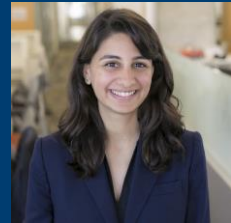


Opportunities and Limitations of Online Education



Jahanara Saeed

Senior Analyst

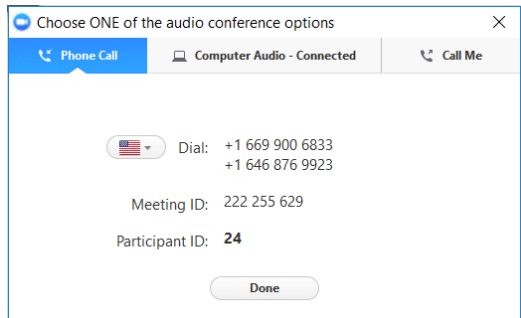
jsaeed@eab.com

Audio Options



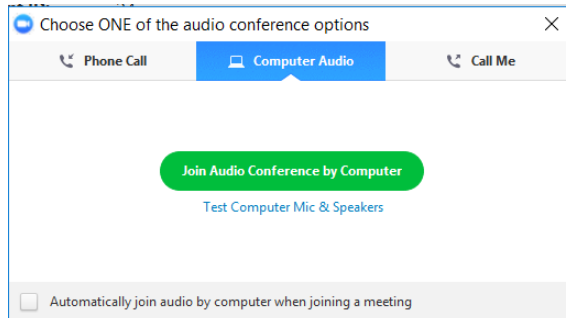
Using Your Telephone

If you select the “Phone Call” option, please dial in with the phone number and access code provided.



Using Your Microphone and Speakers

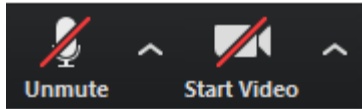
If you select the “Computer Audio” option, please be sure that your speakers or headphones are connected.



Using Zoom

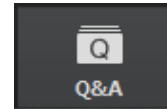
Mic and Video Controls

Click the mic and camera pictures until they have a red line indicating they are both off.



Asking a Question

To ask the presenter a question, type it into the Chat panel and press send.



▶ Start with best practices research

- › Research Forums for presidents, provosts, chief business officers, and key academic and administrative leaders
- › At the core of all we do
- › Peer-tested best practices research
- › Answers to the most pressing issues

▶ Then hardwire those insights into your organization using our technology & services

Enrollment Management

Our **Enrollment Services** division provides data-driven undergraduate and graduate solutions that target qualified prospective students; build relationships throughout the search, application, and yield process; and optimize financial aid resources.

Student Success

Members of the **Student Success Collaborative** use research, consulting, and an enterprise-wide student success management system to help students persist, graduate, and succeed.

Growth and Academic Operations

Our **Academic Performance Solutions** group partners with university academic and business leaders to help make smart resource trade-offs, improve academic efficiency, and grow academic program revenues.

1.2B+

Student interactions annually

1M+

Individuals on our student success management system

1,300+

Institutions we are proud to serve

1

Goal: Make education smarter

1 Online Enrollment Landscape

2 Three Myths About Online Learning

3 MOOCs and MOOC Providers Today

Defining Our Terms



Online Education or Learning will refer to the broad category that will include hybrid, blended, and fully online courses and programs. When referring to IPEDS data, we will use online education to include all distance education courses and programs.

Exclusively Online will refer to courses or programs where instruction is fully online. When referring to IPEDS data, it will include “exclusively” distance education courses and programs.

Some Online or Blended will refer to students who are taking some but not all courses online. When referring to IPEDS data, it will include “some but not all” distance education courses and programs.

Hybrid Learning will refer to courses that are web-enhanced or where both face-to-face and online instruction takes place. This category primarily refers to the pedagogy of instruction.

Exclusively Face-to-Face will refer to courses without any online learning components. When referring to IPEDS data, it will include students who have taken no distance education courses.

Source: Frank Mayadas, Gary Miller, and John Sener, "Updated E-Learning Definitions," Online Learning Consortium, last modified July 7, 2015.; "2017-18 Survey Materials: Glossary," National Center for Education Statistics.

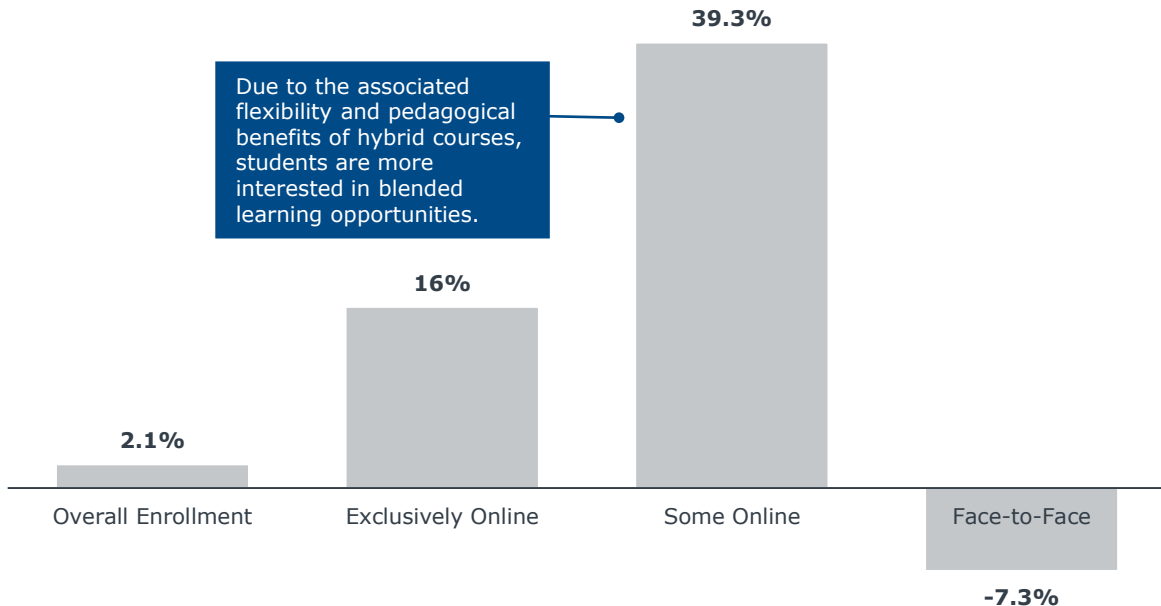


Online Courses Increasingly Popular

Online Enrollment Growth Outpaces Face-to-Face Enrollment Growth

Enrollment in Online and Hybrid Courses and Programs Continues to Grow

Percentage change in student enrollment at four-year, degree-granting institutions, 2012-2016



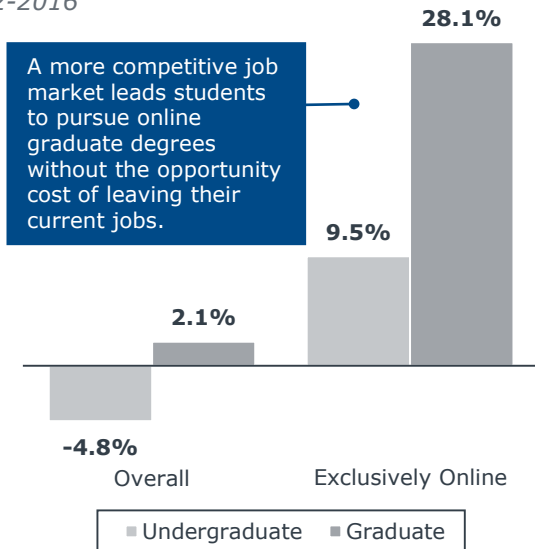


Online Enrollment Bucks Overall Market Trends

Online Graduate and Undergraduate Enrollment Outpaces General Changes

Online Enrollment Growth at Both Graduate and Undergraduate Level Outpaces Overall Enrollment Changes

Percentage change in student enrollment at four-year, degree-granting institutions by degree-level, 2012-2016



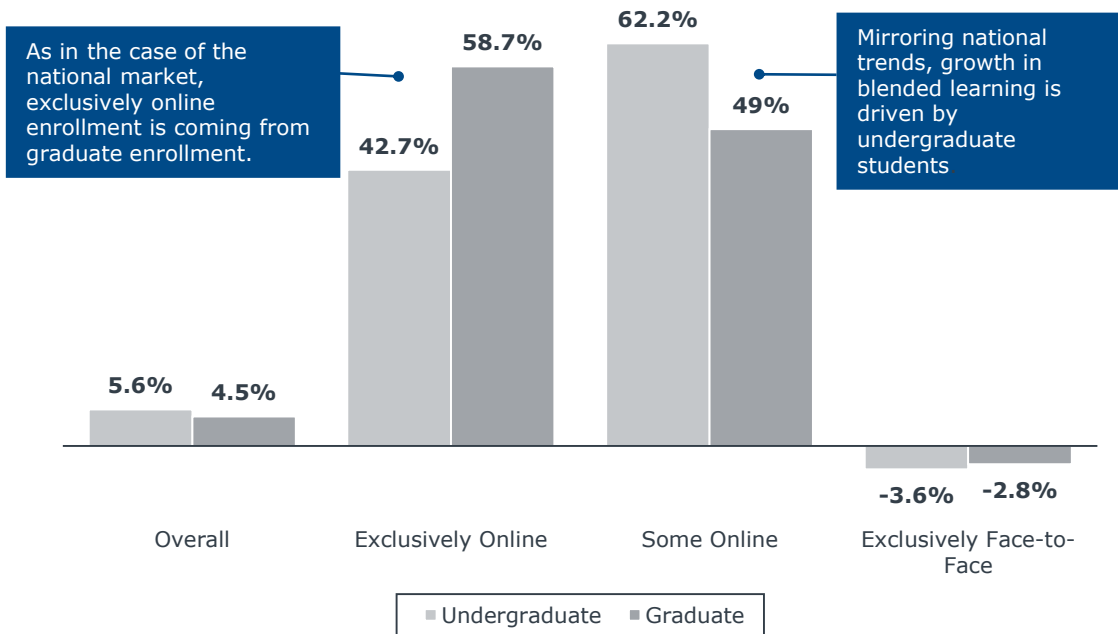


Segment Overview: Research Universities

Graduate Enrollment Contributing to Major Online Growth

Exclusively Online Enrollment Growth Driven by Graduate Students

Percentage change in student enrollment at four-year, degree-granting institutions, 2012-2016





Institutional Snapshot: Research Universities

Top Ten Institutions by Exclusively Online Enrollment

Institution Name	State	Control	Total Exclusively Online Enrollments 2016	Total Some Online Enrollments 2016	Number of Programs Offered Online 2016 ¹
University of Texas at Arlington	TX	Public	15,510	5,820	21
University of Central Florida	FL	Public	10,035	26,072	43
Florida International University	FL	Public	8,495	21,631	33
Johns Hopkins University	MD	Private	6,658	2,224	69
University of Florida	FL	Public	6,309	24,411	61
Oregon State University	OR	Public	5,682	5,569	48
University of Southern California	CA	Private	5,435	1,587	11
University of Cincinnati-Main Campus	OH	Public	5,295	9,196	57
University of South Florida	FL	Public	4,995	16,666	24
Georgia Institute of Technology	GA	Public	4,877	0	9

Source: EAB analysis of IPEDS data; "2U Announces 12-Year Contract Extension with USC Rossier School of Education," *Cision PR Newswire*, April 13, 2016.; Merrill Balassone, "USC embraces online graduate education," *USC News*, September 17, 2012.

1) Based on analysis of the number of programs in which there are completions in 2016.

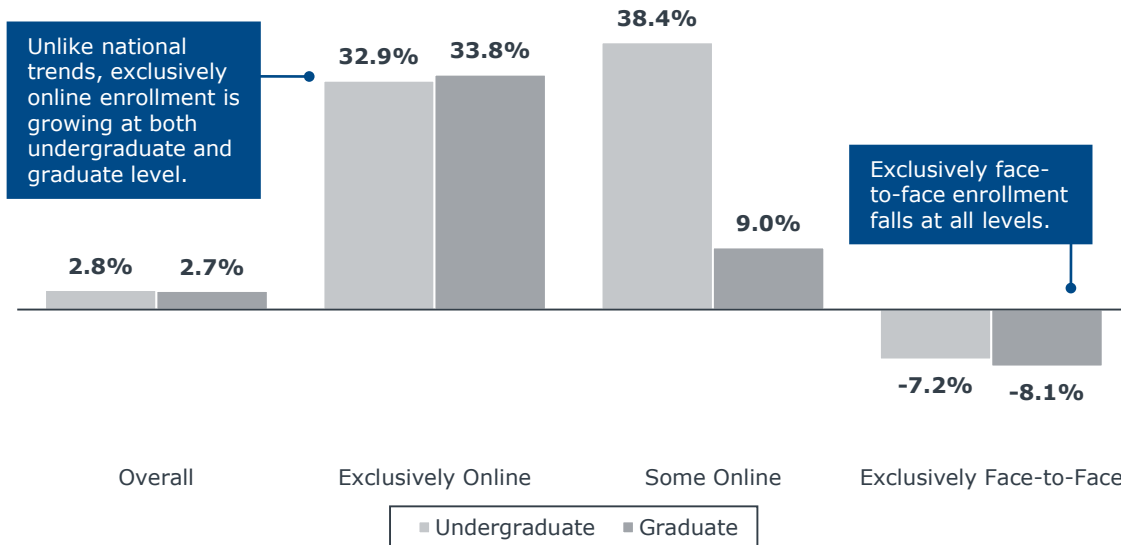


Segment Overview: Regional Public Universities

Surprisingly, Online Grad and Undergrad Enrollment Growing at Same Rate

Graduate and Undergraduate Students Increasingly Interested in Online Education

Percentage change in student enrollment at four-year, degree-granting institutions, 2012-2016



Institutional Snapshot: Regional Publics

Top Ten Institutions by Exclusively Online Enrollment

Institution Name	State	Total Exclusively Online Enrollments 2016	Total Some Online Enrollments 2016	Number of Programs Offered Online 2016 ²
University of Maryland-University College¹	MD	44,308	6,624	119
Arizona State University-SkySong¹	AZ	24,630	287	62
Pennsylvania State University-World Campus¹	PA	13,411	-	120
Thomas A. Edison State University¹	NJ	12,441	48	60
Colorado State University, Global Campus¹	CO	11,605	-	26
Fort Hays State University	KS	9,946	1,800	37
St. Petersburg College	FL	9,215	7,134	44
Ohio University	OH	8,082	4,095	23
Troy University	AL	6,602	2,104	34
East Carolina University	NC	6,526	5,607	59

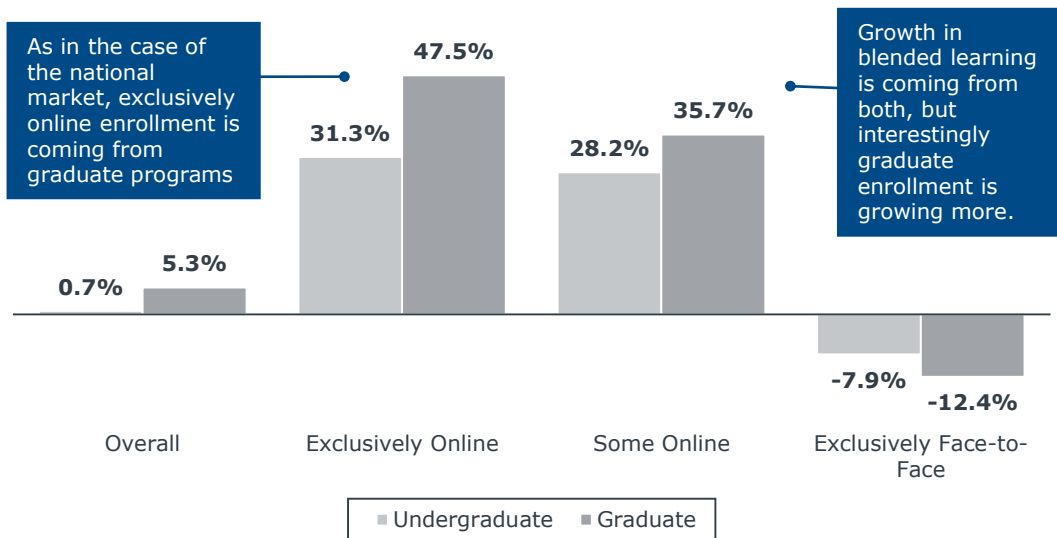
1) Based on analysis of the number of programs in which there are completions in 2016.

Segment Overview: Regional Private Universities

The Emergence of the Multimodal Graduate Student

Exclusively Online Enrollment Growth Driven by Graduate Students

Percentage change in student enrollment at four-year, degree-granting institutions, 2012-2016





Institutional Snapshot: Regional Privates

Top Ten Institutions by Exclusively Online Enrollment

Institution Name	State	Total Exclusively Online Enrollments 2016	Total Some Online Enrollments 2016	Number of Programs Offered Online 2016 ¹
Western Governors University	UT	84,289	-	61
Southern New Hampshire University	NH	61,495	2,478	105
Liberty University	VA	60,850	6,916	92
Excelsior College	DC	41,658	-	61
Brigham Young University-Idaho	ID	25,820	10,006	13
National University	CA	11,599	1,569	77
Columbia College	MO	9,308	2,754	37
Keiser University-Ft Lauderdale	FL	8,375	193	57
Nova Southeastern University	FL	7,933	2,960	86
Saint Leo University	FL	7,922	1,977	62

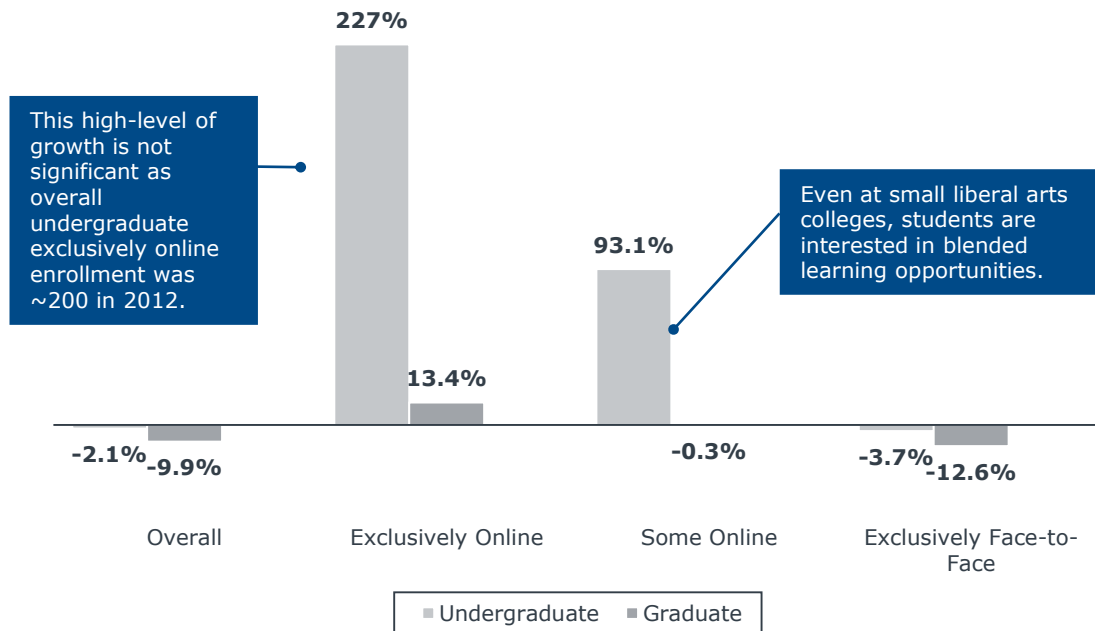
1) Based on analysis of the number of programs in which there are completions in 2016.

Segment Overview: Liberal Arts Colleges

Despite Growth in Online Enrollment, Face-To-Face Learning Still Dominates

Exclusively Online Enrollment Growth Driven by Undergraduate Students¹

Percentage change in student enrollment at four-year, degree-granting institutions, 2012-2016



1) Outlier institution, Bethune-Cookman University, where majority of the growth in enrollment was concentrated was excluded to more accurately reflect the segment



Institutional Snapshot: Liberal Arts Colleges

Top Ten Institutions by Exclusively Online Enrollment

Institution Name	State	Total Exclusively Online Enrollments 2016	Total Some Online Enrollments 2016 ¹	Number of Programs Offered Online 2016 ¹
Bethune-Cookman University	FL	1,808	0	3
Georgetown College	KY	540	41	2
McDaniel College	MD	335	205	7
Schreiner University	TX	165	11	3
Erskine College	SC	153	134	0
William Peace University	NC	150	76	3
Goucher College	MD	80	131	1
Bennington College	VT	79	0	0
Drew University	NJ	63	50	0
Salem College	NC	62	39	1

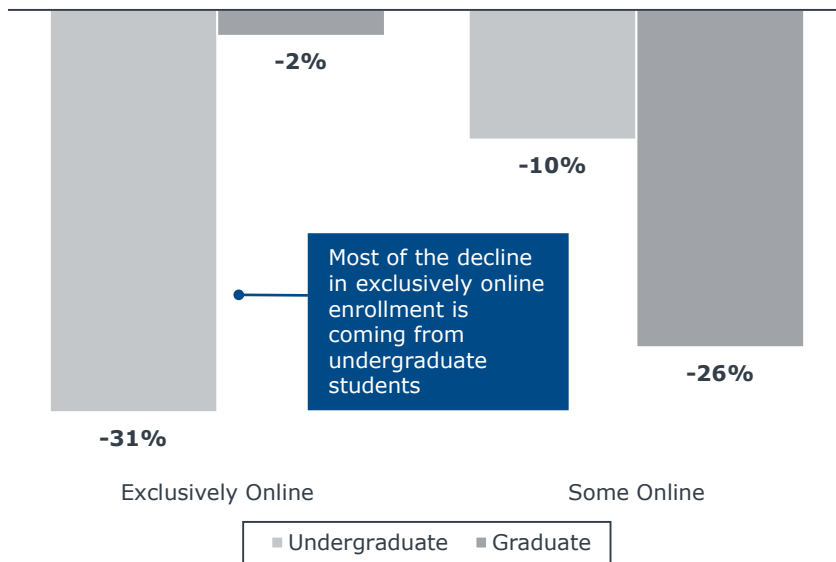
1) Based on analysis of the number of programs in which there are completions in 2016.

Segment Overview: For-Profit Universities

Enrollment Declines Across Modalities and Program Levels

For-Profits Continue to Face Declining Enrollment

Percentage change in student enrollment at four-year, degree-granting institutions, 2012-2016



Source: EAB analysis of IPEDS data; Doug Lederman, "For-Profit Free Fall Continues, U.S. Data Shows", *Inside Higher Ed*, June 6, 2018.

Institutional Snapshot: For-Profit Universities

Top Ten Institutions by Exclusively Online Enrollment

Institution Name ¹	State	Total Exclusively Online Enrollments 2016	Total Some Online Enrollments 2016	Number of Programs Offered Online 2016 ²
University of Phoenix-Arizona	AZ	128,410	922	125
Walden University	MN	52,565	-	116
American Public University System	WV	48,623	-	154
Ashford University	CA	41,343	0	68
Capella University	MN	37,569	-	202
Colorado Technical University-Colorado Springs	CO	24,132	560	41
Columbia Southern University	AL	21,442	-	50
DeVry University-Illinois	IL	16,461	1,554	37
Full Sail University	FL	12,983	6,290	30
Northcentral University	AZ	10,916	-	21

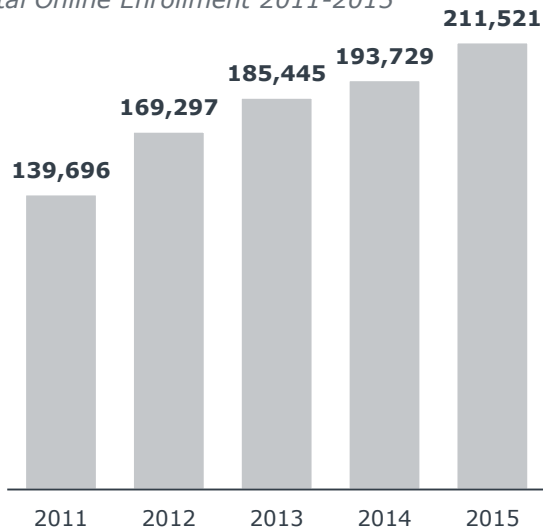
1) Based on analysis of the number of programs in which there are completions in 2016.

Segment Overview: Canadian Institutions

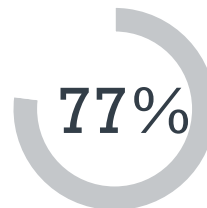
A Mature Online Market with Opportunity for Growth in Hybrid Learning

Total Online Enrollment at Canadian Universities and Colleges Continues To Rise

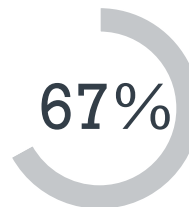
Total Online Enrollment 2011-2015



Share of institutions offering online education



Share of institutions where hybrid courses are fewer than 10% of all courses



Source: Tony Bates, Brian Desbiens, Tricia Donovan, Eric Martel, Denis Mayer, Ross Paul, Russell Poulin, and Jeff Seaman, *Tracking Online and Distance Education in Canadian Universities and Colleges: 2017* (Vancouver: The National Survey of Online and Distance Education in Canadian Post-Secondary Education, 2017).

Institutional Snapshot: Canadian Institutions

Top Five Institutions by Exclusively Online Enrollment

Institution Name ¹	Province	Total Enrollment 2017	Total Some Online Enrollments 2017	Number of Programs Offered Online 2016
Athabasca University	Alberta	Over 40,000	-	50
Royal Roads University	British Columbia	4240	-	11
Thompson Rivers University	British Columbia	13,471	1,160	60
Memorial University of Newfoundland	Newfoundland & Labrador	18080	-	25
TÉLUQ University	Quebec	20,000	-	

Source: "2017 full-time and part-time fall enrolment at Canadian universities," Universities Canada.; "Facts and Figures," Thompson Rivers University.; "AU at a Glance," Athabasca University.; "Facts and Statistics," Athabasca University.; "Online Programs," Memorial University.

1

Online Enrollment Landscape

2

Three Myths About Online Learning

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MOOCs and MOOC Providers Today

Understanding the Potential of Online Learning



Despite Growth in Online and Hybrid Enrollment, Misconceptions Persist

Myth: Online Learning is Less Expensive to Scale



“Scaling online education is as easy as printing money. One course can enroll hundreds of students!”

Chief Financial Officer

Myth: Online Education is Less Effective Than Face-To-Face Instruction



“Online learning can never replicate traditional classrooms. How can faculty effectively support students they don’t even know?”

Faculty Skeptic

Myth: Online Learning Makes Geographic Boundaries Irrelevant



“With just a click of a button we can enroll students across the globe. The world is our oyster!”

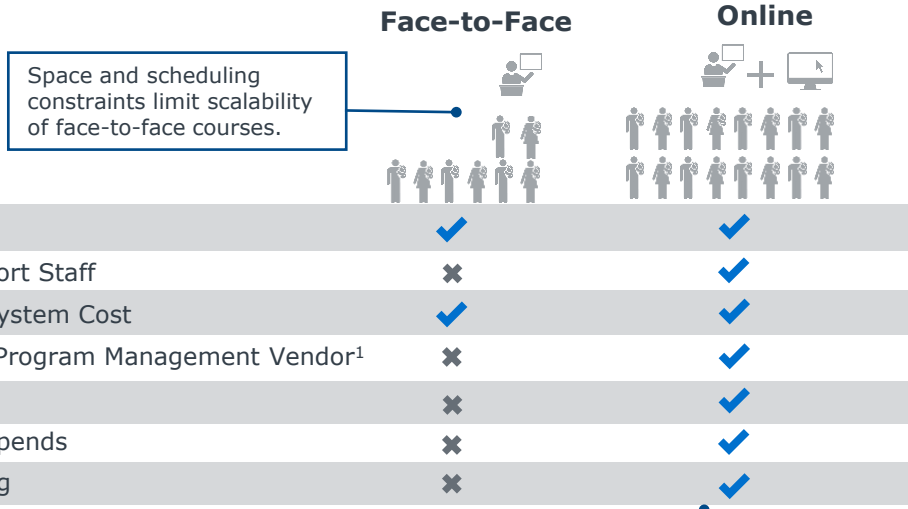
Board Member

Myth: Online Learning is Less Expensive to Scale

Expectation that Online Courses Unaffected by Space and Time Constraints

Not Exactly "Scale"

Illustrative Example



Space and scheduling constraints limit scalability of face-to-face courses.



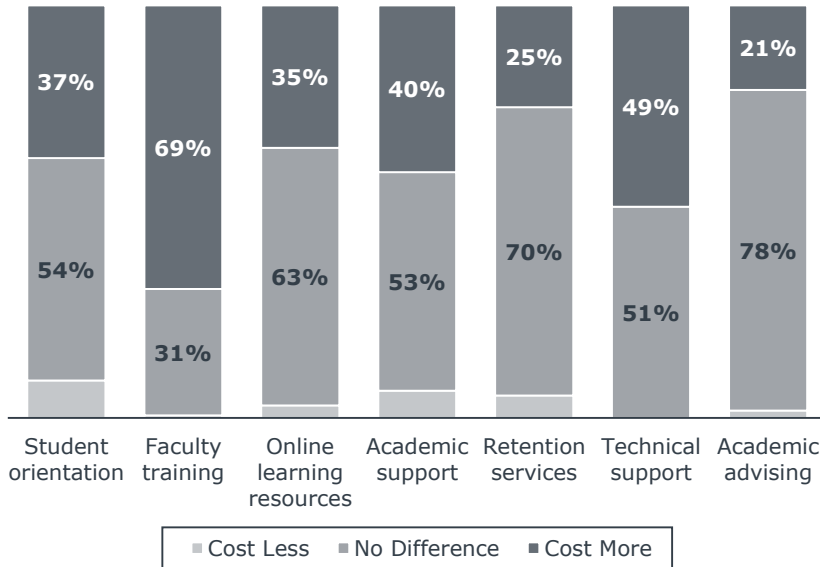
New technology overcomes traditional constraints but course development costs and need for frequent faculty-student interaction can limit scalability.

Reality: Key Determinants of Cost Unchanged

Need for High-Touch and High-Tech Learning Limits Scalability

No Consistent Trend About Cost of Online Education Compared to Face-to-Face

Proportion of Respondents Comparing the Cost of Supporting Students and Faculty in Distance Education Courses to Similar Face-To-Face Ones¹



“

“The simple answer to this question about price and cost is that a distance education course can cost anything you want it to cost, from \$1,000 to \$1 million.”

Carol Twigg

THE NATIONAL CENTER FOR
ACADEMIC TRANSFORMATION

”

1) WICHE Cooperative for Educational Technology broke down the cost of distance education courses into four categories covering a total of 24 subcomponents. This is a visualization of one cost category.

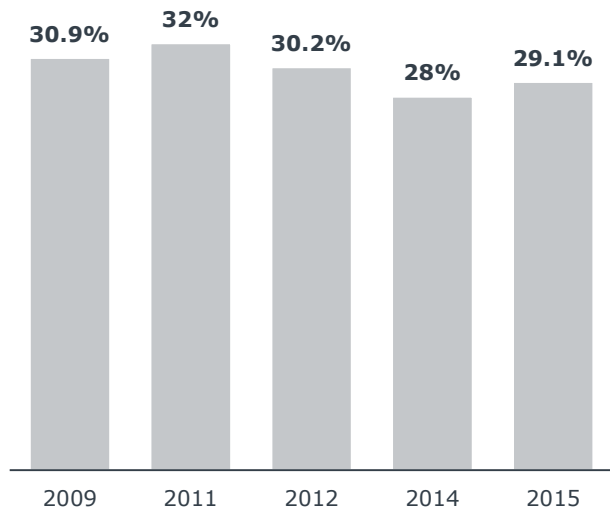
Source: David L. Clinefelter and Carol B. Aslanian, *Online College Students 2017: Comprehensive Data on Demands and Preferences* (Louisville: The Learning House, Inc., 2017); Russell Poulin and Terri Taylor Straut, *WCET Distance Education Price and Cost Report* (Boulder: WICHE Cooperative for Educational Technologies, 2017).

Myth: Online Learning Inherently Less Effective

Faculty and Administrators Continue to Question the Quality of Online Ed

Faculty Acceptance of Online Education has Remained Fairly Consistent

Share of Chief Academic Officers Who Think Faculty Accept the Legitimacy of Online Education, 2009-2015



Faculty Resistance to Online Ed Continues to Make Headlines

The Trouble With Online Education. (*The New York Times*, July 19, 2012)

Professors hate online education. To save colleges, they have to learn to love it. (*The Washington Post*, April 27, 2016)

Why Faculty Still Don't Want to Teach Online. (*Inside Higher Ed*, December 13, 2016)

Teach Online...Before It's Too Late (*Inside Higher Ed*, February 13, 2017)

Why I Won't Teach Online. (*Inside Higher Ed*, March 7, 2018)

Overcoming Faculty Resistance – or Not. (*Inside Higher Ed*, March 14, 2018)

Reality: Modality Does Not Dictate Quality

Student Learning Linked to Pedagogy and Access to Support Services

Sample Strategies to Improve Student Outcomes



Facilitated Interactions With Peers

- Moderated discussion forums
- Opportunity for peer feedback



Interactive Software

- Majority of “class-time” devoted to problem-solving
- Determine when content is available to students based on a set criteria e.g. completion of an assignment



Structured Progress Incentives

- Grades based on multiple milestones
- Instructor and student progress dashboards



Individualized Support

- On-demand assistance from tutors
- Personalized feedback for both success and failure

Myth: Online Ed Makes Geography Irrelevant

Web Access Creates Expectations of International Enrollment Growth

“Global” and “World” Campuses’ Enrollment Still Primarily Domestic



3%

Of all exclusively online students reside abroad, 2016



4%

Of all exclusively online students reside abroad, 2016



6%

Of all exclusively online students reside abroad, 2016



2%

Of all exclusively online students reside abroad, 2016



1%

Of all exclusively online students reside abroad, 2016



2%

Of all exclusively online students reside abroad, 2016

”

“...Penn State’s World Campus will continue to attract place-bound learners from around the globe, ensuring the University has a global footprint.”

Pennsylvania State University Strategic Plan for 2016-2020

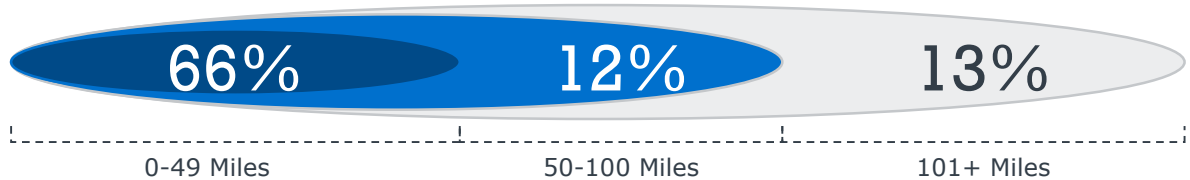
Source: EAB analysis of IPEDS data; Audrey Watters, “Top Ed-Tech Trends of 2012: MOOCs”, *Inside Higher Ed*, December 18, 2012.; “Our Commitment to Impact: The Pennsylvania State University’s Strategic Plan for 2016 to 2020,” Pennsylvania State University, 2016.

Reality: Most Online Students Reside In-State

Online Students Value Access to In-Person Services

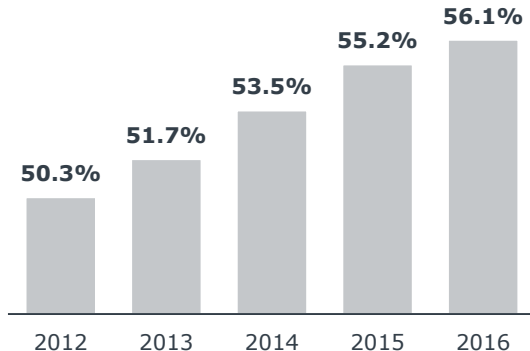
Online Students are Local to their Institution

Online Student Distance from Institution, 2018¹



Proportion of Local Online Students Increasing

Percentage of Exclusively Online Students Located in the Same State as their Institution, 2012 - 2016



Access to In-Person Services Valued

76%

Proportion of students who visited campus or a campus center at least once during program

¹) Ten percent of respondents indicated that they were not sure how far they lived from the closest campus/service center of the college/university in which they enrolled
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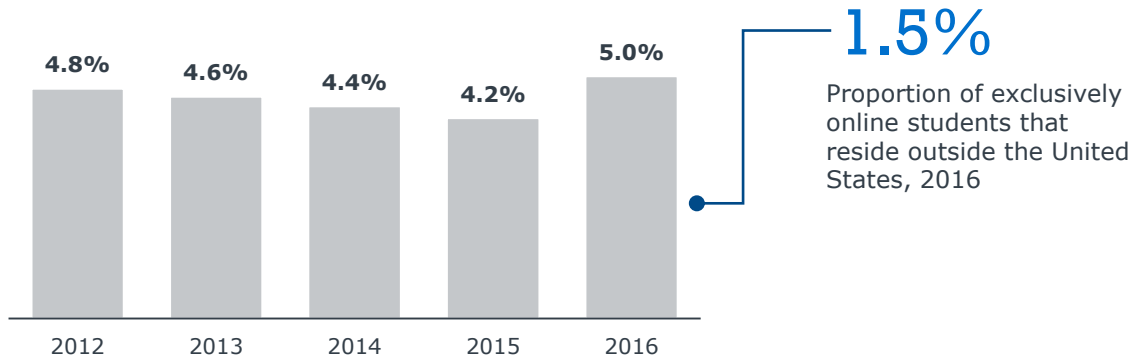
Source: Andrew J. Magda and Carol B. Aslanian, *Online College Students 2018: Comprehensive Data on Demands and Preferences* (Louisville: The Learning House, Inc., 2018); EAB analysis of IPEDS data.

Reality: Foreign Students Want To Be On-Campus

Concerns About Cost, Quality, and Recognition Limit Student Choices

Proportion of Foreign Online Students has Remained Flat

Number of Students Taking Exclusively Online Courses Located Outside the United States as a Proportion of all Enrolled International Students, 2012-2016¹



Possible Concerns

- Tuition cost as compared to a local face-to-face program
- Local recognition of online degree

Source: EAB analysis of IPEDs data.; Institute of International Education (2017). "International Student Enrollment Trends, 1948/49-2016/17." *Open Doors Report on International Educational Exchange*.; Christopher Ziguas, "Will global online higher education ever take off?", *University World News*, January 19, 2018.

1) Does not include international students who are enrolled in Optional Practical Training

1

Online Enrollment Landscape

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Three Myths About Online Learning

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MOOCs and MOOC Providers Today

Lessons from MOOCs

MOOC Hype Led to Myths About Quality, Cost, and Reach of Online Ed



"...nothing has more potential to enable us to reimagine higher education than the massive open online course...I can see a day soon where you'll create your own college degree by taking the best online courses from the best professors from around the world...paying only the nominal fee for the certificates of completion. **It will change teaching, learning and the pathway to employment"**

Thomas Friedman, New York Times columnist



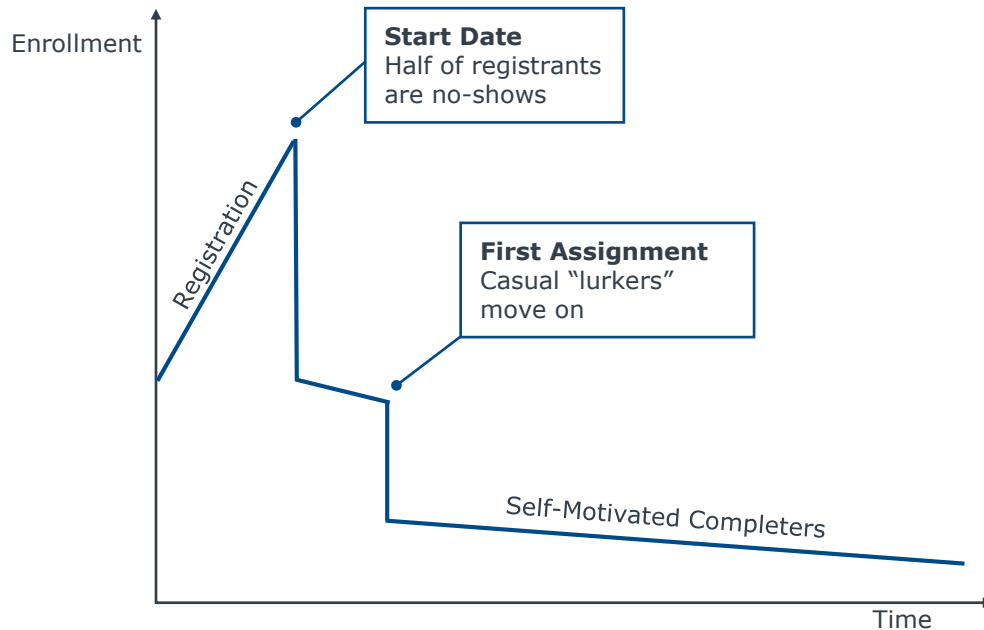
"In 50 years there will only be ten institutions in the world delivering higher education"

Sebastian Thrun, former CEO of Udacity

The Illusion of Scale

Vast Majority of MOOC Registrants Drop Out by First Assignment

Typical MOOC Enrollment Pattern



Separating Fact from Fiction

Understanding the Actual and Predicted Impacts of MOOCs

MOOCs Not Disrupting...



Institutions not granting credit for MOOCs to students not enrolled and not paying tuition



Outside of computer programming, MOOC performance not leading directly to job offers



Vast majority of MOOC students already have baccalaureate degree



Faculty not leaving the institution to pursue MOOCs full-time

...But Leading to a Revitalization of Teaching Practice



Experimentation with accelerated content and condensed course timelines



Willingness to develop online content for future hybrid courses and flipped classrooms



Prioritization of learning outcomes over knowledge transfer in course development



Development of new, short online credentials and digital badges

Evolution of MOOC Providers

From Potential Disruptors to Strategic Partners

Initial Ambitions

coursera

- Launched in April 2012 by Stanford professors Andrew Ng and Daphne Koller
- Focus on free, open enrollment courses

edX

- Launched in May 2012 by MIT and Harvard
- Focus on free, open enrollment courses

U UDACITY

- Launched in January 2012 by Stanford professor Sebastian Thrun
- Focus on free, open enrollment courses

2018 Focus

Three Common Changes

"Pay-to-Play"

The number and range of features and services that were once free has shrunk

OPM-Like Business Model

Change of focus to online program enablement as opposed to a platform to host individual courses

Creation of MOOC-based degrees

For example, Udacity partnered with Georgia Tech to develop a low-cost master's in computer science

Modality Debate Misses Market Distinctions

Three Unique Student Segments Comprise Online Opportunity



Multimodal Undergraduates

Opting for Convenience and Enrichment



Professional Graduate Students

Investing in Career Advancement



Adult Degree Completers

Looking for Fast, Flexible Degrees

Goals and Motivations

- On-Time Graduation
- Curricular Exploration
- Promotion
- Career Change
- On-Time Graduation
- Curricular Exploration

Selection Process

- Location
- Reputation
- Cost
- “Search and Shop”
- Reputation in Industry
- “Search and Shop”
- Cost
- Convenience

We Hope You'll Join Us Next Time

Upcoming Webconferences in the Series



Jahanara Saeed
Senior Analyst
jsaeed@eab.com

[What Multimodal Undergraduates Seek in Blended Learning Opportunities](#)

Wednesday, August 8th 2018
12 PM ET – 1PM ET

[How to Serve Professional Graduate Students in a Saturated Online Market](#)

Tuesday, August 21st 2018
1PM ET – 2PM ET

[How to Attract and Support Online Adult Degree Completer Students](#)

Thursday, October 4th 2018
12PM ET– 1PM ET



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