



Avoid the Upcoming Sales Slump

3 Counterintuitive Tips to Increase Off-peak Season Sales

The pandemic was good to retail. Sales were up on average 30% in some cases. Analysts tell us this is because discretionary income moved from travel and vacations to retail purchases. After all, there's nothing like a new pair of shoes or a diamond tennis bracelet to cheer you up while you're cooped up. But we all know, in fact fear, that this anomaly will end soon and consumers itching to get out of town will do so in droves, even if it means loading up the family van and hitting the open road. There's only so much discretionary income to go around, and household budgets change based on emotional needs. And the need to escape when the weather warms is going to be irresistible. In a strange and uncertain market, there is only one thing we know for sure: **Things are going to change.**

So, what can you do to prepare now to avoid an upcoming sales decline? The answers may seem obvious. Here are **three counterintuitive tips** to make sure you find profits in unexpected places.



TIP 1

Cut Your Advertising Budget

What? That makes no sense.

As a general rule, it is wise to advertise more in a recession so that you are top-of-mind when the recession ends, thus pushing you ahead of your competitors (more on competition in a minute). First, you need to understand that advertising and marketing are different. Advertising is a good thing, but marketing is a better thing.

Here's the difference: paying for digital and traditional ads that scatter your brand in a geographic area is a good awareness strategy, but you may not need to spend as much. Keep some of it and invest in targeted marketing like customer retention.

Because retailers had such a banner season, they have more customers in their database. Getting them to come back is much more cost-efficient than getting new customers in your door. The key is to have a communication plan in place that reaches out to them regularly. Most retailers lie to themselves about this. No offense, but when we polled retailers and asked how often they were reaching out to their customers, then asked the customers how often the retailer was reaching out to them, well, there was a huge disparity. Retailers thought they were doing well at it, customers hardly noticed.



Why the disparity?

In reality, retailers were reaching out, but when we checked the calendar, it wasn't as often as they thought they were. And secondly, many of their messages get ignored. Why? Because they are irrelevant, or they come from a store, not a person. Not to mention there was very little personalization.

It's a waste of time to get a message out to a customer that reinforces you don't really care about anything but selling. This comes back to new research on advertising and reinforces why you should cut that budget and move it to marketing. Nearly 80% of consumers mistrust ads. And yet most of them trust friends and recommendations. Your marketing should be centered on sales associates creating personal relationships with clients.



TIP 2

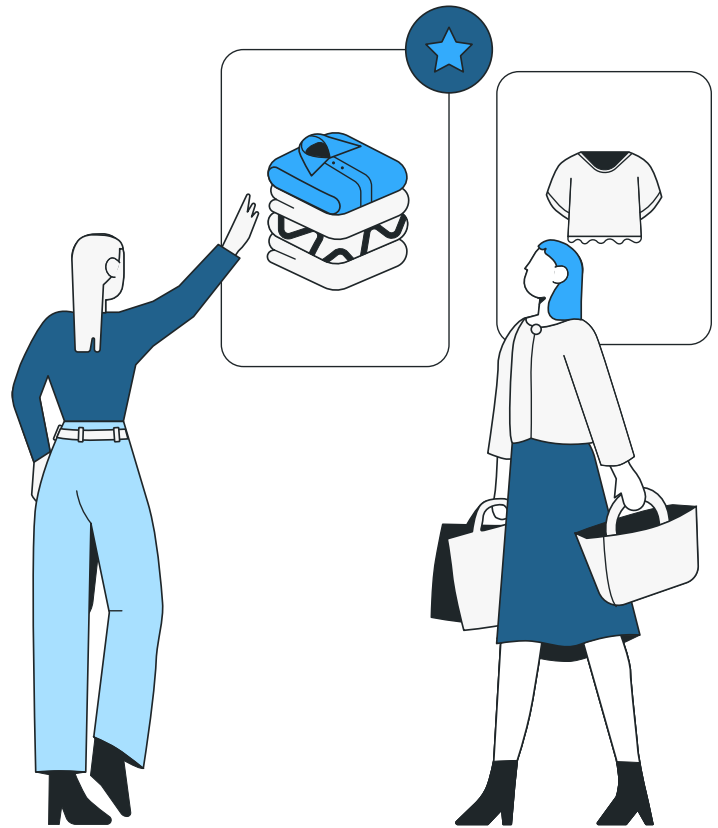
Don't Hire More Salespeople

What? That doesn't make sense.

It's tempting to want to snare everybody that comes in the store and seeing somebody walk out without a conversation with a sales associate is frustrating. But hiring more sales associates is expensive and it takes time to train them and get them to a point where they are profitable.

Foot traffic may increase, but that doesn't translate into sales, so make sure your existing sales associates are efficient and proficient at getting all that traffic into the "friend zone". It's about getting more out of your existing staff. Again, trust and relationships translate into long-term clients and repeat sales. Nurture the relationship up front and it will pay off for years.

One jeweler we spoke to is now onto the third generation of customers--grandkids who became clients because parents were clients because their parents were clients! Sales associates who focus on creating relationships are your golden ticket. Online reviews are nice, but they are now so ubiquitous that consumers are losing trust in them. Personalization is the foundation of customer relationship building. You will need the right tool to make it possible for a sales associate to manage hundreds of relationships at a time.



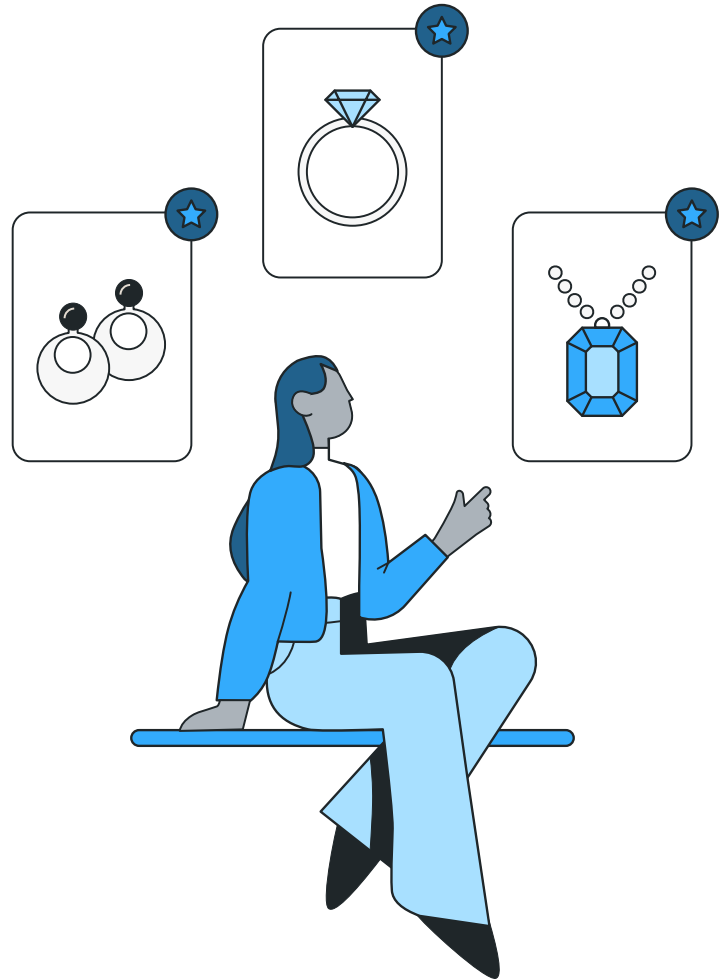


TIP 3

Know Your Real Competition

Yes, your direct competitors are other retailers. But your real competitors are those other voices calling out to consumers, drawing on emotional pitches for a big piece of that discretionary income. And those voices are about to get a lot louder.

Restaurant and other venue spending will go up. Travel spending will go up. How do you compete against those competitors? With emotion. People make logical decisions when they open a bank account or do their taxes. But purchases are emotional. Celebrating an anniversary is emotional. Commemorating a life, recognizing a milestone, professing love...all are emotional moments that need symbols that last forever. So while the vacation is nice, the necklace will always be a reminder. Marketing that keeps this in mind will be far more effective than the teenager spinning a sign in front of a store. The key, again, is having the connection with the customer so that those recommendations can be made. Then your messages can be simple: "Sure, take that vacation and get away from it all, but deliver a token of affection that will never be forgotten."





In Conclusion

Now, get ready for the rollercoaster retail season that is coming. Lots of walk-in traffic, less buying, the search for more meaning, the need to get away from the stressful past year. Having a strong relationship with your clients will be more important than ever. Keeping them loyal when they'll have so many more choices will be paramount.

In order to avoid a potential sales decline when things improve economically you need to think outside the box and get creative. These counterintuitive tips will yield results, but you need the right tool.

Clientbook is that tool to help you be prepared for a sales slump in the off-peak season as well as when clients have other options beyond retail purchases.



Learn more or schedule a personal demonstration at **clientbook.com** and see how easy it is to turn every customer into a client.