2. ENROLLMENT ROI

DELIVERABLES

- ✓ *JCamp 180's Enrollment ROI Analysis Model: A tool to quantify exactly how investments in recruitment, retention, or both have disproportionate impacts on population and revenue.*
- ✓ *Fluency in the concepts needed to generate data required by the model and apply the results.*

A. ENROLLMENT ROI MODEL OVERVIEW

Recruiting or retaining even a single camper has a financial impact, and a longer-term impact on enrollment, that far exceeds what most people assume. Even in the context of reduced revenue and the uncertainty associated with Covid-19, being able to quantify this impact can be eye opening, and can help justify new investment in enrollment to board members, donors, and others. JCamp180 has developed a model that helps a camp track enrollment and retention (baseline), as well as project (and track) the impact of new investments designed to improve your camp's enrollment numbers.

Before using the tool, it is important to point out what this tool does not do. It does not tell you how to invest your new enrollment and retention dollars.The rest of this curriculum will lead you through that planning process.And it does not tell you how many campers will initially result from your investment—only the financial implications and the longer-term impact on enrollment.

ROI Model Summary	(Sample numbers)
Tuition for one additional camper for one session (2 weeks)	**2,300**
Subtract incremental expenses	375
Multiply by average sessions per summer	1.2
Multiply by average number of years camper comes to camp	2.7
Net direct lifecycle income for one camper	**8,667**
Plus net *referral* lifecycle net income (referral rate of 1.0)	8,667
Total net income	**17,334**
Initial investment to recruit one camper	5,000
Return on investment	**347%**

Total net income x 12 new campers recruited	156,006
Cost of new 12-camper cabin	100,000

B. HOW TO COLLECT DATA AND ENTER IT INTO TOOL

ENROLLMENT RETURN ON INVESTMENT (ROI) WORKSHEET

Understanding your return on enrollment investments will help you determine how much to spend on marketing and retention efforts. Often camps underestimate their ROI, and therefore under-invest in recruitment and retention efforts. Below is a simple method to estimate return on investment in enrollment. Make sure to adapt assumptions and numbers to your camp.

Issue to Address	Illustrative Response	Your Camp's Answer
1.What is your camp's tuition for a session?	(A) $3,500	
2.What percentage of tuition is paid, on average, after taking into account financial aid, early bird, sibling and other discounts? What is the net tuition? (A) – (B)	(B) 20% or $700 $2,800 ($3,500-$700)	
3.What, on average, are your camp's out of pocket costs for say a new camper for a session?	Food - $350 Arts and crafts - $50 Other supplies - $100 Transportation - $100 Other - $200 (D) Total - $800	

Issue to Address	Illustrative Response	Your Camp's Answer
4.What are average counselor costs per camper for a session? Assume, conservatively • 2 counselors at $600 per session for salary totaling $1,200 and $500 for each for food and other expenses for $1,000 or $2,200 for 10 new campers or $220 per new camper • 1 specialist at $1,800/session for salary and $600 for expenses per 30 campers or *$80* per new camper • kitchen, maintenance, senior management, admin and other staff at $3,000/30 campers per summer or $50/session and $50 for expenses for *$100* per camper • total of $400 per new camper. You may wish to adjust upwards or downwards to reflect that staff expenses would not be incurred for small increases	(E) $400	
5.Assume the worst case that an extra cabin is required at $100,000/10 campers or $10,000/camper and is financed at 6% or $600 per year or $60/camper or $30/session plus $20/camper/session for maintenance. (Assumes fundraising will raise principal)	(F) $50	
6. Conservatively assume financing of other capital expenditures (e.g., septic system, bathrooms) per camper. Adjust as you see fit. (Assumes fundraising will ultimately raise principal)	(G) $50	
7.What are total costs per camper per session? (D)+(E)+(F)+(G)+(H) = (F)	(F) = $800+$400+$50+$50 = $1,300	
8.What is net income per camper/session (B)- (F) = (G)	$2,800-$1,300 = $1,500	
9.What is your camp's average retention rate	78%	
10.What is your average number of camper years? As a rule of thumb, for 70% retention, assign 3 and for every percentage increase add .1% so that 75% would be 3.5 and 80% would be 4	(H) 78% = 3+.8 = 3.8	
11.What is your life cycle net income per camper. Multiply Row 4 x Row 6. This is quite conservative and doesn't account for campers shifting to the full summer over time.	(I) $1,500 x 3.8 = $5,700	

Issue to Address	Illustrative Response	Your Camp's Answer
12.What is the average number of session referrals per new/retained camper. This could be siblings, family members, friends. Conservatively, assume slightly more than 1. This does not take into account referred campers shifting to the full summer.	(J) 1.2	
13.What is net income from referrals (Row 8 x Row 7) (I) x (J) = (K)	(K) = 6,840	
14.What is total net life cycle income expected per additional new/retained camper per session.This includes the camper (I) plus any referrals (J) (I) + (K) = (L). *Remember this is only a per session calculation not for the entire summer.*	(L) $5,700+$6,840 = **$12,540**	
15. In otherwords, even if you invested less than half this amount – say $5,000, it would make economic sense if the result was a new camper.		
16. How many new campers would a $20,000 investment require for break-even? Note: The cash flow would come in over time. For example, in Year 1 costs would say be $20,000 and return (say) 5 campers at $1,300/ camper or $6,500. In Year 2, there would be no further costs for this revenue stream and further revenue of say $5,000 assuming some attrition. Say in Year 3 ,there would be a bit more attrition, on average, of say $4,000 but referred campers amounting to $5,000 for $9,000. So cash break-even would be three years. And there would be an additional $9,000 a year for the next several years – all stemming from the original investment of $20,000.	$20,000/(L) = $20,000/$12,540 = about 1.6 campers	

Issue to Address	Illustrative Response	Your Camp's Answer
17. What are the obstacles to using this analysis to increase your investment 1- I don't believe it. 2- We need to understand the analysis more, apply it more rigorously. 3- The parameters don't apply to our camp. There really isn't a good return on investment. 4- We don't have the cash to finance the first year where we have more costs than income. 5- We aren't sure how to invest the dollars. (e.g., programming, marketing, recruitment etc.) 6- We don't have enough time to focus on this. 7- No obstacles – We are ready to study this more and act if the numbers are as they seem.		
18. How can you deal with these obstacles? What are the next steps?		