

FINAL PROJECT REPORT

TEAM 4

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ITEC 660: Business Intelligence - Summer 2019

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Executive Summary

Our objective is to look at the current marketing tactics utilized by American University and see how exactly they compare to each other in terms of the number of applications submitted for online graduate programs. We believe that (1) effective marketing will correlate with a higher rate of applications submitted and (2) applications submitted is an accurate measure of the effective reach of the marketing campaign. We focus on the efficiency of online marketing compared to traditional marketing and whether or not online marketing is worth investing more money.

The dashboard developed from our analysis highlights the inefficacy of the various online marketing campaigns. While an increase in spending did generate higher leads and applications submitted, certain online marketing tactics fell short when compared to other methods with no associated costs, such as Web and Direct Apply. Further research should be conducted to investigate why this is the case. Other key findings include:

- A negative correlation exists between the amount of money spent on a lead type and the respective submission rate of that lead type.
- States like New York, Texas, Florida, and California account for disproportionate amounts of submissions compared to other states.
- The most common age range for prospective students is between 25 and 35 years old.

Our recommendation is to have better allocation of resources, for example cutting spending on Paid Search and certain Paid Social categories. In addition, better targeted investment in some online marketing channels, such as Display Media and Email, would be beneficial for the University. This investment should take the form of a financial increase in specific lead source types, and subsequently more persistent communication with leads by improving engagement with prospective students to encourage them to submit applications.

Business Case

Our objective is to evaluate if the current online marketing efforts are efficiently producing more students for American University's online graduate programs. Modern marketing tactics have become increasingly important for organizations which strive to establish their presence in the industry that they compete. Digital marketing platforms are beneficial in reaching out to a large market, thereby communicating and engaging with the ideal target audience. This analysis will assist the administration in better understanding the trends and returns from the various online marketing campaigns.

Dashboard Overview and Insights

Please see Exhibit 1 in the Appendix for a copy of the final dashboard. Our main focus is on submitted applications because it suggests the marketing campaign is reaching leads in a more efficient and meaningful way. Submitted applications indicate more serious interest and a deeper commitment to the program than leads. Furthermore, accepted applications and enrolled students do not explicitly demonstrate the efficiency of the marketing outreach since they include actions taken by the University post-campaign. A submitted application suggests that the marketing campaign both reached the lead, and intrigued the lead to a high degree. We anticipate that efficiently garnering submissions is beneficial to the University, and demonstrative of a successful marketing campaign.

We start with the Broad Lead Categories Statistics graph (Exhibit 2), which provides a summary of each of the marketing categories and the respective percentages through each step of the admission funnel. The number of students declines at each stage as we move along the process, which is usually the case. Direct Apply has the highest percentage of leads converted in each stage of the admission funnel; 48% of leads under this category started an application. Webinar, Web, Paid Search, & Email have about 13% of leads that initiated an application. However, Webinars are more effective in converting prospects through the other stages of the admission process to final enrollment.

To visualize the relationship between lead costs and the related number of submitted applications, a dual-axis chart is created (Exhibit 3). As seen with the broad lead categories, Email and Display, higher spending did correspond to more applications submitted in the early years of the online marketing efforts in 2013-2014. Our analysis shows, however, that Direct Apply and Web have no associated marketing costs, yet resulted in higher numbers of applications submitted. Furthermore, total online marketing spend seems to have declined over the years.

This dual-axis chart (Exhibit 3) is interactive and allows the user flexibility to choose between various measures; Leads, Started Apps, Submitted Apps, Completed Apps, Admitted Students,

and Enrolled Students. Based on the interested metric, the information can easily update to display the relevant numbers for each respective stage of the admissions funnel. This filter is also dynamically linked to the other two graphs at the bottom right that shows demographic statistics regarding age and location for the selected metric. In addition, the map also acts as a secondary filter if the user is interested in further analyzing the data by state.

In order to understand the relationship between the cost for submitted applications and the average percentage of the applications submitted, a scatterplot is created (Exhibit 4), with points representing all marketing lead sources. The graph shows a negative correlation, indicating that increased spending on various online marketing tactics results in low submitted applications. Conversely, a positive correlation would signify effective outreach and efficient use of resources. Direct Apply, which incurs absolutely no cost, has the highest percentage of applications submitted with about 12%. On the other hand, online marketing schemes such as Facebook and GoogleSEM cost more than \$5K per application but has low submission percentages.

As previously mentioned, at the bottom of the dashboard is two summary graphs. The United States map (Exhibit 5) has each state shaded by the percentage of submissions which came from each state. Darker states demonstrate a higher percentage of submissions than lighter states. Virginia, New York, Texas, and California are noticeably darker than many of the other states. It may be useful to conduct further research into why those states represent such a high percent of all submissions. Some useful follow up questions may be: *Does the percentage of submissions by state mirror the percentage of leads? What is causing us to have such small percentages in so many states?*

Lastly, we break down submissions into age ranges (Exhibit 6). Of the five age ranges, this histogram demonstrates that most submissions come from 25 to 35-year-olds. This information was not surprising, though it should beg the question: *Why is this demographic so dominant over the others?* Further research should be undertaken to understand how we can more efficiently market our offerings to other age ranges.

Recommendations

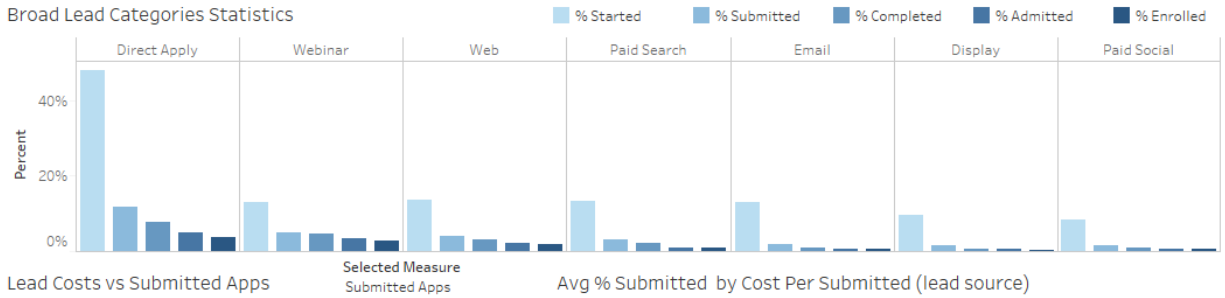
Following are recommendations for American University's leadership:

1. Better allocation of resources such as cutting spending on Paid Search and certain Paid Social, in particular Facebook, since these tactics are not as efficient. For the marketing campaigns under Display Media, it is advised to cut the spending on the lead sources generating low average submission (1%) associated with high costs (\$5K and above), e.g., USNews and WorldPoliticsBanner.
2. Higher ad frequency in certain Display Media sources targeting people ranging between 25-35 years of age as this age group is most interested in pursuing graduate programs. It is in the best interest of the University marketing department to promote via sources which generate a high submission rate (>8%) with minimal costs (\$1K or less) such as npcbsite, FoundationcenterRFDNewsletters, and SisterCities SchoolSite.
3. The marketing campaigns spend a significant amount of money on GoogleSEM, Email, and Paid Social, generating a relatively large number of leads, yet very few are converted to submissions. It is important to reduce funds for these lead categories or make changes to get more out of these tactics such as, sharing success stories to better utilize these outlets. For these channels, note that these categories provide less submissions than Web and Direct Apply. It is necessary to make them aware of future benefits to encourage them to submit an application thereby moving them further along the admission funnel.

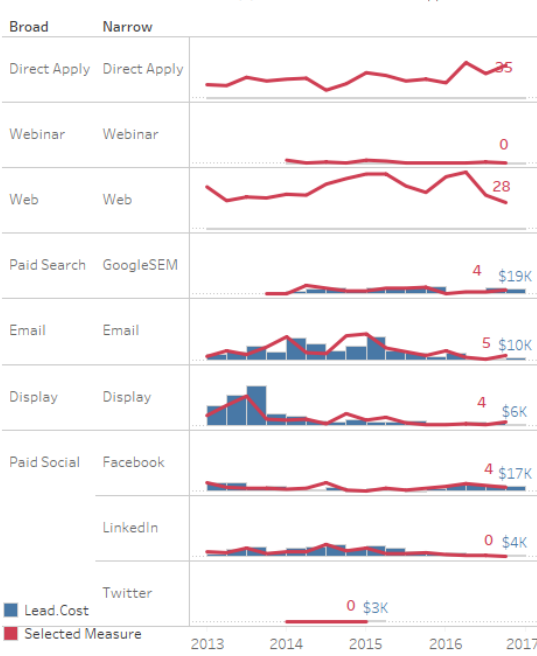
Appendix

Exhibit 1: Final Dashboard

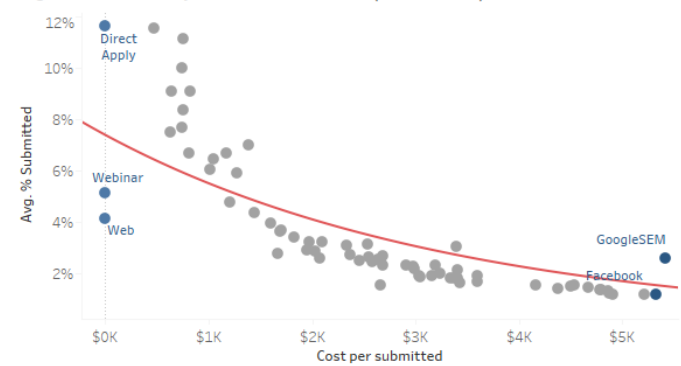
Broad Lead Categories Statistics



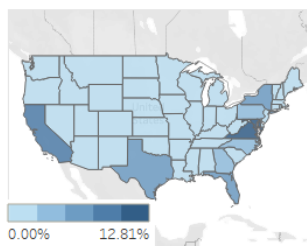
Lead Costs vs Submitted Apps



Avg % Submitted by Cost Per Submitted (lead source)



% Submitted Apps by State



Submitted Apps by Age Group

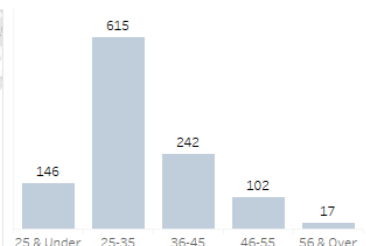


Exhibit 2

Broad Lead Categories Statistics

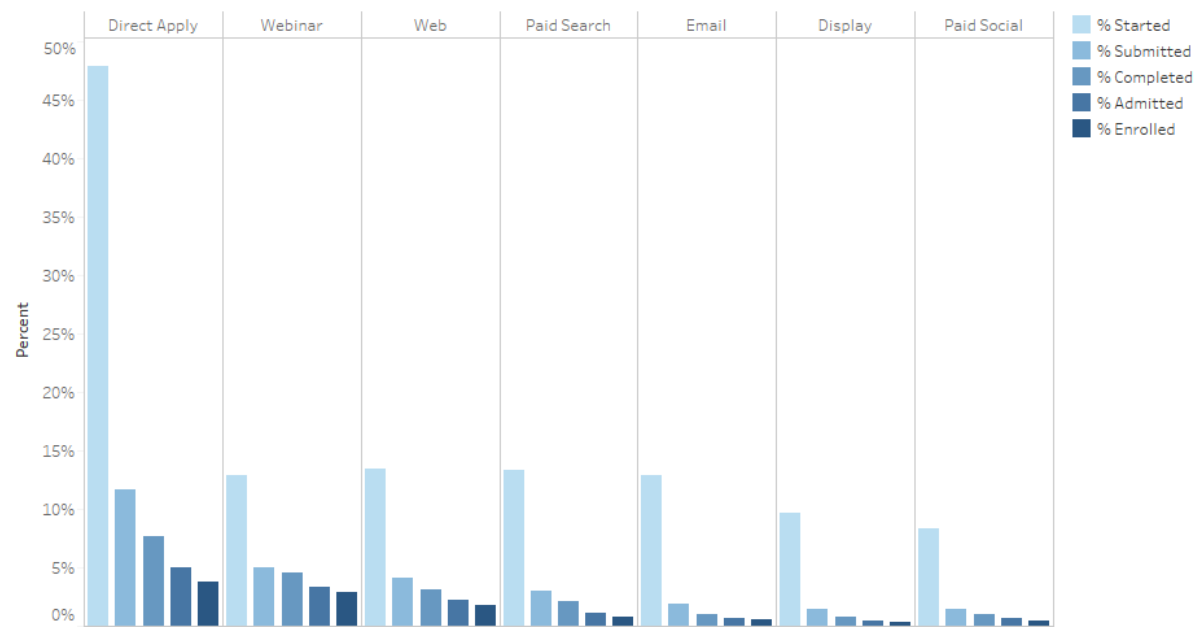


Exhibit 3

Lead Costs vs Submitted Apps

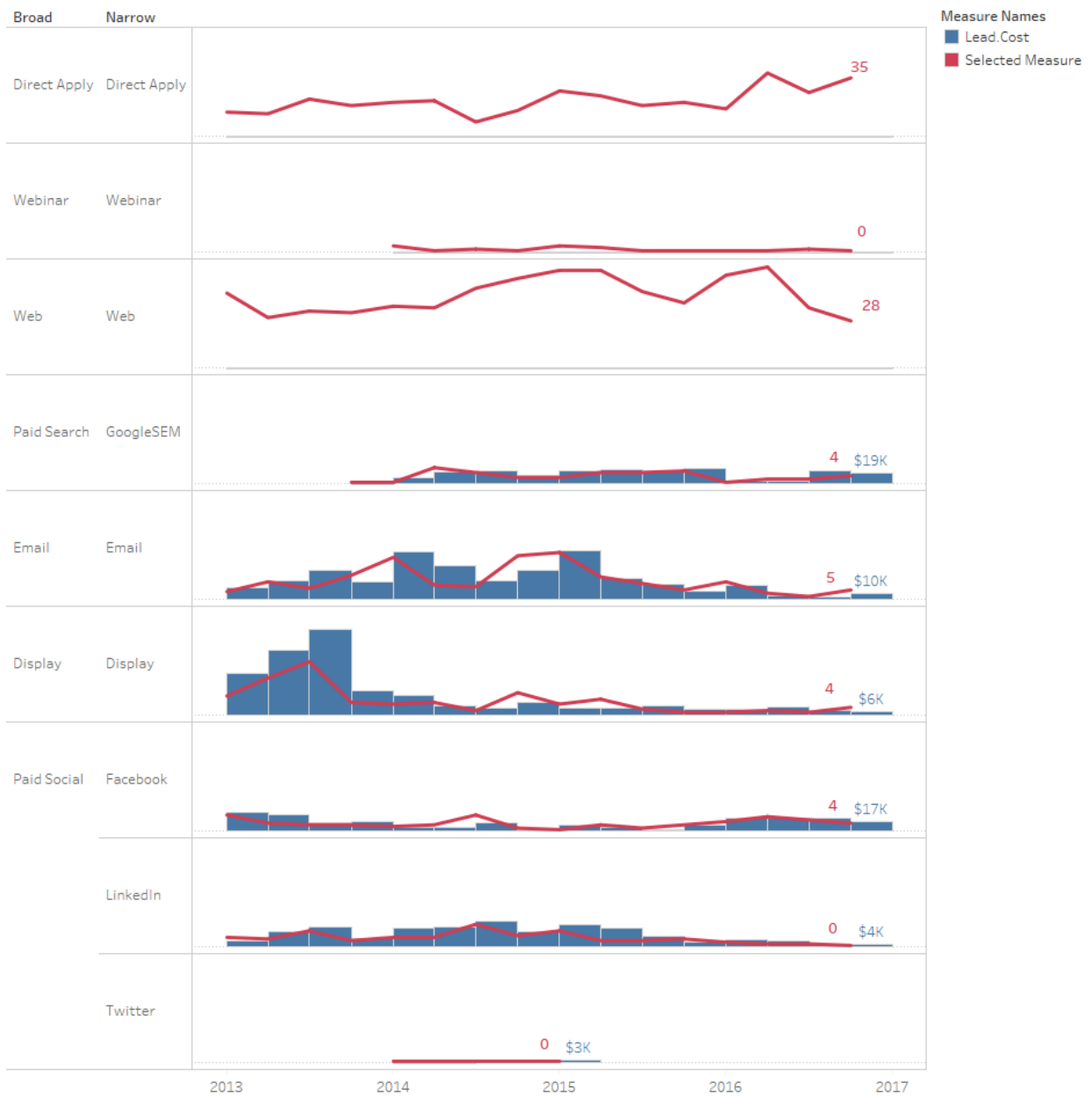


Exhibit 4

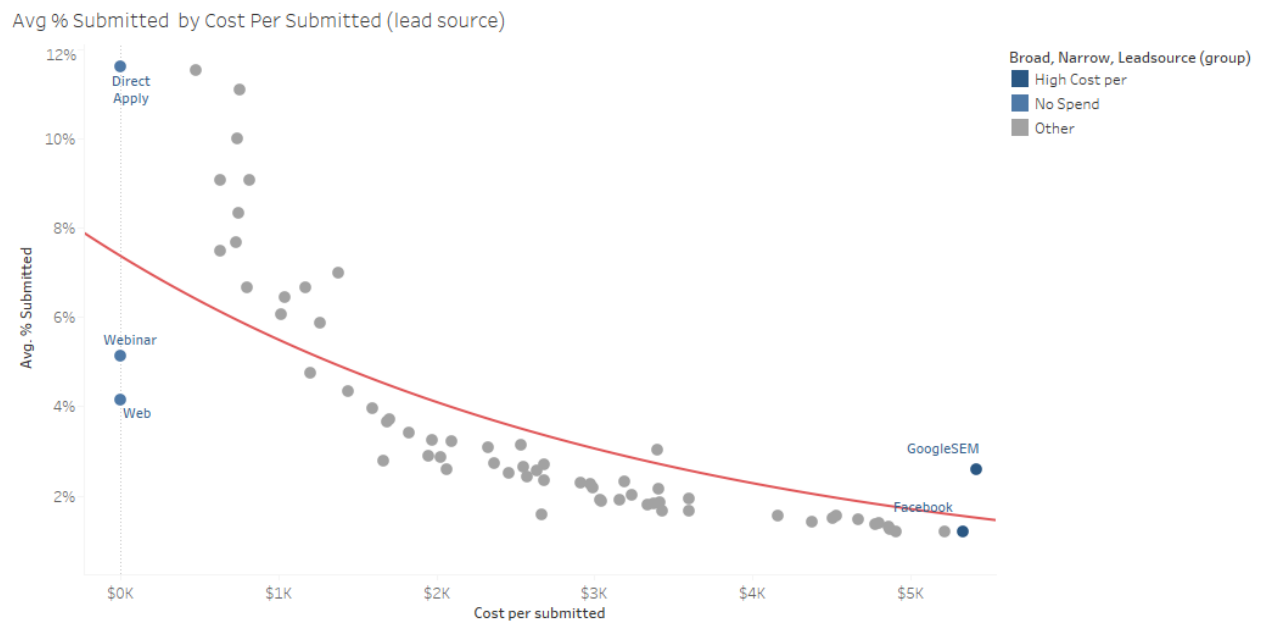


Exhibit 5

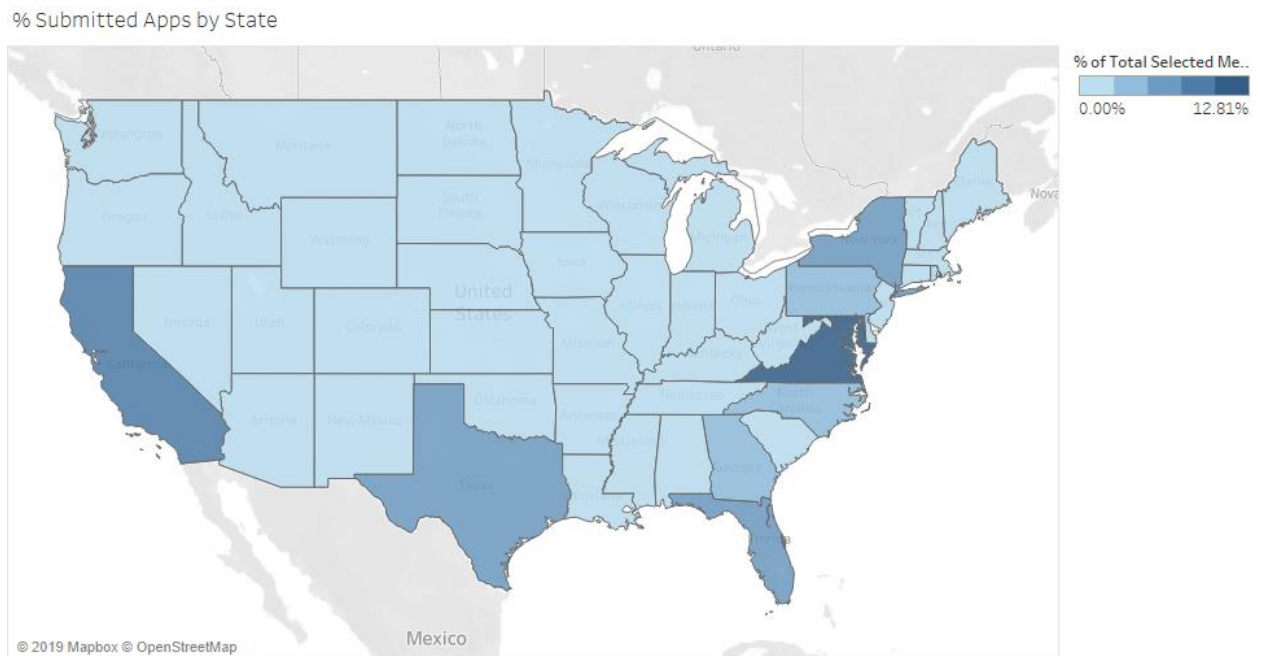


Exhibit 6

Submitted Apps by Age Group

