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An Occasional Paper

Developing a Secondary Recruiting Market

Sooner or later, most colleges and universities ask themselves this question: where else can we look for students? This Occasional Paper will explore a three-step process that will help you identify and develop a new recruitment market.

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Before we launch into how to cultivate a secondary recruiting market, we want to ask a simple question: are you sure you need to?

In almost all cases, it is much easier and much less expensive to recruit more students from a proven primary market than from a new or secondary market. In other words, before you set your sights on pioneering a secondary market, are you confident that you have achieved maximum visibility in and maximum market share from, your primary recruitment market?

Having said that, there are some fundamental reasons for expanding into a new recruitment market. They include:

- A predicted downturn in the prospective student population in your primary market (assuming you are unwilling to expand your program offerings to attract additional student types)
- Ongoing image troubles in your primary market
- Increased competition in your primary market
- A desire to pursue a different type of student that is inconsistent with your local image
- A desire to begin establishing a secondary (insurance) market
- Pressures to diversify your current enrollment profile

With that preamble out of the way, let's take a look at the five sequential and interrelated steps it will take to develop a secondary market:

- **Step One:** Identify what kinds of students you want
- **Step Two:** Clarify where they live
- **Step Three:** Lay the foundation for recruiting
- **Step Four:** Build the prospect pool
- **Step Five:** Search

In this paper, we are going to “work” up through step three. In our next Occasional Paper, we will detail steps four and five.

STEP ONE: IDENTIFY WHAT KINDS OF STUDENTS YOU WANT

Before you can decide where to look for students, you need to decide the profile of the students you seek. Great care must be taken at this stage. To begin, you must define, as carefully as possible, the students who persist to graduate from your institution. Study your source-code data and calculate which inquiries convert and matriculate at high rates. Next, factor in who graduates. Append PRIZM¹ cluster codes to those names so you can determine which of the 66 clusters dominate your student pools. In addition, isolate their demographics, values, attitudes, and lifestyles.

At this point, it is critically important to focus on students who are a good fit for your institution because it is with these students that you will have your most immediate recruitment and retention success. Later, you can attempt to modify that profile once you have established a baseline presence in the marketplace.

Jim Reilly, a senior marketing consultant at Stamats, offered one quick reminder. In step one you should look at the conversion ratios of students from the secondary markets you are considering. In other words, if you are thinking about expanding into Boise, your analysis should look at how well you are currently doing in Boise. In almost all cases, you will already be getting some students from any secondary market you want to develop. The questions at this point, then, are: what is working, what is not, and why?

STEP TWO: CLARIFY WHERE THEY LIVE

Now that you know who you are looking for, let's take a look at finding out where they live. The basic reality is this: if you did a good job defining who you want, then finding out where they live is not especially difficult. There are many tools to help, including PRIZM, ACT (especially their Enrollment Information Service [EIS]), the College Board (take a look at their Enrollment Planning Service [EPS] and Descriptor Plus), NRCCUA, and others.

According to ACT's Mike Hovland, “The ACT Enrollment Information Service (EIS) can help you find students both in geographic markets (e.g., states, counties, school districts, or high schools), as well as markets based on student characteristics (e.g., African American students in Ohio with ACT composite scores above 22 and an interest in science and technology, or students in New York with ACT scores above 28 and family incomes above \$50,000). For each type of market, EIS shows you how many ACT-tested students are available, how many sent scores to your institution, and how many enrolled.”

It is likely that your research will reveal a number of potential target geographies. At this point, you must make a decision about which geography or geographies to focus on. To help make that decision, we suggest that you plot the following on a map:

- Where your alumni live
- Where your current students are from
- Feeder high schools and, if applicable, feeder churches
- The location of top four or five major competitors
- The communities where your athletic teams most often play
- Inquiries, applications, accepts, and enrolled to “see” the dynamics of the various geographic markets

To these plots, we suggest adding the following:

- Demographic profiles, using PRIZM clusters
- Economic profile, again using PRIZM clusters
- Job and employment trends

Creating these plots and data sets will help you visualize the overlapping geographies upon which you should focus. In addition to these visualizations, it is helpful to remember two cardinal rules. First, the students you want must be present in sufficient number in the target geography to warrant the investment required to establish your visibility and attract their attention. Not only must these numbers be sufficient in the near term, but they must be economically viable, and there must be evidence that this market is sustainable over the long term.

Second, it is always easier (and decidedly less expensive), to recruit students from closer to home than farther away. Stamats annual *TeensTALK*[®] study reveals that nearly half of all college-bound students plan to attend a college within an hour's drive from home, while another 35 to 40 percent will enroll between one and four hours from home. It may not be as fun or exciting, but recruiting close to home will almost always be more efficient.

STEP THREE: LAY THE FOUNDATION

Now that you have identified the kinds of students you want and identified the target geography you wish to cultivate, it is time to lay the foundation. This involves two broad activities:

- 1) building brand before soliciting inquiries, and
- 2) establishing support structures.

Being successful at these two activities will require a significant investment of time, talent, and treasure. However, if done properly, this investment will almost always generate significant, and even fairly immediate, returns. At the same time, skimping at this step will almost certainly negatively impact your ability to cultivate and reap the benefits of secondary markets.

Build brand awareness ²

Not surprisingly, establishing a brand can be a fairly complex undertaking. At this point we want to highlight the major elements:

- Develop a differentiation strategy so that prospective students will understand how you are different from the top four or five competitors in your new marketplace in ways that matter to them. If you're no different than a school they already know, why should they consider what you have to offer?
- Write a brand communication plan that establishes those points of differentiation in the hearts of the students you wish to recruit. Be sure to keep your messages relevant to your target demographic by defining value and quality in language they will appreciate. Extend your brand at every opportunity and make sure your plan uses a wide array of media that you can sustain over three to five years.
- Resist the temptation to default to advertising, which is extraordinarily expensive and often very difficult to evaluate. Instead, use "earned media" and more reasonably priced channels like public and media relations, high school relations, co-branding, and others. In particular, focus on special events that attract the students (and parents) who fit your profile.
- If you must advertise, consider the key high schools' newspapers in your target geography.
- Hold alumni and parent events to heighten awareness and unveil your plan to break into the new market. Devise ways to seek their help in spreading the word about your school.

In most cases, it will take a certain period of time for your brand to become established in your new marketplace, and you should not expect to realize a return on your investment for three to five years. So be patient. However, even as your brand is established, you can begin to establish and take advantage of the support structures outlined below.

Establish support structures

While there are a potentially limitless number of support structures that could be enabled, we want to mention two that will likely have the greatest impact:

- Create and maintain an asset database that includes:
 - Alumni in your target geography
 - Parents of current and former students in your target geography

- High school-based influencers (faculty, counselors, coaches, etc.), especially those influencers who are also graduates of your institution
- Feeder churches and other institutions
 - Develop a series of segmented e-newsletters for those influencers
- Create events and activities each year that bring your currently enrolled students and faculty into schools in your targeted market as guest speakers and activity facilitators
- Develop an alumni recruiting network in your target geography; this can be a highly effective alumni chapter activity if properly managed

The purpose of this paper is to provide an overview of a three-step process for identifying and cultivating a secondary recruiting geography. In our next paper, we will begin with creating a prospect pool within that recruiting geography.

¹PRIZM is a segmentation tool developed by Claritas. Check out claritas.com for more information.

²Clarifying your brand can be a fairly complex undertaking, typically involving research and the creation of a brand promise and an accompanying brand portfolio.

ABOUT STAMATS, INC.

Stamats, Inc. is the nation's leading provider of integrated marketing solutions for higher education institutions.

#2