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Iowa businesses seek slice of same-sex wedding profits

By [Melea Dau](#) | 10.28.10 | 9:00 am

The jewelry store's advertising design is simple.

Two symbols are arranged as equations on a black background. One sign – the universal image for woman – is adorned with a bridal veil. The symbolic male counterpart wears a bowtie. These figures are added together – paired off, if you will – in three sets.

A single word gives a social message below the iconography: “Couples.” And that's where things start to get complicated, especially in business.

Ads targeting LGBT couples, like this one from Iowa City jeweler M.C. Ginsberg, are raising the eyebrows of those opposed to same-sex marriage. But according to Mark Ginsberg, president of the company, they are also raising sales.

Mark Ginsberg, president of Iowa City jeweler M.C. Ginsberg, doesn't worry about repercussions from advertising to same-sex couples through this print campaign.

“I have been threatened,” he said. “I've had responses saying they'll never come in here again because of my approach to equality.”

The controversial politics surrounding same-sex marriage this election year confront Iowa businesses with a predicament international chains such as IKEA, Calvin Klein and Viacom encountered when incorporating messages for lesbian, gay, bisexual and transgendered people in marketing campaigns. The dilemma – how to appeal to one type of consumer without alienating another.

But some business owners, especially wedding vendors, think the risk may be worth taking. Iowa is the only state west of the Mississippi where same-sex couples from other states can travel to get married.

In Iowa City, M.C. Ginsberg has used the three “couples” design in advertising for about five years. Ginsberg coined the ad's slogan – “love without prejudice.”

“You can interpret it however you want, but I'm not personally going to make a distinction between one group and the other – gender, race, culture, religion,” Ginsberg said. “I don't believe there is a distinction to do business, or at least there shouldn't be.”

And that belief pays off, he says: M.C. Ginsberg has seen a “tremendous increase” in sales since same-sex marriage was legalized.

An economic balancing act

Although M.C. Ginsberg has used equality as a cornerstone to define itself for decades, the business of all-inclusive marriage is new to Iowa. The April 2009 [Iowa Supreme Court decision legalizing same-sex marriage](#) not only marked a milestone in civil rights for the LGBT community, it also opened new

economic opportunities for business.

In politics, the societal and religious ramifications of same-sex marriage have taken the spotlight, primarily because of the elections and the campaign to unseat three state Supreme Court justices who voted for legalization.

But in business, dollars and cents take the spotlight, because LGBT consumers represent a multibillion dollar market. A 2007 report from the market research firm Packaged Facts estimated the total buying power of LGBT adults would exceed \$835 billion by 2011.

The quest for the so-called “lavender dollar” has prompted a slew of national studies on how to capture that lucrative market amidst the controversy.

“If you’re going to put yourself out there as a business that supports [same-sex marriage], it’s a balancing act,” said Thomas Gruca, an associate professor of marketing at the University of Iowa.

Gruca’s point is backed by a 2009 study from Troy State University in Troy, Ala., by Mary Ann Hooten, Kristina Noeva and Frank Hammonds on the effects of homosexual imagery in advertisements. It found that “targeting marketing at homosexual customers could be perceived as controversial and potentially offensive to the heterosexual consumer.”

The marketing may be contentious, but the potential economic benefits are great.

Prior to Iowa’s ruling, a study by the UCLA Law School’s Williams Institute on Sexual Orientation Law and Public Policy found that legalization would prompt more than 2,900 of Iowa’s same-sex couples to marry by 2012 and could attract nearly 55,000 out-of-state couples and generate about \$5.3 million in revenue each year. (A 2004 Congressional Budget Office study found that if same-sex marriage was legalized in all 50 states, it would generate almost \$1 billion in annual revenue.)

From April 2009 through March of this year, 2,020 same-sex couples bought marriage licenses, generating \$70,700 in government revenue. Statewide, one out of ten marriages were between same-sex couples; in Pottowattamie and Johnson Counties, it was one out of four.

Capital and controversy in Iowa City

Shortly after the ruling, Joshua Schamberger, president of Iowa City/Coralville Area Convention and Visitors Bureau, assembled a committee of retailers, including Ginsberg, and members of the LGBT community, to decide how to identify the Iowa City/Coralville area as same-sex marriage-friendly.

“We have an opportunity afforded by this ruling,” Schamberger said. “Johnson County is the bluest of the blue in Iowa, and this may seem more welcoming for same-sex couples.”

He said no special effort was made to promote the area as a tourist destination for same-sex weddings, but the Bureau made alterations to its website “to ensure the necessary information was provided for any human being to get married.” It lists wedding vendors interested in working with same-sex couples.

Schamberger said many retailers were “incredibly welcoming” to the idea of serving LGBT clientele, but five local businesses expressed “varying degrees of disappointment” and refused to be on the list. He said several sources outside Iowa City were upset by the Bureau’s commitment to serving same-sex couples and scolded Schamberger for “trying to turn the Iowa City/Coralville area into the Sin City of the Midwest.”

Nevertheless, Schamberger said inquiries “flooded” him from out-of-state couples for several months post-

ruling, and he still receives regular phone calls from potential wedding tourists. Schamberger speculates that the window of opportunity will be open until other area states pass legalization laws.

Selling Iowa's wedding industry

Traditionally touted as “recession-proof,” the wedding industry enjoys relative stability.

The average cost of a U.S. wedding increased 21.9 percent in the first half of 2010 from \$19,581 (2009) to \$23,867. In Iowa, the average was about \$15,000 in 2009.

Wedding planner Beau Fodor, owner of Des Moines-based Gay Weddings with Panache, started his business as a result of the Iowa ruling and has helped coordinate 25 same-sex marriages since April 2009 – the majority of which were destination affairs.

“[Iowa] can offer everything from a beautiful boat wedding in the middle of Saylorville Lake, to a cornfield in Adel, to a vineyard in St. Charles, to a cliff-hanging wedding in Dubuque ...,” Fodor said. “We have everything the coasts have except for an ocean, and when you’re in the middle of Saylorville Lake, it’s pretty big.”

He estimates that an Iowa wedding costs only two-thirds of the price of a coastal ceremony, even with the travel involved.

Marketing professor Gruca said Iowa’s central location will also play a key role in attracting same-sex couples.

“If you think about the ‘golden circle’ around Iowa, you have Chicago, Milwaukee, Minneapolis, St. Louis, Kansas City, Omaha and perhaps the Sioux falls area,” Gruca said. “So you have lots of cities with lots of people close in proximity to Iowa ... and if [same-sex couples] want [the wedding] experience, this is pretty much the closest place they can go.”

Taking a stand by reaching out

For Iowa business owners interested in reaching out to same-sex couples but nervous about alienating other clients, subtle approaches may be the route.

“You can structure your website to contain language that’s more gender-neutral ...,” said David Paisely, senior projects director of Community Marketing Inc., an LGBT research firm in San Francisco. “[The materials emphasize] it’s about when two people get married, not when the bride and groom get married.”

As for Mark Ginsberg, he said he believes that Iowa businesses, especially those in Iowa City, shouldn’t be afraid of making a social statement that can turn into a regional selling point.

“We are in a community that is articulate, academic, accepting and inclusive,” he said. “Not only should we set an example for the other businesses and people who are participating and decided to live here, but set a lead for the state, the region, the nation and the globe.”

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