

The benefits of providing Massive Open Online Courses (MOOCs) are not just about income generation; many of the benefits identified in our case studies are “softer” in nature, that is, they are predicated upon longer-term investments that may have a less certain financial outcome such building, profile raising or fulfillment of strategies for public engagement, public good, and similar objectives. These softer benefits may in time lead to substantial income generation, but this is generally less certain than for some of the approaches discussed in the last chapter.

In this chapter, we look at some of the other benefits of providing MOOCs that are commonly cited by providers and analyze some of the pros and cons of including these benefits in your MOOC planning.

## **Developing markets and building relationships with new customers**

From the interviews that we carried out with a number of different universities, there is a strong belief that MOOCs have the potential to help market the institution better to more people, to develop a deeper and more nuanced sense of the institution’s brand and identity, and also to build up more sophisticated relationships with not only actual and potential students, but also with third parties, such as parents, grandparents, cousins, friends, all of whom may play a powerful role in referring students to a particular institution.

MOOCs offer a way of lower risk and lower cost to promote the institution to a wide audience. Not only do they offer a route to promoting their name to potential students, but also enable the institution to give the MOOC student a sense of some of the areas of strength of the institution, and even perhaps a sense of their identity as an organization.

The *University of Bristol*, for example, plans to give at least one of its MOOCs a sense of Bristol as a city and the values of the University, so that through the MOOC, the student also gets a sense of some of the characteristics of living and studying in Bristol, and may be encouraged to apply to the University.

### ***Understanding the market***

As with its other marketing strategies, a university will need to understand its target markets and, where possible, try to match these with MOOCs in the most relevant

subject areas. It is too early to tell whether this strategy will be successful, but indicators so far are that this approach is definitely worth investigation and trialing.

So, for example, a grandparent may take part a MOOC focused on European history because of a long-standing interest in the subject, may enjoy the course, and be highly impressed by the quality of teaching and thus feel that this has given them a personal “link” with the university that provides the MOOC, and so encourage their grandchild to consider applying to that university to study either archaeology or a completely different subject area. The investment in the MOOC will, through an indirect route and over a period of time, translate into an undergraduate application that the university would not otherwise have had.

### ***Attracting global audiences***

The potential to market to a global audience is also one of the most cited benefits to universities that offer MOOCs, and in particular to reach individuals or communities where they do not traditionally have a strong presence. As we have seen in recent years, many universities are increasingly interested in attracting overseas students, both for undergraduate and postgraduate study. Some are pursuing expensive strategies to engage with potential students, through the use of third-party agencies that engage with students, for example, or going further, by setting up overseas offices on the other side of the world. Or the university may set up a campus either in partnership with a local institution or alone.

MOOCs offer a lower cost approach to marketing abroad, and hold potential to get directly to a specific target group of potential students who may have an interest in a very specific subject area. This is particularly relevant to postgraduate courses where numbers may be small but the benefits of matching the right student to the right course may be large leading to more applications and income.

### **Developing new markets through more flexible courses**

As discussed in the case studies, universities are not only thinking about promoting their traditional course offers, but some institutions are offering a range of more flexible models. This may include offering access to individual modules rather than an entire program, and also offering a broader range of courses that are aimed more at lifelong learners than undergraduates or postgraduates; for example, short summer school courses.

Given what we know so far about the demographics of MOOCs, one of the most strongly represented cohorts is that of lifelong learners who are interested in a subject as an enthusiast, rather than as part of their career path (one university light-heartedly described the intake for their MOOCs as being “the University of the Third Age” (U3A, 2014)). There is the possibility to blur the boundary between formal and informal learning further, and to use MOOCs to promote existing or new short courses that are specifically aimed at lifelong learners.

The *University of Southampton* is experimenting with this approach by running a MOOC that takes as its focus the Portus project, an archaeology module that is open to the public and for which there is a field study trip each summer near to Rome in Italy. By running a MOOC that also focuses upon the Portus project, greater numbers may be encouraged to engage with it and perhaps to attend the summer school ([Portus Project, 2014](#)).

Some of these courses may be credit-bearing but many will not be. The key point in planning a MOOC strategy that aims, at least in part, to engage this potential market is to understand the profile of current and future lifelong learning students, and to provide a MOOC offer that is likely to attract their attention and then to meet their needs as enthusiasts as well as learners. Their motivation for engagement in a MOOC is likely to be subtly different to that of a potential undergraduate or an employee who wishes to acquire new, job-related knowledge, and the MOOC may need to be marketed and designed accordingly.

## Bespoke course development with partners

A less common MOOC model that holds possibilities for new income streams is that of working in partnership with other organizations to develop, run, and/or to accredit the MOOC.

An interesting example in the UK is the partnership between the *University of Exeter*, running a MOOC through the FutureLearn platform, and the Association of Chartered Certified Accountants (ACCA), a professional body that offers professional accreditation to accountants and other financial professionals. The two partners are working together to create a MOOC that will then be accredited by ACCA ([Boyde, 2014](#)).

This model is innovative because it holds the potential to attract new students and to open up new income streams for the University, but without compromising their core offer of high-quality undergraduate courses, as accreditation is offered by the partner rather than the University. It is an example of a mutually beneficial partnership, where the University brings its knowledge assets and experience of good course design and delivery, and the professional association brings specialist subject knowledge and branding. Other universities are working in partnership with commercial companies and not-for-profits, often where they have an established arrangement in place.

## Conclusion

Bringing together the key points from this and the previous chapter, we can see that there are numerous ways that MOOCs may bring direct or indirect financial benefits to both MOOC platforms and to MOOC providers. However, given the early stage of maturity of MOOCs within the complex market of global higher education, these models are

still largely unproven and there is, as yet, no clear model for funding MOOCs in a financially sustainable way.

Most obvious business models are linked to certification and accreditation, but take-up levels of these services so far are not particularly promising—though we have to bear in mind that the students who have so far taken MOOCs may not be representative of the population that will be seen in 5 or 10 years' time, as MOOCs move beyond the "early-adopter" phase in the innovation curve.

It can be difficult to measure the benefit of MOOCs, as there may be indirect benefits with no direct financial outcomes—or financial outcomes that take some time to reach fruition. Some of the benefits are definitely not financial but nevertheless may contribute directly to the strategy of the university, for example by attracting better quality students to postgraduate courses. Some universities hope to convert MOOC students to fee-paying students.

However, many of the reasons for providing MOOCs are not directly linked to recruitment. One of the much cited motivations for offering free online courses is a complex and sometimes rather muddled bundle of rationales that, in marketing terms, include aspects of developing brand awareness, building new or improving relationships with current and potential "customers," and marketing to new audiences. In general, these aspirations seem to reflect the marketing strategy of the university, with the MOOC providing an additional possible "route to market," and one that has particular advantages in its global reach.

There is a lot bound up in this discussion and one of the complexities is that, as with traditional marketing practices, it is difficult or sometimes impossible to trace a clear path of causality from the investment in marketing and the final "sale" to the "customer." It is for the institution to decide which of its strategic objectives it is trying to address through the provision of a MOOC, and to put in place evaluation strategies that can determine whether the MOOC has helped to achieve the objectives or not. Experience from the institutions that we interviewed indicates that the best way to find out about this is through practical experimentation, and given the fast-growing level of interest in online learning by potential students, we would strongly advise that each university develops a clear strategy that will enable it to invest in practical developments. We would also counsel engagement with other institutions in order to share practice and learn from others. Partnership in MOOC platforms is one good way to achieve this, but open and frank conversations with established partners may provide another useful route.

It should also be noted that the partnership agreements with the major MOOC platforms are nonexclusive. This means that there is no barrier to the university deciding to either run the same MOOC on another platform or to move the MOOC to another platform. At this early stage in maturity for online learning in general, and in particular for MOOCs, we advise that institutions are open minded about testing out a number of different options, if they are able to, rather than rushing to commit to one particular model, partner, or provider in the long term. The future of MOOCs is still emerging and it will be some time before the shape of the landscape becomes clear.

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## References

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