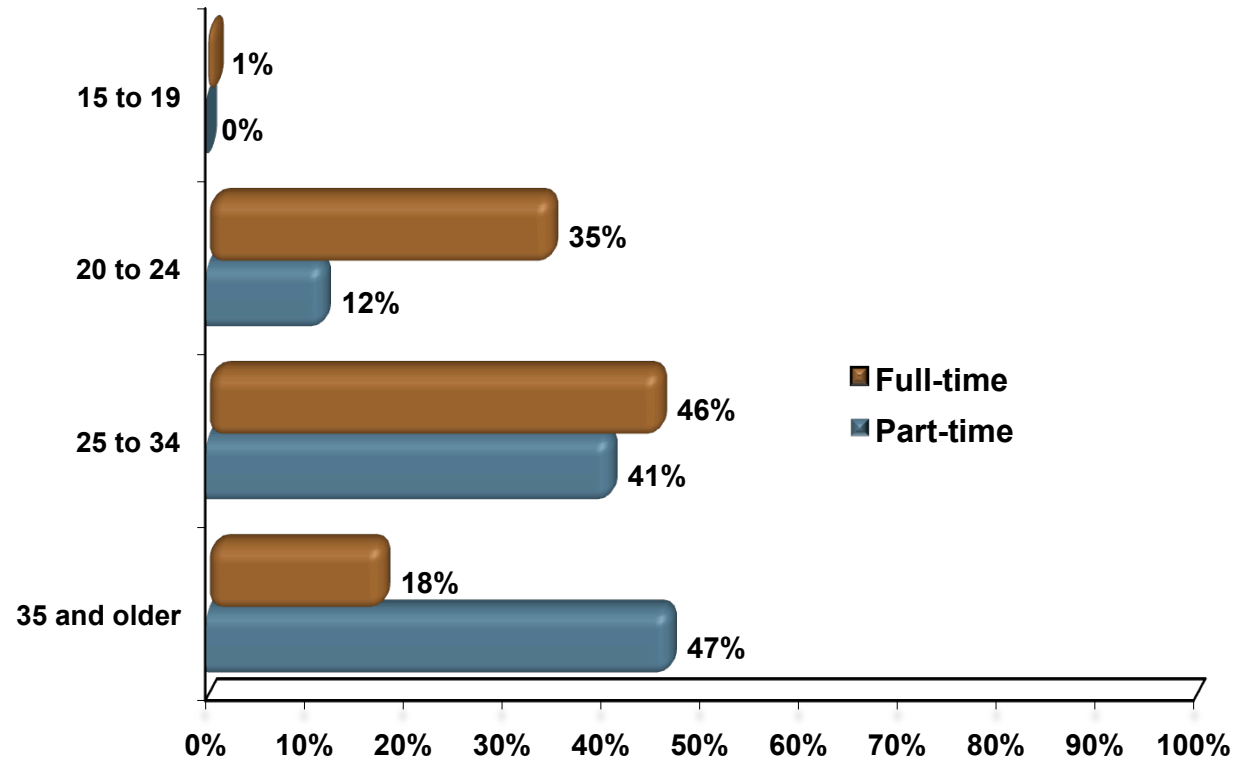


- Just over a 15% increase in part-time enrollment from 2008
- Three-fourths of respondents that would go back to school part-time are currently full-time employees
- Courses at night during the week are more appealing to this segment
- Most will be looking for flexible scheduling options as a major criteria to balance other family/career commitments



College Enrollment by Age

Percent of graduate students enrolled full-time and part-time by age –
Fall 2007



% based off an enrollment population of 3,592,000

SOURCE: Census Bureau

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Institutions Likely to Consider

2008 Among graduate degree seeking adults:

- 90% would consider a public college or university
- 78% would consider a private college or university
- 63% would consider an online program

2009 Among graduate degree seeking adults:

- 89% would consider a public college or university
- 65% would consider a private college or university
- 64% would consider an online program
- 38% would consider a community or technical college

2009: Interestingly, adults 45 to 54 are *more likely* to consider an online program.



Preferred Course Format

Please indicate how appealing each of these formats is to you.	2008		2009	
	% very appealing	% not at all appealing	% very appealing	% not at all appealing
Courses at night	49%	15%	41%	4%
Online & on-campus hybrid	46%	15%	36%	4%
Courses entirely on-line	43%	21%	42%	6%
Courses on the weekend	32%	24%	23%	11%
Daytime courses during the week	19%	52%	14%	29%

- Asked of 2009 respondents only who are currently enrolled in college courses, “What course format are you currently enrolled in?”
 - 33% Courses at night
 - 27% Courses entirely online
 - 20% Daytime courses during the week
 - 13% Hybrid courses
 - 7% Courses on the weekend

Important College Attributes

Attributes <i>(in order of 2009 importance)</i>	2008	% "Very important"	2009	% "Very important"
Cost to attend	4.3	51%	4.4	58%
Flexibility of class scheduling/times	4.4	60%	4.4	54%
Faculty are good teachers and mentors	4.4	56%	4.3	47%
Academic reputation of the college/university	4.3	49%	4.3	42%
Location is convenient to home or work	4.3	49%	4.2	47%
Quality of academic facilities	4.0	29%	4.0	31%
The college is known and respected within my community	3.9	35%	4.0	28%
Ability to transfer in credits	3.6	30%	3.9	36%
The college places a strong focus on educating adult students	3.9	28%	3.9	28%
Online learning options	3.8	38%	3.8	33%
Amount of financial aid available, including scholarships	3.8	38%	3.8	30%
Success of graduates	3.9	31%	3.8	27%
Availability of accelerated programs	3.7	27%	3.7	26%
Small student/faculty ratio	3.6	21%	3.6	20%



Major Concerns Among Adults

2008 Major concerns among graduate degree seeking adults:

- Managing time between work and classes (46% cite as a “major concern”)
- Paying for college courses (45%)
- Managing time between family and classes (41%)

2009 Major concerns among graduate degree seeking adults:

- Managing time between work and classes (46% cite as a “major concern”)
- Managing time between family and classes (44%)
- Paying for college courses (38%)

Same Concerns



(Primarily) Non-Issues Among Adults

2008 “Major concerns” cited by less than 10% of graduate degree seeking adults:

- There are no colleges for me to attend that are close enough to home (cited as a “major concern” by 9%)
- I wouldn’t know where to start to find financial aid (9%)
- I wouldn’t know where to start if I wanted to re-enroll (5%)
- What I learn in college will not be useful in my career goals (5%)
- I am not prepared to succeed on a highly technological campus (5%)
- I don’t think I’d do well academically (2%)
- I would feel embarrassed or out of place on campus (2%)

2009 “Major concerns” cited by less than 10% of graduate degree seeking adults:

- There are no colleges for me to attend that are close enough to home (cited as a “major concern” by 6%)
- I wouldn’t know where to start to find financial aid (7%)
- I wouldn’t know where to start if I wanted to re-enroll (6%)
- What I learn in college will not be useful in my career goals (2%)
- I am not prepared to succeed on a highly technological campus (5%)
- I don’t think I’d do well academically (3%)
- I would feel embarrassed or out of place on campus (2%)

Same Concerns

Older respondents are more concerned about succeeding on a highly technological campus.



Adult Services to Consider

Please indicate if having this service would make you MUCH MORE INTERESTED in going back to college. Top 6	2008	2009
	% much more interested	% much more interested
College credits given for prior work/life experience	56%	49%
Accelerated programs	53%	46%
Financial aid specifically for adult students	52%	49%
Online learning programs	48%	45%
Extension site located near you	44%	37%
Central location for admissions, financial aid, and class registration	42%	39%

- Life experience credits are still beneficial offerings to allure adults but financial aid is an equally important motivator
- Although accelerated programs are of interest, recall that in conjunction with other considerations in the college-choice decision, this was one of the lowest rated attributes
- It will be tougher to motivate and create more interest in going back to school with the economic climate



Researching College Options: Sources of Information

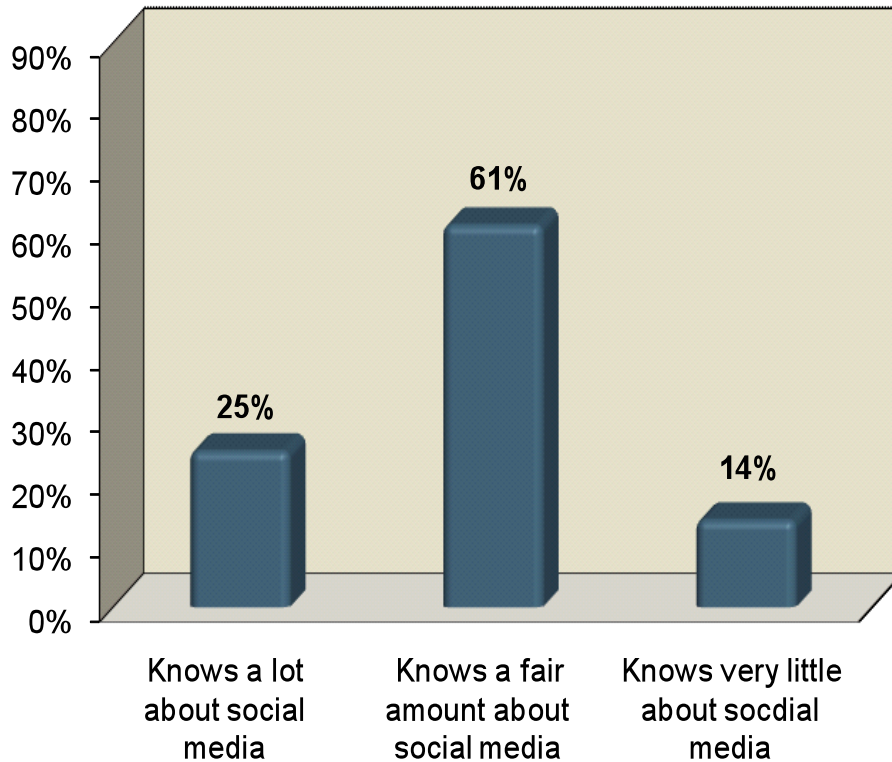
If you wanted to begin gathering information on enrolling in college, would you...	2008 % "Yes"	2009 % "Yes"
Visit specific colleges' Web sites	97%	96%
Contact the admissions office at a specific college	86%	86%
Conduct a general Web search for college-related Web sites	83%	82%
Talk with friends or family members	76%	70%
Get advice from someone in a career I'd like to pursue	76%	67%
Get advice from an employer for whom I'd like to work	42%	39%
Talk with my supervisor	39%	31%
Talk with my company's human resources staff	28%	28%



Social Media Sites

(2009 only)

Do you consider yourself someone who...



- Top social media community platform memberships:
 - 54% Facebook
 - 19% LinkedIn
 - 17% Don't participate in social media community platforms
 - 7% MySpace

How often do you visit your profile?

- 45% once to several times a day
- 34% once to several times a week
- 20% once to several times a month



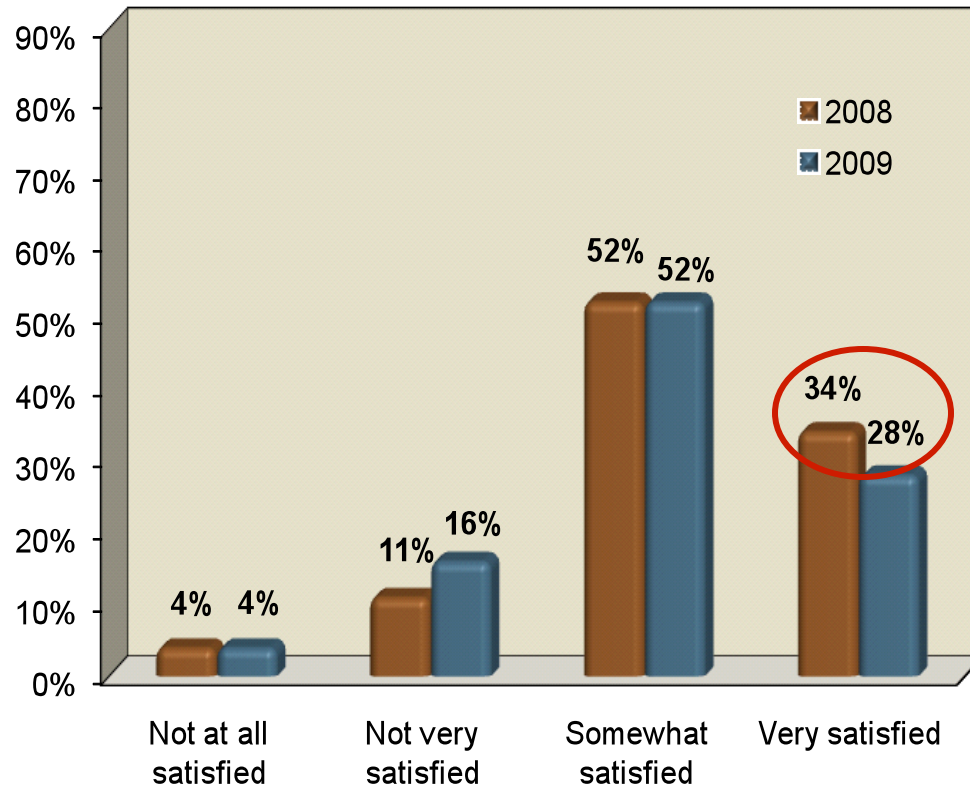
STAMATS



Promises kept.

Current Job Satisfaction

How would you describe your current job satisfaction?



- Older respondents (45 to 54) are more satisfied with their jobs than younger respondents
- No differences were found in job satisfaction by gender or ethnicity



So What Does This All Mean?



Those interested in enrolling adult students will need to:

- Make a clear case for why now is the time
- Establish clear points of differentiation between themselves and their competitors
- Evaluate their definition of “flexibility” and “convenience”
- Master their institutional Website and overall interactive package



Those interested in enrolling adult students will need to:

- Speak in the language of benefits
- Train your adult student staff
- Review the institutions position with online and hybrid offerings
- Be clear about cost (and make it worth it)
- Gather and evaluate data in relation to your current adult student population



**Those interested in enrolling adult students
will need to:**

Speak LOUDLY and speak OFTEN to
institutional leadership about the importance
of this population

Thank you for the opportunity,
it has truly been my pleasure.

Questions?