

Chapter 14 – Marketing and Commercial Sponsorship

The American Marketing Association defines Marketing as “The activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large. In other words, it is your way of communicating your product, service or event to your customers.

Marketing is everywhere, some places that you may not even realize. From highway billboards, to automated text alerts and ads on the sidebar of your Facebook page or favorite blog, to ads on the radio during your morning commute; we are inundated with marketing.

It is one of the most important aspects of making your product, service, or facility successful and despite the fact that your installation may have a Marketing Department, as a manager it is your responsibility to formulate a marketing strategy.

Often, most people get excited about their product or event and just start advertising or promoting without much forethought. Blast it to everyone and it’s bound to attract some, right? Not necessarily. Marketing dollars are hard to come by, so it is best to think about your product and formulate a plan.

1. **Who is your target market?** Determining this may require studying several factors depending on how much you want to specify your marketing. Are you trying to bring guests and interest to a family event on the installation featuring a popular children’s television character as entertainment, or perhaps bring more attention to happy hour and drink specials at the club? Both need publicity, but it should be focused toward entirely different audiences. For example, for the family event, you could place flyers in childcare centers, in a local family publication, in the events section of the on-post newspaper, and even perhaps on the local radio. For the happy hour specials, advertise in the fitness facilities, barracks, radio and on table tops displays in restaurants on post. One common area to publicize both events is on social media. Most installations have a Facebook page; some may even have Twitter or other social media avenues to disseminate information to the public. This medium crosses all demographics. People of all ages, gender, financial background, religious background, and ethnic background can be reached in this way. It is a great way to get the word out about your product.

2. **Is it a want or a need?** Chances are if your product is a need, the burden of marketing is going to be relatively low – you already have something your customers need; you just need to let them know where to go. If it is a want, like most things, you need to market to those customers who will want your product, but also have the ability to purchase the product. It might not be a great use of your resources to advertise the \$50 Valentine’s Day dinner at the club to single, junior enlisted service members.

3. **Remember the Four Ps of Marketing:**

Product: A good, service, or idea to satisfy the consumer’s needs.

Price: What is exchanged for the product.

Place: Means of getting the product into the consumer’s hands.

Promotion: Means of communication between the seller and buyer.

4. **Now it is time to formulate a marketing plan.** Make sure that you allow yourself adequate time to publicize your product and implement your plan. It is not ok to start formulating a plan two weeks before an event or product launch. You will limit the reach and scope of what you can do as well as how many customers you will be able to reach.

Marketing Plan

A marketing plan serves as a directional map for your service, product or activity for a specified period of time. It includes analysis of the current marketing situation, opportunities and threats analysis, marketing objectives, marketing strategy, action programs, and projected financial statements. A general marketing plan is best done when planning your budget for the next year when you know what events, programs, product launches, etc., you will be planning. Some will be annual events that repeat, allowing you the opportunity to look back at historical data to help in future planning. Some will come up organically throughout the course of the year. This will be your overall plan and direction and allow you to organize your resources and time accordingly. A well-organized marketing plan will help you maintain your focus and appropriately market your product. Your service or installation may have specific guidance and procedures for creating a marketing plan. It is always a good idea to check regulations before beginning this process.

Once you have your overarching plan for the year, you can start planning individual events. For each event or product, be specific about your audience. Follow these tips to help come up with your marketing plan.

First: Know your audience - A great marketing strategy can fall flat if it you don't take the time to consider your target market and demographic. This includes information such as age, gender, occupation, income, location, and family situation to name a few. Knowing this will help you formulate a marketing plan.

Second: Remember your goals - Do you want to bring lots of people to an event? Perhaps you want to let everyone know about the new extended childcare hours being offered during a deployment? Whatever the product, keeping your desired outcome in mind as you put together the plan will keep you focused and on track for your desired outcome.

Third: Brainstorm ideas - There is far more to marketing than simply putting up posters and distributing flyers on the installation. Make a list of all the possible ways to reach your target market. Begin by focusing on what is free and available to you. Does your installation have a website, Facebook page or other social media? Some good instruction and guidelines for your website and other internet resources are available at <http://www.howto.gov/web-content/>. As with any other type of marketing or advertisement, all content should be screened and confirmed before releasing on the internet. Do you have distribution channels for press releases? Don't forget good old fashioned word of mouth! When you've exhausted the possibilities, spend another hour! You'll be amazed at some of the possibilities. Involve your most creative staff members. For more ideas about brainstorming, consult Chapter 3.

Fourth: Manage resources carefully - Money spent on marketing should be an investment, not an expense. The business term is "cost-effective." You also want to make sure that you are getting a good return on investment. For example, you will want to spend more on a large

installation wide event where you are selling concessions than you would on story time at the library. Take a look at potential Commercial Sponsorship opportunities and contact your installation sponsorship specialist. It is also important to network and cultivate contacts with your peers and others in related industries. You never know when you may be able to exchange services or use those individuals for distribution channels for your product.

Fifth: Follow through carefully - The best-planned marketing campaign won't do any good unless it is well implemented. Make sure that someone is keeping track of every step of the plan. It is a good idea to have a standard checklist that you can use throughout the process to keep everything organized. Make marketing a priority. Finally, make the time to evaluate your results, often referred to as an after action report. Keep an after-action file on everything you do. Make it part of the plan.

Advertising

Advertising is a purchased message or announcement in any medium to inform your target audience about a good or service. Some examples are web, newspaper and television ads, radio, direct mail, printed coupons, flyers and posters. The advantage to advertising is that you get to specify precisely when, where and how your message will be communicated as well as choose the medium that will best reach your desired audience. The disadvantage is...well, it costs money! This should be part of your budget as you work on your marketing plan.

MWR/Services programs may pay to advertise MWR goods, services, entertainment, and social events in Department of Defense newspapers (DoD Instruction 5120.4), including installation cable television. Similar guidance is contained for the Coast Guard in the Coast Guard Morale, Well-Being, and Recreation Manual, COMDTINST M1710.13 (series)

MWR/Services programs may pay to advertise their services and events in other than DoD/CG newspapers, provided the chosen media is circulated to, written for, or geared to an audience consisting primarily of military or DoD/CG civilian personnel, or other authorized patrons.

MWR/Services programs may pay to advertise in appropriate civilian media when MWR/Services events are open to the public, subject to the following conditions:

- Not directly compete with similar events offered in the local civilian community.
- Coordinated in advance with the local public affairs office.

Publicity

Publicity is non-paid for communication about your organization, product or service. Some people call it "free advertising," but a close look at the differences between advertising and publicity should convince you that publicity is a completely different tool in your toolbox.

One advantage of publicity is that it is free, of course, but a more important advantage is that it will probably be perceived as "true" by those who are exposed to it because it is communicated from someone other than your organization and it was unpaid. The disadvantage is that you normally have little or no say about how your message will actually be communicated. For example, you contact the local television station to run a story about your new completely

accessible fitness facility; however, you have no control over whether they will cover the story, when it will run, if they will do an on-site interview or if they will just mention it as a news item.

Commercial Sponsorship

The goal of using Commercial Sponsorship is to help make your event a success through a mutual agreement with participating businesses. Sponsorship can be either solicited, which means that a designated Commercial Sponsorship representative contacts businesses for sponsorship opportunities, or unsolicited, which means that a business or individual offers sponsorship without being asked.

From DoD Directive 1015.10:

Commercial sponsorship is the act of providing assistance, funding, goods, equipment (including fixed assets), or services to a MWR program(s) or event (s) by an individual, agency, association, company, or corporation, or other entity (sponsor) for a specific (limited) period of time in return for public recognition or opportunities for advertising and other promotions.

Sponsorship can be given as cash or in-kind items. For example, the local car dealership may want to sponsor \$1500 for prizes related to a spa night for Military Spouses, or a radio station may want to sponsor a recording artist to perform on the installation. Either one helps to create a successful and memorable event. Sponsorship may have its pitfalls if not done correctly and ethically within the rules set forth by your branch of service and the DoD.

Some key things to remember from DoDI 1015.10, July 6, 2009:

- Only MWR organizations can accept Commercial Sponsorship.
- Sponsors are not providing their goods, services, or money for free; they expect publicity and communication with your customers in return.
- Contact information from your customers cannot be given to sponsors without the customer's consent.
- Disclaimers must accompany any marketing materials that include sponsor names or logos since the DoD/CG does not endorse any sponsor.
- All marketing materials must be reviewed and approved for content prior to publication.
- Tobacco and alcohol beverage sponsorship cannot be solicited. If offered it must not be directed at just military personnel and a Surgeon General warning and responsible use campaign must be included as part of the sponsorship agreement. Coast Guard policy does not allow any tobacco commercial sponsorships.
- Coordinate sponsorship with installation Service exchanges to make sure it does not violate existing agreements.
- Off-base financial institutions are not allowed to be in direct competition with on-post banks and credit unions. However, off-base financial institutions are permitted to serve as commercial sponsors for MWR events as long as they limit promotions to product lines and services not offered by the applicable on-base bank or credit union.
- Each installation has a designated person who is allowed and has been trained to solicit sponsorship. **Find this person and discuss your event as well as your ideas for potential sponsors before going any further. It is also a good idea to contact an on-post legal**

representative to make sure you know what procedures to follow and what is off limits.

- Have a system in place to track all of the sponsors, their organizations and what they contributed to the event (goods, services, dollars, etc.). It will keep you organized for future events and allow you to correctly recognize your sponsors for their contributions.
- As a multi-mission organization, the Coast Guard does not accept any commercial sponsorships from industries that it regulates.

Don't forget to consider the resources that you already have on the installation; restaurants, exchange services, clubs, various private associations (such as the Spouse Clubs, PTA/PTO, Junior Officer Council), and so on. These private associations and installation organizations are not commercial sponsors, but they are potential partners for your program.

You will need to have something tangible to present to each potential sponsor. Create a formal written proposal, detailing the event and level of sponsorship opportunities. Enlist the assistance of your marketing department, to ensure that the proposal is professionally produced. Execute a completed sponsorship agreement, a binding contract detailing the responsibilities of each party, with each sponsor as they come on board. (The written agreement must be executed and approved before any work actually starts.) Legal review will be required before the contract is executed.

Remember that the sponsor isn't interested in what YOU want; the material that you prepare for the sponsor should focus on what THEY want. (The marketing principle here is to focus on *benefits* to the sponsor, not *features* of the event.)

Follow through with all sponsors

Make sure that you keep an eye on all of the sponsorship requirements detailed in the contract. It is a good idea to have a designated person at the event to work with the sponsors. One of the worst things that can happen is to fail to make good on your promises to the sponsors. You want to ensure that they continue to sponsor future events and the best way to do that is to make sure that they receive the proper return on investment at your event. Of course, the sponsors must also deliver what they agreed upon in the contract.

Send thanks after the event. You and your staff will no doubt be exhausted at the end of the event, but don't take a deep breath until you have written personal thank-you notes to every sponsor.

Remember to take pictures that show the sponsors fully participating. Print out an especially nice one and slip them into the envelope before sealing it. Sure, it takes some forethought and a little bit of time, but that personal touch will be how you exceed their expectations *after* the event.

The most important thing is to point out how you provided value for the sponsor, with hope that you can continue the relationship for future events.

Marketing Checklist

This checklist, devised by an Army club manager in 1970, has been distributed to literally thousands of MWR/Services managers all over the world. It has also been published in several magazines and used in colleges and seminars to teach entrepreneurs and managers from many industries how to get a handle on their marketing. The checklist is simple, but powerful. It is a good idea to make a copy for your workspace.

Marketing Checklist

1. Have a Good Product. (If not, don't promote it.)
2. Outline the Basic Information:
 - a. What?
 - b. When?
 - c. Where?
 - d. Why?
 - e. How Many?
 - f. How Much?
3. Determine Your Goals:
 - a. Short-Range.
 - b. Long-Range.
4. Determine Your Key Selling Points (Buyer Benefits):
 - a. Is it Better?
 - b. Is it Cheaper?
 - c. Is it Different?
 - d. Is it in Demand?
5. Determine Your Audience (Target Group):
 - a. Eligibility Requirements.
 - b. Age Group.
 - c. Male or Female.
 - d. Singles, Couples, or Family.
 - e. Geographical Location.
 - f. Other.
6. Analyze Your Resources:
 - a. Budget.
 - b. Talent.
 - c. Time.
 - d. Other Constraints.
7. Determine Your Media:
 - a. Print.
 - b. Air Waves.
 - c. Novelty.
 - d. Word of Mouth.
 - e. Other (including social media).
8. Coordinate Your Campaign:
 - a. Special Logo.
 - b. Certain Colors.
 - c. Theme.
 - d. Other.
9. Give What You Promised. (If not, your promotion is wasted.)
10. **Analyze Your Results:**
 - a. During the Promotion:
 - (1) Customer Reaction.
 - (2) Competitive Reaction.
 - b. After the Promotion:
 - (1) Was it successful/profitable? Why or why not?

Step 1 – Have a Good Product

“The most important element of your marketing strategy is your operation itself!”

This comment, published in a 1991 issue of Military Clubs & Recreation Magazine, is just as true today as it was then. Think about it, do you go to a favorite restaurant or theater primarily because of their clever newspaper ads? Do you bowl at the center with the most professionally-illustrated flyers? Do you choose a golf course because of the quality of their posters? Is the most important factor in selecting a child care facility the graphic design of their newsletter?

In most cases, you choose an operation or activity primarily because of past and/or projected satisfaction with the operation itself or a recommendation from a friend or trusted colleague. Advertising and publicity can remind you about an operation, inform you of a special feature, or entice you with a special promotion. However, if the operation doesn't provide the experience you want, you're not going to become a regular customer. And as we all know, it's regular customers who keep us in business.

Step 2 – Outline the Basic Information

If you are putting together a marketing campaign for a product or service that you provide, write down these basic facts:

- What are you offering?
- When is the offer available?
- Where is the offer available?
- Why would customers want to avail themselves of this offer?
- How many people can buy, attend, or otherwise participate?
- How much does it cost?

It is also important to go over the information and outline with your team to make sure everyone is on board and aware of their responsibilities. If one person is unclear or misunderstands their responsibilities, the whole plan could fail.

Step 3 – Determine Your Goals

We've already discussed the importance of goal setting (see Chapter 2). When you are setting goals, think of both short-range (bringing in ten new customers, per week to your fitness facility) and long range (making your accessible facility a model for others throughout the military community).

Step 4 – Determine Your Key Selling Points (Buyer Benefits)

Is your main advantage over your competition price or quality? This will determine how you market the product to your customer. Figure out what your best buyer benefits are and make them the centerpiece of your marketing campaign.

Step 5 – Determine Your Audience (Target Demographic)

Who will be interested in purchasing your product or attending your event? In military operations, we have to be concerned about patron eligibility and access requirements. Additionally, not everyone is interested in the same thing. Think about how it will appeal to

people of different ages, gender, family situation, career stage, region, and culture. When you learn your target market and ideal customer, you can design a more effective campaign to reach them.

Step 6 – Analyze Your Resources

Start out with studying what is free and available to you. It is always a good idea to consult the marketing professionals at your installation. They can give you advice and help you formulate a plan. See what types of publicity is available such as social media, press releases, or the opportunity to brief to a group of your target customers. Don't forget about the potential use of Commercial Sponsorship!

It can be hard to stay focused and organized in this process. Keep a checklist of publicity and advertising that is in process or completed and when it needs to be released.

But “resources” doesn't just mean “money.” You have to find the talent to make your event a success. For example, you are not likely to have a successful BINGO program without an experienced, entertaining Bingo caller.

You also have to consider the time available to plan and execute the promotion. If your fantastic idea for a Thanksgiving family cookout doesn't arrive in your head until Halloween, you may not have time to make the event a success. And there are other restraints, such as military regulations, which have to be considered.

Step 7 – Determine Your Media

There are many ways to advertise and publicize your product. Let's face it; we live in an instant digital world where customers expect to have information at the tip of their fingers, literally. This applies especially to younger customers. Take advantage of internet options like your website and social media such as Facebook and Twitter to reach a large audience in a short amount of time. Consider asking your page followers to “share” or retweet the information with their own friends via social media. This is a great way to spread your information to a large number of customers in a very short period of time. You also want to reach out to older customers or those who may be less tech savvy through other media such as print (flyers, posters, magnets, bookmarks, magazines and newspaper ads, etc.), and broadcast (local or closed circuit TV, radio). Don't forget to use free services such as YouTube as an option for broadcasting. Videos uploaded to this service can be shared on your website or social media pages.

If you can generate favorable word of mouth marketing, often called, “buzz,” it can become your most effective medium. Brainstorm ideas with your staff and you'll be surprised at the many ways you can get people talking about your product. Having a contest, offering free product samples, distributing gift certificates; these are just a few of the ways to get people talking about your operation.

(Learn about how to conduct brainstorming sessions in Chapter 3).

There are many other forms of media, of course. Outdoor advertising, door knob hangers, pizza box toppers, ads on the back of grocery receipts or bottom of restaurant receipts, coupons attached to theater tickets, direct mail and more.

Step 8 – Coordinate Your Campaign

There should be a distinctive look to all of your marketing efforts to help your customers find your message among the clutter. Have a graphically-pleasing special logo, use consistent colors, maintain a theme, and find other ways to make your messages consistent so that they stand out. One of the ways to learn how to conduct an effective marketing campaign is to be an observant consumer. Look at the marketing messages directed your way by others. Pay attention to what works and what doesn't. Use the effective concepts in your own marketing campaigns.

Step 9 – Give What You Promised

If you don't live up to the promise of your marketing, your promotion is wasted. In fact, it may actually have a negative effect! Think about how you reacted the last time you tried to buy something and found the advertising misleading. It's not just ethical to give what you promise, it's good business! This is also a great way to boost your word of mouth marketing for your next event and build loyalty. If you consistently produce a great product, your business will grow.

Step 10 – Analyze Your Results

During the promotion, monitor your customers' reactions. Are things going the way you predicted? If not, is there a mid-course correction that you can make? What other last-minute changes can you make to improve the results?

Also consider the competitive reaction to your promotion. If you lowered prices, did your competition follow suit? Is there anything that you can do to further distance your operation from theirs?

Was it successful and profitable? Why or why not? What could have been improved? How? WRITE IT DOWN! Compare the results to your predictions now, while they are fresh in your mind. Write and mail thank-you notes to the people who worked so hard.

The promotion isn't over until you've completed Step 10. NOW you can take that break!

Summary of Chapter 14

Effective use of all marketing tools is critical to the success of your activity. Managing Product, Price, Place and Promotion is part of a manager's job. A written marketing plan helps you set goals and direction, and communicates to your staff and support personnel your needs and expectations. Sponsorship is a useful tool to offset some of the expenses associated with marketing and programming. Following the steps outlined in the enclosed Marketing Checklist will help ensure success of any initiative.

