

7.5 CASE STUDY

ExchangeHunterJumper.com: Building a Brand with Social Marketing

The Internet and Web have enabled thousands of business ideas to become online realities. The Internet has reduced the costs of starting a small business, and allowed small players to effectively use the same marketing and selling tools as major corporations. Small businesses usually occupy a market niche not occupied by big players or corporations. One such market niche in America, comprising about 10,000 to 30,000 players, is the high-end horse show circuit. These are people who are willing to drop \$200,000 on a horse that can jump a five-foot fence with ease. This may be a very small market, but its members are highly motivated to both buy and sell horses, and they are willing to spend in the process. ExchangeHunterJumper.com is one example of how a small business focusing on a tiny niche market was able to successfully build an online brand.

According to Dagny Amber Aslin, founder and owner of ExchangeHunterJumper.com (The Exchange), a website created to help owners and professional trainers sell high-end competition horses, it's hard to "get rich" or even make money on the Internet. She adds, "There are a lot of preconceived notions ... I beat down a path previously



unplowed. It cost us a lot of money and we suffered many setbacks from our mistakes.” Yet the site is still growing and has succeeded where others failed. How did Aslin break through and develop a site that works for professionals buying and selling alike? How did she build trust? How did she market her services?

Experience helped. Aslin started with applicable experience—in the horse world and in the world of Internet marketing. In addition to riding and competing as a child, Aslin spent several years working as a professional trainer. Working six-day weeks, including weekends, and spending most of her time outdoors riding, teaching, and competing, she saw first-hand the challenges facing professional horsemen, and she gained valuable credibility with those who would become her audience.

While working in the horse business, and learning how difficult it was to make a living, she took a part-time job as an assistant to a top California real estate agent, helping him market and sell high-end real estate in the Santa Barbara area. Among other activities, she helped him develop and expand his website. Through that experience, she realized that “selling six-figure horses and seven-figure houses are ridiculously similar—both tend to be overpriced, have emotional strings attached, require vettings and exhaustive negotiations, involve agents, and the list goes on.” In 2005, when she moved from California back to the Midwest, where she had spent her childhood, The Exchange was born. Eleven years later, the equine marketing model she has built is “a customized copy” of the real estate program she assisted with in Santa Barbara.

Aslin knew that busy horse professionals needed a high-quality, reliable source of suitable mounts for their clients, but their day-to-day business lives left them little time to thoroughly search the market, and they often lacked a good grasp of modern media technology. The same dilemma applied when it came to selling high-end horses. In response, she created an organized, professional process for preparing online horse sale advertisements. It included detailed forms for sellers to fill out, and she insisted that quality photos and video be provided for each horse advertised, enabling her to turn the descriptions into accurate portrayals of each animal and its capabilities. She created a fee structure that was reasonable and affordable, and she developed a multi-channel marketing program.

Aslin understood that her business plan needed to be a living document, evolving over time based on what the market was telling her. This helped her make inroads in a traditional industry that is very resistant to change. Most horse professionals spend their days outside, and tend to do business only with those they know personally—the level of trust is very low. Most existing horse sale websites were little more than online classifieds cluttered with unreliable information. Although professional horsemen were slow to use computers and the Internet, the rise of smartphones and tablet computers has helped increase their comfort level with technology and been a huge factor in the increased online involvement of horse professionals.

The Exchange took all of these things into account, and Aslin went further. In order to remain true to her business goal of providing a *reliable* service to professionals in the horse industry that would become a source of good horses described accurately, Aslin personally reviewed all potential advertisers. In some cases she went back to

sellers and insisted on higher quality photographs and video, and in other cases where she determined the horse was not as represented, she turned down their business. The initial business plan process involved strict screening, and it meant turning away money and valuing quality over quantity in every area—horses, buyers, traffic, and ads. It was a hard and expensive premise to adhere to when building a reputation from scratch, but through persistence and dedication it has worked, and today, The Exchange's reputation and "brand" has become one of its most valuable assets.

In discussing some of the obstacles she faced in getting The Exchange up and running, Aslin starts with education—her own or lack thereof, specifically in the areas of graphic design and web technology. While she knew what professional horsemen needed, she did not know how to translate that into graphic design or onto the Web. She says that looking back on the original logo and print designs is "a painful exercise," but she is happy with the current direction.

The budget was also an initial obstacle, as there wasn't a lot of money to spend up front. However, in hindsight, she believes that gave her an advantage because she had to learn what her market wanted and was able to do so without breaking the bank. Conversely, her main competitor took an opposite track, spent big up front, missed the mark with customers, and is now defunct.

In addition, she faced the negative perception among industry professionals and prospective buyers that equine Internet advertising was "worthless." Further, much of her target audience barely knew how to use a computer, didn't have e-mail addresses, and had been doing business in the same old-school manner for decades. For a few key players this worked very well, but it left a void for those outside that inner circle to move horses. Through a combination of knowledge of the marketplace, on-the-job training, perseverance, and listening to what the market was telling her, The Exchange has successfully begun to fill that void. Today, The Exchange typically manages the marketing for 160–180 horses at any given time, and anticipates that this number will likely increase to over 200 in the near future.

Here's how it works. The Exchange handles advertising for sellers and trainers across the country. In 2016, show horses advertised on The Exchange are typically priced from \$60,000 to \$80,000. The Exchange specializes strictly in hunter-jumper show horses, and specifically those suited for high-level competition.

Trainers/sellers who sign up for a premium listing pay a flat \$250 fee for the initial advertisement and a subscription fee of \$35/month, which includes a listing on The Exchange's website featuring the horse's details, photos, show record, lineage, and videos. The Exchange provides copy-writing services and professionally edits all videos supplied by sellers, hosting them on its private server and making them available to download, embed, and share. Each listing typically takes 8–10 hours to prepare. In 2012, The Exchange added a second listing alternative—a Sale Barn listing for \$300 a month or \$3,000 a year, that allows for listing of up to 10 horses. A three-month commitment is required, but there are no initial or other fees. Once the commitment is fulfilled, sellers can deactivate and then reactivate their Sale Barn page as needed at any time without any further charge. Aimed at high-volume operations with frequent turnover, the Sale Barn page can link to the seller's website, YouTube,

Facebook, and Twitter feeds, if available, with the goal of increasing overall brand awareness for the seller's business. Aslin designed the Sale Barn as an affordable option for professionals who might otherwise be reluctant to spend on marketing. The Sale Barn page provides sellers with a mini website and social media advertising, including three sidebar Facebook ads each week. These have the advantage of promoting not only the sellers but also have proved to be a useful promotional tool for the Sale Barn package itself, since those who click on the ad end up on the ExchangeHunterJumper website and are able to see its services first-hand and in depth. International sellers are given a slight additional discount. In 2016, the Sale Barn program has proven to be a major success, with 20 different sale barns listed, including one in Germany and one in France.

Statistics show that a horse's first month online is most successful in terms of the number of web page visits. With the addition of monthly campaign management, The Exchange helps keep each horse's marketing fresh and up to date. Updates can immediately escalate a horse's popularity as much as 30% and attract new potential buyers. Sellers are encouraged to provide updates as frequently as possible. Online videos add to the brand of the horse for sale and are especially important for young horses or those "growing into" their price tags. Updates are added to the website and promoted through various media outlets including Facebook and e-mail campaigns.

Sellers currently fill out two separate forms: a credit card registration form and an equine fact sheet. The fact sheet includes a long series of checkboxes from which sellers select preworded traits, coupled with space for additional written descriptions. This saves some production time, although writing the actual copy is still a major part of the value that The Exchange provides. To implement this option, Aslin spent time investigating form-building tools. Custom-built form solutions were likely to be too expensive, so she played with numerous online form generators and ultimately was able to find some that offered great functionality at a relatively low cost. So, for example, a seller can indicate that the horse is a "jumper" and questions specific to jumpers will be displayed.

The Exchange develops a specific marketing strategy for each horse listed. This includes reviewing information submitted, combing through a horse's official show record, considering impartial impressions, and identifying the most likely buyers. If The Exchange thinks that the photos or videos don't help to sell the horse, they advise the seller on how to improve them. This advice stems from experience in marketing all types of horses from coast to coast, and an understanding of varied buyer profiles and geographic trends that exist in the market.

Social marketing forms the core of the Exchange's marketing efforts. Starting in 2009, The Exchange began experimenting with social media including RSS feeds, YouTube, Facebook, Twitter, and Instagram. Aslin notes that when she began The Exchange, social media was not yet the phenomenon that it is today, but when its significance started to become apparent, she had no choice but to jump in and begin using it, learning as she went. The Exchange has experienced varying success with social media. For instance, The Exchange runs multiple RSS feeds through the free service,

FeedBurner, although thus far, the equestrian set does not appear to be particularly interested in RSS feed subscriptions. The company uses a professional video management system from Vzaar that hosts all of its videos, serves to most smartphones, and provides more control, branding, and flexibility than YouTube without any annoyance to increase exposure and to be in on YouTube "Horse for Sale" searches. Facebook has been the most resounding social media success. The Exchange now has almost 16,000 fans on Facebook. In addition, Aslin's personal Facebook friends, which number over 1,800, extend her cumulative Facebook reach to almost 18,000 friends and fans, and make her online marketing efforts even more personal. The Exchange's Twitter account has over 2,000 followers, and links with both The Exchange's Facebook page and its YouTube channel. The YouTube channel has over 60,000 views. The Exchange's Instagram feed has over 5,000 followers. Because every business is different, The Exchange's experience suggests it's important for e-commerce sites to experiment with social media to determine which outlets are most effective in reaching their specific target audiences. Currently, The Exchange spends what it characterizes as a "fair amount of money" boosting posts and promotion content on Facebook each month, which she has found has become increasingly necessary in order for her social media marketing on the platform to have any effect. Aslin has also found that posting in various Facebook Groups focused on sales of the types of horses marketed on the Exchange (currently free) often results in good "click-bait" and some increased website traffic.

To track the effectiveness of her social marketing efforts, Aslin uses various tracking systems. For instance, Google Analytics allows her to track exactly how many people are on the ExchangeHunterJumper site in real time and how they got there. Aslin has found that focusing solely on Likes is not sufficient. For example, she notes that a photo she posted advertising a horse on Facebook generated only 10 Likes, but that actually almost 150 people followed the link associated with the photo to the ExchangeHunterJumper website. She also uses a short URL service, bit.ly, to create unique URLs associated with Facebook and other social media posts that have built-in click trackers. This enables her to quickly see the collective success of her social marketing efforts; in a good month, bit.ly stats show around 8,000 click-throughs to the ExchangeHunterJumper site.

Another challenge is developing the actual social media content, which needs to be presented in such a way as to attract attention, and determining the optimal amount and timing of new content to post each day. Aslin notes that if she posts too many times a day, or posts too much content too close together, the reach of her posts seems to drop off.

Although Facebook is currently the primary social marketing platform for ExchangeHunterJumper, the firm also has loyal followers on Instagram and Twitter. Although Aslin doubts that many of these followers are actual buyers or sellers at this time, she notes that in the future they probably will be. Her site has grown up along with her clientele, and children who once drooled over ponies on her site are now, 11 years later, soon-to-be adults and, possibly, young professionals.

unterjumper.
er 1, 2016;
slin,
nterjumper,
mber 2014,
eptember

The firm's website is also a key element of its e-commerce presence. Aslin continually reviews the design of the website with an eye to making it the most effective marketing tool possible. She built the original site herself in 2005 and updated it almost yearly in response to her target market's needs. In 2012, Aslin relaunched the site for a fifth time, and for the first time ever hired a professional web development team to convert the static HTML site into a dynamically driven content management system on the Expression Engine platform. While she was able to keep costs low by designing and developing the site's CSS layout, the advanced functionality that was desired, such as the sale horse filter that enables shoppers to sort horses based on price, location, gender, type, and size, still required a hefty five-figure investment. Aslin believes the ability to get to know the market and update the site accordingly has kept The Exchange fresh and innovative. Every iteration of the website has been focused on meeting the target market's needs. For instance, she has also spent considerable time and expense to make sure The Exchange's website, including video, works just as well on mobile devices as it does on a traditional laptop or desktop computer. Aslin has scrapped plans to create a stand-alone mobile site in favor of using responsive design techniques for The Exchange's site.

In addition to the website, The Exchange uses a variety of other marketing strategies, including e-mail campaigns, magazine advertising, and word of mouth. It ceased distributing its four-color, printed National Sales List booklet due to its high cost, and now relies almost totally on various types of online marketing. Aslin has found it has been extremely helpful to have the web development experience she has honed over the years. Here are some of her words of wisdom: She feels that entrepreneurs don't necessarily have to know how to build sites, but do need to be familiar with what is and what is not possible in site construction. It is important to understand which functions are complicated and which are not, so that overly complicated add-ons that don't really add to the user experience can be eliminated from tight budgets. It's also important to know what technology is popular now and what technology is just around the corner. Even if you think you are proficient in all the tasks you will need to launch your business, with the rapid pace of technology, you inevitably spend much of your time learning something totally new, whether you want to or not.

By paying attention to these words of wisdom, as well as to detail at every step of the marketing process, The Exchange has managed to build a successful brand, one the horse community has come to rely upon.

Case Study Questions

1. Find a site on the Web that offers classified ads for horses. Compare this site to exchangehunterjumper.com in terms of the services offered (the customer value proposition). What does The Exchange offer that other sites do not?
2. In what ways were social media effective in promoting The Exchange brand? Which media led to the highest increase in sales and inquiries? Why?
3. Make a list of all the ways The Exchange attempts to personalize its services to both buyers and sellers.