Measuring Information Session Performance: Lifecycle and Maturity

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A critical component in building up a certificate or degree program is the information session that potential enrollees attend. The purpose of these information sessions is twofold. First, it facilitates the research a potential customer performs in his or her decision-making process. In this capacity, it helps continuing education staff separate the "curious" customers from the actually potential ones.

Second, continuing and professional education departments think about (or should be thinking about) information sessions as a form of marketing. Based on the American Marketing Association's recently proposed definition of marketing, this essentially means communicating the value of your program for your potential enrollees[1]. If your program staff runs your information sessions, it may be a challenge for them to put on their "marketing" hats. More difficultly, this means that we need to measure the success of information session as rigorously as we do with all of our marketing.

The purpose of this article is not to define what a good conversion rate is. The number itself will vary by program, location, and target audience. Nevertheless, your focus should be in improving the conversion rate constantly.

Making the business case for measuring information session performance

Emory University's Paralegal Certificate Program, after two years of successful programming, saw enrollments, revenues, and profits decline. Since the certificate program was one of Emory's most successful continuing education programs, JMH Consulting meticulously designed an approach to rejuvenate the program after formally researching the program's trends and factors influencing its slowing growth.

The slowing growth of registrations and revenue for the program resulted from another metric that we identified: conversion rates from information sessions. Driving potential customers to an information session straightforward marketing effort, and we are all good at that. What happens in the information session is not as simple, and as it turns out, conversion rates are the single most important metric that

[1] http://www.marketingpower.com/Community/ARC/Pages/Additional/Definition/default.aspx

you can use to measure the perceived quality of your certificate or degree program. After all, if information session attendees are not registering, there is a disconnect between the value you communicated and the price you asked.

Consider a hypothetical

The conversion rate for an information session is literally the number of people converted—enrollees in the information session who subsequently enroll in a program—divided by the total number of people enrolled in the information session. As I suggested, however simple this metric is, it is representative of the vitality of your certificate and degree programs.

Consider this hypothetical example: If you host 10 information sessions per year, 50 registrants attend each information session, and your programs cost $5,000 per enrollee, a 1% drop in conversion rate is no trivial thing. That 1% drop is five less program enrollees, or $25,000 that year. Chances are your information session conversion rates are fluctuating more than by 1% over the course of a year.

In the case of Emory's paralegal program, the average decline was closer to 5% per year. When we had finished analysis, a 5% loss in a year represented approximately a missed opportunity at $225,000 in annual revenue!

Computing conversion rates is a little tricky

You have just closed up after an information session, and all of the attendees have gone home. Your intuition tells you that your team ran a great information session. Some of the attendees signed up on the spot, and others expressed a lot of interest. However, how do you *know* if it was a success? How successful was it? *When* will you know?

All you need to do is compute the conversion rate, and the conversion rate is simple to compute. As we mentioned above, the conversion rate is expressible by this fraction:

$$Conversion\ rate = \frac{\#\ of\ information\ session\ enrollees\ who\ sign\ up\ for\ a\ program}{Total\ \#\ of\ information\ session\ enrollees}$$

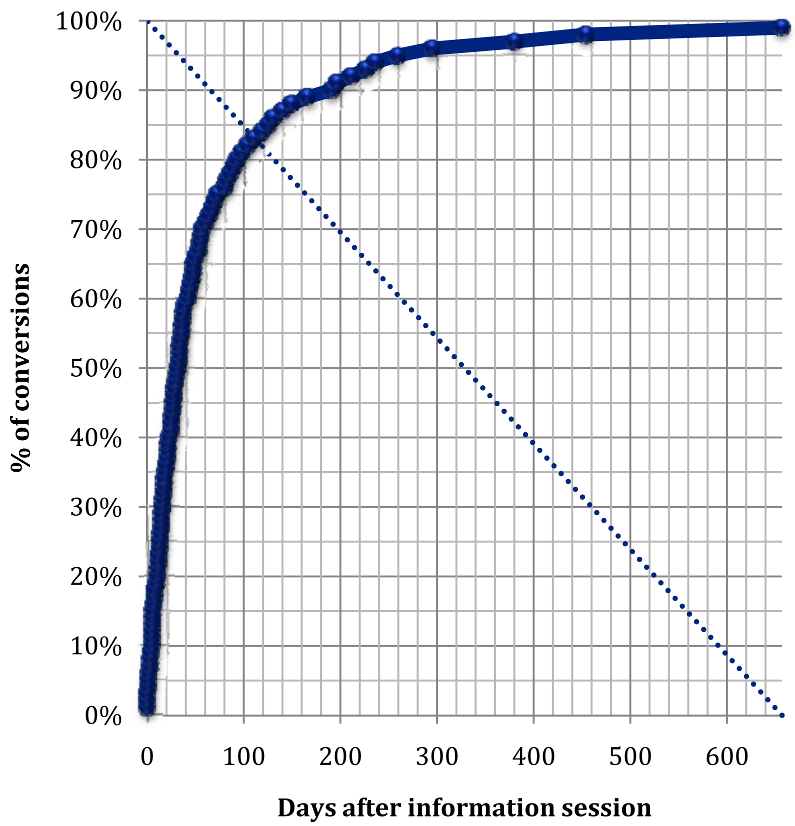
However, attendees of information sessions are often looking for more than just what the program cost and logistics are. They are looking for signs that this is a possible venue to pursue. Thus, it should not surprise us if information session attendees will *eventually* register in a program that you have not even scheduled. Determining when you can count the number of information session attendees that sign up for a program depends on the lifecycle of your individual program's information sessions. Should you expect customers to sign up three months after an information session? Six months? A year? And how many are going to take that long?

By studying the conversion behaviors of information session enrollees, we can determine the lifecycle of an information session. Once we have an idea of when people convert, we can set a date after completing an information session to measure its success. We can then use this measure to compare conversion rates of other information sessions.

A data approach to defining information session maturity

Effectively, we need historical conversion data to help us set a reasonable "time limit" for conversions to occur. The time limit reflects what we will define as an information sessions maturity. This date will be the youngest (least days after running the information session) reflecting a maximum performance (conversion rate). In other words, we need to pick a number of days after running the information session that:

1) Includes the largest group of conversions, but also
2) Lets us measure as soon as possible



After we reach the selected date, we will define the information session in question as being mature. At that point, we can compute a reasonable and reliable conversion rate[2].

To find the maturity date, we set up a grid, as shown in figure 1, which uses real data for paralegal information sessions. Along the vertical axis is the total percent of

[2] The method we use here to determine the maturity of an information session mirrors a method we used in a previous article to determine when a customer defection occurs in adult and continuing education. For information on that study, see the article entitled Calculating a Realistic Return Rate Using Customer Defection and Historical Data in the Continuing Education Industry.

conversions that occurred in a set of information sessions. Along the horizontal axis, we plot the maturity (in days) of the information sessions. To read the chart, find a point on the curve. One of these points is at the intersection of 91% of conversions and 196 days of maturity. That means, typically, after 196 days, we can expect the information session to have converted 91% of all information session enrollees that will convert. The point in the upper-right corner of the grid represents the maximum: 100% of information session enrollees converted after approximately 650 days.

The maturity point that we are looking for on the grid is at the intersection of the curve and the dotted line. This point satisfies the two criteria outlined above. In the case of the data in the grid above, this is at about 120 days after an information session runs. At that point, we can expect the information session to have converted 84% of all conversions that will occur from that information session.

Thus, in the case of these information sessions, after 120 days, we can reliably measure how effective the information session was[3].

Conclusions

For many continuing and professional education departments, measuring performance usually boils down to some important metrics: revenue, profitability, conversion rates, and total registrations. Nevertheless, one of the most important metrics to measure for certificate programs or degree programs is the success of your information sessions, best measured in conversions.

As the hypothetical and illustration from Emory's paralegal program suggested, improving this single metric can have a huge impact on the revenue generation of your certificate or degree program. You should monitor conversion rates regularly: they are the measure of your program's health.

[3] Theoretically, the information session will continue to convert attendees. However, to include those conversions in the measurement, you would have to wait a very, very long time. Thus, at 120 days, you can stop concerning yourself with future conversions. Many of those occurring later could potentially be outliers.