

THE NEW RULES OF ENGAGEMENT

AVOID THESE 10 RETAIL MARKETING MISTAKES TO BOOST YOUR BOTTOM LINE TODAY

BY MARTHA C. WHITE

Retailers today have the means to take their marketing message to customers who would have been unreachable just a generation ago. Traditional workhorses such as postcards, trunk shows, and local newspaper ads now coexist in the marketing toolbox alongside blogs, YouTube videos, Twitter posts, and other 21st-century innovations. But the downside: More ways to connect with current and potential customers mean more opportunities for making mistakes.



More marketing channels also mean those potential customers already receive a barrage of messages from all sorts of companies—including your competitors. It's not enough to be out there; you have to stand out in a positive way so as not to encourage people to "unlike" or opt out altogether. *JCK* asked marketing experts specializing in jewelry, new media, and luxury goods to reveal the 10 biggest mistakes retailers make in integrating traditional and new media strategies. They also addressed what retailers should be doing instead to make their efforts a success.

1 Misunderstanding the difference between personal and business pages

"The No. 1 mistake is using a personal Facebook profile as opposed to a business page," says Matthew Perosi, co-owner of and SEO analyst for JewelerWebsites.com in Totowa, N.J. First of all, if Facebook administrators find out you're marketing on a personal page, they can shut you down. But even if you stay under their radar, a business page provides much better exposure. On a personal profile, Perosi says, "In order for you to become a friend of somebody, you have to ask permission. Why would you want to require people to request to be your friends? That's not smart." You wouldn't make a shopper jump through hoops to walk through the front door of your store, so you shouldn't do the online equivalent, either.

2 Not targeting social media outreach to the right fans

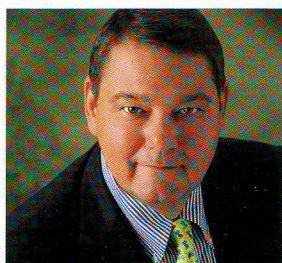
Another pitfall, Perosi says, is reaching out to Facebook fans indiscriminately. When sending announcements about trunk shows, special events, or other locally focused initiatives, many retailers "don't pay attention to where their fans are," he explains. "It really only makes sense to send out information about an event to people who are nearby"—i.e., fans in your state or within a 50-mile radius. When people receive solicitations to events they can't attend, you run the risk of having them view your correspondence as unwanted or spam. "You have the potential of aggravating them," Perosi adds.

3 Failing to budget enough time and money for your social media campaign

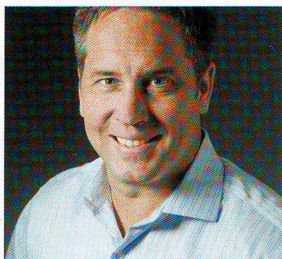
Too many retailers wade into social media without a clear road map, says Diane Lemonides, president of Verve Marketing & Design in Glen Mills, Pa. "Identify a budget for each effort—not just financial but time, especially if you'll be executing it internally," she advises. Figure out how long you expect employees to devote to a blog, responding to comments on and updating a Facebook page, and so on. Lemonides warns that simply dropping the work onto staffers' shoulders without acknowledging the requisite time commitment will lead to slapdash efforts and inconsistency in the tone and the message you present.

4 Constantly pushing the hard sell

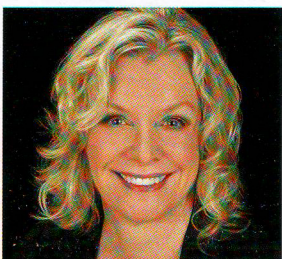
"On Facebook, you need to use a softer touch," says Shane O'Neill, director of social marketing at Toledo, Ohio-based Fruchtmann Marketing. "A lot of people, all they do is try to sell," which turns off fans. O'Neill recommends starting off by soliciting opinions from fans and finding out what they want before you start pitching your wares. What styles do they like? What do they want to learn more about? Ask and be ready to reply when people answer; if you ask and never follow up, you can alienate your potential customers. "That's why people engage on social media channels," he points out. "They find the information you give them valuable and interesting."



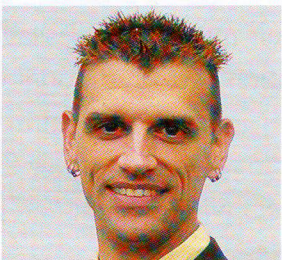
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—CHRISTOPHER RAMEY



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5 Pushing products instead of promoting the store brand

Too many jeweler websites don't focus on what's truly going to set them apart. "They tend to spout about products rather than demonstrating their authority," says Christopher Ramey, president of the Coral Gables, Fla.-based marketing firm Affluent Insights. Even if you carry Rolex, don't hang your identity on that, he says, because then you're indistinguishable from every other Rolex dealer. Ideally, the customer should view a purchase as an investment in the company, not just the product. Avoid being commoditized by using platforms like a blog or videos to offer information above and beyond a basic sales pitch.

6 Not knowing your limitations

On the other hand, don't dive into blogging or videos if you lack the desire and expertise. "Owners say, 'We've got to tweet, we've got to blog and be on YouTube and Facebook,' but many small retailers start and [don't] follow through," says Lemonides. Entrepreneurs have an affinity for launching ventures, but their drive to move on to the next big thing can hurt them in marketing, she says. It's worse for your reputation to have a blog whose last post is dated 2009 than to have no blog at all.

7 Dismissing criticism out of hand

One reality of our new, all-access online world is that user-generated content is everywhere—and it's not always positive. "Some people want to prevent all online reviews," Perosi says. In addition to Facebook, sites like Yelp provide a platform for customers—the satisfied ones and the disgruntled ones—to share their views. While negative reviews are never pleasant, Perosi urges retailers to see them as both a learning opportunity and a chance to make changes that will lead to future glowing reviews.

8 Neglecting chances to cultivate long-term relationships

When retailers get shoppers in the store, they don't try hard enough to get email or snail mail addresses so they can continue the conversation, so to speak, via other touch points. "Capture names in the store," says Pam Danzinger, founder and president of Unity Marketing. "Make an effort to get contact information." Don't overlook someone who's getting a watch battery replaced, a tarnished piece cleaned, or a ring resized, she adds. The initial transaction might be low-value, but it can pay dividends if you view it as the beginning of a potentially long relationship.

9 Abandoning your core clientele

"Another mistake jewelers make is they try to be all things to all people," says Ramey. "Any product that doesn't fit that customer is a nuisance and it diminishes your value to your targeted customer." If you sell primarily to affluent consumers and you bring in lower-priced goods, you'll diminish your value in their eyes. Conversely, if you're more of a mass-marketer and you start stocking baubles that are out of your customers' reach, they'll perceive you as being out of touch with their needs.

10 Forgetting that less is more

In their eagerness to deliver information to customers, some retailers go overboard, says O'Neill. "There's a tendency for people to include as much information as possible when they're doing something like introducing a new line, but that overabundance of information can turn people away," he says. He suggests jewelers use text in print ads sparingly and rely on tools like QR codes. Customers can scan those codes if they want more detail, without overwhelming the casual browser. ■