

5 PRIVATE SCHOOL ENROLLMENT PREDICTIONS FOR 2022-23

(And How You Should Prepare)

VERACROSS®



ADMISSIONS
OFFICE

About the Authors



NIJA MAJMUDAR MEYER

Nija is the Vice President for Enrollment Management at Woodward Academy in Atlanta, GA.



HANS MUNDAHL

Hans is the Senior Director of Professional Development at the Enrollment Management Association.



KEITH KRASS

Keith is the Senior Director of Marketing at Veracross.

Table of Contents

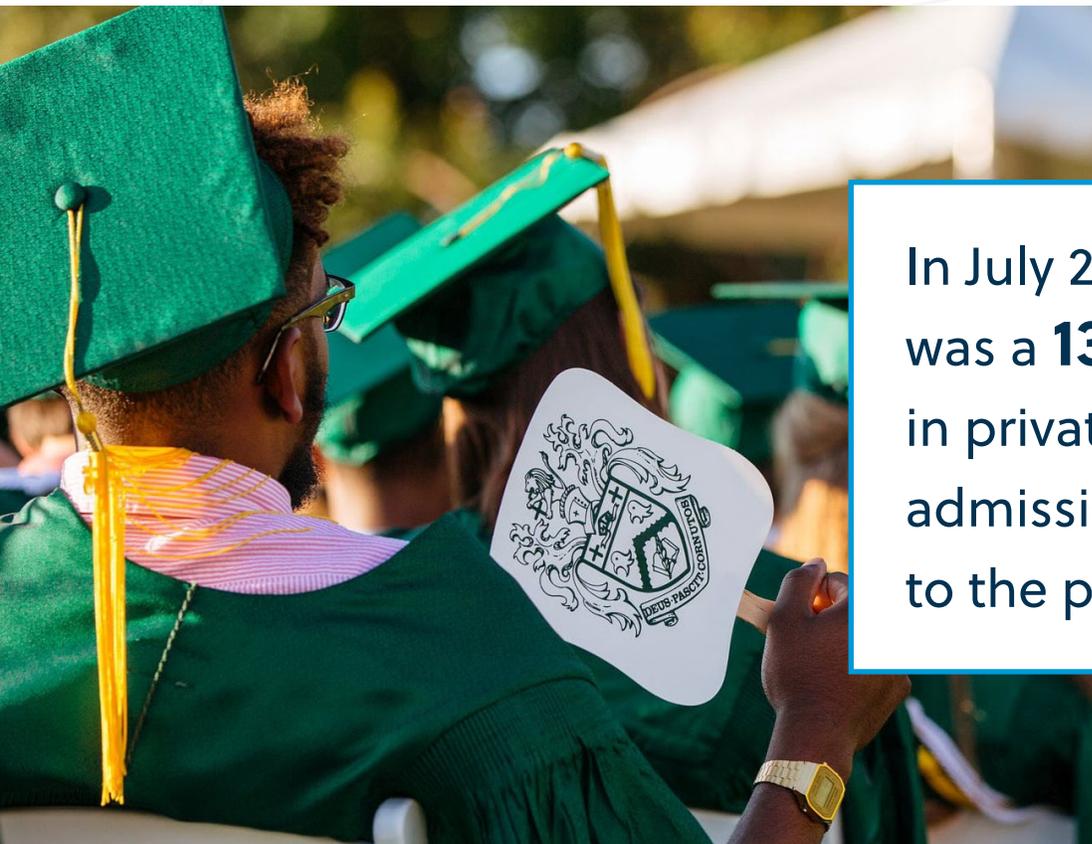
- 2** Introduction
- 3** Landscape of Admissions and Enrollment Continues to Shift
- 4** Families Take Charge
- 5** Schools Seek Holistic Approach to Enrollment
- 6** Innovative Business Models for Schools
- 7** Technology Use Transitions to Support Mission
- 8** Summary

Introduction

Many independent schools experienced a significant boost in enrollment during the pandemic. Families who might never have considered a private school education suddenly became interested in the benefits provided by independent institutions, largely because of dissatisfaction with the public school response to COVID-19. In July 2020 alone there was a 131% increase in private school admissions compared to the previous year.¹

This increase is remarkable but, unfortunately, not sustainable on its own. Competitors like virtual charter schools also saw a hefty rise in enrollment, one that is expected to outlast the pandemic.² There is also the financial reality of private school admission: parents who sacrificed to afford private school during COVID now need to reevaluate their budgets and decide whether to continue.

Your admissions and enrollment teams must adapt to today's changing expectations in order to better attract and serve the community. This eBook will help you understand the evolving landscape of private school admissions to better prepare for the 2022-23 school year and beyond.



In July 2020 alone there was a **131% increase** in private school admissions compared to the previous year.

Landscape of Admissions and Enrollment Continues to Shift

Educators have been anticipating a shift in admissions and enrollment for years. Societal trends like decreasing birth rates and a widening wealth gap in the United States began impacting private schools long before the pandemic. As with everything else, these trends were accelerated by COVID-19 and forced schools to recognize these changes in a new and urgent way.

Hans Mundahl, Senior Director of Professional Development at The Enrollment Management Association (EMA), says pre-pandemic data show a declining population of school-aged children because of low birth rates. Case in point: research from the Boston Schools Fund shows that the number of school-age children in the city **decreased**

A family making \$200,000 a year with two children is likely to qualify for financial aid if tuition is \$50,000

by 25,000 over a 20-year period. Based on the current trends, lower schools can expect to see a decrease in enrollment in about five years, while upper schools will experience the decrease a few years later. Mundahl predicts we'll see the population continue to decline after we get statistics from the COVID-19 period.

As the wealth gap widens and tuition increases outpace inflation, families struggle to pay for private education. Financial aid and tuition assistance programs are available for those who qualify. Believe it or not, **a family making \$200,000 a year with two children is likely to qualify for financial aid if tuition is \$50,000.** Additionally, families are looking for ways to save money with low-cost/no-cost options like homeschooling on the rise.

OPPORTUNITY

With less families in the community and fewer dollars to spare, now is the time to set yourself apart and distinguish your school above the rest. Ask yourself three important questions:



Who is your ideal student?



How can you use data to find your ideal clientele?



How can you communicate your vision, value, and mission more clearly?

The answers to these questions will help you stand out in today's crowded market and connect with the right families for your school.

Families Take Charge

Another important factor to consider is your customer base. Today's private school parents aren't Baby Boomers or Generation X; they're Millennials with new values and a new mindset. This generation craves authenticity. They value diversity and inclusion. They're loyal to causes over brands, and they direct their dollars to organizations they trust.

Millennials are tech-savvy consumers who grew up with smartphones and tablets. They're used to having instant access to information and doing online research before making decisions. They ask "what's in it for me?" before committing to a purchase.

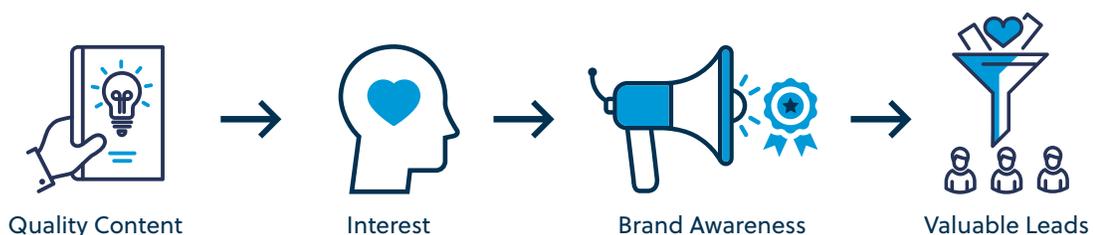
This type of content resulted in a 30% increase in ROI in the form of qualified leads

The key to connecting with Millennial consumers is to provide value and build organic relationships through content marketing. Woodward Academy in Atlanta, GA understands this well.

"We sought to engage parents on topics they were interested in, hoping to establish ourselves as thought leaders," says VP of Enrollment Management Nija Meyer. Woodward published several free — but gated with an email address field — articles with targeted content that appealed to Millennial parents' online searches for K-12 schools. This type of content resulted in a **30% increase in ROI** in the form of qualified leads compared to the school's other marketing tactics.

OPPORTUNITY

Break through the clutter and cater to this new consumer mentality with customized messaging that reflects your prospects' values. For example, show parents how private school education can help their child make a positive impact in the world. This content will resonate with Millennials and establish trust between your institution and their family. Quality content generates interest, creates brand awareness, and turns into valuable leads.



Schools Seek Holistic Approach to Enrollment

Independent schools are moving toward a focus on enrollment rather than admissions. While admissions primarily focuses on the recruitment aspect of new students, this new approach focuses on retention in addition to recruitment. Industry data shows that **it costs 5x as much** to attract new customers versus retain current customers.³

Whereas an admissions-focused approach invests almost all resources into new applications and new families only to shift focus once they are enrolled, an enrollment management approach focuses on getting those same students to return to your school each year. This approach requires cross-functional collaboration and communication. As a result of this, leaders are aligning admissions, marketing, financial aid, and communication into enrollment management.

This structure gives families more connected experiences. The EMA created a strategic enrollment management spectrum with seven components.



Implementing this structure allows schools to align their business practices with revenue drivers. According to the National Business Officers Association (NBOA), **more than 70%** of most schools' annual operating revenue comes from enrollment.

OPPORTUNITY

You can't incorporate an enrollment management structure overnight. Start with a conversation (at the highest level) about your school's end goal. Do you want to optimize the student body to generate the net revenue you need to run a financially sustainable school? Then, all departments must work together.

Schools Innovate Business Models

A recent study of 300 independent schools found that tuition dollars account for **74% of independent school revenue**.⁴ However, many private schools are realizing their current tuition models are no longer sustainable. Coupled with the decrease in school-aged children, increase in competition for enrollment, and increase in financial aid, there is ample room for revenue innovation at K-12 schools.

As we discussed in an earlier section, factors like inflation, the rising cost in living, and the impact of current events on family finances have all affected the ability to pay for a private school education. More and more families are requesting financial aid, causing schools to question the need for a tuition reset.

Cheshire Academy in Connecticut reduced tuition by nearly a third to better align with local income levels; Providence Country Day School in Rhode Island lowered tuition by 40% and saw a 2x increase in enrollment the following year.⁵ School leaders presume less need for financial aid and more enrolled students due to lower tuition will help make up for lost revenue.

Schools are exploring other innovative business models, too. Woodward Academy added diploma distinctions like Global Connections, Service Learning, and Sustainability to help give graduates a competitive edge in college admissions. The Mount Vernon School launched Mount Vernon Ventures, a consulting firm that works with schools and businesses on innovation.

For others, mergers and acquisitions are a creative way to partner with like-minded organizations. In 2020, Emerald Mountain School merged with Steamboat Mountain School to form a unified K-12 school in Colorado. On the other end of the continuum, schools are forming partnerships to ration resources. For instance, some schools build gymnasiums together and share the space.

OPPORTUNITY

Your school must remain open to non-traditional business models. Do you have a state-of-the-art sports complex? Consider opening it up to the community and generating revenue in a new way. Some schools generate as much as \$150,000 each year through auxiliary programming!⁶

Additionally, it might be hard to consider, but a merger might be a good fit for your school. Think of it less as an acquisition and more of a collaboration. Brainstorm how you can partner with local private schools for the greater good. There might be opportunities to streamline tasks or share resources in a way that benefits you both.

Technology Use Transitions to Support Mission

Like the rest of the world, the pandemic forced independent schools to fully rely on technology in 2020. Everything was online: remote learning, virtual open houses, Zoom interviews. As we emerge from COVID-19 guidelines, schools need to make intentional decisions about how to use technology to serve their communities and align with their overarching mission.

While some schools threw together haphazard solutions, other schools went above and beyond with their use of technology during the pandemic. Bullis School got creative with their campus tours, designing a drivable route with pre-recorded talking points at each stop. Prospective families could follow the tour on their phone and still get a personalized experience despite the barrier of in-person connection. Now it's time for them to decide how to move forward: do driving tours still make sense? Or will campus tours be entirely in-person again?

Not every school will choose the same solutions because each institution is unique. If your school has a beautiful campus that begs to be explored, a virtual tour is probably not the best way to showcase your offerings. Be intentional about your choices and tie everything back to your school's mission.

Many schools will adopt a hybrid approach. For example, Woodward Academy still hosts virtual coffee chats for prospective families each week. They realized it's easier to hop on a computer for a 15-minute meeting rather than drive to campus and dodge traffic on a Friday morning. This solution helps Woodward increase access and availability to their community, thereby improving the prospective family experience.

OPPORTUNITY

Transition your technology use from necessity to intention. Make time for a technology audit and ask yourself these questions:

- Which tools should you continue to use?
- Why are you using them?

Take a hard look at those "quick" pandemic solutions and find sustainable alternatives for the long-term. Make sure each piece of technology has a purpose and is creating a better experience for your school. And don't be afraid to have options! Virtual tours still make a lot of sense for Millennial parents and those who want to do their research before coming to campus — but nothing can replace the experience of an in-person tour with current students and staff.

Summary

As private school admissions and enrollment continue to evolve, you must stay ahead of the curve.

Turn these predictions into opportunities for your school by appealing to today's parents, embracing enrollment management, innovating your business model, and using technology with intent.

FOR MORE INFORMATION, CHECK OUT THESE RELATED RESOURCES:

[5 Enrollment Predictions for 2022-23 \(And What You Should Do About Them\)](#)

[Value-Add Marketing and Communication: Rethinking Traditional Approaches to Admissions and Enrollment](#)

[Reframe Your Mission as a Cause](#)

REFERENCES:

[1](#) | [2](#) | [3](#) | [4](#) - "Financial State of the Industry." NBOA, February 2022. | [5](#) | [6](#)



Strategic Decisions, Backed by Data: How Veracross Can Help Your School's Enrollment in 2022-23

Are your applications up (or down) year-over-year?

Are you getting more engagement from particular regions or certain types of families?

Are applicants engaging with your content?

Now is the time to rethink old ways and find new solutions. With Veracross, every strategic decision can be backed with data. From initial inquiry through enrollment, our student information system enables your admissions office to increase productivity, leverage data, and strengthen communication with families.



Questions?



CONTACT US TO LEARN MORE

info.veracross.com/contact