

AGENDA ITEM 10.

***COLLEGE ILLINOIS!*[®] PREPAID TUITION PROGRAM 2008-09 ENROLLMENT PERIOD MARKETING REPORT**

Submitted for: Information

Summary: The eleventh general enrollment period for *College Illinois!* ran from October 29, 2008 through April 30, 2009. During the general enrollment period, 3,458 new contracts were purchased, representing a commitment of \$120,302,509 million to the program.

The primary goal of this enrollment period was to introduce the new SmartChoice tiered-pricing program: Choice 1 – Community College, Choice 2 – University, Choice 3 – University +. The secondary goal was to reach a wider base of Illinois residents who would benefit from awareness and purchase of *College Illinois!* contracts.

At the conclusion of general enrollment:

- Choice 1 accounted for 9 percent of total sales
- Choice 2 accounted for 54 percent
- Choice 3 represented 37 percent of overall sales and
- Online applications represented 87.5 percent of all applications submitted.
- A total of 8,018,179 media impressions covered extended areas of state-wide focus

Though the general enrollment figures for the *College Illinois!* program saw a decline of 23.9% in contract sales over the previous year, the percentage-of-dollars decline was only 11.6%.

College Illinois! was faced with a number of challenges during this enrollment period, including the meltdown of the financial markets, the decline in the housing market and the growing economic recession that has negatively impacted most Americans. The uncertainty in the market and the constant bombardment of negative economic news created a general malaise among consumers.

In addition to dealing with these negative external forces, the overall marketing budget for *College Illinois!* was reduced by approximately 32 percent from FY2008 expenditures.

One bright spot has been plan upgrades. Upgrades allow current contract holders to purchase additional semesters of coverage under their existing contracts. During the current fiscal year, 700 plan upgrades for existing contracts were processed resulting in an additional \$6.4 million committed to the program.

Moving forward, an even more aggressive, proactive strategic approach will ensure that marketing efforts target existing contract holders in an attempt to stimulate more plan upgrades, and, of course, engage new applicants to the *College Illinois!* program.

The Commission has received, under separate cover, a detailed summary of marketing activities undertaken this enrollment period which describe the aggressive messaging, geographically diversified reach and enhanced web presence that allowed us to perform as well as we did this enrollment period.

Action requested: None