

Effective Marketing of Online Degrees

An Overview of Seven Best Practices

By C.J. DeSantis

2005 Sloan-C Conference

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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

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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 it’s direct response

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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?

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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”?

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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

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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

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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

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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

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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?

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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

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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

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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

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Calculating CPS & ROI

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

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

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

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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?

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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?

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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

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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

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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

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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?

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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

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Traditional vs. Online Ads

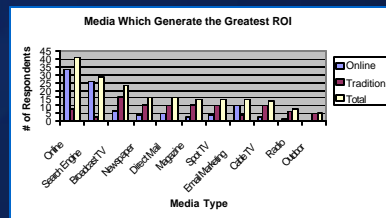
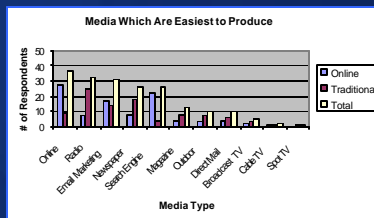
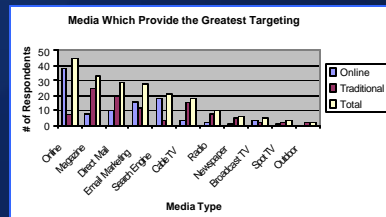
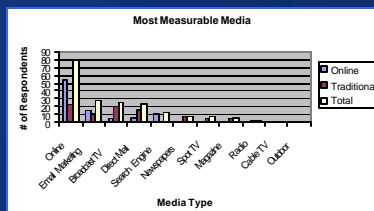
- You may want/need both
- How many resources to invest in each?
- Which do you think is:
 - Easiest to measure effectiveness
 - Easiest to setup and use
 - Most targeted media
 - Highest ROI

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Online Ads Are:

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



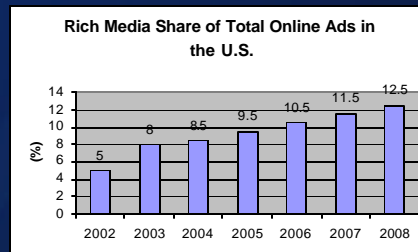
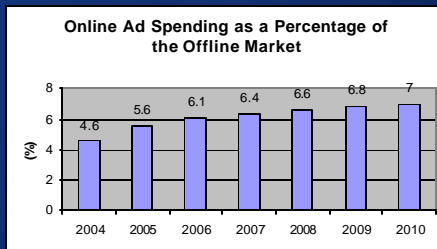
Source: MediaPost Sept. 2003 survey of online and traditional media planners/buyers

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Online Advertising Growth

- Online ads and rich media are projected to grow steadily



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

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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

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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?

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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

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eMarketing Examples

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

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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

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Directory Listings

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

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Banners & Graphical

- Banners typically refer to ads where size = 468x60 pixels
- Many standard size ads:
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)

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Email

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

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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

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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

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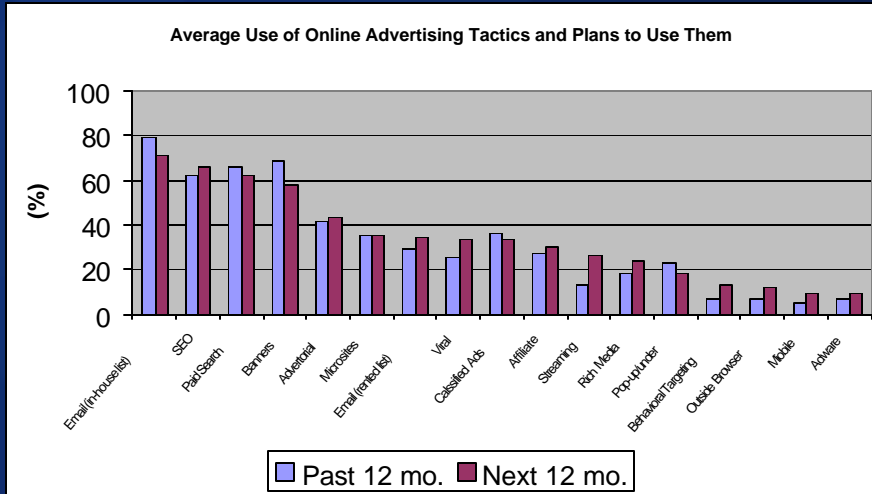
Other Alternatives

- 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...

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Most Popular Online Ad Types



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

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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)?

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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



The screenshot shows the MSN Encarta website interface. At the top, there are navigation links for Home, Encyclopedia, Dictionary, Atlas, Homework, College, and Grad. The main content area is titled "eLearning" and features a search bar, a "Planned by" section, and a "Featured Schools" section. A prominent advertisement for "ONLINE DEGREES FROM ACCREDITED UNIVERSITIES" is displayed, listing Associate's, Bachelor's, Master's, Post Grad, and Certificates programs. The ad includes a photo of a woman and the text "Start Today!".

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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

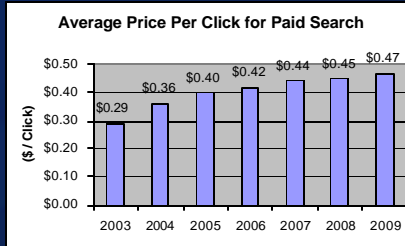
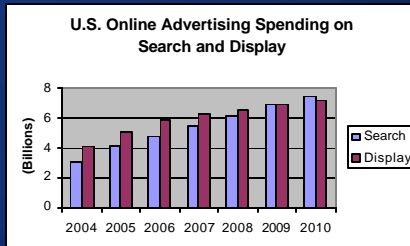
The screenshot shows a web page from About.com. At the top, there is a red banner for Walden University with the text "Apply knowledge directly to your career." and a "Click to learn more" link. Below the banner, the main content area features a sponsored article titled "Distance Learning" from eLearners.com. The article text discusses state and regional higher education policies and includes links to related content. To the right of the article, there is a "WIMBLEDON" advertisement and a "flee" advertisement. The page also includes a search bar, a navigation menu on the left, and a "Featured Channels" section on the right.

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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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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

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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

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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?

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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?

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