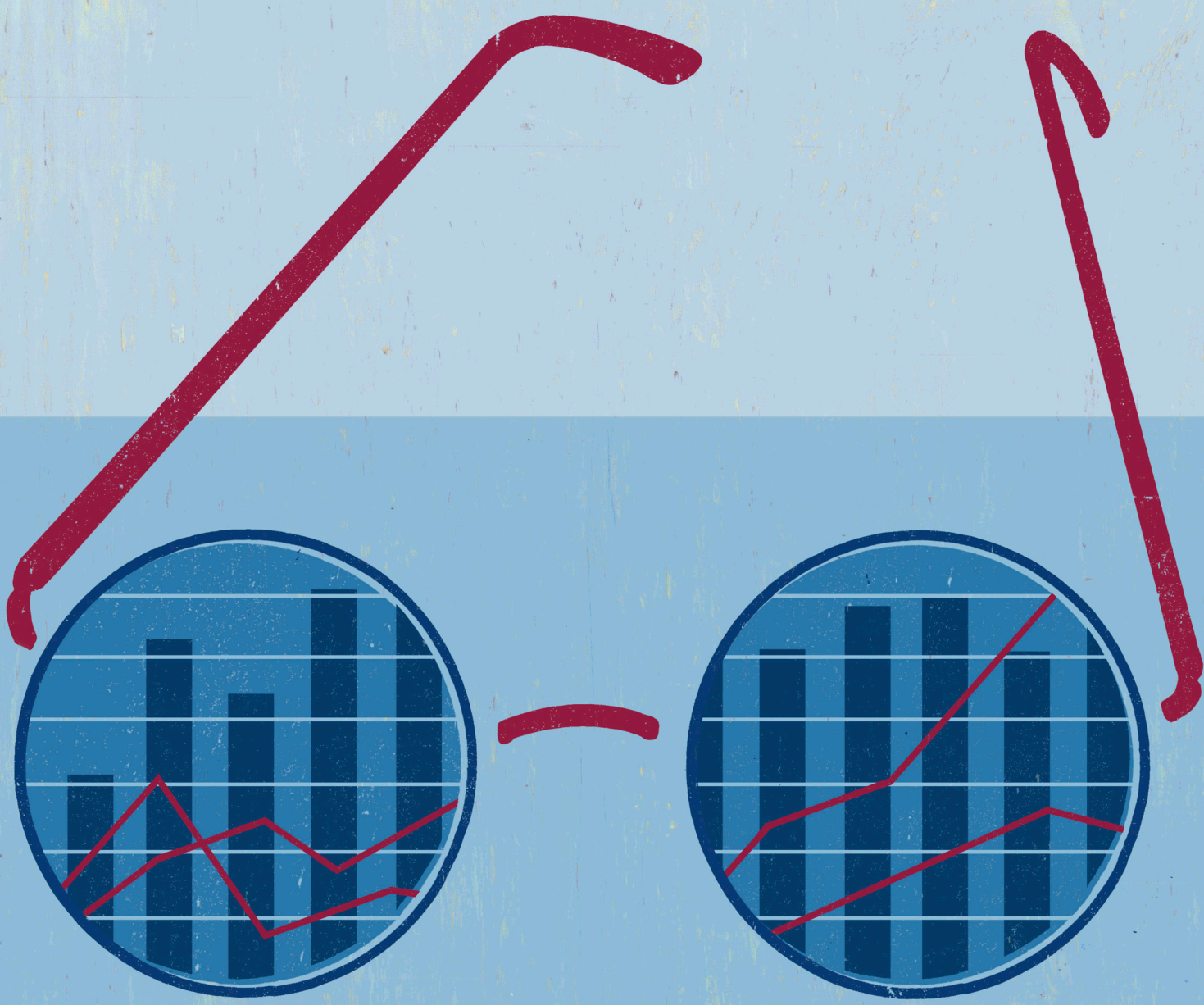


2010



Application Trends Survey

SURVEY REPORT



The **Application Trends Survey** is a product of the Graduate Management Admission Council® (GMAC®), a global nonprofit education organization of leading graduate business schools and the owner of the Graduate Management Admission Test® (GMAT®). The GMAT exam is an important part of the admissions process for nearly 5,000 graduate management programs around the world. GMAC is dedicated to creating access to and disseminating information about graduate management education; these schools and others rely on the Council as the premier provider of reliable data about the graduate management education industry.

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Now in its second decade, the *Application Trends Survey* conducted by the Graduate Management Admission Council (GMAC) is the industry source for timely and reliable insights through comprehensive statistics into the demand for graduate management education worldwide. Responses to this year's survey were provided by 665 graduate management programs at 327 business schools and faculties worldwide representing 39 countries and 39 states, the District of Columbia, and Puerto Rico in the United States. Participating programs include 476 MBA programs, 156 specialized master's programs, and 33 doctoral programs in business.¹

Since 2000, this survey of admission professionals has provided information on application volume trends, applicant pool composition, recruitment strategies and marketing channels, acceptance and enrollment rates, enrollment structure, and incoming class size. This year, the survey also looked at candidate age and regional distribution of international applicants.

Responses to this annual study were collected from early June to early July 2010. All application numbers and trends discussed in this report refer to complete applications, which contain all documents necessary for making an admissions decision, received as of June 30, 2010 for the 2010–2011 incoming class.

The survey data are best interpreted in the context of economic, social, and political factors that affect the higher education market in general and graduate management education in particular. Consistent with findings from previous years, program type and delivery format yielded profound differences in application trends, applicant characteristics, and admissions practices in this year's data.

¹ See the *About the Survey* section of this report for a detailed breakdown of respondents by program type.

Key Findings

- **Growth vs. Decline.** Across all graduate management programs participating in the survey, approximately half reported an increase in application volume for the incoming 2010–2011 class, and about 40 percent reported a decline compared with 2009.
- **Executive MBA.** This year, 59 percent of executive MBA (EMBA) programs reported an increase in the number of applications received, reversing a three-year decline. This was one of the highest proportions of programs reporting increases in volume among all MBA programs.
- **Full-Time MBA.** After reaching a cyclical peak in 2008, more full-time two-year MBA programs reported a downward (49%) trend in application volume for 2010 compared to an upward (41%) trend.
- **Part-Time MBA.** Part-time MBA programs appear to be nearing the end of their recent downward cycle in application volume. The proportion of these programs reporting growth in application volume in 2010 was comparable to 2009 and about even with those reporting a decline.
- **Master-Level Programs.** Continuing the positive trend seen in 2009, more than 60 percent of master-level programs in finance, accounting, and management reported increases in applications in 2010, with average application numbers exceeding last year's benchmarks by 20 percent or more.
- **Budget Changes.** More than 40 percent of MBA programs reported larger marketing budgets in 2010 compared with 2009. Advertising accounted for more than half (56%) of the total marketing budget of participating MBA programs, on average.

The economic recovery is underway, but signs of recession still remain.²

The pace of this recovery has been slower than after previous economic downturns. History shows that a recession often spurs individuals to pursue their education full time. As a recession progresses, however, household income diminishes, opportunity costs increase, and applications to full-time programs decrease.³ On a positive note, improving economic conditions may allow more companies to invest in their current employees by sending them to part-time or EMBA programs. The number of company sponsorships, especially full sponsorships, remains below prerecession levels, however, according to feedback provided by admissions professionals.

Two approaches are used in this report to assess changes in application volume to graduate management programs. The *relative* approach involves monitoring the number of programs that report either an increase or decrease in applications compared with last year. The *absolute* approach involves monitoring the annual percentage change in the number of applications received by the same programs.

MBA Programs

Three types of MBA programs had slightly more programs reporting growth versus a decline: online or distance learning MBA, EMBA, and full-time one-year MBA programs. Flexible MBA programs and part-time MBA programs reported about equal numbers for growth or decline, and more full-time two-year MBA programs reported decline rather than growth in applications for 2010. Only EMBA and flexible MBA programs experienced absolute growth in the number of applications received.

Executive MBA (EMBA) programs reported the most positive trends in application volume among MBA programs—59 percent received more applications in 2010 than in 2009 (Figure 1). This is a turnaround after three consecutive years of decline in the proportion of programs reporting growth in application numbers. In 2006, 69 percent of EMBA programs reported an increase, and 23 percent reported a decline. In 2009, only 37 percent of EMBA programs reported an upward trend in application numbers while half reported a decline. In addition, the average number of applications received per program this year increased by three percent compared with a 25 percent decline in 2009.

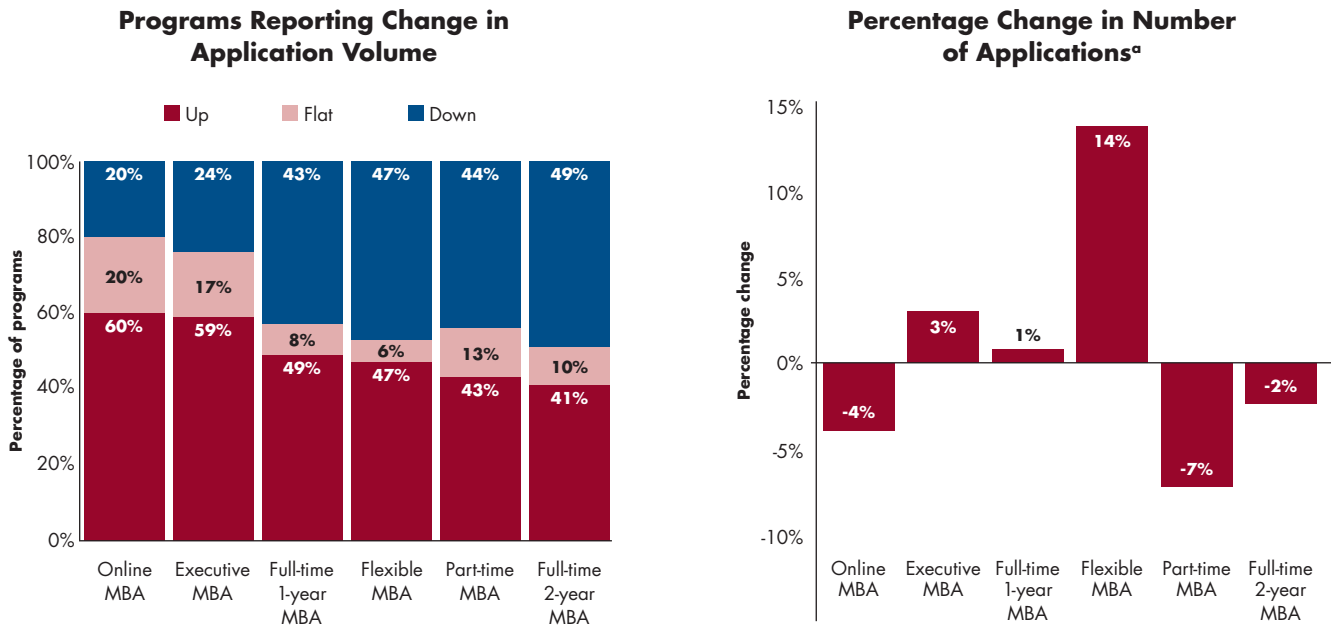


EMBA programs reported the most positive trends in application volume among MBA programs—59 percent received more applications in 2010 than in 2009.



²McKinsey & Company (2010). *Economic conditions snapshot*, August 2010. Available at https://www.mckinseyquarterly.com/Economic_Studies/Productivity_Performance/Economic_Conditions_Snapshot_August_2010_McKinsey_Global_Survey_results_2657.

³Hussar, W. & Bailey, T. (2008). *Projections of education statistics to 2017*. Washington, DC: US Department of Education.



a. Based on programs that reported the number of applications in both 2009 and 2010.

Figure 1.
MBA Programs Reporting Change in Overall Application Volume and Percentage Change in Number of Applications, 2010 vs. 2009

In June 2010, the EFMD *Global Deans Survey* revealed a similarly positive trend in expected executive education enrollments.⁴ In their preview of the 2010–2011 academic year, they reported that 66 percent of respondents expected an increase in enrollments to open programs, and 65 percent expected an increase to company-specific programs.

Expectations of economic recovery may have encouraged corporate support for EMBA programs and driven top managers to obtain new knowledge and skills. Either way, prospective student data show that EMBA candidates are applying to slightly more programs than in the past. During the first half of 2009, EMBA candidates applied or planned to apply to 1.4 programs. During the first half of 2010, they applied to 1.6 programs, on average.⁵

Nearly half (49%) of *full-time one-year MBA programs* (or accelerated MBA programs in the US definition) indicated growth in the number of applications received in 2010, but 43 percent reported a decline, resulting in little overall change. The average number of applications per program remained essentially unchanged from 2009 (<1% increase). The growth in the number of applications was driven primarily by programs that are part of institutions operating with government funding.

Full-time two-year MBA programs (or traditional MBA programs in the US definition) continued in the downward cycle seen in 2009 after reaching a cyclical peak in 2008. In 2010, more programs reported a downward (49%)

compared to an upward (41%) trend in application volume, and the average number of applications per full-time two-year MBA program marginally declined by two percent (Figure 1).

Nearly half (47%) of *flexible on-campus MBA programs* continued to attract more applicants than last year. Yet, the same number of flexible programs (47%) reported a decline in applications compared with 2009. The average number of applications per program rose 14 percent compared with last year, however. In short, among the programs whose application volume increased in 2010, many received a significantly higher number of applications than in 2009; and for most of those that experienced a drop in application volume the decline was slight.

⁴ EFMD (June 2010). *Deans barometer: Deans and directors general survey*, 4th ed. Available at http://www.efmd.org/images/stories/efmd/research/deans_barometer_write_up_2010.pdf.

⁵ GMAC mba.com Registrants Survey data, Q1–Q2 2009 and Q1–Q2 2010. McLean, VA: GMAC.

Similar to flexible MBA programs, participating *part-time, professional, and weekend MBA programs* also split into two nearly equal groups with opposing trends: 43 percent of programs reported an increase in application volume and 44 percent reported a decline. The proportion of part-time MBA programs reporting growth in the number of applications received was comparable to 2009, which suggests a halt in the overall downward cycle. With the economic recovery underway, we may expect an increase in the number of applications sent to these programs in the near future. The average number of applications per program declined by seven percent, however.

Eleven of 18 *online MBA programs* that participated in the survey received more applications this year than in 2009. Yet, there was a four percent decline in the average number of applications per program, driven by a limited number of large programs.

Number of Applications and Early Indicators of Application Volume Trends

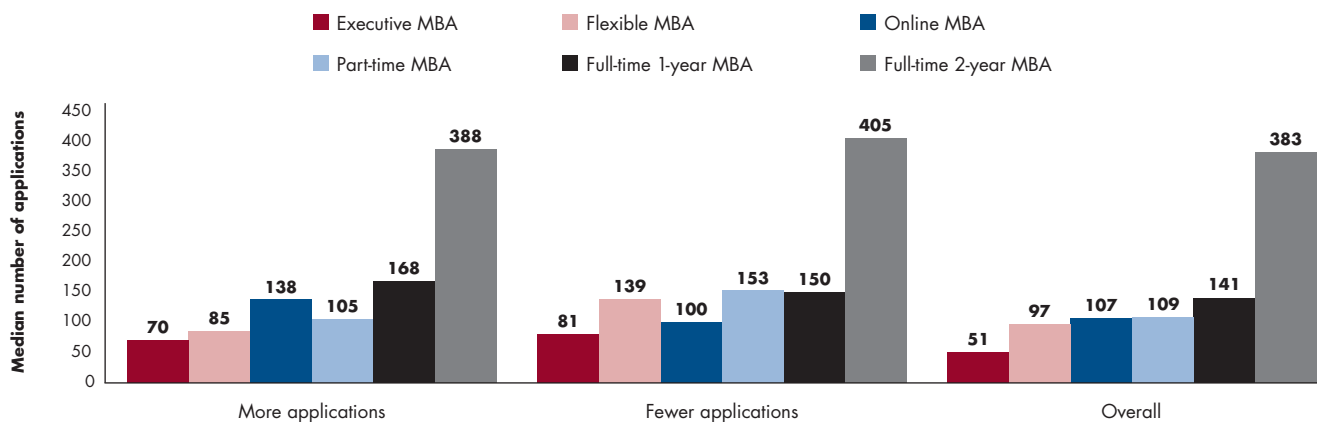
As of June 30, 2010, the 476 MBA programs participating in the survey had received a total of 196,032 completed applications, and many had not yet reached their application deadlines. The number of applications per program varied greatly, ranging from fewer than 10 to nearly 10,000 applications.

Consistent with previous findings, two-year full-time MBA programs received the largest number of applications among MBA programs and EMBA programs received the smallest. In 2010, a typical full-time MBA program received 383 applications while a typical EMBA program received 51 (Figure 2).

Examining the median number of applications received by programs reporting either an increase or a decline compared with last year helps illustrate the difference between relative and absolute approaches to assessing the application volume.

To reiterate, the relative difference in a program's year-to-year application volume (increase or decrease) does not translate into a similar percentage change (or absolute difference) in the number of applications. In 2010, a typical full-time two-year MBA program that reported a decline in application numbers, for instance, received more applications (405) than a typical program that indicated an increase over last year (388) (Figure 2). This means that whether application volume increases or decreases among small programs, the overall application volume in the industry might not change significantly, whereas changes in large-program application volume trends might significantly affect the overall industry application volume.

Consistent with earlier findings, this year's survey responses showed a strong correlation between the number of applications received and the size of the program, especially among full-time MBA programs (Figure 3). In addition, the level

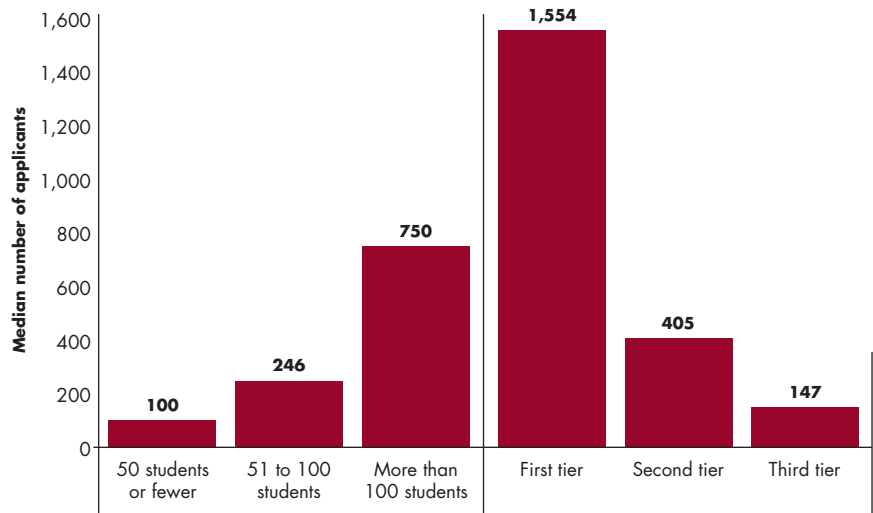


a. Programs that reported no change in application volume are included only in the overall medians in this chart.

Figure 2.
Median Number of Applications per MBA Program, by Program Type and Application Trend^a

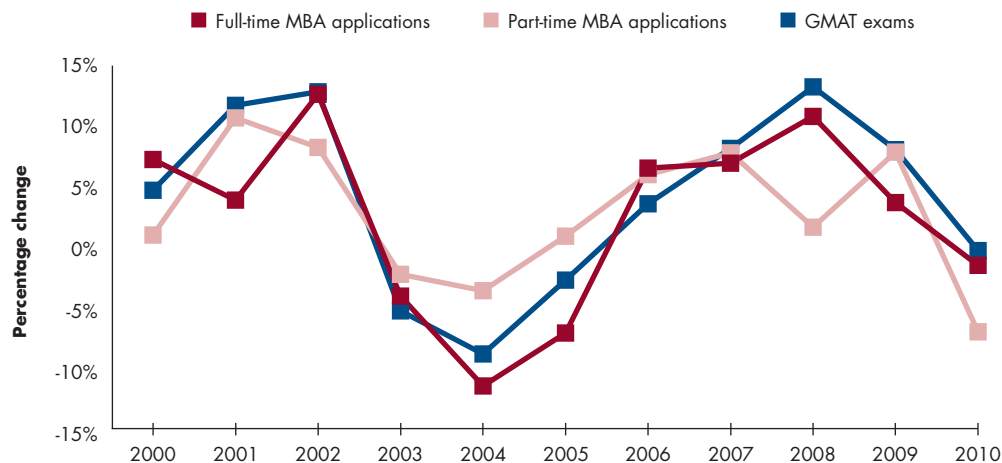
of program selectiveness (program tier) was a major factor driving the difference in application numbers among programs.

As in the past, GMAT test-taking data and corresponding *Application Trends Survey* data confirmed that a strong correlation exists between changes in the number of MBA program applications received, especially for full-time MBA programs, and changes in GMAT testing volume (Figure 4). The number of GMAT tests taken marginally declined (-0.6%) from testing year 2009 to testing year 2010,⁶ which corresponded to a slight decline (-1.8%) in the number of applications sent to full-time MBA programs from June 30, 2009 to June 30, 2010.



a. Full-time MBA program tier is based on average media rankings across the *Financial Times*, *BusinessWeek*, and *U.S. News & World Report*. First tier includes the top 50 MBA programs, second tier includes the next 50 programs, and third tier includes all other programs.

Figure 3.
Median Number of Applications per Full-Time MBA Program, by Class Size and Program Tier^a

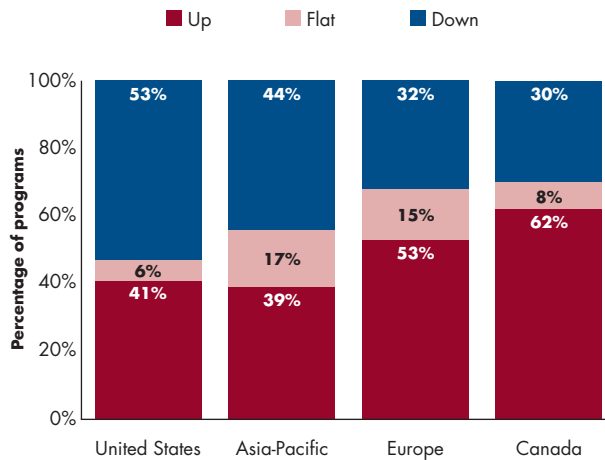


Source: Graduate Management Admission Council. *Profile of graduate management admission test® candidates*, issues published between 2001 and 2009, and preliminary data from 2010.

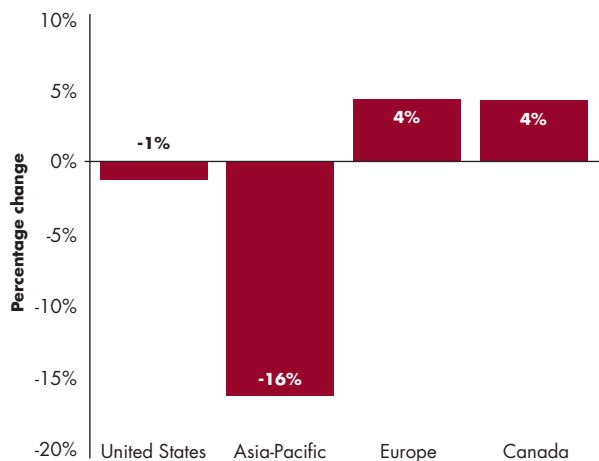
Figure 4.
Percentage Change in Number of GMAT® Exams Taken and Number of Applications to Full-Time and Part-Time MBA Programs, 2000-2010

⁶The GMAT testing year runs from July 1 to June 30.

Programs Reporting Change in Application Volume



Percentage Change in Number of Applications^a



a. Based on programs that reported the number of applications both in 2009 and in 2010.

Figure 5.

Full-Time MBA Programs Reporting Change in Total Application Volume and Percentage Change in Number of Applications, by World Region

Regional MBA Trends

More full-time MBA programs in Canada and Europe are reporting growth versus decline in application volume. The opposite is true in Asia and the United States, where more programs are reporting a decline versus growth.

Application volume to full-time MBA programs in Canada remained strong. Six in 10 programs (62%) received more applications this year than in 2009 (Figure 5). The percentage of programs with a positive trend in application volume declined only slightly compared with last year (67%). The average number of applications per Canadian full-time MBA program increased by four percent.

Slightly more than half of European MBA programs (53%) reported an increase in application volume over last year, compared with 72 percent of programs that reported an increase in 2009. Nearly one-third (32%) received fewer applications than in 2009. Similar to Canadian programs, the average number of applications per European full-time MBA program increased by four percent.

In the Asia-Pacific region, where three-fourths of full-time MBA programs reported an increase in the number of applications in 2009, only 39 percent reported an increase in 2010. The average number of applications per program declined by 16 percent.

Unlike programs in other world regions, where fewer than half reported a decline in application volume, more than half of full-time MBA programs in the United States received fewer applications than in 2009. In comparison, only one-third of participating US full-time MBA programs reported a decline in 2009 over 2008.

As discussed earlier, the program format— one-year or two-year—as well as regional specifics may influence trends in applications. For example, most participating full-time MBA programs in Europe (88%) and in Canada (62%) were one-year programs, whereas most participating full-time MBA programs in the United States (72%) and more than half in the Asia-Pacific region (54%) were two-year programs.

In the United States, no differences in application trends to full-time MBA programs were observed across national regions. Part-time MBA programs in the United States did witness regional variations in application trends, however. The strongest application flow to part-time MBA programs in 2010 was observed in the Northeast and the weakest was in the West and the South (Figure 6). According to the US Bureau of Labor Statistics, the Northeast reported the lowest regional jobless rate in June 2010 (8.8%), and the West reported the highest (10.7%).⁷ Meanwhile, personal income from first quarter 2009 to first quarter 2010 increased by three percent in the Northeast, but only by one percent in the West.⁸ These regional factors likely impact the application trends for part-time programs in those regions.

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Part-time MBA programs in the United States witnessed regional variations in application trends. The strongest application flow was observed in the Northeast and the weakest was in the West and the South.
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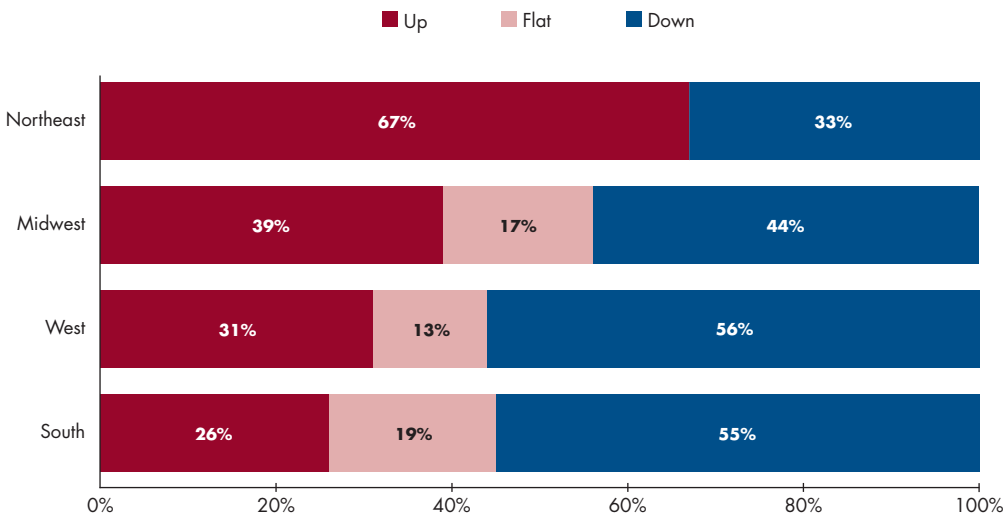
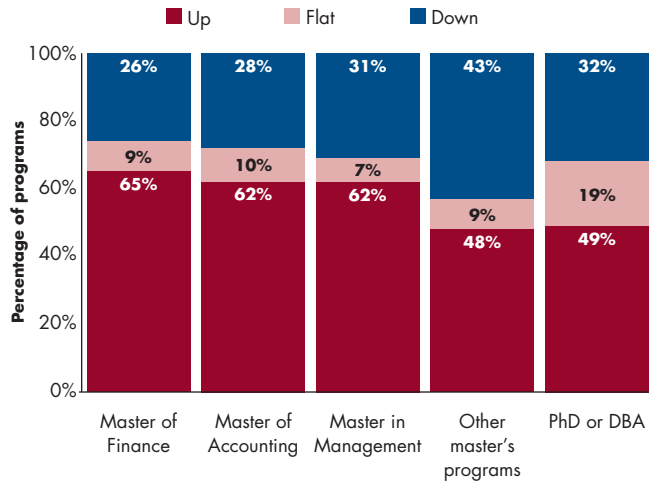


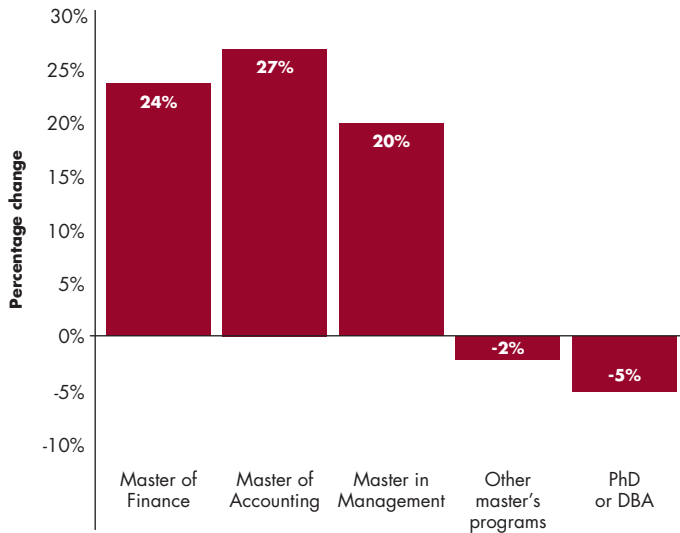
Figure 6.
 US Part-Time MBA Programs Reporting Change
 in Total Application Volume, by US Region

⁷ US Bureau of Labor Statistics (June 2010). *Regional and state employment and unemployment* (news release). Washington DC. Available at <http://www.bls.gov/news.release/laus.nr0.htm>.
⁸ Bureau of Economic Analysis (August 2010). SQ1–Personal Income, State Quarterly Personal Income Tables, Regional Economic Accounts. Washington, DC. Data retrieved at <http://www.bea.gov/regional/sqpi>.

Programs Reporting Change in Application Volume



Percentage Change in Number of Applications^a



a. Based on programs that reported the number of applications both in 2009 and in 2010.

Figure 7.
Specialized Master's and Doctoral Programs Reporting Change in Overall Application Volume and Percentage Change in Number of Applications, 2010 vs. 2009

Specialized Master's and Doctoral Programs

Continuing the positive trend seen in 2009, more than 60 percent of master-level programs in finance, accounting, and management reported an increase in the number of applications received in 2010 (Figure 7). The average number of applications per master's program in these three fields exceeded last year's benchmarks by 20 percent or more.

The reader should note that observed trends might be driven by regional differences rather than by differences among various graduate management specializations. For example, the vast majority of participating Master of Accounting programs (94%) were in the United States while a substantial proportion of Master in Management programs (41%) and Master of Finance programs (32%) were in Europe.

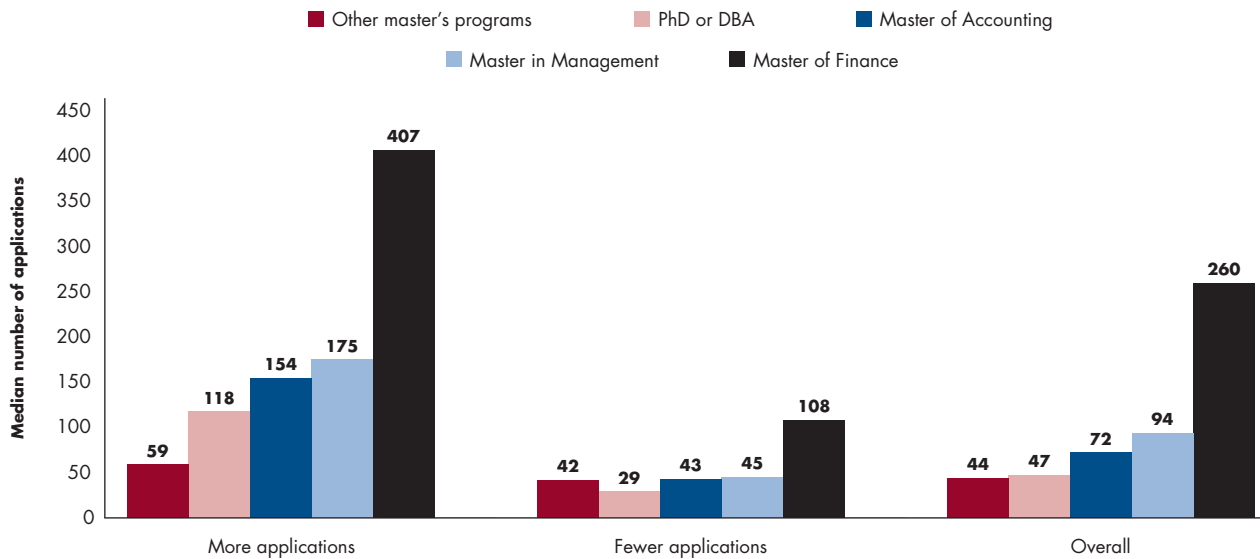
Application volume for PhD in business or management and DBA programs, primarily represented by the United States (48%) and the Asia-Pacific region (33%), trended downward after the 2009 increase. In 2009, more than half of participating doctoral programs (56%) reported increases in their application volume over 2008. In 2010, 49 percent reported an increase over 2009. The average number of applications per doctoral program declined by five percent compared with 2009.

Number of Applications

As of June 30, 2010, the 156 participating master’s programs had received a total of 31,753 completed applications for the 2010–2011 incoming class. The number of applications per program ranged from fewer than 10 to more than 4,000 applications. Thirty-three participating doctoral programs received a combined 3,846 applications, with the number of applications per program ranging from fewer than 10 to more than 800. Consistent with previous findings, a typical specialized master’s or doctoral program received fewer applications than a typical MBA program.

In 2010, the median number of applications to a typical Master of Finance program more than doubled the median application numbers for all other specialized master’s or doctoral programs (Figure 8). Unlike the observed pattern for MBA programs, where a downward trend in application volume did not translate into fewer applications received by the “down” group, the median number of applications for master- and doctoral-level programs reporting a downward trend was smaller than the median number for the group with an upward trend.

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More than 60 percent of master-level programs in finance, accounting, and management reported an increase in the number of applications received in 2010.
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a. Programs that did not report change in application volume are included only in the overall medians in the chart.

Figure 8. Median Number of Applications per Master’s and Doctoral Program, by Degree Type and Application Trend^a

As with trends in application volume, applicant characteristics vary greatly by program type and delivery format. For example, MBA programs typically attract older and more experienced candidates compared to specialized master's programs; full-time programs have more appeal to international candidates than part-time programs.

MBA Program Applicants

The 2010 applicant pools for flexible and part-time MBA programs continued to exhibit the greatest gender diversity, and full-time MBA programs continued to attract the most international applicants (Figure 9). Academic qualifications of 2010 MBA candidates either matched or exceeded those of the 2009 MBA applicant pool.

A typical 2010 *full-time MBA* program applicant was between 26 and 30 years of age (43%) and had three to six years of work experience (42%). A notable difference was observed in the proportion of foreign applicants to two-year (48%) and one-year (67%) programs. Nearly all participating programs reported that candidates were either more academically qualified (46%) than last year's candidates or comparable to last year's (45%).

Nearly two in five applicants to *part-time MBA* programs (38%) were women, 39 percent of candidates were 31 years of age or older, and 43 percent had six years or more of work experience. Half of participating part-time MBA programs reported that this year's applicants were as academically qualified as those in 2009, and 38 percent reported that applicants were of higher academic quality.

More than half of *EMBA* candidates (54%) were 35 years of age or older and 61 percent had 10 years or more of work experience. Nearly two-thirds of *EMBA* programs (65%) reported that 2010 applicants were as academically qualified as last year; and one-third (34%) noticed an improvement in the academic quality of the applicant pool.

Similar to part-time programs results, 38 percent of *flexible MBA* applicants were women. More than one-third of flexible MBA candidates (35%) were between the ages of 22 and 25. Most admissions professionals reported that candidates were either more qualified than in 2009 (45%) or had the same academic quality (43%).

	Highest	Lowest
By gender Female	Part-time & flexible 38%	Executive 27%
By citizenship Foreign	Full-time one-year 67%	Part-time 12%
By age 25 or younger	Flexible 43%	Executive 2%
By work experience Less than 3 years	Full-time two-year 40%	Executive 1%

a. Average percentage.

Figure 9.
MBA Programs With Highest and Lowest Proportions of Candidates With Selected Characteristics^a

The *online MBA* program applicant pool composition by citizenship shifted towards domestic candidates in 2010. From 2007 to 2009, approximately half the applications to online programs came from domestic candidates. In 2010, 84 percent of applications were domestic. One-third of applications received by online programs in 2010 were from women and a typical candidate belonged to the 26- to 30-year age group (30%). Although 80 percent of admissions professionals indicated that applicants' academic quality was the same as in 2009 (53%) or better (27%), one-fifth—the largest proportion among admissions professionals reporting for MBA programs—shared that the academic quality of online program applicants decreased.

Specialized Master's and Doctoral Program Applicants

Consistent with 2009, Master of Accounting programs reported the greatest percentage of female applicants (57%) among all surveyed graduate management programs; Master of Finance reported the most international candidates (79%). Specialized master's program applicants were significantly younger and had fewer years of work experience, on average, than MBA applicants (Figure 10).

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Applicant pools for flexible and part-time MBA programs continued to exhibit the greatest gender diversity, and full-time MBA programs continued to attract the most international applicants.
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	Highest	Lowest
By gender Female	MS/MA in Accounting 57%	PhD/DBA 36%
By citizenship Foreign	MS in Finance 79%	MS in Accounting 57%
By age 25 or younger	MS/MA in Accounting & MS/MA in Finance 72%	PhD/DBA 13%
By work experience Less than 3 years	MS/MA in Accounting 78%	PhD/DBA 23%

a. Due to the limited number of observations for other majors, only master-level programs in accounting, finance, and management were analyzed.
 b. Average percentage.

Figure 10.
 Specialized Master's and Doctoral Programs With Highest and Lowest Proportions of Candidates With Selected Characteristics^{a, b}

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41% of full-time MBA programs in the United States reported an increase in applications from foreign citizens in 2010.
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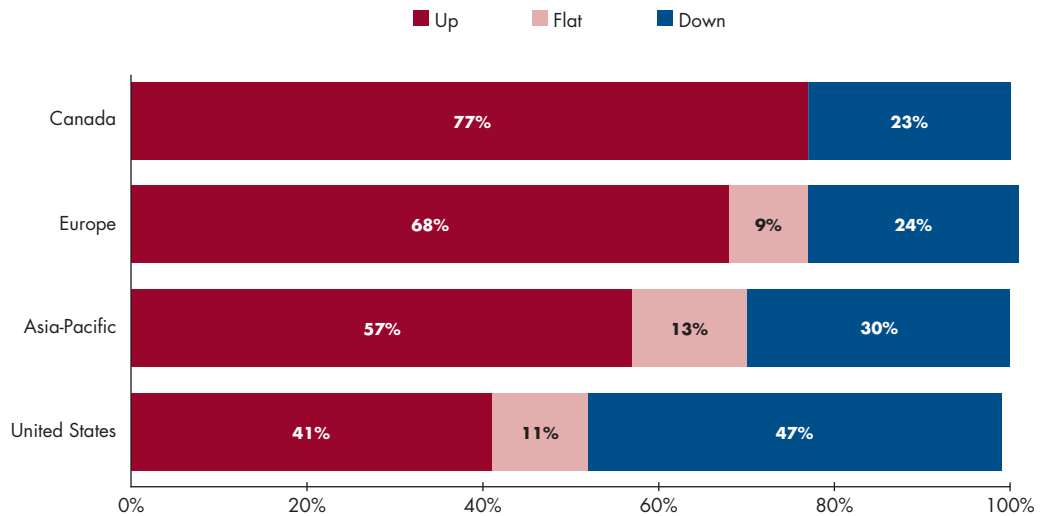
International Applicants in the United States and Canada

According to the *Open Doors 2009: Report on International Educational Exchange* from the Institute of International Education, business and management was the most popular field of study for international students in the United States—a consistent trend in recent years.⁹ The Institute reported in Fall 2009 that 21 percent of an all-time high of 671,616 international students were studying in this field, followed by 18 percent who were studying engineering.

The average number of applications from foreign citizens per participating US full-time MBA program declined by nine percent in 2009 compared with 2008, but increased by three percent in 2010

compared with 2009. Overall, 41 percent of full-time MBA programs in the United States reported an increase in applications from foreign citizens in 2010 (Figure 11)—down from 48 percent that reported an increase in 2009.

Nearly two-thirds of US full-time MBA programs (65%) indicated that the largest number of foreign applications they received was submitted by Indian citizens, and one-fifth (21%) reported receiving the greatest number of applications from Chinese citizens. This finding is consistent with GMAT examinee data collected during the most recent testing year. In TY2010, Indian examinees who intended to pursue MBA programs sent 40,684 score reports to US schools, nearly double the number of scores sent by Chinese examinees interested in the same type of programs (21,127).¹⁰



* Percentages may not add to 100 due to rounding.

Figure 11.
 Full-Time MBA Programs Reporting Change in Application Volume From Foreign Citizens, by World Region

⁹Institute of International Education (2009). *Record numbers of international students in U.S. higher education*, November 19, 2009. Press Release. Retrieved on August 5, 2010 from <http://www.iie.org/en/Who-We-Are/News-and-Events/Press-Center/Press-Releases/2009/2009-11-16-Open-Doors-2009-International-Students-in-the-US>.

¹⁰Graduate Management Admission Council. TY2010 GMAT® examinee data. Reston, VA: GMAC.

As shown in Figure 12, the Asia-Pacific region continues to be the leading source of international applicants to the United States. Applicants from the Asia-Pacific region accounted for 71 percent of international applicants to US full-time MBA programs.

The majority of participating full-time MBA programs in Canada (77%) reported an upward trend in foreign applicant numbers. With more than three-fourths reporting such a trend, Canada had the highest proportion of foreign applicants among examined world regions (Figure 11). This growth in number of foreign applications to Canadian programs in 2010 exceeded the 75 percent of programs reporting an increase last year.

In testing year 2010, India was the top foreign country that sent score reports to Canadian graduate management programs, which matched the experience of 78 percent of full-time MBA programs in Canada that received the largest number of foreign applications from Indian citizens. In 2010, Canadian full-time MBA programs received a smaller share of international applications from the Asia-Pacific region (64%) than US programs received (71%), but their share of applications from Africa and the Middle East (17%) was larger by seven percentage points (Figure 12).

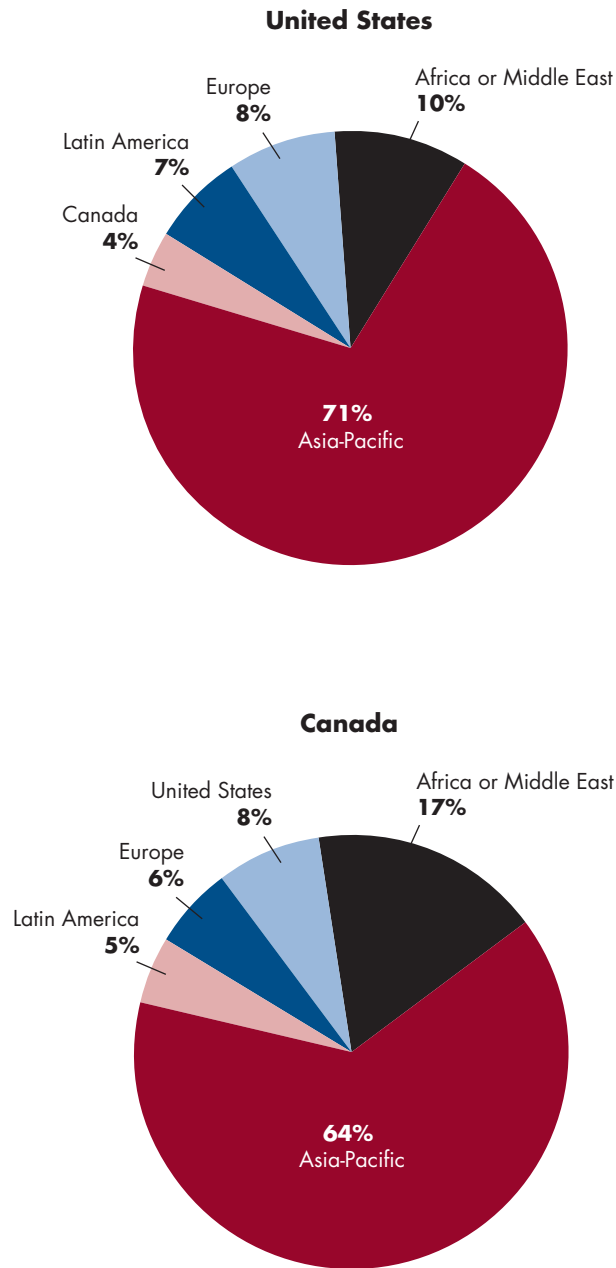


Figure 12.
Distribution of International Applicants to Full-Time MBA Programs in the United States and Canada, by Region of Origin

More than half of participating graduate management programs in the United States across all graduate management degrees and program types conducted special recruitment or outreach for incoming class applicants (Figure 13). So did many programs in other countries. Special recruitment may include recruiting visits to organizations (schools or companies) with a high proportion of individuals from targeted groups, organizing or participating in recruitment fairs targeted to specific groups, or developing special recruiting materials such as outreach brochures designed for specific population groups.

Although different programs focused their special recruitment or outreach on different population groups, working professionals appeared to be the top group of candidates sought by many graduate management programs (Figure 14).

Foreign candidates were also frequently on the lists of programs' targeted populations, especially at full-time programs. Strategic focus on a particular citizenship group varied by school location. For example, nearly two-thirds (64%) of graduate management programs in the United States that conducted special outreach for foreign candidates shared that their top recruiting destination was China,

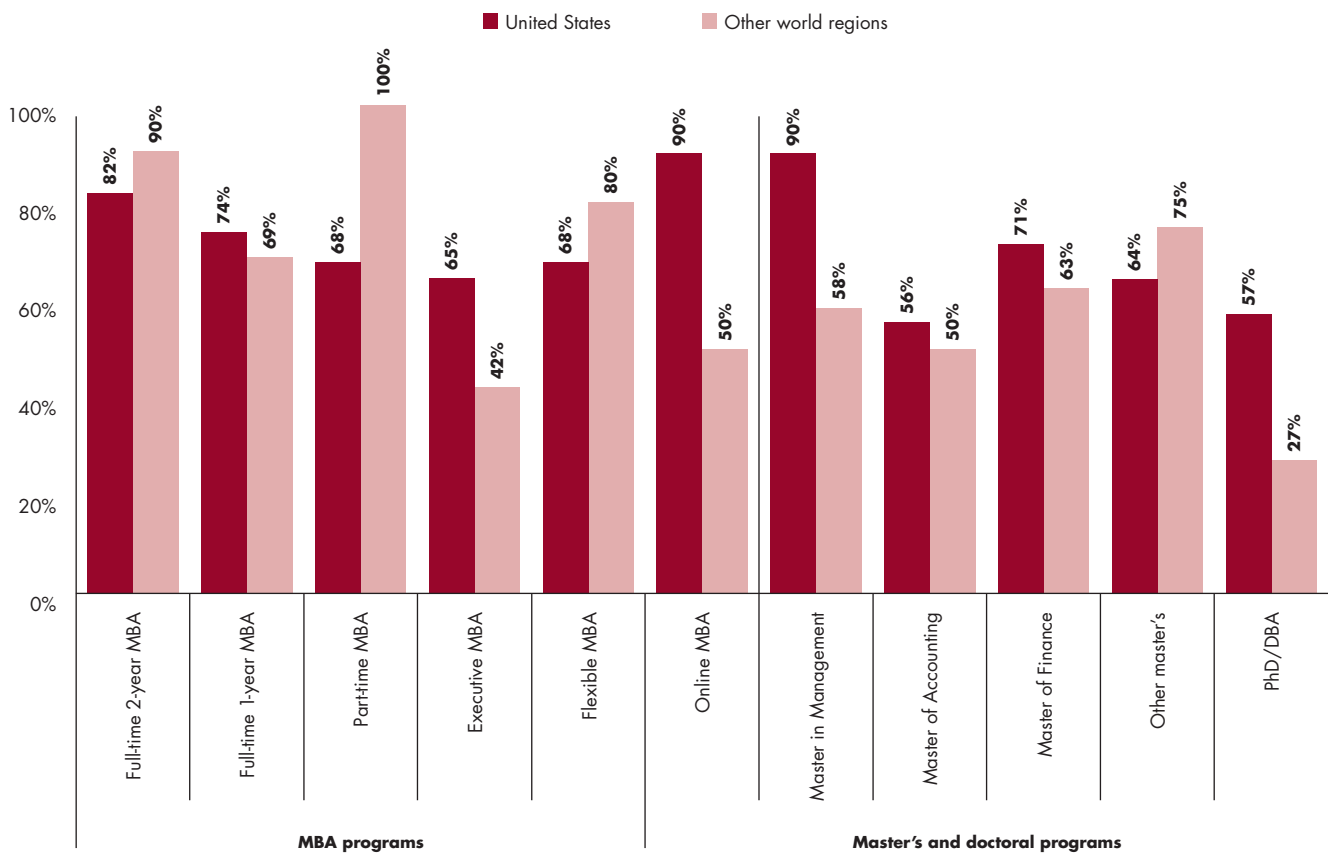


Figure 13. Graduate Management Programs That Conducted Special Recruitment or Outreach for the 2010–2011 Incoming Class, by Program Type and World Region

¹¹ Survey results discussed in the *Recruitment, Marketing, and Tuition Assistance* section of this report are based on the optional portion of the survey, which 65 percent of respondents chose to complete.

RECRUITMENT, MARKETING, AND TUITION ASSISTANCE

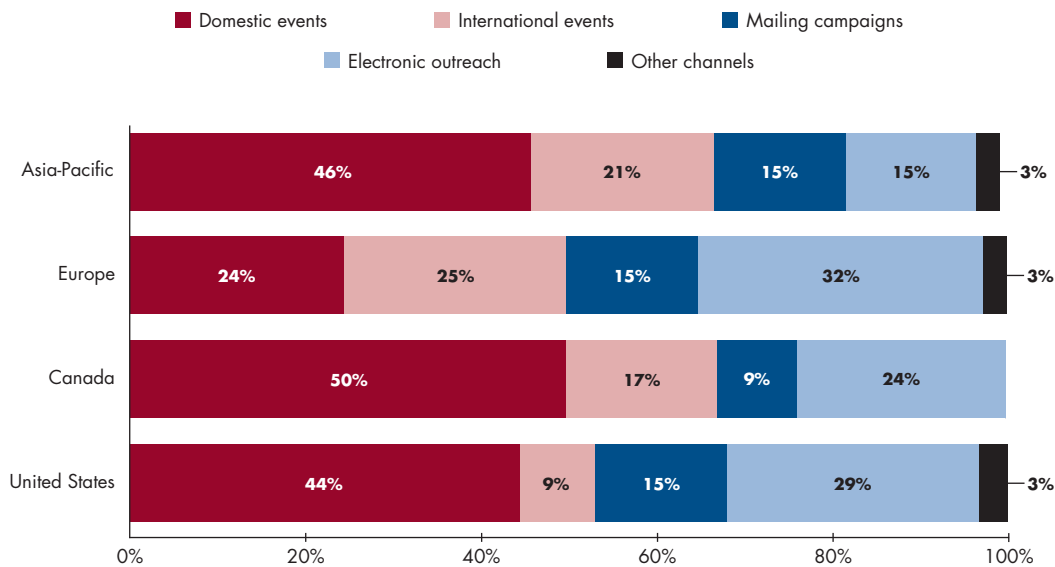
whereas more than half the programs in the Asia-Pacific region (53%) listed the United States. All Canadian programs that recruited foreign candidates targeted India; so did 44 percent of European programs that undertook special recruitment efforts to attract foreign applicants.

With the exception of mailing campaigns, different regional world patterns were observed in how graduate management programs distributed their recruitment dollars (Figure 15). By communications channel, domestic events accounted for half of Canadian program budgets, but accounted for only a quarter of what European programs spent on candidate recruitment. Based on its share of expenditures, electronic outreach—which includes email campaigns, online chats, instant messaging (IM), social networking sites, and website enhancements—was the major recruitment tool in Europe. European programs spent one-fourth of their recruitment budgets on international events, whereas programs in the United States spent only nine percent, on average.

		#1	#2
United States	Full-time MBA	Underrepresented minorities (80%)	Foreign candidates (69%) Women (68%)
	Part-time MBA	Working professionals (78%)	Military (58%)
	Other master-level programs	Working professionals (75%)	Undergraduate students (69%)
Other world regions	Full-time MBA	Foreign candidates (71%)	Working professionals (51%)
	Part-time MBA	Working professionals (75%)	Occupational specialties (58%)
	Other master-level programs	Undergraduate students (69%)	Foreign candidates (56%)
All regions combined ^a	Executive MBA	Working professionals (69%)	Women (45%)
	Flexible MBA	Working professionals (67%)	Undergraduate students (44%)
	Online MBA	Working professionals (82%)	Occupational specialties (46%)

a. Due to a limited number of observations regional statistics are not available.

Figure 14.
Top Population Groups Selected for Special Recruitment or Outreach, by Program Type and World Region



* Percentages may not add to 100 due to rounding.

Figure 15.
Allocation of Graduate Management Program Recruitment Budget, by World Region

Marketing Budget

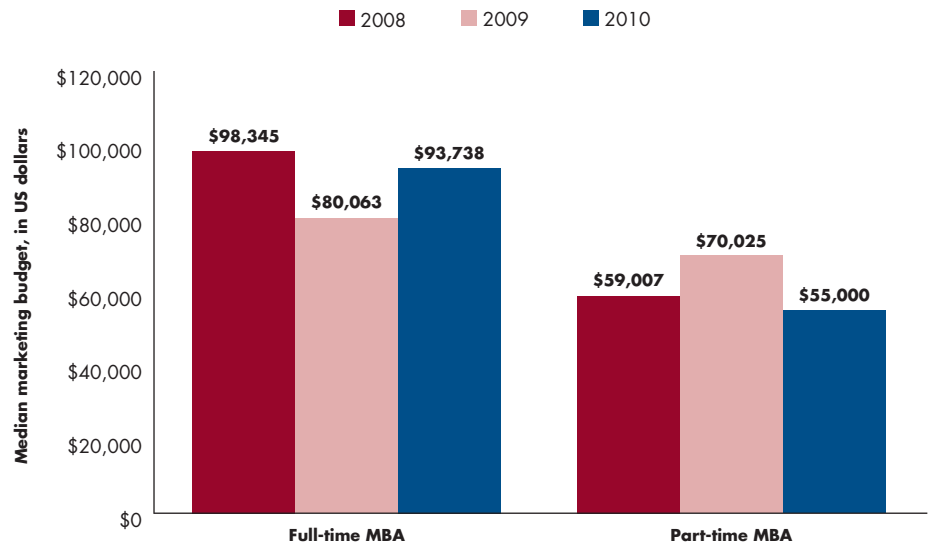
In 2010, a median marketing budget per MBA program was \$77,500; for other master-level programs in business or management, it was \$25,000. Based on median expenditures per program, a typical full-time program had a higher budget for marketing activities than a typical part-time program did—spending, for example 70 percent more than a part-time MBA program in 2010 (Figure 16).

A positive trend in the amount of money MBA programs could spend on marketing was observed (Figure 17). Compared with 2009, when less than a third of participating MBA programs across program types reported an increase in budgets over 2008, more than 40 percent of MBA programs reported larger budgets in 2010 than in 2009.

Although data did not reveal a direct correlation between trends in marketing spending and trends in application volume, EMBA programs were in the forefront of positive changes in terms of both the number of applications (Figure 1) and marketing budgets (Figure 17).

Similar to application volume that varied significantly by the level of program selectiveness or tier (Figure 3), the amount of money programs budgeted for marketing activities also varied greatly by program tier (Figure 18). For example, to market their full-time MBA, typical first-tier programs budgeted five to six times more than typical third-tier programs. On the other hand, proportionally more third-tier programs (55%) than first- (28%) or second-tier (30%) reported an increase in 2010 marketing budgets compared with last year.

Based on allocation of graduate management programs' marketing dollars, advertising was by far the most extensively used marketing tool (Figure 19), accounting for more than half (55%) of their total marketing budget, on average. Promotional campaigns accounted for nearly one-third of marketing dollars (30%) and were the second most popular marketing tool.



a. Local currencies are converted into US dollars based on June 30, 2010 interbank exchange rates. In 2010, marketing budget was part of an optional section of the survey.

Figure 16.
Median Marketing Budgets of Full-Time and Part-Time MBA Programs, 2008–2010, in US Dollars^a

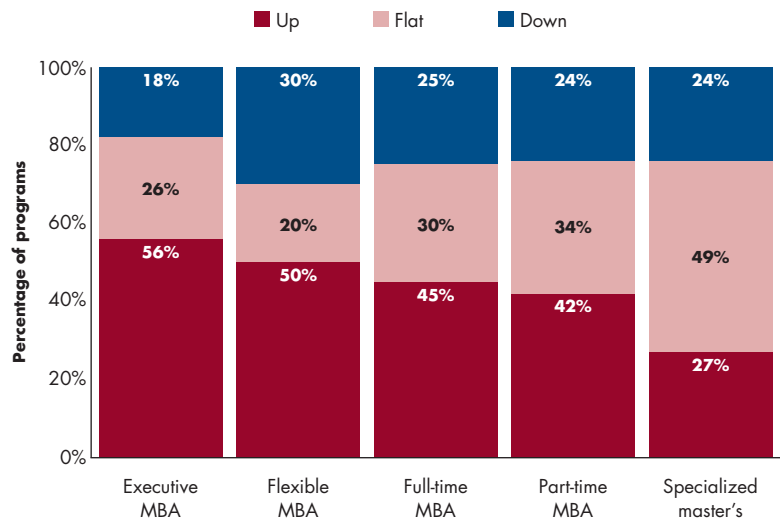
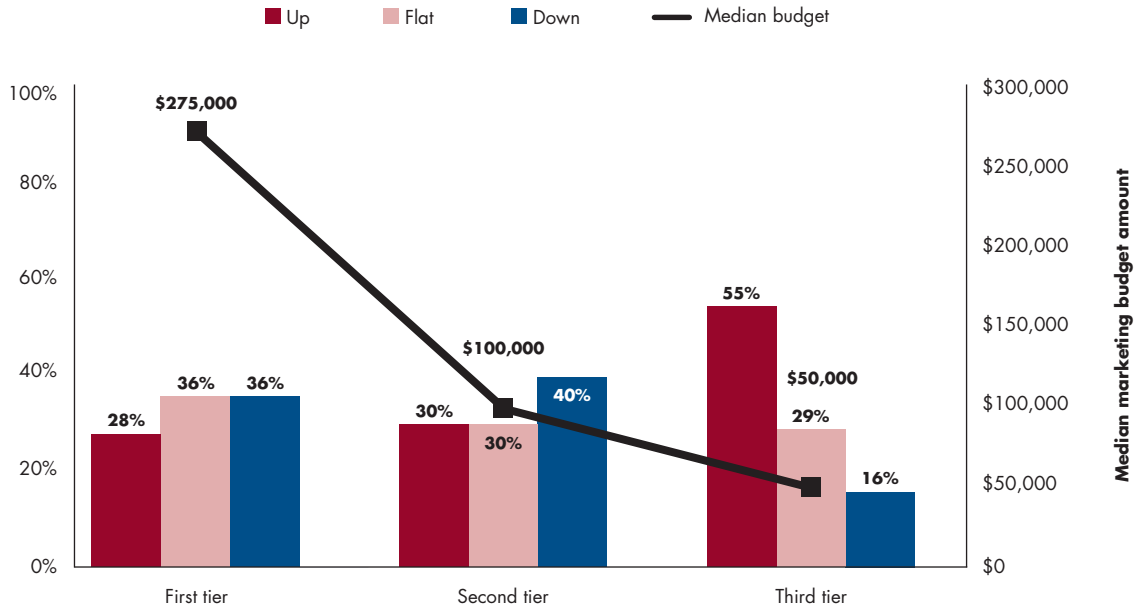


Figure 17.
Graduate Management Programs Reporting Change in Marketing Budgets, 2010 vs. 2009

RECRUITMENT, MARKETING, AND TUITION ASSISTANCE



a. Local currencies are converted into US dollars based on June 30, 2010 interbank exchange rates. Tier is based on the average media rankings across the *Financial Times*, *BusinessWeek*, and *U.S. News & World Report*. First tier includes the first 50 programs, second tier, the next 50, and third tier includes programs with lower average rankings or those not ranked by these three publications.

Figure 18.
Full-Time MBA Programs Reporting Change in Marketing Budgets and Median Amounts of Budgets, 2010 vs. 2009, by Program Tier^a

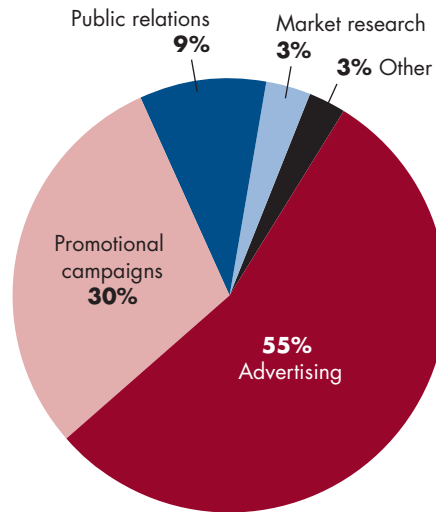


Figure 19.
Allocation of Marketing Budget by Type of Expenditures

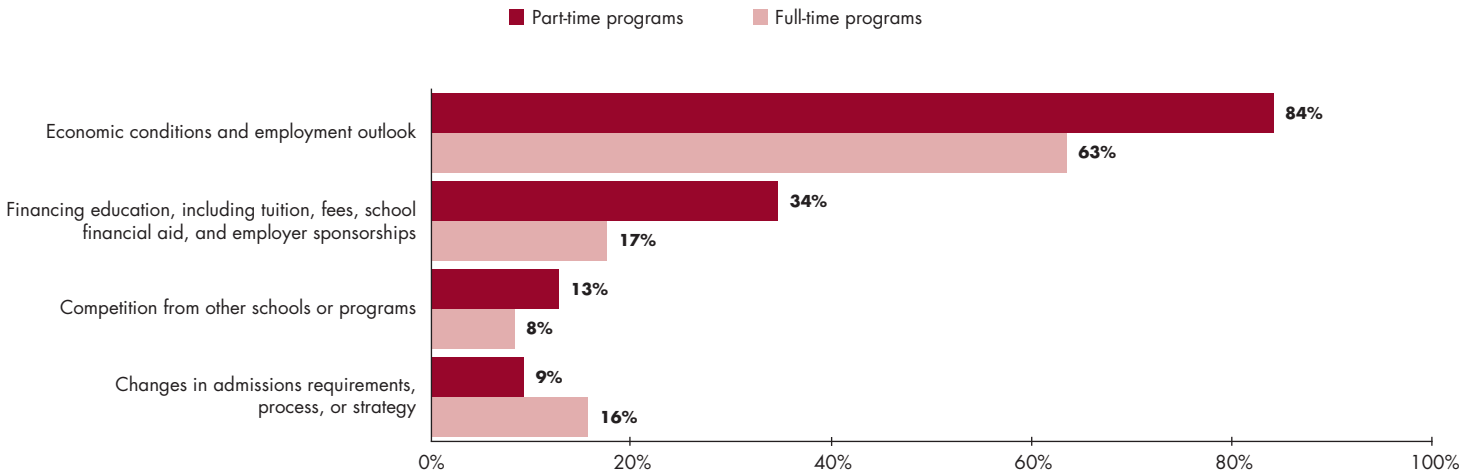
Financing Graduate Management Education

During prolonged economic downturns when household incomes may be substantially decreased, financing one’s education can be a challenge. It was no surprise that admissions professionals at both full-time and part-time graduate management programs cited candidate challenges to finance their education as a major reason for a decline in application volume to their programs (Figure 20).

Although annual costs to the student to attend part-time programs are typically lower than tuition costs for full-time programs (Figure 21), the proportion of part-time programs attributing a decrease in the number of applications to difficulties in financing education (34%) doubled that of full-time programs (17%).

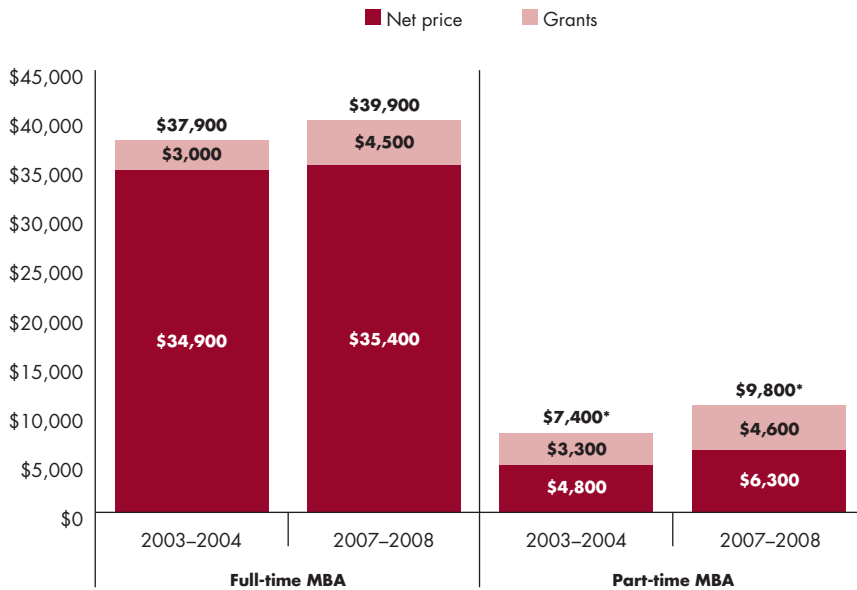
In the author’s view, during economic recessions, some organizations pursue short-term revenues at the expense of long-term organizational goals. This was not the case for many business schools. During these challenging economic times, schools have helped candidates to finance education in variety of ways, focusing on long-term relationships and branding rather than on making quick cash. As in 2009, the vast majority of participating full-time graduate management programs (97%) continued to offer some form of tuition assistance to students in 2010.

Across all participating full-time programs that offered tuition assistance, most (83%) awarded scholarships (Figure 22). On average, scholarships were offered to 37 percent of incoming students.



a. Based on open-ended responses. Part-time programs also include executive and doctoral formats.

Figure 20.
Major Reasons for Decline in Application Volume to Full-Time and Part-Time Graduate Management Programs^a



* Employer aid is included in grants. If grants were greater than tuition, net tuition was set to zero. Consequently, average net tuition may be larger than average tuition and fees minus average grants.

Source: US Department of Education (2010). *The condition of education. Indicator 48: Price of graduate and first-professional attendance.* Accessed online August 11, 2010 at <http://nces.ed.gov/programs/coel>.

Figure 21.

Average Annual Total Price to Attend Full-Time and Part-Time MBA Programs in the United States, 2003-2004 and 2007-2008

• • • • •
 Both full-time and part-time graduate management programs cited candidate challenges to finance their education as a major reason for a decline in application volume to their programs.
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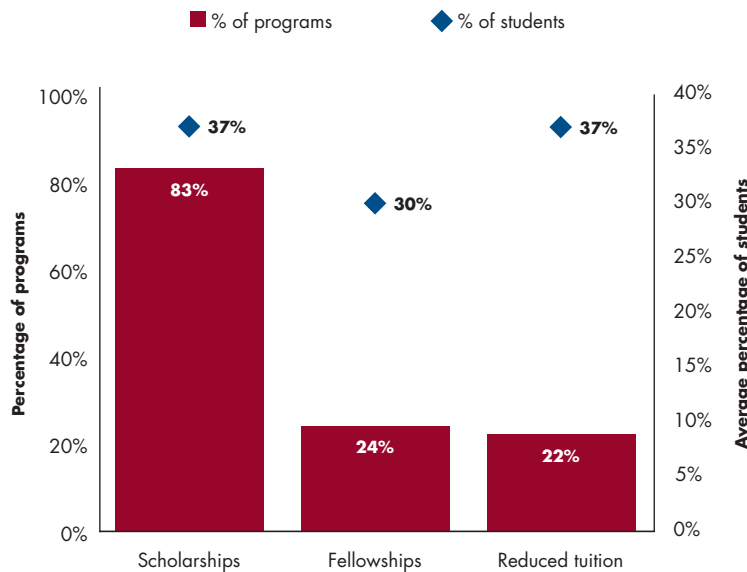


Figure 22.

Top Three Tuition Assistance Programs Offered by Full-Time Graduate Management Programs and Average Percentages of Incoming Students Offered Tuition Assistance

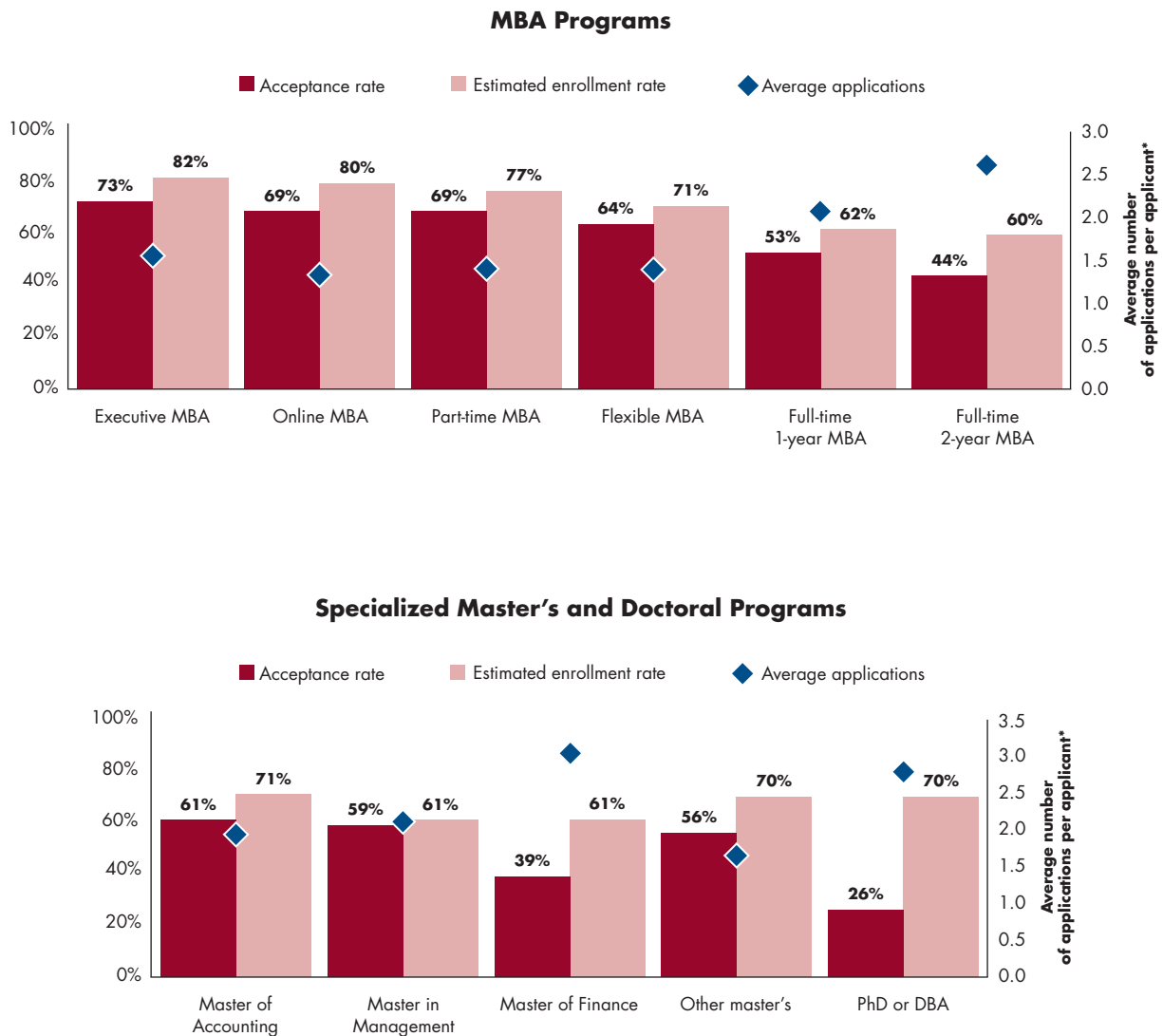
ACCEPTANCE AND ENROLLMENT RATES

Similar to past survey findings, two-year MBA programs reported the lowest acceptance rates among MBA programs, and Master of Finance programs reported the lowest acceptance rates among specialized master's programs (Figure 23). Doctoral programs, which reported a one in four acceptance rate (26%), had the lowest overall. Full-time MBA programs had the

widest range of acceptance rates among MBA programs, and online or distance-learning MBA programs had the narrowest.

Executive MBA (82%) and online or distance learning MBA programs (80%), followed closely by part-time MBA programs (77%), reported the highest estimated enrollment rates among surveyed graduate management programs.

Program acceptance and enrollment rates were associated directly with application submission patterns. The more applications a candidate submitted when applying to a particular program type, on average, the lower the acceptance and enrollment rates were for this type of program.



* Source: GMAC, 2010. mba.com Registrants Survey Q1-Q2. McLean, VA: Graduate Management Admission Council.

Figure 23.
Average Acceptance and Enrollment Rates, by Degree and Program Type

The cyclical nature of application volume trends is not new to graduate management program admissions professionals. After several years of strong growth, the number of applications typically reaches a high point and trends down afterwards. It appears that full-time MBA programs have reached this turning point. “Last year, the financial crisis brought more people to seek further education. This year, as the economy picked up, the applications are more realistic—people who really intend to and are serious about pursuing postgraduate education, such as MBA,” a survey participant shared.

We are witnessing slight decreases in most programs. The downward trend, however, cannot continue indefinitely. After a negative trend bottoms out, programs once again see an increase in application flow. EMBA programs seem to be on that positive trajectory after several years of deceleration in application growth.

The economy that strongly affects trends in graduate management education is on the path to recovery, changing the landscape for many graduate management programs. We hope that data presented in this report help programs in setting realistic goals and expectations for the near future.

About the Survey

The 11th annual *Application Trends Survey* was conducted from June 2 to July 9, 2010. Three hundred twenty-seven graduate business schools and faculties participated in this survey by submitting data for 665 graduate management programs, including 130 full-time two-year MBA, 93 full-time one-year MBA, 111 part-time or professional MBA, 67 executive MBA (EMBA), 57 flexible MBA, and 18 online or distance-learning MBA programs. Also participating were 50 Master of Accounting, 32 Master in Management or International Management, 25 Master of Finance, and 49 other master-level programs in business fields, as well as 33 PhD or DBA programs. Overall,

459 programs from 210 responding schools were in the United States; 87 programs from 60 schools were in Europe; 69 programs from 28 schools were in the Asia-Pacific region; 32 programs from 18 schools were in Canada; and 18 programs from 11 responding schools were in other world regions. Findings reported in this document are based on survey responses, which represent data from the responding programs, and are not a census of all graduate management programs.

These findings are based on analysis of survey data reported in the *2010 Application Trends Comprehensive Data Report*. The *Comprehensive Data Report*, which is available exclusively to participating business schools, contains detailed data tables and analysis of the survey responses by graduate management program type, program length, world and US geographic locations, class size, enrollment type, program tier, and school governance, along with overall analysis. The *2010 Comprehensive Data Report* additionally provides a list of verbatim comments from admissions professionals on reasons why graduate management programs experienced a change in application volume this year compared with last year. The open-ended comments also include general comments that are related to industry trends and issues. A list of business schools that participated in the survey is publicly available at gmac.com/surveys.

In addition to receiving copies of this report and the *Comprehensive Data Report*, participating graduate business programs receive an *Admissions Management Data Supplement* and individualized benchmarking reports that compare their responses with aggregate responses from their peer programs. All research publications of the Graduate Management Admissions Council, including the *Application Trends* report series, are complimentary to participating schools.

Except when noted, all differences among programs grouped by tier, class size, and geographic regions reported in this publication are statistically significant ($\alpha \leq 0.05$).

Survey Participation

The year 2011 will mark the 12th anniversary of the GMAC *Application Trends Survey*.

Admissions professionals at business schools and universities that offer graduate management programs can secure the survey invitation by sending an email request to research@gmac.com.

Participation benefits for schools include comprehensive statistics, customized reports, advance access to survey findings, and an opportunity to be included in a drawing for one of three US\$500 gift baskets of edible goods for the admissions office.

Application Trends research consists of two independent studies. All graduate management programs are eligible to participate in either one or both regardless of their location, affiliation, or admissions structure. MBA programs as well as doctoral and specialized master's in business offered in full-time, part-time, executive, flexible, or distance-learning formats are invited.

A private *Preliminary Application Trends Survey* is conducted in early February each year. Results from this survey are distributed exclusively among participating schools and provide advance information on application volume during the early stages of the application cycle for programs that start in August–September and a quick snapshot of the end-of-cycle results for programs that start in January.

A comprehensive *Application Trends Survey* is open from June to early July of each year. In addition to assessing longitudinal trends in application volume of a broad spectrum of graduate management programs and providing detailed applicant profile statistics to participating schools, this study has been a primary source of application trends information for the graduate management education community worldwide for more than a decade through an annual publicly released executive summary of findings.

Contact Information

For questions or comments regarding the study findings, methodology, or data, please contact the GMAC Research and Development Department at research@gmac.com.

Authorship

The following individual made significant contributions to the concept, design, analysis and interpretation of data, and the drafting/ revising of the manuscript for intellectual content:

Marina Murray, Associate Director, Applied Research, Research and Development, Graduate Management Admission Council (GMAC).

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The Graduate Management Admission Council extends its sincere appreciation to the business school admissions professionals who generously contributed both time and information to the *2010 Application Trends Survey*. Their participation in this research ensures the continuous availability of application trends statistics for the graduate management education industry, prospective students, researchers, media, and the general public.

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“Last year, the financial crisis brought more people to seek further education. This year, as the economy picked up, the applications are more realistic— people who really intend to and are serious about pursuing postgraduate education, such as MBA.”
— 2010 Survey Participant

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Stay on top of the latest trends in graduate business education with our ever-expanding online research database. Here is a sample of the resources you will find along with our annual survey series at

[gmac.com/research](https://www.gmac.com/research)

- **The Profile of Graduate Management Admission Test® Candidates**—A summary of demographic data about GMAT examinees over the last five testing years. This report provides an annual look at the growth and change within your school's potential applicant pool. Search the tables for testing volumes and mean GMAT Total scores by gender, age group, intended degree, undergraduate major, citizenship, location, and world region.
- **GMAT® Interactive Profile**—An online tool for assessing potential applicant pools based on GMAT test-taker performance and demographics. This easy-to-use tool lets you select from specific types of test-taker data and create customized summaries of examinee demographics for a unique look at applicant pools that most interest you.
- **Geographic Trend Reports for GMAT® Examinees**—A document series that presents and analyzes GMAT test-taker data with information about requested score reports. Score-sending patterns illustrate which countries and schools are of interest to prospective students. Data from the most recent year are compared with that of four years prior to identify changes in test-taker preferences by region. The series includes four annual reports: World, Asia, Europe, and North America.
- **e-Report Series: Macro Realities and Micro Considerations**—A series of briefs and slides that offer analyses of the forces shaping graduate management education. The series combines GMAC® data and data from external sources such as OECD, United Nations, the IMF, and US Census Bureau for a more holistic view of topics affecting the graduate management education market worldwide.
- **GMAC® Data-To-Go**—Topic-specific snapshots from GMAC research. These compact presentations and data briefs present key findings as well as regional outlooks and other analyses of topics identified through our large-scale research surveys. The files available are specially formatted to allow you to easily reference and use pertinent material in your own meetings and share findings of interest with colleagues.
- **The Research Report Series**—White papers authored by GMAC staff and Management Education Research Institute (MERInstitute) awardees. The series features the latest research on GMAT validity, management education programs, alumni, minority and diversity issues, high-stakes testing innovations, and more.
- **The GMAC® Research Library**—A comprehensive searchable collection of all research publications, survey reports, data reports, and analyses publicly released by GMAC. The library contains many publications no longer accessible through our primary research pages.

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The **Application Trends Survey** is one in a series of five annual or biannual surveys produced by the Graduate Management Admission Council®. The surveys are designed to explore relevant issues, offering data at various depths, depending on the desire of the user and the participation of the school. Survey reports provide an overview of the data in addition to giving context for and implications of the research. They are frequently used to help drive strategic decision-making processes in graduate business schools. All survey reports are available online (gmac.com/surveys). Print copies (while supplies last) are free upon request from the GMAC® Research and Development Department at research@gmac.com.

Other surveys include—

Global Management Education Graduate Survey

What do students think about their experience as they prepare to graduate? Launched in 2000, this annual survey is conducted every February to provide a comprehensive picture of who they are and where they are headed after they graduate, as well as how they chose their schools and how satisfied they are with their education.

mba.com Registrants Survey

Who is in the pipeline for a degree? What makes them decide to apply now or wait? Launched in 2003, this annual survey tells who prospective students are (including detailed profiles), how and why they move through the pipeline, and what motivates them and gets their attention.

Alumni Perspectives Survey

What happens to MBAs after they graduate and begin to evaluate the value of their degrees? Launched in 2001, these biannual surveys follow MBA graduates long term to understand their career progression, their expectations, their attitudes about work, their assessment of their education, and general market trends.

Corporate Recruiters Survey

Who hires MBAs and why? What are the hiring plans in various industries? How do companies decide where to recruit? Launched in 2001–2002, this annual survey helps schools better understand the job market, clarify employer expectations, and benchmark their career services practices. Employers use the survey results to benchmark the MBA recruitment activities of their companies.

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