

Antioch College
Office of Admissions and Financial Aid
Admissions Working Group
Executive Summary
February 4, 2002

Situation Analysis:

Antioch College's revenues are significantly tuition-driven. It has the capacity to serve 800 students and has been under enrolled for the past decade. The imbalance between a program built for 800 students and the lack of enrollment and tuition-dollars to support it is a central source of fiscal imbalance for the College. In order for the college to sustain current capacity, new student enrollment must increase from its current level of just over 200 to approximately 300 new entering students.

For the past 8 years the college has struggled to grow new student enrollment to this level. While gains in new student enrollment have recently been achieved, the institution must take quick and decisive action to see the kind of rapid growth required to maintain quality and vitality at the college.

Antioch College's ability to recruit a substantially larger entering class is limited by two significant factors: pricing position and direct investment in recruitment activity. Benchmark research to our main competitors and industry standards for national private liberal arts college indicate that Antioch has not invested enough in recruiting students and is too highly priced after all financial aid discounts are considered (street price).

Action Plan:

- New student admissions will increase to 332 by FY '06. Total enrollment will increase to 836 by FY '06.
- List price will not significantly change. Street price will be reduced for non-need students and need-based students. This will be achieved by an expanded merit scholarship program and by meeting 100% of need via discounts. International students will be targeted as a new market segment with a \$15,000 scholarship.
- The recruitment operations of the college will significantly expand to annual budget of \$1.1 million. This reflects best recruitment practices in the industry.
- Cosmetic physical plant renovations will be conducted which will enhance the physical appearance.
- Market research and an audit of recruitment plans and operations will be conducted by an outside admissions and financial aid practitioner.

Pricing Strategy: Significantly Reduce Street Price to Align with Competition

TERMS DEFINED:

When considering pricing and revenue projections it is important to consider several key distinctions and definitions:

List Price:	The total of all tuition, fees, room and board as listed to the general public. This excludes books & personal expenses.
Street Price:	Actual price to a family after all institutional aid is subtracted from the list price. This is the average net revenue per student to the college.
Need-Based:	The segment of students whose families can not pay the full list price per federal aid calculations. These students receive need-based aid. Merit aid will be awarded but it will be applied towards meeting need.
Non Need-Based:	The segment of students whose family can pay the full list price per federal aid calculations. These students receive merit aid only.

LIST PRICE:

The list price for a college is a statement about the quality of a school more than an accounting of the actual costs to educate a student. Our list price should position Antioch as a quality national liberal arts college located in the Midwest. Prestige plays a significant role in higher education. We can not command a list price premium to our private liberal arts competitors because we are not in a high status/high selectivity category. I recommend a modest COLA increase of 3% to our list price. See appendix A for pricing analysis to our top competitors.

FY '03 Recommended List Price: \$27,399

STREET PRICE:

Antioch College's street price should be considered in two segments: what non need-based students pay on average and what need-based students pay on average. Financial aid discounts are the tools that private liberal arts colleges use to adjust street price to market demand.

In FY '02 our non-need students will pay on average \$24,726 to attend Antioch. Appendix A shows a comparison of published information on pricing and total grants to both need-based and non-need based students from the US News College guide web site. These published figures show the relatively high price position of Antioch compared to

our competition. Please note that these published figures do not show the final outcome of our financial aid profile at the start of the academic year, but rather shows our relative position using the same mid-year projected data. I recommend we reduce our street price for non-need students by 20%. This will be achieved by expanding our merit scholarship (CRS) to three levels of \$10,000, \$7,500 and \$5,000. Awards will be made by the quality ranking as determined by the application for admission. This will be a competitive scholarship process. Hourly service responsibilities will be adjusted for each level of scholarship.

FY '03 Recommended Average Street Price for Non-Need Students: \$20,420

In FY '02 our need-based students will provide on average \$16,900 to Antioch. This figure accounts for all institutional discounts as well as government grants. As appendix A indicates, Antioch College has a high street price position for need-based students. Antioch can not demand such a price premium and should lower our target street price for need-based students. In order to achieve this we will match the competition and meet 100% of demonstrated need for all new students. The new competitive merit scholarship program will also be awarded to need-based students and will be applied towards meeting need.

FY '03 Recommended Average Street Price for Need-Based Students: \$13,718

Currently, International students can only receive our general merit award. This price reduction has not been sufficient to actively recruit a pool of international students. It is recommended that we establish an international scholarship of \$15,000 to attract students from this new market segment. This would be a competitive merit award and determined by admissions applications review. International students would only be eligible for this scholarship and will be excluded from other merit award programs for entering students. We project modest growth in the number of international students from the current 3 per year to 10 new students by FY '06.

FY '03 Recommended Average Street Price for International Students: \$12,399

Strategy: Expand Recruitment Activities & Operations

Budget & History:

Over the past decade, Antioch College has struggled to expand the number of new students enrolling. At the same time, the College has pulled back from investing the resources necessary to make this a reality. In fiscal year 1991 the admissions staff and

operations budget was \$732,000. In fiscal year 2002 the admissions staff and operations budget is \$689,955 (a 6% decrease). Significant investments were made towards recruitment in fiscal year 2001. This included a continued direct mail search program and publication re-design. Continued expanded investments are now put on hold due to the lack of outside funding.

Antioch College has consistently funded its recruitment operations at around the \$700,000 level over the past decade and has consistently recruited around 200 students each year. Our cost/matriculant has maintained around \$3,500.

We must expand our recruitment operations to increase the number of students enrolling. This expansion should follow a pattern of \$3,500 for each additional student. To increase enrollment by 100 students will require \$350,000 of increased expenses **every year**. It will require a sustained increase in funding to the admissions area. Expanded recruitment operations must be combined with significant price reductions for Antioch to finally achieve this elusive success.

Benchmark to Peers:

Research has indicated that Antioch College's admissions office is efficient and its cost/new student falls in line with what our peer schools invest in recruitment.

	<u>Recruitment Budget</u>	<u># New Students</u>	<u>Cost/New Student</u>
Antioch:	\$700,000	200	\$3,500
Oberlin:	\$2,000,000	690	\$3,000
Hampshire:	\$1,100,000	350	\$3,100
Earlham:	\$1,200,000	330	\$3,600

Our plan for expanded recruitment draws heavily upon benchmarked data from our peer schools and best recruitment practices for national private liberal arts colleges.

Appendix B verifies that these schools represent the top competition for students.

Appendix C illustrates specific benchmarked activities and outcomes.

The plan has a goal of increasing personalized contact with students earlier in the recruitment cycle with high quality print material, electronic communication and direct person-person interaction. There are three main thrusts of the plan: direct mail search; expanded staffing for "high touch" contact; and expanded print, postage and handling operations to work with a larger pool of inquiries. Antioch's unique co-op program and the three C's are the central marketing message as well as addressing location, size, scope

of program, personal and intellectual mobility and individualized attention. Appendix D outlines a profile of the likely Antioch student and key demographics.

Below are highlights of the expansion plan:

- Sustained inquiry generation via direct mail searches. In FY '00 the college launched a substantial lead generation program with Royall & Co. a national leader in higher education search programs. The goal is to build a sizable inquiry pool of sophomores and juniors with targeted geodemographics. Appendix E outlines the past search outcomes and future plans. Antioch should invest \$87,000 per year in sustained search activity to ensure the appropriately sized and shaped inquiry pool.
- Expand staffing capabilities. College recruitment is a personal process and professional staff must provide a “high touch” level of service to students in markets all around the country. In addition, Antioch must maintain personal contacts with guidance counselors in schools, gatherings in key cities, staffing at key college fairs. We must maintain a presence on the ground in our primary geographic markets. We will expand the admissions by 4 FTE and upgrade 4 positions. In addition, we must expand financial aid staff by 1 FTE in order to serve a larger number of financial aid applications. Antioch should invest an additional \$175,000 in staffing.
- Expand operational investments to communicate with a larger inquiry pool. It makes no sense to acquire a prospective student and then never communicate with her. We must expand the resources for printing, postage, handling, travel and technology. The addition of 1 FTE in financial aid and 1 FTE for admissions operations data support will significantly enhance customer service. This would also cover ongoing web development. Antioch should invest an additional \$100,000 in operations.
- Fund ongoing market research and program evaluation. We must continuously evaluate our market position through surveys of admitted students and inquiries who have not applied. We must also evaluate tactical marketing plans and financial aid capabilities on a regular basis. The research will include the Admitted Student questionnaire through the College Board to be conducted every other year. Program evaluation will be conducted via an outside audit of an Admissions and Financial Aid practitioner currently working with a national private liberal arts college. These costs are carried within the operations area

Summary of Investments:

Staffing: \$175,00
Search: \$87,000
Operations: \$100,000

Total: \$362,000

Timeline of Resource Needs (funding agenda):

FY '02 (remaining 5 months): \$168,500
FY '03: \$300,000
FY '04: \$362,000

Product Strategy: Physical Plant Renovations

Visiting students report a high level of satisfaction with the personal attention and positive and friendly interactions with students, faculty and staff. Deferred maintenance and physical plant issues remain a disadvantage for Antioch as we match up with our competitors. While Antioch can not immediately build a new student union or library we can take some short-term cosmetic steps to improve the look of campus. The following physical plant actions are recommended for immediate attention.

- Student Union lobby, stoop and façade renovations.
- Library lobby, entrance and ceiling renovations.
- Painting and carpentry repair to Weston facade and front entrance.
- Wiring all dorm rooms.
- Signage for all buildings, campus maps.
- Displays of lab equipment in Science Building.

M.Murphy
Appendix A
Price Analysis 1/18/02
Source: US News World Report

College	List Price	Avg. Non-need Grant	Non-Need Street Price	Avg. Need-Based Grant	Need-Based Street Price	% of need met
Antioch	26,601	3,612	22,989	10,014	16,587	82%
Beloit	27,482	10,345	17,137	13,538	13,944	100%
Earlham	27,446	5,503	21,943	12,692	14,754	95%
Hampshire	33,980	2,600	31,380	16,200	17,780	100%
Oberlin	33,140	7,373	25,767	17,277	15,863	100%
Evergreen OS	16,891	4,000	12,891	3,720	13,171	77%
UC Santa Cruz IS	12,960	2,292	10,668	6,698	6,262	94%

Note: These figures represent a mid-year estimate rather than final awards.

Appendix B
Number Admitted to Antioch College
Enrolled at Other Colleges

SCHOOL NAME	STATE	NUMBER
HAMPSHIRE COLLEGE	MA	45
EARLHAM COLLEGE	IN	33
OBERLIN COLLEGE	OH	27
THE EVERGREEN STATE COLLEGE	WA	24
BELOIT COLLEGE	WI	19
WARREN WILSON COLLEGE	NC	18
NEW SCHOOL UNIVERSITY	NY	18
BENNINGTON COLLEGE	VT	17
MARLBORO COLLEGE	VT	15
UNIVERSITY OF CALIFORNIA-SANTA CRUZ	CA	14
GUILFORD COLLEGE	NC	14
CLARK UNIVERSITY	MA	10
OHIO UNIVERSITY	OH	10
SARAH LAWRENCE COLLEGE	NY	9
OHIO STATE UNIVERSITY	OH	9
LEWIS & CLARK COLLEGE OF ARTS & SCIENCES	OR	8
UNIVERSITY OF COLORADO AT BOULDER	CO	7
UNIVERSITY OF MASSACHUSETTS AT AMHERST	MA	7
SMITH COLLEGE	MA	7
NEW YORK UNIVERSITY	NY	7
KENT STATE UNIVERSITY	OH	6
NORTHLAND COLLEGE	WI	6
PITZER COLLEGE	CA	5
MILLS COLLEGE	CA	5
UNIVERSITY OF KENTUCKY	KY	5
GOUCHER COLLEGE	MD	5
COLLEGE OF THE ATLANTIC-MAINE	ME	5
UNIVERSITY OF PITTSBURGH	PA	5
UNIVERSITY OF VERMONT & STATE AGRICULTURAL	VT	5

Source: National Student Clearinghouse

Benchmark Data
Antioch College
Admissions and Financial Aid
1/21/02

Revised 1/02	Antioch	Hampshire	Earlham	Oberlin	Evergreen
Goal New Students	210	350	330	680	800
Admissions Budget	700,000	1,100,000	1,200,000	2,080,000	575,000
# Matriculants	207	350	330	690	800
Cost per Matriculant	3,382	3,100	4,100	3,000	720
Cost per Applicant	1,205	550	1,000	472	410

Total Admissions Staff	10.5	16	16	28	7
# Counselors	5	8	9	12	7

Travel Budget	48,420	70,000	90,000	143,609	50,000
Postage Budget	32,402	60,000	70,000	166,000	na
Print Budget	107,066	200,000	273,000	229,000	na
#Mailings to Inquiries	8	5	8	5	4

#Junior Search	76,354	80,000	35,000	170,000	22,000
%Junior Search Response	10%		6%	7%	na
# Sophomore Search	52,189	30,000	12,000	na	0
%Sophomore Sch. Response	16%	na	na	na	na

# Inquiries	11,068	23,000	15,000	41,000	30,000
# Applications	581	2000	1,200	4,400	1,400
Conversion Rate	5.2%	8.6%	8%	11%	5%
Yield Rate	35.0%	32%	32%	33%	na
# Visits	700	2,500	750	2,000	2,000
#visits/Applicant	1.204	1.25	0.625	0.5	1.4

Current Enrollment	650	1,150	1,123	2,900	3,800
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Antioch College
Admissions and Financial Aid
Benchmark to Peers Summaries
Appendix C
M.Murphy 12/4/02

Total Recruitment Budget:

Antioch:	\$700,000
Hampshire:	\$1,100,000
Earlham:	\$1,200,000
Oberlin:	\$2,000,000

Conclusion: Antioch is not investing enough in the recruitment process. Students looking at these other schools are receiving a higher level of attention. Our overall recruitment budget should be brought into line with our competitors who are recruiting the number of students we seek. Earlham is the closest to us in location and pricing as well as size of target class.

New Students Recruited:

Antioch:	207
Hampshire:	350
Earlham:	330
Oberlin:	680

Conclusion: Antioch spends less to recruit students and sees a smaller entering class than our peers.

Recruitment Costs per Student:

Antioch:	\$3,333
Hampshire:	\$3,142
Earlham:	\$4,100
Oberlin:	\$3,058

Conclusion: Antioch is very efficient in its recruitment operations and is spending a similar amount to our peers. For several reasons, we should be spending even more per matriculant than these schools: absence of athletic recruitment, lower prestige/selectivity, Midwestern location.

Staff Recruiters:

Antioch:	5
Hampshire:	8
Earlham:	9

Conclusion: Antioch needs to add three to four additional staff recruiters.

Total Staff:

Antioch:	10.5
Hampshire:	16
Earlham:	16

Conclusion: Antioch needs to add 5.5 additional overall staff to admissions.

Search Mailings Juniors + Sophomores:

Antioch:	128,543
Hampshire:	110,000
Earlham:	47,000

Conclusion: Antioch can now scale back its search programs but must maintain aggressive search campaigns. Hampshire is our model here. We use the same vendor as Hampshire. Ongoing search programs will step down to 70,000 juniors and sophomores. 20% of our entering class should be first contacted by search.

Conversion Mailings:

Antioch:	8
Hampshire:	5
Earlham:	8

Conclusion: Antioch has an appropriate number of conversion mailings. Re-design has allowed us to mail more for less (postcard w/emails).

On-Campus Visitors:

Antioch:	700
Earlham:	750
Hampshire:	2,500

Conclusion: While Antioch has a similar number of visitors as Earlham, we are not seeing a similar ration of visitors to applicants. We currently run an aggressive and personal visit program but need to improve the appearance of campus. We also need to expand the visit program. Hampshire visit numbers are inflated due to its location in Northampton and the 5 colleges.

Travel Budget:

Antioch:	\$48,420
Hampshire:	\$70,000
Earlham:	\$90,000

Conclusion: All three of us have a national market. Earlham is the closest to us in distribution with only 20% in state. Our travel budget should be in line with Earlham and more extensive staff work is needed in our primary markets through travel. We can not work a national market while keeping our recruitment staff in Yellow Springs.

Conversion Rates (inquiries to applicants):

Antioch:	5.2%
Hampshire:	8.6%
Earlham:	8%

Conclusion: Antioch's conversion rate is significantly lower than our competition. This points to the need for an even more aggressive recruitment operation. We have demonstrated our ability to generate inquiries through search programming and now we must take steps to increase conversion rates. Communicating our new pricing and merit award options will have an impact on conversion.

Yield Rates (Admitted to Matriculants)

Antioch:	35%
Hampshire:	32%
Earlham:	32%
Oberlin:	33%

Conclusion: Antioch has the highest yield rate of all of our peer set. While this is an important measure of efficiency and competitiveness, we should expect this yield rate to drop as we improve our conversion rates and have a higher number of applicants. Our target yield rate should be at the 30% – 33% range.

Appendix D
Profile of Prospective Antioch College Students
2/4/02 M. Murphy

Age Range: 15 – 27

Likely Place of Residence: Urban Areas, Suburbs close to city, College Towns.

Ohio: Cleveland, Columbus, Cincy, Toledo

Michigan: Ann Arbor, Detroit Suburbs

New York: Manhattan, Brooklyn, Queens

California: Bay Area, LA

DC: Metro region including VA, MD and district

Mass: Boston, Western Mass.

Academics: 3.2 Average GPA. 1140 SAT, “B” Students. 80% are in high school.
Highly articulate, good writing skills.

Community: Very engaged in community service activities in H.S. Idealists.

Athletics; May be involved in athletics in HS but not a high priority in college.

Travel: Likely to have traveled or lived abroad. Likely to have traveled or lived in different parts of the US.

Other: Likely to be adventurous. Likely to be sceptical and independent minded. Interested in travel and mobility. Likely to take a year off before starting college. Not interested in greek or fraternal life. Not interested in going to the same college as others from their high school. A creative person with many different outlets for creativity: music, writing, performance, etc. Sense of humor. Likely to have stood out from the crowd in high school. Interested in other cultures.

Other Schools: Has visited and will apply to Earlham, Hampshire, Antioch, Ohio State and Evergreen State.

Family: Both parents college educated. Earn \$60,000 per year. Very worried about financing college. Want a school that is as unique as their child.

Appendix E
Search Outcomes & Plans
2/4/02

Search Results: Juniors

<u>Entering Class Year</u>	<u># Mailed</u>	<u># Responding</u>	<u>% Respond</u>
2001	82,416	7,972	9.7%
2002	76,354	6,345	8.3%

Search Results: Sophomores

<u>Entering Class Year</u>	<u># Mailed</u>	<u># Responding</u>	<u>% Respond</u>
2002	29,075	4,610	15.9%
2003	52,189	7,731	14.8%

Matriculants & Return on Investment:

New Students Fall 2001 from search: 8
Average Revenue to Antioch: \$17,000
Total revenue to Antioch: \$136,000 in frosh year.

Search costs in FY '01: \$150,000
Breakeven point: 9 students.

Future search program annual costs: \$87,000
Breakeven point: 5 new students each year.

List buy parameters: Targets

Location: Ohio, Bay Area, NYC, Michigan, Chicago metro, Mass, DC region
Interest: Students of color, international relations, creative writing, film.
Suppress: Request athletic programs, greek life, conservative campus, engineering.
GPA Range: 3.0 +
Test Score Range: All scores.
Source: PSAT, ACT, NRCCUA.