



2022

K-12 Trends Report

The Power of Harnessing Technology in the
K-12 Private and Independent Student Lifecycle

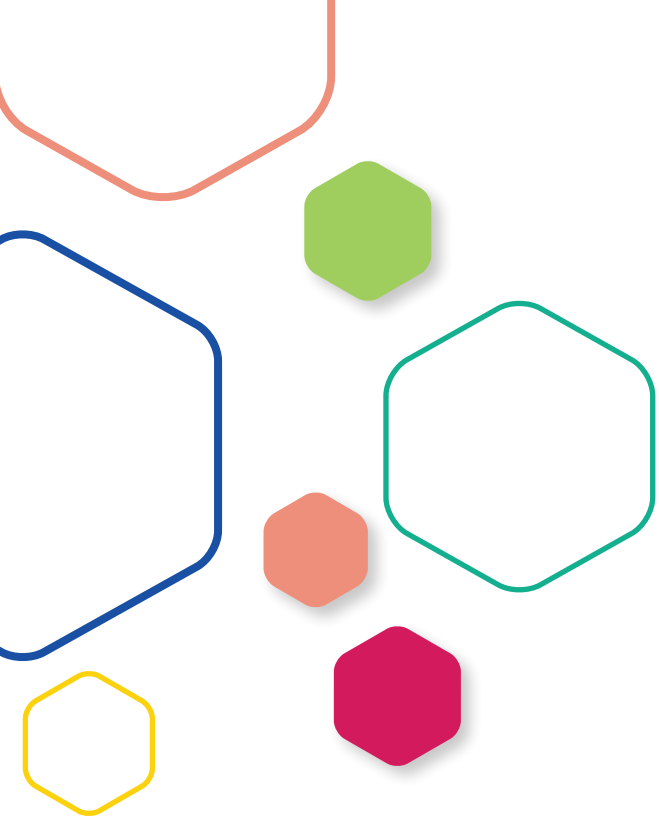


Table of Contents

What You'll Find in This Report	1
Executive Summary	2
Search	3
Application, Enrollment, Financial Aid, and Billing	6
Student Tracking	12
Donations and Fundraising	14
Operations	17
Conclusion	18
Community Brands K-12 Products	19

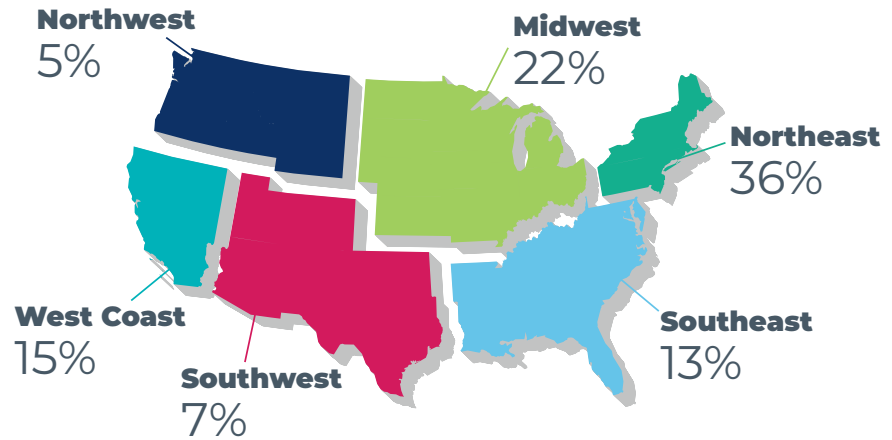
What You'll Find in This Report

For this research report, Community Brands collaborated with Edge Research in February 2022. We surveyed over 300 independent and private school decision makers on how schools are managing student search, admissions, enrollment, financial aid, student information management, communications, and advancement. These respondents represented enrollment managers, business officers, heads of school, principals, information technology managers, and diversity officers.

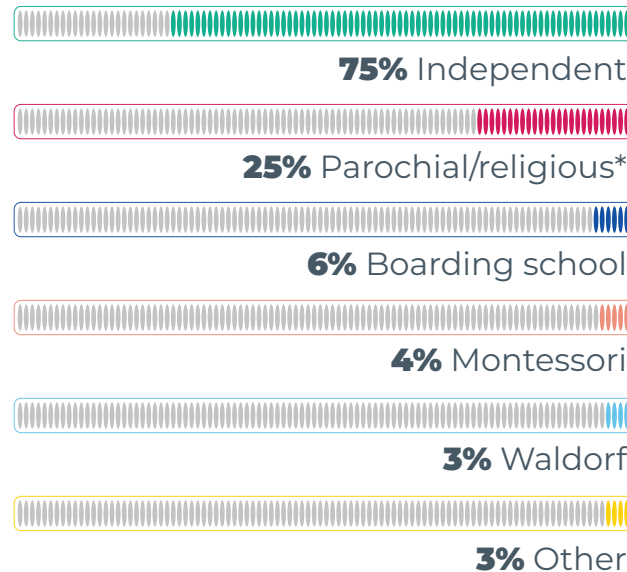
The goals of this study were to better understand the landscape as well as current and longer-term trends among independent, parochial, and boarding schools. These study results track the student lifecycle, how schools were impacted by COVID-19, lessons learned, and what schools are planning for the future.

Regions We Heard From

Average number of students: **391**

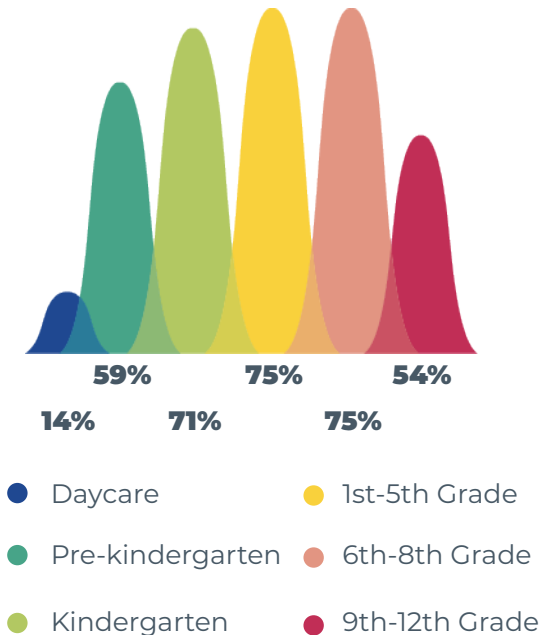


Schools We Heard From



*56% Catholic, 22% Lutheran, 11% Episcopal

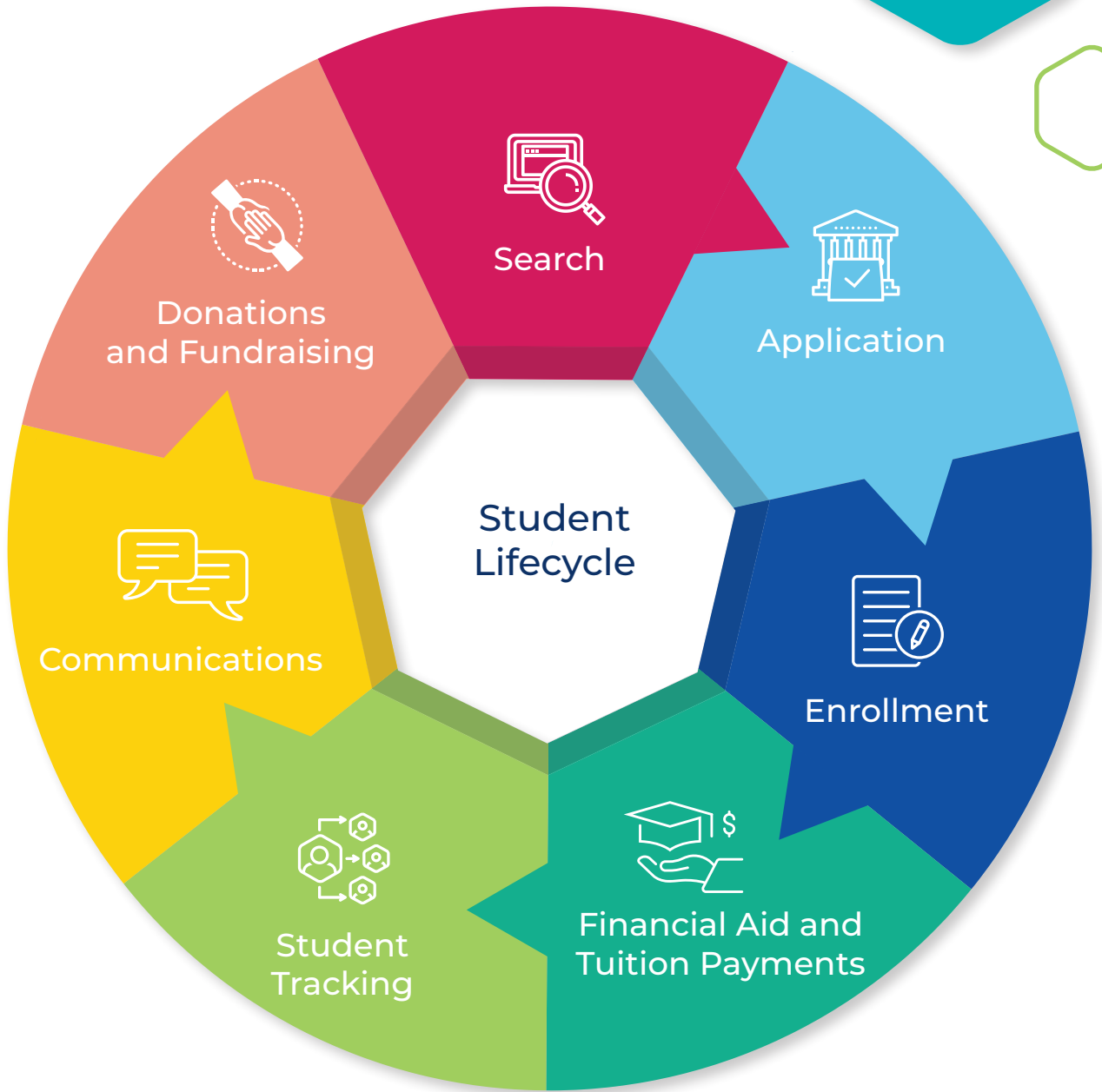
Grades Served by Surveyed Schools



Executive Summary

Just as a school year has a predictable winter break, pep rally schedule, and coffee-fueled admissions season, each student follows a predictable path through the student lifecycle. And while each student is certainly unique, there are typical challenges and exciting opportunities all private and independent schools face alongside this journey.

Fluctuation in budgeting, financial aid awards, enrollment, tuition, fundraising, and retention are just some of the pain points we examined through our research. The good news is that responses overall predict increased enrollment, improved retention, stable fundraising revenue, increased auxiliary income, and more full-pay families in the near future. The study also shows that to fully realize these positive and future-forward changes, schools need a healthy operational budget, investment in technology, and a focus on future growth and diversity.



Search

The first stage of the student lifecycle is rich with opportunities for schools to best market themselves

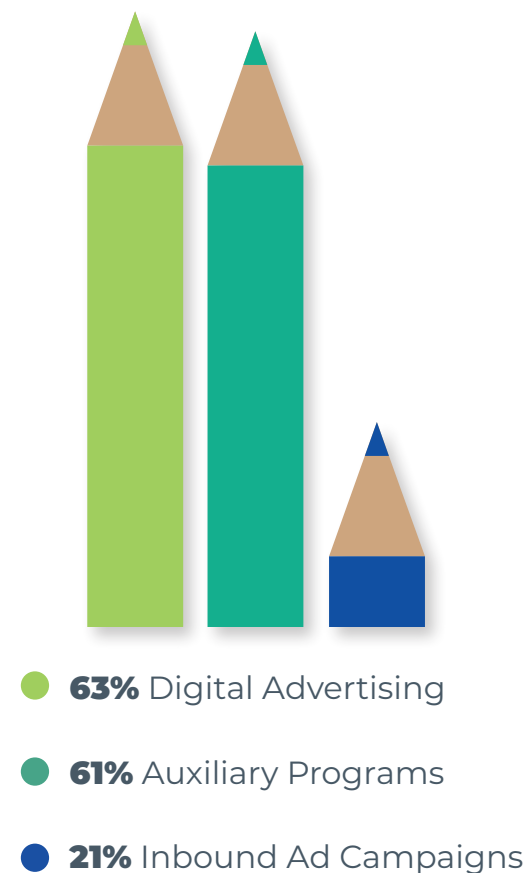
Parents have many options when choosing where to educate their children, so it's paramount that schools provide messaging on their mission, benefits, and impact through a variety of marketing channels. These channels could include school websites, word-of-mouth/referrals, social media campaigns, digital and print advertising, auxiliary programs, email campaigns, and others.

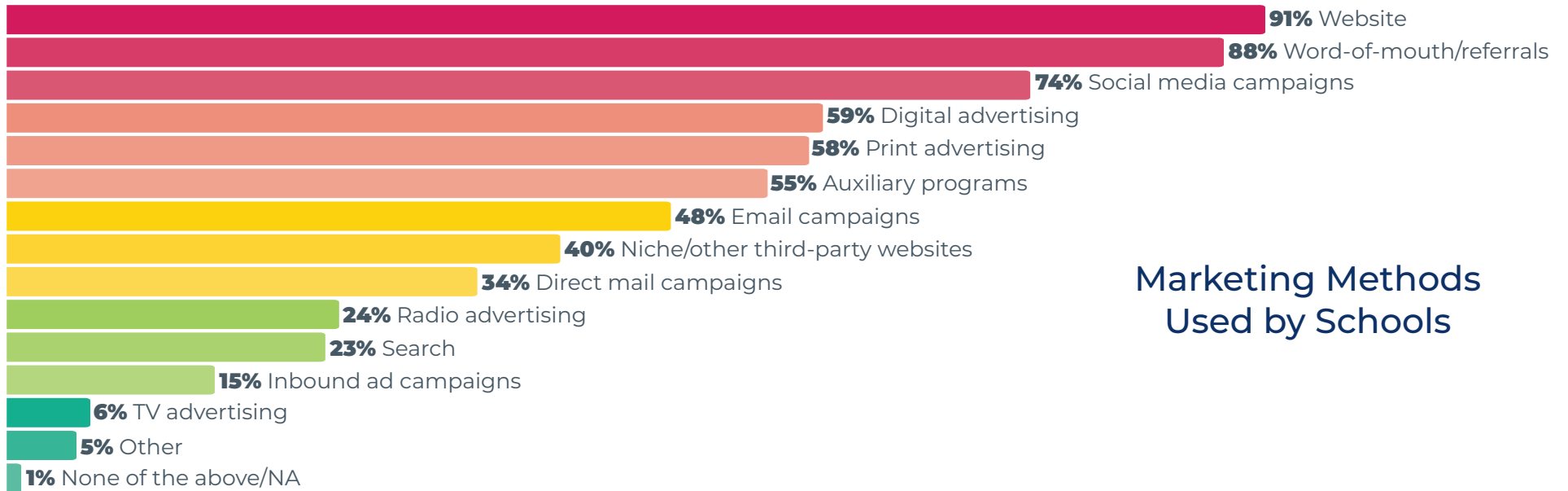
Parents are doing their homework on researching schools that are the best fit for their child(ren), and schools need to provide content for families to feel confident and informed. Surprisingly only 20% of schools' respondents consider marketing a top priority, and few—just three in 10—are looking to increase their investment in the next year. Another challenge with over half of respondents (59%) is having one or fewer staff dedicated to marketing, and this represents a gap in how much energy and time can be invested in these efforts.

If schools want to achieve their goals and hit their admissions targets, our research shows there needs to be more prospective families involved in the beginning of the student lifecycle, the search phase. To do that, schools need to maximize opportunities to highlight the school to the greater community and new parents.

During our research, respondents shared how they're generating interest, and these numbers might help schools narrow their focus to channels that will get a greater return. It comes as no surprise that the majority of schools lean heavily into website marketing, word-of-mouth referrals, and dedicated social media campaigns. However, schools that noted they had increased enrollment are more likely than others to report using digital advertising, auxiliary programs, and dedicated inbound campaigns.

Marketing Methods Used by Schools with Increased Enrollment





Marketing Methods Used by Schools

Schools should not only maximize their most lucrative marketing channels, but also examine what other channels can be better leveraged that are not a focus currently. For example, promoting auxiliary programs or investing in email marketing could be easier, less expensive, and result in greater lead generation than redesigning a school's website. School admissions platforms may even have email marketing, event management, and parent communication tools to help reach families during the search process.

As respondents shared, there is little interest in increasing marketing and advertising investment, but there is a demand for higher application and enrollment numbers. This provides an opportunity to use technology and data to make marketing processes more efficient and cost effective. Less than 40% of schools reported doing a very good job using data and technology for marketing, so there is ample room for growth in this arena to reach larger and different target markets.

Dedicating time to understanding the data behind the marketing that schools already perform could help them make informed decisions about future marketing endeavors. For instance, if a school sees that more parents are interacting with their content on social media than their email marketing, they may want to invest in paid advertising on social media to reach an even wider audience.

Utilizing omnichannel marketing is a key differentiator for schools that are more successful at marketing. Omnichannel marketing integrates numerous channels to engage with parents, funders, students, and the community at large which creates a consistent brand experience. The respondents who said they do a very good job using data and technology for marketing also said they are more likely to use several marketing tools or channels. Meeting parents where they are on social, mobile devices, and email helps drive enrollment and retention.

The search phase of the student lifecycle is an opportunity for schools to send their message out to their target audiences to attract the most potential students. By leveraging data and technology to understand which marketing channels would be the most effective, schools can

create marketing plans to send the right message to the right audience at the right time. And when families have the information they are searching for right at their fingertips, it's easier for them to take the next step into application and enrollment.



Maximizing Marketing

If schools can maximize their efforts at the first stage of the student lifecycle, search, by effectively marketing to families, they have set themselves up for success. Today, the three main channels of marketing and lead generation used by schools are website, word-of-mouth, and social media campaigns. However, schools that noted they had increased enrollment are more likely than others to report using digital advertising, auxiliary programs, and dedicated inbound campaigns in omnichannel marketing.

Be smarter and faster with the investment your school has already made to see more students actually move through the student lifecycle.



Admission, Enrollment, Financial Aid, and Billing

Student life starts here

It isn't enough to just market a school and hope for the best—schools want to attract their target audience to apply. Getting admissions right is the top priority of many schools. In fact, admission and enrollment were the number one priorities of 66% of the schools surveyed with four in 10 schools indicating that they intend to invest more in both next year.

9 out of 10 schools have dedicated admissions staff



39% of Schools Who Self-identify as Early Technology Adopters Enrolled 101-500 New Students

Those Who Feel They Do an Excellent/Very Good Job of Using Data for Marketing are More Likely to Generate **500+ Inquiries**



Technology's Impact on the Bottom Line

Enrollment is the top priority at schools this year, and according to respondents, four in 10 said it will be an even bigger priority next year.

Therefore, it aligns that one of the areas where schools are most confident about using data and technology is to track admissions and application processes. Those respondents who self-identified as tech-savvy also reported generating more leads and enrolling more new students. But, new students are not the only critical piece of this portion of the student lifecycle.

Contributing factors to attaining and retaining students

According to nearly 90% of our respondents, the number of new students increased or stayed the same last year. This is a major shift from past trends and demonstrates a strong appetite for private and independent education as opposed to public schools.

There's little doubt this shift is correlated to the COVID-19 pandemic. The flexibility, community, individual attention, and open doors private and independent schools provided during an emotionally difficult and isolating time underscores to many families that private and independent schools are a worthy investment.

With this backdrop, it's no surprise that respondents are laser-focused on efficiencies in the enrollment stage of the student lifecycle.

Financial Aid

When it comes to admissions, financial aid is a top lever for enticing new families to enroll. The number of new students reported among schools is strongly correlated with the number of students receiving financial aid, in part because of increased operating budget allowing for more financial aid funding. The average financial aid award of schools surveyed covers about 40% of tuition. And, nine in 10 students who requested financial aid were awarded it this school year.

And while 42% of respondents said that the number of students on financial aid increased over the current school year, far fewer expect to see the same increase in financial aid awards next year (an 11-point drop). At the same time, schools are more likely to predict that the number of returning students will increase (up four percentage points in the 2022–2023 school year), regardless of the

projected decrease in financial aid awards. This signals a renewed focus on retention in addition to a return to baseline school operations and market stability. If these predictions pan out, it also signals schools can expect healthier net tuition revenue in the near future.

Financial Aid Amount Awarded Per Student

Average: **\$7,271**
Median: **\$5,000**

Average
Parochial: **\$3,746**
Independent: **\$9,102**

Tuition ≤ \$20K: **\$3,735**
Tuition > \$20K: **\$13,260**

Limited Staff

For the schools that do have dedicated admission staff, it is likely a small team that is responsible for many things, including reviewing all applications for enrollment and financial aid. Each staff member might have to look through thousands of pieces of paper if the school is still using manual processes. When it comes to financial aid awarding, using a digital financial aid processing solution can ensure non-biased decisions and expediency in award announcements. In a competitive private school arena, giving families

financial aid award decisions as quickly as possible assures the best opportunity for attaining new students.

It's important to remember that family engagement is also closely tied to enrollment numbers. When researching admission solutions, look for a software that not only makes the application process easy, but offers support for families through the process and alleviates staff workload by automating tasks. Reducing paper processing while ensuring transparent and up-to-date financial aid tracking for both families and the school, will help create higher enrollment possibilities.

Community Brands solutions provide capabilities to automate these mundane tasks, like sending emails to prospective and current families, and school and family support throughout the entire process.

Financial Aid Funding



60%

Operating budget



42%

Dedicated fundraising initiatives



39%

Fundraising budget



13%

Capital campaign



18%

Other

Diversity, Equity, and Inclusion

A school's student body should mirror the well-rounded, diverse makeup of the community in which it resides. To further diversity, equity, and inclusion (DEI) initiatives, some schools provide DEI training for staff.

“...researchers have documented that students' exposure to other students who are different from themselves and the novel ideas and challenges that such exposure brings leads to improved cognitive skills, including critical thinking and problem solving.”

—Amy Stuart Wells, Lauren Fox, and Diana Cordova-Cobo in *“How Racially Diverse Schools and Classrooms Can Benefit All Students”*

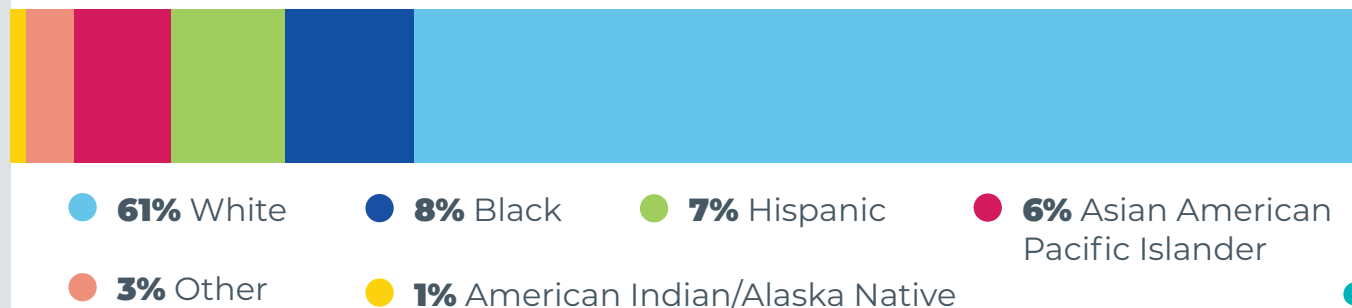
A few schools shared they are involving and engaging their communities, with about four in 10 hosting DEI community groups comprised of parents and faculty, as well as separate DEI groups for students.

Only 27% of schools employ a full-time DEI director, and having a DEI director is closely tied to having a higher tuition rate. Schools could also be doing more when examining their own DEI practices and processes as few report doing an equity audit (16%) or equity surveys (31%) today. If schools aren't already including families, faculty, and students to nurture DEI efforts, now is the time to start.

As a school looks at their marketing plans, they should consider these questions to further grow diversity:

- Is the population in the areas where a school has typically recruited students expected to grow?
- Should a school target new ZIP codes or regions?
- Can new outreach in the community grow more diversity?

Average Breakdown of Student Population



Retention

More schools reported a decrease (21%) vs. an increase (18%) in the number of returning students this year, although decision makers predict that trend will reverse.

While this is a trend in the right direction, there is still an immense opportunity to look inward and evaluate why students are leaving. Additionally, schools should reevaluate their marketing efforts to blunt attrition and maintain re-enrollment stability. While there is a tendency to focus marketing on attaining new students, your school can influence current families' re-enrollment with marketing efforts, too.

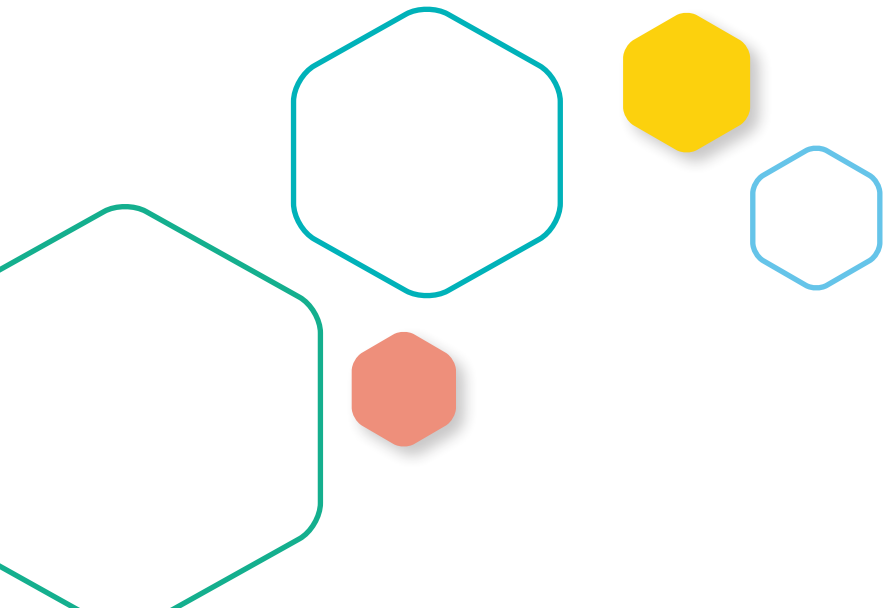
It is easier to retain than it is to attain students and families.

Current student recognition, understanding the student experience, leveling up your parent portal, and varying your communication methods are all marketing-adjacent investments that can impact retention. This report looks more closely at the student management portion of the student lifecycle in the next section.

Tuition, Billing, and Payments

During the COVID-19 pandemic, schools had to improve their digital processes in more ways than one. This includes the way schools accept tuition payments. Surprisingly, 14% of schools report that they are still lagging in their use of technology to accept tuition payments.

If families struggle to pay a school (i.e., can't pay from their smartphones), or late payment tracking is a burden for the front office, consider how that impacts enrollment and re-enrollment.



DATE _____ 153

Only **7%** of the families at schools that offer online tuition payments are still paying by cash or physical check. \$ _____ DOLLARS

MEMO _____

Given the overwhelming desire for digital tuition payments, why aren't more schools offering online payments for other things, too?

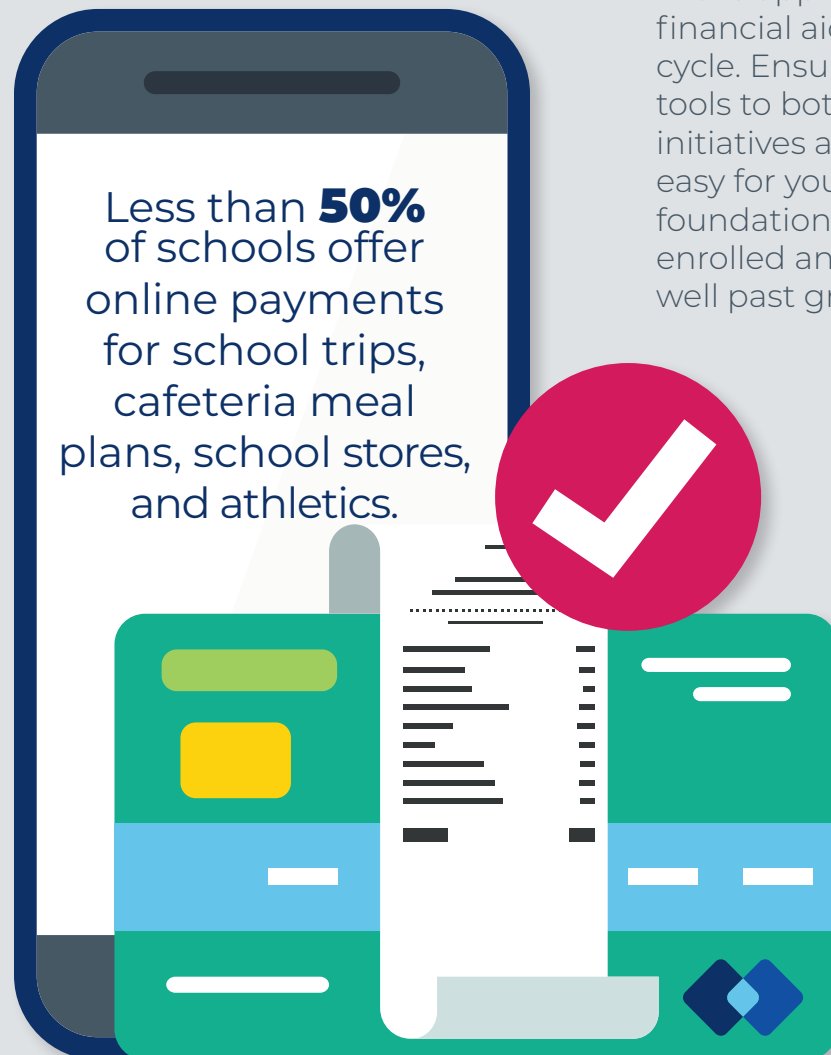
While adoption of digital payment technology is increasing, mobile phone solutions, including payment options, are only being used by one

in four schools. Digital payment processing is proven to save time for school staff, increase participation in auxiliary programs, and decrease data input error.

Being intentional with outreach tactics and leaning into technology will open opportunities for schools in the application, enrollment, and financial aid stage of the student life cycle. Ensuring you have the right tools to both support your growth initiatives and make paying and giving easy for your families sets the right foundation for students to remain enrolled and connected to your school, well past graduation.

For schools looking to increase focus on DEI, dedicating more time and staff, are obvious steps to take. However, even without those resources, you might have tools available to you to best support your DEI goals. Committing to DEI means schools can offer enriching and welcoming experiences to all students which, along with a robust financial aid program, can be the main driver of turning interest into applications in this stage of the student lifecycle.

When the admissions process is streamlined through the effective use of technology, families and staff feel supported and confident when moving from the admission to the enrollment and re-enrollment phases.



Community Brands solutions provide over 5,000 schools with technology to advance all areas of the student lifecycle for both staff and families: search, admission, enrollment, financial aid, and tuition payments.

Student Tracking

Improving the family and student experience

The student lifecycle continues well after enrollment. Keeping families engaged and helping them feel connected is the best way to promote re-enrollment.

A family's experience is a top differentiator that private and independent school parents cite as a reason for their children to attend those schools instead of public schools. It's important to stay on top of parent preferences when it comes to communication.

Communication

Parents expect constant communication and desire to feel fully informed. A report from the Center for American Progress¹ notes, "Many factors can influence engagement, but clear and consistent communication about different issues—from academic

progress to student behavior to daily logistics—is an important tool for building trust between parents and schools and increasing family engagement."

Schools have learned that having a robust parent portal is an important driver for continuity in education and a positive family experience. Nearly seven in 10 schools surveyed are using a dedicated parent portal, with access to student grades and report cards, class assignments, attendance, and more. Communication with families and students continues to shift as schools adopt more digital ways to reach out to families and students. Over 90% of schools use email and, out of that number, 76% noted this as the most effective way to engage, communicate, and connect with students and families. Notably, the top three most effective methods of communication among schools are email (76%), text message (28%), and parent portal (27%). As more schools adopt solutions with texting, text scheduling, and tracking abilities, this number is expected to rise.

Weekly Average Number of Texts and Emails



4.5

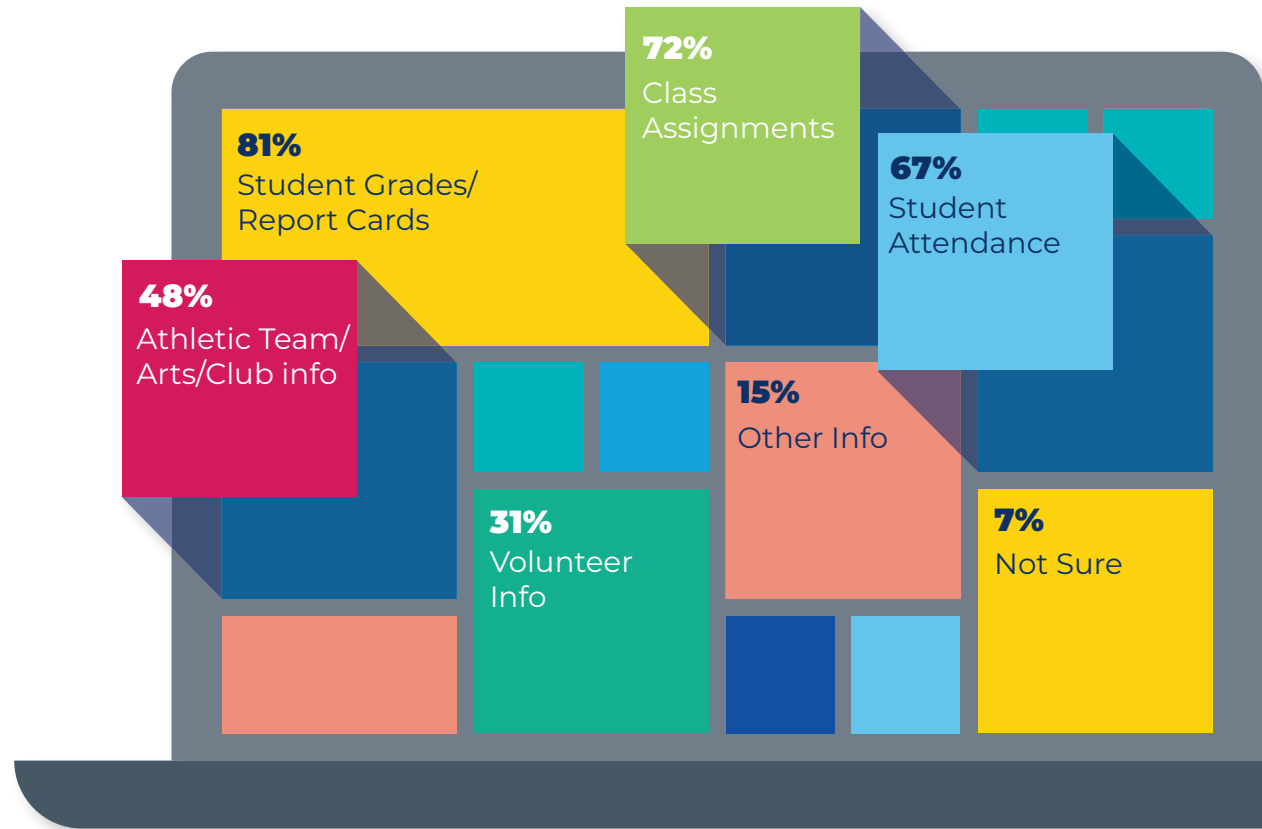
¹One Size Does Not Fit All, Meg Benner and Abby Quirk, www.americanprogress.org/article/one-size-not-fit/

Parent Portal

Schools with robust parent portals see their reach grow and the value of a parent portal cannot be understated. Portals that include the ability to see the academic calendar, send private messages, maintain faculty and student communication, offer reporting of grades and progress, as well as attendance, fees, and feedback options give families an easy, one-stop way to track their student's progress as well as keep abreast of any student needs.

Portals also help with remote learning when needed as school faculty can post homework assignments and quarterly lesson plans on the portal as well.

Information Shown in the Parent Portal



Shifting Priorities

School-wide social-emotional learning (SEL) and mental health are top priorities today and are projected to continue to be the highest focus area of investment in the future. At the same time, decision-makers are hoping that they can shift focus from school health and safety protocols related to COVID-19 to other initiatives. Forty-two percent of respondents say they will invest more in student social, emotional, and mental health next year.

Donations and Fundraising

Development and programming

Despite the impact the COVID-19 pandemic had on traditional in-person fundraising channels, most schools reported meeting or exceeding their fundraising goals. And while some schools put fundraising on the back burner this year, it is going to be a top priority for many schools in the 2022–2023 school year, presumably driven by a return to in-person events.

Fundraising is valuable for schools for many reasons including building revenue, family and alumni engagement, and student participation. Fundraising also builds community with a common goal of helping the school and its students. Our research shows the importance of fundraising but also underscores how fundraising provides additional revenue for more financial aid awards, capital campaigns, and creating new opportunities for interest in the schools.

10%
of school revenue
comes from fundraising



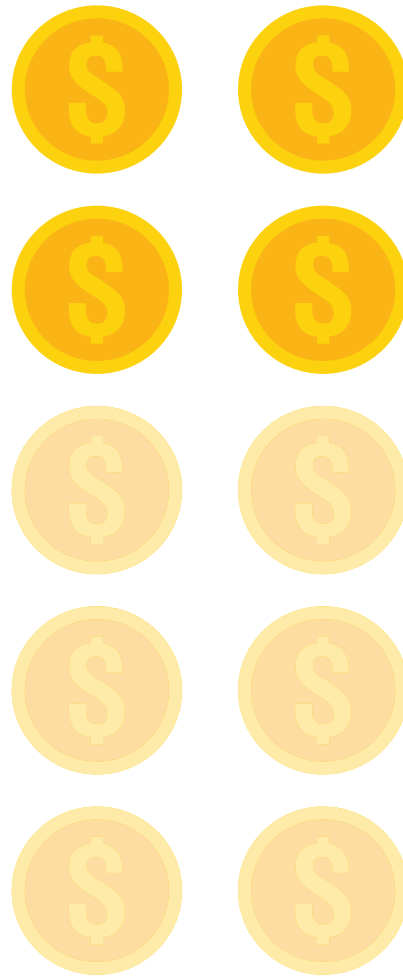
39%
use fundraising budgets
to fund financial aid

Of those schools that met and exceeded their fundraising goals, two in three reported an increase in their operating budget. Going into next year, being able to plan for revenue increases and how those will be earmarked within a school's budget is a key growth strategy for schools.



2 in 3 schools that met and exceeded their fundraising goals had an increase in their operating budget, regardless of their fundraising goals

4 in 10 schools saw an increase in fundraising revenue during the 2021–2022 school year



Our research also underlines the need for more technology automation in fundraising and donor management. Building and managing a donor database not only helps you streamline your fundraising capabilities, but doing so also helps reduce staff workload and volunteer burnout, and supports targeted donor asks and campaigns.²

There is a great deal of opportunity to help schools use data and technology to improve their fundraising. Few schools (32%) feel they are doing an excellent or very good job, and many struggle with donor cultivation, the cornerstone of fundraising growth and success.

² Learn how GiveSmart can help take your school fundraising to the next level at www.givesmart.com/solutions/donor-management.

Auxiliary Revenue

Another item of note in the survey is on average schools report just 2% of revenue coming from auxiliary programs. This connotes an opportunity for schools in the year going forward to plan and increase auxiliary programming.

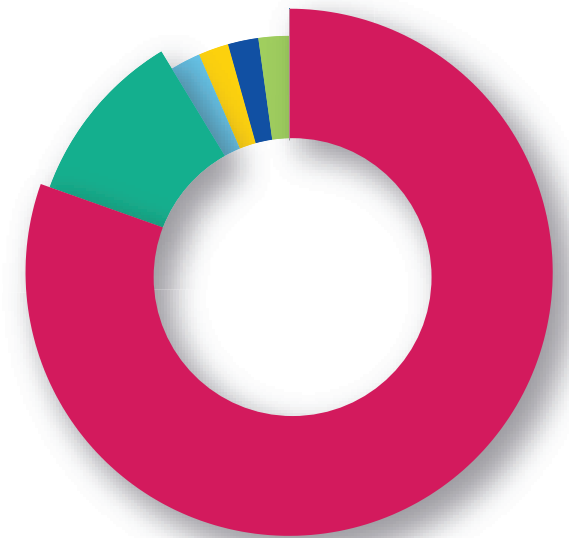
Around three in four schools offer both afterschool programs and summer camps. There's a significant opportunity for growth in art/music offerings, as only one in three schools offers extracurricular arts enrichment right now.

Schools might also consider renting out their space(s), as 44% of schools are using that as an auxiliary form of revenue, and there is little to no additional cost or labor after the initial setup is done. And, there are additional benefits of offering school space for rentals, too. These include building a bridge with the community at large and potential recruitment of new students and families of diversity and faith that might not otherwise hear about the school.

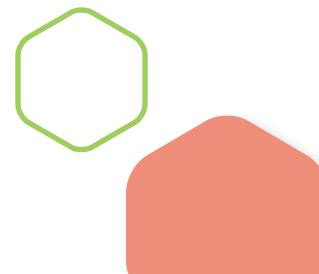
Another opportunity for schools to gain auxiliary revenue is having a school store, which only 31% of schools offer currently. The benefits of in-house school stores include branded items (which aid in name recognition in the community), easy payment processing, a new funding stream, and teaching important business practices and ethics to students who operate the store.

With school success being so intertwined with fundraising and auxiliary success and growth, it comes as no surprise that schools are turning their focus to improving efficiencies, planning for growth, and expanding their offerings to stabilize and further engage with their community as a whole.

Sources of School Revenue



- **74%** Tuition
- **10%** Fundraising
- **2%** Investments
- **2%** Grants
- **2%** Auxiliary
- **2%** Other

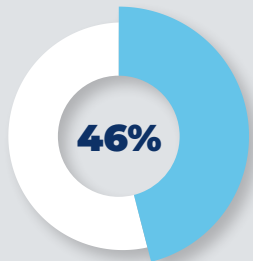


Operations

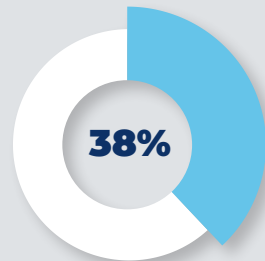
Supporting all phases of the student lifecycle

The most positive takeaway from this survey is the overall growth of private and independent schools. Over 60% of survey respondents reported an increase in operating budget. As result, these schools also say there were significant increases in paid staff, net tuition revenue, number of students enrolled, and number of new students.

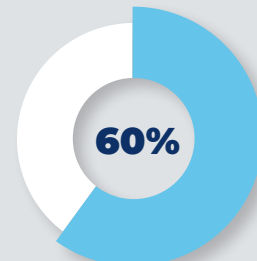
Overall, in 2022, 46% of schools reported an increase in paid staff. More than a third of schools (38%) also said that their net tuition revenue grew. And 60% said that new student enrollment increased.



Schools Reporting Increase in Paid Staff



Schools Reporting Increase in Net Tuition Revenue



Schools Reporting Increase in New Student Enrollment

As we've shared throughout this report, schools are doubling down on prioritizing investment of time, staff, and dollars in enrollment, SEL, DEI, school-wide mental health, fundraising, and development. All of these are intertwined within the student lifecycle, as our research has shown, and are best supported with the right solutions.

Accounting

As schools grow, our research indicates a higher need for automating much of the accounting tasks and burden that falls on staff. Over 75% of schools between the size of 1–300 students are still relying on solutions that are not built for concise school budgeting and reporting needs.

33% of schools use Excel as their primary accounting management tool.

Managing multiple Excel sheets coupled with an accounting program that's not customized for schools can negatively impact a school staff's workload, their ability to meet nonprofit tax compliance issues, and their opportunities for grants due to complex tracking and auditing needs that grantors often require.³

Because schools are still relying on a small but mighty staff, it will be advantageous if they also consider more robust solutions that are built to encompass the entire student lifecycle from application to admittance and alumni status.

³ www.mjp.com/blog/accounting-and-financial-reporting-issues-for-private-schools/

Conclusion

Our research shows there are immense opportunities for schools to further understand data and effectively use technology to impact every stage of the student lifecycle. Whether schools are analyzing data to uncover their most successful marketing channels, implementing a financial aid solution to make fair and quick award decisions, or building a robust parent portal to better engage with families, the entire student and family experience can be positively affected.

When it's easy and enjoyable for families to interact with a school from admission through to graduation, increased enrollment, retention, and, ultimately, larger operating budgets are likely to result. And when schools have the tools and the budgets they need in place, they can focus more on successfully fulfilling their missions.



Community Brands K-12 Products Empower Excellence in Education

Community Brands K-12 is a family of dedicated, education-focused software and service companies working closely with more than 5,000 schools to help them thrive in today's diverse educational environment. We are passionate about education technology and believe by working together, we can deliver the best solutions for our schools.

Enrollment Management and Financial Aid

Capture and engage more families throughout your enrollment process with our trusted solutions. Our proven, collaborative approach to the admission and enrollment process solves complexities and challenges facing schools of any size, giving families an excellent enrollment experience from inquiry to financial aid awards and their first tuition payment.



Student Billing and Tuition Management

Simplify, streamline, and accelerate payments across campus. Accept digital payments for tuition, summer programs, purchase card programs, auxiliary programs, and more. Deliver a better payment experience for parents and business officers alike.



Information and School Management

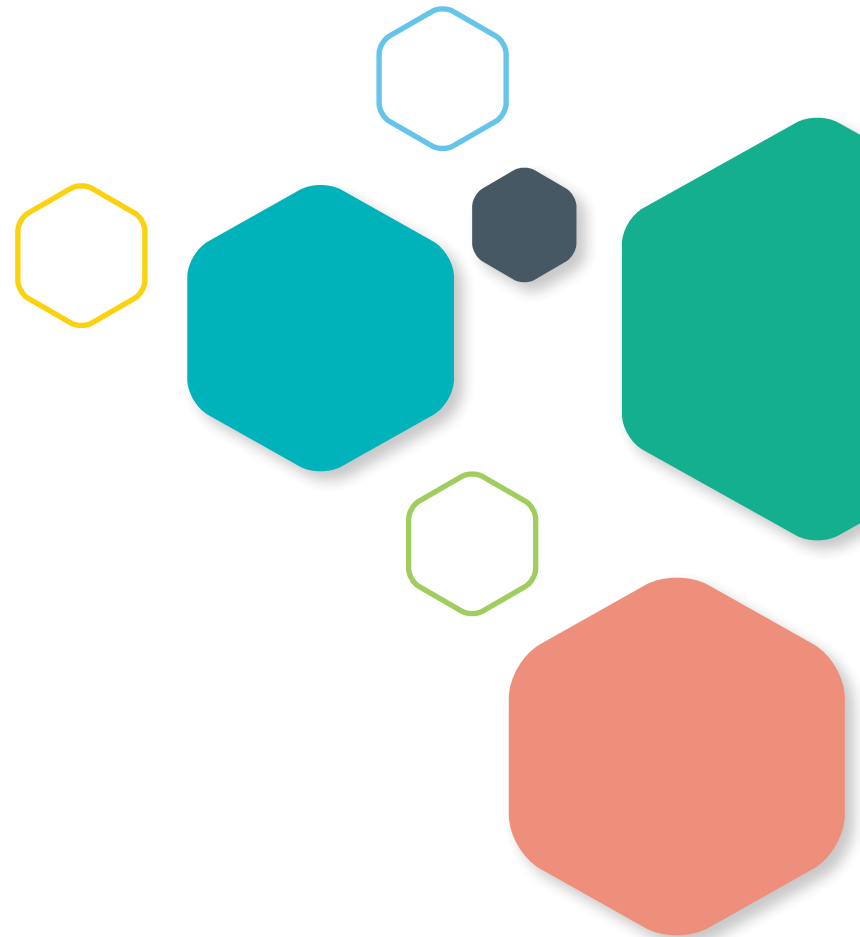
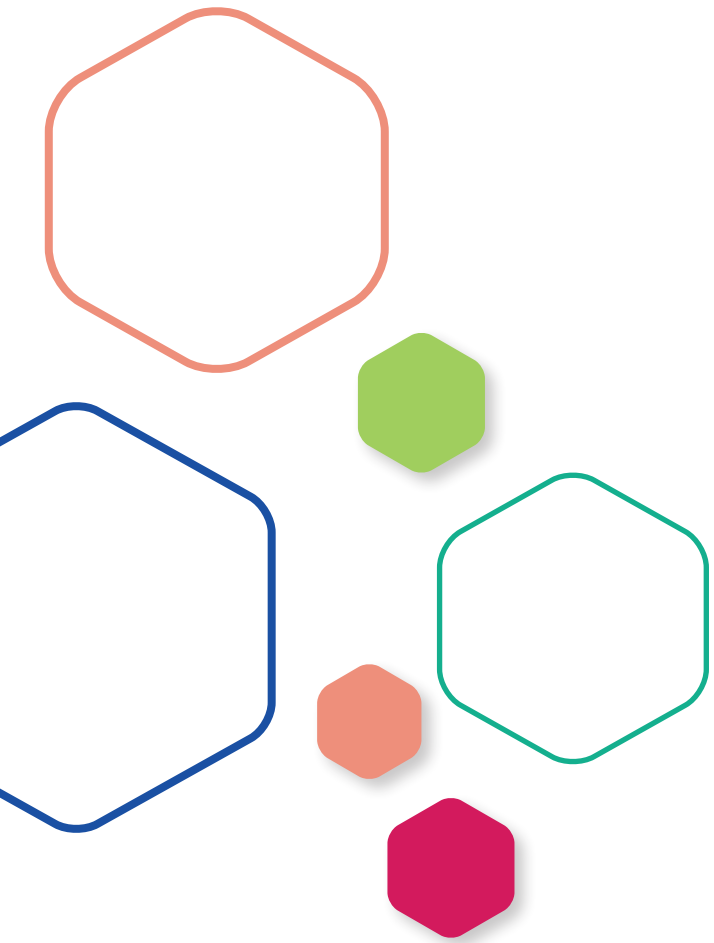
Streamline day-to-day functionality for the whole school through staff, teacher and parent portals featuring grades, attendance, assignments, robust communications, and more.



Fundraising, Donor, and Fund Management

Our intuitive tools make up the award winning fundraising, donor, and fund management platforms for your school. GiveSmart is the donor-centered choice for your donor management and fundraising. MIP is the leading cloud-based, SaaS fund accounting platform designed for K-12 schools.





Written and designed by: Community Brands

Survey conducted by: Edge Research



communitybrands®

