**Marketing Guru: Racing Not Keeping Up With the Joneses**

By [Tom LaMarra](http://www.bloodhorse.com/horse-racing/articles/author/tom-lamarra)

Horse racing might be better served by shifting its focus from advertising to public relations to better develop a product consumers will want, a marketing strategy specialist said during the National Thoroughbred Racing Association Annual Meeting and Marketing Summit in Las Vegas.

Laura Ries, president of Atlanta-based Ries & Ries and co-author of several books along with her father, Al, gave the keynote address at a Sept. 27 luncheon. Her assessment of advertising and public relations, as well as how they relate to horse racing, raised more than a few eyebrows.

Ries, who co-authored *The Fall of Advertising and the Rise of PR*, said public relations is more powerful than advertising. Brands are built with public relations, and advertising simply serves as a way to keep a product high profile, she said.

Ries noted several brands, including Starbucks coffee, that "spend almost nothing on advertising." She cited Budweiser beer, for instance, as having won numerous awards for advertising even as sales decreased in 13 consecutive years.

So what do you do without advertising?

"You can't interview a brand," Ries said. "You need someone to be a spokesperson. And you can't interview a horse, either."

That's where the celebrity factor might come into play, said Ries, who noted horse racing, like other sports, is celebrity-driven. This year's racing celebrity was Smarty Jones, who captured the public's fancy during his failed Triple Crown bid. His retirement to the breeding shed was "unfortunate but a fact of life in the economics of the game," she said.

"That's a problem," Ries said. "You need those celebrities out there. What would happen to football if Brett Favre retired at age 21? What would happen to baseball if Barry Bonds retired at age 21? ... Keep the horses on the track and out of the breeding sheds. That's easier said than done, of course. But you can't make celebrities every year. It would easier to keep them around and get some longevity out of them."

Ries said every marketing campaign or brand needs an enemy -- WalMart vs. Target, for instance -- and horse racing's enemy is casino gambling.

"Why put slot machines at racetracks and educate your customers to patronize the enemy?" Ries said. "The short-term revenue is tempting, but maybe a better direction is getting casinos to get bigger race books and educating people on horses. You'll never be as exciting as a casino."

Ries said advertising could be effective if it's coupled with the right message. She later said many established brands don't spend enough money on advertising.

"PR builds brands," she said. "Advertising maintains them."

Interestingly, the NTRA earlier in the day announced it would re-evaluate its goals and strategies moving forward beyond 2005. The organization, rather than investing its limited resources in advertising, may look more closely at public relations and media.