



Benchmarking for Learning Businesses

Leading Learning Podcast Transcript for Episode 443

Celisa Steele: [00:00:02] If you want to grow the reach, revenue, and impact of your learning business, you're in the right place. I'm Celisa Steele.

Jeff Cobb: [00:00:09] I'm Jeff Cobb, and this is the Leading Learning Podcast.

Celisa Steele: [00:00:18] While what works for one learning business won't necessarily cut and paste seamlessly into another learning business, we know there is value in understanding what others are doing.

Jeff Cobb: [00:00:29] When it's not taken as a dictate, data about what others are focused on can help you get clearer on what you're doing and how best to achieve your strategic goals.

Celisa Steele: [00:00:39] We are big believers in the value of data, and, to that end, since 2018, at the end of each year, we've done a survey of learning businesses to assess what they're doing and what they'll be focusing on in the year ahead.

Jeff Cobb: [00:00:52] The result of those surveys is data that learning businesses can use for benchmarking and to help frame internal discussions about what they're doing and why and not doing and why not.

Celisa Steele: [00:01:03] In 2024, we rebuilt the survey, and episode 440 goes over the structure of the survey and covers the questions and topics in more detail. In this episode, number 443, we're sharing some key data points.

Jeff Cobb: [00:01:19] Before we get to the data, let's talk a little bit about how we got it. We put out an online survey between November 12 and December 3, 2024.

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Celisa Steele: [00:01:31] We cleaned up the data that we got, and, in the end, we had qualifying responses from 120 learning businesses. The majority of those responses came from associations—53.3 percent. That was the largest grouping of respondents.

Jeff Cobb: [00:01:50] We do a lot of work with associations, so that makes sense. But those are not the only learning businesses out there nor the only types of organizations we serve. We got almost 31 percent of responses from commercial organizations, and about 7.5 percent of responses came from educational institutions.

Celisa Steele: [00:02:09] But all of those respondents, everyone who responded, represent entities that sell continuing education, professional development, and other types of lifelong learning experiences to adult learners—what we call learning businesses.

Jeff Cobb: [00:02:23] We do call them learning businesses, and we talk a lot about that on this podcast. You can find entire episodes on the concept of the learning business, so we won't dig into it too much more here other than what you said, Celisa, that these are market-facing organizations creating and selling continuing education, professional development, and other lifelong learning experiences to adults. We thought that a place that we should start with this group going into the survey—because it's the place that we like to start in general when we are working with learning businesses—is strategy.

Celisa Steele: [00:02:55] That's right. After a few quick demographic questions, we asked about their top strategic goals for the year ahead. We asked about a primary strategic goal and then a secondary strategic goal. If we look at those strategic goals, let's talk about the top three that came up.

Jeff Cobb: [00:03:14] We're not going to go into every single data point here. Those who participated in the survey are getting deeper data than this. But this is a podcast; we're not going to go into a ton of numbers here. But those top three, the primary strategic goals that the survey respondents indicated, the first one was increasing revenue. We had 30 percent of respondents say that that was the primary strategic goal for them.

Celisa Steele: [00:03:37] The second most cited strategic goal? Growing enrollments and/or registration. Increasing revenue, 30 percent. Growing enrollments and/or registrations, 28.3 percent of respondents. So you put those two together—and often they are deeply intertwined in a learning business; often the way you're going to increase your revenue is by growing

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enrollments—but, if you put those two together, then you get well over half of respondents choosing one of those two as a top strategic goal.

Jeff Cobb: [00:04:05] A lot of focus on growing the numbers of people who are being served by learning experiences and the dollars that are being generated from doing that. Those were number one and two in terms of primary strategic goals. Number three was strengthening alignment with workforce needs. That was a good bit behind but still did finish in the top three, with 16.7 percent saying that they were going to be focused on that.

Celisa Steele: [00:04:30] After we got folks to think about their primary strategic goals, to share those, we then asked about what's driving those strategic goals. What's on their mind that's making them think, "Okay, let's increase revenue, or let's increase enrollments and registrations"? Again, we'll share the top three strategic drivers that survey respondents cited.

Jeff Cobb: [00:04:55] And number one, by a hair, was a desire to be seen as setting the pace in the field or industry that that learning business serves; 59.3 percent indicated this. We'll probably come back and talk about this one a fair amount along the way, but we found it interesting that that was a big driver for so many people responding to the survey.

Celisa Steele: [00:05:19] In essence, it's a brand issue to be seen as setting the pace. That is about you want to be the brand that people are turning to, that people are looking to as the source for their learning.

Jeff Cobb: [00:05:31] I think there's a recognition that that's required now, to get their attention and then convert them into customers, as you have to be in that position in this noisy, lifelong learning market that we all operate in.

Celisa Steele: [00:05:43] That was the top strategic driver. The second most cited strategic driver, just behind the other, is evolving learner demand. That desire to be seen as setting the pace, 59.3 percent. Evolving learner demands, 58.5 percent. Very close. Just one percentage point, a little under, apart there. That makes a lot of sense. There definitely are evolving learner demands and learner needs. And learners, post-COVID, have different expectations about what it's like to learn online or learn, period. We have generative AI changing how people are expecting to learn things as well.

Jeff Cobb: [00:06:22] I think the first two are somewhat connected too because you want to be seen as the organization that can meet evolving learner demands, which means you're seen as

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being out there, setting the pace in your field or industry. And, tying it back to those top strategic priorities, if you want to generate revenue, if you want to drive enrollments, both of these are very important drivers of being able to do that.

Celisa Steele: [00:06:44] And then the third most cited strategic driver is the need to increase financial sustainability and/or profitability; 53.4 percent of respondents chose that strategic driver. That does tie very clearly to this need to increase revenue and to increase enrollments and registrations. That's all tied up in this financial sustainability and, hopefully, profitability.

Jeff Cobb: [00:07:08] In all of this, there's an underlying sense of shifting terrain in terms of learner needs, in terms of employer needs, and probably a little bit of anxiety about what it takes to stay ahead in the marketplace that we're in right now for continuing education, professional development, and lifelong learning.

Celisa Steele: [00:07:27] We also asked about top trends and issues impacting learning businesses' strategy in the year ahead. Which of the predefined options that we gave them are most important to their strategy in the year ahead? The top one was workforce and employer needs—things like job readiness, upskilling, reskilling. We had folks use a Likert scale for this. Five was that the issue was critical for their strategy in 2025, and one was that it was not important. This had a weighted average of 3.93—very close to very important. It had the highest percentage of respondents saying that it's critical—39.2 percent of respondents rated this as a five as critical for their strategy in 2025.

Jeff Cobb: [00:08:20] And we saw workforce alignment as a strategic priority. I think this is the trend that's lying behind that. Second, we saw learner preferences for flexibility. Flexibility in a variety of ways. We're dealing with adult lifelong learners who need different ways of approaching learning, from schedule and formats and everything else. That scored on that Likert scale you were talking about, Celisa... By the way, head nod to Will Thalheimer for getting us to say...

Celisa Steele: [00:08:49] For correcting our pronunciation.

Jeff Cobb: [00:08:50] ...LICK-ert instead of LIE-kert. But, in any case, in that scale, learner preferences for flexibility came out at 3.62, so also knocking on the door of very important overall. Certainly, it relates to revenue. It relates to enrollment. It relates to engagement. The issues that we've already been hearing about in terms of strategic priorities and drivers.

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Celisa Steele: [00:09:11] And probably also evolving learner needs that we were talking about before. There's this stronger preference, this stronger expectation that there will be flexibility in what you're offering with learning. And then the third top trend or issue that was cited by survey respondents is providing more personalized learning experiences. That had a weighted average of 3.36—a little bit closer to important than very important. But, again, that probably speaks to the evolving learner needs and demands, that they're expecting more flexibility, they're expecting more personalization. They want to get to the content that they need and not necessarily have to wade through a bunch of other information to get that.

Jeff Cobb: [00:09:55] Personalization has been an issue out there for years. It's something we asked about in our former iterations of this annual survey. It was always very strong there. It's just one of those areas. It means different things to different people. We did ask a little bit about what it means to people with some questions later on in the survey. We won't get into that data here. Again, if you participated, that's the kind of data that you're going to get. But, certainly, with AI coming along—and we'll talk a little bit about AI along the way here too—what's possible with personalization is changing. It's making it even more top of mind for people.

Celisa Steele: [00:10:27] You brought up AI just then, and it was one of the trends and issues that we asked about. It was not in the top three, and that was somewhat surprising to us. We're going to talk more about AI in a second episode. This is one of two episodes we're going to devote to exploring these survey results and what they might mean for learning businesses. We'll get a little bit more into what we learned about learning businesses' use of AI in the year ahead.

Jeff Cobb: [00:10:53] My hopeful take on that is that people are seeing AI more as a means to an end rather than something to focus on in and of itself. That may be a little too hopeful because we also know from our data that organizations aren't engaging with AI at the level that they should be at this point.

Celisa Steele: [00:11:07] We should start calling you Pollyanna from now on.

Jeff Cobb: [00:11:09] Yes, yes.

Celisa Steele: [00:11:10] After trends and issues, we asked about challenges, and we couched the question about challenges as specifically about challenges with maintaining or growing enrollments and/or registrations for education offerings.

Jeff Cobb: [00:11:25] The one that topped the list here was insufficient internal resources. It was number one by a pretty good extent—53.8 percent said that that was their top challenge.

Celisa Steele: [00:11:39] Next behind that—and again, like you said, that was 53.8 percent for insufficient internal resources—at 40.3 percent, limited marketing resources. Some people have internal marketing teams, so that insufficient internal resources might also have a slice of that that’s about marketing. But then some organizations make use of external marketing organizations and firms as well. Whether it’s internal or external, there’s a sense that there aren’t enough marketing resources.

Jeff Cobb: [00:12:12] Resources are an issue. I always find it a little bit puzzling in our world because the organizations we deal with are revenue-generating organizations. Presumably you invest in what a learning business is doing, and you get a return from it. You’re going to get the higher revenue that everybody is seeking by having those resources there. But there’s perennially a struggle for resources, and the learning businesses, it’s almost as if they were being treated as cost centers, which is what would be the case, for example, in corporate L&D, as opposed to business units or full businesses themselves, revenue-generating entities.

Celisa Steele: [00:12:53] The third challenge with maintaining or growing enrollments and/or registrations: increased competition, 37.8 percent. We’ve talked in many prior episodes about how the barriers to entry into this market are so much lower now. Now you have subject matter experts competing with an association, for example, whereas that SME needed the association in the past. Now there are tools and avenues for that subject matter expert to directly reach learners. So there is increased competition, and that is clearly on people’s minds.

Jeff Cobb: [00:13:30] We have three major segments represented in the survey: trade and professional associations, commercial organizations (which could include solo entrepreneurs), and academic institutions. Increasingly, those three segments are competing with each other. They’re stepping on each other’s traditional territory. That’s a factor in this as well.

Celisa Steele: [00:13:50] After challenges, we turned to barriers to innovation. We asked, “What are the biggest barriers to innovation in your education offerings?” We had some predefined choices. We also let folks define something else if they had something else on their mind that wasn’t among the choices we gave them, and we had them select up to three. Again, we’ll share those top three barriers to innovation. The first one: focus on short-term goals over long-term planning, 48.3 percent.

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Jeff Cobb: [00:14:22] That's a perennial issue with innovation that's certainly not confined to learning businesses. You hear this across the board in businesses or in organizations that want to innovate, that it's hard to take that longer-term view that innovation might require. You're trying to fight the current fires and can't really back up and think a little bit more creatively.

Celisa Steele: [00:14:41] Right, and so back to limited resources. If you're feeling like you don't have sufficient resources to do what needs to be done, it can be hard, like you're saying, Jeff, to create that space to think and rethink what you're offering, and to potentially innovate. But we are big fans of taking that bigger-picture view at least as seriously as your short-term to-do list. This is a place where there might be opportunity for leaders to step up and make sure that that vision for what you want to be seen as is clear. If you want to be seen as setting the pace in the industry or field that you serve, which we saw as a top strategic goal, then you want to make sure you eliminate as many of these barriers to innovation as possible.

Jeff Cobb: [00:15:25] Yes, chances are some innovation is going to be required for that. Number two on this was concerns about return on investment, 40.7 percent. About 41 percent said that that was a concern, and I think that often is an issue. You often have to make the case. You always should make the case for innovation, particularly if it's going to involve significant investment of time, money, other resources. I'll make a little plug for us here too. This is where the type of consulting work we do comes in. We come in and work with organizations to identify what those opportunities are and how to build the business case around them. If anything can alleviate concerns around innovation, it's building that strong, data-based business case for it.

Celisa Steele: [00:16:14] You said that the concerns about ROI came in second. True. But tied with the concerns about ROI was insufficient technology infrastructure—40.7 percent of respondents also cited that. Again, we, through our consulting engagements, do get to hear a lot about people's learntech stack and their tech stack in general. And it's true that there aren't a ton of organizations super satisfied with the tech stack that they have. Finding technology infrastructure that meets your needs is a bit challenging, especially as we have changes like generative AI that are changing the ground on which we've stood for so long and reshaping things.

Jeff Cobb: [00:17:01] Yes, a lot of organizations do need to not just replace or get new technology but rethink their relationship with technology that, in and of itself, needs some innovation. Certainly, insufficient technology infrastructure can be a barrier to innovation, though I'm always a little suspicious of that. It always feels a little bit like a red herring. It's easy to say,

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“We don’t have the technology to do that,” but there’s nothing per se that requires technology for innovation. Just my one man’s perspective on this particular data point.

Celisa Steele: [00:17:35] Then we also asked about areas of investment. We asked, “What are the top areas you’re going to be investing in in the year ahead?” We provided some options, and we asked respondents to select up to three of those areas.

Jeff Cobb: [00:17:50] And we have very good news if you represent a marketing agency.

Celisa Steele: [00:17:54] That’s right. Coming in at the top of the list was enhancing marketing and outreach efforts; 58.6 percent of respondents selected that. That’s the only option that got over half of respondents saying that’s where they wanted to invest in the year ahead. I think it’s very consistent with some of the other data that we’ve already been sharing here. When we get back to some of those challenges with enrollments and/or registrations, we had insufficient internal resources and then limited marketing resources. This idea of enhancing marketing and outreach efforts seems to be speaking to that sense of “Oh, we don’t have enough resources, particularly marketing resources.”

Jeff Cobb: [00:18:32] There’s the perception that this is the answer to the revenue priority and the enrollment priority, if we can market more. Which gets us thinking. We know from experience that—we’re extrapolating from the survey data in saying this—but so often, when people are talking about marketing, they’re really talking about just one of the four Ps of marketing: promotion. If we spend more money and effort on promotion or get better at promotion, somehow that’s going to take care of things for us. But, of course, the underlying product (what it is that you’re selling), all of its qualities, its distribution, its positioning out in the marketplace, its pricing, those are also aspects of marketing. We do wonder if organizations are thinking about marketing in full and taking those into account when they’re talking about enhancing their marketing and outreach efforts here.

Celisa Steele: [00:19:25] Right. The short version of what you said, Jeff, is, “Will more promotion make a difference if the underlying product isn’t valuable or isn’t seen as valuable in the market?”

Jeff Cobb: [00:19:35] Thank you for providing a shorter version of my thoughts there.

Celisa Steele: [00:19:42] And then the other top two areas of investment are, second, increasing learner engagement—45.7 percent of respondents want to invest in that—and then, quite a bit behind it, 31 percent of respondents want to increase efforts to partner with other organizations.

Jeff Cobb: [00:19:59] The first of these, increasing learner engagement, we're always hearing about learner engagement. We've created resources around learner engagement. Big issue over time. And it's good to see that organizations are focused on investing in that in the coming year. Of course, then you have to back up and say, "Well, what does that mean? What does engagement mean? How do you invest in increasing it effectively?" Again, something we can help with, but we also have plenty of resources around that.

Celisa Steele: [00:20:24] The other thing about increasing learner engagement is that there is this idea that "Oh, if we increase learner engagement, that will translate into greater revenue, into more enrollments and more registrations." That's an interesting theory, and it seems like a reasonable theory, but it's the kind of thing you want to test. If your top strategic goals are around revenue or growing enrollments, will investing in learner engagement actually produce the additional revenue or increase your enrollments?

Jeff Cobb: [00:20:54] Our feeling—and we've seen this play out time and time again—is an investment in engagement is an investment in retention. You keep those same customers over time. It costs much less to keep a customer than to get a new customer. So it is a wise area of investment. It's often a hard sell, though, because it sounds easier to say, "We're going to hire this marketing firm to run some promotions for us" than it does to say, "We're going to look at our product and figure out how we're going to make it more engaging. Indirectly, that's going to pay off over the long term."

Jeff Cobb: [00:21:24] I was pleased to see the increasing efforts to partner with other organizations. Anybody who's been following us knows we've talked a lot about partnerships, particularly between associations and academic institutions, but this would also apply to partnerships between commercial organizations and academia or commercial organizations and associations. There's a lot of leverage to be gotten out of partnerships.

Jeff Cobb: [00:21:46] If you go back to that competitive landscape we've talked about, being able to collaborate effectively with other organizations, to essentially get the new version of a competitive advantage out there in the marketplace, we're big believers in it. There was some data that we asked early in the survey, as we were collecting some initial demographics, about whether folks who identified being with an association had ever partnered with an academic

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institution around their educational offerings. And we asked the reverse, whether higher education institutions had partnered with an association. In both cases, more than 50 percent of the respondents said they had, which was more partnership activity than we anticipated. Suffice it to say, this is an area that we're going to continue to be doing more with in the coming year, and we think it is a wise area of investment.

Celisa Steele: [00:22:33] We've talked about the top strategic goals and the strategic drivers behind those goals. We've talked about top trends and issues, challenges with maintaining or growing enrollments and registrations, barriers to innovation in education offerings, and then those top three areas of investment. Jeff, as you said, this is just a slice of the overall data that we got from the survey. We do, as we mentioned earlier, run this annually. When we next send it out, please do carve out time to respond, to contribute to this data that then is useful to you and to other learning businesses.

Jeff Cobb: [00:23:19] We're not quite done yet. Stick around to the very end for our recap of key takeaways and some reflection questions for your consideration, on your own or with your team.

Celisa Steele: [00:23:31] At leadinglearning.com/episode443, you'll find show notes (which will include our takeaways and reflection questions), a transcript, and options for subscribing to the podcast.

Jeff Cobb: [00:23:41] If you enjoy the Leading Learning Podcast, please tell one other person about the show. Find that someone who you feel would appreciate and get value from it, and tell them to tune in to the Leading Learning Podcast.

Celisa Steele: [00:23:57] In terms of takeaways, the data makes it crystal clear that increasing revenue and growing enrollments and/or registrations are the top strategic goals of well over half of learning businesses. And those two goals are, of course, usually intertwined for learning businesses.

Jeff Cobb: [00:24:15] Another clear takeaway is the need for marketing. We see in the barriers a sense that marketing resources aren't adequate, and we see that marketing is the top area of investment. Again, we advocate investing in marketing in full, not just promotion but pricing, positioning, placement. What P am I forgetting here? The underlying product itself. Invest in all areas of marketing.

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Celisa Steele: [00:24:42] We encourage you to reflect on some questions related to the survey data that we've been sharing. What are your top strategic goals for the year ahead? And what's driving those goals?

Jeff Cobb: [00:24:54] What are the top trends and issues you're focused on in the year ahead? What's the connection to your top strategic goals?

Celisa Steele: [00:25:03] What are your top areas of investment for the year ahead? Where are you putting dollars in 2025, and how connected are those areas of investment to your strategic goals?

Jeff Cobb: [00:25:14] Seriously, carve out some time on your own to reflect. You could hit pause now or schedule some time on your calendar. Make notes on those questions, and then discuss them with your team if you have one.

Celisa Steele: [00:25:27] Thanks again, and see you next time on the Leading Learning Podcast.

[music for this episode by Moarn]