

Kidville®

Fordham University Applied Project

M.S. Marketing Intelligence Program

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FORDHAM UNIVERSITY
THE JESUIT UNIVERSITY OF NEW YORK

Team Introductions



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Managing Director



Chih-Chao Chuang
Project Director



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Project Manager



Erica Artis
Research Director



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Client Contact



Zhongqiang Kan
Data Analyst



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Research Manager

Today's Agenda is Based on the Statement of Work

- **Survey analysis and recommendations**
- **Data analysis for RFM and STP**
- **CRM system simulation**
- **Social media analysis**
- **Lead-generation and customer development plan special emphasis on Chinatown.**
- ✓ Build brand awareness and generate word of mouth among target market Moms 25-34
- ✓ Create a mom-to-mom referral program



A photograph of a group of young children jumping on a colorful trampoline in an indoor play area. An adult woman is standing on the right, smiling and holding the hands of one of the children. The background features orange padded walls and other children playing. A white banner with orange text is overlaid on the center of the image.

Survey Analysis and Recommendations

Kidville Survey Feedback Analysis

FiDi Winter 2018 Member Survey

- 24 Respondents
- Questions assessing sentiments



FiDi Birthday Party Client Survey

- 70 respondents
- Questions related to party offerings

Key Finding: Birthday Party Client Survey

“Why did you select Kidville for your child's birthday party?”

Parents want **convenience** when it comes to children's services.

The turn-key convenience of Kidville should be emphasized to promote birthday parties.

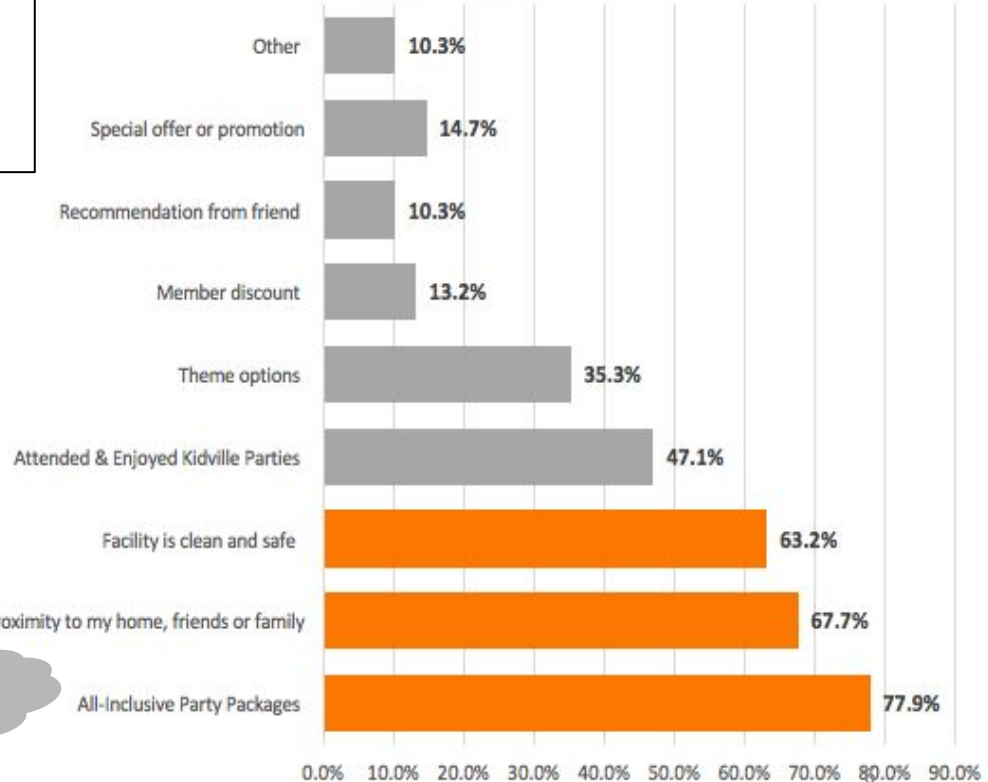
“Make it easy for me. And fun for my child”

Locality

Location/ proximity to my home, friends or family

Convenience

FACTORS INFLUENCING PARENTS TO SELECT KIDVILLE FOR BIRTHDAY PARTIES



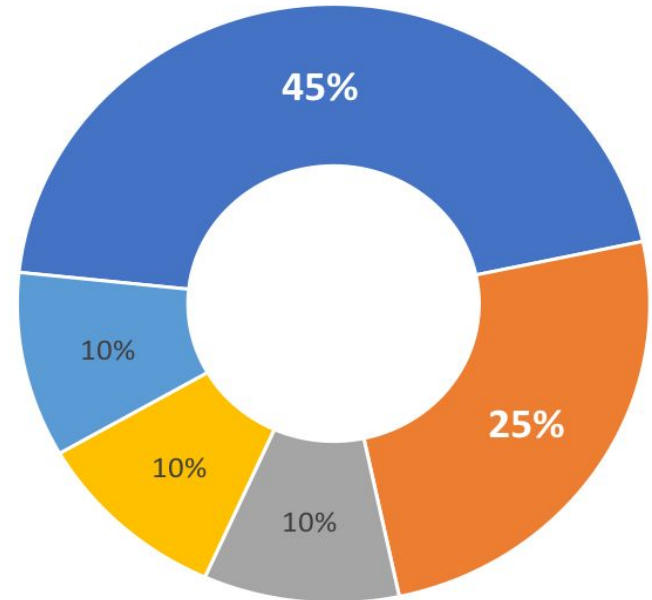
Key Finding: 2018 Winter Member Survey

**“Please complete the following sentence:
‘I really wish Kidville would...’”**

More than half of respondents mentioned:

- **Extending operating hours and longer hours for services.**
- **Improvements to classes.**
 - Increase class offerings variety for different age groups, more teachers, class packages, and better curriculum.

Variety and later child care hours may motivate repeat purchase.



- Answers Related to Longer Operating Hours & Service/Event Times
- Answers Related to Class Improvements (More Teachers, Curriculum)
- Answers Related to Safety
- Answers Related to Available Snack Options
- Other (Various responses with insufficient frequency)

3 Ways to Improve Survey Design Recommendations

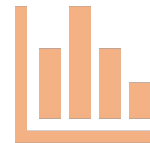
Questions should measure customers' **satisfaction** with each specific offering.



Provide a statement to inform respondents on the purpose and confidentiality of the survey.



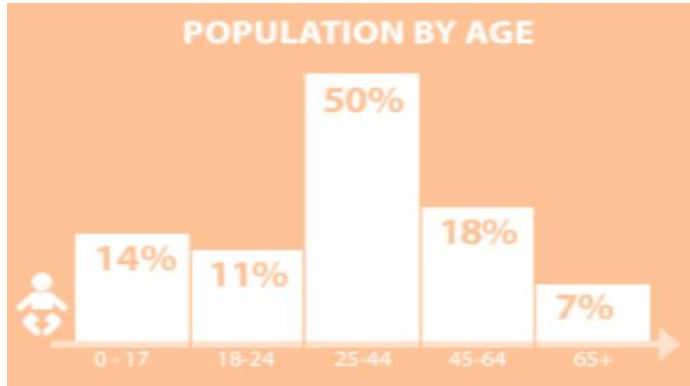
Close-ended questions are more suitable for statistical analysis.





Data Analysis for RFM & Segmenting Targeting Positioning

Financial District • Demographics

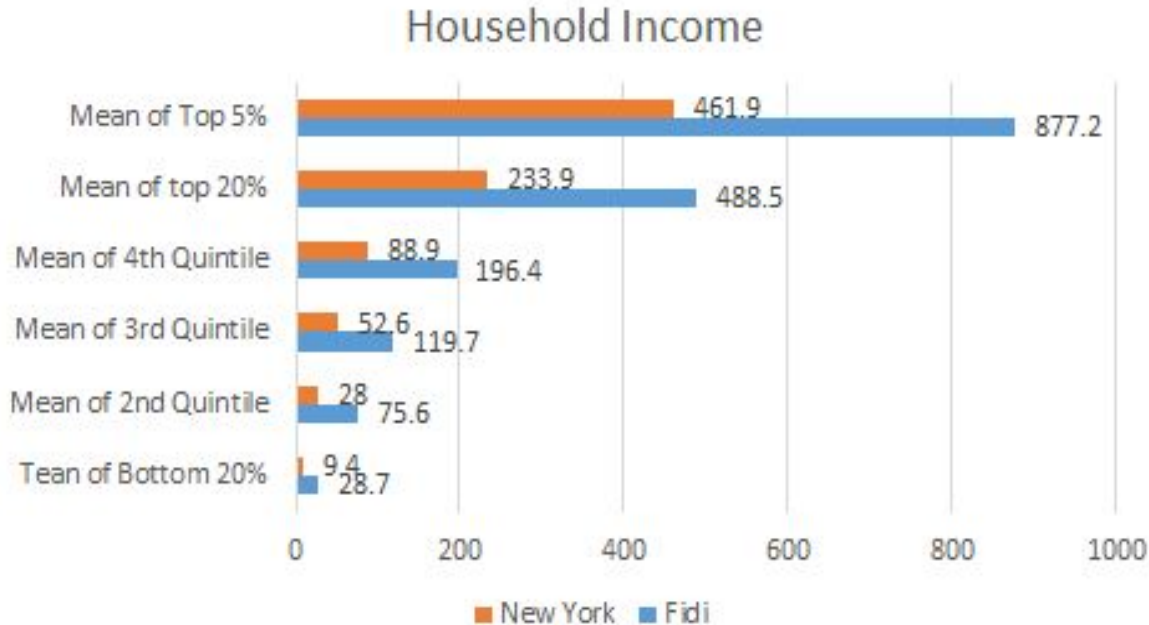


- Population By Race & Ethnicity:
 - 66% White
 - 20% Asian
 - 8% Hispanic
 - 4% Black
 - 3% Other

- The Financial District, Manhattan includes the area south of City Hall Park in Lower Manhattan
- Approximately **61,000** residents as of 2018
- **50%** of population between 25 to 44 years old
- **84%** of FiDi Adults are college graduates.



Financial District • Household Income






Households in FiDi have higher average income compared to households in other parts of New York City.

The Competition is Nearby

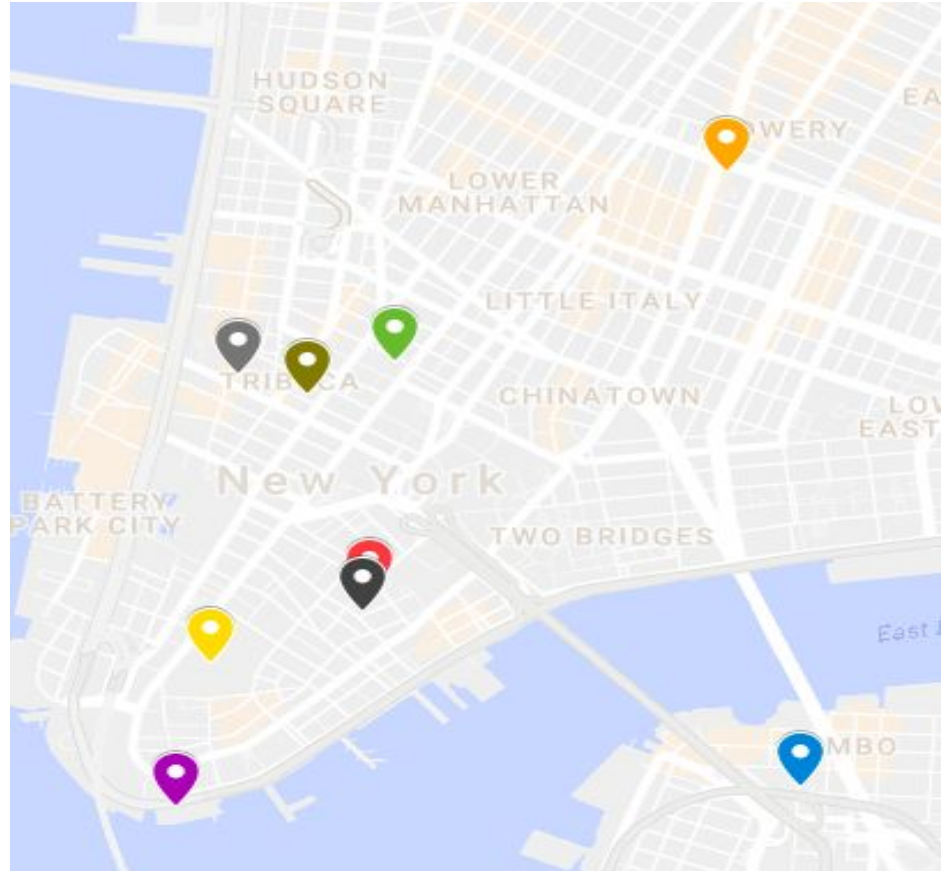
Kidville Competition

Direct Competitors

-  Gymboree Tribeca
-  NY kids club
-  Recess Dumbo

Indirect Competitors

-  Smarter toddler
-  Kindercare Tribeca
-  Kindercare
-  NY sports club Kids Classes
-  Chinatown YMCA

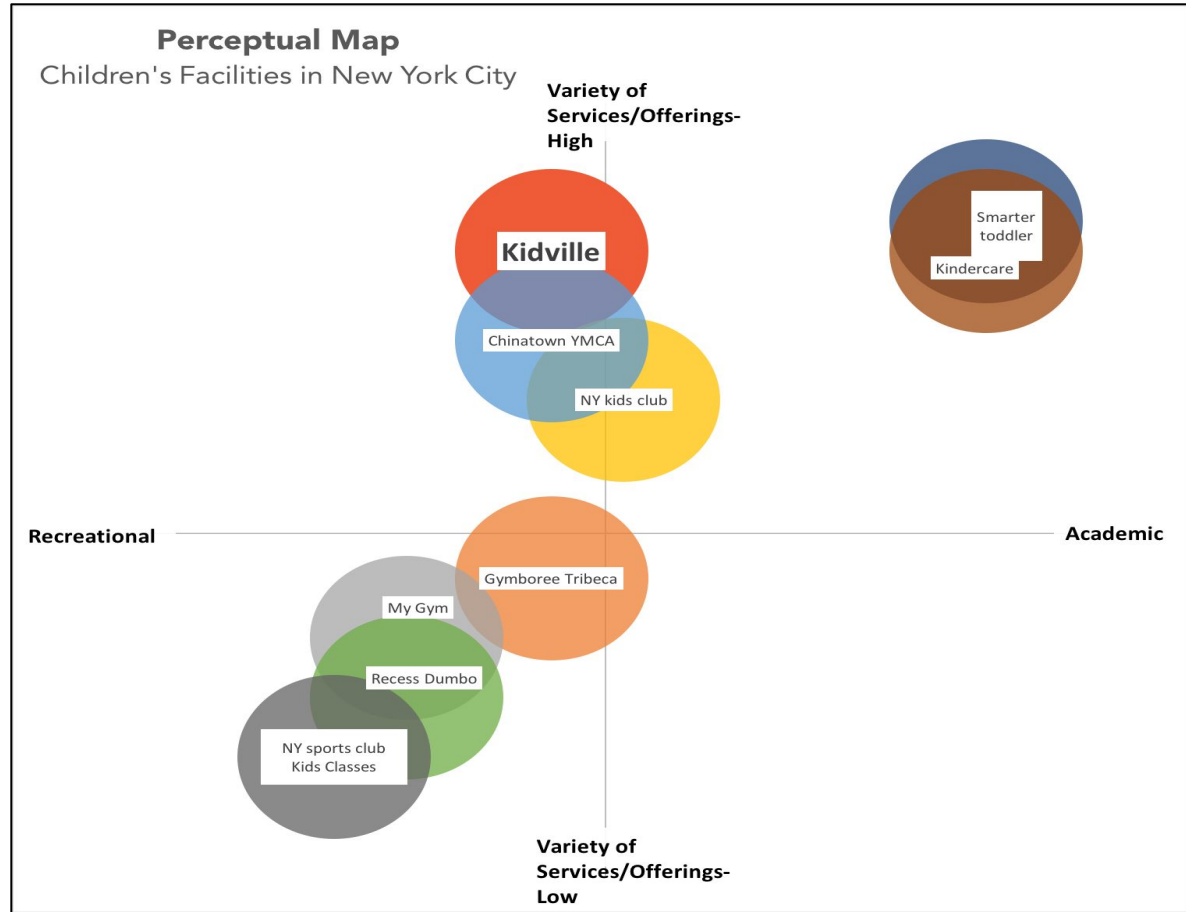


Map of Kidville Competitors

Positioning in a Crowded Market

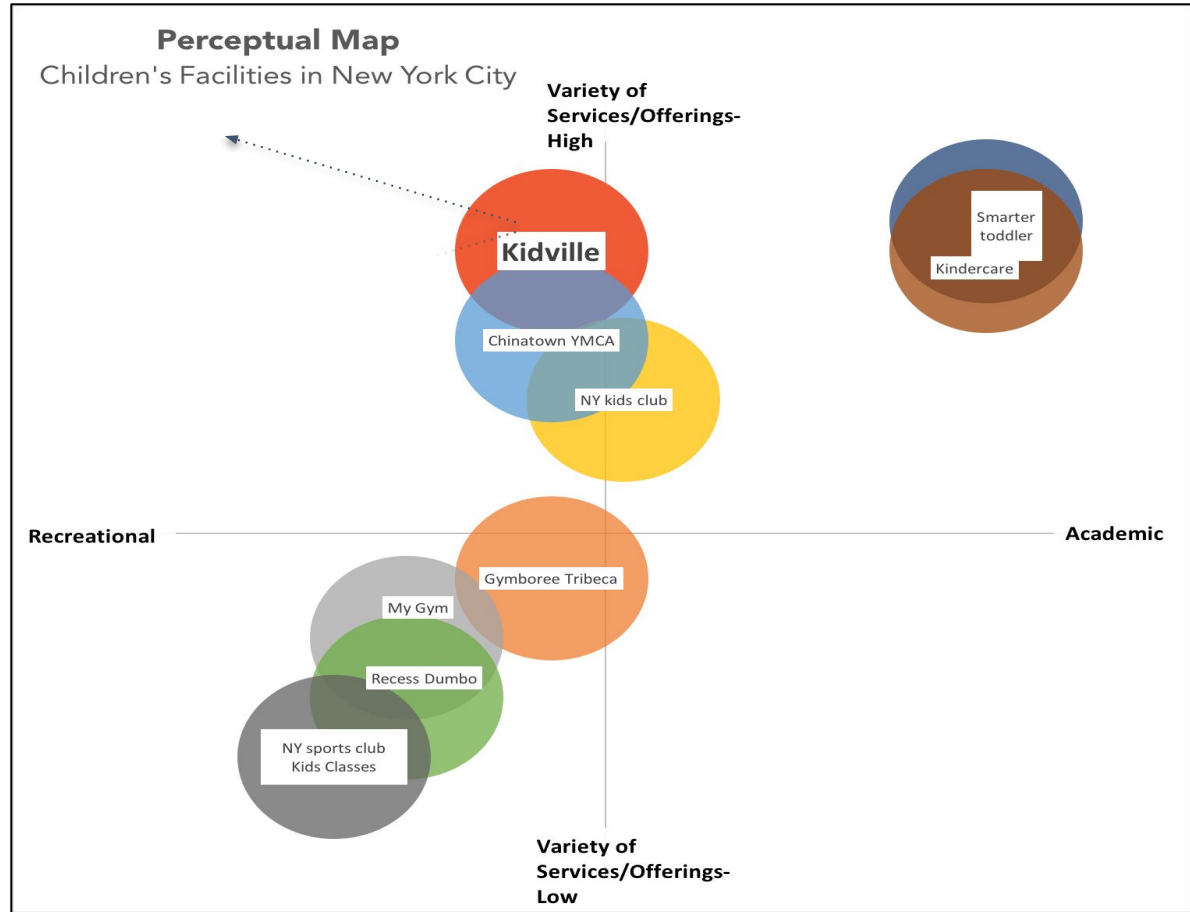
Axes represent factors that parents care about.

We did online research and used judgement to position competition



Should Kidville/FiDi Alter Its Positioning?

- Kidville could improve is not very differentiation
- Consider moving to an open quadrant.
- Moving towards more recreational may offer more opportunity.



Kidville Transactions Analysis

- 14,863 transaction records
- 862 customers
- From 9/24/2014 to 07/03/2018

Recency Frequency Monetary model variables:

Number of customers	The number of customers in this cluster
Recency	The number of days between 07/27/2018 and customers' last transaction order
Frequency	Total number of items each customer purchased at Kidville
Monetary	Total money each customer spent at Kidville

Kidville Transactions Analysis - 4 Segments

Moderate customers:

- Come to kidville in 1 year
- Moderate frequency
- Moderate revenue

New customers

- Come to kidville in 5 month
- Low frequency
- Low revenue

	1	2	3	4	5	6	7	Total
Number	309	62	183	95	36	24	153	862
Recency (days)	1,104	738	553	334	216	114	148	
Frequency (# of purchases)	4.24	13.02	4.36	17.58	39.19	20.17	3.26	
Monetary	\$ 853	\$2,431	\$1,125	\$4,284	\$12,526	\$9,992	\$1,107	

Non-repeat customers

- Not come to kidville in 1.5 years
- Low frequency
- Low revenue

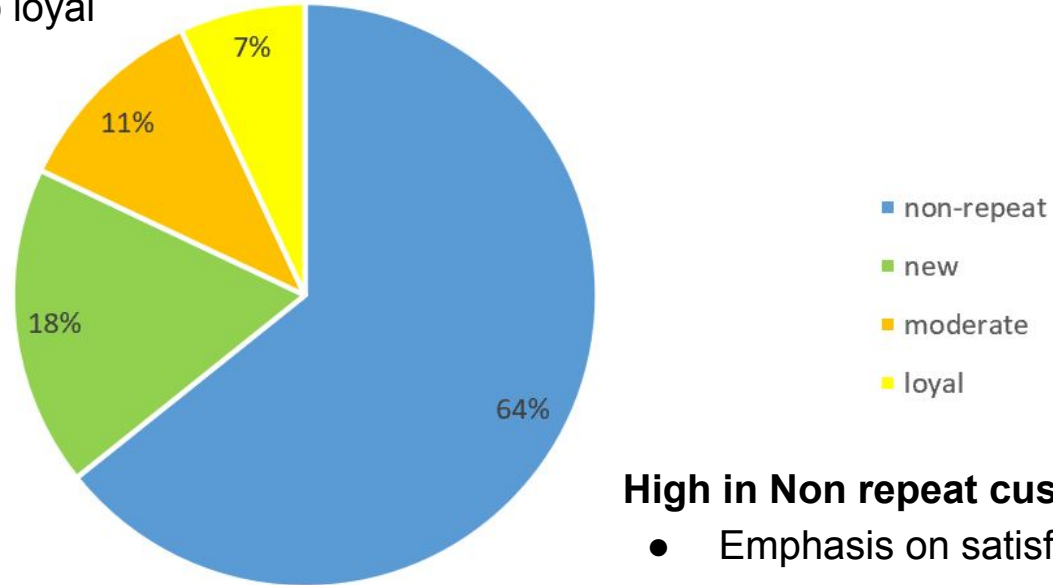
Loyal customers:

- Come to kidville within 8 months
- High frequency
- High revenue

Recommendations for segmented customers

Low in loyal customers

- Convert new customers and moderate customers to loyal customers

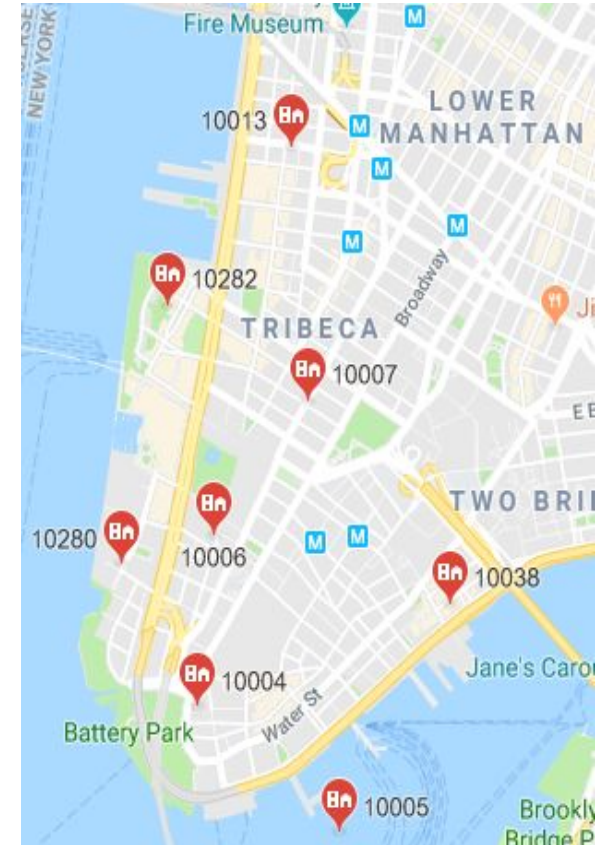
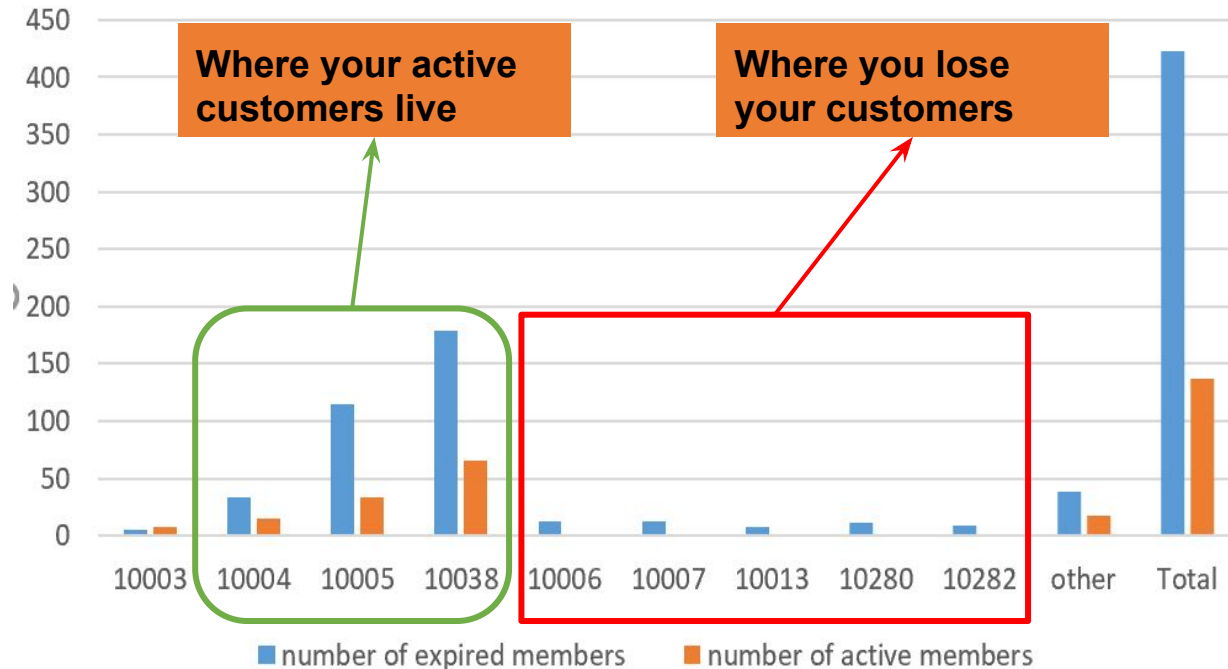


High in Non repeat customers

- Emphasis on satisfaction and retention

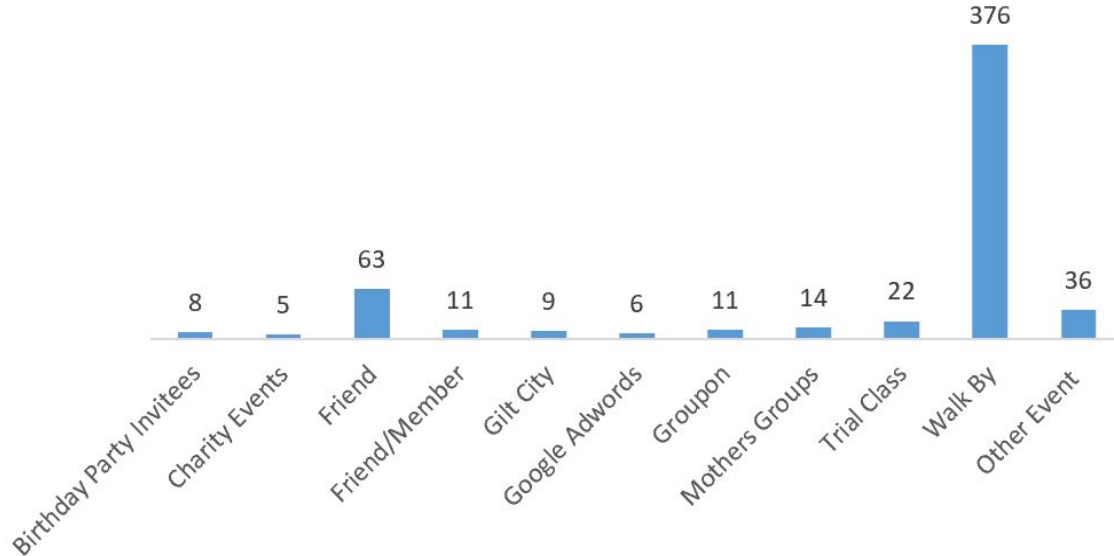
Targeting - Changes on Regional Distribution

- Data from Fidi expired members and Fidi active members
- 423 expired members and 138 active members



Targeting - Leads source

How Customers Know Kidville



- Most customers know Kidville Fidi by **walking by the store and referral from a friend**
- Local communications to increase neighborhood awareness
- Mom-to-mom referral program to recommend Kidville to friends

- Data from Fidi expired members and Fidi active members
- 423 expired members and 138 active members



CRM System Simulation

Get real data from Pike13 report

Summary

Q Details

+ Add Favorite

Export

All 18 results

Monthly Business Metrics Report Demo

Monthly Business Details ▾

grouped by Start of Quarter

Start of Year

Start of Quarter ▾	Total Net Paid	Total Net Paid Less Tax	Total New Clients	Average Members per Month	Total New Members	Average Clients with Pass or Plan per Month	Total New Clients with Pass or Plan	Average Clients Visited per Month	Total First Visits
Totals	\$452,594.15	\$425,363.08	943	105	313	176	382	11	214
Jul 1, 2017	\$5,613.00	\$5,245.91	1	120	1	143	1	5	2
Apr 1, 2017	\$20,633.35	\$19,274.75	4	116	4	139	4	0	0
Jan 1, 2017	\$21,644.97	\$20,285.16	1	116	1	140	2	2	3
Oct 1, 2016	\$23,896.79	\$22,406.93	166	122	11	148	12	4	1
Jul 1, 2016	\$18,969.00	\$17,749.06	8	120	8	193	8	2	1

Ways to adapt PIKE 13 to a Marketing dashboard

Step 1: estimated 2019 revenue vs goal to achieve

Assumed goal:

achieve 30% gross revenue growth in 12 months so the average growth/month = \$12,500.

	1	2	3	4	5	6 (est)	7 (est)	8 (est)	9 (est)	10 (est)	11 (est)	12 (est)
Current Revenue (\$)	58,204	44,339	33,074	36,007	28,517	25,000	25,000	50,000	55,000	30,000	70,000	45,000
Goal: Increase 30% (\$)	75,665	57,641	42,997	46,809	37,072	32,500	32,500	65,000	71,500	39,000	91,000	58,500
Increase \$/mo.	17,461	13,302	9,922	10,802	8,555	7,500	7,500	15,000	16,500	9,000	21,000	13,500

Ways to adapt PIKE 13 to a Marketing dashboard

Step 2: Services that can help to achieve goal

Assume a 30% growth in monthly revenue (\$12,500/month) can be achieved by :

1. Gaining 5 new customers for classes
2. Having 15 repeat customers for classes
3. Hosting 5 more birthday parties

Incremental Services	Units/Mo.	Total
Ave. New Customers for Class		
\$ 300	5	\$1,500
Repeat Customers for Class		
\$ 400	15	\$6,000
Birthday Parties		
\$ 1,000	5	\$5,000
		\$12,500

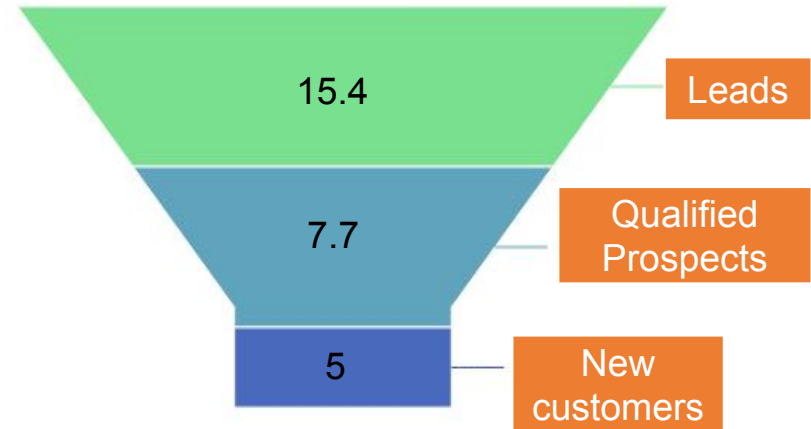
Ways to adapt PIKE 13 to a Marketing dashboard

Step 3: Business Development Funnel

Ave. New Customers	Count	Conversion Rate
Leads/month	15.4	50%
Qualified Prospects/month	7.7	65%
New Customers/month	5	
Ave. Repeat Customers	Count	Conversion Rate
Leads/month	26.7	75%
Qualified Prospects/month	20.0	75%
New Customers/month	15	
Birthday Parties	Count	Conversion Rate
Leads/month	20.0	50%
Qualified Prospects/month	10.0	50%
New Customers/month	5	

Pipeline demo:

New customers for classes



* Conversion rate is assumed.

Develop a Good CRM system dashboard

Number of leads this month

Total number of deals in all stages

Leads in different sources:
To see how customers get to know your business

Leads THIS MONTH ↻

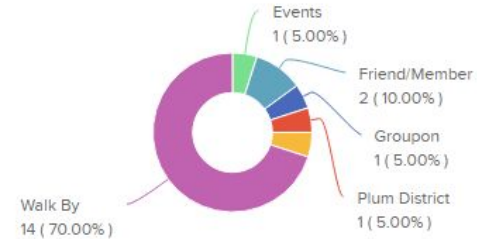
20 ▲ 100%

Last Month: 0

Deals IN PIPELINE ↻

3

Leads BY SOURCE ↻



REVENUE THIS MONTH ↻

\$360.00 ▲ 100%

Last Month: 0

Accounts THIS MONTH ↻

100% 2

Last Month: 0

Total revenue of this month

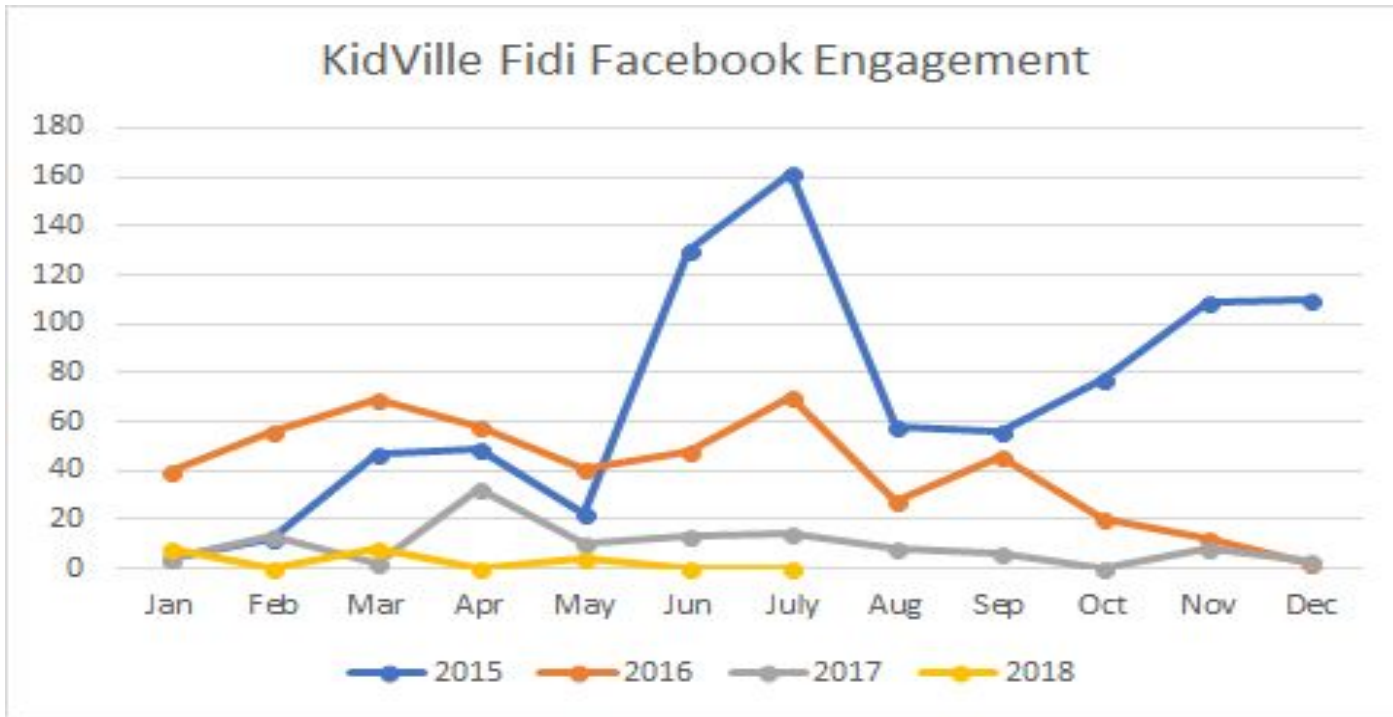
Number of accounts being created

Walk by? Referred by friends? Or attended an events?



Social Media Analysis

Facebook Engagement Has Been Trending Down



Data: Extracted from Kidville Fidi Facebook Page by Netvizz

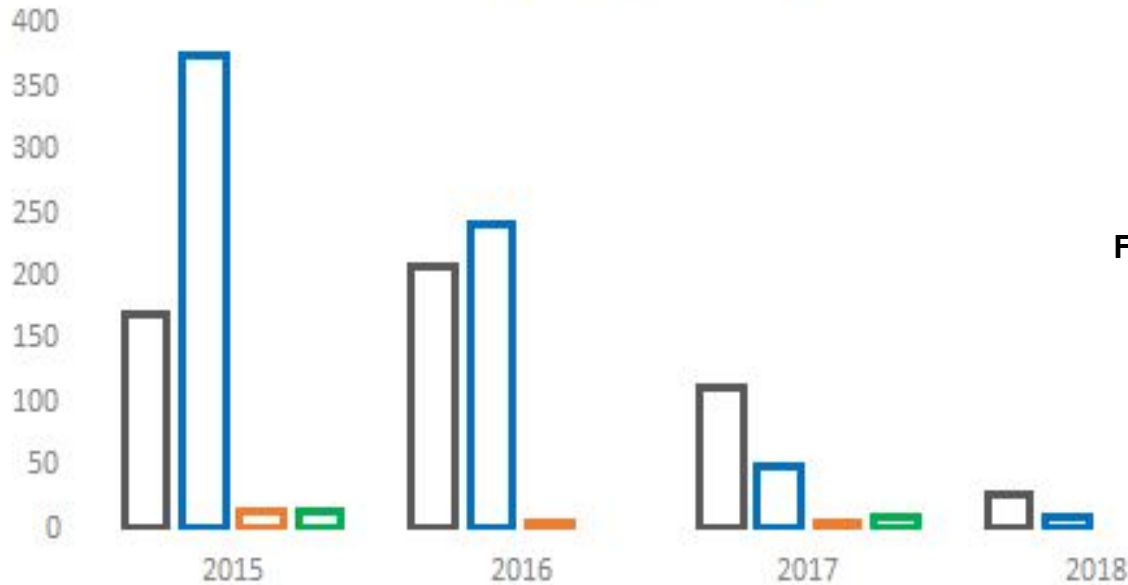
Engagement = Likes + Comments + Shares

- Higher engagement during June, July, Nov and Dec.
- Emphasize summer and winter vocation classes/ events

Facebook Engagement Analysis

Facebook Engagement

posts likes comments shares



	Average Post per Month	Average Engagement per Post
2015	14	2.4
2016	17	1.2
2017	9	0.6
2018	5	0.4

From 2015 to 2018:

- Downward trend in likes, comments and shares
- Average post every month decreased (from 14 to 5)
- Average engagement per post decreased (from 2.4 to 0.4)
- Increase post frequency
- Increase post quality

Facebook Recommendation

Improve online word of mouth via increasing shareable content

Utility

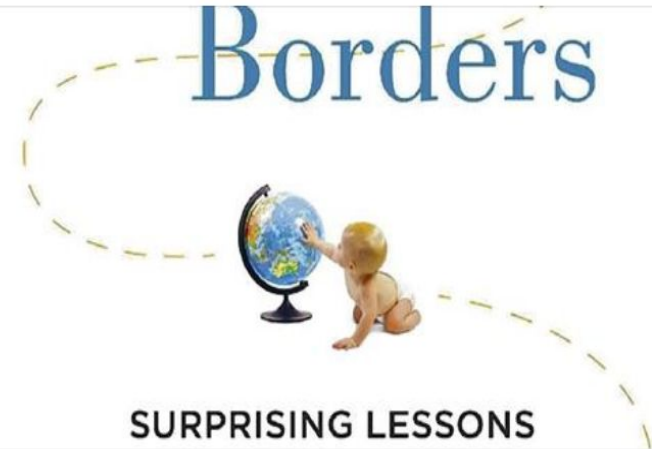


How a Mom Tamed Pre-School Toddlers

July 1, 2013 · 🌐



Book review: 'Parenting Without Borders' surveys global families
Pittsburgh Post Gazette
Christine Gross-Loh, author of "Parenting Without Borders: Surprising Lessons Parents Around the World Can Teach Us," argues that each culture has established ...



Book review: 'Parenting Without Borders' surveys global families - Pittsburgh Post Gazette

Facebook Recommendation

Kidville
March 13, 2014 · 🌐



455

13 Comments 513 Shares

- Stacey Phillips** Love it!!!!!!!!!!!!!! Lol!!!
Like · Reply · 4y
- Kim Dixon Waymaster** Or dad. lol
Like · Reply · 4y
- Sarah Sabelko** Stacey Phillips ! 🇺🇸 1
Like · Reply · 4y
- Vast Array Advertising Design** LOL!!!
Like · Reply · 4y
- Wanda Manzione** Love it.
Like · Reply · 4y
- Angela Duell Seidl** Cutel 🇺🇸 1
Like · Reply · 4y
- Monik Gomez Peralta Marin**
Like · Reply · 4y
- Sarah L. Scholten** Tamie Smith
Like · Reply · 4y
- Alma James** Lol
Like · Reply · 4y
- Denise Hall** Cute 🇺🇸 1
Like · Reply · 4y
- ScoopCafe** LOL!!
Like · Reply · 4y
- Sammy Medeiros** Soooo true and cutel
Like · Reply · 4y

Humor

Facebook Recommendation

Mom's Emotional Resonance



👍 386

10 Comments 197 Shares



Bobbi Jo Even when there married and gone.

Like · Reply · 4y



Sheryl Umphrey know it well

Like · Reply · 4y



Tracy Simpson And I'm living through several of those pictures simultaneously! Lol

Like · Reply · 4y



Sarah Workman Oh crap I'll never sleep again

Like · Reply · 4y



Brittany Maria Gomez Wendi Gomez lol!

Like · Reply · 4y



Jimmie Field Life as a parent, never changes even when kids are adults!

Like · Reply · 4y



Rebecca S. Proctor So True!!!!!!!!!!!!

Like · Reply · 4y



Susan Wolven It doesn't stop just there dear...

Like · Reply · 4y



Barbara Korn Oh, how true! How do we live through this?

Like · Reply · 4y

Facebook Recommendation



Kid's Arts



Facebook Recommendation

Fidi: 254 followers

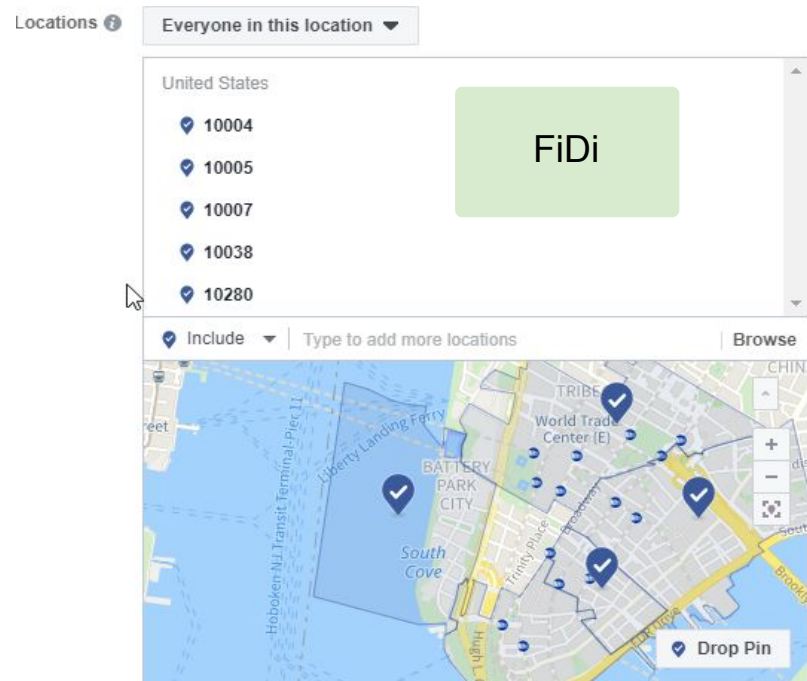
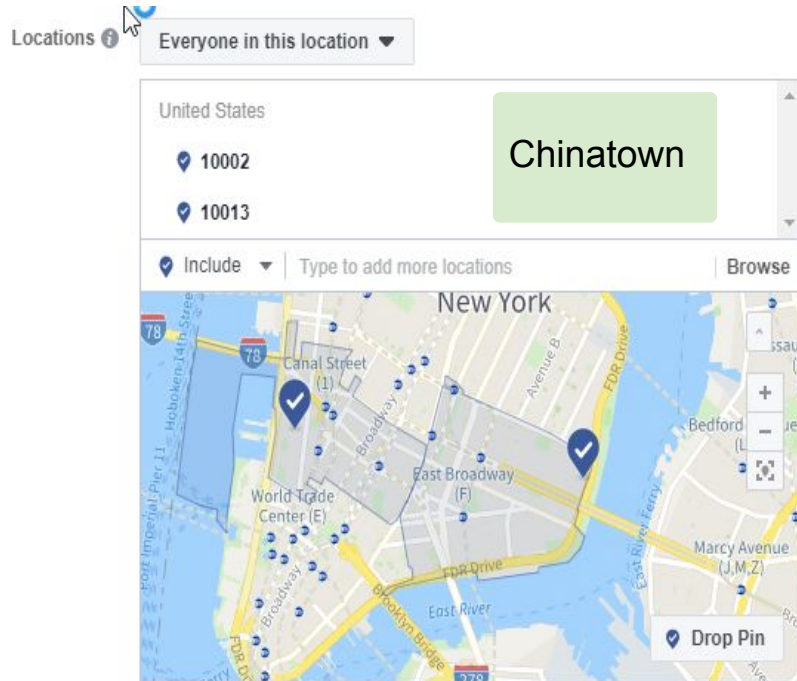
Franchisor: 55180 followers

- People usually follow the franchisor social media account instead of FiDi's own page



Facebook Recommendation

Geographically targeted facebook ads to reach the target market



Facebook Potential Audience in FiDi and Chinatown

Key Demographics You Can Select

- Parents with Preschoolers (3-5) and Parents with Toddlers (1-2)
- Income: \$50,000-\$74,999, \$75,000-\$99,999, \$100,000-\$124,999, \$125,000-\$149,999
- Household composition: New parents, Working women
- Moms: Big-city moms, Corporate mom
- Relationship status: Married, Separated
- Additional interest: Gymboree, Kiddie Academy, Kidville, The Little Gym, Children's clothing

Budget Guidelines:

- Spend 5% of revenue on advertising (not all FB)
- Start with \$50 or less a day to test ads
- Scale based on how well they perform

Languages:

English (All) & Chinese (All)



Lead-generation and Customer Development Plan

Part 1 Mom-to-Mom Referral Program

Moms want “convenience,” “local” and “safe” for their child

When moms mention who referred them, the referee earns “Extra hours Care” which is babysitting service or other add-on service

Recommend about of 5-10% of CLV as a reward.



Customer Lifetime Value Formula

(Annual revenue contribution per customer * average number of years customer remain) – CAC = Customer Lifetime Value



The information we need:

- Initial cost of customer acquisition
- Annual revenue contribution per customer
- Average customer retention rate



- Goals:
- identify high value customers
 - increase repurchase rate by providing customized information
 - provide tailored services based on customers' contribution
 - allocate resources appropriately

Customer Lifetime Value Formula

Calculating the customer retention rate
Using Active and Expired Member Data 373 records

	2015	2016	2017
New member counts	141	126	106
Expired members	70	78	44
Churn Rate	50%	62%	42%
Retention Rate	50%	38%	58%

The average retention rate: 48.6%

CLV Formula Using “Moderate” Value Segment

Moderate Value customer
(count: 95)

CLV for Segment 4		
Average Acquisition Cost	\$ 1,000	
Average Customer Revenue	\$ 4,284	
Customer Retention Rate	48%	
Customer Churn Rate	52%	1-Retention Rate
Average Lifetime in year	1.9	1/Churn Rate
Simple CLV	\$ 7,238	(Revenue x years) - CAC

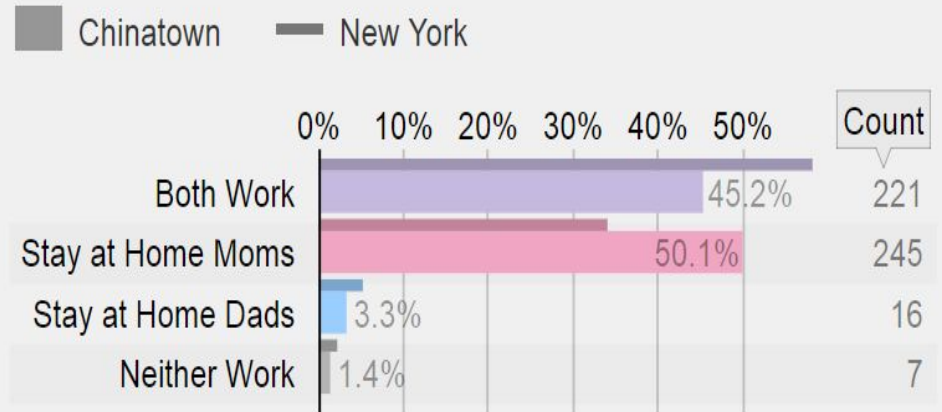
Part 2 Customer Development in Chinatown: Demographics

- Population: 9.66k
- **50.1%** of HH have **moms** stay at home
- Household income in Chinatown is **lower** than average in New York City
- In 3-4 year-old range, **more girls** than boys enrolled in schools.

Employment among the Married With Children #9

Selected employment arrangements as a percentage of married couples with children under 18 present in the house.

Scope: households in New York and Chinatown



Source: <https://statisticalatlas.com/neighborhood/New-York/New-York/Chinatown/Age-and-Sex>

Recommendations for Targeting Chinatown



Language use:

- English
- Mandarin (For people from mainland China)
- Cantonese (For people from Hong Kong)



Promotion:

- Adapt the mom-to-mom network
- Use both Chinese and English marketing communication with Asian children faces
- Sponsor Chinatown events



Posters for Targeting Chinatown



Kidville
Happy Kids. Happy Families.

KIDVILLE
快乐学习 幸福成长

生日聚会 学前教育 美发沙龙
地址: 40 Gold St, New York,
NY 10038

KIDVILLE

美国
连锁
早教
品牌



音乐, 艺术, 跳舞, 早教, 生日派对。(适合: 0-6岁)

KIDVILLE 地址: 40 Gold St, New York, NY 10038

音乐, 艺术, 跳舞, 早教, 生日派对。
(适合: 0-6岁)

**孩子放在
KIDVILLE
我放心**

地址: 40 Gold ST, New York, NY 10038



[HTTP://WWW.KIDVILLE.COM/FIDI](http://www.kidville.com/fidi)

Part 3 Advertising



Outdoor advertising on digital screen, billboard, and transportation



Advertising around Kidville FiDi store, including posters, sidewalk chalkboard and banners

Outdoor Advertising -- Digital Screen and Billboard



LinkNYC

\$35K minimum investment



Billboard

\$300-\$5,000
Average per Ad / Month

Digital Billboard

\$2,500-\$8,000
Average per Ad / Month

Outdoor Advertising -- Transportation



Bus ads

Small & medium size market:
\$150 - \$600 per Ad / Month

High-income areas:
\$3,000 to \$6,500 for per Ad / Month

Subway ads (2005)

Static subway-entrance ads: \$3,000

Subway platform: \$40,000 to at 200 stations

Subway cars: \$44,000 to cover 25% of a train's interior ad spaces



Nearby Advertising -- Chalkboard

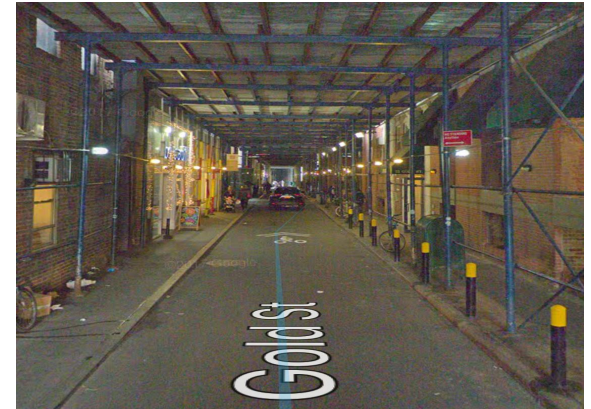


Contents can be:

- Today's class schedule
- Today's special events
- Birthday party directions
- Social Media account links:
Facebook: Kidville Fidi
Instagram: Kidville Fidi
- Salon prices

Display

Use Illuminated Erasable LED Writing Board.



Nearby Advertising -- Poster and Banner



*Welcome to
Kidville*


Kidville FiDi: 40 Gold St, New York, NY 10038



Statement of Work Recap

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- **Data analysis for RFM and STP**
- **CRM System simulation**
- **Social media analysis**
- **Lead-generation and customer development plan special emphasis on Chinatown.**
- ✓ Build brand awareness and generate word of mouth among target market Moms 25-34
- ✓ Create a mom-to-mom referral program





Thank you!
Any Questions?