



# THE ULTIMATE GUIDE TO CUSTOMER SUCCESS



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NOW, LET'S GET REAL

ON AVERAGE

50%-60% OF

NEW CUSTOMERS

NEVER RETURN

# THIS IS WHY A FOCUS ON CUSTOMER LOYALTY IS SO CRUCIAL

“The development and retention of profitable customer relationships is VITAL TO THE HEALTH OF EVERY BUSINESS...Companies need to be concerned with the future revenue & profit streams associated with the ongoing satisfaction & retention of their core, profitable customer bases. The companies that FAIL TO RECOGNIZE THIS TRUTH overspend in marketing to acquire & retain less profitable, or even unprofitable customers and DO NOT SPEND ENOUGH ON KEEPING PROFITABLE ONES.”

— Harvard Business Review

## So which customers are you focusing on?

63% of marketers think that new customer acquisition is the most important advertising goal, but does a focus on attracting new customers really lead to a more profitable business?

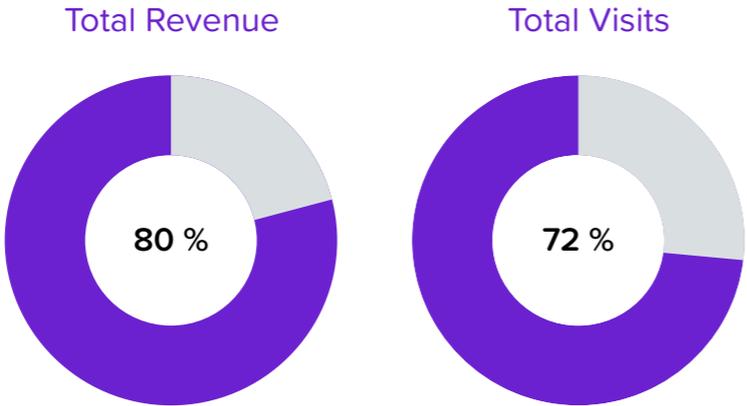
Let's look at the numbers.



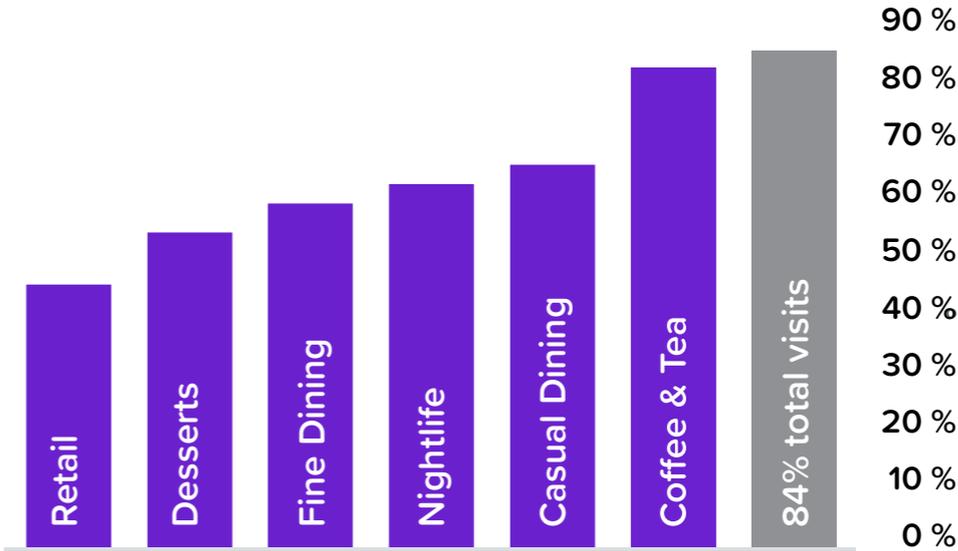
# These guys are your loyal customers



People who have visited at least 10 times account for about 20% of your customers. [1]



But that 20% drives 80% of your total revenue and 72% of total visits to your business...



...and depending on the vertical, loyal customers can account for up to 84% of total visits. [1]

# Over their lifetime, loyal customers spend 10x more than new customers.

## Loyal Customers

Have a greater lifetime value: They spend more over time and generate more revenue.

Because your loyal customers know your business, the probability of making an additional sale, or upselling, is 60-70%.<sup>[3]</sup>

Loyal customers like to hear from you: 65% want stores they frequent to email them coupons, sales, and promotions.<sup>[2]</sup>



## New Customers

are also more price conscious: the probability of getting a sale from a brand new customer is 5-20%.<sup>[3]</sup>

The average conversion rate (actual sales) from promotions sent to new customers is less than 1%.<sup>[1]</sup>

Over 50-60% of new customers don't come back after their first visit.<sup>[5]</sup>

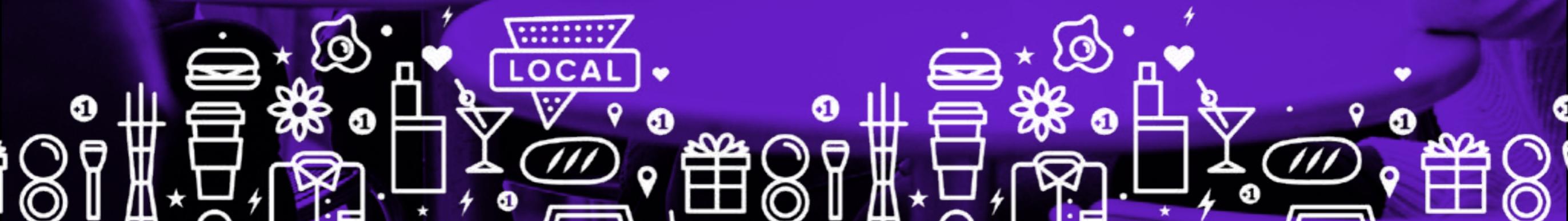
Less than 20% of daily deals customers will return and pay full price for items.<sup>[4]</sup>

# THE MOST SUCCESSFUL SMALL BUSINESSES

GET OVER 60% TO 70% OF THEIR CUSTOMERS  
COMING BACK ON A MONTHLY BASES.

So, this means you need to turn your average customers into loyal customers.

# 7 STEPS TO A SUCCESSFUL EMAIL CAMPAIGN



# #1



## MAKE SURE YOUR EMAIL MESSAGE IS THOUGHTFUL AND ENCOURAGES AN ACTION.

When writing a good email message, you want to make sure to keep it short and to the point.

Use persuasion tactics, like time expirations, exclusiveness, secret items or prizes, etc. to create a sense of urgency. For example, ‘The first 100 customers receive a free appetizer!’ plays on the customers’ fear of missing out. But use these sparingly since urgency can lose its effectiveness if done often.

Make sure you include a way to find you! Add addresses, relevant phone numbers, and an email they can respond to if they like.

Most importantly, include a prominent call to action: what do you want them to do and when?



## SEND OUT FOR HOLIDAYS OR SPECIAL SEASONS.

January / New Year's Day

February / Valentine's & President's Day

March / Spring Break & St. Patrick's Day

April / Earth Day

May / Memorial & Mother's Day, Graduation Season

June / Father's Day and Summer Break

July / Independence Day & Wedding Season

August / Back to School Season

September / Labor Day

October / Halloween & Fall Season

November / Thanksgiving & Black Friday

December / Christmas & New Years Eve

# #2



## INCLUDE A RELEVANT PICTURE.

Photos increase the likelihood that your customers will click through your email.

Keep images small so they don't slow load time on less advanced Internet connections.

Use images with people and faces in them.

If you can, avoid stock imagery and clip-art. It's obvious and makes your email look less personal.

Finally, include a link in your images. People expect to be able to click through to something when they see an image.

# #3



## MAKE SURE YOUR SUBJECT LINE IS EYE CATCHING AND INTERESTING.

You have about 2 seconds to convince a customer to open your email, or trash it. So you have to make it grab their attention using between 5 and 8 words.

47% of consumers make their decision about whether or not to open emails from businesses or nonprofits based on the content of the subject line.

# #4



## SOME RULES ARE MEANT TO BE BROKEN, BUT LAWS ARE NOT.

### CAN-SPAM Act

Don't use false or misleading header information.

Don't use deceptive subject lines.

Identify the message as an ad.

Tell recipients where you're located.

Tell recipients how to opt out of receiving future emails from you.

Honor opt-out requests promptly.

Monitor what others are doing on your behalf.

Check out <http://www.business.ftc.gov/> for all the details.

Things that will be marked as spam are lots of punctuation marks, excessive use of the word FREE, misspellings, grammatical errors, and using all caps.

Source: Constant Contact

# #5



## SCHEDULE YOUR EMAILS AT OPTIMAL TIMES AND DON'T OVER DO IT.

Most messages land in people's inboxes in the morning, which is why it is better to email in the afternoon. That is when it will be more likely noticed, opened, and clicked through.

Always remember: Quality over quantity. So don't send more than a couple a week. That way your loyal customers will eventually be on the look out for your emails since you send only the best content.

Don't have the time to write up emails and send them to your customers at the right times? Let us do the heavy lifting.

- We populate and enrich your customer data
- We run optimized marketing campaigns for you
- We give you the results in an easy to understand format

Learn more: <http://hi.Fivestars.com/autopilot/>

# #6



## TRAIN YOUR EMPLOYEES TO ASK FOR YOUR CUSTOMER'S EMAILS.

Try to capture the customer information on your point-of-sale\* or computer, it will save you time in the long run.

Display a marketing table stand at your checkout counter that tells customers all the incentives they will receive for signing up to your email list.

### TOP REASONS PEOPLE WILL SIGN UP FOR YOUR EMAIL LIST

To receive discounts and special offers (58%), to take part in a specific promotion (39%), or if they are a regular customer (37%).

You can use Fivestars to not only capture your customers' emails, but also their names, phone numbers, notes about their purchases, their birthdays, and so much more. Send targeted emails to your VIP customers, as well as reconnect with customers who haven't been back in a while, with Fivestars Loyalty. We integrate right on your point-of-sale!

# #7



## MEASURE YOUR SUCCESS TO IMPROVE OVER TIME.

Track how many people visit from your email by including in your email message ‘Give email code MOTHERSDAY to your cashier at checkout to get your discount,’ and have your employees tally them up.

Some email marketing programs give you open and click through rates; if so, compare the results across your different email campaigns. You may see patterns that will tell you which subject lines and messages perform better.

# 6 RULES OF TEXT MESSAGE MARKETING



# #1



## WRITE THOUGHTFULLY.

You only have 140 characters: Make them count!

Always check spelling and grammar.

Use abbreviations when necessary, but don't over do it.

Don't text like your tween cousin. GR8 THX BYE!

Make sure to include a call to action!!!

Visit Haagen-Dazs Palo Alto for  
your Valentine's Day cake; order  
before Feb 10th & get 14% off!  
Call 650-555-5555 today!  
Reply STOP to unsubscribe

# #2



## SEND OFFERS AND REMINDERS.

### MOBILE COUPONS/PROMOTIONS

Mokutanya Charcoal Grill 1155 California Dr: \$0.50 Oysters from 6pm-8pm only! No limit & while supplies last, show us this text! Reply STOP to unsubscribe

### WIN BACK LOST CUSTOMERS

We miss seeing you! Stop by Annie's Bakery before Sept 12 and get a special 30% discount. txt OFF to unsubscribe

### SALES REMINDERS/SPECIAL EVENTS

Stop by Elle Boutique on Burlingame Ave for our semiannual jean sale! Show this text for an extra 10% off purchase! Reply STOP to unsubscribe

With Fivestars AutoPilot features, we sync your text marketing with actual behavior—automatically. You never have to worry about planning out text schedules, we handle it all for you.

# #3



## SEND TEXTS AT THE RIGHT TIMES.

Schedule and send your text messages at optimal times for maximum effect

Don't send more than one text a week to prevent opt outs from too frequent messages

### DINNER SPECIAL 6PM-8PM

Mokutanya Charcoal Grill 1155 California Dr: \$0.50 Oysters from 6pm-8pm only! No limit & while supplies last, show us this text! Reply STOP to unsubscribe

Text sent: 4:30pm on dinner special

### TWO WEEK JEAN SALE

Stop by Elle Boutique on Burlingame Ave for our semi-annual jean sale! Show this text for an extra 10% off purchase! Reply STOP to unsubscribe

Text sent: 11:00am on 1st Saturday during sale

# #4



## BUILD YOUR ONLINE PRESENCE.

Use text promotions to encourage visitors to your site

Request Facebook likes and Twitter followers via text

Send text to help promote social media posts or specials

Long day at the office? Saba Cafe Caters! Visit [sabacaferwc.com](http://sabacaferwc.com) today to make your order. Use code 123 for 1 Free Soda Ltr! Reply STOP to unsubscribe

Like us on Facebook at [facebook.com/danvilleflamebroiler](https://facebook.com/danvilleflamebroiler) and receive 15% off your entire order through Feb 9th! Reply STOP to unsubscribe

# #5



## PROMPT CUSTOMERS IN STORE.

TEXT  
"SIGN UP"  
TO  
55555  
TO GET  
STARTED.

You only have 140 characters: Make them count!

Always check spelling and grammar.

Use abbreviations when necessary, but don't over do it.

Don't text like your tween cousin. GR8 THX BYE!

Make sure to include a call to action

# #6



## SOME RULES ARE MEANT TO BE BROKEN...

These are all general rules of thumb, but every business is different, so feel free to cater to your customers' wants and needs.

## ...BUT LAWS ARE NOT!

### FEDERAL COMMUNICATION COMMISSION

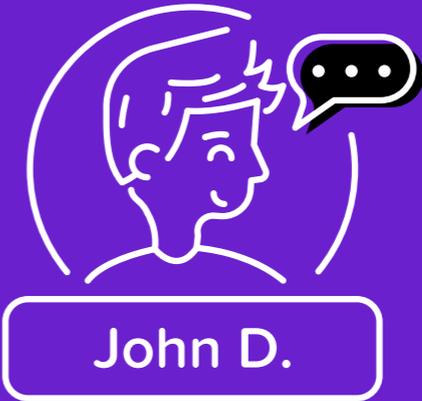
Basic guidelines here: <http://goo.gl/0tfSF>

Telephone Consumer Protection Act: <http://goo.gl/b22am>

**BY LAW, THE CUSTOMER HAS TO GIVE WRITTEN CONSENT TO RECEIVE TEXTS, AND YOU MUST HAVE OPT OUT OPTION IN MESSAGE.**



# THE POWER OF WORD OF MOUTH.



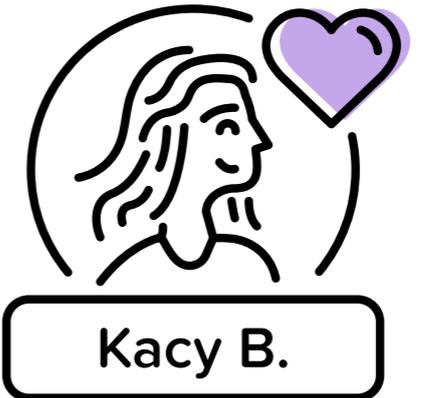
90%

OF CONSUMERS SAY THEY TRUST RECOMMENDATIONS FROM PEOPLE THEY KNOW



70%

OF CONSUMERS TRUST OTHER CONSUMER OPINIONS POSTED ONLINE



# SO WHAT DOES THIS MEAN FOR YOUR SMALL BUSINESS?

Your current customers, as well as potential customers who haven't met you yet, are talking.

Possibly about your business.

So let's make sure more and more people are positively talking about your small business.



# #1

## DON'T BE NEWSWORTHY, BE YOURSELF.

Customers are more likely to share what is at the top of their mind at any given point of time. So a product that is cool, or interesting doesn't keep conversation going too far. Common products or services are talked about just as often if not more, so focus on delivering the best service and products you have.

# #2

## STAY ON TOP OF YOUR CUSTOMERS' MINDS.

To stay top of mind and mentioned in conversations, you need to be where the people are talking. Do this by printing your business name and logo on your napkins, cups, bags, etc. so when your customers leave, your business can still be on the top of their mind.



# #3

## GIVE CUSTOMERS A TEST DRIVE, AND MAKE IT MEMORABLE.

You can't say much about something you've never tried. People talk more often and more easily about things that they have experienced first hand. But this isn't just handing out a sample of ice cream. Provide a fun experience, display complementary food or beverages, or show how the customer could use your product or service in their everyday lives.

# #4

## BE THE HOT TOPIC OF CONVERSATION WITH WEARABLE PROMOS.

Offering t-shirts, reusable bags, sunglasses, koozies, or pens, etc allow your business name or logo to be in places that people are talking face to face. If you are clever, funny or catchy text or images can become conversation starters for people.



# #5

## HELP CUSTOMERS GET TOGETHER AND LEARN SOMETHING NEW.

The more people know about your stuff and have good experiences, the more they will talk about it. Teach your customers how to style an outfit, cook a 30 min dinner, grow an herb garden, or whatever is relevant to your small business. Have in-store events or post video how-to's on YouTube and Facebook.

# #6

## ENCOURAGE YELP REVIEWS AND GIVE FEEDBACK TO ALL BAD EXPERIENCES.

Customers will spread the word about bad experiences more frequently and quickly than good ones. So you may have to put in some extra effort here. For instance, make it easy to give reviews on the spot by setting up a small laptop right in your store.



# #7

## IMPLEMENT A CUSTOMER REWARDS PROGRAM.

Create an enticing rewards program to keep customers walking back through your door. In order to create the most effective rewards structure, you need to make sure your rewards are both attractive and attainable. Try offering discounted items, a free item with purchase, or a BOGO (buy one, get one free) offer for your most loyal customers.

# #8

## PROVIDE INCENTIVES FOR CUSTOMERS TO MENTION YOU ON SOCIAL NETWORKS.

Free dessert by mentioning us on Twitter! Log into our wifi network by checking into our Facebook page! Receive a 15% off your book purchase with a Foursquare check in! These are all great ways to encourage customers to share with their online friends.



Fivestars can allow your customers to automatically post to their Facebook when they've earned their reward.

# #9

## GET YOUR BEST CUSTOMERS TO BE YOUR CHEERLEADERS.

You know those customers that are always mentioning you on Twitter? Or checking into your Facebook page? Engage, recognize, and reward your most frequent visitors (and most talkative online) for being loyal to you. These Facebook fans and Twitter followers immediately become part of your marketing team.

# #10

## GIVE CUSTOMERS AN OUT OF THE PARK CUSTOMER SERVICE EXPERIENCE.

People get good, or even just decent, customer service everyday. It is only the experiences that go beyond what they expected that drive these customers to joyfully shout it to all their friends and families.



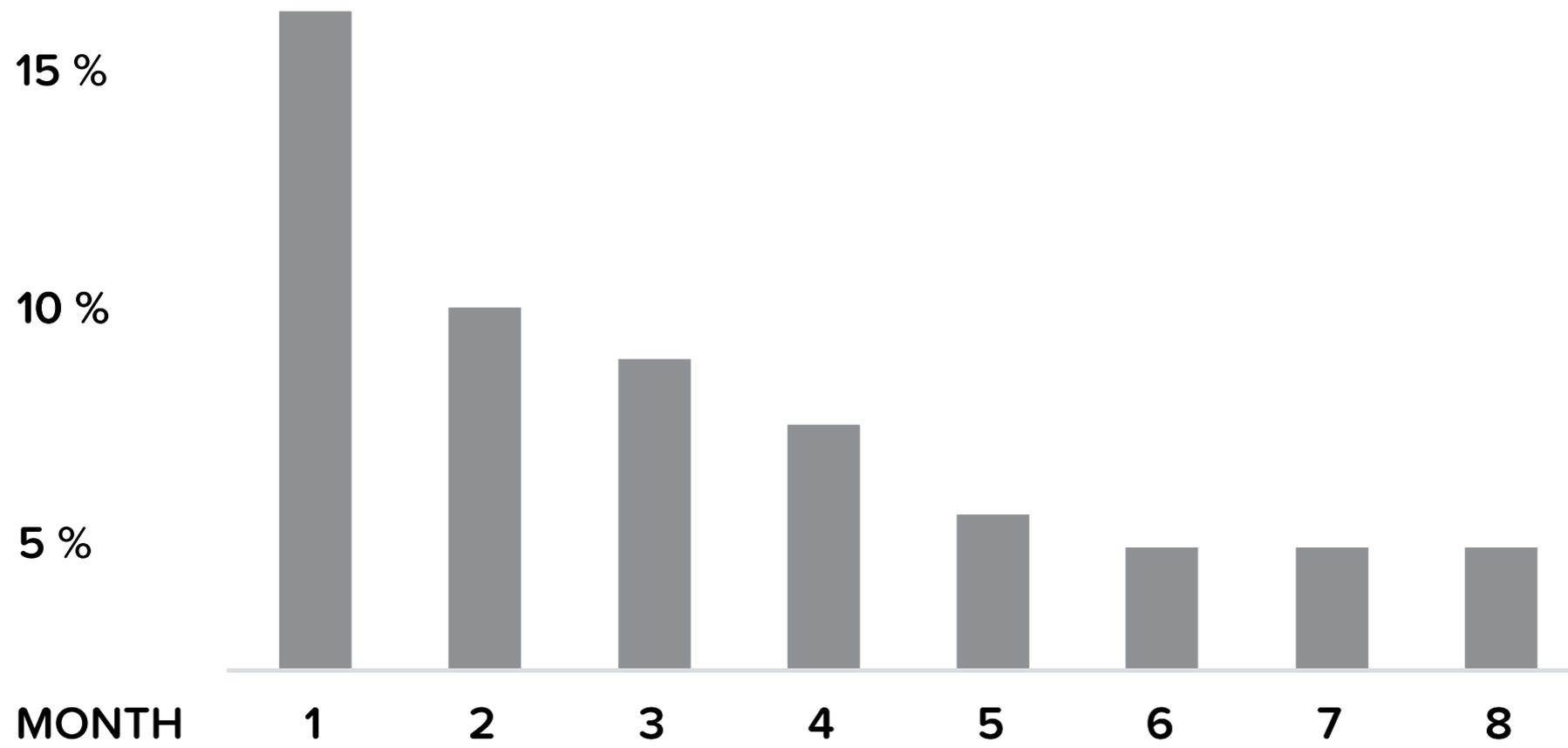
# FIVESTARS CUSTOMER LOYALTY BASICS



# FORTUNE 500 BUSINESSES USE LOYALTY PROGRAMS BECAUSE CUSTOMERS FADE.

% WHO COME BACK AFTER FIRST VISIT

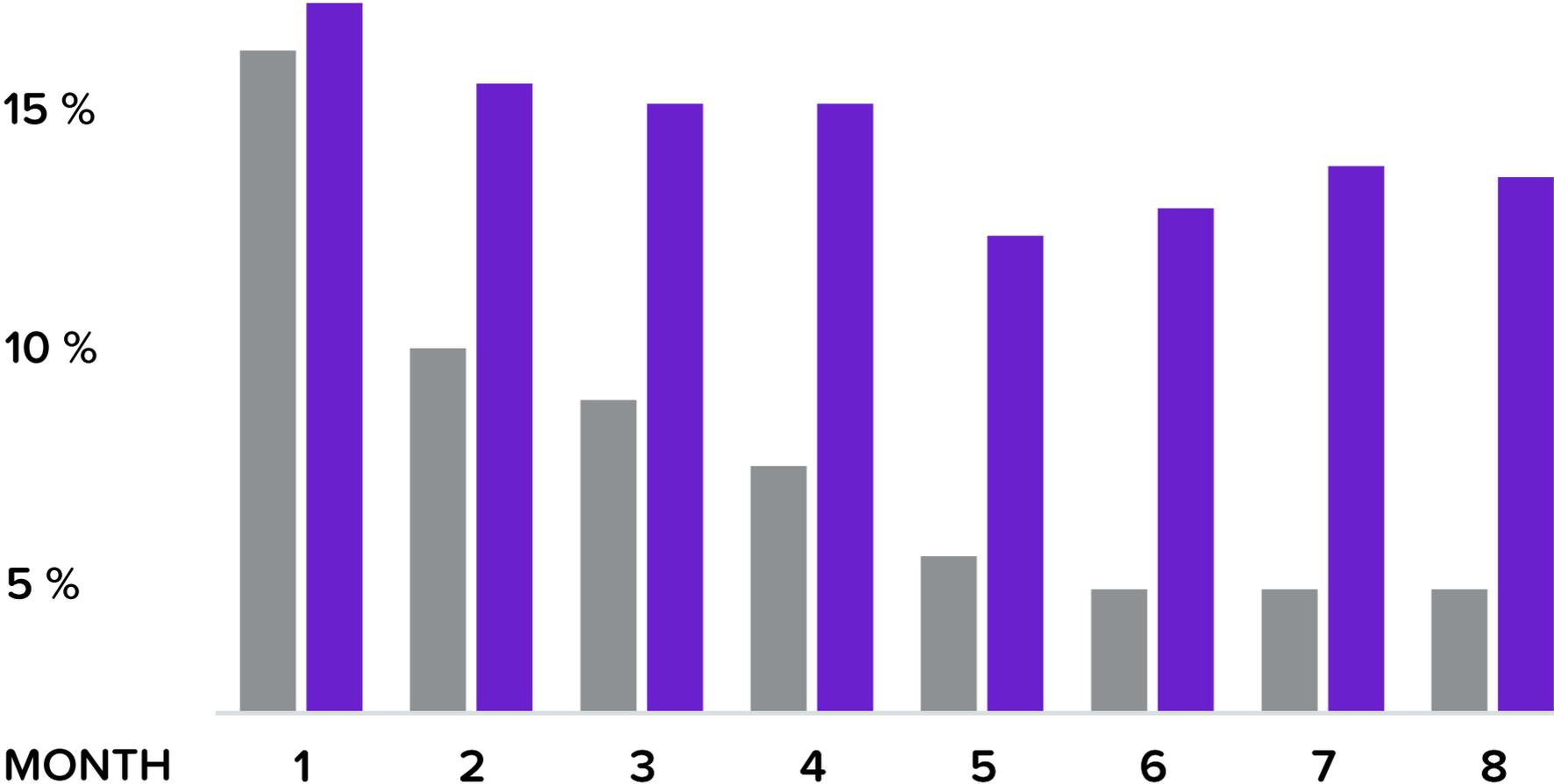
General Customers  
Fivestars Customers



# WE BRING BACK LOST CUSTOMERS AND DOUBLE YOUR CUSTOMER RETURN RATE.

% WHO COME BACK AFTER FIRST VISIT

- General Customers
- Fivestars Customers



2X RETURN RATES

ON AVERAGE,  
WE GET EVERY  
CUSTOMER TO  
VISIT 2 MORE  
TIMES A YEAR

1,000

Fivestars signed up customers

X

\$10

Spent per visit

X

2

Additional visits

---

\$20,000

## Here's how we do it.

#1



Incentivize customers with a customized rewards program.

#2



Customers enter phone number to start earning rewards.

#3



We use that info to encourage customers to return for more!



## WE HELP OVER 13,000 LOCAL BUSINESSES RETAIN THEIR CUSTOMERS.

“We did \$2000 last Black Friday and \$7500 this year. The **ONLY** thing we did differently was use Fivestars Promotions. **It’s phenomenal.**”

— Kris, MaxSport Fitness

“Fivestars has been great! The customers love the texting rewards program. We definitely **see higher customer traffic.**”

— Marcia, M Beauty

“Last week I sent a 20% off promotion and we **hit our highest daily sales ever.** That’s no coincidence. Fivestars was my lifeline around the holidays.”

— Brian, Mama’s Grill

A photograph of a person standing in a room, holding a white cup. The person is wearing a dark jacket and jeans. The room has a patterned rug and a tiled floor. The image is overlaid with a purple tint. The text 'FIVESTARS' is written in white, bold, uppercase letters, preceded by a white outline of a star with a heart inside it.

 FIVESTARS