

# CHILDREN'S ACTIVITY CENTER INDUSTRY ENROLLMENT TRENDS SURVEY

COMPILED BY 3RD LEVEL CONSULTING – FRANK SAHLEIN, CEO

## Opening Comments and Disclaimer

**OBJECTIVES** – Our objectives in conducting this Survey, and all future surveys, are simple.

- To help eliminate some of the “guesswork” in the industry with respect to critical trends.
- To increase the level and depth of professionalism within the industry.
- To ultimately increase the value of businesses for owners.

**GRATITUDE** – I’d like to thank all who participated in this Survey. Without your active participation, no useful information could have been gathered! Please accept our sincere appreciation for your time and thoughts.

**SUPPORT** – I’d like to personally thank USA Gymnastics, and specifically Kathy Feldmann and Loree Galimore, for their assistance and ongoing support of these valuable surveys. We also owe thanks to Sue Mackie of the U.S. Swim School Association, and Ashley Rohrbaugh of Studio Pro for Dance School Owners.

**INDUSTRY SEGMENTATION** – Note that although the 200 business owners who responded were primarily Gymnastics based centers, a growing percentage defined themselves as Children’s Activity Centers (with varying degrees of Sports Instruction, Entertainment and Education programs). We will have a growing

percentage of Swim, Dance, Martial Arts and Cheerleading businesses in the future.



**REPORT FORMAT** – The overall Survey report is available to all respondents.

**CONTINUATION** – 3rd Level Consulting will compose, compile, analyze and distribute this type of Survey on a bi-annual basis. A Major Survey (50 questions) will be conducted every year in mid-January, with a Minor Survey (25 questions, focusing on a specific topic) at the mid-year mark. We can then, as an industry, use the information to anticipate and plan for our collective future in a much more professional manner.

**ANALYSIS** – The user can draw significant trend conclusions “by the numbers.” During each 6 month interval between Surveys, more detailed analysis of the results will be conducted to determine the trends “beyond the numbers.” Some of these findings will be shared through newsletters, webinars, conferences, etc.

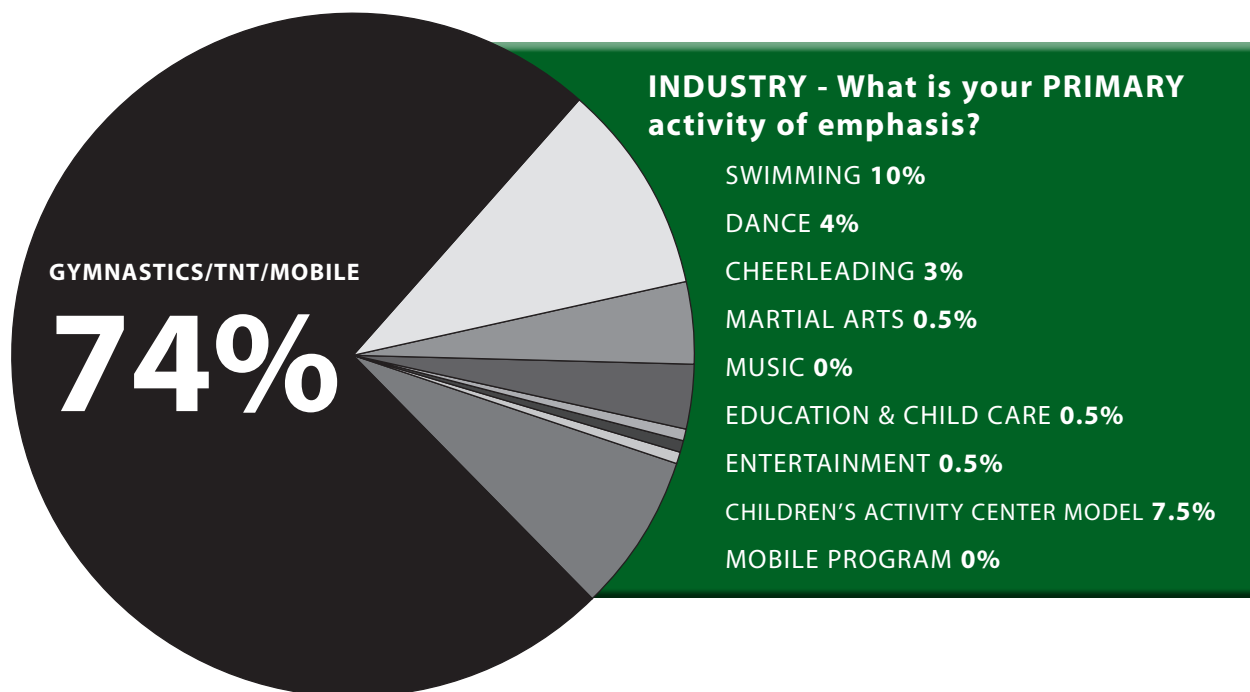
**DISCLAIMER** – The data contained in this, and all future Surveys, is compiled solely from the input by the respondents. No auditing or other verification was conducted on the raw data. Users of the data agree to hold 3rd Level, Inc., its Officers, Agents and other representatives free of any liability whatsoever. For more information on 3rd Level Consulting, please visit [www.3rdLevelConsulting.com](http://www.3rdLevelConsulting.com)

Where are you located?

		Response Percent	Response Count
United States		97.0%	194
International		3.0%	6
<i>answered question</i>			200
<i>skipped question</i>			0

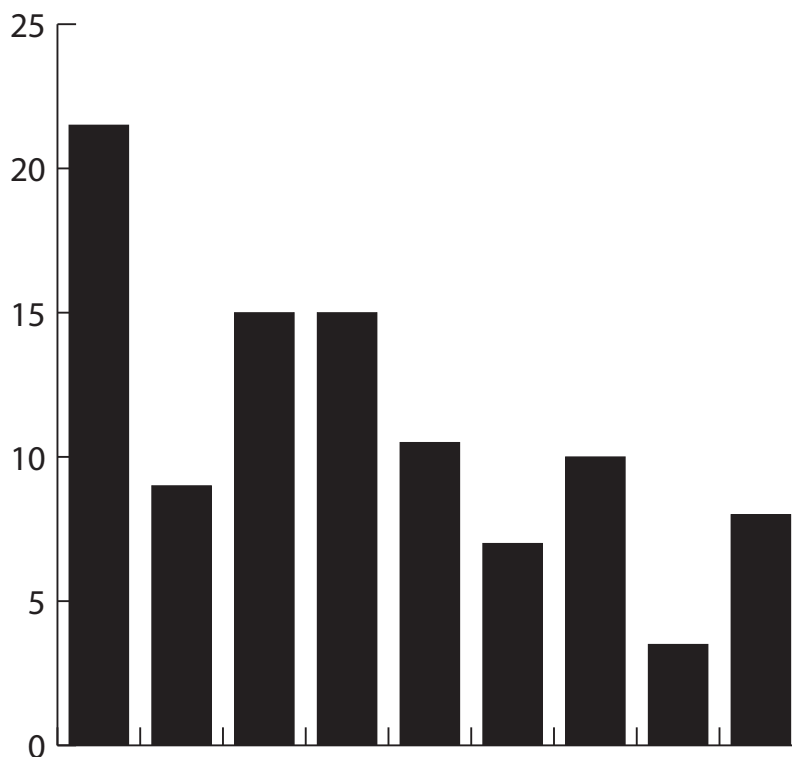
If United States, what Region of the country are you in?

		Response Percent	Response Count
Northwest		15.0%	29
Southwest		21.2%	41
Midwest		30.6%	59
Northeast		15.5%	30
Southeast		17.6%	34
<i>answered question</i>			193
<i>skipped question</i>			7



**ENROLLMENT - What is your CURRENT Enrollment Trend, when compared with a year ago? (We are asking only for individual student counts, NOT total class spots, gross revenues, net profits, etc.)**

<b>Up 16% or more</b>	<b>21.5%</b>
<b>Up 11% to 15%</b>	<b>9.0%</b>
<b>Up 6% to 10%</b>	<b>15.0%</b>
<b>Up 1% to 5%</b>	<b>15.5%</b>
<b>Even</b>	<b>10.5%</b>
<b>Down 1% to 5%</b>	<b>7.0%</b>
<b>Down 6% to 10%</b>	<b>10.0%</b>
<b>Down 11% to 15%</b>	<b>3.5%</b>
<b>Down 16% or more</b>	<b>8.0%</b>



**SPECIFIC PROGRAMS - If you have multiple programs, and if possible, can you give the general trends for each Program?**

	Up 10% or more	Up 5%	Even	Down 5%	Down 10% or more	Rating Average	Response Count
Gymnastics	36.5% (57)	23.7% (37)	12.8% (20)	14.1% (22)	12.8% (20)	3.57	156
Swimming	27.5% (11)	20.0% (8)	22.5% (9)	17.5% (7)	12.5% (5)	3.33	40
Dance	10.2% (6)	25.4% (15)	27.1% (16)	15.3% (9)	22.0% (13)	2.86	59
Cheerleading	25.9% (21)	11.1% (9)	29.6% (24)	14.8% (12)	18.5% (15)	3.11	81
Martial Arts	27.3% (9)	21.2% (7)	36.4% (12)	9.1% (3)	6.1% (2)	3.55	33
Music	0.0% (0)	0.0% (0)	100.0% (2)	0.0% (0)	0.0% (0)	3.00	2
Education & Child Care	31.6% (12)	28.9% (11)	21.1% (8)	13.2% (5)	5.3% (2)	3.68	38
Entertainment	18.8% (6)	18.8% (6)	28.1% (9)	21.9% (7)	12.5% (4)	3.09	32
Mobile Program	22.2% (4)	16.7% (3)	44.4% (8)	11.1% (2)	5.6% (1)	3.39	18
Other	38.5% (5)	23.1% (3)	15.4% (2)	7.7% (1)	15.4% (2)	3.62	13

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**DOWNWARD ENROLLMENT TRENDS - If your Enrollment Trend is DOWN, why do you think it is so? Please check all that apply.**

	Response Percent	Response Count
National Economic Trends	52.9%	55
Regional Economic Trends	38.5%	40
<b>Local Economic Trends</b>	<b>54.8%</b>	<b>57</b>
Consumer Confidence shaken	30.8%	32
Price Resistance	15.4%	16
Location of my business	6.7%	7
Competition	26.0%	27
Staffing Quality	8.7%	9
Staffing Availability	3.8%	4
Staffing Consistency	13.5%	14
Lack of cohesive Business Systems	4.8%	5
Other (please specify)	15.4%	16

**What are you doing in terms of EXTERNAL Marketing to keep enrollment as high as possible? Please check all that apply.**

	Response Percent	Response Count
Increased Phone Book Ads	11.5%	23
Increased Newspaper Ads	28.5%	57
Increased Radio Ads	7.0%	14
Increased Television Ads	4.5%	9
Increased Google/Yahoo Campaigns	11.5%	23
More live Demonstrations or Exhibitions	30.5%	61
<b>Increased Community Project involvement</b>	<b>42.0%</b>	<b>84</b>
Chamber of Commerce Membership	27.5%	55
Civic Group Membership	7.0%	14
Other (please specify)	27.0%	54

**UPWARD ENROLLMENT TRENDS - If your Enrollment Trend is EVEN or UP, why do you think it is so? Please check all that apply.**

	Response Percent	Response Count
National Economic Trends	2.7%	4
Regional Economic Trends	2.0%	3
Local Economic Trends	15.0%	22
Service Value Perception	53.7%	79
Pricing Advantage	18.4%	27
Location of my business	43.5%	64
Lack of Competition	9.5%	14
<b>Quality of Staff</b>	<b>68.7%</b>	<b>101</b>
Cohesive Business Systems	26.5%	39

**YOUR BUSINESS CONFIDENCE MOVING FORWARD - What are you projecting, in terms of Enrollment, for the next 6 to 9 months?**

	Response Percent	Response Count
Up 16% or more	10.0%	20
Up 11% to 15%	9.0%	18
Up 6% to 10%	19.0%	38
<b>Up 1% to 5%</b>	<b>26.0%</b>	<b>52</b>
Even	23.0%	46
Down 1% to 5%	8.0%	16
Down 6% to 10%	3.0%	6
Down 11% to 15%	0.5%	1
Down 16% or more	1.5%	3

**What are you doing in terms of INTERNAL Marketing to keep enrollment as high as possible? Please check all that apply.**

	Response Percent	Response Count
Ramping up Professional Development	46.0%	92
Doing Facility upgrades	43.5%	87
Free Introductory Lessons	59.5%	119
Upgrading Literature	38.5%	77
<b>Upgrading Web Site</b>	<b>60.5%</b>	<b>121</b>
Online Registration	21.0%	42
Significant Referral Incentives	32.0%	64
Contests and Prizes	15.0%	30
Special Events	48.0%	96
Education - communicating the VALUE of the service	46.0%	92
Student Birthday Recognition & Certificate	28.5%	57
Internal Marketing of all Programs	57.0%	114
Other (please specify)	10.5%	21

