



The Check Is In The Mail

The post office can be your best salesman.

By Phil Sasso



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Winning new customers is expensive. So, keeping existing customers is worth every penny you invest. And keeping customers really comes down to keeping in touch with them. Within reason, the more often you connect with your customers, the more often they will be thinking of you and the more likely they are to return to buy from you again. And they'll tell their friends about you, too.

"Absence makes the heart grow fonder," they say. Whoever *they* are, they never worked in marketing. Customers quickly forget. It's the job of marketing to remind them of who you are and give them reasons to return to your shop.

Two of the most effective methods of keeping in touch are direct mail and e-mail marketing.

You may think e-mail is so quick, cheap and easy that you don't need to deal with printing and mailing anything ever again. Think again. E-mail is also

much easier to delete than snail mail. People at least have to carry the mail from the mailbox to the trash bin. E-mail doesn't get those extra few seconds of exposure.

Don't get me wrong. I love e-mail. It's just not the marketing silver bullet that you may think it is. I get more than 100 e-mails a day. Most go unopened. I get about five pieces of mail a day, and almost every one gets noticed.

HOW TO HAVE PERFECT TIMING

Here's a true story about the effective use of direct mail to sell automotive services to a very marketing-savvy consumer. The customer: my wife, Beth.

One day, I got a birthday card from a local service station with a coupon for a free oil change. Their timing was perfect. So, Beth took the family van for an oil change. While she was there the service writer asked if she'd heard a rattle when going over bumps. She had. But, she delivered her standard get-out-of-a-sales-pitch line: "I need to talk to my husband about that." (Her other great line is "That's not in our budget." Stops sales people in their tracks every time!)

A few days later, she got a thank-you note from the garage. A few days after that, she got a reminder of the needed repair. Later, she got a coupon for 10 percent off the specified repair. Then, she found herself in the shop waiting room a day or two before her coupon expired.

DO THE MATH: DIRECT MAIL ADDS UP

One of the major benefits of direct mail advertising is that it's quantifiable. That is, if you crunch the numbers, you can analyze direct mail and measure its effectiveness and profitability. You can also project the success of a mailing by using statistics about your target market to make wise marketing decisions.

For instance, if you're like the average restyling shop, most of your customers are 18 to 35 years old. This target market falls into the two groups marketers classify as Generation X (born 1964 – 1976) and Generation Y (born 1977 – 1994).

Here are some random statistics about direct mail, your target market and ways to put this data to work:

- 98 percent of consumers bring in their mail daily. That's more often than the average American looks at his email. Use direct mail to reach customers more quickly and effectively than email alone.
- 73 percent of Gen Y and 68 percent of Gen X have used mailed coupons. Put discount offers in your customers' mail boxes and they'll use them.

- 70 percent of Gen X and 82 percent of Gen Y sort through their mail immediately. Use direct mail to reach your customers quickly and be sure your coupons have an expiration date to create a sense of urgency.
- About 25 percent of your direct mail responses will come in the first week. Be patient. Don't expect immediate results. It can take a month or more before you know how effective your mailing campaign was.
- 74 percent of Gen X and 68 percent of Gen Y read their advertising mail. Don't think young people are only interested in text messaging, e-mail and the Internet.
- 14.2 percent of Americans move each year. 18 -35 year olds move more frequently. Keep your database up to date. Ask customers to confirm their address each time they buy from you. Otherwise, about 1/6 of your database will be undeliverable in 12 months or less.

For more information on using direct mail more effectively, go to www.usps.com/directmail.

- Source: *United States Postal Service*

"The mailings were so frequent they almost bordered on stalking," Beth said. "But we did need the repair. And we were taking the family on a long road trip. So, the timing of their coupon was perfect."

I realize auto repair is not restyling. But the same marketing concept works whether you sell oil changes or spoilers. The goal is it to keep in constant contact with customers. Keep in touch with them regularly and you'll be amazed at how often your timing will be *perfect*.

KNOW CUSTOMERS OR NO CUSTOMERS

A good direct mail campaign all starts with a good database. I suggest you make a *wish list* of your customer's favorite accessories. When you first meet with a new customer, find out what he or she aspires to. What are their hot buttons? Make notes. Put it in your database and send them reminders about that trailer hitch, bed liner or set of hot new rims they want someday.

You'll notice the deal closer for Beth was the discount. It's probably the same for your customers, too. A 10 to 20 percent discount is a lot less to pay to bring back an old customer than you'd pay in advertising dollars to get a new one. And in today's economy, a coupon can help put a purchase within your customer's reach. Especially if they have been hold-

ing on to their economic stimulus check waiting for a great deal. (You might even hold an Economic Stimulus Sale!)

I suggest you make discounts specific. Avoid offering a blanket 15 percent off your purchase. Focus on lines with something like 10 percent off spoilers and 15 percent off truck caps and lids, or 20 percent off any Brand A hitch or Brand B tonneau. That focuses your customer on a particular product category or brand. A good way to do this is with a simple full-color postcard mailing. It's inexpensive and has great impact.

When used too often, discounting can erode your profitability without creating customer loyalty. But used selectively, it can be a good tool to build relationships. Once your customers experience your great service, they'll remain loyal, with or without a coupon.

CREATING NEW CUSTOMERS FROM OLD ONES

Direct mail to your existing customers can also be a great way to bring in new customers. The idea is simple. Guys and gals who are into their car or truck tend to hang out with other guys and gals that are into their car or truck.

Mailing current customers a *Tell-A-Friend* promotion can be a great win-win proposition. A good example is, "Give This Postcard To A Friend. You'll

both get \$25 off your next purchase of \$200 or more." When the new customer brings in the postcard, your current customer's name will be on it. Mail that customer a \$25 off \$200 thank-you coupon. And don't think because they referred one person they won't refer another. In my experience, people who refer one person tend to refer more.

All the discounts used in this article are only suggestions. You may find larger or smaller discounts more successful depending on your region. Test different offers until you find the one that works best for you. The best offer brings in an optimal number of customers without costing you too much profit.

TRY IT, YOU'LL LIKE IT

Direct mail requires a good database. Most point-of-sale software today has a built in database function. That makes it easier to maintain and manage your customer database. If you don't use POS software or yours is outdated, look online. Many have a free 30 or 60-day trial period to let you test out their software.

In the end, the only way you'll know how well direct mail can work for you is to try it. Start small. Test different designs and discounts. And be patient. It may take a few mailings before you see results. But with a little persistence you'll find that, one day, your timing will be *perfect*. ©