

# JOINT VENTURES

- Without JVs your resort is the only one investing time and effort marketing your resort
- How would you currently increase your marketing effort ten-fold? – Without hiring ten more people, or having your existing staff work ten times harder?
- Your prospects are already someone else's customers

## INTRODUCTION

Imagine your business is suffering, you literally don't have *any* cash to invest in marketing and advertising, and you need money in the bank quick to pay the bills. What do you do?

Now that's an extreme example, but not far fetched. Often times companies that do not have structured marketing campaigns in place will run into a situation where things start to get tight. In those situations forming a Joint Venture just may be the solution.

Joint Ventures are hands down, the *best* marketing vehicle available to businesses today. They help both parties involved, they are simple, and best of all they can be created for free. Simply put, a Joint Venture is a commercial enterprise forged by two or more parties that otherwise retain their distinct identities.

The beauty of these, is that with the advent of technology and social sites, it is possible to do this online as well as offline.

Many resorts already participate in several joint ventures. However, most are not maximizing the massive potential of their joint ventures. In this section we will cover the following:

- The two basic JV methods: Active and Passive
- The critical elements of a successful JV
- Where to find the most beneficial and potentially receptive partners for a JV
- How to approach someone to propose a JV
- How to employ the JV strategy with no money out of pocket
- How to maintain the JV relationship and JV etiquette
- How to maximize your return on the JV

## THE TWO BASIC JOINT VENTURE METHODS ACTIVE AND PASSIVE

There are two ways to do a JV. The decision of which method to use will be based on your financial limitations, the timeframe you're working with, and

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ultimately it will depend on the level of comfort, trust, and rapport you have established with your partner company.

The two methods are active, and passive. An active JV relationship consumes more time and energy, but inherently has the potential to be a much more lucrative relationship for you than a passive JV relationship. Conversely, the passive JV requires so little work it can virtually be put on auto-pilot and has close to zero risk of financial loss involved with it.

Here's the difference:

### **ACTIVE**

- Get a list of phone numbers physical addresses, or email addresses for all the customers of your partner business. Send out an email or physical mailer pointing them to your landing page with the video on it (more on that later). Include in the mailing an endorsement from the owner of the company. Explain in the letter how the owner of 'New Co RV Dealership' has fiercely negotiated for each of his customers to receive a free weekends stay at your resort. Then follow up the mailing with structured follow up calls offering to help take advantage of the 'limited time offer' and book their stays.

### **PASSIVE**

- Give your JV partner stacks of brochures and your Marketing DVDs to hand out to their clients, and take stacks of theirs in return.
- Give your partner company permission to offer a free stay at your resort as a sales incentive to their own prospects.

This Passive method is how you JV without any money out of pocket. If you don't have any DVD's or brochures yet you can still use the sales incentive tactic. It will boost sales for your partner and drive more tours to you, ultimately boosting your sales as well.

There are clear benefits to each method of JV. Ideally you want to use both methods. You want to build up to the point when you can implement both methods simultaneously with every JV partner you have. This program will help you get there quicker. This program has eliminated a lot of the hard work for you by providing all the tools you need to go out and start building JV relationships immediately.

## **CRITICAL ELEMENTS OF A SUCCESSFUL JOINT VENTURE**

Before approaching another company and purposing a JV there a few things you must prepare. The first and most important thing you must do is clearly define

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what it is you have to offer. JVs *must* be mutually beneficial, and for that you must bring to the table something of value. Fortunately you *do* have something valuable to offer. The very same offer you make to prospects all day long, “A free stay at your distinctive family RV resort.”

The next thing you must absolutely have in place before entering into a JV relationship is a clearly defined system of communication. Your JV partner has to know how to get a hold of you, and visa versa. Schedule regular times to touch base with each other, and regular times to refresh their inventory of your promotional materials. This can all easily be done in an email. Make sure to include the direct number of whomever their contact will be. Ask them what time and date works best for them to replenish your materials. Then store the information somewhere secure and easily accessible.

Another critical element of successful JVs is having a relationship management schedule. This is commonly overlooked resulting in neglect and often diminishing the success of a JV. We’ll get into this further and cover how to do this later on in this section.

### **WHERE TO FIND THE MOST BENEFICIAL AND POTENTIALLY RECEPTIVE PARTNERS FOR A JOINT VENTURE**

Alright, you’ve decided to take the plunge and forge a JV, now what? When you’re working to find a JV partner you first have to know *how* to find them. What you want to do is consider the things that people buy before and after they would purchase a membership to your resort. Based on this, let’s explore a few of the best potential partners for the RV Resort Industry:

- RV Dealers
- RV Storage Facilities
- RV Repair Service

It’s important not to limit yourself to just these options. Think about your local grocery store, everybody has got to eat. What not partner with them, you’ll have infinitely more prospects to approach. Think outside the box as well to search out other potential joint venture partners.

The longer you do this the more you’ll to your own list, but these few are good to get you started. From here it’s just a matter of browsing the yellow pages, or doing a Google search, for the closest of these companies to your resort. One of the great things about JVs is that you can have as many as you like. Say there are fifteen RV Dealers within a fifty mile radius of your resort. Wouldn’t it make sense to approach as many of them as you could to try and leverage your efforts as much as possible?

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### **Exercise:**

Take thirty minutes with your staff to brainstorm ideas for other JV possibilities. Who else do you know in the recreation or camping industry? What other companies provide products or services that compliment yours? Are there any large groups you're familiar with that take seasonal trips to your area? JVs can have a massive impact on your business, so take the time to find as many opportunities for them as you can.

### **HOW TO APPROACH SOMEONE TO PROPOSE A JOINT VENTURE**

Proposing a JV is just like pitching any other business proposition. The most important thing you have to do is to show the prospect what's in it for them. Outline the potential benefits of doing business with you, contact them, and present the information clearly. How do you contact them? By picking up the phone. Call up the company, ask for the owner, explain who you are and what you have in mind, then schedule a time to meet. Included in this program are several loose sample phone scripts and several sample emails to make it even easier for you.

### **MAINTAINING THE JOINT VENTURE**

After you've cultivated that JV relationship it's important to maintain it. And it's as simple as a making phone call once a week to check on their supply of your brochures and DVDs, or asking them for more of their brochures to hand out. It doesn't even have to be a phone call, it can even be email. Both of which are included with this program, sample phone scripts and emails to keep in touch. We've even included a basic schedule for you to use to keep in touch with them for the next 90 days. Remember, these people are working for you, you're leveraging *their* client base, you want to stay on their good side. But also remember that you are also providing something equally as valuable to them, and for that they should maintain the same level of respect for you.

Reciprocate the relationship. If you're partnering with a storage facility, offer it to your members, place the brochures in your lobby, include a flyer in every new member packet you send out, mention them in your newsletter ... If you offer storage at your location and do not wish to compete, say so. Be up front with the storage facility owner. Let them know that you'll still let them offer a free stay at your resort as a sales incentive for the storage facility. Take it a step further and sign a non-compete with them stating that you will not try and convert any tours they send your way to using your storage instead of theirs. And honor that agreement. Joint Ventures are just business relationships, maintain them with honesty and integrity and everyone will win.

### **MAXIMIZING YOUR INVESTMENT IN A JOINT VENTURE**

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To maximize your potential return on a JV you must forge both Active *and* Passive partnerships. Be aggressive and build as many as you can, with as many different *types* of businesses. Diversify your strategy and approach companies in all sorts of different industries. Try partnering with an outdoors store in your area such as an REI or a Bass Pro Shop.

Do endorsement mailings to their customer base regularly, not just one time. You may not get great results the very first time you do it. But after doing it two or three times you'll start to see better results. Your call center reps will get better at calling those specific type of leads. The customers will begin to be more receptive to your offer as they see how often this other business endorses you to them.

Keep your JV partners supplied with a good stock of your promotional materials. Have the RV Dealerships include a DVD inside every new rig that's purchased. – Coast to Coast has been doing this for *years*. Have the RV Repair service hand out the Brochures or Marketing DVDs to every rig he services.

Up the ante if need be. If your JV prospects aren't enticed enough by the 'sales incentive' offer, then cut a flat rate deal with them for every tour they send up, or every new member that signs up from one of those tours, or both. The limitations of a JV program are only those that you place upon it.

### SUMMARY

The Joint Venture is a powerful tool in your arsenal of business weapons. By ethically exploiting this one tactic you can realistically increase your business by at least 20% in just a few short months. And the more JVs you forge, the more you leverage other companies, the more you will make for little to no extra work. Imagine the implications of partnering up with three of largest RV dealers in your area, three of the largest storage facilities, and three of the largest RV repair shops. Imagine you *only* got one new tour per week from each of those businesses. That's nearly ten extra tours per week. If your sales staff is closing at 10% that would just about be one new membership a month. What if you partnered with twice that many businesses? What if they drove twice as many tours to you? That would be wonderful wouldn't it? You can increase the amount of tours your JV partners drive exponentially by following the other methods taught in this program. The three biggest ways to tremendously increase JV effectiveness are: Joint Venture Actively instead of Passively, Provide your JV partners with Marketing DVDs of your resort, and Drive traffic to your Landing Page. This cohesive marketing effort will let you experience the true potential power of the Joint Venture.

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### **ACTION ITEMS**

1. Brainstorm with your staff to make a list of all the potential Joint Venture opportunities available to you. Make a list of all the RV Dealers, Storage Facilities, and Repair Shops in your area.
2. Call the businesses and schedule a physical or phone meeting with the owner/operator. Loosely use the script included in this program.
3. When you have the meeting propose you Joint Venture using the sample proposal included in this program.
4. Once the business owner has agreed to the Joint Venture provide them with the Usage Guidelines, explaining the details of the Joint Venture, that are included in this program.
5. Keep in touch on a regular basis with all of your Joint Venture partners, constantly refreshing their supply of materials.
6. Track the results of each of your Joint Ventures. Utilize the techniques found in the Result Tracking section of this program to know which Joint Ventures are working and which ones aren't.
7. Enjoy the extra memberships you pull in that didn't cost you nearly as much time, money, or effort, as the ones you pulled in on your own.

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## EXECUTIVE SUMMARY

**Joint Venture** – An opportunity to leverage other businesses customers for little to no money out of pocket.

- When done right, they can substantially increase your profits in just a few short months, with low maintenance.
- They work because they are mutually beneficial. Example: the RV Dealer offers with each new RV purchase a free stay at your resort as an added incentive. You win with the tour, he wins by more easily making his sale.
- Joint Venture with related companies – RV Dealers, RV Storage Facilities, RV Repair Services, etc ...

### **Do it right :**

- Clearly present and define your expectancy of the relationship.
  - Make a big deal about the benefit to them.
  - Keep them supplied with promotional materials.
    - Marketing DVD's
    - Brochures
    - Business Cards
  - Maintain a clear line of communication with them.
- Use the materials provided in this program to streamline the process.
  - Forge as many Joint Ventures as you can, get creative with it.

### **STATS**

• According to the Commonwealth Alliance Program (CAP), businesses anticipate strategic alliances (Joint Ventures) accounted for *25% of all revenues in 2005, a total of 40 trillion dollars.*

- Happy About Joint Venturing by Valerie Orsoni-Vauthey – 2006