



HSV Comprehensive Marketing Plan

Description

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Lack of a Comprehensive Marketing Plan

"I have been campaigning against the Comprehensive Master Plan (CMP) for about a year now with numerous letters/emails to the CEO/POA Board, one on one meetings with Board members and an August presentation entitled "The Problems and the Promises of the CMP" sponsored by the We the People Movement (no affiliation with me)."

"I have a substantial background in business and marketing having been an adviser to hundreds of corporations for over 45 years, including some Fortune 500 firms, both in the U.S. and internationally."

In HSV, one of the first things we must understand is that we are a business. We must follow the basic laws of business in that we must bring in more money than we spend ... the first and most basic law of business. It doesn't matter if we are structured as a corporation, profit or non-profit, municipality or any other form of government we must bring in more than we spend.

Because we are not bringing in more than we spend (or need to spend), we currently have a revenue problem. This is not to say that we cannot benefit from some "belt tightening" but, for the most part, most of our problems would be solved by revenue enhancement. And, this revenue deficiency is due to a lack of a Comprehensive **Marketing Plan**.

BOD members lack understanding of marketing plans

If you look at the history of HSV, the overwhelming majority of our managers and POA Board members have come from backgrounds where revenue was not their primary career responsibility. We have a CEO who was an accountant, current and past board members who were nurse administrators, IT managers, military administrators, managers of engineering firms, small business owners and a variety

of other backgrounds (not intending to be pejorative to anyone's career). Past CEOs (GM), board members, etc. pretty much all came from career scenarios where either revenue "just showed up" or they were from a small business where revenue/marketing was generated from decisions about yellow page advertising or radio spots in a smaller marketplace, etc. Please do not misunderstand that these (POA Board members) are smart and capable, well meaning people but just not equipped with the expertise to implement and understand sophisticated marketing programs. Few could actually consider, and understand, a national marketing strategy within a national marketplace of competing messages nor the concepts of an integrated marketing strategy. A \$40 million revenue organization is a sizable firm. Those past managers and board members who saw the need for a "professional marketing strategy", were most probably defeated by the majority opinion or relied on the "perceived" marketing expertise of the CEO or General Manager.

Loss of NRPI/CCI resulted in marketing weakness

All of this didn't matter as much when NRPI/[CCI](#) was driving the marketing. We could exist within their aura of lead generation and things went quite well. When they (NRPI/CCI) pulled out, our marketing knowledge and associated weaknesses began to become exposed ie., ... we noticed the emperor had no clothes on. Or as Warren Buffet would say, "you can't tell who is swimming naked until the tide goes out!" As leads and construction began to dry up, we blamed the economy and other issues but basically, we did not understand marketing.

POA/BOD solution was CMP

At some point, the POA/Board and current HSV management decided that the solution, to a lack of lead generation and home construction, was to build out the Village in the form of the CMP. It made sense to them, other communities were doing it and they began to embark on this fiasco all along believing that it was right for HSV and without it we would go bankrupt. This solution made sense primarily because no one really understood marketing and they had no other answers!

Continuing down CMP pathway

The problem we have now is that we have a board and a CEO who believes this CMP/build out strategy is necessary to save the Village. Secondly, we have a CEO who believes she knows marketing. The marketing and advertising firms who we use as advisers are not equipped to handle/understand large company/national marketing strategies. Consider Ghidotti, they are a public relations firm. They are probably quite capable in public relations but PR is such a small component of a true marketing effort. They all continue down the CMP pathway, using broken and misunderstood marketing principles, because it is all they can see as a solution (and now, they have invested \$millions in it and own it emotionally). A seasoned marketing executive can review the marketing components of the CMP and see it is misguided and simply a compilation of advertising ideas, within poorly defined target markets. I believe it was Donald Rumsfeld, in outlining military strategies, who said, "we don't know, what we don't know". The CEO, the board, and unfortunately, probably most upcoming candidates, "don't know what they don't know".



Continuing down the CMP pathway

True marketing is scientific process

Most past, existing and future POA management/Board members believe that marketing is simply a culmination of some good ideas. It is not. True marketing planning is a scientific process of using logic and common sense to assemble the building blocks of a cohesive marketing strategy, which is actually very scientific. All successful medium and large corporations approach it this way.

Target – Attractive Message – Implement Plan

Advertising, promotion and public relations are just a part of an overall marketing strategy. A viable marketing plan starts by defining the right target market (single, not multiple... unless you are a multi-billion dollar organization), creating a unified message that is emotionally and logically attractive to the target market, and then implementing a specific plan of managing the potential property owners through the entire process of responding (showing interest) to an ad, visiting the Village, experiencing

what is specifically important to them, and then instituting a well designed follow up program. A great marketing program has messages and processes to communicate with property owners well before they are ready to retire (just when they start thinking about it) and then all along the pathway to their retirement until (hopefully) they become an HSV property owner. It is all choreographed and designed well ahead of time.

This “complete” marketing methodology is used by most major corporations. Disneyland theme parks manage you as a visitor from the second you drive onto their property... where you park, where you eat, where they place Disney characters and the rides (and their locations) are all well planned. When you enter a Kroger grocery store everything is planned for your visit to the store. Traffic flow, positioning of grocery items and even the last minute impulse items at the cash registers are all planned out. Where you advertise, tracking leads, visits per lead source, sales per lead source and many other factors are calculated within the marketing plan and tell you exactly what advertising is working and what is not. This is all part of a marketing plan!

POA Board needs to develop marketing plan

There is a general belief that we should marry the opinions of all Villagers into our business and marketing planning. This is wrong. The POA Board needs to develop a sensible plan and then communicate it to POA residents. Once the plan is in place, residents can participate in the process where Village wide input makes sense... do we want a pool, should we expand tennis courts, where should we put a grocery store, how do we spend accumulated capital, etc.

Property owner input should not be used to create marketing plans, where we advertise or even in the development of our business structure. Where we advertise and what we say will be answered by the construction of a marketing plan. The marketing plan itself, when properly done, will give us all of the details needed to develop our advertising plans. Placing ads in “**Ideal Living**” or sending representatives to various shows are just ill-informed stabs at marketing HSV and a substantial waste of money, without specific guidance of the overall marketing plan.

We need a formal business and marketing strategy to get us headed in the right direction. I have tried to discuss such a plan with the POA. Its concepts are not mine. This plan’s structure, and reasoning, can be found in a myriad of business textbooks and Fortune 500 planning documents from Harvard to IBM. This plan would set the stage to begin solving our financial challenges, bring new home development back up to 300 to 400 houses per year, create a long term flow of new residents into the Village, mitigate POA and amenity fee increases, improve property values and provide us with a substantial capital account to consider a multitude of other development projects.

CEO & POA BOD refuse to listen

Unfortunately, the CEO and the POA Board will not speak with me. My assumption is they are so invested in the CMP they do not want to contemplate anything else.

My fear is that the next board will be no different in that the majority will still be leaning pro-CMP. And, likely new board members may be indoctrinated into following the “unified” message. I have already been told, by an existing board member, they are afraid to admit the CMP was a bad investment.

Need to admit errors & move on

At some point, we must admit that the CMP was a bad decision and walk away from it. Corporations make poor decisions all the time. The successful ones admit their errors, fix the problems and move on. The unsuccessful ones continue to refuse to admit their mistakes and continue to waste money chasing bad ideas. The CEO and the POA Board are so invested in the CMP they don't even want to hear any other alternatives.

Our problems won't be fixed by hiring a marketing manager. We need a complete, well-designed marketing plan that the POA supports and is enthusiastic about. We cannot salvage portions of the CMP.

Focus on revenue creation

We must focus on revenue creation first and foremost. In reading the resumes of past, current and proposed board members many talk about more transparency, budgeting and spending controls, oversight issues, more open sessions, fiscal responsibility, restoring trust, better accountability and many other issues. These are all **very** important and necessary. But, all of these issues pale in comparison to creating the revenue necessary to meet our current and future funding needs.

An analogy: you can plan for all sorts of remodeling projects and updates to your home but if you can't afford the mortgage payment it will be for naught.

We need new ideas based upon smart marketing logic and embedded in a true marketing plan.

[Phil Lemler](#), HSV Resident

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Date Created

03/09/2019

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