



OUA Marketplace Performance Report



June 2022

Introduction

Softening demand and high employment in 2022 are creating new challenges for the Australian higher education sector following recent growth in domestic and online study.

Open Universities Australia has unique insight into the rapidly shifting dynamics of this valuable market through our national online marketplace and thanks to partnerships with 25 universities around the country.

In our first Marketplace Performance Report, we offer insight into traffic and interest based on data from almost 800,000 prospective students nationally who benefit from the increased choice of the marketplace.

In this report you'll learn:

- How different fields of study perform on the OUA marketplace
- Online traffic and interest benchmarks for the highest performing universities in key areas of study
- What OUA's strong national online marketplace and brand can offer partner institutions
- How changing market dynamics are affecting online enrolments

Data in this report is sourced directly from the 2021 marketplace dataset, which brings together thousands of student interactions and touchpoints; a survey of more than 2000 respondents about their views on online education; and category insights from our trusted third-party partners. While this report offers a national perspective, future editions will explore state-based and enrolment data sets.

Read on to learn how you can benchmark your university.

The market

Online remains an opportunity as tertiary enrolments tighten

Before diving into the OUA Marketplace datasets, there is value in understanding the wider context of the sector. Higher education has experienced strong domestic student enrolment levels over the past 2 years. However, many of our partners are reporting that they are experiencing a softening in demand locally in the early stages of 2022, which aligns to industry indicators and OUA's own benchmarks.

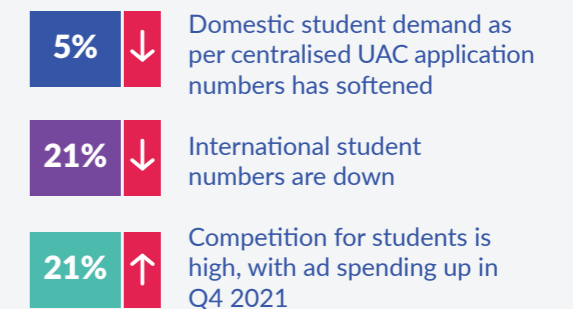
Direct applications to NSW's Universities Admissions Centre (UAC), Australia's biggest tertiary admissions clearing house, fell five per cent over the summer months, indicating that domestic appetite for higher education has returned almost to pre-pandemic levels, with demand falling further in other areas. In Victoria, non-year 12 applications are down by 15 per cent, followed by 13 per cent in Queensland.

According to Times Higher Education (2022), several factors are being highlighted as causes of reduced higher education admissions, including high employment, the return of international travel – which is expected to see the number of prospective students taking gap years rise, a fall in the total number of international students in Australia at the time of this report, and perceptions of poor digital delivery which has deterred some students who expect further forced online-only study.¹

Additionally, the recent increase in popularity and access to high quality, highly targeted short courses or microcredentials has seen some traditional undergraduate and postgraduate students bypass a formal degree in lieu of upskilling and getting into the workforce almost straight out of school. In some digital and IT related fields, this is particularly prevalent, especially as leading businesses are increasingly recognising more targeted, bite sized qualifications.

Funding changes that came into effect in 2020 saw the cost of some degrees double overnight, which has also had an impact in some fields.

A tougher market in 2022



¹<https://www.timeshighereducation.com/news/more-signs-domestic-demand-shrinking-australia>

²<https://www.afr.com/work-and-careers/education/heated-jobs-market-slows-demand-for-education-training-20220405-p5aaxn>

³<https://www.abc.net.au/news/2020-10-08/university-changes-pass-parliament-for-more-expensive-degrees/12743916>

Education is down somewhat but it's still robust if you're presenting the right options.



DAVID CUMMINGS

OPEN UNIVERSITIES AUSTRALIA DIRECTOR, PORTFOLIO GROWTH AND INNOVATION

High employment sees demand for higher education shrink

High employment is dampening demand for university courses, with unemployment falling to 4 per cent¹ – a level not seen since 2008.

Workers typically opt for paid employment in a hot labour market rather than acquiring new qualifications.

In addition, a \$28,000 a year subsidy paid to employers for each first-year apprentice has seen apprenticeships jump 84 per cent.

In an Australian Financial Review article, Kim Piano, UAC General Manager for Marketing and Engagement states "There's a consistent trend showing reduced demand for study when employment prospects are high."

Digital education remains an area of opportunity

While the tertiary education market is expected to be tougher across the board, digital delivery remains an area of opportunity.

COVID accelerated the adoption of online education that was already underway, essentially condensing five to 10 years of digital transformation into one and integrating online into the fabric of higher education courses.

2021 was something of a watershed year for higher education, where the boundaries between online and on-campus education were blurred.

OUA Director, Portfolio Growth and Innovation, David Cummings, says while the higher education market is challenging, there is opportunity in the market for courses that meet the needs and study expectations of specific student audiences.

"Education is down somewhat but it's still robust if you're presenting the right options," he says. "Online, blended online and on-campus experiences, and diverse forms of study such as short courses are a real opportunity for institutions looking to maximise revenue."

High employments mean lower enrolments

4% ↓ Unemployment has fallen to a 14-year low

84% ↑ New apprentice numbers rose sharply

15% ↓ Non year-12 UAC applications are down 15% in Victoria

4% ↓ Non year-12 UAC applications are down 13% in Queensland

The online marketplace

OUA supporting the national online education market

As the leading national online higher education marketplace for Australia, we see first-hand the challenges many are facing. With increased advertising spending reflecting increased competition for enrolments, universities are seeking to fill the gaps in student admission numbers. Many of who are seeing OUA's marketplace as an opportunity to provide a complementary source for potential enrolments.

OUA rank as the No.1 brand associated with online learning making it a strong supplementary marketing channel for universities looking to reach undecided students or those still exploring their online study options.

A look at the top factors students consider when deciding where to look for online university courses reveals the strength of the marketplace in the decision-making process.

Flexibility, choice, online delivery, the ability to study at your own pace, and ease of use matter most to prospective students. Our survey data shows OUA ranked as the best performer in 4 out of 5 of these categories.

Our online marketplace was established to offer students an objective and user-friendly way find the program that is best for them. Supporting the online marketplace, our student advisory offers impartial advice and guidance to help students find, choose and enrol.

OUA - a leading national brand

#1



Brand associated with online learning

#1



Destination for searching & comparing study options



National brand awareness, 365 days a year

December 2021, "Open Universities Australia Brand Health Tracker", Flood & Partners (commissioned research).

¹<https://www.afr.com/work-and-careers/education/heated-jobs-market-slows-demand-for-education-training-20220405-p5aaxn>
²<https://www.timeshighereducation.com/news/more-signs-domestic-demand-shrinking-australia>

OUA...not only provided access to a market we otherwise couldn't get but our own enrolments have grown by around 9 per cent.



PROFESSOR TODD WALKER

OUA's marketplace is also growing. The number of institutions partnering with OUA has grown by 24 per cent, contributing to a further 286 programs listed on the marketplace last year. And with market challenges emerging in 2022, we are already seeing many additional universities looking to join the OUA Marketplace. This will further increase choice for prospective learners and enhance the ability for partner universities to convert on increased student demand.

OUA brand awareness continues to strengthen year on year, a benefit which extends to all institutions with a presence on the OUA marketplace.


How online marketplaces support enrolments, innovation and diversity

The benefits of working with a strong online marketplace go much further than an increased opportunity to be discovered by prospective students.

In the case of OUA's not-for-profit marketplace, the benefits include investment in course innovation, marketing support and the ability to help university partners attract incremental enrolments from students from a range of backgrounds and geographic locations.

OUA offers unbundled and single-unit study options that enable partners to get their offering to market faster, which can then provide a

Continuous growth on our national platform

 **600+**
Programs

 **25**
Universities

pathway into a degree. OUA's unique focus on delivering access to higher education through individual unit study via FEE-HELP enables more students to access further study.

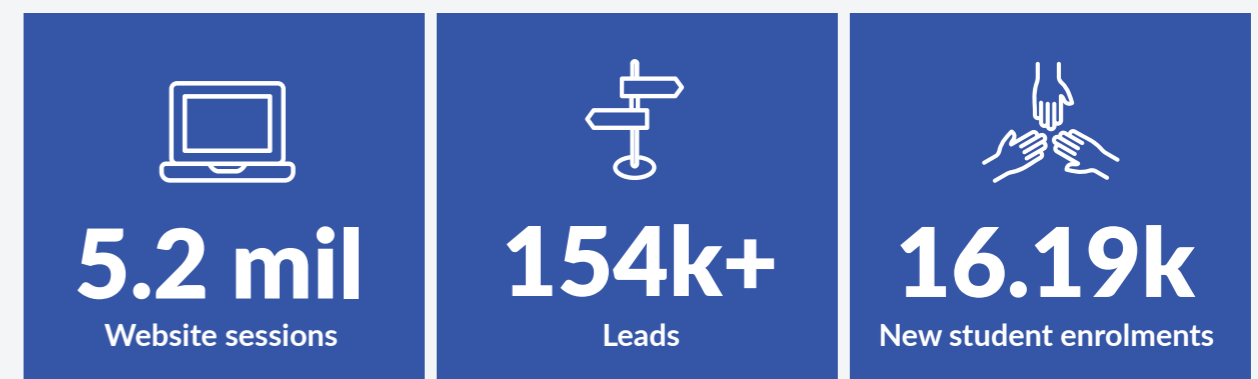
When the University of New England (UNE) saw enrolments in their law program plateau, they turned to OUA. Drawing on the insights provided by OUA's Partner Team, UNE uncovered a gap in the marketplace, which they promptly filled with a new course offering.

As a result, UNE received a significant number of OUA student enrolments and witnessed an increase in their direct enrolments.

"OUA...not only provided access to a market we otherwise couldn't get but our own enrolments have grown by around 9 per cent."

— Professor Todd Walker.

OUA marketing support — Jan-Dec 2021

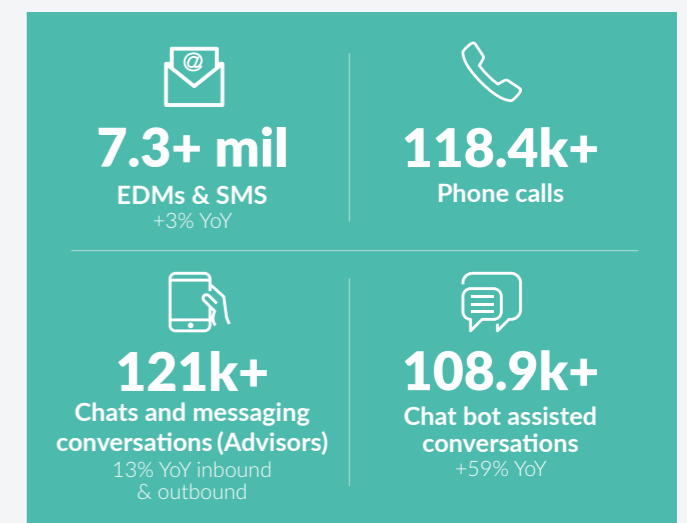


OUA's significant marketing activity amplifies the reach of our partner university brands, reaching 9.3 million Australians on TV, 10.3 million on radio, 28 million video views, and generating more than 68 million impressions on social channels. The OUA website itself attracts 5.2 million website sessions a year and generates more than 154,000 leads.

OUA supports its partners when it comes to online innovation. For example, OUA invested \$300,000 to help one university partner put an education degree online more than a decade ago. An investment that has since returned more than \$100 million. OUA recently co-funded the same institution to launch only the second online Bachelor and Masters of Architecture in the world.

With government funding available to develop microcredentials with industries, this is also an area in which OUA is expected to expand, with development funds available to invest in the partner universities that meet the right criteria.

December 2021, *Open Universities Australia Brand Health Tracker, Flood & Partners (commissioned research).
**2021, Education Category Spend, QX Nielsen



Marketplace performance insight

Exploring student demand and interest in Broad Fields of Education

Close to 800,000 prospective students frequent OUA's national online marketplace annually, generating interest across major fields of study online, including:

- Society and Culture
- Health
- Creative Arts
- Management and Commerce
- Education
- Natural and Physical Sciences
- Architecture and Building
- Engineering and Related Technologies
- Information Technology
- Agriculture, Environmental and Related Studies

A look at the traffic (visitors) to OUA reveals the most popular field of study online for students, Society and Culture, generates 37 per cent of traffic, Management and Commerce follows at 15 per cent, while Education is third (12 per cent).

In general, the share of interest* (interactions) generated in each field of study on the OUA marketplace reflects its share of traffic.

Some fields, such as Education, attract a much higher proportion of interest (18 per cent) than traffic (12 per cent), indicating the propensity of this audience to interact with the right study offering. Partners may benefit by increasing the range of study options they offer in this field, catering to the specific requirements of visitors that have shown themselves ready to take action.

In other fields such as Natural and Physical Sciences, the share of interest generated does not match the overall share of traffic captured. This suggests there may be unmet demand, and opportunities for partners to offer programs not currently on the marketplace.

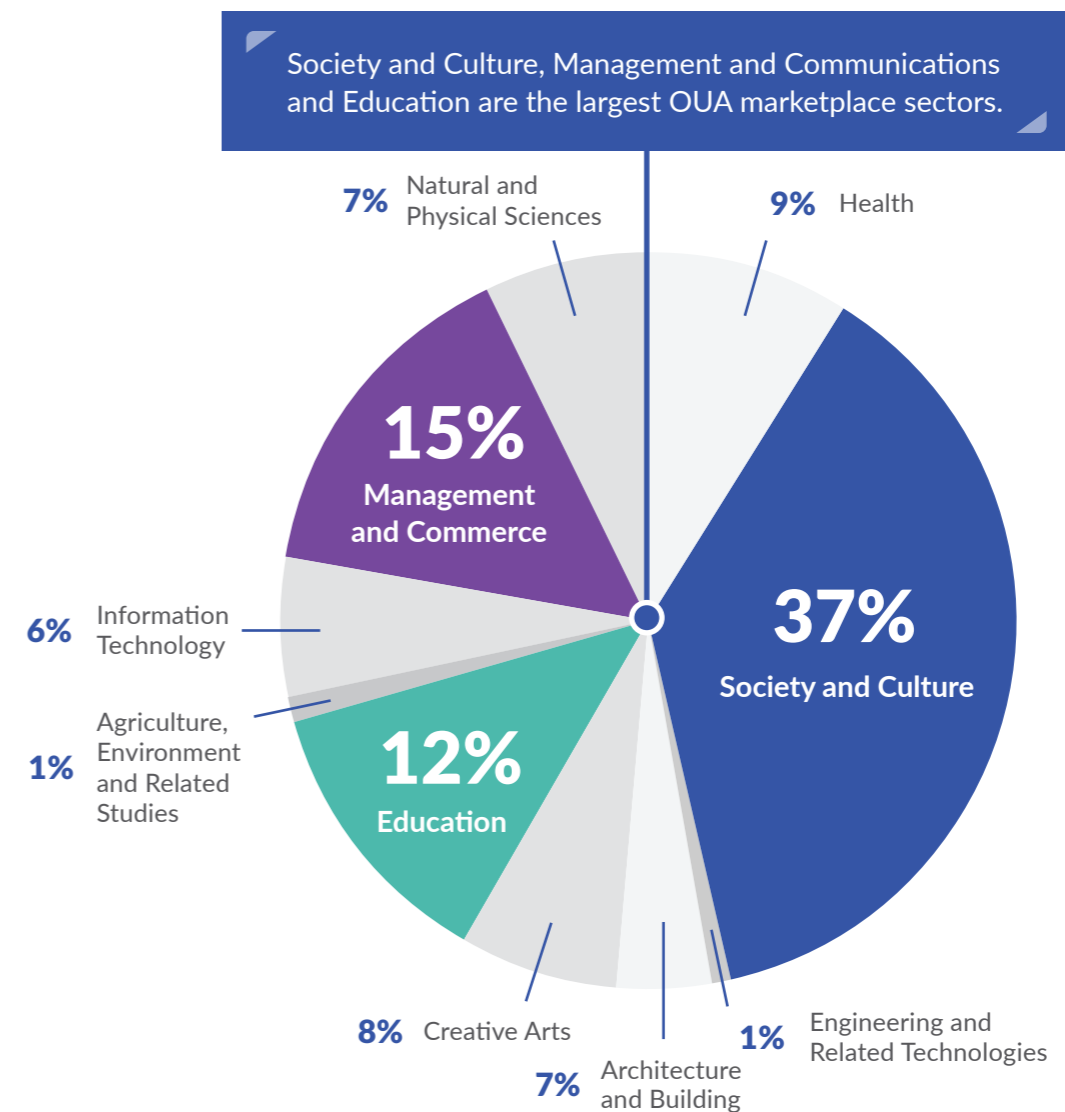
Also of note, some fields such as Information Technology, generate a large proportion of interest compared to the small number of programs and partners on our marketplace.

A low level of competition in these fields, and high interest from prospective students offers opportunities for universities to bring more programs onto the OUA marketplace.

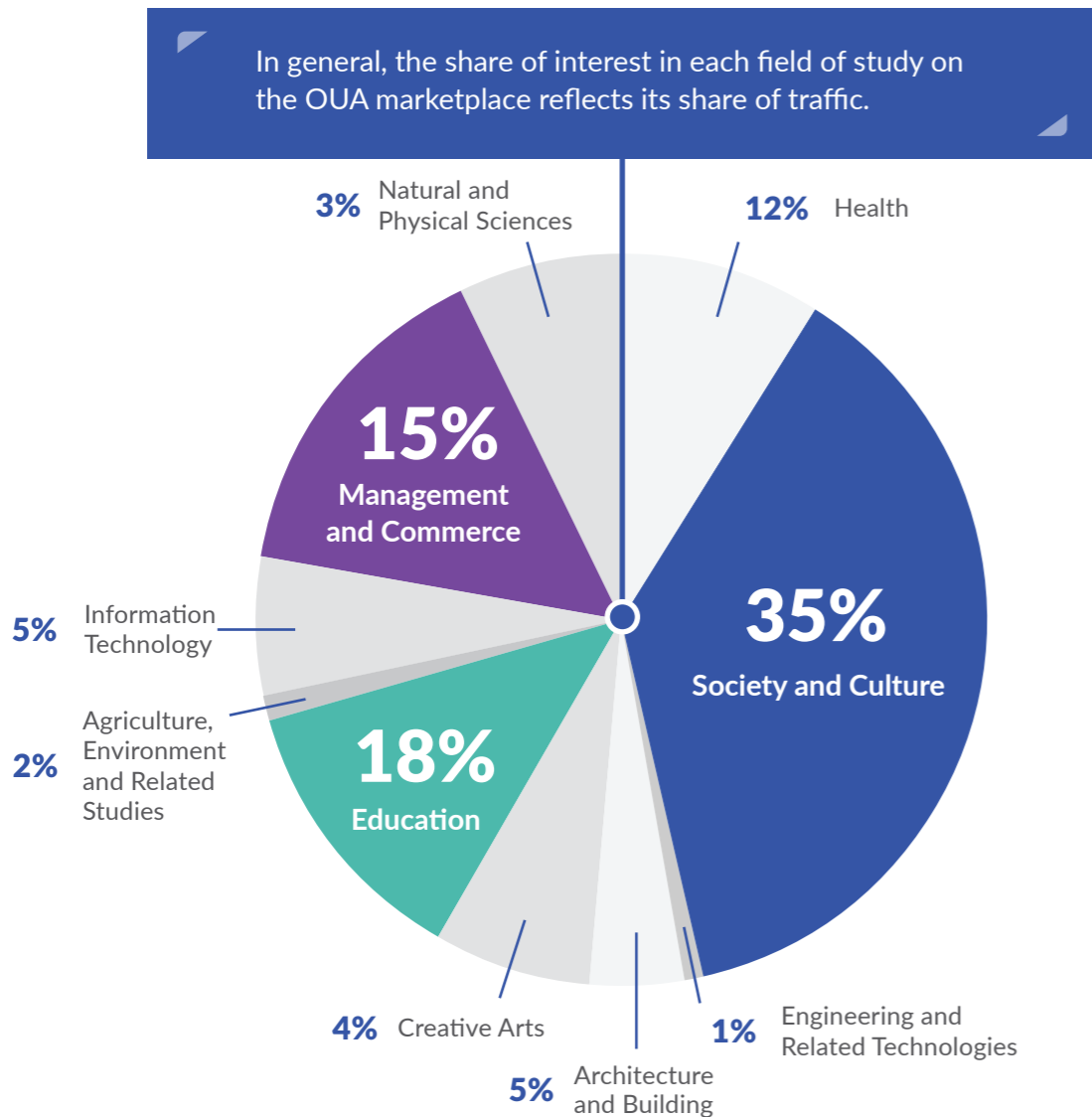
*Student Interest is defined as any record of interest created or interaction taken by or on behalf of a marketplace visitor e.g., lead capture, HMC (Help Me Choose**), course guide download, registration etc.
 ** Supported by OUA algorithm, Help Me Choose is a series of questions to help students find the right course for them



Total traffic split by broad field of study



Total interest split by broad field of study



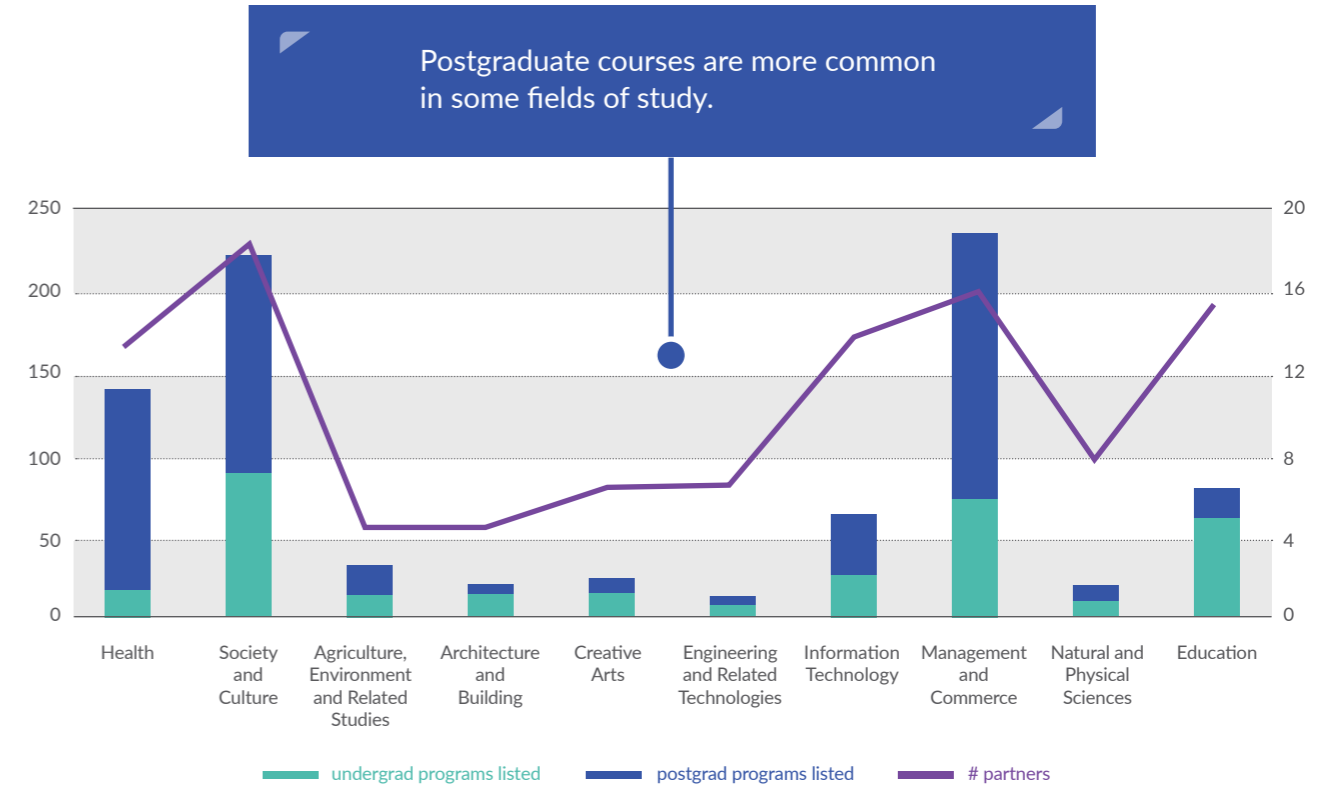
The distribution of traffic and interest within each field of study is often determined by the number of partners and programs. In fields where there are fewer partner universities and programs,

the leading three often attract a larger proportion of traffic and interest.

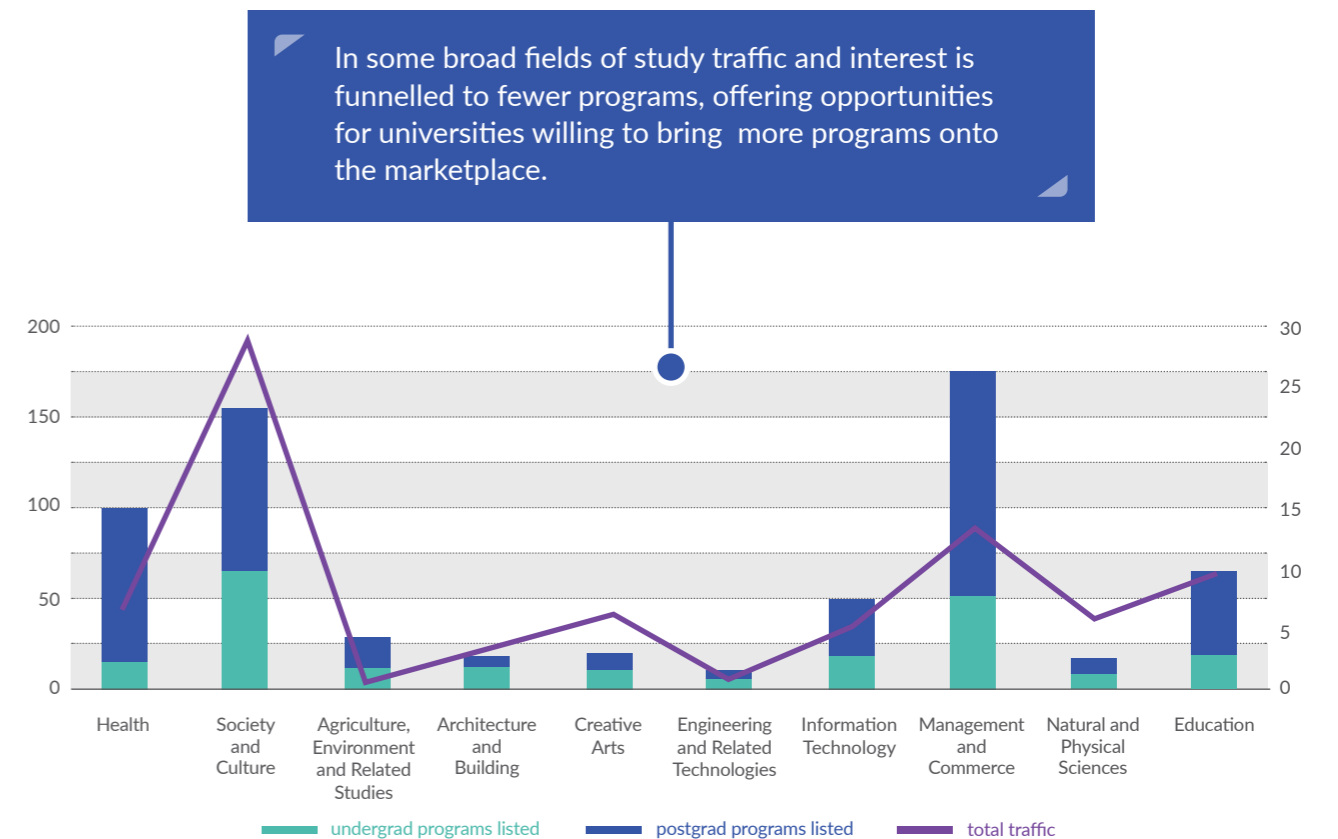
Is there opportunity for your institution to harness student demand on the marketplace?

Where there are fewer partner universities, the leading three attract a relatively large proportion of traffic and interest.

Total number of programs and partners split by broad field of study



Total number of programs and traffic by broad field of study



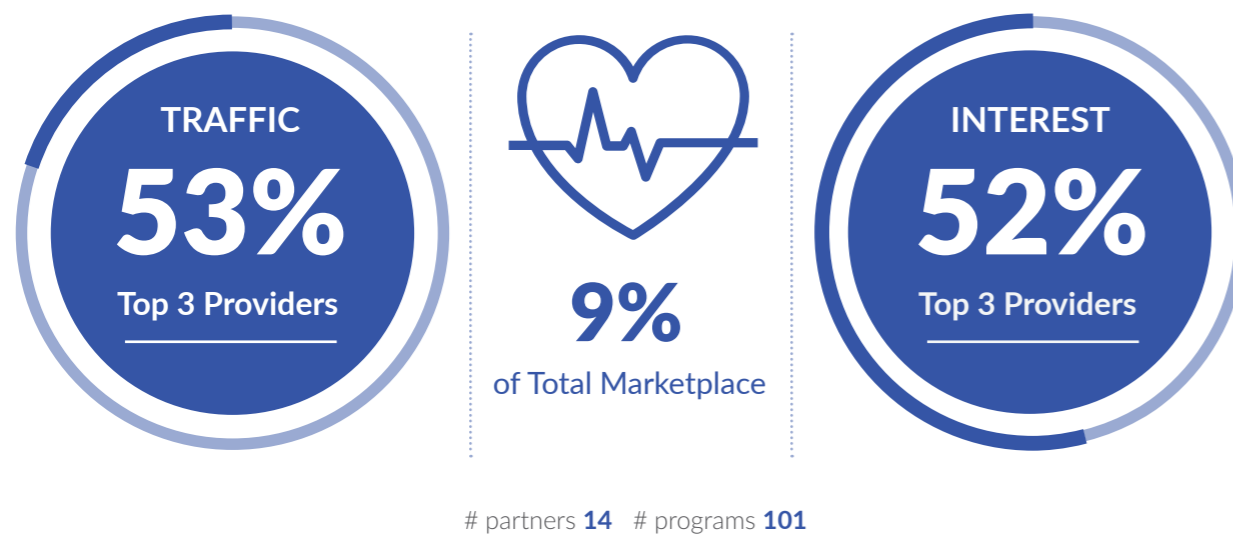
There are opportunities for partner universities looking to maximise traffic and interest across all fields of study on the marketplace.

Top provider within each BFOE

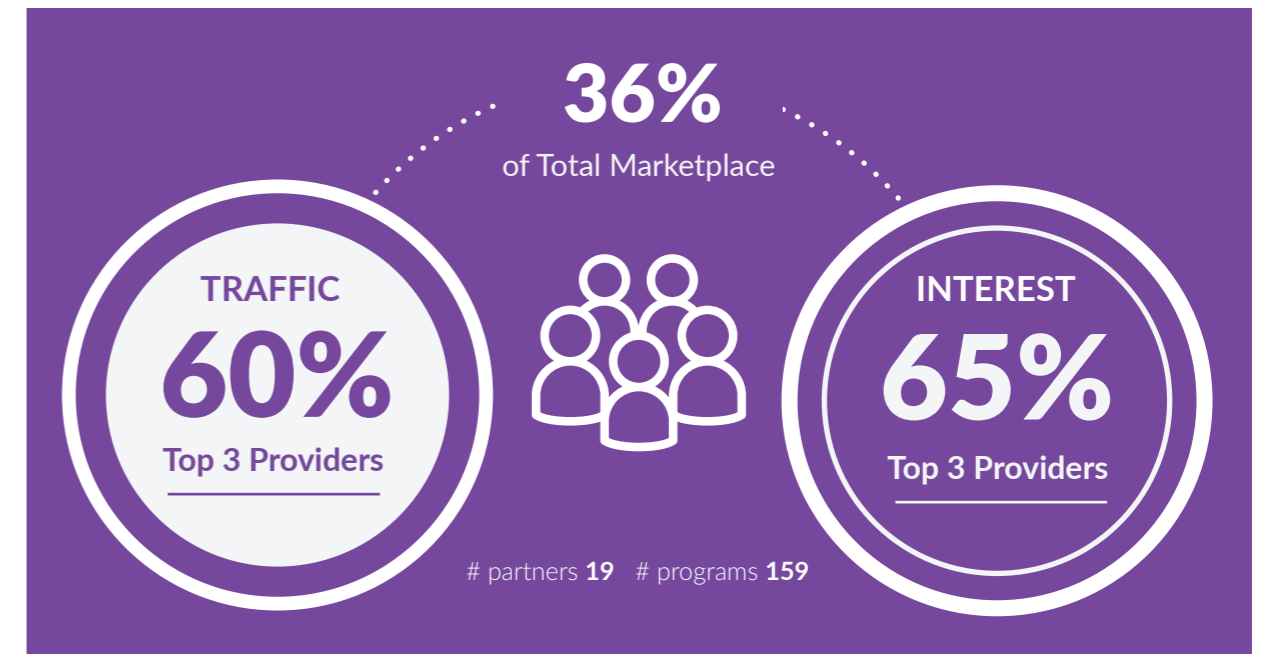
Health, the third most competitive field on the marketplace, attracts a greater proportion of total interest (11.82 per cent) compared to overall share of traffic (9.05 per cent). It is also one of the more diverse fields due to the breadth of programs listed.

The best performing partners are often those with more courses listed.

Health



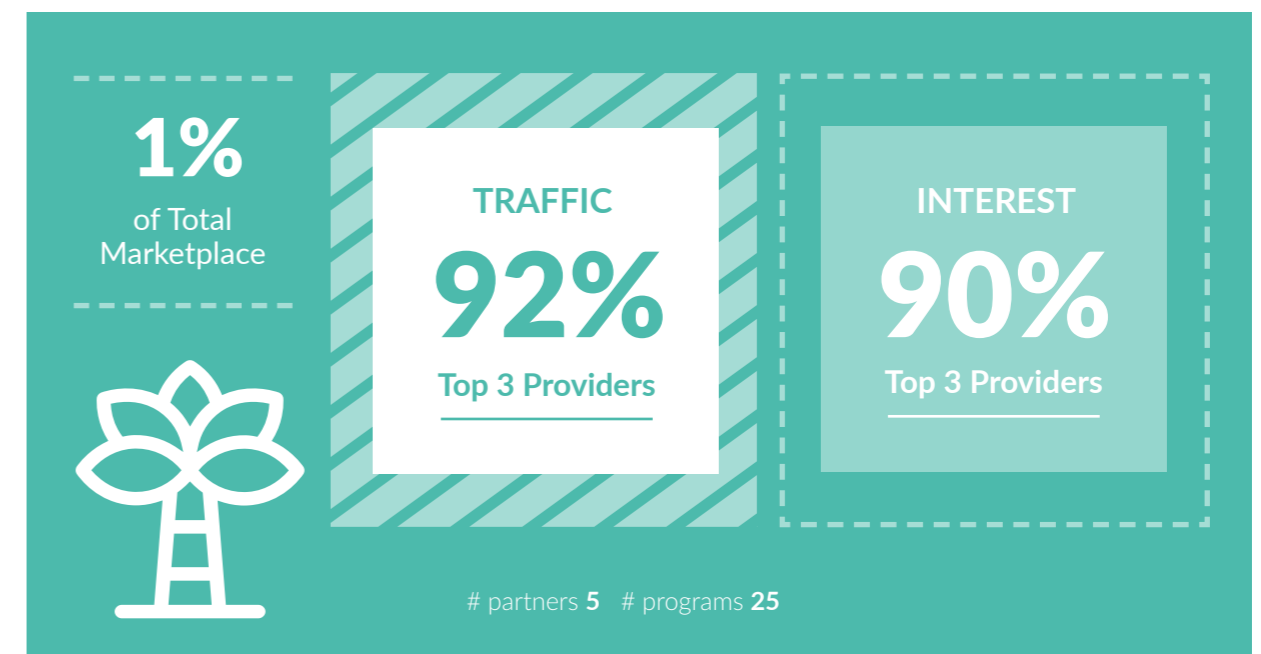
Society and Culture



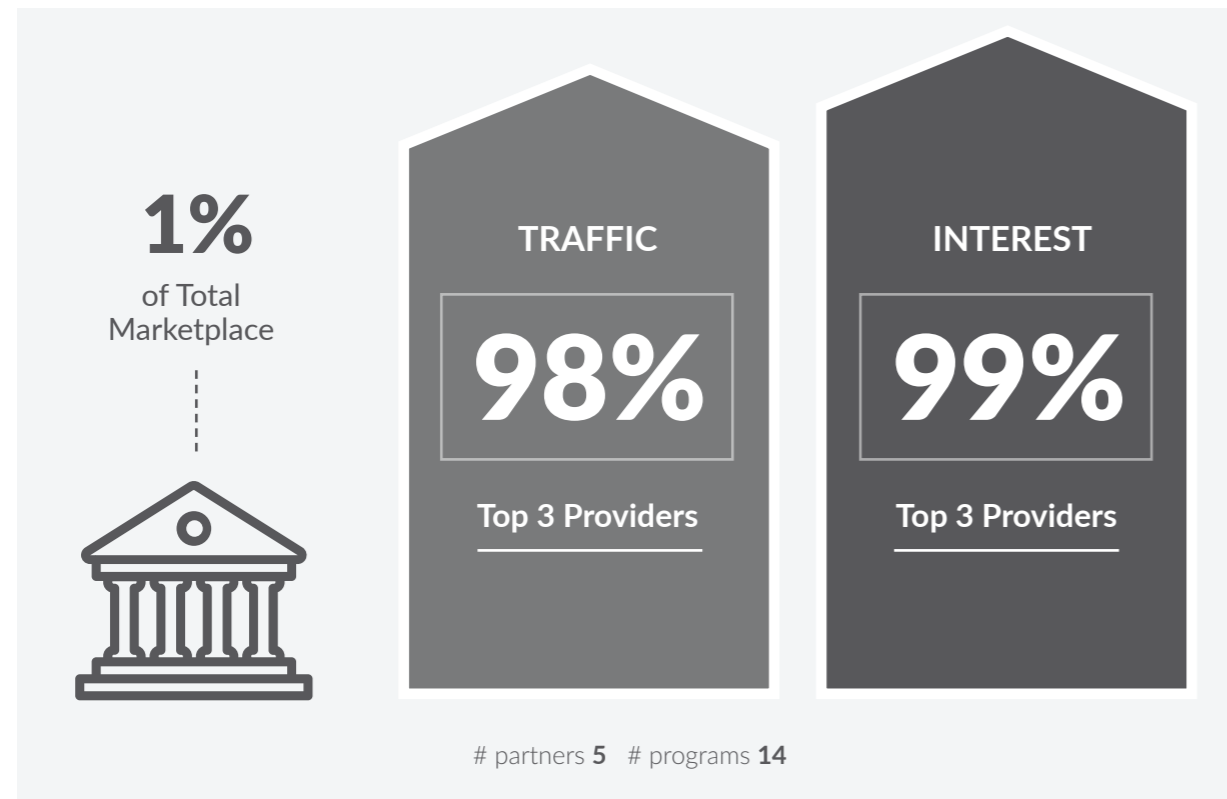
Society and Culture, the field most visited on the platform, has an overall level of interest (35.35 per cent) that matches total traffic to the field (36.87 per cent). It is also the most competitive field, listing 19 partners and 159 courses.

Agriculture, Environment and Related Studies attracts a small proportion of the total traffic and interest. However, our data suggests that additional programs are likely to be well-received by prospective students in this field.

Agriculture, Environment and Related Studies



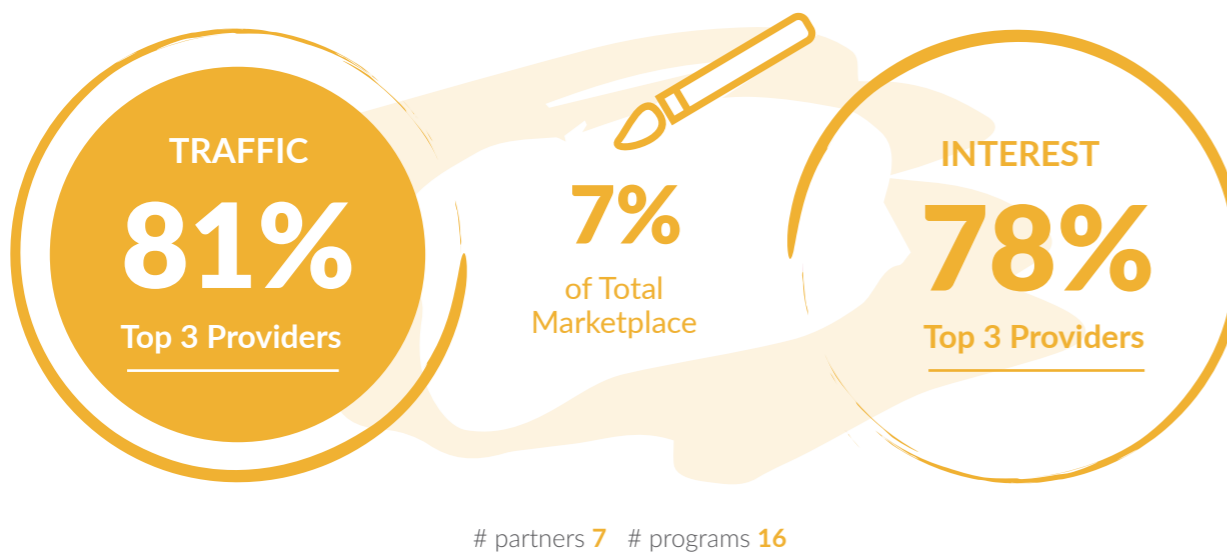
Architecture and Building



Similarly, **Architecture and Building** offers less choice for students, with traffic (97.81 per cent) and interest (99.29 per cent) almost entirely dominated by the top three providers.

Marketplace data on the **Creative Arts** field indicates the share of overall traffic generated (7.44 per cent) is almost double that of the interest, attracting just 3.94 per cent.

Creative Arts



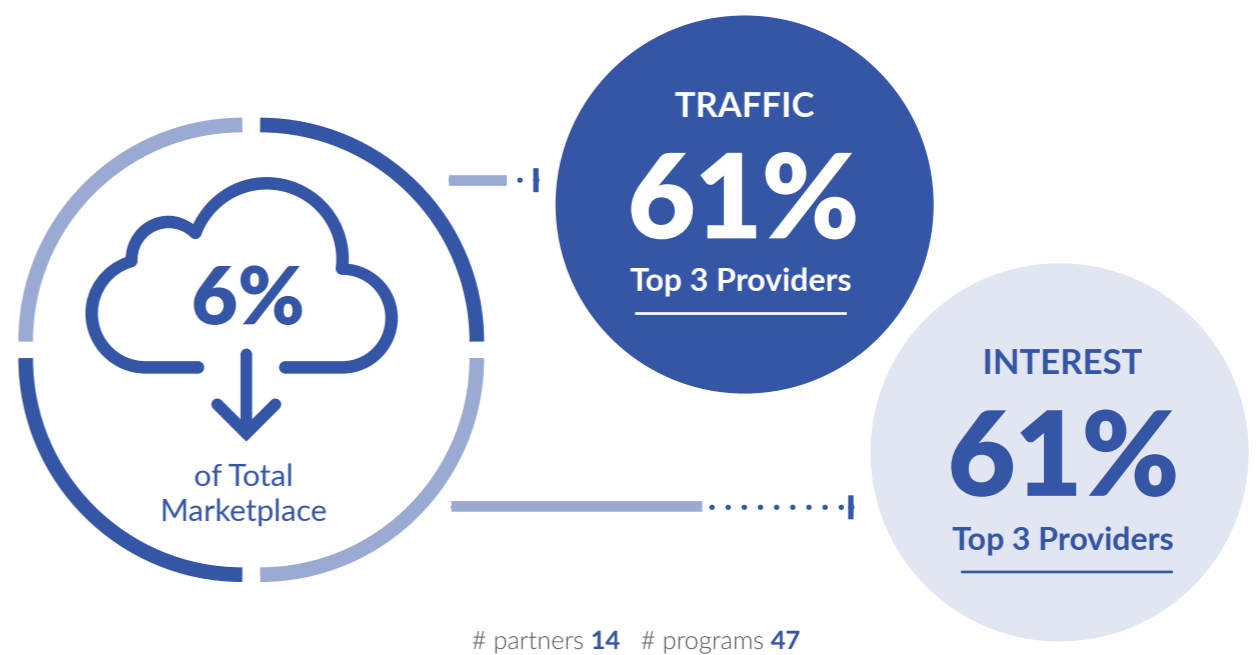
Engineering and Related Technologies



Engineering and Related Technologies is another small field on the marketplace, but one in which a small number of programs attract a significantly greater share of interest (98.81 per cent) than traffic (85.83 per cent). Our data suggests there is an opportunity for new entrants to offer more choice and claim some of this traffic for their own.

Information Technology, similarly to Society and Culture, is less dominated by a small number of partners and shows a more evenly distributed student base. This again showcases how prospective students seek a wider variety of partners and programs and are ready to try new offerings.

Information Technology



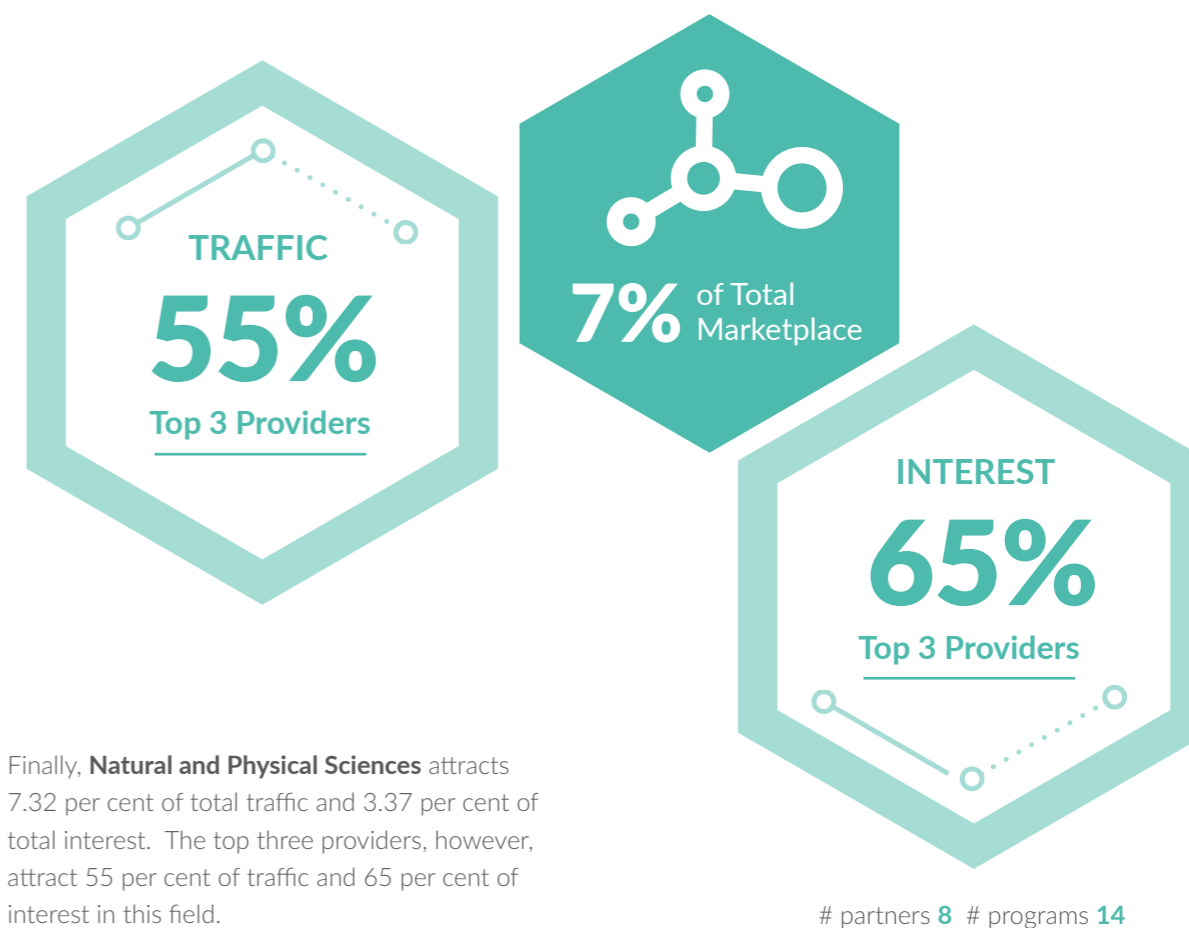
Education



In the field of **Education**, the top three providers attract 88 per cent of traffic and 85 per cent of interest, however 75 per cent of traffic and nearly 76 per cent of interest goes to one university.

Management and Commerce, one of the more competitive fields of study, attracts 14.61 per cent of the total market interest. With 16 partner universities offering programs, this field of study proves to be more evenly distributed than most. The top three providers collect approximately 20 per cent of interest and traffic each.

Natural and Physical Sciences



Finally, **Natural and Physical Sciences** attracts 7.32 per cent of total traffic and 3.37 per cent of total interest. The top three providers, however, attract 55 per cent of traffic and 65 per cent of interest in this field.

Management and Commerce



Not sure how your institution performs against the competition?

Contact your OUA representative for a confidential assessment.

Despite a tougher market for online tertiary education, high-quality online education remains an area of opportunity for Australian universities in 2022.

OUA can support universities looking to boost enrolments in this challenging landscape. Alongside a university's own website, a partnership with OUA's strong online marketplace can bring a tertiary institution to the attention of a large audience of prospective students, while satisfying students' need for choice.

Not only can partnering with an online marketplace provide access to national, always-on marketing activity and seed funding, it opens the door to attracting incremental enrolments online to complement on-campus students.

Find out more

Contact Open Universities Australia to see how your institution performs compared with OUA's benchmarks.

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