THE NAIS DEMOGRAPHIC CENTER
Metropolitan Area Reports

CBSA[1]: Cincinnati-Middletown, OH-KY-IN[2]

Metropolitan Area Reports summarize key demographic changes for a specific geographic region, suggest strategic considerations for schools given these changes, and offer resources that can assist schools in dealing with an ever-changing marketplace. For specific demographic reports for your geographic region, please visit the NAIS Demographic Center at www.nais.org/go/demographics.

Key Findings

Stagnant School Age Population

1. During 2000-2007, the metropolitan area of Cincinnati-Middletown reported a small decline in the number of households with children of school age from 281,581 to 279,078 (0.89 percent decrease). However, their numbers are expected to grow by 7.43 percent during the next five years, totaling 299,815 in 2012.
2. In contrast, the school-age population is expected to remain almost the same through 2012. After recording a growth rate of 6.93 percent during the period 2000-2007, the school population age 0 to 17 years is projected to rise slightly by 0.90 percent from 569,138 in 2007 to 574,243 in 2012.
3. By gender, the female school population is expected to grow by only 0.08 percent by the year 2012, from 274,458 to 274,290; while the male school population is predicted to grow by 1.65 percent, from 294,680 in 2007 to 299,553 in 2012.

Rising Numbers of Youngest Children

4. In absolute numbers, the largest group in 2007 was children between five and nine years old at 156,869; however, this is the only group that is projected to decline by 2.4 percent throughout 2012. By that year, the largest growth is expected in the number of children younger than five years old at 3.99, with this group becoming the largest in numbers at 162,736.
5. By age and gender, the only declines are projected in the number of girls age five to nine years, from 75,114 in 2007 to 72,111 in 2012 (a 4 percent decline), and boys in the same age group, from 81,755 in 2007 to 80,998 in 2012 (a 0.93 percent decline). In contrast, the largest growth rate is expected for boys younger than five years of age, from 42,521 in 2007 to 44,550 in 2012 (4.6 percent); followed by girls in the same age group from 75,817 in 2007 to 78,345 in 2012 (3.33 percent).

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[1] CBSAs are Core Based Statistical Areas, a new census geographic area stemming from the results of the Census 2000. CBSAs combine both Metropolitan Areas (formerly MSAs) and new Micropolitan Areas.
[2] This CBSA includes the following counties: Dearborn, IN 18029; Franklin, IN 18047; Ohio, IN 18115; Boone, KY 21015; Bracken, KY 21023; Campbell, KY 21037; Gallatin, KY 21077; Grant, KY 21081; Kenton, KY 21117; Pendleton, KY 21191; Brown, OH 39015; Butler, OH 39017; Clermont, OH 39025; Hamilton, OH 39061; and Warren, OH 39165.

6. Given the previous findings, the kindergarten population and the population in grades one to four are expected to see no change between 2007 and 2012, while nursery or preschool is expected to grow by 4.77 (from 42,521 in 2007 to 44,550 in 2012). When broken down by gender, the number of girls and boys attending nursery or preschool are projected to rise by 4.11 percent and 5.39 percent, respectively, during the period 2007-2012.

Minor Enrollment Increase in Private Schools

7. The population enrolled in private schools grew by more than 16 percent during the years 2000 to 2007; however, this growth rate is expected to diminish drastically reaching only 1.31 by the year 2012 (from 110,900 in 2007 to 112,351 in 2012). This decrease will be mainly due to the stagnant enrollment in private elementary and high school by 2012 (0.02 percent). Likewise, while total public school enrollment grew during 2000-2007 by close to 11 percent (in spite of the fall of public preprimary by 5.59 percent during the same period), it is projected to continue growing at a lower rate of 2.72 percent, between 2007 and 2012.
8. By gender, during the period 2007 to 2012, male preprimary enrollment in private schools is anticipated to grow by 6.4 percent (from 12,807 in 2007 to 13,627 in 2012); while the female preprimary enrollment is expected grow by 5.11 percent (from 12,035 in 2007 to 12,650 in 2012). Further, the anticipated male and female enrollment rates for elementary and high school are 0.84 percent and negative 0.86 percent, respectively.

Increasing Numbers of Minority Population

9. By race and ethnicity, the principal changes in the Cincinnati-Middletown area are the dwindling growth rates of the white population, while Hispanics, Asians, and 'Other[3] population,' have increased substantially during the years 2000-2007 at 66.83 percent, 32.62 percent, and 30.76 percent, respectively.
10. While the white population still represents around 85 percent of the total population, it is expected to grow at a slower pace, from 1,802,886 in 2007 to 1,837,529 in 2012 (1.92 percent). On the contrary, minority groups are predicted to continue increasing between 2007 and 2012, especially the Hispanic population, which is forecasted to grow from 37,756 in 2007 to 49,195 in 2012 (30.30 percent).

Considerable Growth of Affluent Families

11. The number of families with school age children and income of at least $100,000 a year is predicted to increase throughout 2012. In particular, families with children younger than five years old and income between $125,000 and $149,999 are expected to increase from 4,642 in 2007 to 8,161 in 2012 (75.81 percent), followed by families

[3] "Other race" includes all other responses not included in the "white," "black or African American," "American Indian and Alaska Native," "Asian," and "Native Hawaiian and Other Pacific Islander" race categories. Respondents providing write-in entries such as multiracial, mixed, interracial, or a Hispanic/Latino group (for example, Mexican, Puerto Rican, or Cuban) are included here.

in the same income level and with children between 10 and 13 years old, who are expected to increase from 3,815 in 2007 to 6,517 in 2012 (70.83 percent).

12. The number of African American households with income of at least $100,000 a year is projected to continue growing through 2012. In particular, households with an annual income between $125,000 and $149,999 are projected to record an increase of 69.74 percent, from 1,798 in 2007 to 3,052 in 2012. A similar trend is expected for Asian households with income of at least $100,000 a year. The highest growth rate is projected for Asian households with an annual income between $125,000 and $149,000 at 137.52 percent, from 637 in 2007 to 1,513 in 2012.
13. Although their numbers are not that large, 'Other households' with annual incomes of at least $100,000 a year are also predicted to more than double their numbers by 2012, especially those households with incomes between $100,000 and $124,999 a year, who are expected to more than quadruple their numbers, from 294 in 2007 to 1,312 in 2012 (346.26 percent).
14. Likewise, Hispanic households with annual incomes of at least $100,000 are forecasted to expand. For example, Hispanic families with annual income of $200,000 are projected to soar from 123 in 2007 to 293 in 2012 (138.21 percent).
15. In general, the number of households with home values of $500,000+ reported record growth numbers during the period 2000-2007. In particular, the number of households with homes valued between $750,000 and $999,999 increased by 1,149.18 percent during this period. A positive trend is projected to continue through 2012. For instance, the number of owner households with homes valued between $500,000 and $749,999 is expected to increase from 15,554 in 2007 to 43,697 in 2012 (180.94 percent).

Minor Increase of Population with Higher Education

16. The number of people older than 25 years of age who hold a college degree in this area increased by 13.22 percent, from 207,010 in 2000 to 234,375 in 2007. This number is expected to grow slightly by 2012 (5.10 percent increase). A similar pattern is observed for people older than 25 years old who hold graduate degrees. Their numbers increased from 112,094 in 2000 to 124,628 in 2007 (11.18 percent), and it is forecasted that their numbers will grow by 3.71 percent by the year 2012.

Strategic Considerations for Schools

Given the findings of this report, independent schools in the Cincinnati-Middletown metropolitan area need to consider what strategies they will implement now to ensure full classrooms in the years ahead. For example, this may mean further diversifying their enrollment in terms of gender, ethnicity, and income. Some of the questions that schools should consider are:

General Considerations

- Considering these demographic changes, on which areas does our school most need to focus?
- Have we benchmarked our school's admission statistics? How do they look in comparison to other schools in our community? Do we understand the strengths and weaknesses of our own numbers?
- How well do we know our market? Do we know who our competitors are (other independent schools, magnet schools, charter schools, Catholic schools, home schoolers, etc.)? How familiar are people in our community with our school mission and value proposition?
- If we have feeder schools, are we watching their enrollment changes to understand how our school could be impacted?

Responding to Stagnant School Age Population

- Does our school have a waiting list? Is the school working at maximum enrollment capacity already? What do our admission statistics look like (inquiries, applications, acceptances, enrollees)? Are there changes that need our attention?
- What are the demographic changes in the geographic areas from which we recruit students? Are the statistics more favorable in surrounding areas from which we have not traditionally recruited students? What would it take to attract this population?
- What percentage of all children would we need to attract to survive? Is that doable?
- Have we considered merging with another school? Should we consider going coed (for single-sex schools)? How will this affect our mission?
- How many students attending public schools can afford our school? Can we lure them away from the public system? How would we make our case?
- What is the typical profile of families in our school? Do we know why are they enrolling their children in our school?
- Can we work with the local businesses and the chamber of commerce to attract new families to the area?

Responding to Racial/Ethnic Changes

- Given the demographic changes, what percentage of students of color should the school aim for? How do our diversity numbers compare to those of this geographic region?
- What are the key characteristics that parents of color are looking for in a school? Does the school highlight these characteristics in its messages?
- What communication channels should the school use to reach out to the people of color in its community? Should the school include other languages in its communications with parents?
- Do we know why families of color who can afford our tuitions are not enrolling their children in our schools? Do we know where these families are located?

Responding to Household Income Changes

- Can we adjust pricing to attract more middle-class families? Can we increase financial aid or structure it to increase enrollment?
- Are middle-class families aware of all the options offered to pursue an education in our school (need-based financial aid, merit awards, tuition payment plans, and tuition loan programs)?
- Are our students' grandparents nearby? What percentage of students have their tuitions paid for by their grandparents? How can we involve grandparents in the life of the school?

Financial Considerations

- What financial planning do we need to do to help us weather the downturn?
- What are the best/most profitable fund-raising activities? Are there other opportunities for revenue enhancement (non-tuition options)?[4]
- Who are our best donors? What is their profile? Since we are dealing with different generations, do we understand how to attract them? Are they more responsive to mail or online solicitations?
- What types of causes are our donors more inclined to support? How should the school keep them informed about the use of charitable funds?

NAIS Resources that Can Help

1. **Trends** — To stay abreast of changing trends, in addition to the NAIS Demographic Center, school administrators can check the following websites: www.trendletter.com and/or www.hermangroup.com. Also, the *NAIS Opinion Leaders' Survey* (free to browse at www.nais.org or buy in bulk to share) identifies what demographic, social, economic, political, scientific, and technological trends opinion leaders in education, business, and the media believe will have the greatest impact on independent education in the future. This report also suggests actions that schools should consider now to successfully manage these important trends.

2. **Benchmarking** — To gather data and conduct benchmark analysis, schools can participate in the StatsOnline[5] annual survey (www.nais.org) that collects data on admissions, annual giving, financial aid, financial operations, salaries, schools, students, staff, and tuition. Available tools include:
    - ✓ Benchmarking tools to create custom groups and reports based upon any of the survey variables;

[4] The 2006 NAIS Non-Tuition Survey presents alternative sources of revenue different from tuitions, annual/capital giving, and investments that many schools have in place to achieve the balance between operating expenses and affordability. http://www.nais.org/resources/seriesdoc.cfm?ItemNumber=148270.

[5] StatsOnline is available to five key administrators at each participating school who are responsible for providing the statistical data each year. The five administrators include: head, business manager, director of admission, director of development, and director of financial aid.

- ✓ Financing Schools Calculator to project budgets based on various preferred and possible scenarios to see the impact on the "bottom line" of changes in some of the variables; and
- ✓ Executive Compensation Reports that you can provide to your board or compensation committee so they can either authorize or perform a comparative compensation study (of salary, other forms of compensation, and benefits) and create a documented "rebuttable presumption" of the reasonableness of the compensation (available only to heads and business managers).

3. **Market Research** — The report, *Marketing Independent Schools to Generation X and Minority Parents* (free to download at www.nais.org/go/advocacy), provides information on the factors that are relevant to families of color and Generation X parents when selecting schools for their children. It also gives specific advice on which messages to consider when reaching out to particular groups of families. In addition, the *NAIS Public Opinion Poll* (free to download at www.nais.org/go/advocacy) provides information on characteristics the American public associates with a quality education and their perceptions of independent schools. It also includes implications and recommendations for ways schools can communicate with constituents about the value of independent education.

4. **Advocacy and Marketing** — NAIS has created several resources to help you in communicating with important constituents like prospective students and families, prospective teachers, the media, and policymakers. They can help you explain the value of independent education and of your school:
   - ✓ *Values Added: The Lifelong Returns of an Independent School Education* (free to download at www.nais.org/go/advocacy).
   - ✓ Admission and Marketing Tools (brochures, ad templates, video clips, etc. at www.nais.org/advocacy).
   - ✓ *Communications Handbook* (free to download at www.nais.org/go/advocacy)
   - ✓ Parent Admission Brochure (view a sample as a pdf or purchase copies from the online bookstore at http://transact.nais.org/Purchase/SearchCatalog.aspx).