

# Effective Marketing of Online Degrees

An Overview of Seven Best Practices

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## Speaker Background

- C.J. DeSantis, CEO, eLearners.com, LLC
  - After online master's degree - saw need to help colleges market their online programs
  - Founded eLearners.com in 1999
  - Served over 100 college clients in past 6 years
  - Have used and analyzed over 100 advertising sources to find interested online students for clients
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## Presentation Goals

- Provide you with best practices in marketing your online programs
- Advise you on the benefits & potential pitfalls of marketing your programs online
- Share the lessons learned from 6 years of online educational marketing

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## Best Practices

1. Set appropriate goals and expectations
2. Coordinate marketing & admissions
3. Utilize tracking & metrics
4. Build effective web sites
5. Benefit from eMarketing advantages
6. Test & refine your eMarketing
7. Understand pricing models

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## Audience Survey Your Marketing Goals

- 1) What is your primary marketing goal?
  - Branding
  - Direct Response

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## 1. Set Appropriate Goals and Expectations

- So many goals & so little time...
  - To create awareness of your programs and your institution?
  - To generate highly qualified inquiries/leads?
  - To increase your enrollment with the highest return on investment?

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## Important Considerations

- Enrollment needs
- Amount & types of programs
- Budget & business model
- Staff size & skills
- Prior marketing experiences

## Branding vs. Direct

- What type of marketing do you need?
- Fill your programs >> Direct Response
- Reputation/recognition >> Branding
- “Zero-Cost Branding” & “Brand Response” are available online
- We’ll presume its direct response

## Audience Survey Coordination

- 2) What level of coordination do you have between marketing and admissions?
- Great
  - Fair
  - Poor
- 3) Which of the two tasks is a bigger challenge for your college?

## 2. Coordinating Marketing & Admissions Efforts

- Critical questions to ask yourself...
  - Are your marketing and admissions departments set up to cooperate?
  - How many admissions personnel do you have to handle the inquiries/leads you generate?
  - How many leads can each of those admission personnel handle each day or month?
  - Is the admission staff trained to “sell”?

## Lead Lifecycle Coordination

### Marketing

1. Research
2. Place Ads
3. Ad Viewed
4. Ad Clicked / Action
5. Web Site Viewed

### Admissions

6. Lead Submitted
7. Lead Assigned
8. Lead Contacted
9. Follow-up
10. Conversion / Enrollment

## The Admissions Opportunity

- Competitors may all share the same lead/inquiry
- Not all leads are of equal quality
- Consider spending less resources generating leads and focus on conversions
- Admissions can be your competitive advantage

## Conversion Tips

These tips require cooperation between marketing and admissions:

- Quick initial follow-up
- Personalized contact (phone, email)
- Make multiple contacts
- Get your leads to take action
- Prioritize your leads & follow-up
- Track the process

## Enrollment Mgmt. Systems

- Central tracking of both marketing and admissions progress
- What can a system do for you?
  - Manage print mailings
  - Manage phone follow-up
  - Manage applications
  - Track inquiries, applicants & enrollments
  - Manage the process
- The right system can help improve efficiency

## Audience Survey Tracking & Metrics

- 4) Can your college track marketing efforts from ad to enrollment?
- 5) Does your marketing department make spending decisions based on metrics like cost per enrollment or ROI?
- 6) Are decisions on what ads to place often made based on politics?

## 3. Utilize Tracking & Metrics

- Covered in detail next session...
- In the old world of marketing, tracking was very challenging & often overlooked
- Today your metrics can show exactly what works
- Each enrollment must be tagged to an ad campaign and an individual ad
- Need coordination between marketing & admissions and a tracking system

## The Best Metrics

- Metrics help you analyze the efficiency of your marketing spending
- Use the best metric you can:
  - Good: Cost Per Lead
  - Better: Cost Per Start (CPS)
  - Best: ROI (Return On Investment)
- ROI determines which ads *really* work

## The Importance of Tracking

- Without tracking you won't be able to calculate any metrics
- What must be tracked?
  - tag each ad, click, lead, applicant, enrollee
- Try to plan for tracking and metrics at each step in the marketing process
- Third party software can help

## Calculating CPS & ROI

$$\text{Cost Per Start} = \frac{(\text{Total mktg \& admissions costs})}{\text{Number of starts}}$$

$$\text{ROI} = \frac{(\text{Revenue} - \text{Cost})}{\text{Cost}}$$

*Note: total ROI would account for all costs, but you can use marketing costs to find your "marketing ROI"*

## Decision Making With Metrics

Ex 1) Which is the best deal for \$2,500?:

- 1 directory listing for a year
- 1,000,000 banner ad impressions
- 1,000 clicks on paid search listings
- 100 leads from an online directory
- What else do you need to know?
- Which metrics would be most helpful?

## Audience Survey Web Sites

- 7) Does your marketing department have enough control over your web site?
- 8) Have you done any testing to calculate and improve conversion from visitor to inquiry?
- 9) Have you optimized your site for search engines?

## 4. Build an Effective Web Site

- Most online ad types require an effective direct response web site to convert visitors
  - Note: No site is needed for performance-based directory listings that deliver leads
- Different ad types require different "landing pages" for max efficiency
- Building an effective site requires testing and more testing

## Conflicting Site Purposes

- Efficiently convert high priced ad traffic
- Resource for students, faculty & alumni
- Generating free traffic via search engines
- Potential Solutions:
  - Consider a separate site for paid ads
  - Build the ideal "landing page" for each ad
  - Use site data to justify changes

## Good Site Characteristics

- Consistent navigation & design
- Call to action (a lead form)
- Limit your text
- Design for search engines (SEO)
- Understand your audience
- Compare changes using A-B testing

## Audience Survey Online vs. Offline

- 10) Have you compared effectiveness of online vs. offline media?
- 11) Which is more effective at generating the lowest cost per enrollment?
- 12) What percent of your budget is spent online?

## 5. Understand Online vs. Traditional

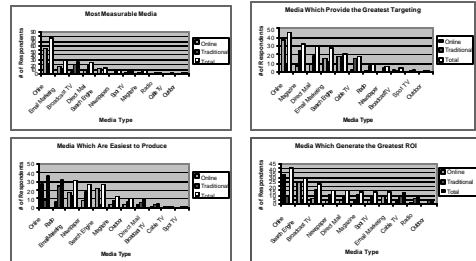
- Your balance of online and offline ads will depend on many factors
- There is no “magic” blend that works
- Don’t just copy other colleges
- Understand online & offline and use the advantages of each

## Traditional vs. Online Ads

- You may want/need both
- How many resources to invest in each?
- Which do you think is:
  - Easiest to measure effectiveness
  - Easiest to setup and use
  - Most targeted media
  - Highest ROI

## Online Ads Are:

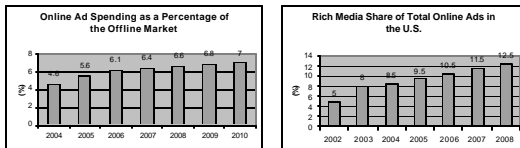
More Measurable, Easier to Produce, More Targeted, Greater ROI



Source: MediaPost Sept. 2003 survey of online and traditional media planners/buyers

## Online Advertising Growth

- Online ads and rich media are projected to grow steadily



Source: OMMA The Magazine of Online Marketing & Advertising—October 2005

## Online Ads for Online Programs

- Online programs have NO geographic limitations
- Online programs need online students that can be found... ONLINE!
- Eduventures 2004 Report:
  - Online is 40% more efficient than offline at generating leads
  - Cost per start is 11% lower using online mktg

## Audience Survey Online Ads

- 13) Have you tracked and compared various types of online advertising?
- 14) Which ad types have been most effective for you?

## 6. Test & Refine Your eMarketing

- There are many types of online ads
- Online/eMarketing evolves rapidly
- What is the ideal eMarketing mix?
- There is no “magic” formula
- Test and refine each ad you run

## eMarketing Examples

- Directory listings
- Banners / Graphical
- Email
- Popups / Adware / Contextual
- Search Engine Marketing
- Others: affiliate, promotions, viral, blogs, wireless, etc.

## Which Ad Type is Best?

- All ad types can be effective
- Considerations:
  - Enrollment goals
  - Size & strengths of marketing staff
  - Cost models & complexities of type
  - Marketing budget
  - Pressure from your administrators

## Directory Listings

- Flat Fee / Traditional
  - One annual fee
  - Easy to budget
  - Limited guarantees
- Performance-Based
  - Pay per lead (CPA / CPL)
  - Fewer unknowns

## Banners & Graphical

- Banners typically refer to ads where size = 468x60 pixels
- Many standard size ads:  
[www.iab.org](http://www.iab.org)
- Users began ignoring banners
- Rich Media = ads that use flash or other interactive technology to gain clicks  
(ie. Orbitz ads on ESPN.com)

## Email

- Lists
  - Email marketing companies
  - Opt in vs. opt out
  - Concerns about SPAM laws
- Newsletters
  - Ads in daily / weekly newsletters
  - Targeted audiences

## Popups & Adware

- Contextually targeted ads
- User behavior tracked by “legal” software on user machine
- Some companies also sell popups on their site or network of sites
- Disliked by many users, but high click rates

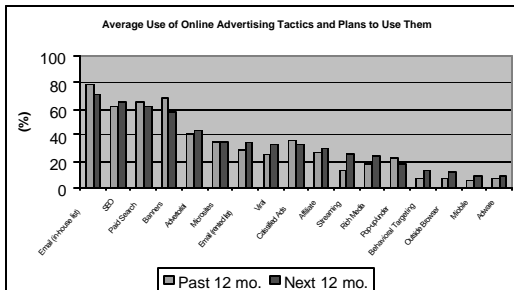
## Search Engine Marketing

- Broad & complex topic!
- Free/Organic/Natural Listings
  - Left side of Google results
- Paid Placement/PPC Ads
  - Right side of Google results
- Paid Inclusion/Feeds
  - Listed among free listings
  - Guaranteed inclusion

## Other Alternatives

- Affiliate Marketing
  - Pay other sites to send targeted visitors to your site
  - Pay by visitor or lead
- Promotions
  - Good at generating quantity of leads
  - Questionable quality
- Many other alternatives ...

## Most Popular Online Ad Types



## Audience Survey Ad Pricing Models

- 15) Can you describe the differences between CPM, CPC and CPA?
- 16) Which of the pricing models allows you to do the least work in the marketing part of your process (generating leads)?

## 7. Ad Pricing Models

- Flat-fee / Cost Per Ad (traditional)
  - Most unknowns & highest risks
- CPM / Cost Per 1000 Impressions
  - Many unknowns & risks
- CPC / Cost Per Click
  - Shared risks (advertiser & publisher)
- CPA / Cost Per Action (lead or inquiry)
  - Fewest risks (highest for publisher)

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## Unknowns = Risks = Work

- More unknowns mean more risks
- More risks mean more complexities
- More complexities mean more work to ensure good performance
- All price models can convert for you, but some typically require more work

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## Flat Fee

- Most unknowns for advertiser
  - No guaranteed impressions, visitors or conversions
- Lowest risk for publisher
- The “Publisher” or “Mall” model
- Some directory listings (Petersons, ...)
- Sponsorships (MSN/AOL, ...)

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## Flat Fee Example



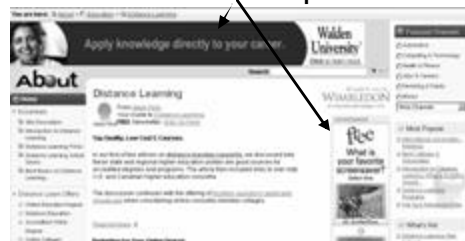
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## CPM

- Cost per 1,000 Impressions
- Many unknowns for advertiser
  - What counts as an impression?
  - No guaranteed visitors, or quality of visitors
- Low risk for publisher
  - (# of monthly visitors) x (Pages viewed) x (ads/page)
- The “Branding” model
- Banner ads (About.com,...) & email newsletters

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## CPM Example



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## CPC/PPC

- Cost Per Click / Pay Per Click
- Shared risk for advertiser & publisher
  - Publisher only gets paid when visitor clicks
  - Advertiser risks the quality of clicks (# of conversions)
- The “Search Engine” model
- PPC & paid inclusion (Yahoo, ...)
- Also banners, text links, “pop-ups”, email

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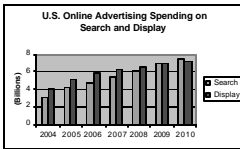
## CPC/PPC Examples



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## Search Advertising Growth

- Search ad spending is projected to surpass display ads by 2010



Source: OMMA The Magazine of Online Marketing & Advertising—October 2005

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## CPA/CPL

- CPA = Cost Per Action/Acquisition
- CPL = Cost Per Lead (or PPL)
- Fewest unknowns for advertiser
  - Publisher does not get paid unless a visitor is interested in being contacted by you
- Highest risk for publishers
- Many online lead vendors, each with different lead quality

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## Varying Lead Quality

- Ex 2) Which is a better use of \$10,000?
- 1000 leads for \$10 CPL from directory A
  - 400 leads for \$25 CPL from directory B
- Do you have enough information for an accurate answer?

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## CPA/CPL Example

DeVry University

TAKE YOUR NEXT STEP TODAY!

To receive information about programs that interest you, fill out the form below:

Please select the city you are interested in.

program preference

Continue

required fields

email country

first name  last name

street address/post box  suite

city  state/province

zip/postal code  address type

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## Steps to Enrollment

### Marketing

1. Research
2. Place Ads
3. Ad Viewed
4. Ad Clicked / Action
5. Web Site Viewed

### Admissions

6. Lead Submitted
7. Lead Assigned
8. Lead Contacted
9. Follow-up
10. Conversion / Enrollment

## Optimizing Your Resources

Ad Pricing	Unknowns, Risks & Complexities
Flat Fee	# impressions, # clicks, # leads, # enrollments
CPM	# clicks, # leads, # enrollments
CPC/PPC	# leads, # enrollments
CPA/CPL	# enrollments

## Remember Best Practices

1. Set appropriate goals and expectations
  2. Coordinate marketing & admissions
  3. Track ads & use metrics
  4. Build effective direct response web sites
  5. Utilize advantages of online ads
  6. Test & refine your eMarketing
  7. Take advantage of ad pricing models
- Which would you like more help on?***

## Full Day eMarketing Seminar?

If we offered a reasonably priced full day eMarketing seminar offered in a city near you – would you attend?

- ✓ Yes
- ✓ No?
- ✓ Maybe so?

## More Information

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