

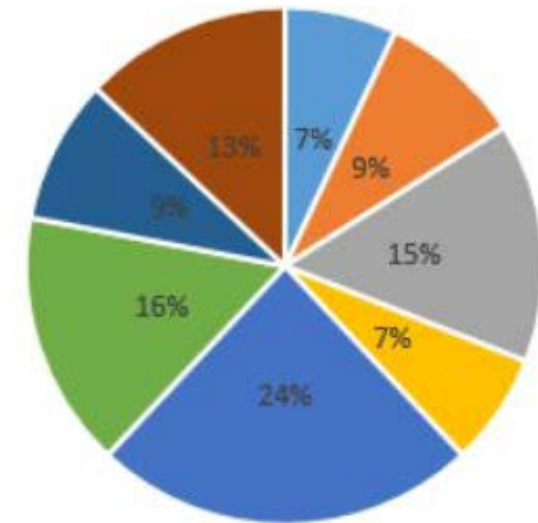
# MANAGING YOUR PROGRAM MIX

Offering the Right Courses to the Right Audience



*"Information That Works!"*

Course Categories



A Webinar for LERN Members  
Presented by Julie Coates  
Senior VP for Membership Services

# What we will cover

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- What is Program Mix?
- What are the best practices for assuring the right combination?
- When to drop a course from your program.
- How to know what new courses to add.
- What is typical for your constituency?

# Your Presenter

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- LERN affiliation since 1976
- Director of one of the oldest community programs in the US for 10 years (1976-1986). This program, founded in 1968, is still thriving.
- Author of the first publication on LERN Ratios and enrollment analysis as well as multiple articles, reports, and full-length books.
- Online teaching in LERN institutes and adjunct faculty member at University of South Dakota
- Chair of LERN/University of South Dakota master's degree program
- Research, consulting and membership development



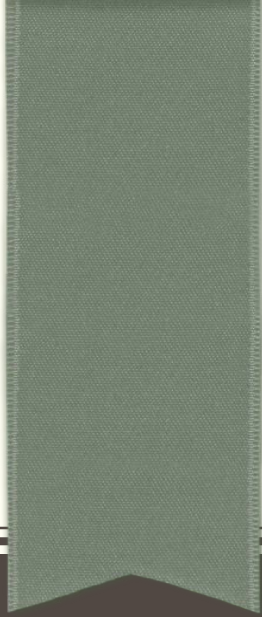
**Julie Coates, Sr. VP for Membership Services**

# What is Program Mix?

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- Your Program Mix is the percentage of each category of courses, classes, activities, or events you offer to your participants.
- Your program mix will vary from others' based on your target audience.
- Having the right proportion of courses in each category is one critical aspect of maximizing your program's performance.



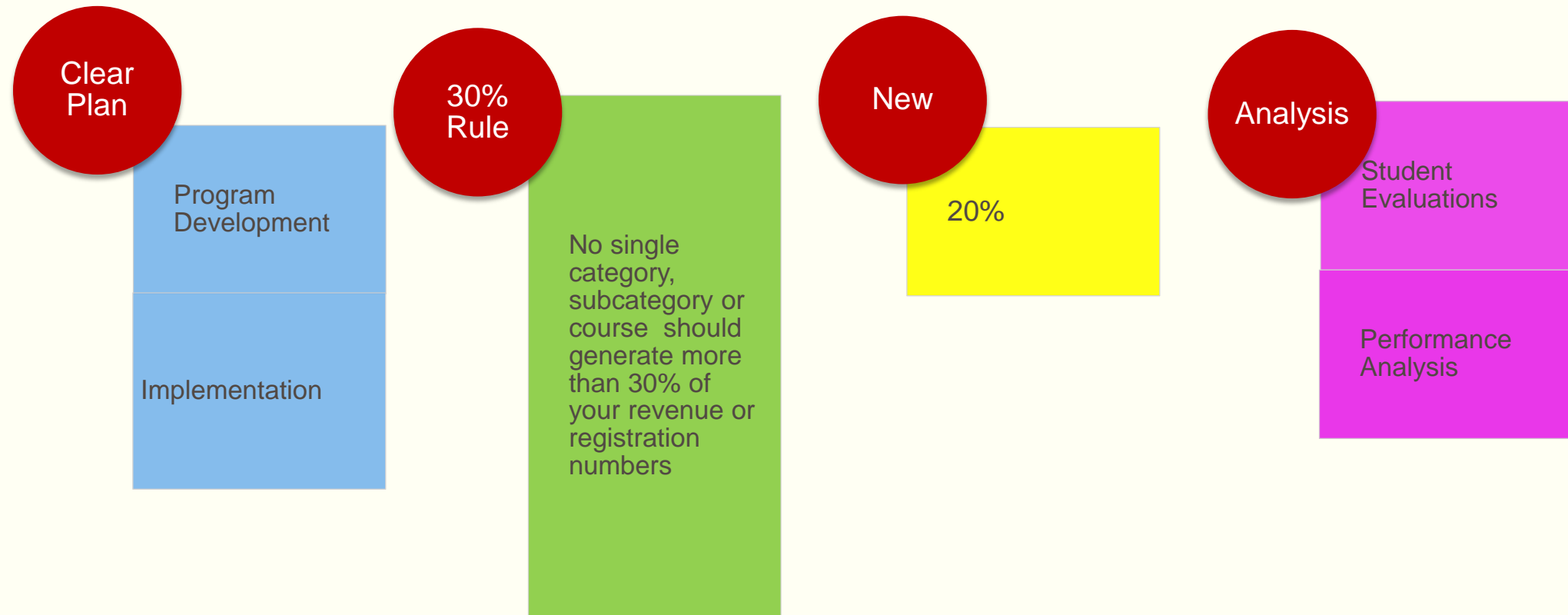


# SIX STEPS TO SUCCESS



# Where do I start?

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# What tools do I need?

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- ☐ Average Fee
- ☐ Average Participants
- ☐ Cancellation Rate

These three formulas give you the information you need to determine:

- ☐ Number of classes to offer
- ☐ Percentage of new
- ☐ Percentage of repeat classes
- ☐ Which categories to increase or reduce

# Average Fee

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- Total revenue divided by number of registrations.
- 1000 registrations generate \$50,000
- Average Fee = \$50





# Cancellation Rate

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- Divide the total number of classes cancelled by the total number of classes offered.
- 125 classes offered
- 25 classes cancelled
- Cancellation rate = 20%





# Average Participants/Class

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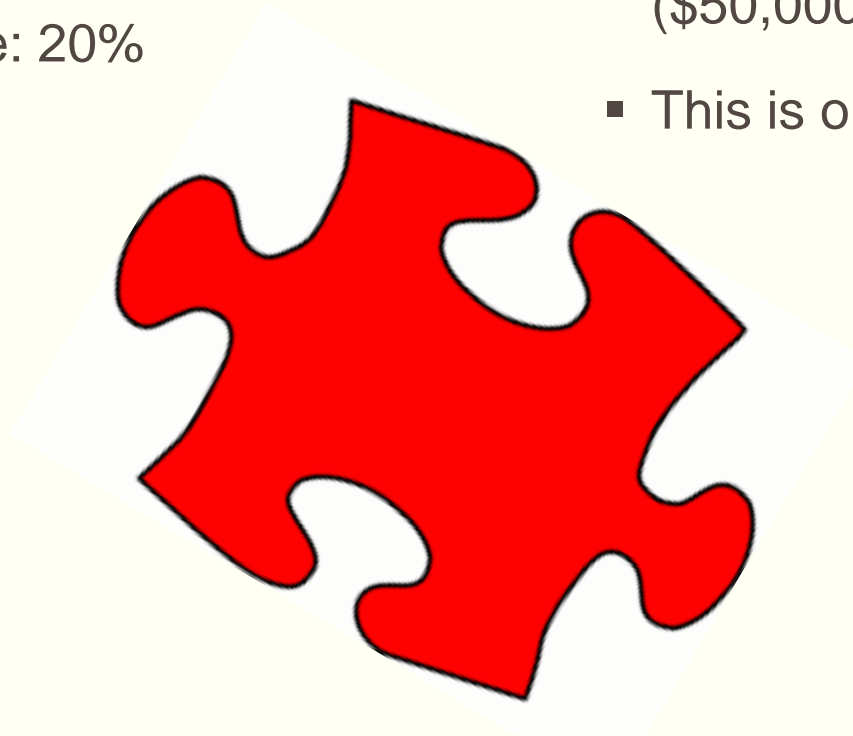
- Divide the total number of registrations by the total number of classes.
- 100 classes and 1000 registrations
- 1000 registrations divided by 100 classes means you have an average of 10 participants per class.



# Step 1: How Many Classes to Offer

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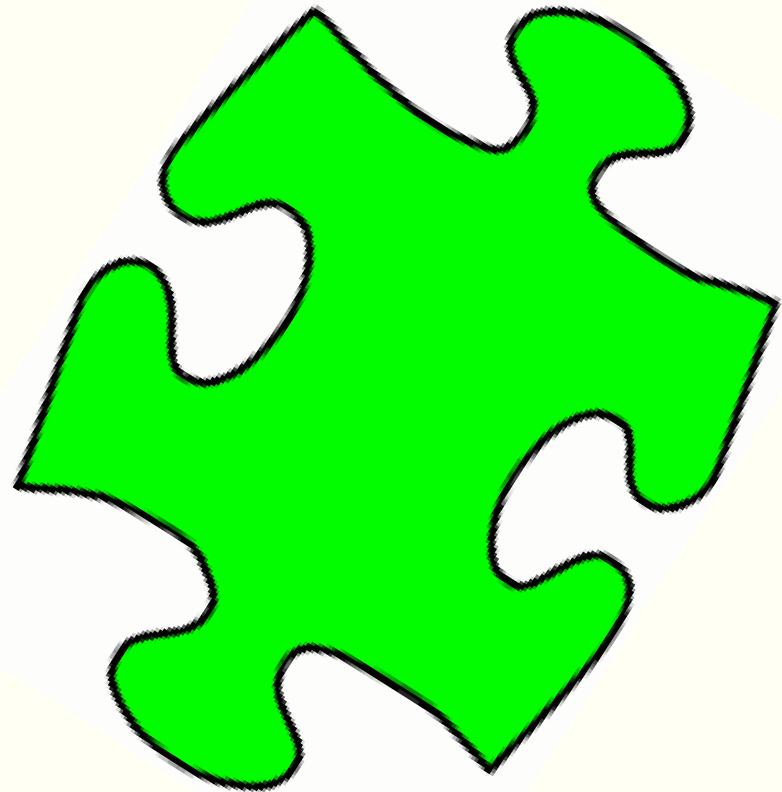
- Revenue Goal for category or sub-category: \$50,000
- Average Fee: \$50
- Average participants: 10
- Cancellation Rate: 20%
- Since the average fee is \$50 and your income goal is \$50,000 you will need 1,000 registrations to meet your revenue goal.
- Find this by dividing the goal amount (\$50,000) by the average fee (\$50)
- This is one key piece of the puzzle.



# Using your average participant data

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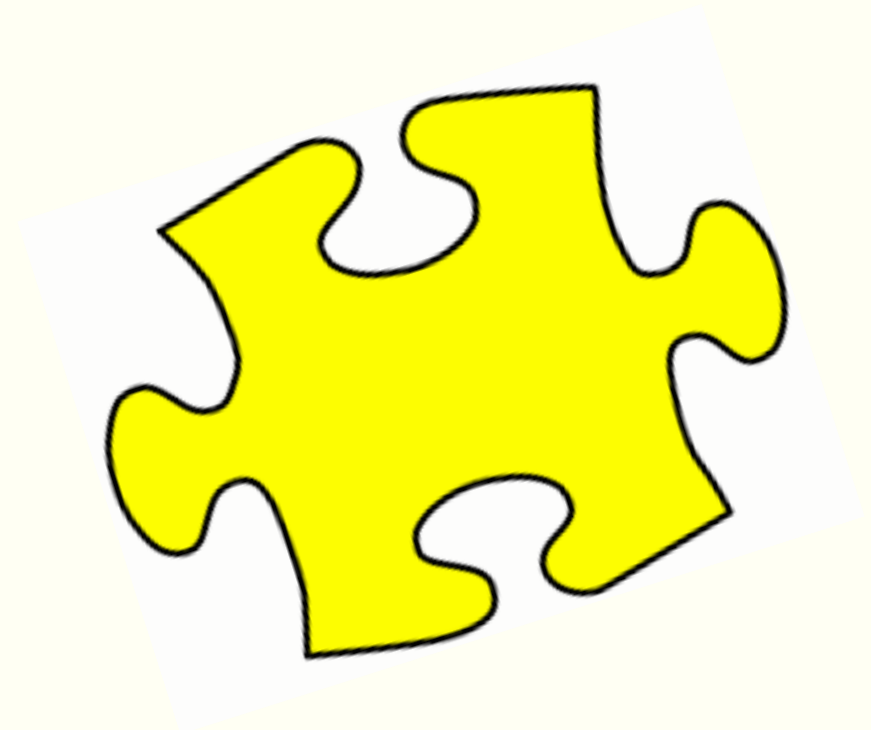
- Your average registrations/class= 10
- Your total registrations = 1000
- Divide 1000 by 10 = 100
- This is how many classes you will need to run



# Using your Cancellation Rate

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- You have to run 100 classes at your average fee and average participation rate, but you know you have a 20% cancellation rate.
- Therefore you have to run MORE than 100 classes in order to have 100 that make.
- How many should you offer?
- Offer the number you need to actually run plus the percentage cancelled. Thus you have to run about 125 classes.



# Putting it all together: Meeting your revenue goal

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- Average fee \$50
- Average participants= 10
- Cancellation Rate=20%
- $\$50,00/\$50 = 1000$  registrations
- $1000 \text{ registrations}/10 \text{ average registration} = 100$  classes
- 20% should be new so you will need to have about 25 new classes and 100 repeat classes.



## Step 2: Select the courses to offer

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1. Review courses over the past 1+years and note trends for:
  - Average registration
  - Average operating margin
  - Quality/satisfaction score
2. Select the 80% of courses you think will be most successful.
3. Ask for LERN's FREE (to members) "Star-Dog" analysis to give you data on your course performance.



# Free LERN Tools for Program Development

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- Category/subcategory/course reports
- Demographics report
- Carrier routes report
- Repeat Rate and Lifetime Customer Value analysis
- Primary Market Segments
- Next Course Report
- Best Customers List





# Free LERN Tools for Program Development

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- We will identify your best categories, subcategories and classes based on registration count and revenue from your data.
- You will be provided sortable spreadsheets to help you best analyze the data.
- The 80/20 rule applies to most program's data
- This data can help you identify program areas that are both struggling and booming. This can help you make informed programing decisions.





# Recognize a loser & winner

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- Income has not grown for two years
- Another offering has a better response rate
- Changing the title, instructor(s) or format would NOT make a difference
- You cannot raise the price without jeopardizing attendance
- You increase promotion and nothing happens
- The potential for this program is double your current attendance



# What makes a course a winner?

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- Consistently strong enrollments
- Strong operating margin (40% or better)
- High quality and satisfaction ratings
- Fits your philosophy and demographics



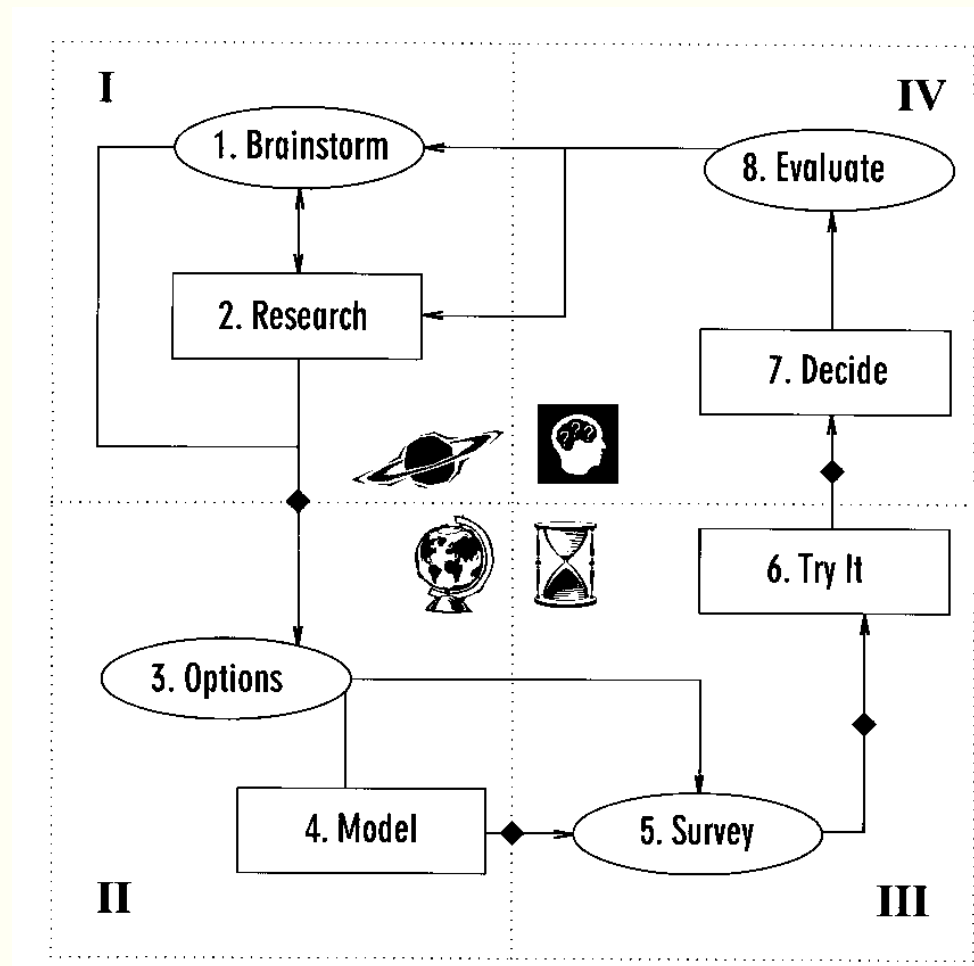
# What to do with the winners

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- Offer them more often
- Offer them in a different location
- Offer them at a different time
- Offer them in a different format
- Offer at a different time
- Offer spin-offs



## Step 3: Eight step needs assessment



- To be most effective with the selection of new courses, your new course selection process should start the term before you plan to offer it. Thus, in the fall you would be selecting new courses for the winter term.
- For major new programs and high dollar or high investment programs, the process is likely to require a longer development period.

# Rate your new ideas

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- Will the offering last 3 years?
- Will the offering generate the same or more than category/subcategory average?
- Will the new offering meet the budgeted operating margin the 3<sup>rd</sup> time you run it?
- Can you identify the potential participants' names?
- Is this in a category that is already successful or in which your existing customers have expressed interest, made inquiries?

# Calculating Income for your first-time offering

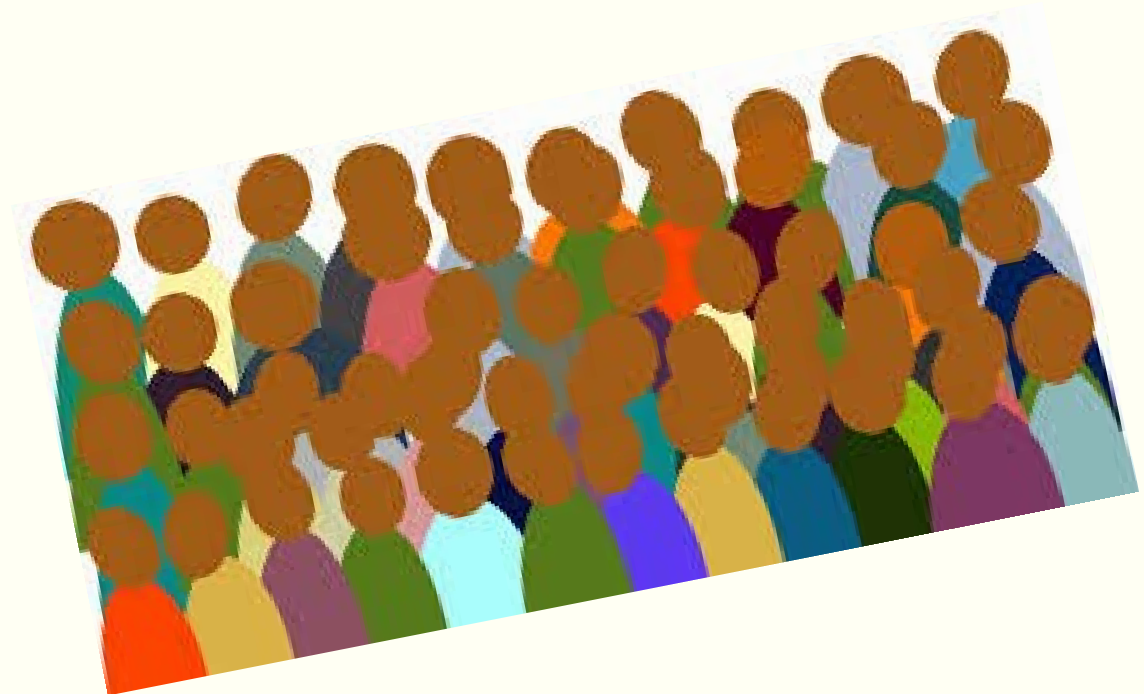
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- Use historical data from other offerings
- From related subjects, other experiences with first offerings
- Average participants per offering x offering fee  
(10 X \$125 = \$1,250)
- Make your first-offering income objective as conservative as possible (\$1,000)
- Cancellation rates for first time offerings are higher than for repeat classes—typically 30-50% or higher.

# What constitutes a strong potential audience?

- They are currently participating
- 2+ demographic characteristics can be identified
- You can reach them (good mailing list, good email list, good SEO, etc.)
- There is no dominant competition





# When not to develop a program

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- If the offering will be offered only once
  - unless you can recoup all development costs
- If the new offering doesn't “fit” in with your brand
- If your demographic has not shown interest in this topic area



## Step 4: Create Your Plan

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- Course Description, using LERN Best Practices
- Course Objectives and Outcomes (formal or informal, based on type of course)
- Agenda (based on type of course)
- Instructor information
- Set your price with a target 40% operating Margin



## Step 5: Create your marketing plan

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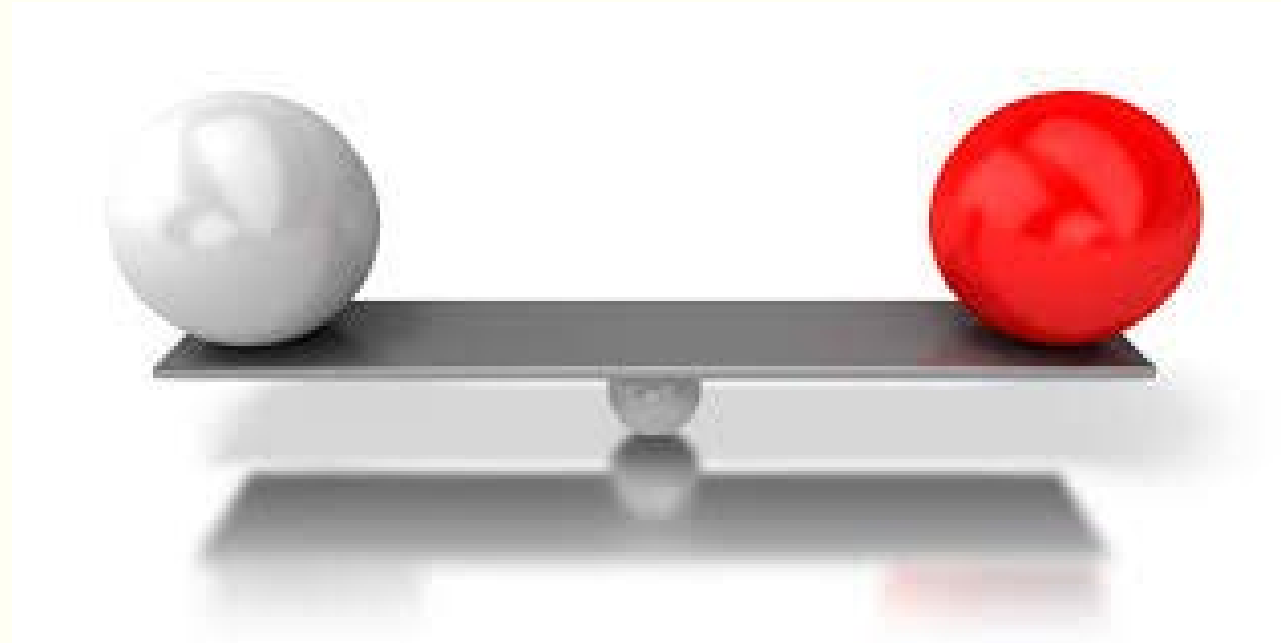
- Your print brochure
- Digital marketing
- Target best prospects

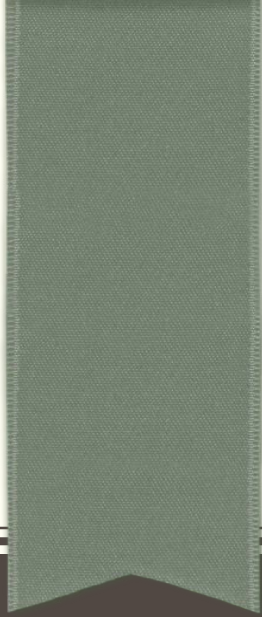


## Step 6: Evaluate and Revise

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- Student Evaluations
- Performance Data
- Analyze
- Revise

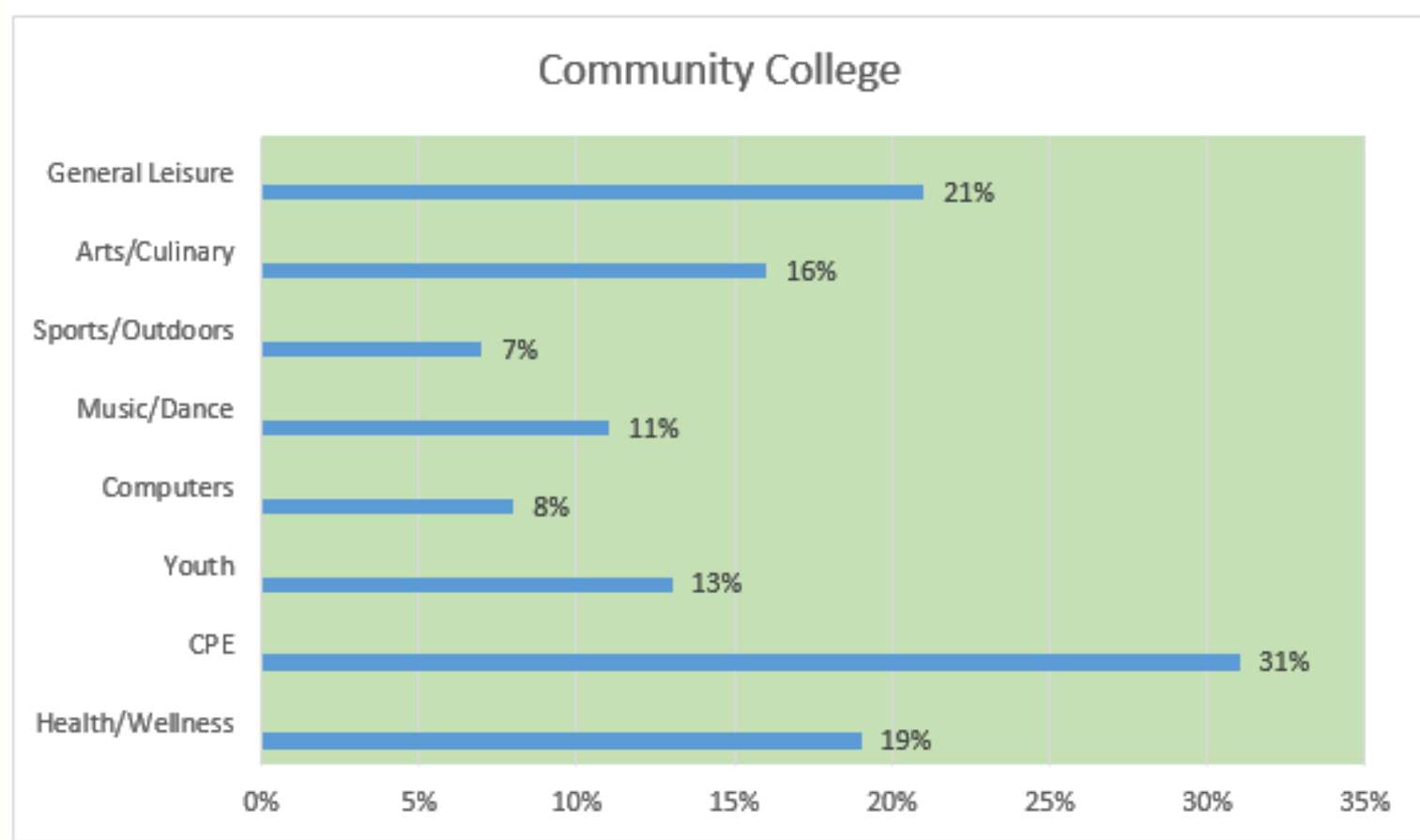




# NATIONAL TRENDS IN PROGRAM MIX

# Community Colleges

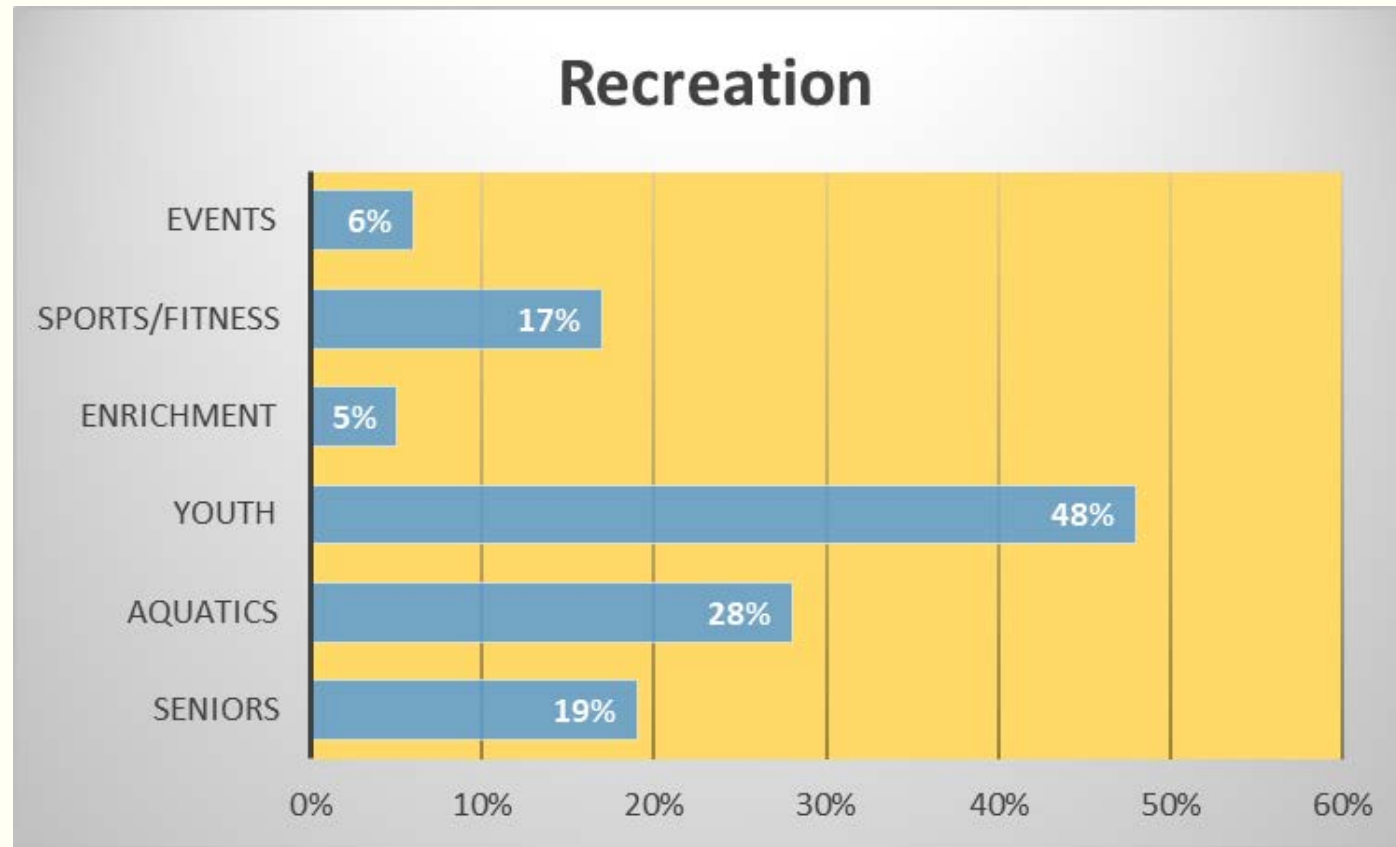
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Some totals may not equal 100% because courses may be included in more than one category

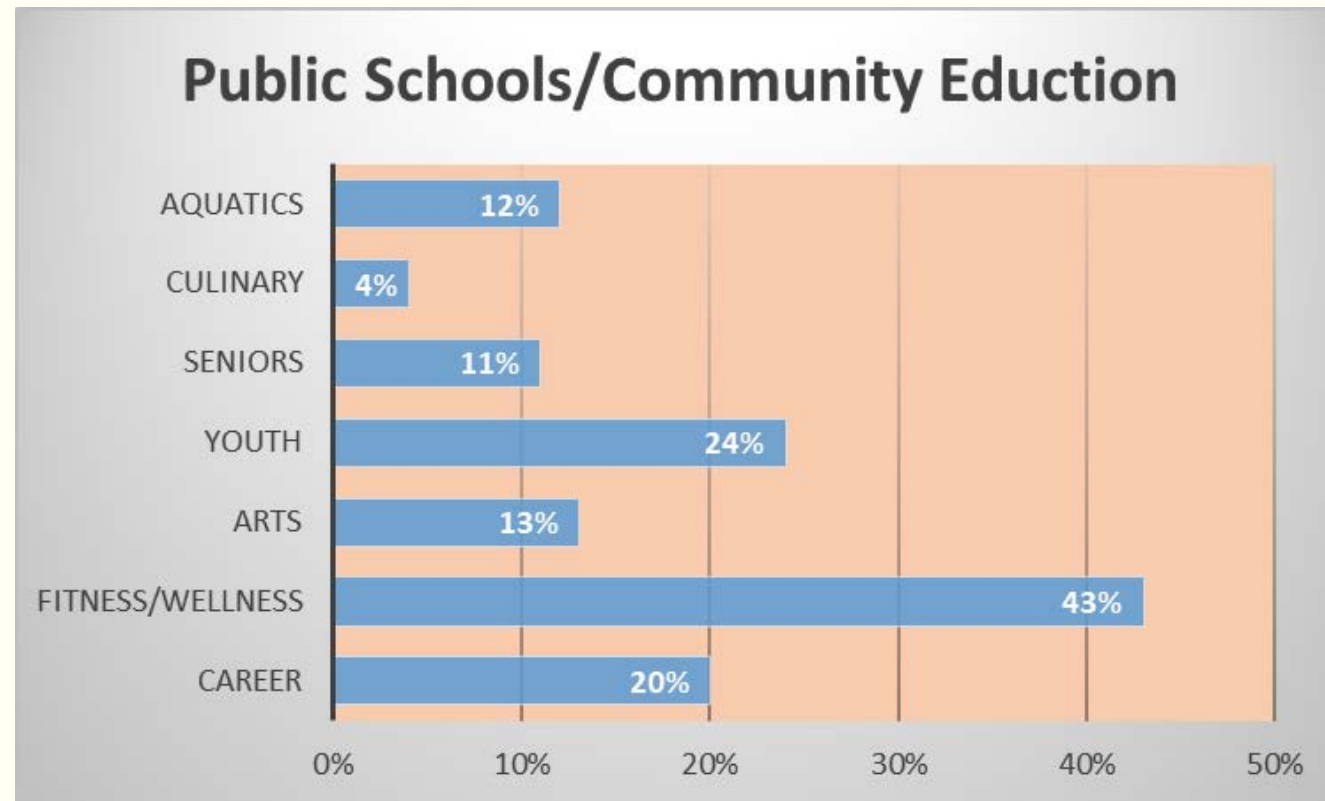
# Recreation

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# Public Schools

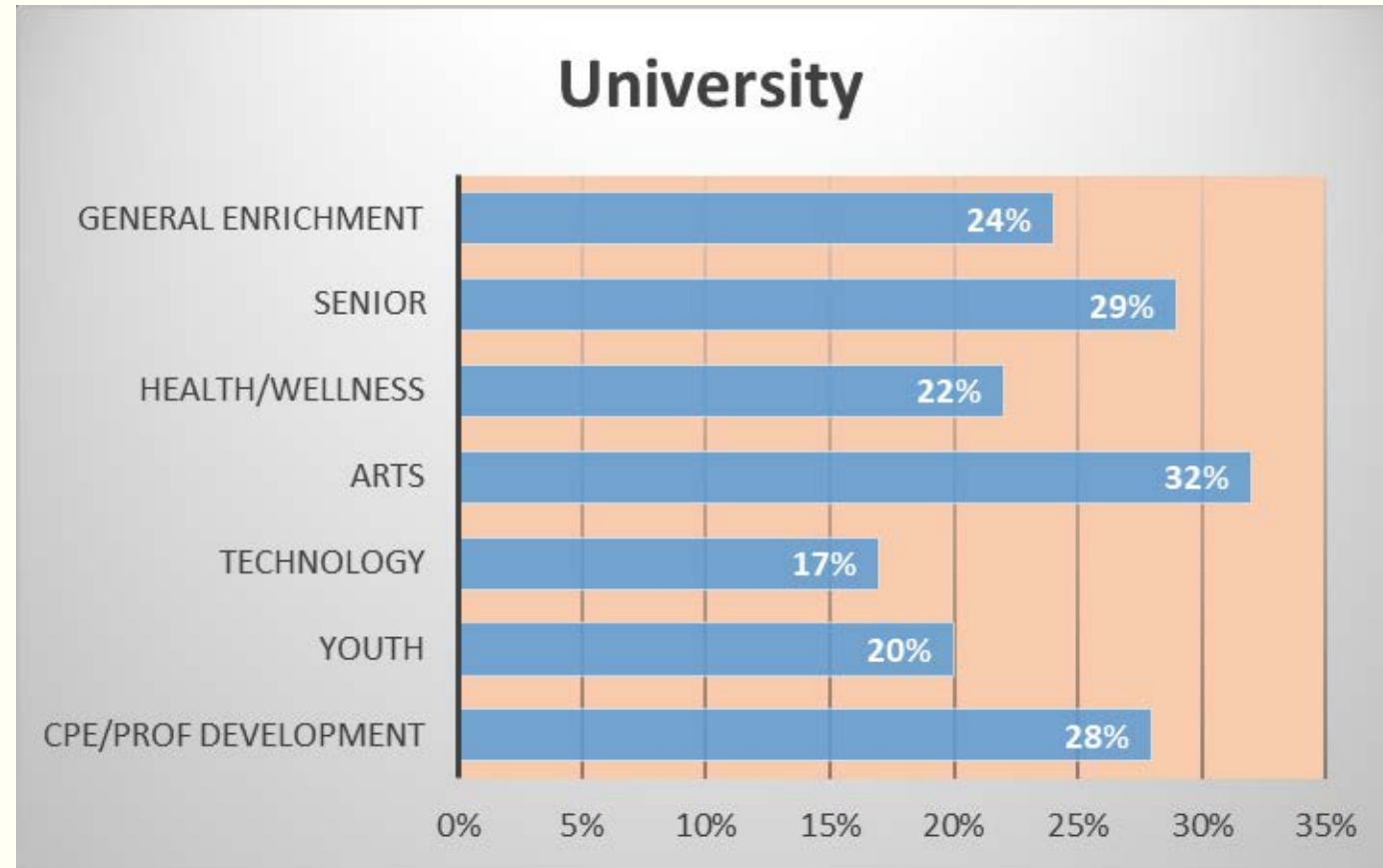
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# University

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# Dashboard

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- see how your program compares to other similar programs around North America
- . The data is generated by surveying all LERN members about how their organization has performed over a set period of time.
- u will be asked to answer basic demographic questions that will be used to allow members to drill down further into the data and create the most relevant analysis for their programs (for example, technical schools in Kansas that have between 5,001 and 10,000 yearly registrations and a budget of \$250,001 and \$500,000).
- You will also be asked if you offer Open Enrollment and/or Contract Training. Then you will be asked specific questions about the performance of your Open Enrollment and/or Contract Training programs.
- These questions allow for meaningful data that can be custom tailored to create a realistic comparison between members' programs. This tool will be available to you and other members through the LERN Club, allowing you to do your own analysis on your time!



*"Information That Works!"*

# Lean on LERN!

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- ☐ Request a FREE segmentation analysis.
- ☐ Make an appointment for a FREE consulting call with a LERN consultant.
- ☐ Attend the LERN Annual conference (and earn one graduate credit or CEUs)
- ☐ Sign up for the New Course Development Institute offered online, beginning September 12 (<https://lern.org/events-education/online-institutes/new-course-development-institute/>)
- ☐ Invite a LERN consultant to your staff meetings to answer questions about your program development.

Contact Tammy Peterson at [info@lern.org](mailto:info@lern.org) for more information about how LERN experts can help you become more successful!

[www.lern.org](http://www.lern.org)

800-678-5376