

RAVING FANS CASE STUDY

Child Care Biz Help Opens a New Childcare Center in Watertown, Massachusetts

GREAT THINGS START WITH A DREAM

Early 2022, Katie Wang contacted Child Care Biz Help with a concept and a vision. Bringing a bilingual early learning and development center to Watertown is a dream come true for new school owner, Katie Wang.



Both Katie and her husband hold degrees in the arts, he in Chinese Opera and her in piano instruction and their goal is to share their expertise with the children in their care. Their vision included developing a center that focuses on childhood development while incorporating the arts and culture into the daily curriculum.



APPROACH

The project started with a complete renovation of what was a 3,280 square foot liquor store. The store was completely gutted and plans were developed to bring Katie's dreams to life.

In conjunction with the construction, the team at Child Care Biz Help worked diligently on the rest of the project:

Financials

forecasts, budgets, tuition pricing, wage structure

Licensing

state requirements, inspections, certifications, programs, training

Brand Development

name, values, vision, logo, colors, fonts

Program Development

philosophy, purpose, ages served, curriculum, classroom

Equipment

supplies, vendors, software, systems

Operations

policies, procedures, forms, checklists, handbooks

Sales and Marketing

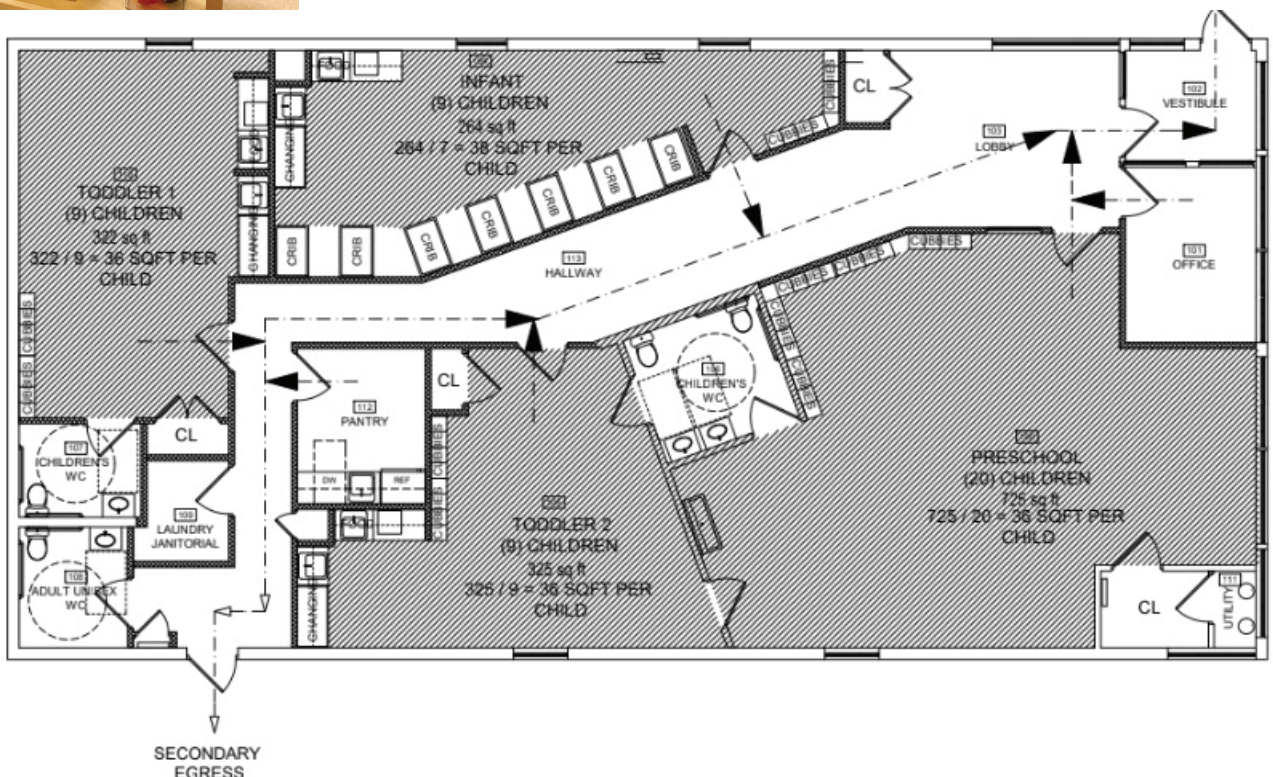
website, brochures, social media, ads, signage, lead tracking

Recruitment

job descriptions, director, teachers, ads, interviews, onboarding

Leadership

metrics, accountability, reporting, coaching, development



RESULTS

FINANCIALS

With limited space to work with, classroom layout and age groups are extremely tricky and very important. We analyzed the best use of the space to maximize age groups for maximum revenue and teacher/student comfort.

A competitive analysis was conducted to determine both tuition rates and employee wages. Armed with all these facts, along with years of peer industry data, a budget was created and a financial forecast for the next three years. This information is extremely useful for new start-ups so they can predict their cash flow state, especially during times when the school is not full.



LICENSING

Child Care Biz Help followed the Department of Early Education and Care's (EEC) licensing guidelines to prepare the owners for their first licensing visit in order to obtain the schools probationary child care license. The licensing portal was populated with all the necessary items including:

- Business documents
- Financial documents
- Health care information
- Handbooks
- Inspection records
- Program policies/procedures/plans
- Space sketches
- Staff records

A BRAND THAT A LEGACY CAN BE BUILT UPON.

After much careful thought about what kind of personality owners want for their schools, a brand is created. The brand intentionally inspires employees and customers to feel a certain way. From that, a name, logo, font and color scheme is created that accurately depicts this feeling.

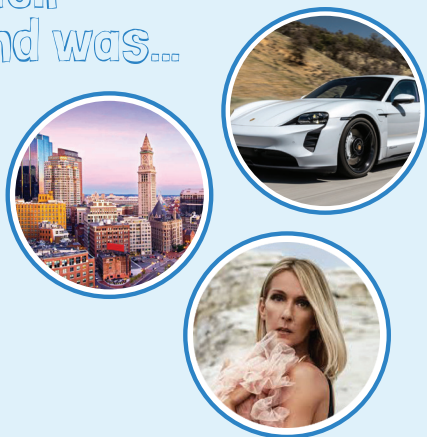
For Pathway Early Learning, they wanted a very simple and comfortable look without a cartoon type feel.

Chinese culture places high value on education and the assurance of a clear pathway for their child.

Their mission for the school is to fully develop children's potential and enrich lives in a loving, comfortable and creative environment.

Core values are: Trustworthy, Creative, Warm, Unique, Friendly

If their
brand was...



A car it would be: A Porsche - because it is both beautiful on the outside and is technologically superior and comfortable on the inside. It has been very professionally designed.

A place it would be: Tianjin China or Boston - Cities that are both exciting, business oriented, vibrant and culturally advanced.

A famous person it would be: Celine Dion - so beautiful, professional and a master at what she does.

Other words that represent the Pathway Early Learning Brand:

- Modern
- Intellectual
- Serious
- Premium
- Dog
- Artsy
- Young
- Playful
- Small

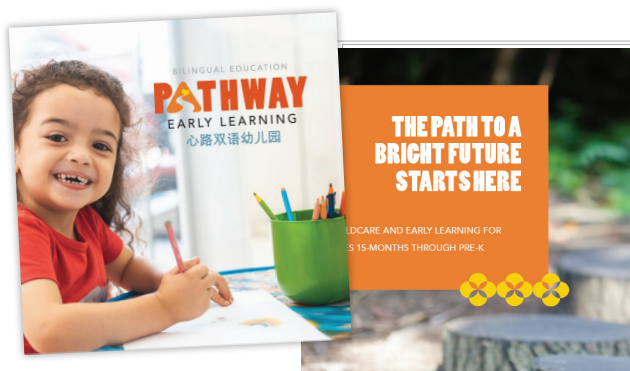
From this we developed the name along with several different logo styles. **The final logo and brand guide is:**

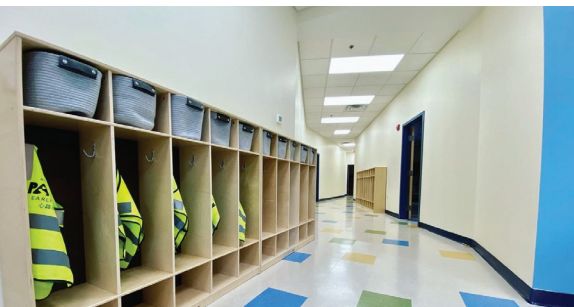
PROGRAM DEVELOPMENT

The next step was to define the type of program Pathway Early Learning would be. Part of this process is simply what the owner envisions but we also look at the competition and what is already present in the area. For instance, if all the competition is Montessori based, maybe going a different route would gain you new market share.

For Pathway Early Learning it was important to be play-based, with afternoons of Chinese immersion and a focus on the arts. The curriculum is written by the owner with beautiful, easy to use lesson plans for the teaching staff.

BILINGUAL EDUCATION
PATHWAY
EARLY LEARNING
心路双语幼儿园





EQUIPMENT

The fun part of the process is getting ready to furnish the school and prepare the classrooms. Additionally many systems have to be determined and implemented such as the lead management system, child care billing system, parent communication app, and cameras to name a few.

Child Care Biz Help provides recommendations and introductions to all vendors required to fully equip your new child care center.

OPERATIONS

To establish a solid foundation for your daycare the development of an operations manual along with various forms and checklists are a must. The Child Care Biz Help team created an internal operational manual for the team to follow including an administration playbook designed to help leadership run a healthy and profitable school.

All policies, forms, and checklists are owned by the school and completely editable so as they evolve and grow, they can change their own forms without fancy software programs.

SALES AND MARKETING

To ensure quick success in filling a school and hiring staff, Child Care Biz Help develops a well-rounded marketing strategy and helps the daycare center implement it. A six month marketing plan is prepared, a website is designed and developed, program guides, flyers, and social media posts are all designed, printed, and posted to get the buzz going about the long awaited opening. Templates are created and the staff are trained on how to keep the materials up to date as promotions and events change.

All marketing pieces including the website are done in-house by the Child Care Biz Help team. Leadership is trained on how to manage enrollment leads including a proprietary tracking system. Pathway had over twenty families on their waitlist ready for the school to open.



RECRUITMENT

Hiring is critical to establishing the culture of a new school. Job descriptions were created, ads were written, a career page on the website was developed and interview questions finalized. The Center Director position was the first position to hire. Pathway Early Learning was able to hire an exceptional director to help us to the finish line and get our doors open. All new employees are taken through an onboarding training program designed to set them up for success in their classroom.

LEADERSHIP

Schools that have clear expectations and accountability are often the most successful. Pathway Early Learning established metrics of profitability and growth for the director. Performancing coaching and one-on-one structures were also put in place. All these are necessary for owners to keep on a pulse on their school especially if they are not onsite employees.

CONCLUSION

The Pathway Early Learning project took around eight months to complete.

Here are some facts about the project:



Owner Experience: Prior teacher experience with limited knowledge about running a child care center



License Capacity:
45
children

Renovation Costs:
Hard construction costs about \$450,000 with about \$30,000 in soft costs.

\$1,336,000

Projected Annual Revenue

Profit Margin:
18%

\$244,000

Projected Annual Profit

Childcare Management System/Parent App: Brightwheel

Classroom Setup Costs: \$27,675 (~\$615 per child)



Lead Management System: Child Care Biz Help, Toy Box

Director Costs:
\$80,000

Recruitment Fees to Hire Initial Staff:
\$2,400



Pre-Launch Marketing Dollars:
\$5,000

20
Enrollment Inquiries Before Open

Children Enrolled Day One
FIVE

FRANCHISE MODEL VS CONSULTING MODEL

The alternative to partnering with a company like Child Care Biz Help would be to franchise. Franchisees purchase the right to use a well-known brand name and business resources, and the brand helps them get started and remain successful. Daycare franchise cost estimates vary widely by location, size, and whether you're leasing or buying a location. Most opportunities range from about \$300,000 to \$5 million, with an average cost of around \$500,000. The initial franchise fee usually falls between \$30,000 and \$50,000, and many charge about a 5 percent royalty fee.

Child Care Biz Help provides most of the same services as a franchise with so many added benefits

- ✓ Low consulting investment fee
- ✓ \$0 ZERO royalties
- ✓ A brand and reputation YOU own

This example represents an existing building renovation for a 3,500 sq ft facility



Upfront Fees

	FRANCHISE OPTION	CHILD CARE BIZ HELP
Initial Fee	\$75,000	\$54,000
Franchise Fee	\$500,000	ZERO

Common Expenditures

Building improvements, landscaping and playground	\$780,000	\$480,000
Architectural/Legal	\$125,000	\$75,000
Opening FF&E	\$60,000	\$30,000
Opening Inventory & Supplies	\$27,675	\$27,675
Recruitment Fees	\$2,000	\$2,000
Director Year One Salary	\$80,000	\$80,000
Pre-Open Marketing	\$35,000	\$15,000
Operating Capital - 3 months	\$75,000	\$75,000
Business Licenses	\$2,000	\$2,000
Total Estimated Initial	\$1,761,675	\$840,675

Income

Estimated Revenue per Year	\$1,336,000	\$1,336,000
Estimated Royalties Paid per Year	\$93,520	ZERO
Adjusted Gross Revenue	\$1,242,480	\$1,336,00

JOIN A GROWING INDUSTRY

12.5 MILLION

Every week, roughly 12.5 million American children attend child care.

70% OF MOMS

Approximately 70% of mothers with children under 18 work outside of the home.



\$73.8
BILLION

Revenue for the child care industry is projected to reach \$73.8 billion by 2027.

\$54.3 BILLION

Value of the childcare industry in 2019



SINCE 2002

For almost 30 years, Caroline has been leading the way in this fast growing industry

3.9%

Projected annual industry growth rate from 2020 to 2027.

ABOUT CHILD CARE BIZ HELP

Child Care Biz Help is the child care industry's premier consulting firm, offering a variety of customized, holistic solutions to help its partners run a more successful business. With a team comprised entirely of individuals with child care backgrounds, Child Care Biz Help has the experience and expertise to provide solutions and insights that cannot be found anywhere else in the child care industry.

childcarebizhelp.com

262-804-0339

Child Care™
Biz Help

+



STRATEGIC DECISIONS

x



RECRUITMENT TOOLS



SOCIAL MEDIA
MANAGEMENT



MARKETING
ANALYTICS



PROSPECT
ENGAGEMENT