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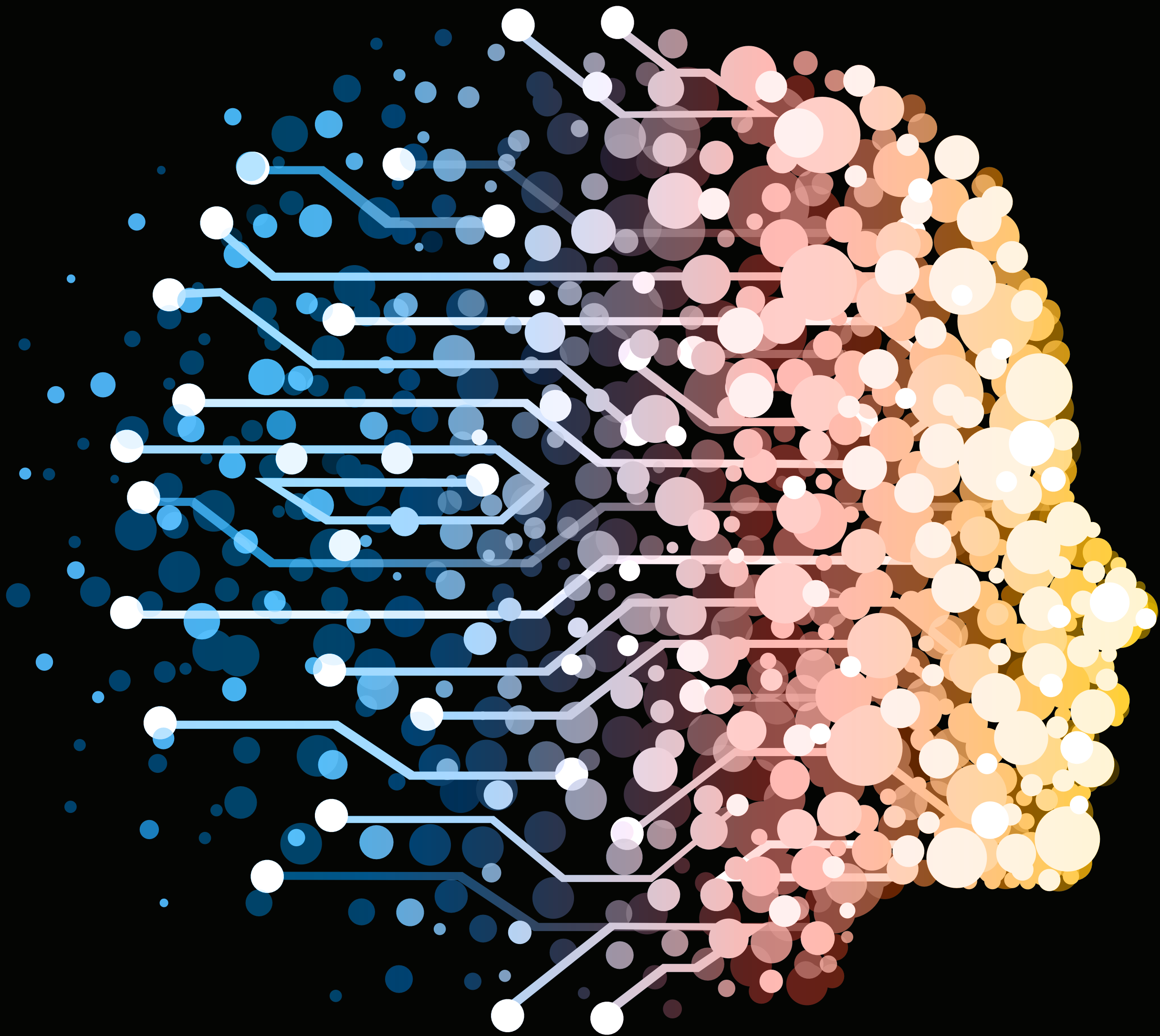


Where to now? Blended futures.

Higher education for a changed world

Terminology and definitions

Postgraduate coursework
Australian Qualifications Framework (AQF) qualifications from levels 8 to 9, comprising Graduate Certificate, Graduate Diploma, Master's Degree by Coursework, and Master's Degree Research with coursework components.

Digital learning
Teaching, learning and independent study that is supported or enabled by digital tools. Examples of these tools include virtual reality simulators, online assessments and virtual lectures.

Online learning
Delivery of a program, course or module over the internet.

Face-to-face learning (F2F)
The study mode where all teaching and learning activities are delivered in-person and on campus.

Blended learning
The study mode where teaching and learning activities are delivered through a combination of study in-person, on campus and over the internet.

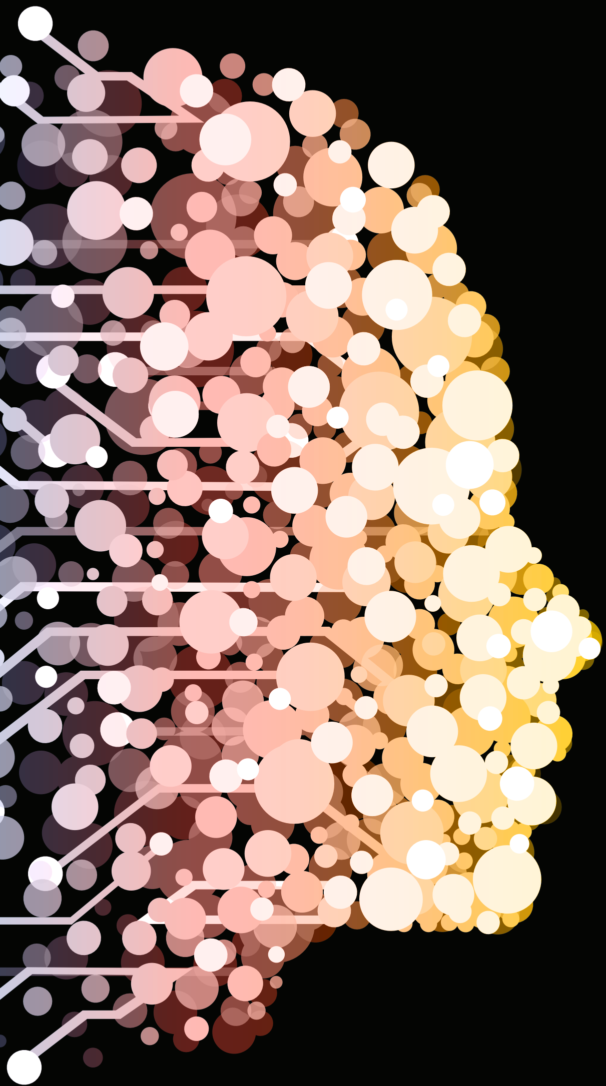
Fully online learning
The study mode where all teaching and learning activities are delivered over the internet.

Continuing student
A student who commences their postgraduate study straight after the completion of their undergraduate studies and the acquisition of their undergraduate qualification.

Returning student
A student who does not commence their postgraduate studies straight after the completion of their undergraduate qualification. These students will have spent time away from formal education before commencing their postgraduate studies, for example in the workforce.

Recognition of prior learning (RPL)
An assessment process that facilitates the progression of students through a qualification by giving credit for relevant formal learning achieved at an earlier date.

Recognition of prior experience (RPE)
An assessment process that facilitates the progression of students through a qualification by giving credit for relevant non-formal learning, including experience in the workforce, achieved at an earlier date.



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About the survey

In August 2020, Deloitte, supported by the Wallis Group, surveyed more than 500 recent and current domestic postgraduate students across Australia. These students, reflect a representative sample of our public universities and our major private providers. Respondents include: postgraduate students that have studied during and prior to the campus closures of COVID-19; those that commence postgraduate study immediately following their undergraduate education and those that return to study after a period in the workforce; those that balance their studies with work and family responsibilities; those that study part-time and full-time; and those that study face-to-face, blended and fully online programs.

In surveying these students, we explored three aspects of the postgraduate market. Firstly, we explored the buying behaviours of postgraduate students (specifically, how they choose a provider and mode of study). Secondly, we explored their needs and preferences during study. Finally, we explored the different ways the pandemic has altered this cohort's perceptions, perspectives and preferences concerning online and digital learning.

This study has been designed to provide Australian higher education providers with a clear evidence base to inform the design of offerings, the prioritisation of investments, and the development of strategies to respond to the needs of a growing domestic postgraduate market.

Executive summary

Post-pandemic opportunities: what's your position?
COVID-19 has created profound challenges for the Australian higher education sector. Deloitte Access Economics estimates that international student revenue losses look set to total around $3 billion this year. These losses will increase in 2021 as the effects of reduced international student commencements in 2020 flow through to subsequent academic years. There has never been more uncertainty in the outlook, but the best current projections suggest it will be 2023 before international student numbers return to pre-COVID levels. This means that many Australian higher education providers must prepare for a future with less financial capacity to invest, and less financial capacity to fund research.

Despite the challenges raised by the pandemic, there are a number of teaching and learning opportunities for higher education providers to evaluate. These range from the delivery of online degrees and diversification into new markets, to short courses and micro-credentials. One of the bright spots is the domestic postgraduate market.

Over the last decade, domestic postgraduate student enrolments have increased at an average of four percent per annum[1]. Prior to COVID-19, the Australian economy was bracing for Industry 4.0 and the digitisation of the economy. This was fuelling Australian workers' appetite for lifelong learning – particularly among those with at least a bachelor's degree – whose interest in formal learning spans the entire range of postgraduate qualifications[2].

Demand for postgraduate learning is likely to accelerate as a result of the COVID-19 pandemic – with more undergraduate students choosing to continue their studies rather than enter a highly competitive labour market, and with degree-qualified professionals returning to formal learning due to reduced employment prospects as a result of economic conditions.

In response to this postgraduate demand, higher education providers may consider investment to enhance their postgraduate offerings. Given that the delivery of postgraduate qualifications sits firmly in the 'core business' of higher education providers today, these investments are unlikely to be greenfield. Investments are more likely to be targeted towards the augmentation or refinement of existing capabilities.

Importantly, in responding to the needs of postgraduate learners, higher education providers will also be making a significant contribution to the reskilling of our workforce and, in turn, to Australia's economic recovery from COVID-19.

The key question for higher education providers now is, if domestic postgraduate students hold promise for higher education providers as they navigate and overcome the challenges of COVID-19, how can they position themselves to respond to the needs of these students, and make the right investments accordingly?

[1] Australian Government Department of Education, Skills, and Employment, *Higher Education Statistics Collection*, 2020

[2] Deloitte, *Higher education for a changing world: Where to next? Beyond the skills gap*, 2019.

Key findings summary

KEY FINDING

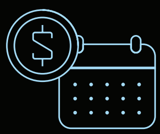
1/ The three Rs rule: Reputation Relevance Recognition

Postgraduate students make big sacrifices to study with their first-choice provider.

9 out of 10 students enrol in postgraduate qualifications **for career purposes – and achieve career outcomes**.

87% of postgraduate students study with **their first-choice provider**.

It is quality that sways students
Postgraduate students choose their first-choice provider on the basis of:
1. **Reputation** of provider
2. **Relevance** of course to their career
3. **Recognition** of course by their industry

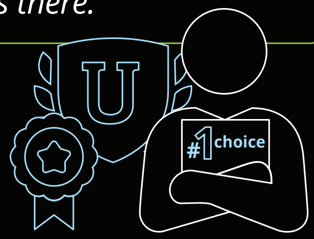


Postgraduate students will pay more and rearrange their lives to attend their **first choice**.

The bottom line

Maintain focus on reputation, curriculum relevance and industry recognition.

Price and features won't sway students unless the quality is there.

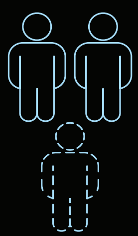


KEY FINDING

2/ The future is blended

The pandemic has improved postgraduate students' perceptions of digital learning, giving the green light for a blended future.

77% of postgraduate students who studied during COVID-19 think **digital learning tools provide an equal or better experience** than their face-to-face equivalents.



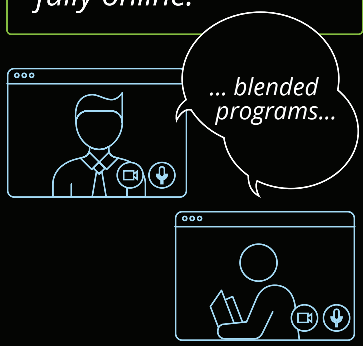
Two thirds studying face-to-face and blended courses would be willing for **more of their program to be delivered online**.

Fully online courses are not seen as an alternative to face-to-face or blended courses, and represent **a very different offering**.

The bottom line

Dial up digital learning, and pivot to blended programs.

Think carefully about fully online.



KEY FINDING

3/ My services to stay

The majority of postgraduate students are satisfied with their experience, but more could be done to increase their adoption of the services that support retention.

84% of students are **satisfied with their postgraduate study experience**.

Those with an online component **are less satisfied** with work integrated learning, soft skills development and group work.

Most postgraduate students **do not access the full range of student services** and facilities offered by their provider.

Services postgraduate students use
- IT support
- library and learning resources
- working spaces and computer labs

Underutilised services that support retention
- financial support
- wellbeing
- equity services

The bottom line

Nudge students to services that support retention.

Improve delivery of work integrated learning, group work and soft skill development in online and blended programs.

Deloitte recommends three investment choices

to meet postgraduate student needs and wants

Invest in digital learning and pivot towards **blended programs**

Maintain focus on **reputation**, **curriculum** and industry **recognition**

Drive adoption of services that support retention

The domestic postgraduate coursework student cohort: Who are they?

There are around 390,000 students enrolled in postgraduate coursework study programs with Australian higher education providers, of whom 40 percent are domestic students, and 60 percent come here to study from overseas.[3] Domestic postgraduate enrollments have grown over the last decade, and the COVID-19 pandemic is likely to accelerate this growth. As labour market conditions deteriorate, decisions regarding the relative merits of study – or further study – versus participation in the workforce will be reconsidered, and demand for education and training will increase.

As these changes in the economy spur demand for reskilling, opportunities will abound for the providers of postgraduate qualifications.

It will be critical for Australian higher education providers to offer learning experiences that respond to the needs and wants of Australian postgraduate students, ensuring the best chance of success when it comes to attracting and retaining these students. In an environment of fiscal constraint, providers will also need to ensure that any investments they make deliver value to postgraduate students. This requires that higher education providers are equipped with evidence-based insights into the study motivations, preferences and decision-making factors of the domestic postgraduate cohort.

This study, and the survey that underpins it, explores three key aspects of domestic postgraduate students' preferences, specifically:

1. Why students undertake postgraduate study, and which factors have the greatest impact on their choice of provider.
2. What shapes their attitudes toward digital and online learning, and how their perceptions of digital learning have changed as a result of learning remotely during COVID-19.
3. What these students use and value during their postgraduate studies – encompassing both their learning and support service experiences and preferences.

The study provides insights for higher education providers – to support them in the development of relevant learning offerings and services, and effective student experience strategies, as the importance of postgraduate learning intensifies in the coming years.

[3] Australian Government Department of Education, Skills, and Employment, *Higher Education Statistics Collection*, 2020.

542 responses

46% male
54% female

Age bracket:
18-24 **12.7%**
25-34 **64.8%**
35-49 **17.7%**
50-64 **3.7%**
65+ **0.7%**
Prefer not to say **0.4%**

39% studied face-to-face
44% blended learning
17% wholly-online

63% have completed
30% still completing
6% withdrew early from their course

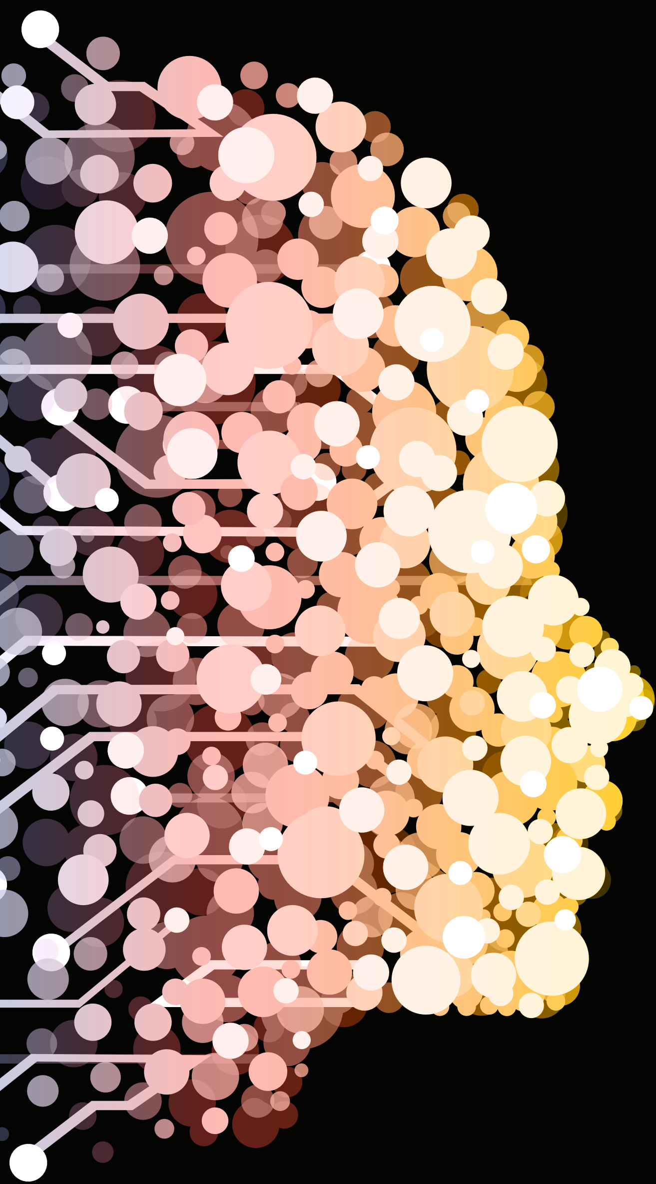
65% studied full-time
34% studied part-time
1% don't know

50% did Master's degree (coursework)
25% Graduate Diploma
19% Graduate Certificate
5% Master's degree research

63% held a Bachelor degree only prior to this qualification
20% held other postgraduate degrees
15% held vocational or school qualifications

55% are continuing students who commenced PG study immediately after completing their undergraduate degrees
44% returned to study after a period of time
1% didn't know

46% worked full-time during their PG study
35% worked part-time
17% were not in employment



Finding 1: The three Rs rule:

Reputation. Relevance. Recognition.

Postgraduate students make big sacrifices to study with their first-choice provider.

This section provides a summary of the first aspect of this study: why students undertake postgraduate study, how they decide on their chosen provider, and what influences this decision.

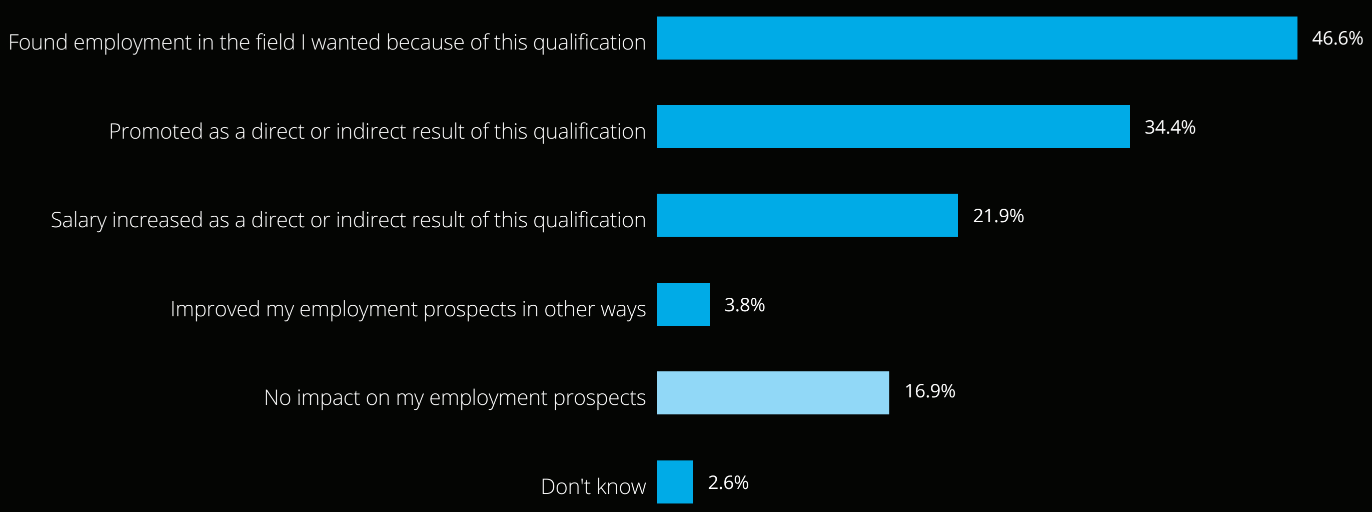
Postgraduate students study to achieve a career-related outcome, and the majority achieve this aim on completion.

For the vast majority of students (9 out of 10), enrolling in postgraduate qualifications is for career purposes. Only 8% pursue further study for personal interest. This motivation is consistent across all postgraduate students, irrespective of where or what they study – with survey recipients representing students across almost all of Australia's public universities and major private providers, and spread across a range of academic disciplines including business, science and technology, humanities and the arts. This motivation is as important for employed students as it is for those who are unemployed. It is also equally important for students irrespective of whether they are undertaking face-to-face, blended and fully online programs.

Kicking postgraduate career goals

Most students achieve their aims as a result of a post-graduate qualification. While there are differences in the career outcomes of fully online students (we explore this in further detail later in the report), more than 80% of those who studied and completed a face-to-face or blended postgraduate course in the last five years reported at least one meaningful employment outcome (Figure 1). This shows that postgraduate study is a highly effective way for students to enhance their career outcomes, which will become increasingly important to many Australians as our economy recovers from COVID-19.

Figure 1: Impact of postgraduate qualifications on employment prospects for those who have completed their study*

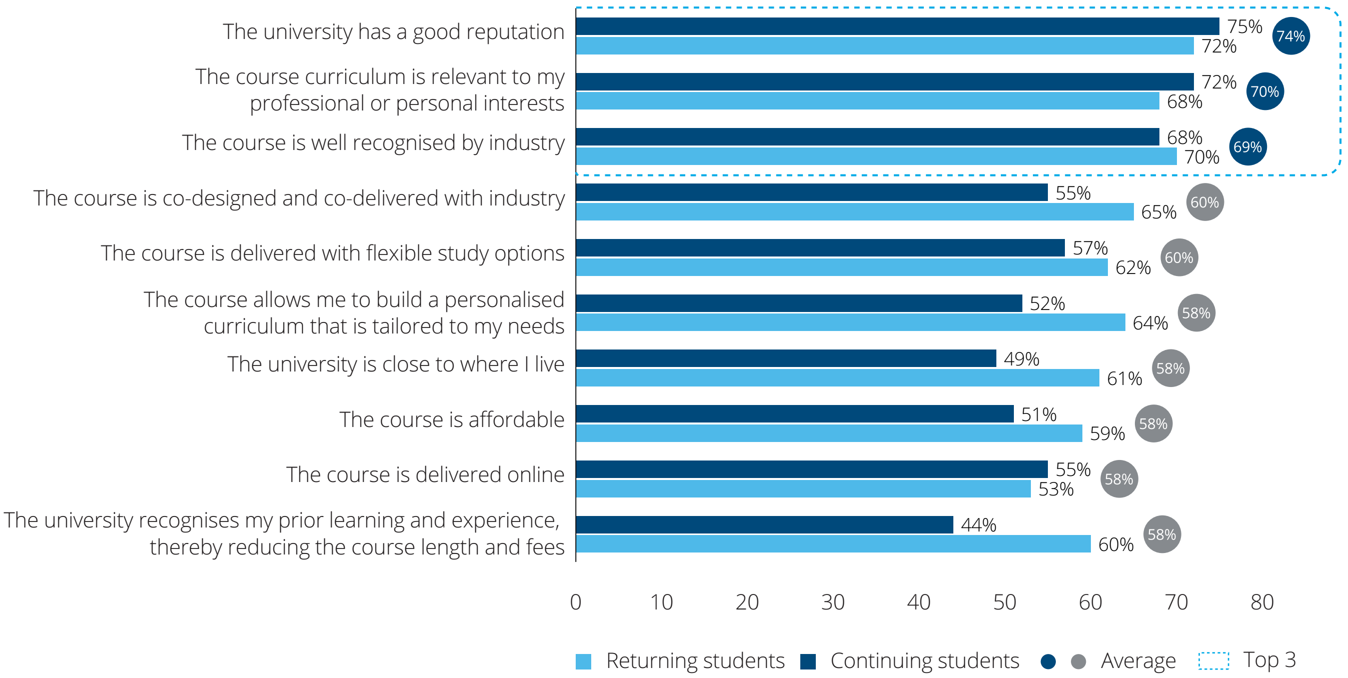


**Respondents are able to select multiple responses – totals exceed 100%*

The top three decision-making factors for students when choosing their preferred provider are: reputation, relevance of the course curriculum; and recognition of course by industry.

With a career outcome being the most important motivator for postgraduate study, the three Rs rule is unsurprising (Figure 2).

Figure 2: Percentage of respondents rating decision-making factors as "very important"



Aligning the Rs

Of the top three decision-making factors, the reputation of the provider is rated first, with the relevance of the course curriculum and industry recognition of the course rated second and third, respectively. This indicates that quality, as well as the alignment of the curriculum to the needs of employers, are areas that higher education providers should seek to maintain and build to meet the needs of domestic postgraduate students.

Students also value the direct involvement of industry in the delivery and development of postgraduate programs. While it is important to both continuing and returning postgraduate students, continuing undergraduate students are more interested in the industry-focused components in their course. Sixty-five percent of continuing students rated co-design and co-delivery as very important, compared to 55% of students who were returning to study after a break. This difference may reflect the fact that many continuing students are seeking increased industry exposure to enhance their early-stage career prospects.

The flex factor

Flexibility, whether in the delivery of the course (e.g. evening classes and block study) or the ability to tailor a personal curriculum, is also an important decision-making factor for many students. As expected, flexible delivery is more important for students who balance study and employment, with 62% of those in full-time employment rating flexibility as very important to them (versus 57% of those in part-time employment and 58% of those not employed). Returning and continuing students reported comparable rates of full-time employment alongside study, with just under half of both cohorts (47%) balancing study with full-time work.

Cash or credit?

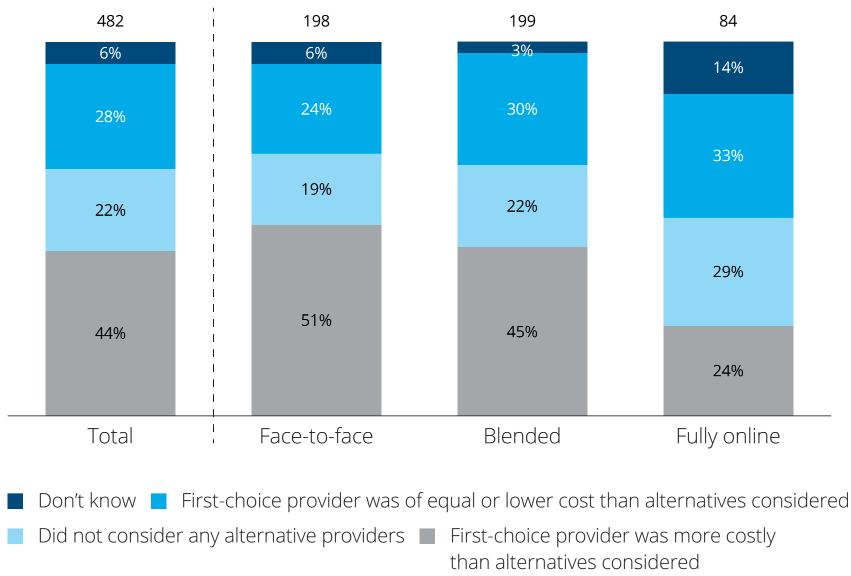
Fifty-three percent of students consider it very important that the provider recognises their prior learning and experience in order to reduce their course length and fees, with stronger interest among those continuing their studies immediately following their undergraduate qualification (60% rating this as very important, compared with 44% of those returning to study). Furthermore, 63% of the continuing cohort also received credit for prior learning or experience, compared to 37% of those returning to study. While it is important to both cohorts, it appears that continuing students, with the completion of their previous course fresh in their minds and perhaps a greater awareness of the provider's administration policies and procedures, are more likely to apply for and receive credit toward further formal learning.

Once students have decided which provider is their first choice, many will make significant trade-offs and sacrifices to attend this provider.

While it is important to understand how students select their first-choice provider, it is also key to understand whether these choices can be influenced and changed before a student goes on to accept an offer and enrol. Based on the results of this survey, the majority of postgraduate students don't 'switch'.

An overwhelming majority (87%) of survey respondents went on to study with the provider that they identified as their first choice, with those studying face-to-face most likely to do so (only 5% of this group studied with a provider that was not their first choice). As shown in Figure 3, of those who went on to study with their first-choice provider, 22% of them made the decision without even considering other options. A further 44% did consider other providers, but went with their first choice despite it being more costly.

Figure 3: Percentage of respondents who study with their first-choice provider despite higher costs



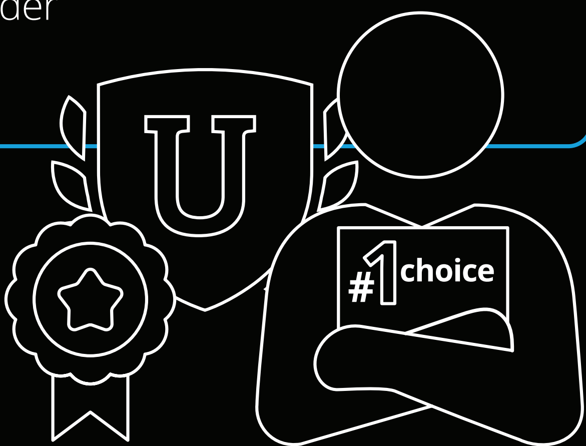
Budgets and schedules adjusted for their number one

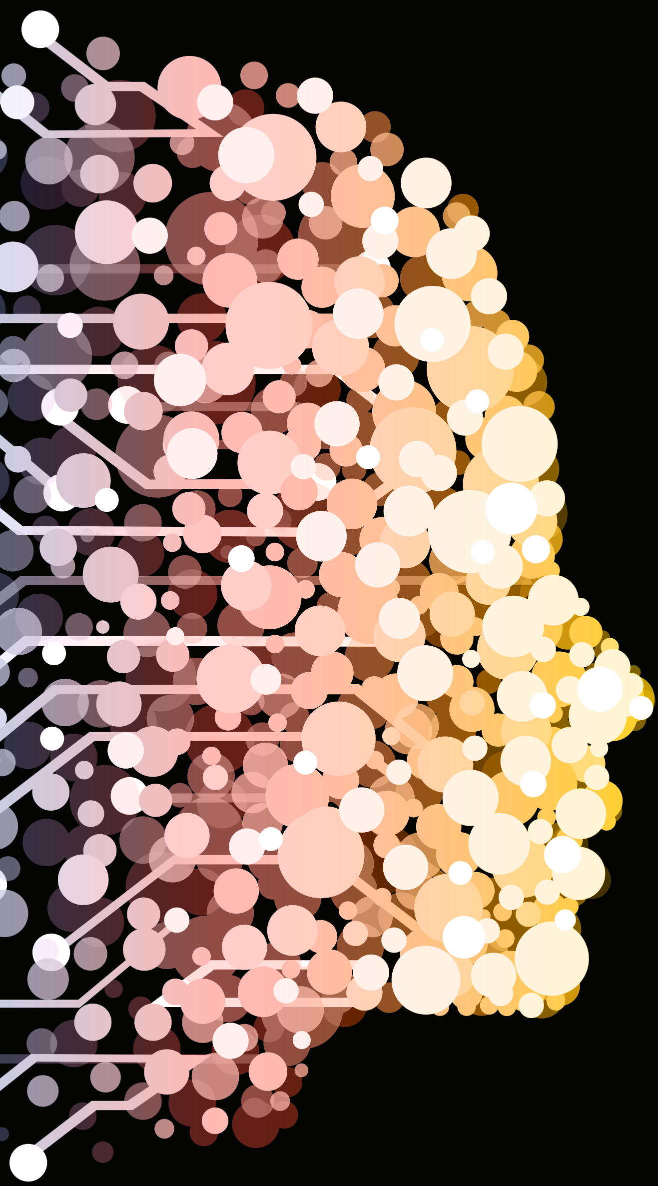
This survey also shows that students will make significant sacrifices to study with their first-choice provider. Of those who studied with their first choice, 70% were prepared to exceed their planned budgets for tuition fees, 66% were prepared to exceed their budget for expenses, and 49% were prepared to adjust their personal and professional schedules specifically to attend their preferred institution. The willingness to make financial sacrifices is stronger among continuing students.

These findings indicate that providers should focus on the quality and reputation of their programs (rather than 'features') to ensure competitiveness, and also highlight an opportunity to price on the basis of value, quality and outcomes.

The survey shows that students will make significant sacrifices to study with their first-choice university:

- **70%** of respondents willing to exceed their planned budgets for tuition fees
- **66%** prepared to exceed their planned budgets for expenses
- **49%** prepared to adjust their personal and professional schedules to attend their preferred provider





Finding 2: The future is blended

The pandemic has improved postgraduate students' perceptions of digital learning, giving the green light for a blended future.

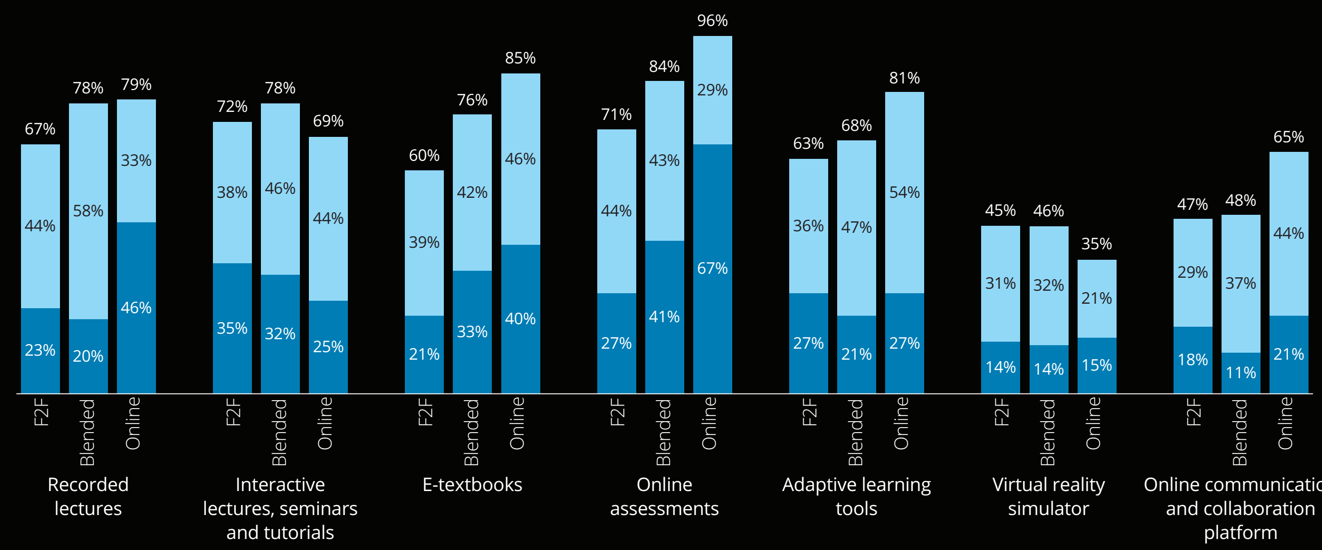
While the previous section explores postgraduates' study motivations and provider choices, this section explores their attitudes to digital and online learning. As the COVID-19 pandemic accelerated, Australian providers rapidly transitioned to remote learning, and two key questions emerged: how has this experience changed the perceptions of digital learning; and what does this mean for the future of online and digital learning?

As was the case before COVID-19, digital learning tools are valued by students across delivery modes.

The benefits of digital technologies in transforming and enhancing the learning and student experience have been extensively explored in recent research and publications [4,5,6], and many providers have made substantial investments in digital learning. These investments range from basic solutions, such as recorded and interactive lectures and seminars, e-textbooks, and online communication platforms; through to more advanced technologies such as online assessments, adaptive learning tools, and augmented and virtual reality simulators.

Prior to the pandemic, these tools were already frequently used by students – including those studying face-to-face courses without a formal online delivery component (Figure 4) – and were also well received, with around 20% of those that completed their postgraduate studies prior to COVID-19 reporting that they were 'very satisfied' with one or more of the digital learning tools available to them.

Figure 4: Use of digital learning tools before COVID-19



[4] Deloitte, *The paradigm shift: Redefining education*, 2015.

[5] EDUCAUSE, *Horizon Report: 2019 Higher Education Edition*, 2019.

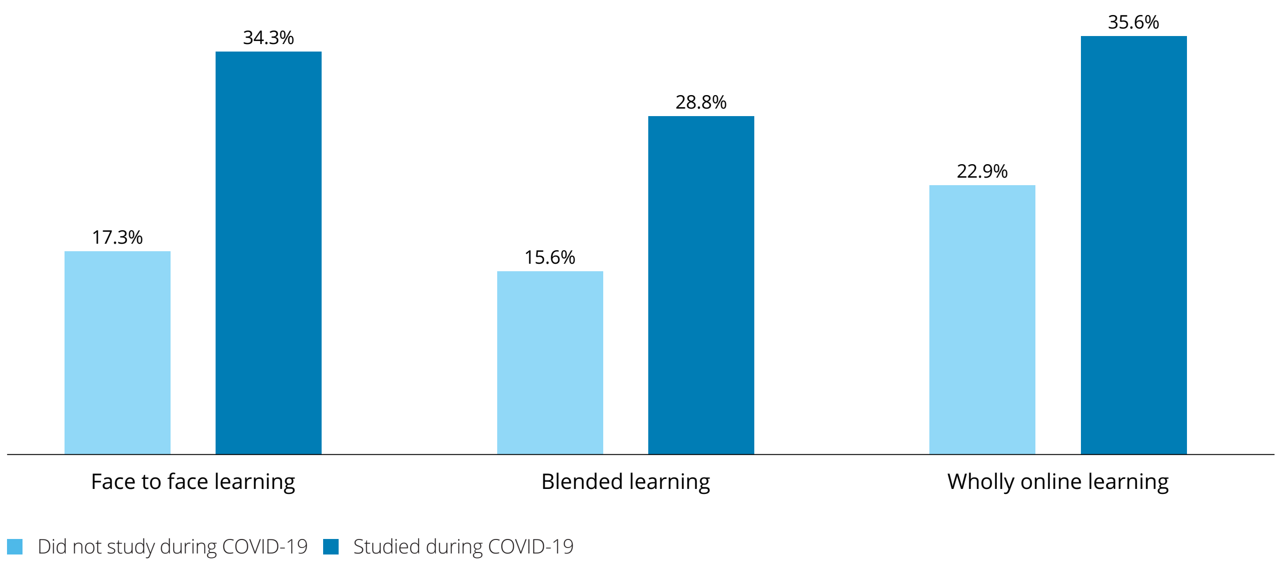
[6] Deloitte, *The Australian EdTech Market Census 2019: Accelerating to meet escalating demand*, 2019.

Studying during COVID-19 has positively influenced postgraduate students' perceptions and acceptance of digital and online learning.

In response to campus closures, Australian higher education providers rapidly transitioned many of their courses to a blended learning environment. With the exception of fully online and distance learning providers, who already had the required infrastructure and capabilities in place before the pandemic, this necessitated rapid adoption (and in some cases implementation) of digital learning tools and capabilities by academics and students. Given the complexity and pace of this change, it would be reasonable to assume that negative perceptions of digital and online learning could emerge among students studying during the pandemic. The results of this survey, however, show that for domestic postgraduates the opposite is true.

Just over half of survey respondents (55%) either studied or completed their studies during COVID-19. When compared with those that completed their studies prior to the pandemic (who did not experience the rapid move to online learning), postgraduates who studied during COVID-19 are heavier users of digital tools, and appear to have a more positive view of these tools. As is highlighted by Figure 5, the proportion of respondents who believe that digital learning tools are superior to face-to-face equivalents is much higher amongst those who studied during COVID-19.

Figure 5: Percentage of respondents who think digital learning tools deliver a better learning experience than face-to-face equivalents



Dialling up digital

These improved perceptions are reflected in a greater acceptance and demand for digital learning among those who transitioned to remote learning during COVID-19. Of those who studied during the pandemic, 67% of face-to-face and 66% of blended program students stated that they are more likely to consider a course with increased online elements post-COVID-19. Although many of these students cited health concerns (rather than their experiences of online learning) as the main factor underpinning a desire for more online delivery, it is clear that COVID-19 has driven a positive shift in attitudes toward digital learning. It is also clear that this shift will influence demand after the pandemic: accelerating moves toward digital and online learning that were gaining momentum before COVID-19.

I think online learning has come a long way and is a great way to learn.

I generally prefer to study on campus so I have more access to my lectures, but actually I do all my best study at home so my online learning experience hasn't been that different to on-campus study.

Online learning also saves me time, money and stress about travelling during COVID-19.

It's not ideal, but I had a reasonably good time doing it.

I know a number of people who have decided to advance their current degrees during COVID-19.

Due to the global situation, it is crucial to safeguard our health and continue distance learning.

Online learning allows me to study and work at the same time. I can choose my class time freely without conflicts with other things.

Online learning is the best platform to learn as it enhances collaborative learning and flexible learning.

Doing the theory components online is about the same as face to face learning.

I can learn at my own pace and I've found it to be more convenient.

Because of all the COVID cases, online courses seem to be much safer and a more convenient option right now.

The COVID-19 experience with online study has reinforced how important it is to be able to study remotely.

With the COVID-19 restrictions in place, that's the only option we have until the virus disappears.

Online learning is better than any other type of learning as it helps us to focus completely on the class rather than thinking anything else. It is an effective way of studying in less time.

Technology, but how much?

These findings align with a body of education research: students recognise the important role of technology as an enabler of their own digital literacy, of improved career outcomes, and of learning delivery that is more flexible and convenient for them[7,8,9]. They also show that COVID-19 has accelerated the broader move to digital and online learning. The key question is whether this acceleration will support a broad move towards fully online postgraduate qualification offerings, or whether the future is blended.

Fully online postgraduate students care most about the mode

Over the last decade, fully online education has expanded and grown to become a major part of the Australian education sector, with the value of fully online postgraduate education estimated to represent $2.4 billion in 2020[10]. Market analysts expect recent growth to slow to a rate of 5.6%[11] per annum over the next five years. Ten percent of Australia's domestic postgraduate coursework students undertake a fully online course[12].

The findings of this survey indicate that fully online postgraduate programs are considered as distinct from, rather than an alternative to, face-to-face and blended programs. Fully online courses attract distinct student segments including those who experience barriers to on-campus learning (such as people in remote areas and people with disabilities), and those who are price conscious[13].

Income meets outcome

People who undertake fully online courses (who represent around 20% of survey respondents) make different decisions and have different priorities to face-to-face and blended postgraduate students. In choosing a provider, these students are more focused on cost and affordability, they place greater emphasis on the mode of delivery than their face-to-face and blended counterparts, and they fund their studies differently.

Postgraduate students undertaking fully online programs also achieve different outcomes as a result of their study. Sixty-nine percent of fully online students reported that their qualification helped them to achieve an employment outcome, compared with 83% of those who completed a face-to-face or blended program. The retention rate of fully online postgraduate students is also lower at 73%, compared with 83% for blended students, and 87% for face-to-face students[14]. Given the high satisfaction levels of fully online postgraduate students (explored in the subsequent section of this report), there is likely to be a complex range of factors driving these outcomes.

These outcomes, combined with the price sensitivity of postgraduate students who undertake fully online courses, are important consideration for providers assessing the viability of this delivery model. It highlights the need to have a robust evidence base to substantiate the nature and scale of the opportunity, and the investments required to realise it.

[7] Norton, A., Sonnemann, J., McGannon, C., *The online evolution: when technology meets tradition in higher education*, Grattan Institute, 2013.

[8] Deloitte Insights, *The path to prosperity: Why the future of work is human, Building the Lucky Country, Seventh Edition*, 2019.

[9] Deloitte, *Higher education for a changing world: Where to next? Beyond the skills gap*, 2019.

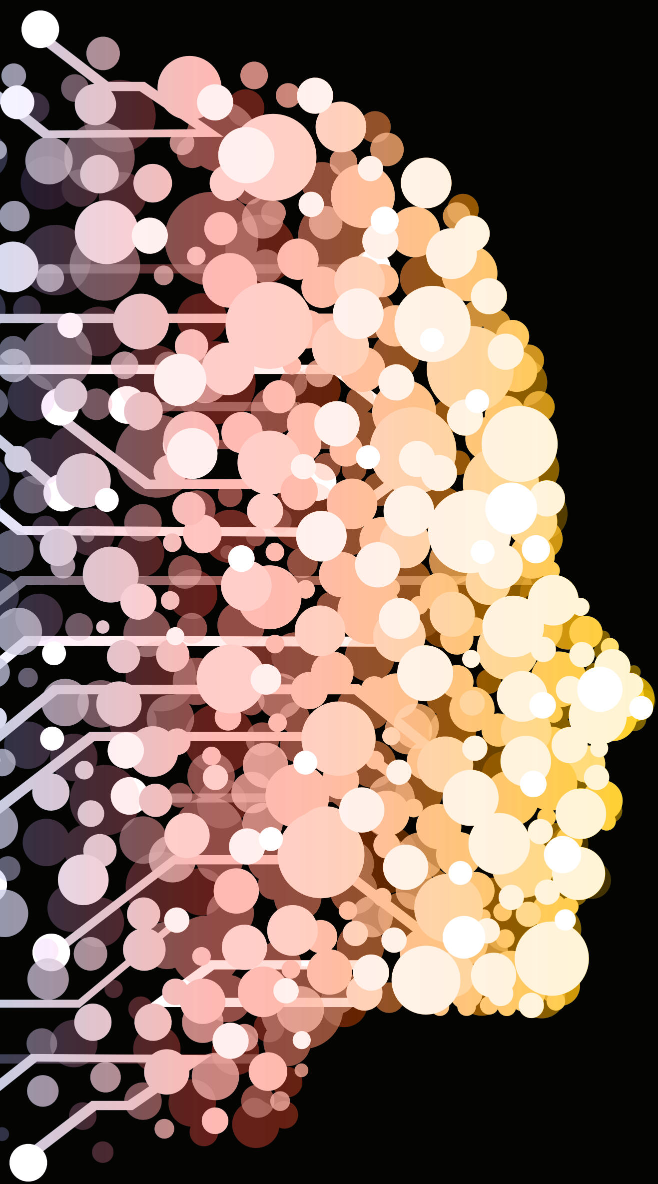
[10] IBISWorld, *Online Education in Australia*, 2020.

[11] IBISWorld, *Online Education in Australia,* 2020

[12] Australian Government Department of Education, Skills, and Employment, *Higher Education Statistics Collection*, 2020.

[13] IBISWorld, *Online Education in Australia*, 2020.

[14] Australian Government Department of Education, Skills, and Employment, *Higher Education Statistics Collection*, 2020.



Finding 3: My services to stay

The majority of postgraduate students are satisfied with their experience, but more could be done to increase their adoption of the services that support retention.

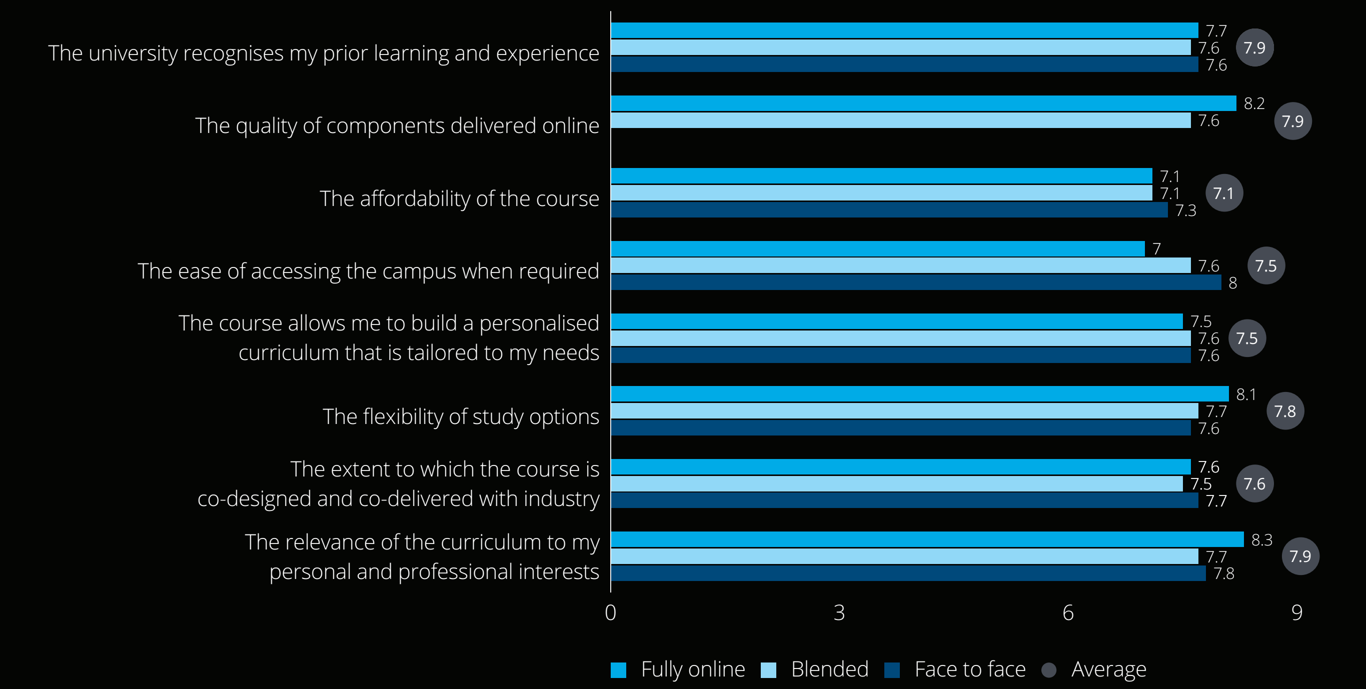
This section explores postgraduate students' satisfaction, experience and preferences concerning learning and student services. It is anchored around three dimensions:

- their overall satisfaction with the course and provider;
- their satisfaction with the learning experience specifically;
- and their satisfaction with student support and services.

We explored the **key factors that influence students' choice of provider in section one** of this report.

Below we have outlined **the extent to which these expectations and requirements were met** for the same students during their course of study – with the majority of respondents indicating that they are satisfied with the course and provider.

Figure 6: Overall satisfaction with study experience (satisfaction rating out of 10)



As Figure 6 shows, most students – irrespective of their mode of study – report high levels of overall satisfaction with their postgraduate study, with students studying fully online courses reporting slightly higher levels of satisfaction than their face-to-face and blended student peers.

This high satisfaction is despite a lower rate of post-study employment outcomes for fully online students. Of the satisfaction indicators surveyed, students are most satisfied with the quality of online delivery and the relevance of the curriculum content (both scoring 7.9/10), and least satisfied with affordability (7.1/10).

Where returning and continuing students diverge

Among continuing and returning students there are some variations in satisfaction, with 64% of continuing students reporting that they are 'very satisfied' in contrast to 59% of returning students. There are three areas where the satisfaction levels of these two groups diverge:

- their ability to build a **tailored curriculum** (65% of continuing students reporting that they are very satisfied, versus 53% of those returning to study);
- **recognition of prior learning** and experience during study (65% versus 57%); and
- the **affordability** of the course (57% versus 46%).

As is explored in Finding 1, these three factors have been identified by returning students as less important when compared with continuing students when choosing a provider. This indicates that students – particularly returning students – may be less aware when choosing a provider of how important these factors are in their overall experience.

The majority of postgraduate students are satisfied with their learning experience

The majority of survey respondents (84%) are satisfied with their overall learning experience. Postgraduate students who studied during COVID-19, including face-to-face and blended students who had to transition to fully online delivery as a result of the pandemic, reported 87% net satisfaction with their learning experience. Postgraduate students who did not study during the pandemic, while still satisfied, reported comparatively lower satisfaction at 82%.

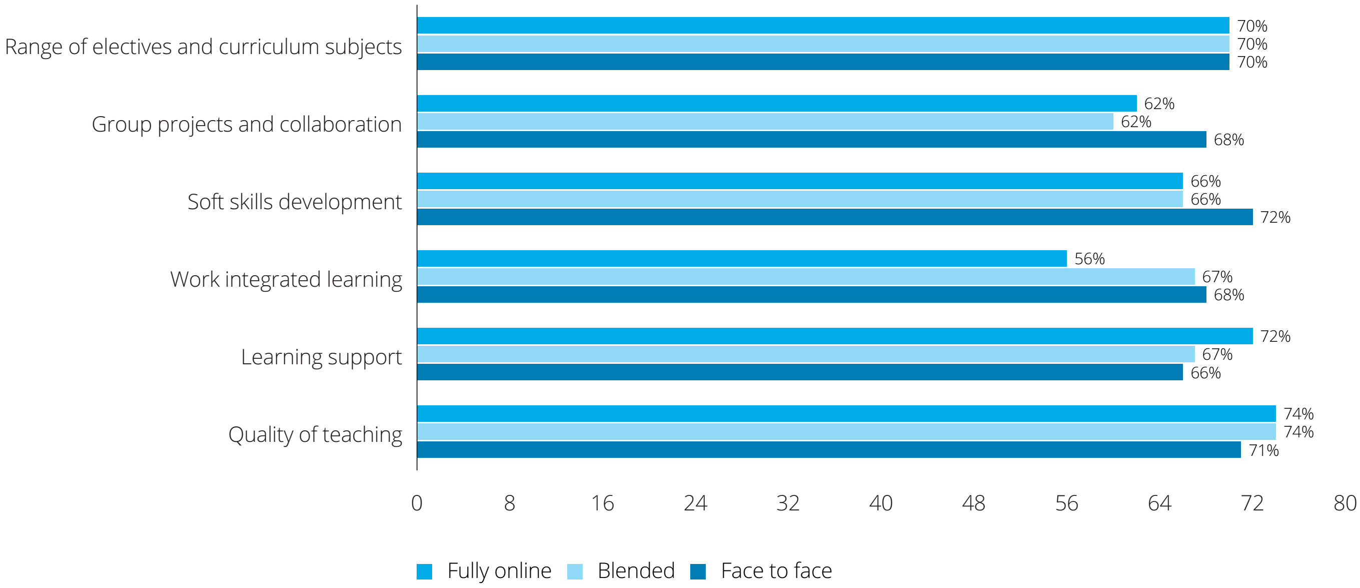
This supports findings covered in the prior section: **that postgraduate students utilise and welcome digital learning tools.**

Exploring learning experiences

Satisfaction dips for some postgraduate cohorts when it comes to work integrated learning, group project work and soft skills development – particularly among those groups that learn fully, or in part, online. Blended students are less satisfied than their face-to-face counterparts with group project work and soft skills development, while fully online postgraduate students report lower levels of satisfaction with group project work, soft skills development and work integrated learning. These elements of the learning experience are key enablers of work readiness, they rely on in-person experience, and aspects of them may be more challenging to deliver virtually.

Given these findings, there is an opportunity to explore the potential of innovative and emerging technologies (for example, augmented and virtual reality) to improve the delivery of these aspects of the learning experience. For providers of blended programs, the key will be to strike the best balance between the face-to-face and online delivery elements of a course, supported by investment choices that enhance the 'work ready' elements of delivery.

Figure 7: Satisfaction with individual course features by learning delivery modes



A focus on features

Figure 7 presents students' satisfaction with learning features across different modes of study. From this, three key insights emerge:

1. postgraduate students are satisfied with the quality of teaching and the range of electives irrespective of their mode of study;
2. there are lower levels of overall satisfaction with learning among blended and fully online postgraduate students, particularly in the aspects of learning that are associated with workplace readiness;
3. there is an opportunity to improve learning support as a key driver of retention, and particularly for face-to-face and blended postgraduate students.

A distinction in teaching

When comparing the learning experience of continuing and returning students, the satisfaction levels of these groups are very similar, with one key call-out: returning students are far more satisfied with the quality of teaching provided (77% satisfied or very satisfied, versus 69% of the continuing student group).

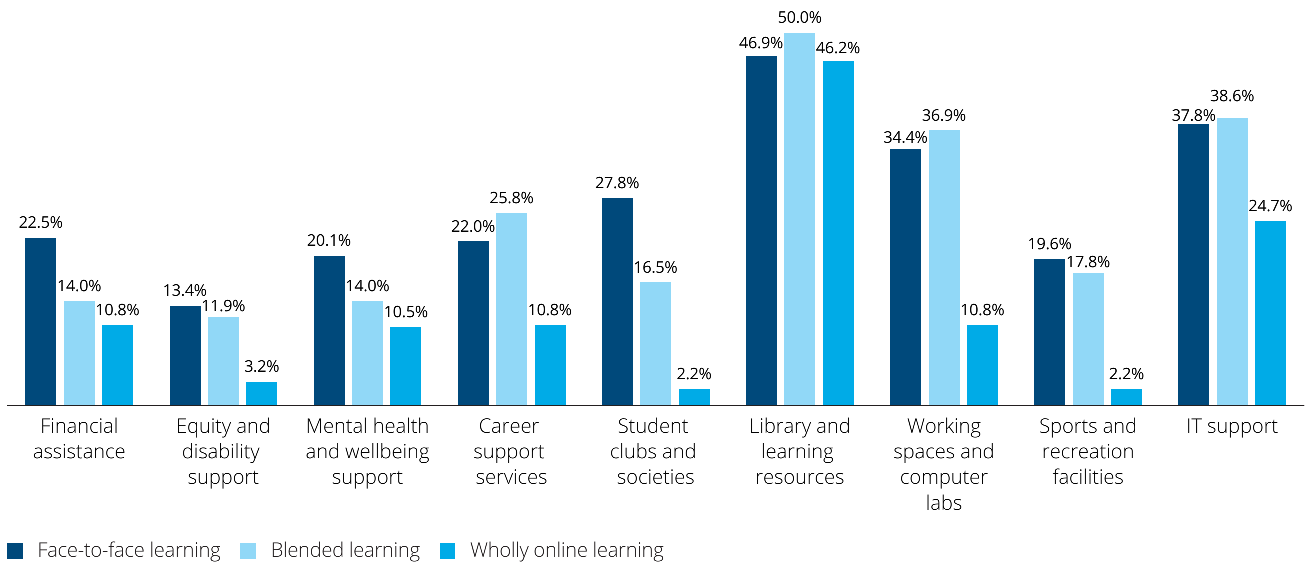
More could be done to increase postgraduate students' use of services that improve retention and outcomes

As shown by Figure 8, few domestic postgraduate students access the student support services and facilities that are available to them, with the exception of library services, IT support and working spaces. Despite these low levels of utilisation, eight out of 10 students are satisfied with the quality of services and facilities provided.

Students have, however, required more support as they transition to remote learning and manage the personal impacts of COVID-19. During the pandemic, higher education providers experienced increased postgraduate demand for equity and disability support (5.3% among those who did not study during COVID-19 compared to 15.5% among those who did, mental health and wellbeing (10.2% to 20.6%), and financial assistance (10.6% to 21.6%).

As Australia recovers from the pandemic, it will be critical for providers to monitor and manage 'peaks and troughs' of demand for these services, and to embed greater flexibility in their support services such that they can respond effectively to student demand.

Figure 8: Percentage of respondents who use student support services and facilities



These findings highlight the opportunity to encourage postgraduates to utilise the advice and support services that can support retention.

Based on data published by the Australian Government, the retention rate among the domestic postgraduate coursework cohort (81%) is slightly lower than those of their undergraduate counterparts (85%). There are underlying differences across the three postgraduate cohorts: with a retention rate of 73% for fully online students, 83% for blended students, and 87% for face-to-face students[15]. These patterns of retention correlate with the levels of service utilisation captured by this survey.

Support the services that support students

Services such as financial assistance, equity and disability support, and wellbeing services can play a key role in student retention. Improvements could be achieved by proactively 'nudging' or 'pushing' students toward these services. This is particularly important for fully online students, who have the lowest rates of use for these key support services, and who also access career support less frequently than their face-to-face and blended learning counterparts.

As highlighted in the prior section, fully online postgraduate students achieve the lowest employability and retention outcomes of these three groups, therefore, it will be important for providers to also 'push' this group toward career support and advice.

[15] Australian Government Department of Education, Skills, and Employment, *Higher Education Statistics Collection*, 2020.

Conclusion: The bottom line

At the time of this report, the COVID-19 pandemic is far from resolved, and there are many choices that higher education providers must make as they navigate a path to recovery. In setting their course, providers will need to grapple with considerable challenges of strategy, investment and financial constraint.

This report, and the survey that underpins it, details a number of insights to inform providers' domestic postgraduate strategies. Specifically, how investments can be shaped and prioritised to respond to domestic postgraduate student needs and preferences. While higher education providers will need to focus on other cohorts and priorities across teaching and learning, research and engagement, there is clear evidence that domestic postgraduate demand will grow both during and after the pandemic. Accordingly, it will be critical that providers are able to make sustainable investment choices to respond to the needs of these students and their appetite for continuous engagement with formal learning. We highlight three areas that are targeted to meeting to the needs and wants of domestic postgraduate students.

Invest in digital learning and pivot towards blended programs

The findings of this study overwhelmingly point to student demand for more postgraduate learning to be digitally delivered and enabled. Importantly, COVID-19 has accelerated and strengthened this demand among the postgraduate cohort, demonstrating that there is a willingness and appetite from students to use digital technologies that have been rapidly implemented.

This not only highlights that providers can continue to trial and implement digital learning tools in an agile manner, as has been a necessity when faced with campus closures. Survey results also demonstrate that higher education providers can start to transition aspects of face-to-face postgraduate programs into blended delivery modes, and that they can also increase the level of online delivery within blended programs. These are 'more for less' opportunities, as a greater use of digital learning tools will help higher education providers to both reduce costs and drive improved satisfaction.

Fully online programs are perceived as a distinct offering, they attract specific segments, and these segments make 'purchasing' decisions differently. For those providers who need to make significant investments to develop fully online programs, there will be a need to carefully analyse and evidence the scale and nature of the postgraduate demand for the fully online offering, and the capabilities and investments required to respond to that demand effectively.

Maintain focus on the three Rs: reputation, relevance of curriculum and industry recognition

If the foundations of program quality and reputation are not there, other measures are unlikely to drive growth or demand by themselves.

As this study proves, many domestic postgraduate students are 'sticky'. Once they have identified their preferred provider they can rarely be persuaded to study with another higher education provider. This has important implications for the investments and choices that higher education providers make to attract them.

Firstly, it is imperative that higher education providers maintain and strengthen their focus on the factors that will drive students to preference the provider; the most important of which are the three Rs: the **reputation** of the provider, the **relevance** of the curriculum and industry **recognition** of the course.

Secondly, and as students will willingly make sacrifices to attend their first-choice provider, it is important that higher education providers scrutinise investments to attract students that differentiate on the basis of other factors, such as cost or flexibility.

Focus student services and support to drive retention

While domestic postgraduate students demonstrate high levels of satisfaction with student services, they are not heavy users of many of the support and administrative services that are available to them. Importantly, a number of these support services (in particular, financial and wellbeing support) are critical enablers of student retention – which is, on average, lower among postgraduate students than their undergraduate counterparts.

These findings highlight two opportunities: firstly, to 'nudge' or 'push' postgraduate students toward support services that will facilitate retention; and, secondly to explore whether or not it is appropriate to consider expenditure and investment in any remaining student services that are not fully utilised. The nature of this second opportunity will be highly specific to individual providers – not least because varied arrangements exist to serve postgraduate students.

> The Australian higher education sector is at a critical inflection point.
>
> Higher education providers are grappling with uncertainty, significant financial challenges, and complex choices concerning investment and strategy. For those that are targeting areas of growth, the domestic postgraduate market offers promise.
>
> This report has two key messages for higher education providers seeking to respond to postgraduate demand: the digital learning momentum of remote learning should be maintained, and that competition for domestic postgraduates requires a clear focus on quality and outcomes. Higher education providers that differentiate on the basis of price alone or 'features' may struggle to succeed.
>
> **Providers that focus on quality and reputation, and who effectively utilise digital and online learning to create a better experience through careful investment choices, will be the ones to thrive.**

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