

# Tuition Setting Strategy from a Market Perspective – Overview

Full Details at: <http://5rspartnership.com/fee-strategy-monitor/>

A robust process to inform and optimise School tuitions,  
structure and strategy from a market perspective.

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**Principal and Founder**

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# School Fee Setting – Why a Market Perspective Matters NOW

- The school sector faces unprecedented pressure for strategic approaches to set fees.
- As schools internationally operate in increasingly competitive (choice based) markets, fee setting will need to become more evidence based, taking a stronger market lens.
- School fees should be set by School Boards/Owners/Management with reference to costs and wider school objectives **but** their **market impact** must also be considered.
- Gone are the days where schools can simply say – *‘our fees (strategy) is set by being + or - 5% of our competitors and or by looking only at our costs!’*

# School Fee Strategy Monitor – Our Sector Experience

- We have been working for over 2 decades on tuition fee projects for the education sector (and own the renowned 'University Fees Monitor': <http://5rspartnership.com/products/fees-monitor/>)
- For schools, we offer a low cost 5 Stage **Fee Strategy Monitor** including perceptions of 'value for money', attractiveness of various school services and leveraging of fees, sensitivity (elasticity) of buyers to fee options, and competitive standing of fees and education offer against peer schools.
- The **Fee Strategy Monitor** is an evidence based and practical process to independently evaluate and benchmark your schools fee levels, structure and strategy from a market perspective. It aims to enhance enrolment, retention, competitiveness, and build reputation.

# Benefits for your School – Fee Strategy Monitor

The **School Fee Strategy Monitor** can offer a unique set of insights and solutions for schools including:

- Test sensitivity for various fee levels for your school and service inclusions and exclusions.
- A 360-degree view of fees decision factors – taking into account both cost and market factors.
- Options for fee innovation e.g. possible bundled/unbundled and differentiated fee structure by year level.
- Insights into a schools' perceived 'value for money' and what people most expect versus actual delivery.
- Understand the attractiveness of various fee levels and structures (3 – 4 scenarios can be tested).
- Discover individual services from a school that could warrant higher fee pricing and why.
- Understand interplay between school fees and choice for various parent personas and points in parent lifecycle.
- Greater certainty around the market factors that should most shape fee decisions short and longer term.
- Enhanced cost-effective, impactful marketing – align marketing messages with high drivers of 'value for money'.
- Specific applications e.g. help a proposed new school set appropriate launch fee levels.
- Improved competitiveness of education and service value proposition, fee packaging e.g. ESL, excursions, buses.

# The School Fee Strategy Monitor Process – Overview



# The How – Stages Explained...

Input/Focus	Sample Questions/Metrics Addressed (Asking the <u>RIGHT</u> questions is crucial)	Time Allocation
<b>Stage 1:</b> Review fee documents, value proposition.	<ul style="list-style-type: none"> <li>Is fee information well structured and packaged and clearly communicated in the right ways?</li> <li>Is there a value proposition (message) linked to a compelling school identity to substantiate school fees?</li> <li>Does the school articulate a reputation for something of particular value (USP) that would publicly support its current fee levels?</li> </ul>	1 day
<b>Stage 2:</b> Fee level sensitivity assessment. Parent focus groups (3), Management interviews (4-5), questionnaires.	<ul style="list-style-type: none"> <li>What do parents see as the core (intrinsic) value of the schools' education and service offer?</li> <li>What do people most demand/expect for fees to go higher?</li> <li>What is not currently in your offer or strongly in the offer, but could be added/strengthened for higher fees?</li> <li>Where and how are fees an indicator of school quality?</li> <li>Using an adaptation of the Price Sensitivity Model – what are the definable personas of the schools clientele, the extent of fee sensitivity, elasticity and expectations at various fee levels (scenario testing)?</li> </ul>	4 days
<b>Stage 3:</b> Competitor Fee and Proposition Analysis. 3 schools and summary.	<ul style="list-style-type: none"> <li>What are the peer schools value proposition/offer and fees and how do they inform fee competitiveness?</li> <li>At what fee would your school be expensive compared to peer schools to not consider buying? (Too Expensive).</li> <li>At what fee would your school be a great buy compared to our peer schools? (Good Value).</li> </ul>	2 days
<b>Stage 4:</b> Summary of Evidence (Stages 1 – 3).	<ul style="list-style-type: none"> <li>Key issues/gaps with regard to school fee attractiveness and fee sensitivity?</li> <li>Based on analysis, how do you build and present more value to your schools' various audiences?</li> <li>What insights most inform fee structure to maximise income, enrolment, competitiveness, and reputation?</li> </ul>	1.5 days
<b>Stage 5:</b> Fee Strategy Options PowerPoint Report and 2-hour Management Workshop.	<ul style="list-style-type: none"> <li>PowerPoint Report format typical structure:               <ul style="list-style-type: none"> <li>What we found (new, evidence based insights).</li> <li>What it means – strategy options for fees, education/service offer, and value proposition.</li> <li>What to do next – a Response Fee Strategy Plan.</li> </ul> </li> </ul>	2.5 days
<b>Total</b>		<b>11 days</b>

# Total Project Fees (All 5 Stages)

What is Included	Days Allocated	Total Professional Fees
The fee covers all 5 Stages of Work above.	11	\$11,900 USD

# Who does the work? Dr Stephen Holmes PhD (School Marketing)

- **Dr Stephen Holmes** is the Founder and Principal of The 5Rs Partnership established 2004, based in Singapore.
- Stephen is the only full-time practising consultant with a PhD in the field of school marketing strategy.
- Stephen has consulted, researched, published and spoken globally with leading schools at the highest levels with an unmatched client base spanning three decades.
  - <http://5rspartnership.com/sample-projects/schools/>
  - <http://5rspartnership.com/client-testimonials/>
- Stephen has been commissioned on numerous fee strategy projects for education institutions across Asia, Australia, the UK, Europe, India, the Middle East, South America, and New Zealand for over 20 years.
- His professional education background in schools' spans teaching, senior administrator, Board member, and in universities as an executive director of marketing. Stephen brings a unique depth of global insight and grounded expertise to fee strategy for schools.





## Further Details:

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