

UNICON'S Benchmarking Committee 2020 Covid-19 Impact Survey Results

Presented by

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Co-Chairs of the Benchmarking Committee

UNICON Antitrust/Competition Statement



Antitrust/Competition law describes a variety of laws aimed at preserving fair, honest, and vigorous competition in the marketplace.

It is based upon the theory that such competition ultimately leads to lower prices, increased supply, and continued improvements in goods and services, thereby ultimately benefiting the customer.

Therefore, antitrust/competition laws, for example, prohibit agreements between competitors to fix prices and also limit monopolies.

UNICON believes that vigorous competition is essential for driving innovation, improvements, and efficiencies in all industries, including the executive education industry, and believes the services it provides to Members foster that competition.

Please refer to the UNICON Policy Guide for antitrust policy details.

Overview

1. About the 2020 Covid-19 Impact Survey
2. Financial Impact
3. Mitigating Actions
4. Custom & Open Enrollment Programs
5. Summary of Open Response Questions
6. Future Impact of Covid-19 in Delivery of Exec Ed
7. Q&A / Discussion

About the Survey

Financial Impact

Mitigating Actions

Custom & Open Programs

Summary of Open Responses

Future Impact of Covid-19

Q&A / Discussion

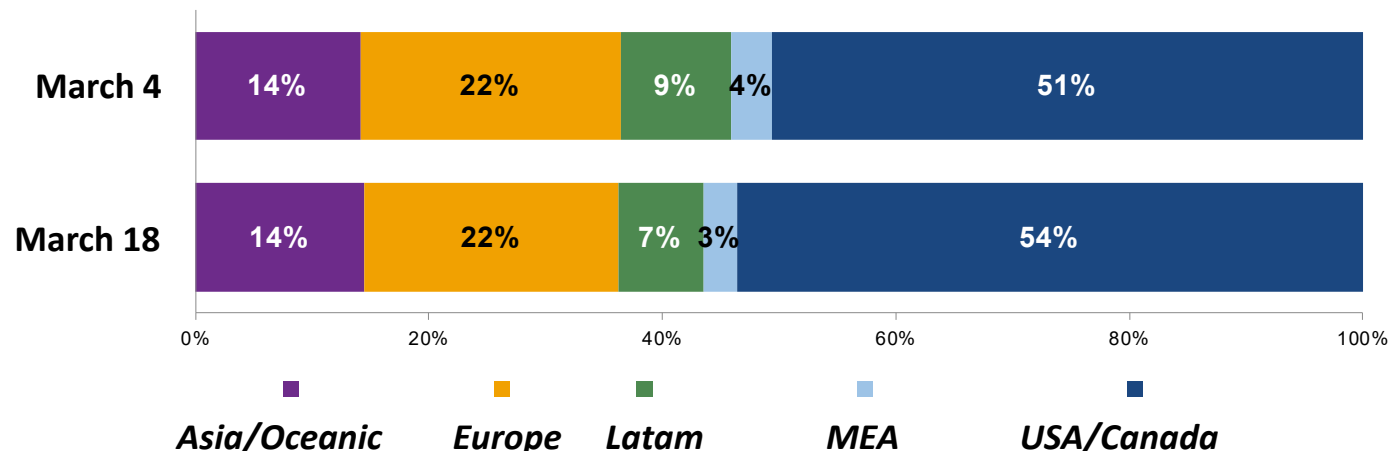
2020 Covid-19 Impact Survey Responses

Methodology

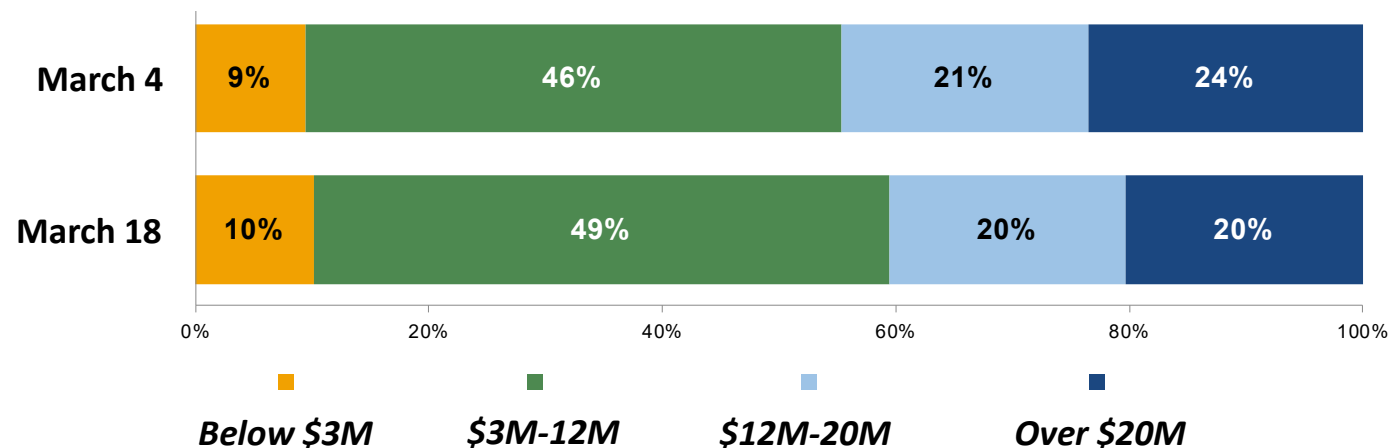
- Developed by UNICON and Percept Research
- Administered via a web survey hosted by Percept Research, who collected and tabulated data and produced the final survey.
- Only 2.5 days allowed for response to each survey to ensure timely data

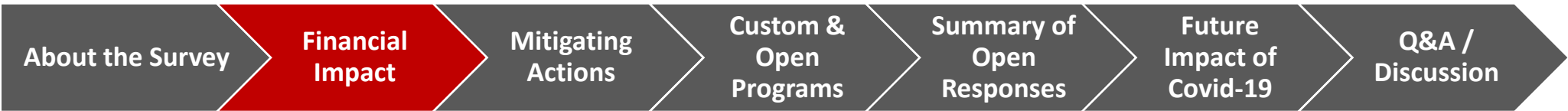
	Completed Surveys	Response Rate
March 4, 2020	85	74%
March 18, 2020	69	60%

% Responses by Region



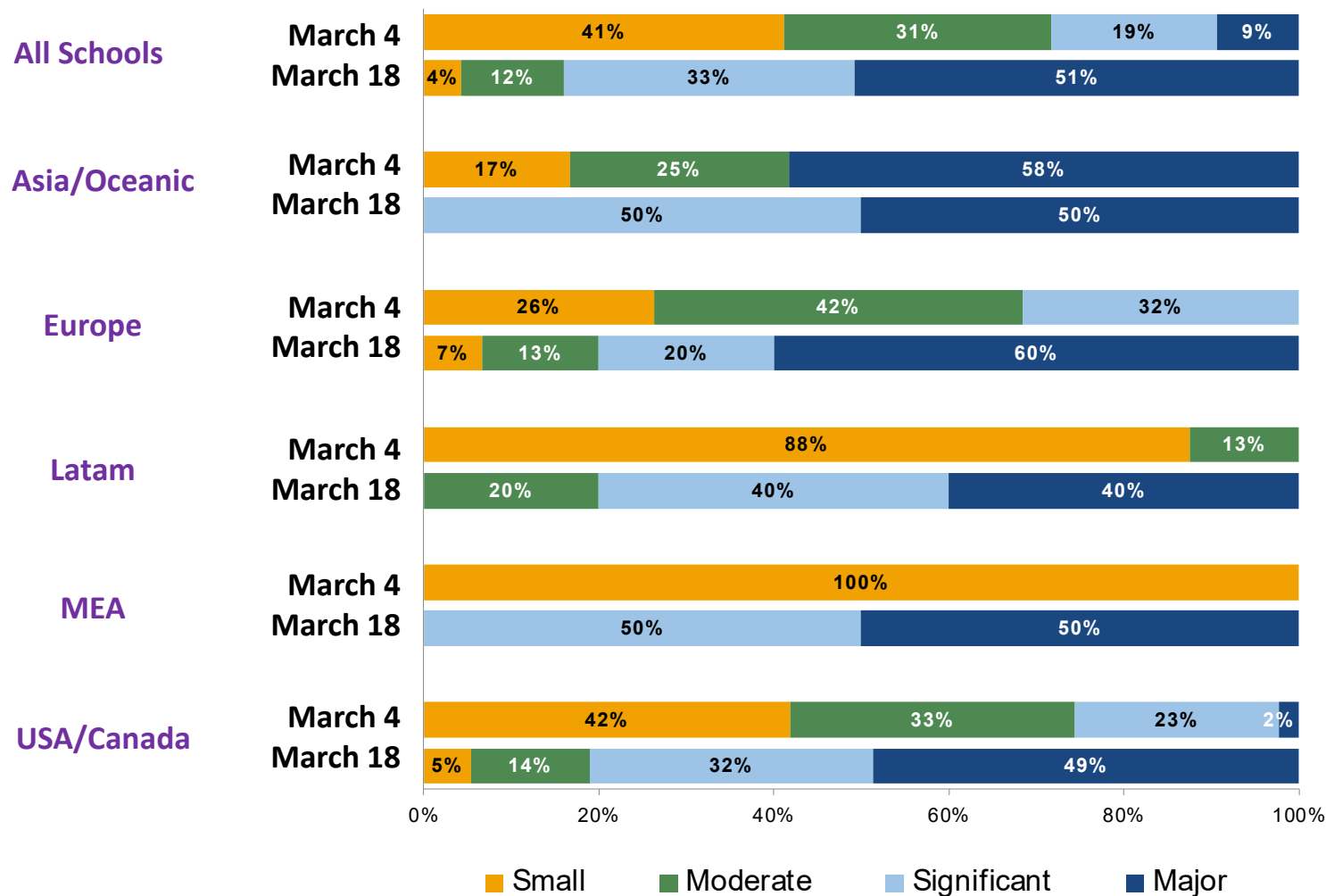
% Responses by Revenue Segment





Financial Impact

Level of Financial Impact Already Experienced as a Result of the COVID-19 Coronavirus



- Level of impact has increased dramatically from 28% of Schools reporting Significant or Major impact on March 4 to 84% on March 18
- Major impact increased across all regions, except Asia
- In terms of revenue segments, Schools over \$20M have been most affected (64% reported Major impact on March 18)
- Many Schools have indicated a decrease in revenue of 25%+

Small = little to none
Moderate = up to 5% annual revenue
Significant = 5-10% annual revenue
Major = 10% or greater annual revenue

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Mitigating Actions

The following mitigating actions were included in the surveys:

- 1) Postpone/reschedule programs to a later date
- 2) Move programs to a different geographic location
- 3) Convert face to face programs to digital/blended
- 4) Cancel programs

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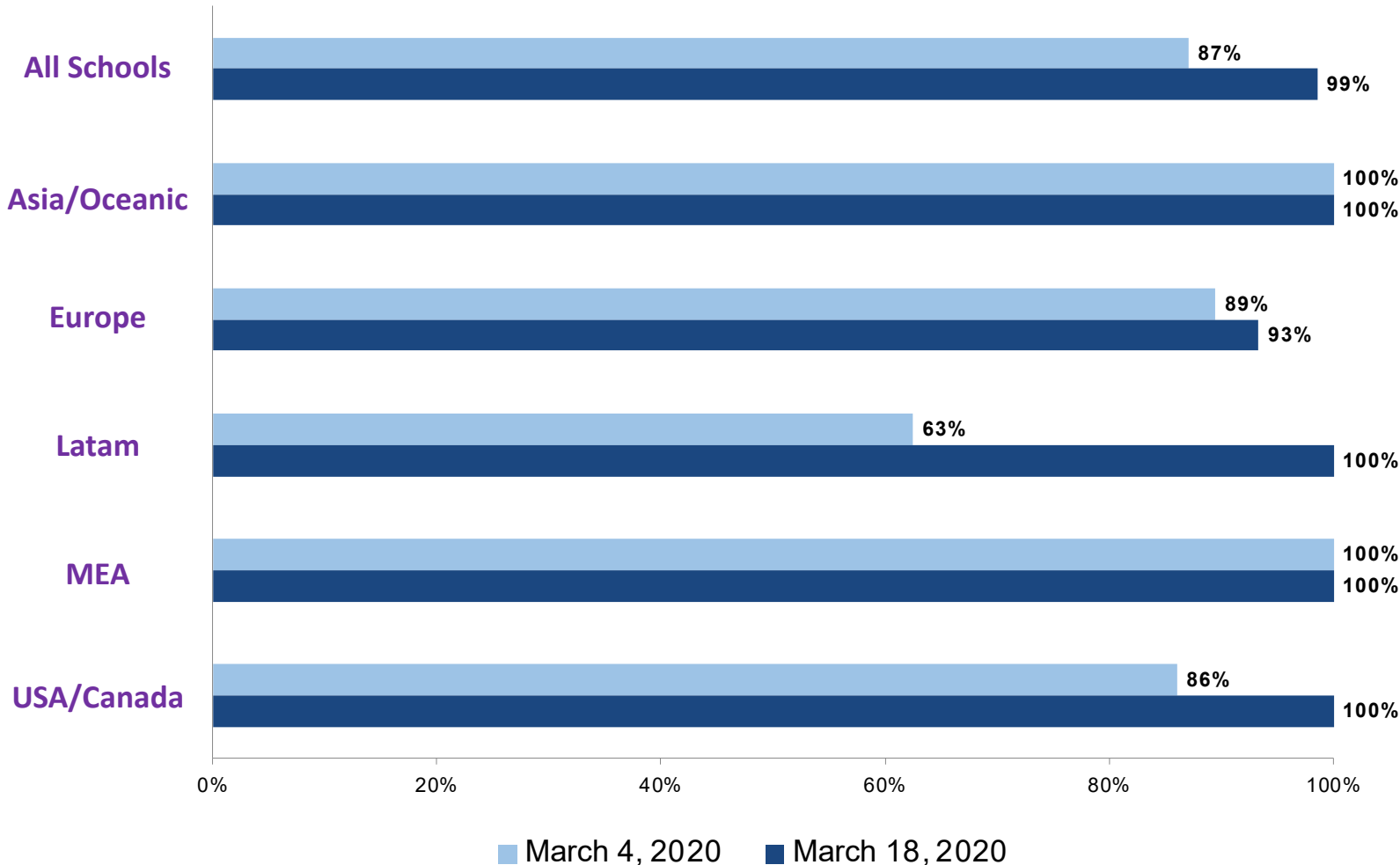
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Mitigating Actions 1: *postpone/reschedule programs to later date*

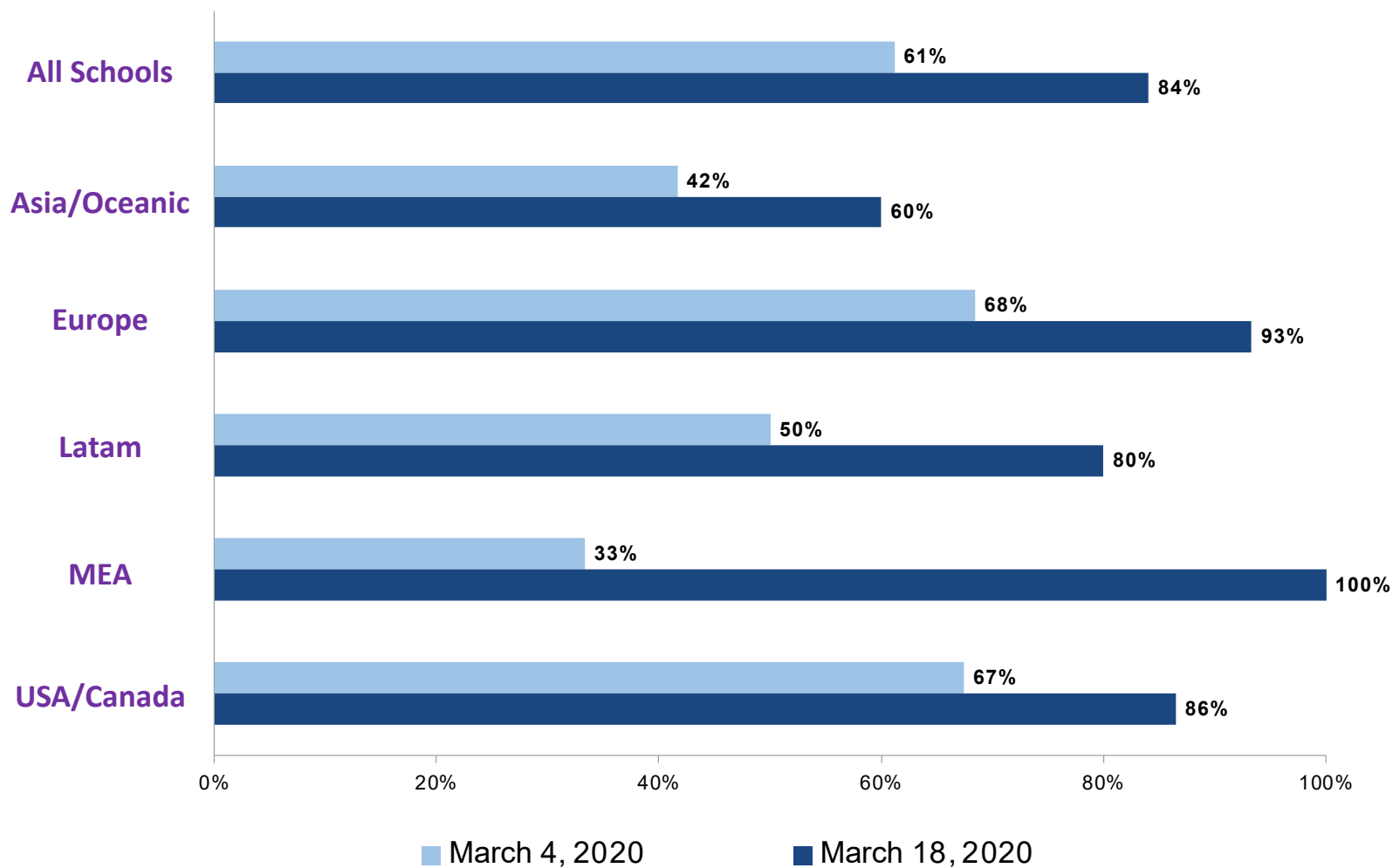
Postpone/reschedule programs or Individual Registrations to a Later Date



- By March 18, 99% of Schools had postponed or rescheduled programs
- Only a few mid-sized European Schools had not implemented this measure
- Significant change in Latam from 63% on March 4 to 100% March 18

Mitigating Actions 3: *convert face to face programs to digital/blended*

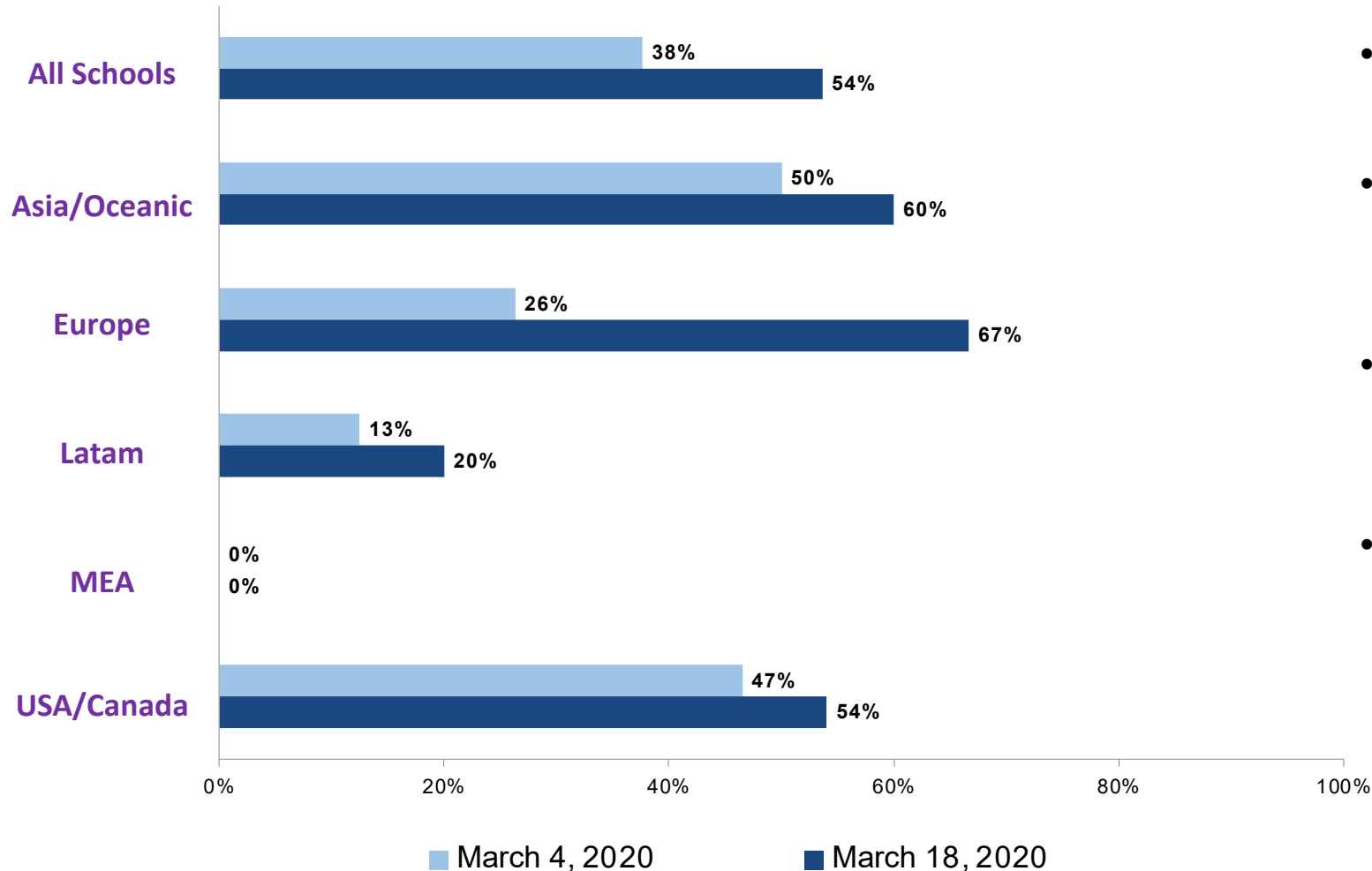
Convert Face to Face Programs to Digital or Blended



- Changing program format to online/blended has been an important measure for most schools – 84% by March 18
- Trend is most pronounced in Europe at 93% on March 18
- In terms of revenue segments, trend is most pronounced in over \$20M segment (93%)

Mitigating Actions 4: *cancel programs*

Cancel Programs

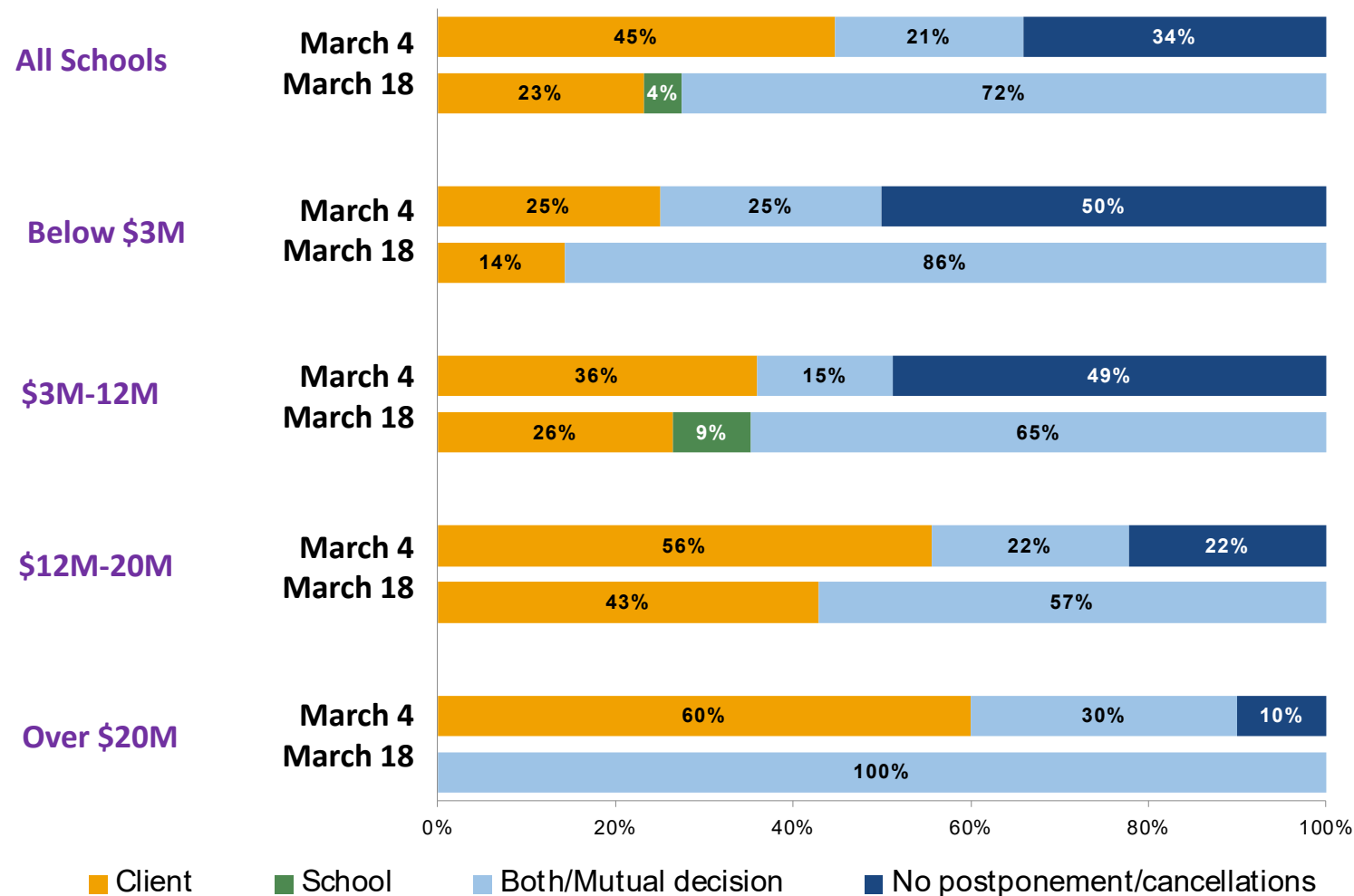


- Program cancellations increased from 38% to 54% overall
- Europe is the region hit the hardest in this time period with an increase from 26% to 67%
- Schools over \$20M in revenue were also significantly impacted with an increase from 50% to 93%
- Schools under \$3M were least affected at 29% on March 18



Custom Programs

Who has initiated postponement/cancellation decisions for your Custom Programs?



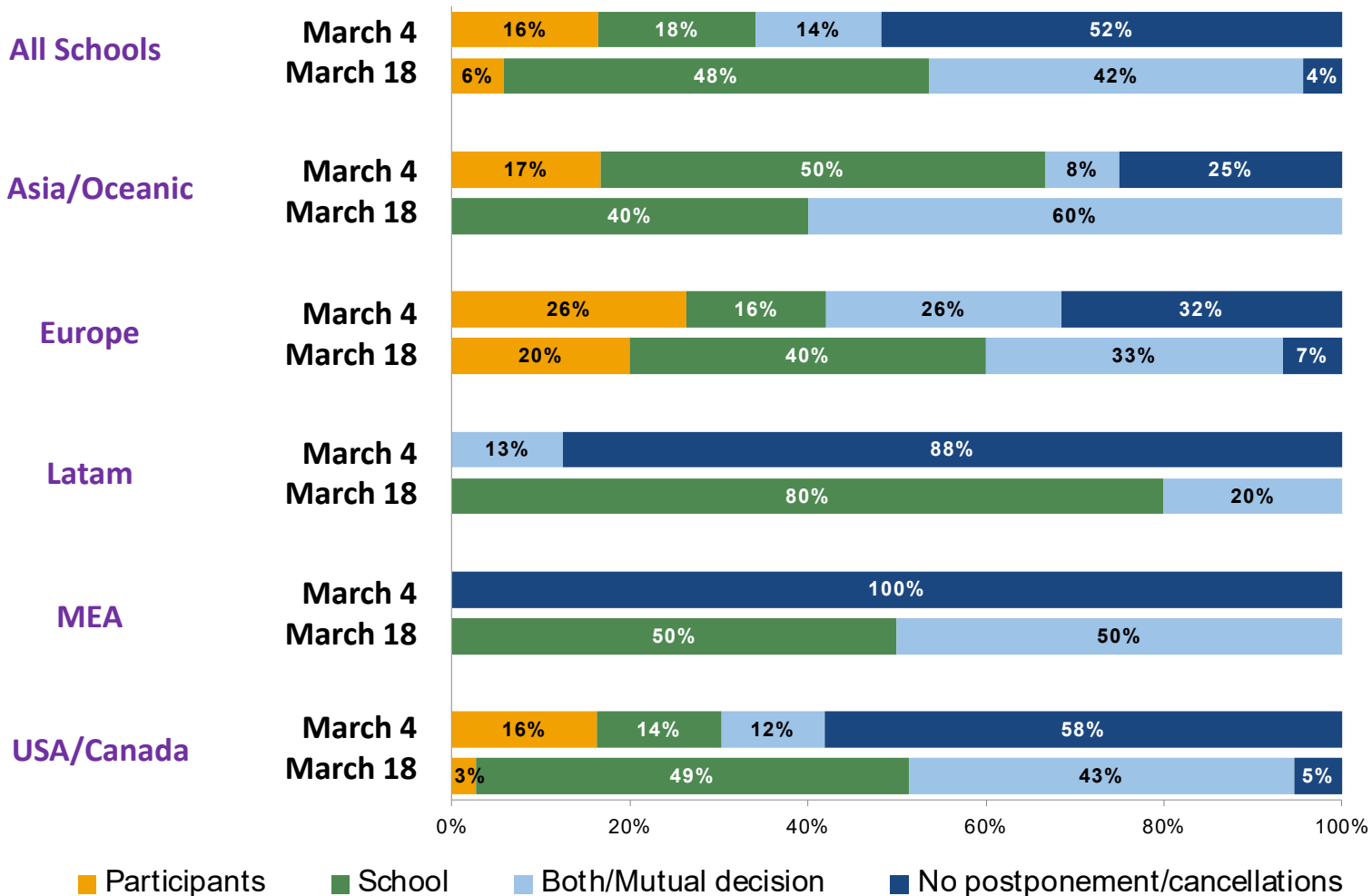
- On March 4, 34% of Schools reported no postponement/cancellation (p/c), while on March 18 all Schools reported p/c
- Most Schools reported mutual decision of client and School
- Significant change in Latam from 75% of Schools reporting no p/c on March 4 to 100% reporting p/c by March 18

*Revenue segments expressed in \$USD



Open Programs

Who has initiated postponement/cancellations of your open enrollment programs?



- Significant increase from March 4 when 48% of Schools reported postponement/cancellation (p/c), to March 18 when 96% reported p/c
- Most significant change in Latam from March 4 to March 18
- In terms of revenue segments, biggest change see in smaller Schools -under \$3M and \$3-12M reported 76%/67% no p/c on March 4 and just 14%/3% on March 18

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Summary of Open Response Questions

Changes to Registration Policies/Practices

- Waiving cancellation/rescheduling fees
- Focus on flexibility/customer centricity
- Shift to online format in order to maintain program dates

Changes to Marketing Approach

- Drastic cut of program specific advertising
- Shift toward content marketing
- Reallocating marketing spend from F2F programs to online
- Use marketing spend that is currently paused for push in Fall 20/Spring 21

Policies/Recommendations of Social Distancing

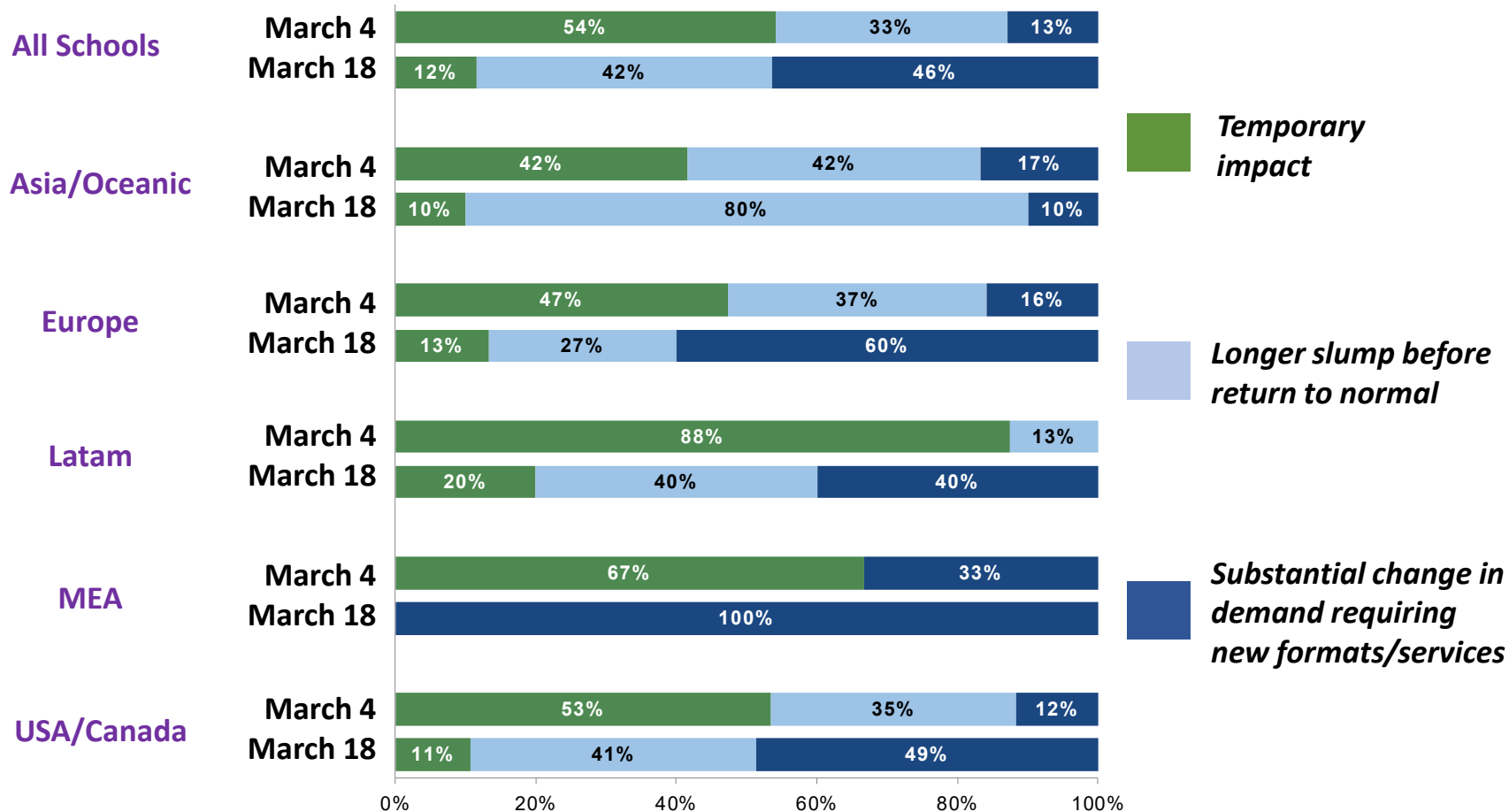
- Home office for staff and faculty
- Degree courses required to be delivered online
- Limit to # of people at gatherings/events with 6 ft/2 m distance between individuals

Non-financial Ideas to Help Clients/Customers

- Free of charge webinars on resilience/crisis management for clients/customers
- Practicing customer care with check-ins, offering digital consultations
- Providing guidance to clients re: shift to online formats

Future Impact of Covid-19

Level of Impact Expected from COVID-19 Coronavirus in Delivery of Exec Ed for Remainder of 2020



- Expected level of impact changed significantly between March 4 and March 18
- Europe and USA/Canada have higher % of expecting substantial change in demand requiring new formats (60% and 49% respectively)

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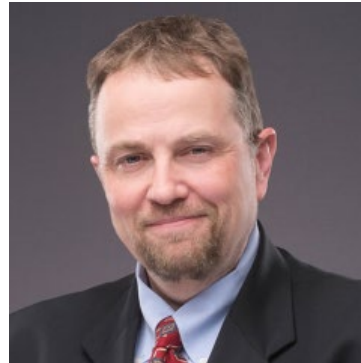
Q&A Discussion

Thank you for your responses to the surveys!!

Acknowledgments



The Percept Team and the UNICON
Benchmarking Committee



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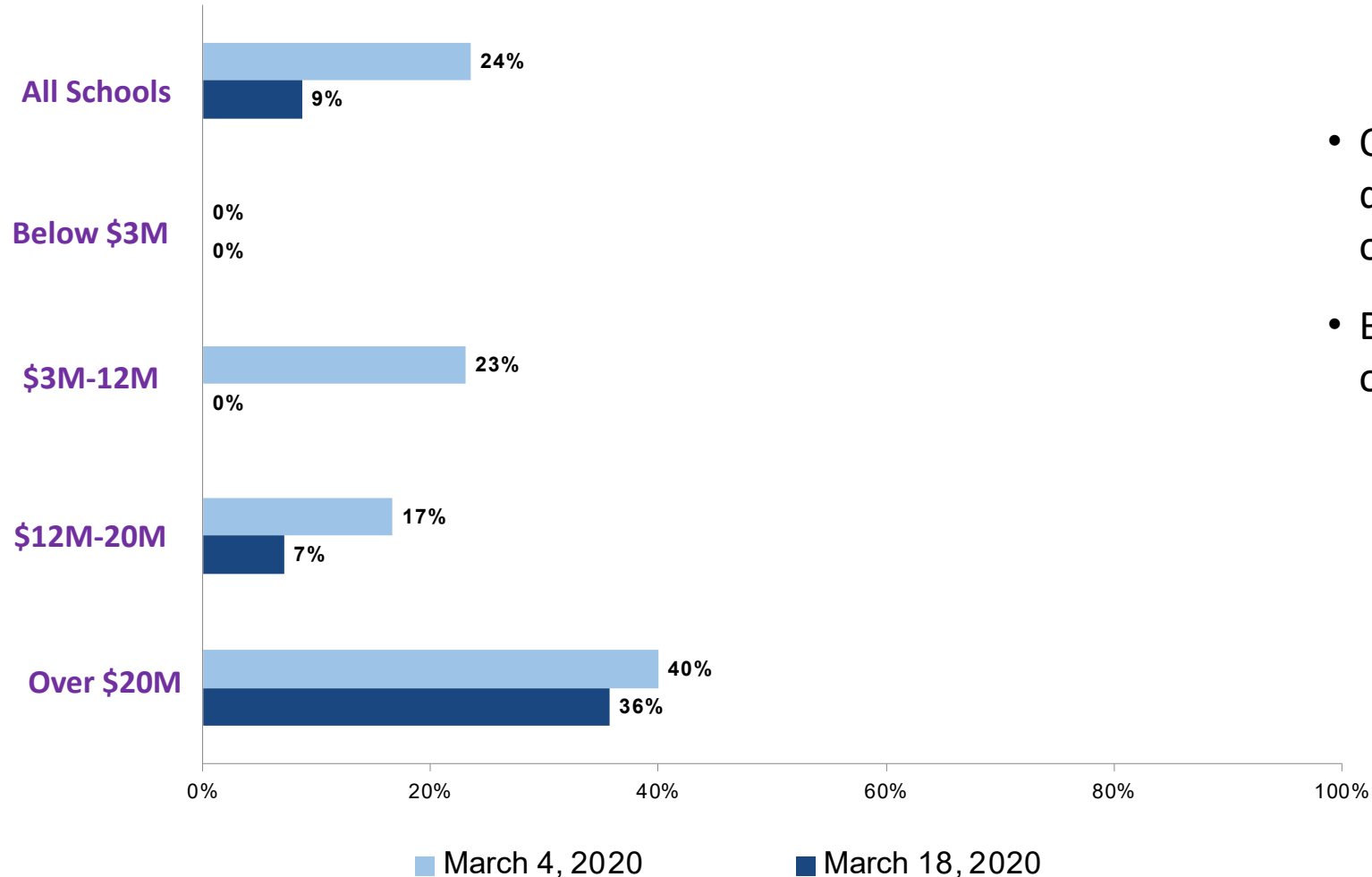
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Mitigating Actions 2: *move programs to a different geographic location*

Move Programs to a Different Geographic Location



- On March 4, moving programs to a different geographic location was an option for only 24% of Schools
- By March 18, it remained an option for only a few of the larger Schools