

# Attrition is becoming a recruitment problem.

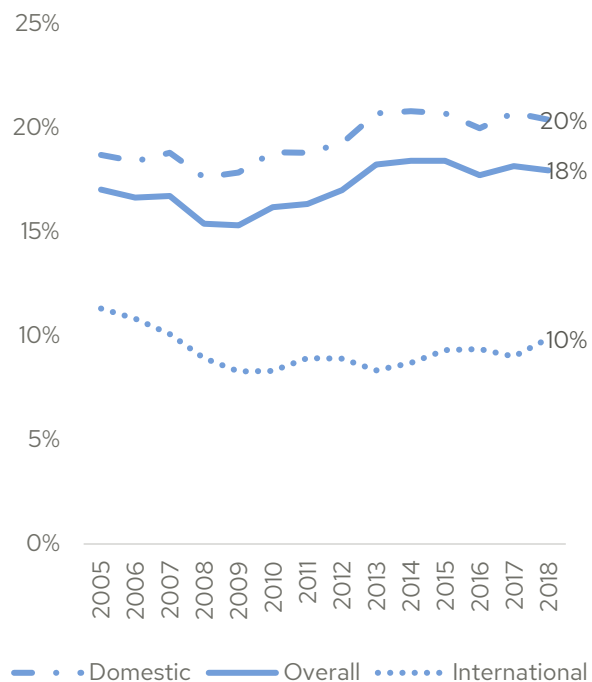
QS Client Group Data Insights  
November 2021

Australia

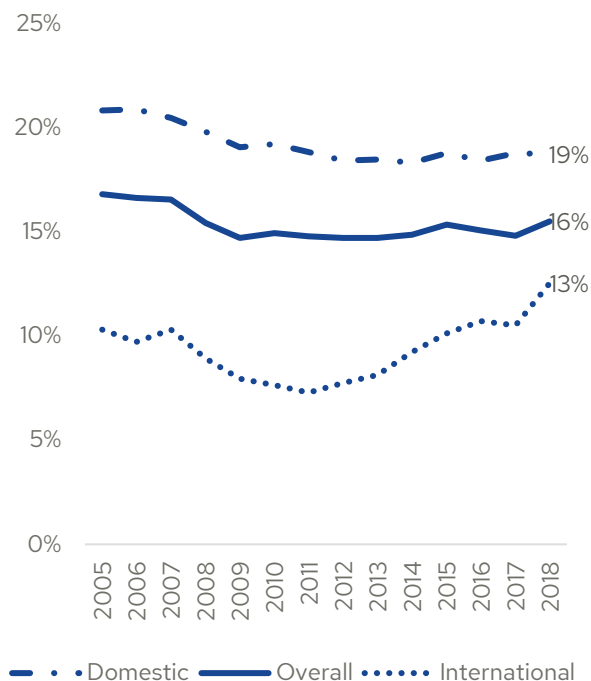


# 1 in 6 students withdraw within their first year and don't complete their course

## First-Year Undergraduate Attrition Rate\*



## First-Year Postgraduate Attrition Rate\*



Australian HEIs will welcome current and new international students to Australia in 2022, but it will likely take multiple intakes before we are back to pre-pandemic enrolments.

Extended collaboration across the institution to proactively engage and retaining our new students will be key to resolving the problem many are currently tasked with – ‘filling the top of a leaky bucket.’

International student attrition rates are potentially on the rise and an average Australian HEI is **losing \$17.5 million\*\* or more** due to international student attrition.

Retention has become an issue for all divisions at an institution and recruitment teams have found that extending campaigns and comms past enrolment and into commencement is helping to increase student satisfaction and decrease attrition.

Source: [Department of Education, Skills and Employment, Australian Government \(dese.gov.au\)](http://Department of Education, Skills and Employment, Australian Government (dese.gov.au)), Accessed 15 November 2021

\*Attrition Rate = ‘New Normal Attrition Rate’, the proportion of students who commenced a course in the given year, and neither complete in year(x) or year(x + 1) nor return in year(x + 1). Students who changed institution are counted as attrited.

\*\* For new international students commencing in 2018, average fees lost in \$ using values for (Undergraduate | Postgraduate) = First-Year Attrition Rate (10% | 13%) \* Average number of First Year Commencing Students (2400 | 2300) \* Average Total Course Fees (\$32,000 | \$33,000)

# 2 in 5 students who were struggling in their first semester were dissatisfied and disappointed with their course

What three things are most important to you when choosing a university?



Source: [QS International Student Survey 2021 Volume 3](#): Australia and New Zealand (qs.com)

A review of various datasets shows us that the excitement and enthusiasm about courses built up for a student during the recruitment stages may start to fizzle out once the student arrives and commences.

**39%\*** of enquirers and applicants say that course is the top factor for them when choosing a university.

**36%** of over 5,000 offer holders for 2020 and 2021 intakes told QS that they accepted their offers because of the USPs for the course.

**40%\*\* of students we contacted who were disengaged in their studies told us they were dissatisfied by their course.**

If the high expectations set during their recruitment journey fall short in their first year, institutions will continue to see hundreds of students withdraw every intake.

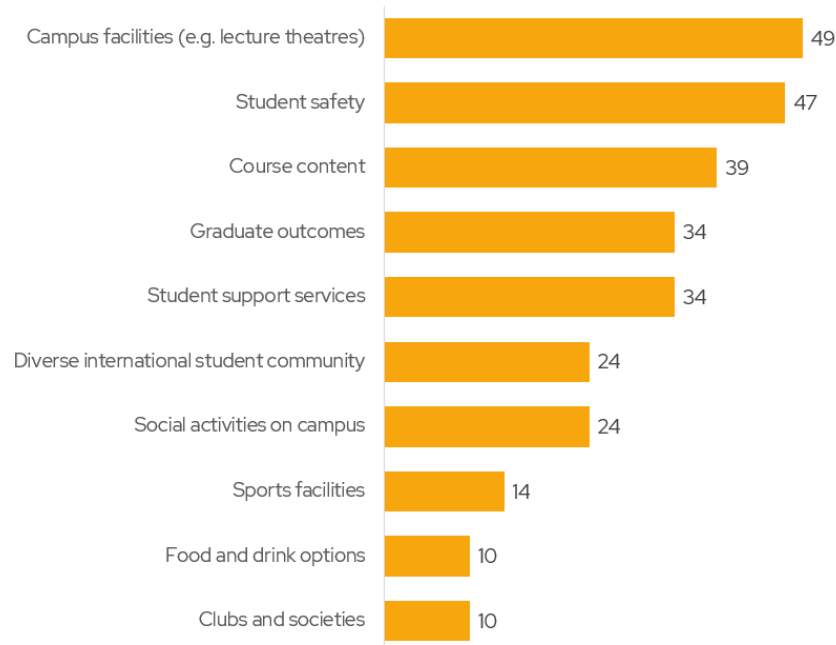
QS is seeing a trend of success across International and Marketing Offices who are extending marketing comms and offering 1-1 support post enrolment and arrival.

\* [QS International Student Survey 2021 Volume 3](#): Australia and New Zealand (qs.com)

\*\*From a QS case study of just under 250 current, first year students (2020-2021)

# Proactive and 1-1 engagement in the first intake improves student satisfaction & retention

When thinking about your ideal student experience, what three things are most important to you?



Source: [QS International Student Survey 2021 Volume 3](#): Australia and New Zealand (qs.com)

Recruitment and marketing teams invest over 12 months nurturing each student through targeted campaigns and provide clear messages about course USPs and graduate outcomes – all of which are among the most important things to students at the decision-making stage.

For institutions who QS helped to extend these 1-1 comms and consistent support into the first intake of new students' journeys, QS achieved improvements of retention rates by up to 7% points.

Even **incremental improvement** in retention rates can create **significant savings** for an institution. If you can move that attrition dial even by 1% point, you could be saving up to **\$1 million every intake**. Moving the dial by 7% points created \$6.7 million in savings for the QS Client.

Recruitment and marketing teams have the expertise, copy and collateral needed to bridge the gap between a student's fantastic experience as a prospect to the experience many report as 'being left on their own to make their way' when they commence.

It is much easier for the recruitment teams to expand their engagement into the current student space, as opposed to the current student teams trying to engage earlier.

\* Institutions can plug in their own figures to project the positive \$ impact of an x% improvement in first-year attrition rate:

$(\$ \text{ saved in first-year tuition income}) = x\% \text{ improvement in attrition rate} \times (\text{Average first year tuition fee}) \times (\text{first year enrolment numbers})$



# Thank you.

*"I got your calls and emails and text and I thought it was really good that you guys connect with students. I really appreciate it."*

QS has supported institutions engage and retain new, commencing students for over 10 years and improved satisfaction and retention rates demonstrate a clear impact and ROI. Our proprietary retention **machine learning models** enable clients to implement **data-driven retention strategies** that leverage technology and deploy strategic 1-1 engagement. Contact your QS Client Team if you want to explore the right solution for your students.

