

Great

Store Newsletters

Sometimes, maintaining a competitive edge means giving your customers more than they expect. That's the case at Maynard's Southlands Tack Shop, whose western Canadian customers started receiving a complimentary quarterly newsletter last year.

By Phillip M. Perry

"People love it," says store manager Maureen Cuyler-VanHove. "It's been a success because we make sure it is pleasant reading as well as newsy." The key to success, she says, is that the newsletter is more than just an advertisement for the store.

Sense the possibilities? If you're like most retailers, you suspect that you could make more sales if you could only get your message out to more people.

Maybe your staff has an impressive level of expertise. Maybe you have enviable selections of products. As for those weekend seminars and special events—if people knew how great they were, wouldn't the crowds be bigger?

Enter, the newsletter. Like Maynard's, you may decide a store newsletter is a great way to extend your showroom into your customers' homes.

"Done well, newsletters are great sales tools," says Robert F. Abbott, president of The Newsletter Co., a consulting firm in Airdrie, Alberta, Canada. "They can differentiate you from other stores."

You benefit, says Abbott, when newsletters do any of the following:

- Brand your store, distinguishing it from competitors.
- Build a relationship with prospects and customers.
- Get names and addresses of current customers and prospects. ("Invite everyone who visits the store to sign up for your newsletter," Abbott says.)

• Lessen buyer's remorse. ("After someone buys expensive merchandise, they feel good if they get something in the mail confirming that they did something wise," says Abbott.)

First We Talk; Then We Sell

Sure, newsletters can communicate your store's features and build sales, but these benefits are hardly automatic. Your mix of offer, editorial and graphics must be fine-tuned to meet your market. Furthermore, retail newsletters face special economic challenges.

"To pay for itself, a newsletter needs to make a lot of sales for a retail store where price points for most items are relatively low," said Elaine Floyd, a newsletter consultant in St. Louis, Mo., and author of "Marketing With Newsletters." "This is in contrast to a newsletter promoting the typical business-to-business enterprise, where a single sale might pay a newsletter's costs for a year."

On the upside, this means you are rewarded for communicating as many of your services as possible to your list. "One of the retailer's biggest challenges is telling the customer about all of the products and services available," said Floyd. "Newsletters are great for combating the 'I didn't know you did that' syndrome."

Start with content that attracts the customers, newsletter experts say. Then, follow through with ads and special offers that lead to sales.

"Your content should support your marketing message," says George Whalin, president of Retail Management Consultants, San Marcos, Calif. "Suppose you write

a consumer education piece about a category of merchandise. Then, run a coupon beside the editorial that offers a \$5 discount on the items being discussed."

Maynard's Tack Shop News Flash often runs items that congratulate local pros for winning contests. That's a great way to spark reader interest.

"If there were one simple rule that must be obeyed, it's to build the newsletter around a desired action by readers," said Abbott. "If I am a retailer, the newsletter is not about me; it's about my customers. To make customers readers, I have to supply them with information that is useful to them or interesting or funny. Now that they are reading it, I can go on and put my selling messages into it."

If the editorial targets your customers, your mailing list should be targeted another way: Send the letter to the right people.

"Given the broad trend toward relationship marketing, a newsletter is a great idea," said Liz Tahir, a marketing consultant in New Orleans, La., "but qualify your enthusiasm by sending the newsletter only to individuals who have requested it or who are your top customers."

The idea is to avoid wasting money on printing and mailing to uninterested recipients who will toss your creation without reading it. "We all have this massive amount of paper coming to us," points out Tahir. Recipients may be irritated to discover that you are adding to the pile.

Maynard's, for example, limits its circulation to 1,000 copies, most of which are mailed only to loyal customers. The remainder are handed out in the store.

GET MORE INFORMATION

"Marketing with Newsletters" by Elaine Floyd. How to increase sales by using a customer newsletter. Also covers design and budget considerations. Newsletter Resources, 6614 Pernod Ave., St. Louis, Mo. 63139. (1997) \$29.99. "A Manager's Guide to Newsletters: Communicating for Results" by Robert F. Abbott. Effective strategies and tactics for managing a newsletter. Covers customer, internal and membership types of newsletters. Word Engines Press, 2125 Summerfield Blvd., Airdrie, Alberta T4B 1X2, Canada (2000). \$34.00. www.managersguide.com. Design & Print - Business edition. Software that allows you to design custom newsletters and flyers on a computer. Avanquest, USA. \$59.95. www.avanquestusa.com