

*Q&A for Los Angeles Times "In Box" column
From Jay Siff, Founder & President, Moving Targets and Loyal Rewards*

Using email marketing to build business

Dear Karen: I'm a small retailer, and I'm thinking of starting an email marketing program to build my repeat business. Is this possible for a small operation like mine?

Answer: Absolutely. If you don't have employees who can handle the job, you can outsource it for as little as a few cents per customer. And it's an excellent way to keep your regulars coming back.

"Email works as well for smaller companies as it does for Borders and Amazon. It keeps your business top-of-mind and helps prevent existing customers from defecting to competitors," says Jay Siff of Moving Targets and Loyal Rewards, two companies that provide business-building tools for small business owners.

The first step is to collect email addresses, and Siff says there's only one way to do it: "Look your customers in the eye and ASK." Say that you periodically send coupons and other offers by email, and ask if they would like to participate. Don't leave forms on the counter (it won't work), and don't request addresses, birthdays or other information.

Then be sure that every email gives customers an incentive for making their next purchase, whether it's 10% off, a \$2 savings or buy one/get one free. "People don't want newsletters. They're bombarded with media. They're just looking for value," Siff says.

Sending the emails yourself does take some work. You will need to "spam-score" each message to prevent blockage by spam filters, provide an opt-out method for recipients who want to be removed from your list, be sure you comply with CAN-SPAM regulations, and so on.

If that's too burdensome, email services like Loyal Rewards (www.loyalrewards.com), Blue Hornet (www.bluehornet.com) and Exact Target (www.exacttarget.com) can come to the rescue. Since it's easier to generate repeat business from existing customers than to attract new ones, it's a good investment.