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The Master's Degree Market

A primer on all things related to the demand for master's degrees.

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Table of Contents

1. The size of the master's degree market
2. The geography of the master's degree market
3. The drivers of demand for master's degrees
4. The barriers to pursuing a master's degree
5. The best performing master's degrees
6. Prospective master's students' program preferences
7. Summary and Recommendations

How to prepare for the future of the master's market

The master's degree market, in spite of its size, is still a largely untapped space, with only 27% of the total addressable market (TAM) currently being served. The market is now a predominantly online space, with the majority of prospective master's students desiring to study online and online enrollment expected to surpass on campus (including hybrid) enrollment in 2025. In spite of the online growth, and potential growth, not all schools are capturing demand. 74% of Chief Online Learning Officers reported observing an increase in demand for online graduate programs in 2024 compared to 2023, however, only 41% of institutions reported that online graduate programs were growing at their institution in 2024.

Missing out on the growth that is being observed can be remedied be ensuring an institution's master's portfolio is aligned with the demands of the market and is optimized for both growth and volume. Both growth and volume are critical as near-term turbulence is anticipated with international student declines on the horizon. To understand the landscape of demand for master's programs, schools need to account for student demand indicators like search traffic, applications, new enrollments, enrollments, completions, and surveys, as well as labor market demand indicators like employment trends and projections and job postings. Additional consideration also has to be given to the impact of potential international student declines, changes to how the federal government approaches student loans for graduate students, and even automation risks that may negatively impact job opportunities.

After obtaining an understanding of the demand for programs, institutions also need to understand what students want in terms of program design. To understand this, they must understand what program attributes students are most driven by, and they must understand the drivers and barriers to enrollment to ensure program features and marketing messaging addresses the questions prospective students have.

This report contributes to the understanding both of the demand for master's degrees in aggregate and specific master's programs, as well as the understanding of what prospective master's students now want from a potential school/program.

Section 1

1. **The size of the master's degree market**
2. The geography of the master's degree market
3. The drivers of demand for master's degrees
4. The barriers to pursuing a master's degree
5. The best performing master's degrees
6. Prospective master's students' program preferences
7. Summary and Recommendations

A growing, but shifting and uneven, master's market

Master's degrees constitute a vital element of the higher education landscape in the United States. These programs are instrumental in preparing a highly skilled workforce and represent a significant revenue source for colleges and universities. Over the past 50 years, the conferral of master's degrees has increased 3.9-fold, reflecting a Compound Annual Growth Rate (CAGR) of 2.8%. From 2000 to 2020 alone completions of these programs grew 82.1%.

In the period following the COVID-19 pandemic, master's degree completions expanded by 7.0%, rising from 874,915 to 936,528, a CAGR of 3.5%. Projections indicate this growth will continue through 2030 at a 1.9% CAGR, reaching 1,049,536 completions.

Notwithstanding this observed growth, the average market performance of master's degrees has generally deteriorated, with the exception of degree conferrals. The number of master's degree programs available in the United States increased by 2.4% between 2022 and 2024, reaching 42,346. During this interval, the average enrollment per program decreased by 6.0% to 94 students, and the average new enrollment per program fell by 4.4% to 20 students. Conversely, the average number of completions per program saw a 4.5% increase, rising to 22 degrees.

The expansion of master's degrees has been concentrated within specific fields of study. Notably, fields producing graduates with salaries exceeding the average for all master's degree holders have experienced growth ten times greater than those fields producing graduates with below-average salaries.

Despite the recent growth trajectory, only 27% of the total addressable market (TAM) for master's degrees is currently being served by institutions (i.e., individuals currently enrolled). This addressable market comprises 15 million individuals, representing an estimated potential expenditure of $455 billion.

Master's completions will grow at a 1.9% CAGR

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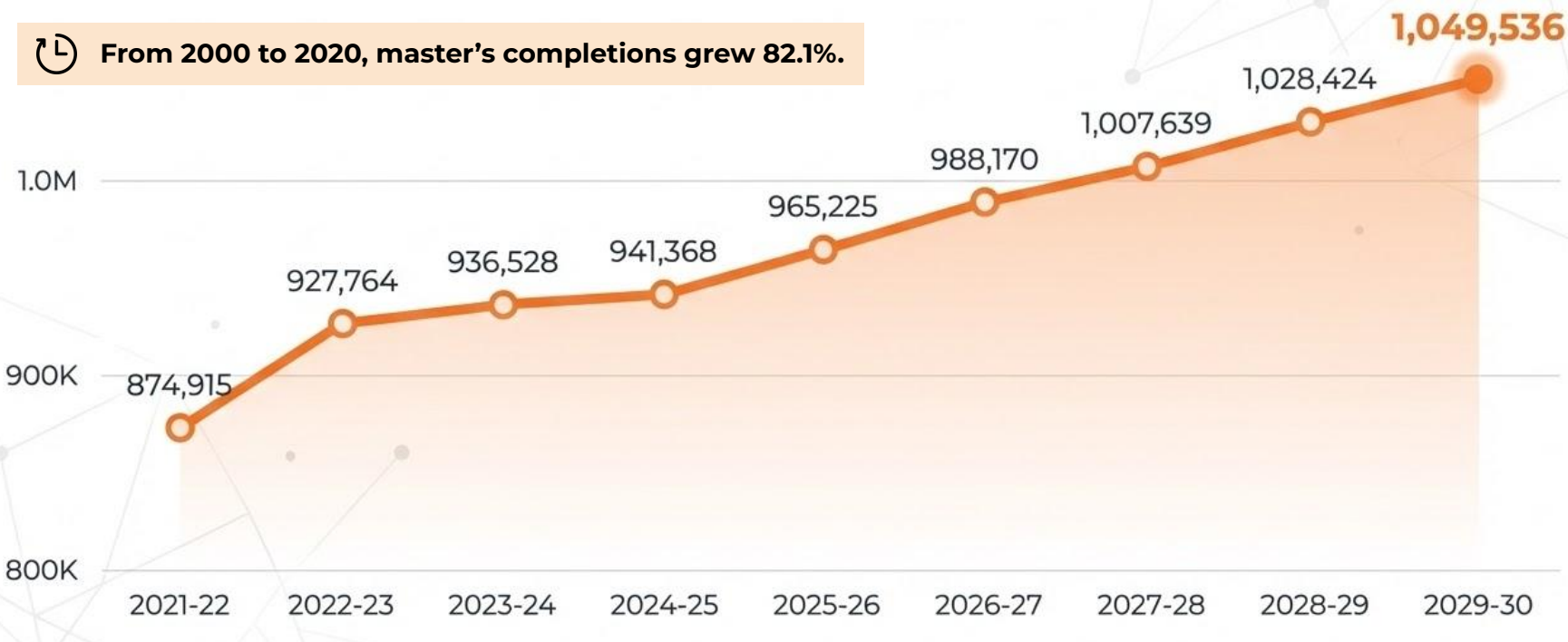
Master's Completions (2021-22 to 2029-30)

From 2000 to 2020, master's completions grew 82.1%.



Source: National Center for Education Statistics (NCES) IPEDS

Master's degree benchmarks are worsening

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New Enrollment per Program

20

↓ Down 4.4% since 2022

Total Enrollment per Program

94

↓ Down 6.0% since 2022

Completions per Program

22

↑ Up 4.5% since 2022

The master's degree TAM is $455B

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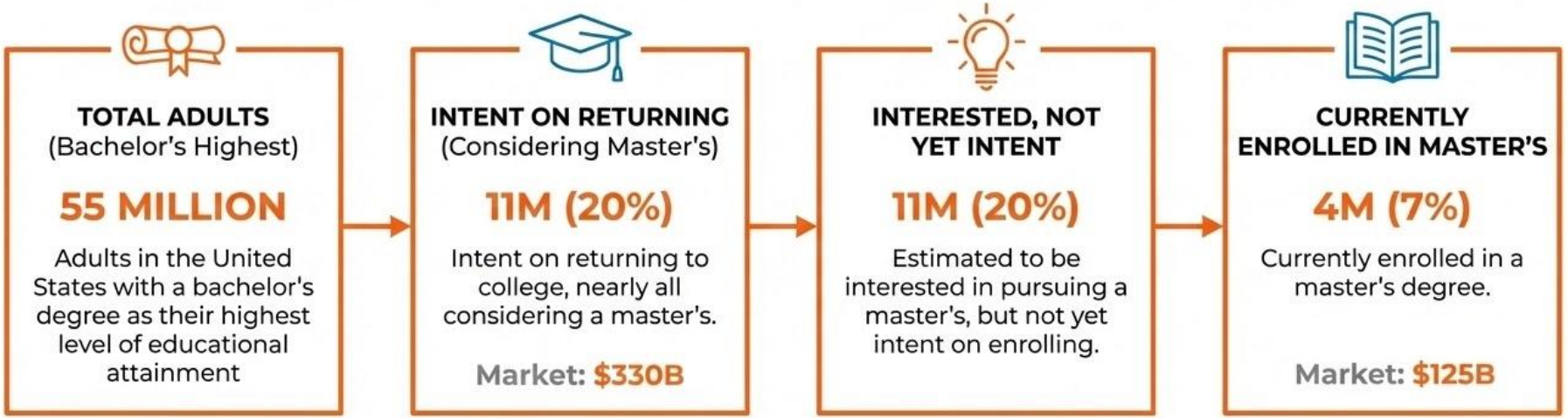

FULL TOTAL ADDRESSABLE MARKET (TAM) SUMMARY

15 Million People | $455B Potential Tuition Revenue

CAPTURED: 27% | $125B

Online enrollment in master's degrees is growing

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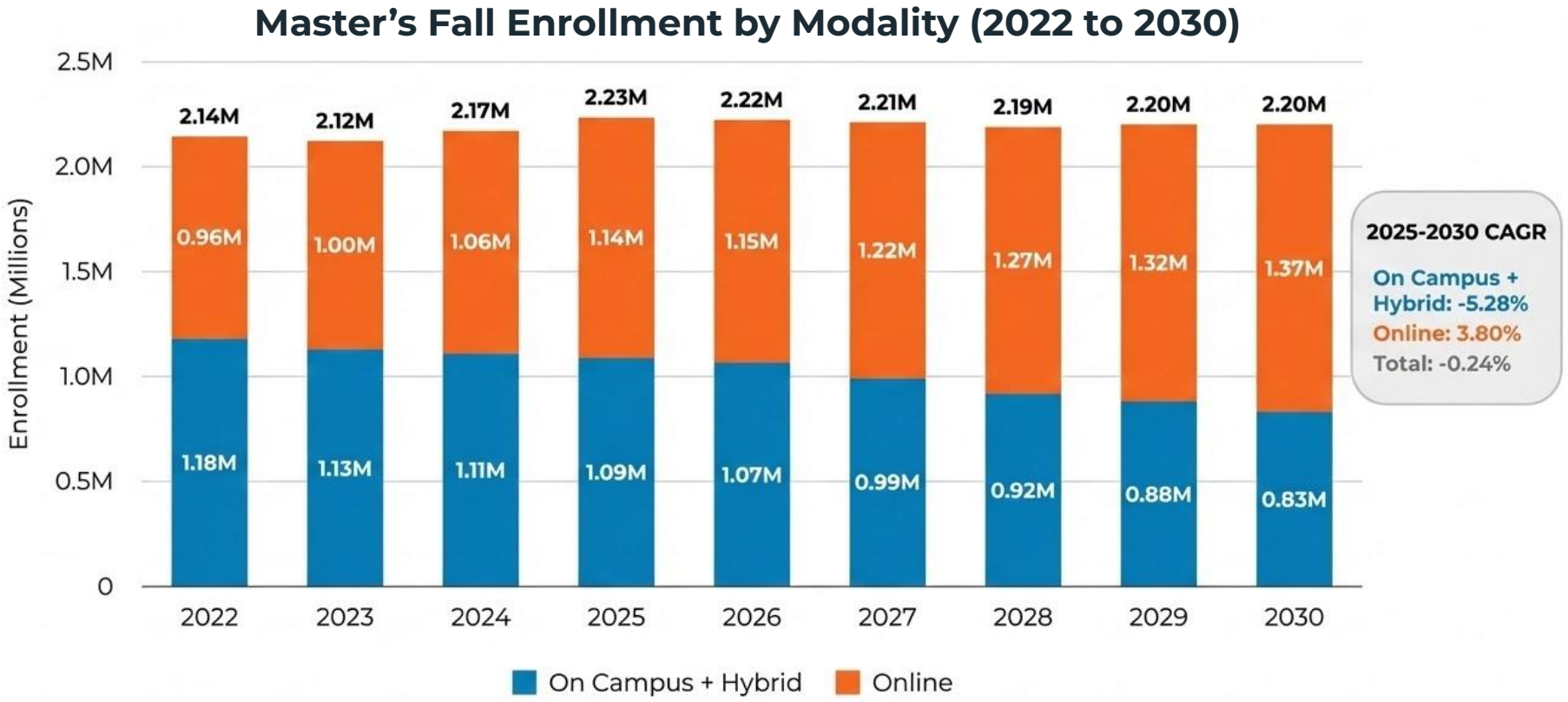


Section 2

1. The size of the master's degree market
2. **The geography of the master's degree market**
3. The drivers of demand for master's degrees
4. The barriers to pursuing a master's degree
5. The best performing master's degrees
6. Prospective master's students' program preferences
7. Summary and Recommendations

Near-term growth may be hampered by int'l declines

While master's degrees have been on a general upward trajectory, the market has been "propped up" by (or even driven by) international students. Between academic year 2018-19 and academic year 2023-24, domestic enrollment in master's degrees actually declined at a -0.5% CAGR. During this time, foreign enrollment in master's degrees grew at a 6.2% CAGR. The result was that total enrollment in master's degrees grew at a 0.4% CAGR. During this time, the share of master's degree students that came from a foreign country grew from 12.6% to 16.8%.

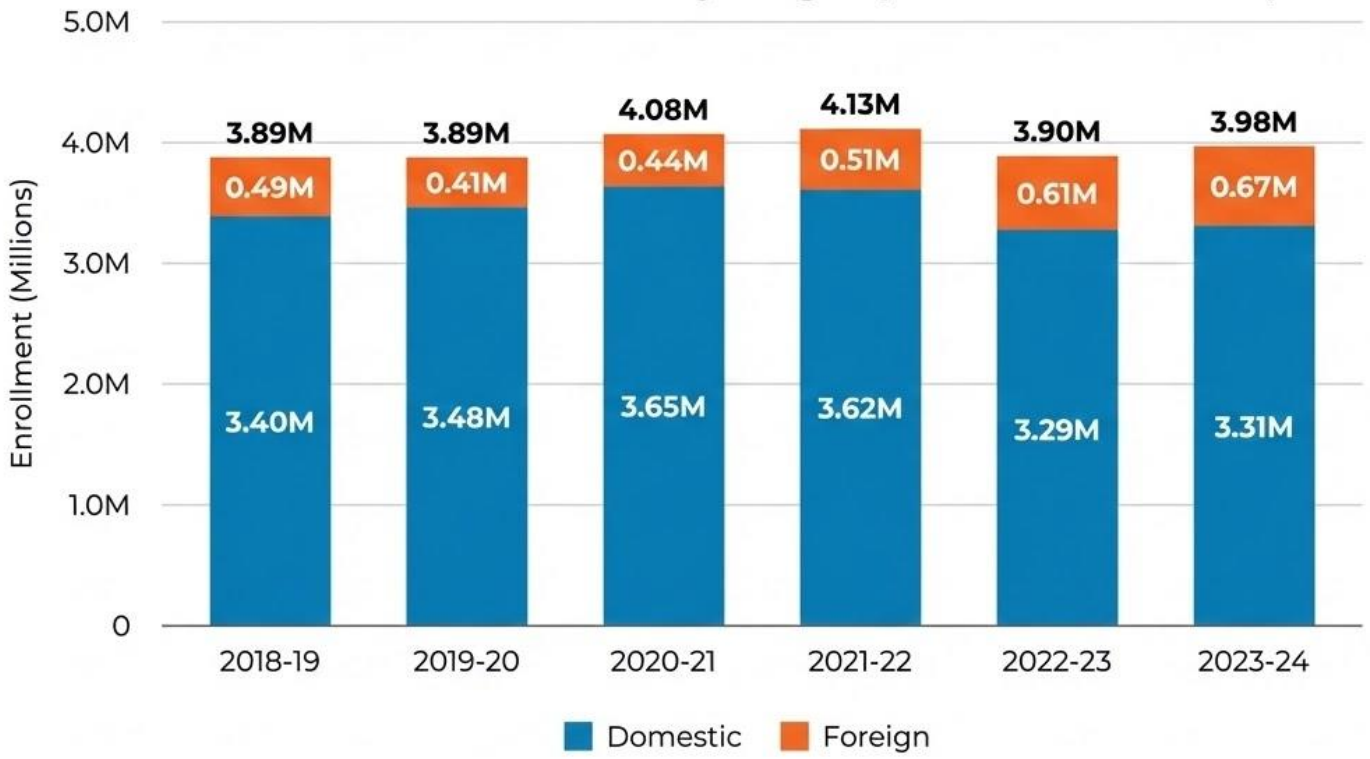
Even though international master's degree enrollment rose at a 6.2% CAGR from academic year 2018-19 to academic year 2023-24, 49% of institutions expect graduate international application volumes to decline in academic year 2025-26, and this follows academic year 2024-24, when 42% of institutions reported a decline in international graduate applications (Institute of International Education). The most recent data from from Fall 2025 (based on data reported by about 200 institutions) shows that new international enrollment in master's degrees declined 19% year-over-year. This follows a precipitous drop in interest in studying in the United States among prospective international students as observed and reported by StudyPortals. The sharp downturn can be largely attributed to new immigration rules and changes in enforcement. In 2024, 58% of institutions reported that restrictive government policies were the number one obstacle to international enrollment. In 2025, 85% of institutions reported the same.

The most recent projections now foresee international enrollment declining 15.0% year-over-year in academic year 2025-26. The result is that there are anticipated to be 64,000 fewer international master's degree students in 2025-26 than was previously being expected based on past projections.

An upcoming dip in international master's enrollments will impact programs unevenly. For example, 80% of Master of Software Engineering students, and 77% of Master of Computer Science students are foreign nationals, so a drop in total international master's enrollment is likely to harm programs like those significantly, hopefully just in the short term.

Domestic enrollment in master's degrees is declining

Master's Academic Year Enrollment by Student Origin (2018-19 to 2023-24)



2019-24 CAGR

Domestic: -0.5%
Foreign: 6.2%
Total: 0.4%

Source: Gray Decision Intelligence & National Student Clearinghouse (NSC) Research Center, U.S. Department of Homeland Security

64,000 fewer-than-expected master's students in 2025-26

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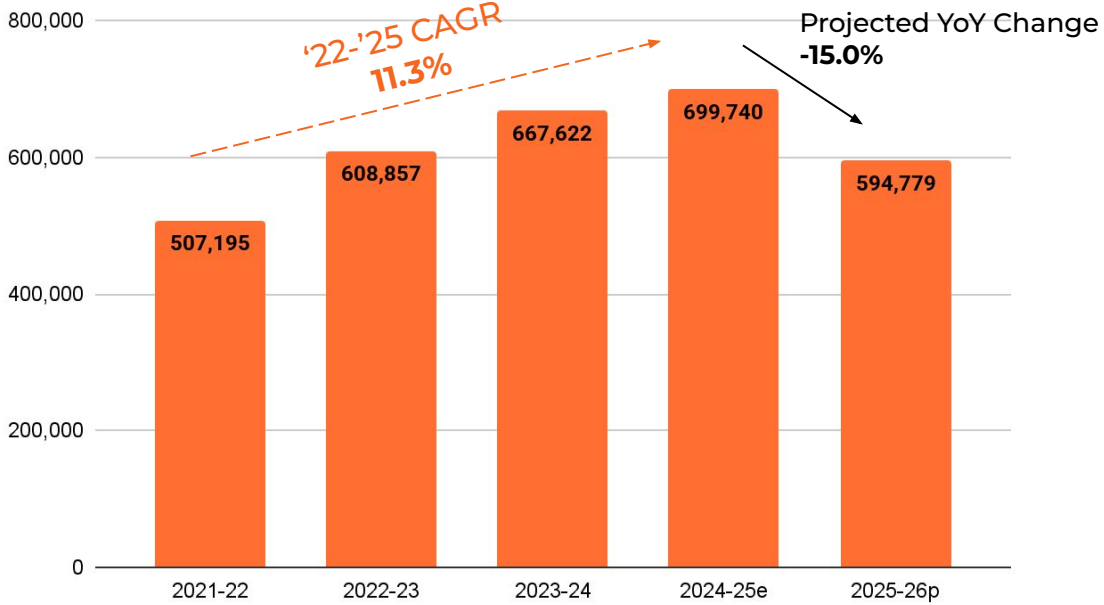
There are now projected to be 64,000 fewer international master's degree students in academic year 2025-26 than was previously anticipated. This represents about 1.5% of the aggregate master's degree student population.

Trend Analysis & Implications

- After growing at an 11.3% CAGR from academic year 2021-22 to academic year 2024-45 (estimated), the number of international students enrolled in master's degrees is projected to decline 15.0% year-over-year in 2025-26.
- The latest data from NAFSA indicates that new international enrollment in master's degrees fell 19% year-over-year in Fall 2025.
- Studyportals data shows that international student interest in studying in the United States declined 50% between January and April of 2025.

Recently, projections indicated that international master's enrollment in 2025-26 would be as high as ~660 thousand, meaning there are now expected to be ~64 thousand fewer of these students than previously anticipated in 2025-26.

Projection of International Enrollment in Master's Degrees



Source: NAFSA: Association of International Educators & J.B. International, StudyPortals, U.S. Department of Homeland Security

Many Tech programs lean heavily towards int'l students

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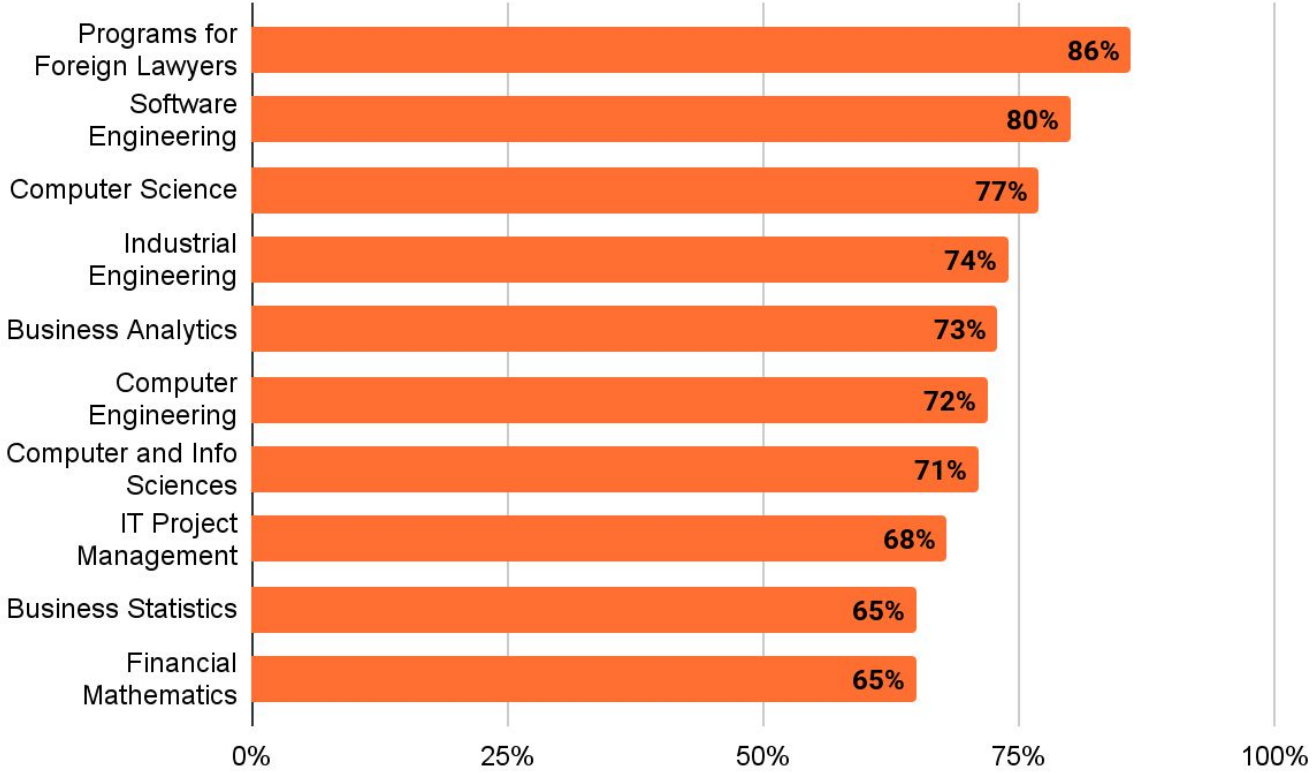
Top Ten Master's with Highest Percentage of International Students



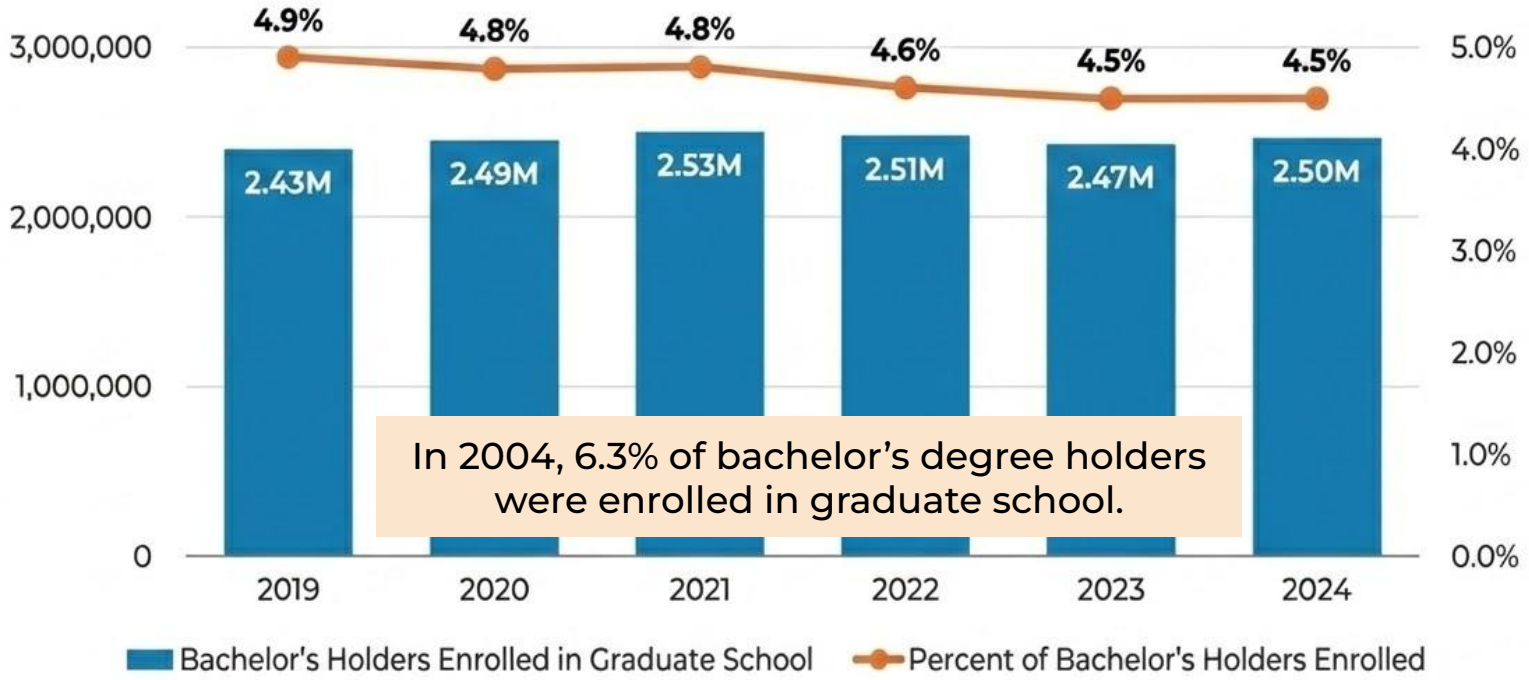
Trend Analysis & Implications

- The impact of potential declines in international master's degree students is not anticipated to be evenly distributed across fields of study.
- Many high demand programs are highly dependent on international students. For example, 80% of Master of Software Engineering graduates are international students, 77% of Master of Computer Science students are international students, and 73% of Business Analytics students are international students. These programs are expected to be particularly sensitive to shocks in international student numbers.
- By comparison, Education and Healthcare programs tend to have the lowest percentages of international students.
- Just 9% of MBA students are international students.

Notes: chart only includes programs with more than 1,000 international completions and excludes "other" categories
Source: National Center for Education Statistics (NCES) IPEDS

A smaller portion of bachelor's holders are enrolling

Number and Percentage of Bachelor's Holders Enrolled in Graduate School



In 2004, 6.3% of bachelor's degree holders were enrolled in graduate school.

Source: U.S. Census Bureau

NUMBER OF MASTER'S DEGREES AVAILABLE

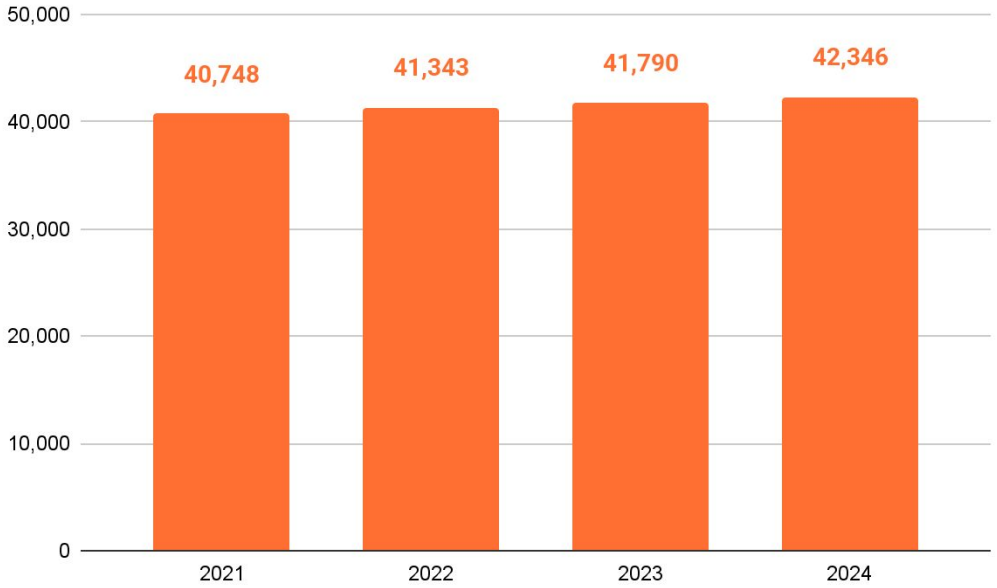
Students now have 42 thousand master's to choose from

From 2021 to 2024, there was an average of 533 new master's degrees launched each year. As of 2024, there are now 42,346 programs available in the market.

Trend Analysis & Implications

- From 2021 to 2024, the number of master's degrees available in the market rose 3.9%, growing from 40,748 to 42,346.
- From 2022 to 2025, the number of post-secondary credentials of all types, from both higher education institutions as well as all other types of providers, rose from 1,011,179 to 1,797,086 - growth of 77.7%, or almost 800,000 new educational options.
- Studyportals data shows that international student interest in studying in the United States declined 50% between January and April of 2025.

Number of Master's Degrees Available by Year



Source: National Center for Education Statistics (NCES) IPEDS

Section 3

1. The size of the master's degree market
2. The geography of the master's degree market
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6. Prospective master's students' program preferences
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Students seek economic safety from master's degrees

There are three primary reasons prospective students are drawn to pursue a master's degree: (1) to either maintain or advance in their current career (79%), (2) to change careers (12%), or (3) for personal reasons (9%).

While the most common reason students seek a master's degree is for advancement or promotion, the percentage of workers actually receiving a promotion has been declining since 2022. Recent surveys indicate that these prospective students may not necessarily looking for a promotion, per se, but instead are interested in making more money. 66% of prospective graduate students that are primarily driven by a desire for career advancement report that getting a raise is more important to them than getting a new title. 42% of American workers even indicated that they aren't interested in receiving a promotion in one recent survey. Additionally, many prospective students report that uncertainty about the labor market has made them interested in pursuing a master's degree. This means that there has been a marked increase in the share of prospective master's degree students that are driven by a desire to at least maintain their current professional status, or to marginally improve it, mainly in terms of growing their salary, and that the share that are trying to "climb the corporate ladder" is down.

The second most common reason a person seeks a master's degree is to change careers, and 12% of the prospective master's degree student population is driven primarily by this desire. In fact, 47% of prospective graduate students indicate that they plan to pursue a program in a field other than what they majored in for their bachelor's degree. Recent survey data indicates that 50% of the workforce in the United States is interested in a career change, and this population is 50% more likely than average to be interested in enrolling in a master's degree program.

All told, uncertainty around the labor market is driving, and is expected to further drive, enrollment in master's degree programs.

Students want promotions, they're happening less often

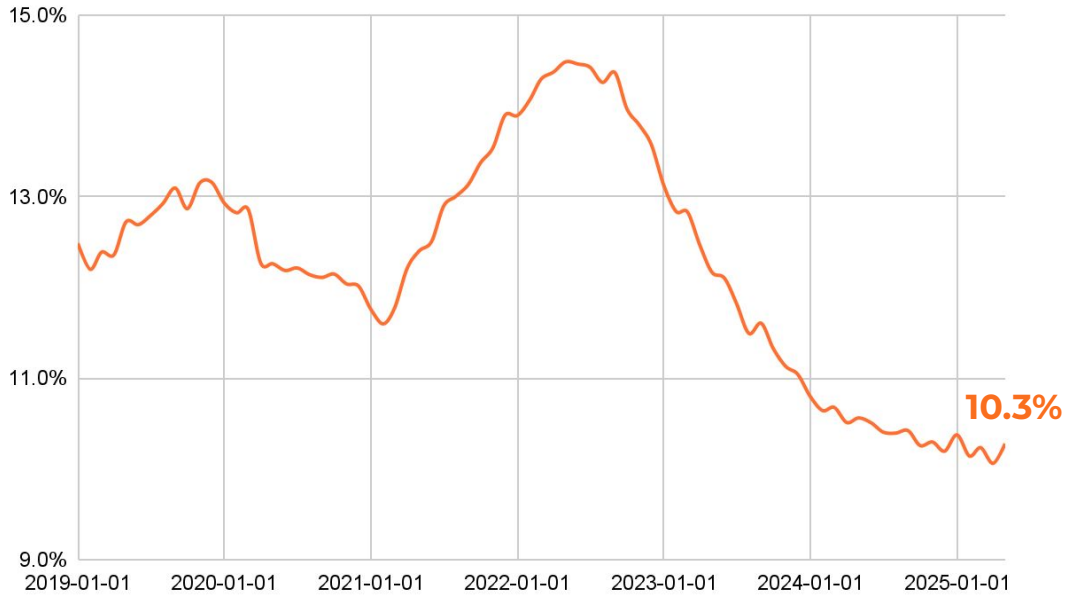
While the majority of prospective graduate students remain driven by the desire for a promotion, the actual prevalence of promotions in the labor market has been declining since 2022.

Trend Analysis & Implications

- Ruffalo Noel Levitz survey data shows that nearly ¾ (79%) of prospective master's degree students are driven by the desire for advancement in their current field (or maintaining their current level of employment), typically, this can be restated as the desire for a promotion.
- While the desire for promotions is the leading cause of enrollment in a master's degree, the rate at which they are occurring in the labor market has been declining since 2022. As of May 2025, just 10.3% of workers in the United States received a promotion, down from 10.6% in May 2024, down from 12.2% in May 2023, and down from 14.5% in May 2022.

25% of prospective graduate students report that concerns about career advancement opportunities are potentially holding them back from enrolling.

Promotion Rates by Month Since 2019



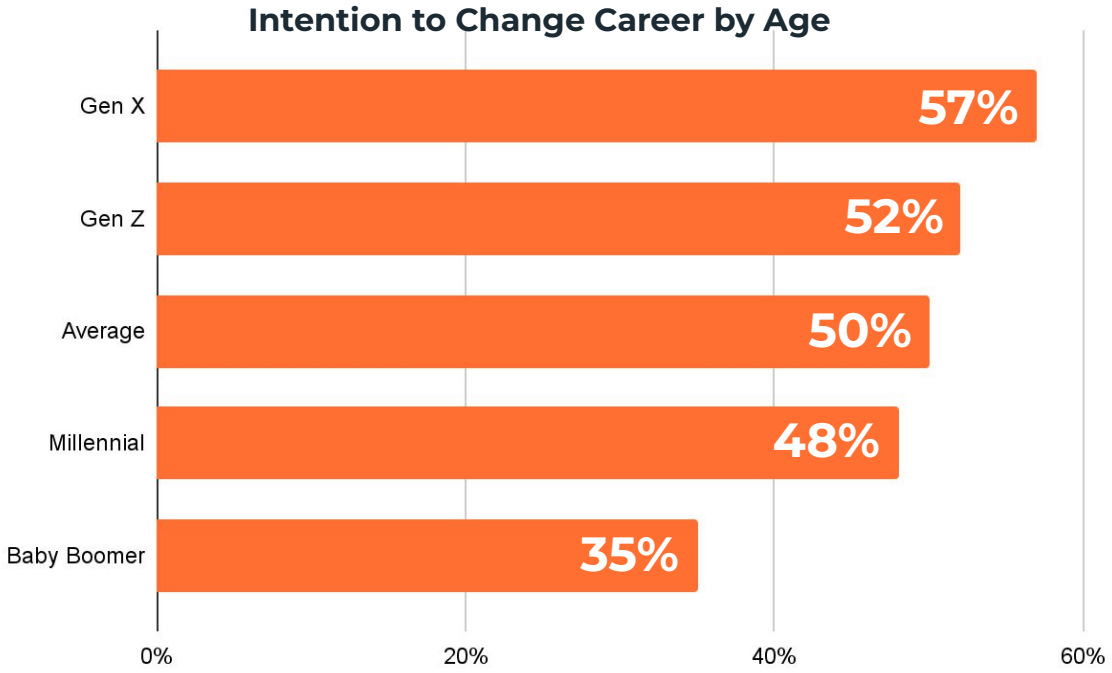
Source: Ruffalo Noel Levitz, Gusto

Half of workers want to change careers

Half of the workforce in the United States is interested in changing careers. These career changers are 50% more likely than average to be interested in enrolling in a master's degree program.

Trend Analysis & Implications

- Survey data from St. Thomas University (Florida) and Risepoint indicates that among those looking to change careers, 60% are considering returning to graduate school to achieve those goals.
- Currently, 50% of the workforce is estimated to be considering a career change. Members of Generation X are the most likely to be considering a career change with 57% considering. Members of Generation Z are the second most likely to be considering a career change, with 52% considering.
- While those interested in changing careers are 50% more likely to be interested in enrolling in a master's degree program than average, they represent just 12% of the prospective master's degree population (Ruffalo Noel Levitz).



Source: Forbes, Ruffalo Noel Levitz, St. Thomas University (FL) & Risepoint

Economic uncertainty will drive demand for master's

Economic uncertainty, particularly about the labor market, is anticipated to drive demand for master's degree programs.

Trend Analysis & Implications

- ZipRecruiter data shows that job seekers are becoming less optimistic about the medium-term future of the labor market as the *Expectations Index* has dropped 17.4% since Q1 of 2022.
- In a recent survey by Aurora University, 42% of young adults said economic uncertainty and layoff fears have prompted them to consider graduate school.

Bloomberg

Fearing recession, young people are heading to grad school...

April 12, 2025

Source: Aurora University, ZipRecruiter

Section 4

1. The size of the master's degree market
2. The geography of the master's degree market
3. The drivers of demand for master's degrees
4. **The barriers to pursuing a master's degree**
5. The best performing master's degrees
6. Prospective master's students' program preferences
7. Summary and Recommendations

What is, and could, hold students back from a master's?

The barriers (including perceived barriers) to pursuing a master's degree have remained relatively consistent over time. Prospective students are primarily concerned about the cost and benefits of the program (ROI), they are concerned about the flexibility of the program and if they will be able to manage the coursework with their other responsibilities, and they are concerned about if they will be able to handle it academically and mentally.

Over the past five years, the pool of perspective master's degree students interested in pursuing a master's degree has seen their degree of intent increase. In 2019, 30% of prospective master's degree students indicated that they were "committed" to enrolling in the near future and 33% were "skeptical" about it. As of 2024, the situation has reversed, and 34% of prospective master's students are "committed" while just 28% are "skeptical".

The increased commitment to returning to school may be short lived, however. The coming changes to how the federal government approach graduate student loans is likely to at least have some degree of negative impact on the market for master's degrees in aggregate, even as general interest grows.

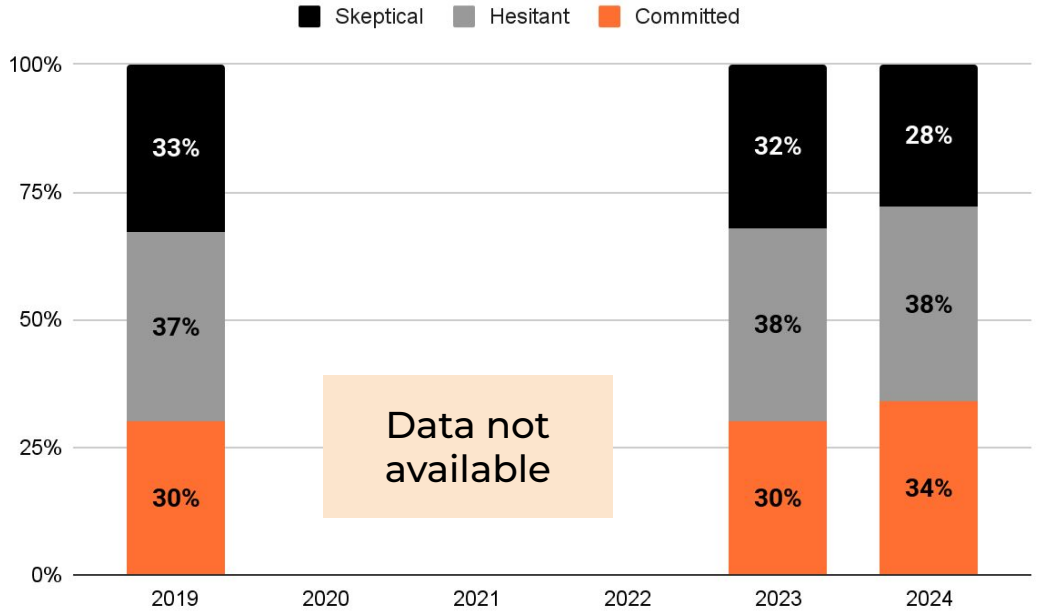
Given that cost is the primary barrier to enrolling in a graduate program, and the fact that 45% of prospective students plan to utilize financial aid and/or loans to finance their studies, a change to the federal student loan system is likely to have an impact. Currently, public discourse around the *One Big Beautiful Bill Act* seems to have caused more concerns about the upcoming changes than may be warranted. While the majority of graduate students report that they will be impacted by the termination of the GradPLUS loan program despite only 22% of master's students actually utilizing said loan program.

What's more likely is that the new loan limits, both annual and aggregate, will impact particular fields negatively, namely Public Health, Fine Arts, Social Work, and various Liberal Arts and Humanities programs that students typically pursue prior to advancing on to a PhD.

Master's prospects still concerned about cost and value

The percentage of prospective master's degree students that indicate that they are "committed" to enrolling in a program in the near future rose from 30% in 2019 to 34% in 2024.

Relative Interest of Master's Prospects by Year



What concerns do they have?

- A 2025 survey from Ruffalo Noel Levitz found that the biggest concerns prospective graduate students have about pursuing a graduate program are:
  - Cost of study (60%)
  - Balancing with Responsibility (49%)
  - Outcomes (25%)
  - Value (17%).

Trend Analysis & Implications

- In recent years, those interested in pursuing a master's degree have become more intent upon doing so. Among those that remain hesitant or skeptical, however, they have concerns about the cost of the program, the ability to balance their studies with their other responsibilities, the outcomes of the program, and the overall value of the program.

Source: Encoura, Ruffalo Noel Levitz

Summary of impending changes to graduate student loans

What happened?

On July 4, 2025, President Trump signed into law the *One Big Beautiful Bill Act* which made a number of changes to the federal student loan system. Some specific provisions are particularly related to master's degrees.

What changed? *(changes effective July 1, 2026)*

GradPLUS is terminated

Annual loan limit of $20,500, aggregate limit of $100,000

Annual loan limit prorated based on course load

"Professional Degrees" receive higher loan limits

Lifetime loan limit of $257,500

While many are impacted, most will see only small change

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	Context	Impact
GradPLUS is terminated	Currently, graduate students can borrow up to $20,500 annually in Direct Unsubsidized Loans. They can borrow an additional amount, up to the cost of attendance, in the form of GradPLUS loans. Going forward, that extra borrowing power is removed, or students must utilize a private lender.	22% of master's degree students utilize GradPLUS loans and the students most likely to use them are studying an MPH (29%), an MFA (26%), and an MSW (24%).Recent research from Black et al. found that the introduction of GradPLUS did not drive an increase in graduate enrollment in Texas.
Annual loan limit of $20,500, aggregate limit of $100,000	GradPLUS termination means the current annual cap of $20,500 for graduate student borrowers is now a hard cap (as that number remains unchanged). The new aggregate limit excludes undergraduate loans, while the previous aggregate limit was $138,500 including undergraduate loans.	61% of recent bachelor's graduates have federal student loan debt, with an average debt of $29,900. Their aggregate borrowing limit they can allocate to a master's reduced by 8%. For the 39% of students without undergraduate federal student loans, their aggregate borrowing limit is reduced by 28%. Certain fields like PA and NP routinely see graduates accumulate more debt than will be permitted going forward.
Annual loan limit prorated based on course load	Currently, the annual loan limit for graduate students stands even if the student doesn't take a full course load. Going forward, their annual loan limit must be prorated based on their actual course load.	Approximately one third of master's degree students are part-time students, which will be subject to diminished federal borrowing power going forward. Additionally, 51% of graduate students report that they take fewer courses in order to manage expenses.

Source: Education Data Initiative, Protect Borrowers, Sallie Mae & Ipsos, Urban Institute

Many key provisions will mainly impact doctoral students

	Context	Impact
"Professional Degrees" receive higher loan limits	The Department of Education has designated a set of fields of study that are now classified as "Professional Degrees" and have an annual federal loan limit of $50,000 and an aggregate federal loan limit of $200,000. The only field that qualifies as a Professional degree at the master's level is Divinity/Theology.	This provision almost exclusively impacts doctoral students. Discourse on the topic is impacting prospective MSN students, however. 59% of Nurses surveyed said the changes in graduate student loans make them less likely to pursue a graduate degree, the main reason, cited by 43%, is that they perceive that the exclusion of Nursing from the list of Professional Degrees sends a negative message about the value of the field.
Lifetime loan limit of $257,500	A new cap has been placed on how much an individual can borrow from the federal government in aggregate throughout their lifetime, the limit is $257,500.	This new limit is primarily anticipated to impact the demand for doctoral programs, as only fraction of students accumulate $257,500 in federal student loan debt in their undergraduate studies and master's degree studies combined. This is, however, anticipated to impact the demand for master's degrees among students who plan to go on to pursue a doctoral degree in the future.

Source: Education Data Initiative, Protect Borrowers, U.S. News & World Report, Urban Institute

Section 5

1. The size of the master's degree market
2. The geography of the master's degree market
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Summary of the best master's for growth and volume

The master's degree market is still dominated by the MBA, which represents about 11% of all master's enrollments. While the growth potential of MBA programs can relatively limited by the hyper-competitive landscape of options in the market, aggregate growth is anticipated and an increasing percentage of prospective master's students are turning towards MBA programs for economic safety.

Fields related to Computer Science & Information Technology show the highest growth in recent years, particularly in fields related to Data Science or Analytics as well as Cyber Security. Demand for these programs is driven by rapid growth in employer demand and a persisting shortage of professionals trained in these fields. The risk of automation stands as a potential barrier to long-term growth via negative impacts on employment opportunities, much like has been observed in the field of Computer Science as "vibe coding" has entered the mainstream. Additionally, a heavy dependence on international students may jeopardize the near-term prospects of these programs. Nevertheless, demand for these programs is anticipated to continue to grow in the long-term as digitization of the economy continues.

Key sections of the Healthcare space rank highly in terms of demand, growth potential, and volume. The main drivers of demand in the Healthcare space include Nursing, specifically Nurse Practitioner (NP) programs, as well as Physician Assistant (PA) programs. Enrollment in NP and PA programs has expanded rapidly in recent years, but the shortage of these providers is still anticipated to persist, and even grow. NP and PA programs rank among the top most in-demand master's degree programs, even though growth is constrained by program capacity. New student loan rules have the potential to impact demand for these programs, however, as many students in these fields routinely borrow more than $100,000 (the new limit on graduate student loans).

Lastly, there has been a surge in interest in fields related to Counseling and Psychology. Clinical Mental Health Counseling has seen the fastest growth in search traffic among all master's degrees over the course of 2025, and the program has also seen some of the highest levels of new enrollment growth. Counseling is also projected to be the fastest growing broad field of study for online master's degrees in the coming years.

The leading, high volume master's degrees

Volume Leaders

Incumbent Leaders (high volume programs with hyper-competitive markets)

Business Administration (MBA)

The MBA remains the largest master's degree program in the U.S. in terms of actual student population (~11%) and student interest. Nevertheless, growth is anticipated to be modest and uneven in this hyper-competitive space.

Nursing (MSN)

The MSN also remains near the top of the master's degree market in terms of actual student numbers. Growth opportunities are primarily in Nurse Practitioner specialties.

Emerging Leaders (moderate-to-high volume programs with growing interest but risks)

Business Analytics (MSBA)

On top of being one of the fastest growing master's degree subject, Business Analytics is also now one of the largest. Demand for the program is surging, however, the dependence on international students and the risk of automation looms large.

Computer Science

Computer Science has observed strong growth and volume in recent years and consistently is viewed as one of the most in-demand master's degrees. Recent concerns about the ROI of studying Computer Science and reliance on international students may limit potential, however.

The leading, high growth master's degrees

Growth Leaders

Substantial Scalers (programs with very rapid growth and moderate volume)

Data Science

Data Science is one of the fastest growing fields of employment, and is projected to continue to grow faster than average. While volume is still emerging, the growth of enrollment in the field is substantial.

Clinical Mental Health Counseling

On top of recent enrollment growth, Clinical Mental Health Counseling has also been the fastest growing master's in terms of search traffic in 2025. Online master's enrollment in Counseling is projected to outpace all other fields.

Cyber Security

Shortages persist for Cyber Security professionals, and demand will only further grow. Accordingly, Cyber Security is a high-growth program that is among the most in-demand fields of study overall.

Rising Scalers (smaller/niche programs with highest growth)

Artificial Intelligence

While volume remains relatively small, Artificial Intelligence is one of the fastest growing fields of employment and fields of study in the U.S and globally. Interest in pursuing education in AI is extremely high.

Physician Assistant (PA)

While growth of PA programs is constrained by restrictions on program capacity, the shortage of doctors has (in part) driven a surge in demand for PA programs.

TOP TEN MOST IN-DEMAND MASTER'S DEGREES

Technology and Nursing programs are most in-demand

Rank	Program	Fall 2024 Enrollment	Notes
1	Computer Science	~70,000	Post-COVID surge followed by diminished demand from "vibe coding"
2 ↗	Information Technology (IT)	~20,000	Follows the sustained growth of technology-related skills
3 ↗	Family Nursing Practice (FNP)	~45,000	Long-term growth, but other NP specialities are outperforming now
4 ↗	Data Analytics/Science	~35,000	One of the leading areas of growth across all fields
5 ↗	Registered Nursing (MSN)	~140,000	Recent increase in RNs returning to college
6 ↗	Physician Assistant (PA)	~30,000	Long-term growth only constrained by program capacity
7 ↘	Electrical Engineering	~20,000	Follows the surge in growth of key tech sectors in need of this skill
8 ↗	Business Analytics	~80,000	A rising Business alternative to MBA programs
9 ↗	Cyber Security	~20,000	Continued growth following sustained shortage of professionals
10 ↘	Business Administration (MBA)	~200,000	Remains the largest and most popular master's degree field

Arrow indicates change in rank since 2022

Source: American Association of Colleges of Nursing (AACN), Gray Decision Intelligence & National Student Clearinghouse (NSC) Research Center, Physician Assistant Education Association (PAEA)

Analytics leads in completion and new enrollment growth

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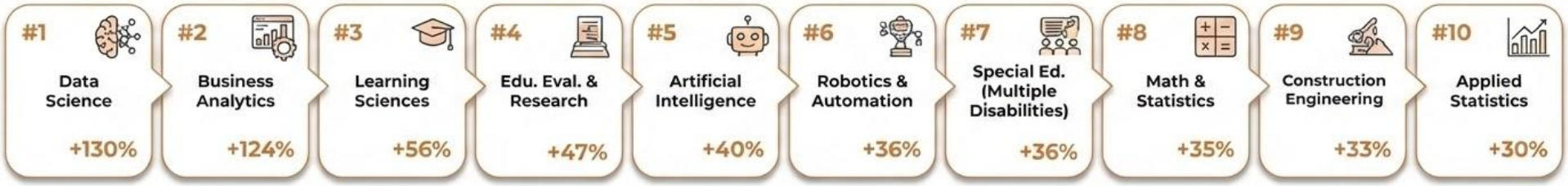
Fastest Growing Master's Subjects by Completions



Fastest Growing Master's Subjects by New Enrollment

Source: Gray Decision Intelligence & National Student Clearinghouse (NSC) Research Center, National Center for Education Statistics (NCES) IPEDS

Programs related to Mathematics & Statistics to lead

Notes: 2024 analysis based 2022 IPEDS data as well as data from College Scorecard and the Bureau of Labor Statistics (BLS)
Source: Encoura

Counseling is projected to see fastest online growth

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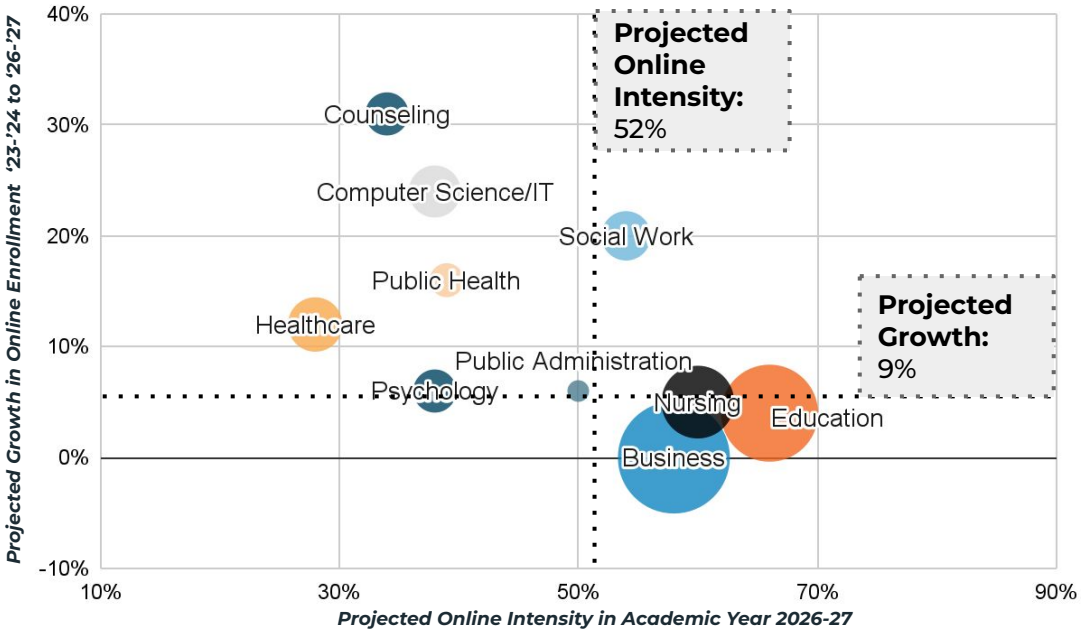
Encoura projects that online master's degree enrollment will grow 9% between academic year 2023-24 and academic year 2026-27, however growth will not be evenly distributed.

Trend Analysis & Implications

- While all online master's enrollments are projected to grow 9% between academic year 2023-24 and 2026-27, select fields are projected to grow much faster. For example, online master's enrollment in Counseling programs is projected to grow 31%, and online master's enrollment in Computer Science/IT programs is projected to grow 24%.
- Encoura projects that in academic year 2026-27, 52% of master's degree enrollments will be online. Master's degrees in Education are projected to have the highest degree of online intensity, as almost ⅔ (66%) of these students are projected to be online.

Online Master's Market Landscape



Notes: The size of the bubble in the chart roughly corresponds to online academic year enrollment in 2026-27
Source: Encoura

Search traffic for master's degrees is growing quickly

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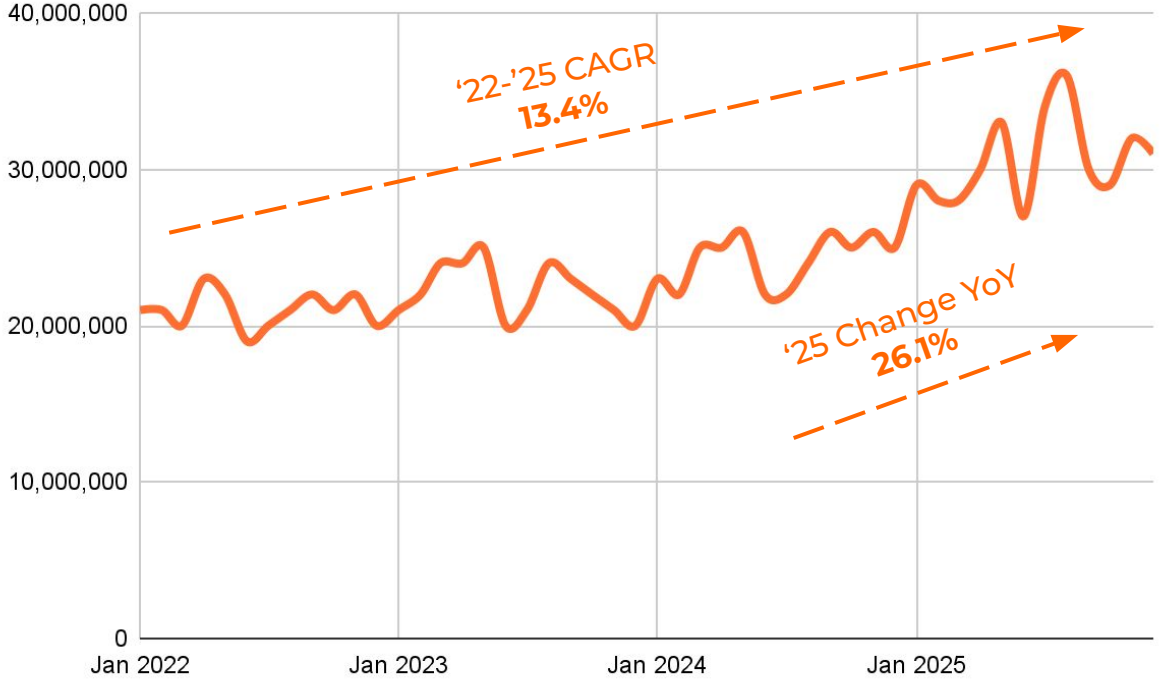
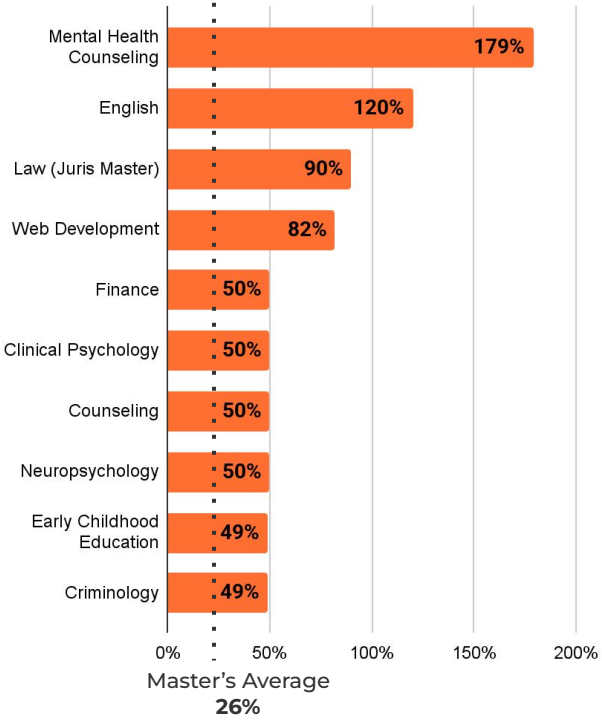
Monthly Search Traffic for Master's Degree-Related Keywords



Fastest Growing Master's Degrees



Source: Exploding Topics, Google Trends via Glimpse

Math-related fields are likely to be automated

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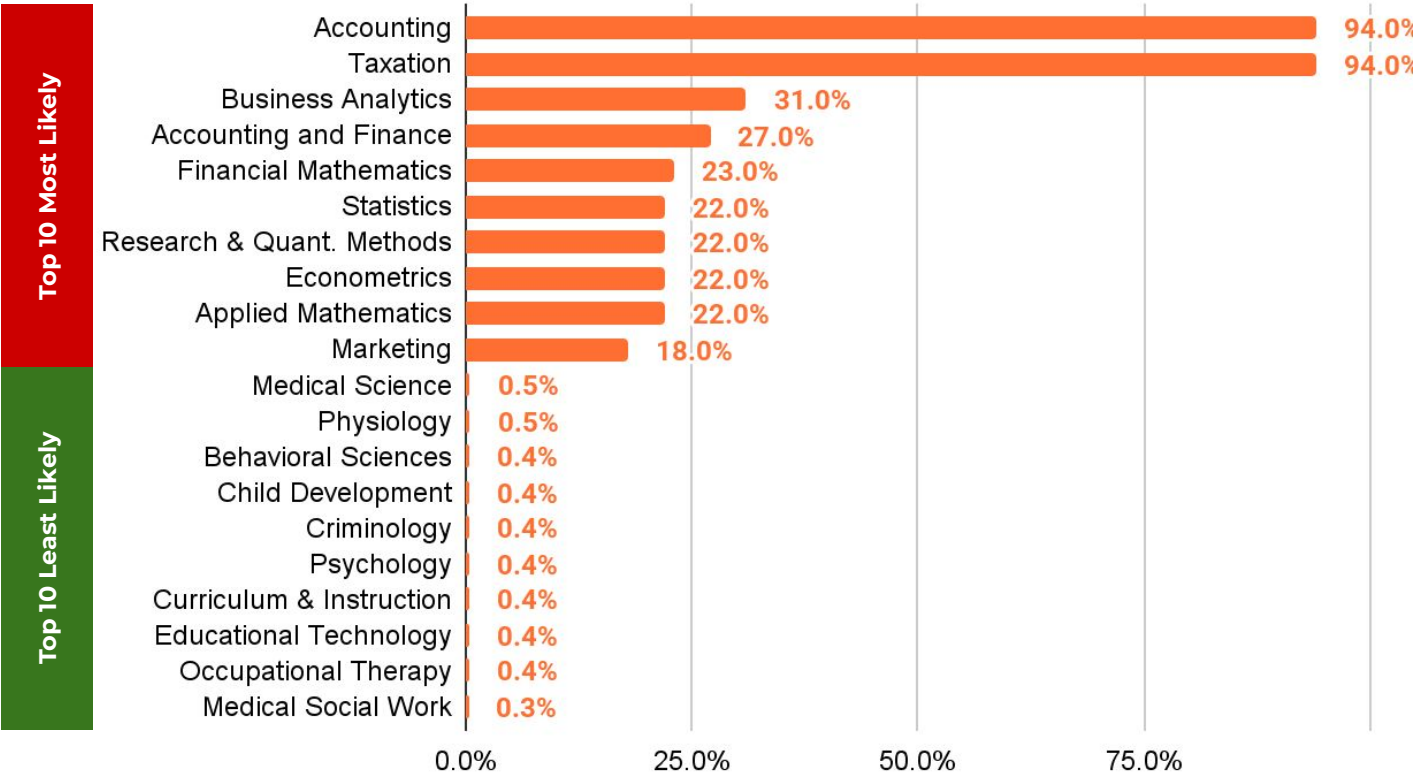
Likelihood of Automation by CIP Code (for all program levels)



Source: Encoura

Trend Analysis & Implications

→ Many programs deemed to be in high demand on account of their employment prospects are also programs that are subject to an additional risk, automation. In particular, Business Analytics and Financial Mathematics are two programs that are among the high demand programs from other analyses, however, they are among the most likely fields to be automated.

→ The fields of study that are found to be the least likely to be at risk of automation (and thus, the least likely to have an unforeseen negative impact on employment potential), include fields largely related to Counseling and Psychology, Education, and Healthcare.

Section 6

1. The size of the master's degree market
2. The geography of the master's degree market
3. The drivers of demand for master's degrees
4. The barriers to pursuing a master's degree
5. The best performing master's degrees
6. **Prospective master's students' program preferences**
7. Summary and Recommendations

Summary

The preferences of prospective master's degree students have changed dramatically in recent years. For example, the majority of master's prospects (53%) now desire an online program when just 43% desired an online program five years ago. It is also notable that there was a sharp decline in interest for hybrid programs among master's degree prospects in recent years, however, certainly a part of that is likely due to the fact that online coursework is becoming expected to be a part of the on campus experience and is no longer thought of as "hybrid".

The largest share of prospective master's students still intend to study a Business degree (27%). These prospects are disproportionately likely to prefer online programming as well. The other top broad fields of study are Computer Science/IT (15% interested in studying), Education (11% interested in studying), Healthcare (7% interested in studying), and Counseling/Psychology (7% interested in studying). These top five broad fields contain the intended field of study of 67% of prospective master's students.

Surveys indicate that prospective master's students continue to be cost-sensitive. 50% report that they would not pay more than $17,000 annually for a master's degree. Among prospective online master's students, there is a demand for even lower prices, with 50% reporting that they wouldn't pay more than $10,000 annually. They are pragmatic about it, however, as 51% of graduate students report that they take a smaller-than-desired course load in order to manage costs.

Just over a quarter (26%) of graduate students indicate that they ultimately enrolled in the lowest priced program among the options they evaluated, and over 60% of prospective students reported that they removed a school from their consideration set on account of the school being too expensive. Outside of costs, online master's students are driven by a desire for flexibility, as more of these prospects now rate "being able to complete the program at my own pace" as a more valuable program attribute than "an accelerated program". Prospective on campus master's students have shifted towards preferring Reputation over Ranking as the main way they evaluate the quality of the program.

Key insights in master's students' program preferences

The preferences of prospective master's degree students have undergone some significant changes in recent years. This prospective student population is now largely comprised of price-sensitive students that are looking for Business or Computer Science/IT-related degrees and are more concerned with flexibility over the time it takes to complete their program and are more interested in reputation than rankings.

More interest in online learning

The share of prospective master's students intending to pursue an online program rose from 39% in 2019 to 53% in 2024.

Higher demand for Business or Computer Science/IT fields

The share of prospective master's students intending to study Business or Computer Science/IT rose from 28% in 2021 to 42% in 2024. More recent surveys in 2025 show that this share is now above half, at 54%. University administrators also report strong growth in demand for these fields of study.

Reputation over rankings

Among prospective on campus master's students, reputation has surpassed ranking in terms of importance in school/program selection.

Flexibility over Speed

Among prospective online master's students, program flexibility has surpassed the duration of the program in terms of importance in school/program selection.

Not willing to spend more than $17k annually

The median price prospective master's students are willing to pay annually is $17,000, for online prospects the median is just $10,000.

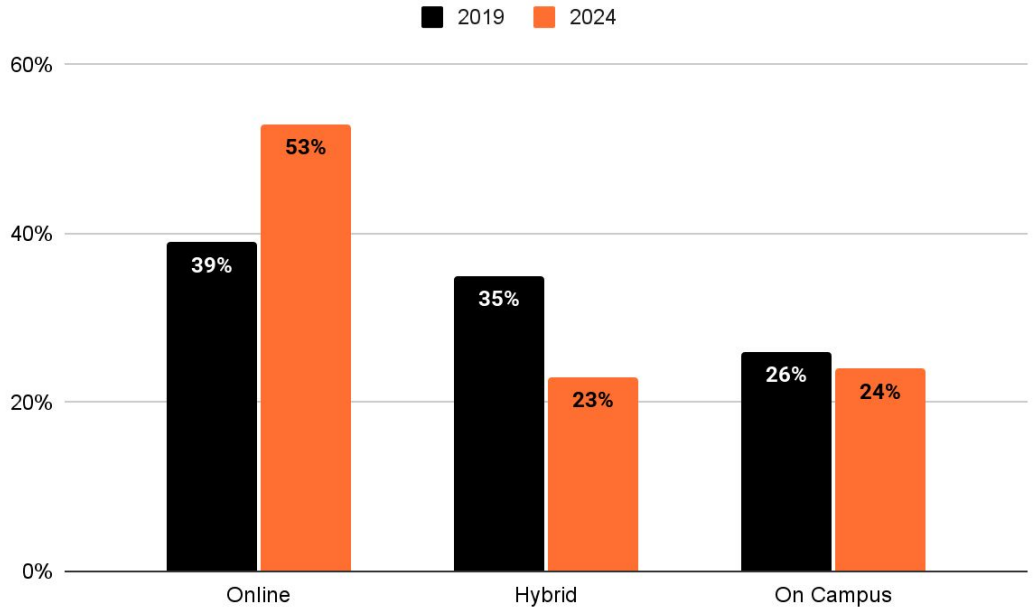
53% of prospective master's students want to study online

In 2019, just 39% of prospective master's degree students intended to study fully online. As of 2024, 53% of prospective master's degree students now intend to pursue an online program.

Trend Analysis & Implications

- The share of prospective master's degree students interested in pursuing a fully online program rose from 39% in 2019 to 53% in 2024. During that same time, the share interested in pursuing a hybrid program dipped from 35% in 2019 to just 23% in 2024.
- Among all prospective graduate students, and with a higher degree of granularity in the survey responses, 26% of prospective students desire fully online learning (up 6% since 2019), 21% desire mostly online learning (down 1% since 2019), 23% desire an even balance of online and on campus learning (down 4% since 2019), 17% desire a mostly on campus program (unchanged since 2019), and just 13% want a fully on campus program (down 1% since 2019).
- While 53% of prospective master's students indicate a preference for online learning, only 5% of prospective graduate students surveyed by EducationDynamics indicated that they would definitely not enroll in a fully online program.

Modality Preference Among Prospective Master's Students



Source: EducationDynamics, Encoura

Online prospects desire a more diverse set of majors

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Intended Field of Study Among Prospective Master's Degree Students

Total (All Modalities)	On Campus + Hybrid (47%)	Online (53%)
Business (27%) ↗	Business (23%) ↗	Business (31%) ↗
Computer Science/IT (15%) ↗	Computer Science/IT (19%) ↗	Computer Science/IT (12%) ↘
Education (11%) ↗	Education (14%) ↗	Education (8%) ↘
Healthcare (7%) ↘	Healthcare (8%) ↘	Healthcare (6%) ↘
Counseling/Psych. (7%) ↘	Counseling/Psych. (8%) ↘	Counseling/Psych. (5%) ↘
All Others (33%) ↘	All Others (28%) ↘	All Others (38%) ↗

Arrow indicates change in percentage since 2021

Source: Validated Insights analysis of data from Encoura, Niche, and Ruffalo Noel Levitz

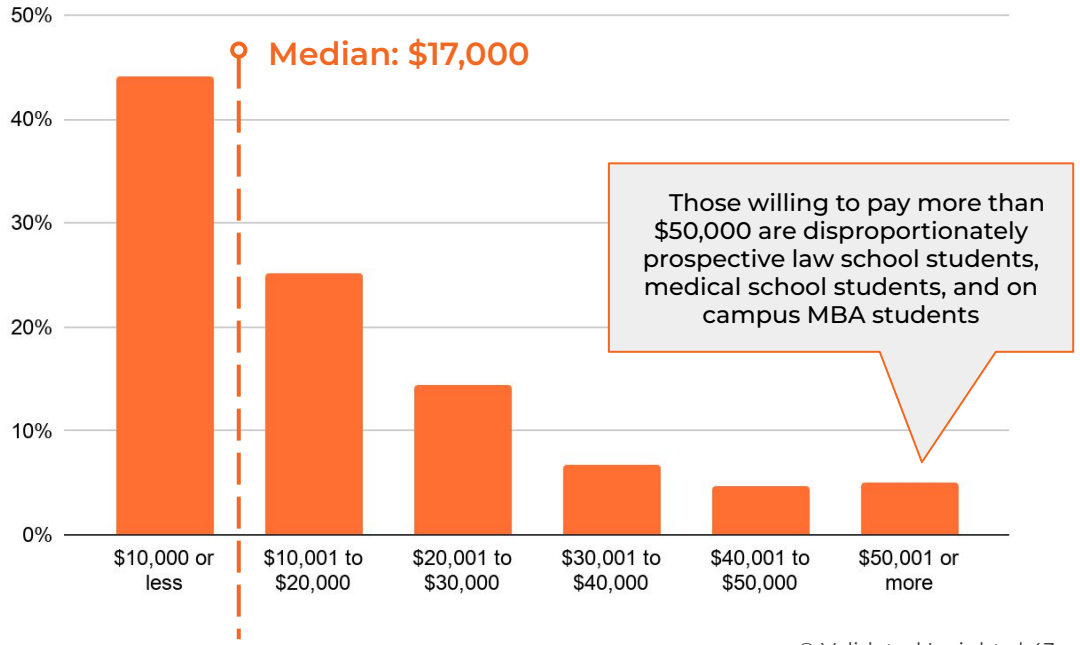
50% of prospective students won't pay more than $17k/yr

The median price prospective master's degree students are willing to pay annually for their studies is $17,000. Just one in twenty prospective students are willing to pay more than $50,000.

Trend Analysis & Implications

- According to surveys of prospective students from EAB and Encoura, 50% of prospective master's degree students are unwilling to pay more than $17,000 annually for their graduate studies. More than four in five (83%) of prospective master's degree students are unwilling to pay more than $30,000 annually.
- There is wide variance in what prospective master's degree students are willing to pay depending on their desired program. The median price prospective online master's degree students are willing to pay is just $10,000 annually, and the median price perspective on campus students are willing to pay annually is $47,000.
- When perspective master's degree students were asked about per-course pricing, almost three in five reported an unwillingness to pay more than $1,500 per three credit course ($500 per credit).

Prospective Students' Willingness to Pay Annually for Master's



Source: Validated Insights analysis of data from Education Advisory Board (EAB) and Encoura

Program preferences vary depending on modality

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While prospective master's students are still primarily driven by the cost of attendance, on campus prospects are more driven by the quality of the program faculty while online prospects are more driven by the convenience of the program.

Trend Analysis & Implications

- Among all prospective master's degree students, the most important factor when choosing a program is the cost of the program, as 49% of prospective graduate students surveyed by Encoura indicated that "affordable tuition and fees" is one of the top three most important features in the selection of a school/program, 39% of prospective graduate students surveyed by EducationDynamics indicated that they choose to apply to a program because of the cost of the program, 26% of prospective graduate students surveyed by Ruffalo Noel Levitz indicated that they ultimately enrolled in the most affordable program they considered, and 60% of prospective graduate students indicated that they removed a school from consideration because it was too expensive.
- Outside of affordability, the most important program attributes for prospective master's degree students depends largely on the intended modality.

Reputation has surpassed Rankings among on campus prospects.

Most Valuable Program Features Among Master's Prospects

On Campus Master's Prospects	Online Master's Prospects
#1 High Quality Faculty (42%)	**#1** Fully Online Coursework (54%)
#2 Proximity to Home/Work (27%) ↑	**#2** Self-Paced Program (31%) ↑
#3 Alignment with Career Goals (25%)	**#3** Reputation (28%) ↑
#4 Career Placement Evidence (22%) ↑	**#4** Alignment with Career Goals (26%) ↓
#5 Reputation (20%) ↑	**#4** Accelerated Program (24%) ↓
24% of prospective master's students with a median willingness to pay $94,000	53% of prospective master's students with a median willingness to pay $20,000

Arrow indicates change in rank since 2022

Source: Education Advisory Board (EAB), EducationDynamics, Encoura, Ruffalo Noel Levitz

Section 7

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Summary and Recommendations

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MARKET OVERVIEW

- Master's market shows slow aggregate growth (1.9% projected CAGR), masking deeper challenges.
- Domestic enrollment is stagnant/declining; growth has been driven by international students.
- Market is highly competitive; program benchmarks (enrollment per program) are falling.
- Large addressable market ($455B TAM) remains under-served.

KEY CHALLENGES & RISKS

- Significant headwinds for international enrollment (policy changes, declining interest), threatening tech programs.
- New federal loan limits and GradPLUS termination will impact affordability for high-cost programs (e.g., PA, NP).
- Students are increasingly price-sensitive (median willingness to pay ~$17k/yr) and debt-averse.
- Automation poses a long-term risk to some high-demand fields (e.g., Business Analytics).

STRATEGIC RECOMMENDATIONS

- Prioritize high-growth, domestic-demand fields like **Clinical Mental Health Counseling**, **Nursing (NP)**, and **Cyber Security**.
- Aggressively develop **online and flexible** program models to meet majority student preference (53% prefer online).
- Mitigate international dependency in tech; diversify recruitment pipelines.
- Align pricing with student price sensitivity and clearly articulate program ROI and career outcomes.

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