



BY RICH KIZER & GEORGANNE BENDER

Consumers... Customers... Clients... Disciples

It's no secret the No. 1 goal of advertising is to increase customer traffic – but this doesn't always mean attracting new customers to your store. Make no mistake, looking for unique ways to attract new customers is a critical factor in the growth of your business, but it's also important to look for ways to gain additional sales from the customers you already have. These customers are the ones who will account for most of your future sales.

Most retailers have heard the 80/20 rule of retail, although it's evident that few practice it. The 80/20 suggests that 80 percent of your store's sales come from 20 percent of your inventory. The same is true of your customers – your most loyal customers give you the most bang at the retail counter. In our seminars, we continually stress that your job is to turn consumers into customers, customers into clients, and clients into loyal disciples who just can't live without your store.

One way to create loyal disciples is to create a club. Not the everyday, run-of-the-mill, everybody-is-doing-it-so-we'd-better-too, boring, frequent-shopper club. ("Here, hang this card on your key chain with the seven others you already have, and maybe, someday, we'll send you a coupon.") Nope, we're talking about special, value-oriented, exciting programs customers fall in love with – those are the programs that work.

We recently spoke with a retailer who owns a store in the ultra-competitive world of furniture retailing. He had just launched his "Elite Customer Program" – a program we wanted to sign up for immediately, and we don't live anywhere near his store. Well, why not? His program is that good. Customers who sign up for this free program are immediately entitled to some very special benefits.

- *Preferred Delivery.* Imagine getting your furniture delivered when you want to have it delivered.

- *Items on Approval.* The ability to take items home on "approval" to see how they will look in your home before you purchase them.

- *Advance Notice of Special Sales.* Elite Customers receive special notices of sales, plus an invitation to a private shopping evening before the sale breaks.

- *An Elite Customer Discount.* Club members save 10 percent everyday on high-margin items such as accessories, lamps, and framed art.

All a customer has to do to join this Elite club is answer a few questions beyond the typical name and address stuff – birthday, anniversary, favorite styles of furniture, and other related areas of interest that will be beneficial to the store for use in future ad campaigns.

With the information he's collecting, we're certain this retailer is getting ready to create very narrow and targeted direct-impact marketing pieces that are guaranteed to appeal to the club members' individual tastes and interests. It's a win-win situation: customers benefit with great perks, and the retailer benefits with increased sales from loyal customers.

Perhaps you've started a customer club in your own store, or have collected customer data in the past, but never did much with it. Now is the perfect time to get to work. If you don't have a customer club, start one. If you have one, look for ways to make it better. Use the customer information you collect to create specific, direct mail promotions for specific customers. Remember, your goal is to get these customers in your store more often, and then make them feel very special while they are there.

What's more, it's easier to track the overall effectiveness of dollars spent on a targeted direct-mail campaign compared to most other advertising mediums, because you are not targeting the masses. You're targeting disciples who already know and love your store. ♦

Rich Kizer & Georganne Bender are nationally recognized experts on customer service, customer retention strategies, "messaging with the media," and everything retail. They share their real-world ideas with audiences in their critically acclaimed "Retail Adventures in the REAL World™" keynotes and seminars. Contact them by e-mail at info@kizerandbender.com.

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