

SCHOOL MARKETERS REPORT MODEST GAINS IN 2011

Results from the 27th Annual Survey of School Marketers

Results are in from SMRI's annual survey of school marketers and respondents indicate a modest improvement in the 2011 sales over 2010. The survey asks two questions with respect to sales: "Did your sales increase, decrease or remain flat?" and "what was the percent change in sales?"

We compared responses from last year's survey to this year. We also segmented respondents into their primary markets to determine any differences in the various market sectors.

Overall, less elementary marketers said their sales were up in 2011 compared to 2010 (38% compared to 40%). However, on average, this same group said that their change in sales was positive in 2011 and better than 2010 (plus 2.3% compared to minus .7%).

Middle school marketers reported a similar experience with 41% reporting sales increases in 2011 compared to 43% in 2010. On average, they said sales were up this year 4% compared to minus .3% last year.

Almost the same percentage of senior high marketers said sales were up in 2011 compared to 2010 (42% compared to 43%). They also reported an average sales increase of 4.1% in 2011 compared to just .3% in 2010.

Preschool/Day Care and Library Markets Hit Hardest

The biggest disappointments came in the preschool/Day Care market and the school and public library markets. Just 28% of preschool/Day Care marketers said sales increased in 2011 compared to 42% in 2010. Only 16% of school and public library marketers said sales increased in 2011 compared to 40% in 2010.

In response to sales results, the majority of respondents (58%) said they had no plans to change their advertising and promotion budgets from the prior year. However, just over half the respondents said they were changing their marketing mix by increasing their internet marketing and decreasing direct mail. 42% said they were making no change to the media mix.

Malaise and Uncertainty in the Market

The majority of respondents believe the market is in a malaise primarily as a result of economic conditions. The fact that Congress remains unable to find a compromise that will allow the reauthorization of the Elementary and Secondary Education Act, (ESEA, formerly known as No Child Left Behind, NCLB) also contributes to a soft education marketplace.

Frustrated by the failure to reauthorize NCLB has led the Obama administration to offer waivers from NCLB mandates in return for state promises to adopt reforms consistent with those mandated in the 2009 economic stimulus package. A number of these reforms focus on evaluating and improving teacher quality – an area Congress has decided to side step in recent reauthorization discussions.

The combination of current economic conditions and congressional inactivity creates an environment of uncertainty for educators and administrators resulting in delays of long term commitments to new programs. All these factors add up to pose continuing challenges to all school marketers.