Building 2020 Blocks for Success

ChildcareCRM is pleased to release our seventh annual report of *key findings* from our growing customer base.

This data is intended to give *insights into industry trends* (specifically CRM usage trends) as well as compare how your organization is performing against those trends, both in the United States and Australia.

This report is based on data from our customers and their center locations, comprised of roughly:

5 countries

500 organizations

4,000 locations

ChildcareCRM

We **Power** the Childcare Industry.

From the ChildcareCRM Family

Thank you for taking time to review the Building Blocks for Success! What you may remember as our Benchmark or Blind Statistics Report has been reimagined to help shine a light on additional data or information from the world at large that may be helpful or provide further context. This report is one of many things we produce and review each year to improve our products and services, but **ultimately it is our goal to share with you some statistically significant drivers of enrollment success**. As we have annually for the past 7 years, we're excited to share some of our insights that will help drive growth.

Over our **10 years of building and enhancing a CRM built for the childcare industry**, by childcare professionals, we have come to better understand what drives enrollment results. In the following pages, we will review again some of our key findings as well as additional details that will help make sure you and your center(s) are successful in converting more prospective families into enrolled families. This is data from our system, across **hundreds of organizations, thousands of locations, and five countries**. In particular, it's data from users like you and your peers who are working on best practices and embracing technology to create and maintain efficient and effective operations.

Finally, we want to say thank you. **Thank you for being loyal customers, for trusting our guidance and track record of knowing the factors that drive positive results.** We know this year has not been without challenges.

Let us help you make growing and retaining your centers' enrollment efficient and easy so you can remain focused on the children in your care. **Building and maintaining relationships with families will always be important** and we want this to be integral to your center's operations.

A hallmark of our CRM solution is how it can help **grow your business** by **improving your conversion rates**.

Each year, we organize our customers based on **their performance in converting new leads to registered or waitlisted status**. We then share the strongest indicators which lead to conversion success.
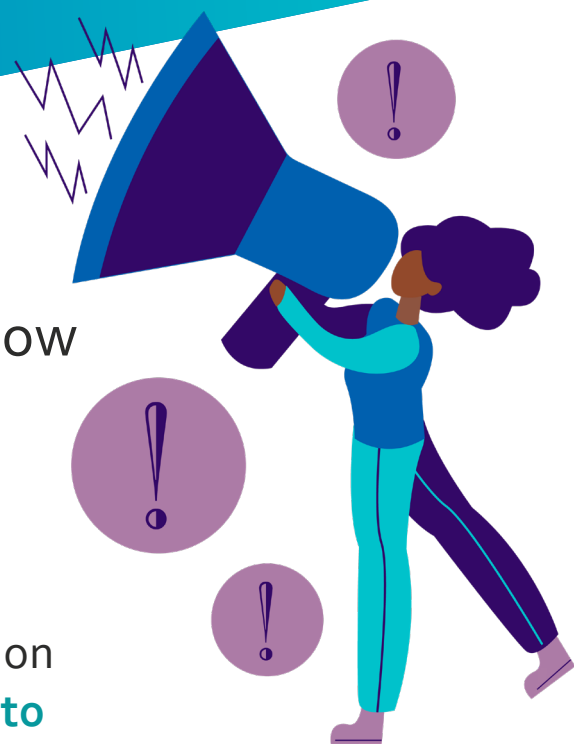
Things To Remember
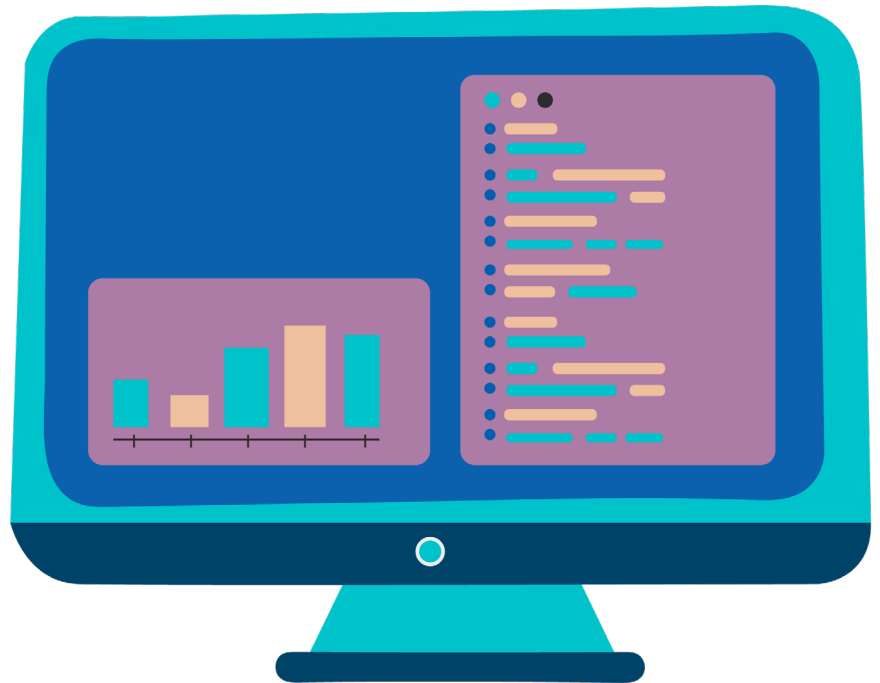
Please keep in mind that **every location has unique attributes exclusive to that location, speak to your Customer Success Advocate for information that is specific to you and your center**. The metrics presented herein are only averages across a wide range and variety of organizations and locations.

The only requirement was that the organization had to have started **using ChildcareCRM actively by January 1, 2020**. Certain statistics for any organization that did not have a full year of activity were prorated based on the number of months of activity between 7 to 12 months.

Time Period

The metrics compiled herein were taken from the **twelve-month period** between July 1, 2019 and June 30, 2020.

The statistics for active leads were run for the **60-day period** between July 1, 2020 and August 31, 2020.
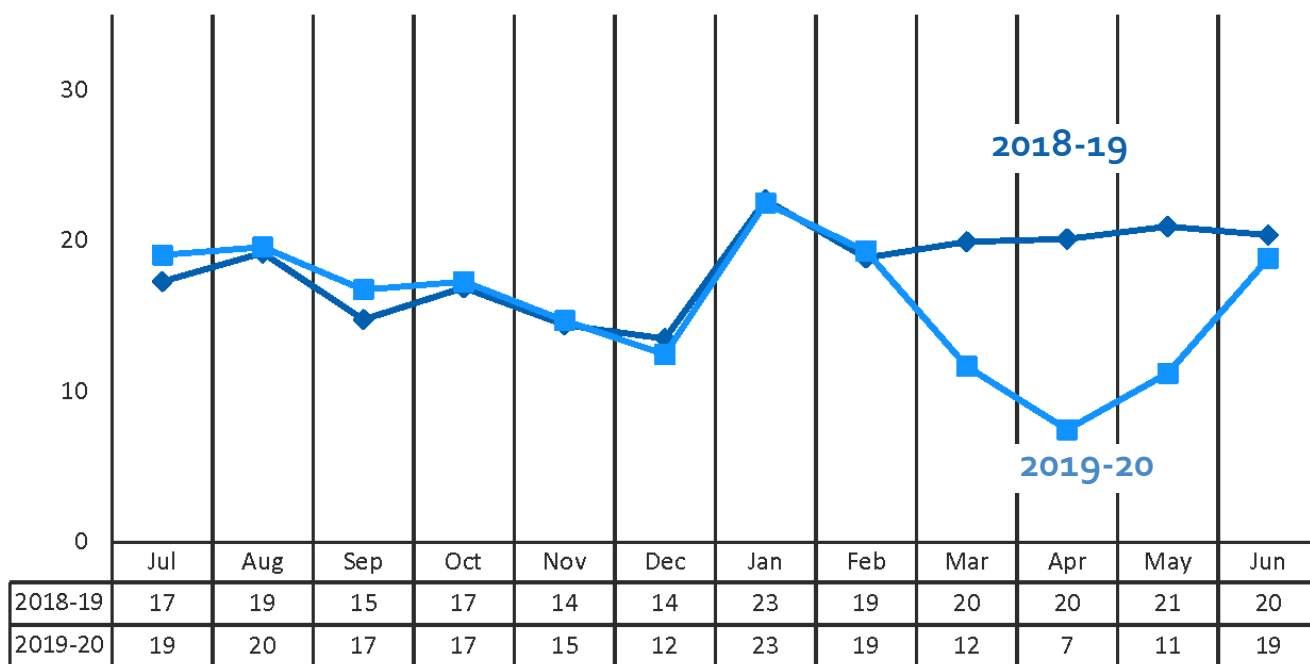
Over the past year, the highest performing group in our study* **registered or waitlisted an average of** **79%** of their new leads. The lowest performing group **converted just** **8%** .

The below graph depicts an **average of monthly lead opportunities** and how they've fluctuated year over year. As you can see, 2020 showed an **initial increase in opportunities** until the beginning of the COVID-19 pandemic, which saw a notable dip until early June 2020.

Monthly Average Opportunities
Year Over Year

|	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
2018-19	17	19	15	17	14	14	23	19	20	20	21	20
2019-20	19	20	17	17	15	12	23	19	12	7	11	19

Let's explore the factors that contribute to success and can help your center increase enrollment rates!

**indicates users in the top 20th percentile for conversion success*

Key Findings

1 A strong **online presence** is essential for generating new leads and opportunities.

2 **Complete tours promptly** to keep your prospective families engaged and excited about enrollment!

3 Texting is the best way to **communicate with today's parents and guardians**.

4 **Integrating your technology stack** generates new leads, increases efficiency, and reduces data entry errors.
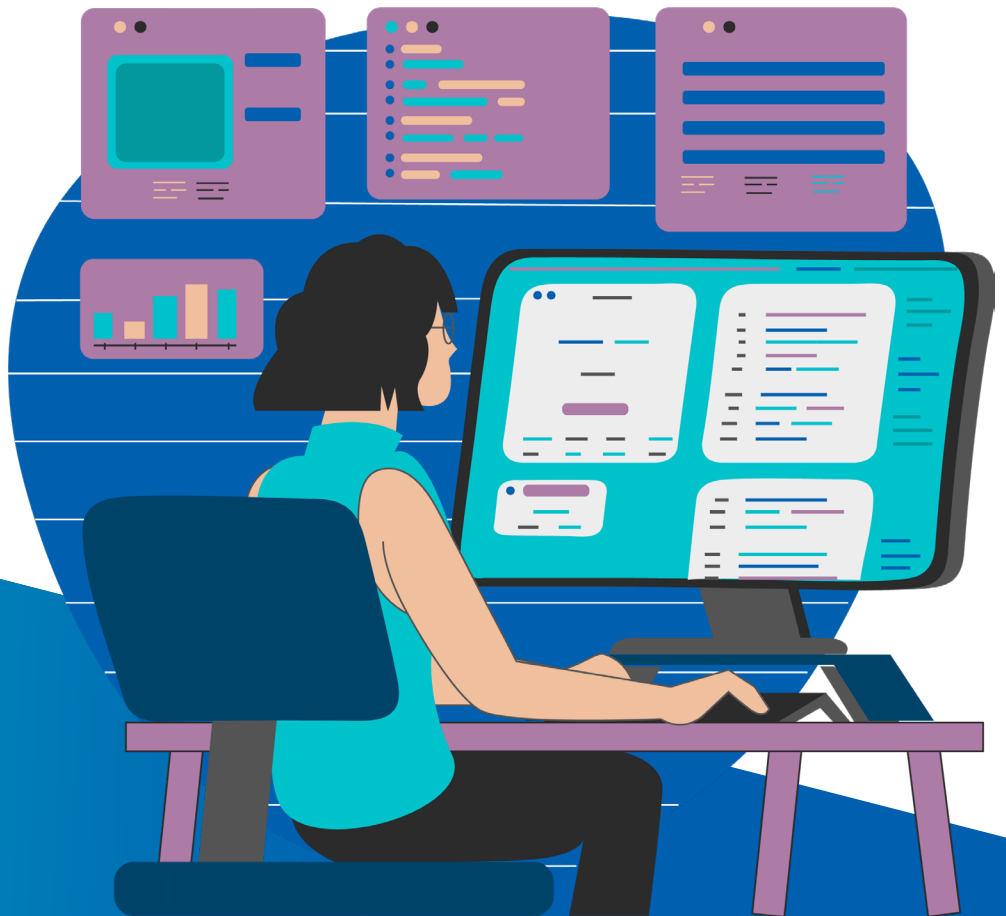
Overall web leads accounted for 53% of leads, similar to last year. Phone leads continue to decline. Perhaps not surprisingly, 'Walk-Ins' are down to 9% from 15% last year.

Web - 53%

Walk-In - 9%

Phone - 22%

Other - 16%
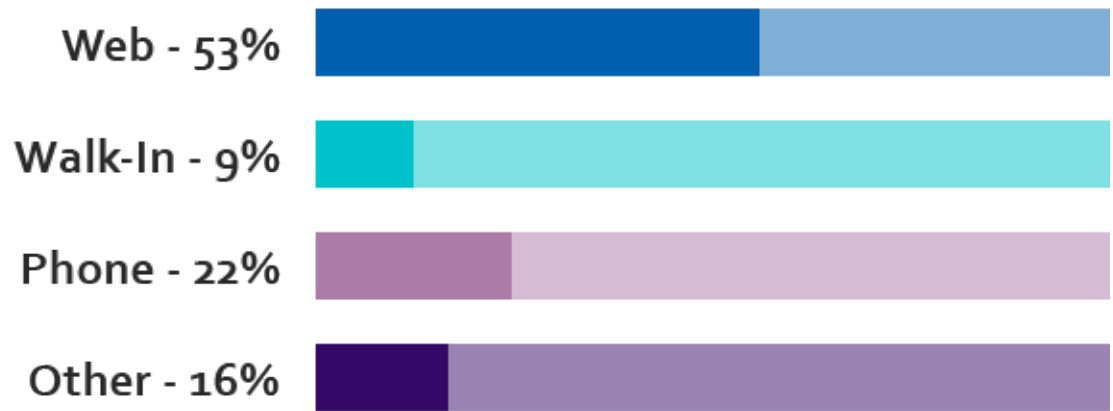
As we all navigate COVID-19 regulations, including social distancing, web leads remain an important source of new opportunities while walk-ins have decreased steadily over the past few years, taking a substantial dip in 2020.

It is crucial to **understand where your new leads are coming from** so you are able to identify how efficiently your marketing budget is being spent.

Considering the number of prospective families inquiring for care through online sources, centers should continue to focus on maintaining a strong online presence.
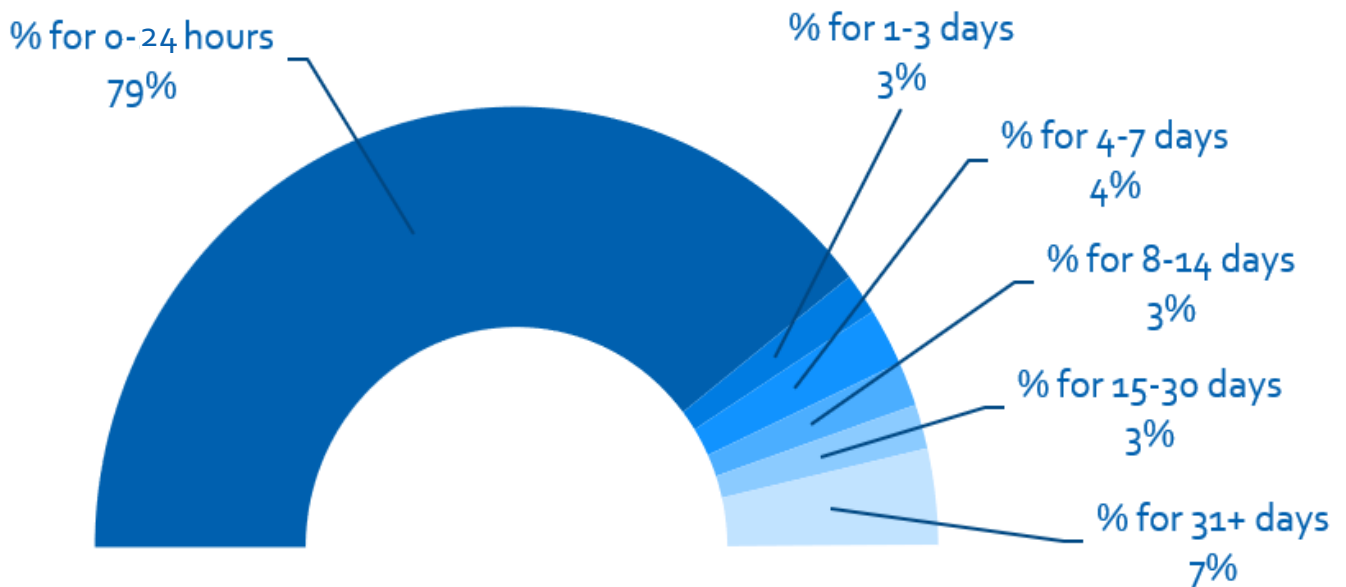
Online Presence

Prompt Tours

Same-day tours are common among our top performing users. **79%** of their new leads completed a tour **within 24 hours**.

This is a huge **increase over last year**, when only **57%** of their new leads completed a tour within the first 24 hours.

Both prospective families and childcare centers are recognizing the importance of prompt tours during the enrollment process.

Time from New Lead to Tour Completed
Jul '19 - Jun '20

% for 0-24 hours
79%

% for 1-3 days
3%

% for 4-7 days
4%

% for 8-14 days
3%

% for 15-30 days
3%

% for 31+ days
7%

When parents are seeking care providers and they contact you, it is very likely that **your organization is among the lucky few** being strongly considered for their child(ren)'s care.

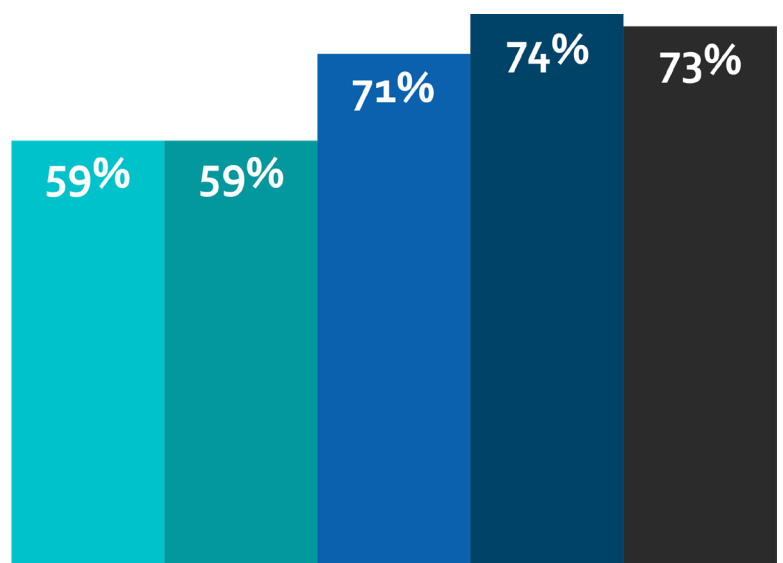There are **two key milestones** in the **enrollment** process:

- Completing a tour with a prospective family

- Registering children or adding them to your center's waitlist
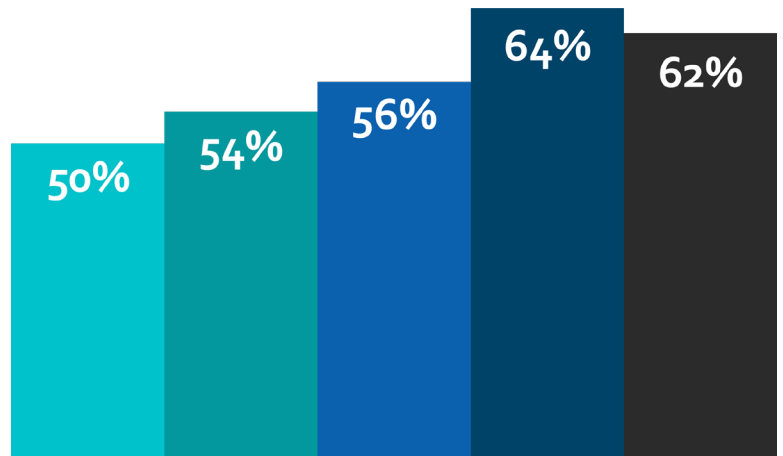
The **faster you can complete a tour** with prospective families, the better the chance of registering or waitlisting that family.

According to our data, top-performing lead converters **schedule 50% more tours within 24 hours** after a parent/guardian shows an initial interest.

50% **54%** **56%** **64%** **62%**

New Leads Who Completed a Tour

59% **59%** **71%** **74%** **73%**

Completed Tours Who Registered or Waitlisted

2015-16 **2016-17** **2017-18** **2018-19** **2019-20**

Self-Scheduled Tours (a free ChildcareCRM feature) can enable your new leads to utilize your website for booking their own tours from available timeslots that are updated in real time, making your website that much more powerful.

Self-service when it comes to tour scheduling is one way of **"meeting millenial parents where they're at"**. By allowing prospective parents to schedule a tour **on their own time and at their convenience**, it helps to increase the likelihood of enrollment and decrease chances of a no-show.

The lowest-performing converters have **1.3** times as **many leads with open tasks**, therefore 1.3 times as many tasks to complete each day. Centers who focus on registering or waitlisting new leads through as few tasks as possible ultimately drive higher enrollment rates.

Active Leads in ChildcareCRM with an 'Open Task' assigned

Over the past year, this has decreased as the **number of same-day tours and sign-ups has increased**.

Moving a prospective family through the registration process faster increases enrollment probability and reduces the number of tasks needed.

- 64%
- 55%
- 51%
- 67%
- 49%
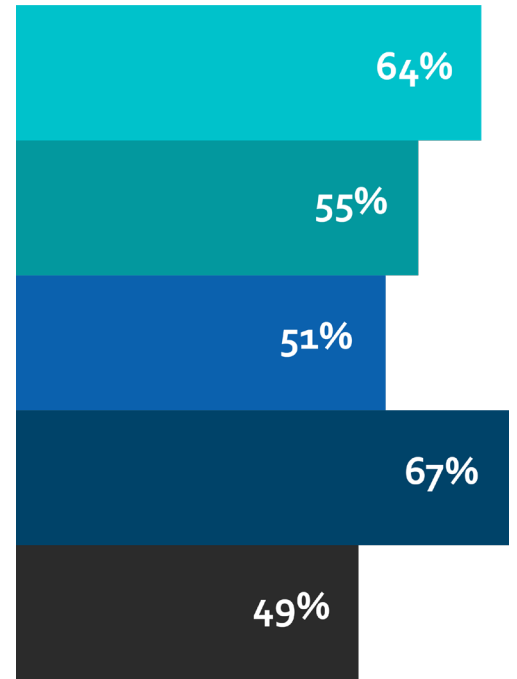
Tasks That Are Shown as 'Past Due'

The number of 'Past Due' tasks have declined over the past year as users take steps to set aside a small portion of time each day to run through their system and ensure no leads are being overlooked.

Completing tasks on time ensures that families are remaining engaged with and informed regarding your center.
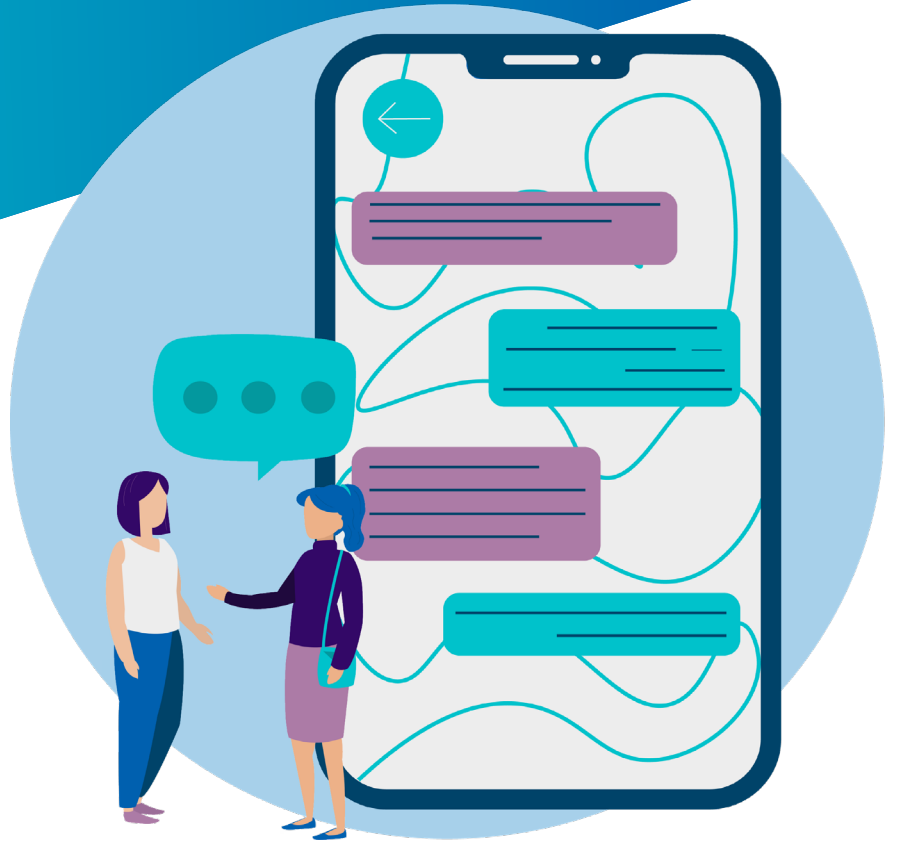
- 13%
- 11%
- 14%
- 12%
- 9%

2015-16 **2016-17** **2017-18** **2018-19** **2019-20**
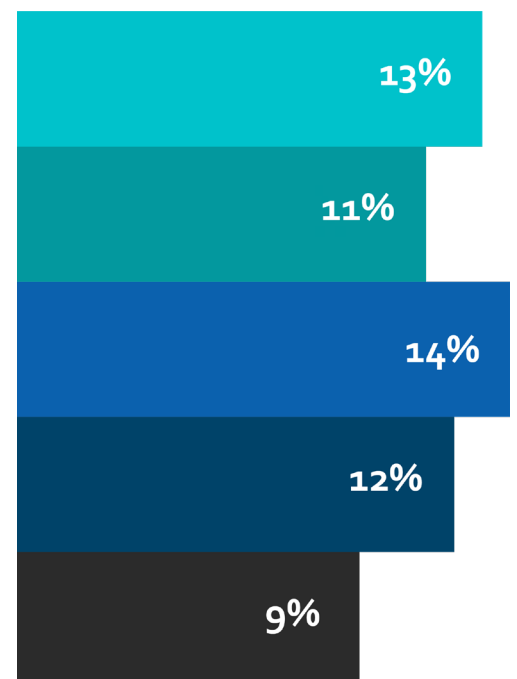
*The average Millennial spends **5.7 hours** on their mobile phone each day.*

Therefore, it should come as no surprise that another important part of "meeting millennial parents where they're at" is best achieved through text communications...

Texting

Did You Know...

60% of **Millennials prefer texting** over email and phone to communicate with businesses.

Survey conducted by OpenMarket

Enable two-way communication to track texting and levels of engagement within ChildcareCRM

The highest lead converters send **3.8** **times as many individual text messages** to prospective families and **6.3** **times as many group text messages** compared to the lowest performing users.

Integrations

Integrated solutions are the future of childcare technology. To date, we have activated **3,000+** customer integrations with other solutions in their tech stack.

Ideally, 100% of our users would be utilizing this feature for its benefits such as, generating leads, saving time, reducing data entry errors, ensuring optimized and efficient communication, and so much more!

Businesses which utilize **software integrations primarily for data entry processes** save an average of **3.8** hours a day.

www.invensis.net

What could you do with all that extra time?

How much of your center's data has errors?

62% of **incorrect contact information** in information management systems is caused by manual data entry errors.

www.researchgate.net

46% of ChildcareCRM centers **utilize lead generation integrations** to increase the number of prospective families inquiring for care at their center.
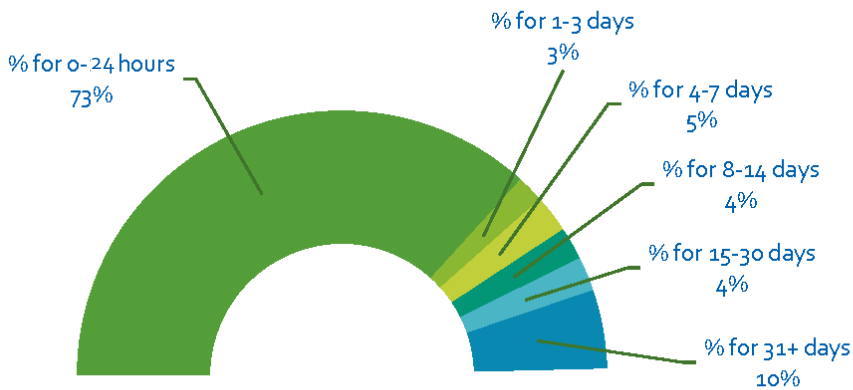
This number continues to grow as we develop more integration partnerships and as more users realize how lead generation platforms can benefit their centers' enrollment.

These are just some of the many places where a propsective parent could learn about you and your center. As many of you know, **we offer lead generation partner integrations with Kinside, Winnie, Careforkids.com.au, and Care.com.** ChildcareCRM also possesses the ability to **track leads that come from Google, Facebook, and your website.**

COVID-19 Impact

% for 0- 24 hours
73%

% for 1-3 days
3%

% for 4-7 days
5%

% for 8-14 days
4%

% for 15-30 days
4%

% for 31+ days
10%

Tour Scheduling Duration

This graph depicts the duration of time from when a new lead entered ChildcareCRM to when the lead had completed a tour.

This data is compiled from 3/1/2020 through 6/30/2020, the initial onset of COVID-19. When compared to the graph on page 11 of this report, you will notice that there was a **6% decline** in the number of **tours which were completed within 24 hours** of initial inquiry, likely due to COVID-19 regulations.

These graphs depict the number of new leads who completed a tour, as well as the number of leads who registered or signed up for the waitlist after tour completion.

This data shows that while our users did see a **decline in the number of individuals who were interested in touring their center(s)** during the initial onset of COVID-19, those who did tour were **more likely to enroll**.
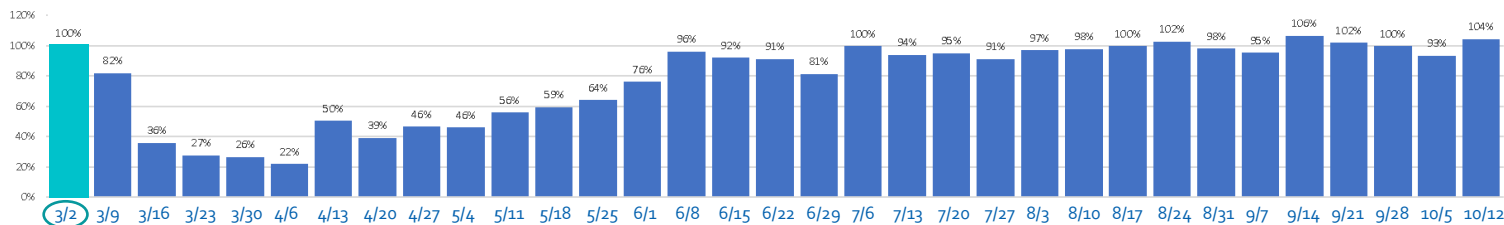
62%	55%	

New Leads Who Completed a Tour

73%	76%	

Completed Tours Who Registered or Waitlisted
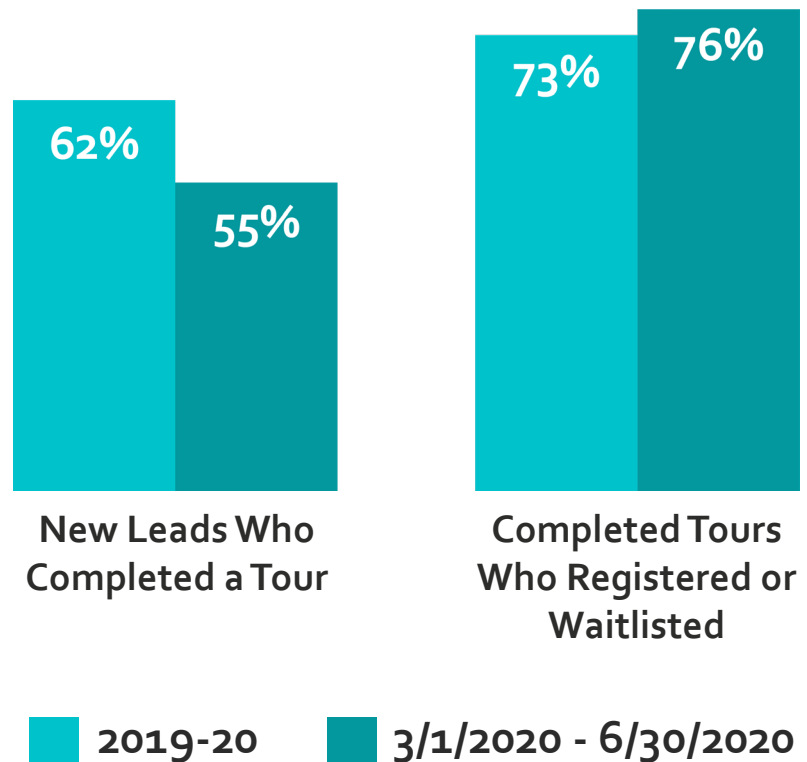
█ 2019-20   █ 3/1/2020 - 6/30/2020

New Leads and Enrollment Rates

From the Initial Onset of COVID-19 through Mid-October

2020 New Lead Rates by Week

Using the week of March 2nd as the basis for the starting point at 100%, this graph depicts the effect of COVID-19 in relation to the **number of prospective families who inquired for childcare**. As you can see, the numbers dropped drastically during the initial onset of COVID-19 regulations. New leads increased and returned to average levels around the week of June 8.
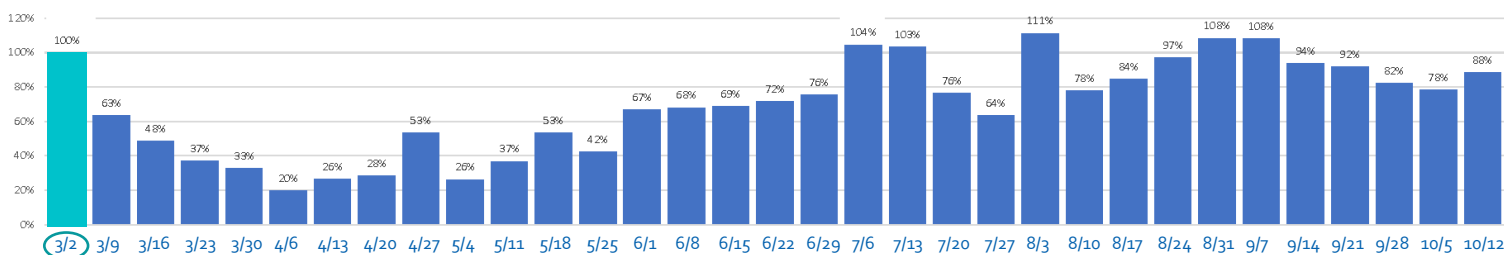
2020 Enrolled Child Rates by Week

This graph depicts the effect of COVID-19 on the **number of children who were enrolled for care**. The number of children enrolling for care decreased noticeably during the week of March 9th and began to see some consistency as early as June 1st.

To minimize the number of new leads who do not follow through to enrollment status, continue engaging and following up with your prospective families through two-way communications, marketing automation, and established business rules. If you need help utilizing a feature of ChildcareCRM that you may not understand, please reach out to us.
We are here to help.

Thank You

It's been a year that no one could have imagined. **We cannot make broad generalizations about if we have "recovered" or are "back to normal" as an industry.** We realize that every center's situation is different and many of our users may not be seeing the same results as displayed in this report. For specific information pertaining to you and your center, please contact your ChildcareCRM Customer Success Advocate.

One of our guiding philosophies has been our steadfast belief that **childcare, childcare workers, and childcare programs are essential**. We believe strongly in the value our product provides. Now more than ever, communicating with leads, parents, and staff is crucial. While there will surely be lasting effects from this year moving forward, there are **signs of hope on the horizon**.

We are here **for you during these unique times**. If you have any questions or concerns about the data outlined in this report, please reach out to your Customer Success Advocate.

We'd love to speak with you.

A Little Bit About Us
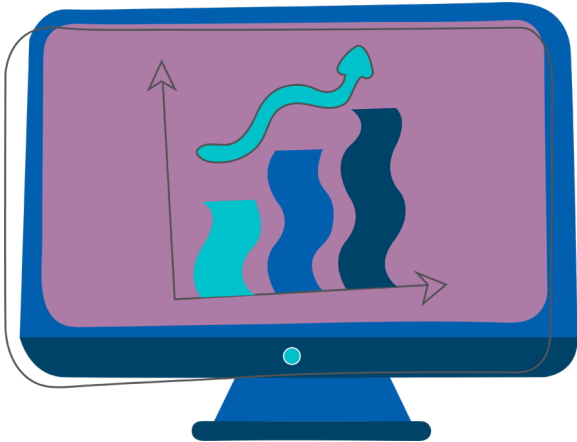
ChildcareCRM brings the fundamental concepts of customer relationship management specifically to the childcare industry. Features such as Business Rules, Two-Way Communications, and Task Management enable childcare providers and educators to *manage their prospective parents effectively* which *boosts enrollment* and levels of engagement.

Waitlist Management
Maintain relationships with prospective parents even when your center is full.

Task Management
Set automated reminders that keep you on track for enrollment follow ups.

Integrate & Connect
Connect ChildcareCRM to many of the most popular management systems.

Organized Communications
Consolidate and organize your communications with parents in a single database.

Group Messaging
Engage and provide important updates to custom audiences through email or text blasts.

Marketing Automation
Automate normally manual tasks and design hands-free marketing campaigns.

> **My favorite aspect is the email and text templates that make our Directors' lives easier.**
> *Actual User Review From Capterra.com*

> **If you are looking to increase your enrollment and see how well your marketing dollars are being spent you need to use ChildcareCRM.**
> *Actual User Review From Capterra.com*

www.ChildcareCRM.com