

Secret Of My Success

The Move To Full-Service Marketing Firm

There's the promotional products distributor. And then there's the ad agency. And what if you're looking for something in between? Try Ace Marketing & Promotions Inc. (*asi/103085*), a Valley Stream, NY, distributor that, just this year, transitioned into a full-service promotional marketing company. It's the organization's latest take on evolving into an ever-growing business, and the strategy calls for delivering seven personalized client solutions: branded merchandise; importing; incentives and rewards programs; printing and forms management; warehousing; E-commerce and Web design; and database management.



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ACE MARKETING & PROMOTIONS (*asi/103085*)

“We took a long, hard look in the mirror and asked ourselves, ‘As a publicly traded company that’s going to be an industry leader, what can we be doing better?’” Michael Trepeta, cofounder and president of Ace Marketing & Promotions Inc., recalls himself asking. “And we see ourselves in the middle, where we can provide all seven of these solutions to produce true, measurable results that you don’t get from a promotional products distributor or ad agency.”

Before the company could make the jump from one type of business to another, however, it had to first test and assess the viability of each of these options. And it did so through the good, old-fashioned question-and-answer method. “It took us a good year of analysis and development of implementation models to come up with solutions that would apply to virtually every business of every size in some manner,” Trepeta says.

Over the course of 12 months, the company conducted

case studies with 10 potential and existing clients. What they were interested in finding out was this: What was the difference between approaching customers as a promotional products solutions company as opposed to a plain-old ad specialties industry distributor?

“We went in with a view of actually trying to learn about our clients,” Trepeta says. “To know what their company does, how they operate, how long they’ve been in business, how they grow, how they market their products and services. By going in there and mining for information, we were able to come back and discuss within our own think tanks how we can apply some, if not all, of our solutions to their needs.”

The tactic worked, and there’s numbers to prove it. During the first half of 2006, Ace Marketing & Promotions Inc. earned \$2.16 million in revenue. Contrast that to this year (same time frame): \$2.68 million. And not only that. Second-quarter revenue for 2006 was \$1.08 million, but now, it’s \$1.40 million, or a 29% increase.

The difference now is how the company approaches its customers. In the case of one client, Crossroads Hospice – which has locations in Oklahoma, Arkansas, Tennessee, Missouri and three other states – the customer was initially interested in branded merchandise. But after careful consultation with an experienced sales rep, the hospice emerged with a more comprehensive marketing portfolio: It would work with Ace to design a Web site. It would explore importing opportunities and reward top employees with incentives. And better yet: The company signed a two-year, exclusive agreement with Ace earlier this year.

“It takes a lot longer to meet with a client and board members and present solutions, and maybe you have to go back a second or third time and discuss proposals,” Trepeta says. “But the key is, after doing this for two, three, four, six months, a client might enter into a long-term contract to provide multiple services. Once that happens, you have a client for life. And then it’s up to you to maintain that client.” – *EW*

We Want To Hear Your Secrets

Have a successful story to share? Implement a new business strategy that made your company take off? We want to hear about it for possible inclusion in a future issue of *Counselor*. Send an e-mail to Andy Cohen at acohen@asicentral.com.