GRAYASSOCIATES

Data • Insights • Strategy

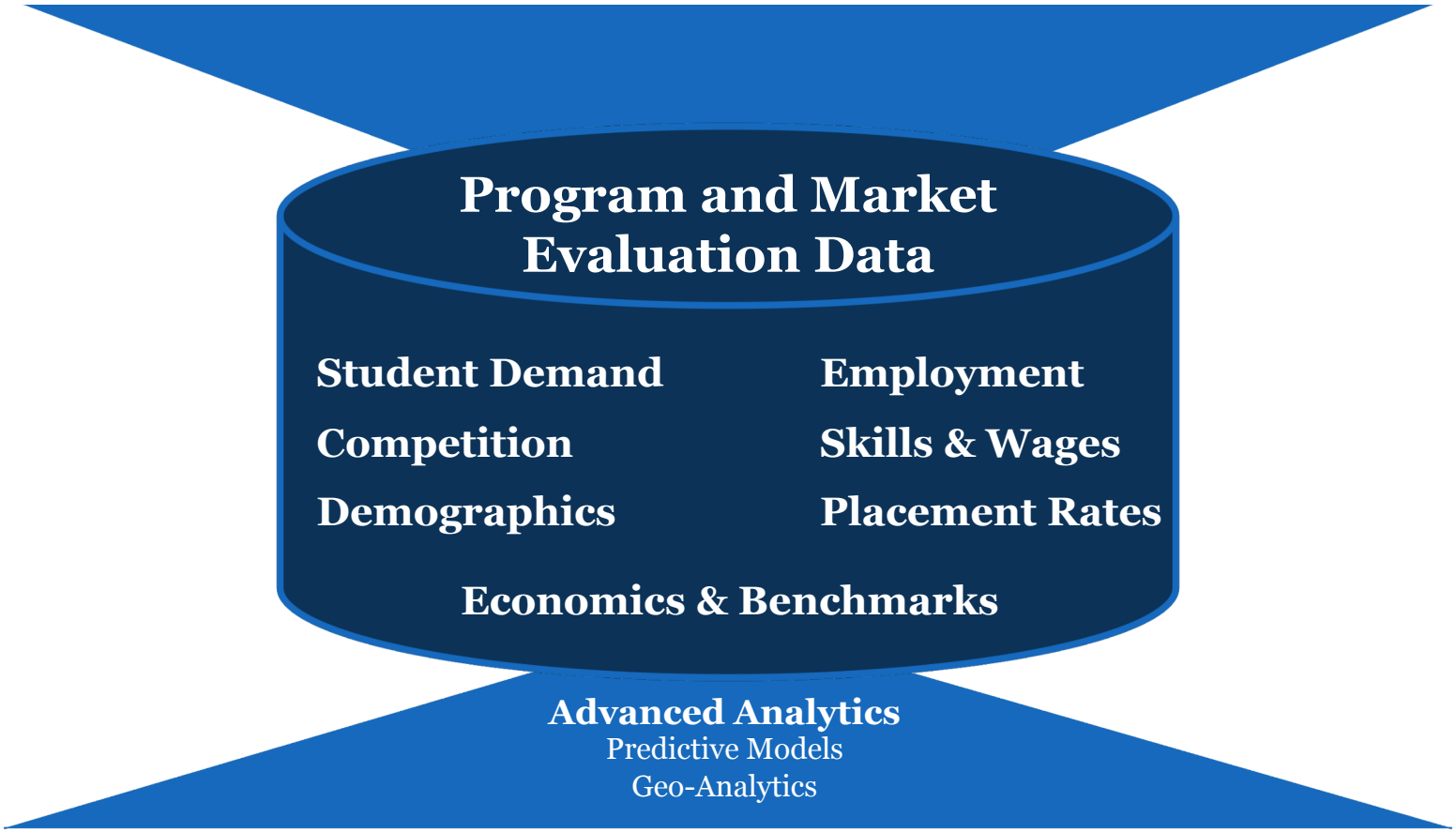
Demand for Higher Education Programs

Results through

July 2020

www.GrayAssociates.com

Clients: Higher Education Institutions



Programs

- *Program Evaluation System*
- *Program Economics Platform*
- *Integrated Program Analysis*

Place

- *Market Analysis Platform*
- Location selection
- Campus consolidation

Price

- Price elasticity
- Price structure
- Price optimization

Projects

- Business strategy
- Strategy implementation
- Machine learning models

- Inquiries
  - National
  - Online and On-Campus
  - Program, Degree, and City
- Google Search Trends
  - Programs
  - Brands
- Program of the Month
- Summary

Overall Student Inquiries (All Sources)

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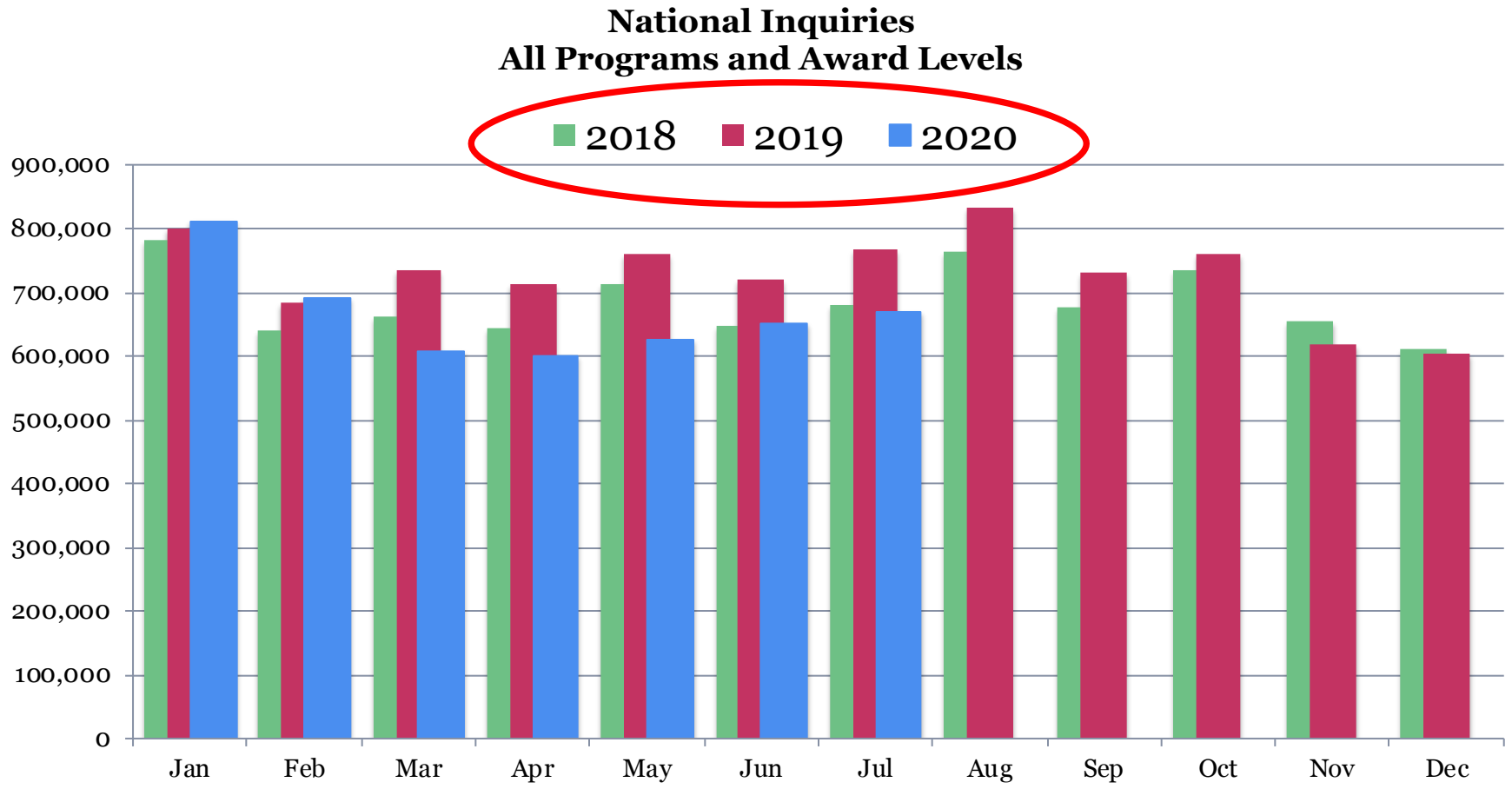
Gray has tracked demand for seven years and now has over 80 million records.

- We have been tracking programmatic inquiries since 2012.
- In our webinars, we share data for the last three years.



Source: GrayReports – *Inquiry Trends,* Gray's Program Evaluation System

Overall Student Inquiries (All Sources)

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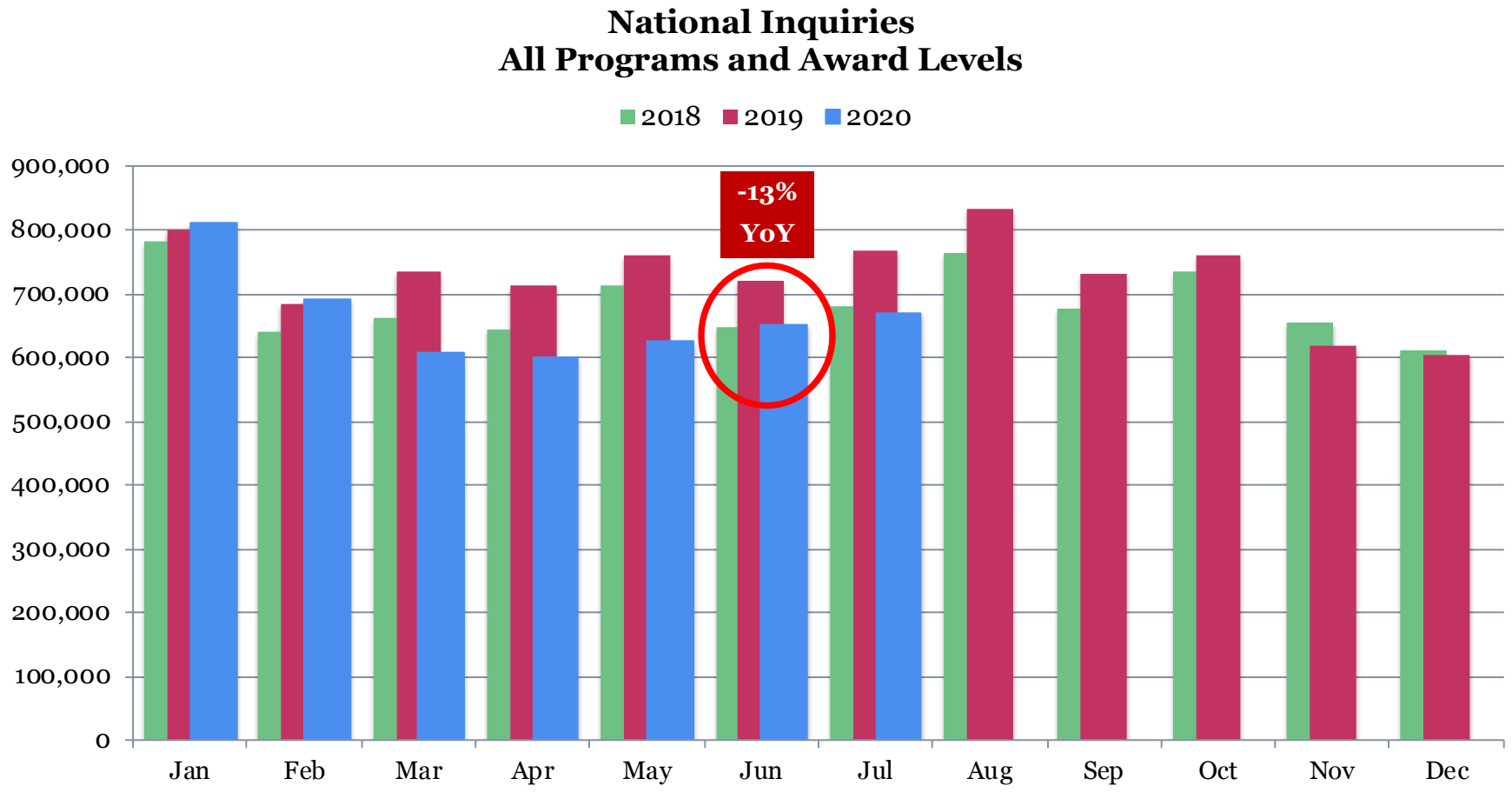
Inquiries in July 2020 fell 13% year-over-year.

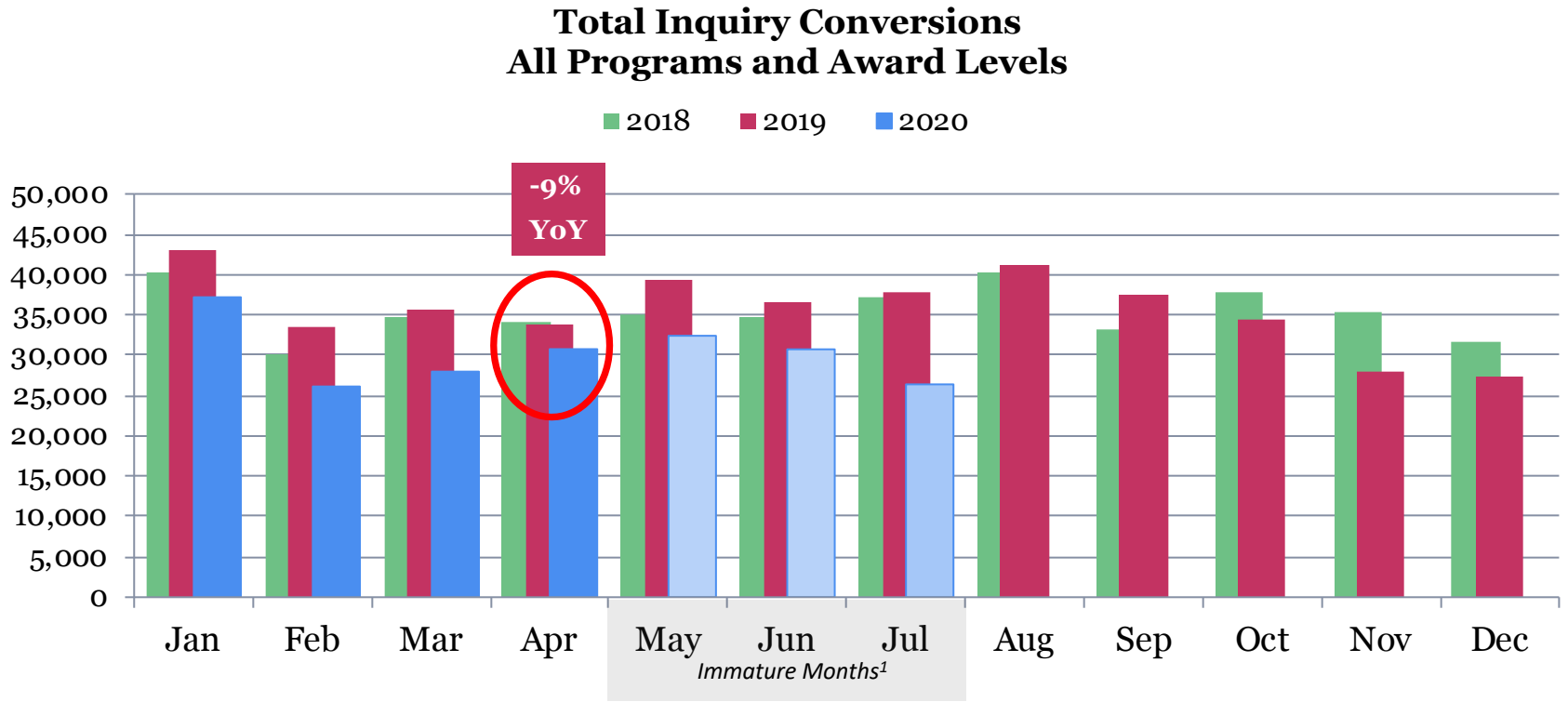
- Total inquiries have been rising month-over-month since March.
- However, the month-over-month growth rate is slower than usual.



Source: GrayReports – *Inquiry Trends,* Gray's Program Evaluation System

In March, the most recent mature month, conversion ***volumes*** dropped 9%.

- Conversions ***rates*** may be recovering.
  - In March, inquiries fell 17% while conversions fell 22%, suggesting a lower conversion ***rate***.
  - April inquiries fell 16% while conversions fell only 9% YoY–conversion rates improved YoY.



1. Conversions are counted in the month in which the inquiry is received (i.e., an inquiry that is received in January and converts in March will be counted as a January inquiry). Typically, the conversions will rise for at least three months after the month in which the inquiries are received.

Source: GrayReports – *Inquiry Trends,* Gray's Program Evaluation System

Average Price for Pay-per-Inquiry

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In July, price-per-inquiry increased $6.73 – or 14% year-over-year.

- This is slightly lower than the 15-21% year-over-year increases of March to June.

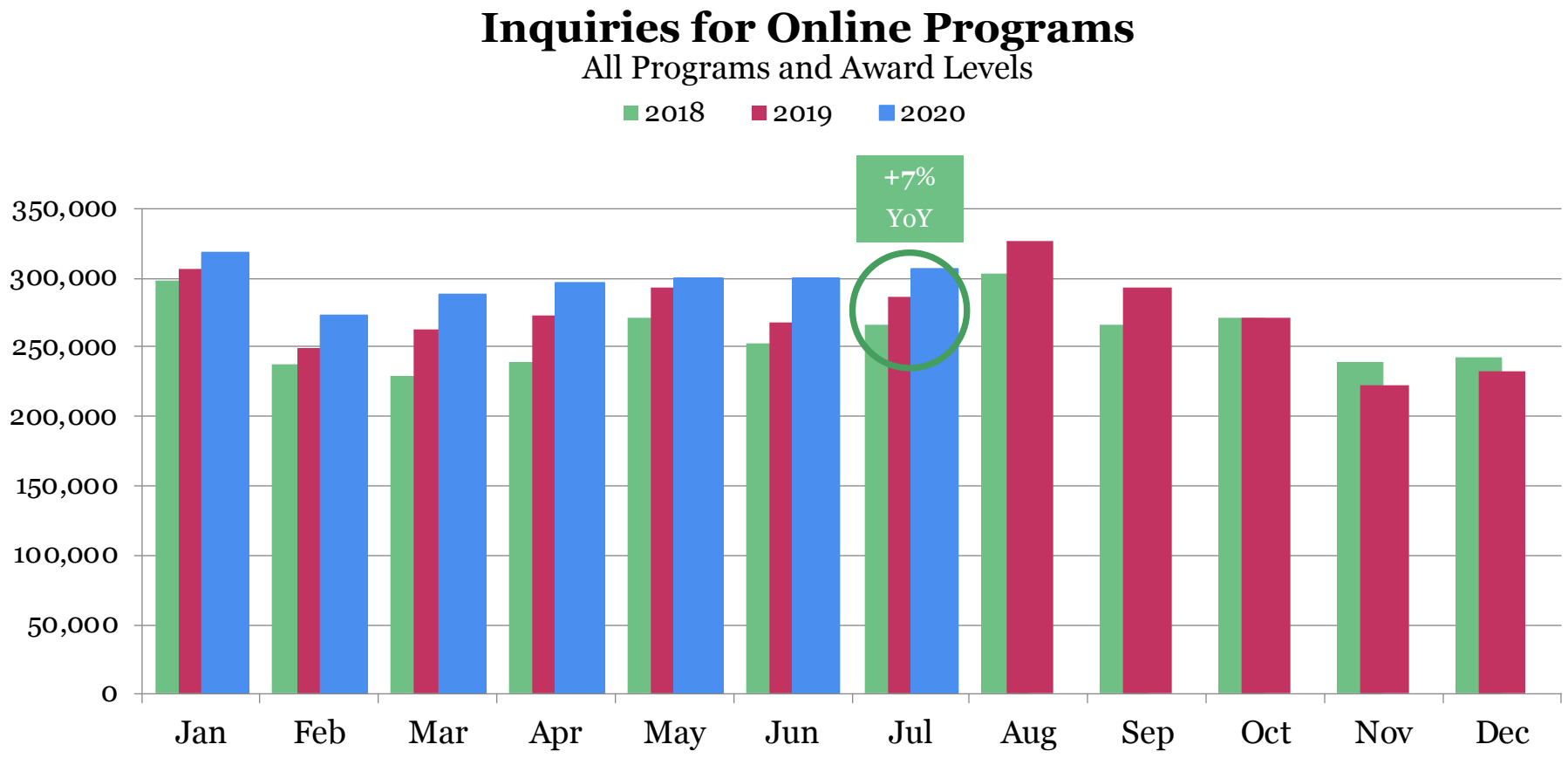
Average Price per Inquiry for PPI
All Programs and Award Levels

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2018	47.14	46.59	46.37	47.44	49.52	49.28	48.38	50.37	48.44	47.68	49.19	47.64
2019	48.03	47.13	42.96	47.49	48.41	46.47	47.07	48.52	48.52	47.05	47.57	47.86
2020	50.21	47.91	52.10	55.47	55.84	53.68	53.80					

Note: PPI means "Pay per Inquiry." Inquiry price is the average price per inquiry from PPI.

Source: GrayReports – *Inquiry Trends,* Gray's Program Evaluation System

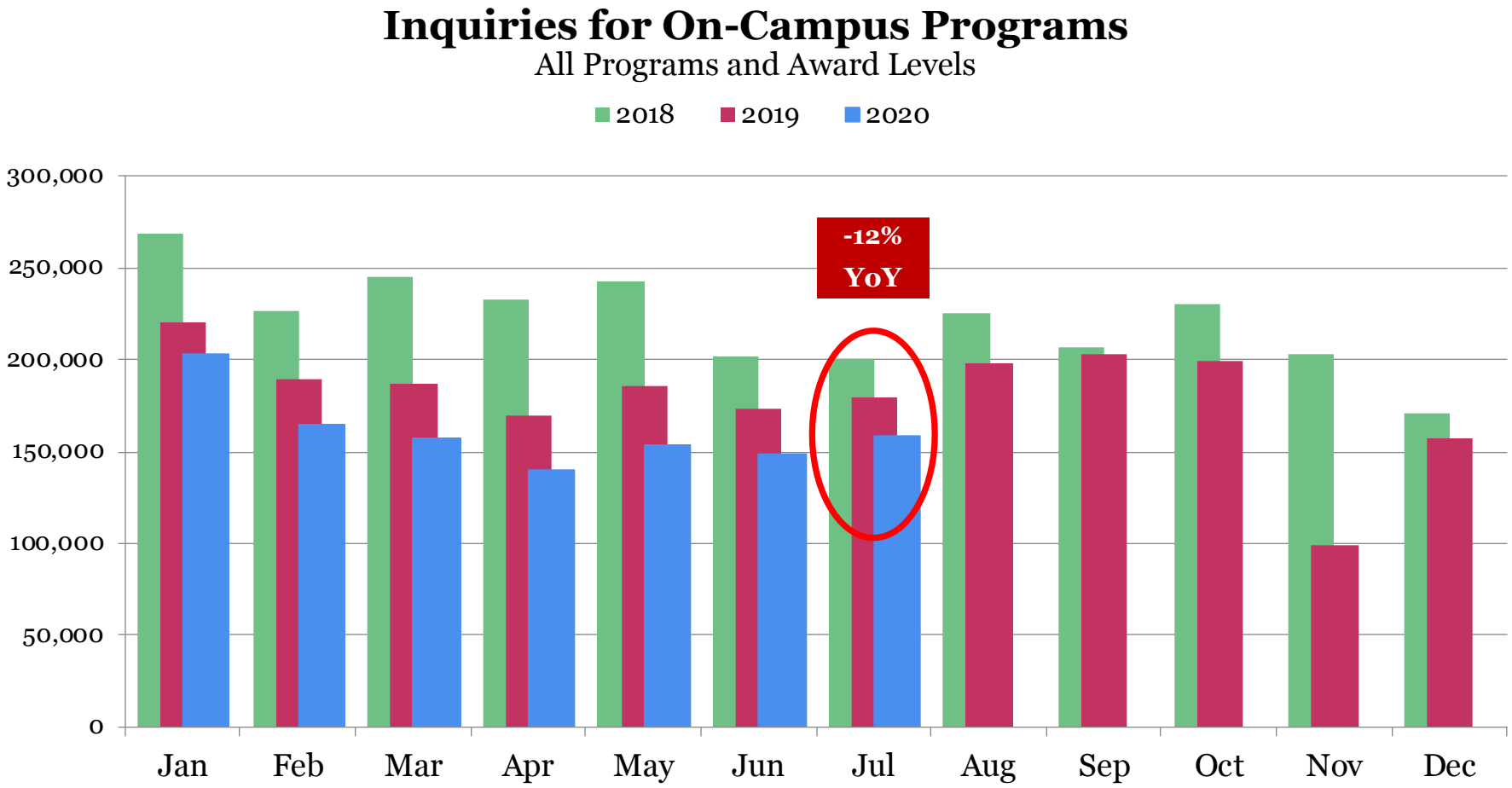
Inquiries for online programs rose 7% year-over-year in July.



Source: GrayReports – *Inquiry Trends*, Gray's Program Evaluation System

Inquiries for on-campus programs decreased by 12%.

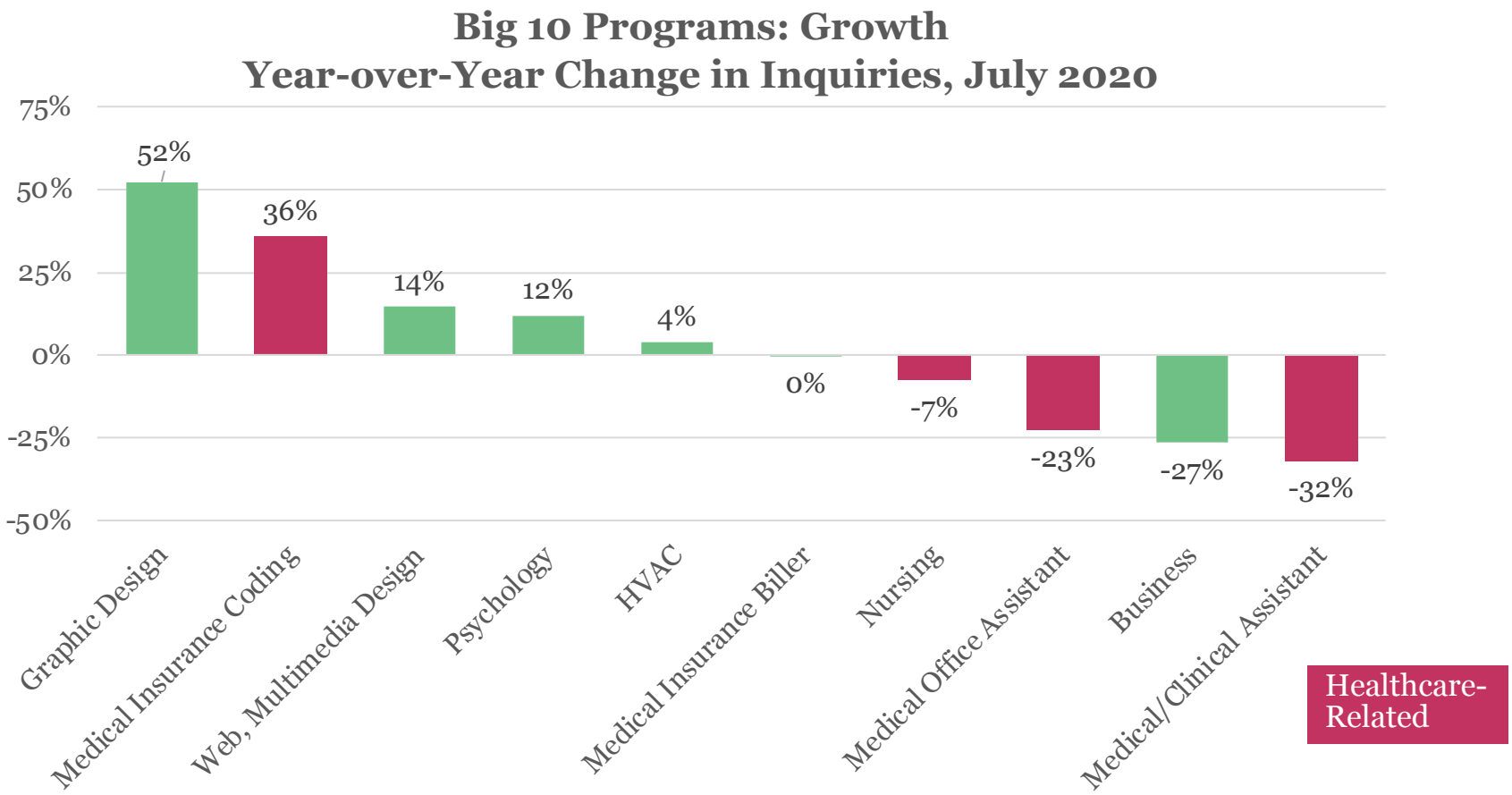
- This is the lowest year-over-year decrease since February.



Source: GrayReports – *Inquiry Trends*, Gray's Program Evaluation System

Web Design and Graphic Design continued to rise and were 8th and 9th largest by volume.

- Medical Insurance Coding continued to rise and was 4th largest by volume.
- Business and Nursing were the largest programs by inquiry volume.



*"The Big 10 Programs" refer to the ten programs with the highest number of inquiries in the most recent month.
Source: GrayReports – *Inquiry Trends,* Gray's Program Evaluation System

The Fast 5 Programs*

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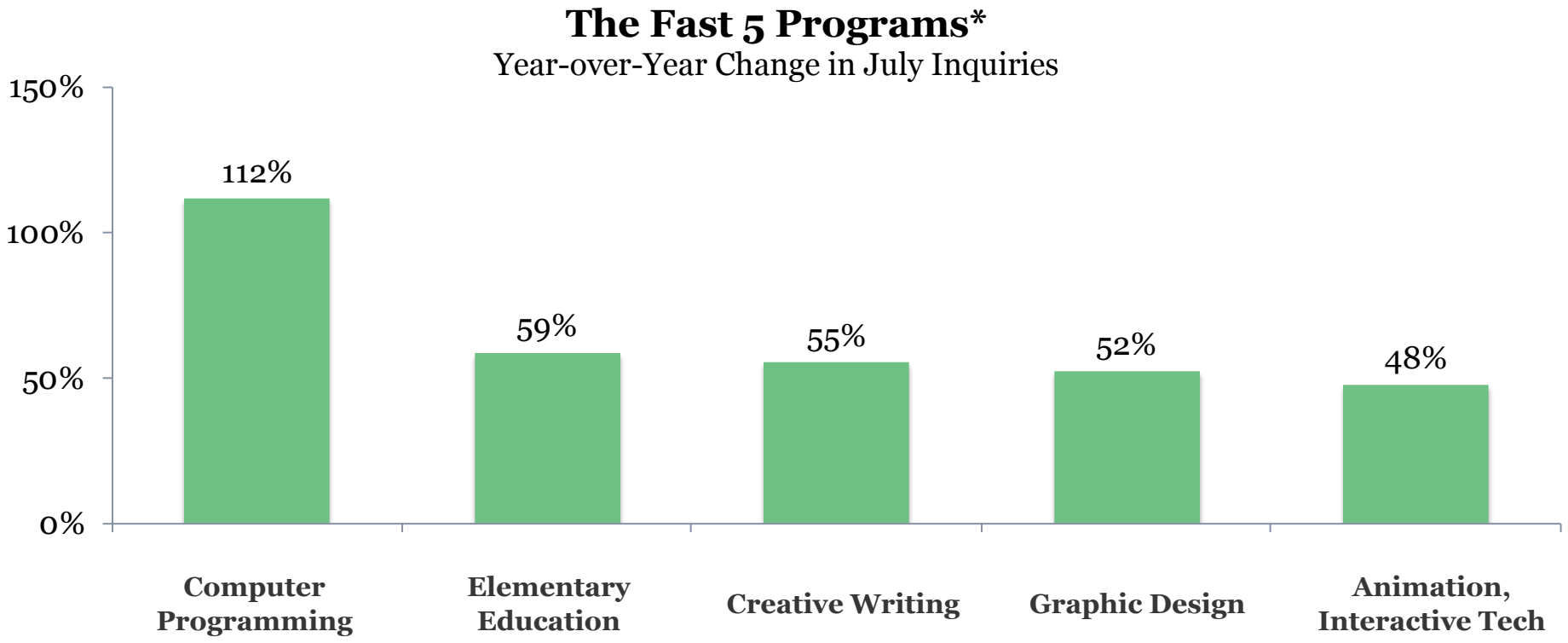
In July 2020, inquiries for the five fastest-growing programs increased 48% or more.



- "The Fast 5 Programs" are from the 75 programs with the highest inquiry volume since January 2012 and had more than 1,000 inquiries in the prior year, excluding Liberal Arts, General Studies, and Adult High School/Secondary Diploma.

Source: GrayReports – *Inquiry Trends,* Gray's Program Evaluation System

Total Spend on Inquiries: Largest Budgets

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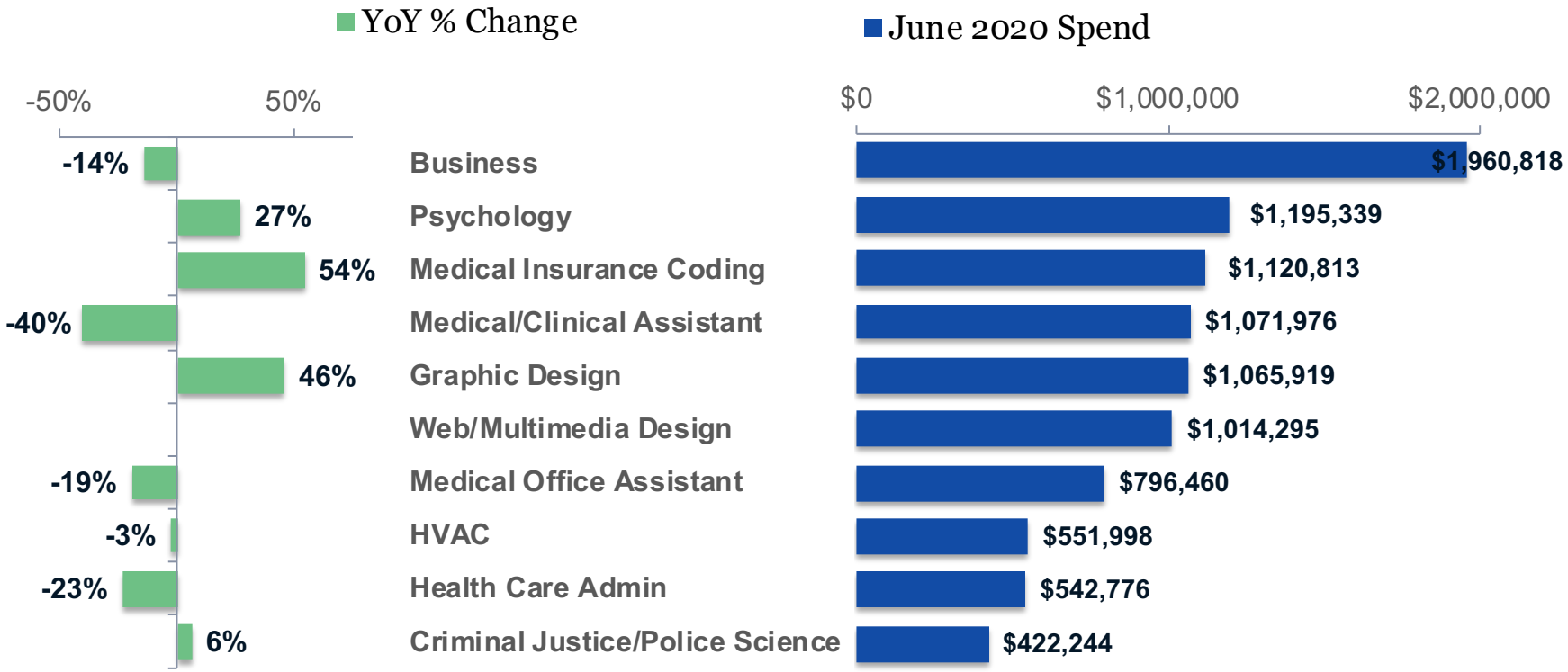
Total spending on inquiries fell 0.4% year-over-year but went up for many programs.

- Of the ten largest programs, Medical Insurance Coding had the largest increase: 54%.
- Business and Psychology had the largest inquiry budgets at $2M and $1.2M, respectively.

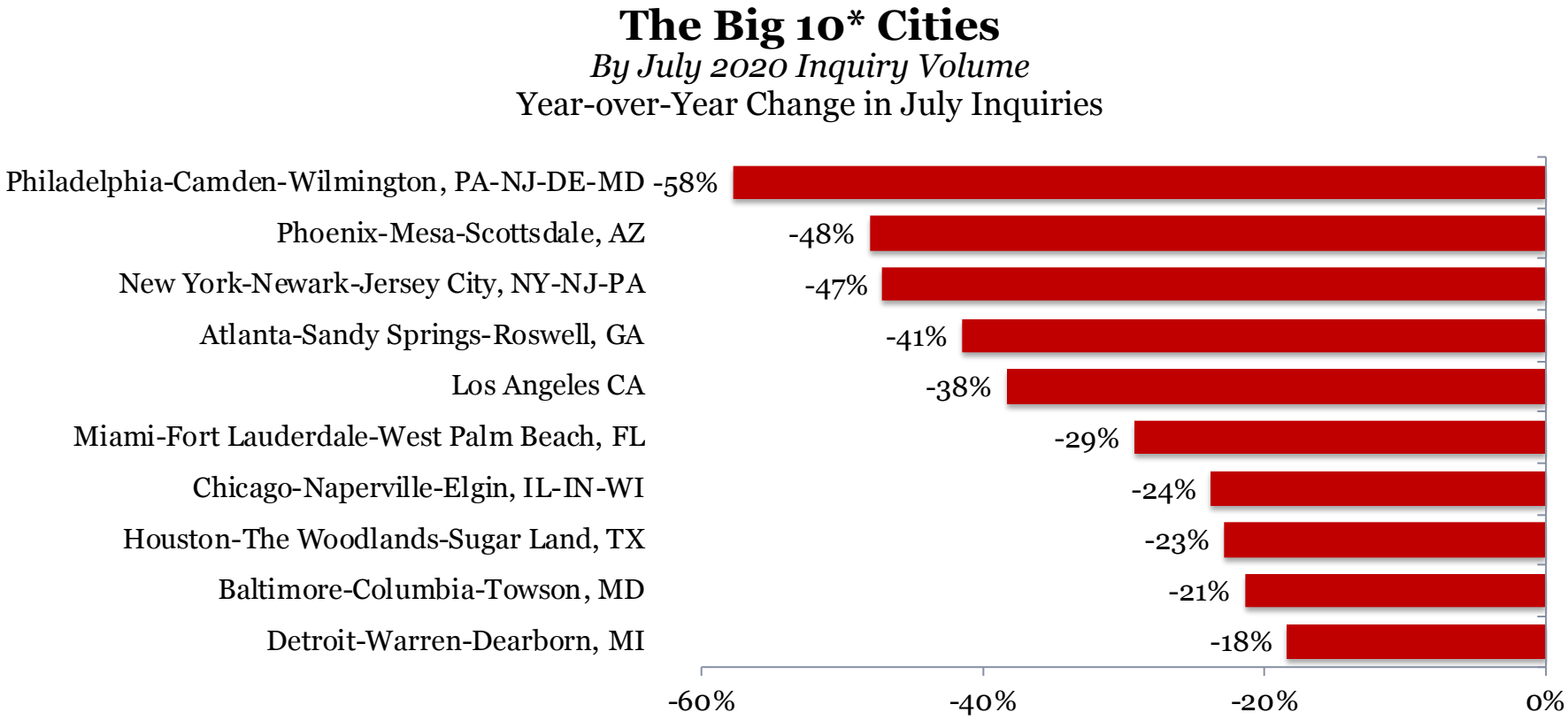
Program Spending: 10 Largest Budgets for July 2020
Total Spend on Inquiries per Program, YoY Change in Budget



Note: Inquiry budget of at least $10,000 in the prior year, excluding Liberal Arts and General Studies.
Source: GrayReports – *Inquiry Trends*, Gray's Program Evaluation System

In July, inquiries fell sharply in most major metropolitan areas.

- The year-over-year declines of over 40% in Philadelphia, Phoenix, New York, and Atlanta are among the steepest since the start of the pandemic.



*"The Big 10 Cities" are determined by inquiry volume for a market definition of a 15-mile radius around the population center of the city's CBSA.

Source: GrayReports – *Inquiry Trends,* Gray's Program Evaluation System

- Inquiries
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  - Program, Degree, and City
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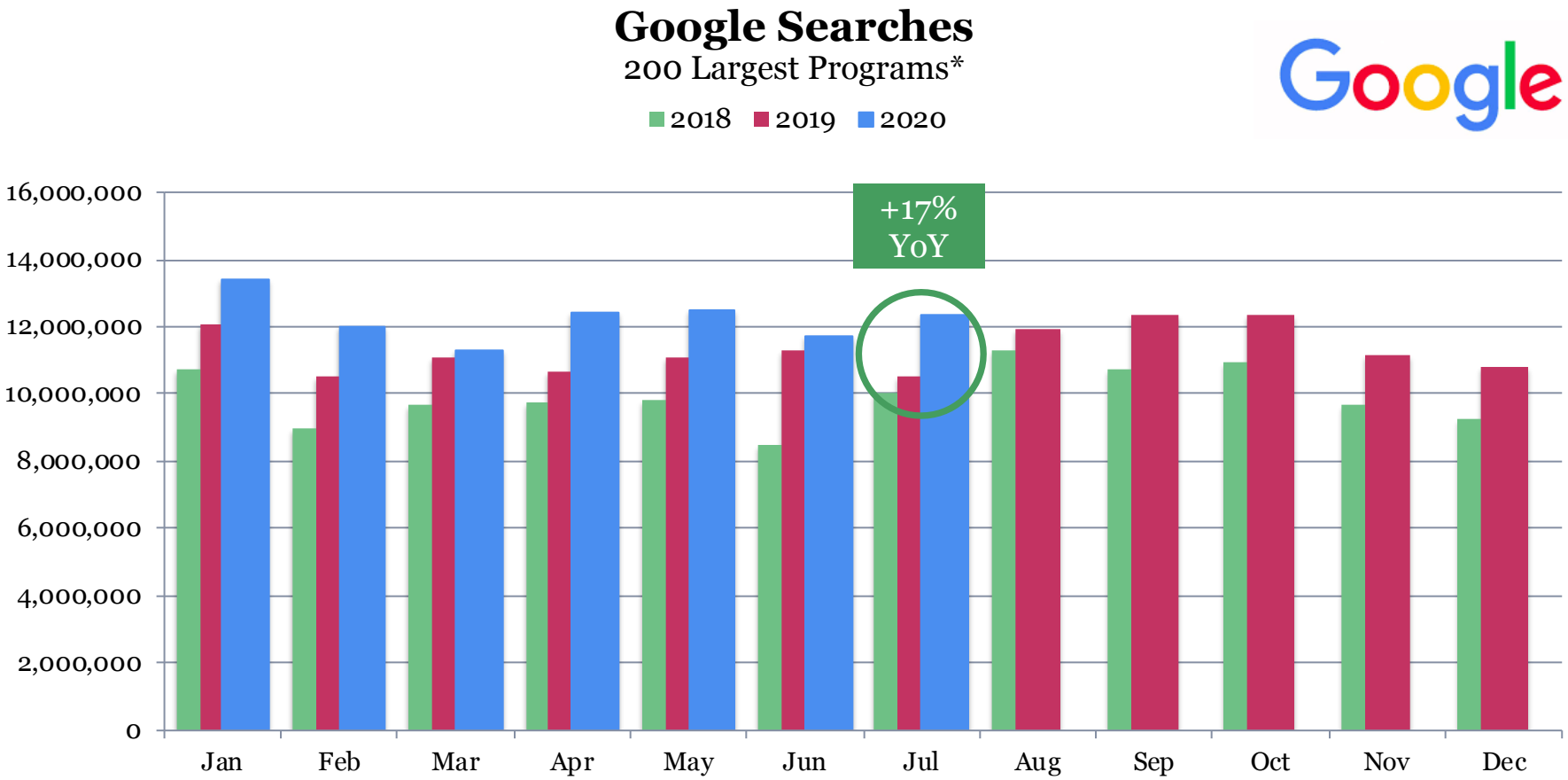
Google search volume for academic programs in July rose 17% year-over-year.

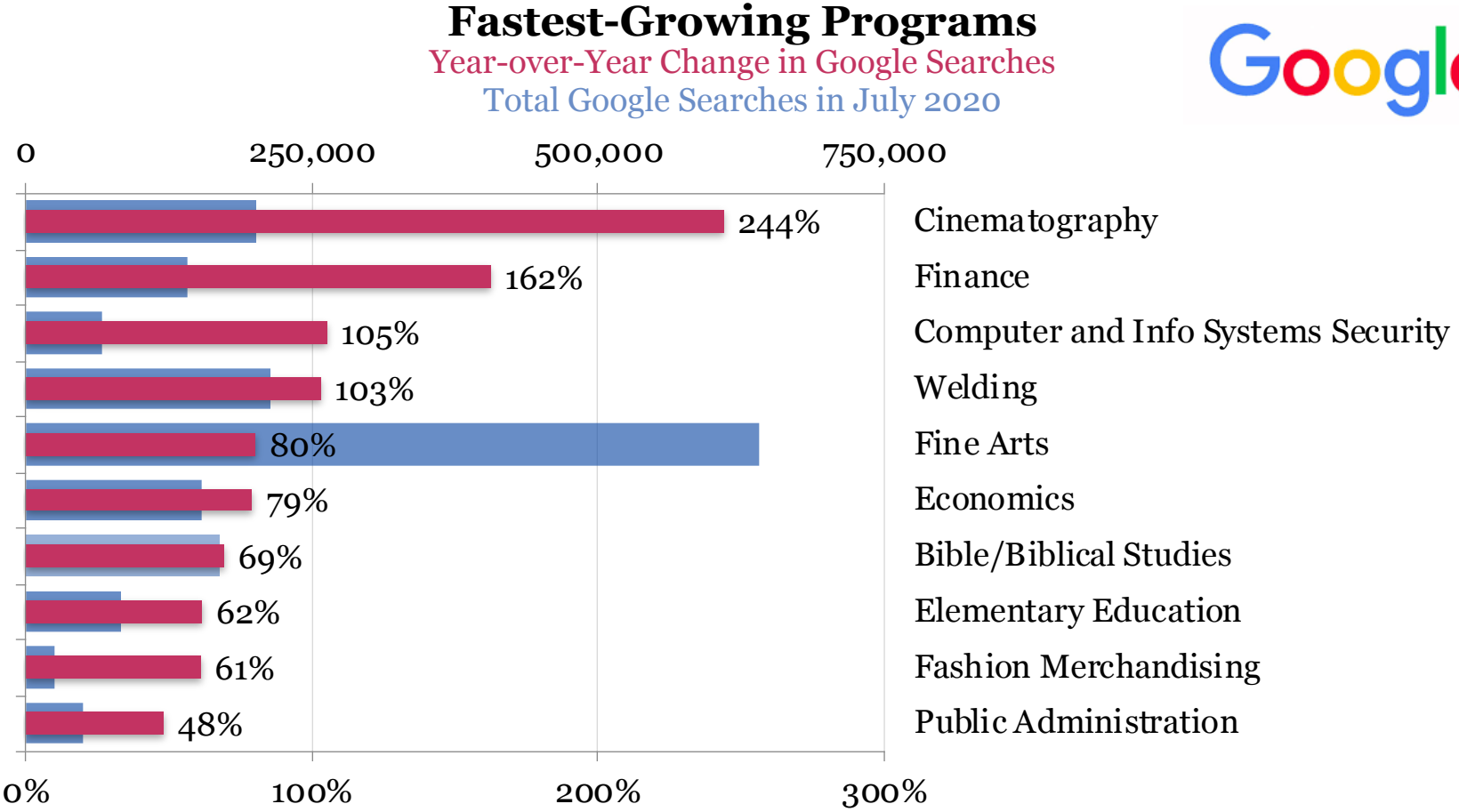
- We track approximately 20 keywords per program for the 200 largest programs.



*Google Searches for ~20 keywords for each of the 200 largest programs based on IPEDS completions.

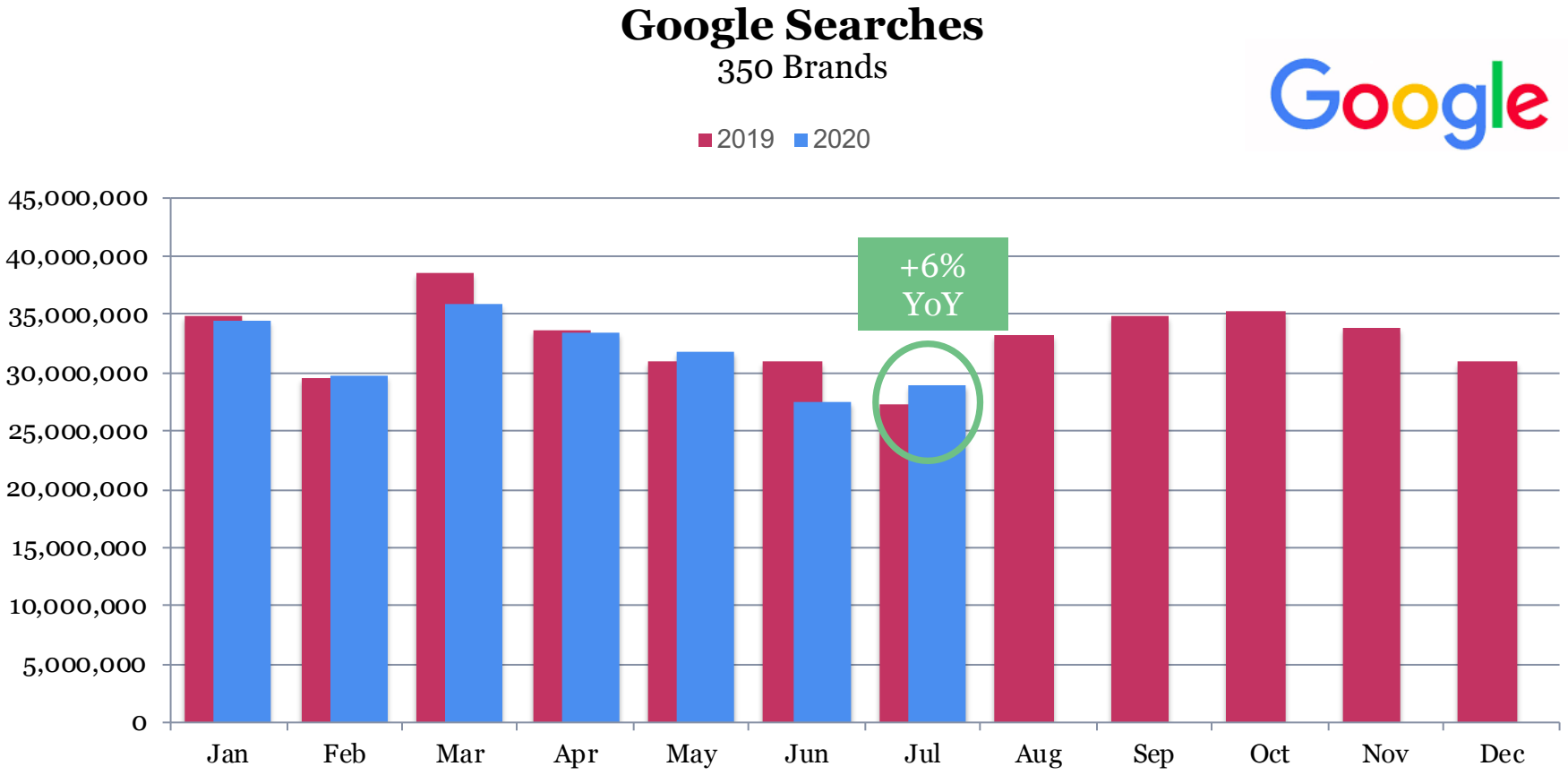
Cinematography and Finance continued their rapid growth.

- The largest programs, by Google search volume, were Fine Arts, Business, Nursing Assistant, Cosmetologist, and Nursing.



Gray tracks Google searches for 350 brands.

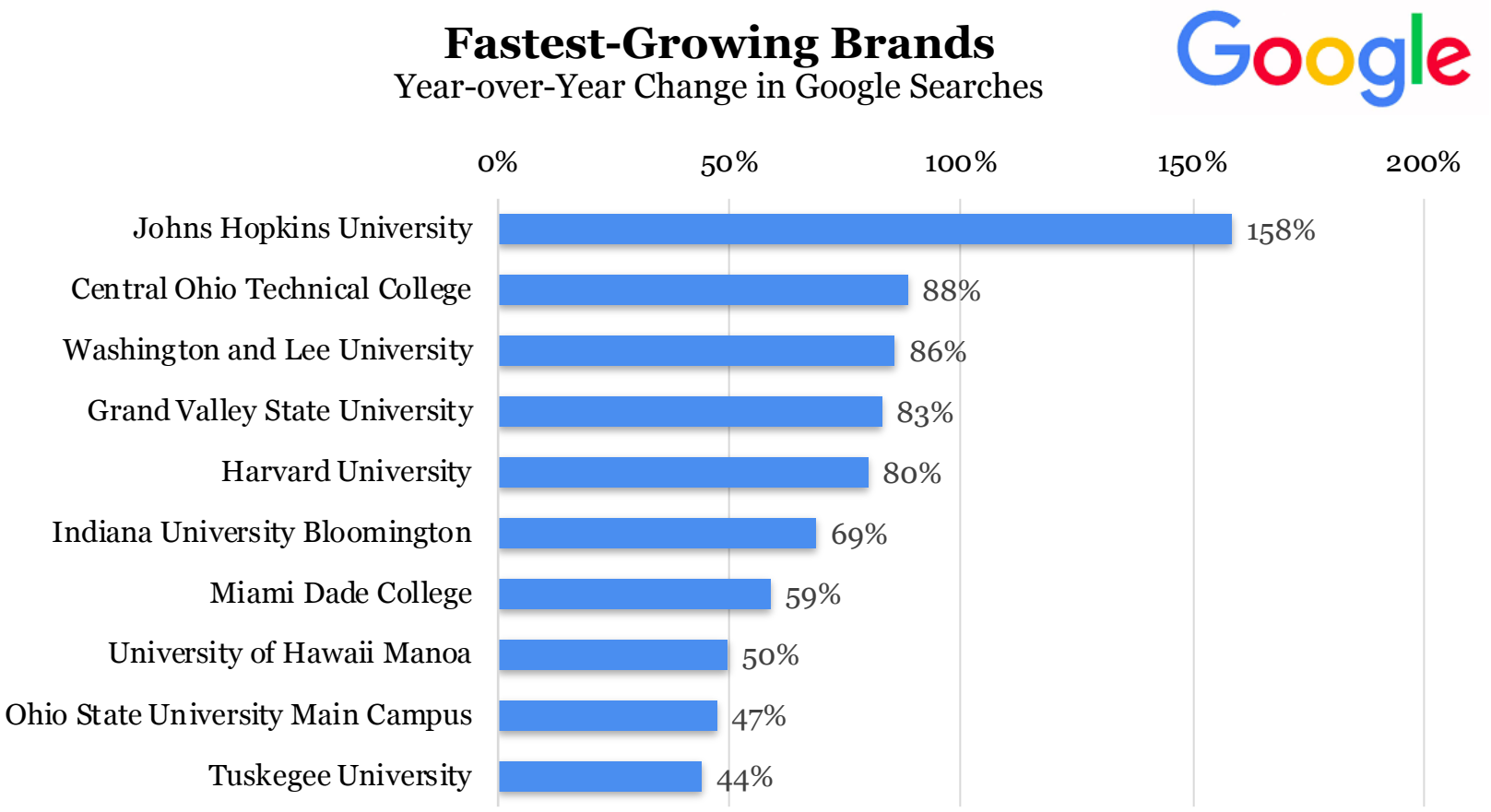
- After decreasing 11% in June, Google brand search increased by 6% year-over-year in July.



Source: Gray Associates Research. Keyword search trends for 350 college and university brands.

Google searches for Johns Hopkins University increased 158% year-over-year.

- This was the fifth month in a row of year-over-year increases for this important source of COVID-19 information.



Source: Gray Associates Research, Keyword Search Trends for 350 Brands. Minimum 10,000 monthly Google searches in prior year.

- Inquiries
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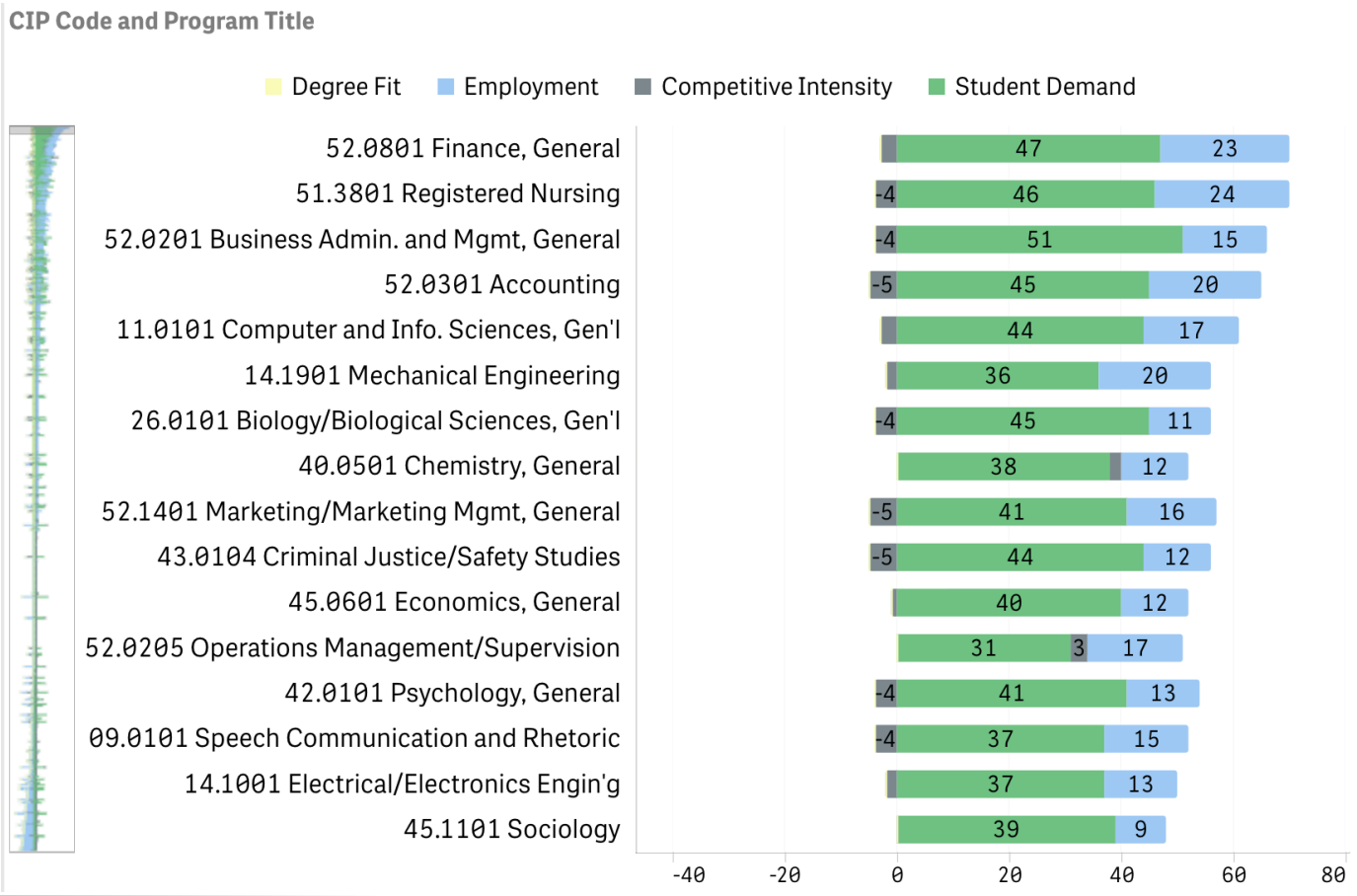
We suggest using four categories of market data to evaluate programs.

Student Demand	**Employment**
Degree Fit	**Competitive Intensity**

Scoring on metrics in the four categories identifies potentially attractive programs.

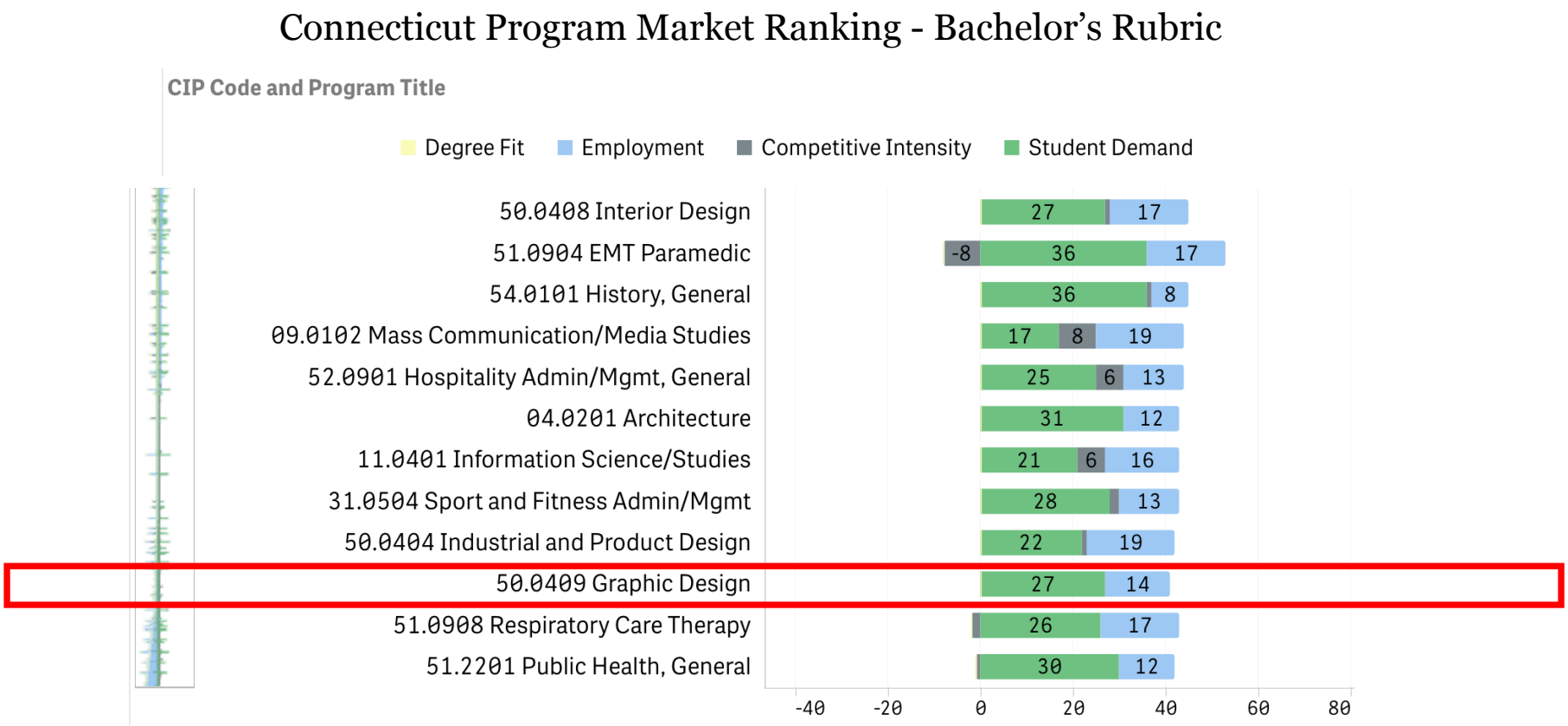
- We have chosen the state of Connecticut, and our baseline bachelor's scoring rubric.

Connecticut Program Market Ranking
Bachelor's



We will look at Graphic Design, which has a score of 41 (98th percentile).

- Graphic Design, as we saw, had rising inquiries (52% year-over-year).
- It also had the fifth-largest advertising spend in July 2020 -- a 46% increase year-over-year.
- Here, we can see that student demand is the largest driver of its score.



Graphic Design scores in the 96th percentile for Student Demand.

Student Demand [27 Score]

96 Pctl

Category	Pctl	Criterion	Value	Score
Size	99	Inquiry Volume (12 Months)	328	3
	96	Int'l Page Views (12 Months)	12,205	1
	69	Google Search Volume (3 Months)*	2,158	3
	94	On-ground Completions at In-Market Institutions	50	5
	0	Online Completions by In-Market Students	0	0
	93	Sum of On-ground and Online Completions	50	5
Growth	99	Inquiry Volume YoY Change (Units)	134	3
	81	Google Search YoY Change (Units)*	322	1
	99	Completion Volume YoY Change (Units)	15	3
	75	Inquiry Volume YoY Change (%)	69%	1
	81	Google Search YoY Change (%)*	18%	1
	89	Completion Volume YoY Change (%)	43%	1

<40% | 40%+ | 70%+ | 90%+ | 95%+ | 98%+ Percentile

* - Google search, employment data and JPG Ratio do not filter by award level.
** - Color scale in reverse.
NA - No data available/not currently tracked.
2-Yr - Associates & certificate programs only.

Bachelor's programs in Graphic Design in Connecticut are average-sized but growing.

Competitive Intensity [0 Score]

18 Pctl

Category	Pctl	Criterion	Value	Score
Volume of Competition	91	Campuses with Graduates**	3	-2
	94	National Online Institutions (Units)**	11	NS
	50	Institutions with Online In-Market Students**	1	NS
	100	Institutions YoY Change (Units)**	1	-3
	56	Average Completions by Local Institution	12	4
	72	Median Completions by Local Institution	16	4
	85	YoY Median Program Change (Units)	2	2
	79	YoY Median Program Change (%)	14%	0
	60	Nat'l Online % of Institutions	4%	NS
	77	Nat'l Online % of Completions	9%	NS
Market Saturation	60	Completions per 1,000 Pop**	0.06	-2
	50	Average Cost per Inquiry**	$46	0
	93	Google Search * Cost per Click**	$24	-3
	81	Google Competition Index**	0.58	0

** Color Scale in Reverse

Percentile (Reverse)	<40	40+	70+	90+	95+	98+

Graphic Design has lots of jobs but low pay.

Employment* [14 Score]

93 Pctl

Category	Pctl	Criterion	Value	Score
Size (Direct Prep)	82	Job Postings Total (12 Months)	160	4
	83	BLS Current Employment	1,553	4
	84	BLS Annual Job Openings	159	2
Size (Generalist)	95	BLS Share of Generalist Employment	498	NS
	95	BLS Share of Generalist Openings	46	NS
Growth (Direct Prep)	47	BLS 1-Year Historical Growth	1%	-1
	40	BLS 3-Year Historic Growth (CAGR)	-1%	-1
	16	BLS 10-Year Future Growth (CAGR)	-0.1%	NS
Saturation (Direct Prep)	59	Job Postings per Graduate*	2.0	1
	76	BLS Job Openings per Graduate*	2.8	0
Wages	37	BLS 10th-Percentile Wages*	$42,355	NS
	39	BLS Mean Wages*	$71,219	NS
National American Community Survey Bachelor's Degree Outcomes	34	Nat'l ACS Wages (Age < 30)*	$37,427	4
	20	Nat'l ACS Wages (Age 30-60)*	$65,339	4
	0	Nat'l ACS % with Any Graduate Degree*	10%	NS
	2	Nat'l ACS % with Masters*	9%	NS
	1	Nat'l ACS % with Doct/Prof Degree*	1%	NS
	72	Nat'l ACS % Unemp. (Age <30)**	5%	-1
	91	Nat'l ACS % Unemp. (Age 30-60)**	4%	-2
	73	Nat'l ACS % in Direct Prep Jobs	46%	NS
Gainful Emp.	46	Nat'l GE Wages - Assoc. & Cert	21,720	NS

In Connecticut, 63% of Graphic Design completions are at the Bachelor's level, compared to 55% nationally.

- 66% of the inquiries are at the Associate level.
- 47% of the labor force holds a Bachelor's degree.

Inquiries and Completions

Award Level	Inquiries (Market)	Completions (Market)	Completions (National)
Certificate	0%	0%	16%
Associates	66%	37%	26%
Bachelors	30%	63%	55%
Postbaccalaureate Certificate	0%	0%	0%
Masters	4%	0%	2%
Post-masters Certificate	0%	0%	0%
Doctoral	0%	0%	0%
Unknown	0%	0%	0%

BLS Workforce Edu (Natl)

Award Level	BLS Educational Attainment
No College	12%
Some College	17%
Associates	12%
Bachelors	47%
Masters	10%
Doctoral	2%

- Overall, the program scores 41, primarily on the strength of student demand.

98 Percentile | **50.0409 Graphic Design [41 Score]**

Student Demand [27 Score]

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	73	Nat'l ACS % in Direct Prep Jobs	46%	NS
Gainful Emp.	46	Nat'l GE Wages - Assoc. & Cert	21,720	NS

Degree Fit [0 Score]

49 Pctl

Category	Pctl	Criterion	Value	Score
Completions		National Completions by Level	See	NS
Workforce		National Workforce Ed Attainment	Below	NS
NHEBI Natl 2 Year	69	Cost Index**	1.16	NS
	36	Student: Faculty Index	0.84	NS

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Key Demand Trends and Observations

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Demand trends in July are largely a continuation of patterns since March.

- COVID continues to hurt demand in several sectors:
  - Overall inquiry volume: -13%
  - Inquiries for on-campus programs: -12%
- But many large sectors continue to grow:
  - Inquiries for online programs: +7%
  - Google brand searches: +6%
  - Google program searches: +17%
- Inquiries are growing for Graphic Design, Web Design, and Medical Insurance Coder.
  - Google search is growing for Cinematography, Finance, and Computer and Info Security.
  - Fine Arts has surpassed Business to become the largest program by Google Search.
- Program of the Month (Bachelor's level, Connecticut Market)
  - Graphic design has strong, growing demand in terms of inquiries and completions.
  - Program size is above average. Nationally, 9% of completions are online.
  - Jobs are available but salaries are low and unemployment is high.

As always, good market data enables better decisions.

Better program and course decisions increase margins.

Higher margins ensure viability and enable investments in your mission.

Upcoming Webinars

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Webinar Topic	Date
GrayReports: Monthly Demand Trends Webinar	Thursday, September 24th, 2:00 pm ET
GrayReports: Monthly Demand Trends Webinar	Thursday, October 22nd, 2:00 pm ET

Contact:
Bob Atkins
Bob.Atkins@GrayAssociates.com