

Cost Effective Advertising Strategies

By Bob Epstein

From an advertising perspective, it's tough being an independent retail jeweler. There's just no way to compete with the big box stores who spend millions of dollars on national ad campaigns. On any major holiday, the newspapers and television channels are flooded with expensive, glitzy advertising. There's just no way to compete....or is there?

Step back for a moment and think about what *you*, the independent store owner, have that the larger chains don't. May seem obvious, but there is *one of you* compared to dozens or hundreds *them*. You have the advantage of being unique. You're the home town team. All the chain stores have the same sort of look, the same store layout, same merchandise, same store branding and signage. It's all the same. You have the advantage of being different. People love that. Set yourself apart as being that cool, local shop around the corner. Different merchandise. Great service. Interesting designs. A fun place to shop. But how do you get the word out about your store? You don't have much of a budget for advertising. Where to begin?

For several years, the buzz word on Madison Avenue in advertising circles has been *social media*-- Facebook being the leader in the field. The general idea behind Facebook is to let friends and family know activities and events of interest; generally what you're up to. Some Facebook junkies (or should I say addicts) carry this to an extreme by posting mundane and minuscule details of their daily lives to the extent that it gets boring and tiresome. Who really cares that just 10 minutes ago Judy Smith posted that she just had her nails done before going to the grocery store to buy two skinless chicken breasts and marinara sauce for dinner? I say that, and of course who cares are about twelve of Judy's close friends all of whom "like" her post, some adding their own comments. *What color are your nails? Just had mine done at Nail Depot. Chicken breasts? Got a great recipe for chicken piccata.* Or.....what about all the political comments. Who cares? And so it goes in the world of Facebook.

Of course the big box stores all have Facebook pages. One in particular has over 1,538,914 "likes." The numbers are staggering and obviously the sheer volume of contacts is worth something every time a post is made from the corporate marketing department. The downside is again the sheer volume of followers: chances are you don't know any of these

people-- there's no true connection. No sense of "family" or community. By comparison, your own Facebook page can be a powerful tool. It's not so much the quantity of "friends" as the real and recognizable connection to customers and neighbors you *know* you and your store.

When managing a Facebook page for your store (linked to your personal page) you want to avoid daily postings and references to shopping for skinless chicken breasts. Save your ammunition for something noteworthy you want to announce like a new and exciting shipment of designer goods. Maybe announce an open house and private sale for preferred customers. Every now and then post a customer profile (with their permission of course). Something that celebrates an engagement or other life milestone. Pictures of the happy couple and the ring they just picked out. Chances are that couple will comment and "share" that post with their friends; some of those friends will like or share that post. That's viral marketing. The real deal.

Facebook users in the U.S. now stand at 180 million, up nearly 23% since 2010. Facebook demographics are also shifting--it's not just for college kids. The 55-and-up age group is up +80% for the same time frame. There was a 41% increase in Facebook users ages 35 to 54. So having a Facebook page these days is a little like having a business card. You've got to have one. If managed and used correctly it can be a no-cost media source to stay in touch with current customers and attract interest from prospective buyers. What's not to *like* about Facebook.

In tandem with your "friends" on Facebook you should have your own customer database, perhaps built on information stored on your computer system or your OutlookTM. Many point of sale systems used today have the ability to transfer customer information into your database every time you run a credit card. You can add additional information beyond the basic name, mailing address and phone number. Add their e-mail address, birthday and anniversary dates. Start compiling this information every time you make a sale. Be sure to tell your customers that this information will be kept confidential. As with Facebook, e-mail blasts can do more harm than good if abused. We all get dozens of e-mails, spam and other "stuff" in our "in" boxes that are a nuisance. Again, hold your fire for something noteworthy that is really of interest like a store-wide saving event. When doing an e-mail blast, include a savings coupon as a call to action to drive additional traffic into your store. You can also utilize your customer database to send out targeted direct mail---again to advertise a special store wide event, shipment of new merchandise. A few hundred postcards or letters to your best customers can generate immediate response, sales and profits.

Other budget conscious advertising techniques include the use of sign walkers. When strategically placed at high traffic intersections in major metropolitan markets, sign walkers are incredibly effective in generating store traffic during a store-wide sale event. You don't want to use them every day, and they are *not* a good marketing tool in less densely populated or rural areas. Don't be prejudiced about sign walkers---you can hire high school or college kids looking to make a few extra dollars and you don't have to dress them up in a gorilla suit or make them wear a Miss Liberty hat. A well positioned sign walker directing customers to your store location and savings opportunity can be incredibly cost effective at \$50 a day.

Newspaper print ads run in major metropolitan areas have become so expensive they are most often cost prohibitive. By contrast, neighborhood newspapers--many published weekly--offer a cost effective alternative. Local radio station spots on local news or talk shows can also be productive but costs vary widely by market as do the cable television stations.

Of course one of the best and most important forms of advertising is your own storefront! Sometimes all that is needed to boost sales is a storefront makeover---especially for the holidays. All exterior signage should be easy to read to a passersby. Avoid elaborate displays. Windows should be kept clean at all times, and burned-out light bulbs should be changed immediately. which should be well-lit during the evening, and should be clean, simple, but modern.

Yes, the big jewelry store chains will out-gun and out-spend the independent jeweler when it comes to national advertising. But you can compete! Focus on the basics--what makes your store different. Emphasize the quality, variety, uniqueness and value of your merchandise. Provide great customer service in an interesting and different store atmosphere. Capture your personality and brand name and manage an effective, fun Facebook page. Carry your theme and personality into less costly local newspaper, radio and television ads. Continue to build and update your customer database that will give you the ability to do periodic direct mail and e-mails. Create a *local* presence and brand name and you'll successfully compete against the big box store.

Bob Epstein is CEO of Jewelry Advisors. Offering a legacy in sales strategies for jewelers, Jewelry Advisors provides guidance to store owners seeking to turn around a business, sell off unwanted inventory, or liquidate an entire store. For more information, visit www.jewelryadvisorsgroup.com or call Bob direct at 1-843-881-3383.