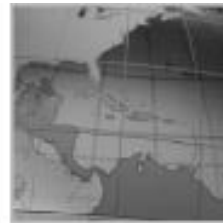


# Case Study



August 2011

## **SugarBush Media's Transition to a Marketing Services Provider Yields Sweet Success**

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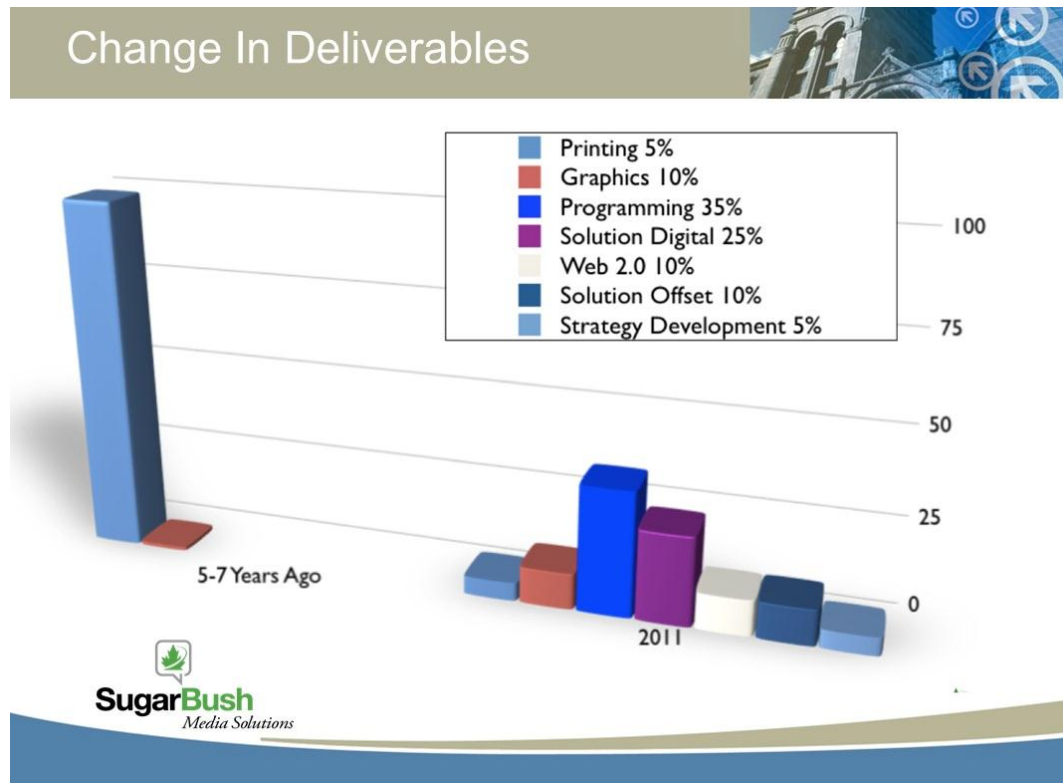
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**Introduction**

Two decades ago Mark Parent founded SugarBush Printing, a quick print shop located in Auburn Hills, Michigan. The company established relationships with local advertising agencies and its business and print capabilities grew, and eventually it evolved into a commercial printer. However, when its agency business started to decline, as traditional ad spending began to fall and smaller agencies were either being acquired by larger firms or going out of business, Parent recognized it was time to change course. He revamped his business plan to offer “value-added” marketing services, and today SugarBush Media supports cross-media marketing services such as Web-to-print, personalized URLs (PURLs), mailing, fulfillment, database management, and 1:1 marketing. Today, 5% of the firm’s work is printing and the rest is spread over cross-media marketing services.

*As agency work declined SugarBush Media revamped its business. Today, 95% of work is from marketing services*

**Figure 1: Percentage Breakdown of SugarBush Media’s Work**



## The Evolution of SugarBush Media

SugarBush Media Solutions started its transition from a printer to provider of marketing services provider in January 2006. "We court clients as marketing company and cross-media is tactic we use," says Parent. "We offer multiple media options, but our discussions with customers focus their end goals and how to accomplish those. Cross-media is one of the *how's*."

It dropped "printing" from its name and replaced it with "media solutions". Explaining the rationale for the name change, Parent says, "Marketers are accustomed to hiring agencies and will they will not believe you can support their service needs if you have print in your name."

Parent also recognized the company needed to provide customers solutions that were innovative, measurable, and could deliver a return on investment (ROI). In the course of its evolution the company changed its Website, created a mobile site, and began building solutions for vertical markets.

Today, SugarBush Media Solutions helps organizations develop and build communication strategies across multiple communications channels. It delivers technology solutions that allow organizations to measure the value of their marketing efforts, establish best practices, as well as achieve a consistent and repeatable return on their marketing investment.

**Figure 2: Screen Grab of Home Page of SugarBush Media Solutions**

The screenshot shows the SugarBush Media Solutions website. At the top, there is a navigation menu with links for Home, About, Contact, News, Help Desk, and Submit an RFP. The SugarBush Media Solutions logo is prominently displayed. Below the logo is a blue navigation bar with categories: SOLUTIONS, INDUSTRIES, TECHNOLOGY, PRODUCTS, and YOUR ROLE. The main content area features a 'Mobile Marketing' section with a call to action 'Learn more...' and a 'Latest News' section with two articles: 'Lourdes College Engages SugarBush Media Solutions To Better Attract Students Via Facebook, Fanging And More' and 'Rochester College Utilizes SugarBush Media Solutions To Revamp And'. The footer includes a search bar and a 'Turnkey Marketing Management Solutions' section.

[www.sugarbushms.com](http://www.sugarbushms.com)

*Drops "printing" from its name and replaces it with "media solutions".*

### Target Vertical Markets and Solutions

Before vertical marketing became a popular idea, SugarBush focused on the agency market niche. From a strategy perspective, Parent saw that catering to a specific industry vertical was a way of differentiating his business. The company today has a heightened focus on business services, education, manufacturing, non-profit, and high technology. SugarBush's success in vertical markets is based on its continued ability to identify a business problem in a particular market and solve it. Parent says that firms that can identify a business problem in particular vertical market and solve it, will be better received than those that don't.

### The Conversation is on the Solutions—Tactics, Strategies, Goals—NOT Print

"Our sales conversations are never about printing," Parent says, "we talk to customers' about strategies and tactics, analyzing situations, and setting goals."

To that end, Parent and his staff recommend programs that are in the best interest of clients' goals. For example, Parent says he has occasionally recommended all digital campaigns over printed direct marketing—and its related postage charges—if that was in the best interest of the client's objective.

"We match customer needs to solutions. It is not about media channel, it is about helping the client make the decision that will meet their goals. We ask what their budget is, and our goal is to maximize the results of that budget," Parent explains.

He says a big obstacle for print service providers in making the transition to a cross-media marketing services provider is that printers are used to taking direction from clients, but as marketers they must give direction. He says, "Printers must evolve and become as comfortable with giving orders as they are in taking them."

Another key is to live in the client's world. "You have to understand your client. If your clients are marketers, then research and read-up on their challenges and opportunities. Also, go to the venues where your clients are."

### Build a Sales Process

Another important transition pillar, Parent says, is to build a sales process to sell cross-media marketing services. A sales process, also known as a sales tunnel or a sales funnel, is a systematic approach to selling a product or service.

It approaches sales from a process point of view and applies principles of quality and process engineering to sales practices. It seeks to move a greater number of larger deals through the process in less time.

A well thought-out sales process defines seller and buyer risk management, standardizes customer interaction in sales, and leads to scalable revenue generation.

*Printers take direction, but marketers must give direction.*

In addition, Parent advises firms to be prepared to change up sales staff. "Selling marketing services is very different than selling print. I found it was better to replace my entire sales staff because they could not make the transition," he says.

### **Marketing on Demand**

SugarBush has carved a solution niche in offering marketers services to improve, standardize, and automate their process. SugarBush's Marketing OnDemand solution includes marketing asset management, online job submissions, marketing on demand systems, marketing dashboards, campaign management automation, e-mail marketing software, and lead nurturing software.

"The solution help's marketers maximize efficiency and gives them appropriate access to marketing content, when and where it is needed," he says.

As an example, SugarBush's Marketing OnDemand systems offer customers an effective, efficient, and convenient online system for accessing marketing templates, ordering materials in multiple media forms, maintaining brand control, reducing stored inventory of printed materials, and combating waste from material obsolescence.

"Marketing OnDemand solutions are proven to be 5-10 times more effective than traditional delivery of finished creative content," Parent reports.

### **Powering Marketing Automation**

SugarBush Media turned to Pageflex to power the technology component of its Marketing OnDemand offering. The company invested in Pageflex Storefront, a Web-to-print solution, and Pageflex Campaign Manager, a cross-media solution to create, manage and track its multi-channel marketing campaigns.

Parent says the Pageflex products allow his firm to focus on its core competency, marketing. Although the company has two programmers on staff, and Parent says having in-house programmers is still important.

"In the early days of our move into marketing services we had a homegrown system with a rudimentary marketing on-demand system. We chose not to continue to support our own systems because we thought it was better to focus on marketing, not writing code," Parent recalls.

He says the reason the company choose Pageflex solutions is their flexibility. "Pageflex's value proposition is that any document or form can be built regardless of how it is designed from a graphic stand point. With some systems you have to design images a certain way or they need to be square," he says.

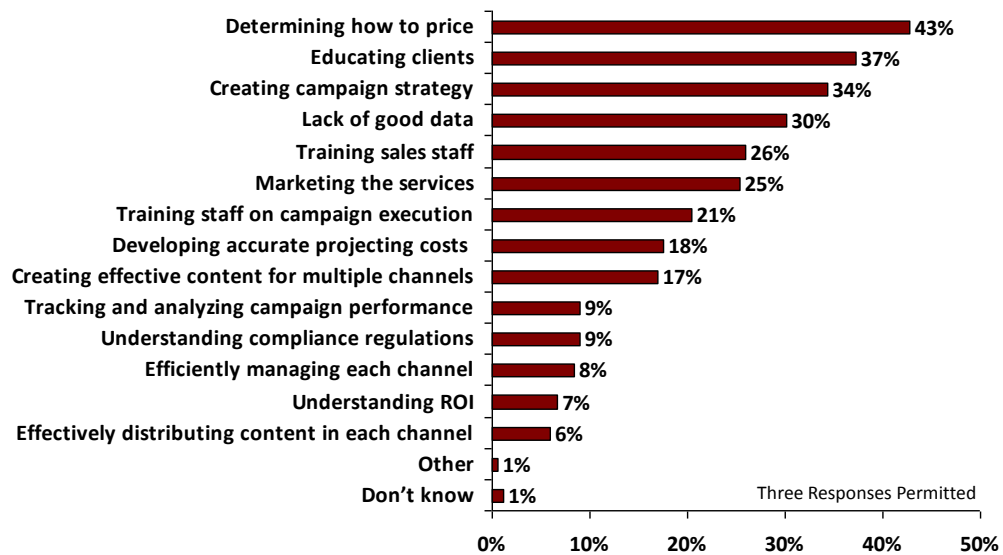
According to Parent, SugarBush Media's marketing demand products have no limitations from a design stand point.

**Charge for Value Delivered**

Parent is a strong advocate for value-based pricing and SugarBush Media charges clients a \$200 an hour for strategy consultation, whether the job is won or lost. “I knew we had arrived when we starting charging clients for our intellectual property,” Parent explains.

However, incorporating value into the pricing of cross-media marketing services is a major pain point for most firms making the transition. A recently completed InfoTrends’ research study titled Evolution of the Cross-Media Marketing Services Provider found that print service providers currently offering cross-media marketing services identified determining how to price services as the top challenge.

**Figure 3: What do you consider the top three challenges for OFFERING cross-media marketing initiatives in your print operation?**



N = 166 Print Service Providers who Currently Offer Cross-Media Marketing Services

A common theme in the research was that some elements of pricing are standard, but the amount that a customer is charged is based on scoping the project requirements to determine and cover baseline costs, and then marking up that project based on customer intelligence. Unlike Parent, most firms participating in the research study did not charge clients for strategy development, unless a deal was struck.

## Success Tips

Parent offers the following success tips for firms wanting to evolve into cross-media marketing service providers.

- Define who you are and what you want to do
- Have a business plan to follow
- Include milestones, to-do's and dates
- Have metrics in place to make sure you are reaching your goals
- Understand how to interpret the metrics
- Adjust your plan as needed or quarterly
- Keep and get a pulse on technology and the market
- Do research on a regular basis to help you formulate ideas
- Stay focused on the opportunities you choose

## InfoTrends' Opinion

SugarBush Media Solutions recognized early on that its long-term survival was not based solely on offering printed products and changed its course to expand its marketing and media services offering. The company today is vastly different from the quick print shop it was founded as 22 years ago. SugarBush Media mapped out and followed a solid business plan that focused on both customers and solving business problems in select vertical markets. It also recognized that establishing consistent business and operations processes, investing in a robust technology platform, and charging for its value-added services were essential components of success. A combined concentration on customer, process, marketing, technology investment, strategy, and business planning set a solid foundation for the company's evolution.

### Disclaimer

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InfoTrends is the leading worldwide market research and strategic consulting firm for the digital imaging and document solutions industry. We provide research, analysis, forecasts, and advice to help clients understand market trends, identify opportunities, and develop strategies to grow their businesses.

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