

BLACK BELT **MANAGEMENT**

GREAT MANAGEMENT TIPS FOR SCHOOL AND BUSINESS OWNERS

Ten Ways to Take Your School to the Top

By Michael Pace

It seems that many school owners I've known or networked with have made it to the 100-student mark. When I made it to 100 students, I seemed to reach a plateau and got stuck there for a while. I wondered if I was ever going to break through and reach my new goal of 300 students. I knew my two main jobs were to create students and keep students if I intended to achieve my new goal.

Here are some ideas that helped me then, and some additional ones I have added to bring my school to the 300-student level.

1. If You Want to Grow...You Have to "Sow"

Many school owners I speak to expect to grow using only low-cost marketing ideas. I believe in using the multi-faceted approach to marketing by mixing low-cost and no-cost marketing with paid advertising.

In-house promotions work great and are important, but consider reaching beyond your school to attract new business from your community. I like using direct mail and ads in the local weekly papers. By using the weekly papers, I get good exposure but at a sensible price. This way I'm able to maintain a reasonable cost per student.

It's good to have a presence in the Yellow Pages, but my suggestion is to keep track of all your advertising leads and spend the most money in the areas that are giving you the best results. Years ago I was increasing the size of my Yellow Page ad each time I renewed it. I figured that as I grew, I'd eventually have the biggest ad in the book and that the bigger the ad, the more enrollments I'd get from the Yellow Pages. When I began to measure my results, I realized that my cost per call for enrollments was quite expensive. Many times people will go to the yellow pages looking for a convenient location and looking for certain services. Since then, I've cut down the size of my ad while making sure that the ad stood out in some way. This could be through use of color ink or banners in the ad. I make sure that my location, services I offer, and my phone number are easy to read.

2. Know your "Quit Rate"

Instead of tracking our retention quotient, we use a newer term called a quit rate to track the number of students who have dropped out of the program. It is simply the percentage of students who drop out each month compared to your total student count. For example, if you have a student count of 100 and on average, six drop out each month, your quit rate would be six percent. Some studios average a seven-to-ten percent quit rate each month. That means to maintain a student count of 100, they'd have to enroll another seven-to-ten students each month. To experience growth, they'd have to attract more than that. A smart goal to shoot for is keeping your percentage of monthly dropouts to less than three-percent. You can predict your future growth and student count by closely watching your number of enrollments verses your quit rate.



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3. Sell What your Market is Buying

If ninety percent of your students are children and the majority of them are between four and nine years old, consider spending most of your marketing effort on this age group. For whatever reason, you are attracting and retaining this sector of the market. Chances are, that's what you attract the best. Before you focus on attracting adults or other markets, continue to maximize attracting more of who you already have.

4. Keep your Eye on Your Numbers

From a financial sense, there are several numbers that are paramount. First, there is your active student count. This is a combination of the number of new students that have signed up plus your current active students. Second, is the price you charge for monthly tuition. The combination of these statistics will ultimately determine your gross tuition income.

Student count x tuition price = gross tuition

You should keep your eye on other statistics as well that will ultimately effect the above numbers. Your student count is affected by the number of info calls per day, percentage of appointments set, number of appointments that show up, enrollments and the number of students who stop training and won't be paying tuition.

5. Develop Retention Programs and Incentives

Attendance is a major key to good retention. Typically, dropouts are students who consistently have poor attendance. With this in mind, you should develop some sort of system for contacting the absentees quickly and build a reward program for students to attend a certain number of classes each month.

We use what we call our S.U.P.E.R Star Program. Each month students who have satisfied all the requirements receive a blue star to wear on their uniform. We use the small half-inch stars, which the students wear on their upper arm under the American flag patch. Program requirements include: keeping their rooms clean, completing their homework in a timely manner, cooperating at home with parents, displaying a positive attitude in school, and attending class eight times each month.

More details on our S.U.P.E.R. Star program can be found in this month's Black Belt Retention report.

6. Develop and Keep Good Rapport with Students and Parents

Take a few minutes daily to greet and speak with your students and their parents. Have one of your assistant instructors warm-up the class to allow you to mingle with the parents for five or ten minutes, several times a week. Try not to get into any personal issues during that time. It's best to schedule an appointment to handle any conversation that will require more than a minute or two. Your goal is to show your warm and personal side and to get feedback on what the parents want or expect from your program.

7. Communicate your Benefits

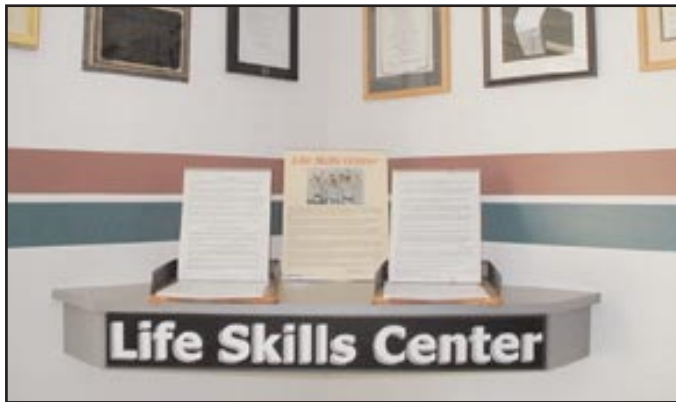
I learned many years ago from a well-known marketing guru that it's not good enough to give your customers a ton of benefits. You have to constantly communicate and remind them about the benefits they are getting. If you are teaching life skills as a part of your program (see number 8) then you should have several methods of letting the parents know what you are doing and how you are teaching the benefits.

One way I communicate the benefits of my program is through a Life Skills Center I have in my reception area.

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Each month I write a two-page handout that lets our parents know what our message of the week is and how they can reinforce at home as well as what we are teaching at the studio. We use a different theme each month of the year. Other ways of communicating benefits include your newsletter, website, a message board or periodic letters sent home with the students.



8. Sell Life Skills, not Martial Arts, to Parents

The majority of successful schools across the country have large populations of young students. The parents of these students, for the most part, do not enroll them to make them "karate experts" or tournament champions. They want their children to develop important life skills, such as a positive attitude, self-discipline, goal setting, courtesy and self-confidence. Your focus during your enrollment process and with your continued conversations with parents should always keep their goals in mind.

When you look at the parent-child-instructor triangle, there are really three different goals to consider. The parent wants life skills, the instructor wants to develop a great martial artist, and the child just wants to have fun. As a professional instructor you need to keep all of these in mind and structure your programs so that everyone gets what they want.

9. Don't Give it Away!

I remember years back, when pricing my programs, I would call (or have someone else call) several of my competitors to see what they were charging. Then I'd set my prices somewhere in the middle. I have found a better strategy is to set your prices ten or twenty percent higher

than your competition. And probably the best strategy of all is to not pay attention to what they are charging.

It is better to focus all your energies on making your program so good that there is no competition. The fact is, most potential customers do not shop around for prices. Sure, some do, but maybe they are not the students you want anyway.

Parents want the best for their children. Many will not go to the "cheaper" schools because of fear of an inferior program. I have spoken to school owners who say that their enrollments increased when they substantially raised their rates. I have never found any resistance to increased prices except in our own minds and the minds of our staff. If you have 150 students and you are able to raise your rates by twenty dollars a month, it will mean an extra \$3000 a month income with no increase in expenses! What would happen if you put half of that into marketing and advertising over the next twenty-four months?

10. Make use of the Latest Technology

The Internet is here to stay. A school should have two websites or a least one with two or three gates or doorways. One site or doorway is for current students. Our website has downloadable PDF files for promotion requirements and our school newsletter. We have our current class schedule and a page for current events as well as other student information. You can view our site at www.pacekarate.com.

The other websites or doorways should be for children's program and adults program information. These pages should contain a very targeted marketing message-an electronic sales letter if you will. The purpose of this page is to sell your program. It should have a response mechanism so prospects can sign up for your program right online.

In a typical month we get two to five sign-ups directly from our marketing website.

To continue to grow, you must consistently keep your eye on your statistics, get the word out to new prospective members, concentrate on communicating the benefits of training and run the best program in your area.

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