

Marketing to the Mature Marketplace

Your Pathways to Success in Unlocking the 50+ Market

The Relationship Imperative

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The Industry
Expert on the
50+ Mature
Marketplace

"There's the difficult to follow, then there's the impossible. Don's presentation was amazing..."

Jake Haycock
President, Widex
Canada

Despite my many failings as a husband, I've always been a terrific housewife.

Can cook. Light cleaning, up to and including windows, is no problem. And, in the effort of securing domestic tranquility, I've made it a habit of going to the grocery store just about every day.

In the neighborhood where I live, in Del Mar, California, there are two grocery stores, Vons and Ralphs. Both are equidistant from my house. Both are clean and well stocked. Both are staffed with friendly people at the checkouts.

But for the every day exercise of grocery shopping I am, most decidedly, a "Transactional Buyer". Coupons and sale prices, not loyalty to one store vs. another, usually determine where I shop.

And why not? The Coca-Cola's the same at both. So's the toothpaste. And so is just about everything else both stores have to offer.

That's me, the **Transactional Buyer**. Someone motivated by price or convenience, but not loyalty.

That's not the kind of "Buyer" you want for your business. What you want is the kind who will come back to you, time and time again.

What you want is a "Relationship Buyer". Someone who buys from you, not for reasons of price or convenience, but because of the relationship you and your employees have created.

Why are **Relationship Buyers** so important to the long-term success of your business?

It's simple: Relationship Buyers return, Transactional Buyers do not.

This simple fact brings us to the topic of Relationship Marketing.

When it began, there were only a few industries that gravitated toward the principles of Relationship Marketing.

Airlines came quickly to the idea, offering Frequent Flyer programs as a means of earning your repeat business.

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Long distance telephone and credit card companies soon joined in, creating new ways of incentivizing customers in order to win long-term loyalty.

If that's who was using Relationship Marketing then, who's using it now?

Answer: Everyone.

Today, just about every industry is using some form of Relationship Marketing. You should be using it, too.

When considering what kind of Relationship Marketing programs you should bring to your business, first think about what goals programs like these can help you achieve.

The basic goals are very simple: One, to keep patients longer; and two, to increase **Customer Share**. "Customer Share" is defined as the percentage of a customer's entire range of purchases that you earn.

The first goal, keeping customers longer, is particularly significant, given the increased life spans and immense buying power of the 50+ Mature Marketplace.

There are four rules that govern Relationship Marketing:

Rule #1 – It requires individual knowledge of your customers.

One of the most remarkable people I've met in my work as a Marketing Consultant has been in the industry for more than 35 years. He takes great pride in keeping customer files as thick as telephone books. Not necessarily filed with purchase receipts, but bits of information imparted during simple conversations that are committed to memory on the backs of envelopes, post-it notes or other scraps of paper, then placed into the files for future use.

So for example, when Mr. and Mrs. Jones come to see him in April and among the things they talk about is their daughter's wedding in June, when they come back to see him in September, he's able to not only say, "Good morning, Mrs. and Mrs. Jones", but "Good morning, and oh, by the way, how was Julie's wedding in June".

Think of the impact in a relationship that such simple courtesies can create.

Rule #2 – It must be interactive.

It's not enough for you to just talk to your customers; you have to listen to them as well.

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Rule #3 It does not need to be High-Tech.

Database and other tools can help build long-term practice success through Retention Marketing programs, but it's a conversation for another time.

In other words, See Rule #1.

Rule #4 – Higher Perceived Value.

Relationship Marketing helps create a higher level of perceived value for your products and services while assuming the highest possible standards in personal service.

And as you might expect there are some specific bonuses attached to the successful use of Relationship Marketing.

One, customers' perception of your products and services will improve. This is especially significant given as how one of the signposts of the aging process is a slow, but constant shift from left-brain to right-brain thinking.

Which is a fanciful saying of saying that decision-making based on logic is gradually replaced by decision making based on instinct.

The second bonus associated with Relationship Marketing is that customers will begin to focus on the Value of what you provide, rather than the Price.

When I was growing up, in Sherman Oaks California, my brother and I would walk to school every day, passing the corner grocery store along the way.

Joe, the Corner Grocer, would be out front of the store most every morning in his white butcher's robe, sweeping the sidewalks.

My mom and my grandmother, used to shop there all the time.

And over time, Joe would be the one to give my brother and me some fruit to put into our lunch boxes. He'd give my mom 13 ears of corn for the price of a dozen. Or put some

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fresh-cut flowers into my grandmother's shopping cart, all as a way of saying "Thank You" for my family's loyalty.

Joe knew, way back then, the Relationship Imperative. He knew the value that building long-term relationships would add to his business.

A few years ago, while teaching my Marketing to the Mature Marketplace class in the ballroom of a marvelous old hotel in downtown Fort Worth, a hand was raised in the audience, when I told the story about Joe, the Corner Grocer.

"If you notice, there aren't a lot of 'Joe, the Corner Grocers' left in the world", the man in the audience said.

My reply was that, yes, in one respect, he was right. There really aren't a lot of "Joe, the Corner Grocers" left in the "Wal-Mart World" in which we now live.

But I also suggested that he was wrong, in one other equally important respect. I suggested that, in fact, there are a lot of Joe the Corner Grocers left, about 250 of them in the audience that day. Small business owners, with one office or ten, with two employees or twenty.

Each and every person there that day was in some ways a replica of my friend, Joe.

People whose businesses would benefit from the simple, every day exercises in Relationship Marketing that Joe began, way back then.

Just as your business would benefit from them, too.