

# Trinity Lutheran Church/Baton Rouge Lutheran School Conference Call • August 30, 2018 6:00 p.m.

## Introduction

We completed the market demand study for your child development center in December 2010.

Sarah and I visited on June 12-13, 2018 – met with committee, toured Trinity Lutheran Church and child development center, toured BRLS, met with staff and parents, and toured local schools

Conducted a parent survey and a community survey from July 16-27, 2018 – 44 parents responded to the email survey, 162 community members responded to the online survey. Details about how the surveys were conducted are included in the Appendices.

Delivered your market demand study report on August 15, 2018, revised the study based on the school enrollment level on August 22, 2018.

## Four Key Findings

### 1. Selecting a Private School

Most Important Factors (page 17) – top three factors - curriculum, staff, price are statistically above and beyond the other responses. We asked them to choose the three factors most important in selecting a private school.

Strengths of BRLS (pages 21-23) – only 14 out of 44 parents said academics/curriculum, slightly less than half of the parents mentioned staff/faculty, and half of the parents said religion.

\*\*\* Encourage everyone to read the strengths and weaknesses \*\*\*

Conclusions:

- **School + Lutheran.**
- Although a Christian school is valuable, because nearly all of the competitive schools are Christian, you will get a Christian environment at nearly any private school.
- **Decide your strengths. The goal should be that ALL BRLS parents, at the current location or at a new school, should recognize BRLS for these strengths.**

## **2. Satisfaction**

Overall satisfaction (page 64) – over 95% of BRLS parents are either very satisfied or somewhat satisfied with their experience with BRLS. However . . .

Meeting your child’s needs (page 65) – 22.7% of BRLS parents said BRLS was not meeting all of their child’s or children’s needs. Academics is a common concern.

Meeting needs – parents (page 66) – 25% of BRLS parents said BRLS was not meeting their needs as parent. Communication is a common concern.

Satisfaction with high school preparation (page 67) – 31.8% of BRLS parents were not satisfied with the academic preparation for high school that their child is currently receiving at BRLS. Technology is a common concern.

\*\*\* Encourage everyone to read the comments \*\*\*

Conclusion:

- While nearly all parents say they are satisfied, it is important to recognize that there are parents whose needs are not being met.

## **3. Technology**

Rating importance of features (page 49) – technology in the classroom was highly rated (third)

Technology in the classroom (page 52) – only 3.5% of community members said it was not important

Rating quality of features at BRLS (page 68) – technology available to students was the lowest rated feature

Technology (page 84) – only 13.6% of BRLS parents said technology was excellent. In the comments “We are in the stone ages”

Weaknesses of BRLS (pages 24-25) – technology was mentioned by parents

Conclusions:

- Technology is important to parents when selecting a school.
- Some statistics suggest over two-thirds of all school students utilize a tablet or notebook computer. Some of the competitive schools promote their use of technology – for example, at the Dunham School all students get a MacBook.
- BRLS needs to significantly improve their technology, at the current location or at a new school.

#### 4. Competition

Enrollment (page 15) – average K-8 enrollment is 407 students

Tuition (page 45) – average tuition for K is \$7,450, 1-5<sup>th</sup> is \$7,925, 6-8<sup>th</sup> is \$8,750

Total revenue using lowest tuition level is \$550,000 to \$8 million with half of the schools (6) having total revenue of over \$3 million

Conclusions:

- It is difficult to run a school without substantial enrollment and sufficient tuition.
- The level of competition is significant. BRLS needs to be on that level to compete.
- **Just building a new school in a new location will not be enough. For the new school to draw 223 students, it must be at least equal to, or better than, the competitive schools.**

#### Competitive Budgets

One of the conference call participants asked that I share the budgets for the competitive schools. We took the K-8 enrollment from each school (Enrollment chart on page 15) and multiplied it by the minimum tuition amount (typically kindergarten, Tuition chart page 45) to determine each school's K-8 budget.

	K-8 Enrollment	Minimum Tuition	K-8 Budget
Baton Rouge International School	204	*	
Dunham School	473	\$12,550	\$5,936,150.00
Episcopal School of Baton Rouge	600	\$11,573	\$6,943,800.00
Family Christian Academy	110	\$5,000	\$550,000.00
Hosanna Christian Academy	469	\$5,565	\$2,609,985.00
Parkview Baptist School	819	\$9,680	\$7,927,920.00
Riverdale Christian Academy	129	\$4,700	\$606,300.00
Runnels School	418	\$8,930	\$3,732,740.00
St. Jean Vianney Catholic School	475	\$5,450	\$2,588,750.00
St. Luke's Episcopal School	338	\$9,015	\$3,047,070.00
St. Thomas More Catholic School	600	\$5,150	\$3,090,000.00
Victory Academy	250	\$4,400	\$1,100,000.00

## Market Demand

The estimated enrollment for a K-8 school operated by Trinity Lutheran Church is 223 students at a tuition of \$7,000. (page 34)

Degree of Interest (page 36) – **This is conservative market demand.** Only the strongest interest is used to develop the enrollment projections. The strongest interest category consists of people who met the four criteria listed under the chart.

It is possible that the school could have students enroll from the moderate, weak, or none categories, however, this is far less likely. For example, a moderate interest person could have said on the survey they would not prefer your new location, but upon visiting the school might change their mind. There are several current BRLS parents who are in the moderate category for precisely this reason. But, once again, we only used the strongest interest category for developing the enrollment projections.

Market Demand by Tuition (page 37) – The market demand for the school drops off significantly if the tuition is \$9,000 or higher. This drop-off is not surprising, especially since the average tuition for the competitive schools range from \$7,450 for kindergarten to \$8,750 for grades 6-8.

We used \$7,000 as our tuition level for our market demand projections because the average tuition is at that level. BRLS will not be low-price education, unless there is a significant subsidy from the church.

The enrollment projection is composed of approximately 64 children who are currently attending BRLS and 159 children who are not currently attending BRLS (page 38).

Once again, just building a new school in a new location will not be enough. For the new school to draw 223 students, it must be at least equal to, or better than, the competitive schools.

Finally, based on the responses from current BRLS parents, if the school does not have a gymnasium, the market demand for the new school should be reduced by approximately 25%. Every one of the competitive schools has their own gym (Riverdale Christian Academy does not but they are now closed).

## Your Questions

I have covered the key findings and market demand projections.

Do you have any questions about topics that I did not cover from the market demand study?

What other questions do you have?

## Thank You!

On behalf of Sarah and myself, we want to thank you for the opportunity to be of service once again to Trinity Lutheran Church.

Please keep us informed of your progress.

Please do not hesitate to contact us if you have questions.