Enrolling Gen Z: What the Prospective Student Survey™ Tells Us About Pivoting to Serve the Next Generation

Kim Reid, Principal Analyst
Eduventures Research
Now Enrolling Gen Z

Have you made shifts in practice?

1980 1995 2010

Millennials
TECH SAVVY | TEXT | CURATE
COLLABORATE | NOW | OPTIMISTIC

Generation Z
TECH | INNATE | IMAGE | CREATE
SHARE | FUTURE | REALISTIC
Generational Shifts
The Song Remains the Same...

…but the generational shifts make for a more complex melody

“Against this often confusing backdrop, students of the Millennial generation are doing what college-bound students have always done: Looking for a “good fit,” looking for and opportunity to test their skills, to learn and develop, to have fun, and to set the direction for a productive career and civic life… and Millennials more typically than not are weighing the college decision in light of their long-term professional plans: Even students who don’t know what they want to do professionally acknowledge the interplay between their college choice and career success.”

Source: Eduventures 2007 Report, College Search and the Millennial Generation
The Song Remains the Same...

...but the generational shifts make for a more complex melody

Good Fit
Learn and Develop
Productive Career

Test Their Skills
Have Fun
A Much More Frenzied Enrollment Environment

Application and Admission Trends for First-Time Full-Time Freshmen 2001 to 2016

<table>
<thead>
<tr>
<th>Year</th>
<th>Applications per Enrollment</th>
<th>Admits per Enrollment</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>2.2</td>
<td>3.3</td>
</tr>
<tr>
<td>2002</td>
<td>2.4</td>
<td>3.3</td>
</tr>
<tr>
<td>2003</td>
<td>2.8</td>
<td>3.8</td>
</tr>
<tr>
<td>2004</td>
<td>3.1</td>
<td>4.1</td>
</tr>
<tr>
<td>2005</td>
<td>3.3</td>
<td>4.1</td>
</tr>
<tr>
<td>2006</td>
<td>3.5</td>
<td>4.3</td>
</tr>
<tr>
<td>2007</td>
<td>3.7</td>
<td>4.4</td>
</tr>
<tr>
<td>2008</td>
<td>4.0</td>
<td>4.6</td>
</tr>
<tr>
<td>2009</td>
<td>4.2</td>
<td>4.8</td>
</tr>
<tr>
<td>2010</td>
<td>4.4</td>
<td>5.0</td>
</tr>
<tr>
<td>2011</td>
<td>4.6</td>
<td>5.2</td>
</tr>
<tr>
<td>2012</td>
<td>4.8</td>
<td>5.4</td>
</tr>
<tr>
<td>2013</td>
<td>5.0</td>
<td>5.6</td>
</tr>
<tr>
<td>2014</td>
<td>5.2</td>
<td>5.8</td>
</tr>
<tr>
<td>2015</td>
<td>5.4</td>
<td>6.0</td>
</tr>
<tr>
<td>2016</td>
<td>5.6</td>
<td>6.2</td>
</tr>
</tbody>
</table>

Public: Red line
Private: Green line
Understanding the Reality of Financing College

Millennials Interested in Public Institutions

19% ↑ in tuition and fees from 1997-2007 (in constant dollars)
# Understanding the Reality of Financing College

## Millennials Interested in Public Institutions

<table>
<thead>
<tr>
<th></th>
<th>Expectations</th>
<th>vs.</th>
<th>Reality</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants &amp; Scholarships Only</td>
<td>56%</td>
<td></td>
<td>25%</td>
</tr>
<tr>
<td>Loans</td>
<td>29%</td>
<td></td>
<td>51%</td>
</tr>
</tbody>
</table>

*Unwelcome surprise amid escalating costs*
Understanding the Reality of Financing College

Gen Z Interested in Public Institutions

14% ↑ in tuition and fees from 2007-2017 (in constant dollars)
Understanding the Reality of Financing College

Gen Z Interested in Public Institutions

<table>
<thead>
<tr>
<th></th>
<th>Expectations</th>
<th>vs.</th>
<th>Reality</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants &amp; Scholarships Only</td>
<td>38%</td>
<td></td>
<td>34%</td>
</tr>
<tr>
<td>Loans</td>
<td>48%</td>
<td></td>
<td>41%</td>
</tr>
</tbody>
</table>

More prepared for a difficult future
Demographic Shift Happening Now

Change in Undergraduate Enrollment by Race/Ethnicity 2010 - 2016

-6%  -4%  -2%  0%  2%  4%  6%

Asian  Black or African American  Hispanic  White  Two or more races  Race/ethnicity unknown  International

*First-time fulltime degree and certificate seeking students from NCES
* American Indian or Alaska Native and Native Hawaiian or Other Pacific Islander less than 1% change
Recruitment Environment in Flux

Millennials - 2007
- WEBSITES
- CAMPUS VISIT
- PRINT MATERIALS
- COLLEGE FAIRS
- GUIDEBOOKS
- E-MAIL

Gen Z - 2018
- CAMPUS VISIT
- E-MAIL
- WEBSITES
- PRINT MATERIALS
- ONLINE GUIDES
- COLLEGE FAIRS
- SOCIAL MEDIA

22% Gained awareness by online advertising
Gen Z Frames the World Differently

How will this affect their experiences with higher education?

Millennials
- FOMO
- Curate, authenticity
- Exceptional use
- Conditioned to advocate
- Intellectual conservation
- Collaborate, connections

Gen Z (I Gen)
- Defer gratification, no debt
- Rent, borrow, trade
- Ubiquitous use
- Licensed to act
- Visceral conservation
- Compromise, trade-offs

Source: Eduventures 2016 Summit Presentation, Your New Recruiting Class: What are They Really Thinking? Tammy Erickson
What research says about serving Gen Z
Gen Z has Different Paths in Mind

Career
- 21% EXPERIENTIAL INTERESTS
- 19% CAREER PRAGMATISTS

Experience
- 21% SOCIAL FOCUS
- 13% EXPLORATION & MEANING

Academic
- 15% CAREER THROUGH ACADEMICS
- 11% GRAD SCHOOL BOUND
Different Mindsets, Different Learning Journeys

Driver Importance at Application and Enrollment

- **Career Pragmatists**
  - Affordability: Application > Enrollment
  - Career Preparation: Application < Enrollment
  - Core Academic Experiences: Application < Enrollment
  - Social Environment: Application < Enrollment

- **Social Focus**
  - Affordability: Application < Enrollment
  - Career Preparation: Application > Enrollment
  - Core Academic Experiences: Application > Enrollment
  - Social Environment: Application > Enrollment

- **Career through Academics**
  - Affordability: Application < Enrollment
  - Career Preparation: Application < Enrollment
  - Core Academic Experiences: Application < Enrollment
  - Social Environment: Application < Enrollment
Work in Phases with Students Mindsets

Opening Conversations

Blind Spots

Opportunities for Support
As Demography Shifts, Career Orientation Likely to Increase

Student Mindsets by Access Status

<table>
<thead>
<tr>
<th>Access Status</th>
<th>Experiential Interests</th>
<th>Social Focus</th>
<th>Career through Academics</th>
<th>Career Pragmatists</th>
<th>Exploration and Meaning</th>
<th>Grad School Bound</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not access</td>
<td>17%</td>
<td>9%</td>
<td>23%</td>
<td>15%</td>
<td>18%</td>
<td>19%</td>
</tr>
<tr>
<td>One factor</td>
<td>21%</td>
<td>15%</td>
<td>20%</td>
<td>16%</td>
<td>16%</td>
<td>13%</td>
</tr>
<tr>
<td>Two factors</td>
<td>23%</td>
<td>21%</td>
<td>17%</td>
<td>18%</td>
<td>13%</td>
<td>9%</td>
</tr>
<tr>
<td>All factors</td>
<td>24%</td>
<td>28%</td>
<td>13%</td>
<td>21%</td>
<td>9%</td>
<td>6%</td>
</tr>
</tbody>
</table>

Access Factors = First-generation college; low-income; underrepresented minority
Articulating Links from Major to Career is Critical

Career Articulation of Majors
### Course Mixture Gen Z Students Expect in College

<table>
<thead>
<tr>
<th>Institution Type</th>
<th>All Courses On Campus</th>
<th>Most Course Activities On Campus, But Some Online</th>
<th>Even Mix Between On Campus and Online Courses</th>
<th>Most Course Activities Online, But Some On Campus</th>
<th>All Courses Online</th>
</tr>
</thead>
<tbody>
<tr>
<td>4-year private</td>
<td>82%</td>
<td>15%</td>
<td>3%</td>
<td>0.1%</td>
<td>0.3%</td>
</tr>
<tr>
<td>4-year out-of-state public</td>
<td>71%</td>
<td>21%</td>
<td>7%</td>
<td>0.2%</td>
<td>1%</td>
</tr>
<tr>
<td>4-year in-state public</td>
<td>67%</td>
<td>24%</td>
<td>8%</td>
<td>0.3%</td>
<td>1%</td>
</tr>
<tr>
<td>Community College</td>
<td>51%</td>
<td>25%</td>
<td>18%</td>
<td>4%</td>
<td>2%</td>
</tr>
</tbody>
</table>
Perception of Affordability Outweighs Net Cost in Final Decision

<table>
<thead>
<tr>
<th>Institutional Destination</th>
<th>Perception of Affordability : Net Cost Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>In-State Public</td>
<td>11:1</td>
</tr>
<tr>
<td>In-State Private</td>
<td>17:1</td>
</tr>
<tr>
<td>Out-of-State Public</td>
<td>2:1</td>
</tr>
<tr>
<td>Out-of-State Private</td>
<td>2:1</td>
</tr>
</tbody>
</table>
Adopt an Affordability Strategy that Takes the Long View

The 4 Questions Gen Z Asks About College Affordability

• Can I afford to choose this school right now?
• Can I afford the cost of attending over time?
• Can I afford the long-term debt?
• Will it all be worth it?
Communications Savvy is a Threshold Requirement

What communications tip the balance in the enrollment decision?

• Great web and social are the price of entry

• Poor performance hurts, strong performance doesn’t help

• Personal contact can seal the deal

Gen Z wants to be known
The Way Gen Z Knows Your Institution Matters

Brand Constructs that Tip the Enrollment Decision

**In-State Public**
- Affordable
- Fun/Exciting
- Spirit School
- Diverse

**Out-of-State Public**
- Fun/Exciting
- Career-Minded
- Affordable
- Friendly/Comfortable/Community

**In-State Private**
- High Quality/Challenging
- Friendly/Comfortable/Community
- Career-Minded
- Well-Rounded

**Out-of-State Private**
- High Quality/Challenging
- Prestige/Rigor
- Career-Minded
The Melody is More Complex

Fit for Gen Z

- Personal Pathway
- Career Articulation
- Future-Proof Affordability

- Humanizing Communications
- Technology Mediated Learning & Development
Thank you.

ANY QUESTIONS?

Kim Reid, Principal Analyst
Eduventures Research
kim.reid@nrccua.org