othot™ **Higher Intelligence for Higher Education**

# 2020 Higher Ed Enrollment Trends Pulse Report

# Introduction

When COVID-19 disrupted campuses across the United States, higher ed institutions had to quickly pivot their operations from on-campus to remote, from in-person to virtual, from face-to-face to FaceTime. The activities and events that enrollment offices had relied on for years were reimagined and delivered as virtual visits and digital experiences.

Over this period, higher ed institutions were consumed by shifts in recruitment strategies as well as changes to budgets and forecasts. Throughout these challenges, we've been working with our partner institutions (Othot calls our customers partners) to understand what was happening with their Fall 2020 classes.

We tracked deposits early in the summer (both around May 1st and June 1st) and monitored summer melt trends (from around July 15th). Fall census brought the Class of 2020 data to a close, and we analyzed that data to create this 2020 Enrollment Trends Pulse Report, creating an overview and an analysis of the ebbs and flows of the 2020 Class among our partners and, where possible, comparing them to the published national data.

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# Key Findings

Othot partner institutions that actively used predictive and prescriptive analytics throughout the 2020 enrollment cycle countered the national trend of steep enrollment declines in their freshmen Fall classes. The partner institutions are weathering a drop of 4.74% in their first-time, full-time 2020 Class when compared to 2019. The national average decline for freshmen, according to the National Student Clearinghouse (NCS) was nearly three times higher at 13%.

## Enrollment at Census

| | |
|---|---|
| **Othot Partners** | **-4.74%** |
| **National Student Clearinghouse** | **-13.00%** |

The gap between partner institutions and national averages was consistent by institution type. **Four-year public partners who used data-driven decision making saw a decline of 4.68%, while four-year private institutions were down 4.84%. According to the NCS, "Public four-year institutions declined 10.5% and private nonprofit four-year institutions dropped 8.5%."**

*Note: According to the same report, community colleges experienced the biggest decline at 18.9% driving the average decline to 13%.*



*Institutions that actively used predictive and prescriptive analytics throughout the 2020 enrollment cycle countered the national trend of steep enrollment declines.*

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The data also show improved performance of partner institutions in both significantly increasing their deposit rates as the deadline approached as well as reducing summer melt - the portion of the class that places a deposit but does not enroll.

At the May 1, 2020 benchmark, partner institutions faced a bleak forecast of steep declines in deposits, down an average of 13% compared to May of 2019. This may have been exacerbated by extended deadlines or disruptions in normal recruitment activities due to COVID-19.

Nonetheless, a month later, by using targeted data analysis and aligned communication and engagement methods, those same institutions were able to significantly close those deposit gaps in average deposit rate. **Facing 13% deposit drops by volume in May, by June 1, partners had cut the drop to just 4.46%.**

By the time actual enrollment arrived, the institutions had also improved their summer melt ratios. Compared with 2019, **partners had cut their melt - reduced their number of canceled deposits - by nearly a full percentage point (.8%) over 2019**. Even in such a challenging enrollment environment, data-driven outreach matching students with schools appears to have actually improved the overall enrollment outcomes related to melt.

The data in this report found no major differences between public and private partner institutions in either melt or deposit rates and yield. On the other hand, large institutions (more than 2,000 first-time, full-time students) fared better than smaller schools in all deposit and melt metrics. And by a significant margin, schools in the Northeast region saw the largest declines in those metrics.

We also observed no significant difference in the deposit and melt rates of Pell-eligible students, indicating that cost of attendance may not have been a major factor in COVID-19-related enrollment decisions.

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# Deposit Rate Data

## Overall Deposit Rates

| DEPOSIT RATE | May 1, 2020 vs. May 1, 2019 | June 1, 2020 vs. June 1, 2019 |
|---|---|---|
| **Average Deposit Rate Across Othot's Partners** | **-13.00%** | **-4.46%** |

When comparing the May 1, 2020 to May 1, 2019 average deposit rate, the outlook for enrollment was bleak.

The good news is that deposits trended up at June 1, with the average rate across data and analytics partners at –4.46%, up from –13%.

## Deposit Rates by Institution Type

| TYPE | May 1, 2020 vs. May 1, 2019 | June 1, 2020 vs. June 1, 2019 |
|---|---|---|
| Public Institution Partners | **-12.70%** | **-4.58%** |
| Private Institution Partners | **-13.70%** | **-4.20%** |

When we compared public institutions and private institutions among our partners, the May 1 deposit rates were similar between the two institution types.

As of June 1, both private and public institutions made gains. That's positive news given the impact that COVID-19 has had on recruitment activities like campus visits and in-person programs.

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## Deposit Rates by Institution Size

| SIZE | May 1, 2020 vs. May 1, 2019 | June 1, 2020 vs. June 1, 2019 |
|---|---|---|
| Large Partners | 0.40% | 1.03% |
| Small Partners | -18.90% | -7.02% |

When comparing large and small institutions among our partners, the deposits at small institutions were down 18.9% when compared to May 1, 2019 deposits.

For large institutions, deposits were ahead in 2020 at both May 1 and June 1.

## Deposit Rates by Geographic Region

| REGION | May 1, 2020 vs. May 1, 2019 | June 1, 2020 vs. June 1, 2019 |
|---|---|---|
| Northeast Partners | -21.40% | -8.64% |
| All other U.S. region Partners | -10.90% | -0.98% |

The last deposit rate segment we reviewed among our partners was by geographic region. We selected the Northeast because there are well-documented enrollment challenges for schools located in that region, including declining numbers of high school students and other demographic changes.

When comparing the average deposit rate from May 1, 2020, to May 1, 2019, partner institutions in the Northeast were down 21.4%. All other regions in the U.S. were down 10.9%.

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# Summer Melt Data

## Overall Summer Melt

| SUMMER MELT | July 15, 2020 vs. July 15, 2019 |
|---|---|
| **Overall Comparison** | **-0.80**% |

When looking at overall summer melt comparisons between the number of canceled deposits to the population that has deposited so far, we found that the melt rate in 2020 was down compared to 2019. That's a positive indicator for enrollment.

While deposits were down in 2020, fewer students were melting.

## Summer Melt by Institution Type

| TYPE | July 15, 2020 vs. July 15, 2019 |
|---|---|
| Public Institution Partners | **-0.60**% |
| Private Institution Partners | **-1.10**% |

Both private and public institutions were experiencing less melt in 2020 than in 2019. Summer melt for private institutions is a bright spot in the data.

As private institutions were gaining on deposits at June 1, they were also .5% ahead of public institutions with melt.

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## Summer Melt by Institution Size

| SIZE | July 15, 2020 vs. July 15, 2019 |
|------|--------------------------------:|
| Large Institution Partners | **+1.00%** |
| Small Institution Partners | **-1.30%** |

As of July 15, 2020, large institutions were experiencing more melt, yet higher deposit rates.

## Summer Melt by Geographic Region

| REGION | July 15, 2020 vs. July 15, 2019 |
|--------|--------------------------------:|
| Northeast Partners | **0.70%** |
| All other U.S. region Partners | **0.90%** |

As of June 1, all regions had made gains in deposits over May results, yet the Northeast continued to lag behind. Reduced melt in the Northeast region was helping to make up for lagging deposits.

A question remained: would that be enough to offset deposits?

## Affordability

COVID-19 has had an impact on the financial health of many families regardless of their original Expected Family Contribution.

As of July 15, 2020, our data showed that Pell-eligible and non-Pell eligible students were melting around the average, and that's an indicator that affordability is not an overwhelming concern for students.

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# Final Enrollment Results

## Enrollment Results Comparison 2019 to 2020

| INSTITUTION TYPE | Othot Partners | National Clearinghouse |
|---|---|---|
| Four-year public | **-4.68%** | **-10.5%** |
| Four-year private | **-4.84%** | **-8.5%** |

Further analysis showed that while large institutions outperformed small institutions, small institutions yielded more deposits through the latter half of the summer and large institutions experienced greater melt.

While overall enrollment trends are down, there are outliers on both ends of the spectrum. A few partner institutions achieved very impressive year-over-year enrollment growth:  for example, a private institution in the Midwest region saw an increase of 17.84% and a public institution in the Mid-Atlantic region saw an increase of 6.51%.

## Conclusion

Our goal with the Report is to help higher ed institutions that use advanced analytics understand where they stand compared to other institutions for Fall 2020 enrollment and melt. These results were an accurate representation at the time of analysis and may also reflect our partners' mitigation actions, such as reducing tuition and other methods.

What's clear is that COVID-19 has had an impact on 2020 enrollment, as well as deposits and summer melt, and made for a challenging enrollment cycle. Challenges are not new to higher education, and - looking forward to the 2021 enrollment cycle - test-optional admissions and merit aid allocation, virtual visits and remote learning, transfers and international enrollments, and decreases in name buying and applications will continue to be challenging. When institutions use data and analytics to make decisions, they can push the boundaries of what is achievable and overcome challenges, and more importantly, help their students experience the value and achieve the success they desire and deserve.

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## Definitions, methods and notes

For the purpose of the 2020 Enrollment Pulse Report, we measure Fall 2020 enrollment as the number of deposits for first-time, full-time students. Summer melt is measured by the number of canceled deposits from the population that deposited as of July 15. This data is compiled from dozens of Othot partner institutions located in the United States that have been engaged with Othot for more than one year that were focusing on improving enrollment. Data is segmented by institution type, public and private institutions, and institution size (large and small). A large institution is defined as greater than 2,000 First Time Students, and a small institution is defined as less than 2,000 First Time Students. Among privates, this data only is for non-profit institutions. The Northeast region is defined by these states: Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont.

The findings in the 2020 Enrollment Trends Pulse Report are aggregated and anonymous and an accurate representation at the time of analysis. The findings may also reflect our partner's mitigation actions, such as reducing tuition and other methods.

## About Othot, Inc.

Othot is a leader in artificial intelligence and prescriptive analytics for higher education institutions across the United States. Together, Othot and its partner schools focus on each institution's specific enrollment, student success, and advancement goals. Othot's cloud-based solution provides continuous intelligence in real time and empowers schools to engage with each prospective, current, and former student with the right tactic at the right time. Othot is higher intelligence for higher education.

For more information or to schedule a demo of the Othot Platform, please contact us at othotteam@othot.com or visit our website at othot.com

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