

## Connecting With Your Most Valuable Asset... Your Customer!

By: Doug Knorr

It's my favorite time of year – football season! The gridiron is packed with exciting plays as two opposing teams, twenty-two guys, work to execute winning plays and win the game!

The spectators are filled with enthusiasm, passion and, as they watch each play carefully, they make their comments about a great play. Or, if things didn't go well, they comment on how the team should have done it this way or that way.

Yet the truth is, spectators have absolutely “no control” over the outcome of the game.

To control the outcome of a football game, you can't be a spectator. The same is true in retailing, retail advertising and marketing. These are not spectator sports.

Today, retail is a true “contact sport!” If we don't make contact with the consumer, we will lose the game! And making contact with the consumer today requires a whole different marketing strategy than it did just a few years ago.

As we discussed in my September article (Managing Your Most Valuable Asset... Your Customer!), today's consumer demands being in control. The consumer will not settle for what you want them to do.

To successfully make contact with the consumer, you need to meet her or him on their own ground, listen to what the consumer thinks and how the consumer feels. Only then can you make contact with the consumer in a way that is relevant.

Connecting with the consumer requires that the consumer become part of the solution. The consumer needs to know that she or he is in the game, not just a spectator with no control over the outcome!

Today, the solution to successful retail marketing is to create and maintain an ongoing dialog with the consumer. Remember, the consumer does not care about you.

The consumer is not loyal. It is all about them!

So, any dialog that you try to create cannot be focused on you (the retailer). Rather, it has to focus on the needs and wants of the consumer. That means your message has to be “relevant” or the consumer will just dismiss it as not important to them.

As I mentioned in the September article, you must spend time understanding how the new consumer is thinking and learn to speak the consumer's language. Only then will you be ready to effectively connect with him or her in a meaningful and successful way.

It's a challenging task because the behavior and lifestyle of today's consumer has profoundly changed. Consumer interaction with technology and media now consume a great deal of the consumer's life.

Online communities/social networks, blogs (web logs), vlogs (video blogs), mobile technology and Instant Messaging/emailing are now ordinary activities.

For example, according to the Pew Internet and American Life Project, some 84% of today's online consumers have at one time or another contacted an online community group (Myspace, Facebook, Youtube, Friendster, Flickr, etc.). Some communities are built around niche interests, such as WebMD, Hairsay or Zoom Panel Moms (“...a place

to share real, unfiltered opinions on products and services and issues related to being a mom”).

90 million blog sites exist and, of these, 15.5 million are active blogs. 42% of consumers with broadband connections post content online. Over 100,000 blog posts are made each day, about one per second. Plus, there are hundreds of thousands of message boards and forums on specialty topics.

A recent American Marketing Association webcast (“Reaching the Connected Consumer”) proclaims photo messaging has now gone mainstream with mobile technologies, and uploading content and using personal email are among the fastest growing mobile activities.

What’s also interesting is to realize that each month, based on a 3-month average ending last August, 4.2 million Americans send text messages to respond to “off-mobile” advertisements. 48% of these were responding to contest offers, 28% responded to information about a product/service/brand and 26% responded to coupon or discount offers.

With multiple channels of consumer communication and the consumer’s daily technology interaction, it’s no wonder that research continues to show that today’s consumer is harder to reach.

For example, it’s been determined that the average person is now barraged with a minimum of over 1,500 advertising messages every day. In fact, *McKinsey Quarterly* says that figure is now approaching as many as 5,000 messages each day.

From newspapers and billboards to the Internet, hundreds of cable TV channels and even restrooms, everywhere you go, advertising is there and it is multiplying. Today you find more ad space per printed newspaper or magazine page, and more commercials per broadcast hour. Television advertising has jumped from three spots to seven spots per break, and advertising now commands up to 21 minutes per TV program hour.

What are the consequences? Recent reports from Nielsen Media Research and Cable TV research show that the increase of clutter in advertising reduces viewer’s memory effectiveness by almost 50 percent. And yet, advertising costs continue to rise – going up at a faster rate than annual sales increases for many retailers.

In short, advertising efficiencies continue to spiral downward. In addition, today’s consumer is more cynical about the advertising they see, hear and read.

So, if traditional advertising is becoming less effective, we must develop a different play list.

If we are going to win this game of growing our business, then a new game strategy is going to be required. Today’s winning strategy is to bring traditional forms of advertising and the Internet together to create an ongoing dialog with your customer.

Instead of using the Internet as just a “virtual showroom” or online yellow pages (Defense), you have the ability to use the Internet to interact with the consumer (Offense) on “their” terms.

For example, Knorr Marketing has developed a new software program called Knorr-Connect™. Its two-fold function connects the retailer to the customer and brings the Sales and Marketing departments together to provide a greater customer experience. In turn, this creates greater customer loyalty and frequency shopping.

Here’s how it works.

In the past, traditional forms of advertising only went one direction, from the advertiser to the consumer. Instead, this new marketing system, Knorr-Connect, allows and encourages a two-way communication between the retailer and the consumer by bringing traditional media and the Internet together.

Using Knorr-Connect, traditional advertising (direct mail, ROP ads, circulars, etc) takes the consumer to a special online location (not your store website) and allows the consumer to communicate back to you about their needs and wants.

The software allows the consumer to make appointments online, respond to brief surveys or download special offers or coupons not available to the general public.

An old friend of mine, John F. Lawhon use to say, “What gets measured improves.” I am fond of saying, “If I cannot put a measuring device on some part of my business, I assume I am losing money on that part.”

Today, accountability is the key to growing your business. Measuring the effectiveness of your advertising allows you to continue to get a greater return on your advertising investment.

That is why the Knorr Connect software includes a robust backend that allows you to compare just how well different offers have worked.

At a glance, you can determine which events and offers worked best. In addition, you can respond via email to those who have made a purchase with an automated cross-sell offer.

For example, let’s say someone bought a new bedroom without purchasing a new mattress set. This system can be programmed to automatically send the customer an email with a four-color picture of their salesperson or designer, a thank-you message and a customized offer for a new mattress set.

Imagine you have a salesperson leave your company. You can immediately email all their customers with a positive message, while continuing to enhance your brand position with the customer. At the same time, that email can introduce a new sales associate with their four-color picture and give the customer a special reason to come to your store with a special offer (gift, coupon, etc.).

The winning solution today is to make everything that happens an opportunity to connect with your customer.

It is not enough to sell home furnishings! America is dramatically over-retailed and the buying options for today’s consumers are almost unlimited!

To win at retail today, you must become the customer’s most valuable resource. This requires greater relevance through knowing them better and providing what they want, when they want it.

To ensure your connection is relevant, you must also consider:

1) Developing a program that allows you to really know your customer through artificial intelligence

2) Bringing your sales department and your marketing department together to increase the customer’s satisfaction.

3) Employing tools to hold your advertising and sales accountable in order to increase Return-On-Investment (ROI).

These steps are vital and will be discussed in future articles.

As you can tell, home furnishings retail is not a game for spectators. So, get into the game the way it is being played today.

Make contact and win!

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**About the Author:**

Douglas Knorr, known as a “retail marketing activist” is president of Knorr Marketing ([www.knorrmarketing.com](http://www.knorrmarketing.com)), a full-service marketing and advertising agency specializing in the home furnishings industry. The agency provides strategic planning, creative production, public relations, sales promotions, website development and media buying services. Headquartered in the resort community of Traverse City, Michigan, the firm serves clients throughout the United States.

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