

Loyalty: an email away

Grocery stores can effectively leverage the most personal marketing tool ever invented—if you know the rules

By Jay Siff

In case you haven't noticed, the marketing world has undergone an extreme makeover. The traditional means of communicating with customers—newspapers, television, circulars and the like—aren't dead, to be sure. But they're hardly the only games in town anymore.

In the wake of the digital revolution, brand new ways of bonding with customers have arisen. For the first time in perhaps eighty years, grocers once again have the means to forge the kind of personal—even intimate—relationships with their customers that neighborhood mom-and-pop groceries once enjoyed.

You see, the invention of email and the World Wide Web has changed the marketing landscape forever. Borrowing concepts from the direct marketing world and empowering them with an amazing ease of use, these new technologies have made communicating with customers simpler, more immediate, more measurable, and less expensive than ever.

One would think these technological breakthroughs would be immediately embraced by grocers everywhere. Yet it's amazing how many chains still look at television and newspapers as the core of their marketing plans.

You know what? Let them believe that. Why should you follow others who are caught in old-school thinking, when the power of the post-mass marketing age is here?

In the modern world, the best way to get real bang for your marketing buck is to leverage the Internet—especially email—to create one-on-one communications that build loyalty and strategically increase your business. No longer does it take millions of dollars for grocery stores (independents take note!) to keep customers loyal. In fact, in the battle of mass marketing versus targeted, personal communications, the latter clearly has the edge.

So how do you make email work for you, with minimal effort and technical knowhow? Simply by gathering email contact information from your customers, creating an electronic database, then offering specials that meet your particular sales or marketing objectives.

Most merchants don't realize the incredible value to be found right under their noses, in the names and email addresses of people who already spend money with them. That information represents tens, perhaps hundreds of thousands of dollars in increased revenue per store. And all you have to do to get it, is ask.

During checkout, have your cashiers ask their customers if they would like to receive periodic emails good for giveaways or “dollar-off” coupons. Chances are they’ll say yes; the cashier can then ask them to fill out a card listing their email address. Assure them that their email won’t be sold or distributed to any other company (you might even print that fact on the card itself). Before long, you’ll have a database of email addresses for some of your best, most responsive customers.

Once you have your list, you or your local store managers can use it to create powerful, actionable offers that satisfy whatever short-term marketing need you may have. Contrary to what most merchants think, people actually want to hear from businesses they frequent. In fact, they are more than willing to respond—if you’re willing to offer them something useful in return.

Say, for example, that seafood sales at several of your stores were lower than expected over the weekend, and you have dozens of live lobsters that need to move *now*. Compose a short email offering a Monday-only, too-good-to-pass-up deal on lobster, and hit “send.” Within hours, you’ll have people coming in the door for your incredible savings...and you’ll have not only removed a headache, but also increased sales on a slow day.

Nicely designed email certificates are another way to reward current, active customers who enjoy your store and need a good reason to stop in. Provide them periodically with deals good for buy-one-get-one-free, exclusive co-op offers in partnership with local merchants, or other attractive specials, and you can generate additional business almost at will.

You can also use your prized email list to achieve other strategic sales goals. Say you’re interested in building your carryout meal business. Since most people typically wait until two or three o’clock in the afternoon to decide what they’re doing for dinner, what better time to hit them with an email promoting your dinner special for that evening? Well-timed emails such as these can steer business away from local eateries and into your stores instead.

Perhaps the best thing about a “loyal customer” email strategy is that your customer database becomes the vehicle for establishing a measurable and definable ROI. Let the other guys fritter away their money on slow, low-return mass marketing campaigns. Thanks to your state-of-the-art approaches, you’ll generate business at a lower cost per customer than anyone in your market areas.

These days, grocery stores face more competition and greater sales challenges than ever before. But that doesn’t mean you can’t have the upper hand. The key is to target your most responsive customers, spark genuine interest in what you have to offer, and keep those customers satisfied and looking for new reasons to stop in. By using email wisely, marketing’s recent extreme makeover can serve to give your business a facelift as well.

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