1990 Worldwide Developers Conference

Higher Education

Anita Szewczak, Manager
Strategic Markets

Higher Education

- "Education should be our most strategic long term business"

    . . . Sculley

Higher Education

- Higher Education is STRATEGIC
  - Education of the next generation
  - Creating new uses for computing
  - Linkage to business
  - Large renewable market every four years
  - Linkage to K-12

Market Profile

- 12.3 million students
  - 60% full-time
  - 40% part-time
- 723,000 faculty
- 3,300 institutions

Market Profile

- 50% of all students attend 345 of the largest institutions
- Market is very focused and easy-to-reach
- Market for pc's in higher education is growing quickly

Macintosh Integration

- Higher Education is BIG BUSINESS
  - Total market size for pc's
    - $1.6 billion
  - Apple share
    - $700 million
- Largest accounts
  - $10-20 million/year
- 100 universities have more than 1000 Macintosh computers
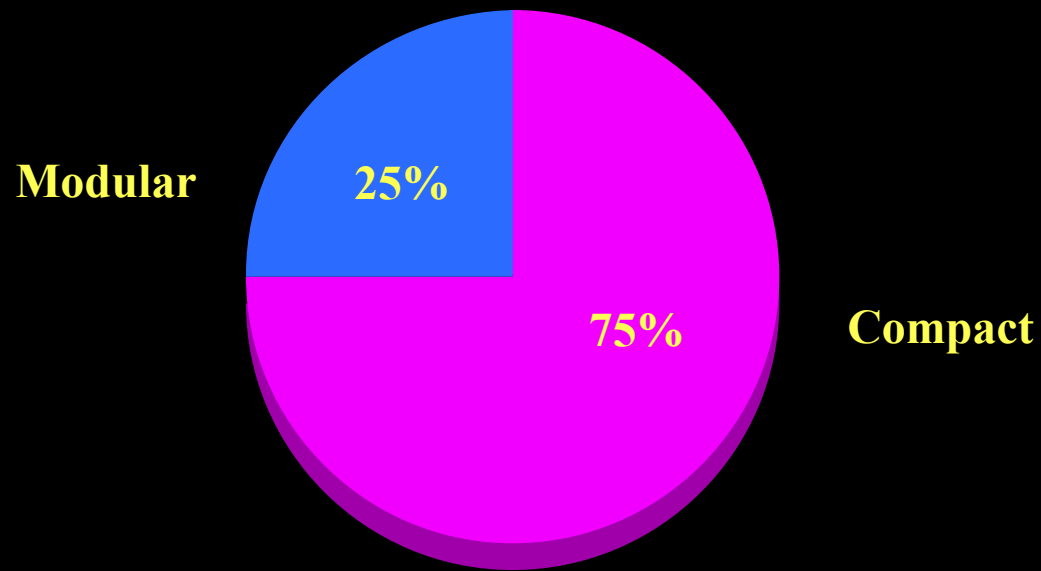
Macintosh Integration *(cont.)*

- Over 750,000 Macintosh computers sold in Higher Ed
- Market share is 36% and growing
- Sales of Macintosh to Higher Ed have grown at a compound rate of 36% in past two years

Higher Education Usage
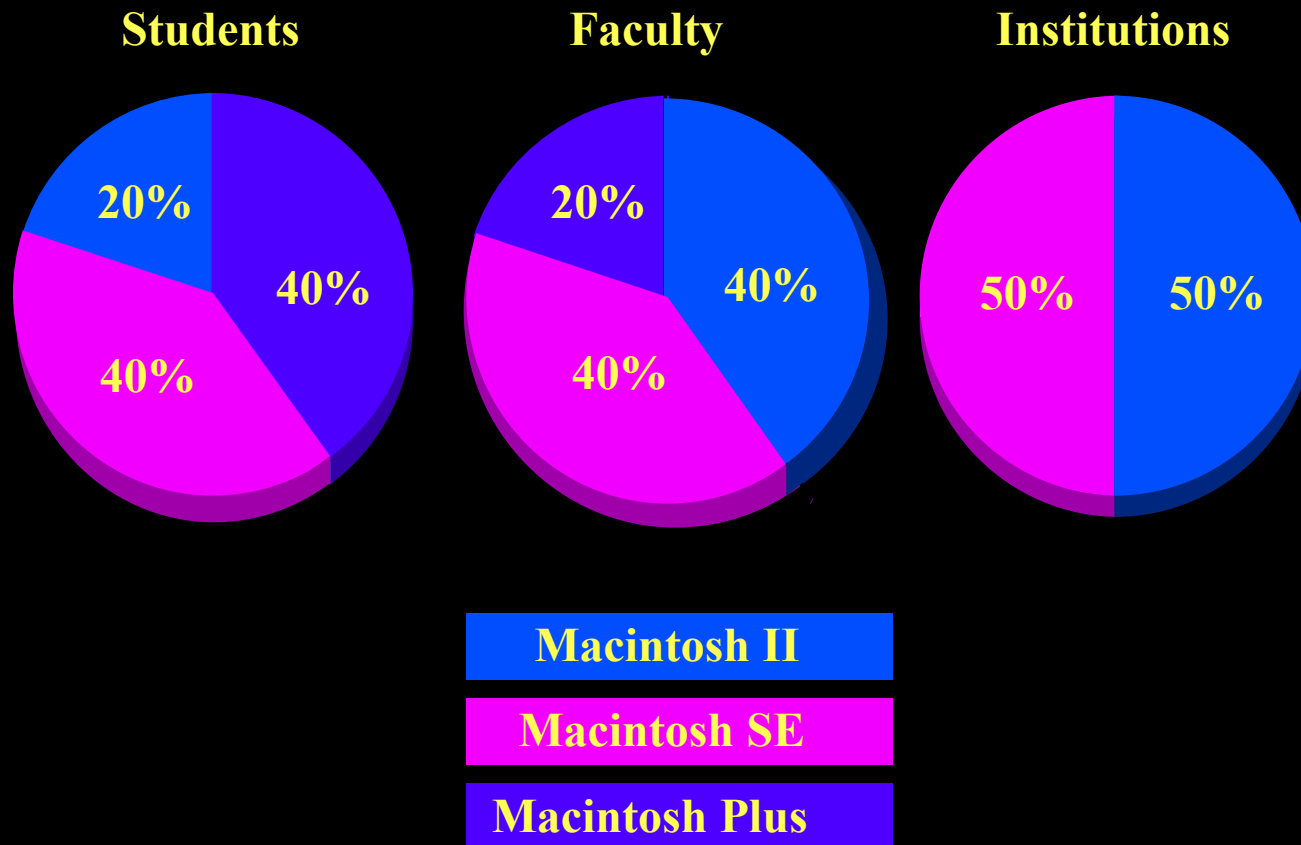
Macintosh System Mix–1989 Sales

Macintosh Systems Mix

- 76% with 68000 processor
- 24% with 68020/68030 processor

Macintosh System Mix

- 79% with hard drive
- 50% with 2MB or more RAM
- 66% with color

Customers

- Where the Macs are:
  - Largest customers purchase $10–20 million/year
  - 32 AUC schools plus 60 additional are "best customers"
  - 500 customers total

Where the Macs Are

- Big state schools
  - Penn State, Ohio State, Michigan State, UCLA, UCSB and all other UC campuses, U of Wisconsin, U of Minnesota, Cal State Campuses, Indiana U, NC State, Turgers, U of NC, U of SC, U of Tennessee, Wayne State, Colorado State, U of Colorado, Oregon State, Arizona State

Where the Macs Are

- Big private schools
  - USC, Cal Tech, Case Western, Johns Hopkins, Miami, Pepperdine, Purdue, RPI, Rochester Institute of Technology, Syracuse U, Tulane, Loyola, Texas A&M, Texas Tech, Vanderbilt, Baylor, Clemson

Where the Macs Are

- Small, liberal arts schools
 - Swarthmore, Middlebury, Colby, Washington College, Williams, Colgate

Where the Macs Are

- Community colleges
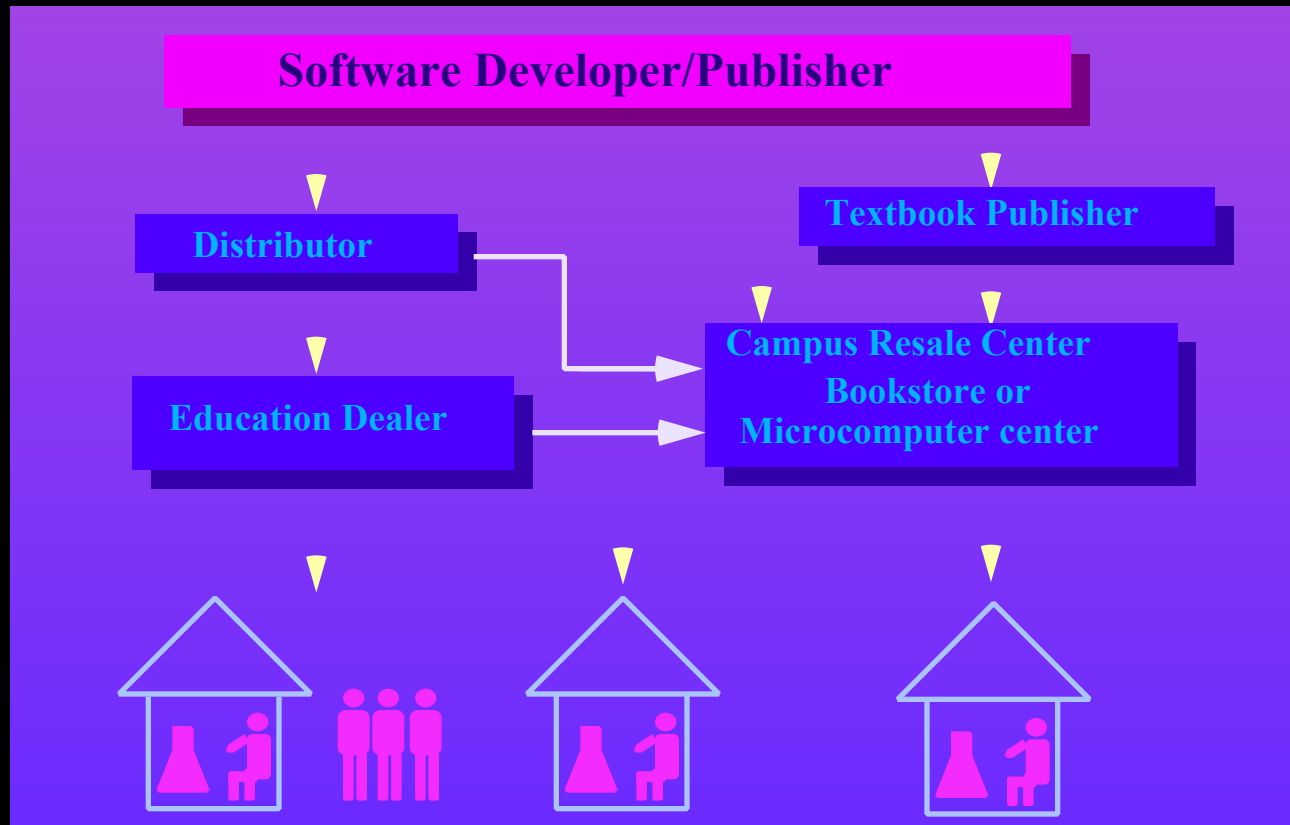 - Mariopa CC, Foothill CC, Long Beach CC, St. Petersburg CC, Cuyahoga CC

How Macs are Sold

- AUC and HEPP I (institutional and resale)
- HEPP II (institutional and dealer resale on campus)
- EPP (institutional only)
- Mix
  - 60% resale
  - 40% institutional purchases

Hardware: Distribution Channels
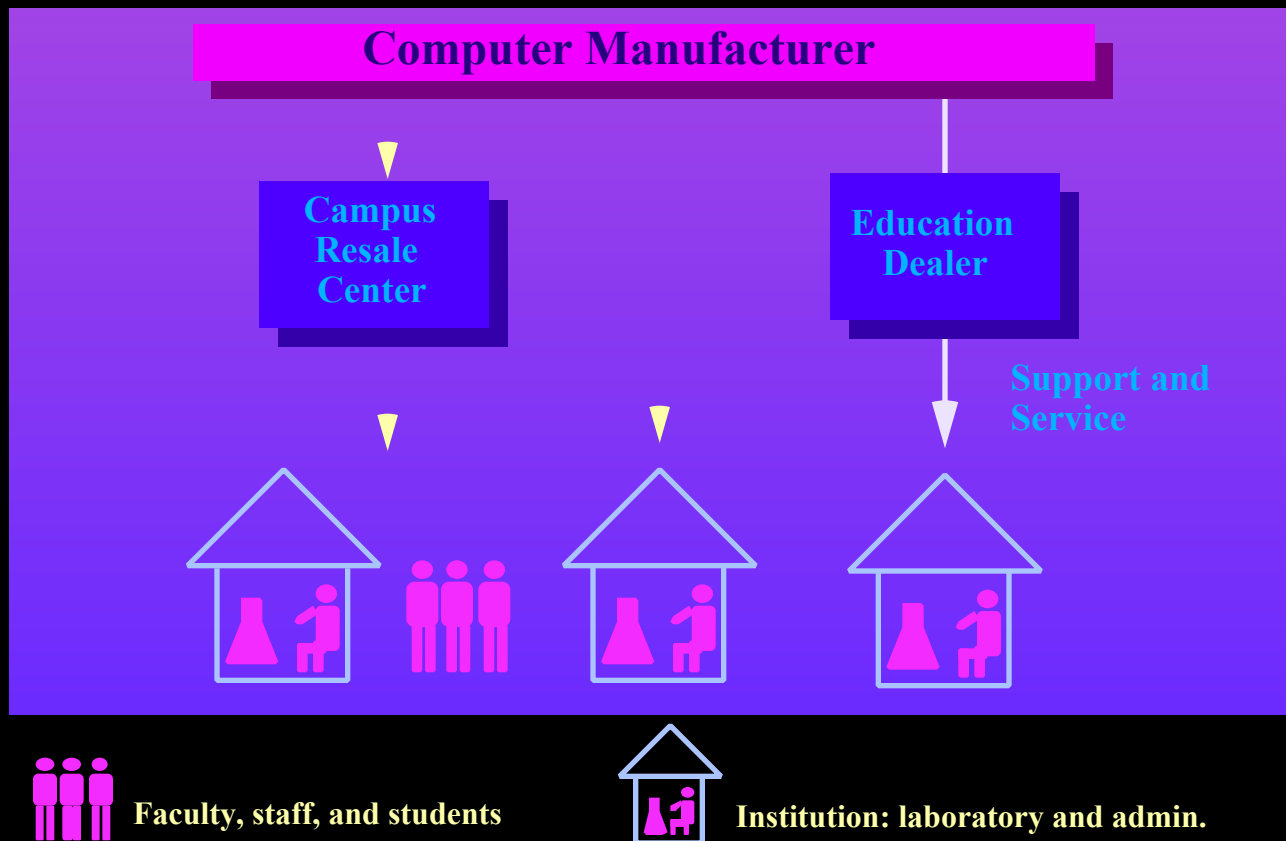
Software Distribution Channels

Situation Analysis

- Higher Education is similar to business market
  - Institutions are run as businesses
  - Focus on return on investment
  - Concerned with enterprise-wide computing
 - Want to improve productivity

Situation Analysis (cont.)

- Higher Education is different from business market
  - Market is well-defined and accessible
  - Market has well-connected influencer network
  - Their academic mission is "to be the best"
  - They compete but also collaborate with each other

Situation Analysis (cont.)

- What does Higher Ed want to do?
  - Communicate ideas
  - Access information
  - Do research and create new knowledge
  - Be more productive

Solutions Strategy
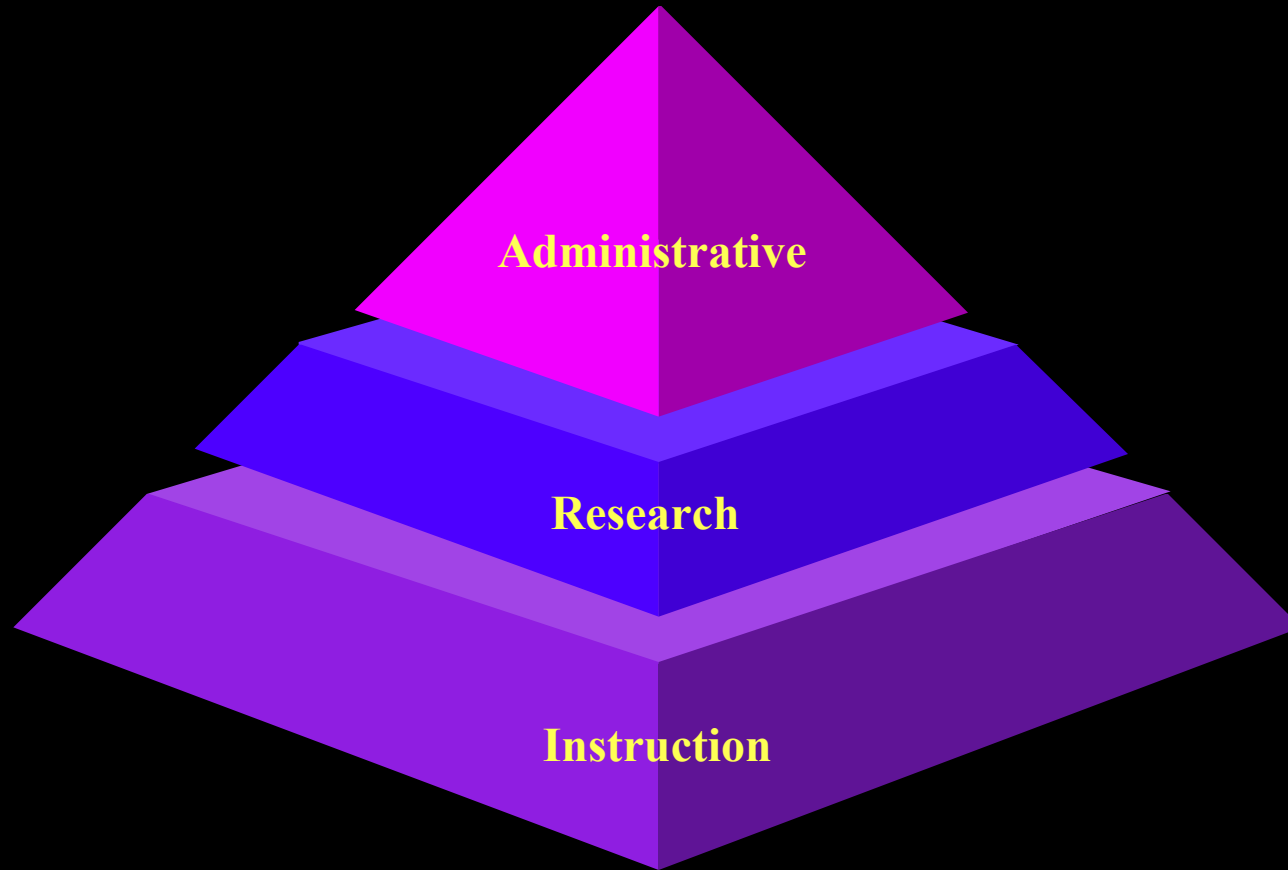
Instructional Computing Needs

- Word processing tools ("student versions")
- Modeling tools ("student versions")
- Graphics tools ("student versions")
- Desktop dictionaries, glossaries and references

Instructional Computing Needs *(cont.)*

- Personal database construction tools
- Instructional applications created by faculty to go with top textbooks (Writing, Economics, Business, Psychology, Calculus, Biology)
- Hypermedia databases created by faculty
- Access to remote databases including library

Faculty Research Computing Needs

- Document processing tools
- Modeling, analysis and data visualization tools
- Desktop dictionaries, glossaries and references

Faculty Research Computing Needs *(cont.)*

- Data acquisition tools
- Hypermedia databases (i.e. Intermedia)
- Access to remote databases including library
- Multiuser journal and book editing/publishing

Administrative Computing Needs

- Word processing tools
- Information access tools– database "harvesters"
- Graphics tools
- Analysis tools
- Publishing and presentation tools
- Customizing toolkits

Solutions Goals

- Develop tools–HyperCard, third party, academic
- Develop titles focused on core curriculum areas
- Communicate solutions to faculty
- Distribution channels

Goals for Multimedia

- "Mainstream" multimedia technologies and message
- Empower Users —> to become Producers
- Make it cheaper, better integrated with entire Apple line
- Achieve "critical mass"–enough tools and titles to justify purchases

Marketing Activities

- Instructional focus campaigns
- Multimedia tools and solutions
- Publisher alliances and syllabus
- Strategic development projects
- Administrative computing
- Intellimation publishing
- Faculty productivity

"Most Wanted" New Projects

- Core curriculum in
  - Writing
  - Calculus
  - Physics
  - Basic engineering
  - Medical

"Most Wanted" New Projects *(cont.)*

- Business administration
- Chemistry
- Biology/Life Sciences
- Economics
- Statistics
- Psychology