A Continuing Education KPI: Course Bounce Rate

By Jacob Ensign, Business Analyst, JMH Consulting, Inc.

In continuing education, improving your retention rate (ROR) and customer lifetime value (CLV) is an efficient way to improve your bottom line. Encouraging existing customers to return for more courses makes each customer worth more to your organization and costs less than acquiring new students. In a previous article, we discussed a series of characteristics that increase your ROR. Two of them seem like no-brainers: classes bundled together through certificate programs have high ROR, as do classes that have a natural order to them (introduction, intermediate, etc)[1].

However, having certificates and ordered classes is no guarantee that ROR or CLV will improve. Furthermore, individual classes cater to different audiences with varying degrees of retention. Therefore, this article introduces a simple key performance indicator (KPI), borrowed from web analytics, to measure your courses, course bounce rate (CBR).

Definition of CBR

In web analytics, a bounce occurs when someone visits a web page and does not visit any of the other pages on the same site. In continuing education, we will define a bounce similarly; a bounce occurs when someone takes only one of your courses. Thus, the course bounce rate (CBR) is the proportion of students who took a particular course, but no other courses compared to those who took the same course and other courses:

$$\text{CBR} = \frac{\text{number of bounces}}{\text{total number of enrollments}}$$

A CBR of 0% means that everyone who takes a particular course also took at least one other course. An example of this type of course is a capstone. A CBR of 100% means that every enrollee took only that course. CBR measures two things about a course simultaneously:

- How well the course encourages registrants to continue learning with your program, or
- How well other courses encouraged registrants to sign up for the course.

[1] http://www.jmhconsulting.com/resources/media/Marketing-ROI-ROR-and-CLV.pdf

Both of these are critical for improving your ROR; therefore, your focus should be to decrease the CBR.

Some ways to use your CBR

You can use CBR to identify courses or groups of courses that are low-hanging fruit for improving ROR. For example, if the CBR is low for courses with natural follow-ups, e.g. Excel Introduction and Excel Intermediate, then explicit advertising of the intermediate course for participants in the introduction class is a cheap way to improve ROR. Renaming related courses may help as well. For example, consider a Coaching course and a Supervision course. If your intention is to have students take both courses, try modifying their titles to create a sense of connectedness between the two, e.g. Coaching for Managers and Supervision for Managers. Use CBR to identify opportunities to advertise the rest of your course offerings.

The enrollees of courses that carry high CBR are individuals who have already demonstrated a degree of loyalty to your program. Thus, you can use CBR as a quick way to identify your best customers. Chances are your best customers will have taken some of your classes with higher CBR. These people are more likely to respond to follow-up advertisements, and they are more likely to recommend your organization to their friends, family, and co-workers. Use your CBR to help identify these "champions" of your programs.

Finally, you can use CBR to determine likely success of new offerings. Building a new offering around a course that has both high enrollments and CBR is likely to succeed if there are not enough such offerings already. While you should be trying new courses continuously, CBR can take some of the guesswork out of which courses to offer. Use CBR to identify opportunities for growth of offering diversity.

An example

Below is a table of some management courses at Emory University and their respective CBRs. All of these courses are part of a certificate program[2]. The first three courses in the table are from a series "Essentials for Managers". It is likely that their consistent titles are boosting the CBR. A higher CBR, in turn, means a higher ROR and CLV for customers taking those courses. It seems that cross-advertisement is working well for the other Essentials courses.

Title	CBR
Essentials of Performance Management	24%
Essentials of Motivation	25%
Essentials of Counseling: Managing Difficult Employees	35%
Executive Presence for the Non-Executive	58%

[2] http://cll.emory.edu/pro/certifications/management/index.htm

On the other hand, the Executive Presence class—a very popular course—is missing advertising opportunities. This class gives students a little bit of everything, such as communication skills, presentation skills, and leadership skills. Enrollees in the Executive Presence courses are clearly interested in other offerings, but why are they not signing up for other courses? A more direct approach to advertising other courses that discuss similar management competencies will improve this score and the customer lifetime value of enrollees.

Realistically, 60% CBR is not a terrible score, but this example illustrates two points:

- The title of a course likely has a large impact on customer perception of what classes you intended to have them take together.
- You may be missing advertising opportunities in some courses that could serve as a gateway to more specialized ones, e.g. Executive Presence in this case.

What's next

CBR is a simple metric to compute, yet it is also a powerful indicator for room to improve your program's ROR. However, it is not necessarily true that complex KPIs are more useful than the bounce rate.

CBR is a metric that depends on the behavior and actions of the customers you are serving. It essentially creates a divide between those who only take one course and those who take two or more. The purpose is to create more customers who take more than one course.

There are natural groupings to courses and certificates that encourage registrants to take a defined set of courses. This creates a push approach to marketing—you tell your potential customers what they want. On the other hand, by studying registration patterns of your customers, you can apply lessons from pull marketing—you let customers tell you what courses they want to take together—to enhance your cross advertising. In a subsequent article, we will develop a process to analyze registration patterns and interpret them.

To learn more about this research project, please contact Jacob Ensign, at jensign@jmhconsulting.com.

To see more of our research and analyses, visit our website, at www.jmhconsulting.com
or our blog, at www.jmhconsulting.com/blog.

