Evaluating Admissions Processes at For-Profit Schools

The four key performance indicators of a sound enrollment strategy

EXECUTIVE SUMMARY

Velocify recently commissioned two studies on the responsiveness to student inquiries among private sector higher education institutions. These studies focused on four Key Performance Indicators (KPIs) that are critical measures and indicators of a school's inquiry response strategy: speed-to-call, speed-to-email, number of call attempts and number of email nurture attempts. The data indicates a variety of response strategies and a wide range of performance in terms of responsiveness. It is clear that many schools have invested in processes and technologies that allow them to respond to student inquiries within minutes, thus maximizing their opportunity to build a relationship and enroll a prospective student. At the same time, many other schools underperformed against their peers and the industry best practices in responsiveness, limiting their enrollment potential and diminishing the effectiveness of their marketing effort and spending.

Despite the glare of an intense spotlight and increased government regulation, the market for prospective students is more competitive than ever. Identifying, contacting and enrolling the best students through a consistent, compliant and student-friendly admissions process is critical to commercial success for any school. Of the schools surveyed, the mean time it took to receive the first phone call was over 6 hours. On average, the first email was sent more than 14 hours after the inquiry was received. Meanwhile, the best performers in both speed-to-contact categories reached out to new prospects within 1 minute.

For admissions professionals across the industry, the implications of this study are both immediately tactical and strategic. Schools with a well-designed and disciplined approach and the systems and metrics to consistently deliver on their strategy will come out on top. For smaller schools competing with larger institutions, there is a clear opportunity to be more nimble in winning over new students, while improving the admissions experience.

RESULTS

Anyone considering a post-secondary degree or certification has dozens of institutions to choose from, and the rise of online education means these options no longer need to be near their home. When a prospective student reaches out to a school directly by filling out an online inquiry form or indirectly via a student portal, the race is on to make a strong connection with the prospect. Swift speed-to-contact is an essential element of a successful enrollment strategy for any school. Previous Velocify research has demonstrated that attempting to contact an inquiry within one minute of its receipt increases the chances of enrolling the prospect by 391 percent. This dramatic increase is due to the fact that prospective students are the most likely to engage with a school right after their initial inquiry, making it vital to be the first school to establish contact. From the student’s perspective, getting quick, thoughtful attention from a prospective school builds confidence, attachment, and respect for the institution. Much like sowing a seed in fertile soil gives it the best chance to grow and flourish, the information about
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Your institution will have a much better chance of getting traction if it is delivered to prospective students when they are most receptive and before other schools have an opportunity to pitch their programs.

However, despite the clear benefits of rapid inquiry response, many of the private sector schools studied showed at least some deficiency in their speed-to-call and speed-to-email metrics.

As Figure A demonstrates, the top quartile of schools studied responded to new inquiries by phone within 1 hour, and bottom quartile of the schools surveyed took over 10 hours on average to call prospects after receiving the inquiry. Those companies in the top quartile are likely to have very sound processes for managing inbound leads. However, those in the bottom quartile may be able to make improvements to their processes to reliably contact leads. The performance demonstrated during the study, if representative of these schools typical phone responsiveness, might hinder their ability to transform student prospects into enrolled students. Schools that are staying ahead of the curve and contacting prospective students much faster than their competitors – such as WyoTech, Grand Canyon University and Everest College – have created a considerable advantage over their competitors by following a more consistent and reliable approach to dealing with student inquiries. Other schools, however, were less focused on the value of being the “early bird”. Concorde Career College, for example, made their first call attempt more than 30 hours after receiving an initial inquiry on average, while Globe University waited an average of nearly 23 hours to make a first call. Both Concorde and Globe’s best response times were 8 minutes or less, demonstrating the wide range of potential performance within a single school’s systems.

A similar responsiveness pattern exists with the second KPI: speed-to-email (Figure B). While presenting the value of a school might not naturally fit within the static

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**FIGURE A**

*Speed-to-Call*

- WyoTech
- Grand Canyon University
- Everest College
- Virginia College
- American Public University
- Kaplan Higher Ed
- Vatterott College
- Capella University
- Anthem Education
- Keiser University
- Westwood College
- Berkeley College
- Academy of Art
- United Education Institute
- American InterContinental University
- Lincoln Tech
- Universal Technical Institute (UTI)
- National American University
- Walden University
- DeVry University
- Ashford University
- Regency Beauty Institute
- Miller-Motte College
- Globe University
- Concorde Career College

*Best Practice: Under 2 Minutes*
confines of an email, some prospects prefer email as a medium. Its importance should not be minimized, especially considering its cost-efficiency. In today's market, an email costs just pennies to send, and sacrificing an opportunity to present good information about an institution is short-sighted. Many institutions have prioritized getting informative email content to prospective students fast, primarily using auto-response technologies. In this study, 48 percent of schools responded with an email within an average of 5 minutes of receiving the inquiry. However, at the same time, 28 percent of the institutions sent their first email to prospective students at an average of more than 24 hours after the initial inquiry. Only one school failed to send any emails at all.

The implications of this study are that any school that is looking to boost enrollment has a real opportunity to do so by being more responsive than the competition.

The next two KPIs benchmarked in an initial performance study conducted in Q2 2011 both measure the number of contact attempts being made for each inquiry. It’s easy to rationalize the idea of trying as many contact attempts as necessary to reach the prospect, interpreting calling and emailing until contact as “plucky persistence.” At the same time, it’s also easy to initiate only a few calls and emails under the belief that it frees up time for recruiters to focus on other prospects. Unfortunately for these schools, research has demonstrated neither of these approaches is most effective. The key to a successful enrollment strategy is to make the optimal number of call-attempts and emails; not too few and not too many.

Prior Velocify research has demonstrated the optimal number of nurturing emails to send to each inquiry is between two and four, garnering a 42 percent better conversion rate over other patterns. As Figure C shows, only 16 percent of schools hit that mark on average, with twice as many schools surveyed sending too few emails and 52 percent sending too many.

Institutions also failed to follow up on inquiries with a healthy number of call attempts (Figure D). Velocify
research has determined the optimal number of calls to maximize contact rates without over-investing time and resources into unresponsive inquiries is six, yet only 24 percent of schools surveyed made between five and eight call attempts per inquiry. Capella University did an excellent job of making an average of almost six contact attempts, although in contrast, the vast majority of the schools surveyed made simply too many call attempts, wasting time and resources. Interestingly, 28 percent of schools made more than 16 call attempts, while two outliers, WyoTech and Everest College, made an average of 82 calls and 68 calls respectively, over approximately 30 days. Although both schools showed an impressive edge over the other institutions studied in regards to speed-to-call, these schools may be throwing away the advantages gained through responsiveness, by attempting contact in such an aggressive manner.

While calling too much is detrimental to a sound enrollment strategy, so is calling too infrequently. Of the institutions studied, far fewer schools made the mistake of making too few call attempts (only 16 percent), but those institutions are making a costly error by failing to put enough effort into contacting prospects. Concorde Career College was one institution that not only waited an average of more than 30 hours to make their first call attempt, but also averaged only 2.3 total call attempts after this, ignoring a best practice that could improve their overall enrollment yield. Optimizing the number of contact attempts can be another easy, cost-efficient way to achieve better enrollment results.

**CONCLUSION**

Velocify’s studies demonstrate that there is a wide range of responsiveness and clearly different contact strategies among many well-known higher education institutions. While some schools demonstrated their ability to meet one or more of the KPI benchmarks, very few showed consistent across-the-board success that would maximize their chances of...
enrolling the highest number of qualified prospects. Ultimately, there is a substantial opportunity to improve performance at many of the schools, across most of the benchmarks. By focusing on the four KPIs highlighted here, admissions departments can work smarter, increasing enrollment while decreasing marketing and enrollment expenditures. It’s a win-win proposition that demands attention from any school interested in remaining competitive.

**THE STUDY METHODOLOGY**

For this study, Velocify Researchers conducted two studies of the private sector higher education industry (at the time of this study, all institutions included were considered “private sector”) to gauge how effectively schools responded to prospective students’ online inquiries. The first study that analyzed the number of emails and calls placed by the sample of for-profit higher education providers was conducted between July 27th and September 2nd. The second study, which was conducted between December 1st and December 7th, analyzed the speed with which a first call was made and a first call was placed following the submission of a lead on an education provider’s website.

**NUMBER OF CALLS AND EMAILS**

To conduct the analysis, researchers visited the targeted school’s websites and submitted enrollment inquiries. Inquiries were submitted for all schools within the same 14 day window for all schools surveyed. All schools received similar information on prospects, though variations exist in lead capture forms.

Once an inquiry was submitted, each communication attempt from the school was electronically logged for evaluation. Logging of responses for frequency and persistence lasted for a month. Due to the established relationship between the process and discipline of contacting a student prospect and the likelihood of enrolling that prospect, the focus
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of the study was to measure the response strategy during the pre-contact period (after an inquiry has been made, and prior to when any actual contact is made). Velocify researchers posing as interested students at no point responded to any of the communications.

The average number of contact attempts made by each of the schools was calculated by averaging the total number of email or call attempts all students received for each corresponding school over the period of up to 1 month. Once aggregated, Velocify compared each school’s performance against its peers and ranked performance.

SPEED OF FIRST CALL AND EMAIL STUDY METHODOLOGY
To conduct the analysis, researchers visited the targeted school’s websites and submitted enrollment speed-to-contact were submitted for all schools within the same 2-day window for all schools surveyed, with inquiries submitted between 9am-5pm PST and spaced out throughout the 2-day period. All schools received similar information on prospects, though variations exist in lead capture forms. Due to the time required to capture and record submission data and variations in lead forms, inquiry entry times are accurate and comparable within approximately 3 minutes.

Once an inquiry was submitted, each communication attempt from the school was electronically logged for evaluation. Collecting of responses lasted for a week when measuring speed-to-call and speed-to-email. Due to the established relationship between the process and discipline of contacting a student prospect and the likelihood of enrolling that prospect, the focus of the study was to measure the response strategy during the pre-contact period (after an inquiry has been made, and prior to when any actual contact is made). Velocify researchers posing as interested students at no point responded to any of the communications.

After collecting and logging relevant data, researchers calculated the average speed-to-call and the average speed-to-email for each of the schools by first calculating the amount of time that elapsed between each student’s initial inquiry and the first email or call that student received. The average was calculated for all student inquiries corresponding to each school. The averages shown in this report only reflect the speed-to-contact for students that actually received a contact attempt. Some students did not receive a call or an email within the time period allotted for inclusion in this speed-to-contact calculation.

ABOUT VELOCIFY
Recruiting and enrolling the best students is the primary responsibility of every higher education admissions and marketing professional. Velocify provides the only enrollment management system specifically designed to meet the needs of schools that compete for students.

The company focuses on managing the student enrollment process, enabling admissions staff to more efficiently track and communicate with prospective students, and giving admissions and marketing directors a holistic view of how prospects are being handled. Let Velocify show you why the most sophisticated schools have implemented a recruiting solution that replaces the rudimentary admissions functionality that is provided by a CRM or SIS.

Velocify develops hosted software solutions for managing the recruitment and enrollment process. Managing more than 40 million client records for over 6,000 businesses and schools, Velocify offers a suite of solutions that can scale from the small, specialized schools to multi-campus national institutions. Velocify’s education platform was created by education experts and is customized with industry-specific best practices.

For more information, visit: www.velocify.com/highered
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Velocify Best Practices: Benchmarks Measured

Speed-to-Contact – Best Practices

Data
Speed-to-call and speed-to-email are essential components of any sound inquiry response strategy. In an increasingly competitive Internet age where prospects have access to many different market options, following up quickly is one of the most important factors to successful recruiting.

Velocify research has shown that speed-to-contact is an important recruiting driver: Responding to inquiries within 1 minute resulted in a 391% improvement increasing your student body.

Beyond Qualification: The Impact of Speed on Lead Conversion Rates

Strategy
Don’t wait to attempt contact with a student prospect who expresses interest. Reaching out immediately (within the first minute) allows your school the best chance of recruiting them. Even if your admissions staff is not able to keep up with the high volume of inquiries on a particular day, an instant, automated email acknowledging that someone will contact them soon can mean the difference between an enrollment and a lost opportunity.

Prospect Nurturing – Best Practices

Data
Sending nurture emails to inquiries showing interest - but are not ready to enroll, is a cheap, easy, and effective way to acquire new prospects that would otherwise be missed.

Velocify research shows that prospects that receive email nurturing have a 3.5 times higher chance of getting recruited than those that receive none. Additionally, prospects that receive 2-4 emails get admitted 42% better than those that receive less than 2.

Velocify Analysis
February 2010

*Although Velocify emphasizes that a good inquiry nurturing strategy should last longer than 30 days, the study measured email nurturing within a 30 day window because we believe the time frame is a strong indicator of a school's overall lead nurturing strategy.

Strategy
If your school does not automatically respond to every inquiry via email upon receipt, your school is certainly missing out on significant new revenue. Nurturing your prospects between 2-4 times via email is an important component of a successful inquiry response strategy.

Fact: Schools took an average of over 6 hours to make their first call.

Fact: 32% of schools in this study sent an average of less than 2 emails per lead.

(continued)
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Velocify Best Practices: Benchmarks Measured

Call Frequency – Best Practices

Data
Maximize the value of each inquiry by attempting contact 6 times. Giving up too soon or spending too much time on ultimately unproductive prospect can significantly undercut a school’s new student enrollment potential.

Velocify research found that making 2 calls versus just 1, increased the chances of contacting a prospect by 87%, and that calling 6 times (The 6 Call Standard) resulted in nearly the maximum possible contact rate, with minimum opportunity costs.

Six Calls Equals Success: The surprising Impact of Call Frequency on Lead Conversion
November 2009

Strategy
It should be every school’s priority to attempt to contact each inquiry via telephone six times. By following this 6-call approach, your school is maximizing the value of each inquiry while minimizing wasted effort.

Getting Prospects From Your Web Properties? Here’s an Online Approach That Works.

Online Prospects Engagement – Best Practices

To an online prospect, your website is the face of your company and it’s important to keep it simple, attractive, and useful. Your website should be designed to move a prospect through a simple 3 step process (outlined below).

Attract ◆ Educate ◆ Capture

(1) **Attract**: Getting a prospect to your website is one thing, but keeping them there is another. Create a website that is aesthetically pleasing, but not overwhelming.

(2) **Educate**: Provide your prospect with education about your school and reasons why they should enroll. Don’t make prospects work for information; empower them with easily digestible facts and tools.

(3) **Capture**: Now that you have a prospect’s attention, provide a simple contact form that allows them to disclose as much information as possible. Don’t limit how much information you can collect, the more information a prospect provides, the greater the chance of contact and enrollment.