
MBA Prospects Survey 2010

June 17, 2010

slover**linett**
STRATEGIES

Audience research and planning for the mission-driven world.



Background

- Why did we conduct this research?
 - Provide a profile of prospective MBA students
 - Better understand the sources of information prospects use in determining where to apply
 - Examine the motivations, interests and reservations of prospects that influence their decision to apply
 - Track all of the above over time (annual survey)

- How was it done?
 - Online survey of prospective MBA students conducted in March-April 2010
 - Sponsored by AIGAC
 - Survey included involvement of many companies and individual consultants
 - New survey links on MBA resource websites provided a broader sample
 - 1,962 respondents (compared to 752 in 2009)

Prospect profile

GMAT scores

Application plans

Demographics

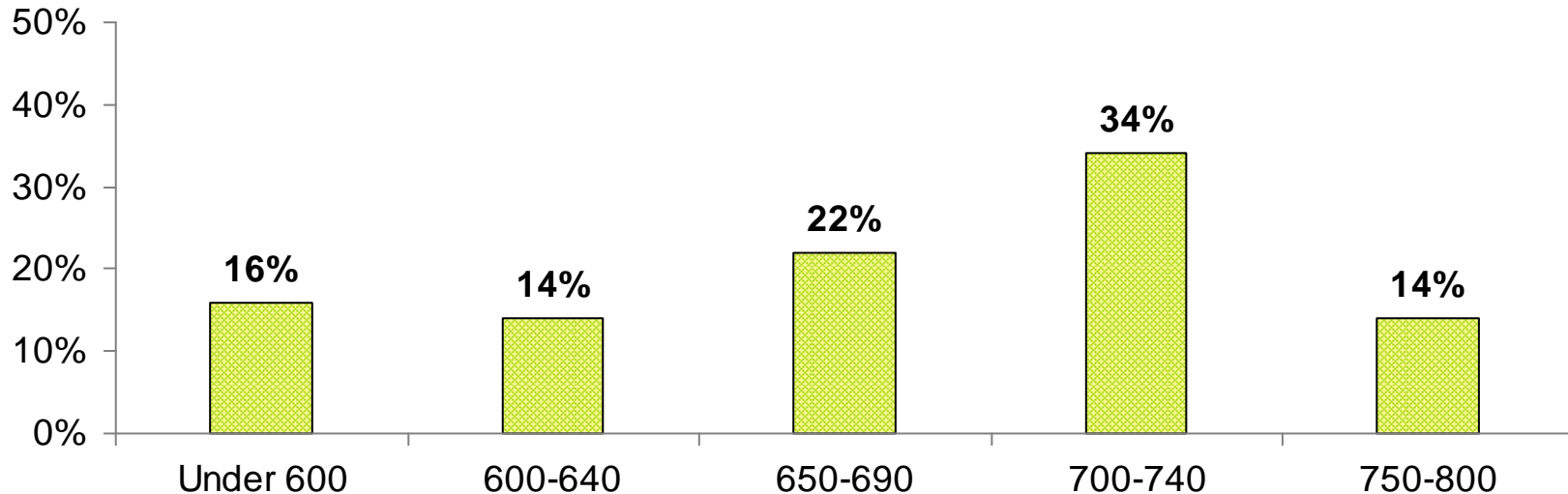
Work experience

Current job

Desired job

GMAT scores Half (48%) scored 700 or higher

What was your highest score on the GMAT exam within the past 5 years?



- Much higher scoring group when compared to full pool of GMAT test takers (mean score = 539 in 2009) and looks like distribution for top programs
- Scores are somewhat lower than 2009 respondents due to broader group of respondents, with 30% scoring under 650
 - The larger proportion of women in 2010 is somewhat driving the change in distribution of GMAT scores (women score lower on average)

Where prospects apply To top programs in U.S. and Other Countries

Which graduate business schools have you applied to, or are planning to apply to?

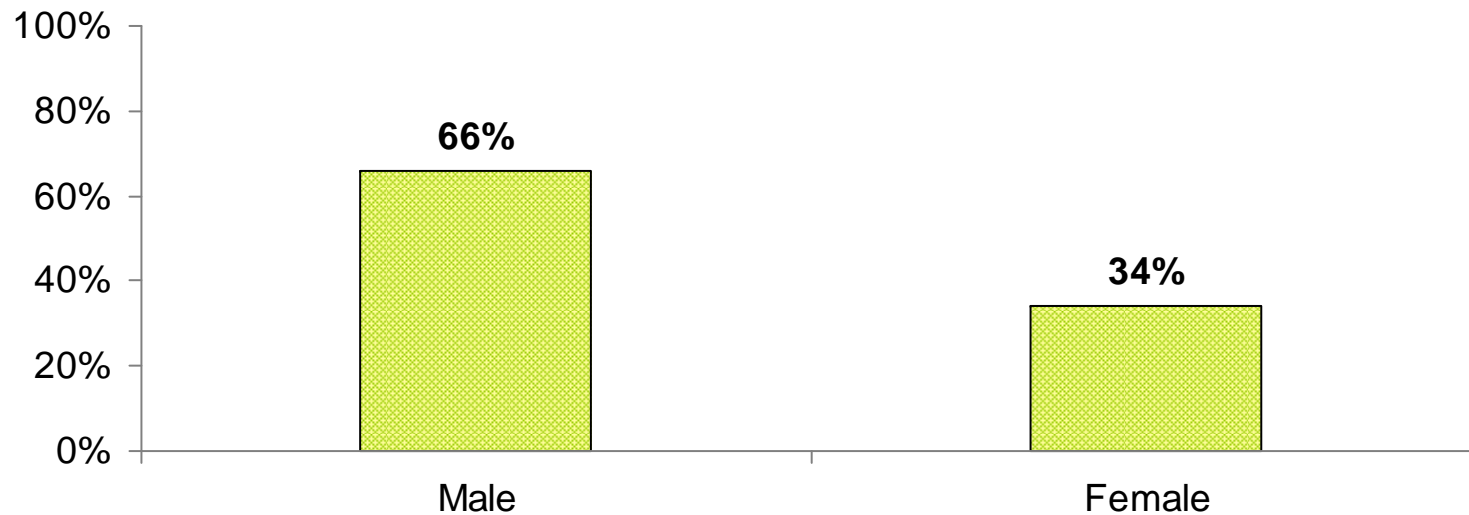
SCHOOL	2010
Harvard (HBS)	32%
Columbia (CBS)	28
Stanford (GSB)	27
Penn (Wharton)	27
NYU (Stern)	25
Northwestern (Kellogg)	24
London Business School	24
MIT	24
Duke (Fuqua)	23
Univ. of Chicago (Booth)	22
Yale (School of Management)	22

SCHOOL (cont.)	2010
INSEAD	19
UC Berkeley (Haas)	17
Dartmouth (Tuck)	17
Univ. of Michigan (Ross)	16
Cornell (Johnson)	16
UCLA (Anderson)	14
ISB	13
Univ. of Virginia (Darden)	12
Carnegie-Mellon (Tepper)	11
Oxford (Said)	10
Cambridge (Judge)	10

- Over a quarter of prospects applied to Harvard, Columbia, Stanford, Univ. of Pennsylvania, and NYU
- After Harvard, distribution is tight
- Consistent with what we would expect looking at their GMAT scores – these are top prospects applying to top programs

Gender A third of prospects are women

Gender

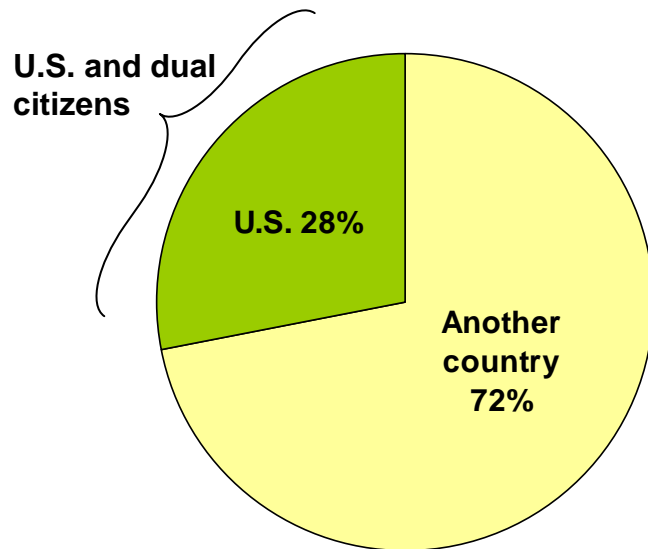


- Increase from 2010 respondents
 - Lower than overall pool (40% women)
 - Similar to many top programs
- Will identify a few gender differences in the research findings where appropriate throughout the presentation

Citizenship and current location

Seven in ten prospects are non-U.S. citizens

Citizenship



Where do you currently live?

Prospects within the US	
California	24%
New York	19
Massachusetts	7
New Jersey	6
Illinois	6
Texas	5
Georgia	4
Washington, DC	4
Virginia	4
Other	21

Prospects outside the US	
India	31%
Brazil	8
China	8
Canada	7
Russia	7
Mexico	4
Vietnam	4
South Korea	3
Peru	3
Other	26

- Higher than 2009 respondents and higher than pool of all test takers (but note that in 2009 number of non-U.S. test takers surpassed U.S. test takers)
- Higher than proportion at top U.S. programs because includes prospects pursuing international programs
- Representation of BRIC increased in 2010 and half of U.S. prospects come from California, New York or Massachusetts

International prospects

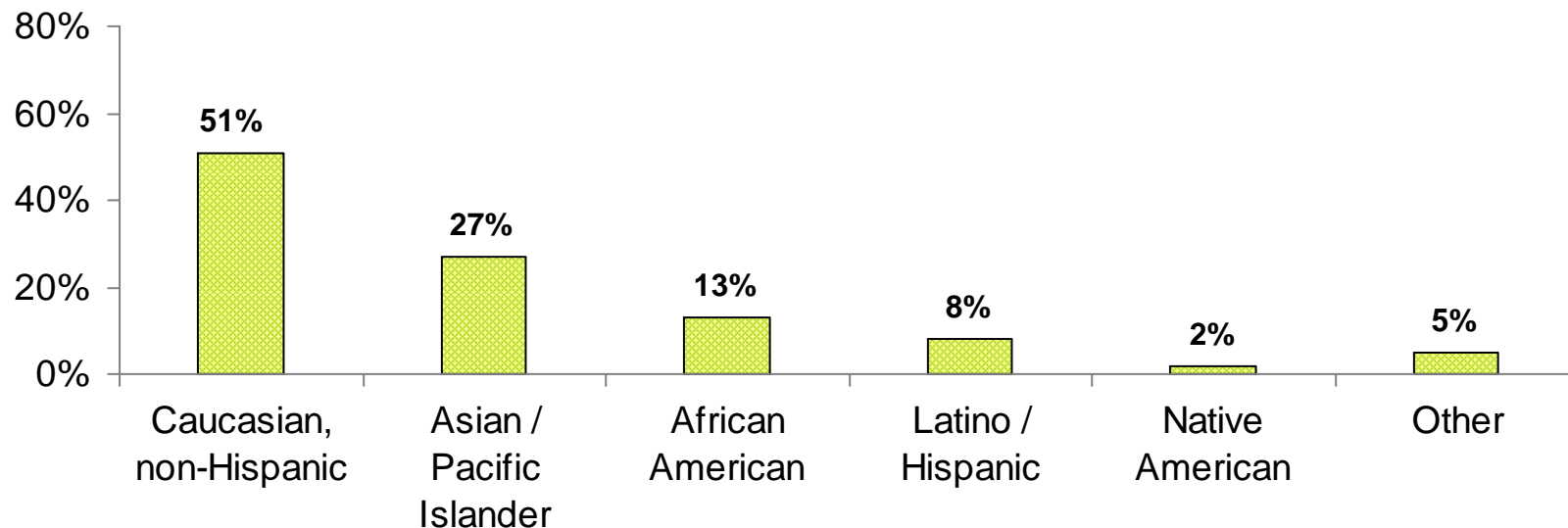
A comparison between U.S. and international prospects

	U.S. Prospects	Intl. Prospects
GMAT score (<i>means</i>)	670	670
Age (<i>means</i>)	28 years old	28 years old
Work experience (<i>means</i>)	5.7 years	5.2 years
Income (<i>means</i>)	\$72,000	\$47,000
Number of schools applied to (<i>means</i>)	5.1	6.0
Current function: Finance/accounting	26%	17%
Current function: IT/MIS	7%	18%

- International prospects are more likely to apply to international (non-U.S.) schools and a number of U.S. schools: Carnegie Mellon, Cornell, MIT, Texas A&M, and the University of Rochester

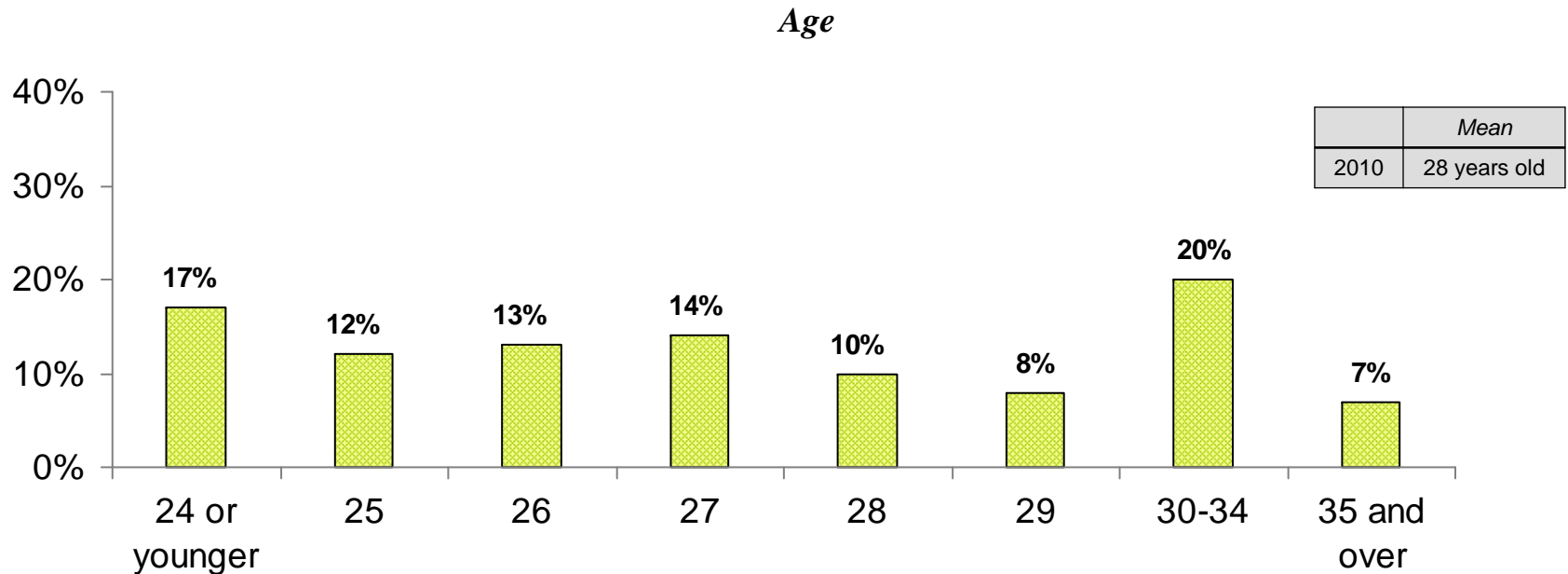
Race and ethnicity One quarter of US prospects are under-represented minorities

Race and Ethnicity (US only)



- Minorities better represented in 2010, and more representative than the overall pool
- We studied differences between under-represented minorities (African Americans, Latinos and Native Americans) and others and will identify those where appropriate

Age distribution Over half of prospects between 25 and 29

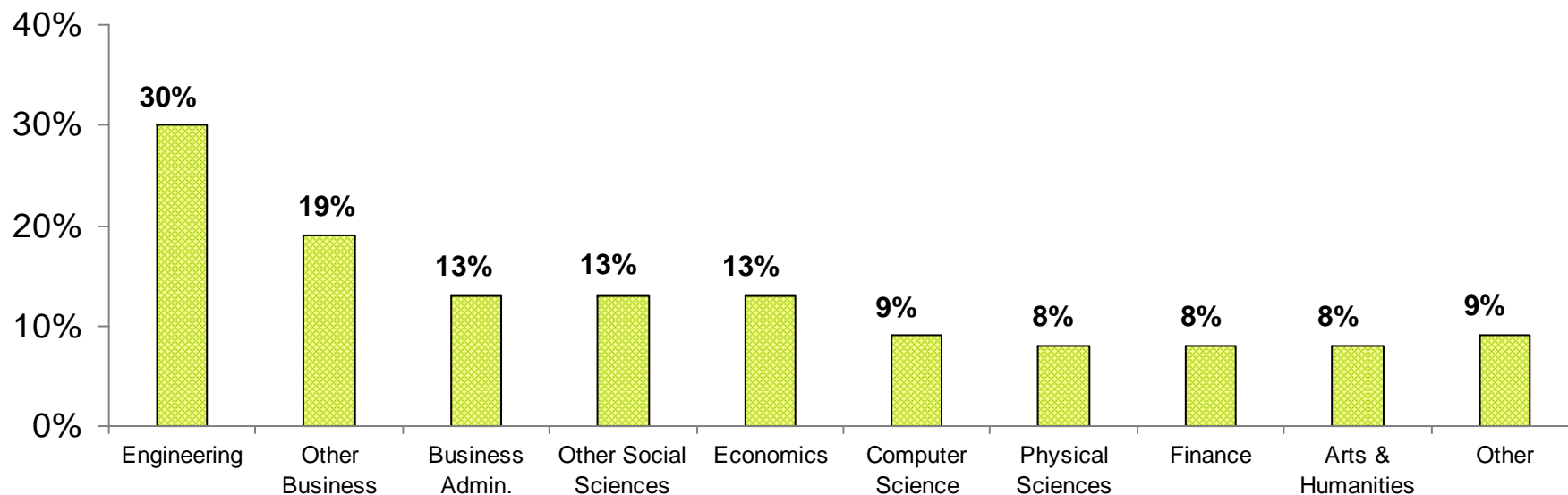


- Though median age of 27 years old is the same as 2009, the distribution of ages is wider in 2010 (both more younger and older prospects)
 - The larger proportion of younger prospects is related to the increase in international respondents and women

Undergraduate Majors

Engineering, business, economics, and other social sciences are the most common

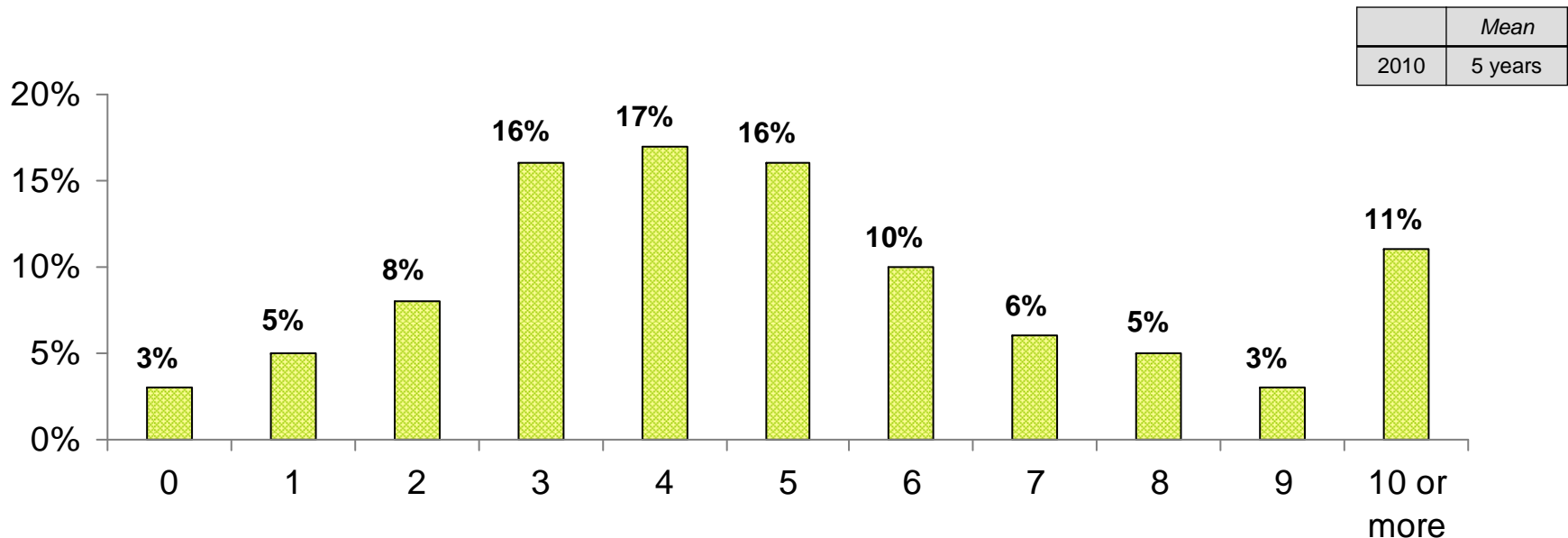
Undergraduate major(s)



- Over half of prospects studied engineering or business
- One in five majored in arts and humanities or social sciences (21%)
- Similar to overall pool of all GMAT test takers

Work experience Half have three to five years of work experience

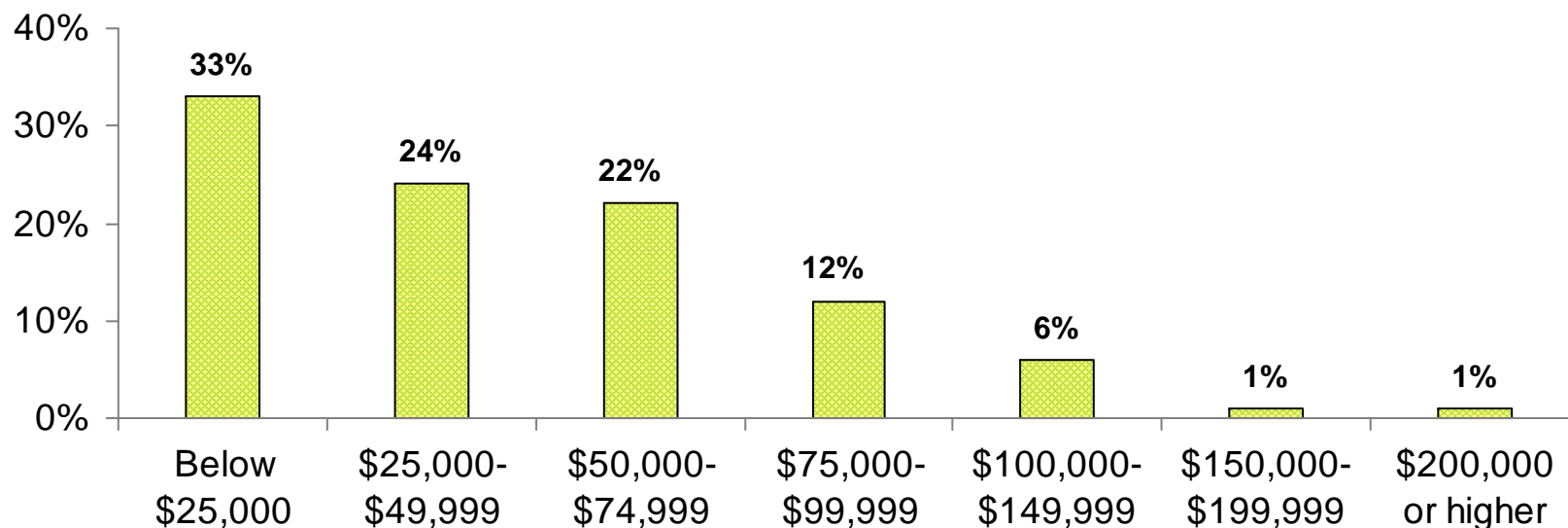
How many years of full-time work experience do you have?



- More prospects have under 2 years or over 8 years of work experience in 2010, a reflection of the wider spread of ages
- The increase in younger prospects reflects a general trend in the pool of all GMAT test takers

Current income A third of prospects have annual income under \$25,000

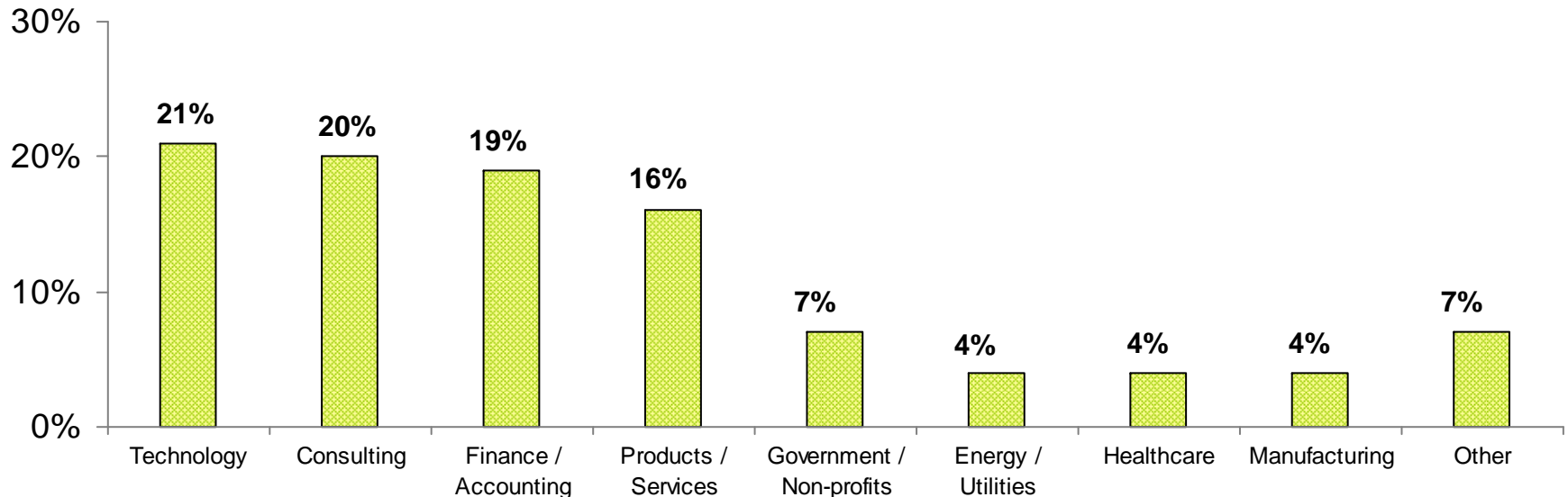
In what range is your current annual professional income?
(in U.S. dollars)



- The income drop in 2010 is driven by the large proportion of international respondents, many of whom come from countries with an unfavorable rate of exchange with the U.S. dollar
 - And who also have less work experience, on average, than U.S. prospects
- The median income is \$37,500
- Nearly half (46%) have a current income between \$25,000 and \$74,999

Current industry Most prospects are in technology, consulting or finance

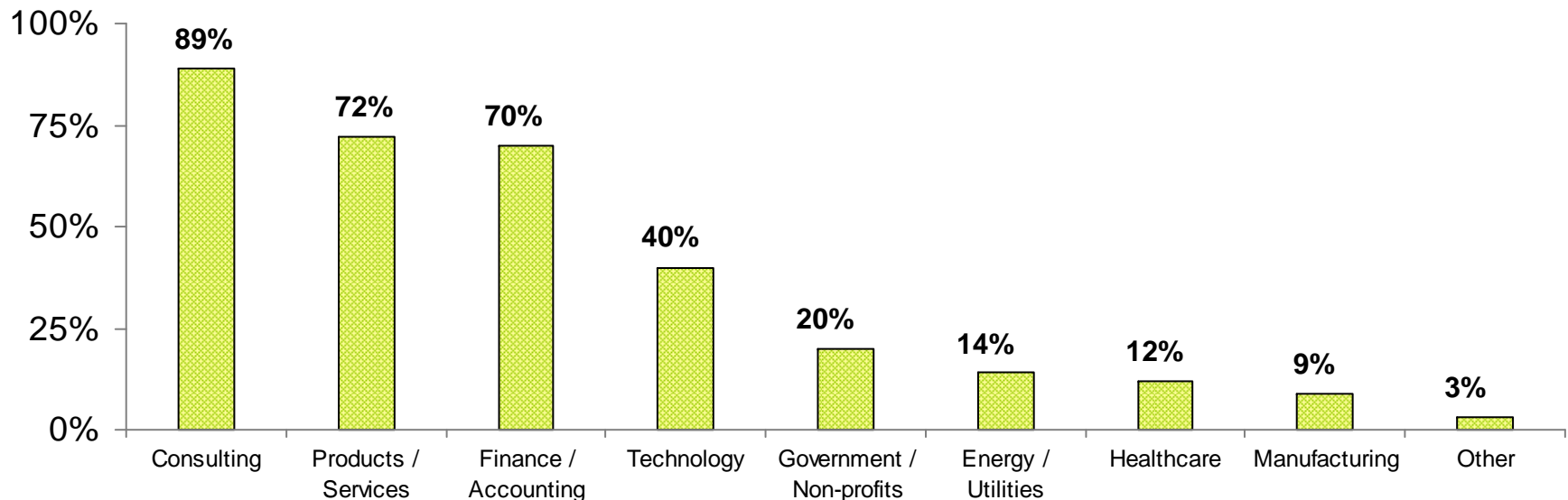
Which industry do you currently work in?



- Increase in technology in 2010 driven by international respondents, 25% of whom are in technology

Desired industry Most prospects want to work in consulting after obtaining MBA

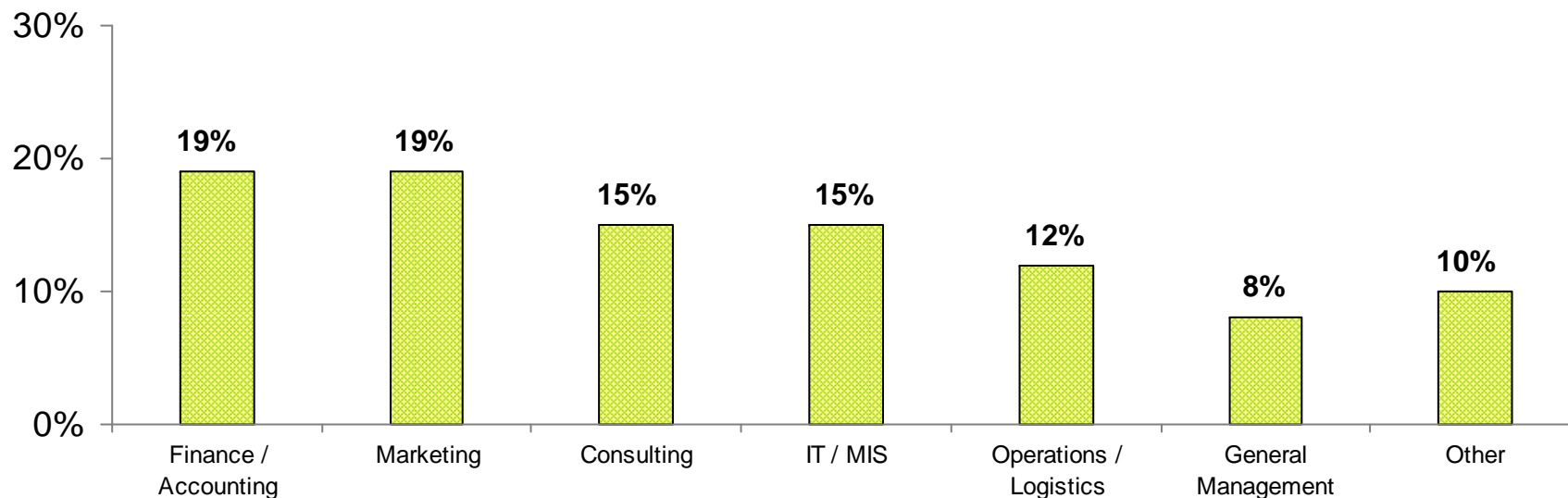
After finishing your MBA, in which of the following industries do you hope to work?



- Consulting, products/services and finance are the three most desired industries
- One in five prospects hope to work in government or non-profits
- Nearly all categories increased in 2010, partially due to international prospects, who checked more categories on average than U.S. prospects

Current function Prospects are working in finance, marketing, and consulting functions

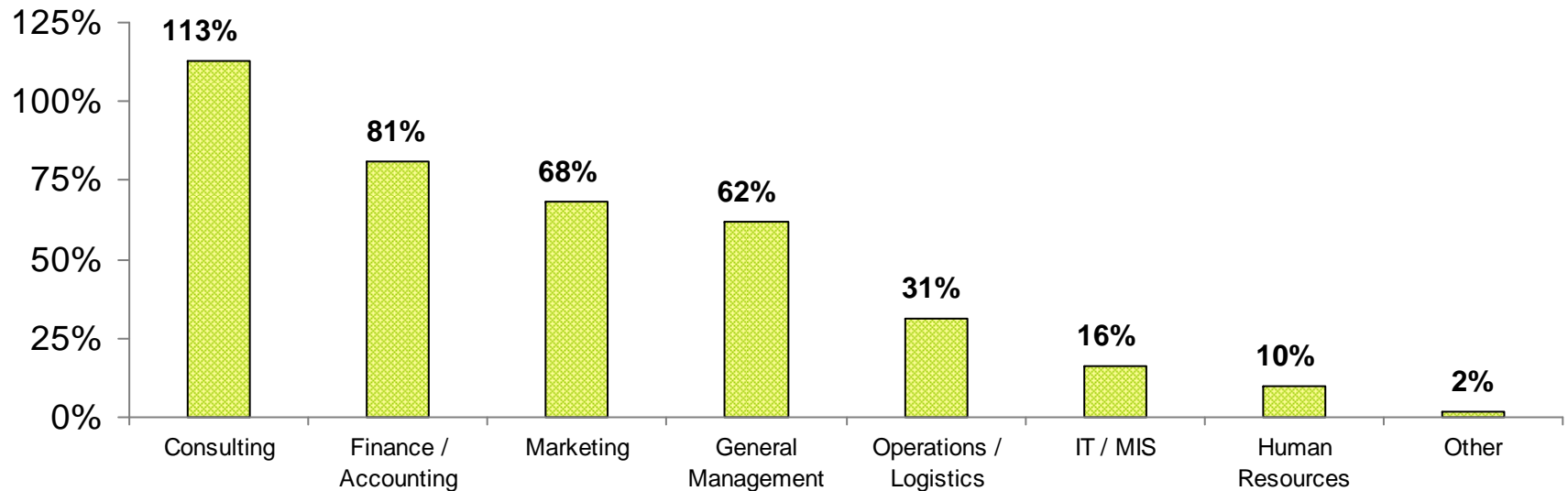
Which function do you currently work in?



- Changes in 2010 largely driven by international respondents, who are less likely to work in finance and more likely to have an IT/MIS function

Desired function Prospects hope to work in consulting, finance, marketing or general management

After finishing your MBA, in which of the following functions do you hope to work?

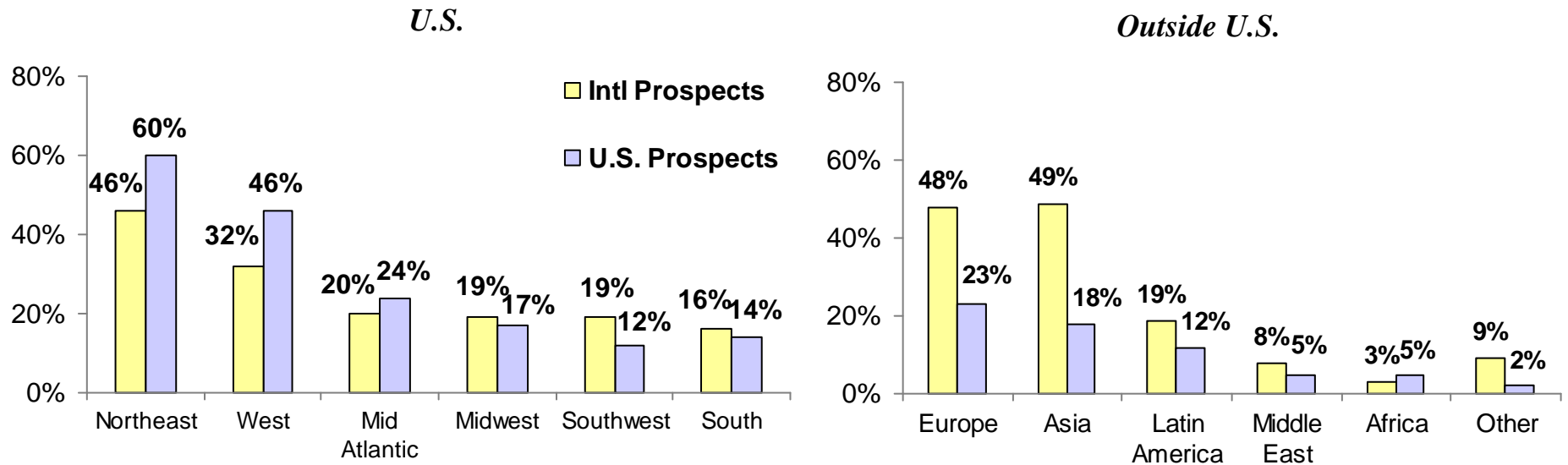


- Consulting is most common (greater than 100% because it combines categories on a check all that apply question), despite being only the third most common current function

Desired location

The US Northeast, Europe and Asia are most desired

After finishing your MBA, in which of the following geographical areas do you hope to work?



- Half of prospects would like to work in the Northeast, with another third hoping to work in the West (among US prospects, half hope to work in the West)
- One in four would like to work in Europe or Asia, with half of international respondents wanting to work there

Sources of information on MBA programs

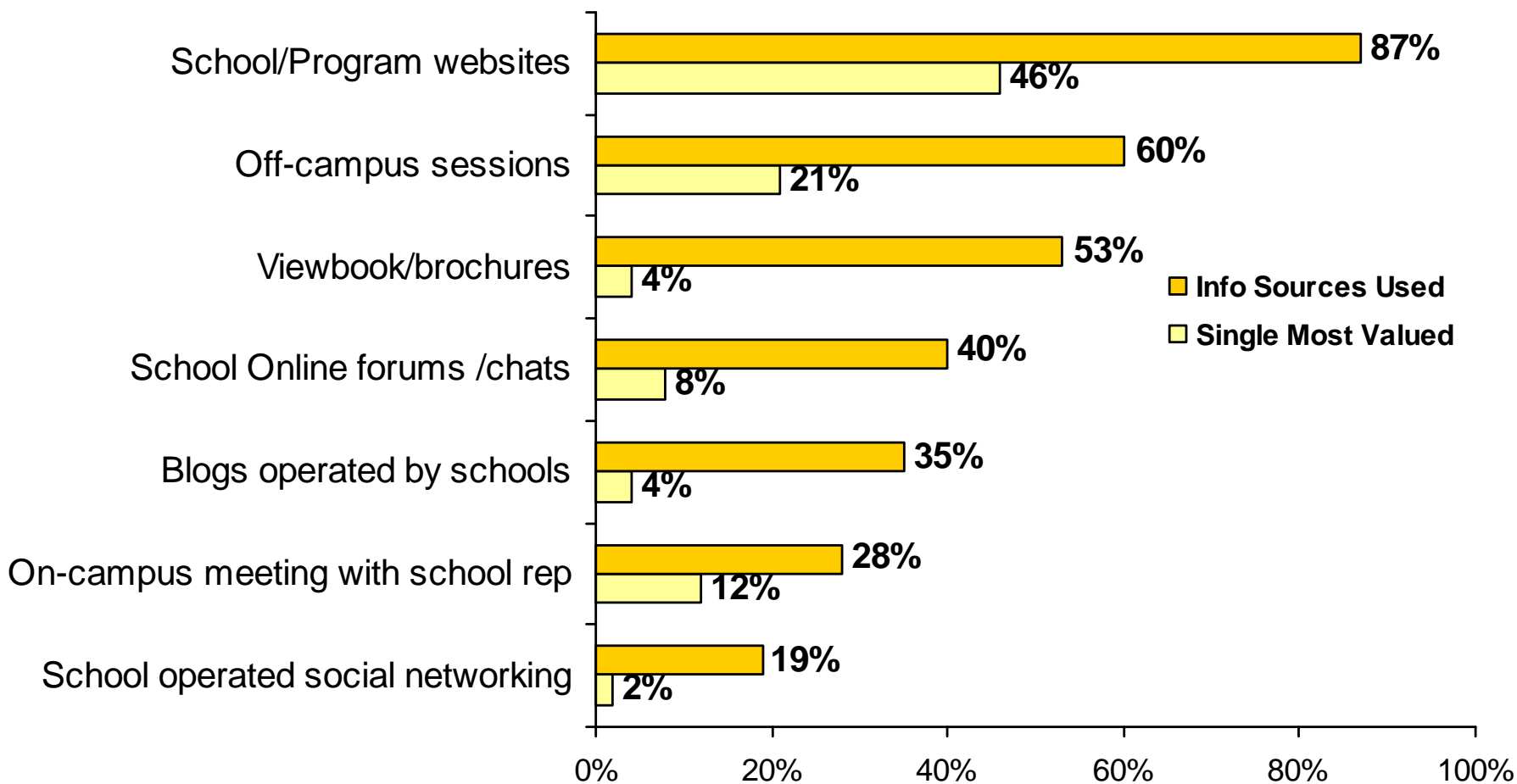
School sources

Independent sources

Information sources/schools

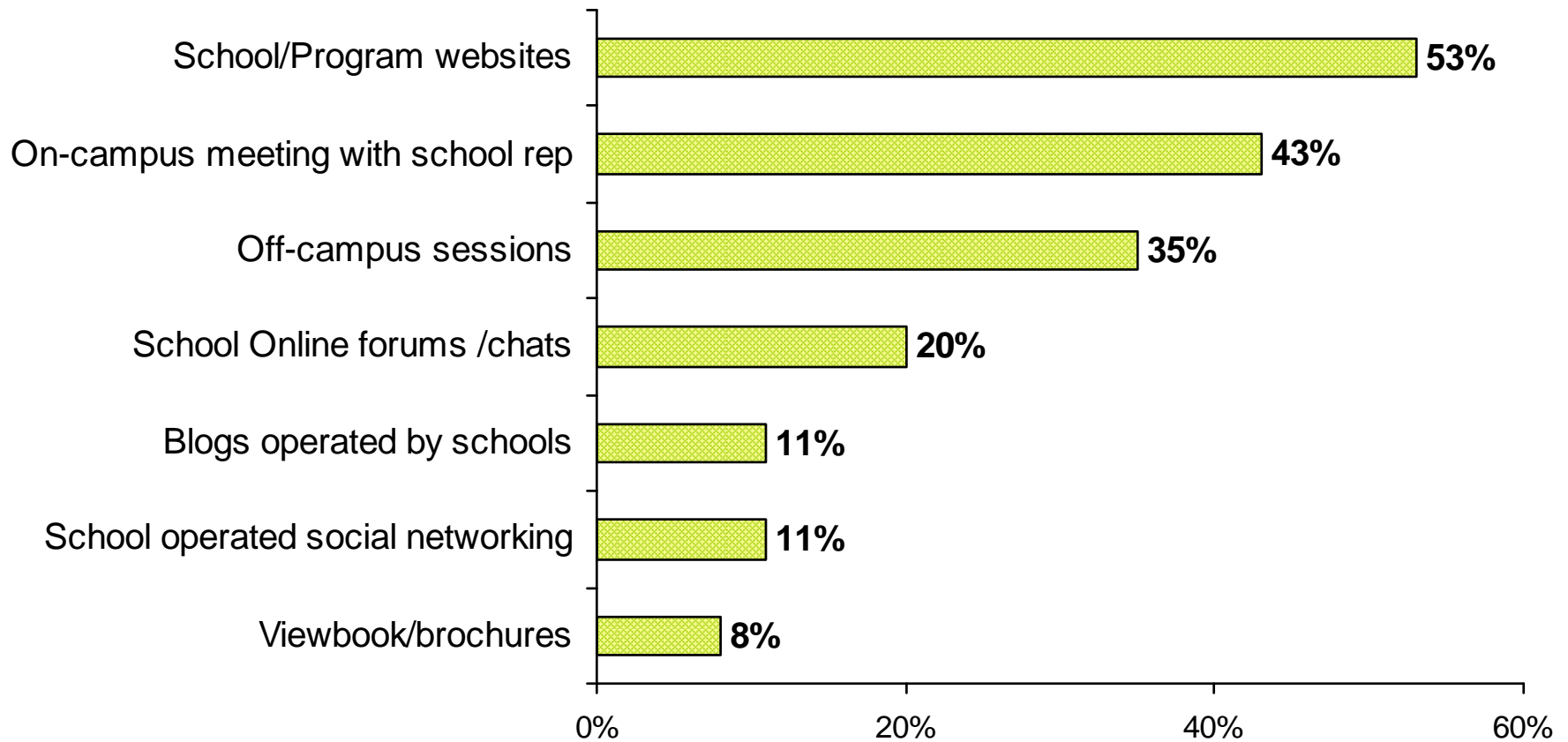
School websites are the most utilized – and the single most valued school source of information

Information sources from schools



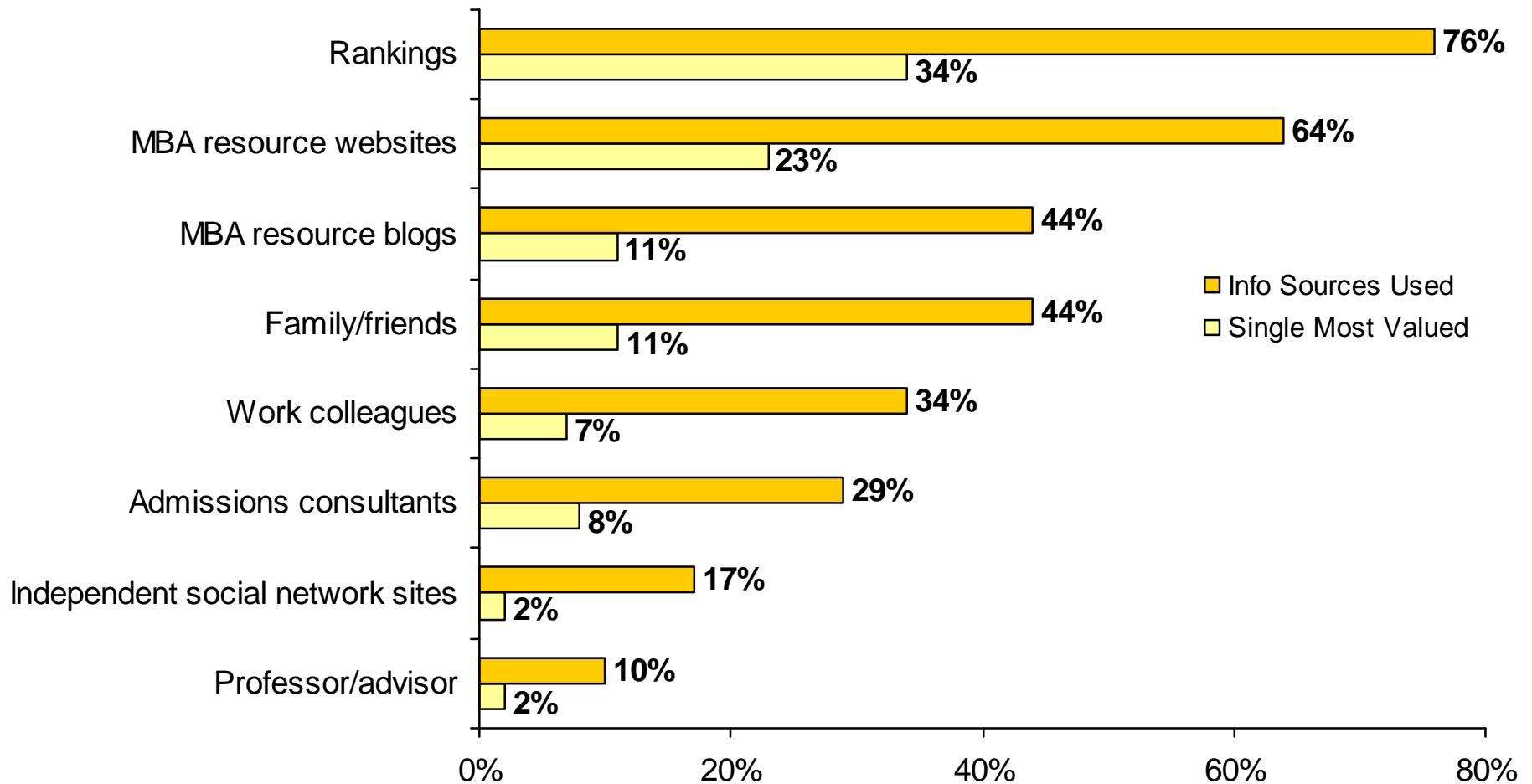
Information sources/schools School websites and on-campus meetings are the most effective; viewbooks the least

% Rating It as Most Valued / % Saying They Use It



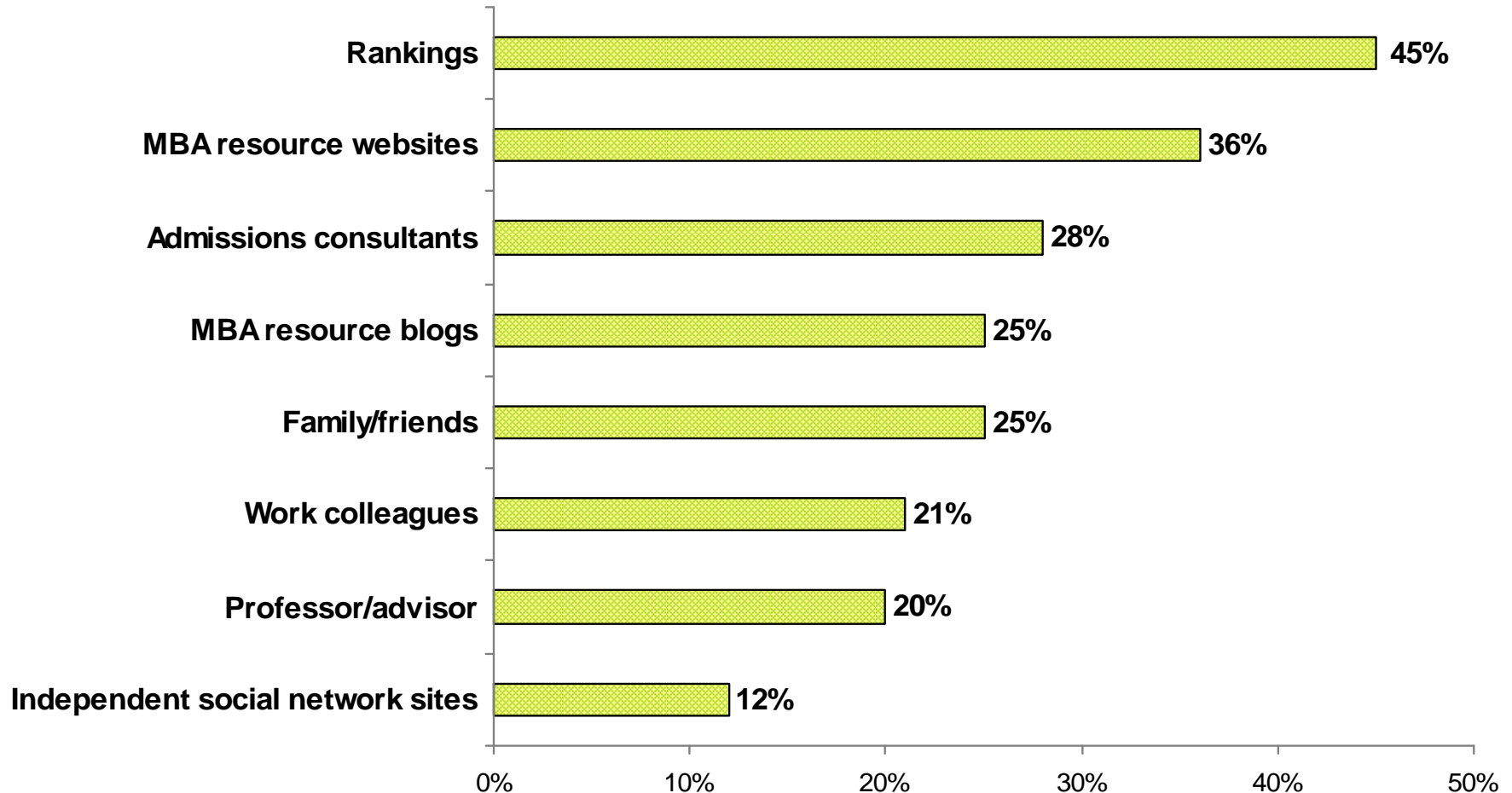
Information sources/independent Rankings and MBA resource websites are most popular sources

Information sources from independent sources



Information sources/independent Admissions consultants are the third most effective

% Rating It as Most Valued / % Saying They Use It



Information Sources

Prospects who use admissions consultants are...

Profile

- More likely to be male
- More likely to have higher incomes; less likely to be concerned about financing MBA, to consider cost in selecting schools, and to anticipate using grants, fellowships or scholarships

Information Sources

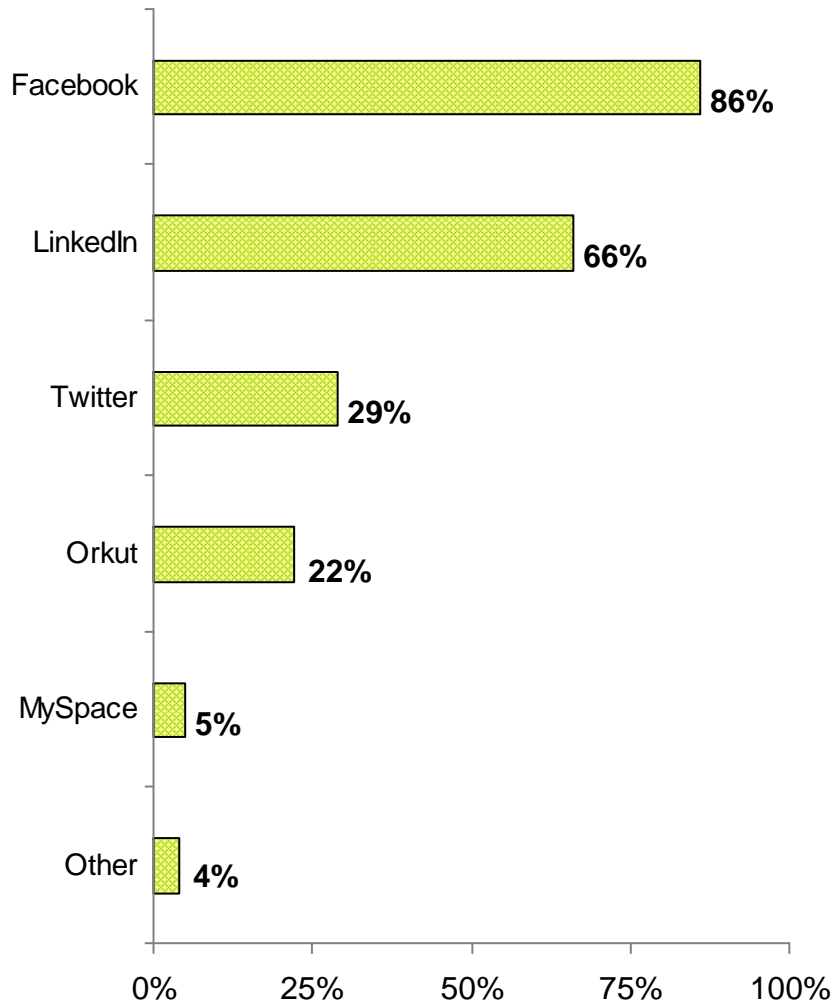
- More likely to use viewbooks, off-campus events, and online media (school websites, online forums or live chats, schools' blogs, social networking, MBA resource blogs) in their MBA search
 - In their use of social media, they are more likely to read blogs by experts and watch videos

Applying to MBA Programs

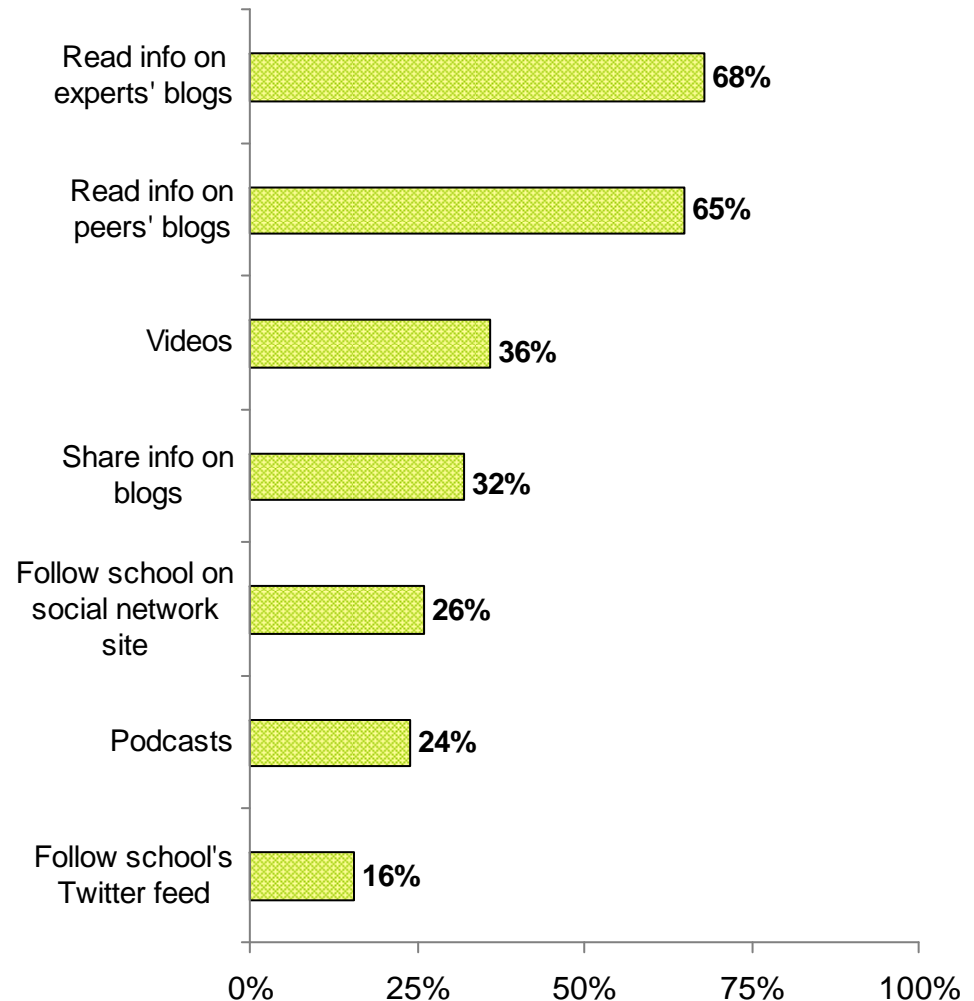
- More likely to consider alumni network in selecting schools to apply to
- More likely to be considering a full-time, 2+ year MBA program and less likely to consider part time, flexible, and distance programs

Information sources/social media Blogs are most popular social media in MBA search

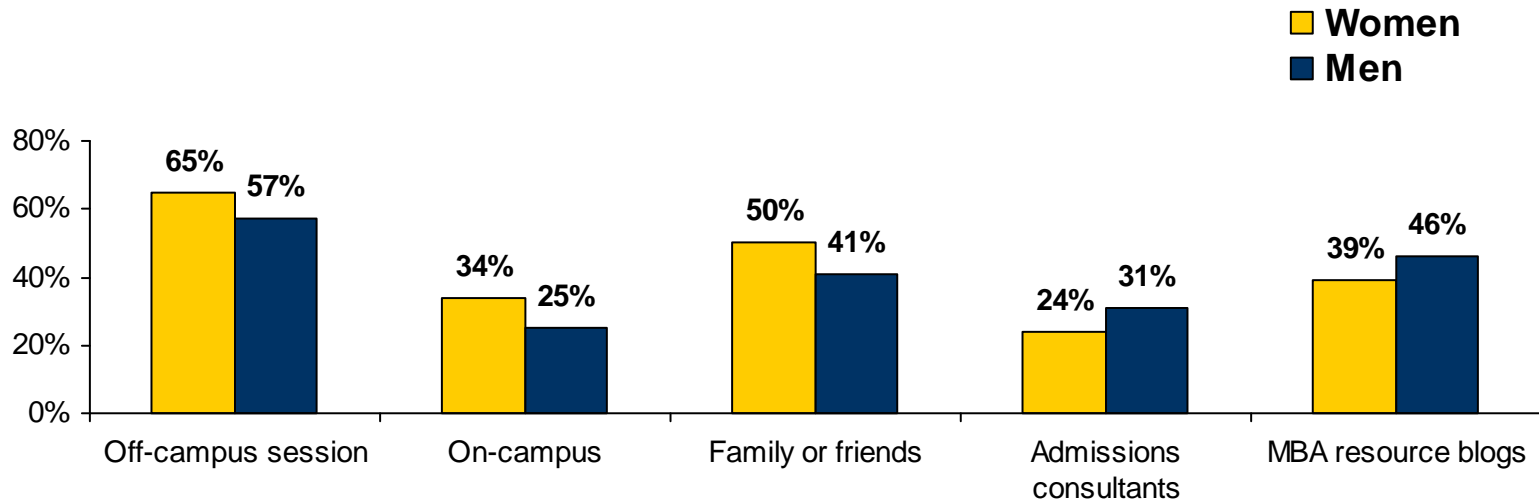
Which of the following do you currently use?



How do you use social media in your MBA search?



Information Sources A few differences between men's and women's information sources



- Women are more likely to attend both on-and off-campus sessions and to use family or friends as sources of information
- Men are more likely to use admissions consultants and MBA resource blogs

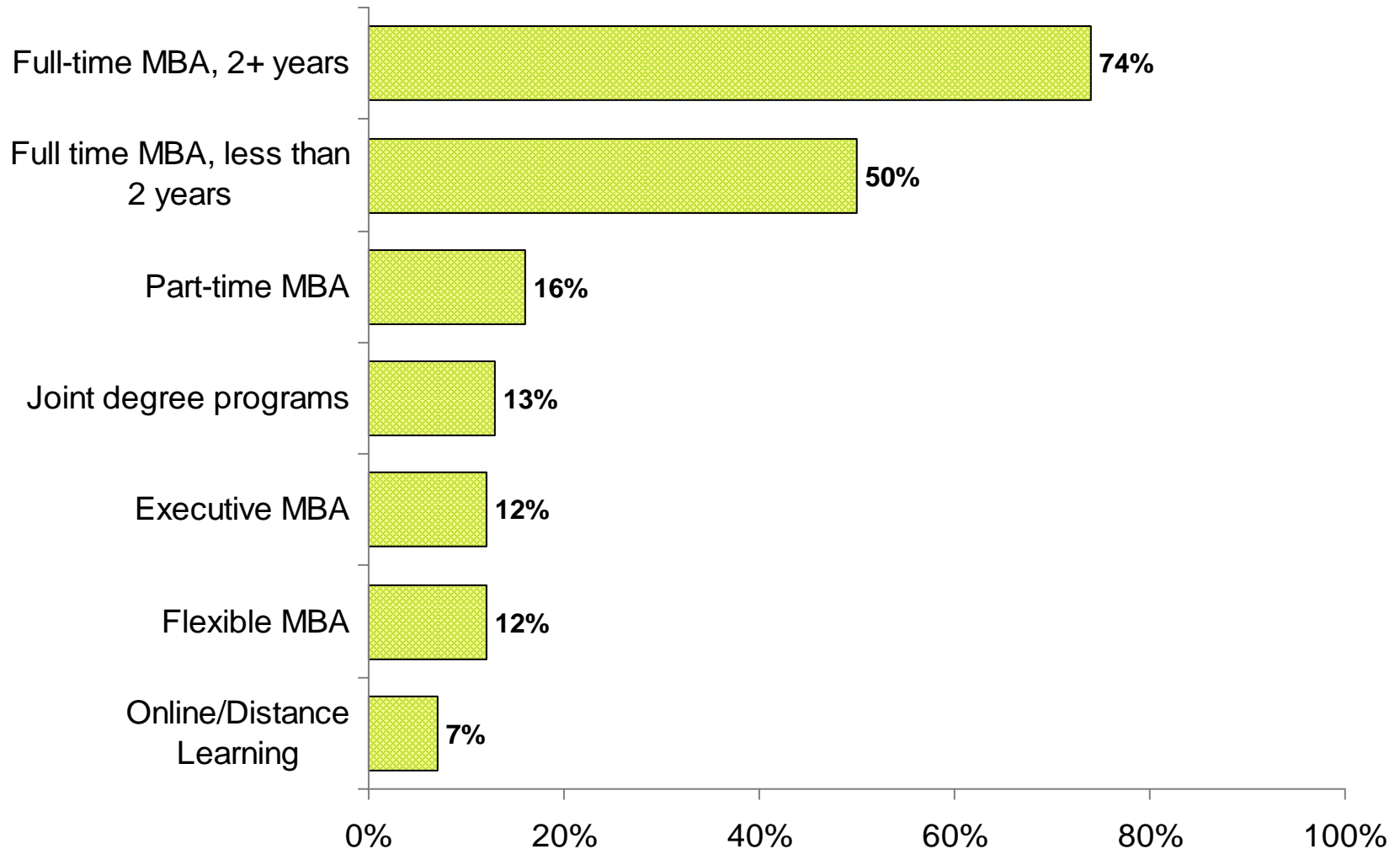
Applying to MBA programs

Decision to pursue an MBA

Decision of where to apply

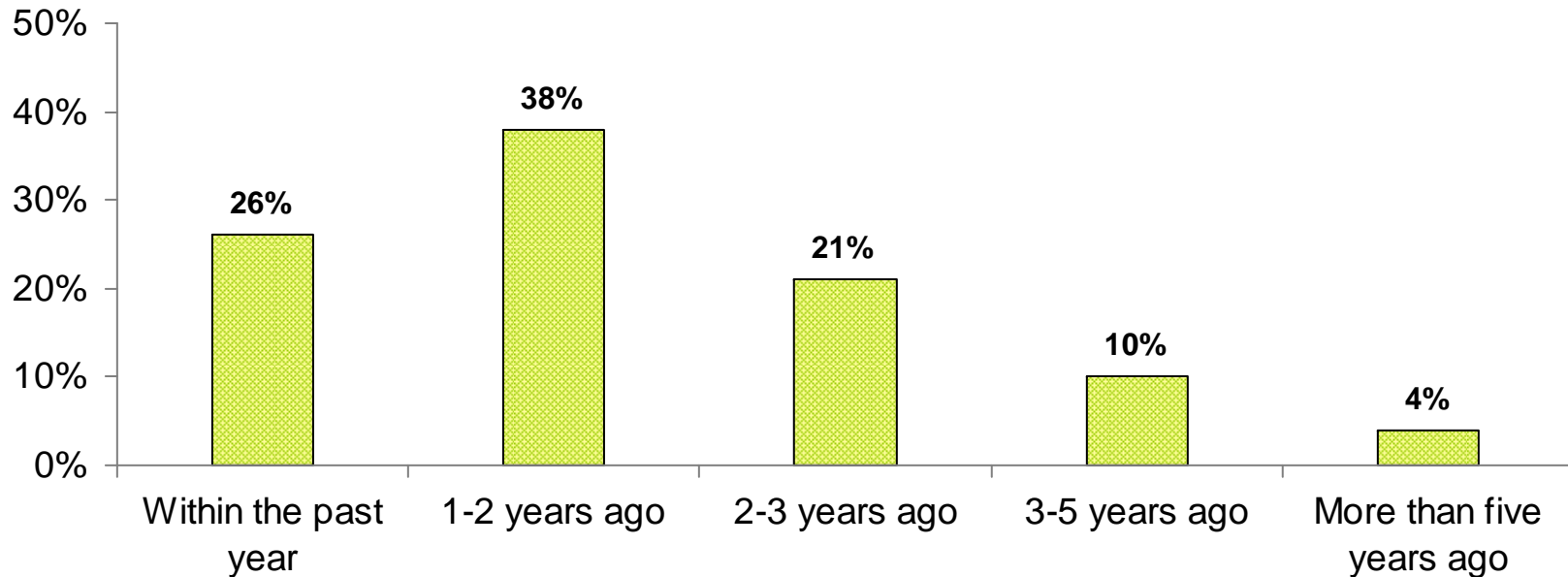
Type of MBA program Most prospects have considered a full-time program

What types of MBA programs have you considered?



Started considering MBA One quarter just started considering MBA in past year

When did you first start to seriously consider getting an MBA?

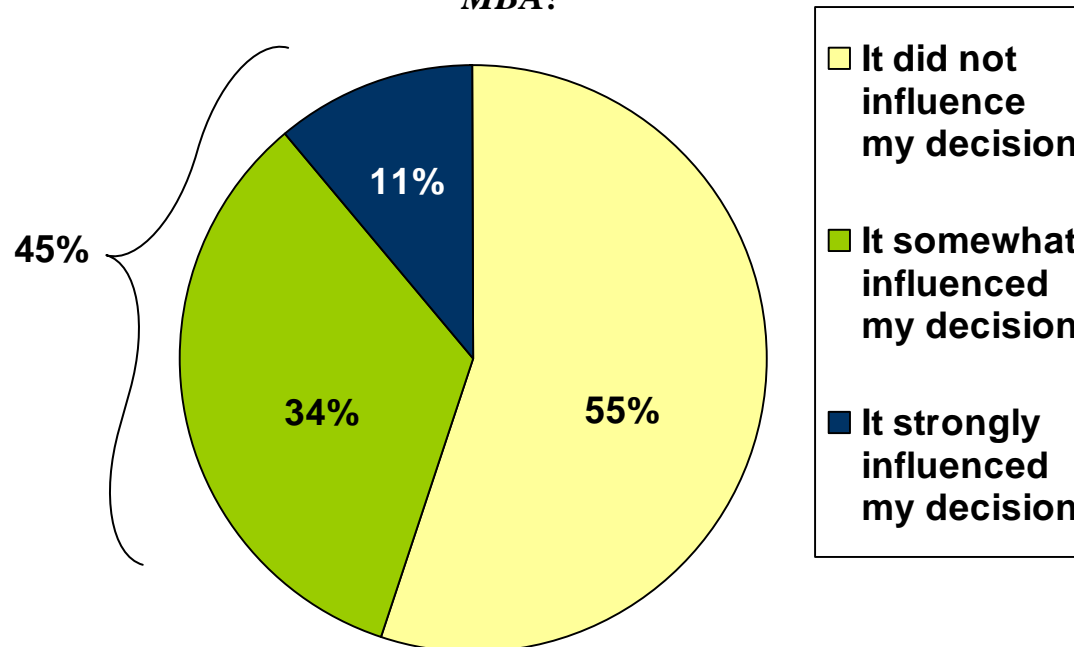


- More international prospects started considering an MBA in the past year than U.S. prospects

Economy Influenced Plans

The economy influenced nearly half of prospects to pursue MBA now

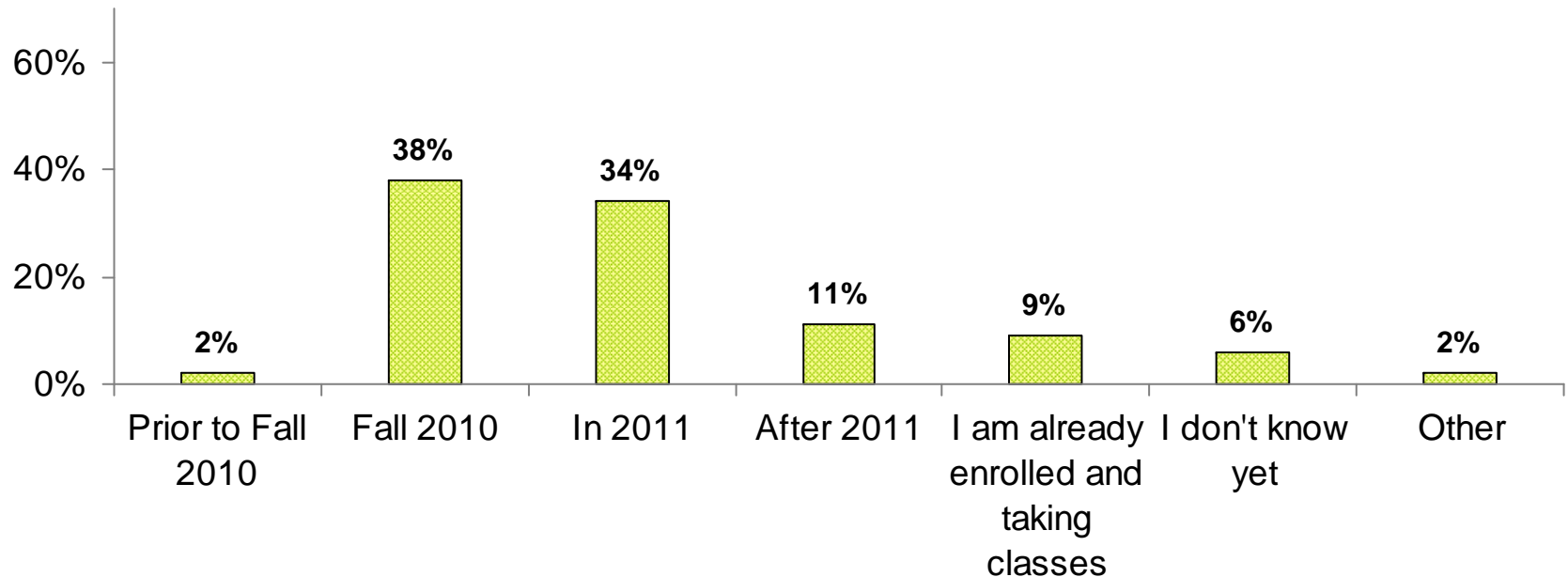
Overall, how has the current state of the economy influenced your plans to get an MBA?



- Up from last year, when it was closer to one-third
- Though other factors, such as career advancement, are more influential
- And only 1 in 3 under-represented minorities said the economy had influenced their plans to get an MBA

Start MBA program Most plan to start in Fall 2010 or in 2011

When do you plan to start business school?



- International prospects are planning to start later than U.S. prospects, despite starting to consider an MBA at about the same time; they're earlier in the process

Decision to pursue MBA Career, network, knowledge and credentials most important

How important to you was each of the following factors in your decision to apply to MBA programs this year?



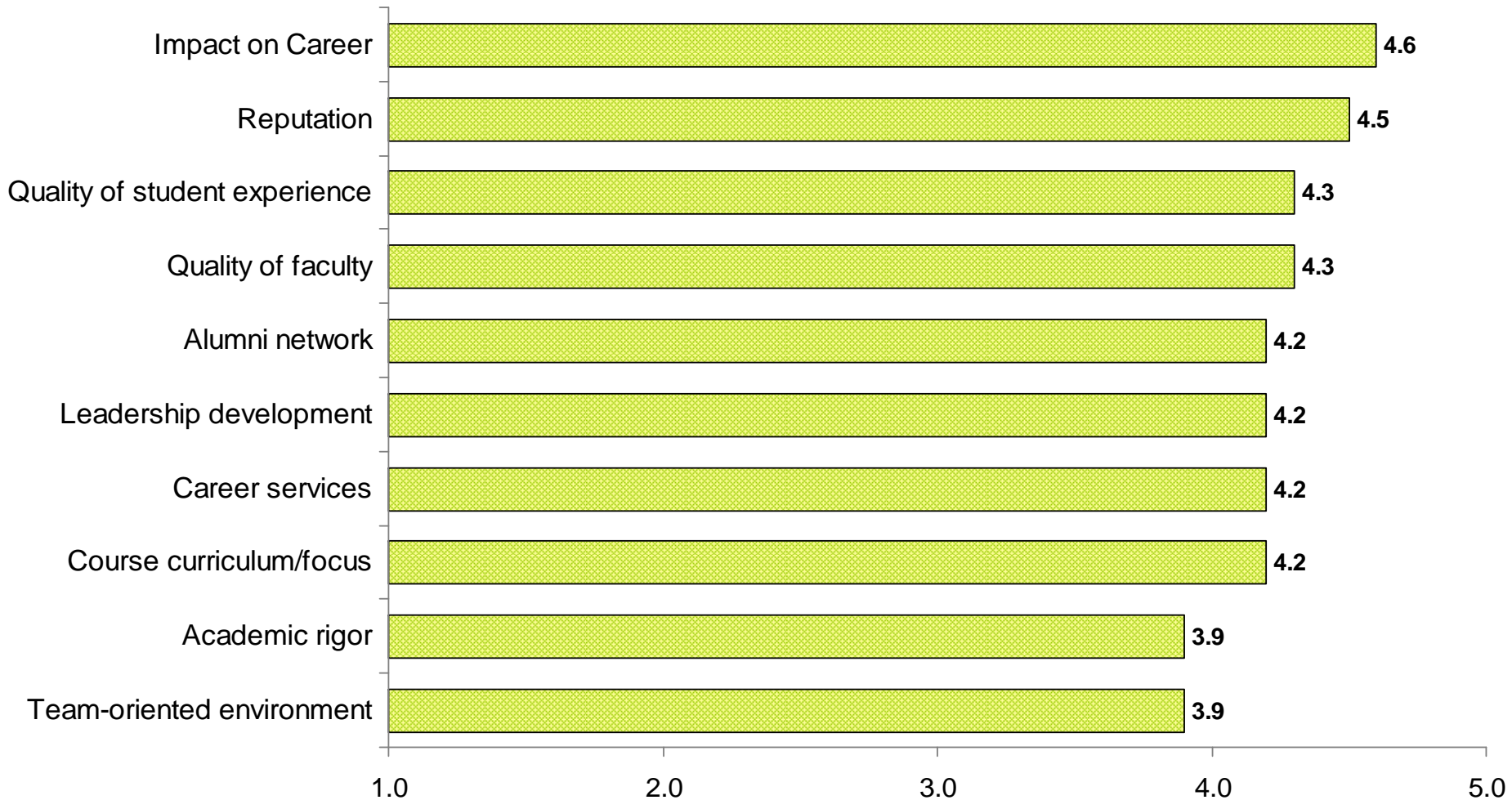
Decision of where to apply (most important)

Impact on career and reputation most important

How important to you is each of the following factors in selecting which business schools to apply to?

Rating scale of 1 “Not at all important” to 5 “Very important.”

Chart 1 of 2



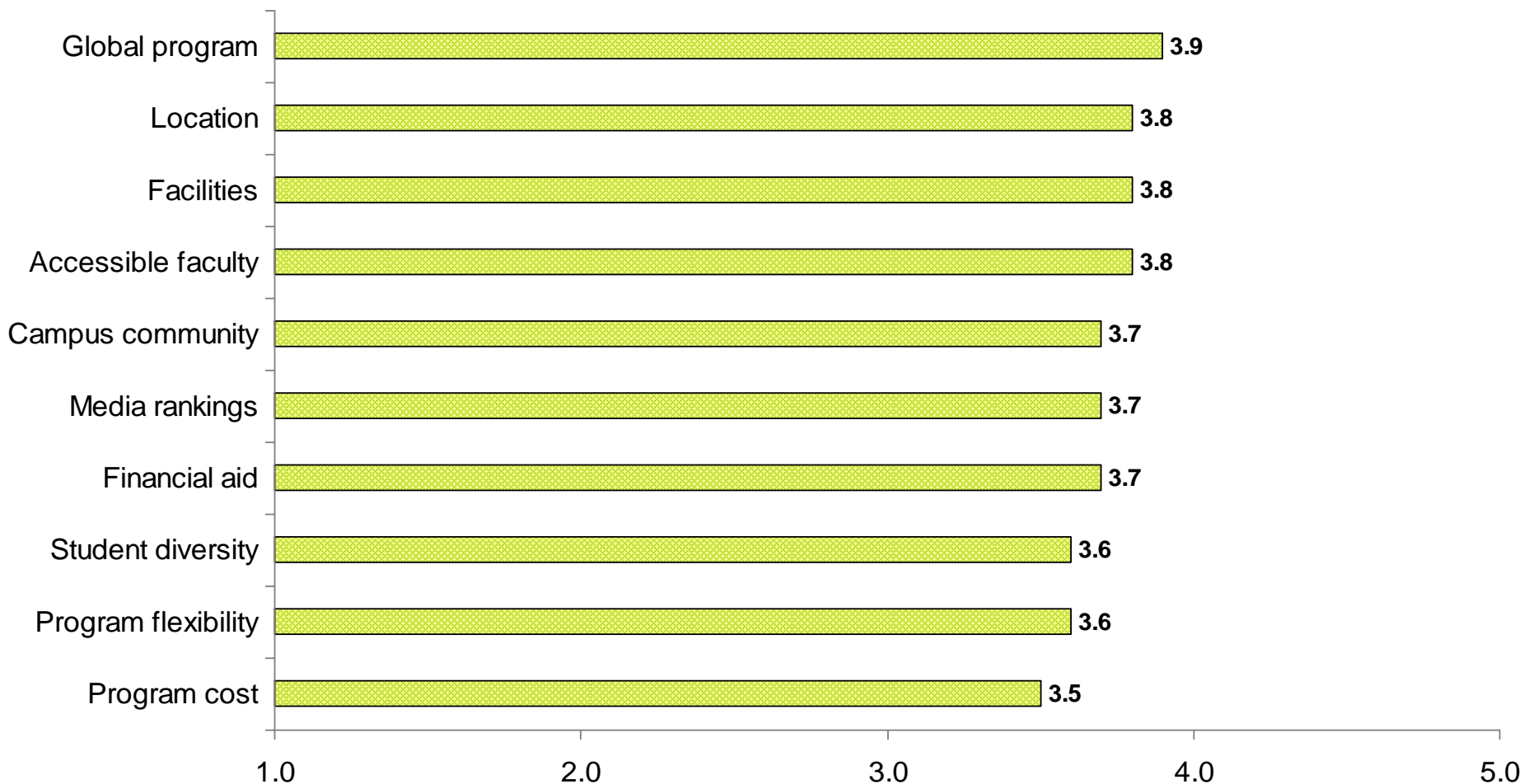
Decision of where to apply (less important)

Program cost, flexibility, and diversity least important

How important to you is each of the following factors in selecting which business schools to apply to?

Rating scale of 1 "Not at all important" to 5 "Very important."

Chart 2 of 2

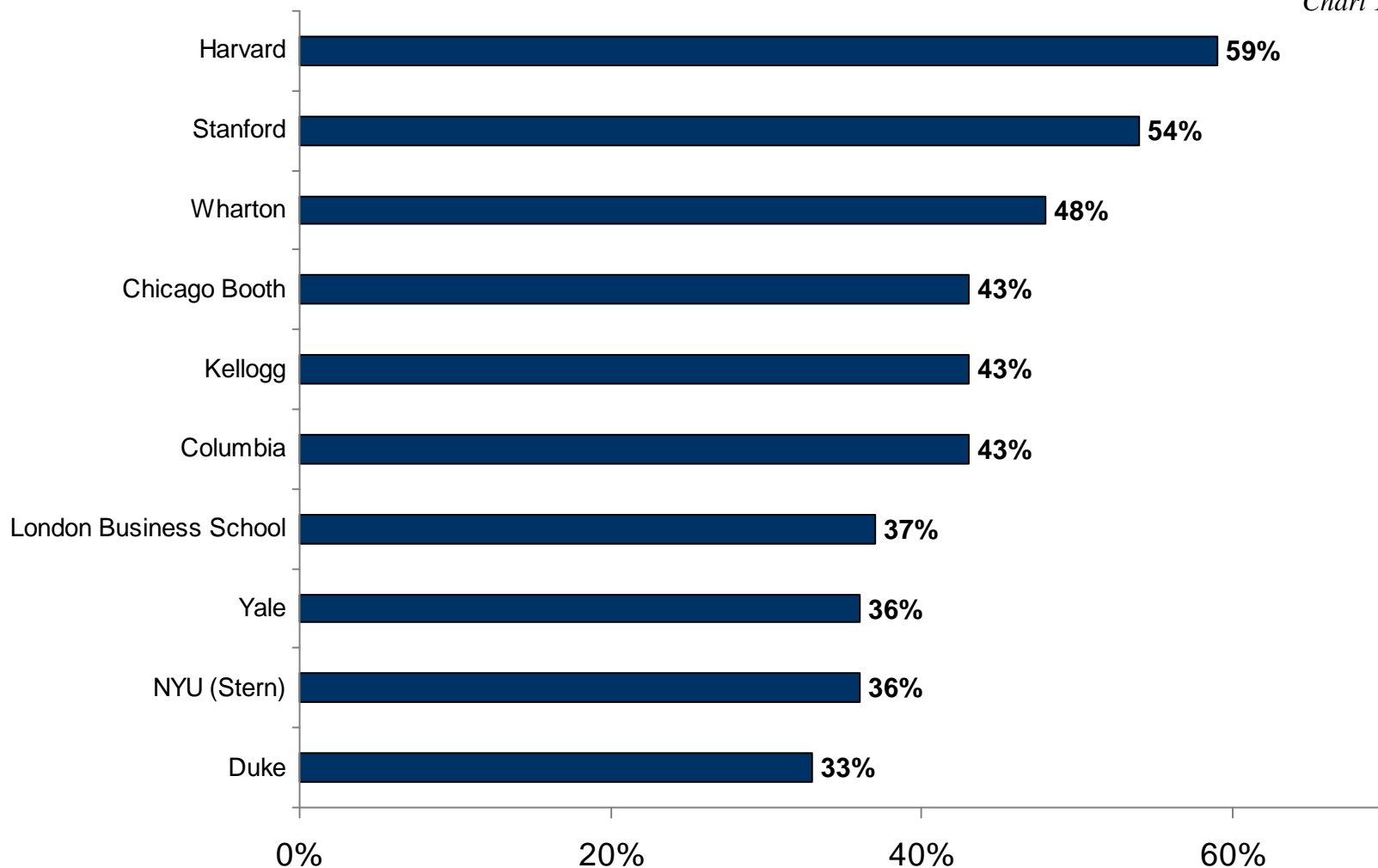


Case Study: Applicants to School X

Case Study Prospects who applied to school X apply to other top programs

Which graduate business schools have you applied to, or are planning to apply to?

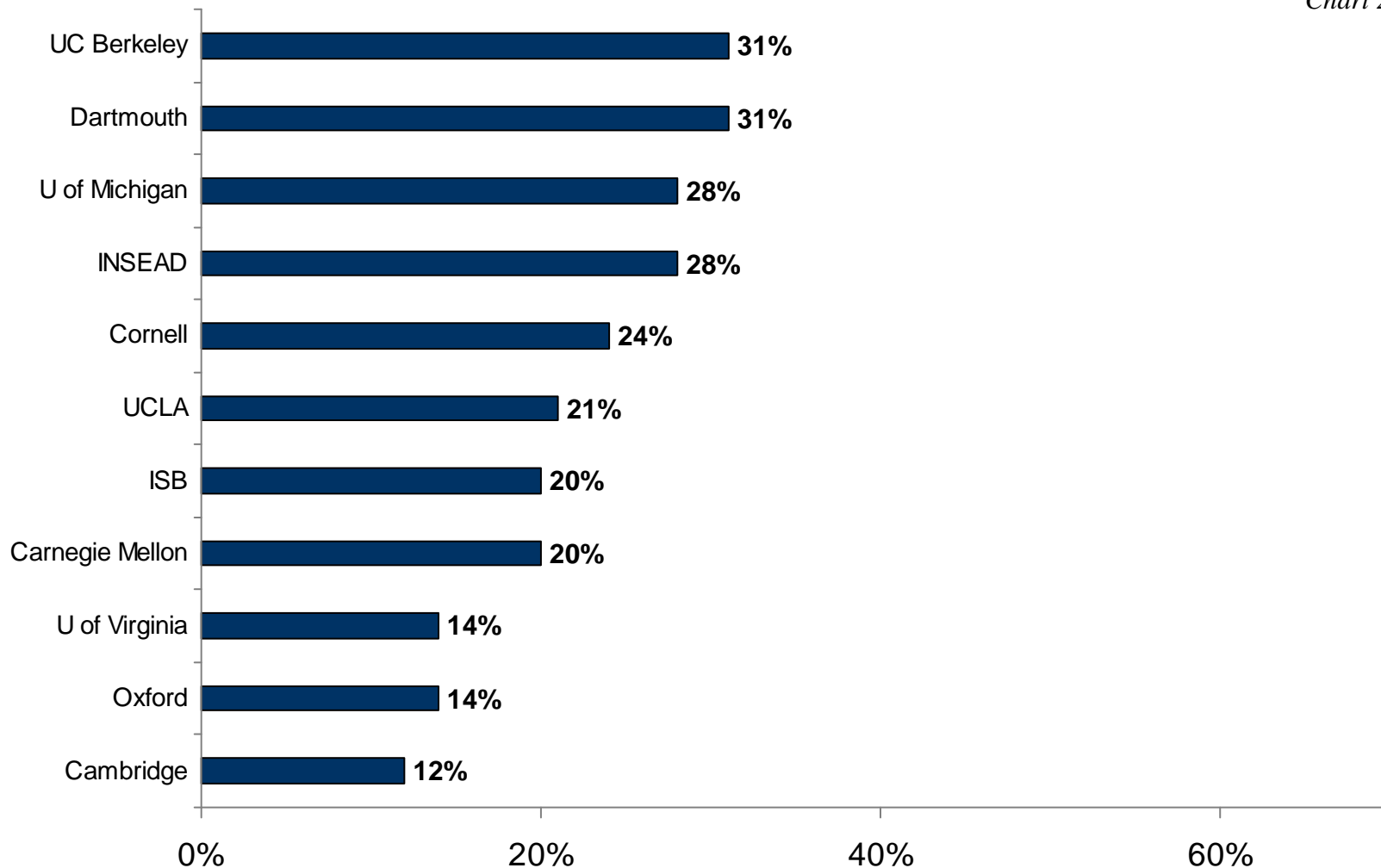
Chart 1 of 2



Case Study Prospects who applied to school X apply to other top programs (cont.)

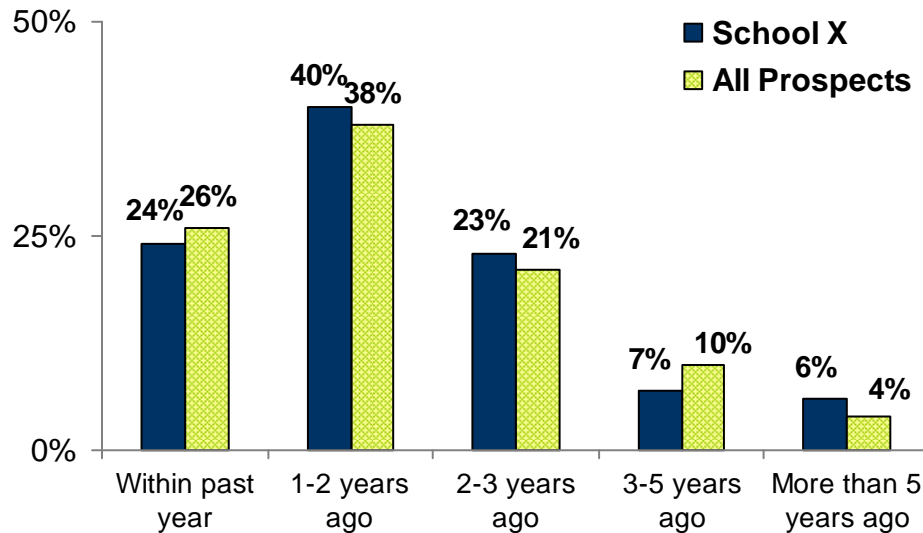
Which graduate business schools have you applied to, or are planning to apply to?

Chart 2 of 2

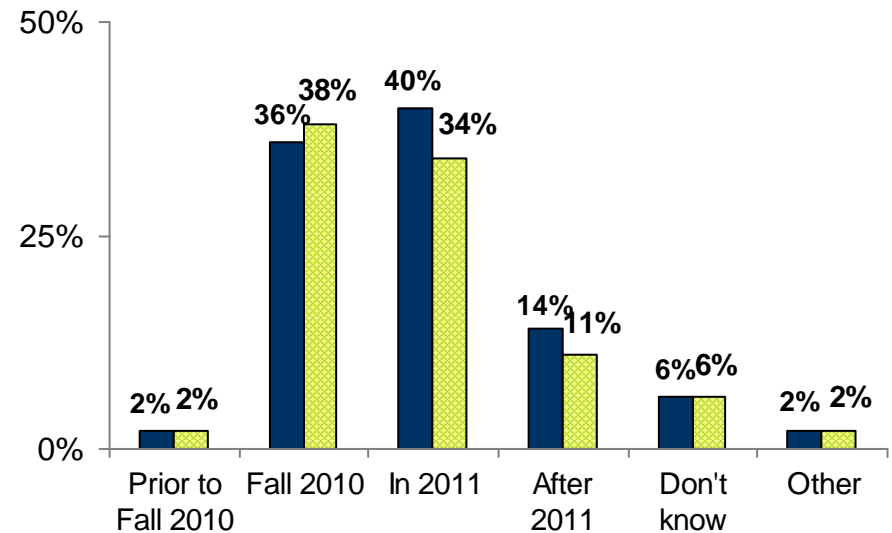


Case Study Applicants to School X spend longer planning before beginning MBA

When did you first start to seriously consider getting an MBA?



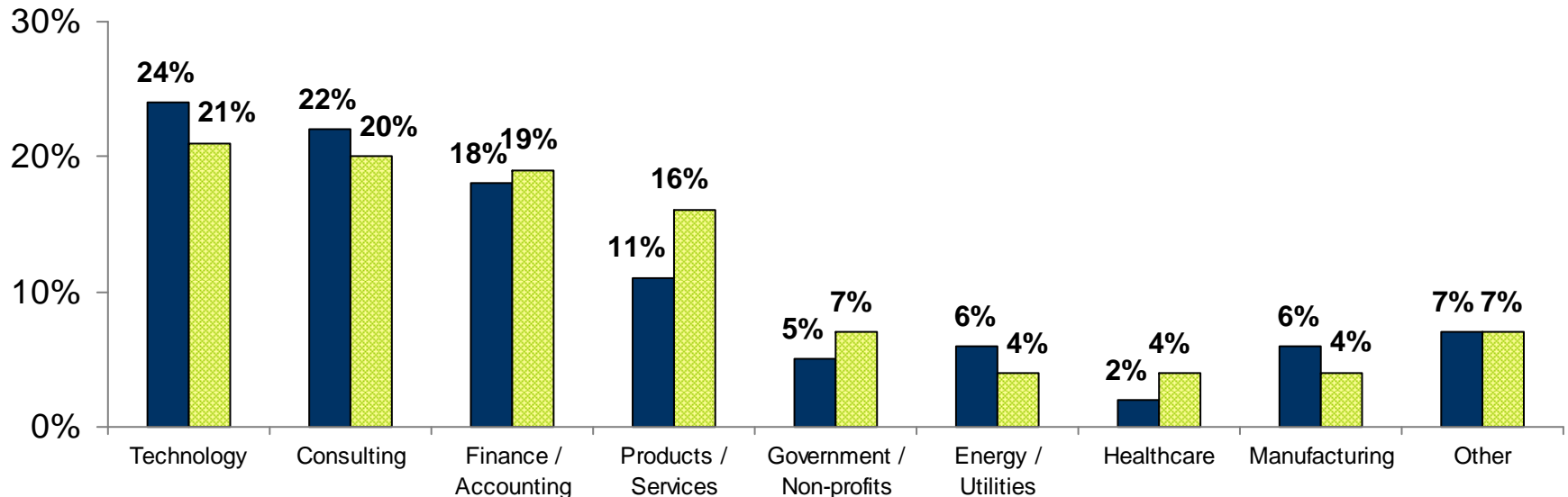
When do you plan to start business school?



- Though prospects of School X have been considering getting an MBA for a similar amount of time, they plan to start school later than other prospects
- School X may have more time to raise awareness and build a relationship with their prospects than do other schools

Case Study School X applicants are more likely to work in technology and consulting

Which industry do you currently work in?



- And less likely to work in products/services

Case Study Prospects of School X more likely to use online forums and blogs operated by the school

Among the following sources of information that come directly from the schools, which did you use regularly in your MBA search?

