

# king of the marketing castle



**John Newton has never been one to follow rules. In his early career he applied his natural sales talent to everything from manchester to garden gnomes, working several jobs at once. Then he spotted a jumping castle in a neighbour's backyard and proceeded to shake up the industry. Here's how Newton used marketing savvy and Bartercard to create his own jumping castle kingdom.**

The 'light bulb' moment, when a life-changing opportunity suddenly becomes obvious, happened for John Newton one weekend in 1997. He peered over the back fence of his Sydney home to see a neighbour throwing a kid's birthday party, with an inflatable jumping castle as the main attraction.

"My wife Jane and I were looking to supplement our income and jumping castle hire seemed ideal: it was weekend work; it was simple, easy and clean," says Newton.

Six months of market research revealed an industry set in its ways. The existing players had been plodding along with two or three tired castles for 10 to 20 years. With \$50,000 initial investment, Newton stocked up on 10 new castles and, operating under the banner of Jumping J-Jays, became Sydney's largest jumping castle operator overnight.

## They said you'd never make it

Industry players, including the castle supply company, questioned Jumping J-Jays' ability to hire out 10 castles at a time. For Newton, however, there was no question. Having run the numbers, he saw a market there for the taking. All it needed was someone with the right sales and marketing resources to tap into it.

"Our competitors' idea of marketing consisted of a letter-box drop of one-colour fliers. We launched a full-scale advertising campaign, with glossy brochures offering a choice of themed parties," he says.

Jumping J-Jays became a Bartercard member in those early days, using Trade Dollars to boost their innovative marketing efforts.

"We arranged advertising posters, artwork, video production and direct mail lists on Bartercard. Since then we have become even more creative in our marketing spend, with \$T30,000 worth of office signage – a combination of light boxes, neon and full digital printing – for our Brisbane office, facing a busy motorway. We also operate rooftop balloons displaying our message."

Newton's gamble paid off: by the end of the first year he operated 20 castles, by the end of the second,



30. Today, the Jumping J-Jays franchise operates four head office branches and 38 franchises, offering 700 castles and 30 party themes. The company has been listed in the Business Review Weekly (BRW) Fast 100 and in 2005 was named BRW 15th Fastest Growing Franchise System. Newton says Bartercard has been integral to the growth of Jumping J-Jays.

### We were never scared to chase down a Bartercard supplier

"We used our Bartercard account to pay for 90 percent of franchise growth-related expenses. When we do franchise expo tours around Australia and New Zealand, we buy everything from hotel accommodation, food and beverage and franchise dinners, to meetings. Franchisees would come to Brisbane for training and stay at Barter hotels. Bartercard allowed us a few years of massive growth, as we didn't have to think about the real cost."

Jumping J-Jays' track record shows how Bartercard generates business above the standard cash market.

"A Bartercard lead converts to a sale 93 percent of the time (against 70 percent cash). The lead usually comes through a third party recommendation, from the Trade Co-ordinator or the Bartercard Directory, a bible that includes a multitude of friends all working the Bartercard system," says Newton.

In addition to re-inventing the inflatable amusement industry, Jumping J-Jays also re-wrote the rules of

franchise, going against legal advice to guarantee an \$85,000 turnover in the first year. Newton says the typical franchisee is a 'ma and pa' operation, and offering the extra security was a turning point in the firm's growth. Jumping J-Jays also mandates that franchise businesses become Bartercard members, so they can tap into another level of income.

"We tell our franchisees, the 20 families attending the Bartercard birthday party are going to see our product and use cash when hiring with us. It's a great marketing tool," says Newton.

With all franchisee businesses as Bartercard members, Jumping J-Jays can co-ordinate nationwide marketing campaigns based on Bartercard. Franchisees can also spend Trade Dollars on items such as new castles and signage. Newton also sees value for franchisees in the extended Bartercard network.

"Having Trade Co-ordinators and brokers promoting our business is well worthwhile. They also give our franchisees a fundamental understanding of how barter works and can boost their business, as well as helping them to spend their Trade Dollars wisely and growing their network. That coaching and mentoring is vital."

Newton says there are major plans for international expansion in 2007.

"We are already the world's largest holder of inflatable amusements, and we only operate in Australia and New Zealand. Imagine the possibilities when we head to the other side of the world!" ■

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John Newton, founder Jumping J-Jays



Bolts and anchor brackets for the inflatables, rope, drill bits, hotels, alcohol, accommodation, tools, ski hire, seminar rooms, flowers, contact lenses, advertising posters, large format digital printing, signage, franchisee welcome dinners and state meeting dinners, quarterly meeting tours and incidentals, jet skis, 90 square building full of lights and installation and design, 4 fully-equipped bathrooms, electricians, security guards, cakes, office water bottles, rubber stamps, staff office massages, nightclubs, corporate video production, TV commercial production, printing, business cards, trademark lawyers, solicitors, pizzas, party hire, amusement machine rental, marquee hire, giftware, direct mail lists, call centre services, franchisee promotion giveaways, trophies, uniforms, embroidery, vinyl signs, coffee machine, clothes, sun glasses, subcontractors, home appliances, photocopier, memorabilia, office alarms, car alarms, garden edging, trees removed, display rollups, on hold music production, mobile phones, artwork, custom frames, office cleaning, Christmas hampers, Christmas party cruise (T\$25,000), Christmas hams, butchers, pie shops, airport transfers, limousine hire, Barrier Reef cruises, custom Easter eggs, face painting, clowns, office plants.