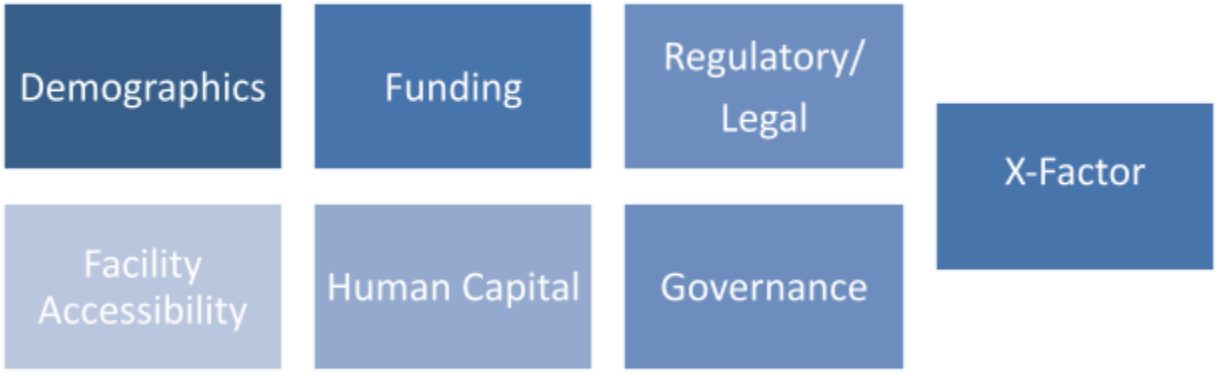
Target Market Analysis

Using our growth strategy as the foundation for thinking about where to target our resources for new market opportunities, we have developed a comprehensive analytical process to guide our decision-making on school launch activities. There are seven specific criteria that we review as we study a new market.

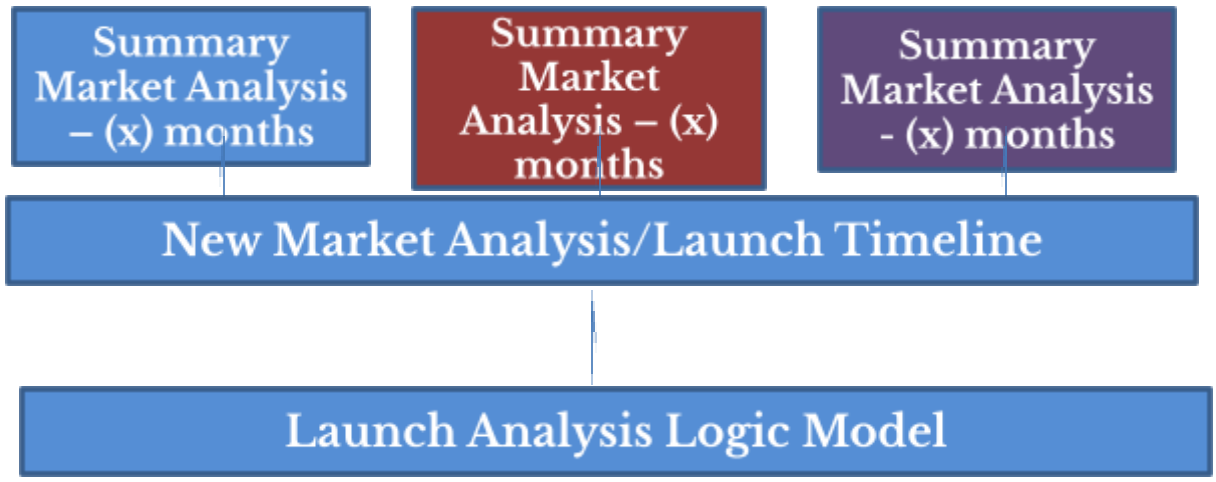


When considering a new site, we apply specific metrics to each criterion that must be researched within set time limits to confirm successful region and school launch activities.

Three primary dynamic documents govern and drive our decision-making process:

1. Phase One Launch Analysis Logic Model: Provides a summary of the logic behind the analytics linking our educational/financial models to our site selection model
2. Phase One Market Analysis: A working template used as a guide when analyzing a potential new launch
3. Phase Two Target Market Analysis: This tool is used by the team for decision-making at specific milestones throughout the Analysis

These three documents work in concert with each other. The Logic Model forms the foundation of what you consider essential as we research a new site. The New Market Analysis/Launch Timeline can spread the logic model over a custom timeframe (as needed). This analysis provides the leadership team with the tools to decide how to proceed in a given new market.



LAUNCH ANALYSIS LOGIC MODEL

Category	Goal/Definitions	Rationale	Guiding Questions
Demographics	Phase 1: 1.	1.	Phase 1 Basic Research: 1. How many total school-aged children live in the community? 2. How many school-aged children will live in the community in five years? 3. Are there any unique racial/ethnic trends to be aware of? 4. What are the family income trends in your community? 5. What are the adult education attainment trends in your community? 6. Are Christian ministry programs important to the people in your community relative to other parts of your state? 7. Is Christian Education important to the people in your community relative to other parts of your state?
Demographics - Competitive Market			Phase 1 Basic Research: 1. How many private schools are currently operating in your target area? 2. Are enrollments in private schools increasing year over year in your target area? 3. How many Christian schools are currently operating in your target area? What grades are they currently serving? Phase 2 Target Market Research: 1. Where are the high-performing schools in the region? Is it (or will it soon be) saturated? Are there waiting lists for high-performing schools? 2. Actual performance of the local schools 3. Are there other Christian schools planning to open in the region? Are there other networks also targeting the same area? If so, what are their intentions, and how does that impact our analysis of need?
Funding	Phase 1:	1.	Phase 1 Basic Research: 1. What sources of funding exist? (vouchers, grants, etc.) 2. Are there any unusual financial circumstances at the site? (Low-cost facilities, high cost of human capital, fees, local or state requirements, need for bussing, etc.)

Category	Goal/Definitions	Rationale	Guiding Questions
			Phase 2 Target Market Research: 3. What is the average Christian school tuition in the community? (Does it vary by district/zip code/special ed count/grade, etc.?) 4. Do other research factors impact the financial model in any way and our target per-pupil costs? (For example, is there a higher than average enrollment threat, cost of human capital, etc.?) 5. Do we have partners that have the potential to assist in raising the school start-up costs locally? 6.
Regulatory, Legal	1.	1. .	Phase 1 Basic Research: 1. What is the process to launch a private Christian school in your state? 2. If the state has an approval process, how long does an approval last before needing to be renewed? 3. On what is the renewal process based? Performance? Compliance? Financial review? 4. What are the homeschool requirements in your state? 5. Are any restrictions placed upon schools that desire to serve homeschool families? Phase 2 Target Market Research: 6. Is the process administrative, political, or qualitative? Strategically, how do we best set ourselves up for success in obtaining approval? 7. Is there a Christian school association that can assist in navigating the process?
Facility Access-ability			Phase 2 Target Market Research: 1. Does the partner have vacant facility space that matches our goals for categorical need? 2. How does a site become zoned for school use? Is the city favorable toward working to re-zone properties to this use? 3. Do the ongoing costs of use meet our financial model requirements?

Category	Goal/Definitions	Rationale	Guiding Questions
Human Capital			Phase 2 Target Market Research: 1. How easy or difficult will it be in the region to fill the necessary positions? 2. Salary 3. The average salary of a Christian school teacher in the region 4. The average salary of a Christian principal and Assistant Principal 5. Quality of life 6. The average cost of a home in area 7. Rate of employment in the area. 8. Is the area's economy growing?
Govern-a nce			Phase 2 deeper dive research: 1. Does the school corporation fit under the local organization, a state-based organization, or part of a national org? What are the implications of each structure?
X-Factor			Phase 1 Basic Research: 1. Are there any individuals, consortia of individuals, or organizations who present themselves as potentially aligning with our mission and vision? Who are they? Phase 2 Deeper Dive: 2. Can we engage and get a total commitment from the individuals/organizations identified in Phase 1 to lead the charge locally? Are they pulling in the resources we anticipated they could to help with the launch?

Once complete, apply this logic model to a specific school launch timeline that includes decision milestones. A completed model will provide your team with the regular opportunity to analyze progress in each of the eight categories of research and maximize efficiencies when a straightforward "red-yellow-green" light presents itself. Such a system helps to quantify and qualify your organizational decision-making process.

New Market Analysis/Launch Timeline

Market: Updated: 12 6 3

= Goal Met
= Goal Partially Met
= Goal Not Met

		MEETING => Decision		MEETING => Decision		MEETING => Decision	Notes:				
							School Launch				
Month	<= (x) months out		<= (x) months out		<= (x) months out		Four months	Three months	Two months	One month	First Day of School!
CATEGORY	Phase 2 Goal (Low Research Level)	Actual Findings	Goal (Medium/ High Research Level)	Actual Findings	Goal (High Research Level)	Actual Findings					
Demographic					Finalize within 2-mile radius School 1 site						
Funding											
Regulatory and Legal											
Facility Accessibility			Initial spaces selected with initial due diligence complete		Lease/subleases/ purchase contracts in place						
	Initial community meeting held		Follow up meetings held		All site due diligence complete						

						The approval process for retro-fitting (as needed)						
Human Capital	Local launch team in place with connections in all launch areas;					Hire founding Leader		Founding Leader		All other staff agreements in place;		
	Leader of a launch team identified and mentored, ready to pull us in											
	On the ground meeting with the local launch team											
Governance	Site leaders and Board member development beginning		Board Members trained									
			Agreement signed									
X-Factor	Have we identified potential X-factor individuals or entities?		X-factor in place.									

The summary analysis below would be used at each of these meetings to report on categorical progress and guide the team in determining future activity pace.

City:	Research Level:		Assessment:	
Summary:				

Category	Research Level	Assessment	Comment
Demographics			
Competetive Market			
Funding			
Authorization/Legal			
Facility Accessibility			
Human Capital			
Governance			
X Factor			