

2019

A young child with curly hair and a yellow bow, smiling and looking up. Their face and clothes are covered in colorful paint splatters. The background is a soft-focus green field.

OCCUPANCY IMPACT

EARLY LEARNING CENTRE REPORT | AUSTRALIAN CHILD CARE 2019

INCREASE YOUR OCCUPANCY

Every 1% increase in occupancy adds \$18,849 in revenue. Unfortunately, many wrongly believe that increased occupancy always entails working longer hours. Nothing could be further from the truth.



In the face of an oversupply of child care providers, fees charged by centres may decrease to attract parent spending and maintain revenue streams. This effect may be exacerbated by the minimum occupancy rates imposed on the centres.

While this would undoubtedly benefit parents in the short term, through greater numbers of places available and lower fees, it will place a financial strain on established centres. Child care centres may be forced to reduce expenses by increasingly relying on casual staff and delaying new equipment purchases.

It can be said that areas of under supply of child care services remain across Australia. However, strict regulation surrounding child care centre planning and the long application processes may cause industry supply to further lag behind the geographical trend in demand in the future.

Falling labour force participation may have the dual result of less income available for parents to cover the out-of-pocket expenses for child care, and that parents may have greater time available to care for their children in the home. These two factors may take some of the pressure off the expansion of the child care sector in the short-term.

Real household discretionary income also impacts the capacity of parents and guardians to fund the out-of-pocket costs of child care. It is a possibility that stagnant wages growth and rising household expenses (such as mortgage repayments and utility bills) may restrict household incomes and thus parents' ability to afford child care services, also causing growth in the sector to cool in the short-term.

8 WAYS.

1. THINK ABOUT YOUR SERVICE AS A VERB.

Suppose your company makes glue. If you think that you sell glue (a noun), you'll talk about features and functions. If you think you sell gluing (a verb), you'll talk about the role your product plays in your customers' business. Talk to parents not about your features (opening hours, price etc.) talk to them about the benefits of Early Learning for their child. You'll sell more as a result.

2. ONLY PURSUE PRE-QUALIFIED LEADS.

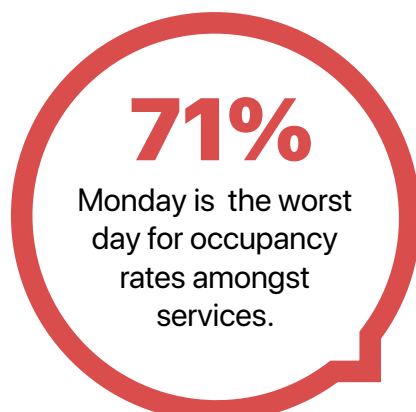
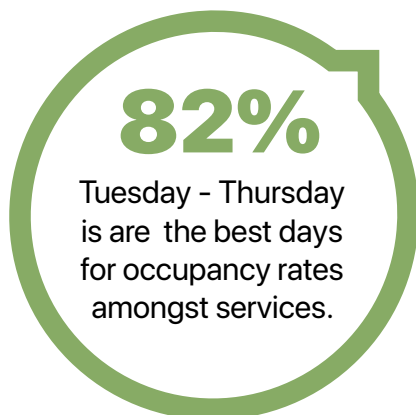
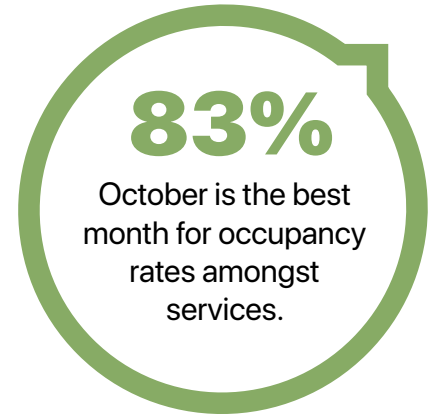
Contacting more potential parents usually doesn't create proportionately more enrolments, because you spend time with people who aren't likely to buy. Instead, use online platforms like Facebook to advertise to parents locally and are interested in your service or similar things.

3. NEVER WASTE A PARENTS TIME (OR YOURS).

Decide from the start that you're absolutely not going to sell anything that the parent doesn't really need. Rather than doggedly trying to sell, find out quickly if there's a match. If not, terminate the conversation and move on. Not every parent and child will be suited to your service.

4. LISTEN MORE THAN YOU TALK.

When speaking with a parent, don't give a pitch about what your service can do. Instead, have a conversation about what the parent needs. Ask intelligent questions so that the two of you can discover when and how (and if) you can work together.



5. CUT YOUR PAPERWORK.

If you spend more time selling (especially to qualified parents), you'll receive more enrolments. That's why it's very smart to figure out ways to spend less time doing paperwork--so that you can spend more time actually working with families. Tools like Xplor can help you with this.

6. REDUCE YOUR 'ENQUIRY REACTION' TIME.

The shorter your enquiry cycle, the more you can sell during any given period of time. While parents enrol at their own pace, make sure that every ball that ends up in your court gets handled immediately (or sooner).

7. KEEP YOUR PIPELINE PRIMED.

When you've got plenty of enrolments, it's easy to stop developing future opportunities. However, if you don't lay the groundwork, you could end up spinning your wheels next quarter. Spend one hour a day on upfront work. You'll be glad you did.

8. DON'T LOSE SIGHT OF WHY YOU STARTED.

Every great entrepreneur from Steve Jobs to Mark Zuckerberg went through the Struggle and struggle they did, so you are not alone. But that does not mean that you will make it. You may not make it. That is why it is the Struggle. When you are in the Struggle, nothing is easy and nothing feels right. But hang in there and remember why you started.



WE'RE HERE TO HELP

1300 687 975

ourxplor.com

OCCUPANCY IMPACT REPORT 2019

© 2019 MyXplor Pty. Ltd. All Rights Reserved.

Readers are free to cite, reference, share and quote information contained within this report as part of their own works with the appropriate credit to Xplor.

OurXplor.com