

Measuring Marketing Return on Investment for Higher Education

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“Half the money I spend on advertising is wasted—the trouble is, I don’t know which half.”

To illustrate how difficult it is to reach customers with traditional advertising and track its results, a frustrated John Wanamaker spoke these words over 100 years ago. Wanamaker, a former Philadelphia retail merchant, is often considered the father of modern advertising. His use of mass media—primarily newspapers—revolutionized how merchants marketed their wares. His statement is proof that even at this very early stage of modern marketing, advertisers were concerned about return on investment (ROI).

While the media landscape has changed dramatically since Wanamaker spoke those prolific words, his frustration is alive and well with today’s advertisers, and in particular, those marketing the products and services of higher education. In an industry that prides itself on the ability to analyze and react to data, the “leap of faith” that is often associated with a media advertising plan is especially troubling. This is not to say that all media buying is pure “art” without any level of measurability to help make informed decisions. However, before you can track ROI, you first must define the goals of your campaign and determine those actions expected of your target audiences.

Identify your campaign and its goals: Tactical vs. Brand Building

When it comes to higher education, advertising campaigns that utilize traditional and/or online media, can be divided into two main categories: **Tactical and Brand Building**.

Tactical campaigns have a clearly defined goal. Driving attendance to an on-campus event or increasing inquiries for the next semester are typical goals for a tactical campaign. The messages have a strong call-to-action such as, “Attend our Campus Open House on Saturday the 13th” or “Classes start August 26th—there’s still time to apply.” It is no surprise that higher education tactical campaigns are often a response to an admission/enrollment initiative. While most advertisements contain some tactical elements, what defines a tactical ad and campaign is the amount of space devoted to delivering the call-to-action and the campaign’s primary goal.

The goals of brand building campaigns tend to be less immediate than those of tactical campaigns. Raising awareness and/or changing a misperception are goals often associated with these campaigns. “*We are (insert college name here)*” and “*Local Focus, Global Impact*” are typical of the types of messages delivered in a brand building ad or campaign. Brand building campaigns are often a response to an institution-wide initiative, with market research findings and recommendations providing the catalyst.

When it comes to tracking media ROI, tactical campaigns have a distinct advantage over brand building campaigns. Because of their strong call-to-action, you can expect tactical campaigns to deliver measurable results within a defined time period. Brand building does not deliver overnight results. Because of this reality, brand building campaigns are often the first to suffer budget cuts. Two requirements for a successful brand building campaign are consistency and longevity, and too often, neither requirement is met.

Many institutions engage in both types of campaigns simultaneously. It is not unusual to have some overlap in the two campaign’s media buys, however because of differences in the goals and target audiences, different media outlets are often utilized. This, combined with the variables of effectively tracking ROI, and the fact that the two campaigns are often funded from different institutional budgets, warrants the development of separate media plans for each campaign. By lumping all media buys into a single plan, colleges and universities turn the challenge of tracking ROI from difficult to impossible.

Media ROI versus Results Tracking

There are two levels at which ROI is most often measured by higher education marketing professionals. The first is attempting to measure the effectiveness of individual media outlets within a campaign. The effectiveness of newsprint vs. outdoor vs. online banners vs. radio, etc.

One method of measuring media ROI is familiar with most institutions: **Source Code Tracking**—capturing information from inquiries about how they found out about the college or a specific program or event. This information is obtained in numerous ways including returned snail mail information cards, web site information forms, and, most frequently, during phone conversations. One of the challenges with Source Code Tracking, regardless of how the information is obtained, is “last point of contact.”

In the late 1990s, my firm was named the agency of record for a well-known west coast university. With over 25 extension campuses serving adult learners and a growing main campus offering both undergraduate and graduate programs, the university-wide media plan was quite extensive. One of our first tasks was to assess their current media plan.

Following a quick overview, one media expenditure immediately raised concerns. Over \$200,000 was being spent in various telephone directories. When questioned about the expenditure, the client produced a source code spread sheet indicating over 15% of their inquiries had come from the telephone directories. Of course, the reality was that the directories were not the catalyst for the inquiries, but simply where prospective students found the University's phone number. We call this "last point of contact."

"Last point of contact" is a scenario that source code data collectors must be aware of when eliciting data from inquiries. Today, we often see the same phenomenon in regards to the Internet. While the Internet is certainly used by prospective students to research their college choice, it is also very often the last point of contact. If source code tracking is to have any real value, it is very important to dig deeper. What was it that led them to the Internet? Did the inquiry see a television commercial or print ads?"

Another method of measuring media ROI is by building **Trackable Actions** into the advertising message. Whether it is dedicated 800 numbers, unique URLs, or even SMS short-codes, the goal is to link an end-user action to a specific media. This is in no way a new tactic used to measure RIO. Toll-free phone numbers have long been used by direct response marketers and continue to be used today—as can be attested by anyone who watches late-night television. While providing a level of measurability, Trackable Actions are not foolproof. For instance: State University has decided to test outdoor advertising. They developed and placed a series of billboards, rail station boards, and transit boards. To track results, each board contains the following URL: www.stateu.edu/outdoor. The URL leads the inquiry to a dedicated landing page where traffic can easily be monitored. The problem lies in the intuitive nature of higher education URLs. People will easily remember www.stateu.edu, and there is a good chance that will be the URL they type into their web browser. The outdoor advertising worked, but the prospect ends up on the university's homepage—not the dedicated landing page—eliminating the ability to track the source.

Online Trackable Actions. While most traditional mass media advertising is suffering from decreasing revenues (newspaper advertising revenue has declined for an unprecedented third year in a row), online advertising has continued to grow and is now a viable threat to its traditional media counterparts. One of the features that first attracted advertisers to the world of banner ads in the 1990's was that advertising would finally be measurable and trackable. Click-through rates provided a level of measurability not available in mass media. However, click-through rates just did not provide enough information. *Google AdWords* was developed and has the ability not only to track click-through rates, but also to track the performance of the individual components within the campaign. "Trackable actions" are part of the programming advertisers are buying. Utilizing sophisticated analytics, the advertiser can

measure and constantly adjust the campaign based on the performance of *keywords* and *AdWords*. However the data supplied by Google still ends with click-through rates, and there is no guarantee that these “clicks” will become serious inquiries, or even applicants. Tracking clicks once a user enters a college’s web site, and then capturing enough information to start a meaningful communication flow, is an ongoing challenge that constantly faces higher education marketers.

Results Tracking

The reality is that trying to dissect the effectiveness of a specific media buy within a multi-media campaign is limiting. One simple reason is that a combination of mediums build reach and frequency and make a campaign effective. It has been proven many times. For instance, a radio campaign is more effective when combined with outdoor advertising. So, while we have the ability to collect and analyze a mountain of data, it is only part of the story. Ultimately, a campaign is all about results. Did your media expenditures produce the results you were expecting?

When it comes to results tracking, tactical campaigns provide the most obvious measurement data because of their strong call-to-action. If the goal of the campaign was to drive prospects to an Open House, the first level of measurement is event attendance. But, measuring attendance is only part of the story. Not every interested prospect exposed to the media campaign will react in the same manner. While some will attend the event, others will look to the web site for more information, while some will simply call the telephone number listed in the ads. When analyzing the results of a tactical campaign, it is important to measure all sources of inquiries.

While matriculation is an institution’s ultimate goal, it is not the goal of media advertising. Advertising’s role in a higher education tactical campaign is to generate inquiries. Measuring the success or failure of a tactical campaign based on enrollment, or even applications numbers, is a mistake. The ultimate decision to attend a particular college or university is not going to be made simply by being exposed to media advertising.

Results tracking for a brand building campaign is far more challenging. Where a tactical campaign promotes an event or action tied to a date, brand building campaigns promote a message about the institution. While the two types of campaigns are not mutually exclusive, seldom do brand building campaigns contain a strong call-to-action—if any at all. Without the call-to-action, when and what to measure become the questions when analyzing media ROI of a brand building campaign.

The answer to “What to measure” is easy—everything, or at least everything that could be impacted by the campaign. It is a long list including, but not limited to, the data typically supplied by admissions on inquiries, applications, visits, etc., as well as data supplied by advancement on annual giving participation and gift amounts. Of course, many factors influence these numbers. Positive trends indicated in a wide variety of measurable data are an indication that the campaign is having an influence. Of course by attributing positive gains solely to a brand building campaign would most likely upset some very hard working staff members.

Another way to measure the effectiveness of a brand building campaign is with market research. Market research findings and recommendations can help to establish a benchmark or starting point. If a follow-up study is conducted utilizing the same research instruments and study groups, the goals of a brand building campaign can be tested and compared to the initial findings.

“When to measure” a brand building campaign is even more daunting. Public perception is not shaped, and certainly not changed, overnight. A school’s brand position in the marketplace could be years, if not decades, in the making. Changing that position is not as simple as an eight-week multi-media campaign. As mentioned earlier in this paper, consistency and longevity are the hallmarks of a successful brand building campaign. The reality is that it may take several years to see measurable results.

Leap of Faith Marketing

If you had “perfect data” on media advertising activities and all other factors (not discussed in this paper) that influence the effectiveness of media, e.g. the weather, the economy, world events (its endless), you could then develop a statistical model to back into an accurate ROI equation for all of your media expenditures. We are really not much closer to that scenario than John Wanamaker was in 100 years ago. However, we should use the data and techniques available to us to make a more informed decision about our media expenditures. As one of my clients is fond of saying, “In God we trust, all others show me data.”

“Leap of faith” was part of Wanamaker’s media plans and it is still part of plans today. Many media plans allocate a percentage of the total budget to experiment with new or emerging media. Media with a proven track record of results should be part of every plan, but, with the media landscape evolving continually, it is important to keep an open mind when it comes to new opportunities. Research and data are preferred, but don’t be afraid to trust your instincts and “take the leap.”

Paskill Stapleton & Lord is a full-service consulting, marketing, and advertising agency specializing in higher education. We have served over 250 colleges and universities and have developed and maintained consistent, long-term relationships based upon integrity and trust through higher education consulting. The combination of enrollment management consulting professionals, design, advertising and marketing experts, as well as innovative media products, equips Paskill Stapleton & Lord to be the leading agency for colleges and universities. We specialize in the fields of advertising and marketing, strategic planning, enrollment management, market research, publication and web design, training and staff development, economic development, and new media. Over 2,500 people from 1,200 colleges and universities, community colleges, business schools, law schools, and seminaries have attended this firm's professional training seminars.

Paskill Stapleton & Lord's clients include colleges and universities in over 40 states, as well as Canada, Asia, and Europe. They range from small religious affiliated colleges and Ivy League universities to professional schools and two-year and four-year technical and liberal arts colleges, both public and private. The agency maintains offices in both Glenside, Pennsylvania and Springfield, Massachusetts.

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