

How to sell to schools: July to December 2010

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1. Recent changes in marketing to schools

1.1 The funding of schools

In 2007 schools were given a funding settlement for the three school years starting in 2008/9, and ending with 2010/11. This was one of the final acts of the “Education, Education, Education” regime, and although schools always want more, it was seen as just about the best that could be achieved at the time.

In December 2009 the government made two announcements – one in relation to extra funding for primary schools and one as part of the pre-budget announcement. The 2010/11 settlement remains intact, and the 2011/12 settlement will take that budget and add 1% to it.

Following the general election of 2010 the 2010/11 settlement was left in place save for the following:

- The Building Schools for the Future programme was cut, with many school projects being abandoned that were at the consultation stage but had not actually started building.
- The Harnessing Technology Grant for 2010/11 was cut in half. This grant was administered by Becta (which was also removed from existence) and was in any event due to end in April 2011. The Grant had come in as a stepping stone between e-learning credits and their abolition, and was used in many different ways throughout the country. Some schools got the money directly while others voted en masse to hand it over to the LA or the local Grid for Learning which provided internet facilities.

The government hinted at two further moves. Firstly it stated it wanted to see a move towards efficiency, and secondly it warned of wholesale claw-backs of unspent cash at the end of the school financial year in April 2011.

The previous government had experimented in 2008/09 with “claw-back” procedure. This allowed local authorities to take back unspent money where the unspent money was over between 5% and 8% (depending on the type of school).

Some claw back has happened, but the government has made it clear that 2009/10 was the final year of gentle persuasion. The previous government had already said that all unspent money in 2010/11 will be clawed back – how much money the government gets out of this depends on how much schools try to hold on to. Evidence suggests that most schools will have got the message and will spend.

No cuts have been announced in Wales or Scotland, and indeed in July 2010 the Welsh Assembly issued a press release saying that their BSF programme would continue.

1.2 Free Schools and Academies

The coalition government has made a big splash of announcing that parents, teachers and interested groups could set up their own schools in unused office blocks, shops, community centres etc, and that their applications would be fast tracked through. So, although the scale of development seen under BSF will be reduced, there will be new schools. What’s more, these schools will need to buy basic equipment – which will be an opportunity for smaller suppliers who never got near to BSF contracts.

All schools can apply to opt out of LA control and become academies – an idea first launched by M Thatcher and then revised by T Blair. Each new version of the plan to remove LA control from education takes some more schools out – and so we should see some further break up of LAs.

LAs are now contemplating either abandoning their education services or turning them into commercial operations, offering courses and guidance to schools, in competition with other course and training providers.

1.3 Levels of marketing in response to this development

Direct mail into schools in January – July 2010 ran at about 20% of that of the same period in 2006. In other words, for every 5 items a teacher received in 2006, he/she received one in the first six months of 2010.

Whereas in 2006 shared mailing leaflets outnumbered those sent as solo mailings, by the start of 2010 the reverse was true.

Generic emails (those which go to the school administrator with a request to be passed on to a particular teacher) have more than doubled in volume each year since 2005. This is mostly due to companies pulling out of shared mailings and moving into generic emailings, and the increasing availability of low-cost CDs which are said to contain all school email addresses. In 2008 the first subscription email services were introduced and their use has increased by about 30% in 2009 over 2008, largely due to an increased awareness of the service.

Personal email lists (i.e. teachers' own email address within the school) were introduced in 2009, and their popularity increased through the year and again in 2010.

However, as with private email addresses, spam is a huge problem for schools, and many have introduced sophisticated filtering systems to block unwanted emails. Because there is only limited awareness of how emails to schools can be made to work, most emails that go to schools now appear to go straight into spam boxes or be caught out by filter systems run by the companies that specialise in supplying internet facilities to schools.

Taking all these factors into account, the amount of relevant material (including email and direct mail) reaching schools is now around half what it was two years ago. However, the amount being read is probably around 20% of what it was two years ago.

Overall, the decline in the level of postal mail along with the reduction in the number of generic emails that get through means that those materials sent to schools which are well written and which take the medium into account have a much higher chance of success than they did three years ago.

Put simply, emails to schools will get through if:

1. They are addressed to individual teacher addresses.
2. They are written in a pro-teacher creative style rather than shouting "discount!!" all over the page.
3. They have no illustrations.
4. They are sent from an email despatch centre that is recognised (rather than blocked) by the local authorities that control the email.

Research undertaken in 2010 showed that over half of the schools are using Outlook or Outlook Express, and most of the rest are using Outlook derivatives written by firms like RM for school use. There is no large problem with other email programs reading emails in a different way.

There have been several responses from firms that operate generic email lists. Some have claimed that emailing schools the same material every week or every fortnight actually persuades teachers to buy. In fact, this approach tends to do the reverse.

Other firms have continued offering lists of school email addresses on disk, and these have reduced the effectiveness of this medium as more and more schools have begun to find more efficient ways to block the service.

1.4 Two specific problems for schools – and their solutions

The biggest specific problem schools have in terms of expenditure comes with sending teachers on courses. Indeed many local authorities issued “no courses in school time” notices in September 2009. This was in response to the latest expansion of the Workload Agreement – a UK-wide agreement backed with legislation which aims to reduce teachers’ workloads. This newest development is generally known as “rarely cover”, and effectively it means that if a teacher is absent from school and the absence is known about in advance (as clearly it would be with a course) then other staff in the school cannot be asked to cover that teacher’s lessons. As a result, a course which might have cost £200 for a day costs the school an additional £200 in supply teacher salary.

Even major courses with A list speakers have found it hard to recruit teachers to attend during the past academic year.

Many firms are seeking to overcome these problems by taking courses into schools and encouraging schools to invite colleagues from nearby schools to join in the course which is held on an in-service training day or after school hours.

1.5 The appropriate style of advertising – and why so many firms have reported having problems.

A large amount of research has shown that advertising to teachers that is based around a conversational style and approach works very well. However, only about 10% of advertising going to teachers is written in this way – which is why so many people have reported having problems in selling to schools.

At the start of the digital age, the idea was that we could dispense with conversations and instead just tell people what we had and force them to reply on-line. Phone numbers were not displayed, and if you had a question or a complaint the chances were that you would get an automated answer. Companies put in telephone handling systems that shut people out, customers had to wait an hour to get through to the bank, and even then had to speak to someone whose accent made it hard to understand them.

Then some firms realised what a mistake this all was; customers need to be talked to, and the system changed. Want to buy your CDs on-line – no problem, the system is there. Got a problem with an order you placed with play.com? Phone them, and they answer within 5 seconds, and can tell you about your order within 10 seconds. (And I don’t have shares in play.com – it’s just my experience).

If we take this a step further, the reason why so many companies report that their response rates in selling into education have gone down becomes clearer.

Indeed, HHM recently had a situation in which we were answering phone calls for a company, and were telling people who had an issue with an order that they should email in their question. It caused absolute outrage among teachers, and some of our phone

receptionists took a lot of abuse (teachers can be very rude).

The message was clear – teachers expected a phone number when they wanted to phone. A lot of the time they might be happy with email, but when they want to phone, they expect the company to be there.

So the rule for 2010 is clear. When faced with a potential customer most of us are able to speak in a fairly normal, friendly manner about the benefits of our product, how well it is going, why people buy it, and so on. We smile, look the customer in the eye (although not too much, as we don't want to make them feel uncomfortable) and by and large aim to come across as a friendly sort of person with whom it is good to do business.

What we don't do is...

1. Bore the customer to death with talk about when our company was formed, the fact that we are a small family business or a vast plc, and the like.
2. Use some sort of convoluted double-speak such as "This award winning bit of software...."
3. Shout "NEW!" or "DISCOUNT!" in the customer's ear.
4. Tell them to send us an email.

In short, when we meet someone we talk to them in a fairly nice, normal way. But somehow a lot of educational marketing has slipped into strange shorthand phraseology such as "by teachers for teachers" or "award winning" that ultimately becomes meaningless to the reader because it is seen so often.

The advertising that is working and achieving ever higher response rates is written in a way that is appropriate to teachers in schools in 2010 – and not to teachers in 1997 or even 1987.

2. Selling to schools: July to December 2010

Because the government did not cut school expenditure for this financial year, and because the government has made it clear that unspent money will be clawed back, schools have money and are spending it.

Indeed, the overwhelming majority of schools have more to spend this term than in the same period one or two years ago. It also means that good advertising will be effective not only because of budget increases but also because the level of advertising to schools has declined so dramatically in the past 18 months, with direct mail running at a tiny level compared to two years ago and much generic email marketing (where the advertising has increased) simply never getting as far as the teacher.

Experiments have shown that while direct mail does not work particularly well during the summer holidays or in the last couple of weeks of term in December, email is not restricted in this way. Many teachers access their email accounts at home during the holidays, and so can respond to promotions. Those who don't will generally only have one or two emails to pick up in their personal accounts when they get back to school – and so again pay particular attention to these emails.

However the number of emails sent during the holidays is still very small, and so HHM now

offers emails to subscribers and to named personal accounts at half price during the summer holiday and autumn half term.

3. Which medium to use

Observations from 2009/10 suggest that the companies that used all forms of direct marketing to schools did best of all, reflecting what we have known for a couple of years – that some people respond to direct mail and others to email. Even generic email – the most difficult approach to use - can prove successful if handled with care.

Beyond this, however, we can say that each medium has an advantage and a disadvantage, and these are given below. (I should add that all our services come with a free listing on <http://www.UKEducationNews.co.uk> and more details on this are given at the end of this section.)

Each option is dealt with in depth below – but one new approach has emerged during the last year which seems particularly appealing.

Firstly, one experiments with a mailing either to a subscription list or a personal email list. If the first attempt does not work one can modify the approach and try again.

Secondly, having got it right one then does a small scale direct mail campaign (maybe 300 schools taken at random – although the exact number depends on the profitability of each sale) and sees what happens. Whereas emails are only read by a minority of teachers, research suggests that over 75% of teachers look at the direct mail they receive. So a direct mail campaign based on a successful email campaign can bring in a very significant and profitable response rate.

Now on to the media in detail...

3.1 Solo mailing

It is the most expensive medium (around 45p a school in many cases) but it can bring in the highest response rate of any approach. What's more, as noted above, it is ideal for testing. If, for example, you are looking for a 3% response rate then it is perfectly reasonable to mail 200 schools from your target, selected at random. The cost will be under £100, and some of this will be recovered even if you only sell to 1% or 2% of schools.

If it works you can roll the whole mailing out, but if not you will have gained information about how your promotion needs to change to make it work.

Because a trial solo really does give you information for such a limited cost, this is where most companies who are seriously looking at selling to schools choose to begin.

Solo mailings are most affected by the text that the reader sees on opening the pack – which is often a covering letter. A mailing of a leaflet can move from under 1% to 4% by having the right covering letter in place.

3.2 Shared mailing

With a cost of around 5p to 8p a teacher reached, this is ideal for sending out a single lightweight leaflet on a regular basis. The best approach is to have three different leaflets and vary the approach mailing by mailing. Shared mailing packs a few years ago were in danger of being overwhelmed by the number of leaflets seeking to use the service. Now that the volume is down to around 10% of three or four years ago, there is a much greater chance that the administrator will pass your leaflet on.

3.3 Subscription email

These emails are written as advertorials so that they link into the format of the news that the subscribers receive each week. A typical subscriber might receive a news item on a Tuesday and an advertorial on the following Thursday – they are not sent out together.

Subscription emails only reach a percentage of the teachers in the group you are targeting, obviously because only those who subscribe get the email. But they are, like solo mailings, an ideal way of testing the water. Price is 22p per teacher reached.

3.4 Personal and Preference emails

Increasingly schools are allocating personal emails to teachers within the schools, and these can get response rates approaching those of subscription email services. The bonus is that the lists are bigger and there is no need to fit in with the style of the news sent out, as with the subscription emails. Preference email lists are for teachers in the schools that have not allocated personal addresses yet. Instead the mail goes to the administrator with the name of the teacher in the subject line. Personal emails cost 18p each, and preference 10p each. There is no overlap between them.

The lists are developing and expanding all the time. Details of all our email lists appear on www.emails.gs or you can call 01536 399 000 for updated numbers.

3.5 Generic emails

These emails go to the administrator with a request that the item is forwarded to “The Head of Music” or whoever is wanted. Response rates have plummeted because widespread availability of such lists through firms that have no knowledge of how to sell to teachers has resulted in vast over-exploitation of the market.

Schools, Grids for Learning and LAs have responded with better filtering and blocking systems. Many such emails simply don't get through – and indeed it is increasingly common for whole parts of the country not to get certain emails, unless you are using the right supplier. Do make sure the person sending out your email has checked what is happening in each LA.

Many of these lists on offer are outdated and come from companies that have no agreement with the local authorities and service providers to allow their emails through as legitimate educational emails. Likewise many suppliers have no knowledge of how schools treat emails and which emails get stopped before delivery.

One of the big problems with generic emails is that even if one pays nothing for the

promotion, on their own they are not enough to develop a decent business. A response rate (in terms of actual sales) of 0.3% on a mailing to 5000 secondary schools might bring in 15 orders, with no marketing cost (if you have bought a CD of addresses, and you have the software for sending out emails in bulk). But if you then repeat the advert your response rate will probably decline further until each email is bringing in maybe 5 orders.

It is, however, possible to get better returns on generic emails providing one pays close attention to:

- Who the email appears to be from when it arrives in the school
- The way the subject line is written
- The opening headline at the top of the text
- The way the text itself is written
- The way the response mechanism is arranged at the end of the text
- Ensuring that the schools and local authorities are not gradually blocking you as a source of emails.

If you would like to know more about these five criteria and how they affect generic emails, please call 01536 399 000.

If you are looking to undertake a lot of email marketing including the use of lists that you have built up yourself, you might wish to talk to Hamilton House. We are able to supply the actual software that we use to send out emails (with full technical support) or we can hold your lists on our servers and send out through our software as and when you wish. Do get in touch.

3.6 Email marketing reports

When you market using email you should receive a report back at the end of each campaign to tell you exactly what has happened. This should include the number that actually arrived, the "open rate", and the "click through rate". From this you will be able to tell the effectiveness of the campaign and be able to take action to improve the campaign if it is not working well. To give a very simple example, if you have a campaign in which lots of people open the email then you know the "from" title and the headline worked ok. If there were lots of click throughs to your site you know that the advert worked fine. But if you then don't get a lot of sales, you know the problem is with the landing page, and that can be readily changed.

3.7 UK Education News

This service was introduced in November 2009 as an expansion of the subscription email service. Every news story from the mainstream news sources (the BBC, Guardian, Independent, Education Today, and significant regional papers and educational magazines) is listed. Readers can click on that story and be taken to the website with that story on it.

During 2010 the service has been expanded to allow schools to post their own press releases on the site, and to allow them to advertise job vacancies free of charge.

All clients of Hamilton House who buy into one of our services listed above, spending £200 or more, can also have their story listed on UK Education News.

This means, in effect, that your story will appear on one of our cumulative news websites (where it will get a significant number of hits) and appear on the rolling UK Education News. Because it will appear alongside stories from major news sources, this seems to give the story extra credence. (www.blog.schools.co.uk for example is where a number of these stories are placed, and that site gets about 30,000 visitors a month).

It is also possible to book into an appearance on UK Education News either as a news story or a listing in the resources section or on one of our banners. If you have a regular news section on your website we can also pick up that page each time a new story is added, and run it automatically.

4. Websites

Research during the past two years has revealed just how important the landing page of a website is. Time and again we have found situations where an email advert to schools can generate a significant number of hits on a website only for no orders to be placed.

The text and design of the landing page (where readers are referred on) is as vital as any other part of the mailing process, and yet it is often left or ignored by customers. The companies that have done well in the last year with email advertising tend to have focused as much on their landing page as on their email advert.

Unfortunately, many website designers seem to be good at designing websites that interested people will read, but have little knowledge as to how landing pages can work. HHM now has a team that works on websites, and indeed we have managed to get significant results on some sites, getting them up the Google rankings and getting huge audiences for them. It is, as with so much in this area of work, down to creativity.

5. Blogs

The educational blog has grown massively in importance in the last three years, and blogs which are written on a regular basis with interesting, engaging and conversational copy can build up huge audiences if marketed in a positive way.

Blogs don't automatically sell product, but they can help, and they will generate extra awareness and a positive feel for your company if you can get the tone right. But they are a major commitment in terms of time, and cannot just be fitted in occasionally. A blog that is intermittent in providing new copy will not build up a regular readership.

It is, however, possible to make a blog so popular that people check it each day, and it ends up on the first page of a google search.

Despite the incredible success that blogs can achieve, many firms simply don't explore the idea, or look at it and stop. It really is worth exploring. Audiences can reach surprisingly high numbers.

6. The Efficiency Issue

The coalition government has stressed the need for efficiency in education, taking up a theme of the preceding Labour government. It has, however, given schools a very limited set of information concerning where it thinks the efficiencies will come from.

The debate originated with the Audit Commission report in July 2009 on school spending and, for the first time, they reported with more clarity and certainty on the issue of school spending. The full report (known as “Valuable Lessons” is at <http://tinyurl.com/kueubl>

It is not a particularly dramatic document – indeed it is somewhat simplistic in places – but it does, for the first time, deal with the issue of efficiency.

In essence, the view of the report is that schools could save £400 million a year if they bought equipment and services more sensibly. They also estimate (although the press reported it as a statement of fact) that schools in England and Wales are sitting on cash reserves of nearly £2 billion, with two out of five schools transferring across year on year more than the recommended amount.

They also confirm that the English primary and secondary schools’ bill (excluding private schools) topped £31 billion in 2007/08, an increase of 56 per cent in real terms over the last decade.

In a wonderful summary the Audit Commission concludes that it can’t be sure whether the taxpayer is getting value for money. The report says that school inspections focus on educational standards and what teachers do, which is necessary. They pay less attention to economy and efficiency. Councils also pay insufficient attention to value for money in their support of schools. Many school governors should be tougher in seeking value for the public purse.

Michael O’Higgins, the Chairman of the Commission, commenting on the report in an interview said, ‘Accountability for spending in schools has been weak possibly because, in the last ten years, the focus has been on results. Ofsted [the schools’ inspectorate] is planning to give a higher priority to value for money and we will be pleased to work with it.

‘Now, however, is a good time for schools to look for better value from the money they get. Budgets are growing more slowly and schools need to start planning for a more austere future. We believe savings could be made without adversely affecting pupils or their education.’

A new course for teachers, “The Diploma in School Efficiency,” comes on line in about six months time, and, quite simply, anything that offers greater efficiency in schools is going to be looked at very seriously by teachers in the coming year.

Appendix 1: How Hamilton House works with companies

There are two broad approaches that we adopt. The first involves us responding to your requests – you phone and ask about promoting a particular product or using a particular email service, etc, and we do our best to help and offer an appropriate service.

The second involves us taking on your marketing on a regular basis, writing copy for adverts, copy for the website (if needed), sending out the emails, writing blogs, undertaking research among teachers, preparing blogs, re-working websites, researching new lists, etc, etc. The exact fee for the work depends on the exact needs in each case, but most clients pay £495 per month for this service. There are more details on <http://www.velocity.ac>

Appendix 2: Coverage of this report

Education in the UK is administered separately by the Department for Education (for England), the Welsh Assembly, the Scottish Parliament and the N. Ireland Assembly. The DfE (previously the DfCSF and before that the DfES and before that the DES) has control over about 90% of the UK and thus, even though the rest of the UK has chosen to go down different routes, the DfE decisions and those of the local authorities in England impact on the massive majority of the UK. In this article, unless otherwise stated, I am referring throughout to schools in England.

The changes cited here often do not directly impinge on private schools, but many do follow state school guidelines and approaches. Virtually all private schools in England follow the national curriculum of England, although a few are now opting out of the GCSE / A level system in favour of alternative exams.

More help and information

Please call Hamilton House on 01536 399 000 or email Sales@hamilton-house.com Or visit...

- For shared mail: <http://www.shared.org.uk>
- For solo mail: www.directmail.org.uk
- For email: www.emails.gs
- For other topics in education: www.educationmarketing.org.uk
- For the Velocity marketing programme: www.velocity.ac
- For PR work: www.voom.org.uk
- For minute by minute updates on news form the world of education: www.ukeducationnews.co.uk

To receive daily emails about selling into education send an email to education-marketingsubscribe@yahoogroups.com -you'll get a confirmation email back. Just click reply, and you will receive the emails five days a week. If you want to stop receiving them, there's a message at the foot of each email telling you how to do this.

Having read this report, if you would like me to take a look at your brochure, letter, leaflet or email, and give you our thoughts on how it might be changed in order to enhance sales, just send a copy of the item as a pdf file to Tony@hamilton-house.com along with your phone number. I'll take a look, and then call you back.

This service is completely free, is undertaken in complete confidence, and is without any obligation. If you would like to talk before you send the item for comment, just call me on 01536 399 000.

Tony Attwood