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Aspen Group Announces Marketing Efficiency Ratio

Company Projecting to Achieve 8.5X Average Return on Marketing Investment

NEW YORK, July 28, 2016 (GLOBE NEWSWIRE) -- Aspen Group, Inc. (OTCQB:ASPU), a nationally accredited online postsecondary education company (Aspen University), yesterday announced on its fiscal fourth quarter 2016 earnings call a marketing efficiency ratio formula to allow shareholders and prospective investors the ability to continually monitor the performance of its debtless education business model. Details of this formula are below:

$$\text{Marketing Efficiency Ratio} = \frac{\text{Revenue per Enrollment (RPE)}}{\text{Cost per Enrollment (CPE)}}$$

Cost per Enrollment (CPE)

The Cost per Enrollment measures the marketing investment spent in a given quarter, divided by the number of new student enrollments achieved in that given quarter, in order to obtain an average CPE for the quarter measured.

Revenue per Enrollment (RPE)

The Revenue per Enrollment takes each quarterly cohort of new degree-seeking student enrollments, and measures the amount of earned revenue including tuition and fees to determine the average RPE for the cohort measured. For the later periods of a cohort, in particular students four years or older, the Company uses reasonable projections based off of historical results to determine the amount of revenue the Company will earn in later periods of the cohort.

The Company created the reporting to track the CPE and RPE starting in 2012 and can accurately predict the CPE and RPE for each new student cohort. Our current CPE/RPE Marketing Efficiency Ratio is reflected in the below table.

Quarterly New Student Cohort Actuals Data:

CPE/RPE Analysis	6 Months Out	12 Months Out	2 Years Out	3 Years Out	4+ Years Out*
Courses Completed	2.24	3.52	5.28	6.48	8
Average RPE	\$ 1,974	\$ 3,078	\$ 4,630	\$ 5,684	\$ 7,000
RPE % Earned	28 %	44 %	66 %	81 %	100 %
Marketing Efficiency Ratio**	2.4X	3.7X	5.6X	6.8X	8.5X
** Based on current \$830 CPE					*Projection

The Company's Average RPE is approximately \$7,000. Of the \$7,000, \$6,400 of the RPE is

earned through tuition, with the remaining \$600 on average earned through miscellaneous fees (includes annual technology fee, withdrawal fees, graduation fees, proctored exams, course specific fees, etc.)

Aspen currently projects to average a Marketing Efficiency Ratio of 8.5x, in other words an 8.5x return on our marketing investment. Third-party companies in the higher education industry that manage the Enrollment and Marketing functions on behalf of Universities (also referred to as Managed Services companies) reportedly average 3-4x return on their marketing investments, meaning that Aspen's business model is currently performing at more than double the efficiency level of that sector.

"Aspen has built one of the most sophisticated and efficient education technology business models in history, based on our debtless education mission," said Chairman & CEO, Michael Mathews. "We decided to begin publishing this marketing efficiency ratio on a quarterly basis to demonstrate this proposition," continued Mathews.

About Aspen Group, Inc. (OTCQB:ASPU)

Aspen Group, Inc. is an online postsecondary education company. Aspen University's mission is to offer any motivated college-worthy student the opportunity to receive a high-quality, responsibly priced distance-learning education for the purpose of achieving sustainable economic and social benefits for themselves and their families. Aspen is dedicated to providing the highest quality education experiences taught by top-tier faculty – 61 percent of our adjunct faculty hold doctoral degrees. To learn more about Aspen University, visit www.aspen.edu.

Cautionary Note Regarding Forward-Looking Statements

This press release contains forward-looking statements including statements regarding average return on marketing investment. The words "believe," "may," "estimate," "continue," "anticipate," "intend," "should," "plan," "could," "target," "potential," "is likely," "will," "expect," "project", and similar expressions, as they relate to us, are intended to identify forward-looking statements. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy and financial needs. Important factors that could cause actual results to differ from those in the forward-looking statements include unexpected regulatory issues, competition and changes within the healthcare industry that make the nursing occupation less attractive to learners or reduce the benefits of an advanced degree and unexpected adjustments made during the auditor's review. Further information on our risk factors is contained in our filings with the SEC, including our Form 10-K filed on July 27, 2016. Any forward-looking statement made by us herein speaks only as of the date on which it is made. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by law.

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