

## Making Customers Merry at Christmas – with Savagewood

Christmas is always an interesting time for any business, especially if it represents the main sales opportunity of the year. Many retailers call this time of the year the 'Golden Quarter' and for good reason.



For most businesses, marketing to generate new customers has taken place well before the Christmas period. Promotions in December will be about answering the short-term problems of late Christmas presents or food shopping or organising supplies before the holiday period.

For many franchisees, though, it is not purely a time for achieving higher sales. In many cases, especially where service is a vital component part of your offer, your ability or failure to cope with higher demand can have a knock-on effect to future sales and customer satisfaction.

So just because you are not advertising, does not mean you are still not marketing. Quality service, accurate deliveries, good organisation and proper systems to cope with problems are an important part of the marketing mix and say a lot about your business.

After all, everything communicates – even at Christmas time! **Merry Christmas.**

*Pete Savage*

## Keeping customers loyal



A number of franchisees recently have been worried about the sudden drop-off of customers. Reasons may vary from them moving out of your area or a strong competitive offer and not simply a sudden dissatisfaction with your products and services. In times of economic hardship, the most obvious problem is one of cost – as budgets tighten, so financial commitments are reviewed and cancelled.

There are some important points to remember here.

Firstly, do not become de-motivated or disheartened. Your product was good enough to convince these customers to buy in the first place, so continue to sell with the same confidence and assurance.

Secondly, consider their loss as only temporary. Times will get better and customers will remember the reasons they came to you and want to enjoy them once more. Keep an accurate list of those who left and when, as they will become an essential part of your new business activity in the future.

Thirdly, these people are a vital source of learning for you. Have some material you can send them should they decide to leave that is sympathetic and friendly. At the same time, include a short questionnaire to find out parts of your service they liked or disappointed – they might come up with some vital clues to ensure you keep future customer loss to a minimum.

## Savagewood top tips - #2

It is estimated that we are bombarded with over 3000 pieces of communication every day. That's a lot of messages to absorb, compute, reject or act upon. It is not surprising that advertising agencies, PR companies, online designers and media companies spend so much time and money trying to make their voices heard above the general hubbub.

Yet the most important factor is not how loud one shouts, but the clarity and relevance of the message. Everyone interprets communication through a whole range of individual filters – education, ethnic background, gender, environment, age can all play a part in refining how one interprets communication.

If a customer can misinterpret a message they will – so always ensure you are single-minded in your message, straightforward in its delivery and relevant to the recipient.

### All communication is personal



## The ladder of loyalty

There is general rule of thumb when allocating marketing funds and time for small businesses. Spend a third on new customers - and the remaining two-thirds on keeping the ones you have!

Existing customers are already convinced about your offer, and are prepared to listen to you when you have something to say. They know about your products and prepared to pay the prices you set. Replacing them with new customers who do not know about you needs a huge commitment of time and energy

There's one other great advantage of retaining a customer beyond the sales they generate – they become an advocate for your business. Jim Collins, author of 'Good to Great', believed '100 pieces of good news can be undermined by one piece of bad'. Positive word-of-mouth is a powerful marketing tool, so do everything you can when recruiting customers to make them a raving fan of your business.

**The question is – how? It is widely held that there are 7 key stages, known as the ladder of loyalty**



Each rung represents a different point of view for your customer. Your task is to make them climb that ladder and pass them on from one stage to the next

**Suspects** are the initial leads, mailing list or customer walking through your shop door. They need to be converted by the quality of your product, the excellence of your service and the attraction of an incentive.

**Prospects** are more positive about you. They recognise that your offer appeals and has relevance to their lives. They are debating other issues such as need versus the price and competitive offers, but they are open to be convinced

**Shoppers** buy that first time. They are not committed to you, but have confidence in your product and trust you to enough to trial it. They may still persuaded to go elsewhere, but they need to have the evidence first.

**Customers** are prepared to buy on a more regular basis. They believe your product has a distinct advantage over competitors and, having weighed up the evidence, decided you are the better choice. As a marketer, we have reached the stage of convincing them to buy more

**Members** are even more closely aligned to you. They see themselves as a special group with all the benefits of being a recognised, long-standing customer. Loyalty is more intense now, with any decision to leave no longer purely a rational choice but an emotional one (always the harder kind!)

**Advocates** want to share their good fortune. When talking to friends, family or colleagues, they will happily recommend your business when an opportunity presents itself. They will extol your virtues, ignore any failings and endorse you as well as their own decision to buy from you

**Raving fan.** The ultimate salespersons, these customers not only talk about you, they proactively look to sell you to everyone. They will talk you about whatever the circumstances and look to get you into the conversation. These customers are intensely loyal and want everyone to share in their good fortune.

## Customer feedback – food for thought



How often do you ask your customers what they think about you? Have you ever considered adding a survey to your marketing programme? Simple surveys can offer your business a real insight into its current performance and act as a catalyst to act on customers who might be wavering. It can also open up new business opportunities, offering ideas and developments to your product offer to attract new customers or make existing customers happier.

Even better, as a marketer, it might reveal that most important of weapons, a unique selling proposition. This differentiates you from your competition and might show itself in a product range, a selling message or service offer – but it will continue to give your business the edge.

### Try these four questions:

How likely is it you would recommend your business to friends and colleagues (10 = definitely, 0 = No)

If you said 7 or 8, what would make you a 10

If you said 0 -6, what have we failed to do

If there was ONE thing you would improve, what would it be?

## Franchisee forum

Savagewood have enjoyed the privilege of spending time with franchisees and see firsthand the passion and ambition to succeed. We hope we have started improving your awareness of the power of marketing and inspired you to run your own programmes and achieve greater results.

We are also happy to be a conduit for great ideas, successful campaigns or innovative approaches so that others can benefit. Send us an email at the address below and we will look to include them in our next newsletter.

**REMEMBER – THIS NEWSLETTER IS NOT JUST FOR INFORMATION, BUT AN INVITATION TO YOU TO CALL SAVAGEWOOD OVER THE NEXT WEEK WITH ANY CONCERNS, QUERIES OR TO TALK THROUGH YOUR OWN CAMPAIGN PLANS.**

CALL THE NUMBERS BELOW OR EMAIL [PETER@SAVAGEWOOD.CO.UK](mailto:PETER@SAVAGEWOOD.CO.UK) OR [RMWOODHALL@AOL.COM](mailto:RMWOODHALL@AOL.COM)

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