This Executive Briefing is part of EAB's **Dynamic Strategy Resource Center**. For more on how leading colleges and universities are embedding rigor, agility, and accountability into their strategic plans, **click here!** 



# Differentiating the Student Value Proposition

Mapping Institutional Strengths to Student Benefits, in Students' Language

PART

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## **Argument in Brief**



- Many higher education strategic plans are inwardly focused and undifferentiated, asserting high-level aspirations that are obliquely linked to students' top-of-mind needs, and hard to distinguish from peer claims. Strategy teams shouldn't count on plan-writing alone to answer the essential, too-often-overlooked question of differentiation: Why Would a Student Choose Us over Competitors?
- The technique of *Student Value Proposition Mapping* corrects this "product-first" bias, by reframing institutional programs, services, and perceived strengths in terms of practical and social/emotional benefits to students, described in students' language. This approach guards against the tendency to mistake excellence—what the institution does well or has invested in—with relevance to target student groups.
- Done right, Student Value Proposition Mapping results in an approach to differentiation that is *Relevant* (what we do matters to identified student groups) *Distinctive* (we have unique approaches or assets that deliver benefits at higher quality or lower price than competitors) and *Provable* (in outcomes data or testimonials).
- Stress-testing differentiation with current students, early-career faculty, and frontline staff is a win-win opportunity for strategy teams to make stakeholders feel meaningfully engaged, while advancing (not diluting) strategic focus. Younger perspectives on institutional differentiators frequently discover untapped strengths and neglected weaknesses hidden to senior leaders biased by traditions and sunk-cost investments.

## **Urgency and Opportunity Abound**

## An Unprecedented Moment in the Need for and Advantage of Differentiation

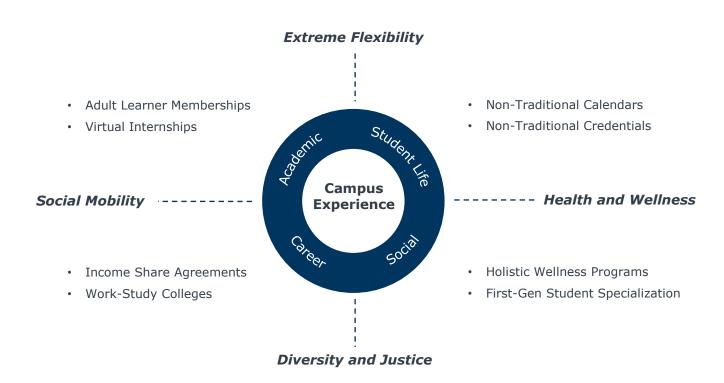
For most of the last century, higher education strategic plans emphasized "excellence" more than "differentiation", and rightly so. University missions contained powerful differentiators like *de facto* geographic monopolies, big state subsidies closely aligned with labor market needs, and (for privates) strong social and religious affiliations. Students' expectations, and their ability to travel and pay, were relatively circumscribed, so the rewards and options for differentiating were comparatively low.

Secular trends, accelerated by COVID, are profoundly changing all that, by dramatically accelerating the race for enrollment market share. Traditional competitive boundaries are blurring, as selective institutions expand "downmarket" and talent-strapped industries begin to promote non-traditional pathways to employment and advancement, for high schoolers and mid-career workers. The urgency to answer differentiation's ultimate question: "Why would a student choose us over someone else?" – has never been higher, especially for regional institutions.

At the same time, the pandemic's convulsive exposure to virtual learning and remote work has upended perceptions of the four-year residential campus experience. Across the selectivity spectrum, students are asking for more flexible options in instructional delivery and academic calendars. Mental health, diversity, and inclusion are becoming aspects of student success equal in importance to academic achievement for many. Student needs are becoming more specific and more varied than ever before, dramatically enlarging the competitive space in which institutions can stake out a distinctive value proposition.

This is at once exciting and daunting for strategy teams: exciting for the opportunities to innovate and differentiate; daunting because pursuing them requires change to deeply ingrained practices.

#### **Diversifying Needs Enlarge Range of Differentiation Strategies**



## Toward a Differentiated Student Value Proposition

Traditional Strategic Plans Insufficient for Competitive Clarity

Let's start by defining terms. In the post-pandemic market, EAB believes every institution needs a **Differentiated Student Value Proposition (SVP)**, by which we mean:

Unique benefits the institution provides that motivate students to enroll, complete, or stay active as alumni—the reason students choose the institutions over competitors

#### **Differentiated SVPs Meet Four Criteria:**



**They're relevant:** SVPs promise benefits that are valued by an identified student group, expressed in the student's own language



**They're difficult to replicate:** SVPs explain the institution's unique approach for delivering benefits at higher quality or lower cost than competitors, through better (and hard to copy) processes, policies, or community attributes



**They're widely experienced**: Most, if not all students participate and receive the benefits of the SVP, which is integrated into the core experience



**They're provable:** SVPs make benefits concrete through data, social-proof testimonials, and external recognition

Using these criteria, it's clear that what a differentiated SVP needs isn't what's found in the typical strategic plan. These beautifully produced documents can often be institutional "selfies." They reaffirm values and traditions, showcase areas of excellence and achievement, and tout new initiatives that will help the institutions do even better in the future. Nearly every line of every page is about why the *institution* is great, leaving the burden on students to connect how these attributes translate to a better life, or advantage relative to competitors.

## Toward a Differentiated Student Value Proposition

Traditional Strategic Plans Insufficient for Competitive Clarity

No matter how finely wordsmithed or thoroughly vetted with stakeholders, strategic plans that are inward-focused focused are fated to repeat three common, avoidable differentiation killers.



#### **Mistaking Excellence for Relevance**

Just because you're good at something, or have done it for a long time, doesn't guarantee it's valued by students





#### Assuming What's New for You is Differentiating to Outsiders

Strategic initiatives that feel audacious and culture-changing to internal stakeholders might not stand out to students





#### **Virtuousness to the Point of Sameness**

Wanting to affirm values while avoiding blowback from any corner of campus, plans invoked the same set of laudable strategic pillars (teaching quality, community engagement, student success) using the same pool of adjectives (innovative, inclusive, student-centric). SVPs that stop at aspirational slogans almost certainly won't stand out



"I met with several other presidents I know to compare strategic plan drafts and see what we could learn from each other. Every plan said the same things, down to the words in our branding. If you covered up the logos, you couldn't tell whose plan was whose."

President, Regional Public Institution

## **Student Value Proposition Maps**

## Reframing Institutional Action in Terms of Practical and Emotional Benefits

A powerful corrective to the detrimental inward focus of strategic plans is *Student Value Proposition Mapping*, a technique from a discipline rapidly gaining prominence in private industry called design thinking. Your Business, Design, and Behavioral Economics faculty will likely have heard of it, if they're not teaching it already.<sup>1</sup>

SVP Mapping doesn't seek to reinvent higher education from the ground up. Rather, it's an exercise in radical empathy, asking strategy teams to look past a "product-first" mindset and step in students' shoes, thoughtfully connecting academic programs and support services to students' true motivations.

## **Developing Student Personas: Not Just Practical Needs, but Social Status and Emotions**

SVP Mapping starts by developing <u>student personas</u>: detailed, human portraits of students you hope to attract. Participants break into groups, brainstorming aspects of the student's life and psychology. What does she spend time on? Where does she come from? How does she think higher education will make her life better? What are her hopes and fears when enrolling in and paying for college?

Student motivations are divided into three categories—**Needs:** What the student is trying to accomplish in college or life; **Gains:** Positive outcomes and benefits to *maximize*; and **Pains:** Negative outcomes, risks, barriers to *minimize*.

The active ingredient of persona development is getting leadership to internalize the behavioral economics insight that students see benefits not just in the practical and functional, but in the social and emotional as well. SVPs don't stop at **Functional Needs** (e.g., earning a credential – "I am eligible to become a nurse"). They perform important **Social Needs** (Looking good to others, elevated status – "I'm the first one in my family to go into a STEM field") and **Emotional Needs** (feeling good about oneself – "I am a good person because my training helps others"). Strategy teams often tell EAB that their biggest eye-opener in this process is getting academic and administrative leaders to see that, for many student groups, social and emotional jobs are just as important, if not more so, than functional jobs.



"The hardest job I had as a new president was getting faculty, trustees, and alumni donors to admit that the students we want, or once had, probably aren't the ones we're going to serve in the future. That changes how we describe ourselves to the community."

President, Regional Private Institution

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After brainstorming, persona building concludes with a prioritization session, where the group ranks **Needs** from important to insignificant, **Gains** from essential to "nice to have," and **Pains** from extreme to moderate, for a consensus theory of what target students value most.

Many prominent academic authors and consultancies specialize in various design thinking approaches, from Clay Christensen's Jobs to Be Done framework to IDEO's design thinking practice in the technology industry. EAB's purpose here isn't to endorse a particular methodology or lexicon, but to argue for the value of SVP Mapping's general student-centric focus and explain some of its basic concepts.

## Student Value Proposition Maps (cont.)

Reframing Institutional Action in Terms of Practical and Emotional Benefits

## **How Many Different Student Segments Should We Develop Personas For?**

Every institution will want to develop student personas for core undergraduate segments—now and in the future to safeguard market share. Depending on staff bandwidth, many repeat the exercise for high-priority sub-segments like underrepresented minority students, international students, adult learners, etc.

It's important to recognize that a particular segment that isn't a significant portion of overall headcount at the moment could be much larger moving forward (many institutions are specializing in particular demographics, students with learning differences, etc.). Strategy teams should allocate their available time for developing personas between today's biggest student segments (to defend enrollment market share) and future high-growth segments.

#### Next, Recast Institutional Capabilities as Gain Creators and Pain Relievers

With the student persona's theory of *Needs, Gains, and Pains* in place, build a complementary profile of the institution, describing core activities in three mirror-image categories: **Programs/Services**: Academic offerings and student support services. **Gain Creators**: How programs/services create practical, social and emotional benefits. **Pain Relievers**: How programs/services alleviate bad outcomes, risks and barriers.

After brainstorming, prioritize the importance of programs and services from core to peripheral, and gain creators and pain relievers from essential to "nice to have."

## "Fit" Between Student Personas and Institutional Capabilities Gauges the Relevance of Your Value Proposition

The payoff step puts the student persona's *Needs, Gains, and Pains* side-by-side against the institution's *Programs/Services, Gain Creators, and Pain Relievers*. Strategy teams go through institutional capabilities one by one, validating where they relate to an important student job, essential gain, or extreme pain.

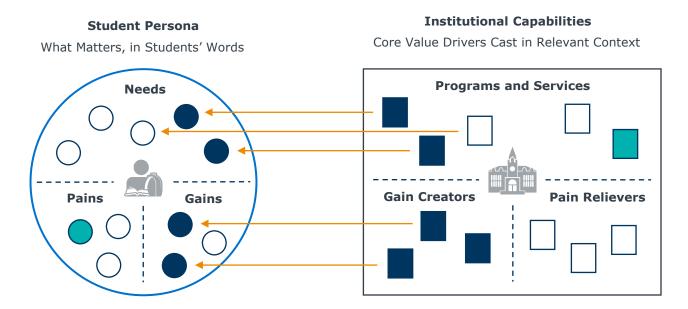
**High fit**: where important institutional activities clearly map to important student motivations—are the tentpoles for a compelling SVP.

**Weak fit**: for example, where an institutional capability doesn't obviously map to a student need, or where an important student need isn't addressed by an existing institutional capability—means the SVP is misaligned or outdated.

## Student Value Proposition Maps (cont.)

Reframing Institutional Action in Terms of Practical and Emotional Benefits

#### **SVP Mapping Relates What We Do to What Students Value**



#### **Establishing "Fit" in Our SVP (Illustrative)**

- Our nursing and public health programs have best-in-region placement rates and high starting salaries for graduates—addressing students' concerns about ROI
- Our student and faculty diversity, along with our significant international student population (15% of undergrads) prepares students to navigate the modern workforce much better than competitors
- Our annual student financial counseling workshops help to alleviate common concerns and misconceptions about debt, financial aid, and money management

#### Why It's Worth Strategy Team Time Looking for Value Proposition Fit

- ✓ Makes link between institutional capabilities and student benefits explicit
- ✓ Validates those strengths and traditions are relevant to students
- ✓ Highlights that social and emotional needs may be more important than functional jobs
- ✓ Identifies unmet needs for innovation or remediation

## Beyond Relevance to Distinctiveness and Provability

#### How Can We Demonstrate Distinctiveness to the Market?

SVP Mapping is an efficient and engaging technique for validating relevance, ensuring confidence that offerings and activities truly matter to students. But SVP Mapping doesn't guarantee defensibility, audience engagement, or provability, the other elements of a differentiated SVP. To accomplish this, strategy teams need to develop hypotheses about their main differentiators, and stress-test them with students, faculty, and staff.

For each area of high fit between student needs and institutional capabilities, define your differentiator—your unique approach or asset that produces student benefits at higher quality or lower cost than competitors—then brainstorm potential supports for supporting your claims.

The pass/fail bar is getting more specific than the undifferentiated claims about generic goals that make typical strategic plans so ineffectual as to be not worth doing. If you're trying to *adjective* or *catchphrase* your way to differentiation ("student-centric," "committed to excellence"), you're not telling students or internal stakeholders why you're special, or how to communicate it.

## Be Brave Enough to Stress Test Your Differentiators: Are They Specific and Provable?

<b>Undifferentiated Claims</b> Standard strategic plan language	Standard strategic plan  Approaches or assets that allow the	
Our students go on to great careers	Because we map liberal arts to high-growth fields, our BA graduates have options in IT, business, and healthcare	BA graduates' starting salaries 25% greater than average
We're student-centric	We have innovative peer academic and mental health counseling	YouTube channel with 500+ curated student testimonials
We're inclusive	Our inclusivity focus isn't just overall representation of racial / ethnic demographics, it's affordability for first-generation students	New York Times article profiling financial aid education services

## Three Varieties of Evidence to Support Claims

## Proving Differentiation to an Increasingly Savvy Audience

Anyone reading this well knows that defining quality and cost-effectiveness in ways that satisfy faculty, legislators, or students is nigh impossible. Presidents agree only that the College Scorecard treats everyone roughly, and that classics faculty would eagerly volunteer service obligation time to figure out the infernal circle to which *US News* and *Times Higher Ed* rankings belong.

With no universal metrics, how can institutions prove differentiation? EAB of course has no definitive answers, but that doesn't free strategy teams from the need to signal differentiators to the market in concrete, credible ways. In reviewing hundreds of college and university strategic plans, these are the best (or *least bad*) approaches we commend to your attention:

**Outcomes Data**: Train the market to understand your metrics for gain-creators and pain-relievers

Within the College Scorecard or *Times Higher Ed* rubric, carve out sub-metrics that support your unique frame of student benefits, and track them yourself. One institution's Online Education Health Sciences unit determined that "upward mobility in my field" and "people respect me" were two key gain-creators for their nursing program. A social media retweet campaign when students passed milestone exams allowed them to support these claims by saying "1,000+ friends and potential employers know that you're on the market."

Social Proof: Seek order-of-magnitude more testimonials crowdsourced over digital media

Student testimonials are the gold standard of social proof. Most institutions already feature testimonials from a handful of high-achieving alumni and students with compelling stories. Continue spotlighting these testimonials, but also take advantage of opportunities in the TikTok era to amass an inventory of testimonials so large and varied enough that prospects can recognize SVP messages from enough people that look like them to resonate.

**External Recognition**: Co-brand with regional employers and social entrepreneurs

Can the institution formalize strong relationships with employers and shared values with prominent NGOs to build brand recognition as premier proving grounds for student professional and personal aspirations?

## Surfacing Gaps Across Campus Constituencies

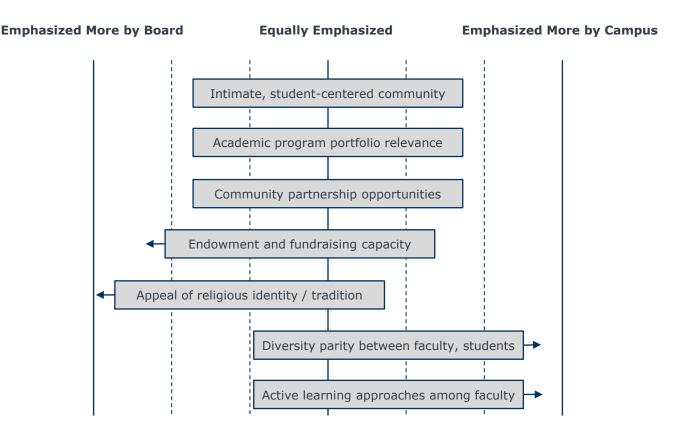
Boards, Cabinets, Faculty, Staff, and Students May Differ in Revealing Ways

**Stress-Testing Your Differentiators**: A prime opportunity to make campus stakeholders feel heard while advancing strategy

One of the most common questions strategy teams ask EAB is how best to involve the broader campus in strategy formation, listening in good faith to voices across campus, without unproductively prolonging or diluting decision-making. Later entries in this series will address this important issue in depth. The recommendation here is that testing SVP design and differentiation is a tremendous opportunity for engaging students, early-career faculty, and frontline staff – time that's bounded, good-faith, and productive.

Senior leaders and long-standing trustees are frankly not always the best barometers of SVPs. Biased by the effort and sunk-costs of current activities, they overestimate the number and uniqueness of institutional differentiators. In contrast, current students, early-career faculty, and frontline staff have counter-perspectives that are invaluable in stress-testing and sharpening assumptions about what's special (and not) about the value proposition.

Several EAB partners have run SVP exercises concurrently among senior leaders and the broader campus, through focus groups or online surveys, comparing the results from "the Center" with "Front Lines". In every case, they enjoyed triple wins: exposure of blind spots where senior SVP beliefs had drifted from current student experience; new gain-creators in student language; and buy-in from a broad range of stakeholders that felt listened to in the formative stages of planning. EAB's advice to strategy teams: do fewer performative town halls, and more SVP design input-seeking exercises.



## Making Slogans More Complex and Concrete

## A Model for Messaging Differentiation Claims

## **Does Your Institution Have Clarity and Awareness of Key SVP Differentiators?**

At the end of SVP mapping and differentiator stress-tests, strategy teams are in much better position to increase the clarity of strategic messages and their awareness across campus.

You should be able to clearly articulate the important aspects of your SVP using the template below, that one college called their "Differentiator Mad Lib."

#### **Differentiator Mad Lib**

"Our	helps		who want	
	program / service		target student persona	
tos		bv		. We will
	student need/gain/pain	institutional g	jain creator or pain relieve	er
demonstrate our value by $\_$			<b>"</b>	
		differentiator suppor	<del></del> -	

Crystallizing the link between student motivations and institutional activities and strengths helps the entire campus understand and amplify key SVP messages, in their units, and out to the market through personal and professional networks.

# Persona-Building and Value Proposition Mapping Can Help Human Resources Weather the "Great Resignation" and Advancement Appeal to Donors

Like many industries, higher education is struggling to recruit and retain talent amid the "Great Resignation," or perhaps "Great Reshuffling," where employees are voluntarily leaving jobs *en masse*, due to the combination of economic freedom arising from stimulus payments, new options for remote work, and abiding safety concerns related to COVID. Many college and university HR leaders are beginning initiatives to differentiate their employment value proposition, competing for faculty and staff not just on wages but more clearly selling the emotional and social benefits of being part of the institution's community. The techniques of persona development and SVP Mapping are just as applicable and insight-generating for employees as they are for students.

Many top advancement shops are using value proposition design techniques to sharpen their appeal with different donor groups. Donor value proposition mapping can distill what the best gift officers do instinctively to tailor their approach for recent alums, wealthy alums, and foundations, for more relevance, distinctiveness, and consistency in fundraising themes.