



How to Reach, Acquire and Retain Customers

Any good business owner is always looking for ways to attract new customers and keep them coming back. Follow these six steps to get your business on the right track for a thriving customer-acquisition and retention program.

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Drive New Business with Traditional Media

To start your marketing efforts, consider these traditional marketing methods:

DIRECT MAIL

Postcards or flyers with special offers entice people to try your business. You can target recipients by neighborhood or rent mailing lists that segment prospects by demographics such as income and age so you can target only the customers most likely to buy from you.

The Postal Service's [Every Door Direct Mail](#) program lets you saturate a neighborhood (delivery is by ZIP code) for as little as 14.5 cents per piece. No need to buy a list—your mailer is delivered with the daily mail. Alternatively, you can join direct-mail services that send packets of coupons for local businesses to nearby residents.

ADVERTISING

Radio, cable TV, and local newspaper advertisements target both new and returning customers. To determine the best placement for your ads, contact the advertising sales or marketing departments of local publications or stations for a media kit, which will tell you if the outlet's audience matches your target market.

To track your campaign results, include a code with your ads. Then ask customers to bring in the print ad with the code when making a purchase or ask radio listeners and TV viewers to mention the code to receive a special offer. This shows you which advertising venues are most effective.



EVENTS

Special events at your business help build customer excitement. Depending on your type of business, you could hold a “shop local” event, a party for existing customers, or a free seminar for prospective clients. Whatever type of event you choose, publicize it via signage or flyers inside your business and via social media.

PUBLIC RELATIONS

Local media love to share interesting stories about nearby businesses with readers. Create a list of relevant media contacts comprising the reporters or reviewers who cover your industry in newspapers, magazines, and blogs, and then send them regular press releases and emails about your business. Be persistent, but don't be a pest.

NETWORKING

If your business sells to other businesses, in-person networking is essential to attracting new customers. Attend local business networking events such as chamber of commerce meetings, leads clubs, or any gathering that attracts businesspeople who might need your products or services.

REFERRALS

Referrals from regular customers are a great way to get new business. The best time to get referrals is when you know you have a satisfied customer, so ask for referrals right after the product or service has been delivered or during a follow-up contact with the customer.

PROS

Networking, gaining referrals, and reaching out to local media are low- or no-cost methods of marketing.

CONS

Direct mail and advertising can be more costly than newer marketing methods such as social media, and the results are often difficult to measure.



Section 2

Use Online Marketing to Attract New Customers

Online marketing is a must for any small business today.

Here's what you need to know:

WEBSITE

Creating a basic business website doesn't cost much but will attract a lot of new customers. At minimum, your website should tell customers your hours of operation, phone number, and address and include a photo of your location. Ideally, you should add more information, such as a map, an email address, and links to your business's social media accounts. You can also add e-commerce features, such as a search box or a related product feature, videos, articles, or blog posts.

Americans are increasingly searching on the go with smartphones and tablets, so make sure your website is mobile-friendly. It's simple (and free) to [get started](#).

EMAIL MARKETING

Collect customers' email addresses with a form on your website or a sign-up sheet at the point of purchase. You can email event invitations, special offers, sales alerts, or newsletters to your subscriber list.

Be sure to put a privacy policy on your website that tells customers how you use their data, and always follow CAN-SPAM laws (learn more at the [FTC website](#)). Using an email marketing service can help you send emails, comply with FTC regulations, and track results.



SEO/SEM

Search engine optimization (SEO) improves your website's position in "organic" search results (as opposed to paid search results). Make sure your site uses words and phrases consumers are likely to use when they search for businesses like yours. For instance, if you own an accounting business in San Francisco, you'd want to use general keywords such as "accounting," as well as more specific keywords such as "San Francisco accounting service" or "small business accounting San Francisco." Use a keyword tool such as [Google AdWords](#) to find popular keywords.

Adding content also helps to drive SEO—especially when you refresh content frequently (at least three times a week.) This can include blog posts, videos, or archives of your email newsletters.

Search engine marketing (SEM) includes paid search advertising as well as SEO. You can buy PPC (pay-per-click) ads on search engines such as Bing or Google, where you pay only when a user clicks on your ad. Advertising on Facebook is another option, and it offers narrower targeting.

Use the free [Google Analytics](#) tool to get information about your website visitors and measure the results of your SEO/SEM efforts.

LOCAL SEARCH DIRECTORIES

If your business targets local clients, local search directories should be part of your online marketing strategy. Popular local search sites include Bing Local, CitySearch, Google+ Local (formerly Google Places) and Local.com. There are also typically niche sites for your industry, city or region. Visit each site to "claim" your listing and optimize it with extras such as photos, maps/directions, or special offers. Monitor your listings regularly to keep them updated.

PROS

As more customers go online to find businesses, online marketing can ramp up your sales rapidly.

CONS

These tactics involve a learning curve, may require outside help, and take time to optimize.



Try Emerging Marketing Trends

Two of the most effective marketing methods for your small business are still emerging, but consumers craving convenience and savings are rapidly adopting them.

MOBILE MARKETING

Mobile marketing doesn't necessarily mean mobile advertising, which can be costly for a small business. As consumers and business decision-makers alike increase their use of mobile devices to search for information, it's crucial to make sure your business is listed in local search directories (see [Section 2](#)) and on relevant ratings and review sites (see [Section 5](#)).

Next, develop a mobile-friendly website that allows potential customers to access important information quickly. How quickly? A recent Google study¹ showed that 61% of users will move on to another site if your mobile site takes more than five seconds to load.

Once you've attracted new customers with mobile marketing, consider capturing their cellphone numbers with an opt-in feature and then using text-message marketing. Though text messaging won't work for all businesses, it can be a great way to alert customers of last-minute or limited-time events, specials, or sales.

¹What Users Want Most From Mobile Sites Today, Google, September 2012



DAILY DEALS

Daily deal sites such as [Groupon](#) capitalize on consumers' love of all things social—and of saving money. Deal sites work with your business to help you create discount offerings and special packages that will work for your business. Then they send daily emails about current deals to a base of email subscribers.

Groupon and other successful daily deal sites have massive subscriber lists, guaranteeing that your business will be exposed to a large number of new customers. There's a social component, too: Subscribers are encouraged to share the promotions with family and friends, which increases your exposure exponentially. Additionally, many daily deal sites also allow for highly targeted marketing. For example, Groupon allows you to target customers in specific ZIP codes as well as those who have expressed interest in deals in your industry.

Many deal sites are also equipped with companion mobile deal apps that offer real-time, location-based deals. Use of mobile deals is growing, and a recent Groupon study² found that mobile customers spend at least 50% more than Web-only customers, making mobile deals a profitable avenue for attracting and retaining small business customers.

PROS

Mobile marketing attracts young and affluent consumers, as well as those seeking convenience. Daily deals appeal to cost-conscious consumers.

CONS

Since these marketing methods are still emerging, you'll need to educate yourself on best practices and keep up with trends.

² Groupon Mobile Study, March 2012



Section 4

Master the Secrets of Daily Deals

You've tried a daily deal site like Groupon, and you know how powerful a tool it can be. Now try these tips to maximize the results of your daily deals:

Work with a site that offers guidance throughout the process. For instance, at [Groupon](#), your business is assigned to a dedicated account manager who will help you create the best deal and answer all your questions. The daily deal site should also work closely with you on any artwork and copy for the deal and should provide a checklist of steps to ensure you're prepared to manage the results when your deal goes live.

Use daily deals to boost sales during slow periods. For instance, if your business is typically busy on weekends but not so busy during the week, create a deal that's good Mondays through Thursdays.

Use daily deals to achieve sales goals. Sophisticated daily deal marketers use deals to attain a variety of sales goals.

Be prepared. You want daily deal users to say good things about your business, so make sure you have adequate staff and/or product on hand to serve the extra customers who will be coming in to redeem the deal. All employees should be well versed in the deal's details so they can handle the transactions without a fuss.

Engage. Your employees should engage with daily deal customers to build rapport and relationships. Ask how they heard about your business and whether they'd like to receive emails and special offers.



Use analytics tools. Analytics let you measure the success of your daily deal and gather valuable customer information. Reputable daily deal sites provide free online analytics tools based on the sales of your deal.

For example, [Groupon's Merchant Center](#) lets you:

- Learn your customer's demographics (age, gender, and location)
- Read customer comments and feedback (based on post-purchase surveys)
- View performance measurements across campaigns
- Track customer acquisition and incremental customer spending
- Determine the ROI from your deal

Reach out. After customers buy, follow up with an incentive for them to come back. Ask your daily deal provider what they offer to help. For example, Groupon offers Groupon Rewards, a loyalty program that encourages repeat business.

PROS

Daily deals help attract new customers, increase sales, and boost awareness of your business.

CONS

You must make sure you are prepared to handle all the customers you'll attract (a reputable deal company will help you do this).



Get Social— and Get Customers

Social media is one of the hottest marketing tools today. Here's how getting social can help you attract and retain customers:

GEOLOCATION PLATFORMS

Geolocation lets customers use the GPS feature in their smartphones to “check in” at your business. Customers can check in on Facebook or Foursquare, a geolocation app that links to their Twitter and Facebook accounts. When your customers’ friends see they’ve checked in at your business, they may be more motivated to check it out. Encourage check-ins with promotions, discounts, and rewards. Visit [Facebook](#) and [Foursquare](#) for more on marketing your business with check-ins.

RATING AND REVIEW SITES

Once you’ve claimed and optimized your business’s listing on local search, ratings, and reviews sites (see [Section 2](#)), you must monitor your reviews. Yelp is the big player, but make sure you list yourself on industry-specific review sites as well. Check the sites daily, since creating Google alerts on your business name won’t show you all reviews. Respond quickly to negative reviews, but don’t get defensive. Thank the reviewer for the feedback and try to remedy the situation. If necessary, ask to contact the person privately via email or phone.

Thank people for good reviews as well—remember that the point of social media is to engage with your customers. Ask for permission to quote positive reviews on your website or marketing materials.



SOCIAL MEDIA SITES

[Facebook](#) and [Twitter](#) are the best-known social media sites, but [Pinterest](#), wherein users “pin” photos to virtual “pinboards,” is attracting attention with its visual focus. All three can work well for a small business. Twitter is a great way to share information such as limited-time specials. Pinterest is more branding-focused; use photos of your products or create theme boards related to your service. Facebook is a happy medium—you can use it for timely posts and deals while also featuring visuals.

BEST PRACTICES

Get visual. Photos often get more response than text-only posts.

Engage. Social media isn’t a one-way street. Engage with customers by asking questions, conducting surveys, or collecting feedback.

Have fun. Make sure your pins, posts, and tweets reflect your business’s personality.

Track results. Facebook and Twitter offer free analytics tools to measure the results of your social media activity. Note the types of posts and times of day or night that get the most responses. You should also track which social media promotions drive sales and traffic.

Cross-promote. Include links to your social media accounts on your business website, put signage in your location, and put logos on your marketing materials.

THIRD-PARTY APPS

Managing social media can get overwhelming.

Try [NutshellMail](#), [Mediafeedia](#), and [Tweetdeck](#) to simplify things.

PROS

Social media tools are free, which is good news for budget-minded small-business owners.

CONS

Social media tools do cost you time and effort if you want them to succeed.



Build Customer Relationships

Engaging with both new and returning customers is crucial to growing your customer base. These four marketing tactics build lasting relationships:

LOYALTY PROGRAMS

Loyalty programs reward customers for repeat business with discounts, rewards points, or special events. They can be as simple as a paper punch card or as high-tech as a plastic card connected to a computer database. Make sure your loyalty rewards reflect your business's brand and motivate your target customer. Capture customer data including emails, addresses, and phone numbers as part of your loyalty program. You can also use geolocation websites to offer loyalty rewards (see [Section 5](#)).

SOCIALLY RESPONSIBLE MARKETING

Aligning your business with a social cause can increase loyalty by showing customers that you care about the same issues they do. Choose a cause that is relevant both to your business and to your customers. Can't decide on a cause? Ask your customers for suggestions. Remember: it doesn't have to be a big, global movement: in fact, if your business relies on local clients, supporting small community organizations can be more effective.

Research the organization to make sure it's legitimate. Then decide how you will support it—whether by collecting donations from customers, hosting a fund-raiser, volunteering, or donating a percentage of your sales. Publicize your relationship with the cause in your online and offline marketing materials, and tell local media about your charitable activities.



CUSTOMER SERVICE

Customer service can make or break a small business. Regularly examine your business with an impartial eye, or recruit a friend or relative to do it for you. Start outside and pretend you're a new customer: Is your business easy to find and does it have adequate parking? Is the parking lot well lit? Does it look welcoming, clean, and appealing? How are customers greeted? Call your business and see what kind of response you get. Is the phone answered quickly or does it ring and ring?

Today, customer service starts online, so don't forget to check out your website. Do the links work? Are coupons or special offers current? Is your contact information up to date?

APPS

Creating a smartphone application (app) for your business is the latest way to stay in touch with customers. Apps enable you to "push" information out to customers who indicate they want to hear from you by downloading your app. Apps also help you reach the crucial audience of consumers who use mobile devices to find the products or services they need. There are many companies that provide custom apps for small businesses in specific industries.

PROS

These marketing methods are increasingly important to customers who want to feel that companies care about them and their communities.

CONS

Since these methods can be complex, make sure you have the resources to do them right.

These helpful tips were compiled by Rieva Lesonsky, CEO of GrowBiz Media, a media and custom content company focusing on small business and entrepreneurship. Follow Rieva at [Twitter.com/Rieva](https://twitter.com/Rieva) and visit her website, [SmallBizDaily](http://SmallBizDaily.com), to get the scoop on business trends and sign up for her free TrendCast reports.

To learn more about Groupon's [merchant solutions](#) and how to [work with Groupon](#), visit www.GrouponWorks.com.