

PUGET SOUND Business Journal

Business Leaders Get It.

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SEATTLE'S SHOCK JOCK OF MARKETING SPEAKS

Being a former ski instructor isn't the typical way to marketing stardom.

Peter Van Stolk, a skier first and now founder and CEO of Jones Soda, one of the largest independent distributors of New Age beverages, is making history by breaking marketing rules to create new ways to connect his brand with consumers. Take these shocking tidbits he offered executives at the March Northwest Entrepreneur Network breakfast meeting when he spoke about the keys to marketing "in a time when no one really cares":

"Jones was founded on the premise that the world doesn't need another soda."

"The biggest mistake marketers make is they fall in love with their stuff."

"Jones does one thing: we create an emotional connection with buyers."

These quotes fly in the face of what most marketers are taught: to love their product and create products to meet a market need. How does someone this irreverent become a marketing guru? One that the revered Kellogg Graduate School of Management invites to teach marketing wannabes a thing or two?

Van Stolk's unique spin on branding holds lessons for every business. If you're not brave enough to market something you know everyone will hate (ala Jones Turkey & Gravy flavored Thanksgiving soda), you may want to consider the three marketing nuggets that have catapulted Jones into the national spotlight.

1. "Don't react to the present. Lead change by understanding the future."

This is a Jones fundamental. Tolstoy once said, "Everyone wants to change the world, but no one thinks of changing themselves." Van Stolk echoes that thought, "Who doesn't want to make more money and have more free time? But what are you doing differently than yesterday to change results?" In Jones-style marketing this means being open to change and being innovative. Don't react to what your competition is doing. Lead the market by understanding what you need to do to win in the future.

2. "Above all else create an emotional connection with your buyer."

This is the heart and soul of Jones, and according to Van Stolk, "is the future of marketing." Creating an emotional connection requires finding ways for buyers to own the brand. Jones has mastered this through brand personalization. The company holds a patent for "myjones", the digital printing of personal

labels. Jones buyers send personal photos to their website for the possibility of being

Executive Insights



Cheryl Isen

Van Stolk says separates Jones from competitors. "Consumers will pay for a brand, whereas they only buy products".

So how did Jones achieve the holy grail of creating an emotional connection? "We made it our mission to understand buyers, without projecting our opinions on them," explains Van Stolk. He adds, "The key is to ground the brand". Jones does this by being real, consistent, unpredictable and giving back.

Grounding the brand also requires a deep knowledge of buyer psychographics and lifestyle trends. "Most companies have been unable to deliver brands that are embraced by today's youth because kids can't be bought in the traditional way," says Van Stolk. The premise at Jones is today's youth are individualistic, skeptical, racially and socially aware and media and technology savvy. Their lifestyle trends include alternative sports, a cyber culture and the convergence of fashion, music, sports and technology. Jones marketing dovetails the intersection between those psychographics and lifestyle trends. It embodies a low cost, grass roots approach to brand imaging that coincides with the third Jones marketing fundamental.

3. "You have to change how you play."

Naturally little marketers like Jones can't out spend the giants like Coke or Pepsi. That works fine at Jones because Van Stolk claims, "ads don't work anymore, buyers don't care, and customers don't want to be bought." At Jones the way to lead change and appeal to youth psychographics and lifestyle trends includes alternative distribution channels. The company launched Jones by letting it be "discovered" in unique venues like skate, surf and snowboarding shops where Van Stolk smiles

and says, "no one else's stuff was there, we were the only beverage." A core group of consumers spread the word, helping to make Jones "cool". Other unique marketing venues include sponsoring alternative sports and pro athletes like skateboarders, BMX bikers, surfers and snowboarders in addition to amateur athletes in local communities. They also use their roving Jones RV to stay close to buyers and keep the grass roots buzz going. Jones makes becomes the lifestyle, making its marketing real.

Jones gets it. They have fun. Look at their flavors like Fufu Berry. "We made it up because it sounded fun—there's no such thing as a Fufu Berry," chuckles Van Stolk. The results of this approach are paying off. Jones Soda commands premium prices. Jones buyers are brand evangelists, spurring word of mouth advertising. Their market niche and products have broadened extensively to Target stores and beyond. Watch for organic sodas, more seasonal flavors and packaging, licensing deals and strategic partnerships that currently include hot wheels, frozen soda pops, candy, lip balm and even a Chevy truck. Appealing to the cyber culture will continue. Their website community includes brand personalization, photo sharing and myjonesmusic, which offers free, fun and fast music and photos. Blogs are next.

Beyond having fun, Van Stolk wants Jones to become a brand foundation. His model? Never Coke or Pepsi, instead Ralph Lauren, who started out with socks and ties before becoming a lifestyle brand.

Maybe that's why Van Stolk feels comfortable saying, "Cut back on your soda, you guys drink too much of it." Jones needn't worry—the average consumer drinks 827 servings per year, and we also might be willing to try some Jones green apple lip balm to go with our next serving.

These "Executive Insights" are based on monthly presentations provided by leading entrepreneurs at the Northwest Entrepreneur Network (NWN.org), a non-profit organization dedicated to helping entrepreneurs succeed. The column is written by Cheryl Isen, founder of Isen & Company, a strategic marketing and public relations firm that helps emerging companies increase corporate visibility and brand awareness. Contact Cheryl at (425) 222-0779, Cheryl@IsenandCo.com or on the web at www.IsenandCo.com.