South West Region Organizers Conference

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'Marketing 101'

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We want more people to come to our dances and for there to be more dances for people to go to. We all work very hard to achieve this, but somehow it doesn't quite happen. In fact, in the U.S., 7x as many people own a ferret as go to contra or English Country dances. Why? What can we do about it?

We know that there are literally millions (and millions) of people out there who would enjoy our dances. If only we could get them to come! This session introduces a different way of thinking about how to attract new dancers and retain existing ones. It proposes that we should start adopting some business practices to help get our voice heard above the cacophony of other products which compete for the time and money of potential dancers.

Specifically, it suggests that we need to *market* our dances, much the same way businesses market their products. It makes clear that marketing is much more than advertising. Marketing requires us to think about what the needs and wants of our potential customers are, how we can fulfill them, and, making sure potential customers know and understand this. Finally we explore the Marketing Mix which provides a framework to think about our dance in marketing terms and guide our marketing.

INTRODUCTION

Whether we like it or not, our dance is out there competing with everything else for our customers' time and money. It is a *product*. We compete with movies, plays, concerts, other dance forms (eg salsa, jazz, swing, ballroom, CEROC, Irish, Scottish, Square dance), bars, the gym, speed dating, our kids, our partners, restaurants, work, DIY, TV, DVDs, to name just a few. We even compete with strippers (I once called a barn dance at a social club in the East End of London where the previous Saturday was a male stripper and the next Saturday was a female stripper).

Consider this. In 2012, an estimated 16 million adults aged 18 or older in the U.S. had at least one major depressive episode in the past year. That's about 7% of all U.S. adults. That's 16 million adults who could benefit from going to one of our dances. How many of them come? At a guess, close to zero. That's a market penetration of 0%. <u>What are we waiting for</u>?

Consider this. More than one-third (34.9% or 78.6 million) of U.S. adults are obese. The estimated annual medical cost of obesity in the U.S. is around \$150bn. That's 79 million adults who could benefit from going to one of our dances. Maybe we could get insurance companies to pay – it would be cheaper than current remedies. How many of them come? At a guess close to zero. That's a market penetration of 0%. <u>What are we waiting for</u>?

Consider this. Census data show the U.S. adult population is about 239m. Searching the web I can find around 300 contra dances, 150 English Country Dances and 1000 MWSD clubs. My generous guess is that less than 100,000 people go to these dances, less than 50,000 if we ignore MWSD. Did you know that over 700,000 people in the U.S. own a ferret? That means there are 7x as many people in the USA who own a ferret compared to the number of people who go to our dances! Its also a market penetration of only 0.04%. <u>What are we waiting for</u>?

We might also note that our dancers are probably some of the most inclusive and openminded people there are. As a caller who has called or danced in 17 states, my experience is that the overwhelming majority of our dancers come from the 'white' segment of U.S. adults. There's a huge, untapped 'ethnic' market out there. <u>What are</u> <u>we waiting for</u>?

Even though our motivation is different and we are not looking to maximize profits, I believe that if we want more people to come to our dances then we need to look to using some of the techniques businesses use to promote their products.

The objective of this session, therefore, is to introduce a different way of thinking about how you attract people to your dance. In particular, I suggest that organizers seeking to attract more people to their dances might be more successful if they 'marketed' rather than 'advertised' their dance.

NOTE: It is common for people to think that the words 'marketing' and 'advertising' are interchangeable. This may be true in common usage but advertising is really a subset of marketing.

WHAT IS MARKETING?

DEFINITIONS

There are lots of definitions of marketing, eg:

Kotler (1976)	satisfying needs and wants
Kotler (1991)	individuals/groups get what they want/need
Chartered Institute of Management	anticipating and satisfying customer requirements

What they tend to have in common is that Marketing is a process for determining the needs and wants of consumers (your dancers) and delivering the products (your dance) that satisfy those needs and wants.

NOTE: Your dance is <u>expected to meet the needs and wants of the dancers</u> (current and/or future). The <u>dancers are not expected to like the dance just because you have gone to the</u> <u>effort of putting it on</u>. For example, you love Old Time Music (substitute any other genre you want), but it turns out that most of your potential customers don't. You keep booking Old Time Bands. What do you think happens?

FEATURES

What is 'Marketing'?

- It is a **tool** to help organizations use limited resources more effectively
- It is seeing things from the **customer's point of view** "the customer is king"
- It is developing a long term relationship with customers
- It is definitely not the same as advertising (but it does involve advertising)
- It is customer-centered (outward looking), not product-centered (inwardly focused)

CUSTOMER-CENTERED

The organization makes every effort to sense, serve and satisfy the needs and wants of its clients and the public within the constraints of budget. Marketing is used to identify which groups of customers it wants to do business with and in which markets. Marketing is not just used to promote and sell the product but also to analyze and understand the marketplace so that distinct groups of customers can be identified with their distinct set of needs.

PRODUCT-CENTERED

The organization believes that the qualities of the product are enough to ensure success in the market. This leads to an attitude that the offering is inherently desirable and any lack of success is because of customer ignorance. There is only a minor role for market research and marketing is concerned solely with promoting and selling the product.

VISION/MISSION

Another useful 'business' tool is vision/mission statements and we have already discussed these this morning. These are independent of marketing, but they are an important input into your marketing and your marketing will be less successful and more haphazard without them.

EXAMPLE: Your vision statement includes the desire to provide dances that are suitable for all levels of dancer and your mission statement includes running 'advanced' dances on the 5th Friday of the month. You receive a request from a local organization to bring 40 brand-new dancers to your next 5th Friday dance (you usually have about 30 dancers attend these dances). The money would be very welcome. What should you do?

- first of all, turn the new dancers down (it is not compatible with your mission)
- second, review your marketing if the marketing was good they would know that the 5th
 Friday was unsuitable and would not have asked
- third, be driven by your vision and work on encouraging them to come on a different Friday, e.g. consider promotions, consider offering them an introductory session at one of their own meetings, encourage their leaders to visit your dance (free) etc.

EXAMPLE: There is very little contra dancing in your state and none in your county at all. You and your wife have therefore started a new dance series. Your vision statement includes the desire to be the largest contra dance in your state. Your mission statement recognizes that contra dancing is difficult for new dancers, and you plan to only run family dances for the first two years, slowly introducing contra dances once you have a suitable pool of dancers. Half way through the first year, following re-location, two experienced East-coast contra dancers start coming to your club. They encourage you to move to contra straight away. What should you do?

- ignore them, their suggestion is inconsistent with your mission
- accept that they may set up in competition which may hurt you a little in the short-term but understand that they are likely to fail whereas you are likely to succeed.

ADVICE: Have a vision and mission statement and use them to guide your marketing decisions.

NEEDS AND WANTS

We have talked (above) about the necessity of meeting the needs and wants of current and potential dancers. A **need** is a consumer's desire for a product or service's specific benefit, whether that be functional or emotional (e.g. to be loved, or to have food). A **want** is the desire for products or services that are not necessary, but which consumers wish for (e.g. a holiday, or a new car). 'Wants' are good but 'needs' are even more powerful. [Definitions from <u>https://www.boundless.com</u>]

It is also worth remembering the needs and wants that your dance meets:

- Health needs like weight loss through exercise, reducing depression
- Social needs like meeting people, dating, countering loneliness
- Opportunity to hear live music
- Provides a caring, welcoming community
- Does not require you to have a partner or any special skills
- Provides a non-discriminatory environment
- (Usually) alcohol and smoke free

KNOWING YOUR CUSTOMERS

To understand the market you must first understand your customers – the dancers. Information can be gained by formal surveys, suggestion boxes, feedback forms etc. All these can be paper or webbased and hopefully David Wiley in Marketing 102 will provide more details on this. The information you obtain will help convert uncertainty into quantifiable risk, monitor performance, and guide future decisions.

Do you know:

- what your dancers think makes a good/bad dance
- what your dancers thought about the band and caller
- think about your snacks (or lack of)
- whether your attendance will significantly diminish on religious holidays
- whether your attendance will significantly diminish out of college term time
- whether your dancers would like the dance to start/end earlier or later
- how your dancers feel about raising admission prices for national/touring bands and callers
- how your dancers feel about the number of new dancers
- why your new dancers don't come back
- why some dances have better attendance than others
- whether your dancers want a shorter/longer break
- why your dancers come to the dance (ie what needs and wants it is fulfilling)
- who potential volunteers and board members are
- whether your dancers can and would like to receive reminders by text

Not knowing is a bit like trying to drive a car with a blindfold on!

MAKING CHOICES

You market your dance in the hope that customers will decide to come. For existing dancers, who know what it is all about your emphasis is on making them want to come regularly rather than do something else from time-to-time. For potential dancers your job is to do everything you can to help the customer decide to try your product.

There are multiple models used to explain customer behavior when choosing a product. In the AIUAPR model (the most used) customers are said to use a 6-step process:

- 1. Awareness main initial role of marketing is to make consumers aware of the dance
- 2. Interest "Why should I come to your dance?" Your marketing should make your message stand out from the crowd and get your benefits and USPs (unique selling points) across clearly so that potential dances are able to "get it" right away. First impressions count aesthetics and presentation of your offering are really important. You have milliseconds to make people trust you, understand what you are offering and decide whether it is what they want.
- 3. **Understanding** Potential dancers need to understand the benefits of your dance before they will come to it. Most importantly they must understand how it will fulfill their needs and wants. Different people require different levels of information and how you present this so it is easily retrievable is vital. It is easy to present too much information and confuse the customer, but it is important to have the information available so that the customer can drill down to whatever level of information they need.

- 4. **Attitude** Psychological factors have a strong effect on consumers. These are termed attitudes, and related to user motivation, personality, perception, learning, values and lifestyle. It is really important to focus on user experience how a potential new dancer encounters the dance, whether via a leaflet, a web-site, an article in a newspaper or direct contact. It is important to ensure they can find what they were looking for. Other more fuzzy issues relating to aesthetics and visual communication must be considered. The web-site's look and feel will influence factors such as trust and brand affinity on both logical and emotional levels. So it is important that your website achieves resonance be in tune with your target audience through good design, layout, art work and copy. These elements will give your website it's voice and tone the things that influence user attitudes. Whether your website is perceived as "friendly", "cool", "open", "professional", "edgy" or "helpful" may ultimately decide whether someone feels comfortable coming to your dance.
- 5. **Purchase -** If you have managed to achieve awareness, interest, understanding and passed the customer's attitude requirements then your customer should be on the cusp of becoming a new dancer. But hang on we can still get it wrong! Failure is an option! It is surprising how many people fail to find the location, or having found it are put off by it or the people they find there.
- 6. Repeat The AIUAPR model assumes that the first purchase is in essence a trial purchase. If the experience is good and expectations are met or exceeded, then there is a good chance the new dancer will be receptive to coming again. However, if their experience is poor or below their level of expectation they will be much less likely to make a repeat purchase. Part of getting a repeat purchase is being able to remind the new dancer of what you do or what you've got. However, to do this you need to capture how to contact them as part of the <u>first</u> purchase. You also need to decide whether you will entice them to return using discounts, special offers, prizes, etc.

In practice, it does not matter which specific needs or wants your product (the dance) meets. What does matter is that the needs and wants that it can provide are communicated to people who have those needs and wants.

MARKETING MIX

Traditionally, marketing has been concerned with 4 topics, but over the last 20-30 years the marketing mix has been extended to cover 7 topics:

4Ps – product, price, promotion, place 7Ps – 4PS + people, process, physical evidence

I recently tried a new restaurant in Phoenix called *Fired Pie*. We found out about it because we are members of Advantage Dining, a program run by American Airlines that promotes restaurants and gives miles when you eat at them. *Fired Pie* sells pizzas and salads and is a bit like Subway or Chipotle in that you customize what you get. I went because:

- I like pizza
- I could find out lots of information about the restaurant on the web
- The pictures on the web suggested that it was a thin-crust (which I prefer)
- I liked being able to see the ingredients and chose the ones I wanted
- I was hungry and didn't feel like cooking
- The price was good
- The location was easy and relatively quick to get to
- There was plenty of parking

I have since been back (ie, I have become a repeat customer) because:

- I really enjoyed the food
- It was great value for money
- The process was well thought out
- The staff were helpful
- The toilets were nice and clean
- I really enjoyed the experience

PRODUCT

Why did I talk about *Fired Pie*? It would be a common assumption that the *dance* is your product. This is not correct. What you are really selling is an **experience** which is, or should be, meeting your customers' needs. This experience has many facets:

- Feeling safe (dancers are respectful of your personal space, no 'perverts' etc)
- Feeling welcome (and not just tolerated because of the revenue you bring)
- The new dancer badge (hopefully leading to a more welcoming and appropriate experience)
- The music (quality, genre, appropriate tempo etc)
- The introductory session (to help newer dancers to enjoy the dance better)
- The teaching (the right amount)
- The prompting (the right amount)
- The dances (appropriate for those present)
- The sound system (appropriate for the venue and appropriately set-up and operated)
- The level of aerobic activity (for the conditions and for the clothing)
- The sociability (friendly dancers, opportunities to socialize)
- The snacks (healthy, cleanliness, ease of access, sufficiency etc)

Other aspects of the *product* and your *experience* are covered in the sections (below) on Pricing, Place, Promotion, People, Physical Experience and Process.

PRICING

This is an important topic but will be covered in more detail at Leda Shapiro's *Managing Your Money* session.

Hopefully, prices will cover costs. However, this doesn't have to be the case. Depending on your mission, you may be willing to operate at a loss. New ventures will often make a loss before making a profit. Planning for this is good. Having it happen unexpectedly is bad!

BEWARE: Making the dance 'cheap' in order to make it 'attractive' may also have the opposite effect. There are probably just as many people out there who think nothing of paying \$30-50 to go to a concert or to see a play and who might see \$10 (or less in many cases) as signaling a 'low quality' product. Low prices also mean low pay for the artists which may mean low quality. A vicious cycle. Consider the possibility of a higher admission price with generous rebates for students, un-waged, senior citizens etc. Allow your better off customers to pay more, easily and without being ostentatious about it.

You also need to consider the prices of similar products that are on the market (**market-based** or **competition-based** pricing). The difficulty here is figuring out what are similar products since alternatives to going to the contra/ECD,square/family dance include: line dancing, ballroom dancing, tango, salsa, going to the gym, going to a movie, going to the pub, speed dating, medication, The list is endless!

Do you think that your product is superior? In which case, do you set the price higher (to reflect the superiority), the same (to advertise that you are better value) or lower (to give better value and to attract converts).

Is the demand for your product high? Maybe you should increase the price! More income means more to pay the artists or perhaps a better hall, which leads to higher quality, more satisfaction and more demand. A virtuous circle!

Pricing decisions also come into play in the section on Promotion (below).

PLACE

In the context of putting on a dance, this is the venue, which includes:

- The floor (sprung, too springy, too hard, too dusty)
- The acoustics (good, bad, can the sound system make the caller and band sound good?)
- The toilets (you would be surprised how many people will avoid a place with insufficient or dirty toilets)
- The decor (clean, dingy, can you change this?)
- The lighting (too light, too dim)
- The parking (is it plentiful, free or at least cheap?)
- The neighborhood (is your car likely to be broken into, or stolen?)
- Ease of access (own transport, public transport to <u>and from</u> the dance)

PROMOTION

Promotion covers both how you inform people about your product and how you entice them to come.

Advertising (ads and leaflets) is the most common way of telling people about your product but it's impact is generally not immediate.

People assume that advertising is strong and the AIDA (Awareness->Interest->Desire->Action) model suggests that advertising is highly persuasive and thereby manipulative. It is interesting to note that there is little evidence to support this!

The ATR (Awareness->Trial->Reinforcement) model suggests that advertising works through suggestion and reinforcement and has little if any ability to manipulate or persuade. Advertising conveys relatively little information compared with the actual experience of the product and is therefore quite weak. This model is consistent with how new offerings quite often fail in spite of adequate advertising budgets. If the strong theory were true then given ample funding there should be no reason for new products to fail. Did you know, despite huge advertising budgets, 85% of all new grocery products fail and are withdrawn within one year. ATR sees the role of advertising to remind the user that the product exists and is a good idea. When this is done effectively, advertising speeds up the process of adoption of new products by building up awareness and leading to trial purchase. From this perspective, **advertising is not responsible for creating demand on its own, it is simply a catalyst in the spreading of awareness which leads to trial.**

Tailor your advertising to the target group. When you advertise, it is critical to keep in mind **market segmentation** (a group of current/potential customers with some common characteristics. These are relevant to explaining, and predicting, the response to your marketing). Each segment has different needs and wants. An ad in your local college should be completely different from one in the AARP magazine and likewise for leaflets left in libraries, youth clubs and senior centers.

Many dances employ some sort of **sales promotion**. The most common one seems to be a 'get in free' voucher given to a new dancer at their first dance. It is questionable whether the free voucher motivates the person to come back – the motivation to return should be the experience the first time around, i.e. emotional rather than economic. Others promotions include first time free, come 3 or 4 times, next time is free, reduced prices for market segments like under 17s or students. These can be effective.

More importantly, it would seem that for most dances the most effective method of advertising is word of mouth (direct selling), but **we seldom seem to reward the people who bring new people to the dance!** Here's an idea – give a voucher to a dancer who brings a new dancer - with 3 vouchers entitling you to a free admission. Your 'ambassador' doesn't have to use this free admission. However, assuming a \$10 admission (keeps the math simple), you will have earned a minimum of \$60 (3 attendances by the ambassador and 3 attendances by 3 new dancers) and give away \$10 (the free admission). This compares to earning \$10 and forfeiting \$10 for the '2nd time free' scheme.

One of the most effective methods of promotion for existing dancers is **direct marketing**. Maintaining an email (make sure it is easy to unsubscribe) and/or snail mail address list is one of the cheapest and most effective methods of communicating with your customers. It can also be used to build up a sense of community – a key need for many of your dancers. Consider also having a membership scheme (which requires contact details), perhaps with a discount for being a member.

Just as teaching people how to fish is more effective than providing food to solve hunger, persuading peer group opinion leaders may be much more effective than marketing to everyone.

PR is a prime method for establishing and maintaining goodwill and mutual understanding between an organization and the public as well as a means of communicating the needs and wants that can be satisfied by going to a dance. It is not easy to develop media contacts and write compelling news stories but David Wiley will be showing just how successful this can be in Marketing 102.

PEOPLE

The distinction between the dance and the delivery of the dance is blurred. The service itself is also the product and all the functions visible to the customer in delivering the service are part of the product. Marketing therefore covers all the operational aspects of the dance where customer contact is involved: Greeting, taking money, dance managers, announcers, etc. The personal qualities of organizers, board members and volunteers can be a critical factor in the overall experience so in addition to any professional qualities required, the politeness, approachability and helpfulness of individuals can make a real contribution to the experience.

PHYSICAL EVIDENCE

Until the new dancer pays their money and enters the dance there is the risk that they will turn away. The physical evidence perceived by customers and potential customers when they arrive indicates the sort of organization you are. Having a clean and tidy area where people enter the dance can help to reassure the would be new dancer.

Most customers making a new purchase have some sort of idea what it is they are buying. A white chocolate Kit-Kat is not that different from a milk chocolate Kit-Kat. A Ford is not that different from a Chrysler. Even a Rolls Royce is still a car. The movie experience at this theater is not that different from the experience at another theater. However, going for the first time to a contra or ECD dance is probably unlike anything the customer has done before. Providing physical evidence of what the experience is likely to be can only be helpful. The Internet allows you to provide such evidence in the form of articles, YouTube movies, Facebook comments, testimonials etc. The higher than expected level of physical exertion is often the reason why people leave early (and often, not return) at their first dance. Setting expectations about the aerobic nature of the experience and the need for appropriate clothing will help mitigate this.

PROCESS

Having processes provides for a consistent experience and helps dancers understand that they are not being treated differently. Policies and procedures should be clear, communicated to everyone who needs to know – especially to the dancers if they are affected or involved. There should be policies for (at least) admission pricing, announcements, greeting, medical and other serious incidents and inappropriate behavior (physically inappropriate, sexually inappropriate etc). These policies then need to be translated into procedures which will give effect to the policies. Having such policies and procedures will help ensure a well-run enjoyable dance and enhance customer enjoyment.

http://www.cim.co.uk/files/7ps.pdf is a great document about marketing and the 7Ps

IN CONCLUSION

Each new dancer who has an enjoyable experience will (hopefully) become a repeat dancer. Each repeat dancer will (hopefully) become an *ambassador* for your dance. Ambassadors are the best, cheapest and most effective form of marketing you can have.

As an organizer, it should be your mission to ensure that:

- all those people who could benefit from coming to your dance know about it and understand just how you can satisfy their needs and wants
- everything is in place to make that first experience so enjoyable the new dancer returns
- everything is in place to make repeat dancers become ambassadors for your dance
- you know your customers (dancers)
- you understand your dancers' needs and wants and take steps to see that these are met