

MARKETING | BY LARRY DEMARCO

# Marketing for Life

Successful marketing is based on the concept that the value of a customer is not the value of a single purchase. It's the total value of all the customer's purchases over a lifetime. While it's not always obvious, the person standing across your counter has a value potentially much greater than the set of strings or sticks he's purchasing at that very moment. So, knowing your customers will, with a reasonable degree of probability, come back again unless something happens to knock them out of your orbit, what are you doing to identify them? What can you do to be proactive and create business?

## EASY DATABASES

First, you must be able to identify your customers' likes and dislikes, instruments, preferred brands, gigging status and so on. The more you know about them, the more capable you become of creating marketing strategies that successfully target and sustain relationships with them.

A computer with some sort of database or customer relationship management system is an obvious solution for organizing and collecting this information, but you can try something as simple as index cards. It's not how the data is stored that makes it valuable. It's how the data is used.

Perhaps you're thinking, "Wow, how could I ever manage that?" Consider the "80/20 Rule" — the idea that 80 percent of an organization's profits come from 20 percent of its customers. If you can identify that golden 20 percent, you'll have taken a giant step toward targeting those potential lifetime customers.

When creating your database, it's imperative to identify the specific information you'll want to use. Keep it simple, keep it manageable. An easy way to identify customers who fall into specific segments is to write a capital letter on the corner of the index card in red

ink indicating that customer's market — a capital "R" for recording, an "E" for electric guitar, a "B" for bass, for example. Use anything that will aid you in spotting these customers. The whole purpose is to be able to target them precisely.

## CATERING TO THE GOLDEN 20 PERCENT

Say you're getting ready to bring in a high-ticket drum line. The supplier is sending a hot clinician to your store to help kick things off. Using your database, you can identify which customers are drummers with a preference for high-end kits, contact them and invite them down. You can also suggest they

bring their drummer friends to expand your sphere of influence.

Suppliers always have T-shirts or other swag they can provide for such events. They may even assist you in screening your store's name on these items. Contact the companies you buy cymbals, sticks and accessories from. Make an event out of it. Be sure your displays are clean and full, and that items are properly labeled and tagged with prices.

You're providing customers with an opportunity that is only available at your store. You're staying in touch with them so your store is top-of-mind. You're getting them in the door, increasing the odds they'll make a purchase.

Marketing is not about isolated events. Guitarists don't own one or two guitars in their lifetime (despite what they may tell their spouses). They don't buy one amp, one effect pedal, one tuner, one set of strings, one set of pickups. A guitarist's lifetime value must take into consideration all of his or her purchases over the years.

Your goal should be establishing long-term, mutually satisfying buyer/seller relationships with customers, especially the golden 20 percent. This will enable you to affect your customer's lifetime value and maximize your share of it. **MI**

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