

Demand Generation

EMAIL MARKETING, NEWSLETTERS, & REFERRALS



Netflix knows it generates demand (i.e., users watching movies) by providing solid recommendations

NETFLIX

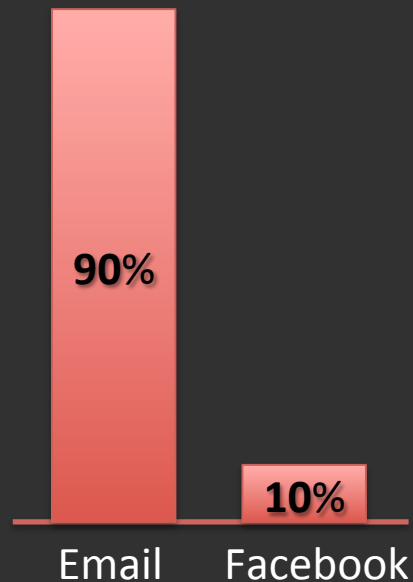
Netflix awards \$1 million to the team to improve its recommendations by 10%

*-The Wall Street Journal
Netflix awards prize to reserachers, 9/22/2009*

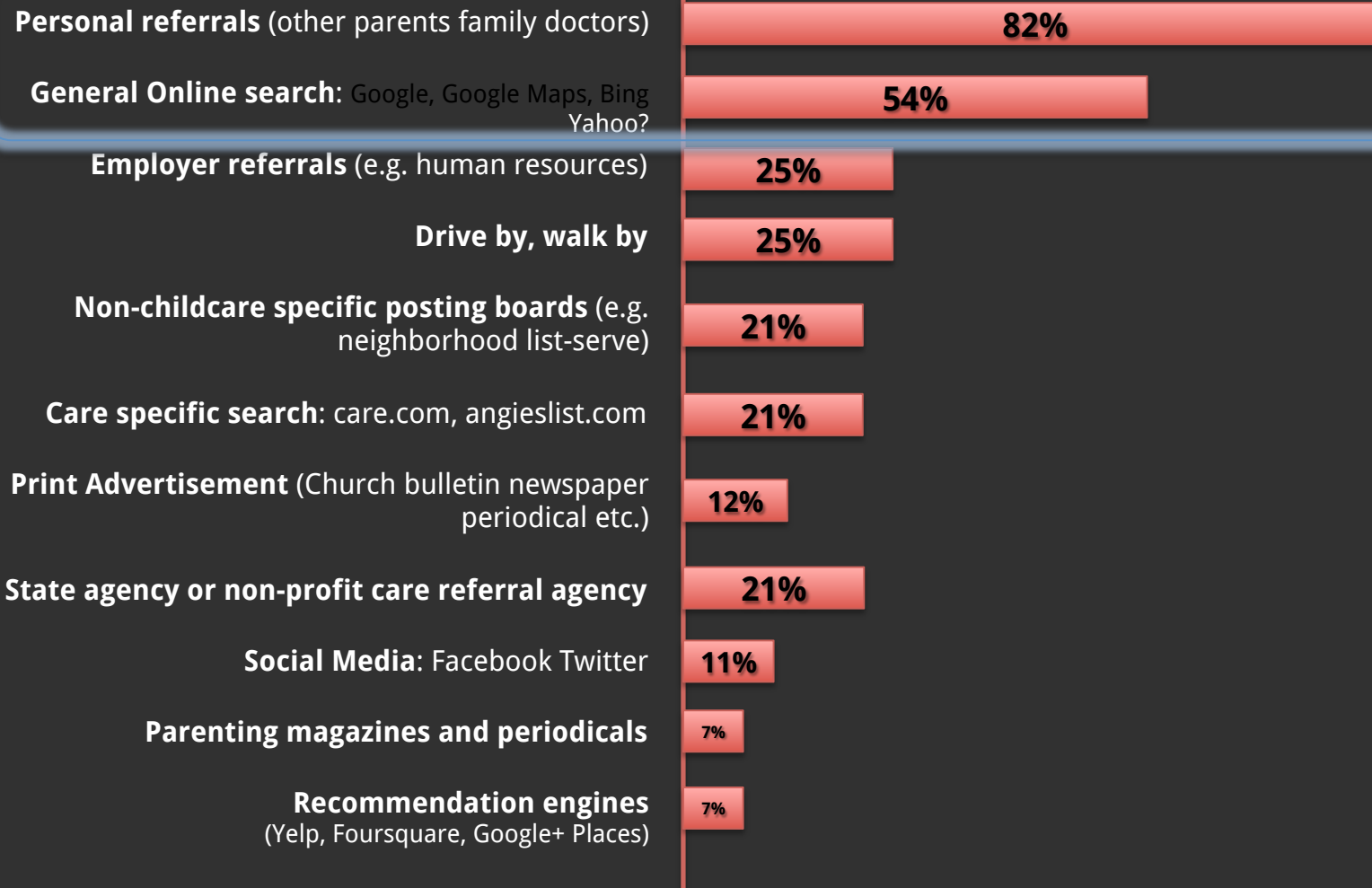
The \$1M prize is unnecessary. Provide useful information to families and businesses in your area.

Despite the hype surrounding the social media revolution, people still want to receive some information by email

Q: How would you like to receive information from us?



Anything you do (to generate interest and inquiries) helps



Q: How did you research childcare and learn about childcare? Summer 2012

N = 61

LICENSED UNDER CREATIVE COMMONS 3.0

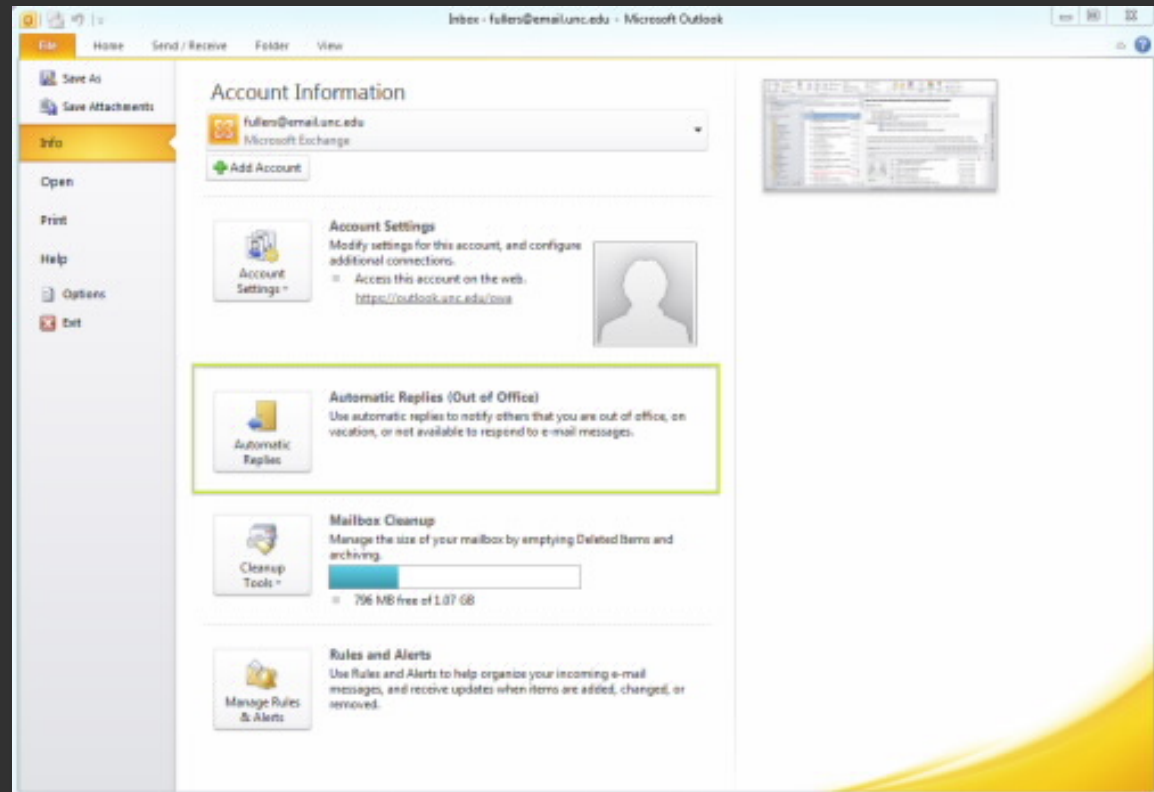
*“I have four groups of people I email:
enrolled families, prospective families,
staff, and former families”*

*-Owner/Director
Portland, OR
4/2012*

Beginner

1

Vacation/Out-of
office notifications

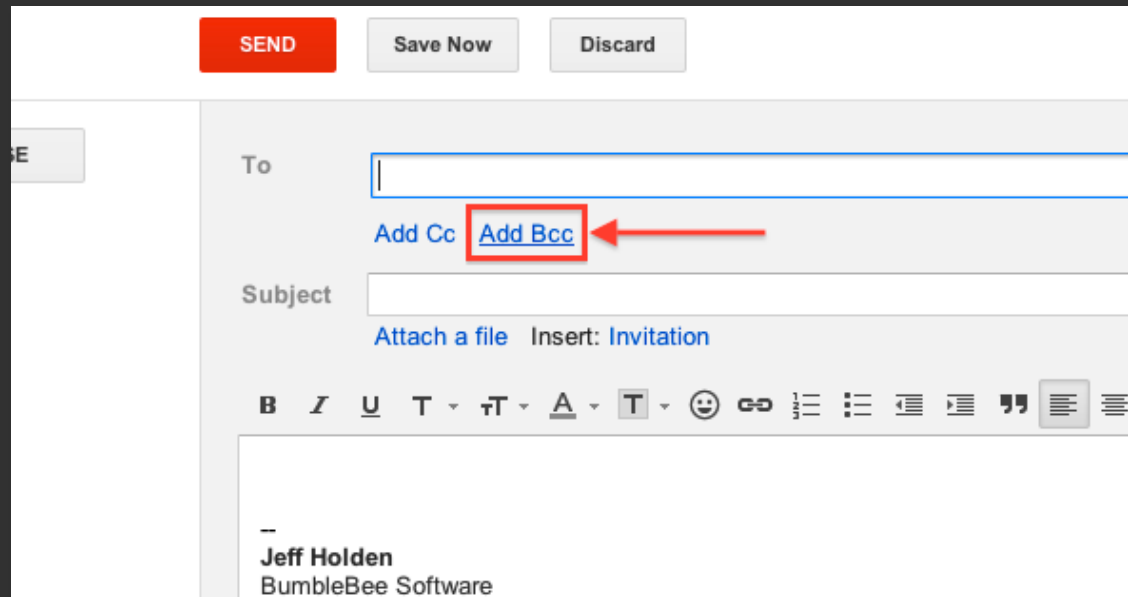


Advice on subject lines from MemberHub.com: <http://blog.memberhub.com/3-tips-to-get-people-to-reply-to-your-emails/>
 Email signatures: <http://office.microsoft.com/en-us/templates/outlook-e-mail-signature-samples-TC010186391.aspx>

Intermediate

2

Email Newsletter
using BCC



The screenshot shows an email composition window. At the top are three buttons: 'SEND' (red), 'Save Now', and 'Discard'. Below these are fields for 'To', 'Subject', and 'Add Cc'. The 'Add Bcc' link is highlighted with a red box, and a red arrow points to it. Below the 'Subject' field are links for 'Attach a file' and 'Insert: Invitation'. A rich text editor toolbar is visible below the subject field. At the bottom, the email body contains the text: 'Jeff Holden' and 'BumbleBee Software'.

Using BCC: <http://bumblebeehq.com/blog>

Email suggestions: Send emails to local companies HR benefits staff.

Send a "Favorites list" to families (e.g., 30 minute recipes, educational toys & books, hygiene tips.

Ask all staff for one new thing.

Extra credit

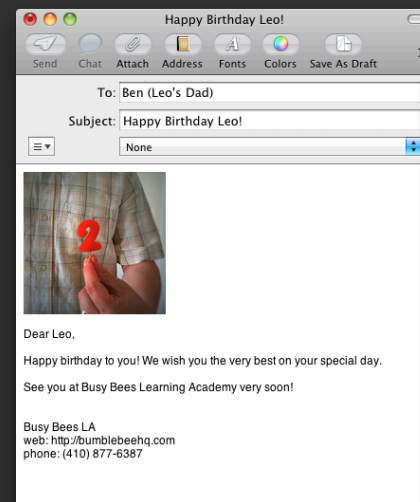
3

Hand written thank
you notes



4

Happy Birthday
Notes or emails



Advanced

3

Use online mailing tool (Mailchimp, ConstantContact, MemberHub)

MemberHub (much more than just email): memberhub.com
Mailchimp (large, free account): <http://mailchimp.com>
Constant Contact (strong reputation, more expensive)



Here's what you will take with you when we finish today

- ✓ Marketing to the stages of a family "THE SALES FUNNEL"
- ✓ Know your families "SEGMENTATION"
- ✓ The telephone is critical "INSIDE SALES"
- ✓ Email and newsletters are not dead "DEMAND GENERATION"
- ❑ Pricing is tricky, but there's help "PRICE ELASTICITY"

Price Elasticity

PRICING IDEAS



Chipotle raised the price of their free-range *carnitas* pork burritos and sold 2.5 times as many and made more profit



We used a higher end product, had to raise prices, and ended up selling more of the product and sales continue to rise

-Steve Ells, Chairman, Co-CEO Chipotle

Raising prices and lowering prices does not always have the expected result

Source: Steve Ells, Interview in Nation's Restaurant News, July 2001

Your center most likely set your prices based on one or more of the following factors:

1 Competition

Off-Kilter Care down the street charges \$X and you always set your rates 100 dollars above them

2 Cost Based

You have fixed costs and variable costs and you shoot for a X% profit margin on top of that

3 Contractual or Regulatory

You lease with an outside organization that restricts pricing – or grant providers / government agencies may restrict your fees

4 Value Based

Based on substitutes like Grandparents or staying home. A useful thing to think about in terms of additional services you could provide (*Atypical in early childhood education*)

“We have different prices among our centers depending on where they are. Some are more rural and others are downtown.”

*-Assistant Director
Multi-site Child-care Centers in Maryland*

Beginner

1

Make a Competitive Pricing Table
(Nearby, parents homes, and offices)

Portland, OR	36-48, full day	Drop-off/Pick-up
Center 1	1200	
Center 2	650	6-6:30
Center 3	1150	7-6:00
Center 4	1015	7:30-5:45
Center 5	770	7-6:00
Center 6	1000	7-6:00
Center 7	1015	
Center 8	999	7-6:00

Competitive Pricing: No need to call and ask, simply look at their posted website rates

Library Databases: Ask your librarian they are a helpful group. D&B Million Dollar Database, ReferenceUSA, others, See competitors from the inside (SIC codes 835101, 835102, etc.)