

Marketing Automation and CRM Solutions for the CSGF Portfolio

Defining the Problem, Use Cases, & Evaluating Potential Partners

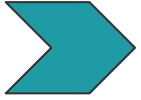
Heather Lamm
2023

Overview

1. Clearly Defining the Problem to Solve
2. Use Cases across a Continuum
3. Criteria for Evaluation of Platforms
4. Platform Evaluation
5. Stakeholder Input
6. Recommendation
7. Greenlighting Criteria for Investment
8. Next Steps



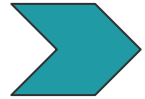
The Problem to Solve: A Challenging Enrollment Picture



At the highest level, CSGF aims to help our portfolio of schools tackle the problem of declining or insufficient enrollment. Student enrollment is central to CSGF's mission to both expand the nation's best charter schools and increase their impact.

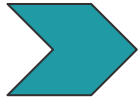
We cannot realize our vision of strong public education in all communities if we don't have sufficient children in those schools.

The Problem to Solve: A robust “system” is necessary, but not sufficient



Our community has told us that the ability to increase enrollment leads, track and nurture leads, and ultimately convert leads to enrolled students is a critical component in increasing enrollment. It is not the only component. Our leaders understand that enrollment begins with having a high quality school that meets a need in a community.

Building a solid strategy around how to attract, nurture follow up and ultimately enroll families will involve both a **robust system** and a human-centric ability to execute. But, they need a system, and they need help from CSGF in choosing, building and getting the most out of those systems.



The term we have used to describe this “system” for several years is CRM - or Customer Relationship Management. But the conversations and webinars over the last 6 months have made it clear that a CRM is only part of the system our schools need. They certainly need the ability to “manage” customers: they want to capture and organize and track families who are considering school choices.

But they also need the ability to attract new leads and the ability to act on those leads - nurturing families through the decision cycle and ultimately moving them to apply to the school. This is typically considered marketing or marketing automation.

This distinction and definition becomes important as we evaluate potential platforms to address the primary challenge.

Definitions and Differences: CRMs and Marketing Automation

What each does:

- CRM platforms manage the sales process: individual emails, lead status, task management, opportunity tracking and pipeline reporting.
- Marketing automation platforms manage digital campaigns, email marketing, lead nurturing, tracking and scoring, and landing pages.

Purpose:

- A CRM generally drives and increases sales by **keeping contacts organized**, tracking activity and managing long term sales processes.
- Marketing automation helps **generate and nurture leads and is especially important in a short sales cycle**

Target Audience:

- A CRM platform broadly caters to “sales” reps, whereas a MA system helps team members focus on marketing.

Based on the needs of our portfolio, our analysis largely focused on solutions that have CRM+MA and have some integration of the two or, ideally, a turnkey approach.



Evolution of a CRM/Marketing Implementation for Student Recruitment & Enrollment

Stage 1

Organize

- CRM Set Up
- Basic Lead Management & Segmentation

Attract

- Lead Nurturing through email
- Lead Capture and Interest Forms

Engage

- Basic content assets in system
- Basic Landing Page(s) with Recruitment Events and Information
- Social Media Management

Delight/Convert

- Apply now button/links

Stage 2

Organize

- Leads by Source, Stage
- Lead assignment
- Pipeline milestones

Attract

- Broad Campaigns
- Pop ups
- QR codes
- Text integration
- Event integrations

Engage

- Workflows and automated follow ups
- Videos
- Blogs

Delight/Convert

- Integrations - application process and/or enrollment system

Stage 3

Organize

- Deeper segmentation

Attract

- Targeted Campaigns

Engage

- Smart content
- Chat bots

Delight/Convert

- Moving families beyond student recruitment



Key Factors in our Evaluation of Platforms

Building on [KIPPs awesome rubric](#) around CRM platforms, we added 3 additional evaluation criteria, and combined these into a category called “Overall Fit” which is the ability to help our schools solve the core problems of student enrollment over the mid-long term.

1. Turnkey approach
 - Marketing Automation and Customer Relationship Management integration is critical. We should seek to understand the different aspects each bring to a network and the importance of having **both**.
2. Usability & Ubiquity
 - The background and diversity of the overall charter employee landscape means we need tools that can **easily be understood** by multiple job functions
 - Using a platform that has a **high market penetration** will increase the chances that staff have encountered the tools
3. Core business and stage of growth of the company
 - How the company began - its core product offering - and where it sits relative to the competition helps us understand the true strengths of the platform and its likely growth path.



Key Factors in our Evaluation of Platforms

Given the need for both a CRM and Marketing Automation platform, and based on a solid starting point from Kipp, our options become quite narrow:

- The big names in the space who have robust platforms but little expertise in K-12 education:
 - Salesforce
 - HubSpot
- School and district specific solutions who have less robust platforms but deeper knowledge of and interest in K-12 education”
 - SchoolMint
 - ScholarLead
 - Schola.com



Platform Evaluation Part I

Vendor	Overall Description, Strengths & Weaknesses
<i>SalesForce & SalesForce Pardot</i>	One of the largest and best known CRM systems, used in wide range of industries. When combined with Pardot (Marketing Cloud) the solution is both highly customizable and very robust. The high price combined with the relatively complex implementation and necessary integrations involved are biggest downsides.
<i>HubSpot Professional Suite</i>	A cloud-based platform that combines CRM, Sales and Marketing “hubs” designed to help organizations be more customer-centric. Focused intently on the customer journey, HubSpot is an all in one platform that is easier to both implement and more affordable than Salesforce, but lacks some of the customization and scalability that Salesforce can offer.
<i>SchoolMint</i>	Launched as a K-12 enrollment management platform, many districts and charters currently use SchoolMint for lottery and enrollment management. Recently SchoolMint has launched platforms to participate in both the student attraction and retention phases to supplement its core product, including a basic CRM and additional marketing services. The biggest challenge in using SchoolMint seems to be their closed eco-system and sub-par platforms in all areas except enrollment management. Pricing is highly dependent on school/network.
<i>ScholarLead</i>	Start up founded specifically to try to affordably address the lead management challenge for schools. Very elegant but basic lead management dashboard. Limited customization, no marketing components (not even a landing page) and very manual data management. At \$500/month ScholarLead is undoubtedly most affordable solution but its extremely limited scope will likely not solve enough of the puzzle for most networks.
<i>Schola.com</i>	Highly focused on delivering interested leads to schools, Schola is working to backward integrate a lead nurturing and management system. They are not really a CRM and don’t have a robust marketing automation platform, but could potentially be an add on for schools who need help getting and following up with leads. Very expensive (priced based on lead delivery) and unclear on the quality of the lead pool.



Platform Evaluation Part II

Vendor	Overall Fit
SalesForce & Pardot	<ul style="list-style-type: none"> ● CRM, Marketing, Lead Management; Requires significant integration but once its done its great ● An expensive sledgehammer when we think a high quality screwdriver will suffice in most cases ● Very stable company - little risk for disruption in services but some concerns given all the moving pieces that costs will continue to pile up
HubSpot Professional Suite	<ul style="list-style-type: none"> ● CRM, Marketing, Lead Management; Truly all in one software with no integration required between marketing, crm, sales, etc. ● Very stable company - little risk for disruption in services; highest risk is the gradual increase in platform fees and add ons (which could be mitigated under a CSGF group buy)
SchoolMint	<ul style="list-style-type: none"> ● Claims to have CRM, Marketing, Lead Management and Enrollment Management ● In some ways SchoolMint is a wild card. They have market penetration and an installed base of customers that points toward long-term viability. But the unwillingness of the company to open its ecosystem, combined with their very broad but shallow product offering, puts them at some risk.
ScholarLead	<ul style="list-style-type: none"> ● Lead Management Only; No CRM, No Marketing ● For the price, might be a good solution for single site charters where the primary use case is lead management - moving existing leads through the funnel toward application ● True Start Up - future very uncertain; Only one small institutional investment to date; best case ScholarLead gets acquired by a larger business; worst case ScholarLead shutters.
Schola.com	<ul style="list-style-type: none"> ● Marketing, Lead Generation and Lead Management; No CRM ● True Start Up - future very uncertain. Series A raised \$14M; 3 employees. ● They have a white glove service that is interesting for actual lead nurturing and follow up if a school needs that level of support. Uncertain on quality of the leads they promise.



Platform Pricing

Vendor	Pricing
SalesForce & Pardot/Market Cloud	SalesCloud CRM: \$778-\$864/user/year (Uncommon has 40 users, \$31,120/year) Implementation: Servio charges \$56,000/one time (Other estimates put this at \$40,000) Integration: Valence - \$12,000/year (This seems to be standard) MarketCloud: \$400-\$1,250/user/year (Example: \$84k annually + one time \$135k set up) *Pricing is largely based on users
HubSpot Professional	\$9,000/year (Marketing Hub Professional) \$15,000/year (CRM Suite Professional) *Pricing for one “instance”; assumes 12,000 marketing contacts; unlimited users
SchoolMint	\$2,500-\$8,000/year for CRM + \$1,000 set up fee in Year 1 *Pricing is per school and dependent on # of students
ScholarLead	\$495/month for lead management \$1,200/month for marketing services *Pricing is per school; unlimited users
Schola.com	Full Service: \$3,500/month; \$42,000/annual Self Service: \$500/month (Unclear what this includes) *Pricing is per school; unlimited users



Stakeholder Summary

Network & Platform	Summary
Kipp NorCal: 17 schools, 11k students HubSpot Mkt Pro + Sales \$17k (7k contacts + 8 sales); May Renewal	Current Use Cases: Recruitment Stage 1/2 Biggest Pain Points: Turnover and lack of institutional knowledge Future Support: Helping to develop specialists in this area
Kipp Texas: 59 schools, 34k students HubSpot Mkt+Sales Enterprise \$96k (70k contacts); Feb Renewal	Current Use Cases: Recruitment Stage 1/2 Biggest Pain Points: Trying to do too much with the system at first Future Support: Onboarding, simplified playbook
Vista Prep: 5 schools, 1k students HubSpot Mkt Pro + Sales \$17k (11k contacts + 2 Sales); Feb Renewal	Current Use Cases: Recruitment Stage 1/2, Other Areas Stage 1 Biggest Pain Points: Next level of support to maximize the system and drive results Future Support: Audit of current use, playbook, someone to call for support/ideas
Uncommon: 5 regions; 20k students SalesForce Cloud + Market Cloud \$43k/year + \$56k set up + \$84k/year + \$135k set up = \$318k Yr 1/ \$127k ongoing	Current Use Cases: Biggest Pain Points: Future Support:
Rocketship: 5 regions, 20k students HubSpot Mkt Pro \$55k; May Renewal	Current Use Cases: Recruitment Stage 2 Biggest Pain Points: Too much to do w/ too few people who know the system well Future Support: Help with Training, a Robust PPlaybook, Contract Support
DSST: 8 campuses, 7k students HubSpot Mkt Pro + CMS \$27k (17k contacts); June Renewal	Current Use Cases: Recruitment Stage 3, All Other Areas Stage 1/2 Biggest Pain Points: Tension b/w training too few/too many people - resulting inefficiencies Future Support: Google Sheet integration
Achievement 1st: 41 schools, 15k students HubSpot Marketing Pro \$12k (12k contacts) July Renewal	Current Use Cases: Recruitment Stage 1 Biggest Pain Points: Too much to do w/ too few people who know the system well Future Support: Help with Training, a Robust PPlaybook, Contract Support



Stakeholder Conversations: Key Takeaways

1. Having a platform has significantly changed the student recruitment work at our schools
 - At its core, the ability to organize, track and follow up with prospective families, using a system beyond Google Sheets, has improved productivity and enrollment outcomes - even for those schools using the most basic features
2. The value they are getting from the platform far exceeds the cost
 - Most schools expressed the belief that even one or two additional students makes the system worthwhile and that the eventual simplicity of having a system will ease workloads
 - Possible exceptions: Vista Prep and Uncommon
3. Our schools and networks want help in maximizing the use of these powerful tools
 - Having a simplified “playbook” is the top priority/wish in terms of future support, even for those networks that have been using a system for years
 - Training and onboarding support is a top priority for schools that are in implementation
 - A “support” center that could be on call to help schools with critical tasks is also popular
4. Staffing remains a major challenge in maximizing the use of these systems
 - Turnover, lack of skill sets and misunderstanding from executives makes hiring and retaining the right people in this space very difficult, and the result means progress is slow



Platform Recommendation: HubSpot is best fit for most of our networks

1. Designed to attract leads and nurture them into actual applications
2. Turnkey approach for administrators - managing every aspect of customer relationships with an integrated suite that helps engage with leads and customers at any stage.
3. Offers a cohesive experience for families across the engagement life-cycle
4. HubSpot supports unlimited users so low barrier to admin teams
5. User-friendly - an intuitive UI and no-code tools make it easy to leverage regardless of technical ability.
6. Relatively low price point for robust set of tools
7. Relatively easy implementation, especially to launch simple campaigns
8. Meets the needs of networks at very different stages and will then grow with those networks.
9. HubSpot is a stable company that is not at risk of going away
10. HubSpot already has a [large existing base of portfolio users](#) (~60% of CRM users)

Specific Recommendation: **Marketing Hub Professional or CRM Suite**; some networks may require an Enterprise Suite (Kipp Texas) and some may get away with the Starter Suite. The difference between the Marketing Hub and the Suite will depend on whether or not a network wants to use HubSpot as its Content Management System (CMS) as well.



Minimum Expectations for HubSpot deployment

What it looks like	Time from Start D
Platform is built out + initial HubSpot training completed	6 weeks
Platform built out, Network team completed training. Basic lead management and segmentation in place. At least one landing page published with lead capture form.	6 months
Standard campaigns rolled out, internal and external workflows implemented for automation, blog built out and launched, at least 7 integrations connected.	12 months
Targeted and segmented campaigns rolled out, smart content utilized on at least one landing page, chatbot launched to support website visitors.	18 months
Refined strategy based on data captured, advertising running through HubSpot (if applicable) and utilizing custom audiences, hiring team implementation.	2 years
Full adoption throughout network including recruitment and enrollment, hiring and advocacy if applicable. Full connection between digital and in-person contact. Extremely clear data on progress over the last three years to measure progress and growth.	3 years



Greenlighting Criteria: Networks launching HubSpot should have the following:

1. **Appropriate Staffing Commitment in Key Areas:**

- An internal resource dedicated to Student Recruitment at least 75% of their time
- An internal resource dedicated to Marketing at least 75% of their time

2. **Executive & Organizational Buy In:**

- An “Executive Sponsor” that sits on the network’s formal or informal Leadership Team
- Commitment of support and buy In from Finance, Data, IT/IS and any other departments critical to the network’s enrollment life-cycle
- A commitment to a multi-year product roadmap and a mindset of continual improvement

3. **Fundamental Marketing Assets:**

- A customer journey map or family engagement map
- An identifiable target audience
- Solid value propositions and/or positioning statements
- An established website, social media channels and elementary brand assets (logo, colors, font)

4. **Three Year Financial Commitment**

- TBD based on CSGF support



CSGF Platform Summary

Networks with >15k students

Network	Platform
KIPP Texas	HubSpot
Uncommon	SalesForce
Harmony Public Schools	Unknown
Success Academy	Internal
Idea	Internal
Great Hearts	Unknown
Uplift	Unknown

Networks with 5k-15k students

Network	Platform
KIPP: NorCal	HubSpot
KIPP: NYC	HubSpot
KIPP: NJ & Miami	HubSpot
KIPP: SoCal	HubSpot
Rocketship	HubSpot
Achievement First	HubSpot
DSST Public Schools	HubSpot
Inspire NOLA	None
Ascend Public Schools	HubSpot - limited/free
The Goodwill Excel Center	HubSpot - limited
Yes Prep	HubSpot
Noble	SalesForce
Vista Prep*	HubSpot

* Vista Prep is smaller than 5k students but is an important example



Appendix



CRM vs MA: Key Differences



CRM



- ✓ Caters to sales reps
- ✓ Manage sales processes
- ✓ Assign tasks to sales reps
- ✓ Maintain an organized customer database and positive relationships
- ✓ Improve sales performance



MA



- ✓ Focuses on marketing reps
- ✓ Automate marketing campaigns
- ✓ Optimize short purchase cycles
- ✓ Generate and nurture quality leads for sales teams to pursue later
- ✓ Enhance sales and marketing workflows

Your Business Needs CRM If You....



Can no longer handle all your leads,
need help tracking customer data



Hear about unhappy customers and
negative customer experiences



Are losing track of customers during
their customer journeys



Your Business Needs MA If You....



Can't handle your customer mailing
lists manually anymore



Want to quickly promote targeted
content towards the right audience



Need to increase outreach and feed
more leads to the sales team

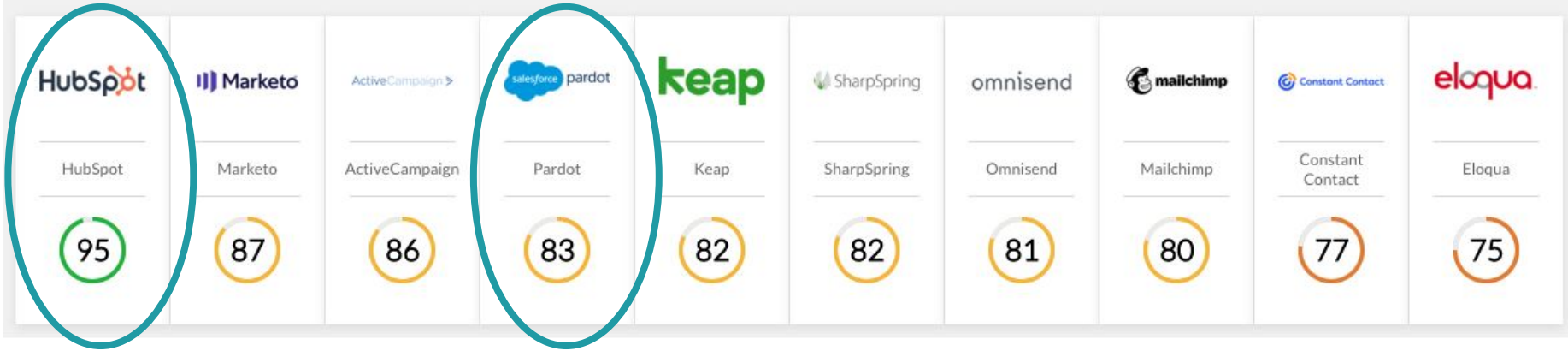


Source: [SelectHub](#)

Top 10 Marketing Automation Software Leaders by Analyst Rating (of 1028 products)

GET THE IN-DEPTH REPORT

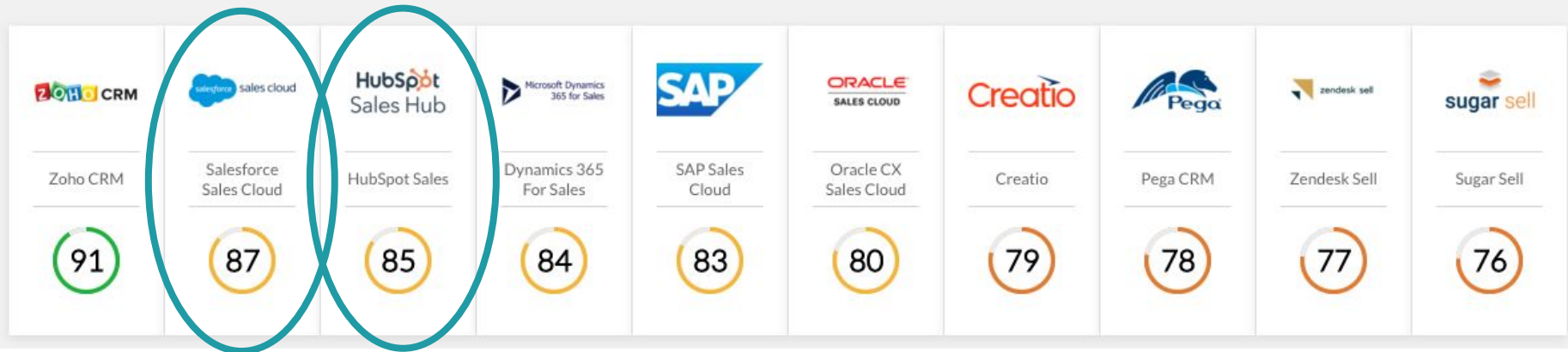
View ratings by: Overall



Top 10 CRM Software Leaders by Analyst Rating (of 1591 products)

GET THE IN-DEPTH REPORT

View ratings by: Overall



Marketing Consultancy - how can families find schools that meet their need?

Two-sided marketplace - SchoolFinder for Parents; Lead gen for schools

- Lead Gen only at first
- Began to have Schola team do the follow up - schools weren't doing the follow up

Different QR codes for interest generation, bi-lingual - tracking lead source

Can then input the lead into variety of sub-categories with communication preferences -text, email, etc

Lead nurturing and communication focused

Full service lead program: \$3,500/school/month or set of schools that work as one

Geo-fenced for specific families

Digital only - schools should be using multiple channels

Annual contracts - \$42,000/year

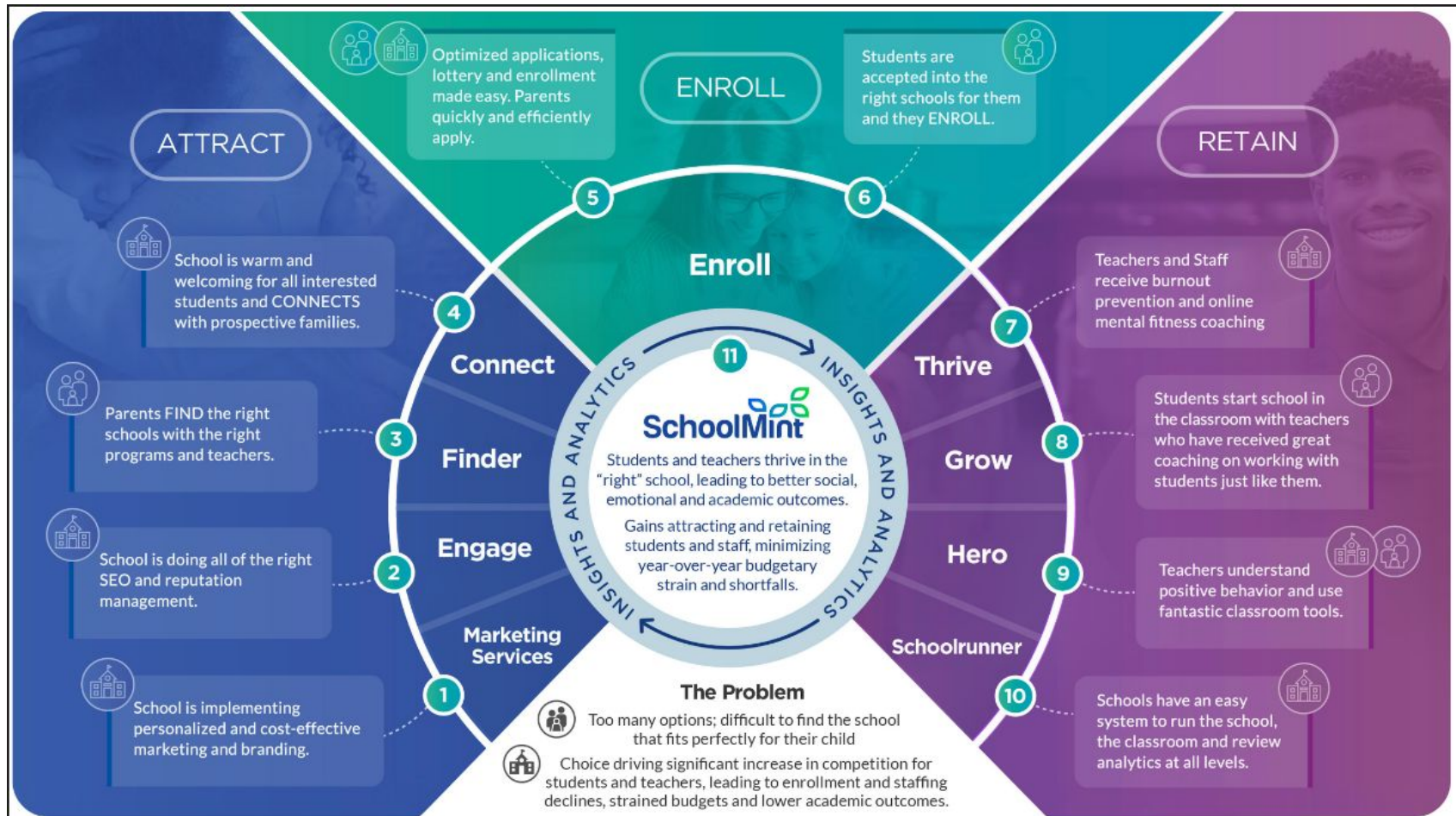
Sometimes do 6 months - \$21,000

Hand-off to schools once the application is submitted

\$500/month for new product

- some digital marketing inputs and campaigns
- week to follow up on a lead
- "promoted school status"
- use of the tools but schools do it themselves

All about the top of funnel - market to families, pass on leads to schools. Claim your profile.



Stakeholder Conversations - Kipp

Vanessa

- field recruitment
- marketing and data- serve field recruiter
- try to do too much - focus on one journey - nail THAT, then expand
- capacity to own the system
- division between recruitment and marketing
- Onboarding is critical - oversimplified in terms of the touchpoints an
- norms around what you do - a front line user vs a back end user, etc
- so baseline - templates and landing pages - touchpoints
- CRM does not solve it
- its the touchpoints templates
- Better conversion if lead to applicant, show rate - pipeline milestones, ultimate success
- Stream

Jonathan Perry

- Institutional knowledge in people like Jonathan Perry and Kela - what happens
- Never going to be a better time - time is ripe for this
- How do we institutionalize
- Ops platform - Carrina platform
- Folks have had to start from scratch each time - that is tough and leads to turnover
- Enabling - minimum threshold
- Family Journey - interventions
- Here is a lead - here is what you need to do with this lead. THEN the next level
- Marketing Director + Recruitment Director - both are the business leads for HubSpot. (19 schools) anything over 6 schools - this is the structure.

- Our ability to confront the Headwinds of enrollment and suburban shift - specialization and centralization



Stakeholder Conversations

VistaPrep:

- Previously had a touchpoint tracker in google sheets - visited DSST - not sufficient
- Kela is now Director of Student Recruitment and Enrollment - has team of 2 under her exclusively on R&E - at school level it is built into school leaders and office manager
- Needs audit and help to really take advantage of HubSpot - needs the next level of support
- Use landing pages, forms, blogs, emails, scheduling tours thorough calendly integration
 - Not using the deals functionality - have boot strapped thier instance but Deals could help
- Using a landing page for staff recruitment
- Using for family communication

Critical skills

- Understanding concept of a workflow
- Power of data and analytics in driving action
- Basic marketing and sales skills - idea of a funnel
- Basic metrics around marketing - open rates, click throughs
- Seasonal calender - aligning it with recruitment strategy and layering that into HubSpot campaigns - refer a friend, landing pages, etc
- seamless transition from each staff member's interaction with a family all the way through the end cycle of showing up for school

What are you missing - HubSpot tutor - office hours

\$14,000 annually

\$17,025 - marketing hub professional and sales starter hub



Stakeholder Conversations

RocketShip: Org model: fairly decentralized)

- Bomizon as implementation partner and training. Taylor had a relationship with Bombizon. Training was really weak. HubSpot had to step in. Rocketship has had 3 reps since then. Jessica is their HubSpot rep.
- Need longevity and consistency from the beginning. DC Region, California region. They currently have ONE instance - may need more.
- Training is a BIG issue. Would like a marketing leader and a recruitment leader - that would be ideal. Need more people in EDUCATION!
- K-12 public education. We need a PLAYBOOK. Pop ups, landing page, nurture leads.
- Experience using a system like this - even mail chimp, workflows, account management, future

Achievement First

DSST



DSST and HubSpot: Customer Engagement Details

Audience	When?	Where in Customer Journey?	Stakeholders involved in implementation?	KPIs
Prospective Families & Students	Year 1	Attract, Engage, Retain, Loyalty	Home Office: ORE, MKT Schools: Front Office/Ops/Leadership	Market Demand, Enrollment
DSST Advocates	Year 2	Engage, Retain, Nurture, Grow	Home Office: MKT, Advocacy	Voter Participation
DSST Friends & Families	Year 2	Nurture, Grow	Home Office: MKT, Comms Schools: Front Office/Ops	Re-enrollment, Family Satisfaction Surveys
DSST Current Staff	Year 2/3	Loyalty, Nurture, Grow	Home Office: Comms, Events, Human Capital	Staff Retention
DSST Donors	Year 4	Attract, Engage, Retain, Loyalty, Nurture, Grow	Home Office: MKT, Development	\$\$\$, Active Donor Rate



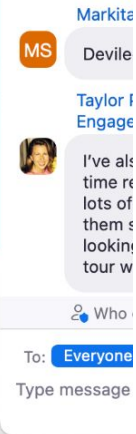
Are YOU Ready for a CRM?



1. Do you have your customer journeys mapped out?
2. Do you have the communications crafted for each step of the journey?
3. Do you have someone who will be able to dedicate their time or a portion of their time to managing the CRM?

What technology does best is speed up a process

“Technology layered on top of a bad process only speeds up the dysfunction.” → 50% of new systems implementations fail.



Marketing Budget Comparisons and Simple Rules of Thumb

Creative.ONL

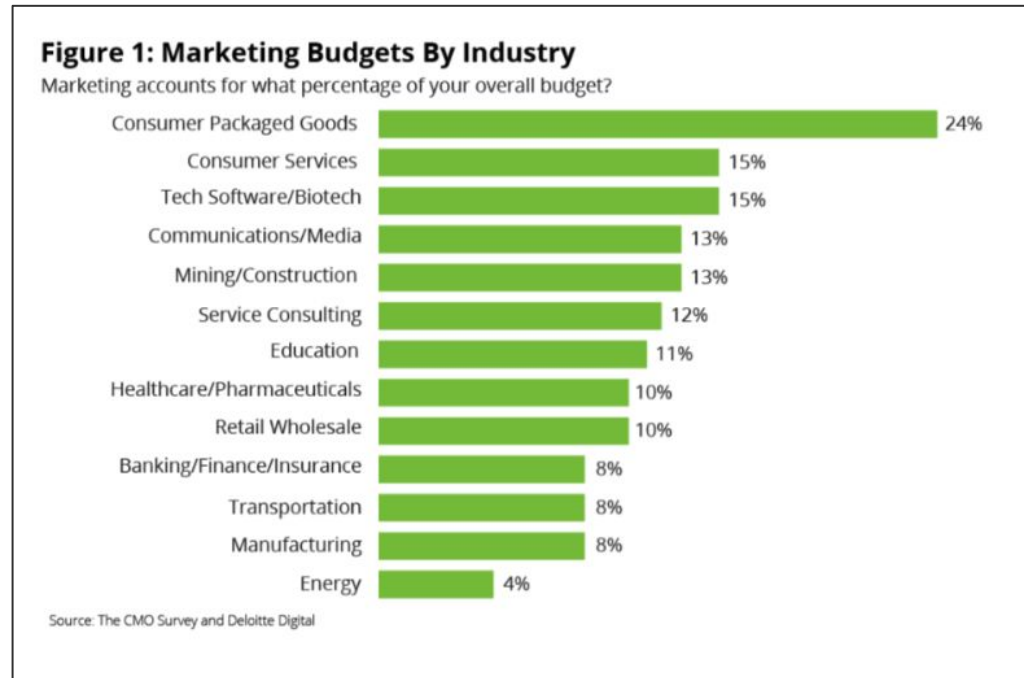
- To maintain current brand awareness and visibility = total revenue x 5%
- To grow your market share = total revenue x 10%

Prosper Strategies

“With staff salaries included, does your nonprofit marketing budget represent **at least 5 percent** of your organization’s total annual operating budget? If not, you’re grossly underinvesting in an area that holds huge potential to spur your organization’s growth and mission impact.”

Gartner Group: What Marketing Budgets looked like in 2022:

“CMO survey results from Gartner show that budgets have grown slightly post-pandemic, with the average marketing spend increasing from 6.4% to 9.5% of company revenue. While this is a significant increase, budgets are still smaller than before—between 2018 and 2020, they averaged up to 12%.”



Laura Mueller

Regions use their own funds to run staff and student ad campaigns. Benchmarks, goals for marketing, data visibility and tracking - coordinate with directors of student recruitment and staff recruitment

- Current - Texas, NYC, DC, St. Louis, NorCal, NJ/Miami, New Orleans
- Minimum spend is \$75k this year
- Overall budget increase of 27%

Foundation serves as liaison w/ agency, creative development and strategic partner

A photograph of two young girls sitting together and reading a book. They are both wearing blue and white plaid vests over their shirts. The vests have a logo that says "NFL YOUTH EDUCATION TOWN ARIZONA". The girl on the left is smiling and looking at the book, while the girl on the right is looking intently at the pages. The background is a library with bookshelves.

THANK YOU

