

RETENTION 2021

Segment for Success



A 9-step guide to
independent school retention efforts



In 2021, retention will be the most critical contributor to school success.

In most schools today, there is much angst about enrollment. Last year, a number of families withdrew or deferred because of health or financial concerns. More positively, a significant number of families were attracted to independent schools as an alternative to the realities of publicly funded education. While those Covid-prompted transfers have, to varying degrees, offset Covid-related withdrawals, many schools experienced a decline in total enrollment. And, the outlook for 2021-22 recruitment is at this point uncertain.

What remains clear is that in 2021, retention will be the key to maintaining healthy enrollment levels. At the same time, there may never have been a year in which retention was more challenging. With the stakes that high, the same-old approach to retention is not going to work. Kicking retention efforts into overdrive is going to require a different *modus operandi*.

Using target segments is the perfect solution.

The concept of target segments is often used in recruitment. For clarification, there is a distinction between a target *audience* and a target *segment*. The target audience, for most independent schools, would be parents of young children, living within a particular radius of the school, and with family income above a specific threshold. Target segments dig deeper. They can include families living in particular zip codes, those with children at a specific feeder school, parents working at a given employer, or families affiliated with a church, temple or synagogue. Segments allow schools to focus on the needs, interests and concerns of more homogenous groups and use highly targeted strategies and tactics to reach them. Most importantly, segment marketing has proven to be very successful.



The segmented approach is an effective way of approaching this year's daunting retention challenge. As opposed to treating your families as one uniform group, you can define various segments of parents who share needs, interests and concerns. For each of those segments, you can develop unique strategies and approaches.

Here's a 9-step guide to implementing the segment-based approach.

STEP 1

○ Define retention segments

Identify distinct groups of current parents who share common needs interests and concerns. Here are some possibilities.

Covid-related transfers. The enrollment of many independent schools swelled in the fall with the arrival of families dissatisfied with or uncertain of public school offerings. Schools now have the opportunity to demonstrate their long-term value and to convince parents to make them more than a one-year rental.

Covid-related deferrals and withdrawals. Ironically this is a retention segment that does not include current parents. Health and financial concerns forced many families to step away from private schools in favour of learning pods or less expensive options. The imperative for schools is to woo back as many of them as possible. It makes sense to include these families in retention efforts because they likely still feel a strong connection to the school.

Grade transitions. Whether it's from Kindergarten to 1st grade, from 5th to 6th or from 8th grade to 9th, just about every school has a grade transition with poorer retention results. Thinking about the particular needs and interests of those families will facilitate more focused retention efforts.

New families. Clearly families in their first year or two are critical to long-term retention success. But those parents are new to a school and its community, which creates another subset of interests to be considered and satisfied.



Families receiving tuition assistance. There is no question that the experience of parents who require financial assistance is different from that of others. They have different feelings and different perspectives.

Other segments could include families from particular neighborhoods, or feeder schools. In some communities there are major employers which create the possibility of segments based on where parents work. Families with multiple children in the school or those families in which there is a sibling who withdrew are also potential segments.

The key is to carefully consider your parent body and define a manageable number of segments to which you can give your attention.

STEP 2

○ Complete the NIC Assessment

The school must provide enough perceived value to parents in each segment for them to keep their children at the school. Value is in the eye of the beholder and will be measured by the degree to which what is being offered meets the needs, interests and concerns (NIC) of parents. Therefore, the first step is to articulate those needs.

The goal here is to think deeply about families in each segment and detail their needs, interests, and concerns. It's important to consider what those parents are feeling as much as what they are thinking. The easiest way to complete this may be through a series of questions, something like these:

- What are the experiences and outcomes that parents want the school to provide for their children and themselves?
- What are they hoping their children will accomplish and become?
- What are their doubts? Why might they think that the school would be unable to meet their needs?
- What are their alternate school choices and how do they compare?
- What does the school offer them particularly as parents?
- What do they need to know and more importantly what do they need to feel in order to make their children's re-registration a certainty?



STEP 3

○ Determine Reasons to Believe

Next, determine what your school can offer that addresses the NIC assessment. The key though is to do this from the perspective of parents. That way, the task is to detail what your school offers that is most likely to allow parents in that segment to believe that their children should continue at the school. That could include academics, extracurriculars, graduate outcomes, character education, religious or values-based orientation as well as culture, community, relationships with educators and even tuition models or financial assistance options. This can be approached as a features and benefits analysis. Your school may offer a leading-edge STEAM program, but the challenge is to uncover the benefit to parents in a particular segment. Another way of detailing reasons to believe is to think about what problems are solved for parents by remaining at the school.

STEP 4

○ Develop Segment Strategy (Believability Summary)

The strategy connects parents' needs with the reasons to believe. Seth Godin says that a strategy articulates “the emotions you can amplify, the connections you can make that will cause someone to do something ...” Your strategy then is a high-level summary of believability that describes the emotions and connections that will cause parents to re-register.

To illustrate, here are possibilities for the Believability Summary for parents whose children were at public school last year.

To maximize retention of those families who chose your school as an alternative to public school, parents must believe:

- The values, perspectives and mindsets imparted on students are very important to their development and are not part of the public school experience
- The academic program, including the quality of teachers, is superior to what is available at public school
- Their children will receive more individual attention than they would at public school
- Compared to public school, students are better prepared academically and have better success as alumni – whether that's in high school, college or university



- The community and culture of the school provide a unique experience for both parents and students that is welcoming, inspiring, inviting and meaningful
- They have the opportunity to be part of a caring, like-minded community
- They can manage the financial implication because tuition is or can be made affordable
- What children gain from the school combined with the experience of parents at the school creates value equal to or greater than the cost of tuition
- The friendships children make will have lasting and positive impact
- They are making a better choice for their children that will endure for years to come

The next steps discuss how to convert the Believability Summary into actions that will affect parents' decision-making.

STEP 5

○ Design the Experience

“People will forget what you said, people will forget what you did, but people will never forget how you made them feel.” Maya Angelou

The parent experience may be the most important factor in parents' decision about whether to have their children remain at your school. The parent experience is the sum of all interactions and touch points a parent has with a school. Those include everything from parent-teacher conferences to grade-wide programs to contact with the business office and even pick-up and drop-off. Every one of those interactions has some influence on a parent's experience. In fact, in their book Unselling, Scott Stratten and Alison Kramer say there is no such thing as a neutral interaction. Each one either enhances or diminishes the experience.

Increasingly, consumers (and parents are consumers) are making choices based on their experience with a product or service. That's equally true of schools. In fact, in a recent e-book on parents' perspective of independent schools, one parent reported, “My experience as a parent was almost the exclusive factor in choosing a school.”



It's obvious that we want parents' experience to be positive and validating. To have strategic impact, it also needs to differentiate a school – to make a unique statement. The same is true of a segment. Referring to our earlier statement about strategy, we need to think about how the parent experience within a segment can evoke certain emotions and make particular connections. We need to start with the end in mind. Doing that requires not just enhancing, but designing the parent experience

Now, we can apply the strategy for a particular retention segment to think about the experience we want to deliver. For example, for parents of children in 5th grade (particularly in K-8 schools), the goal would be to create a parent experience in which particular strategic themes resonate. That might include:

- Through a variety of interactions, parents become aware of the school's high school placement record and the success of its alumni in high school. These could be topics that come up at parent teacher conferences or in individual conversations with educational leaders. They could be the subject of stories related to parents by other parents, trustees or even students and alumni. Information about high school placement and success would be featured in parent communication including regular e-newsletters.
- The same ethical, religious or cultural values that the school seeks to impart on students can pervade the parent experience. Those values can be reflected in personal interactions and in various forms of communication. That can also extend to educational values. For example, the concept of growth mindset can be integrated into various parent interactions.
- A program that matches 5th grade parents with parents of recent alumni, bringing personal reflection and depth to statistics about graduate placement and performance.
- Forums in which parents can discuss their hopes and dreams for their children with fellow parents, parents of alumni and perhaps educators

○ Strategic action items (aka tactics)

There are many, many ways that the Believability Summary can be converted into action items. We present three tactics – messaging,



events and tuition models. Whatever you choose to do, it's important that the strategic themes of the Believability Summary are consistently reflected in tactics. Consider that these are all part of the parent experience which, as we said earlier, should make the connections and amplify the emotions that will elicit the decision to stay at the school.

STEP 6

○ Create Messaging

Retention results are influenced by the messages being delivered to parents. This includes important themes, topics and specific information that are part of all communication. Retention segments therefore require a very strategic approach to messaging.

A messaging inventory is a highly effective means of implementing that strategy. It's a way of developing messages that detail the particular ways in which the school is meeting the specific needs, interests and concerns of parents in a segment.

Here's an example based on parents who are in their first year with the school:

Need, Interest or Concern	Overall Approach	Specific Initiative	Message
I'm not sure it's worth what it will cost to have my child continue until graduation	Provide parents with evidence of graduate success	Graduate placement and performance data from the school with comparisons to other competitive schools	Our graduate placement and performance data is superior to that of competing schools
		Testimonials from parents of alumni	Parents of our graduates are thrilled at their children's performance in high school as well as at the way they communicate with others and conduct themselves



It's ok if this is almost the same messaging being used in recruitment collateral. Many of the concerns parents had when considering a school persist – and need to be addressed – even after their children are enrolled. Beyond that, parents need to be reminded why they chose the school their kids are at. I remember a conversation I had with a parent at a school with which I was working. She told me, “The recruitment material I received many years ago has all been filed away. I don't remember why I chose this school.”

STEP 7

○ Examine tuition and financial assistance models

Beyond, typical tuition assistance plans, there are many innovative and effective approaches to parents' concerns about affordability. Some of them include initiatives that could strategically meet the needs of particular retention segments. For example, a number of schools have introduced retention grants for new students. Other tuition adjustment models include:

- Middle income affordability programs
- Indexed tuition
- Tuition reduction by grade level or school wide
- Adjusted payment schedules
- Reduction of credit card and other related fees

More detailed information about tuition and affordability models are available from education industry organizations such as EMA, NAIS, Prizmah and NBOA,

STEP 8

○ Create Retention Events

A variety of events can be used to strategically support retention segments. The key is to ensure that these events effectively address the needs, concerns and interests of parents in particular segments. For example:

An information night for parents with children at particular grade transitions. Provide parents with interactive experiences that reflect the educational priorities in a particular division or grade. Student, teacher and administrator voices can be used. If it's a virtual event, material to be used at the event can be sent home to parents in advance of the event.



A re-welcome event for parents new to the school. New parents, including those who registered in response to Covid, haven't been oriented to the culture and community of a school. This event could involve artistic or musical presentations, video productions as well as a variety of speakers and interactive opportunities (using breakout groups) - all as a way of re-welcoming and reminding parents of the importance of culture and community in satisfying their hopes and dreams for their children.

No matter what the event, use these overriding principles:

- **Make them interesting and interactive.** Talking head events are boring and ineffective. Even online events can involve a variety of speakers and engage parents in a variety of experiences.
- **Timing is critical.** Retention events are obviously best held before re-registration deadlines but will be regarded as contrived if they are too close to those deadlines.
- **Don't be afraid to sell.** Current parents need to be "pitched" as much as prospective parents and retention events can be just as elaborate as recruitment events
- **Involve educational leadership and faculty.** Not only are retention events critical to school success but the involvement of all school voices will make them richer and more compelling.

STEP 9

○ Remember the Unsegmented Truth

Any guide to retention would be lacking if the following truths weren't addressed.

You've got to have a goal. Whether expressed as a percentage or an absolute number, you need to have a retention goal. More importantly the success of retention efforts must be measured against that goal. If you're looking for a benchmark, current NAIS data is that the average retention rate in independent schools is approximately 88%.

Use data to drive retention. Goals are more likely to be achieved when supporting data is being monitored. For example, parent satisfaction surveys can be an important predictor of retention results and can also indicate those elements of the school experience that can be improved



to impact retention. Some schools use the Net Promoter Score which is a measure of parents willingness to refer a school to family and friends. Exit surveys can provide important attrition data.

It's easier to retain than it is recruit. The resources (financial and human) required to retain a family are dwarfed by those required to recruit one. In business, estimates are that it costs five times more to attract a new customer than it does to keep an existing one. Similar data isn't available from schools but it's hard to imagine that retention costs would even compare to recruitment spending once you include advertising, online strategies, video and events.

Retention = recruitment. Word of mouth is unquestionably the largest driver of inquiries to schools. The positive comments of current parents have tremendous impact on the decision making of prospective parents. Your efforts to enhance the experience of current parents will reap both retention and recruitment benefits.

You can't do it alone. To be successful, retention efforts have to be a holistic enterprise and on the agenda of every group or body in a school. And if that's true, then the involvement of heads of school is critical to retention success. That includes the use of retention committees, which, according to EMA's State of the Industry Report, account for more strategic retention efforts.

Basic training. The fundamentals of watch lists, training teachers to recognize the signals of parents seeking alternatives and the related communication protocols are essential for retention success.

○ Go forth and segment

Now is the time for a new approach to retention. Even if you identify and strategically approach only one or two retention segments, it will enhance overall retention efforts. In addition, the discipline of using a strategic approach to retention will have far reaching and long lasting benefits.

Questions? Need help?

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