

KICK START YOUR PROGRAM!

GETTING THE RIGHT PRODUCT MIX FOR YOUR
EXTENDED LEARNING/CONTINUING EDUCATION
DIVISION

GREG MARSELLO, LERN
JULY 10, 2013



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WEBINAR LOGISTICS

- Polling questions will be displayed on your screen throughout today's presentation.
- Submit any questions you have for today's speaker through the questions function on screen.
- A link to the webinar will be available within the next 24 hours on Augusoft's website.
<http://www.augusoft.net/webinar>

TODAY'S PRESENTER: GREG MARSELLO

- ❑ Co-Founder of LERN
- ❑ Road Warrior/Program Reviews
- ❑ Learning Connection & GWU
- ❑ Lumens & LERN Software Tools
- ❑ One-Year Plan



RIGHT PRODUCT MIX

- most revenue and participants
- lowest overall and new offering cancellation rate
- highest student repeat rate
- least amount of staff energy
- best management of product development dollars
- best use of promotion dollars

Critical Guidelines

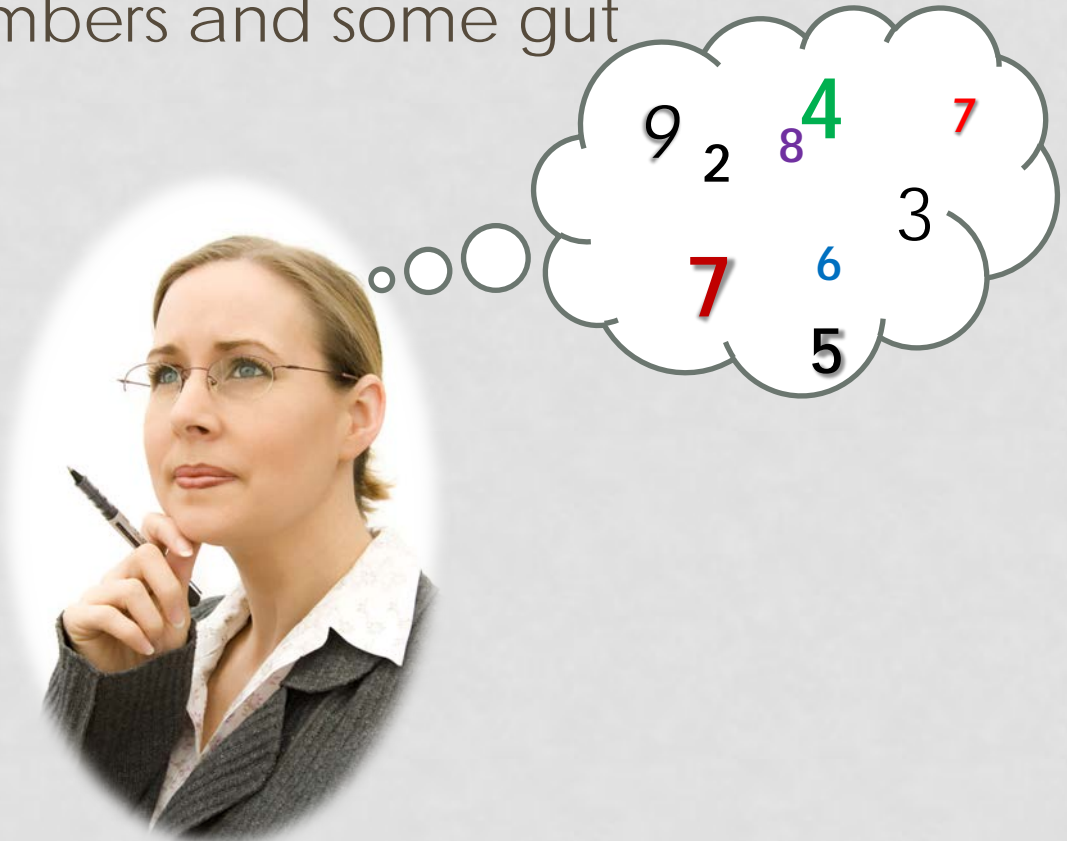
PRODUCT MIX RESPONSIBILITY

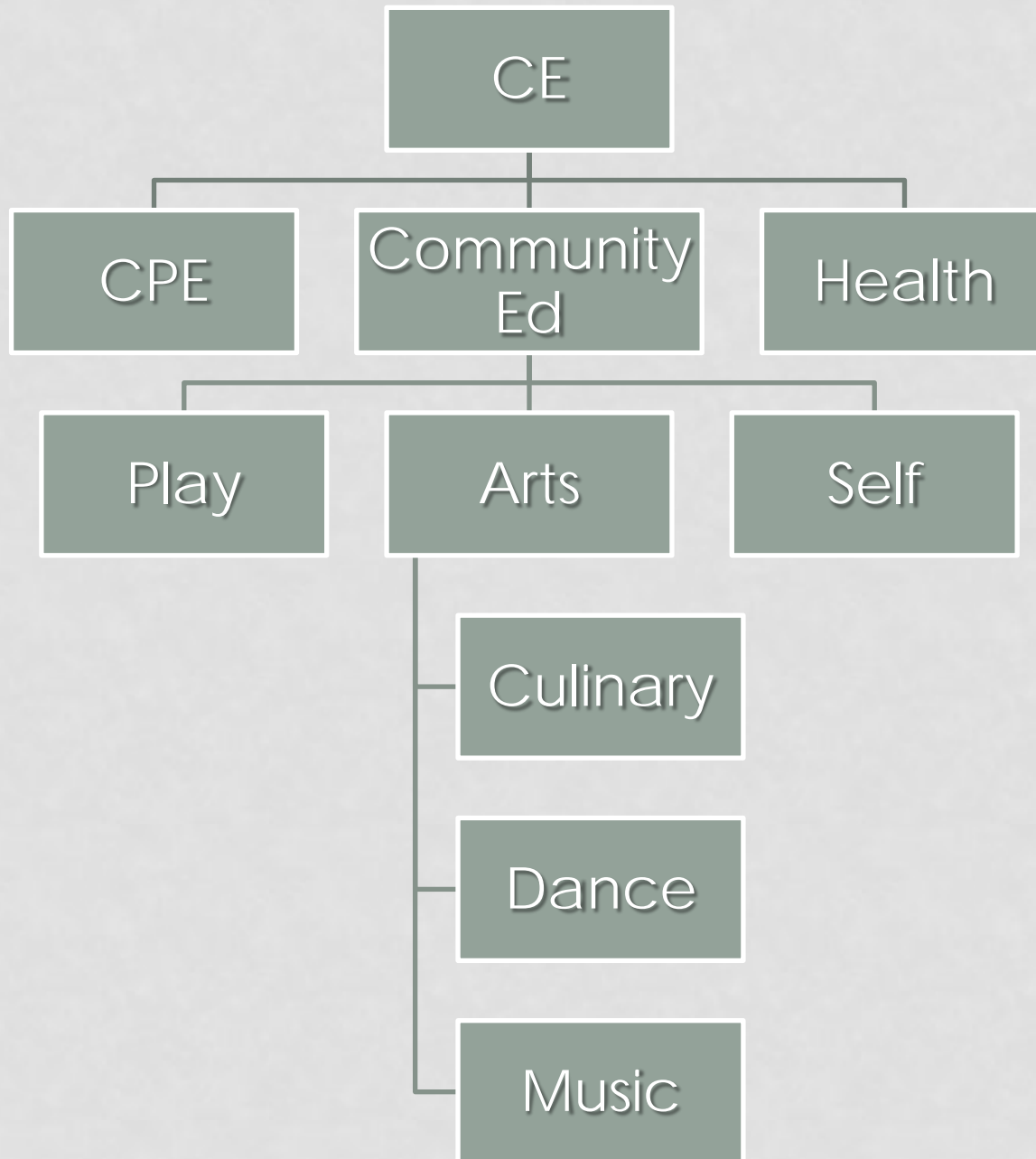
- Programming Professional



THINK OR KNOW

- Think is about gut
- Know is about numbers and some gut





PRODUCT MIX

- Products – computers, business, recreation
- Market segments – children, Generation X males, engineers
- Delivery methods – online, f2f, contract

30% RULE

Delivery
Method

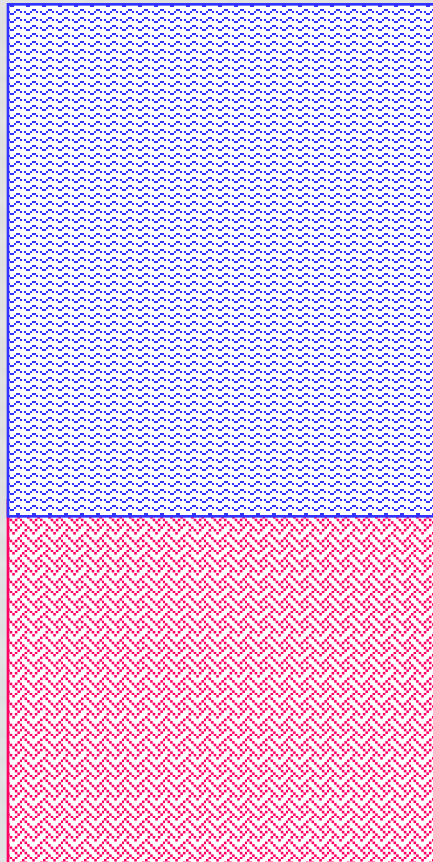
Product
Area

Market
Segment



MARKET POTENTIAL/ MARKET SHARE

Market potential



Market share

- Market potential is the total number of possible participants.
- Market share is the total number of those people you have enrolled/involved.

REPEAT RATE

30-50%



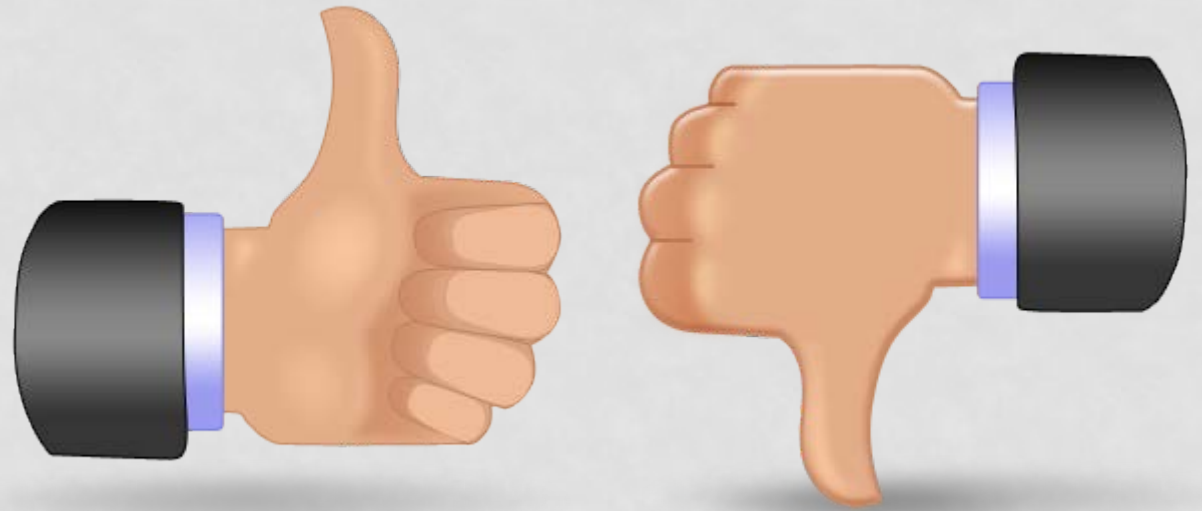
NEW

- 20-30% new
- New defined as brand new or redesigned



CANCELLATION RATE

- 15% overall
- 30-50% new
- 2-3 times



Poll Question #1

CULINARY OPERATING MARGIN BUDGET

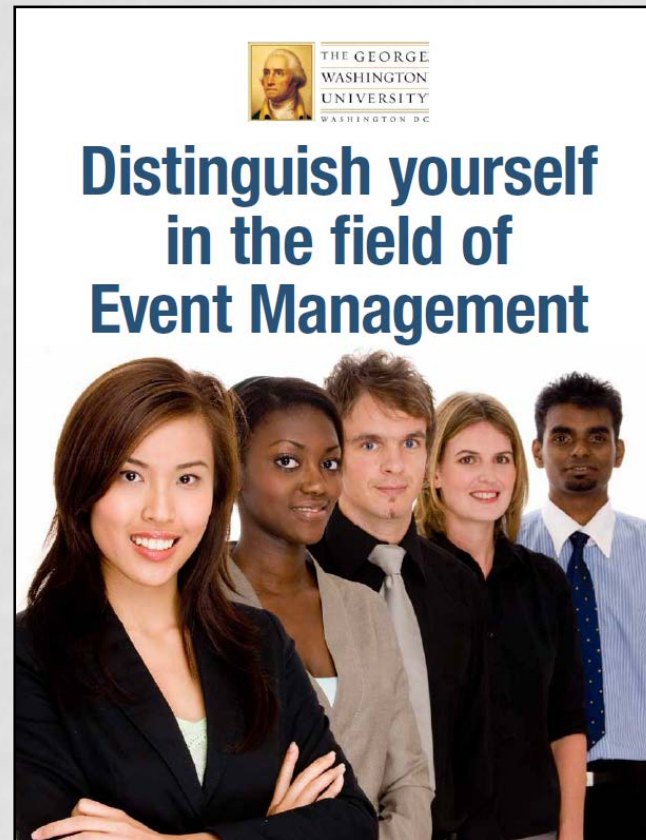
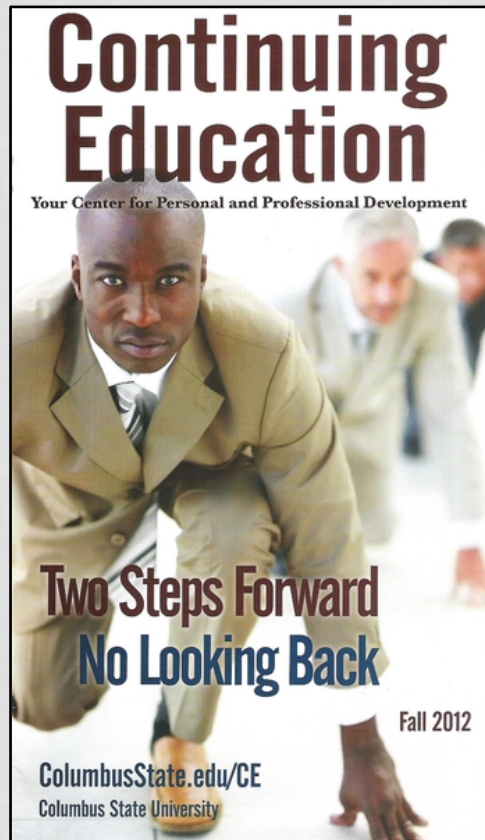
Income	\$ 100,000	100%
Promotion	\$ 15,000	15%
Production	\$ 45,000	45%
Direct Costs	\$ 60,000	60%
Operating Margin	\$ 40,000	40%

NEW OFFERING/NEW INITIATIVE

- New initiative is new product area, new market segment, new delivery method
- One new initiative a year
- Guidelines
 - Last 3 years
 - \$100,000 or 5-10% of revenue budget by Year 3
 - 40%+ operating margin by Year 3
 - Enough names

GENERAL OR TARGETED

- General catalog works, but targeted promotions work better...show me the names



Poll Question #3

THREE CENTRAL USES OF NEEDS ASSESSMENTS

- Determining which customers/participants to serve
- Determining what courses/events to offer
- Determining how your courses/events should be offered

MARKET RESEARCH

- Part of a programmer's job
 - You need to be in touch with your participants.
 - You need to be able to ask the right questions.
 - You need to be able to analyze the results.



Front Line Staff
Read
Evaluations Other Programs



Focus Group



Survey

GENERATIONS

- Generation Y: Children & CPE
- Generation X: Families & CPE
- Baby Boomers: CPE & CE
- Veterans: CE

- product, marketing, delivery

PRODUCT DEVELOPMENT MONEY

- 10% of operating margin over 3 years
- \$120,000 at 50% operating margin = $\$60,000 \times 10\% = \$6,000$
- Better to contract out

ENERGY

- 6-20 times salary
- routine tasks centralized
- stay out of day-to-day



Poll Question #4

DO YOU HAVE THE RIGHT PRODUCT MIX?

- Programming professional are generating 6X+ their salaries and understand needs assessment
- Good mix of product, market segments, and delivery methods...30% Rule...Same for Generations
- Repeat Rate 30-50%
- New 20%+, Cancellation Rate less than 20%, Operating Margin 40%+
- Biggest revenue generators can be targeted, thus you have names
- One new initiative is rolled out each year

QUESTIONS



THANK YOU!

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To request more information or schedule a demo of Lumens,
please contact sales@augusoft.net or go to augusoft.net to submit your request.