

RESTAURANT

HOSPITALITY

SERVICE RESTAURANTS



Direct mail can help smaller operators compete; here are 10 ways to polish your program.

By Jay Siff

It's In The Mail

Despite the increasing abundance of media choices today, most restaurants still consider TV commercials to be the "elite" form of advertising. Television can definitely pay off. But that doesn't mean that independent restaurants with less-than-TV-sized ad budgets can't be amazingly effective. In fact, some forms of marketing communications deliver a far higher ROI, on average, than a TV ad campaign.

At the very top of this list is direct response marketing. As the name implies, this marketing tool is geared for one objective: response. When you need customers in the door, cash registers to ring and average check totals to increase, it's hard to beat a well-conceived direct mail program.

Direct response can help independents go toe-to-toe with better-funded competitors. All it takes is commitment, promotional imagination and an insider's knowledge of what makes a direct mail effort work. Here are 10 tips the pros use to create a winning direct mail campaign:

1 Focus, focus, focus. One of the most common mistakes is putting too many ideas into one mailer. Focus your piece on a single offer or idea, and drive the point home with crisp, active copy. Better to sell one idea with dozens of powerful words, than a dozen ideas all at once.

A related concept is to focus on your advantages, not on advantages anyone in your business can claim. Talk about the clams you have flown in daily from Maine's oldest shellfish producer, or the genuine "San Marzano" tomatoes used in your Italian sauces. Let your readers know your patio has an unobstructed view of the bay...or that you have live Andalusian folk singers every Thursday night. Specifics set you apart and make you more appealing than your competitors.

2 Pile on benefits, not features. Obviously you want your mailings to have substance. After all, no one wants to spend money on copy that's all fluff. But in your drive to deliver facts, don't forget to sell. That means communicating benefits.

A feature of your restaurant may be a renovated banquet room. The room's benefits, on the other hand, include a more romantic setting, greater convenience for handicapped guest or faster bar service. By using words that energize and entice, you'll enjoy greater response.

3 Create "social proof" using testimonials. People never believe testimonials, right? Wrong! Actual experiences from satisfied customers are among the most influential appeals you can make. Psychologists call it "social proof." People want to know that others have successfully gone before them.

Ask your most loyal dinner patrons to stay and talk for a few minutes after their meal. Offer them a free dessert if they'll tell you what they like about your restaurant. Solicit responses from people who have used your party room. These positive experiences can turn mail prospects into diners. (Be sure to get permission before using any attributed quotes.)

4 Think visually. According to a study of 2,000 consumers, print ads that consisted of 50 percent visuals (photos, illustrations, graphics) were seen and recalled 30 percent more often than ads with no visuals. This principle holds true in the direct mail world as well. Pictures do indeed speak louder than words alone.

Today it's easier than ever to include great photography in mailers, thanks to new photo capture, editing and printing technologies. However, nothing takes the place of well-composed, properly lit pictures. If you haven't got the knack for it, find someone who does—even if you have to pay.

These days there are also many sources of high-quality photos on the Internet. Unless you are willing to pay royalties, however, make sure the shots you use are in the public domain or you may be open to a lawsuit.

5 Don't neglect color. While a simple word-processed letter printed in black and white on a piece of stationery can be very effective, full-color mailers (better known in the industry as four-color because of the four inks used) do even better. Research shows that four-color pieces get up to 45 percent greater readership than black and white pieces.

To get the most from your use of color, find and use the very best color printer and processing software you can. Or have your pieces printed by a commercial printer if you can afford it.

6 Use coupons! Your customers can make you rich if you give them enough reasons to spend money with you. It's not enough to say "Come again!" as they head out the door. You must get into their minds with offers that justify another visit.

With this in mind, nothing beats a coupon in mailing pieces for generating a response. Coupons featuring even the smallest discounts are strong motivators because they shout, "Take action!"

Be sure you put your discounts in a coupon format, rather than simply stating the savings in plain text. For an even better response, offer a free gift instead of a discount. And always lead with the gift first. Say "Free entrée with the purchase of two dinners," not "Buy two dinners and get the third entrée free."

7 Partner for profits. To increase the value and appeal of your offers, find another business that offers complementary services, then cross-promote the services of both merchants through your mailings.

If you're located near a community theater, why not join forces? Mail a coupon good for 25 percent off two dinner entrees for attendees of that night's performance. Evening cruises, movie theaters and even florists make good promotional partners.

When structuring the deal, make sure your partner gives out coupons for your establishment as well. Why? Because it taps

into the confidence of the relationship that business has established with its loyal customers. Make your partner's customer base work for you!

8 Promote even when business is good. Huh? Sounds a bit crazy, doesn't it? You have all the business you can handle...so why risk turning away customers you can't accommodate?

Waiting for a slow period to promote your restaurant is like waiting until a storm hits to build a roof on your house. You need to develop your customer base constantly so that slow periods diminish and busy times become more profitable.

Consistent year-round promotion through direct response is the key. Find ways of increasing check totals during busy times of the year, or leverage your heavy traffic by providing lunch or weeknight offers.

9 Turn loyal customers into mailing lists. This tip dovetails with Number Eight. It's especially important during busy periods to gather your customers' names and addresses. No purchased mailing list is as valuable as the one under your nose.

To make it easier for patrons to leave their name and address, offer them an incentive. The old business card fishbowl weekly drawing is still a good idea. You can also ask for contact info at checkout or when the bill is presented tableside. Give guests a two-for-one dessert deal on their next visit, or perhaps a recipe for one of your signature dishes as a reward.

10 Test and track. This is perhaps the most important rule. The reason direct response has such a high return on investment is because they are so measurable and thus can constantly be refined and improved. Yet many direct marketers don't take time

to test and track their efforts adequately.

To test a mailer, send it to a subset of your mailing list—perhaps 500 names—before sending it to your full list. You can do a split run—for example, 250 names get one offer and 250 more get another—to test an idea. Test only major ideas (\$14.99 versus \$14.49 for a Sunday buffet is hardly a test) and never test more than one variable at a time.

When customers redeem coupons, be sure to track the daypart, party size and total check amount. If an offer is scoring great results, keep at it! There's no reason to discontinue a program unless it is no longer working.

Finally, remember that 40 percent of a mailer's effectiveness comes from the offer, 40 percent from the list you use and only 20 percent from the design and copy. So it's crucial to make sure you're sending the right deal to the right people.

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