St. Mary's Episcopal School 2014-2015 Marketing Plan

Natali Zemke

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Executive Summary

St. Mary's Episcopal School (SMES) is a private christian school located in the city of Edmond. It was founded in 1977 and prides itself on the high quality teachers it hires as well as it's students and their high test scores. SMES knows that its students are the best so it seeks to provide them with the best. SMES offers small class sizes as well as before and after school daycare. SMES desperately seeks to provide its students with the best education out there and they do this by offering multiple extra curricular activities as well as specialty classes such as foreign languages and other enrichment programs. They have a christian based atmosphere and teach their students very important messages.

Throughout this marketing plan I will discuss ways to reach SMES goals and objectives as well as define their primary and secondary target market. I will also discuss how to advertise and market this school in ways to reach the most customers and as well as how to keep their current ones. And last but not least I will explain how to implement and control the success that will come from this plan. SMES must pay more attention to their marketing strategy in order to get a rise in enrollments and keep their loyal customers.

Introduction

The reason for this project is to increase the enrollments of students in SMES. Enrollment is down since the past two years and this is a very crucial aspect in order to keep the school up and running. Over the past few years the school has attempted to offer middle school classes but this has seemed to hurt the school instead of help them. So they are beginning to realize that their

marketing efforts are in need of some drastic help. This marketing plan will help organize and tell them what they need to do in order to increase their enrollment numbers as well as maintain revenue from the tuition of these enrollments. This is the main part of their school that needs help and they are very determined to fix it and have a full class size of 175 students enrolled for the 2014-2015 school year.

Situation Analysis/SWOT

St. Mary's Episcopal School has the threats of macro-level external environment factors, competitive environment factors, as well as internal environment factors. All of these come together to either strengthen or harm SMES. But they will take all of these threats and strengths such as all of their great benefits that their school offers and use them with hopes to increase their enrollment for the 2014-2015 school year. SMES will attract the families of Edmond to enroll their elementary school children in this fine institution instead of their competitor Edmond Public Schools. They may not face too many weak internal factors but the competitive environmental factor of theirs is one that will greatly challenge them.

Macro-Level External Environment Factors

Political, legal, and ethical

SMES is a private school which means that there are many factors in the political and legal realm that might get in the way of their institution or company. This school must follow legal

regulations but not as many as some public schools which might help them in the long run. SMES is able to legally teach christian teachings which may attract certain Edmond families.

Sociocultural/demographic

The city of Edmond has many wealthy families. Research has shown that most of the children enrolled at SMES live within 5 miles of the school and the parents are in the top sector of wealthy families in the city of Edmond. The culture of Edmond and of even the current time we live in has a lot to do with spending money. This school has a yearly tuition cost of around $8,000. to some that might seem to be a lot, but some families find it to be nothing. The culture of these different families and of the people that SMES targets plays a huge role in their marketing planning. SMES has a very distinct demographic and this comes in handy when creating a marketing plan.

Technological/Economic

In the world we live in today, technology is changing rapidly. It is crucial for businesses and especially schools to keep up with this fast pace trend. SMES must make sure to keep their technology up to date and keep their students involved with it. That is a very good strength to have over other schools. If they are able to provide their students with top notch technology they will attract the parents and families that believe strongly in that kind of thing.

Competitive Environmental Factors

Threat of New Entrants

It was briefly stated above that Edmond Public Schools is one of the largest threats to SMES. They offer free public schooling to the students of Edmond and offer grades all of the way up to the student's senior year of high school. All while SMES only offers grades pre-kindergarten through 5th grade. This is one of the main threats to SMES even though they offer excellent teachers and other school activities and free before and after school day care, some families are lured in by the cost of free when it comes to the public school system.

Rivalry among Existing Firms

SMES not only has the rival of Edmond Public Schools but they have the rival of nitely-six other accredited private schools in just the state of Oklahoma. That's not even counting all of the other private schools in surrounding states. All of these schools have something to offer these students and they all must compete against each other to win the tuition and the loyalty of these families.

Threat of Substitute Product

Even though product substitution may sound like the there's a huge difference, there is actually something strangely satisfying about some products that are substituted for other ones. In this case, online schooling has become a threat to the public and private schools around the country. This is a form of product substitution and may cause serious drops in enrollment in actual schools.

Bargaining Power of Buyers

The buyers of the world can pick and choose what they want to purchase. It is up to the businesses and in this scenario, the schools out there to persuade these buyers and tell them what they want. If the families of the target market for SMES have a knack for bargaining then they might be in trouble. SMES has a yearly tuition that they must meet in order to successfully run their school each year. Bargaining consumers might pose a threat to them.

Bargaining Power of Suppliers

We really do live in a bargaining world. Everyone tries to get the best possible deal out there and will do almost anything it takes to get what they want. The suppliers of SMES might try to bargain with the school and offer different products for a higher price or try to get SMES to purchase something different that might not be the best choice for their school. These bargaining suppliers will definitely pose a threat to this school system as well.

Internal Environmental Factors

Firm Structure and Systems

Serving the customer is one of the primary tasks in any business. The families students of SMES are the main priority of the school and SMES must have an organized plan to keep them their long term and loyal customers. SMES have been having declines in enrollment over the past few years and they have even done a trial run on middle school classes but those have failed. They must have a strategic plan in place to maintain a successful structure and system to keep enrollments up and the decline and drops in enrollment slim to none.

Firm Culture

One of the main strengths that SMES has is their culture. They offer a christian based atmosphere and have excellent teachers that provide the students with the greatest support and attention. This is a must in order for parents to keep enrolling their children year after year. SMES must maintain a steady stream of communication with the parents as well. Parents love to know what's going on in their childrens lives and especially their education. So it is very important for SMES to communicate very efficiently and often with these parents in order to keep their business.

Firm Resources

Businesses must take a look at their resources and see if they are all strategically planned and working efficiently. SMES needs to make sure that all of their marketing capabilities, financial capabilities, human capabilities, and information system capabilities are all in check and working to the best of their abilities. These resources must all work together and make the school run and function smoothly. Without resources the school would be a mess.

SWOT Summary/Analysis

Strengths: Christian Based, Before and After school daycare, high quality teachers, smaller class sizes, one-on-one teacher to student time, foreign language classes, multiple extra curricular activities, strong sense of culture and philosophy.

Weaknesses: High tuition costs, only grades pre-kindergarten through fifth grade.

Opportunities: Provide students with more activities and classes, higher more teachers to increase amount of classes offered as well as more specialty classes, advertise to the right target market and reach enrollment goals every year

Threats: Free Edmond Public Schools, and how these schools are beginning to offer free before and after school daycare as well, other private schools in Oklahoma as well as surrounding states, online schools becoming more and more popular, formation of new laws and regulations of private schools enforced by the Oklahoma Board of Education, the economy and the rise in taxes.

Marketing Goals and Objectives

Goals

The goal of St. Mary's Episcopal School is to increase enrollment quickly in order to keep the high quality teachers and multiple enrichment programs that are a very crucial aspect of the school.

Objectives

Within the 2014-2015 school year St. Mary's Episcopal School will:

1. Increase enrollment from 105 students to 175 students with the possibility to hold up to 200
2. Bring back up the stable retention rate of 85%
3. Increase revenue that is generated from the tuition

Marketing Strategy

St. Mary's Episcopal School will enforce a market penetration strategy. Since they are already in the Edmond City market and have their product out there, it is time to penetrate this market and get their current existing customers to begin using more of their product, in this case their school program as well as all of their enrichment programs that come along with the school. Their current customers have their children enrolled in their school but by using this penetration strategy they will hopefully be able to keep the enrollment percentages up and even increase their numbers for the 2014-2015 year from 105 to 175. SMES can not only use this market penetration strategy but also a market development strategy, this will allow the school to gain more market share and attract new customers in different markets. With this working successfully, their enrollment rates will most definitely rise. Along with these strategies already listed, a product development strategy would be very useful as well. By using this strategy along with the penetration strategy and market development strategy, SMES will be able to invest in a new product, such as more school programs and even better qualified teachers and use these things to increase the usage from their current customers. This will hopefully bring back the stable retention rate of 85%. The customers will not want to leave the school once they realize all of the things they have to offer and the upkeep of all of the programs. And for increasing revenue that generates from the cost of tuition, the marketing strategy that should be suggested is all of the above. All of these strategies combined will hopefully get new customers to enter this school and raise the enrollment rates which in return will generate revenue due to the fact that each enrollment means tuition payments.

Target Market Analysis

The primary target market for St. Mary's Episcopal School are adults ages 27-35 with well above average incomes and professional careers. These adults will be the parents of the children enrolled in SMES. They will be mainly responsible for the tuition and keeping their children enrolled. It is SMES's job to keep the business of this primary target. Their enrollment of their children year after year is essential to the school. The geographical location of this primary target market is usually within a 5 mile radius from the school. This market also has young children grades pre-kindergarten to fifth grade.

The secondary target market for SMES will be the children, ages 5-11. They will be the children of our primary target market and will have an influence on persuading their parents where they would like to go to school. They will live with these parents and depend on them for the cost of tuition. They are an essential target market as well though since they will have the ability to let their parents know what they like and dislike.

Product Positioning

St. Mary's Episcopal School is already positioned in the Edmond market as a private elementary school that offers multiple enrichment programs as well as before and after school daycare with some of the best teachers in the state. They are losing enrollments though and are in desperate need to bring them up. That is why the repositioning of this school is essential to its success. They must position this school in a way that the wealthy citizens of Edmond will know about them and want their children to go there. They can position this school this way by advertising and marketing it in a sense that will make their primary and secondary target market desire them and need them. In order to do this they will have marketing tactics to implement.

Marketing Tactics

Some marketing tactics that will meet the budget of $25,000 of SMES as well as really help reach the objectives and goals of SMES will be an assortment of marketing mix strategies. These will be more defined below.

Marketing Mix Strategies

Product Branding Strategy

St. Mary's deeply prides themselves on benefiting their students with a high quality education and providing them with nothing but the best. It is very important for SMES to brand themselves as a high quality educator that will practically make parents have to send their children there. SMES will focus on positioning their school to the parents of children that are very concerned about a great education. SMES will position their school in a way that tells these parents what they want and need and SMES will not take no for answer. By using all of the marketing strategies stated above, they will help the customers of their school automatically think of quality and prestige whenever they hear or see SMES.

Product Plan

The product that SMES will offer its customers is the quality of education that they will provide their students. A long with this will include the amazing teachers it hires as well as all of the enrichment programs offered at the school. SMES will study the research and know that their

target market is very concerned with the education of their children and they will know that SMES will provide their students with the best. This will be done by positioning and advertising their school in a way that tells these parents that they need to send their children to this school and that all of their needs and wants in a school will be met by SMES.

Pricing Plan

Since SMES is not the only school of its kind in the market and since they have multiple competitors it is important to focus on the pricing plan. They have multiple other public schools in the Edmond/OKC area which already poses a threat to them. Not only do they have the free public schools as competitors but all of the other private schools in the area and state as well. They must price their school strategically and let their customers know that they are the best and have the best price for everything that they get. The pricing plan that should be suggested is a Cost-Plus pricing strategy. This is a strategy that must be used wisely. Even though it is a very basic strategy, it is important to do correctly. SMES has a very high quality product that they are trying to sell and they must let their consumers know this. If they are going to charge a tuition for their school they must let the consumer know that the price of the tuition gets their children a lot. Not only should they use this pricing strategy, but since they have multiple competitors out in the market they should implement a Competition Based pricing strategy as well. This can be done by making sure the school does their research and just keeps on their toes when it comes to their competitors. It's important to know as much as you can about your competitors and especially their prices. This way SMES can know what they must do to remain a big contender in the market.

Distribution Plan

Since SMES is a school in the city of Edmond, and since the main product that they offer is their education programs, it is a little more complicated when it comes to distributing the product. So in this case, the distribution plan should be very thought out. The location of the school must be highly considered as well as social media and word of mouth. Since the school is geographically located in the city of Edmond, it is important for their to be signage out front of the school as well as in local grocery stores and even benches on the side of busy streets. These advertising ideas will be described in greater detail in the Promotional Plan.

Promotional Plan

Integrated Marketing Communications (IMC) Strategies

St. Mary's Episcopal School should first focus on IMC strategies. They will use this in order to create awareness of the school and what it is all about. This will be used to let the primary and secondary target markets know what SMES offers when it comes to private education and all of the benefits of its enrichment programs. Not only will IMC strategies be used but advertising and marketing tactics and ideas as well. The budget for SMES during the 2014-2015 school year is $25,000. So this means that the cost of advertising cannot be very much. Word of mouth or buzz, is a great idea to try to get to happen when you have a low budget, and especially will come in handy when it comes to advertising for a school. If a parent is happy with the education their child is getting they will tell all of their family and friends. This will create a hopefully positive word of mouth. Banners all around the city of Edmond and in local grocery stores or gas stations are a good idea as well. Brochures offered at the checkout lanes at stores will give parents a good

idea of what the school is all about and what it offers as well. Some sales promotions and contests will gain some attention too. SMES can hold yearly contests or carnivals at their campus and allow the people of Edmond to come and tour the school. This will give interested target markets the ability to come and experience the school first hand. I personally believe that this will get a lot of great customers to come to the school. Social media is definitely a great viable option when working with a lower budget as well. They can create a Twitter and Facebook page that offers all sorts of information about their school. They can also offer promotional contests as well for those who follow them on Twitter or get a certain amount of likes on their Facebook. There are many ways to get this school advertised around the city of Edmond and OKC. They just have to have the drive to get their school out there and known.

Implementation and Control

St. Mary's Episcopal School will be able to successfully meet all of their goals and objectives if they follow this marketing plan. They can hopefully create enough advertisements to attract the customers they are wanting as well as keep the current customers they have. It is important for them to control what they already have in place and to maintain it for future success. They must also make sure to stay on top of their objectives and make sure they have a plan in place to monitor them and make sure they are controlling them as well.

Objective 1: Increase enrollment from 105 students to 175 students with the possibility to hold up to 200

SMES will hopefully reach their goal of 175 students once they have conducted the plans in this marketing plan. And once they reach this goal it will be crucial for them to implement a strategy to keep this children enrolled for future years. They must create a strong customer relationship with the parents and let them know that they are important and that they highly appreciate their business. This is important for creating loyal and repeat customers.

Objective 2: Bring back up the stable retention rate of 85%

By creating a strong customer relationship with the parents of the children it is just as important to maintain a strong relationship with the students. If they are happy then they will want to continue to come back and they will highly influence their parents on staying. This will create a stable retention rate and cause less decline in enrollments. SMES must be careful with this objective and make sure this number doesn't drop below 85%.

Objective 3: Increase revenue that is generated from the tuition

To make sure this objective is maintained and implemented, SMES must continue to use all of the marketing strategies that were stated above. They must continue to place their product in the right markets and advertise to the right target in order to continue to get sales. They must continue to have happy and loyal customers because that way they will continue to get the tuition from them, and therefore the revenue generated from this tuition will continue to either maintain or even hopefully increase.