



Is Your Store's Message Right for Today's Consumer?



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Over the years, I have stood fast on this marketing strategy: Your unique retail store brand needs to be the foundation for a company's marketing and advertising efforts. Again and again, I have stated the most important thing you can do to be successful is to create a unique brand promise that differentiates your store from the competition.

Today, furniture retailers are battling a combination of adversities. This includes: dwindling consumer confidence, smaller sales tickets generated by frugal consumers who are spending less, diminishing consumer loyalty, increased competition from the big boxes, and the list goes on.

During the last few years, we have seen the magical "sale" word continue to yield a smaller return on an advertising investment. If that isn't enough, the consumer is getting tougher to reach because of the Internet and a plethora of communication channels that did not exist just a few short years ago.

There has never been a more important time to make your company's brand promise targeted and relevant to the needs and wants of today's consumer!

In this article, we will take a close look at the following:

1. What is a unique brand promise, and what will it do for you?
2. How has the consumer changed, and how does that affect your marketing and advertising efforts?
3. The 3-M Strategy

First let's discuss what it means to develop a unique selling proposition (USP) to build a brand. In his book *Reality in Advertising*, Rosser Reeves proclaimed there are three aspects to building your USP.

1. Each advertisement must make a proposition to the consumer that clearly communicates why the consumer should do business with you rather than another company.
2. The proposition must be one that the competition either cannot or does not offer. For example, do you offer a bigger selection or lower prices than a competitor? Do you do a much better job with in-home decorator services or have the strongest mattress department in the marketplace, etc.?
3. The proposition must be so strong that it can move the targeted consumers to respond to the unique message and promise.

In addition to the above three points, the brand promise must be clearly seen and experienced by the consumer. In his book, *A New Brand World*, Scott Bedbury, a former senior vice president of marketing for Starbucks, coined the term, "Brand Environmentalism" to refer to this activity.

Bedbury went on to say that your brand must be clearly communicated at every level of the company and at every point of contact with the customer. When this is accomplished, customers will clearly perceive that the brand promise is, in fact, true and they will understand why they

chose your company instead of a competitor.

What that means to you and your company is that when you take the time to develop a unique brand promise and empower your team to communicate and carry the promise to every customer, you will create satisfied customers that clearly understand “why” they chose to shop at your store.

There is certainly risk involved with this. If you don't live up to your brand promise, the customer will say you lied and most times will not give you a second chance.

Now, let's take a look at how the consumer has changed, and what you need to do today in your merchandising and marketing to gain market share.

All of us can probably agree that today's consumer has changed. However, I still see retailers around the country opposing change and continuing to communicate the same message in the same manner they did years ago.

Let's take a brief look at how our digital society has changed the way women shop.

- 84 percent of moms research products online. This percentage is higher than the national average for women which is 78 percent.
 - 82 percent of new moms purchase products online.
 - According to Mindshare's MORE Annual Study of U.S. consumers, “At least 62 percent of all women multi-task while consuming any form of media (TV, radio, reading newspaper/magazine, using the Internet and cell phone). Mothers, in particular, are gifted multi-taskers.”
 - The term “Multi-Minding” has been coined to point out that women frequently juggle home, family and career topics while they interact with media, leaving them little time for commercial messages.
 - Searching coupon websites are a must before they go shopping.
 - The printed yellow page directories are being ignored in favor of Google.
- ... and the list goes on.

In a white paper called “WOMEN in their digital domain” produced last year by Ogilvy & Mather, Microsoft Advertising and Mindshare, we see that today's coveted consumers, females 25–54, have changed dramatically.

If we are to be relevant to this consumer, we need to adjust to what is important to them and how they communicate and get their information. We offer a free download of this 32-page white paper and you can get it in its entirety

at www.knorrmarketing.com.

The report provides a dozen points of action for marketers, but here are a few of the recommendations:

- Dream bigger than your consumers. For example, go beyond typical marketing tactics like couponing and get creative. Take advantage of the way digital can fulfill needs and build relationships.
- Squeeze Yourself In. Create flexible content that she can consume in the time she has available, whether it is five or 35 minutes.
- Let women talk themselves into loving you. Utilize message boards and blogs as channels. Remember, 75 percent of women want to sign up to be part of a consumer panel... so, let them talk.
- Make your communications both attractive and functional. The paper states: “Women want something that is both pretty and functional. Design without function is aggravating and function without design is uninspiring.”
- Get personal. Don't be afraid to break down the distance between you and your customers. Companies that engage with their customers on a more genuine, personal level are more apt to get women on their side. In this way, you build trust and gain their loyalty.
- Don't get distracted from the store/brand/customer relationship. Remember at the end of the day, the most important thing is building a relationship between your store and your customer. Your website and Internet strategies provide dynamic and effective ways to strengthen this relationship.

In addition, if your store's merchandising includes custom and special orders, by developing a quality in-home decorating service, you will build stronger relationships with your customer and you will enjoy much larger sales tickets.

Finally, one of the most important aspects of growing a successful retail operation is what I call the 3-M Strategy. No, this has nothing to do with a certain business that doesn't use the hyphen in its name.





3-M is a term we use to build a successful advertising strategy. 3-M stands for the Message, Media and Marriage strategy.

I want you to really think through what I am going to say to you now. I see retailer after retailer focusing on just one or two of these parts of the strategy and I always hear the same thing, "It's just not working!"

Although the media channel can be right, if the message is not correct or not positioned correctly, you will not get the return you should from the dollars you invest. In addition, if the message is correct but the media is wrong or not efficient, you will continue to get a poor return on your investment.

So what does it take to achieve the right combination that will provide you with a successful marketing and advertising campaign? Following are a few of the elements that you need to build into your marketing efforts.

First, the message needs to provide that unique promise that we spoke about earlier.

Determine what you can do better than the competition 24/7 and, if it is relevant to what the consumer is wanting, build that into your every message, so that the consumer clearly understands why to choose you over the competition.

Make certain the promise you communicate through your advertising is also communicated throughout your store.

We strongly believe many retailers miss the opportunity to re-sell customers while they are in the store by developing a creative in-store signage campaign that communicates the brand promise throughout the store.

Next is the Media. As you all know, communication mediums have changed dramatically

these past few years. Satellite TV and radio, cable TV, iPods, the Internet and DVRs have created a very competitive landscape, fractionalizing the consumer's available time with individual mediums.

Some of the things to consider when investing your precious advertising dollars are:

- Who is my target? We are not just speaking about demographics, but also psychographics (how will they emotionally respond to my message?), as well as geographics. For example, if I have one small store in the southwest corner of a large metropolitan city, is television the most efficient and effective way to reach my customer?
- What about frequency and reach? Too many retailers are so focused on reach (how many households they are reaching) that they do not have a large enough budget to build enough frequency to drive targeted consumers into their stores.
- Hold your advertising accountable! I am fond of saying, if I cannot measure a part of my business, I am probably losing money. Demand that the TV and radio stations provide you 100 percent of the cost-per-point they promised. Make sure the local newspapers are, in fact, being delivered to the number of homes they promise (not total papers printed, which includes freestanding racks). Develop a spreadsheet to watch sales-by-zip code and then define communication mediums that effectively and efficiently reach those households whose occupants you are trying to drive into your store.
- Be selective to be effective! You can't buy every communication medium. Make a choice as to which ones you deem to be most efficient and then spend enough to adequately move that segment of the populous into your store.
- Make sure your broadcast commercial does not get lost in a long line of TV or radio commercial pods.
- Make the Internet central to your marketing efforts! Your website should be intuitive, easy to navigate and filled with relevant information useful to your targeted consumer. Make it engaging, informative and interesting.
- Develop a two-way communication strategy on the web. Learn to allow the consumer to speak to you and then listen and respond.

- Direct mail continues to provide our clients a great return on investment. However, the use of direct mail must include new options such as interfacing with your website and providing value-added offers that create a “WOW!”

Finally, we come to the third “M” which stands for the Marriage.

When you build your advertising on the word “sale,” you are investing your advertising budget in a flirtatious enticement that lasts for a day or two, trying to get the customer into your store. It does nothing to develop a strong promise as to why the customer should come to your store whenever the need arises for what you offer.

However, when you focus on building a defensible brand promise that is relevant to your consumer, you will earn the opportunity to build a long-lasting relationship with that consumer.

Once they become a customer, your job is not over. Rather, it has only begun.

It is vital today to continue to know each customer better and seek to provide them with special offers that remind them how good it is to be one of your customers.

When you consider how much it takes to get an UP into your store, and how much you spend on each customer that makes a purchase, you will understand how important it is to go the extra mile and invest the time to build a customer loyalty program that thanks customers and develops strong relationships.

In closing, I want to share what another famous advertising man had to say about building a brand.

David Ogilvy, known as the father of advertising, admonished the advertising world when he said, “Any fool can put on a deal, but it takes genius, faith and perseverance to create a brand!”

If you will focus on building a brand that focuses on your targeted consumer, you will ensure your success. **W**

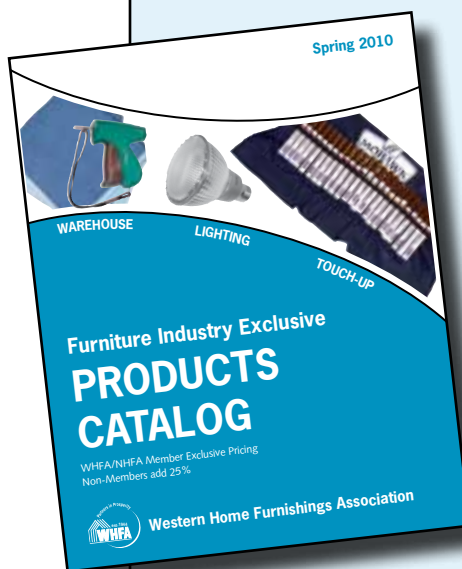
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