



# Reckoning Recruitment Impact

How to Assess Return on Your  
Recruitment-Marketing Investments

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# How to Use This Report

## Helping You Assess Impact

This report aims to help you better understand the impact of investments you are making in recruitment marketing. It does so by explaining four different methods you can use for assessing return on investment (ROI).

## Three Steps to Use This Report

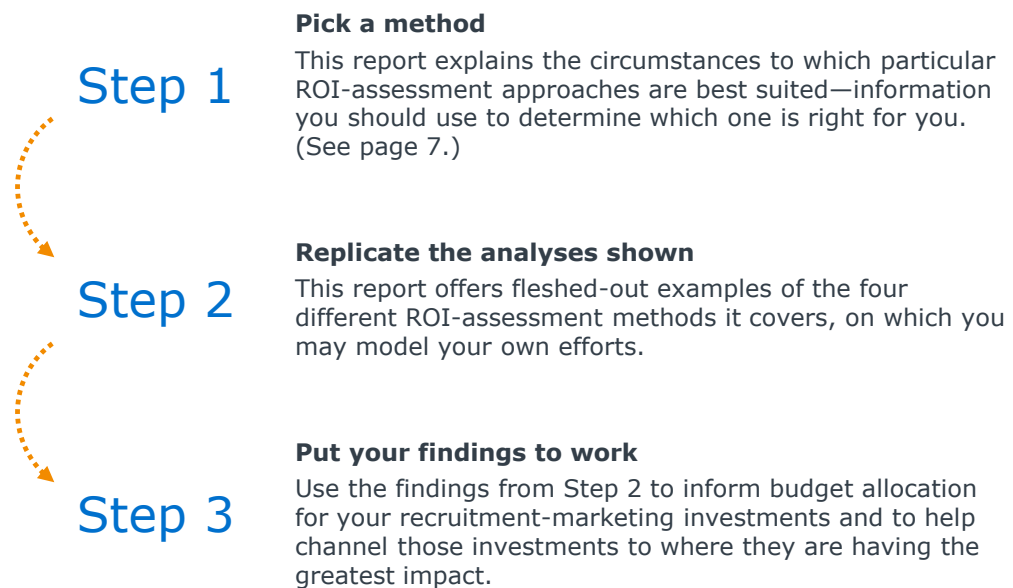
To get the most out of this report, follow the three steps outlined at right.

First, review explanations of the four methods to determine which is the best fit with your circumstances.

Second, execute the analyses you've selected. This may be done using the charts and tables provided in the report as templates or by developing your own variations on the methods described, adapted to your particular needs.

Third, put the findings from Step 2 to use, bringing them to bear on enrollment strategy development and budgeting.

## Three Steps to Actionable Insight on Your Recruitment-Marketing Spend



# Why You Should Assess Recruitment Impact

## A Tall Order

Not many colleges and universities have well-developed processes in place for assessing the impact of their recruitment-related investments.

This should, perhaps, come as no surprise. Assessing ROI can be hard work, and few enrollment teams have spare capacity to devote to related analyses, which are often seen as “nice to have” versus “need to have.”

## Worth the Trouble

But that does not mean it’s not worth doing.

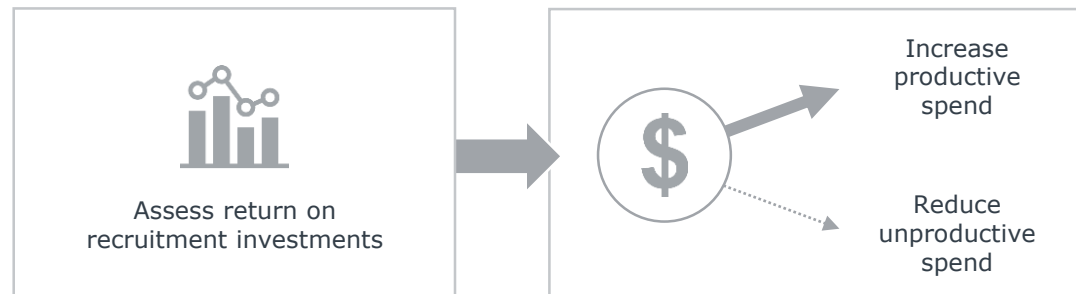
Each year, many schools miss their enrollment goals and, while that is frequently attributable to difficult market conditions, it is just as often a result of particular recruitment approaches pursued (or not pursued). Some enrollment strategies deliver better results than others for the same amount of spend, and choosing the right ones can make all the difference. This report is about smarter ways of making that determination.

## Uncertainty Can Starve Enrollment of Necessary Resources

*Absent Compelling Demonstrations of Impact, Funding Naturally Constrained*



## Using Impact Assessments to Shape Recruitment Investments



# Recruitment Marketing Is a Natural Priority for ROI Assessment

## A Narrow Focus

In its look at assessing recruitment ROI, this report focuses specifically on recruitment marketing—as distinct from the many other aspects of recruitment in which colleges and universities invest, such as CRM systems and campus visits.

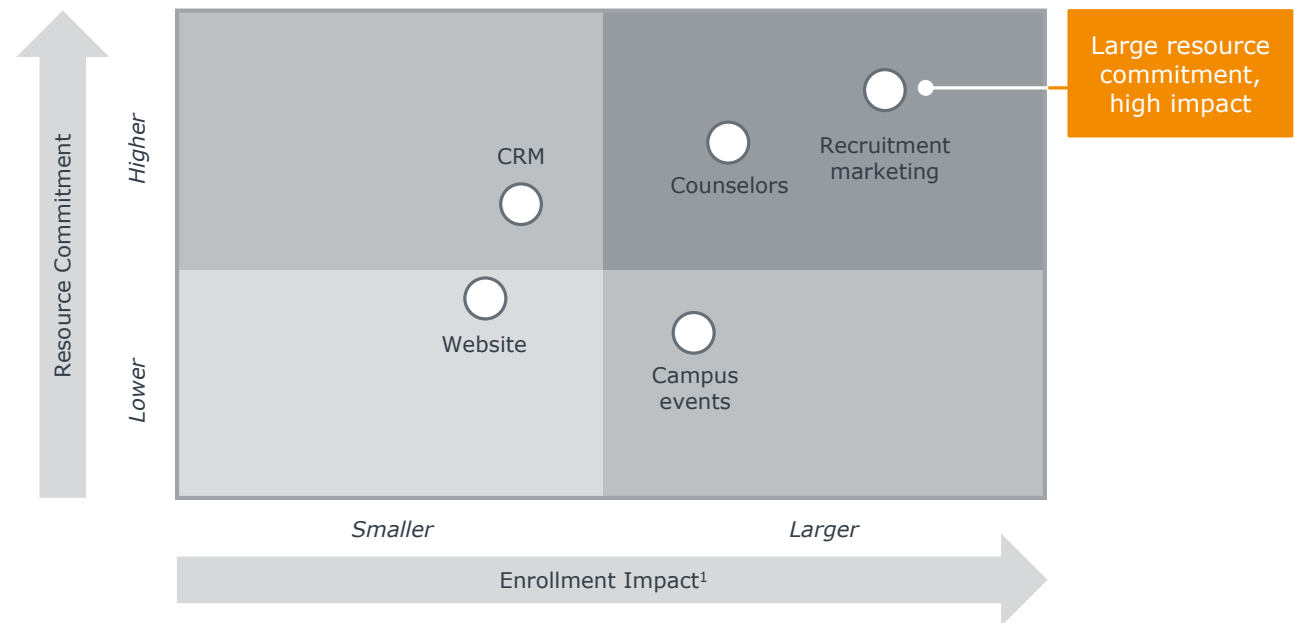
This is not because the impact of those other investments cannot or should not be assessed. They can, in fact, be vetted using methods like the ones explained in this report. It is, rather, a case of recruitment marketing being a logical first priority for ROI assessment.

## First Things First

There are two main reasons to prioritize marketing spend in evaluating recruitment impact. First, it is often considerably larger than other line items on a school's recruitment budget. Second, no other type of recruitment expenditure has a similarly large and direct impact on enrollment outcomes.

## A High-Stakes Endeavor

*Recruitment Investments, by Estimated Relative Resource Commitment and Impact on Enrollment*



1) Combined measure of scale and directness of impact.

# Understanding and Communicating Recruitment-Marketing Impact

## One Goal, Different Approaches

When it comes to assessing ROI on recruitment-marketing investments, there's no one right way of doing it. Which approach is right for you will depend on your institution's particular circumstances at any given point in time.

## Essential Analyses

That said, the four methods shown at right, which are the focus of this report, cover the most common scenarios you're likely to encounter.

These approaches differ from each other in important ways. Some are easier to execute. Some have a wider range of application. Some are more useful for planning purposes. And some produce more rigorous output. Which you choose will depend on a combination of factors described elsewhere in this report.

Furthermore, as already suggested, the approaches shown here are part of a larger universe of possible methods—including ones focused on nonfinancial outcomes (see page 24 for an example).

## Four Basic Methods, Four Corresponding Philosophies



Source: EAB research and analysis.

# Choose an ROI-Assessment Approach That Matches Your Circumstances

## What's Your Scenario?

The four ROI-assessment approaches included in this report were chosen to cover a range of potential scenarios.

Reviewing the chart at right, which describes the circumstances to which each approach is best suited, will help you determine which one is right for you.

## Key Considerations

While the information on this page may be relied upon for top-line guidance, other parts of this report describe considerations that could lead you to favor one ROI-assessment approach over another. See, for example, the "Summary Assessment" section that concludes the discussion of each method.

Factors that would lead an enrollment leader to favor one method over another include market context, budget constraints, changes in recruitment approach, and ease of access to data and analytics resources within the institution.

## Suitability of ROI-Assessment Approaches by School Situation

	<i>Assessment Approach</i>	<i>School Situation</i>
1	Increase-over-baseline analysis	You recently changed your recruitment-marketing approach and saw significantly improved enrollment results
2	Break-even analysis	You are considering an increase in recruitment-marketing investment
3	Contextualized assessment	The number of college-bound high school grads in your market is flat or decreasing; alternatively, you are several years into a successful enrollment turnaround
4	Control testing	Securing additional resources for recruitment marketing poses a particular challenge at your institution

See the "Summary Assessment" section that concludes the discussion of each method in the body of this report for additional guidance on picking an approach.

# Common Considerations That Span the Different Approaches

## Recurring Questions

This page describes things to keep in mind when executing the ROI-assessment methodologies described in this report—factors that impact the results produced by the analyses and influence the way they are interpreted. They are presented together on this page because they apply, to varying degrees, across all the methods covered in this report.

## Three Main Considerations

As indicated at right, there are three main things to consider.

First, be sure to take into account other factors, besides recruitment marketing, that may have influenced your enrollment outcomes. (Note that Method 4, Control Testing, automatically does this.)

Second, ensure that the types of revenue you're counting are in line with the aims of your analysis and the perspective of key audiences you'll be sharing the results with.

Third, focus your analysis on costs that have a direct influence on the result being assessed.

## Three Things to Keep in Mind When Executing the ROI-Assessment Methods Outlined in This Report



### Externalities

In any given scenario there will always be factors besides recruitment marketing that impact enrollment outcomes—changes in discount rate, to give one obvious example. Keep these factors in mind when interpreting the results of ROI analyses.

See page 11



### Which revenue is counted

Revenue generated by students may be counted in different ways—including or excluding non-tuition revenue, for example. The scope of revenue counted makes ROI assessments more or less conservative and should be based on additional considerations such as the intended audience of the analysis and the scale of the underlying results being analyzed.

See page 14



### Which cost is counted

As is the case with revenue, recruitment-marketing cost may be counted in different ways—based on variable costs only (costs that increase with the number of students contacted) or total costs (variable plus fixed). The goal is to capture costs that contribute directly to the result being assessed.



# Method 1: Increase-over-Baseline Analysis

## Action and Result

The first method covered in this report is based on a straightforward comparison of increase in recruitment-marketing spend with growth in net tuition revenue.

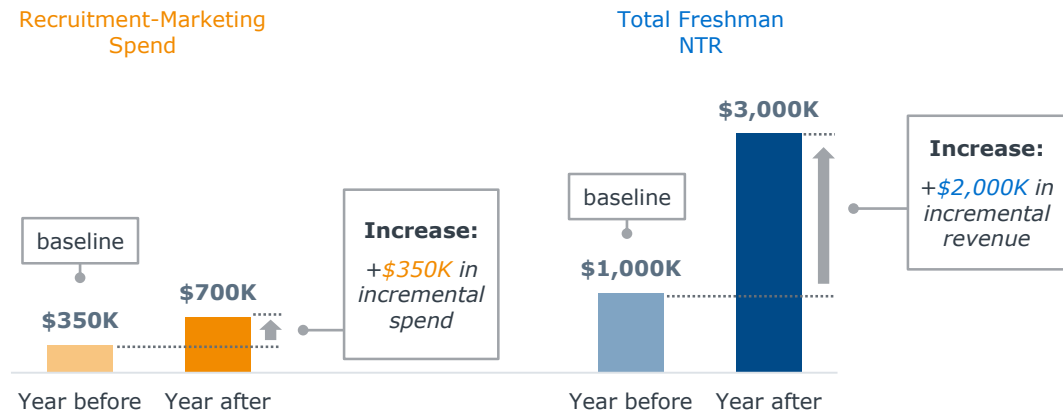
As illustrated in the hypothetical example on this page, the method compares the increase in spend over a baseline level with the increase in freshman net tuition revenue for the same time frame. Dividing the increase in revenue by the increase in spend generates a multiple—in this case 5.7x—which is the ROI figure. This number means that every additional dollar spent on recruitment marketing generated 5.7 additional dollars in net tuition revenue.

## Keeping It Simple

As can be seen, this approach makes no effort to account for externalities that might have influenced the enrollment outcome. This is intentional, since it renders the analysis easier to produce and understand. This approach should, however, be supplemented with a few simple contextual analyses, as shown on page 11.

## Recruitment Spend Compared to Recruitment Outcomes

*A Hypothetical Example*



$$\frac{\text{Incremental Revenue}}{\text{Incremental Spend}} = \frac{\$2,000,000}{\$350,000} = 5.7x \text{ ROI}$$

Each \$1 in additional spend produced \$5.7 in additional revenue

## Some Real-Life Examples

### Best for Big Results

One key aspect of the increase-over-baseline analysis is that it works best when (a) a change in recruitment-marketing approach occurred during the time frame under consideration and (b) there was a large change in net tuition revenue across the same time period, driven largely by headcount.

The four examples shown at right—all from EAB Enrollment Services partner schools—show this principle in action.

### Worth the (Minor) Effort

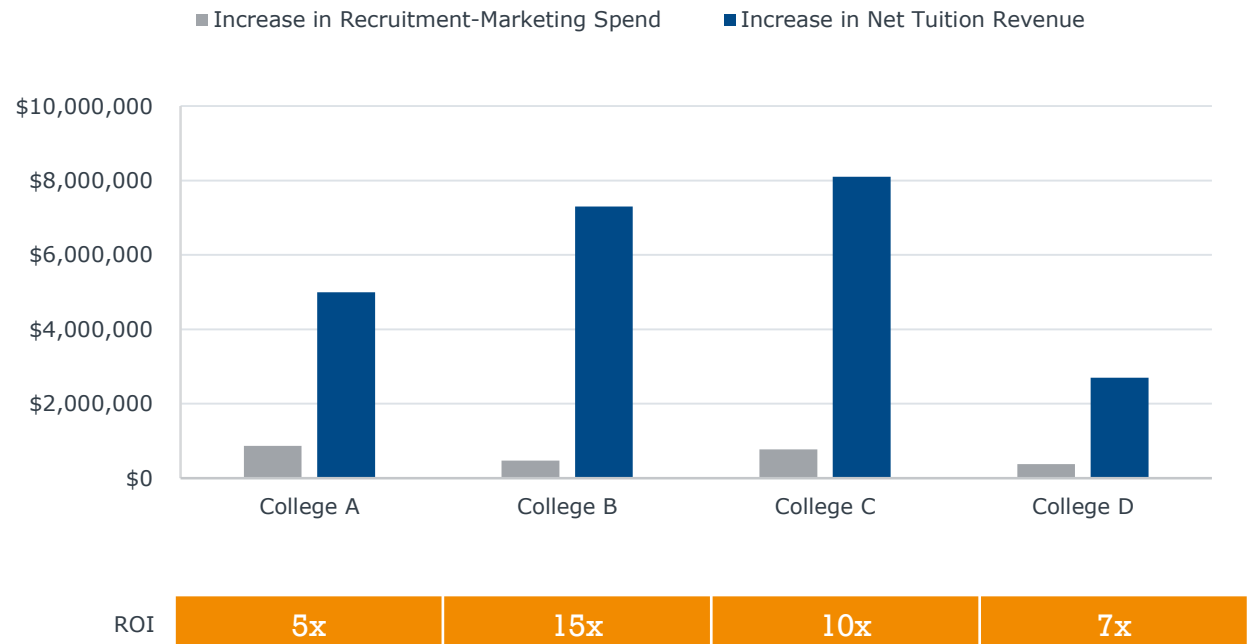
While calculating ROI might seem like overkill for schools enjoying the kind of results shown at right, there are two related points to keep in mind.

First, even when the benefits of recruitment marketing might seem obvious, quantifying that benefit provides valuable additional insight; a 3x ROI means something different than a 6x ROI.

Second, the method used here is easy and straightforward, representing only a light lift in terms of gathering and compiling data, i.e., there is little reason not to do it.

### Increase in Recruitment-Marketing Spend Versus Increase in Total Freshman NTR

Four EAB Enrollment Services Partner Institutions



Source: EAB research and analysis.

# Anticipating Important Questions

## Preparing for Pushback

The method described so far has one important limitation, which is that it does not account for factors other than recruitment marketing that might have contributed to tuition-revenue growth.

For this reason, it is important to pair the increase-over-baseline assessment with a companion analysis that shows what happened to the broader set of core enrollment-success metrics during the same time period.

## Confounding Factors

There are, of course, multiple factors that could contribute to increases in net tuition revenue. A school might, for example, have increased headcount by boosting discount rate—thereby also lowering per-student NTR, an effect that can be masked in the aggregated total NTR number. Or a school might have grown headcount and lowered institutional aid by admitting more students in lower tiers of academic capability.

A thoughtful stakeholder will want to know what—if anything—was sacrificed to produce the financial ROI you’re showing (knowledge that is, of course, also indispensable for your own purposes).

## Important Context Should Be Proactively Built into Your Analyses

*A Hypothetical Example*

	Year Before	Year After	
Freshman headcount	640	700	“We grew headcount...”
Total revenue <sup>1</sup>	\$9.6 MM	\$10.3 MM	“...and revenue...”
Discount rate	50%	51%	“...without excessive discounting...”
Average HS GPA	3.14	3.16	“...and while maintaining or improving academic standards.”
Average enrolled SAT score	1076	1081	Crucial context
Average enrolled ACT score	22.6	22.8	

1) Includes tuition revenue and other revenue from students (e.g., room and board, fees).

## Summary Assessment

### Highly Legible and Easy to Produce

As already mentioned, the Increase-over-Baseline approach is most appropriate for schools that have seen conspicuous headcount and tuition revenue growth pursuant to a change in recruitment-marketing practice—situations in which there is little to be gained by more painstaking analysis.

This approach has two main virtues, both stemming from its simplicity. First, it is relatively easy to generate, relying as it does on a small number of readily available data inputs. Second, it is less likely than some other approaches to prompt involved and unproductive discussions about methods, since its assumptions are readily apparent and easily understood.

### Limited Applicability

The main drawback of this approach is that it is of limited value when improvements in enrollment performance are not so large as to give an unambiguous read on the impact of recruitment-marketing expenditures or when other confounding factors—such as large changes in discount rate—are in play.

### Things to Keep in Mind When Using Increase-over-Baseline Analysis

#### Pros

##### *Easy to generate*

The inputs for this analysis are readily available and do not require highly developed data infrastructure or advanced analytical capabilities.

##### *Easy to understand*

Because this analysis has just a few straightforward inputs it can be easily understood by laypersons lacking deep enrollment knowledge.

##### *Heads off unproductive discussion*

Because of its simplicity, this approach is less likely to get bogged down in methodological “meta discussions” with stakeholders.

#### Cons

##### *Low “resolution”*

This method does not produce compelling evidence of recruitment-marketing impact unless the gains illustrated are large.

##### *Context unaware*

This method requires add-on analyses to account for important contextual factors such as changes in discount rate.

##### *Limited scope*

The output of this method is less transparently meaningful when applied to nonfinancial enrollment outcomes.

#### Best for:

Schools that recently changed their recruitment-marketing approach and saw significantly improved enrollment results

# Method 2: Break-Even Analysis

## A Forward-Looking Approach

ROI assessments are often retrospective—a backward look at recruitment-marketing expenditures and the results they produced.

The approach illustrated on this page is unique among the methods covered in this report in focusing on the potential impact of future investments.

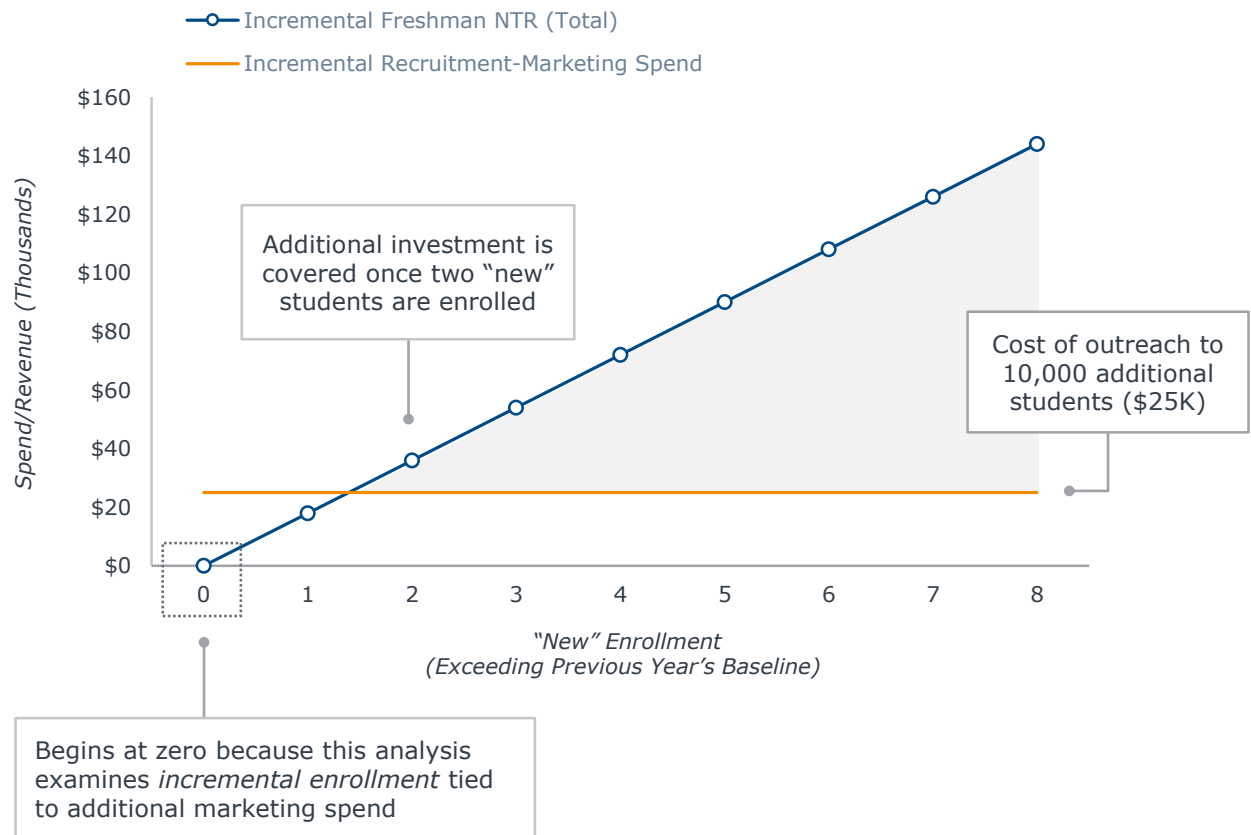
## A Tool for Managing Risk

The basic logic of break-even analysis is determining the amount of new tuition revenue—and therefore, enrollment—required to cover new recruitment-marketing costs.

This perspective is helpful for a number of reasons. First, it makes it easier to manage the risk associated with new investments by articulating in very specific terms what would be required to recoup them. For similar reasons, it is well suited to scenario-style planning, comparing the number of new students required to cover new costs at different levels of investment.

## Putting Potential Spend in Perspective

*A Hypothetical Example*



Source: EAB research and analysis.

# Producing More or Less Conservative Assessments

## Which Revenue to Count?

In any assessment of recruitment-marketing ROI, a key question is the portion of revenue to be counted.

First, you must decide whether to include revenue from freshman year only or revenue from the full time that a student spends at your institution. Second, you must decide whether to include non-tuition revenue (fees, board, etc.).

As illustrated at right, counting less revenue increases the number of new students who must be enrolled to cover recruitment-marketing costs.

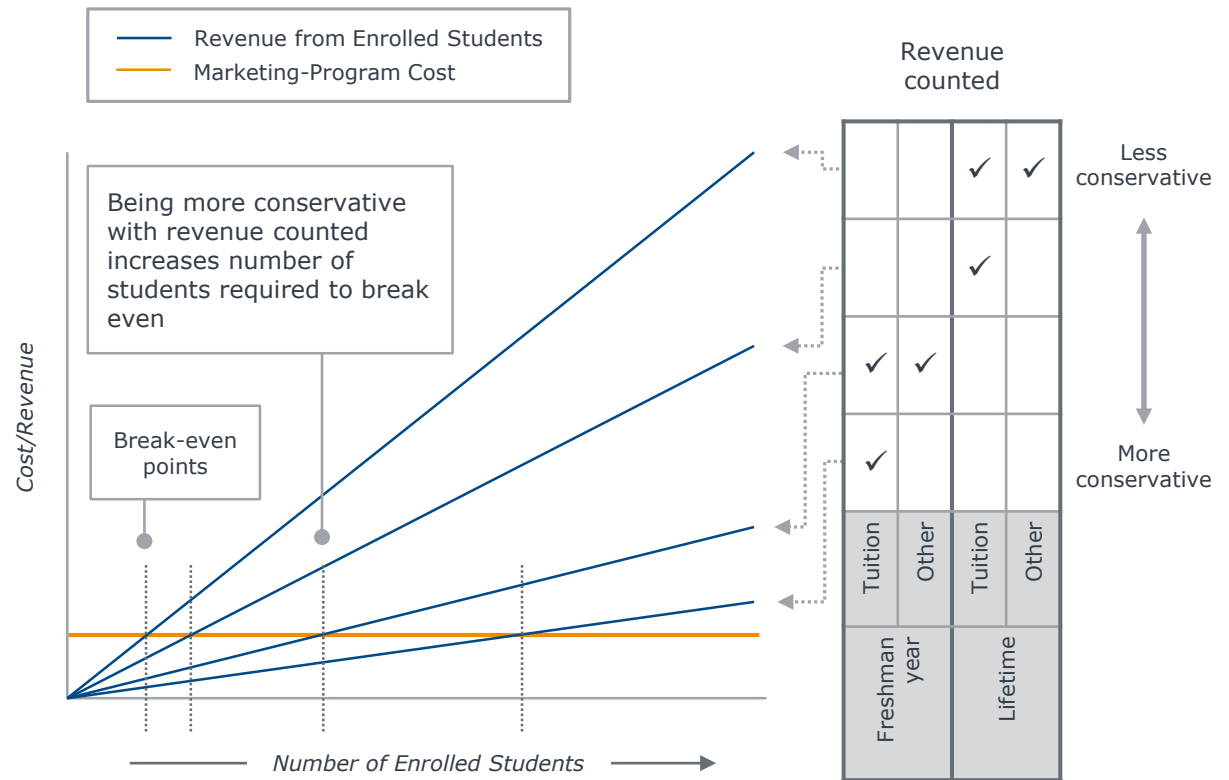
## Preferably Run All Scenarios

Including all the revenue scenarios shown at right in your analysis will provide you with the greatest level of insight on potential investments.

That said, there are cases where you may wish to focus on one or another of them—when, for example, engaging particular stakeholders for whom a specific perspective might be most meaningful or in settings where simplicity of presentation is crucial.

## Break-Even Point

By Revenue Streams Included in Calculation



## Summary Assessment

### Peerless for Planning

Break-even analysis stands out among the other methods covered in this report in terms of its utility.

The simplicity of the analysis makes it an effective tool for real-time assessment of different potential investment scenarios. Similarly, the focus it brings on recouping investment can help promote a freer discussion around possible resource commitments, as the conversation is continuously grounded in the question of how related efforts will pay for themselves.

### Pair with Other Methods

That said, the forward-looking aspect of the break-even approach is also its greatest limitation: because it lacks a retrospective element, it does not provide evidence of recruitment-marketing impact.

To address this limitation, it may be paired with Method 1, the Increase-over-Baseline approach, applied retroactively to show the impact of new investments planned via the break-even approach. Similarly, Method 4 can help improve the accuracy of the projections on which break-even analyses depend.

### Things to Keep in Mind When Using Break-Even Analysis

#### Pros

##### *Good for scenario planning*

The break-even approach is well suited to live iteration on possible investment scenarios and their expected impact, which is useful for planning.

##### *Easy to generate*

Break-even analyses are a light lift in terms of data collection and analysis; this contributes to their appeal as a scenario-based planning tool.

##### *Strong "narrative" aspect*

The break-even perspective provides an unusually clear illustration of the relationship between investment and return.

#### Cons

##### *Less useful for "legacy" spend*

While useful for assessing incremental spend, this approach is less helpful when gauging the impact of existing recruitment-marketing investments.

##### *Problematic with small numbers*

Break-even analyses examining small increases in headcount can be especially sensitive to externalities impacting enrollment.

##### *Less useful in stressed markets*

Break-even analyses are harder to design and execute in markets with declining numbers of high school graduates.

#### Best for:

Schools considering new recruitment-marketing investments

# Method 3: Contextualized Assessment

## ROI in a Low-Growth Setting

Demonstrating ROI can be challenging for schools experiencing low enrollment growth. While such institutions may in fact be benefiting significantly from their recruitment marketing—they might be seeing negative growth without it—telling that story in a clear and understandable way can be difficult.

## Two Scenarios

There are two main scenarios in which this challenge occurs.

The first is one in which a school's freshman enrollment plateaus after initial gains due to improved recruitment outreach. It can be easy to lose sight of the fact that those early gains are built into subsequent years' results.

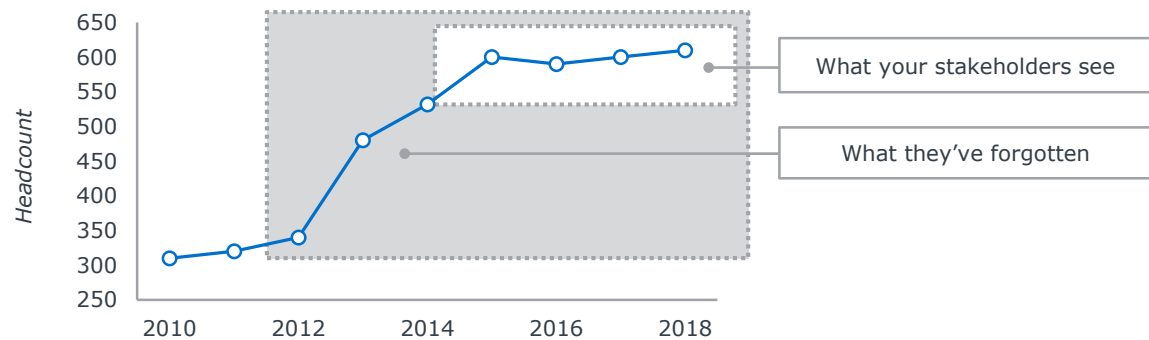
The second scenario concerns schools in markets with a shrinking pool of college-bound high school graduates. If the number of prospective students in your market is declining year after year, then simply maintaining freshman headcount means you're beating the market.

In each case, providing appropriate context on your results can transform how they are understood.

## Awareness of Context Can Transform Interpretation of Results

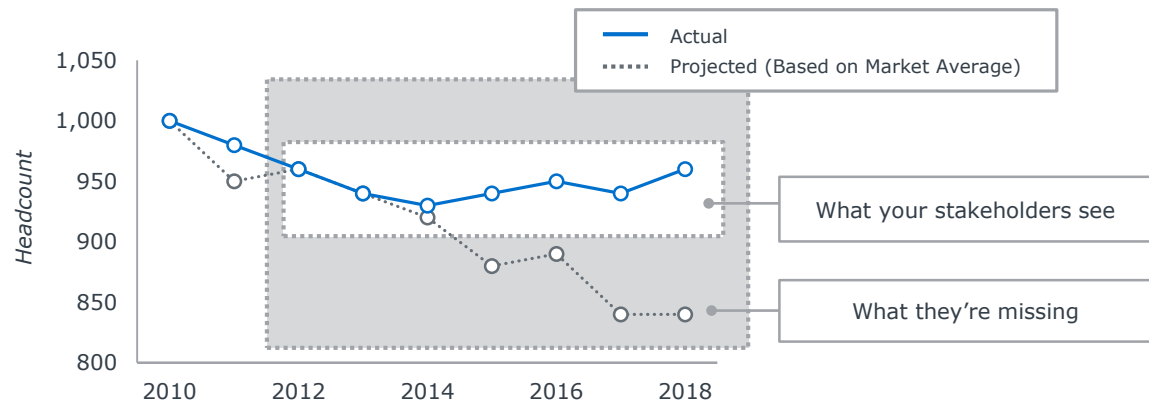
*Hypothetical Example: Triumphs of Past Enrollment Cycles Lost to Time*

Freshman Headcount, by Entering Class Year



*Hypothetical Example: Achievements Obscured by Negative Market Trends*

Freshman Headcount, by Entering Class Year



Source: EAB research and analysis.



# A Real-Life Example

## A Case in Point

The chart at right offers a real-life example of how putting recent enrollment results in context can transform their meaning.

### Benchmark Against Self

Broad Branch College saw only modest growth in total NTR (3% annually) for entering classes 2013 to 2016.

But the meaning of those results is transformed if the frame of reference is extended back five years. Between 2008 and 2016 they grew NTR by 77%—an average of 8% per year.

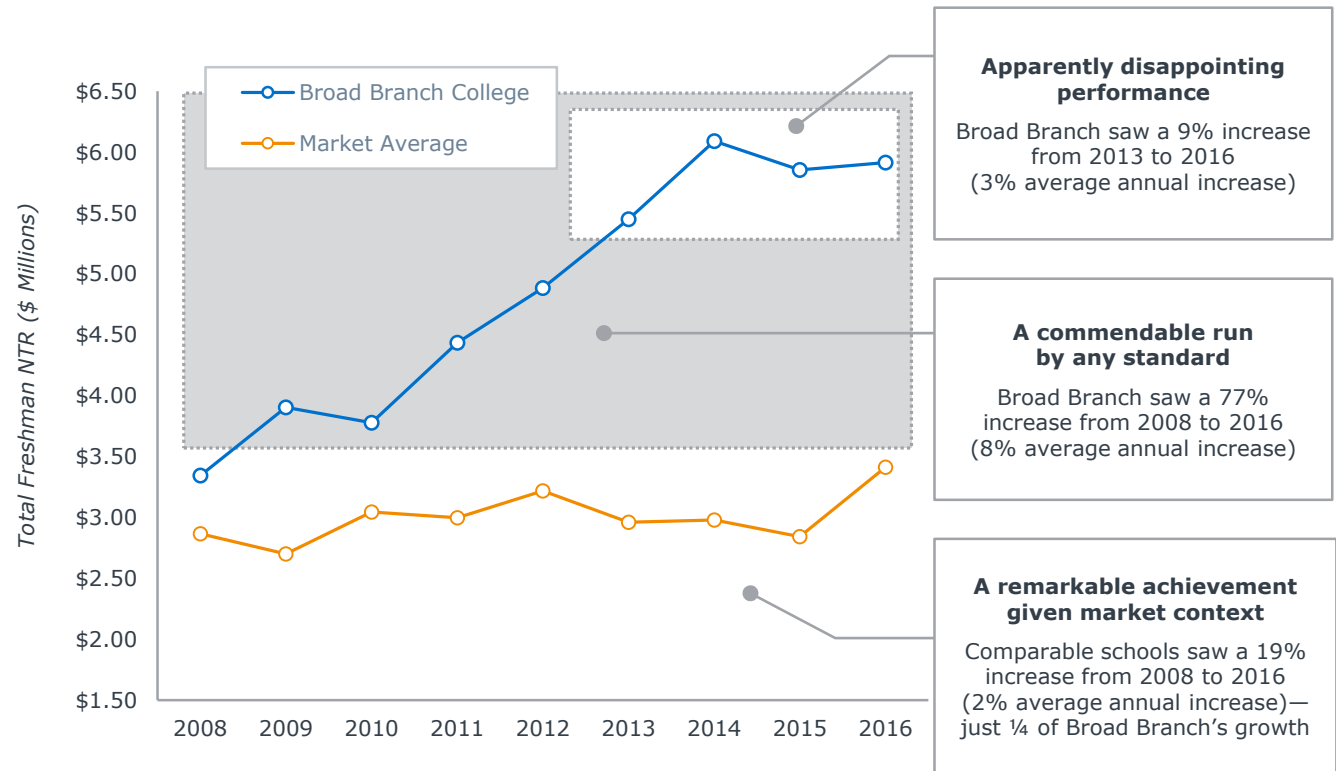
### Benchmark Against Market

That result is even more remarkable when compared to the experience of similar schools in Broad Branch’s primary market.

That basket of institutions grew freshman NTR by 19% between 2008 and 2016—one-quarter of the growth that Broad Branch saw across the same time period.

## Context Reveals the True Extent of Broad Branch<sup>1</sup> College’s Achievement

Total Freshman Net Tuition Revenue, Broad Branch College Versus Market Average, 2008–2018



1) Pseudonym

# Assessing ROI in Difficult Markets

## Dealing with Downward Trends

The previous page gave the example of a school with a strong long-term growth trend. The material at right shows the more difficult case of a school seeing flat growth in a market with overall declines in enrollment—a scenario for which contextualized assessment is especially helpful.

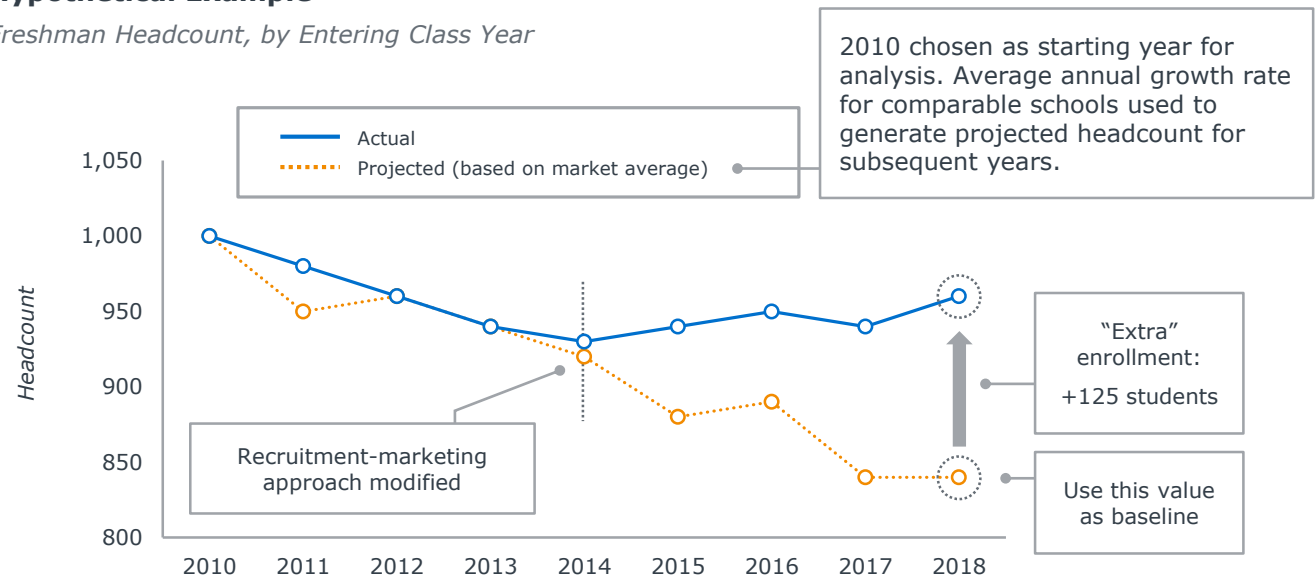
## Identifying “Extra” Enrollment

The chart at top shows the average annual growth in headcount for a hypothetical college (the blue line). Also shown is how its headcount would have trended if it had grown at the same rate as comparable schools within its market (the orange line). As can be seen, this school consistently beat the market after changing its recruitment-marketing approach in 2014.

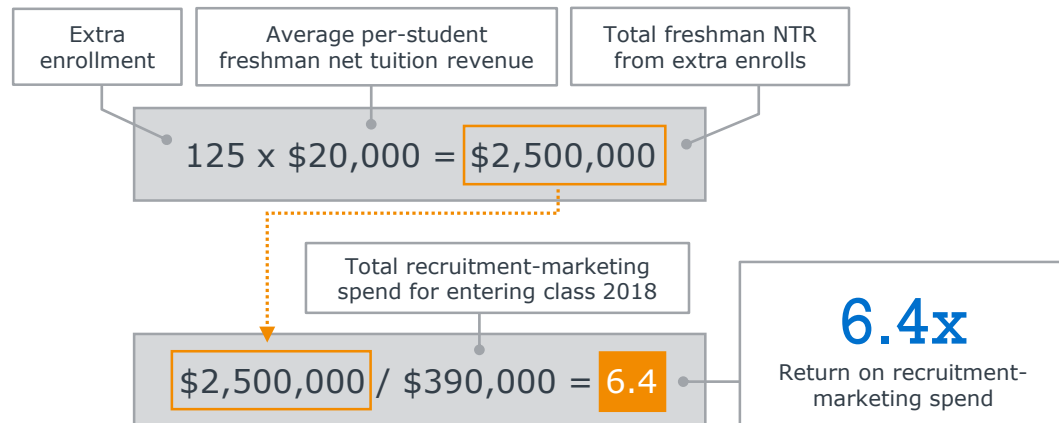
The gap in performance can be used to calculate “extra” enrollments that the school’s modified recruitment-marketing approach generated. And that number can, in turn, be fed into the calculations shown at the bottom of the page to arrive at an ROI figure.

## Hypothetical Example

Freshman Headcount, by Entering Class Year



Extra Enrollment Calculated Above Fed into ROI Calculation



Source: EAB research and analysis.

## Summary Assessment

### A Powerful Approach

Because of its ability to profoundly alter how your enrollment results are interpreted, contextualized assessment is a powerful tool. This is especially true and relevant for schools that might be seeing apparently unimpressive results because they are in flat enrollment markets or because they are several years into a successful recruitment-marketing turnaround.

### Supplementary Perspectives

That said, contextual analysis, as described in this section, does not automatically adjust for non-marketing factors that can impact enrollment outcomes, such as discount rate. It is similar, in this regard, to Method 1, Increase-Over-Baseline Analysis, and, similarly, can benefit from incorporation into the analysis of additional considerations such as discount rate and shifts in class mix.

### Things to Keep in Mind When Using Contextualized Assessment

#### Pros

##### *Reveals hidden impact*

For schools in difficult markets, putting results into broader context is the easiest way to reveal otherwise hidden successes.

##### *Benefits of benchmarking*

Comparing your performance to that of other institutions can reinforce broader benchmarking efforts and reveal opportunities for improvement.

##### *Pairs well with other methods*

Providing context can boost the effectiveness of the other ROI assessment approaches, such as Method 1 from this report.

#### Cons

##### *Adjusting for externalities*

This approach does not automatically account for all important factors impacting enrollment; adjusting for these requires additional work.

##### *Can be a moderately heavy lift*

Versions of the assessment that draw on data sources external to your institution can be more difficult to execute.

##### *Apples-to-apples issues*

Comparing your institution to others can introduce complex questions regarding the validity of the comparison set you've chosen.

#### Best for:

Schools in markets where the number of college-bound high school graduates is flat or decreasing; alternatively, schools that are several years into a successful enrollment turnaround

# Method 4: Control-Group Testing

## Whom to Count?

A key concept in the assessment of recruitment-marketing impact is that of attribution.

Some of your freshmen would not have enrolled if you had not engaged them with recruitment outreach. These students are properly attributed to your efforts and included in the revenue portion of your ROI calculation. However, others would have enrolled anyway, and counting them can lead to a less accurate assessment.

## Overkill (Except When It's Not)

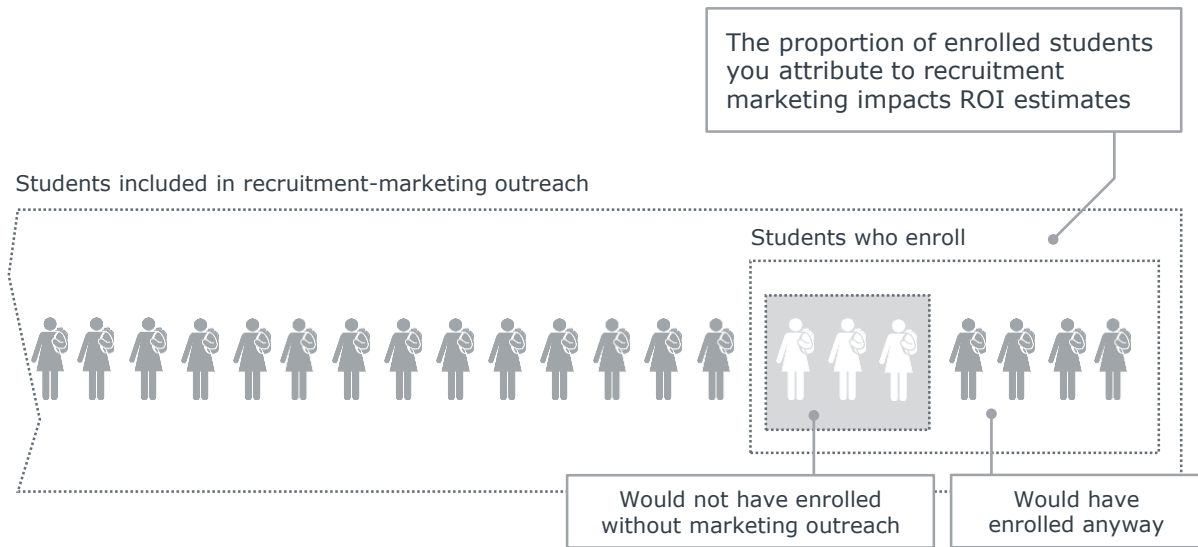
The challenge is that there's no easy way of telling which students fall into which category.

In some cases, this does not really matter. If a school sees a large uptick in headcount after changing its marketing approach, and nothing else about its strategy or market context is different, the connection may be considered self-evident.

But in other cases, especially in flat enrollment markets or when a school is seeing only modest change in enrollment outcomes, getting a more granular read on recruitment-marketing impact can be helpful.

## Some—but Not All—Enrollments Are Attributable to Your Marketing Efforts

*Students Included in Recruitment-Marketing Outreach, by Enrollment Status*



Source: EAB research and analysis.

# A More Rigorous Read on Marketing Impact

## Randomized Control Trials

The approach that comes closest to isolating the impact that your recruitment marketing has on enrollment outcomes is control-group testing—also known as randomized-control-trial (RCT) testing.

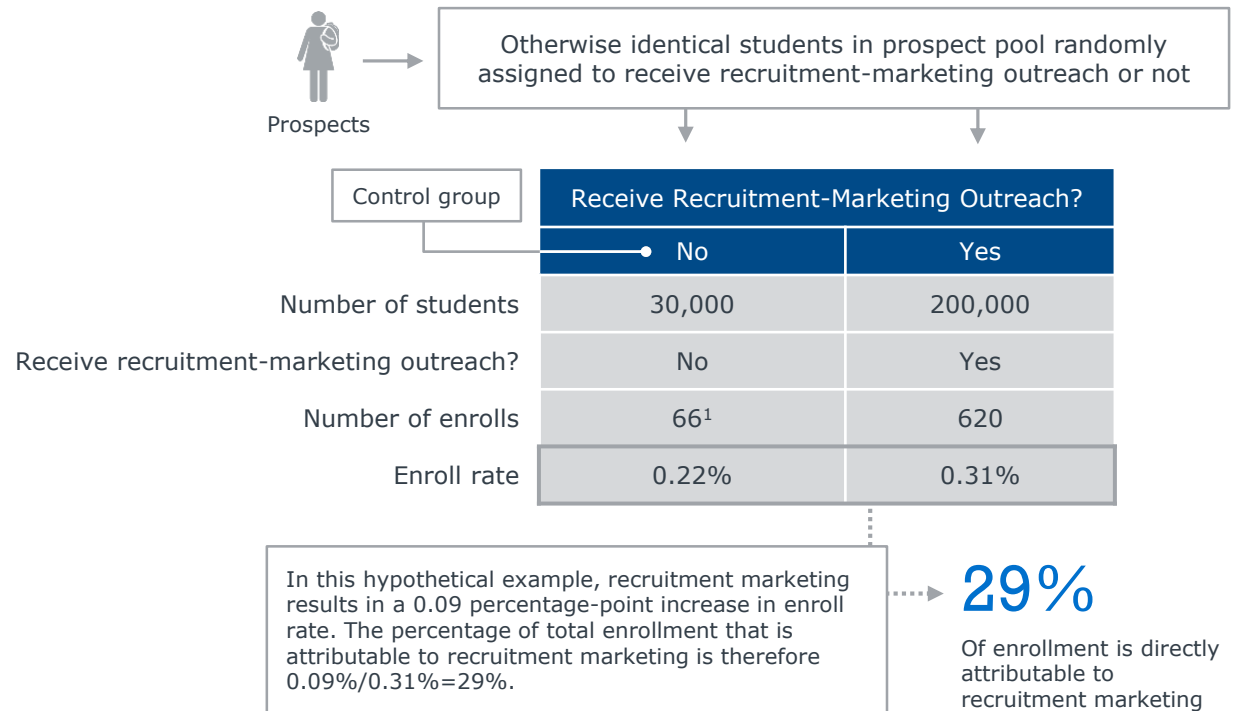
RCT-based ROI assessment involves withholding recruitment-marketing outreach from a set of students in your prospect pool and then comparing the rate at which they enroll to the rate for students who do receive outreach. Because the two groups are otherwise identical, any difference in outcome for the two groups can be attributed to recruitment marketing.

## A Volume Sacrifice

While the control group is what makes this approach effective, it also comes with one notable drawback—you are likely to see lower enrollment from your control group, which means losing some freshmen. How many, exactly, will depend on the size of your control group—which, in turn, is based on minimum numbers required to achieve a statistically significant result. But it can be a nontrivial amount—enough to merit careful consideration.

## Comparing Impact Across Groups Shows Direct Contribution of Marketing

*A Hypothetical Example*



1) The control group would have produced 27 more enrolls if it had received the same outreach as the other students, i.e., if the 30,000 control group students had converted at a rate of 0.31% instead of 0.22%, the control group would have produced 93 enrolls, not 66. In this hypothetical example, that amounts to 3.9% of total enrollment ( $27/(66+620)=3.9\%$ ).

# Calculating ROI Using Output from Control Testing

## Putting RCT Findings to Work

Once the level of influence your recruitment efforts have on enrollment is quantified via randomized control testing, the corresponding percentage can be used to calculate a dollar-for-dollar ROI figure for your recruitment-marketing investment.

## A Three-Step Calculation

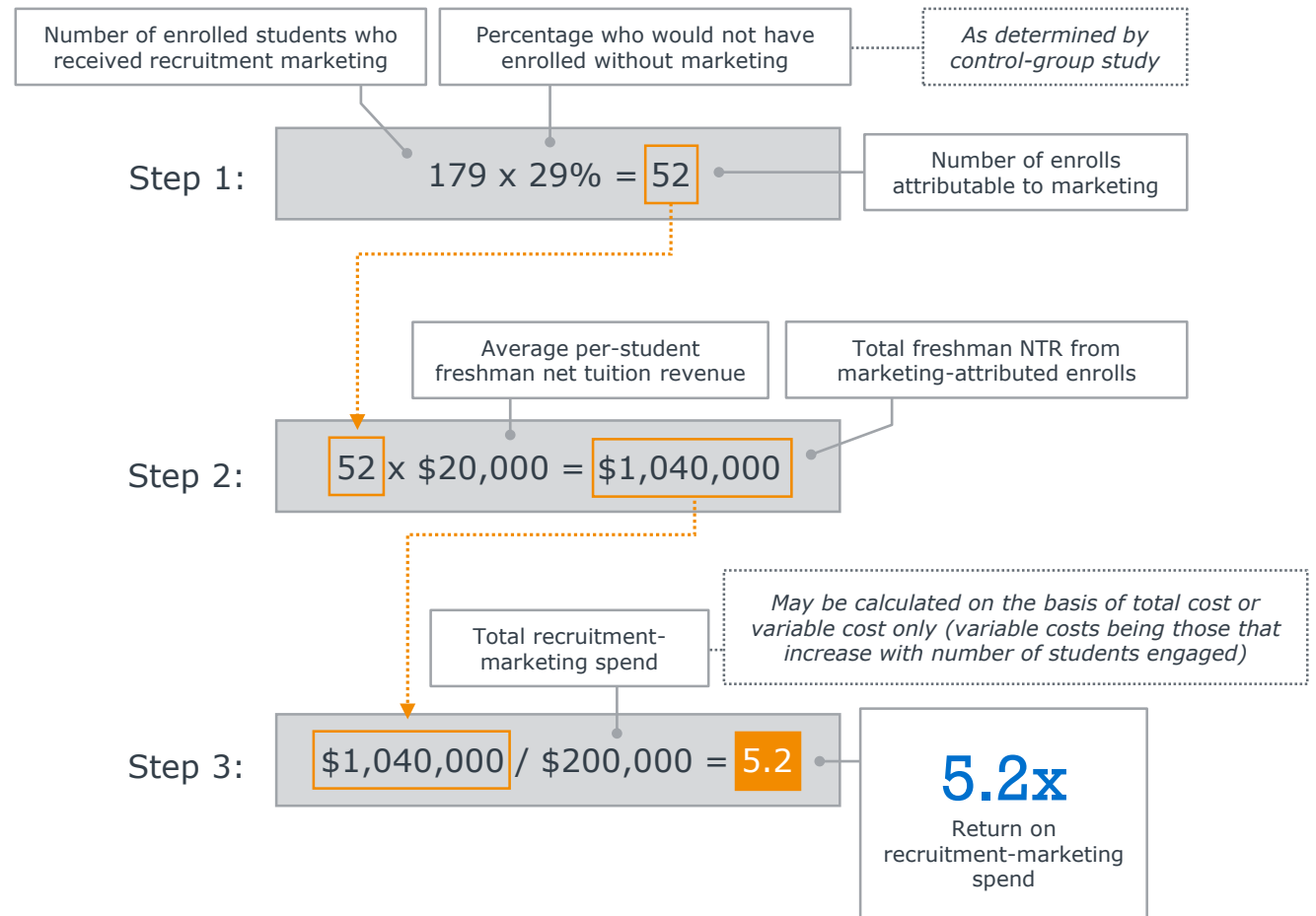
As shown at right, the corresponding calculation involves three steps.

First, the number of enrolled students who received recruitment marketing is multiplied by the influence percentage determined via RCT testing. This calculation yields the number of enrolls that may be attributed to your recruitment marketing.

Second, the number of enrolls attributed to your recruitment marketing is multiplied by average per-student NTR to produce the total freshman tuition revenue attributable to your marketing efforts.

Third, dividing the total revenue figure from Step 2 by your total recruitment-marketing spend yields an overall ROI for that investment.

## A Hypothetical Example



## Summary Assessment

### A More Rigorous Read on Impact

The advantage of RCT-based attribution is the level of rigor it brings to your assessment. It enables you to say, with a higher level of certainty than other approaches, how many more students your recruitment-marketing investment brought to your institution.

### Not for Everyone

That said, it does have drawbacks. First of all, it typically requires the sacrifice of some enrollments from the set of students randomized to the control group. Second, it is a heavier lift from a data collection and analysis standpoint than the other approaches profiled in this report.

For these reasons, control testing will not make sense as a core ROI-assessment method for many institutions. It may, rather, be pursued selectively by institutions for whom securing funding for recruitment marketing poses an extraordinary challenge. Alternatively, it may be used as an occasional level-setting exercise, once every few enrollment cycles, by institutions for whom the associated data/analytics lift and possible headcount sacrifice (from the control group) do not pose undue challenges.

### Things to Keep in Mind When Using Control Testing

#### Pros

##### *A direct read on impact*

This approach gives you as direct a measure as you're likely to get of the actual influence of your marketing.

##### *Neutralizing noise*

Randomization of students in the control-group portion of the methodology helps ensure that results are not skewed by externalities.

##### *Supporting head-to-head comparisons*

The more precise read on impact that this approach delivers enables better comparison of the relative impact of different marketing approaches.

#### Cons

##### *A volume sacrifice*

This approach requires some students to be excluded from marketing outreach; enroll rates for this group will likely be lower.

##### *Time- and labor-intensive*

This approach involves lengthy lead times and requires significant capacity commitments from skilled data and analytics staff.

##### *A generalizability issue*

Analyses using RCT findings may be less accurate when applied to student populations different from those tested.

#### Best for:

Schools for whom securing additional resources for recruitment marketing poses a particular challenge

# The Special Case of Class Shaping

## A Narrow Focus

Most of the examples included in this report focus on just two enrollment outcomes: headcount and student-generated revenue. One reason is that, of all success metrics that might be considered, these are best suited to ROI assessment.

## Evaluating Other Enrollment Goals

Even so, other enrollment goals can be assessed using an ROI framework, if in a more roundabout way. This page offers the example of class shaping focused on academic profile.

The hypothetical example shown here compares the cost of boosting enrollment within a desirable test-score band using institutional aid versus investments in recruitment marketing.

The ROI mechanism in this case is an overall reduction in the combined cost of recruitment and financial aid between the two possible scenarios. Note that this analysis does not show ROI in the conventional form of a multiple of invested resources; rather, it shows how much would be saved by favoring (in this example) recruitment-marketing investments over investments in institutional aid.

## Relative Impact of Recruitment and Financial Aid Investments on Enrollment Outcomes

*Hypothetical Case of a School Looking to Enroll a Greater Number of More Academically Capable Students*

Students in 1200–1300 SAT score band		Baseline	Scenario 1: Increase institutional aid	Scenario 2: Increase marketing spend
Search Volume		30,000	30,000	67,000
Recruitment-Marketing Spend		\$300,000	\$300,000	\$667,000
Admitted Students		300	300	556
Yield Rate		30%	33%	18%
Enrolled Students		90	100	100
Average Annual Institutional Aid		\$15,000	\$16,500	\$15,000
Recruitment-Marketing Spend		\$3,333	\$3,000	\$6,665
Per enrolled student	Recruitment + aid expense			
	Freshman Year	\$18,333	\$19,500	\$21,665
	Four Years	\$63,333	\$69,000	\$66,665
Per-student savings:			\$2,335	
Total savings across all enrolled students: <sup>1</sup>			\$165,704	

1) To account for attrition, institutional aid was counted for the following percentages of enrolled freshmen for each year: freshman year, 100%; sophomore year, 90%; junior year, 86%; senior year, 82%.





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