

The Montana Project

Part 8: Marketing — Getting the Word Out

Editor's Note: The Montana Project, which began in the September 2002 issue of PFM, strives to see if business principles that work in a metropolitan market will work in a rural location. Derek and Christine Vandenberg, owners of Frame of Reference, in Bigfork, MT are working with Jay Goltz, owner of Artists' Frame Service in Chicago, IL, to apply tactics he's used in his business to their operation. In this, and following installments, we follow the progress.

From Derek: We've Got Money to Spend

Now that things are slower here, we're working on setting up a budget for next season. We're both wondering about advertising, because we're struggling with how much to commit, and where. We've always sponsored programming on public radio and will continue to do that. The rest of our advertising money is spread between local papers, regional interest magazines like *Montana Living*, and an occasional co-op ad in *Southwest Art*. We've talked about a website as well, but haven't done anything about it yet.

We spoke with Jay to find out if he had any guidelines for successful placements, things that always work, things that never work, and so forth. It seems like we usually put out a ton of advertising money without reaping any benefits.

From Jay: How to Spend Smart

First of all, Derek and Christine need a marketing plan. This includes: how fast do they want to grow, how many dollars they have to achieve this, who is their existing and potential customer base, and what are the advertising vehicles available?

They have asked the same questions that many framers ask me. What are the best ways to advertise? That's like a customer asking, "How much does it cost



Derek and Christine Vandenberg,
owners of Frame of Reference

to frame a picture?" To which you say, "It depends." The answer to the advertising question depends on the answers to the marketing questions. What makes sense for me might be a terrible idea for Derek and Christine, and there are things that I would never do that might make great sense for them.

The original question of "The Montana Project" was whether the same strategies I use in a big city business would work in a small town. In this case, the "same strategy" is developing a marketing plan; *not* using the *same* marketing plan. In many of the other areas we have looked at, their plan was similar to my own. In this case, given the difference in our locations, it will be very different.

During "The Project" so far, we have laid out a very aggressive growth strategy. As a result, we want to spend as many dollars as possible to market Derek and Christine's store. Advertising is an investment, and if they invest too much, they won't have any cash to pay bills. To begin, let's assume that 5% of sales will build business without putting finances in a bind.

Derek and Christine have three very different customer bases. There are the year-round locals, the "second homers," and the tourists. A tourist is probably not going to be interested in custom framing, but is more likely to purchase a pre-framed piece as a "souvenir." More important than what customers might buy is how Derek and



Jay Goltz, owner of
Artists' Frame Service

Christine need to communicate to these different groups.

They say they have “put out a ton of advertising money without reaping any benefits.” This was for advertising. Once again, they have stumbled on a key phrase that is terribly thrown around and misunderstood. How do they know they haven’t reaped any benefits? Do they expect every customer to come in and “debrief” themselves on where they saw the ad and what impression it left?

From Christine:

First and foremost, Jay has hit upon the core problem with our advertising—in the five years we have been in business, we’ve never developed a marketing plan. Had we done so at the very beginning, I’d like to think it would have evolved as our business evolved, and it would have been incredibly helpful to us in making advertising decisions.

Right now, as in every other aspect of running our business, Derek and I have different opinions about advertising. He wants to quit doing some things because he thinks they are not effective, and he wants to start doing some things that I don’t think will be effective. If we had a cohesive idea of how to market our business, we would be better able to evaluate advertising opportunities.

Jay was also right when he mentioned our three different customer bases. I believe the advertising we have done to date targets at least one of those groups (although this may have been a happy accident). We advertise regularly with one of the local papers, which reaches both the local residents and the “second homers.” We donate gift certificates and framed pieces to school fundraisers and charity auctions in the Bigfork community, which increases our exposure with the locals. For the past year we have been advertising regularly on a Bigfork page in *Montana Living* magazine—a high quality, full color magazine geared toward the “second homers” and the tourists who idolize the Montana lifestyle.

As far as the thousands of tourists who pass Bigfork on their way to Glacier Park, our best advertising is our location, along with our signage and our front window. We talk to over 100 people a day, seven days a week, during the summer months, and although this customer base may not be coming in for custom framing, they do walk out with a lot of prints, notecards, and photo frames, as well as the occasional piece of original artwork. If our business looks enticing from the street, in they come. Finally, our affiliation with FramerSelect has given us a presence on the Internet. Consumers who see the national ads for FramerSelect can search for a framer in their area where we’ll be

listed. We need to develop these contacts more aggressively, but that's another issue entirely.

We are presented with a lot of different advertising opportunities, from ads in *Southwest Art* magazine to “cartoony” maps of the Flathead Valley. Our easy out for the ones that don't interest us is to say it doesn't fit in with our marketing plan. The funny thing is, it has never occurred to us that we really don't have an actual plan.

I hope that once we've got a cohesive idea of who we are, where we want to go, and how we are going to get there, all the advertising we do will reflect that. Because our customer base is broad-based, I'm sure we will still use a shotgun effect. Still, I'd like every ad we place to truly reflect the personality of our business.

Here's where we've started the marketing plan: we recently ran out of our letterhead, so we're

having a new batch designed. Part of that project includes having a logo that we can consistently drop into every print ad we place. (Up to now, we've dabbled about with this font and that, trying to find a look that we like and that the printers can support.)

One of the larger advertising steps we've considered taking is to develop a website to show the artwork we display and sell, but we're both a bit gun-shy on this front. (We've seen many more horrible sites than we've seen good ones.) We think that the website we want will come more easily as we refine the image we want to project.

Refining our image will help us to determine which of the advertising opportunities we can't agree on (like renting a display case at the airport) are, in fact, good investments. And for the ones that don't make the cut, we will be able to say they don't fit in our marketing plan and really mean it!

From Jay:

An added benefit to all of our planning is that it helps to get Derek and Christine “on the same page.” Since we agree that we need to target all three of your customer bases, the next step is to figure out where to advertise. This is where they actually have to do some work, while I sit back and ponder. I have asked them to make a list of all of the possible advertising vehicles they would like to consider, get the prices and demographic information, and we will look at each one next month and do some (hopefully) intelligent analysis. ■

*Next Month: A Marketing Plan...
Charting the Course...*