Four Essential Strategies

for Student Retention

zenplanner

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Overview

Every year we talk with thousands of martial arts school owners, and without fail, their number one concern is student retention. Regardless of new student sign-ups and growth, preserving existing student loyalty is a top priority.

One of the main reasons students retention is so critical is financially motivated: it costs up to 10 times more to win a new student than it does to keep a current one. So, putting time and energy into keeping the students you have is a smart business decision, regardless of how many new students you add. Plus, students are more valuable the longer they stay with your school. Satisfied students tend to refer their family and friends and add value by building your community.

As you know, student retention takes work, but there are some simple things you can do to keep your existing students happy while simultaneously transitioning new students into your school.

The tools and insights shared in this guide are backed by industry leaders, successful school owners, and research from top retention experts.

STRATEGY #1

Build the Right Culture

Your school is like a second home to many of your students.

They're there daily, learning their art with their friends and creating a chosen family. These students will continue training with you for years to come. They are loyal and central to your school's community. But how do you get your newer students to feel like they belong, so you can keep adding to that strong, core group?

Make it Easy
to be New

We talked to industry experts to uncover the truth about why students decide to leave a school. While their answers weren't surprising, we were surprised by how often we heard one answer in particular. From one expert to another, we learned that a top reason students leave is because they feel intimidated and uncomfortable being new. Since white belts have the highest rate of attrition, that observation made sense and can provide the solution for improving new student retention.

To combat the loss of beginners, it's helpful to periodically reevaluate the process for new students. Doing so will keep you in tune with their experience so you can continually look for ways to improve it. Thinking through it from their perspective will help you empathize with them and find ways to improve their experience.

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Consider the fear factor

As you may remember, it's easy to feel lost in the beginning. With all the customs, traditions, and skills, a beginner can easily end up overwhelmed and scrambling to keep up. No matter how slow and patient an instructor is, things move very fast in the beginning. New students often think all the other students in class know what they are doing, even when the class is learning a new technique together. When a new student feels that way, nervousness and fear take over.

Fear tends to predisposition people into seeing things negatively. It's a biological response that can be hard to fight. Once that happens, a new student might start to think other students are being standoffish and cliquish. (Unfortunately, we heard this one a lot.) Or, they might think that an instructor is losing patience with their frequent mistakes or questions. These are the worst-case scenarios, but they're scenarios that happen frequently. To remedy these issues:

Instill a culture of mentorship

One way to ensure your beginners transition smoothly into your program is by including existing students in the welcoming process. Warmly receiving beginners is the respectful thing to do, and creating a culture that rewards this conduct will help retention greatly. Train your existing students to respect the determination it takes to start something new, especially when it's intimidating. Remind them how it feels to be new, and insist they demonstrate their respect by helping new students assimilate into your program.

Here are a few ways your students can welcome beginners:

» Always greet one another

» Pair senior students with beginners for drills and exercises

» Reward students who go out of their way to mentor beginners with special recognition and gratitude monthly or quarterly

Offer a beginner's program

Another critical aspect of making it easy to be new is to quickly get students as proficient as possible in basic drills and skills. As you know, the faster they can feel proficient in class, the more likely it is they will want to keep learning. To ensure they have the chance to get to that point, consider offering a special fundamentals class, series, or private lessons for new students. Even if the majority of your new students don't need to brush up on the fundamentals, offering it will serve as a safety net for students who feel intimidated by the traditional curriculum.

Connect with your students

Another way to make more students feel like they belong in your community is by personally connecting with them. The more you're able to do that, the more they will feel at home and want to stay at your school. The link between student retention and personal connections has been studied extensively and is backed by data. Dr. Paul Bedford, a well-known retention expert, found that each time you — or a team member — interacts (positively) with a student, the student is 20% more likely to return to your school.

We know you already try hard to connect with each and every one of your students and time is probably your biggest obstacle. For that reason, we have some tips to share that will maximize your efforts in the shortest amount of time possible.

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Actively listen

Studies show, we are drawn to people who are interested in us and make us feel important. So, addressing your students by name and actively listening demonstrates your interest in them, which helps your retention. While you're actively listening, challenge yourself to remember a fact or two from the conversation to ask about later.

Celebrate

Look for ways to make your students feel special. Recognize their birthdays and anniversaries, and celebrate their accomplishments and personal events. From the birth of a baby to their recent promotion at work or an accomplishment at school, if you can find a reason to celebrate, do it. Something as simple as a short congratulations in a newsletter, an automated email, or an announcement before class is enough to make people feel seen and appreciated.

Send personal notes

Leave a basket of stamped, branded note cards at your check-in desk and ask your instructors to send them to students whenever they can find a reason. Students who get handwritten notes in the mail from your instructors will know they are cared about.

Emotions and feelings play a large part in our decision to buy something, and the decision to stay with your school is no different. Schools that do a great job of making their students feel connected have higher rates of retention than those that don't.

Communicate clearly

Communication is the bedrock of any good relationship, including the one between school owners and the families you reach through martial arts. By providing transparent updates on things like class schedules, curriculum enhancements, and important announcements, you empower your students — both children and adults — to actively engage in your community for the long term. Clear instructions and progress feedback enable students to understand, and therefore appreciate, their growth.

Openly address concerns and questions honestly to create an atmosphere of trust, transparency, and support. Consistent, honest dialogue not only nurtures a positive learning environment, but it also reinforces retention and growth. Practice clear communication in real-time and digitally through email and social media.

Incorporate community-building activities

Activities like "parent observation week" give parents an opportunity to witness their child's progress firsthand, which strengthens their connection to your school and motivates them to excel. Other activities like "bring a friend week" not only introduces new potential students, but it also encourages current students to take pride in their practice while showcasing their hard-earned skills.

Parent/teacher/student conferences facilitate discussions about individual progress, personalized goals, and concerns while reinforcing the partnership between teachers, students, and parents — which elevates the overall learning experience. These conferences have the most impact either just before, or after, belt testing and promotion.

Involve Your Team

You can't do it all alone. Your team is your greatest asset for retaining your students. Your instructors and support staff make all the difference between a school that is welcoming and supportive and a school that allows new students to figure it out on their own.

Make sure your team understands the importance of keeping each and every student that comes through the door. It's easy to think that the need for retention is common sense, but this point should be overcommunicated. Because most instructors are driven to teach by their passion for the art, they will — understandably — need your help to master the business aspects of running a successful school. So, stress the critical nature of student retention as often as possible.

Know your metrics and incentivize your team

Share student acquisition costs and lifetime value data with your team so they can see the value in retaining students. (We'll explain how to calculate these metrics in a later next section). You can also incentivize retention by working those metrics into instructor pay or team bonuses, which is especially powerful when tied to white belt retention. By doing these things, you'll make retention a priority for the whole team. And when your team values student retention, they will look for ways to improve it.

Identify warning signs

Teach your team how to recognize the warning signs students display before they leave. Look for telling behaviors like spotty attendance, lack of enthusiasm, and frequent complaints. Then, take advantage of your team's insight. Dedicate a few minutes of each team meeting to discussing students who might be in danger of leaving. Because they work so closely with the students, your instructors normally know there are concerns long before you do.

Engage Students Through Curriculum and Testing

In our research, the second most common cause of student attrition is boredom or not enough opportunity for students' growth. This means, another key part of student retention is your curriculum and how frequently you test. As you know, students want to be continually challenged and rewarded for their progress. So, it's crucial that your curriculum is up to par and your students are tested on time.

Refine Your Curriculum Continuously

Your success and your curriculum are indelibly linked. As student demographics and interests change — especially among your younger students — routinely refine and rethink your curriculum to meet their needs. Look for ways to improve upon your best plans and consider retiring activities and drills that are less popular. Being flexible and mixing your curriculum up from time to time can help keep your students' interest.

Motivate your instructors to give feedback

Empower your instructors to suggest curriculum changes. Since they often spend the most time with your students, your instructors are more likely to know how engaged your students are. They will also notice if students need a little extra help with a skill, which could also signal an enhancement in your curriculum or an opportunity to host special skill building seminars. (If your instructors are on incentive pay, they will be invested in your school's success and on the look-out for ways to continually improve.)

Ask your students what they think

Another way to be sure your curriculum is meeting your student's needs and interests is by conducting periodic satisfaction surveys. Ideally, send surveys after each semester or testing group using free and easy tools like Survey Monkey or SoGo Survey to send brief questionnaires by email. Student management software offerings like Zen Planner make this process simple, and sending recurring school-wide surveys is as easy as setting up one automation in your software.

A second option is to use paper surveys and leave them (with a collection box and pens) by your check-in desk. It's also a great idea to set up a general feedback or comment box to solicit ongoing suggestions and comments from your students and their parents.

Use attendance for belt testing

Attendance is a useful tool for managing the process of belt testing and promotions. Using attendance as a guide makes managing belt testing easier and ensures students are ready to test and tested when they are ready. Plus, attendance tracking is another way to demonstrate your concern for their development, which is good for retention. If your students feel their presence matters, they'll be more likely to come in, even when they don't feel like it.

Run attendance reports

As a school grows, it becomes more difficult to keep track of each student's progress. In bigger schools without an attendance guideline, students can slip through the cracks and end up testing or getting a promotion long after they are ready for one. If you have a bigger school, you've probably seen lower ranking students outperform higher-ranking students.

To make sure students test when they should, make sure your instructors run attendance reports to look for preparedness.

Establish guidelines

Create a set of repeatable standards for performance testing. When a student has been in attendance X number of hours, they should be ready for the next belt test. Of course, they still have to pass the test to get the promotion, but using attendance in this capacity ensures students aren't overlooked.

Track attendance trends

Use attendance as a baseline skill guide. In bigger schools with several instructors and multiple classes a day, it's hard always to identify this need. To make sure each student gets the proper instruction to be ready for the next test, look for trends in attendance. For example, the average student masters a certain skill within X number of hours.

Determine skills gaps through reporting

Identify students who are not quite where they should be by running an attendance report.

Normally, a little extra coaching is all that's needed for a student to master a skill and stay engaged. With younger students, however, the process is less about mastering a specific skill and more about just staying interested in learning. Using stripes and badges, in addition to belts, helps with keeping interest and engagement high.

Either way, the worst-case scenario is when a student becomes frustrated because they aren't where they want (and need) to be, so they lose interest in training and are at risk of leaving the school. A proper testing framework will help to avoid this scenario and ensure your students are engaged and progressing at an appropriate pace.

STRATEGY #3

Modernize Your Business

We live in a digital age. Our research showed that parents and students are frustrated by complicated or antiquated business processes that make it difficult for them to engage with you. When things like checking-in and paying for classes or membership fees are difficult, it can drive business away. To avoid this, make it easy for them. Leverage technology — like Zen Planner — with digital, self-service functionalities so they can that make it easy for parents and students to manage individual and family profiles and pay fees online.

Automate Billing and Payments

Parents and students don't want to have to track you down to pay their agreement fees or deal with confusing processes. Automate your billing and payment collections to save time and energy for your students (and you). Automated payments help with retention because they remove the monthly payment decision point that could otherwise result in attrition. Without an automated set-up, you are essentially creating opportunities for your parents and students to opt out. Can you imagine if you had to manually renew and pay for your Netflix membership each month? You would probably be more tempted to cancel. While your students inherently have options, the implementation of automated payments is a subtle way to encourage their longevity.

Provide Student Self-Service Functionality

Your students shouldn't have to wait to get the help they need. Self-service functionality provided by member management software empowers your students to access the information and services they need, saving you and your staff precious time and energy. Instead of hanging around the front desk to ask about renewal dates or the status of their account, for example, students can log into their account and easily access this information themselves. They can also check-in for classes, change their contact information, see their attendance history, and adjust billing information on their own.

Of course, student self-service tools need to be user-friendly for all members in a family. Since many schools serve both children and adults, functionality should be simple for students of all ages. Giving your students this self-service ability is another way you can make it easy to be your student, which is critical for retention.

Student management software allows you to automate your billing and payments and provide self-service functionality for your students, which saves you and your team countless hours.

Retention Metrics Cheat Sheet

As you know, your business metrics tell you a lot about your students' happiness and your overall rate of retention. Metrics analysis identifies trends, highlights trouble areas, and lets you intelligently address issues as they arise. Besides, you can't manage what you can't measure.

Knowing and using your retention metrics to make decisions is a critical part of retaining your members.

Monitor Your Metrics

To set you up to effectively use metrics for retention management, we'll first cover some definitions:

Students initial (SI)	The number of students at the beginning of any period.
Students end (SE)	The number of students at the end of a period.
Gross new students (GNS)	The total of all new students for a specific period, despite losses over the same period.
Gross students lost (GSL)	The total of all student losses for a specific period, despite gains over the same period.

Now that you understand some of the basic student variables, you can start doing some calculations and analysis.

Net new students (NNS): The difference between students gained and lost for a specific period. A positive number indicates your business is growing, and you can expect increasing revenue.

$$(NNS = GNS - GSL)$$

Churn or attrition rate (CR): Represents the rate of student turnover. To calculate your student churn rate, select a specific period and divide your gross students lost during that period by the number of students at the beginning of the same period. Then multiply by 100 to get your student churn percentage.

$$CR = (GML/MI) \times 100$$

Churn rate is expressed as a percentage. A high churn rate indicates your students are unhappy with some aspect of your school or their experience. Looking at churn rates month over month can help you identify trends. Of course, you'll have seasonal variations in churn, so it is often helpful to compare a specific month, season, or period with the same period from previous years.

If you want to look at your annualized churn rate (year over year), use this formula.

Annualized churn (AC)   Monthly churn rate expressed annually.

$$AC = \{(GML/ \,[(MI + ME)/2] \times 12\} \times 100$$

Student retention rate   The percentage of your students who continued their monthly membership.

$$R = ((ME-GNM)/MI)) \times 100$$

Unlike churn, you want a high student retention rate. They both tell the same story, but from different perspectives. A high retention rate is an indicator that your school is performing well and your students are happy with your services.

Cost of acquisition (CAC)   The cost to gain one new student. To calculate your cost of acquisition, select a specific period and divide the total marketing/advertising costs by the total number of new students gained over the same period.

$$AC = \{(GML/ \,[(MI + ME)/2] \times 12\} \times 100$$

As we mentioned earlier, it costs more to replace a student than it does to keep one. For that reason, let's dig a bit deeper into the cost of acquisition.

Attendance per person

If you evaluate the number of classes or visits your students has per a specific period of time (usually per week), you'll arrive at your attendance per person. Analyzing attendance per student over time allows you to establish your own unique standard. For example, you may consistently see a high attendance rate for three or more classes per week. If that number falls to two classes for several consecutive weeks, you'll want to figure out why.

Conclusion

When it comes to staying on top of your retention metrics, student management software is invaluable. It makes everything from belt and attendance tracking to student metric reporting effortless and keeps everything organized in one spot.

Retention is a top priority for school owners because it is a direct reflection of business health. Keeping existing students while bringing in new ones often feels like a never-ending process. The truth: it is. The good news: it doesn't have to be hard or complicated. Being consistent with strategies like those outlined in this guide work to keep your student retention high. Being in touch with your student engagement and metrics gives you the insight needed to address issues before they arise.

Student management software plays a key role in retention, automated billing makes being a student easy, and attendance and belt tracking keeps students engaged. Email automations help you stay in contact with your students so you can wish them a happy birthday, remind them that their credit card is about to expire, or tell them that you miss seeing them. If you want to find out more about how Zen Planner will improve your overall retention, schedule a live demo with one of our business coaches today.

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Elevate Your Student Experience

To find out more about how Zen Planner will improve your retention, schedule a demo with one of our business coaches today.

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