

The Van Lunen Project
Summary Paper
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In February of 2010 I became the head of a school in financial crises. Despite its long and successful history Concordia Academy high school, in Roseville Minnesota, was on the edge of a financial cliff. In 2007 we had merged with another high school to become an association of schools. Then the economic crash of 2008 hit. This resulted in our having to, in 2009, close the school we had just merged with. Concordia Academy suddenly found it's debt load nearly doubled, it owned a dead building at a time when properties were not selling, and its own enrollment was in significant decline. The next two years found us operating in crises mode. We reduced staff, cut costs, negotiated with banks, and desperately tried to sell a building, all while attempting to advance the mission of the school. We survived the immediate crises. Nevertheless, it is clear that if this ministry is to survive and thrive long term we must reduce debt and increase enrollment. I choose for my Van Lunen Project to research and develop a program to increase enrollment.

I began developing my plan by facing financial reality: I had no money. Expensive marketing campaigns were simply not an option. This led me to research a marketing concept broadly referred to as Word-of-Mouth marketing. I was at first drawn to this method because it costs an organization nothing but time and effort. I have since become sold on this method and now believe that Word-of-Mouth marketing can be an incredibly powerful marketing and enrollment tool.

Word of Mouth (WOM) marketing is anchored in the relational nature of people. People naturally share with one another what they like and don't like about products and services. The following is a summary of various statistics I came across regarding the power of WOM:

- Word-of-mouth marketing is 10 times more effective than TV or print advertising.
- Consumers trust friends above experts when it comes to recommendations.
- 87% of consumers say they trust a friend's recommendation over a critic's.
- 91% of moms prefer brands that other moms have recommended.
- 91% of US adults regularly or occasionally seek advice about products and services.

And perhaps the most significant statistic is that *upwards of 80% of new families that visit private schools do so because of a recommendation from a trusted friend, colleague or family member*. I conducted independent research with my own families and found this number to be accurate.

Armed with the above data I set about creating an intentional word-of-mouth recruitment campaign. I began by identifying current parents that I believed to be authentic, passionate, and positive about our school. I collected recommendations from my teachers and staff and reviewed parent satisfaction surveys. I ended up with a list of 40 families. My intention was to equip, commission, and inspire these parents to do more intentionally and more effectively what I knew they were already doing; namely singing the praises of Concordia Academy to the people in their circles of influence.

I developed a one session training program for my new *Parent Ambassadors* -as I called them. The goals of this training program were to instill the vision of Parent

Ambassadors, educate on the power of Word-of-Mouth marketing, provide testimonies that inspire positive emotions, and provide facts that answer intellectual questions. I would then commission these parents on behalf of our school and then follow up with monthly Parent Ambassador emails to encourage them and provide on going information.

The first lesson I learned was that I needed to be much more strategic in getting my Parent Ambassadors to the training session. I sent out emails and then followed up with phone calls. The phone calls were the most effective in creating understanding and enthusiasm but I called too close to the actual date of the training. I was surprised, though I shouldn't have been, at how overly committed our families are. Work, church commitments, family activities, and a wide variety of other obligations made it difficult for many of my parents to attend. Some of these were likely just excuses but I do believe that most of the reasons given were legitimate. Next time I will work much harder at making this the "must be at activity". I will give much more thought to offering multiple meetings that are convenient and will give families plenty of lead-time. I may hold the meetings at some special place off campus. I will also consider offering free child-care and perhaps a meal.

The training itself was a success. The Parent Ambassadors left feeling equipped, challenged, and had a renewed sense of investment in our school. They knew that they played a significant role in the ongoing turnaround of Concordia Academy. The challenge was for each Ambassador to introduce 3 new families to our school.

Soon after the Parent Ambassador training session I realized another truth about Word-of-Mouth marketing. The real marketing –that which actually takes place, is what you do, not what you say. As I talked and brainstormed with our Parent Ambassadors about what to say about our school I learned more of what was *already* being said about our school. It came to my attention that, in the midst of all the good talk, was significant amounts of negative talk about two particular teachers. I already had concerns about these teachers but in talking with my Parent Ambassadors I became convinced that these two were doing even more damage than I suspected. This confirmed two other statistics I had learned about Word-of-Mouth marketing:

- 75% of the general population say they will tell a friend or family member when they've had a bad experience with a product or service.
- 31% of loyal customers who are active promoters of brands are more likely to share a bad experience than a good one.

I knew that my Parent Ambassadors, as well as all my other parents, would not lie to their friends and colleagues about our school. They would share the good and, while they might downplay the bad, they would share that also. If I wanted to ensure truly positive Word-of-Mouth marketing I knew I needed to make some changes in staffing. I made those changes and have since heard from my Ambassadors that these changes have overall, resulted in a positive wave of information.

The above lead me to the conclusion that a truly comprehensive word-of-mouth marketing campaign begins with marketing to our current parents. By marketing I mean doing all that can be done to make sure that our current parents feel they are

the recipients of a fantastic product. Positive word-of-mouth must be earned at every level all the time. It can never be assumed and, once achieved, it must be protected.

My Word-of-Mouth marketing project has impacted Concordia Academy in many ways. As stated above it had a direct impact on two teacher's employment. Even more, it has affected how I now see everything. I am much more intentional in marketing the good things that happen in our school to our own families. From posting on Facebook, to our weekly update, to our Parent Ambassador newsletter, I am much more intentional in getting the good word out about what is happening in our school. I know that the more good things I share with our families, the more likely they are to share these good things in their circles of influence. I am also more aggressive in seeking out and cutting off anything that could become negative word-of-mouth marketing. The Parent Ambassador program was successful in that several new students can be traced directly to the work of our Ambassadors. We are excited about next year as we work to improve this program.

I began this project with the goal of increasing student enrollment. The good news is that our enrollment for next year looks to be up almost 20% over this year. In addition our primary fundraiser, our dinner auction, shattered our old record for money raised by 33% and for the first time in our school's history our annual appeal will meet and exceed the goal we set. While many factors contributed to the above success I have no doubt that positive Word-of-Mouth marketing contributed significantly.

