



Marketing Plan

**Board of Directors
November 2020**

Contents

Introduction	3
Background	3
Business Environment	3
Alternative Approaches	4
Sales and Rental Options	5
Advertising and Promtion Strategy	6
The Marketing Funnel	7
Marketing Plan	8
Accomplishments	9

Introduction

This document is intended as a blueprint for managing the marketing activities of the Neptune House resort. It was developed primarily by the Neptune House Marketing Committee, which is comprised of some members of the Board of Directors, the Resort Manager, the VRI Director of Resorts responsible for the Neptune House, and some owners who are not otherwise involved in the governance of the resort.

The first part of the document presents background and conceptual material that is useful in framing the strategy and actions that comprise the heart of the Marketing Plan. In particular, it describes preliminary investigative work already done, discusses considerations taken into account during the process of developing a strategic direction and action plan, and outlines a generic marketing model. The specific strategy and actions are shown in the last part of the document.

Background

Business Environment

In order to control maintenance fees, it is imperative that as many shares as possible produce revenue for the resort. In recent years, as our owner base ages out, we have experienced annual decreases in the number of shares paying maintenance fees. To compensate for the lost revenue, the Board has established a licensing program and has placed an emphasis on aggressively participating in the rental market. But whether we seek people to buy, license, or rent, we need an effective marketing strategy to draw people to the Neptune House – especially during the off-season.

The Neptune House is virtually sold out each year during the fourteen-week prime summer season which runs from mid-June (week 24) through mid-September (week 37). However, many of the sixteen off-season weeks are not used and are vacant. These are the nine weeks immediately before the start of the prime season and the seven weeks immediately after the prime season.

Probably the biggest single factor affecting off-season occupancy is that school is in session during the off-season, making off-season shares a difficult sell for family vacations. In addition, most of the Block Island shops and restaurants are closed during the off-season; nightlife is virtually non-existent; weather is apt to be colder, damper, and very windy; and the changing ferry schedule makes the island less accessible.

Alternative Approaches

A Neptune House off-season timeshare represents a very specific product that will only generate interest from a very specific population. Target populations include current owners, individuals, and families with a demonstrated interest in Block Island, as well as special interest organizations and groups with a connection to Block Island.

Rentals, license issuances, and sales are all options for filling available off-season units. There is a plethora of advertising channels available: 1) social media such as Facebook and Instagram, 2) review sites such as Google Reviews and TripAdvisor, and 3) more focused online venues including the websites of the Block Island Chamber of Commerce, the Block Island Tourism Council, Vacation Resorts International, and Interval International.

However, a review of timeshare industry activities has led to the conclusion that social media sites and other online sites provide a generally untested means of effectively marketing timeshares. It would be unwise to rely on this approach for our primary marketing focus. More time-tested methods would spread the risk of coming up short of our goals. Adequate funding and the testing of other marketing approaches would provide a prudent supplement to online activities. Many of these approaches are relatively inexpensive and could help to expand our reach.

One approach would be to target large organizations located in Rhode Island, Massachusetts, Connecticut, and New York that hold outdoor events around activities like fishing, hiking, biking, birding, or photography. Websites, phone numbers, e-mail addresses, and postal mail addresses have been compiled for many of these organizations. The attractions of Neptune House and Block Island for their events would be highlighted in an initial contact, with follow-up information provided as needed.

Another traditional marketing strategy would emphasize advertising through pamphlets, posters, mailings, and perhaps even low-cost radio spots. A few such small marketing efforts have been pursued, but there are many unexplored institutions that might be inexpensive to reach and quite open to what Block Island and the Neptune House resort offer. One example – located less than an hour's ride to the ferry terminal in Point Judith – is the 17,000 student body at the University of Rhode Island-Kingston. Strategically placed campus advertisements about a spring or fall outdoor recreational weekend with additional information could bring some people from the campus to the Neptune House. There are other large institutions within easy driving distance of the ferry terminal which offer potentially fertile, low-cost marketing opportunities.

Finally, there is a collection of low-cost, hit-or-miss actions that we could take and events that we could participate in, to market what we offer. Groupon Getaway ads, lotteries, Block-opoly, free short-term rentals, festivals like Spring Shad, library events, wind farm tours, local or regional magazine/newspaper ads, and whatever our imaginations can conjure up.

Of course, there will be costs involved in most of these marketing activities. They will involve up-front costs for marketing materials, phone calling, e-mailing, and reservation taking. Some, perhaps many, of these tasks can be done by consultants open to short-term or part-time work done by phone or working in their homes as a way to supplement other sources of income.

Sales and Rental Options

The Marketing Committee reviewed several possible options for the sale and rental of off-season weeks. The limitations of these approaches were discussed as well as their advantages.

- Provide free shares with a reduced annual fee for a time period. This could negatively impact the resort's budget, although it could modestly increase sales interest. It could also eventually lead to defaults, as owners would consider the shares to have no intrinsic value.
- Sell shares and waive the maintenance fees for a time period, on the basis that the sales price would be akin to a prepayment of maintenance fees for that time period. This could generate sales revenue but have a negative impact on the resort's budget in the near term.
- Provide free shares. This could eventually lead to defaults, as owners would consider the shares to have no intrinsic value.
- Provide a free off-season share with purchase of each off-season share. This has the same drawback as the previous idea.
- Entice realtors to sell or rent shares in return for a portion of the proceeds. Past efforts to do this were unsuccessful, as realtors do not view selling timeshares as a cost-effective use of their time.
- Solicit organizations to rent units for their events, with the goal of eventually converting some renters into buyers. Initial attempts at contacting organizations about renting have not generated interest. Our sense is that it will take multiple conversations to stoke interest and strike agreement. This strategy may also result in a sporadic revenue flow.
- Open the resort later in the spring and close later in the fall. Whether this could help in reducing marketing effort and property maintenance costs is unclear.

Advertising and Promotion Strategy

Our general approach will be to construct a plan that includes:

1. Advertising
 - a. Social Media—Facebook, Instagram, Google, Groupon, You Tube, Spotify
 - b. Organizations/Group Newsletters and/or websites
 - c. Magazines/Newspapers
 - d. Local Bulletin Boards
 - e. Reviews/comments provided by owners and renters on Google, TripAdvisor, etc.
 - f. Development and use of bar and QR codes to track advertising success
2. Sales/Rental Promotion
 - a. Cold calls
 - b. Business/organizational partnerships
3. Marketing Materials
 - a. Flyer (for local or owners' bulletin boards, information booths and displays, social media posts)
4. Flyer/brochure/pamphlet for distribution to organization/groups
5. Publicity
 - a. Social Media—Facebook, Instagram, Google, TripAdvisor, Airbnb, Vrbo, etc.
 - b. Block Island Chamber of Commerce website and BI App
 - c. Block Island Tourism Council website/annual guide
6. Neptune House Website
 - a. Better information, photos, rental button, blog, videos, etc.
7. Other Promotion Activities designed to obtain contact information (emails, addresses, phone numbers):
 - a. Free get-away packages
 - b. Groupon Ads
 - c. Reduced rental prices in off-season

The Marketing Funnel

Classical marketing theory identifies five stages of the marketing process:

- Awareness
- Consideration
- Conversion
- Loyalty
- Advocacy

The process is typically depicted by a funnel to indicate that a large initial pool of people is filtered out to a small portion who make it through the entire process. The last two stages are especially important for long-term growth. The idea is that the goal of marketing should be not only to secure new customers but also to foster their loyalty through excellent service and to encourage their active promotion of the product or service being marketed.



Marketing Plan

Our five-year goal is to come as close as possible to achieving full occupancy during the thirty-week resort season.

Our target audience is people in New England and New York who live within a four-hour drive of a ferry terminal and who love outdoor activities; want relaxation, regeneration, and downtime; or want artistic, educational, or motivational experiences/retreats.

Our primary focus is the off-season (spring weeks 15-23 and fall weeks 38-44).

An outline of our approach to achieving our goal is shown below. The year 2020 will become our baseline year. As we learn what works best, we will re-focus, make adjustments, and change emphases accordingly.

Actions

1. Assure that rental rates, discounts, and incentives are competitive
2. Implement a new website with rental booking button, link to blog, photos, and videos, and keep up to date
3. Increase online presence with ads on Google, Facebook, Instagram, Groupon Getaway, Spotify, Block Island Chamber of Commerce, and Block Island Tourism Council web sites
4. Promote positive reviews on Google, Airbnb, and TripAdvisor
5. Participate in the WCNY Travel Auction
6. Develop incentives and partnerships with local business and organizations in coordination with the Block Island Chamber of Commerce
7. Develop relationships with organizations and groups with existing or potential affinities to Block Island
8. Hire a marketing/sales consultant and develop the script to solicit organization/group partnerships and place ads on selected websites and/or in organization newsletters
9. Develop flyer/brochure/pamphlet for posting and distribution
10. Implement an email marketing system (funnel marketing terminology) that:
 - a. Shows the value of and/or educates subscribers about Neptune House (**Awareness**)
 - b. Is helpful and provides additional information (**Consideration**)
 - c. Highlights the benefits of Neptune House and offers discounts and promotions (**Conversion**)
 - d. Retains customers and instills loyalty with helpful content and outstanding service (**Loyalty**)
 - e. Turns customers into fans who promote and refer friends (**Advocacy**)

Depending on the results of our efforts in 2020, we could proceed with the following additional activities in 2021:

1. Hire a consultant to make cold calls and do partnership follow-up
2. Promote the resort in magazines/newspapers with articles, editorials, and ads
3. Offer free 2-night and 3-night get-away stays

Accomplishments

1. Made Website Updates (www.NeptuneHouse.com)
 - a. Works well on hand-held devices
 - b. Opens with aerial video of the island
 - c. Includes a “book online” button
 - d. Includes a “blog” button
 - e. Includes a “gallery” button for photos and videos
 - f. Includes a COVID-19 notice
2. Established a Facebook page (<https://www.facebook.com/NeptuneHouseResort/>)
3. Established an Instagram page (<https://www.instagram.com/neptunehousebi/>)
4. Produced 3 videos which highlight island activities and the Neptune House resort
5. Developed and printed a new Neptune House brochure
6. Connected to other on-island activities
 - a. Purchased space on Block-opoly
 - b. Purchased ad on the Block Island app
 - c. Purchased ad on the Chamber of Commerce website
 - d. Purchased ad on the BI Guide/local map
 - e. Developed partnership with Club Soda
 - f. Developed partnership with Block Island Fishworks
 - g. Sponsored the Great Salt Pond swim
7. Connected to off-island activities
 - a. Purchased ad in both July and August issues of So Summer Magazine

Adopted November 8, 2019

Revised November 13, 2020