

Developing a Marketing Plan for Your Family Child Care Business

Many family child care providers think that marketing is just advertising. They assume that if they are doing advertising, they know all about marketing. Marketing, however, is much more than advertising. Marketing is about strategically positioning the family provider in the marketplace.

Marketing is part science and part art. Two child care providers located in the same geographic area may have very different marketing strategies. In fact, a family provider wants her business to be different to create a "unique market niche."

The purpose of creating a <u>unique market niche</u> is to make the family child care home stand apart from the competition. Customers will view the home as offering more <u>perceived added value</u> than competitors, and they prefer to purchase child care where they get more value.

Often that perceived added value may only exist in the mind of the customer. It can be a real difference in quality child care or it can be just the feeling the customer has that the way the family child care home presents itself and provides service is different and better.

A marketing plan is a written document that details the actions needed to achieve one or more objectives. When it is part of the overall business plan, it is one of the most important sections and the one in which you should spend the most time and energy. You may use this outline to start drafting your family child care home's marketing plan.

MARKETING PLAN OUTLINE

1. Marketing Plan Summary

The summary is written last and may include the following key items:

- Purpose of the marketing plan
- Brief description of the business mission statement, services offered, target market
- Keys to success (how you will know when/if the plan is successful)
- Brief summary of marketing budget

2. Program Mission and Identity

• What is your program's unique market niche? What makes your services special or unique? There are several exercises you may do to help you determine your unique market niche. You may do a competitive analysis to learn all you can about your competitors and a SWOT (strengths, weaknesses, opportunities, threats) analysis. These are described in more detail in section 5 below.

You may also use our tool "<u>Promoting the Benefits of Your Child Care Program</u>" to help you figure out the true benefits of your program. Many child care providers can easily list the features of their programs – the hours the program is open, the ages of children served, the fact that they are licensed. However, this does not give much information to parents trying to figure out the best program for their children. Parents want to know how a program will meet their needs and those of their children.

• What is your child care program's vision/mission statement? Now that you have good information about your unique market niche, you can write your program's vision/mission statement. You should keep the statement to one to three sentences.

3. Objectives of the Marketing Plan (Keys to Success)

How will you know your plan is successful?

Some examples of statements of objectives include:

"I will reach and maintain enrollment at 90% of licensed capacity in six months."

"By the end of the year, private pay parents will represent at least 30% of my enrollment."

"In seven months, I will have a waiting list of at least half the size of my licensed capacity."

4. Market Analysis

• What are trends in the child care industry, especially in your local region or area? Your local or state child care resource and referral agency will probably be the best source of this information. Ask your local resource and referral agency the following questions: "What type of care is in greatest demand in my area? What may I change in my file that will attract more parents? What do you tell parents about what to look for in a child care provider? What ideas do you have that might help me attract more families to my program?"

5. Competitive Analysis

Who are your main competitors?

Why is it important to know your competitors? Seeing what others are doing (both good and bad) can help you really figure out **your vision** for your child care business. Once you know your vision, it will be much easier to tell parents what **you** have to offer that's special, that's unique from all other providers. You can use our tool "Competitive Analysis: Who Are My Toughest Competitors?" to help you with this.

• What are your strengths, weaknesses, opportunities and threats?

You can do a SWOT Analysis of your center to help you position yourself ahead of competitors. SWOT stands for Strengths, Weaknesses, Opportunities and Threats. Strengths and weaknesses help you focus internally on how your program is doing. Threats and opportunities are external and focus on conditions in the real world. The SWOT analysis challenges you to see beyond the walls of your home to determine what opportunities are out there and how to capitalize on your strengths.

6. Target Customers/Audience

• Who are your target customers – age, income, lifestyle, education level, and so on? As you write this section, keep in mind the following questions: What is the income level of the families you are trying to attract (low-income, high-income, both)? From what geographic area will your customers come from? What are they currently using for child care? Can you offer them anything they are not getting now? How can you persuade them to bring their children to your family child care home? Exactly what services do you offer?

7. Marketing Strategies

- Is your image consistent from your business name and logo to the appearance of your home?
- Can you tell prospective parents the top two to three benefits of your program?
- Are your prices consistent with your benefits?

You don't have to be the cheapest program in your area to be competitive, but you do have to show how your program adds value or benefits your parents.

- What are your key messages?
- One key marketing strategy is to offer current parents an incentive to refer other families to your program. The incentive can be cash (\$50, \$100 or more) or free days of child care. Deliver the incentive after the new family has been with your program for at least a month.

8. Action Plan and Budget



Marketing Plan of

(Family Child Care Business Name)

| 1. | Executive Summary Purpose of the marketing plan Brief description of the business – mission statement, services offered, target market |
|----|---|
| 2. | Program Mission and Identity • What is your program's unique market niche? What makes your services special or unique? |
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| | What is your child care program's vision/mission statement? |
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| 3. | Objectives of the Marketing Plan (Keys to Success) • How will you know your plan is successful? |
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| 4. | Market Analysis | | | | |
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| 5. | Competitive Analysis • Who are your main competitors? | | | | |
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| | What are your strengths, weaknesses, opportunities and threats? | | | | |
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| 6. | Target Customers/Audience • Who are your target customers – age, income, lifestyle, education level, and so on? | | | | |
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| 7. | Marketing Strategies Is your image consistent – from your business name and logo to the appearance of your home? Can you tell prospective parents the top two to three benefits of your program? Are your prices consistent with your benefits? What are your key messages? | | | | |
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Marketing Action Plan and Budget

8. Action Plan and Budget

The sample Action Plan and Budget may give you ideas to develop your own Marketing Action Plan. Remember although every action takes time, not every action costs money. Use the blank template on the back to start your own Action Plan.

| Action Step | Person Responsible | Due Date | Budget |
|--|-------------------------|------------------------|------------|
| Review my recorded greeting to make sure that it is up-to-date and provides the information I want to convey to parents. Update the | Me | 1/31/XX | do 00 |
| recorded message if necessary. | | | \$0.00 |
| Prepare a list of my program's top two to three benefits. Tape it up near every phone. Make sure every family member who answers the phone knows my program's benefits. | Me | 1/31/XX | \$0.00 |
| Develop parent intake forms that track parent contact information, ages of children, and how they learned about my business. Keep a stack near every phone along with a pen or pencil. | Ме | 1/31/XX | \$0.00 |
| Make sure that whoever in the family answers the phone does so politely. Train my family to always write down carefully and correctly the contact information for every parent that calls. | Me | 1/31/XX and ongoing | \$0.00 |
| Hire a graphic artist to develop a new, more appropriate logo for my business and design new flyers and brochures. | Ме | 3/31/XX | \$500.00 |
| Print 250 brochures and 500 flyers. | Me & Kinko's | 5/31/XX | \$550.00 |
| Update all policy and enrollment information to include new logo. | Me | 5/31/XX | \$100.00 |
| Place a 1/8 page ad in the "Shopper's Gazette" in May, August, and September. (\$125 for each ad) | Me | 4/15, 7/15, 8/15/XX | \$375.00 |
| Distribute flyer to all parents letting them know that we will offer them \$75 off their weekly fee if they refer a child to us that stays at least two months. (3 referrals for the year) | Ме | 1/31/XX | \$225.00 |
| Hold a Halloween Open House. Hand out candy and a bookmark with my business's logo and contact information to all trick-ortreaters who come to my house. Invite parents of small children to come in and see my child care program. Have flyers and business cards handy. Make sure children's art projects are visible. Cost of candy (\$25). Cost of 100 bookmarks (\$150). Make sure house is | Me, my husband and kids | 10/31/XX | |
| clean and well organized. | | | \$175.00 |
| Send a letter to past parents offering them a \$50 finder's fee for any child they refer to us that stays at least two months. (3 referrals for | Me | 11/15/XX | ф150 00 |
| the year) Research cost and time involved in setting up our own website. | Me | 12/15/XX | \$150.00 |
| Research cost and time involved in setting up our own website. | INIC | 12/13/11 | |
| Total Budget | | | \$2,075.00 |



Marketing Action Plan and Budget

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The sample Action Plan and Budget on the other side may give you ideas to develop your own Marketing Action Plan. Remember although every action takes time, not every action costs money. Use this blank template to start your own Action Plan.

| | Person | | |
|--------------|-------------|----------|--------|
| Action Step | Responsible | Due Date | Budget |
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| Total Budget | | | _ |

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