

COLLEGE *AFTER* UNIVERSITY

UNDERSTANDING A GROWING MARKET SEGMENT

I'd like to introduce you to Jennifer. Jennifer is 25 years old and is looking for a better job. She graduated from university in 2014 with a Bachelor's degree in Psychology, spent a year overseas teaching English, and has been working at a coffee shop ever since.

Jennifer expected that the critical thinking skills she acquired in university, along with her work experience abroad, would help her land a 'real job', but so far, no luck.

Jennifer is not alone. According to Statistics Canada, the number of recent university graduates who are 'underemployed' is growing rapidlyⁱ.

In 2011, 40% of women and 27% of men in the workforce, aged 25 to 34, had university degrees. This is up from 19% and 17% respectively ten years earlier. But, almost one fifth of these recent university graduates were overqualified for their jobs, and for Humanities Majors like Jennifer, the proportion goes up to about one third.

Jennifer is planning to go back to school, to college this time. She wants to acquire some applied skills to help her launch a career. Jennifer is part of a growing, but not well understood, market segment.

University graduates seek employable skills

A report prepared for Colleges Ontario concluded that: "There is a recent and increasing trend by which Ontario colleges are becoming 'finishing schools' for four year university graduates. Students are increasingly completing a degree and then enrolling in a one or two year (post) graduate certificate or diploma program in a college."ⁱⁱ

Colleges Ontario reported that for the year 2012-13, 12% of college entrants in Ontario had university credentials.ⁱⁱⁱ In November 2013, The Globe and Mail reported that within the previous five years there had been a 40% increase in university graduates subsequently attending Ontario colleges.^{iv}

In response to this trend, colleges have been acting quickly to increase the number of job-ready programs to meet the demands of underemployed university graduates. However, there is limited data about the decision-making process of this growing market segment.

College administrators are seeking a better understanding of how this group's buying journey differs from other types of prospective students.

Algonquin College explores the buyer journey

With approximately 20,000 full-time and 37,000 part-time (continuing education) students in 2013-14^v, Algonquin College in Ottawa is well established as the largest college in Eastern Ontario.

'College *after* university' is a market segment of interest for post-secondary institutions across Canada, and Algonquin College is no exception. Among incoming students who enrolled in Algonquin College in 2014, 12% had a university degree, up from 9% in 2009.

In the year 2015-16, Algonquin College is offering 64 graduate certificate programs, compared to 39 in 2012-13^{vi}. To meet the varied demand, the programs are a mix of full-time or part-time, on-campus or on-line, one year or two years in duration.

Graduate certificate programs are designed specifically for students who already have a university degree or a college diploma. They cover such diverse areas as Construction Management, Emergency Management, Food and Nutrition Management, Human Resources Management, and Marketing Research and Business Intelligence. In addition, many of the college's over 200 applied diploma and certificate programs also attract university graduates.

To better recruit and retain this growing market segment, Algonquin College wanted to learn more about their purchase decision.

What influences a university graduate to apply to college? How is their information-seeking process different from students who enroll directly from high school? What are their unique needs and expectations? How could Algonquin College serve them better?

It was time to find out!

Research studies conducted with incoming students

Students in the Marketing Research and Business Intelligence (MRBI) graduate certificate program at Algonquin College have conducted two research studies which help answer these questions.

In 2013-14, a team of MRBI students undertook a marketing research project to investigate the consumer journey of Algonquin College applicants. In particular, they wanted to explore differences between direct applicants (straight from high school) and non-direct applicants (from university or the work force).

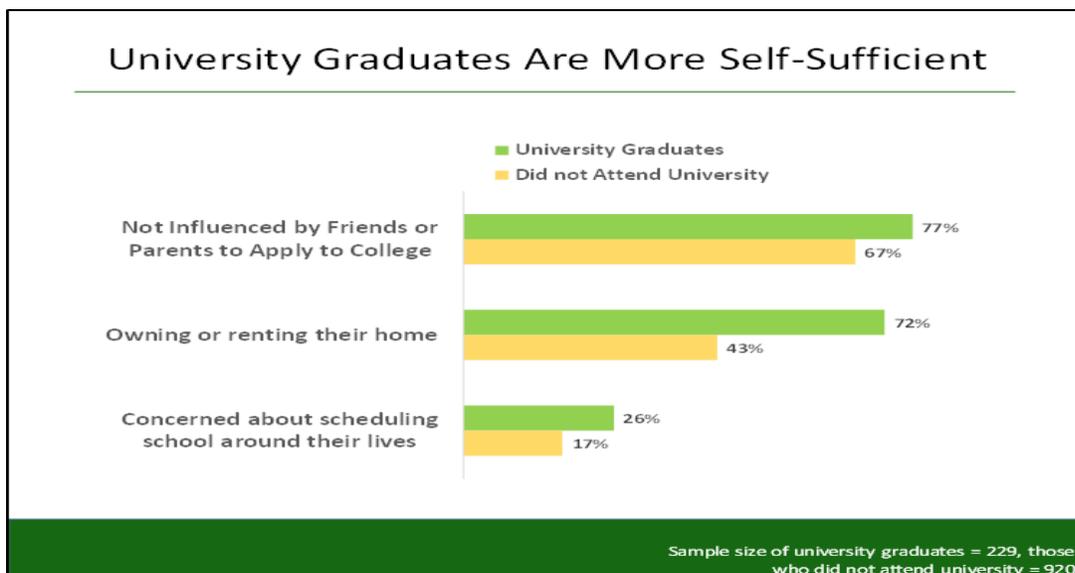
The team surveyed over 1,200 current or interested students, through an online survey deployed to their student email accounts. The focus was on recently enrolled students, who would have the strongest recall of the application process. About 20% of respondents had a university degree.

Applicants from university make up their own minds

The university graduates who responded to the study appear to be more independent and self-sufficient than the rest of college applicants.

As expected, university graduates are older than high school applicants and more of them are already working. They also have more financial obligations: 72% own or rent a home compared to 43% of incoming college students who had not previously attended university.

Of particular interest to college marketers is the fact that these applicants are more likely to decide on their own about attending college: 77% reported they are not influenced by friends or parents when deciding to attend college, versus 67% of those who did not attend university.

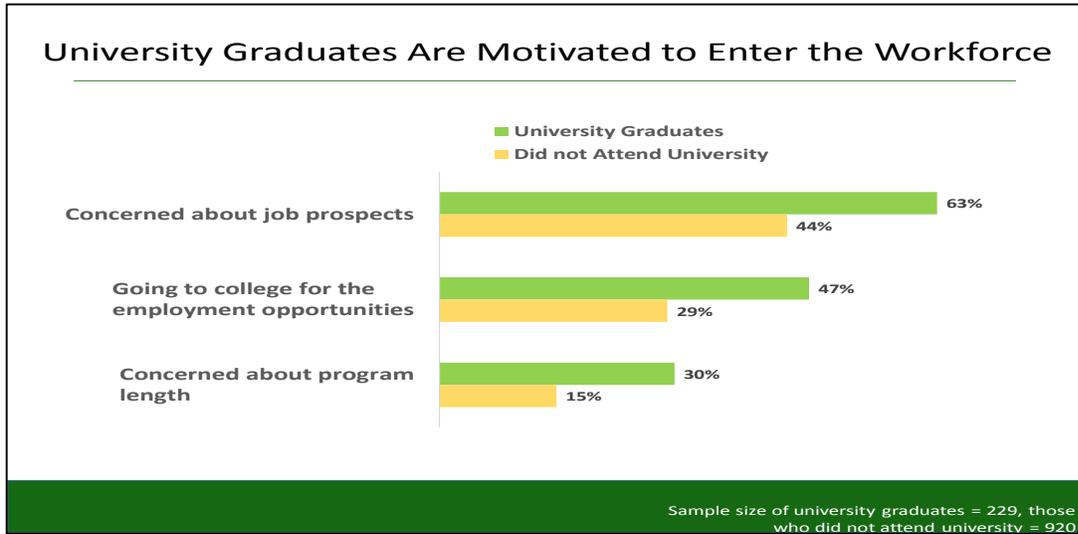


Job prospects are a primary motivator for university graduates

University graduates attending college have their eyes set firmly on the end goal. The majority want their 'second time around' in post-secondary education to lead directly to a job.

University graduates were much more likely to say that they were concerned about job prospects when they applied to college (63%) compared to those who did not attend university (44%). They also reported that employment opportunities had a bigger influence on their decision to apply to college: 47% versus 29% of those who did not attend university.

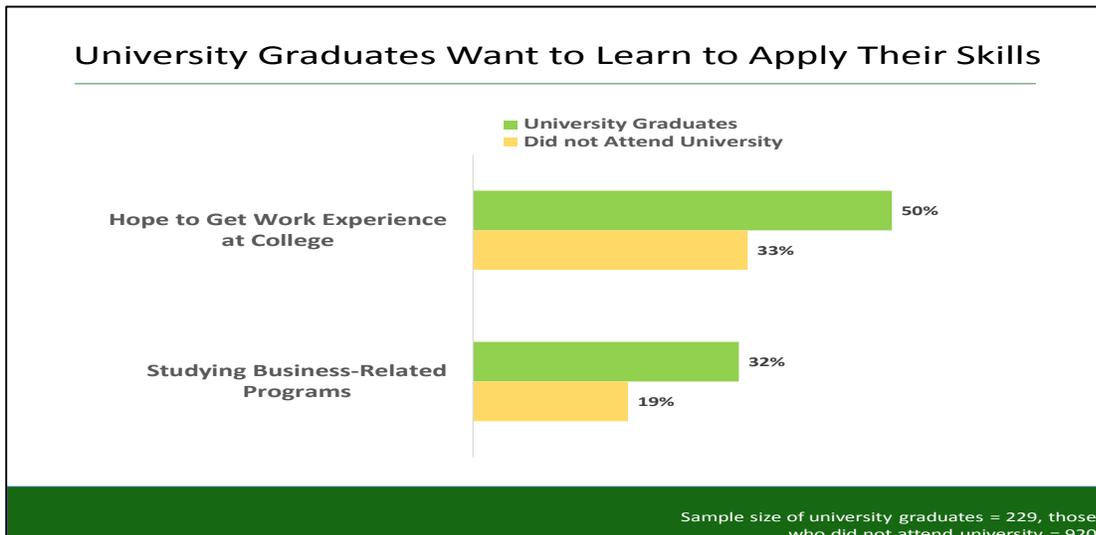
University graduates generally want to complete their college education quickly and start earning a salary. They were more likely to be concerned about the length of the programs they considered (30% versus 15% of those who did not attend university), with almost half (45%) of university graduates opting for one-year programs versus a quarter (24%) of non-university graduates.



Gaining applied skills and hands-on experience is key

The findings showed that university graduates want to build on the knowledge they have already acquired at university, and they want to apply this knowledge through hands-on experience.

They are more likely enroll in business-related fields at college (32% versus 19% of those who did not attend university) where they can make the connection between their discipline-specific university knowledge and a workplace opportunity. They are also more likely to seek work experience from their time at college: 50% compared to 33% of those who did not attend university.



One university alumni enrolled in a graduate certificate program articulated the need to acquire hands-on experience as the main driver to attend Algonquin College:

“Despite my academic training, I lacked a key element that makes the search for a career so difficult: practical experience. I desperately needed a program that would give me a chance to apply my skills that I gained from university in the working world. Algonquin College offered just that with the many graduate certificate programs that include an internship component. The internship opportunity is THE reason I applied to AC. The fact that the faculty is full of individuals with years of working experience under their belts was a huge benefit, and made AC such an appealing option.”

Algonquin College Graduate Certificate Student, 2013-14

Communications need to be mobile friendly and customized

In 2014-15, another team of MRBI students surveyed students enrolled in Algonquin’s School of Business programs. Out of the 515 respondents, 25% had a university degree.

The research team was investigating ways in which the School of Business could improve its recruitment and application process with the aim of increasing enrollment. The study included a look at the effectiveness of communications between the college and prospective students.

Half of all respondents reported making use of the Algonquin College website during the recruitment and application process to obtain information. However, students applying directly from high school had additional sources of information available to them, such as guidance counsellors and in-school presentations. The respondents who had applied after university or after being in the work force reported they were more likely to seek out recommendations from friends and family (30% versus 8% applying directly from high school).

All applicants, regardless of prior educational background, indicated that emails from the college need to be concise and free of promotional headers, to ensure they are mobile friendly. The email content needs to be practical and list the necessary next steps the prospective student must take, with accessible links to webpages which are specifically relevant to them.

Interestingly, all types of applicants liked receiving hard copy mail for important documents such as acceptance letters.

The motivations reported by the college-after-university applicants in the 2014-15 study remained consistent with the 2013-14 study. Explaining how the college will meet these needs is key.

“Algonquin takes the theory and gives it (back to you) as hands-on experience which employers want to see when they are hiring.”

University Graduate Enrolled at Algonquin College, 2014-15

U.S. study highlights the digital expectations of prospective students

The 2015 Chegg Social Admissions Report^{vii} backs up the MRBI study findings. Based on a survey of 1,600 high school seniors in the U.S. who were interested in post-secondary education, over half (60%) of prospective students visited a college website on a mobile device at least once a week, and almost one third (28%) primarily used a mobile device for their research. In addition, the vast majority (91%) of prospective students expected unique communications tailored specifically towards them, and over half (62%) expected a response from a digital inquiry with 24 hours.

The type and format of college website content is also important, with visually rich content at the top in terms of appeal to the digital generation. Among prospective students, 80% watched digital video during their research of colleges, with 44% seeking video content from current students rather than from only the college.

Decline projected in college applicants directly from high school

Demographic data supports the drop in the number of direct-from-high-school college entrants, which is not projected to recover until about 2030. Based on the Ontario Ministry of Education's kindergarten registration numbers from 1998 to 2013^{viii}, there will be an ongoing decline in the pool of students coming up through the system and reaching high school graduation age over the next few years, followed by a gradual increase in the number of students coming-of-age for post-secondary education.

Based on all these findings, Algonquin College's Marketing Department identified a long term need to target the non-direct student segment, which includes university graduates.

Our non-direct market will be a primary focus for our marketing initiatives due to the current shift in demographics, and the decrease of applicants directly from high school. A research report, prepared for Algonquin College by The Academica Group, shows an opportunity to increase awareness of degree and graduate programs within the Eastern Ontario region, and alter the perception of attending college versus university.

Lindsay James, Marketing Department, Algonquin College

Acting on the research findings

Algonquin College is acting on the findings of the various research studies through several initiatives now in place or being developed.

The majority of marketing initiatives proposed for 2015-16 will include: updating the college website; developing campaigns focused around the non-direct market; and increasing the awareness of the degree and graduate programs. Key messages will be directed to the non-direct target group and will address the factors which motivate older students.

In addition, the college will continue to grow their ‘nurturing’ campaigns, which aim to build trust with prospective students as they become more informed about their options.

MRBI program meets the needs of ‘college-after-university’ students

The Algonquin College Marketing Research and Business Intelligence (MRBI) students are themselves part of the phenomenon of university graduates looking to further their careers by taking an applied college program.

The MRBI curriculum is designed to deliver current skills as well as hands-on experience working with clients. This prepares students to write the industry exam for the Certified Marketing Research Professional (CMRP) designation, as well meeting the demands of employers. MRBI Alumni have gone on to find jobs such as data analyst, market research associate, project manager, panel coordinator, program measurement officer, survey programmer and more.

The interest in acquiring job-ready skills to add to other academic credentials is reflected in the backgrounds of MRBI students. The 2014-15 graduating class includes students with BAs, BSCs, MBAs, Masters and PHD degrees, in fields such as Business Administration, Communications, Engineering, Psychology, Political Science, Sociology and more. Employers hiring MRBI graduates in 2015 will reap the benefits of this cohort of job seekers who are both well-educated and highly-skilled.

On a closing note, the MRBI faculty wish to thank the corporate partners who support the MRBI program and helped make these marketing research projects, and many others, possible: SurveyMonkey (FluidSurveys), IBM (SPSS), iTracks and Ramius (Recollective).

About the authors

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ⁱ Occupational profile and over-qualification of young workers in Canada 1991 to 2011, Statistics Canada, <http://www.statcan.gc.ca/daily-quotidien/140402/dq140402a-eng.htm>

ⁱⁱ People Without Jobs – Jobs Without People, Rick Miner, Colleges Ontario, <http://www.collegesontario.org/policy-positions/MinerReport.pdf>

ⁱⁱⁱ 2013 Environmental Scan – Student and Graduate Profiles, Colleges Ontario, http://www.collegesontario.org/research/2013_environmental_scan/CO_EnvScan_12_Stu&GradProfiles_WEB.pdf

^{iv} University grads see college diploma as key to jobs, Marjo Johnne, Globe and Mail, <http://www.theglobeandmail.com/news/national/education/university-grads-see-college-diploma-as-key-to-jobs/article15375257/>

^v Algonquin College Annual Report 2013-14, <http://www.algonquincollege.com/reports/files/2014/07/AC-AR-2013-2014-final-July-18-2014.pdf>

^{vi} Algonquin College Website: Graduate Programs and Intensive Diploma Programs, <http://www.algonquincollege.com/future-students/certificates/>

^{vii} 2015 Social Admissions Report, Chegg Enrollment Services, Uversity, <http://go.edu.chegg.com/socadm15>

^{viii} Ontario Ministry of Education, Education Facts, <http://www.edu.gov.on.ca/eng/educationFacts.html>