

Prairie Conclave 2008
Mike Hogan – Guest Director

I HAVE GOOD NEWS!

Good evening dancers, callers, cuers and leaders,

Let me start by telling you what a privilege and an honor it is to be your guest director for the 17th bi-annual Prairie Conclave. Over the last 34 years you've had guest directors such as Jerry Junck, Mike Seastrom, and Jon Jones, leaders who I have the utmost respect and admiration for. Your first leader was Bob Osgood, a man who was a true visionary, and likely did as much for modern western square dancing as anyone I've ever met. It has been said that an expert is someone from far away with a briefcase and an opinion. I have a briefcase, and I certainly have an opinion, but being from Omaha, I consider myself to be a local boy. So, thank you for inviting this local boy to share his knowledge and opinion with you. I am truly humbled by the opportunity.

First a little background on me; I'm a square dance caller who loves this activity so much that I've taken on the roles of President of this and Chairman of that for what seems like my entire life. I've served local and national caller and dancer organizations including service as Chairman or Vice Chairman of Callerlab's Marketing and Recruit, Promote and Maintain committees for the last decade. I'm also a marketer. For seventeen years, I've worked in the radio industry as a business manager, senior account manager and as a local sales manager, where I provide marketing solutions for my clients.

Albert Einstein once said "A well defined problem is half the solution". The goal of this weekend is to define problems and create solutions, so my approach will be that of a professional marketer, and I'll need your help. We think of square dancing as a hobby, a form of entertainment that we love. I'd like you to think of it this weekend as a business. This weekend, take on the role of President of square dancing. Look at our activity as if it were your business, as if its success is paramount for you to be able to make your mortgage payment and buy your groceries.

So, how is business? Demand is down. Sometimes it seems that we can't even give the product away. We've got a loyal customer base, but they are getting older and can't participate as often as they used to.

How about expenses? Halls that used to cost twenty five dollars are now two hundred, so instead of dancing in a ballroom, we dance in the church basement. You have to have insurance. Then there are talent fees. Caller's charge a minimum or a percentage, so if you have a small dance you lose money; if you have a big dance, you make money, but not much. Sounds bad, but most callers lose money every year. I personally called about 100 dates last year and had a net loss of \$2,500. Speaking of talent, how talented are our callers and cuers these days?

How good is the rest of your staff? The ones that run the cash register, book your callers, and run your dances. They are all volunteers; but we can't get them to volunteer. They are also your customer. Some of our "businesses" are shutting down because we can't get our customers to run our business.

I believe that most of these problems are results, symptoms of a business plan that hasn't changed over the last thirty years. In 1978 clubs were ran by club members. We gave one set of lessons a year. We recruited our friends. Ladies wore petticoats. Men wore western cut shirts with a bolo or cloth tie. We distributed flyers to advertise our dances. Members joined for a year at a time, paid dues, brought food, and chased banners. In 2008 we run our clubs the exact same way. In 1980 the Omaha Festival drew over 100 squares. This year it drew 20. So we're conducting business as we did 30 years ago, with very different results.

I believe following basic marketing principals will put us back on the path to success. There will be decisions to make and work to do, but if we manage our businesses correctly, we can grow and prosper. So let's talk about the four P's and the D; Planning, Product, Price, Promotion and Distribution, marketing concepts you would learn of in any basic marketing class.

The first P is planning. What is our plan to run our business? What will we sell? How will we sell it? Who will buy it? Why and when will they buy it? How will they know who we are and what we sell? How will we beat out our competition? The most important of these questions are: what will we sell, who will buy it, and why will they buy it.

The "Who" in who will buy it is our potential customer, and we have two very different definitions of our potential customer. The first is you. We need to get you to come to our dance. If we can do that we'll be fine. Problem; there aren't enough of you. The second and more important potential customer is the non dancer. We have to be successful at recruiting and retaining non dancers in order for us to survive.

The second P is Product. We don't usually think about the product as being anything more than square dancing, but it's actually a lot more. The empty nester baby boomer generation sees square dancing as "out of date, country oriented, for hicks and hillbillies, using old-fashioned music and patronized by senior citizens in fluffy dresses with big hair, big belts and RV's." This came from national research conducted by Starworks in 2001. When business owners develop their products they consider the features and benefits of the product, competition and most importantly how will the target prospect think and feel about the product. Square dance products include dances, weekends, and festivals, at various levels, and can include rounds, contra or line dancing. Some features we don't usually think of are club membership, dress code, music, dance night, location, and talent.

What are the benefits? Fun, social interaction, physical and mental exercise, music, travel, lifelong friendships, these are many of the benefits we offer. But does our potential customer know about these benefits?

Square dance lessons are also a product. We offer them as an education product with the purpose of teaching non dancers how to dance. We offer this product now and then if we can get enough people to buy it. It looks like this: twenty, two-hour classes on consecutive Thursday nights from September 10th to February 27th for a fee of \$100 per person in advance, and not until the completion of the course will the new dancer be capable of dancing with the general square dance population. In today's society, I think that's a tough sell!

Products are always changing, improving, evolving with the changing of time and technology. We've gone through almost two complete generations since 1976 when I began calling and the product has not changed, but society has. I'll use as the example, my Dad, myself and my son, three very different generations.

My Dad was born in 1936, graduated in 1954, got married and joined the military. He fought in Korea and Vietnam. He was one of nine children. As a kid he worked doing chores and on the farm. Going out for dinner was only for special occasions. He listened to radio until TV came along. He went to the matinee. Social activities included cards and games. His generation joined clubs like the American Legion, and the Knights of Columbus. They swam in a lake. His Dad worked and his Mom raised the kids. They listened to music by Elvis Presley, Frank Sinatra, Hank Williams and Buddy Holly. They were joiners with limited entertainment options, so social events were special. My Father was 40 years old when he learned to square dance.

I was born in 1962, graduated in 1980, went to college, and then got married. I never joined the military or fought in any wars. I have one sister. As a kid, I ate at McDonalds. My family went to nicer restaurants now and then. I played outside, swam at the pool, and played Atari. Sandlot baseball filled my summer days. Dad worked, Mom sometimes. I listened to Bruce Springsteen, Aerosmith, Ronnie Milsap, and Randy Travis. I learned to dance at the age of 13. At 40, the age my dad was when he learned to dance, my wife and I both had full time jobs. I coached

soccer. I went to my son's baseball games, and helped coach. My generation is very busy. We don't join clubs or make long term commitments. We cocoon, that is, we stay at home when we're not at work or supporting our kids.

My son was born in 1993, and is a freshman in High School. I don't know where, but he'll go to college. In fact he'll likely need a Masters degree if he wants to rise above mediocre. He's a Jimmy Johns fan. We go out for dinner often. He has swim practice five days a week, and will start on the High School team next month. He plays baseball on a select team and hopes to make the high school team. He listens to music that he downloaded from the internet to his Ipod. He has a myspace and a face book page. He text messages his buddies. He listens to music from My Aim Is True, Lights Out Dancing, and Green Day. His generation not only buries themselves in the computer, but also are instant gratificationists. They move quickly, master the task, and move on.

The point is that we are trying to sell the identical product that my father bought to my generation and to my sons. Again, I think that's a tough sell.

The third P is price. We have to cover our costs, so as our customer base decreases, we look for any hall we can find that is cheap. Most clubs charge guests \$4 to \$6 per person and a smaller fee for their members. My club charges members \$80 per year per couple for a minimum of 16 dances; that's an average cost per dance of \$2.50 per person. Go to the movies today and you'll pay \$9 per person. Add popcorn and a soda and you'll pay \$15. So should we charge \$15 per person for a dance? If we did, would you pay it? Price is determined by the value the consumer places on the product. Ballroom dance lessons at the DC Centre in Omaha are \$50 per hour per couple. \$200 for a couple to take twenty; two-hour square dance classes is 1/10 of what ballroom charges. If price is one of our problems, it's that we are not charging enough.

The D is distribution. Distribution is the method in which the product is provided to the prospect. For our new dancer prospect there are several things to consider. Convenience is important to them. They can't go to a retail store and buy it. They can't buy the product on line. Do they want to try it before they buy it? Auto manufacturers handle distribution like this; they build the product at a factory, and transport it to a dealer's lot. The dealer must get you to come to his lot to buy the product. I'll bet you know where the closest Ford dealership is to your home. If you want to take tap, jazz or ballet, I bet you know a dance studio near you. If you didn't square dance, would you know where to go to learn to square dance? Here are more results from Starworks: "Modern western square dancing does not have a high profile, even in cities where there is an active dance community. Non-dancers in these cities do not know about the dance activity in their city, nor would they know how to get in touch with a program if they wanted to. Few had seen any notices about dance classes, or knew where it was done. Several claimed that square dancing was a rural activity – not done in an urban environment where people have many alternatives for entertainment. As a result people who might be enticed into square dancing have no idea how to get involved."

This statement speaks about distribution as well as the last P; promotion. Promotion includes brand building, image, public relations, advertising, personal selling, purchase incentives, budget allocation, partnerships, and product sampling. Promotion is the delivery of messages that inform, educate and persuade consumers to purchase the product, and the methods used to communicate those messages.

There is a difference between promotion and recruitment. We recruit new dancers when we ask people to take lessons. We promote square dancing when we educate people about square dancing. A newspaper ad about lessons is recruitment. An exhibition at the mall promotes square dancing. People purchase products because they either need or want the product. We don't buy toilet paper because a white roll of tissue mounted to the wall ads style to our bathroom, and we don't buy a BMW's simply to get from point A to point B. Our problem is that non dancers don't see a need for, or have a desire for square dancing. They do have a need for exercise and a desire for fun social interaction. The better we promote square dancing's benefits, the more successful our recruiting will be.

Here is a recap of some of the problems we covered. Square dancing doesn't fit the lifestyle of our potential customers. Our potential customers don't understand our activity, are unaware of its benefits, don't know that it exists in their community, don't know where or how to find it, and don't have any desire for it. Opportunities to sample or purchase our product are very limited. Our sales force is made up of volunteers, who have a passive interest in our success, are unmotivated with no training and no guidance. We don't have a marketing plan, or the ability to fund a plan if we had one.

I have good news! Many of square dancing's national organizations are aware of these problems, and have spent a lot of time and effort working on solutions.

So we need to develop a business plan for square dancing. We don't have a President of Square Dancing, or a specific organization to assume responsibility for square dancing's future. **HERE IS SOME GOOD NEWS!** To address this, CALLERLAB developed an independent non-profit organization called "The Foundation for the Preservation and Promotion of Square Dancing" usually referred to as "The Foundation". Its mission is to preserve and promote square dancing through the preservation of the heritage of square dancing, the establishment and enhancement of a positive perception of square dancing, and education regarding the benefits of square dancing to the general public. Its purpose is to fund projects that serve to accomplish the mission, and it operates through private contributions, public grants, and endowments. Its goals are to develop and maintain a national advertising campaign, develop and encourage educational programs, and provide funding through grants and loans.

The Foundation wrote a long term program to promote square dancing called "The Phoenix Plan". It was written by Mike Seastrom, Callerlab's Marketing Committee Chairman at the time, and Mr. Jim Hensley, owner of a professional marketing firm, along with input from members of the Board of Directors and Marketing Committee members, including myself as Vice Chairman. The first phase set goal of creating an entity that represented all dance groups, developing fundraising programs, carrying out market and image research, expanding communication and education efforts, and developing promotional packages.

Research was sponsored by CALLERLAB and the Foundation including an internet survey to help define the image non dancers have of our activity and focus group research by Starworks, that more clearly defined the perceptions and awareness of our activity as well as product issues. The research also includes focus groups of dancer drop outs. This provided a lot of information relative to retention of dancers.

HERE IS MORE GOOD NEWS. The Alliance for Round, Traditional and Square Dancing, generally know as the ARTS was created. This is the entity set up to represent all square dance related organizations. It's an organization where groups like CALLERLAB, ROUNDALAB and the USDA can work together on projects for the benefit of square dancing and its related dances.

HERE IS MORE GOOD NEWS. To help generate ideas on how to market to new dancers Callerlab's Recruit Promote and Maintain Committee established a collection of recruitment success stories called "Winning Ways". Currently there are 30 success stories in the collection covering information from beginner parties to multi-cycle lessons and more. All are available from the Callerlab web site.

MORE GOOD NEWS: to address funding a marketing program, Callerlab's Marketing Committee wrote a fundraising program called the "Add a Buck program", which was adopted by the ARTS. The program is based on the idea of adding an extra dollar to the admittance at local dances with the funds created going into a national treasury and then granted out to local and state organizations or to pay for national marketing. It's a complete turn key program that to my knowledge, no one is using; too bad. If we had a dollar for every time a dancer signed in to a dance, we would have generated a fund near \$1,000,000 for 2007 alone. The program is available on the ARTS website.

What do we need to change about our product to make it more accepted and desirable? Here are some things I believe. Beginner lessons should take no more than 5 to 10 weeks. At five weeks there should be dances available

for folks to participate in. There should be clubs who dance regularly at the 10 week level. Other forms of dance like rounds, lines, and mixers should be included. I believe dancers who are involved at the 10 week level will seek additional calls through additional lessons or workshops. We should decorate for every dance. I believe in a stage and in showmanship. I believe folks would rather dance in a ballroom than in a basement. Jeans are appropriate for some dances. Petticoats and ties are a turn off to potential dancers. Callers should dress appropriately for the occasion. I believe there are times when all generations can dance together, while still being okay that my generation doesn't always want to dance with my dads, and that my son's doesn't want to dance with mine. It's okay for my son to not want to dance to Barry Manilow, and okay for you to not want to dance to Snoopy Dog. There should be dances presented in a style my son's generation would enjoy, with others themed towards my generation and others towards my fathers. These are just things I believe. That doesn't make them right or wrong. Would a program that offers open dances three nights a week at a local bar where jeans and t-shirts were the norm and having a beer was okay be more attractive to non dancers? If it were, could you accept it? What if I could prove that 50% of the participants in that program would evolve into Mainstream club members where the dress code was more traditional and alcohol was prohibited, then could you accept it?

HERE IS MORE GOOD NEWS. To address the need to look at product changes, Callerlab launched a program policy initiative that encourages callers to try new formats and presentations of our activity to see what the results would be. While the programs of Mainstream, Plus and Advance remain, callers and clubs should feel free to experiment with different call lists, length of classes, and so on, and then share their results. You can't do the same thing and expect different results. Your ability to embrace change will be important in this.

Most clubs don't have lessons or offer them the traditional way; however there are several new teaching methods; multi-cycle and blast are just two of them. I have used multi-cycle in partnership with Lanny Weakland for the last eleven years. We just started our 45th consecutive Mainstream class utilizing the program. It's not perfect, but the old system would have meant each of the three clubs that participate would have had the chance to start 11 classes each. At \$40 rent and \$25 for a caller each night these lessons would have cost \$1,300 each year and would have required at least 13 beginners to break even. We've averaged six to eight new dancers each class. That means the clubs would have lost \$600 per class or \$6,600 per club over the eleven years. That would mean bankruptcy; and so these clubs would not have held lessons, and likely would have closed due to lack of membership.

The next four items are: our potential customers don't understand our product, are unaware of its benefits, don't know that our activity exists in their community, and don't know where or how to find it. Thanks to the internet, if someone really wanted to find us they could. I Googled square dancing Omaha and got 755,000 listings. The first three were squaredancene.org, Cedar.net, Vic Ceder's national square dance website, and squaredanceomaha.org. The problem isn't that they can't find us; it's that they are not looking because they don't have a desire for our product. I believe if the product was modified slightly, and we actively promoted all that is wonderful about our activity; a portion of the public would find the activity appealing creating a desire for it. If that were accomplished, our recruitment efforts would be much more successful. Every one of these problems can be addressed with the promotion part of the four P's.

Opportunities to sample our product are very limited. That's our fault. We can actively pursue opportunities to hold party dances and exhibitions for non dancers. When we hold these events, we can educate the public about our activity and leave them wanting more!

Opportunities to purchase our product are very limited. Why? We can't give lessons unless we get enough students; we couldn't get enough students, so we quit offering lessons. If I had thirty people ready to learn would your club sponsor the class? The only way to get new dancers is for them to learn the dance. We must offer lessons. We can't stop trying because your past few efforts weren't successful. What we can do is be smarter about how we market the activity. If we can create the desire for the activity, our classroom will be full.

Now we have all these things we need to do. We need to educate non dancers about the activity in order to change their perception of it. We need to make it obvious that square dancing is alive in the community. We must make it easier for them to get involved. I HAVE GOOD NEWS. I volunteered to write a marketing plan that could be used both nationally and on a local basis to address these needs. An Ad-Hoc committee was formed by CALLERLAB for this purpose. I gathered information from each member as I would from any other client and wrote a marketing plan based on their input. The plan includes overall marketing strategies and specific tactics to use in order to solve the challenges we are faced with. It covers topics like brand and image. It includes a national website initiative, time tables for execution, and funding methodology. The plan was presented to the CALLERLAB Board of Governors in March 2005. It was adopted by CALLERLAB, then presented to and adopted by the ARTS. If you go the ARTS website there are three items listed as accomplishments, the second of which is "Marketing Program". Click on it and you will find the plan exactly as I presented it to CALLERLAB in 2005. Finally in 2007 ROUNDALAB adopted it as their official marketing plan. The hope when I wrote the plan would be to have both national and local organizations follow the plan with slight modifications as needed by region. In tomorrow's session I will cover the plan in detail.

In late 2005 I reached out to the Omaha Square Dance Council and the Omaha Square Dance Caller's Association to join efforts in creating a marketing plan for square dancing in Omaha. We created a committee now called "Square Dance Omaha". We found our issues to be the same as those defined by the CALLERLAB Ad-Hoc Committee. The strategy to solve those issues was slightly different but still followed in line with the plan adopted by CALLERLAB, ARTS and Roundalab. In tomorrow's session I will also review the plan we wrote for Omaha.

Now how are we doing on our list of problems? Our product doesn't fit the lifestyle of our potential customers; GOOD NEWS; Callerlab's Program Policy Initiative was created to address this issue. Our potential customers don't understand our activity; are unaware of its benefits; don't know it exists in their community; don't know how to find it and don't have a desire for it. Opportunities to sample or purchase our product are very limited. GOOD NEWS; all of these issues are addressed with very specific goals set by The Phoenix Plan and very specific strategies and tactics outlined in the Marketing Plan. MORE GOOD NEWS; funding these efforts has been addressed through the Foundation to Preserve and Promote Square Dancing, the Add A Buck program and in the Marketing Plan. So we do have a plan to market our business, and the ability to fund the plan! See, I told you I had good news.

The two remaining problems are: our sales force is made up of volunteers who have a passive interest in our success, and our sales force is unmotivated with no training and no guidance. How will we address these issues? First, a call out to those callers, cuers and business owners who actually make their living on square dancing; they truly are the people who rely on square dancing to pay their mortgage and buy their groceries. They are the ones whose income is affected every time we gain or loose a dancer. Some of these callers are working on projects to try and increase their crowds. That's great! But many just look for where they can find the biggest dances to call. They are the best in the world, but some can't call for your club because they can't draw enough of a crowd to make it affordable. I understand the money issues, but I believe these callers must start working together to help our activity across the globe. They have the time, they have the motive, and they have the expertise to begin growing our crowds so that some day they can call for you again.

Second, training and guidance is available through organizations like CALLERLAB, ROUNDALAB, the USDA and the ARTS. These organizations need to be more aggressive in getting the word out about the services they offer, and local dance organizations need to be more open minded about asking for and accepting help.

Finally, a call out to you, you are here this weekend and so, like it or not, you are also a leader. Returning square dancing to the success it had in the 70's will require a lot of work. It will require dancers and callers alike to open their minds and embrace change. It will require funding, and education. Dancers love this activity, but it's a hobby to them. Leaders don't just do the work, they look into and plan for the future, and they proactively work to enhance

the future of our business. We are the leaders, and we have to stay motivated and on task. We have to provide dancers with direction, guidance and education; we will have to give of our time and of our pocketbooks, just as we would ask others to do. I will continue to do my part on a local and national level. I'll continue to give of my time and of my pocketbook. The 51st National Convention committee in St. Paul, MN offers grants for promotion of square dancing that require matching funds. I'm convinced that the right idea will result in a \$500 grant to the State of Nebraska. At this time, I would like to present Tom Robbins, President of the Nebraska State Square and Round Dance Association with my personal check for \$500 to start a marketing fund at the state level, which can be used as the matching funds necessary to acquire the grant from the 51st National Convention committee.

I love this activity, and I know you do as well, and I believe that if dancers love our activity, are shown what to do, and aren't overburden, they will continue to be our customers, and our sales force, and will run our businesses successfully for years to come.

I thank all of you for coming to Prairie Conclave and I hope you will share what you learn this weekend in your square dance community when you return home. Mr. and Ms. President, you are the leaders. It's up to you, and so I beg of you; please lead!