

How to sell to schools: January to April 2010

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1. Recent changes in marketing to schools

1.1 The funding of schools

In 2007 schools were given a funding settlement for the three school years starting in 2008/9, including 2009/10 and ending with 2010/11. This was one of the final acts of the “Education, Education, Education” regime, and although schools always want more, it was seen as just about the best that could be achieved at the time.

Because of the subsequent change in economic circumstances fears began to be expressed that the 2010/11 settlement could be changed, despite earlier government promises.

However in December 2009 the government made two announcements – one in relation to extra funding for primary schools and one as part of the pre-budget announcement.

The 2010/11 settlement remains intact, and the 2011/12 settlement will take that budget and add 1% to it.

This is, in fact, remarkable news for schooling, for while almost all other areas have had budgets pulled back, the 2010/11 settlement is exactly what it would have been if there had been no economic collapse.

1.2 What schools have been doing with their money

There has been widespread concern among school managers that budgets would be cut, and for this reason many schools have been holding back on spending in 2009/2010 in the hope of holding money over into the next school year.

In fact, this is now not necessary because there have been no cuts. But also the government experimented in 2008/09 with its new “claw-back” procedure. This allowed local authorities to take back unspent money where the unspent money was over between 5% and 8% (depending on the type of school).

Heads and bursars tried to get around this by claiming that the money was for an established project – such as a new boiler for the school or development of a playing field.

There has been talk in late 2009 that the government is instructing local authorities to take claw back more seriously and to enforce it more rigorously, demanding evidence of long-term projects, and taking money back if in fact the money is then used for other purposes, or simply held over once again. In this regard the government has the support of the trade unions.

It has been reported that a claw back of 2% from the 2009/2010 budget and then a reduction in funding to schools from whom the money has been clawed-back (on the grounds that “you didn’t need it last year so you don’t need it this year”) would save £2 billion.

While some schools will undoubtedly try to be “clever” and outfox the state, it is looking as if most will not take the risk (which if it comes unstuck can cause the end of a career for a head or bursar) and will spend.

1.3 Levels of marketing in response to this development

Direct mail into schools in the autumn term 2009 ran at about 10% of that of the same term in 2006. In other words for every 10 items a teacher received in 2006, he/she received one in 2009.

Whereas in 2006 shared mailing leaflets outnumbered those sent as solo mailings, by 2009 the reverse was true.

Generic emails (those which go to the school administrator with a request to be passed on to a particular teacher) have more than doubled in volume each year since 2005. This is mostly due to companies pulling out of shared mailings and moving into generic mailings, and the increasing availability of low-cost CDs which are said to contain all school email addresses.

In 2008 the first subscription email services were introduced and their use has increased by about 30% in 2009 over 2008, largely due to an increased awareness of the service.

Personal email lists (i.e. teachers' own email address within the school) were introduced in 2009, and their popularity has increased through the year.

However, as with private email addresses, spam is a huge problem for schools, and many have introduced sophisticated filtering systems to block unwanted emails. Because there is only limited awareness of how emails to schools can be made to work, most emails that go to schools now appear to go straight into spam boxes or be caught out by filter systems run by the companies that specialize in supplying internet facilities to schools.

Taking all these factors into account, the amount of relevant material (including email and direct mail) reaching schools is now around half what it was two years ago. However the amount being read is probably around 20% of what it was two years ago.

Overall the decline in the level of postal mail, and the relative smallness of the personal and subscription email service, along with the reduction in the number of generic emails that get through means that those materials sent to schools which are well written and which take the medium into account have a much higher chance of success than they did three years ago.

1.4 Two specific problems for schools

The biggest specific problem schools have in terms of expenditure comes with sending teachers on courses. Indeed many local authorities issued "no courses in school time" notices in September 2009. This was in response to the latest expansion of the Workload Agreement – a UK wide agreement backed with legislation which aims to reduce teachers' workloads. This newest development is generally known as "rarely cover" and effectively it means that if a teacher is absent from school and the absence is known about in advance (as clearly it would be with a course) then other staff in the school cannot be asked to cover that teacher's lessons. As a result a course which might have cost £200 for a day costs the school an additional £200 in supply teacher salary.

In England E-learning credits have come to an end. They have been replaced by the Enhancing Technology grant. Although the BECTA report on this said that the money should normally go to schools, it is often being used by the local authority to pay for its broadband provision. However this in turn normally means that schools that are part of a region wide provision of the broadband service are having most of that paid for by the local authority.

1.5 The appropriate style of advertising that is best when selling to schools in 2010.

In essence, contemporary advertising is based around a very simple idea: all adverts are conversations.

At the start of the digital age, the idea was that we could dispense with conversations and instead just tell people what we had and force them to reply on-line. Phone numbers

were not displayed, and if you had a question or a complaint the chances were that you would get an automated answer. Companies put in telephone handling systems that shut people out, customers had to wait an hour to get through to the bank, and even then had to speak to someone whose accent made it hard to understand them.

Then it was realised what a mistake this all was; customers need to be talked to, and the system changed. Want to buy your CDs on-line – no problem, the system is there. Got a problem with an order you placed with play.com? Phone them, and they answer within 5 seconds, and can tell you about your order within 10 seconds. (And I don't have shares in play.com – it's just my experience).

If we take this a step further, the reason why so many companies report that their response rates in selling into education have gone down becomes clearer.

When faced with a potential customer most of us are able to speak in a fairly normal, friendly manner about the benefits of our product, how well it is going, why people buy it, and so on. We smile, look the customer in the eye (although not too much, as we don't want to make them feel uncomfortable) and by and large aim to come across as a friendly sort of person with whom it is good to do business.

What we don't do is...

1. Bore the customer to death with talk about when our company was formed, the fact that we are a small family business or a vast plc, and the like.
2. Use some sort of convoluted double speak such as "This award winning bit of software...."
3. Shout "NEW!" or "DISCOUNT!" in the customer's ear.

In short, when we meet someone we talk to them in a fairly nice, normal way. But somehow a lot of educational marketing has slipped into strange shorthand phraseology such as "by teachers for teachers" or "awardwinning" that ultimately becomes meaningless to the reader because it is seen so often.

The advertising that is working and achieving ever higher response rates is written in a way that is appropriate to teachers in schools in 2010 – and not to teachers in 1997 or even 1987.

2. Selling to schools: January to April 2010

Unless a school is going to try to beat the claw-back system (which, as noted above, could be a career ending move by any head or bursar who tries it) that school has money to spend.

Indeed, it is likely that the overwhelming majority of schools will have more to spend in January to April 2010 than they had in the same period one or two years ago. This is because:

a) The level of effective advertising to schools has declined so dramatically, with direct mail running at a tiny level compared to two years ago and much generic email marketing being ineffective.

b) The schools have been holding back on expenditure because of fears that the settlement announced in November and December 2009 would be severely cut.

3. Which medium to use

Observations from 2009 suggest that the companies that used all forms of direct marketing to schools did best of all, reflecting what we have known for a couple of years – that some people respond to direct mail, and others to email.

Beyond this, however, we can say that each medium has an advantage and a disadvantage, and these are given below.

All our services come with a free listing on www.UKEducationNews.co.uk and more details on this are given at the end of this section.

3.1 Solo mailing

It is expensive (around 45p a school in many cases) but it can bring in the highest response rate of any approach. What's more, it is ideal for testing. If, for example, you are looking for a 3% response rate then it is perfectly reasonable to mail 200 schools from your target, selected at random. The cost will be under £100, and some of this will be recovered even if you only sell to 1% or 2% of schools.

If it works you can roll the whole mailing out, but if not you will have gained information about how your promotion needs to change.

Because a trial solo really does give you information for such a limited cost, this is where most companies who are seriously looking at selling to schools choose to begin.

Solo mailings are most affected by the text that the reader sees on opening the pack – which is often a covering letter. A mailing of a leaflet can move from under 1% to 4% by having the right covering letter in place.

3.2 Shared mailing

With a cost of around 5p to 8p a teacher reached, this is ideal for sending out a single light-weight leaflet on a regular basis. The best approach is to have three different leaflets and vary the approach mailing by mailing. Shared mailing packs a few years ago were in danger of being overwhelmed by the number of leaflets seeking to use the service. Now that the volume is down to around 10% of three or four years ago, there is a much greater chance that the administrator will pass your leaflet on.

3.3 Subscription email

These emails are written as advertorials so that they link into the format of the news that the subscribers receive each week. A typical subscriber might receive a news item on a Tuesday and an advertorial on the following Thursday – they are not sent out together.

Subscription emails only reach a percentage of the teachers in the group you are targeting, obviously because only those who subscribe get the email, but they are, like solo mailings, an ideal way of testing the water. Price is 20p per teacher reached.

3.4 Personal and Preference emails

Increasingly schools are allocating personal emails to teachers within the schools, and these can get response rates approaching those of subscription email services. The bonus is that the lists are bigger and there is no need to fit in with the style of the news sent out, as with the subscription emails. Preference email lists are for teachers in the schools that have not allocated personal addresses yet. Instead the mail goes to the administrator with the name of the teacher in the subject line. Personal emails cost 18p each, and preference 10p each. There is no overlap between them.

3.5 Generic emails

These emails go to the administrator with a request that the item is forwarded to “The Head of Music” or whoever is wanted. Response rates have plummeted because widespread availability through firms that have no knowledge of how to sell to teachers has resulted in vast over-exploitation of the market.

Many of these lists on offer are outdated, and come from companies that have no agreement with the local authorities and service providers to allow their emails through as legitimate educational emails. Likewise many suppliers have no knowledge of how schools treat emails and which emails get stopped before delivery.

One of the big problems with generic emails is that even if one pays nothing for the promotion, on their own they are not enough to develop a decent business. A response rate (in terms of actual sales) of 0.3% on a mailing to 5000 secondary schools might bring in 15 orders, with no marketing cost (if you have bought a CD of addresses, and you have the software for sending out emails in bulk). But if you then repeat the advert your response rate will probably decline further until each email is bringing in maybe 5 orders.

It is, however, possible to get better returns on generic emails providing one pays close attention to:

- a) Who the email appears to be from when it arrives in the school
- b) The way the subject line is written
- c) The opening headline at the top of the text
- d) The way the text itself is written
- e) The way the response mechanism is arranged at the end of the text
- f) Ensuring that the schools and local authorities are not gradually blocking you as a source of emails.

If you would like to know more about these five criteria and how they affect generic emails, please call 01536 399 000.

3.6 UK Education News

This service was introduced in November 2009 as an expansion of the subscription email service. Every news story from the mainstream news sources (the BBC, Guardian,

Independent, Education Today, and significant regional papers and educational magazines) is listed. Readers can click on that story and be taken to the website with that story on it. During our Beta Testing period in November and December 2009 we were getting around 5000 stories read a day.

All clients of Hamilton House who buy into one of our services listed above, spending £200 or more, will also have their story listed on UK Education News. This offer will continue at least until 31 January, and may continue beyond that.

This means, in effect, that your story will appear on one of our news websites (where it will get a significant number of hits) and appear on the rolling UK Education News. Because it will appear alongside stories from major news sources, this seems to give the story extra credence.

It is also possible to book into an appearance on UK Education News either as a news story or a listing in the resources section or on one of our banners. If you have a regular news section on your website we can also pick up that page each time a new story is added, and run it automatically.

4. Websites

Research during the past two years has revealed just how important the landing page of a website is. Time and again we have found situations where an email advert to schools can generate a significant number of hits on a website only for no orders to be placed.

The text and design of the landing page (where readers are referred on) is as vital as any other part of the mailing process, and yet it is often left or ignored by customers. The companies that have done well in the last year with email advertising tend to have focused as much on their landing page as on their email advert.

Unfortunately many website designers seem to be good at designing websites that interested people will read, but have little knowledge as to how landing pages can work.

5. Blogs

The blog has grown massively in importance in the last three years, and blogs which are written on a regular basis with interesting, engaging and conversational copy can build up huge audiences if marketed in a positive way.

In our own experiment in blogging, we have on one site developed an audience of over 120,000 unique readers a month.

Blogs don't automatically sell product, but they can help, and they will generate extra awareness and a positive feel for your company if you can get the tone right. But they are a major commitment in terms of time, and cannot just be fitted in occasionally. A blog that is intermittent in providing new copy will not build up a regular readership.

6. The Efficiency Issue

Throughout the autumn of 2009 the government continued to stress the need for efficiency savings in schooling, and this is a factor that is very much on the mind of school managers. The Schools' Secretary referred to the issue several times before and after the pre-budget announcement which left school funding in place.

The debate, however, started in the summer. In July 2009 the Audit Commission reported on school spending and, for the first time, they reported with more clarity and certainty on the issue of school spending. The full report (known as "Valuable Lessons" is at <http://tinyurl.com/kueubl>

It is not a particularly dramatic document – indeed it is somewhat simplistic in places – but it does, for the first time, deal with the issue of efficiency.

In essence, the view of the report is that schools could save £400 million a year if they bought equipment and services more sensibly. They also estimate (although the press reported it as a statement of fact) that schools in England and Wales are sitting on cash reserves of nearly £2 billion, with two out of five schools transferring across year on year more than the recommended amount.

They also confirm that the English primary and secondary schools' bill (excluding private schools) topped £31 billion in 2007/08, an increase of 56 per cent in real terms over the last decade.

In a wonderful summary the Audit Commission concludes that it can't be sure whether the taxpayer is getting value for money. The report says that school inspections focus on educational standards and what teachers do, which is necessary. They pay less attention to economy and efficiency. Councils also pay insufficient attention to value for money in their support of schools. Many school governors should be tougher in seeking value for the public purse.

Michael O'Higgins, the Chairman of the Commission, commenting on the report in an interview said, 'Accountability for spending in schools has been weak possibly because, in the last ten years, the focus has been on results. Ofsted [the schools' inspectorate] is planning to give a higher priority to value for money and we will be pleased to work with it.

'Now, however, is a good time for schools to look for better value from the money they get. Budgets are growing more slowly and schools need to start planning for a more austere future. We believe savings could be made without adversely affecting pupils or their education.'

Appendix 1: How Hamilton House works with companies

There are two broad approaches that we adopt. The first involves us responding to your requests – you phone and ask about promoting a particular product or using a particular email service, etc, and we do our best to help and offer an appropriate service.

The second involves us taking on your marketing on a regular basis, writing copy for adverts, copy for the website (if needed), sending out the emails, writing blogs, undertaking research among teachers, etc, etc. The exact fee for the work depends on the exact needs in each case, but most clients pay £450 per month for this service. There are more details on www.velocity.ac

Appendix 2: Coverage of this report

Education in the UK is administered separately by the DfCSF (for England), the Welsh Assembly, the Scottish Parliament and the N. Ireland Assembly. The DfCSF (previously the DfES and before that the DES) has control over about 90% of the UK and thus, even though the rest of the UK has chosen to go down different routes, the DfCSF decisions and those of the local authorities in England impact on the massive majority of the UK. In this article, unless otherwise stated, I am referring throughout to schools in England.

The changes cited here often do not directly impinge on private schools, but many do follow state school guidelines and approaches. Virtually all private schools in England follow the national curriculum of England, although a few are now opting out of the GCSE / A level system in favour of alternative exams.

More help and information

Please call Hamilton House on 01536 399 000 or email Sales@hamilton-house.com

Or visit...

For shared mail: www.shared.org.uk

For solo mail: www.directmail.org.uk

For email: www.emails.gs

For other topics in education: www.educationmarketing.org.uk

For the Velocity marketing programme: www.velocity.ac

For PR work: www.voom.org.uk

For minute by minute updates on news from the world of education:
www.ukeducationnews.co.uk

To receive daily emails about selling into education send an email to education-marketing-subscribe@yahooogroups.com -you'll get a confirmation email back. Just click reply, and you will receive the emails five days a week. If you want to stop receiving

them, there's a message at the foot of each email telling you how to do this.

Having read this report, if you would like me to take a look at your brochure, letter, leaflet or email, and give you our thoughts on how it might be changed in order to enhance sales, just send a copy of the item as a pdf file to Tony@hamilton-house.com along with your phone number. I'll take a look, and then call you back.

This service is completely free, is undertaken in complete confidence, and is without any obligation. If you would like to talk before you send the item for comment, just call me on 01536 399 000.

Tony Attwood