

Marketing Plan



EARLY
YEARS
EDUCATION
SYSTEM

Early Years Education System EYES

GROUP 3

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Executive Summary

Early Years Education System (EYES) Childcare educates and empowers children. Currently, with six operating childcare centres, EYES has completely revolutionized the early childhood education system. They practice a holistic teaching approach which creates a safe, trustworthy, and educational environment. Since 1999, EYES has remained steadfast in their focus of bringing educational excellence to each of their childcare centres. EYES' framework focuses on creating an engaging learning environment that reflects values, morals, and teaching through fun-filled activities for children aged six weeks to twelve years old. Their purpose is to develop students' emotional intelligence alongside cognitive skills.

The daycare industry is fast-growing but also has a number of competitors. It is important that Early Years Education System finds its place in the lucrative market and captures a share. EYES faces issues in brand recognition and being financially accessible. The company must clearly identify a target market and understand its competitive landscape to build a strong future as a brand.

The following proposal details our marketing strategies for Early Years Education System Childcare. Our overarching goal is to not only address the company's key issues but, to reposition it as more than just a daycare in the eyes of consumers. EYES offers services designed to stimulate children and foster their creativity. Its focus upon learning and development should be highlighted to parents. By analyzing the current daycare market and determining its competitors and competition, we can make educated decisions on how to tackle our objectives. We have offered a variety of marketing strategies which will improve/adjust EYES' position in the market. From the introduction of an app for parents to engage with their children to a promotional barbecue for families, we have considered each segment of EYES' marketing mix to create our plan.

Market Analysis

The market for child daycare is very successful in Canada. The industry revenue is projected at \$7.4 billion (Koronios). This is due to three key factors. To begin with, the industry has increased demand because of the increase of women in the workforce, which drives families to put children into daycare centres, for continuous care. Furthermore, the increase in disposable income has increased demand for the industry's services as parents are not at home as often and work more (Koronios). Lastly, increased government assistance has driven the daycare industry as they have an interest in subsidizing child care to increase the number of skilled individuals in the workforce. Thus, as a result, industry revenue is estimated to continuously increase.

Regardless, of the demand increase for daycare in Canada, the competition is high but steady. In all of Canada, there are 39,997 businesses with Ontario accounting for the second-largest share of establishments. In 2020, Ontario houses 21.8% of the industrial establishments despite accounting for the largest share of the Canadian population at 38.8% (Koronios). Companies differentiate themselves based on the qualifications of the staff, educational programs, staff-to-child ratios, and the quality of facilities. Hence, the large costs to fulfill these requirements may deter new companies from entering the industry.

Macro-environment Analysis

Demographics:

In Canada, demand for the daycare industry has increased significantly in families with children (Koronios). A little less than half (43.7%) of parents with children aged 4 and under, as well as, 45.6% of parents with school-aged children (5 to 14 years) use childcare services, as seen in Figure 1 in the appendix (Koronios).

Socio-cultural:

At this point, there are two-family structures - Nuclear and Single parent - that influence the market for daycare the most. To begin, nuclear families where 71% of

households with two partners work used child care for a preschool child and 49% did the same for a school-aged child between the ages of 5 and 14 (Government of Canada).

Furthermore, rates are also high for lone-parent families where the parent worked at a paid job or business. Over half (58%) of these parents used child care for their preschool children (Government of Canada).

Economic:

Since we are going through a pandemic revenue has trended downward toward the latter half of the year. Many Canadian provinces, including those of Ontario, Alberta and Quebec, had mandated the closure of all nonessential businesses, of which the daycare industry is part. Furthermore, there is an anticipated revenue drop of 5.0% in 2020 alone due to the outbreak of the coronavirus (Koronios). But, on the positive side, the industry is expected to return to growth over the five years due to rising per capita disposable income and government expenditure further supporting industry demand. Therefore, as shown in Figure 2 in the appendix, IBISWorld forecasts that the industry revenue will increase an annualized 2.2% to \$8.3 billion in 2025.

Competitor Analysis

Competitive Scope:

Knowing the strengths and weaknesses of our competitors can help us gain the upper hand in the childcare industry. EYES Childcare's main focus is to design unique services and marketing techniques that can enable us to snatch the attention of potential customers. The areas we need to focus on are our competitor's business profile, customer profile, the facilities and services they offer and how they market themselves. Our top two competitors that have similar business and customer profiles as us are Lullaboo and Tiny Hoppers.

Competitor Profiles: What makes our competitors successful?

Lullaboo Nursery and Childcare Center

This daycare was originally founded in 2008, it quickly grew with currently 9 locations across Ontario. Lullaboo's competitive advantage is its extracurricular activities and how they are offered to the parents. They have three programs which include their STEM program, "Bonjour" which is a french learning program and lastly "Jump-A-Roo", a motor skills development program. Their daycare centres are all located at prime locations with a bus stop or go station in close proximity. Their centre located on Queens street is very central and close to the workplace of many parents, making it a convenient and accommodating location for them to drop their children at. To ensure Lullaboo attracts their target customers, their daycares have an extremely noticeable and impressive exterior. They have a colourful 3-D sign which pops out to anyone driving or walking by. Since many parents look for daycares near their house or workplace this sign ensures that any potential customers that live or work in the area are aware that there is a daycare centre nearby.

Tiny Hoppers Daycare

Tiny Hoppers, established in 2005, offers childcare services for children 18 months and up at over different locations. Tiny Hoppers' competitive advantage is its various locations which are not only located all over the country but also internationally. Tiny Hoppers has daycare centres located in different provinces and have created an established brand name all over the country. Their franchise has recently taken Tiny Hoppers to another level by expanding to other countries. Their location in Saudi Arabia has been up and running since 2015. The franchise opportunity that they offer makes it a big competitor to EYES Childcare since we are not only targeting parents to send their children to daycare centres but also to entrepreneurs that are looking to buy franchise locations. They offer their clients

franchise training and constant support throughout the process of buying and running the centre. They also provide their insight and information on childcare and daycares by posting articles on their website for parents or franchise clients to look into.

Plan of Action

Both competitors have been in business for several years, therefore, to gain a competitive advantage, we could emphasize EYES Childcares's innovative techniques and more modern facilities. The curriculum offered at Lullaboo is similar to the curriculum we offer at EYES Childcare therefore it is important to capitalize on new and innovative services to provide parents with the best value. Lullaboo and Tiny Hoppers are both close to major employers and have convenient access. They both also use the same medians to market which is through the use of social media and their website. Although neither of our competitors has been marketing aggressively in recent times. Tiny Hopper's website is not updated with their new locations and the customer reviews on Lullaboo's website are relatively old. EYES Childcare can take advantage of the weakness of our competitors and our centre's strengths.

Customer Analysis

In order to ensure we are fulfilling the needs of our target market, it was important to gain a better understanding of what our current customers think about EYES Childcare and our brand positioning. We conducted an online survey on google forms for all the parents to fill out. The results allowed us to understand market segments, customer satisfaction, and key areas of improvement.

Demographic Market Segmentation

Single Mothers:

Price is the most important factor in this segment. According to the survey we conducted, 20% of parents felt that the price they are paying is not fair. We can offer a

discount package for single mothers who work and/or go to school so that they have the time they need to focus on work as well as school.

Full-Time Working Couples:

For this target market, daycare is a necessity for them when their children are too young to attend school. With both parents working, they don't have the time to raise their child during the day. This group has the money for child care, and are willing to spend a little extra to get a higher level of care. EYES Childcare targets this segment because they can afford our rates, they need daycare due to their work obligations, and are a growing segment of our society.

Geographic Market Segmentation

We learned that this target market doesn't want a long commute away from their normal travel areas each day. Many potential clients look for daycares that are near their home, workplace, or schools their other children attend. Our main marketing efforts should be focused on areas such as neighbourhoods, schools, and business parks.

Psychographic Market Segmentation

Another target market is parents who appreciate the advanced learning and development programs and want their children to learn additional skills. This market segment has already begun teaching their child advanced concepts like reading, singing, socialization, etc. They are looking for a daycare centre that will continue to develop the children's skills. We do this by providing the children with a curriculum that includes academics, physical activity, and enhancing gross motor skills. We provide an educational environment that attracts this market segment.

Customer Satisfaction Levels

The results of the survey show us that our current customers are satisfied with EYES Childcare's program activities, staff, communication skills, and safety (see Appendix). Our

customers choose us over our competitors due to our location, friendly staff, the facilities we offer, and our environment. However, some parents mentioned that they don't feel engaged with their child throughout the day and that the centre should provide subsidies or lower prices. We can implement new discount packages such as a sibling discount or referral discount.

Key Issues Analysis

OSTW Analysis

Strengths

Just by looking at the EYES website, they have very apparent visual strengths. The website is very user friendly with a clear crawler at the top of every page to aid with navigation.

ABOUT EYES▼

PROGRAMS▼

LOCATIONS▼

FOR PARENTS▼

CONSULTANCY

FRANCHISE

CONTACT

Searching further, we can find that EYES offers programs to a range of 6 week-old to 13-year-old children, a wide range for a company in their industry. They also have 12 locations across Ontario, with 6 more planned and currently in the works. Along with their qualified staff and healthy meal plan offered, EYES's main strength lies in their positive word-of-mouth marketing.

Weaknesses

To cover costs from expenditures in healthier meal plans and intricate curriculums, EYES is on average more expensive than their competitors which may deter certain clients. Compared to many larger competitors EYES is not well-known and while not necessarily lacking differentiation, rather lacks a way to promote themselves effectively. This leads to EYES' biggest weakness: a weak promotional strategy and online presence.

Threats

EYES faces two key threats. One is the strength of their competition, being more well-known in the area and providing a cheaper service which may seem more appealing to the target market. The other being environmental factors. With covid, fewer parents are taking their children to daycare centres because they now work from home and can take care of them on their own.

Opportunities

As a result of its current lack of online presence, EYES has the opportunity to build their online presence up from scratch. Utilizing their positive customer standing and “premium” factors differentiating them from competitors, EYES can easily create an online brand image with the right implementation plan.

Key Issues

Our understanding is that EYES faces 3 major challenges in the short term:

1. They are financially more expensive than competitors
2. They lack an online presence
3. They do not keep parents updated on child engagement throughout the day

Objectives to be Achieved

EYES ChildCare is a private corporation so the financial statements could not be found. Instead, we used our knowledge about the market and EYES Childcare as an indication of what could be improved.

Financial & Marketing Objectives

- Cost Management: EYES ChildCare should try to minimize the cost of the curriculum and food, as these costs have risen their daycare prices.
- Pricing Decisions: When considering the pricing decisions we should try to use a customer-focused approach instead of an internally focused approach.

- Brand Awareness: Considering the fact that there are multiple families with children, it is significant we create awareness for their business through integrated marketing communications.

Marketing Mix Objectives:

- Product Objectives: Convey what customers would be getting from the service (potential product) instead of just the functionality and what is being offered. We could do this by incorporating the experiences of children and offering trial periods.
- Distribution/Channel Objectives: Create a greater online presence by creating and linking multiple social media accounts, and continuously posting to make present and potential customers aware of how well EYES ChildCare is implementing their values and beliefs.
- Price Objectives: Implement pricing discounts that could bring in new customers and get present customers to continue using EYES ChildCare for their future daycare needs.
- Marketing Communications Strategy: Build customer loyalty by creating connections and relationships with parents through events and activities.

Marketing Strategy

Target Segments

Based on the customer analysis EYES can specialize and target specific segments to have efficient and effective marketing. By understanding our target market and their desires and needs we can better cater the advertising efforts to fulfill said needs. We decided to segment the market into two specific groups. These being married couples with young children (under the age of 10) and single mothers with full-time jobs who are eager to educate their child at a young age.

Though there is overlap as both markets are parents, the needs of each group are different allowing us to target multiple markets at once. The needs for education as well as the more general need for the daycare work to the advantage as well as align with the overall message of the company. Primarily serving as a daycare centre, the added advantage of functioning as a tutoring location must be used in our marketing efforts to increase our appeal to first time consumers.

Positioning

Understanding customer priorities is extremely vital when positioning the brand image of a company. The major competitors of EYES Childcare Centre were researched and analyzed to comprehend the current perception consumers have of the company. Customer reviews, website design, past experiences, awards and individual business focuses were all consulted when arriving at conclusions and constructing the perceptual map. Referring to Figure 3 in the appendix, EYES has the advantage over competitors in appearing as a company that offers a strong balance of healthy meals and a diversified curriculum. Based on the map, they are in the ideal position in the Daycare market, as consumers have stated their desires for having a balance between nutrition and education. A company such as Lullaboo has a stronger overall reputation for providing healthy foods but makes sacrifices in the education sector. It is important to understand why consumers see EYES as a leader for this criteria as we want to continue the success and maintain the reputation. Additionally, for first-time customers, the overall reputation of the company plays a vital role in deciding the initial daycare for their child. EYES has a strong reputation but is also holds a higher sign up cost.

Segment Strategies

Targeting parents with young children is the best use of promotional efforts because introducing them to our service at an early stage will likely increase customer retention.

Retention rates have proved to be much higher when acquiring younger children in daycare services and the likelihood of them enrolling a second child more than triples. This is a service where we must cater the marketing directly to the parents of the child as they are making the ultimate decision to enroll the child.

Product Strategy

Mobile App with OneTouch child check-in software

To reassure parents that their child is safe, happy, and engaged we suggest the development of an app software that allows you to check in on your child at any time during the day. Cameras set up around the facility can function and can give you views of all the rooms the children are currently in. This not only allows parents to see exactly what their child is doing at all times but also gives them a view of the learning and development of their child while they are away. The app will give you a view of your child specifically, blurring out the faces of other children and protecting their privacy.



Place Strategy

In light of the pandemic, the biggest concern for every parent is the cleanliness of their daycare and the COVID protocols in place. To ensure that parents are satisfied, it is important that EYES explicitly state what cleaning products they use and clean the centre often. Introducing extensive sanitation and hygiene efforts is necessary for the safety of staff and children.

Price Strategies

Loyalty Program

To increase customer loyalty, we recommend a rewards program. By implementing a system by which parents can unlock varying rewards like a free week of daycare or cheaper rates for upper-year education programs, the brand will increase customer retention.

Referral Discounts

Another method of earning new customers is through word of mouth marketing. To encourage customers to market the brand for us, we suggest introducing a referral program. This way parents will want to tell more of their friends about the service and motivate them to research the company and hopefully, schedule an appointment. This strategy will be implemented by giving each parent a code that they can share with their friends and family. When those friends or family members fill out an EYES application they can include the code and name of the parent. If their child is accepted into the program, both families will receive a discount for the month.

Promotion Strategies

Advertising

Our promotion strategies include marketing in FaceBook groups for new mothers as well as specific daycare centred groups. Additionally, using Google Adsense and strategically displaying advertisements on pages frequently visited by young mothers will also increase our influence on our targeted market.

Secondly, we plan on working alongside nearby elementary schools to include coupons, flyers and brochures in school newsletters to inform parents of our service. These coupons will also cater to a demographic of consumers that are hesitant to try our service due to the higher price.



Promotional Events:

Due to the pandemic, promotional events cannot occur but we have included one for consideration post-COVID. We recommend hosting a family barbecue and activities day. The barbecue would consist of food, activities, and tours of the facility. Parents who are interested in the service will get a chance to meet the staff and see how their children interact with others. Families already using the services can attend to simply enjoy the event which will strengthen EYES' connection with their customers. The event will show that EYES cares for its students and increases its brand value.

Marketing Plan Implementation

Timeline: 1 Month

Goals to include:

- Plan and implement events and activities for parents
- Implement pricing discounts
- Activate and linked social media accounts (Instagram, Facebook, Twitter)
- Implement free trial periods

Another goal we plan to implement is the mobile project app, but because the estimated time of completion is 3-9 months, we've chosen not to include it on this 1-month timeline. The app would also require significantly more funding and planning, and should be put on its own timeline.

Week 1: Consumer and Industry Research

- Create, send out, and receive back consumer surveys on EYES' services
- Complete industry research/our position in the market
- Discuss what parents and consumers want to see in the future to implement

Week 2: Planning

- Discuss the logistics of each goal
- Finalize implementation plan and marketing plan

Week 3: Development

- Make appropriate calls/appointments with outside sources
- coordinate with the social media team on key dates to announce changes
- Implement goals that have been discussed (discounts, free trials)
- Work out any last-minute adjustments

Week 4: Operations

- Finalize releases
- Hold events (BBQ for parents)
- Remain active on social media
- Get feedback from consumers on changes to the company

Throughout the week EYES will be actively creating an online presence by posting nearly every other day on social media to keep parents informed on their children and the companies' Covid Efforts.

Key Objectives

Objective	Expected Outcome
Develop Brand Awareness	New positioning and increased online presence will increase traffic on the website and in-store. This will build stronger brand awareness for the franchise.
Increase in Revenue	Revenue growth from increased enrollments
Increase in Market Share	Expected growing market share as business retains more customers and awareness increases.
Increase in Profitability	Positioning the business as a “premium service” will target customers who are willing to pay more, thus increasing the average profit per customer.

CSR Implications

Our marketing plan thrusts the company forward and improves its online presence and in-person capabilities while simultaneously improving the company's reputation. It is important to keep in mind stakeholders that are affected by our actions and considering the effects it might have on them.

Identification

The investors and owners of the company are guaranteed to be impacted by our decisions as any significant changes have effects on the attractiveness of the company

overall. Changes to policies, financials and objectives have effects on how appealing a company is for investors as well as how manageable it might become for owners.

Additionally, since our marketing plan targets consumers and makes changes to the operations of the business, customers are also a key stakeholder that can be affected by the actions of the firm.

Possible Harm

Stakeholders see the harm as anything that can diminish the value of the company. In the eyes of investors/owners, this is typically seen with a decline in profits and a lack of room for potential growth. Customers can be harmed if the company is unable to fulfill their needs and does not deliver the service they claim to. Our plan ensures that we are adding value to the company's assets (in the form of the app) and improving their reputation (in the form of promotional material).

Potential Consequences

Possible consequences include customers being unhappy with their child being on camera and being visually seen to other parents over the mobile app. However, we have combated this issue by creating an option for confidentiality for their child when signing up for the service (involves blurring out their child's face, and exclusive footage of their child only). In terms of consequences to society, the changes we propose have no impact however, ensuring that EYES childcare staff is friendly and kind to every customer can help maintain the brand image of the society. Finally, since we are a service provider, there are no significant impacts we have on the environment.

Appendix

Figure 1:

Products and Services Segmentation

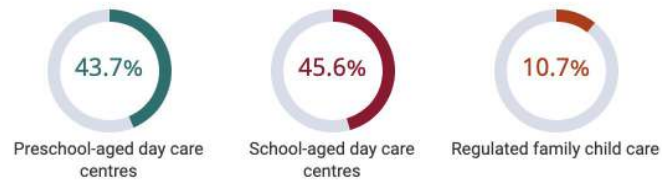


Figure 2:

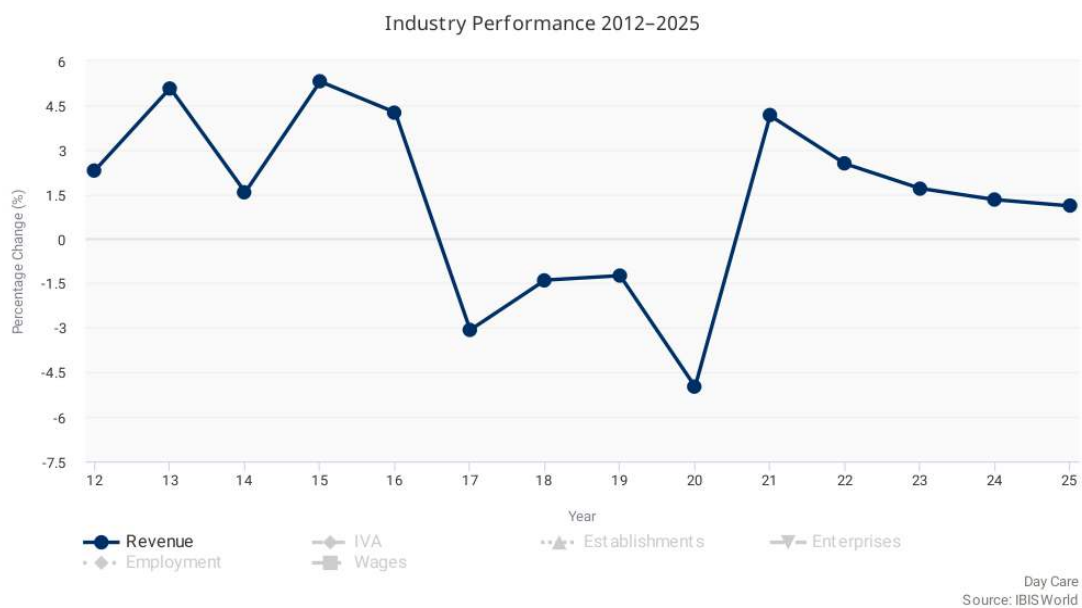


Figure 3:

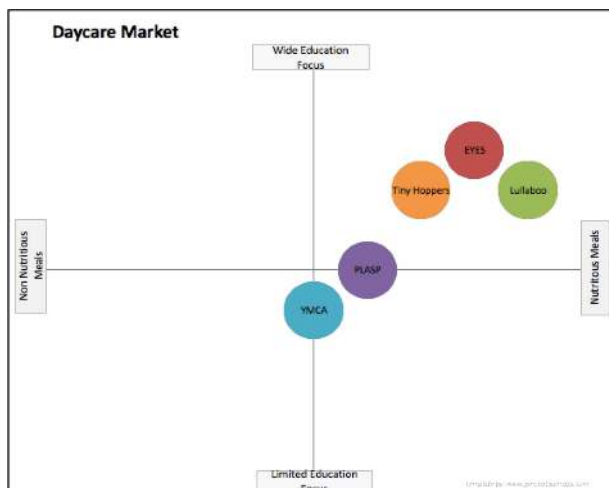
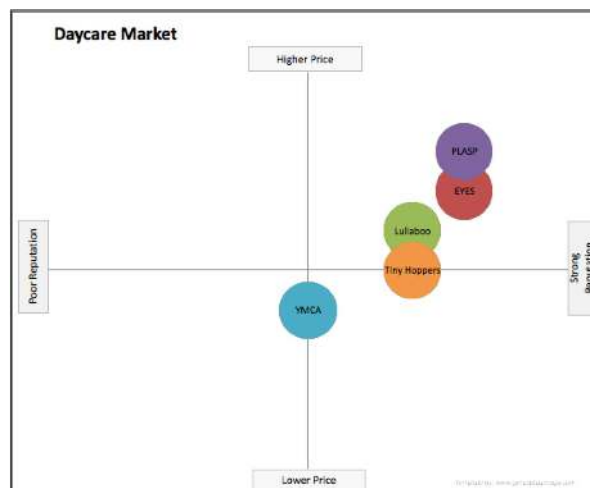


Figure 4:



Survey used for customer analysis: <https://forms.gle/ZkopAkLB6GwzyqfG9>

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