

Building Repeat Business

It's great to see new customers, but any retailer will tell you the key to success is to turn first-time customers into frequent buyers. Not only do they bring steady revenue to the store, but as satisfied customers they're likely to help attract new customers via word-of-mouth advertising.

It takes more than just a nice product selection to win over the loyalty of today's customers. You have to give them extra incentives to visit your business on a regular basis. Here are some of the ways you can accomplish this goal:

- **Create a buyer's club** – Reward your regular customers by offering them special discounts they can only receive if they sign up to be part of a buyer's club. Think of this along the lines of a membership program, whereby the sign up (and provide you contact information for your direct mail or e-mail lists) and pay a nominal annual fee. In exchange, they will receive discounts that might include a certain percentage off any purchase over \$100, first crack at pre-ordering new releases or other benefits. You can also host a VIP customer event at your store that takes place outside of normal business hours and includes free food, discounts, games and more. The better the benefits, the more likely you'll attract members.
- **Punch cards** – Many businesses use punch cards as a way to encourage repeat business. A customer earns a punch (or a stamp) on a card for every qualifying purchase. After filling their card, the customer earns a free gift. You've seen these used at car washes, sub sandwich stores, video rental stores and other businesses. You can easily do the same at your store. For instance, for every purchase of a box of a current-year product, consumers get a hole punched on their card. Fill 12 punches and the customer receives a free gift.
- **In-store contests** – A number of hobby retailers have enjoyed success with promotions such as weekly drawings or fantasy sports leagues that require customers to return to the store for the sole purpose of claiming a prize, turning in a fantasy lineup or other tasks that result in an extra store visit. For instance, give out one ticket for a weekly drawing to every customer during the week who visits, and give them an extra ticket for every \$10 they spend. Draw the winning ticket after the store closes on Saturday and post the winning ticket Monday morning. Customers have to come into the store to claim their prize.
- **Daily or weekly specials** – Next time you visit your favorite restaurant, you'll probably find a list of daily or weekly specials. Consider adopting a similar theme at your store. Offer special discounts or promotions as often as possible at your store, and publicize those events by creating a calendar of events that can be distributed to every customer who comes to your business. For instance, Monday can be "Bring A Friend Day" where you offer discounts if someone brings another shopper into your store and both make a purchase. Tuesday can be "Little League Day," where a local team/league is highlighted and everyone from that organization receives a special discount. There are countless ideas you can put in place, but make sure you plan in advance and publicize to your customers.
- **Give them a reason to come back** – The bottom line is that customers will return to do business with someone they like. Products and services are important, but so are a friendly greeting, sharing an interest in your customer's collecting habits, a clean and organized store, a helpful staff and a genuine appreciation for the customer's business. Make your store a fun and friendly place to shop and customers will always find their way to your door.

Rewarding repeat business is a concept used by successful companies in all types of business categories. Make sure your business joins their ranks by creating and promoting a variety of programs that helps attract new customers and encourages repeat purchases.