WhatRunsWhere Insights & Analysis:

The eLearning Advertising Landscape

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Executive Summary

This report was commissioned to explore and highlight the advertising niche for distance education focused post-secondary institutions. In particular it will review and compare the online advertising landscape of four key advertisers in the industry and present a comprehensive report regarding their display media buying strategies on desktop and mobile-web.

This study investigates the advertising strategies of the following advertisers based in the United States: American Intercontinental University, Full Sail University, Capella University, and Walden University. These advertisers were selected to investigate changes in ad placement strategies in an era of digitally savvy students who are increasingly turning to the virtual rather than the traditional classroom.

By exploring the type of ads these industry leaders employ and where these ads are being placed, readers will have a better understanding of how to establish an effective media buying strategy that will lead to more successful online advertising campaigns and increased return-on-investment.

The research draws attention to the following:

- Advertisers in this market often utilise publishers that can be classified as 'recreational' or 'entertainment' to drive unsuspecting prospective students to their landing pages and websites which are obviously categorised as the direct opposite: 'educational'
- Advertisers prefer the use of ad networks, in particular the GDN
- Diverse creatives and high volume of creative placements will likely lead to larger Share of Voice
- Although limited, even advertisers in the education niche have begun advertising on mobile-web

Recommendation:

The key components of a media buying strategy in the education market include: 1) employing a diverse array of creatives in high volume 2) through ad networks, especially the GDN, and 3) on publishers that can be classified as 'recreational' or 'entertainment'.

Although advertisers have begun moving into the mobile-web space there are very few placements located in-app. Due to the lack of competition, this presents new opportunities for competing advertisers to monopolise the space and gain the edge on this platform.

Introduction

September marks the annual back-to-school migration as many students begin moving into their dormitories and return to the classroom this fall. This may be the case for traditional campus-based programs, but a growing number of students are now opting to complete their education or update their skills in the virtual classroom which offers maximum flexibility scheduled around their own time. As a result, more institutions are now offering a correspondingly augmented number of online programs at the undergraduate and graduate levels.

In an effort to better understand how these institutions are marketing themselves to appeal to the digitally savvy student population, WhatRunsWhere has investigated the online advertising performances of four major institutions: American Intercontinental University (AIU), Full Sail University (FSU), Capella University (CU), and Walden University (WU).

By exploring the type of ads these top advertisers are utilising and where these ads are being placed, we will have a better understanding of how to establish an effective media buying strategy that will lead to more successful online advertising campaigns, and increased ROI.

Competitor Profile

Company Name	Date Founded	Campus(es)
American Intercontinental University	1970, 2001 (online) Subs Career Education Corp.	Atlanta, Georgia Houston, Texas
Full Sail University	1979	Orange Country, California
Capella University	1993	Minneapolis, Minnesota
Walden University	1970	Minneapolis, Minnesota

Desktop

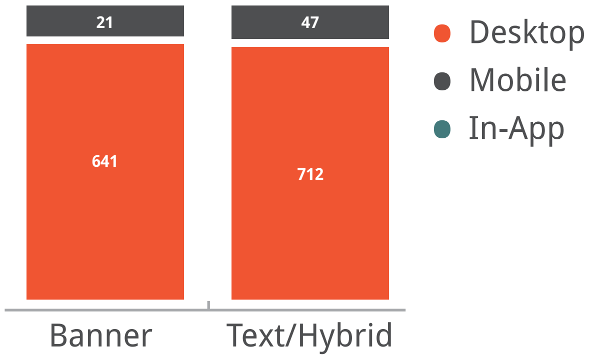
Having collected data spanning 180 days of activity up until September 1st, 2014 in the United States, we have successfully tracked 1,421 unique ads on over 60,730 publishers across desktop, mobile and in-app platforms. Overall advertisers employed more text ads (759) than banner ads (662), but the difference is only 6% indicating that though text based ads may be critical to rapidly reach wider audiences, image based ads are important to visually stimulate, create desire and attract prospective students (Figure 1, Figure 2).

FSU placed the largest total number of banner and text/hybrid creatives (1006) on desktop (Figure 3). AIU placed the second highest number of creatives (199), followed by WU (114) and finally Capella U (36).

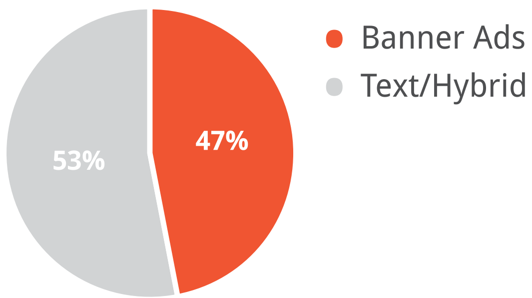
Although over the past 180 day period FSU placed 505 total banner ads, within the first 90 days of this period they reduced this number to 462 unique creatives (Figure 4). After another 60 days this was trimmed to 417. Within the past 7 days only 302 unique creatives placed by FSU were seen. FSU thus narrowed the number of creatives it utilised by 40%.

All other advertisers also reduced the number of unique creatives they employed in the past 180 days: AIU trimmed its creatives by 91%, CU by 57% and WU by 22%.

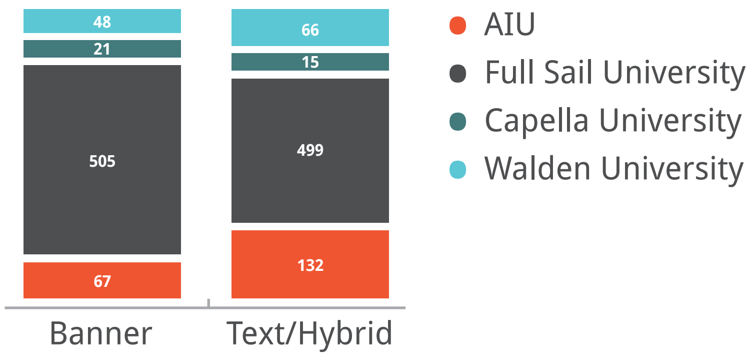
Total Creatives Breakdown (Fig. 1)



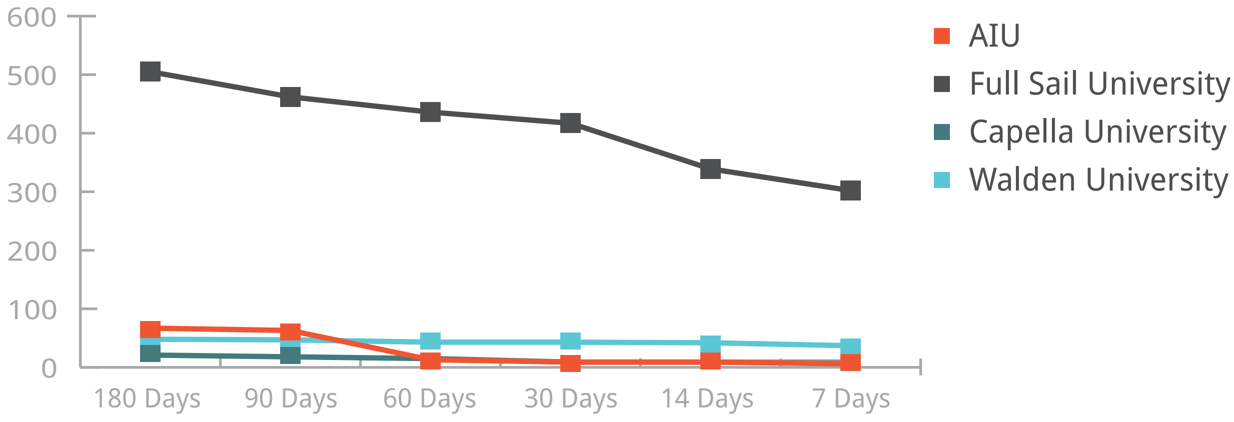
Creatives Percentile Breakdown (Fig. 2)



Creatives Breakdown by Advertiser (Fig. 3)



Total Creatives Breakdown (Fig. 4)

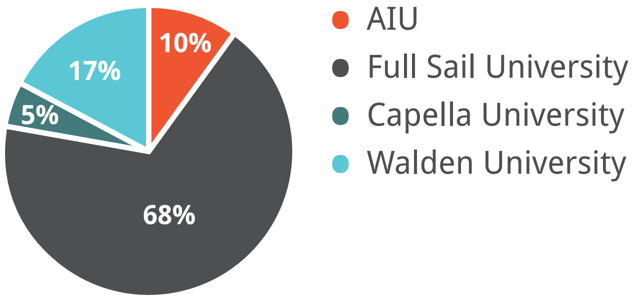


Share of Voice

Share of Voice (SOV) is a value given to each company derived from its presence across its industry specific competitive display advertising landscape. The higher the Share of Voice value, the "louder" the advertiser's "voice" is among competitors in the same industry, as determined by the parameters of the search.

Among the four advertisers examined in this study, research reveals that FSU possesses the largest SOV (68%), followed by WU (17%), then AIU (10%) and finally Capella U (5%) (Figure 5).

Desktop SOV (Fig. 5)



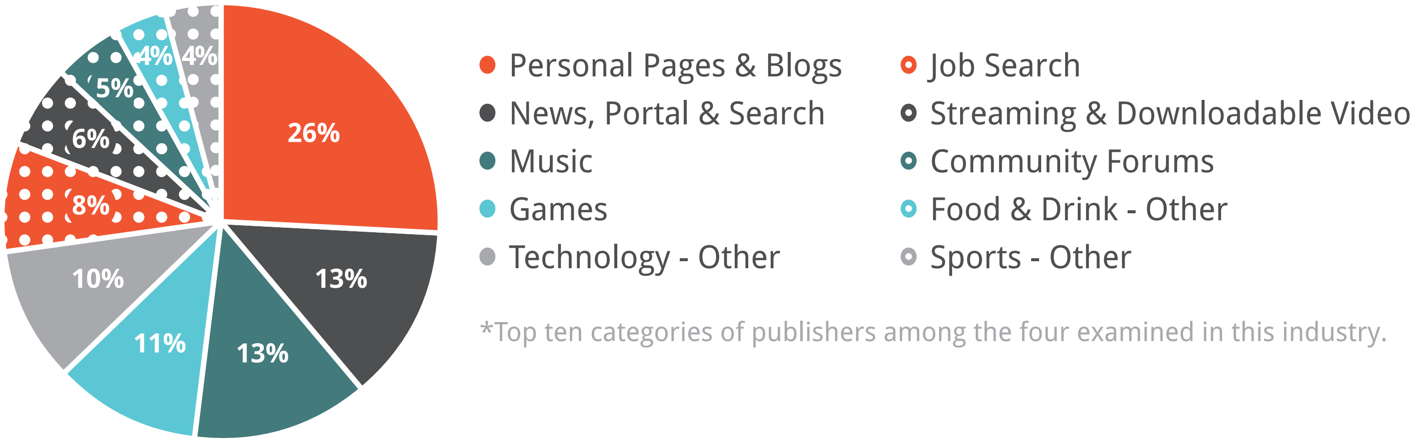
Publishers & Categories

Considering that FSU is the SOV leader we can suggest that this is a result of its high volume of ad placements coupled with a substantial and diverse number of employable creatives (505 banner and 499 text) (Figure 3). It is possible that FSU may have been successful at rapidly reaching a wide audience using a volume-based tactic for ad placements, but this does not necessarily mean successful conversion.

Other factors that should be considered are whether or not advertisers are placing ads on top publishers within their niche. Figure 6 displays the top ten categories (or market niches) of the publishers on which the four competitors examined placed their ads.

As FSU is the leading SOV holder and is using publishers of these categories often, we may suggest that this particular publisher potentially yields good results. That CU is also utilising this publisher indicates that it is prime real estate for competing advertisers within the education niche.

Top Ten Categories of Publishers* (Fig. 6)



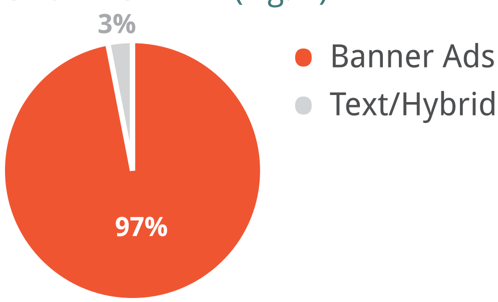
*Top ten categories of publishers among the four examined in this industry.

Channel Mix

Analysis of these advertisers' channel mix determines that their desktop display media buying strategies favour the use of ad networks over direct buys: 97% of ads were placed through networks and only 3% through direct buys (Figure 7). The overwhelming majority of network placements (95%) were made through the GDN (Figure 9).

When we compare the channel mix breakdown of these advertisers with their desktop SOV sizes, it becomes clear that CU's overuse of direct media buys may not be resulting in success considering their comparatively insignificant SOV size of less than 5% (Figure 8, Figure 5).

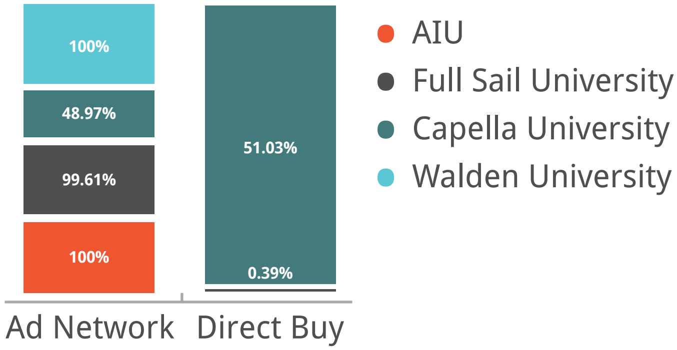
Channel Mix (Fig. 7)



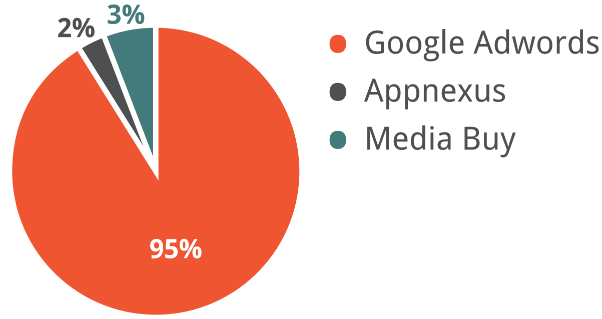
How did they place it?

- AIU, FSU, Walden: 100% ad network
- Capella: 48.97% network placements vs. 51.03% direct buys

Channel Mix Breakdown (Fig. 8)

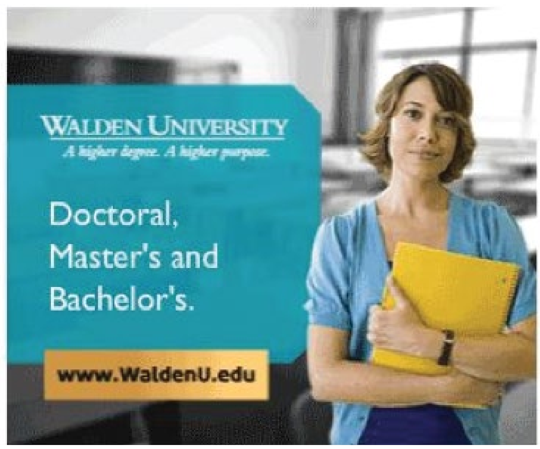


Display Placement Breakdown (Fig. 9)



Top Performing Ads

The following is a selection of top performing desktop ads placed in the United States by the aforementioned industry leaders.



Walden University Online

Doctoral, Master's and Bachelor's. An Accredited Online University.
Waldenu.edu

Text Ad - Google Adwords
AdStrength™: 5031655 - 2014-08-18

Blog Professionally

Learn how to build an audience with Online Blogging and Journalism.
fullsail.edu/blogging

Text Ad - Google Adwords
AdStrength™: 1823559 - 2014-08-18

Capella University

Interested in Online Education? Inquire About Capella's Programs.
capella.edu

Text Ad - Google Adwords
AdStrength™: 23872 - 2014-05-05

Degree in Business Admin.

Business Administration Online Earn your Bachelor's Degree Online.
aui.edu/University

Text Ad - Google Adwords
AdStrength™: 58526 - 2014-07-28

What do these top creative have in common?

Images:

- A smiling or happy looking student, presumably, is located in the foreground
- Commonly holding a notebook to connote studies
- Identifying logos/institution names are located on bottom or in corner spaces against a single coloured background
- Background is a single colour or blurred to focus on foreground

Text:

- Large and graphic
- Invitations are to the point
- Contrasting and eye catching colours
- Slogan most apparent
- Use of white font is common

Interactive

- Lack of visible CTA button

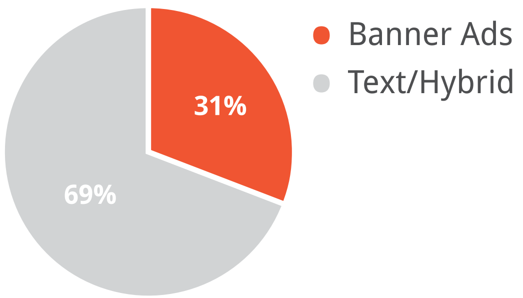
Mobile

Share of Voice

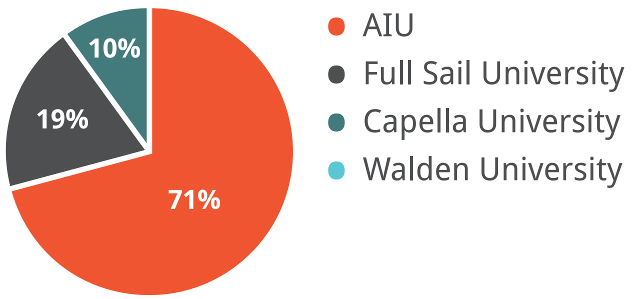
On the mobile-web space the SOV breakdown is completely different from desktop. Here, it is AIU that is the SOV leader (71%) followed by FSU (19%) and CU (10%). WU appears to have no significant data on the mobile-web space (Figure 11). AIU also employed the highest number of banner (11) and text (41) creatives on mobile (Figure 12).

Since 69% of ads placed on mobile are text/hybrid ads compared to 31% banner ads, it is evident that these advertisers prefer the use of text ads to enable increased loading speeds and to augment the quality of user experiences (Figure 10).

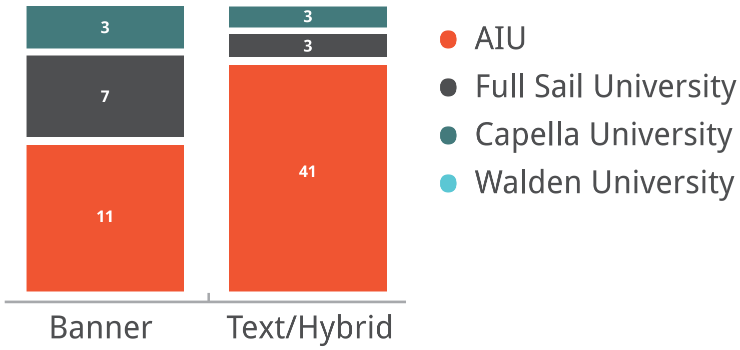
Creatives Breakdown (Fig. 10)



Mobile SOV (Fig. 11)



Creatives Breakdown by Advertiser (Fig. 12)



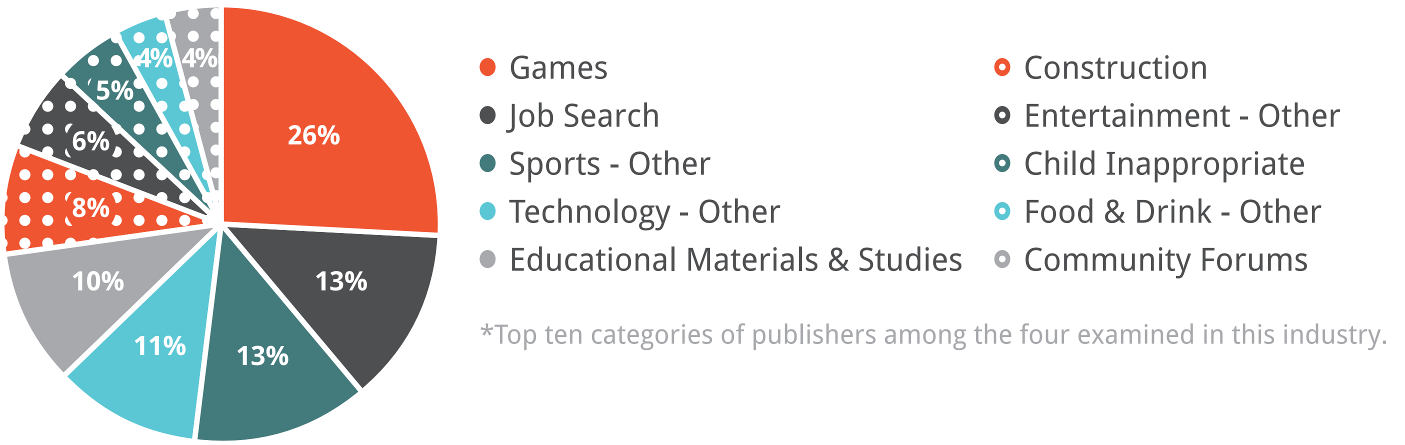
Publishers & Categories

A similar pattern is apparent on mobile with regards to the categories of the top ten publishers on which the advertisers examined in this study have chosen to advertise on: publishers are typically non-academic and can be classified as 'entertainment'.

In particular publishers belonging to the 'Games' category comprised 26% of publishers on which the four advertisers examined in this report have advertised (Figure 13). Sports-Other and Job Search publisher categories follow at 13% each.

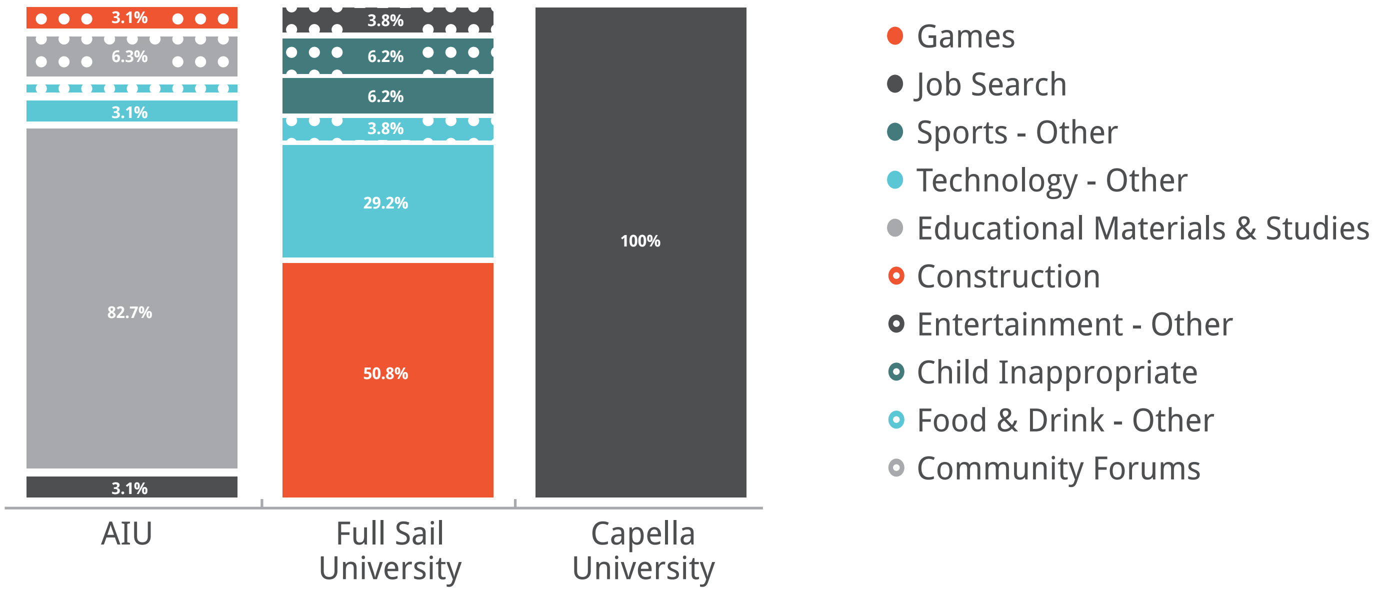
FSU advertised in a diverse range of categories including Games (50.8%), Technology-Other (29.2%), Food & Drink (3.8%), and Child Inappropriate (6.2%). In contrast, the market niche of CU's publishers appears to be Job Search only.

Top Ten Categories of Publishers - Mobile* (Fig. 13)



*Top ten categories of publishers among the four examined in this industry.

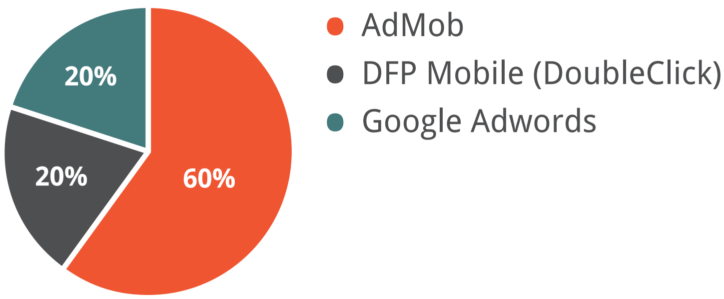
Top 10 Publisher Categories by Advertiser (Fig. 14)



Channel Mix

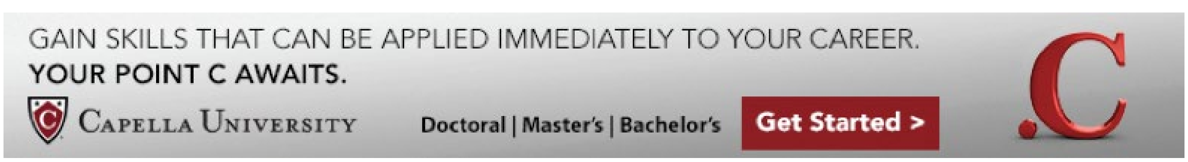
Within the 180 day period of tracked data, 100% of ad placements were made through ad networks and of these, 60% were completed through AdMob (Figure 15). The remaining 40% of placements were evenly split between AdWords (20%) and DFP Mobile (DoubleClick) (20%).

Mobile Placement Breakdown (Fig. 15)



Top Performing Ads

The following is a selection of top performing mobile ads placed in the United States by the aforementioned industry leaders.



What do these top creative have in common?

Images:

- Large iconic mascot is located in the foreground – welcoming and directly addressing audience located in the corner
- Identifying logos/company names are located in corner spaces against a single coloured background
- Use of travel related images: clouds, tropical destination etc.
- Image banners

Text:

- Large and graphic
- Invitations are to the point
- Contrasting and eye catching colours

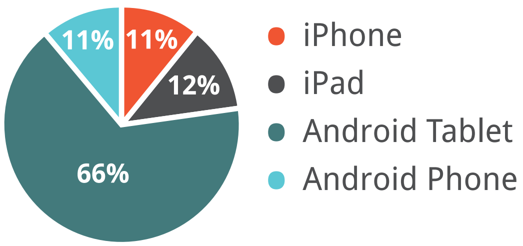
Interactive

- Visible and accessible CTA button

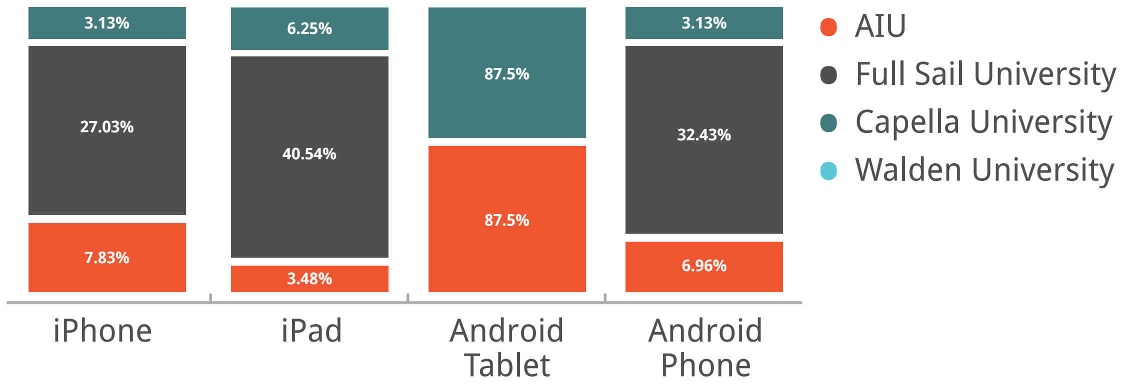
Devices Breakdown

The following shows the percentile breakdown of devices on which ads were placed on the combined mobile-web and in-app spaces. As this data is drawn predominantly from the android market, the presence of android devices is particularly augmented in this figure.

Devices Breakdown (Fig. 16)



Devices Breakdown by Advertiser (Fig. 17)



Conclusion

The online advertising landscape for post-secondary distance education among AIU, FSU, WU and CU reveals that for the most part, advertisers in this industry focus their ad placements on desktop. However institutions including AIU, FSU, and CU are beginning to develop a presence, even if limited, on mobile-web.

Advertisers preferred the use of ad networks, particularly Google, on both platforms over direct media buys. Increasing the number of creatives employed and the volume of ad placements may also directly affect SOV sizes, as was demonstrated by FSU and AIU's SOV changes (between mobile and desktop) which directly correlated with the number of ads they placed.

Additionally it is noticeable that these four industry leaders, who are themselves part of the education market and are attempting to attract students, are placing ads on entirely non-educational publishers. On desktop, Personal Pages and Blogs make up 26% of the top ten publisher categories on which ads were placed. The next most popular category of publishers chosen for ad placements was Music (13%) and News, Portal & Search (13%) (Figure 6). On mobile, advertisers similarly placed ads on non-education related publishers such as those categorized as Games (26%) and Sports - Other (13%) (Figure 13). That Games is a major category of publishers chosen for advertising is significant for FSU since this particularly institution offers programs associated with programming and graphic design. In this way, FSU's placements could be contextually relevant as well.

We can therefore conclude that 1) employing a diverse array of creatives in high volume 2) through ad networks, especially the GDN, and 3) on publishers that can be classified as 'recreational' or 'entertainment' are key components of the media buying strategy of advertisers in the online education market. Using publishers that are not associated with education may potentially drive audiences, who are likely spending their free time leisurely, to begin thinking more seriously about their future education and also consider the institution being advertised.