

Hello Free and Online, Farewell to Fees: New Trends in Continuing Professional Education

The most respected universities in the world, such as Harvard and MIT, have led the charge in doing what was once unthinkable: offering access to thousands of online educational courses, for credit, at no cost to their potential students. Why are for-profit institutions giving away their prized content? These institutions have already discovered that this approach allows potential students to “sample their goods” prior to making a more costly commitment.

As a community of lifelong learners, we will benefit greatly from the current shift to online education, an innovation that saves students and presenters time and money. The accounting profession is not immune to such shifts in how people receive information and how much they are willing to pay for it. Because CPAs have a 40-hour/year continuing professional education (CPE) requirement, our industry is deeply impacted by pedagogical shifts and trends in education. Yet the national, state and most for-profit private learning institutions that serve the accounting community have maintained a more traditional business model, unlike the aforementioned universities. These organizations continue to charge for online education and now find themselves competing with companies that offer the same content for free. As a result they are losing students.

Progressive companies that provide services to the accounting community, however, are embracing the global trend of offering free education because they have learned the value of using education as a means to attract the largest target audience. They know that the “students” are their potential clients and thus, they are willing to give away valuable ideas and knowledge to gain market share over the competition. Like the major universities, these companies stand to gain more by selling goods or services than by charging prospects for their content. And like the universities, they are highly motivated to provide the highest quality free education before they lose that opportunity to the competition.

What has created this opportunity and driven costs to the attendees down to zero? The world has “flattened” thanks to reduced costs in technology. In the long run, this will make it extremely difficult to compete with the free model. Audiences also realize that free doesn’t necessarily equate with low quality either. As a matter of fact, we are learning the opposite is true. Many of our favorite educational and social resources are already free. How much do you pay to use Facebook, LinkedIn, Wikipedia, Google and YouTube? Not one dime!

If you don’t believe “free” can be profitable, let me share my own experience that proves the opposite is true. Six years ago, I learned the lesson about the free model when I first started selling specialty tax services within the accounting profession. I needed a way to get maximum exposure or my business wasn’t going to thrive. I began teaching webinars because it offered the highest rewards with the lowest costs. Initially, I charged a small fee to the participants and my audience size was modest. Then I stopped charging fees, and my audience size mushroomed to over 500 attendees! While the fees for putting on this free CPE webinar cost about \$3,000, just one of the resulting leads produced over \$11,000 in new business, providing almost a 300% return on investment (ROI)! You don't have to be a CPA to

know this is a high ROI, and that not only is it extremely scalable, it also increases name recognition for future offerings.

In addition to maximizing overall exposure to their brand, companies are motivated to provide free CPE for the ability to acquire valuable information about the attendees. The presenter can filter data and figure out in a very calculated way exactly whom their firm should be targeting. Far more than a promotional gimmick, providing free CPE is a business strategy that may well be essential to a company's survival. Fortunately, businesses can profit much more from giving education away than they can by charging for it.

As a community of lifelong students and entrepreneurs, we all stand to benefit from this paradigm shift. There will be more competition for our time than ever before as costs decrease, education continues to shift online, and companies become more sophisticated in how they market content to us. The great news: expect more free, high quality CPE than ever before!

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