

Time For Aggressive Marketing Tactics

Bob Epstein

For the last century, store owners have operated on the premise borrowed from the script in *Field of Dreams*: "if you build it they will come." It's all about location, right? So build your store in a traditional strip center on a busy street with good visibility and lots of parking and they will come. Or build it in a mall and they will come (or at least walk by). Or build it in a luxury lifestyle center and they will come---maybe in their BMW or Audi. The whole *build it and they will come* mentality is why many traditional jeweler store owners still didn't bother to maintain customer mailing lists, have anything but a rudimentary web site and scoff at Facebook. Who needs Facebook *they will come*.

But the times they are a changin. Customers aren't coming. They go on-line to shop for diamonds with certifications they didn't understand. They go to big box stores after seeing the full page ad in the newspaper and hearing the 60 second spot of cable television. When the recession hit and customers did come, it wasn't to buy jewelry but to sell Aunt Betty's gold bracelet. Nobody in the family really liked Aunt Betty anyway....she was difficult to get along with. And who can afford jewelry during a recession when the college tuition needs to be paid and the washing machine finally died and was beyond repair.

Old timers shake their heads; *the industry has changed. Things aren't what they use to be.* True. If you build it they may not necessarily come. Even if you have already built it and been in business for a while, they may not come with the frequency or spend as much as in the past. It's not enough these days to have a good location with adequate merchandise. So now what? Curse the darkness or light a candle?

The *now what* is that owners must take a more aggressive, pro-active approach to getting customers into their stores to buy. "If you build it they will come" needs to be replaced with "if you mail, e-mail, manage a Facebook page, strategically discount, manage your inventory and advertise they are more likely to come." In this day and age it's essential to have a plan of attack:

a detailed sales and marketing plan. Now might be just the perfect time to do some analysis and planning prior to the holiday shopping season

Of course each market is unique. Each store is unique. You've got to develop an overall marketing strategy that is relevant to who and where you are. In this regard, location *is* still important. The mix and match of different advertising media often depends upon where your store is located---whether it's in a densely populated, city location, or more rural area where customers will drive from a neighboring towns, even counties to shop. For example, sign walkers strategically placed at high traffic intersections in major metropolitan markets are incredibly effective in generating store traffic. They are much less effective in less densely populated or rural areas. So location *does* matter.

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

No matter where your store is located, direct mail is a solid foundation because it will allow you to contact your current customers and target new prospective new buyers as well. Hopefully you have a mailing list of current customers that you use periodically. If not, you can begin building a customer database using customer 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. To attract new customers, you might want to test targeted direct mail to outside mailing lists. Match the demographics of your own customers with that of the list you rent. Direct mail is our favored media as the results are immediate and measurable. With the right mailing list, a strong offer and call to action you can connect with your customers--no matter where your store is located and what other advertising media might come into play.

Okay. . .let's talk about Facebook---it's not just for kids anymore. The Facebook users who are age 55-and-up has skyrocketed; up 80% since 2010. There was also a 41% increase in Facebook users ages 35 to 54 during that same time period. Facebook users in the U.S. now stand at 180 million. 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. But you've got to use it!

Post at least once or twice a week to keep your store name and activity in circulation. Use your Facebook page to announce 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.

Yes, times have been tough in the jewelry industry but we're not hopeless or helpless. But the tide will turn. Taking some affirmative action and putting together an aggressive marketing plan now will help position you for a more successful and profitable fall and holiday shopping season.

Bob Epstein is CEO of Jewelry Advisors. Jewelry Advisors provides guidance to store owners seeking to turn around a business, sell off unwanted inventory, or liquidate an entire store. Recruited from his longtime CEO role at Silverman Consultants, Epstein has over 25 years of experience in finance, operations, strategic planning and corporate accounting. He also has extensive experience in the areas of inventory evaluation, restructuring, bankruptcy, crisis management, budgeting and financial planning. For more information, visit www.jewelryadvisorsgroup.com or call Bob direct at 1-843-881-3383.