

Marketing and Advertising for Small Business in Local Economies

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## **Abstract**

This paper analyzed traditional and current marketing and advertising strategies employed by small and local businesses. The research focused on understanding issues and struggles for small businesses in terms of marketing and advertising in order to develop and test a new strategy that was focused on a community event. The event was designed to assimilate successful aspects of current marketing plans into one that has low monetary risk, and little to no extra time investment for the business. A community was created by an art collective called Nomadic Artifacts which was the basis for a case study. The “Arts & Music event” was held at Bliss Cafe, a small business located in San Luis Obispo, California. The case study analyzed the event from both the businesses perspective as well as the perspective of the artist and musicians. Additionally a survey was conducted to analyze the surrounding market place of Bliss Cafe. The results of the survey showed that many businesses in the area are also hosting events, attending outside events, and are moving away from traditional methods of marketing such as newspaper advertisements. The results of the case study revealed some of the struggles and successes for Bliss Cafe and the art collective group, Nomadic Artifacts.

## **Chapter 1**

### **Introduction**

#### **Statement of the Problem**

A plethora of companies, businesses, organizations, non-profits, freelancers, and market segments make up the U.S. economy whom all work to promote themselves in ways that yield success. This promotion type of process is commonly referred to, or categorized as marketing and advertising. Marketing and advertising are essential to almost any and every businesses strategy, so almost all companies and businesses do some form of marketing and/or advertising to notify the general public about their business, the products they sell, or services they offer. While marketing and advertising are often used interchangeably, they are distinctly different. Marketing is, “systematic planning, implementation and control of a mix of business activities intended to bring together buyers and sellers for the mutually advantageous exchange or transfer of products.”, where as advertising is, “paid, public, non-personal announcement of a persuasive message by an identified sponsor; the non-personal presentation or promotion by a firm of its products to its existing and potential customers.” (Lake 2016).

Unfortunately, advertising requires some form of investment because typical forms of advertising are often expressed through various printed material, newspaper advertisements, coupon booklets, magazine advertisements, signage, online advertisement, radio broadcasts, television commercials, social media posts, video segments, and even email blasts to a subscriber list. Regardless how a business may

choose to advertise, a business wants a cost-effective advertising campaign that brings a return on their investment, also known as an “ROI.”

Since the Industrial Revolution, business in America has experienced incredible growth and change. The invention of large scale machinery has allowed some small businesses to grow into big businesses, and many are now known as corporations, yet still many others remain on a small business level. Businesses at the corporate level have accumulated enough monetary resources to allow for large-scale advertising campaigns that small businesses simply are unable to afford. By filling advertising spaces with their brand name and stocking the shelves with their products, corporations have saturated the markets causing consumers to be surrounded by their branding. The sheer size of the corporate competition creates an uphill battle for any small businesses seeking success.

The success of the small business is solely determined by its communities support, whereas products from corporations reach a national audience, and sometimes extend internationally. These big businesses called Multinational Corporation (MNC), or a Multinational Enterprise (MNE) need not limit themselves to a single product category, or service offering. In fact, many MNC's own several smaller companies with distinct products and services around the globe that reach a vastly bigger audience than the audience of any small scale businesses operating inside a local economy. The problem for small businesses is the difficulty of strategically marketing and advertising to their specific community within their smaller budget and corporate competition.

## **Significance of the Research**

Money spent at corporations and money spent at local businesses are not the same, they have very different effects that might not be evident to the day to day consumer. Research from the Institute For Local Self Reliance indicates that money spent locally has a higher chance of remaining in local economy. The ILSR article *The Economic Impact of Locally Owned Businesses vs. Chains* explains their study and concludes, “When residents of the Midcoast [Maine] region spend \$100 at a big box retailer, their purchase generates \$14 in local spending by the retailer. That same \$100 spent at a locally owned business generates \$45 in local spending, or three times as much. Dollars spent at a local retailer support not only that store, but a variety of other local businesses, including local banks, accountants, printers, and internet service providers.”, highlighting the incentive for small and local businesses to shift their regional community culture towards looking locally for products and services (ILSR 2003). More money spent locally means there will be more money in the local economy. The success of other local businesses benefits other local businesses.

On a very different note, there is another facet of the small business - big business battle that some people simply do not see, and that is in the political arena. Since the mid 1900’s bigger businesses have shifted their views about the American government regulatory practices within business operations. Originally big businesses wanted less intervention from the government as many were in favor of free enterprise, but slowly bigger businesses have changed towards trying to extract support from the Government in the form of subsidies and tax breaks. Today many companies and corporations are

politically active through lobbyists. A lobbyist is any person who works to influence the legislative process. Many corporations sell products or services that might be effected by the existing legislation; for example, a pharmaceutical company that sells prescription drugs must be paying attention to current laws and regulations put forth by the Government and the FDA. The issue of lobbying and lobbyists is expansive, complicated, and situationally dependent for different types of companies and organizations, but lobbying has had an incredible effect on American legislation as there are multitude of lobbyist firms or groups with multi-million dollar budgets. According to Statista the average total spending on lobbying in the U.S. from 1998 to 2016 was \$2.6 billion dollars ([www.statista.com](http://www.statista.com)). Corporations allot a large portion of funding into their lobbying campaigns because lobbying is working for them, so corporations continue to have interest in public policy. This extension into the political arena is no place for any small business. This information creates a reason for consumers to support local economy and small businesses as doing so brings the power back to the people whom wish to be involved with the democratic voting process. The less money corporations have, the less money they can spend on lobbying, and thus their voice in politics will be diminished.

### **Interest in the Problem**

Interest in the problem stemmed from the potential results that may arise in the case that a new marketing and advertising might be developed that allows for local businesses to gain more exposure in their communities without any investment. The new marketing plan is intertwined with a fund-raising campaign to benefit organizations

working on positive social change projects. This strategy called “social entrepreneurship” is accomplished when a percentage of sales are donated to fund an organization that is working to make an impact on social issues. Social entrepreneurship can be a motivator for consumers, and thus funding a community project to support can create an incentive for local community members to purchase from a particular business. Choosing a local project in addition to a project internationally may lead consumers to feel as if they are helping resolve an issue close to home, and also one far away.

The new marketing plan uses artists, musicians, and other performers to promote the small businesses indirectly through advertising their own art and music based events which will be held at the local business. There is an abundance of talented artists and musicians in San Luis Obispo that are looking for a gallery or small venue in which to perform, yet don't have access to a physical space. Meanwhile there are many small businesses that wish to improve existing marketing and advertising plans and ultimately bring in more revenue, yet do not know how, or cannot afford to do so. A symbiotic relationship between artist and small business can be created, and thus by working together - the two groups can bring the attention of the community towards stimulating the local economy. The interest for creation of this new marketing plan comes from a desire to educate the community in San Luis Obispo about the underlying importance and effectiveness of supporting local businesses, to support the local economy, to support artists and musicians, and to create a replicable, scalable marketing and advertising strategy that can be duplicated in other local economies. There is significance interest in

this project because of its potential to influence culture and produce funding for positive social change projects.

## Chapter 2

### Literature Review

#### Traditional Marketing and Advertising Strategies for Small Business

A handful of different methods of advertising are available to any company or business whether they are big or small, but not every businesses is able to afford every method that exists. As mentioned previously, the issue for small businesses is their limited budget, so some of the more effective methods of advertising are not feasible for them. There are different categories of advertising and “the most common classification is the division of advertising "above the line" and “below the line". ‘Above the Line’ is an advertisement in a major media (television, newspapers, radio) and responsible for creating a suitable advertising campaign is an advertising agency that is paid on this account. The range of this type of advertising is usually wide. "Below the line" is advertising in all other forms - the so-called. direct mail, banners, bags, posters. It can also take the form of sponsorship and also uses the Internet to reach out to as many people” (Grabara, Okwiet 2011). In a general sense, these above the line advertisements are utilized by larger companies with bigger budgets.

Above the line advertisements such as television and radio advertisements are more expensive investments, but there is notable evidence that traditional methods of marketing have become less relevant as consumers are adapting and becoming more connected with web and digital media. This trend can be beneficial for a business that can adapt with new technology, but very detrimental for a business struggling to adapt. Industry consultant, Dick Wagner, is a mentor to small business owners by helping them

adapt to the online world. Wagner reveals in 2012 that many business owners are still paying thousands of dollars for listing and advertising space in the Yellow Pages; Wagner says, “Yellow Pages used to represent the final stage of the buying process when people were ready to make a purchasing decision. But today the buying process is no longer a straight line ending with the phone book. Instead, it follows the winding curves and tools of emerging online technologies with no sign of slowing down.”, which he follows with statistics on the massive population of social media users (Wagner 2012). In a similar manner, in the past few decades radio advertisements and television commercials have been considered a powerful tool for businesses to reach out to the public, but more recent changes in technology and American culture have changed this. Companies like Netflix, Hulu, Pandora, Soundcloud and Spotify have given people a way to stream their favorite music, television shows, and movies online from the convenience of their homes and mobile devices. According to Statista, Netflix users worldwide has grown from about 22 million in 2011 up to about 93 million in 2016.

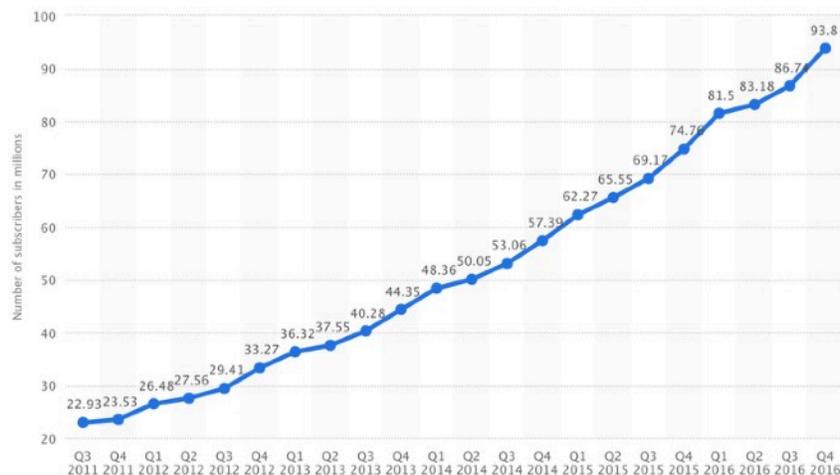
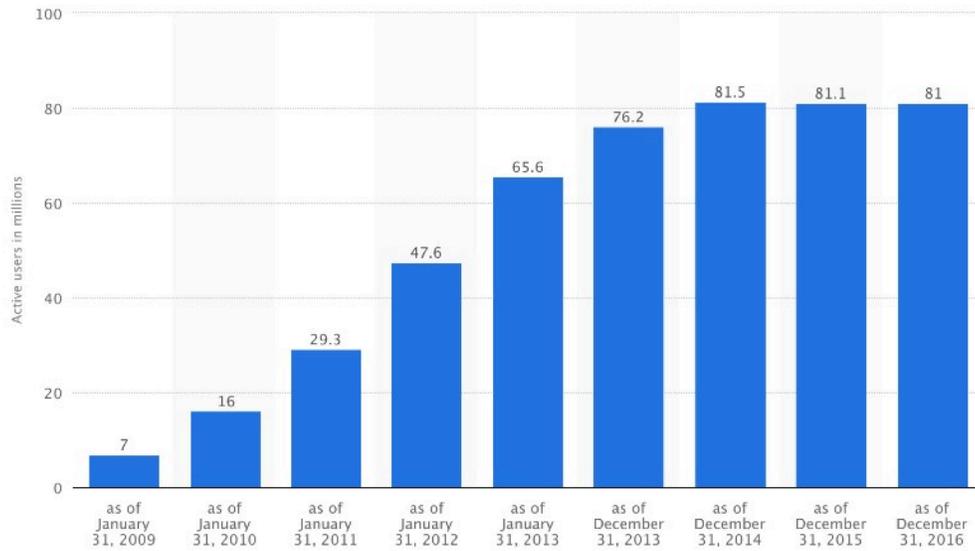


Figure 1 Number of Netflix users worldwide from 3rd quarter 2011 to 4th quarter 2016 (in millions)



*Figure 2 Number of Pandora's users from 2009 to 2016 ( in millions )*

Similarly, the number of Pandora users in the United States has grown from about 7 million in 2009, up to about 81 million in 2016 ([www.statista.com](http://www.statista.com)). With so many people using music, television, and movie streaming services, it may appear that the demographic exposed to television commercials and radio advertisements has been greatly diminished, but users of Netflix and Hulu can and may also be subscribed to cable television services. Although Pandora might not be the classic AM FM radio, Pandora has a free version that is supported by ads and a paid subscription version that is ad free, and this is also true for the Soundcloud music app.

Printed matter plays an interesting role in the advertising game as it takes shape in many different ways. Flyers, posters, coupons, magazine ads, newspaper ads, catalogs, business cards, and billboards are all forms of printed advertising. The print industry alongside many industries in America experienced the economic crisis during 2007 - 2009, but the print industry was being effected by more than just the economy. The

increase of affordable technology and internet access has created interesting complications for the print industry. Newspapers and magazines have become available to read on the web, and the creation of e-reader's like Kindle are providing alternatives to reading print. This trend along with the big economic crisis put print business under pressure. In 2008 Advertising Age magazine said, "The best-case scenario now facing print publishers is that the events of last week will eventually be revealed to be mainly the product of a familiar economic cycle, a temporary downturn that exacerbated the trends already challenging print media. After the economy recovers, probably by the end of 2009, advertisers will regain their interest in print as well as their ability to buy space there.", in regards to a very large layoff at Time Inc. (Ives, Zmuda 2008). More recently Alan Mutter discussed how technology is effecting the print world specifically in the context of advertising. In *How Mobile Ad Surge Threatens Print*, Mutter writes, mobile advertising expenditures exploded by 76 percent in the first half of 2014 to \$5.3 billion, surpassing even the sum spent on banners. Meanwhile, a chilling survey of advertising executives shows that 41 percent of them plan to fund their expanding mobile advertising budgets in 2015 by reducing print expenditures. In other words, mobile's gain could prove to be a further setback to publishers who already have seen their advertising revenues decline by more than half since peaking at \$49.4 billion in 2005.", to quantify this trend of switching from print to digital advertising, and in this case mobile advertising specifically (Mutter 2015).

By searching the web for traditional marketing and advertising strategies the results lead to a plethora of contemporary articles that describe the power of online

marketing plans, mobile and web advertising, integrated marketing communications, and multi-channel marketing. The abounding number of sources all talking about digital advertising is an indication of a shift away from “traditional marketing and advertising” towards strategies that incorporate print and digital media. The discussion of marketing and advertising is less about what business have done in the past, but more about what is working now and what will work in the future. Constant and consistent changes of technology have been altering society, so businesses need to know how to adapt to these changes.

### **Online and Social Media Trends of Consumers and Businesses**

There are several ways for any business to utilize the internet in terms of marketing and advertising. The most basic unit of the internet world is the website. A website creates a space for the business to say what they want to say to the public, so they typically will include information about their business that consumers want to know. Although some websites may have some fancy features or graphics, the hours of operation, the location(s), the product or service listings, company philosophy, company history, and contact information are all fairly standard for any business/company website. A website can be a great tool for a business, for example many companies use their web page as an e-commerce platform to generate sales, but websites are only one slice of the pie the internet has to offer.

Mobile devices like iPhones and Androids have dramatically changed the relationship between the consumers and the businesses as internet access has become

more convenient. Mobile devices have created a platform for thousands of mobile applications, or “mobile apps”, to be downloaded and used by the public. Some bigger businesses like Starbucks have created their own apps specifically designed for consumers of their product, but apps designed for social media are the ones that have created a whole new world of marketing and advertising for all businesses. Some of the more popular social media platforms are Instagram, *Facebook*, Tumblr, Snapchat, and Twitter which all allow people to create a personalized profile, to connect with other users, and to share photos, videos, and words with the world. These social media platforms may have originally been intended for networking between individual users, but more and more businesses big and small are utilizing these apps to reach out to the audience. In the *Journal of Business Economics Research*, their paper titled *The Lasting Effects of Social Media Trends On Advertising* discusses this relationship between the consumers and the businesses in terms of social media. The authors explain that more people are creating personal websites and social media profiles to boost self-esteem and exercise self-actualization because of our societies tendency to be individualistic. The information social media users have attached to their profile gets exploited because “many social networking sites give consumers the ability to personalize their preferences and information, thus segmenting consumers for marketers.”, and thus businesses can advertise more selectively. The authors say that “Marketers are finding that interactive and targeted marketing are the keys to success and that traditional advertising is essentially a waste of money.”, and more businesses are coming to terms with this realization (Wright, E, Khanfar, N. M., Harrington, C., & Kizer, L. E. 2016).

Although businesses are seeing the value of leveraging social media, there still remains the challenge of using it in the right ways. How can a business create content that will engage the customer? How does a business connect with the right demographic? Which platforms are the best to use? How often should a business post on social media? The first question regarding engagement is an important aspect of social media strategies as businesses want to post content that will get people to respond, comment, or even take action, so many will use mobile apps to track this data.

### **Social Entrepreneurship**

Social entrepreneurship, put simply, happens when a business gives something away to benefit a social cause, whether it be monetarily, or in some other manner. The business makes a profit, supports their employees, and helps support a social cause all at the same time. The idea of social entrepreneurship dates back a few decades, “Social entrepreneurship was introduced in the 1970’s to address the issue of social problems sustainably. The term “social entrepreneur” was first mentioned in 1972 by Joseph Banks in his seminal work named *The Sociology of Social Movements*, where he used the term to describe the need to use managerial skills to address social problems as well as to address business challenges” (El Ebrashi 2012). Although there may be cases of social entrepreneurship in the past, Hao Jiao claims that social entrepreneurship, “has been rapidly emerging in the private, public and non-profit sectors over the last few years, and interest in social entrepreneurship continues to grow”, and explains that there are “four

key factors that fuel the globalization of social entrepreneurship. They are global wealth disparity; movement of corporate social responsibility; market, institutional and state failures; and technological advances and shared responsibility.” (Jiao 2011). Whether or not a business or company began with social entrepreneurship from the start, or is incorporating it now, it is a concept that people are becoming more familiar with.

## **Chapter 3**

### **Methodology**

#### **Introduction**

This paper identified topics of interest for marketing and advertising for small and local businesses to create a case study in San Luis Obispo, California. The case study used Bliss Cafe, a small local business serving all plant-based food and located in the downtown area of San Luis Obispo, California, as a test subject for an event based marketing and advertising plan. Bliss Cafe partnered with the Nomadic Artifacts art collective team to complete a two month study that focuses on the general effects of hosting community events. The art collective was responsible for advertising an “Arts & Music Event” held at Bliss Cafe’s location on May 7th, 2017. The advertising period took place throughout the month of April leading up to the day of the event. This event based marketing/advertising plan was designed to use the artists and musicians in San Luis Obispo to bridge the gap between the consumers of the community and the business of Bliss Cafe. The plan is designed to be a low cost, low risk option for smaller businesses to improve their visibility within the context of their community. The Nomadic Artifacts collective attempted to reach community members and promote the event by social media, printed promotional event flyers, free vinyl stickers, and 15 - 20 active word of mouth conversations at the San Luis Obispo Farmers Market where artists passed out a flyer and sticker and told the person, or group about the event. The goal of this study was to analyze how the business assessed the event and its impact, and to understand how the art collective went about hosting the event as well as how it effected their business. Two

follow up interviews were conducted with one of the members from Nomadic Artifacts as well as the owner of Bliss Cafe to gather further insight into the event.

In addition to the event at Bliss Cafe, a survey was conducted to collect quantitative data regarding the local businesses environment surrounding Bliss Cafe. The questions quantify the interest and history with hosting or participating in community events, in addition to some other areas of interest within advertising such as promotional methods and strategies. The survey included 31 businesses located inside a 1 - 2 mile proximity range in relation to Bliss Cafe downtown, San Luis Obispo.

### **Purpose**

The purpose of the case study was mainly to test and analyze an event focused marketing/advertising plan. The analysis of the event and the survey were created to get a better understanding of the perceived impact of the event from both the perspective of the business and the perspective of the artist. Following the event, an interview with the owner of Bliss Cafe was done to gain further insight on the businesses interpretation of the Arts & Music event, specifically the successfulness and challenges. Similarly, an interview was done with one of the co-founders of Nomadic Artifacts, and specifically to investigate the methods of promotions, difficulties that were encountered, and ideas for future improvement.

The purpose of the local business survey was to gather information regarding local business and their interest in attending and hosting community events. The survey is designed to reveal whether businesses are looking for ways to expand their business, if

they have tried to expand their business, and what limitations they perceive are holding them back from expanding or increasing exposure by using marketing and advertising. The survey was also designed to reveal some quantifiable data about the local marketplace surrounding Bliss Cafe such that the answers of the interview may be compared with the businesses around them.

### **Objective**

The objective of the case study was to obtain results of a positive or negative impact on the exposure for Bliss Cafe in the month following the Art and Music Event put on by Nomadic Artifacts. The study and the survey were designed to determine several pieces of information related to hosting and participating in events similar to the Arts and Music Event at Bliss Cafe for local businesses operating in San Luis Obispo. The survey aimed to find out whether most businesses have reasonable amounts of square footage to host an event, to find out whether businesses do any sort of catering or vending at other locations and events other than their own storefronts, and to determine whether they are interested in becoming involved with more events.

### **Audience**

The audience for this study included multiple, yet disparate groups. The first group is the small business - Bliss Cafe. The second group is Nomadic Artifacts art collective. The third segment of the study is the other surrounding businesses who participated in the survey.

## **Procedure**

For the case study, the advertising period began in April with a multi-channel marketing plan. The print portion of the multi-channel plan took form through the hand-distribution of 5”x7” flyers and 2”x3.5” stickers. Personal face to face encounters took place at the Farmers Market in downtown San Luis Obispo for the weeks leading up to the event. These conversations with community members allowed the Nomadic Artifacts team to connect with people, strike up conversations, and inform them about the event details. The digital media segment of the multi-channel approach took place on the Nomadic Artifacts website: [www.nomadicartifacts.com](http://www.nomadicartifacts.com), as well as on social media platforms including Instagram and *Facebook* by posting information about Bliss Cafe, the artists, and the event on May 7th. These social media posts were originally created by both Nomadic Artifacts and Bliss Cafe with the potential to be shared by the community.

Meanwhile the survey was comprised of 8 questions and was conducted in person with store managers. The survey included 31 small and local businesses located in San Luis Obispo. Results of the survey and more information is listed below.

## Chapter 4

### Results

#### Participating Businesses in *Local Business Advertising Survey*

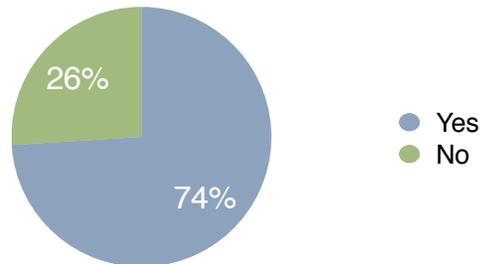
- Foothill Cyclery
- Ruby Rose
- Fred & Betty's
- Marstons Bar & Grill
- SLO Yoga Center
- Rocket Fizz
- Adore
- Romp
- Michaels Optical
- Trendsetters
- Ambiance
- Hemp Shak
- Blackwater
- Hands Gallery
- Hep Kat
- We Olive
- Thai Classic Cuisine
- Blackhorse Coffee
- Fiore t
- Tails Pet Boutique
- Just Looking Gallery
- Fanny Wrappers
- Super Silver
- Seeds
- Jaffa Cafe
- Urbane Cafe
- Ecobambino
- Contessa's Boutique
- Bambu Batu
- Linnaea's Coffee House
- Super Silver
- Seeds
- Jaffa Cafe
- Urbane Cafe
- Ecobambino
- Contessa's Boutique
- Bambu Batu
- Linnaea's Coffee House

#### Survey Questions

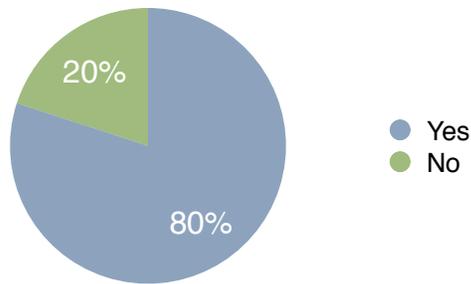
1. Has the business ever hosted an event at it's own location?
2. Has your business ever attended a community gathering, concert, or event where the business was promoting itself?
3. If the business were to host an event, about how many people could attend given the available square footage and parking?
4. What do you consider the most effective way to promote the business? (check only one)
5. Which methods does the business use to promote? (check all that apply)
6. Does the business sponsor or donate to any non-profit organization or other group?
7. Does the business have an email list to regularly send emails to subscribers?
8. Does the business have any form of a loyalty club or rewards program?

## Survey Results

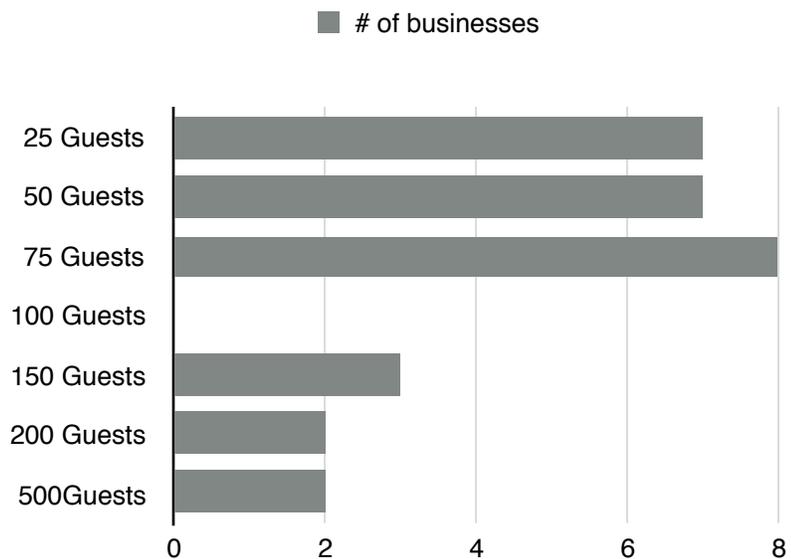
*Question 1 Figure 3: Has the business ever hosted an event at it's own location?*



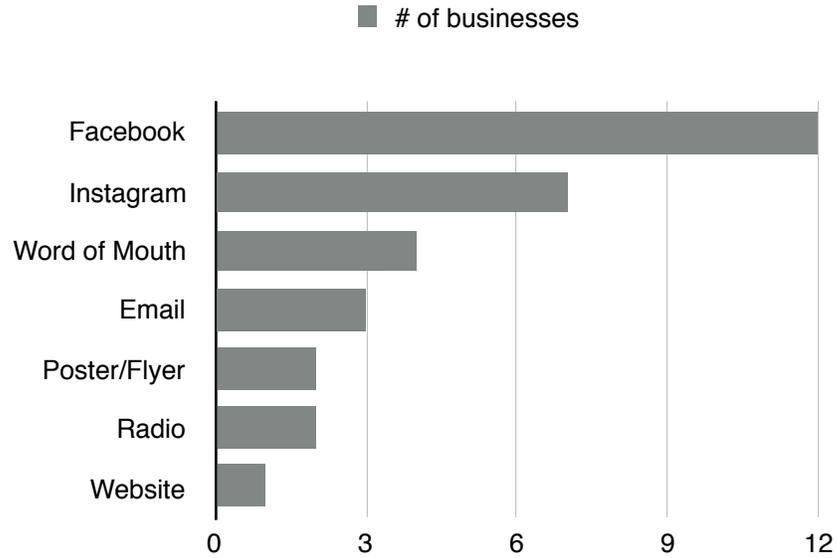
*Question 2 Figure 4: Has your business ever attended a community gathering, concert, or event where the business was promoting itself?*



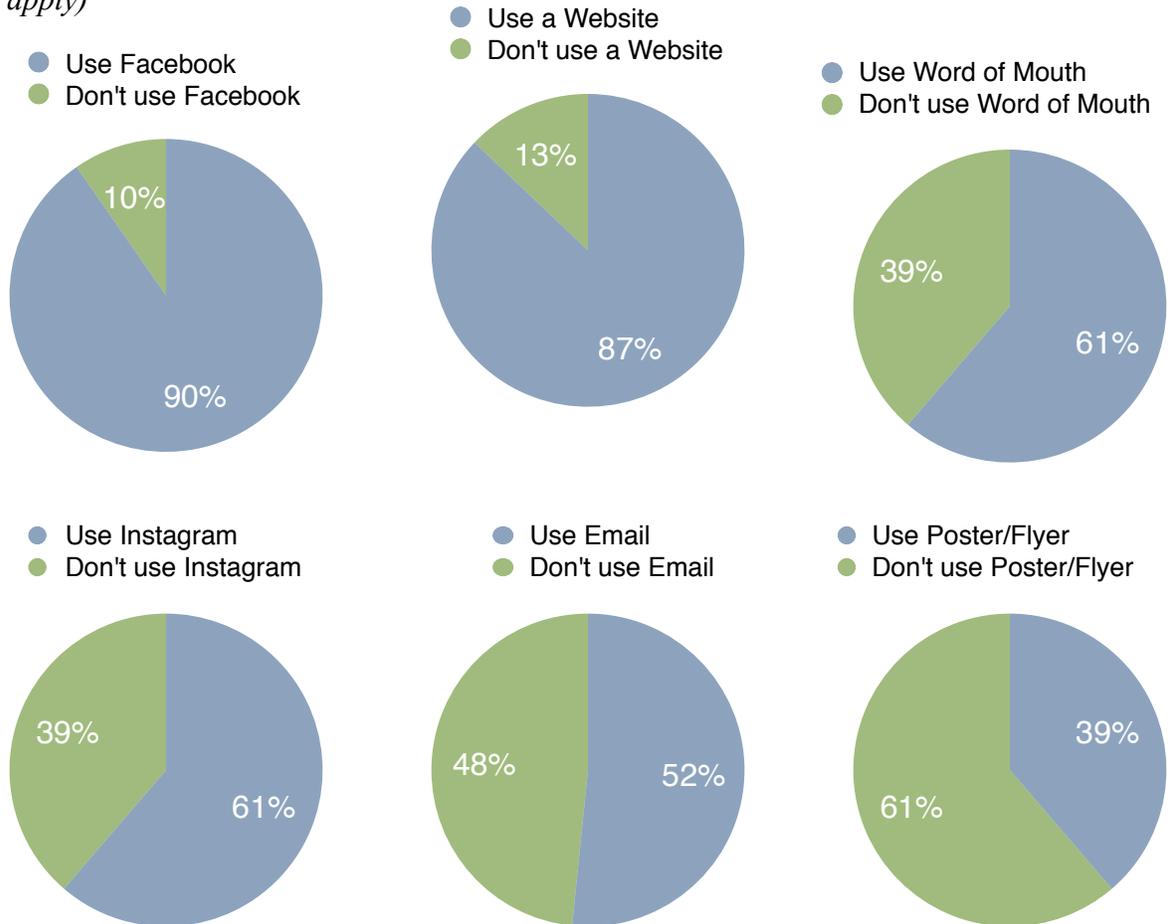
*Question 3 Figure 5: If the business were to host an event, about how many people could attend given the available square footage and parking?*



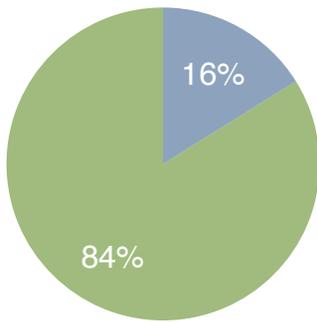
Question 4 Figure 6: What do you consider the most effective way to promote the business? (check only one)



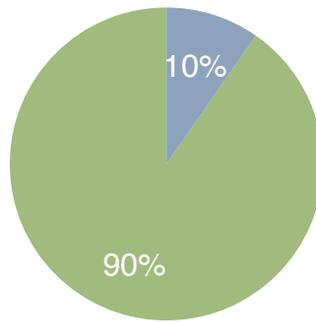
Question 5 Figure 7: Which methods does the business use to promote? (check all that apply)



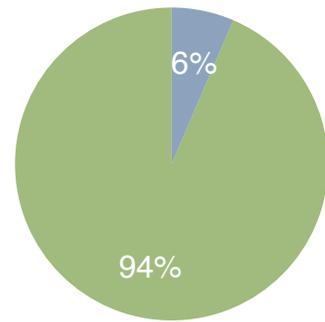
● Use Radio Ad.  
● Don't use Radio Ad.



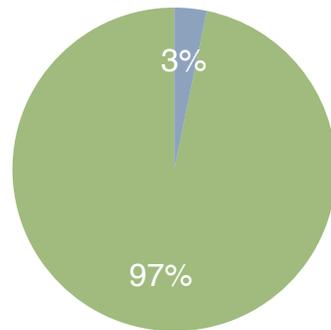
● Use Twitter  
● Don't use Twitter



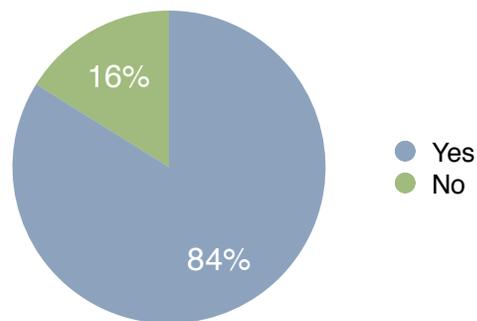
● Use Television Ad.  
● Don't Use Television Ad.



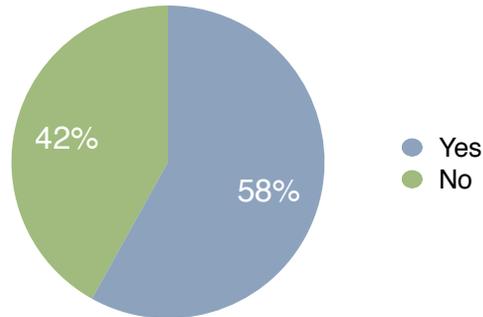
● Use YouTube  
● Don't use YouTube



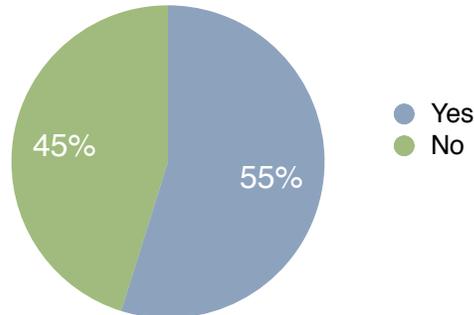
*Question 6 Figure 8: Does the business sponsor or donate to any non-profit organization or other group?*



*Question 7 Figure 9: Does the business have an email list to regularly send emails to subscribers?*



*Question 8 Figure 10: Does the business have any form of a loyalty club or rewards program?*



### **Bliss Cafe Case Study**

A follow up interview was conducted with the owner of the Bliss Cafe business to investigate further about the Arts & Music event. The questions and answers from the interview are discussed below. The questions asked to the owner of Bliss Cafe, David, explained his situation as the business owner and manager. Following the interview with

David, another interview with a co-founder and artist of the Nomadic Artifacts collective, Logan. The questions asked to Logan were geared to understand the entire journey of hosting the event and how it impacted business for the collective.

### **Interview with David**

Q1: *What forms of advertising and marketing does the business currently use to promote?*

- Word of Mouth
- Instagram
- Facebook
- Website
- Participating in the San Luis Obispo Farmers Market

Q2: *Are there any forms of advertising/marketing you wish you could use, but can't afford, or don't know how to operate?*

- Newspaper - too expensive
- Billboard - too expensive

Q3: *Do you feel like you are able to reach the community effectively?*

Partially yes, but with room for improvement. If there was a bigger budget than they could plan it more effectively. Tapping into social media platforms has been a good way to reach the younger demographic, but they still need to reach the older demographic that has the purchasing power.

Q4: *Do you think the Art & Music event was successful? Why or why not?*

- Yes
- Saw many new faces in the cafe
- Drove more sales that specific day
  - The event was on a rainy day, which meant business would be slow, but the event helped balance out the expected lack of customer traffic in rainy weather.
- Promotion of Bliss Cafe by Nomadic Artifacts was positive

Q5: *Do you have any suggestions for how the Arts & Music event could be improved?*

- Establishing more of a reputation
- Create more consistency with the event
- Allow enough enough time to plan and coordinate with the businesses
- Consider the date selection in relation to other events happening during the same time period

Q6: *Are you interested in hosting more events at your business? Why?*

- Yes
- I want to continue to cultivate more community gatherings
- The art and creative aspect of the events bring about good energy

Q7: *Are you interested in becoming involved with more events outside of your location? (concerts, festivals, gathering, etc.) Have you attended any lately?*

- Yes
- Lightning in a Bottle Music Festival

Q8: *Can you tell me about how you have dealt with promotional campaigns, marketing and advertising? Do you have any thoughts about your specific business in terms of advertising?*

- Their business is unique because all the food is plant based, so it's interesting to be in San Luis Obispo and the surrounding cities like Atascadero and Paso Robles that have been traditionally agricultural.
- He thought that going out and providing samples to people was a much more effective way of promoting the business as opposed to paying for a space in the local newspaper, and wanted to do more of this method.
- Reaching our target audience can be difficult at times.

### **Interview with Logan**

Q1: *What methods did you use to promote the event at Bliss Cafe, and why?*

- Conversations with people around town and at the Shabang concert and the Farmers Market all prior to the event
- Flyers, it allows people to take in the information and save it for later
- Facebook, we created a Facebook event because we are connected with a lot of people in the city and especially students of Cal Poly. It's fast and easy to share. It's free.
- Instagram, we made several posts about the event.

Q2: *How did hosting the event affect your business?*

- It was a great opportunity to connect with people and build more relationships in the community. This is especially important for us as artists.
- It gave us a reason for talking to strangers and telling them about our fundraiser

Q3: *Did the collective sell any art at the event?*

- yes, we sold 5 pieces

Q4: *Do you consider the event successful, why or why not?*

- The primary goal was to help drive traffic to Bliss Cafe, and that was a success because many people came down and ordered food. It also gave us another opportunity to connect and meet new people, and we sold some art, so I think it went very well. I think our set up was pretty nice despite our limited space.
- Close to 30 people showed up for the event, so that was really awesome for us and Bliss

Q5: *What was difficult about putting on the event?*

- It rained that weekend, so we had planned to be outside with more space, but instead we had to set up our displays inside, give enough space for the musicians, and still have enough room for all the tables. This made things a bit tight, but it actually made the space more intimate and cozy.
- The Shabang concert was announced to be on the same day of the same weekend that we planned the Arts and Music Event. We actually wanted to be a part of the Shabang by displaying our art at concert, and we did. So we decided to move the event to the next day.

Q6: *Do you think the event would have been more successful if it wasn't conflicted with the Shabang event*

- The Shabang concert actually helped us by giving us a chance to talk to a bunch of college students and tell them about our event happening the very next day! I'm glad we were apart of it, and I think it was beneficial for our event. I think the rain didn't help us out very much.

*Q7: What do you think you learned by putting on the event? Do you see ways of how you could improve upon it?*

- Heavier marketing at Farmers Market
- More conversations during the week leading up to the event

## **Chapter 5**

### **Conclusions**

#### **Survey Conclusions**

Figures 3, 4, and 5 revealed whether businesses in the area were hosting events, attending other outside events, and how many guests were able to attend their own events held in-house. 74% of the businesses said they have hosted an event, and 80% of them said they have attended an outside event. The majority of the businesses said they could host about 25-75 guests at an event, and only a few businesses said they could host 100 or more. These results were expected as San Luis Obispo has a very active community and many existing events such as the Farmers Market, and Art After Dark which happens on the first Friday of every month, as well as other concerts and fundraisers. The interesting result that came about from Figures 3, 4, and 5 was the few businesses who said that they could host a significantly larger number of guests than the majority of other businesses. A handful of businesses who said they were able to host hundreds of guests said that they utilized their store space in addition to their parking lot where they set up other vendors. Unfortunately, most businesses do not have a parking lot or outside space that they could utilize to expand their event size. Being able to gain access to a larger space seems to be a significant advantage for hosting events as it allows for many more guests, vendors, and space for artists and musicians to set up with enough space.

Figures 6 and 7 in the survey analyzed promotional/advertising methods used by businesses in terms of which methods the businesses use, and which one they perceive to

be the most effective method of communicating and reaching out to the community. For figure 6 the survey asked which is the most effective method of advertising, and the most popular choice was *Facebook* - 12 businesses out of the 31 said the *Facebook* was the most effective method to advertise. The next most effective method selected was *Instagram* - 7 out of 31 businesses chose *Instagram*. Following *Instagram* was *Word of Mouth Conversations* - 4 out of 31 businesses chose *Word of Mouth Conversations*. Email had 3, *Poster/Flyer* and *Radio* had 2, and *Website* had 1. The results from question 4 revealed that the least expensive methods of advertising were most effective whereas as the more expensive options were much less effective. From initial hypotheses and background study, this result was expected as many sources stated that the traditional forms of marketing like *newspaper*, *television*, and *radio advertisements* are falling out and being replaced by more affordable digital methods such as social media, email blasts, and even text message notifications. *Posters* and *flyer* advertising costs money to print, and requires time to hang up in various locations, whereas a *Facebook* post can be made from the computer and has the potential to be instantly shared with thousands of users. Figure 7 analyzed all methods of advertising that the businesses use, so this question yielded a several results. 90% of the businesses surveyed use *Facebook*, 87.1% of the businesses use a *Website*, 61.2% use *Word of Mouth Conversations*, 61.2% use *Instagram*, 51.6% use *Email*, 38.7% of *posters and flyers*, 16.1% use a *radio advertisement*, 9.6% use *Twitter*, 6.4% use a *television advertisement*, and 3.2% use *YouTube* to advertise. Again, the survey shows that digital means of advertising like *Facebook* and *Email* are much more popular than more expensive options like a *radio* or

*television Advertisement*. Although *Twitter* and *YouTube* are free to use, have an enormous user base, and are efficient ways to blast out advertising, they were very unpopular methods of advertising for the businesses who were surveyed. This result may be caused by a number of different reasons, but it is likely that many businesses do not have a video production team that can produce high quality videos to be posted on *YouTube*, and likely don't have enough budget to hire a social media manager to handle *Instagram*, *Facebook*, and *Twitter*.

Figures 8, 9, and 10 reveal additional areas of concern for advertising and social responsibility. Figure 8 revealed that 83.3% of the businesses surveyed said that they donate or sponsor a non-profit organization. Figure 9 showed that 58% of the businesses have an email list and regularly send out email notifications to subscribers. Figure 10 showed that 54.8% of businesses have some form of *loyalty club or rewards program*. Results of Figure 10 were essentially split down the middle, so it would be interesting to do further investigation on why some businesses have a *loyalty club or rewards program*.

### **Bliss Cafe Conclusions**

The interview with David focused on understanding how he, the business owner, interacted and interpreted the Arts & Music, as well as identified key points related to marketing and advertising for Bliss Cafe such as current methods and perceived weaknesses of their advertising. David stated that the current methods of promotion include their website, a *Facebook* page, an *Instagram* page, Word of Mouth conversations, and their very consistent participation in the Farmers Market where the

business sets up a pop-up tent and serves food amongst the many other vendors. On the other hand, there are a couple forms of advertising that are too expensive for the business to use that would be preferred, and David mentioned that a Newspaper Advertisement in the local paper and a Billboard would be great to have, but the price isn't right. David's answer to question three, *Do you feel like you are able to reach the community effectively?*, showed that he believes he is doing the best with the resources and time available, but he thinks that he would have more success if he had the budget to pay somebody to run a social media advertising campaign that uses a more defined structure, schedule, and strategy. David also mentioned that the existing social media presence for Bliss Cafe seems to be an effective way to reach the younger demographic, but lacks the ability to reach the older demographic, and this is a problem because the older demographic has a more consistent income which means they could be more regular customers.

Moving on to Question 4, *Do you think the Art & Music event was successful? Why or why not?* David believed the event was successful because it brought in some people who had never been to Bliss Cafe before, and it also helped balance out the lack of sales caused by the rainy weather that weekend, and the business was advertised by Nomadic Artifacts for several weeks. To follow this question, the interviewer asked, *Do you have any suggestions for how the Arts & Music event could be improved?* David said that building and establishing a stronger reputation for the event, as well as creating more consistency for the event would be very beneficial to create positive momentum behind the events presence in the community. He also thought that having more time to plan in

advance with any business would be helpful. Lastly, David mentioned that the date selection for the events was incredibly important so that customers are not conflicted with other events that occurring simultaneously. This is very interesting because Logan also mentioned in his interview how this issue was encountered by the art collective when choosing a date for the Arts & Music event. The next question asked about the businesses interest in hosting more events in the future at their location. David's response was clearly yes as he believed that the event brings people together and cultivates good positive energy for the business. He thought the art and music was a great way to connect people in the community. Question 7 inquired about their participation in outside events. Lightning in a Bottle, a music festival, was the most recent event that they attended. Lightning in a Bottle is large 4 day music and art festival located in Bradley, California - just about an hour North of San Luis Obispo. David thought this was a great opportunity to meet people and sample their products, and he mentioned that it was interesting to see the festival change over the last few years from a smaller more grounded scene into a bigger more party like atmosphere. In response to last question of the interview, David stated that their business is unique because all the food they serve is plant based, so it is interesting to be located in San Luis Obispo and the surrounding cities like Atascadero and Paso Robles that have been traditionally agricultural. He mentioned how it is difficult to get these people who are meat eaters into Bliss Cafe, and he has more success with the younger crowd. He thought that going out and providing samples to people was a much more effective way of promoting the business as opposed to paying for an advertisement in the local paper. These eight questions and answers provided insight to Bliss Cafe's

situation as a local business and specifically their understanding of their own advertising and even the struggles of promotion.

### **Nomadic Artifacts Conclusions**

The interview with Logan was similar in style, length, format, to the interview with David, and, of course, aimed at documenting the whole experience of hosting and promoting the event. Logan, of Nomadic Artifacts, said that they promoted the event by having face-to-face conversations with people downtown at the Farmers Market which takes place every Thursday evening, unless there is substantial rain fall. At the market the collective approached many people by handing out event flyers, and free stickers, and then proceeded to inform them about the event details. In addition to the conversations, a *Facebook* event was created and shared with many Cal Poly and Cuesta students; Logan stated that creating the *Facebook* event was extremely convenient because it was free, quick, and incredibly easy to share. On top of that, Instagram posts were created at several times throughout April to share event information. The event details were also displayed on the Nomadic Artifacts website. Logan said that the event was a helpful to the business in terms of advertising because it created an opportunity to connect with people and build relationships in the community, and this is very important to him and the other artists because their success as artists derives from public support. The event provided a reason to be promoting the collective and a fundraiser, as opposed to just promoting the collective for what it's worth. Logan said they sold five pieces of art at the event and generated a profit. According to Logan the event was successful because it

accomplished their goals, and that was to drive more traffic to Bliss Cafe, gain more exposure for the collective and the cafe, and to sell some of their art. The collective was able to bring a small crowd of about 30 people to Bliss Cafe on the day of the event which likely otherwise wouldn't have been there; both Logan and David agreed that the event helped balance out a slow day at Bliss Cafe due to rain that weekend.

Question 5 asked, *What was difficult about putting on the event?* Logan responded by explaining the complication with a conflicting event, the Shabang concert, as well as the rainy weather that limited the space for the Arts and Music event to only indoors. For the weeks leading up the event the collective had scouted out and planned to announce the event to be held on May 6th in the evening, a Saturday. Unfortunately, the Shabang team announced that they were hosting their event on May 6th during the last week of March, so Nomadic Artifacts had to reconsider the date of their event at Bliss Cafe. This conflict created an interesting strategic decision for the collective as they had to decide whether they should move the event to the morning on the 6th, or move it to Sunday the 7th. Nomadic Artifacts had attended the Shabang concert in the past, and they had planned to attend the Shabang that was upcoming in the Spring season, so they decided to move the event to Sunday the 7th in hopes of being able to use the Shabang concert as an opportunity to promote the Bliss Cafe event. Furthermore, Logan mentioned that rain complicated the situation because they had to move all of the art displays inside while also leaving enough room for people to sit and eat at the tables. Initially the collective had planned to set up the musicians and the art displays outside on

the back patio area. This made the event inside a bit more intimate than planned, but it went on anyhow.

Questions 6 asked, *Do you think the event would have been more successful if it wasn't conflicted with the Shabang event?* Logan believed that the Shabang concert was more beneficial to the event because it provided an opportunity to connect with hundreds of members within our target audience and promote the Bliss Cafe event. The last question of the interview asked about ideas of improving the Arts and Music event in the future. To this, Logan thought that the collective could have employed a heavier marketing campaign at the Farmers Market and attempted to engage in more conversations during the week leading up the event.

### **Final Conclusions**

The art and music event focused marketing plan created a unique method for the business to promote and engage with new customers while it also created a unique opportunity for group of artists and musicians to perform and share their craft with the community. In this study, the success of the event for both the business and the artists was heavily influenced by the date selection in context with other events, the weather, and the amount of promotional material used to inform the public about the event. The suggestions David made towards improving the event seemed very strategic. Creating consistency with the events would build momentum for the events that would be held in the future. This might provide the collective with a stronger reputation that can be used to more easily secure events in the future at other venues; this consistent and steady stream of events will

ultimately get more community members involved to help support local business and improve the local economy in San Luis Obispo.

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