

EFFICIENCY ESTIMATION OF CHILD EDUCATION CENTER'S PROMOTION

Amount of private education centers for children have been increased dramatically (more than 3 times) during last 4 years, and such tendency expected in the future. Analysis of this market shows, that mainly this garden opened in Kyiv, however other big cities will be a profitable markets also.

Analysis of competitors' forces shows, that main factor of influence is customers, that is why it is really important and useful to use marketing communication. In this case, main indexes of marketing activities will be indexes of efficiency of promotion and exactly efficiency of marketing communication. Successful marketing communication lead customers to the purchase, so transform communication to money.

Efficiency of marketing communication determine influence of marketing message on target audience, and let to understand effective message transmit to the target audience necessary information and create a desirable brand perception for a company. For our center, we would like to conduct a survey to find out this index.

Estimation of efficiency of the service should take into account both communication and economy effect together. Because to increase economic effect we should increase marketing communication activity. To determine sales growth we have to use following formula:

$$\text{Sales Growth} = (\text{Promotion investments} \times (1 + \text{Profitability threshold}) / \text{Margin profitability})$$

This formula let us to estimate whether the spending on promotion is effective or not. In other words, whether promotion bring us some money or not. However, main problem is to determine efficiency of communication program correctly.

It is challenging to determine exact effect, because of various factors, which can influence our results, because communication is only one tools, which company use. Besides that, behavior of every single customer is unique, so effect can vary among different customers.