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“Class Difference\$: Online Education in the United States, 2010”

Babson Survey Research Group/Sloan Consortium

“Class Difference\$” is the eighth in a series of annual reports since 2002 that examine key issues, benchmarks, and trends in US online education. The 2010 report summarizes responses from 2,583 institutions of higher education, 57.3 percent of the overall sample that represents 80.4 percent of higher education enrollments.

Primary findings include the following:

- An increase in the role of online learning as a crucial component of institutional long-term strategic planning
- Substantial growth of online enrollments, with increasing numbers of students taking at least one online course as part of their post-secondary education
- Improved perceptions of the quality of online instruction, comparing favorably to face-to-face instruction by three-fourths of respondents
- Current economic context increases demand for online education, which poses challenges for institutions experiencing budget constraints
- Increased federal scrutiny of financial aid and recruitment may have an impact on higher education, but leaders are undecided on how those outcomes will affect their institutions

The report also examines factors that may indicate whether current levels of growth in online education are sustainable. Institutions report increased competition for students, particularly public institutions experiencing more competition from for-profit entities. While online programs continue to grow, some have reached steady-state enrollment. Finally, almost all online enrollment growth is predicated on existing programs, not the initiation of new programs or institutions beginning online instruction.

While online education is currently experiencing an upward trajectory, economic recovery may have an impact on future demand for courses. Either demand could decrease or student demand for online education shift current campus-based courses to online formats.