

TOOL BOX

FOUR MUST-KNOW GROWTH STRATEGIES APPLIED

by Christina Drouin

In a school marketing system where opportunities and risks are plentiful, each strategy for growth must be carefully evaluated. Is the most efficient way to grow to create a new program or service for current families? Or take current programs and services into new neighborhoods or demographic markets?

Which strategy is best suited if you are seeking diversity? What are the corresponding tactics?

We have taken Igor Ansoff's well-known Marketing Growth Matrix (Table 1) and added our own corresponding Growth Strategy and Tactic Matrix (Table 2) to help in marketing planning for schools.

Table 1. Ansoff's Marketing Growth Matrix

	<i>Present Products/Services</i>	<i>New Products/Services</i>
<i>Present Markets</i>	<p>Market Penetration</p> <p>Seeks growth for present products/services in present markets through more aggressive marketing efforts.</p>	<p>Product Development</p> <p>Seeks to grow by improved services for present markets</p>
<i>New Markets</i>	<p>Market Development</p> <p>Seeks growth by attracting new market segments</p>	<p>Diversification</p> <p>Seeks growth by introducing new products and services to new markets</p>

Table 2. CSP’s Growth Strategies/Tactics Matrix

<p>Growth Strategy: Market Penetration</p> <p>Seeks growth for present products/services in present markets through more aggressive marketing efforts.</p>	<p>Growth Strategy: Market Development</p> <p>Seeks to attract new market segments</p>	<p>Growth Strategy: Product/Service Development</p> <p>Seeks to grow by improved services for present markets</p>
<p>Key Tactics:</p> <ul style="list-style-type: none"> • Increase unit of purchase (i.e. retention; cross-selling non-academic or other programs such as summer camp to current families) • Offer price incentives for increased use (sibling discounts) • Increase efforts to attract competitors' customers • Step up promotion (publicity, promotion, advertising, special events) • Improve brand differentiation (understand your unique selling point and communicate it) • Increase efforts to attract non-users (neighborhood admission receptions at homes of current host families is a proven example) • Increase service trial through offering samples and incentives by getting prospective families to campus • Pricing up or down (not only tuition, but other costs, remembering that inconveniences such as extended wait time in a car line, non-synchronized vacation and holiday schedules among sibling schools are soft costs to busy parents) 	<p>Key Tactics:</p> <ul style="list-style-type: none"> • Open additional educational opportunities through regional expansion; establish a presence in a target neighborhood through a special program; after-school tutoring in underserved neighborhoods for other than currently enrolled students is an example of this tactic; adding a satellite campus is another example. • Attract other market segments by developing service or product versions that appeal to these segments; adding a boarding component is an example of this tactic. • Enter other channels of distribution; collaborating with peer schools to deliver programs is an example of this tactic. • Advertise in other media • Build new relationships; an example is collaboration with local businesses 	<p>Key Tactics:</p> <ul style="list-style-type: none"> • Develop new product/service features by attempting to adapt, modify, magnify, minimize, substitute, rearrange, reverse or combine existing features; changing schedule, adding IB or becoming a Round Square school are examples of this tactic • Create different versions of the same product/service; an example is online or distance learning • Develop additional models and/or sizes; an example is adding a new grade level or division

