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## Marketing Plan for Eronel

### Section I: Introduction and Overview

For this project I have chosen to develop a marketing plan for Eronel, a bar in downtown Dubuque, Iowa that also serves a music and art venue. The mission, or at the very least the goal, of Eronel as stated on their website is to “focus on cultivating a space for working artists to have opportunities to exhibit and perform in a relaxed but lively space that truly breeds creativity”. The two year old establishment is known for its eclectic audience and unknown musician line up. Established in what is very much a college town, Eronel stands out as a piece of Dubuque nightlife that does not conform to the stereotypical drunken raging of a typical techno-playing dance club. Instead, these past two years Eronel has been able to maintain its artistic integrity by introducing local and new musicians and artists that haven’t gotten their chance in the limelight yet. The low key atmosphere and ability to actually hear the person you are talking to, invites the opportunity to build on the creativity that they mention in their mission statement.

The goals that I have set for this marketing plan include both the tangible and intangible. As any business or organization sets out to do, I am hoping that this marketing plan will help in increasing audience and visitor participation by at least 10%, with the ability to maintain that number on a seasonal basis. The next two objectives are not as easy to measure quantitatively. I hope that by presenting my three marketing strategies I will be able to strengthen the already loyal following that Eronel has. A way that this can be achieved is by marketing Eronel as more than a weekend stop, and making its accessible every day of the week. The final goal that I have set for this marketing plan is to promote the featured artists and musicians in a way that gets

them more involved in the marketing process. In doing this I also hope to form a stronger professional relationship between the two parties.

The three marketing strategies that I am proposing to accomplish these goals and fulfill the desired outcomes that I will mention later include social media expansion, loyalty marketing and production differentiation. Through the social media expansion strategy I plan to focus on capitalizing on the marketing that Eronel already does on Facebook and branching out to other outlets such as Twitter, Instagram and YouTube. Because their advertising is already fairly successful in this area, I believe that by incorporating a video/audio aspect into what they put out to the public can only increase their visibility. I plan to utilize the concept of loyalty marketing for Eronel by creating events specifically targeted at the already faithful audience. The final marketing strategy that I plan to use is product differentiation. To me, this is the most obvious and necessary type of marketing strategy that an organization like Eronel can use because of the types of goods and services that they have to offer.

I have three desired outcomes that come from the marketing strategies listed above, the first of which being an increase in amount of social media marketing “sharing” that goes on by the targeted audiences. The second outcome includes reduction in number of cover charges or offering drink deals or other incentives with the charge of a cover. As was mentioned before, much of the audience that is being reached in Dubuque during the academic year is the college age crowd. Cover charges oftentimes deter people from going to one bar than another if entering one is no cost to the customer. The third and final outcome that I wish to come out of these three marketing strategies is the resources or funds to hire a part-time, if not full-time person for a marketing position. Eronel is a business that relies solely on its customers and in a competitive market because of location, the way they advertise and how many people they reach is crucial.

## Section II: Situational Analysis

*Economic Scan:* Economic factors that are or could possibly influence the organization would include the price of alcohol and the amount of disposable income that costumers might have. Because this is first and foremost a drinking establishment, the factor of receiving and selling alcohol is one of the main focuses of Eronel. Eronel is a company that markets itself as a bar that offers a wide variety of microbrews to an area that does not have a lot of access to them. If prices went up and Eronel was either unable to maintain their collection or if the price that they were selling them to their costumers was too high, a supply and demand problem might come into effect. Another economic factor that could influence the organization might be the amount of disposable income that customer has and/or is willing to spend. Because eating and drinking establishments rely almost solely on their customer base for their income to stay afloat, if there is a widespread downturn in the economy this may have a negative effect on the business. One of the first places that people start to cut their spending when they are on a budget is entertainment and leisure. Without a large customer basis the company may begin to spiral downward.

One more economic factor that would influence Eronel is the seasons. In the state of Iowa, and much of the Midwest, summers tend to be very hot and humid and winters tend to be bitterly cold. That being said, the amount of costumers and income will fluctuate based on these trends. Customers are more likely to visit Eronel in the warmer months because of accessibility. It should also be noted that through research I have found the number of patrons visiting drinking establishments is higher in the Midwest portion of the United States, than most any other region (Bar Business 2012, 2012).

Most of the income that is made at Eronel can be categorized under the heading of earned income. Although the business at one time may have qualified or received some sort of

contributed income from a community supporter, they most likely get their support from alcohol sales as well as charging a cover fee for bands. Other types of earned income could come from venue rental and merchandise sales. Currently the financial health of the organization is in good standing. One final economic trend that should be mentioned is that of competition. Because Eronel is in the heart of the downtown area of Dubuque, there are several other bars to compete with in order to secure costumers. But because they serve to different kind of audience than most other bars in the area, they seem to have a steady hold.

*Demographic Scan/Audience Analysis:* The general audience make-up consists of a wider age range than most bars and music venues in the area. Men and women mostly between the ages of 21 and 35 are included in the calculated customer base. Because of the genre of live music and atmosphere that the space has, older customers frequent this establishment almost as much as college age. Trends that one might find in the participation level is that of the number of college students that frequent the venue. Because Dubuque, Iowa is a city with three Division III colleges or universities and a number of smaller or community colleges, there tends to be a high number of those aged 21-25.

In regards to national trends, I was able to obtain information from a scan that was done in 2012 regarding the target age demographic for drinking establishments. “Householders under 35 spend 51% (\$108.40 for 25 to 34 year olds) to 58% (\$113.55 for under 25 year olds) above the average household expenditure of \$71.98 on beer and ale at restaurants and bars” (Bar Business 2012, 2012) . Another statistic referred to the gender of those most likely to go to a bar, and men came out on top (Trocki & Drabble). In comparison to the patronage of Eronel, I do not have exact number to compare. One demographic that might be of key concern of an establishment of this

type would be that of alcoholics or binge drinkers. Because of being in a college town, the likelihood of this is greater.

*Cultural Scan:* The general culture of the organization from an outsiders prospective is one of being alternative and individualistic. There is no board of directors for this organization. Local cultural elements such as the presence of a number of colleges in town encourage people in a way to participate and frequent the location. Social values that might also encourage participation include that of the worth that many put on entertainment and socializing. As an organization that promotes upcoming artists and musicians, Eronel is ahead of the curb on the movement to support local entrepreneurs including their musicians and their artists. They use this cultural tactic to cultivate a certain audience. Another popular culture element that they offer and use to influence their audience is their offering of craft beer. Craft beer is not something that is extremely accessible in Dubuque, Iowa and Eronel tries to fill that gap with offering a wide variety. How Eronel has responded to the technology culture includes how they advertise themselves. They have a website for their business as well as a Facebook page that promotes and shows upcoming and past events to people who “like” their page.

*Other Environmental Elements:* Other environmental elements that would effect this establishment mainly relate to law related issues. Because the drinking age throughout the United States is 21, if an underage patron were to gain access to the establishment and procure alcohol, Eronel may have legal issues on their hands. If they were to get their alcohol license taken away, that was cause a huge drop in customers and consequently, revenue.

**SWOC analysis (strengths, weaknesses, opportunities, challenges) of the organization's cultural product, pricing**

	Strengths	Weaknesses	Opportunities	Challenges
Cultural Product(s)	Entertainment   Enjoyment   Personal Expression   Personal Expression   Promotion of local products	Type of music or art may not be enjoyable for all   Products are aimed toward a more specific audience than some	Offer different kinds of artist's access to the space that is available   Utilize the gallery more with a wider array of artists	There is an age requirement for this establishment   Space is an issue, so a time limit for each exhibition would have to be thought out
Pricing	Not as expensive as a large concert venue   Access to craft beer at a bar rather than ordering something from far away	In a college town, so many times having to pay a cover for a bar is something that students don't want to have to deal with   Craft beer can be pricier than others	Offer a two for one kind of deal to offset cover costs   Offer a drink token for paying the cover or other types of door prizes	Don't want to lose money by giving away free drinks/merchandise but still need a way to entice customers to spend money at establishment
Place (Access)	Downtown central location   Culturally rich area	Actual venue is in the underground, beneath a restaurant and is often times hard to locate if one has not been there before	Make the sign more prominent   Advertise the fact that the venue is underground so that it becomes common knowledge	Have to get sign approved   spend money on new promotional materials   Don't want to move the venue
Promotional Efforts	Promotions on Facebook allow for visual representations, along with opportunities to promote using video	There are only two media/social media site that are utilized, making it difficult to get information on different platforms	Use video instead of just photos and words to promote   Get ahold of a SnapChat account so that the promotion is instant and current	Who would take this job   Would hiring someone to create more social media accounts be cost effective

### Part III: Scheme and Strategies

*Social Media Expansion:* The social media marketing strategy that I have chosen to use includes widening Eronel's social media reach. Specific actions include creating a Twitter handle, signing up for an Instagram account and making a YouTube Channel. The Twitter handle would be "EronelDBQ" and the posts would be similar to that of Facebook. Because Twitter only allows a 140 character limit on their posts, information would have to be condensed. Posts would highlight craft brews, upcoming artists and musicians as well as any other special event that might be taking place. Tweeting on a daily basis, multiple times a day would be required of the use of Twitter. Twitter could also be used to promote incentives for customers. An example would be retweeting something of Eronel's and if you show it to the bartender you get half off of your first drink. An example of a post would include the what, where, when and why along with a photograph or video. Not all posts will be event related. Retweeting supporters from the community will also be a part of having started a Twitter account.

An Eronel Instagram account will be used for promotional efforts along with documenting events. Posts on Instagram will be split between those similar to Facebook page posts and posts unique to Instagram. The first category will again include the what, when, where and why along with a photo or short video clip. The second category, those unique to Instagram, will be photos of events that have already passed such as art exhibitions, beer samplings and concerts. The idea of including posts like this is so that potential customers can get a feel for what the atmosphere is like at Eronel before they visit. Photos and videos are more likely to peek people's interest than descriptions using words and because the atmosphere is different than most places in Dubuque, it is smart to capitalize on the "unique" opportunities that Eronel presents to its customers. Besides appealing to new or potential customers, this type of posting that shows off past events also

supports and strengthens its already loyal fan base. Posting photos of the audience as well as the musicians or artists gives the customer a chance to feel like they are a part of something that your organization has to offer.

The final type of social media outlet that I plan to tap into with this strategy is creating a YouTube Channel for Eronel. I believe by doing this it will give Eronel the ability to let its customers see beyond the counter of the bar, and give them a backstage pass into what goes on behind the scenes. This allows the relationship and potential for trust between customer and business to grow. What this YouTube channel would do is play off of the marketing ploy of using humor to get customers. Specific actions in this regard include creating video skits to send out and post on the social media sites that include employees, artists, musicians and customers. A number of eating and drinking establishments already use this technique. An example of what this is the Yelp review craze where actors or chefs read reviews that have been written about their establishments. An example this can be found here:

<https://www.youtube.com/watch?v=QEdXhH97Z7E>. Yelp review readings are not the only form that these videos can take. Interviews and behind the scenes looks at setting up for an event are also possibilities. These videos would then be pushed out through all social media outlets. A page would also have to be created on Eronel's website that showcased them.

*Loyalty Marketing:* The second marketing method that I have chosen is loyalty marketing that would take shape in the form of special events and offers. Although Eronel already hosts a large number of musicians at their venue on a weekly basis, events taking place before or after those concerts are few. What I am suggesting is having beer samplings, meet and greets with the bands or artists and opportunities to win free merchandise from the bar. Beer samplings would take place when a new craft brew or a limited release has come to the bar. This type of event would



give loyal customers that frequent Eronel and follow them on their social media accounts access to early releases. These types of events can be promoted through social media, but the preferred method in this case is one on one contact. Customers would be invited either via email lists or mail. Singling out a patron and inviting them exclusively sends the message that you truly appreciate their business and loyalty to your organization. Invitations to meet and greet with bands would be promoted the same way. An additional benefit of adding musicians and artists into the mix of incentives is that not only would the relationship between Eronel and the customer to grow, but by allowing up and coming musicians and artists to talk about their work and passion with their audience, benefits them as well. By making that connection between the two, not only are you growing your customer base, but you are allowing them to grow their audience and in turn loyalty and trust is created between the business and the performers.

In regards to passing out free merchandise to customers, this can be done by marketing that the first ten people in the door receive either Eronel merchandise, or merchandise from featured artists or musicians. Promotional efforts in regards to how Eronel would get this kind of information out there would include social media, email lists, mailing lists and taking out ads in the local newspaper as well as the college newspapers around town. Besides being the first people through the door, another offer might include showing the ad to the bouncer when you walk in, either electronically or otherwise. Because this strategy is different from most of the others that I have already talked about I can explain briefly how this meets up with the goals and objectives of Eronel's marketing plan. Although giving out free stuff can often times be seen as an easy way to get a customer base, I believe that in this scenario it is different. Because Eronel relies so much on the customers that go there, I see it as a way to strengthen the trust and appreciation between the two parties.

*Product Differentiation:* My final marketing strategy is one that encapsulates all three. As has been mentioned several times before, what Eronel offers is something that is unique to its location. The music, the drinks and the artwork are all great assets to the business that sets them apart from most other organizations their community. This is why I believe that the strategy of product differentiation needs to be capitalized even more so than it already has. This can be implemented in several different ways, but the basis remains the same and that is continually reiterating the fact that Eronel has something that no one else does – and it is great. Taking out radio ads, short TV spots and throwing in a one liner in social media posts as a reminder are all options. The main opportunity that I want to focus on here is taking out ads in all of the larger college newspapers in the Dubuque area. Loras College, University of Dubuque and Clark University are all Division III institutions in the area that are affiliated with some sort of religion. Many bars might find this a hurdle to overcome when deciding whether or not to advertise with them. There may also be restrictions in place that make it more difficult. What is different about Eronel, is its reputation is not the same as the rest of the college bars in the area. Ads can be taken out to promote upcoming bands and artists that are being displayed in the area that might interest students. Some students have actually performed at Eronel. This presents the opportunity to cultivate a relationship between the students and the business that is already there, but could still use a push.

#### Section IV: Implementation

*Implementation for Social Media:* The pushing out of dates of concerts on social media will start two weeks before the event occurs. Two posts with the necessary information that adheres to the marketing guidelines as stated above will be put up on all social media accounts twice two weeks

before the event. The week leading up to the event, three posts will be made to each social media account, two including a special offer.

Dates of new brews that will be featured at Eronel will be advertised one week prior to its release. This goes along with the idea that it will “be something to look forward to after a week of work”. Three posts regarding the release will be made throughout the week, with the last one on the day of.

Art gallery openings will begin their promotion one month before they happen. The first two weeks of advertising will have just one post each week during the middle of the week. Two weeks before the opening of the show, marketing will focus on ticket sales and incentives and posts will be made twice during that week. The week leading up to the show will have four social media posts, all with the necessary information and teasers as to what is going to be included.

One video for the YouTube channel will be made and put out every two weeks. All of these will be pushed out through every social media channel possible.

Resources and budget for this marketing strategy include the use of social media (no cost), FinalCut Pro software (estimated \$500), video and audio equipment (estimated \$400), merchandise trades (no cost) and personnel (cost already incorporated).

*Implementation for Loyalty Marketing:* Promotional event efforts will begin three weeks prior to the event. Invitations or letters will be mailed out at this time. RSVPs will be due one week prior to the event. Email or phone confirmations will be done at the time the RSVPs are due.

Advertising of free merchandise giveaways will begin the week leading up to when it will be

taking place. This will be advertised three times during that week, with the last advertisement taking place the day of the event.

Resources and budget for this marketing strategy include the use of taking out newspaper ads (estimated \$300 per event), printing (estimated \$80 per event), mailing costs (estimated \$40-\$50 per event), Adobe Design Suite (estimated \$50 monthly charge), merchandise trade (no cost), catering for art gallery openings (estimated \$400-\$600 per event) and personnel (cost already incorporated).

*Implementation for Product Differentiation:* Because most student newspapers only come out on a weekly or sometimes monthly basis, advertising dates will have to work around those. Ideally we would get the information out the week of the event or promotion, so that students know what is coming up on the weekend. Resources and budget for this marketing strategy include taking out of newspaper ads (estimated \$150 per event), Adobe Design Suite (estimated \$50 monthly charge) and personnel (cost already incorporated).

## V. Evaluation Plan

The methods to evaluate quantitative results include an increase in customer base by 10-15% and an increase in revenue on a monthly basis that will be evaluated every three months. Maintaining an increase in these numbers compared to the past two years is also considered a success. Other quantitative results include an increase in social media visits, likes and views by customers and number of incentive ad sharing and use. Methods to evaluate qualitative results include in increase in interest of use of the venue by new artists and musicians, more frequent visits by loyal customers and customer referrals.

Evaluation methods that will be used for the social media marketing strategy include monitoring of social media shares, likes, visits, comments, posts and views. Methods for loyalty marketing

fall under the category of referrals, number of visits, increase in interest by musicians and artists and increase in revenue. Finally, methods for product differentiation can be evaluated by increase in customer base, increase in revenue, incentive ad sharing and use, customer referrals, increase in interest by new artists and musicians and increase in demand for new or limited products.

Recommendations for future marketing plan development would be to somehow capitalize more on the idea of local and team up with partners in the area to make this happen. Finding sponsors for events and even cohosting some kind of night out downtown would be another successful marketing strategy. An underground music festival is also something that the customers would like and sits well with the mission of the organization. Finally, if at all possible, increasing the number of art shows/galleries that Eronel puts on is something that I really believe needs to be done, and somehow figuring out a marketing strategy that adheres to that goal could be extremely successful.

#### Works Cited:

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