

# Higher Education Digital Services 2025 Market Insights™ Excerpt

Transforming the educational  
landscape using next-generation  
technologies

July 2025



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# Executive summary

## Key drivers



Increased revenue pressures and competition are forcing higher education institutions to transform digitally for sustained growth



Higher education institutions are augmenting cyber resilience amid a surge in cyber threats due to increased digitization



The demand for scalability and interconnected systems is making the modernization of higher education systems essential



Evolving expectations are pushing higher education institutions to deliver newer learning experiences and enhance student engagement



Sustainability goals and the need for improved resource utilization are driving green campus initiatives

## Enterprise response

Amid growing pressures around financial sustainability and intensifying competition, higher education institutions are strategically embedding digital technologies such as AI and analytics across both academic and operational functions to drive value through digitization. The initiatives include personalized outreach and marketing, virtual assistants for admission and aid management, and student retention analytics.

Higher education institutions are enhancing their cybersecurity postures as growing digital assets and rising threats increasingly disrupt operations. In the past 12 months, over 91% of higher education institutions in the UK faced cyberattacks—a trend mirrored globally. To combat this, they are strengthening authentication, adopting cybersecurity frameworks, and improving detection and response services.

As scalability and interoperability become critical, higher education institutions are prioritizing the modernization of legacy systems. They are adopting cloud-native, integrated platforms, such as student information systems, to build connected digital ecosystems that unify academic, administrative, and student services, enable real-time data exchange, improve operational agility, and support collaboration.

With hybrid and remote learning programs picking up and rising student expectations for curated content, higher education firms are adapting the learning and student engagement delivery models by leveraging digital technologies, including analytics, AI, AR/VR/XR, to deliver services such as tailored content delivery, individual learning paths, and personalized feedback.

A heightened emphasis on achieving sustainability and climate objectives, along with the need to reduce energy consumption, is driving higher education institutions to utilize digital technologies such as IoT and analytics. These technologies help optimize resource usage, digitize monitoring processes, streamline reporting, lower carbon emissions, and create smart campuses.

# Revenue pressures have accelerated digital adoption to boost enrollment and retention in higher education

To address financial strain and increasing competition, higher education institutions are utilizing AI-driven CRMs, chatbots, and analytics to enhance enrollment, target untapped opportunities, improve admission outcomes, and boost retention rates.



## Unlocking new opportunities

Olivet Nazarene University (ONU) unified its recruitment process into Ellucian CRM Recruit and launched ONU Plus, a recruitment solution, to reach and enroll online students from different geographies.



**PennState.**

## Enhancing admission experience

In 2024, Penn State University launched LionChat, an AI-powered chatbot that answers common admissions and enrollment questions to modernize engagement and boost admissions.



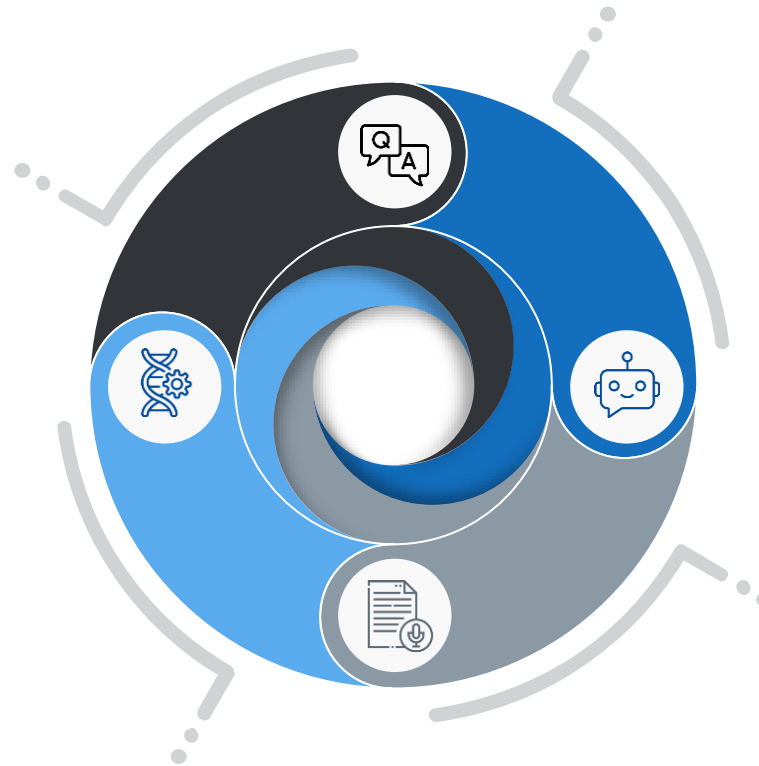
## Accelerating enrollment

Georgia Northwestern Technical College utilized TargetX, a robust CRM platform, and digitized marketing to enable automated personalized and targeted outreach and tracking to boost enrollment.



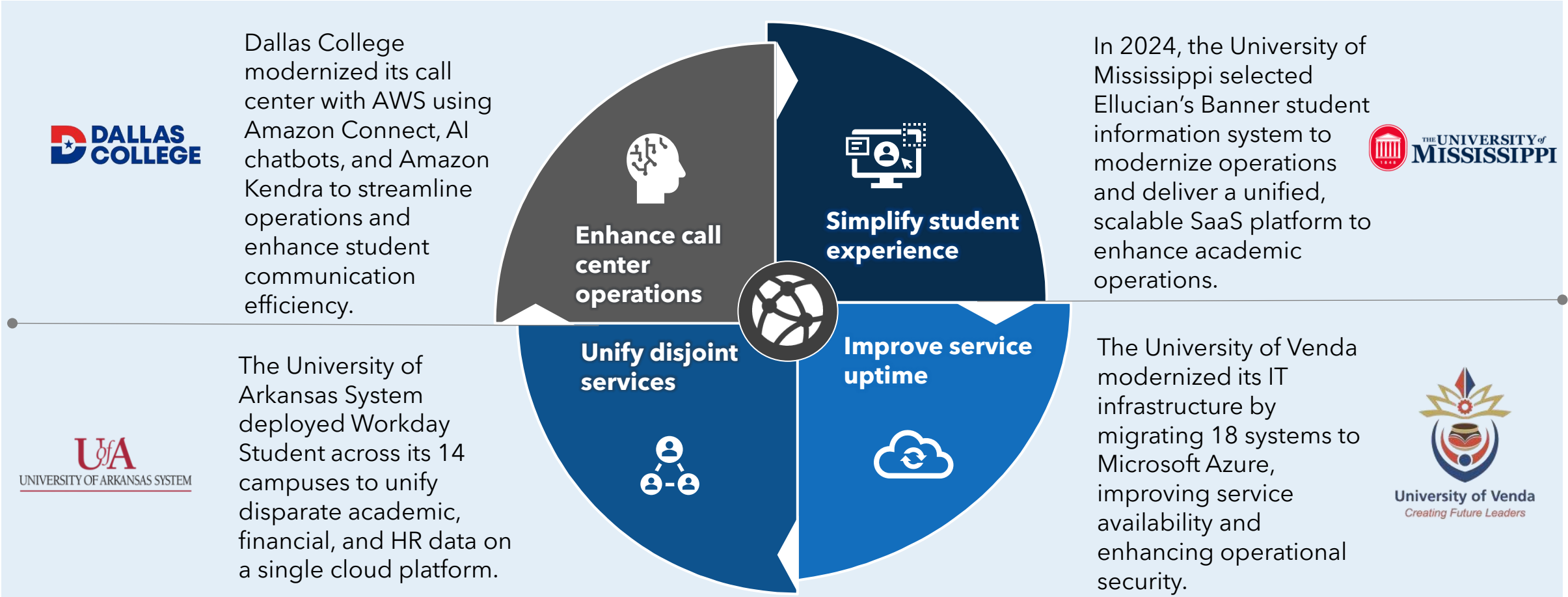
## Supporting student retention

In November 2024, Utah State University utilized Salesforce Education Cloud to deliver an AI-enabled CRM platform to enable student retention by delivering personalized support.



# Delivering operational scalability and connected digital ecosystems is now imperative for higher education institutions

Higher education institutions are adopting cloud-native student systems, AI-enabled support tools, and unified cloud platforms to modernize legacy systems. These technologies are enabling institutes to have scalable operations, seamless data flow, and integrated academic and administrative services.



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