THE NEW VALUE PROPOSITION

Millennial Families in Independent Schools

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Defining the Generations

- The Silent Generation: Born 1928-1945 (74-91 years old)
- Baby Boomers: Born 1946-1964 (55-73 years old)
- Generation X: Born 1965-1980 (39-54 years old)
- **Millennials: Born 1981-1996 (23-38 years old)**
- Post-Millennials: Born 1997-Present (0-22 years old)

Source: Pew Research
Millennials are:

- disrupting retail, hospitality, real estate and housing, transportation, entertainment and travel, and they will soon radically change higher education.
- waiting longer to get married and have children, and they're less likely than other generations to identify with specific religions or political parties.
- changing jobs more often than other generations — more than half say they're currently looking for a new job.

Source: Gallup Report 2016
Luxury brands that want to continue to reach the highest-income customers need to reach out to slightly less affluent Millennials today.

Source: Unity Marketing
Stalking the HENRY

HIGH
EARNING
NOT
RICH
YET

consumers with household incomes between $100K and $250K.
What HENRYs Want

“What’s disrupting the business of traditional luxury brands is that their very tradition and heritage is giving way to a demand from customers for **immediacy** and **now**.”

Why Are We Stalking HENRYs?

For marketers aimed at the high-end, the HENRYs are the gatekeepers to the luxury market now and for the future, since ultra-affluent (HHI $250K+) and wealthy ($1MM net worth) customers typically start out as HENRYs on their road to affluence.
Negative Perceptions about Millennial Families

- Demanding
- “They Don’t Read”
- Seek Constant Feedback on their Students’ Performance
- Want Information in Every Medium
- No Institutional Loyalty
- Listen to their Friends/Social Media More than Institutions
- Want to Know Exactly Where Their Money is Going/Demanding about Value Proposition
- Demand Transparency
- Very invested in issues of equity and inclusion
- Want continual access to faculty/HOS
UNFOCUSED AND LAZY?

ALL MILLENNIALS MUST HEAR THIS
1969
EXPLAIN THESE BAD GRADES?

SEE THE PROBLEM?

Today
EXPLAIN THESE BAD GRADES?
MILLENIALS as MOM + DAD

WHAT ARE MILLENIALS LIKE WHEN THEY BECOME PARENTS?

THEIR PRE-SCHOOL AGED CHILDREN ARE MOSTLY RAISED AT HOME

- 59% cared for by parent at home
- 22% go to formal daycare
- 16% cared for by relative or friend's home
- 10% cared for by relative in relative's home

CHILD-REARING RESPONSIBILITIES ARE SHARED, THOUGH MEN FEEL THINGS ARE MORE EQUAL.

- 64% of moms feel responsibilities are equally shared
- 50% of parents feel responsibilities are equally shared

BIGGEST PARENTING INFLUENCES

- Their own mother's 74%
- Good friends 43%
- The policeman 41%

WHAT VALUES DO THEY INTEND TO INSTILL IN THEIR CHILDREN?

- A sense of environmental responsibility 37%
- Support of same-sex marriage 36%

MILLENNIALS' TOP THREE FAVORITE BRANDS

- Before they become parents
- Once baby arrives

VISIONCRITICAL
Negative Perceptions About Millennial Families Reimagined

- Demanding - Engaged
- “They Don’t Read” – Our Content isn’t Compelling
- Seek Constant Feedback on their Students’ Performance – Insecurity/Uncertainty/Worry
- Want Information in Every Medium – Time Crunched
- No Institutional Loyalty – Have We Earned It?
- Listen to their Friends/Social Media More than Institutions – Opportunity to Strengthen WOM
- Want to Know Exactly Where Their Money is Going – Opportunity to Articulate Our Value Proposition
- Demand Transparency – Embrace it! Offer it!
- Very invested in issues of equity and inclusion – This Only Makes Our Schools Better
- Want continual access to faculty/HOS – Opportunity to Showcase Our Professionals’ Expertise
Using Purpose to Attract Millennials

- Focus on Your Mission, Not Your Institution or Its Benefactors
- Social Media is a House Party, Not a Night Club
- How You Tell Your Story is Everything!
- Get Involved
- Be Authentic

Source: Edelman
We neglect purpose at our peril

“There is growing evidence that is no longer possible for a brand to communicate only the functional benefits of their products. It is becoming clearer that brands which ingrain purpose into their branding see more solid consumer engagement, but those that neglect to do so risk to become obsolete.”

Claudia Romo Edelman, Special Advisor, United Nations
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But We Can’t Forget Boomers...or Gen Z
“Education is incredibly expensive and keeps going up, but grandparents feel very strongly about their grandchildren having a good education.”

Dana Haddad, New York Admissions
Source: New York Times, March 2, 2019
Millennial Parents Want More Kids, But Hesitate Due to Cost
Grandparents eagerly offer child care and money

Millennial Parents

- Would have one additional child if money were no object
- Nearly half (48%) delayed parenthood due to financial security
- 54% received financial support from their parents in the past year
- Over half receive help with childcare or running the household

Grandparents

- Half consider their adult child completely financially independent
- Spend an average of $4,527 per year supporting adult child
- 43% provide financial support to adult child because it makes them happy
- Eight in 10 provide financial support for grandchildren

Source: TD Ameritrade

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Brands Pour Money Into Online Fountain of Youth: Kidfluencers

Source: New York Times, March 2, 2019
Questions to Ask

- How involved are you as a marketer in structuring activities designed to attract grandparents/special friends and potential students?

- If your school has entrance points other than kindergarten, is marketing to students (versus their families) foregrounded or backgrounded? Do they have an opportunity to separate from their families and listen to peers talk about their school experiences?

- When is the last time that your school changed the revisit experience for older students? Or changed the Open House for prospective families?

- Do you know how much your current families rely on their children’s view of their school experience when making decisions to reenroll? How?

- Do you know student opinion of your school? How?
More Questions to Ask

- Do you survey your families? For which events? Do you make changes based on survey results?
- Do you focus on customer service with staff? For example, how are families interactions with security, cafeteria, or front office staff. Are they as pleasant as interactions with admissions or development staff?
- How do you gauge overall parent satisfaction?
- Do you understand which values your school espouses in their mission that most appeal to millennial families? How do you highlight these in your actions and your materials?
Still More...

- Are your fees and application process transparent? Even for families that are currently in the school? Do they understand how tuition is set each year or the rules for sibling admissions?

- Do you consider all kinds of school "worthy competitors?" Resist the urge to view a certain type of school as “too niche’ as to be worth your time to examine how they engage their families. You may be missing something important.

- Do people feel that their experience in your school is “one of a kind?” Do you personalize as much as you are able?

- Are you looking beyond schools for unique and applicable customer engagement ideas?
Thank You!

Questions?