

Public, Private and Charter School Industry Update:

Growing Marketplace

In fall 2009, approximately 49.8 million students were expected to attend public elementary and secondary schools, while 5.8 million students were heading to private schools.

Approximately 3.3 million high school diplomas were expected to be given in the 2009-10 school year, of which approximately 91% will be given by public schools. [Statistical Abstract of the United States: 2010. U.S. Census Bureau.]

Public Schools

During the 2008-09 school year, regular public schools accounted for 90% of all public schools, with the remaining 10% made up of alternative, special education and vocational schools. Approximately 71% of public schools were elementary, while 24% were secondary and 5% were combined. Overall, there were 94,012 public schools, and enrollment totaled 47.6 million. [Source: "The Condition of Education 2011 (NCES 2011-033)." National Center for Education Statistics, Institute of Education Sciences, U.S. Department of Education. Washington, DC, n.d. Web. 17 Jun. 2011.]

The following is the percentage distribution of the race/ethnicity of public school students enrolled in prekindergarten through 12th grade during the 2009-10 school year:

- White - 54.8%
- Black - 15.3%
- Hispanic - 22.3%
- Asian/Pacific Islander - 3.7%
- Native American/Alaska Native - 0.3%
- Two or more races - 2.7%

Note that in 2009, approximately 21% of children ages 5–17 (or 11.2 million) spoke a language other than English at home, and 5% (or 2.7 million) spoke English with difficulty. Seventy-three percent of those who spoke English with difficulty spoke Spanish. [Source: "The Condition of Education 2011 (NCES 2011-033)." National Center for Education Statistics, Institute of Education Sciences, U.S. Department of Education. Washington, DC, n.d. Web. 17 Jun. 2011.]

By location, public schools were distributed as follows in 2009-09:

- City - 26.0%
- Suburban - 28.0%
- Town - 14.0%
- Rural - 32.0%

The South has been the region with the largest share of public school enrollment since 1970–71, and the expected distribution of public school enrollment by region is expected to be as follows in 2020-21:

- Northeast - 15%
- Midwest - 21%
- South - 39%
- West - 26%



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From the 2008-09 school year through 2020-21, public school enrollment in grades preK-8 is predicted to increase 9% (from 49.3 to 52.7 million students), compared to a 2% increase for grades 9-12. Specifically, for grades preK-8, enrollment will increase by more than 30% in Alaska and Nevada, but decrease by more than 7% in West Virginia. [Source: "The Condition of Education 2011 (NCES 2011-033)." National Center for Education Statistics, Institute of Education Sciences, U.S. Department of Education. Washington, DC., n.d. Web. . 17 Jun. 2011.]

Public Charter Schools

During the 2008-09 school year, there were 4,694 public charter schools. Enrollment totaled 1.4 million students. [Source: "The Condition of Education 2011 (NCES 2011-033)." National Center for Education Statistics, Institute of Education Sciences, U.S. Department of Education. Washington, DC., n.d. Web. 17 Jun. 2011.]

Distribution by type was as follows:

- Elementary - 54.4%
- Secondary - 26.8%
- Combined - 18.8%

Between the 1999-00 and 2008-09 school years, enrollment in public charter schools increased from 340,000 to 1.4 million students. During the 2008-09 school year, approximately 30% of charter schools had fewer than 300 students.

Also during that school year, seven states and the District of Columbia enrolled five or more percent of public school students in public charter schools. The states included Arizona, Colorado, California, Utah, Delaware, Michigan, and Ohio. Note that the District of Columbia enrolled the highest percentage of public school students in charter schools (35%, or 24,000 students).

By student demographics, public charter school enrollment was distributed as follows: [Source: "The Condition of Education 2011 (NCES 2011-033)." National Center for Education Statistics, Institute of Education Sciences, U.S. Department of Education. Washington, DC., n.d. Web. 17 Jun. 2011.]

- Male - 49.6%
- Female - 50.4%
- White - 37.9%
- Black - 31.0%
- Hispanic - 25.1%
- Asian/Pacific Islander - 3.8%
- American Indian/Alaska Native - 1.1%

By location, public charter schools were distributed as follows in 2008-09:

- City - 55.1%
- Suburban - 21.0%
- Town - 7.8%
- Rural - 16.1%

Private Schools

During the 2009-10 school year, pre-K to 12 enrollment at private schools totaled 5.5 million students, down slightly from 5.9 million in the previous school year. Catholic schools accounted for approximately 39% of enrollment, while "other religious" schools accounted for 37.8% and non-sectarian for 22.8 percent. [Source: U.S. Department of Education, National Center for Education Statistics, Private School Universe Survey (PSS), various years, 1995-96 through 2009-10.]

About 10% of all elementary and secondary school students were in private schools in 2009-10.

The percentage distribution of private school enrollments by race/ethnicity during school year 2009-10 were as follows:

- White - 72.6%
- Black - 9.2%
- Hispanic - 9.4%
- Asian/Pacific Islander - 5.7%
- Two or more races - 2.6%

Enrollment in private schools was highest in the South and Northeast. [Source: "The Condition of Education 2011 (NCES 2011-033)." National Center for Education Statistics, Institute of Education Sciences, U.S. Department of Education. Washington, DC, n.d. Web. 17 Jun. 2011.]

Consumers typically choose to send their children to private schools due to the small class sizes, individualized attention, sense of community, and depending on the school, religious affiliation. [Source: Costello, Diana. "Parents Still Paying Up For Private Schools." The Journal News. 7 May 2009.]

Graduation Rates

The nation's graduation rate was 71.7% for the class of 2008 [the latest year for which data is available], the highest level of high school completion in more than two decades. The nation's public schools will generate about 145,000 fewer dropouts than the previous year, and up 6% from 1998. [Source: Sellers, Kacy. National Graduation Rate Rebounds; 1.2 Million Students Still Fail to Earn Diplomas. EPE Research Center. Editorial Projects in Education. 7 Jun. 2011. Web. 29 Jun. 2011.]

Annual Ad Budgets

Approximately 9.8% of retail sales - for educational services. [Source: "Advertising to Sales Ratios 2010." Schonfeld & Associates, 23 Jun. 2010. Web. 3 Nov. 2010.]

This amounts to an estimated ad budget of \$173,942 per location for average size elementary and secondary schools in the state of Ohio. To be average in this market, elementary and secondary schools need to spend at \$4,503 per employee on advertising every year. [Source: 2011 EASI/Ad-ology Annual Receipts Analysis based the latest reported data from the IRS, US Bureau of Economic Analysis, and the US Census Bureau.]

Geography

Most customers are drawn from a 10 mile radius. Day schools will draw students from a reasonable commute distance. [Source: Shepstone Consulting Services]

Families may opt to send their children to a specific school because of academic programs, after-school activities, pre-college courses, low student teacher ratios, tuition discounts, reputation, philosophy or location. [Source: Ad-ology Research. 2011.]

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