



Phone Link Ups

ARE YOU BEING SERVED: Effective Strategies to Market Children's Services







Question 1: Does your service have a marketing or strategic plan?

Many small businesses including not-for-profit enterprises often do not have effective strategic or marketing plans. Planning is a vital function within the children's services sector as the emergence of corporate childcare, with large marketing budgets, threatens the long-term viability of smaller owner operators and community-based children's services. A marketing plan may assist operators in the children's services sector cope with new threats as well as take advantages of new opportunities. This discussion paper will examine marketing in children's services with emphasis on marketing research, understanding what our service offers, creating a distinction in the local community and developing promotional tools and ways to measure outcomes of marketing efforts.



Question 2: Do you know who your customers/service users are?

Knowing who uses your service and what their needs are is one of the first important steps in developing a marketing plan. It is a given that the service you run is in the children's services market or sector. Therefore, it's important to know who your current families are, what they need and whether or not you're meeting that need. Second, it's important to know more about the community you operate in. This will give vital information on trends for future planning of your service. To that extent there are two sources i.e. secondary and primary of marketing information.

- i) **Secondary sources** – this is information that you already have at your disposal without having to use methods such as surveys or focus groups to obtain information about your current or potential customers. Secondary sources of information can include:

-  Current enrollment data
-  Utilisation rates
-  Retention rates
-  Financial information about your service
-  Australian Bureau of Statistics information about your local community
www.abs.gov.au
-  Your local government social plan

- ii) **Primary sources**– this is information you have to obtain from new sources to gather information about your customers. These include:

-  Focus groups of parents
-  Surveys of families

You may want to use a combination of both secondary and primary sources to determine if you are meeting your families' needs.

Question 3: What is your core, actual and augmented service you provide to your families?

Each service has a core, actual and augmented elements. The core element refers to those activities, which are commonplace across the majority of services in the market. For example, in the banking sector the core service provided is secure banking of a customer's money. The actual service refers to the items provided in the delivery of the service. Again, in banking it may be telephone and Internet options for banking. The augmented services are those items, which add value to the core and actual products. They can also be used to develop loyalty to the organisation. For example, banks may offer a discount on their home loans and other financial products when you are a loyal customer.

Within the children's services market, it's important to know what we are offering and how that matches with the expectations of our families/customers. Once we are able to determine if our service offer matches our customer needs, we can make the necessary adjustments to our service. Also, once we are clear on what we are offering and to whom, our promotional strategies will be clearer and more targeted.

Question 4: Do you know what your competitors are offering?









It's important to know what your competitor is offering and at what price as they may be meeting the needs of customers more effectively. A way to find out what your competitor is offering is to analyse or look at their advertising in the form of local community advertisements, pamphlets, web sites etc. Another method may be the use of a 'mystery shopper' to call them and ask questions.

Question 5: What promotional strategies are you currently using? How do you know that they are effective?

Hopefully by now, you have an appreciation that marketing is not just advertising and promotion alone and that it involves other important factors. Many businesses spend time and money investing heavily in advertising and promotion without necessarily catering to the needs of customers, or may promise many things in advertising and not necessarily follow-through. Can you think of any examples of when this has happened to you?

When promoting your service, it is useful to have a promotional plan that maps out the different activities you will undertake in a year. There are a range of promotional activities that can be utilised to ensure that your service remains "top of mind".

These include:

-  Public Relations – good news stories in local community newspapers, commenting on items that are in the public domain in your local community affecting early childcare
-  Special events
-  Advertising – local newspapers, yellow pages, pamphlets and letter box drops
-  Website
-  Newsletters
-  Open days
-  Individual interviews with families
-  Word of mouth









Word of mouth can be challenging, as it is sometimes difficult to measure. However, a lot of children's services utilise word of mouth as a promotional tool without knowing it and it is often an important and cost effective way of advertising.

Following up on advertising and promotional efforts is important as you need to know how much it costs and what is the most effective form of promotion for the future. Examples of measuring your efforts include:

Measure	What it means	Example
Cost per Inquiry (CPI)	Used for measuring advertising effectiveness. Calculated by dividing cost of promotion by total number of enquires received	If you spend \$500 on a letterbox drop and receive twenty enquiries, the cost per enquiry is \$25.00
Enrolment conversion	This can be used to track the number of enrollments following interviews with families or from open days. You will need to keep a track of families coming for interviews or open days	You have 50 families visit in a quarter and of those, 20 enroll. The conversion rate is 40%
Cost Per Enrollment (CPE)	This measure relates to the amount spent to secure an enrollment. You will need to divide the cost of promotion by the number of enrollments	You have 2 families enroll from the letterbox drop. This means that the cost per enrollment is \$250.00. If this sounds expensive, think about how much income the family would generate over a year if the child attends two days per week for 50 weeks per year. So, 50 weeks x \$120 per week is \$6000. That is an investment of approximately 4% of the income to secure the enrolment.

Question 6: Do you have a consistent image or brand of your centre?

Logos and branding are important as it helps current and potential families identify you in the market place. Logos and branding also convey messages about your service. You can look at the following materials in your service and determine if there is consistent branding.

-  Letterhead
-  Advertisements
-  Fax letterheads
-  With compliments slips
-  Invoices
-  Website
-  Signage on buildings
-  Any others?

Having current and consistent logos and branding helps to strengthen your identity in your community.

Question 7: Do you know the needs of your staff?

Much time is spent focusing on external marketing activities and not as much on internal marketing. Internal marketing consists of those activities that ensure that staff are champions of your service and brand. A staff climate survey is one way of determining if you are meeting the needs of your staff in relation to safety, rewards (pay) and recognition, resources etc. If we have staff that are loyal to our service and brand, they can become great advocates for our service when working with families and when interacting with other people in their community.

PUTTING IT TOGETHER

Like a business plan, a marketing plan will have a similar look and feel to it. It will cover marketing objectives, strategies, resources, outcome measures and people responsible. For example, the objective may be to increase enrollments by 10% in a given period. What would the strategies be to meet this objective? What resources would be required? Who will do it? How will it be measured?

Once in place, a marketing plan needs to be regularly reviewed and modified (if necessary) to meet any changes in the market. For example, a new child care centre opens opposite your service.

Reference and further reading:

Child Care Information Exchange. (1996). *On-Target Marketing: Promotion Strategies for Child Care Centers*. Exchange Press Inc.

www.business.gov.au - this is a good website with links to business and marketing plans from various websites

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