



State of the Union

Enrollment Trends, AI-Enabled College Search and
the Strategic Path Forward

Embracing Opportunity Through Change

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“What if we don’t change at all ...
and something magical just happens?”

Finally, Some Good News



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No Shortage of Record-Setting Classes



Northern Illinois
University

+22%

NIU total enrollment up 4% from last year, with a big jump in new freshmen



University of
Kentucky

+7.7%

UK sets enrollment record with nearly 39,000 students in fall 2025

SALEM
COLLEGE

+19%

Salem College reports record-breaking enrollment growth for fall 2025

Latest Signs of Momentum



Undergraduate enrollment up **1.3%** in Spring 2026, from Spring 2025



While overall intl enrollment slumped by **4.3%**, undergraduate intl students grew by **3.9%**



Undergraduate certificate enrollments up **10.2%**, compared to Spring 2025



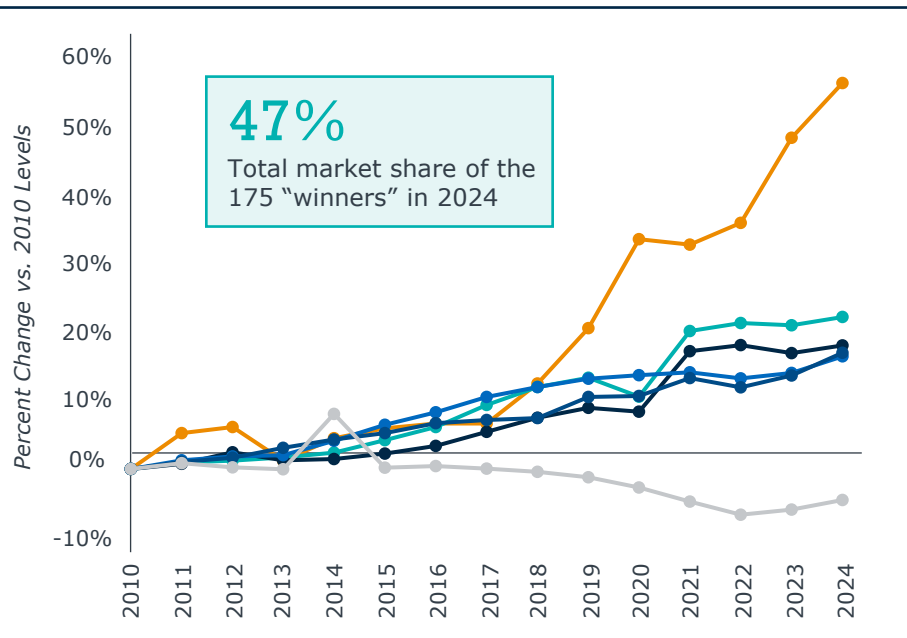
Class of 2026 set a new June 30 FAFSA completion record of **59.1%**, exceeding the previous high by nearly **five percentage points**.

Source: National Student Clearing House, [Spring Enrollment: Undergraduate Growth Continues While Graduate Enrollment Holds Steady](#) | National Student Clearinghouse, June 4, 2026; National College Attainment Network, [Class of 2026 Sets New June 30 FAFSA Completion Record of 59.1%](#) NCAN, July 6 2026.

But Who Is Winning in This Market?

Growth in Total Enrollment Highly Concentrated in Five Groups of “Winners”

Percent Change in Total Enrollment (Undergraduate and Graduate), IPEDS, 2010–2024



Online Giants¹

N=30

Ivy Plus²

N=14

Large Selective Privates³

N=17

Large Urban Publics⁴

N=60

State Flagships⁵

N=54

All Other 4-Year Institutions

N = 1,758

1) >10,000 UG and G, >75% online.

2) Ivy League institutions plus Johns Hopkins University, Stanford University, University of Chicago, Duke University, MIT, and CalTech.

3) >8,500 UG and G, <25% selectivity.

4) >20,000 UG and G, <75% online, in a city.

5) Includes dual flagships in Texas, California, Virginia, and New York.

The Pressure is Real



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In 2024, 1 in 3 private, non-profit institutions **posted a financial loss**; for public institutions it was 1 in 5.



A new estimate projects that 442 of the nation's 1,700 private, nonprofit four-year colleges and universities, with a combined 670,000 students, are **at risk of closing or having to merge within the next 10 years**.



120+ institutions are **at the very highest risk**, based upon an analysis of enrollment trends, tuition revenue, assets, debt, cash on hand and other measures. Many are small and rural.

Lurking Beneath the Surface

Positive Enrollment Headlines Obscure a Pressing—and Growing—Set of Challenges



Underlying Challenges

K-12 Pipeline Disruption

Nonconsumption

Evolving Federal Policy Landscape

Heightened Scrutiny Around Cost and Value

Funnel Management Challenges

The Rise and Impact of AI

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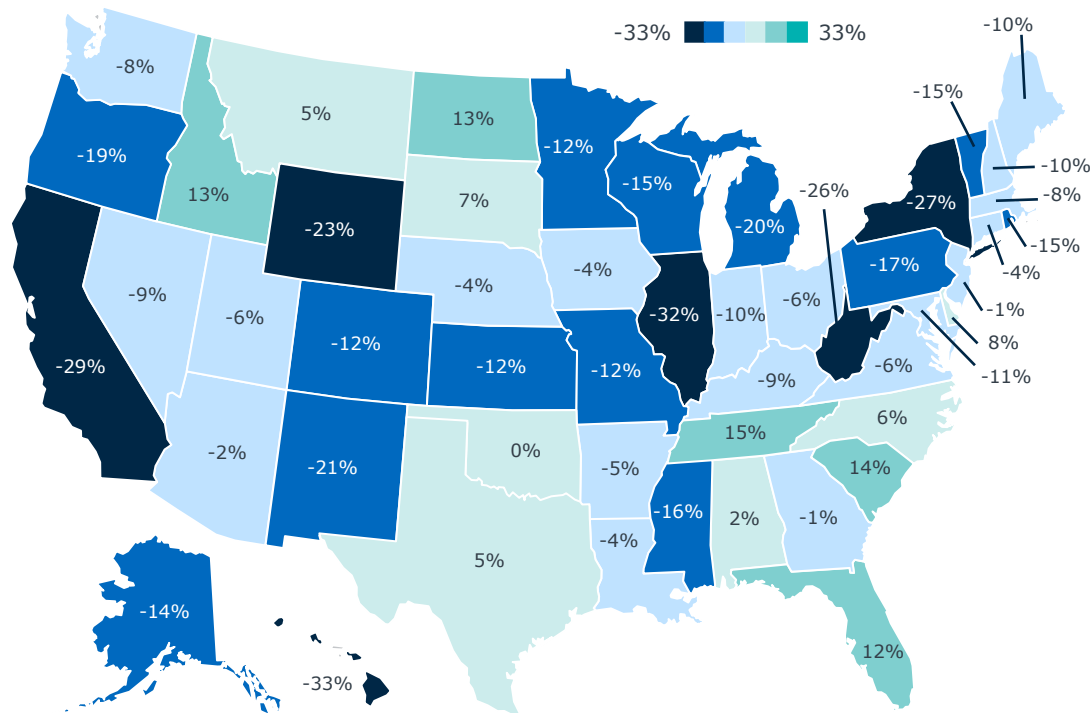
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High School Graduates in Short Supply

Projected Percentage of Change in Number of HS Graduates, 2023—2041

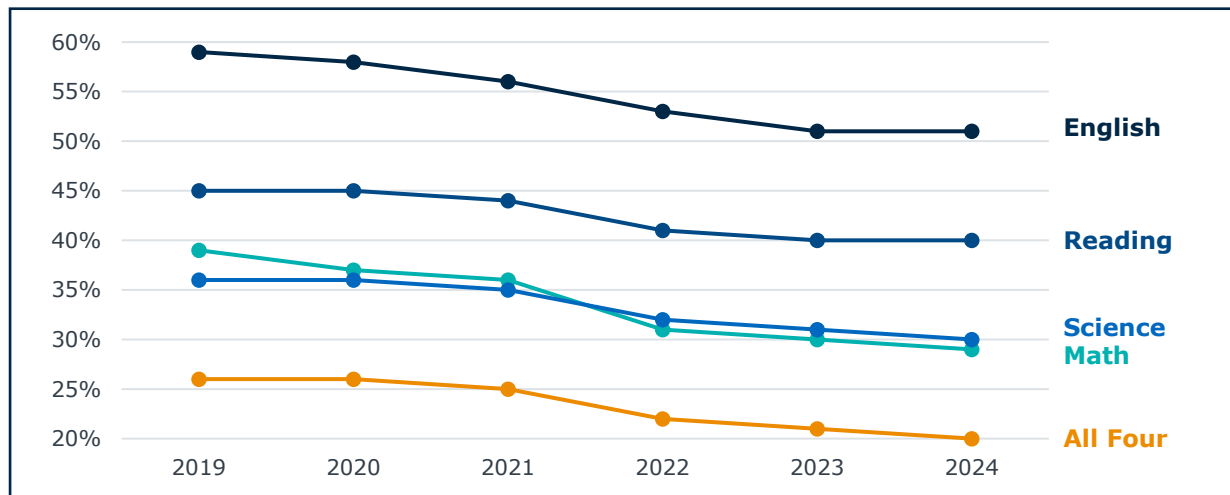


Sources: WICHE, [High School Graduate Projections](#); EAB interviews and analysis.

A Shrinking Pool of College-Ready Applicants

Fewer High Schoolers Are Academically Prepared for College

Percentage of Students Who Met College Readiness Benchmarks, by Subject



Upstream Indicators Suggest Readiness Challenges Will Only Get Worse

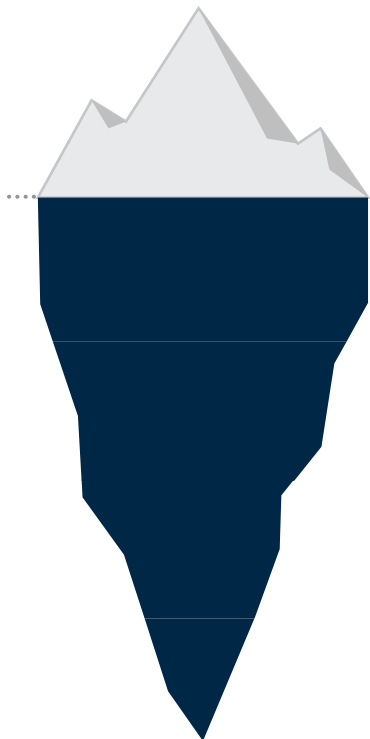
24% of 4th graders performed below basic level on NAEP¹ math assessment (2024)

39% of 8th graders performed below basic level on NAEP math assessment (2024)

1) National Assessment of Educational Progress.

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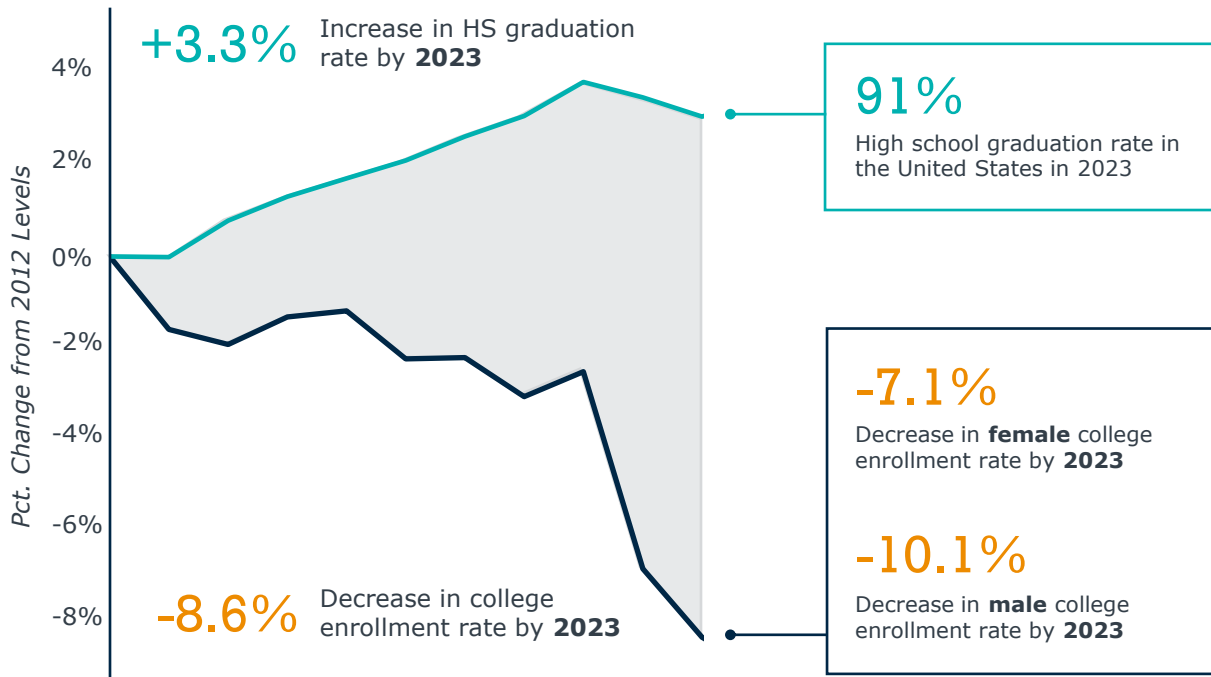
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The Rise and Impact of AI

Students Are Opting Out of Higher Ed

Despite Rising High School Graduation Rate, College-Going Rate Continues to Decline

Percent Change in K-12 to College Pipeline, American Community Survey, 2012-2023



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A Decade's Worth of Disruption in Just One Year



Student Loans & Financial Aid

- Grad PLUS eliminated
- Parent PLUS capped
- Less generous student loan repayment
- Hardship provisions removed
- "Workforce Pell" created



Immigration & Intl Enrollment

- Social media screening for visas
- 6,000+ student visas revoked
- ICE raids now allowed on campuses
- Some local police deputized as immigration agents



Research Funding

- 4,000+ research grants canceled
- 15% cap on F&A attempted by four agencies
- Forward funding policy at NIH
- Political appointees reviewing grant applications



Accreditation & Accountability

- Accreditation transition streamlined
- Program-level earnings accountability tests



Campus Culture & Climate

- Race-based practices labeled as illegal DEI
- Anti-Semitism task force formed
- 100+ civil rights investigations initiated

Why This Is Particularly Concerning for Enrollment Leaders:

Narrowed federal loan options and future Pell uncertainty will **intensify affordability concerns, requiring sharper messaging and guidance** to support enrollment.

Key Changes in Parent Plus Loans Now in Effect



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As Bills Go Out, Families Face New Questions on How to Pay



A Recap of The Latest OBBB Changes

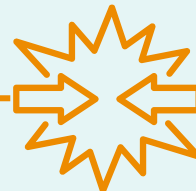
Undergraduate Parent PLUS Loans are now limited to \$20,000 which pushes many families to find alternative funding options to afford enrollment.

Process Before Changes

- ▶ Easy process connected to Ed/FAFSA Login
- ▶ Fixed interest rate
- ▶ Simplified to reduce friction

Process Now

- ▶ Increase in quantity and complexity of steps
- ▶ Third party lender for amounts over \$20K
- ▶ Variable interest rate
- ▶ Uncertainty about ability to get approved
- ▶ Limited options for immediate lending support for those who aren't approved



The Result
Significantly more friction
and more places where **families may opt out.**

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Parents and Students Aligned on Cost Concerns

Student and Parent Concerns Are More Similar than Parents Realize

What Are Your Top Concerns About College?



Parents' Own Concerns for Their Student

#1 College Cost
60%



#2 Receiving Scholarships
40%



#3 Amount of Debt
39%



What Parents Think Students' Concerns Are

#1 Being Successful
40%



#2 College Costs
38%



#3 Good-Fit School
38%



Students' Actual Concerns

#1 College Cost
44%



#2 Amount of Debt
39%



#3 Receiving Scholarships
40%





Finances Dominate Parents' College Concerns

No Other Single Consideration Comes Close

64%

Of parents cite the cost of college as **a key worry**, ranking is **the top concern**.

38%

Of parents want information on cost of attendance and financial support, **starting in their students' freshman year**

#1

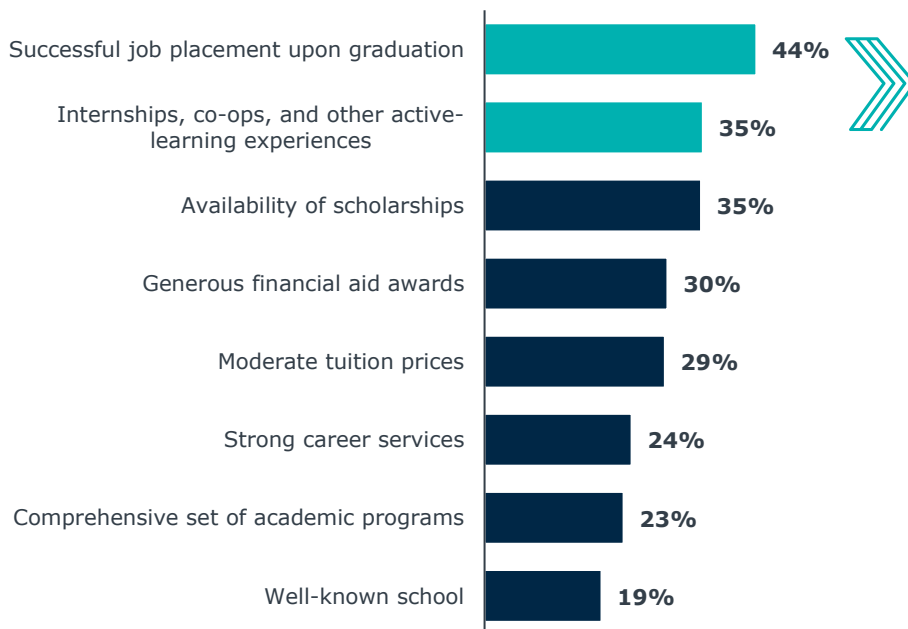
The total amount spent on college is **the most common point of contention between parents and students**.

Job Placement Top Indicator of Value to Students



Q: What characteristics would you say best represent the value of higher education?

Select up to five (n = 8,494)



Career Preparation

Job placement and internships outranked financial factors (scholarships, aid, tuition prices), reflecting student focus on career preparation.

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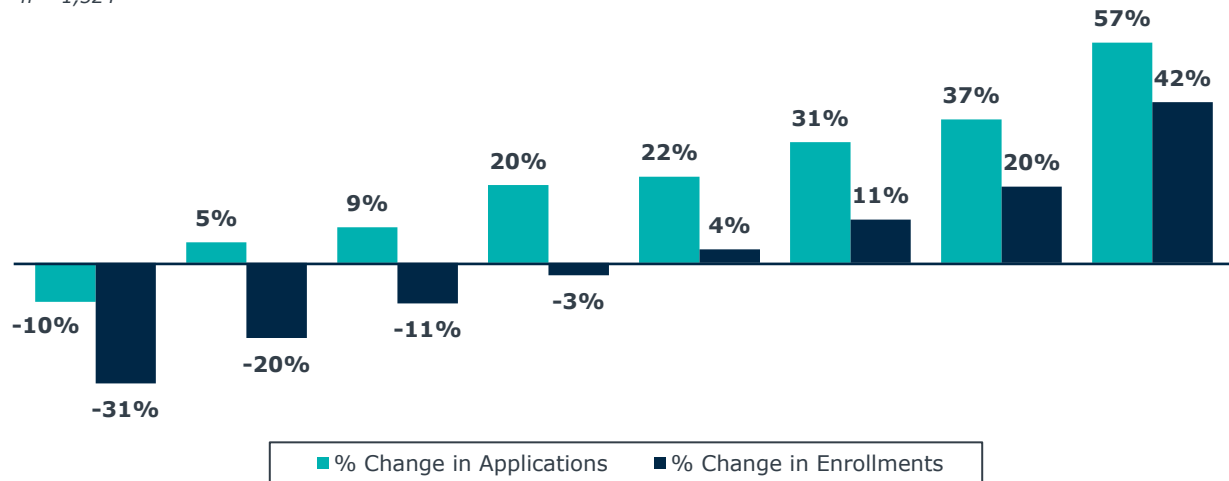
The Rise and Impact of AI

Fewer Students Applying to More Universities

Robust Enrollment Increasingly Depends on Outsized Application Growth

Change in Application Volume for 4-Year Institutions from 2019 to 2024 by Enrollment Growth¹

n = 1,324

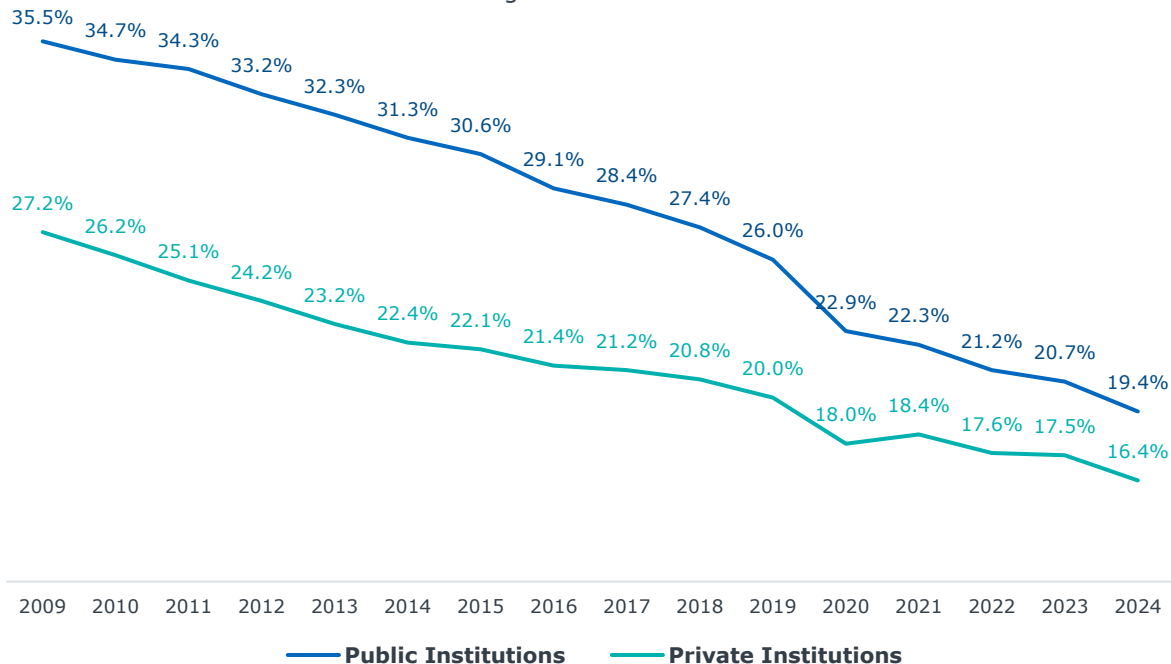


Students Are Applying to More Schools

Resulting in Declining Yield Rates Every Year Since 2009

National Average Yield Rate by Institution Type

Entering Class 2009 to 2024

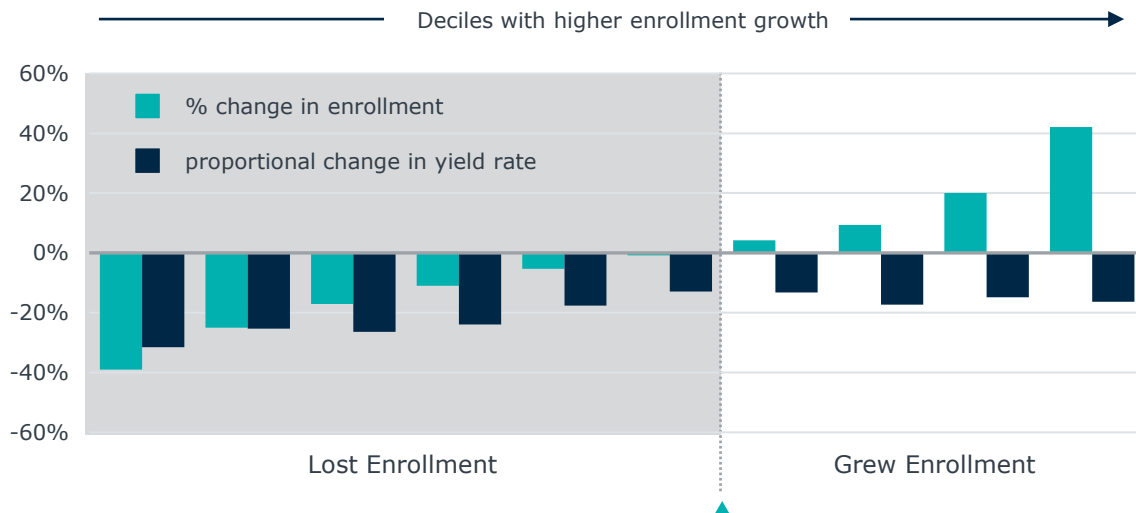


Understand the New 'Yield Cliff'

Beyond a Certain Point, Drops in Yield Rate Do Signal Trouble

Proportional Change in Yield Rate and Enrollment, by Enrollment-Growth Decile, Entering Classes 2018 to 2023

Competitive Four-Year U.S. Colleges and Universities (IPEDS)



Drops in yield rate accompanied by **much more noticeable losses in enrollment** after this point

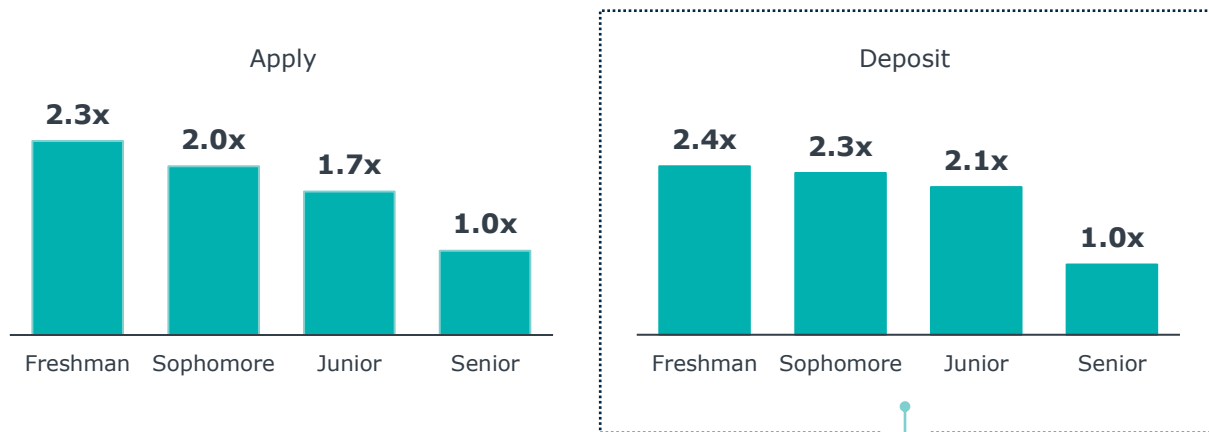


Start Yield Management at the Top of the Funnel

Earlier Recruitment Outreach Boosts Downstream Conversion Rates

Relative Likelihood to Apply and Deposit, by High School Year of First Recruitment-Marketing Contact

Versus Students First Contacted as Seniors



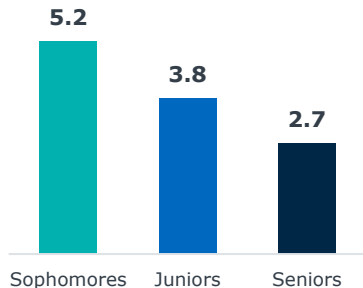
The earlier you begin recruitment outreach, **the greater the positive impact on students' likelihood to yield**

When You Engage Matters

Students Contacted by Search as Sophomores Exhibit Higher Levels of ...

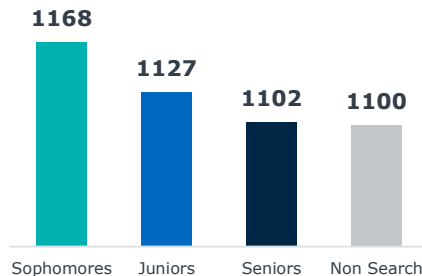
Enrollment Efficiency

Enrolls per 1,000 Contacts
(Cohort of 105 EAB Clients)



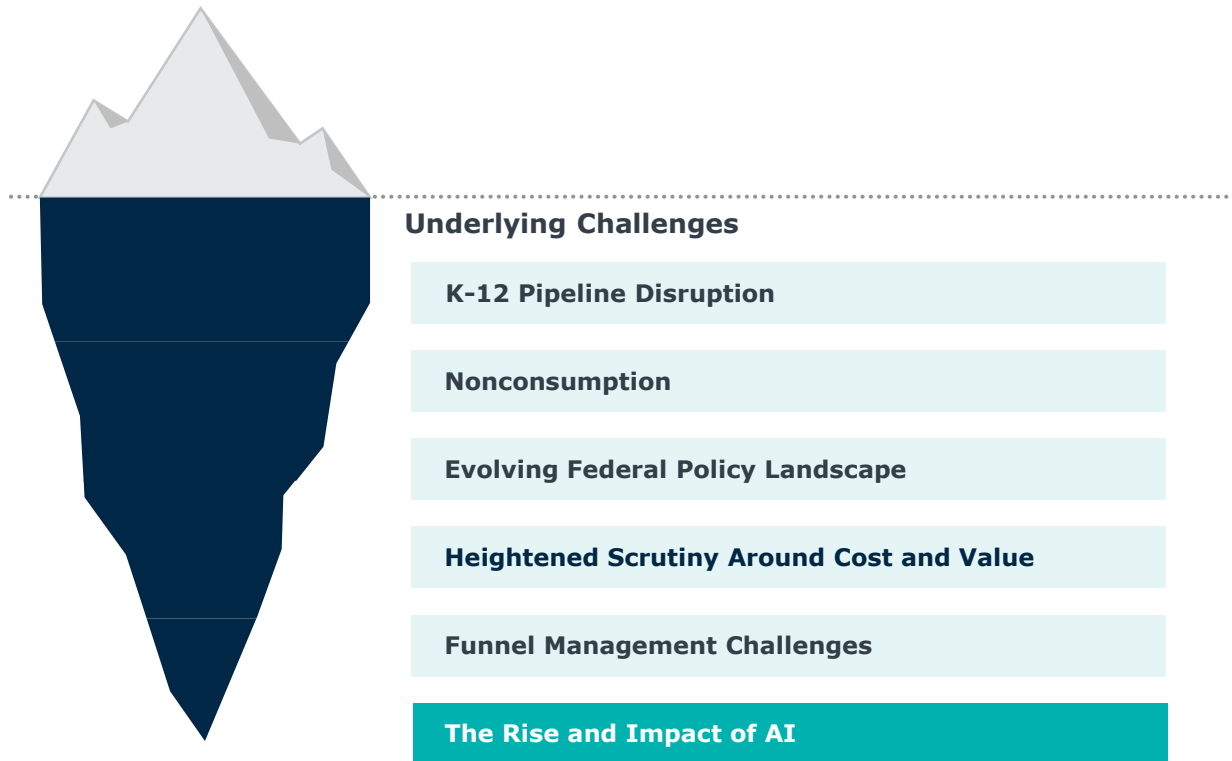
Academic Quality

Avg SAT by Search Contact Year
(Cohort of 105 EAB Clients)



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AI Shapes Search—More than Students Realize



Growth in AI Usage and Trust in College Search

Spring 2025 vs. Fall 2025

26%→46%

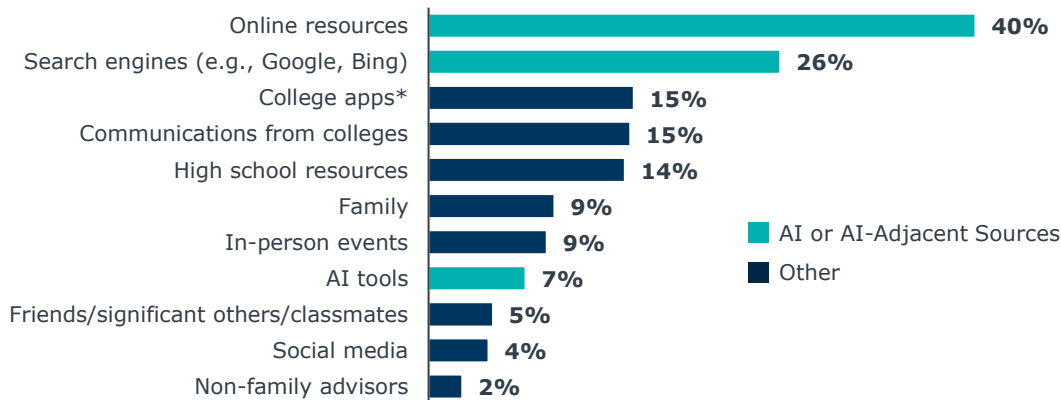
Share of students **using** AI in college search

3%→7%

Share of students naming AI as a **most trusted** source

AI Influence in College Search Extends Beyond LLMs

Q: When you start looking for information about a specific school, who or what are your first points of contact? (Select up to two.) (n = 3,987)



*e.g., BigFuture, Niche, Scoir

AI Acts as a Surrogate for Real-World Advisors



AI Is Influencing Real College Search Decisions



56%

of students say using AI has **made their college search easier**



34%

of students **became more interested in a school** due to info learned in an AI search



18%

of students **removed a school from their list** because of results from an AI search

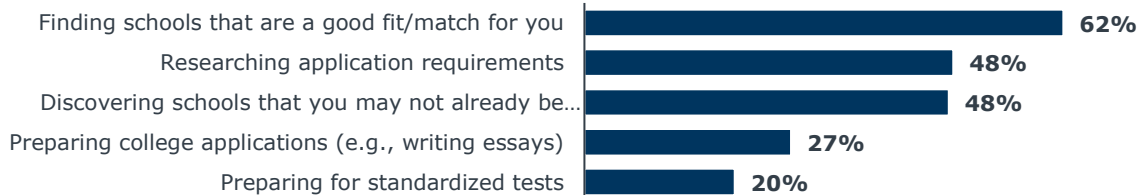


25%

of students have an **"ongoing conversation with AI"** about their college search

Students Use AI Tools for a Variety of Tasks in Search

Q: In what ways, if any, have you used AI for your college search? (Select all that apply.) (n = 1,677)



Popular Uses of AI in College Search

Analysis of 1,800+ Free Response Answers



Creating School Lists

"I asked AI to find colleges that are in **California**, have **Computer Engineering**, are **safety and reach** schools, and that work with my **parents' income**."



Synthesizing Complex Info

"AI has really helped my research into finding out what college is right for me, especially really with **all the charts and visuals that AI can give me**."



Comparing Institutions

"**Pros and cons** of this college compared to this one and **how easy is each college to finish**."



Facilitating Fact Finding

"I use it to ask specific questions I **can't find on the [school's] website**."



Assessing School Fit

"[I asked ChatGPT to] **look at comments/chats from students** enrolled there and **describe the vibe**."



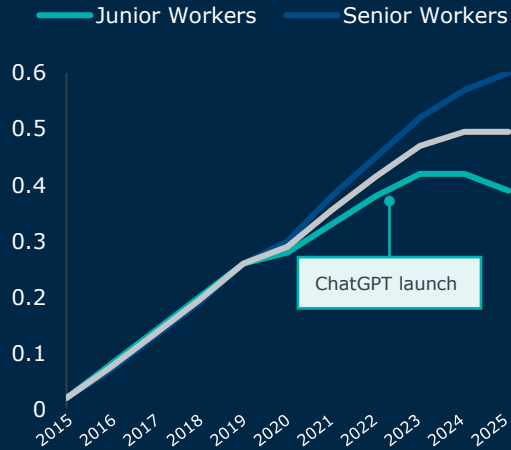
Managing the Financial Aid Process

"It has **provided the deadlines** for all colleges I'm applying to."

Will College Prepare Me to Land a Well-Paying Job?

AI's Disruption Already Visible at the Entry Level

Average Number of Total, Junior, and Senior Workers
(Normalized to 1 in January 2015) at 285,000 U.S. Firms¹



Companies Appear to Be Transitioning From Pyramid to Diamond



- Entry points become scarce
- Employers demand more polished, experienced hires from day one
- First jobs not "learning roles" but immediate proving grounds

Source: EAB interviews and analysis.

Preparing for an Uncertain Future

3 Practices to **Introduce**



Plan for Continuous Adaptation

Leaders should build agile, cross-functional teams capable of ongoing experimentation, rapid learning, and response to emerging technologies and regulations.



Optimize for AI as an Audience

Colleges must ensure their digital content is accurate, structured, and machine-readable so AI systems consistently present them clearly and correctly to students.



Lead with a Differentiated Value Proposition

Colleges should define what sets them apart and support it with clear, credible proof across messaging, channels, and the student experience.

Preparing for an Uncertain Future

5 Areas to Double Down On



Evolve Recruitment Marketing Campaigns

Enrollment teams must update campaign strategies for an AI-filtered world, emphasizing clarity, personalization, and channels that reliably reach students.



Invest (More) in Brand Management

Enrollment leaders should actively monitor and shape how their institution is portrayed across the digital ecosystem—by AI agents as well as by human audiences.



Shore Up Data Integrity

Schools need to implement stronger governance to keep program, cost, and outcome information accurate, current, and consistent across all public channels.



Elevate Human Connection

Institutions should intentionally scale authentic, person-to-person interactions that build trust and affinity in an increasingly automated search environment.



Strengthen Parent and Counselor Relationships

Colleges must deepen engagement with parents and counselors, who will play an even more influential role when student communication is mediated by AI.