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## Foolproof Strategies

for Increasing Company Store Sales

**An eBook for Promotional Products and  
Wearables Distributors, Presented by**

**eBlox**

# Hi there...

## **Can we ask you a quick question?**

Is your company store program performing as well as it possibly can? Unless you just called your assistant from your private Carribbean island in between sips of Dom Perignon and asked them when your Bentley was going to be out of the shop, our guess is that your company store program is like a lot of other ones out there: reasonably successful, but lacking in that “oomph” that really keeps customers coming back and buying again and again.

Or maybe your company store is floundering – slowly dying on the vine, with stale products, no promotions, and no help from your customer to market it. Perhaps you traded some precious margin for what you thought was a golden opportunity, only to see that opportunity result in expensive customer service overhead and lackluster sales. Plus, now you’re really wishing you had that margin back.

Maybe you're just thinking about pitching a company store to a client and wonder if it's going to be worth all the hassle? After all, you've heard that starting a company store is easy, but you've also heard that keeping one running successfully is, well, pretty darn hard.

The truth is, running a successful, profitable company store does require hard work and attention.

**But it doesn't require magic.**

Anyone can build and run an engaging company store if they remember what this is really all about: **making customers**. You're used to making products, decorating them, selling them. But do you know how to make customers? More specifically, do you know how to make company store customers – loyal ones, that will patronize your store again and again?

**Read on.**

# 1: IDENTIFY YOUR AUDIENCE

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You must understand who your audience is before you can effectively engage them. Most company stores tend to cater to **two primary audiences**, although some will focus more on one or the other:

## Marketing and Sales Professionals:

This is the largest group of customers for many company stores, and they generally require a high level of service, rapid turnaround and often place large orders. These professionals are sometimes considered a “captive audience” because distributors assume they can only order from their store.



As many of you with extensive company store experience know, **that's just not true.** In fact, unless a contractual agreement precludes it, these folks stray outside the confines of company stores frequently – especially when they need something quickly or a custom product that isn't available on your site. It's your job to make sure that the company store and all the services you have to offer – including products that might be in your warehouse – stay **front and center** with this audience.

Treat this audience well and they will become advocates for the program throughout the company. Treat them poorly or reactively, and you'll soon wonder why even those big custom orders you get every year are suddenly landing on one of your competitors' doorsteps.

# 1: IDENTIFY YOUR AUDIENCE

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The second audience can be just as important, especially for **consumer-focused brands** or companies with active reward, safety or points programs. Forget about them and you could lose a big chunk of your devoted customers!



## Employees and Consumers:

This group buys one hat here, two shirts there, and a divot tool once a year. One at a time, they may seem insignificant, but these “brand ambassadors” – that is, the people who willingly advertise your customer’s brand with the things they use or wear – should be your **most exciting prospects**.

They’re the most likely to respond to special deals, bundles and loyalty offers. They’re even less of a “captive audience” than the first group above, and **require your attention** to keep them interested. These are the buyers that your loyalty marketing efforts should be directed toward.

### AUDIENCE TARGETING

Don’t get too worked up about approaching the marketing/sales audience and the employee/consumer audience differently in your store. While you might want to gear email communications and other offers specifically to one or the other, most customers prefer a consistent e-commerce experience once they get into a store. If you can offer something special for each type of customer, great. If not, don’t sweat it.

## 2: CROSS-SELL AND UP-SELL

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If you've ever bought anything from **Amazon.com** or **Vi-staprint.com**, you've seen just two examples of successful *cross-selling* and *up-selling*. These techniques can be intrusive or even annoying if you do them wrong (or too much) but they're often very effective. The definitions for both methods vary – and it's not unreasonable to lump them together as one – but we'll address each one separately here:





### Up-selling:

At its most basic, *up-selling* is getting someone to buy something more than what they originally selected for purchase. The classic – and some would say cheesy – up-sell is a car salesman successfully upgrading you to a more expensive model. Up-selling in e-commerce is more often about **adding things to a visitor's order** – for instance, adding a pen to a padfolio order, or a divot tool to a golf ball order.



Up-selling consists primarily of **complementary** products – things that go together. Some e-commerce companies also directly offer bundles as well, combining multiple products into a single discounted deal (Amazon is very aggressive in this practice). But basic up-selling can simply be offering an add-on or complement to whatever the customer is purchasing.

# 2: CROSS-SELL AND UP-SELL

Similar	More Upscale	Lower Min-Qty	Faster	Lower Price
				
PL689 Zippered Notepad Portfolio	2507 Classic Series Briefcase	2710 Vintage Leather Quadrafold	BL3273 Junior Portfolio	

Example of Portfolio Alternatives

## Cross-selling:



Cross-selling is the art of capturing potential lost sales by prominently displaying **attractive alternatives**. If a customer is looking at a hat that has a two-week turn-around, showing them another one that they can have delivered in 72 hours increases the likelihood that they'll buy if they happen to be in a hurry. Likewise, showcasing

similar products that have **different options or pricing** than the one the visitor is viewing is a very effective method of making sure they don't go away unsatisfied. See the matrix on page 9 for suggestions on cross-selling methods.

Where do you do it? Let's assume you don't want to be too annoying and you value long-term user loyalty over short-term spikes in sales. Think about doing all your cross-selling and up-selling **right on the product page**, below or next to the main product information. You don't want to distract from the product being viewed, but you do want to highlight alternatives, upgrades and add-ons that might interest them.

## 2: CROSS-SELL AND UP-SELL

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Feeling more aggressive? Want to get right in your customers' faces? Consider adding up-sell features to the cart and checkout process. This is one of Vistaprint's most prominent (and potentially annoying) features and it's been very effective for them. Domain registrars like GoDaddy! Also use this technique to sell add-on services and upgrades.

If you're thinking of going the "hard up-sell" route, consider that hard up-sells on e-commerce sites are often used because the most popular products are **loss-leaders** or very **low margin** products, and the up-sell is therefore the primary means of generating profit.

Most company stores aren't in this type of selling situation, so what may be a necessity for GoDaddy or VistaPrint could be a turnoff for your customers who are **already buying** a valuable product.

If you're considering hard upsells during the checkout process, we recommend you only use them when customers are purchasing primarily low-margin or loss-leader products. Pushing a hard upsell on a customer that already has a sizeable order in their shopping cart might turn them away!

### PEOPLE ALSO BOUGHT

If you're really advanced, you can cross-sell and up-sell based on actual popularity. This practice, pioneered by Amazon, displays products that other people who looked at this product also looked at or purchased. While this technology – often called "collaborative filtering" – is helpful in larger e-commerce environments where "too much choice" is a real problem, it's probably overkill for company stores with a few dozen products. Focus instead on thoughtful alternatives and complements for each product in your catalog, and you'll be rewarded.



# 2: CROSS-SELL AND UP-SELL

**Cross Selling Categories:** Your company store e-commerce platform might already include some of these; if not, you can add them manually to the product page or descriptions. Just remember that you’re presenting reasonable **alternatives** to the product being viewed – you don’t want to plaster every product on the site in this section.

Type of Alternative	Description
Cheaper	“More affordable options”
Faster	“Get it sooner!”
Higher-dollar	“More features and options”
Lower MOQ	“Need smaller quantities?”
Inventoried	“In-stock and ready to ship”
Drop Ship	“Better deals in quantity”
Other colors/sizes	“More choices”

### 3: GRATIFY AND SURPRISE

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What's a great way to increase customer purchases and loyalty? **Surprise them!** Why is a company like Zappos so successful? They surprise their customers! The first time you order shoes from Zappos and select a free ground shipping option, they'll often surprise you by shipping the package overnight for free. This kind of unusual customer service is, quite frankly, surprising to the consumer, and it sticks in their head the next time they consider ordering shoes.

What's even more surprising is how few companies do this. If you could eat \$12 worth of shipping in order to gain a customer for life – a customer that likely represents at least 10 times (if not 100 times) as much revenue as that shipment – would you take it? **Of course you would.**



But that kind of aggressive, winning customer service requires dedication and a change in culture. Apple, for example, excels at this type of service – **every employee** in an Apple store is essentially given permission to make customers happy in any way possible. If that means replacing a misbehaving phone right on the spot instead of sending it in for repair, they'll do it.

What's the cost of this policy? Only Apple knows. But talk to anyone who's been to an Apple store and had a phone or laptop replaced for free, on the spot, and you'll see something that few other technology companies can boast of – a lifelong customer. Apple customers are not only loyal, they're brand

### 3: GRATIFY AND SURPRISE

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ambassadors, telling their friends about the unbelievable service they've received. Is that worth twelve or two hundred or two thousand bucks? No – it's **absolutely priceless**.

Can you provide that kind of gratification and surprise in your daily customer service? Give it a try. And if you want some help, try adding features like the following:

- **Live Chat**
- **Quick Ship Options**
- **Free Shipping Upgrades**

#### NEED IT NOW?

Company stores often avoid carrying a large variety of in-stock items because both you and your client wish to minimize the cost and liability of real inventory. That's fine for you and your customer, and it's probably OK with the marketing professional that is going to order 144 hats no matter what. But it leaves out the employees and consumers who just need one baseball cap – they're left to browse through products looking for low minimums or quick ship options, and they're bound to leave frustrated if they can't find those things quickly.

Selling hard goods online is by its nature a delayed-gratification experience, but that shouldn't mean customers who want something quick and easy shouldn't have any options. You should always have at least **one or two inventoried, quick-ship items available directly from the store homepage** to capture those users who don't have the patience to look around. Even better, offer a discounted or free shipping option for these products - try to source higher-margin, low-cost products so the customer looking for that instant gratification feels like she's gotten a deal.

## 4: LOYALTY MARKETING

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You may not have much control over when users **first** visit the store; often, this is an internal announcement or promotion carried out by your client. You should exercise every option at your disposal to promote the store – if your client offers you space in a company newsletter, a booth at a seminar or an insert in an employee paycheck, you should take it.

That's fine. But what about bringing them back? Once you've got a user back in your company store, chances are good that you're going to sell them something, provided your store functions well. They've already made the decision to go to a very specialized web store, and getting them there is more than half the battle. So, how do you keep them coming back?



### Loyalty marketing.

If you don't capture the email address (with their permission, of course) of every single customer and send them **regular loyalty marketing newsletters**, you're missing out on hundreds or thousands of sales.

The value of a single opt-in email address is estimated by many marketers to be at least \$50 by itself – and that's per year. When users register at your company store, ask them if you can send them periodic offers and promotions. Be clear: Make sure you let them know that you'll **never spam them**, and that they can unsubscribe at any time.

## 4: LOYALTY MARKETING

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Let's get users to sign up for our newsletter. Have you seen this before on a website or company store?

**Newsletter Signup**

Did you sign up for it? I bet you didn't. Why would you? **Nobody wants more email.** You've already got too much! But what about this one:

**Newsletter Signup**

Join our newsletter and **save 10%** on your next order! Limited time offer!

Would you sign up for this one? If you plan on ever ordering from this store again, I bet you would. Users rarely sign up for promotional newsletters without a perk or reward. You can use **discounts, coupons or other offers**; just provide an incentive for visitors to opt in to your newsletter.

Before you yell "but I can't afford to give away any margin on this store!", ask yourself if that one-time hit will cost you more than the lifetime profit from that customer.

In most cases, it won't. And even if customers subscribe with the intent to get the reward and then unsubscribe, many of them won't do that. **You'll stay in front of them** and, if you market well, they'll keep coming back to your store and buying.

## 4: LOYALTY MARKETING

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Let's review a loyalty marketing plan for a company store. Here is the process; most email management services (Constant Contact, Mailchimp, etc.) provide some or all of this for you:

**Signup:** Make them an offer and get them to sign up, right on your homepage. Take them straight to the signup process offered by your provider.

**Signup on Account Creation/Order:** When a user places their first order on your site, you have to collect their name, address, email and other info to process their order. You should also attempt to add them to your list at this time. The easiest way is often on the same page where they are entering their personal information. For the best quality lists (meaning least likely to get nabbed by blacklists and spam filters), ask them to **opt in** rather than opt out:

**OPT OUT (Good):** ☐ Don't send me stuff

**OPT IN (Better):** ☐ Please send me stuff

**Confirmation:** Send them a confirmation email. Include the discount code in this email, or send them a separate one. Thank them for signing up, and let them know again that they can opt out at any time.

**Schedule:** OK, here's the kicker. Producing regular content and pushing it out is by far the biggest challenge for most company store managers. You may not think you have the time. But you've got to do it.

## 4: LOYALTY MARKETING

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Marketing your company store using email newsletters should be planned out ahead of time like any other marketing effort. You don't need to come up with bright ideas every single week. Here are some ideas for newsletter topics:

### Super Company Store

MONTHLY UPDATE

AUGUST 2011

#### PRODUCT SPOTLIGHT

*Showcase new products in the store. Highlight products that recently became popular. Point out products that are seasonally appropriate or geared toward upcoming corporate events.*

#### SPECIAL OFFERS

*Offer regular specials and promotions to keep users coming back. Even better, set an expectation for a future special or series of specials, but don't provide details. That will ensure they open the next one!*

#### GROUP PURCHASE

*Promote discounts for coordinated purchasing of larger quantities. Many customers don't want to coordinate group buying themselves, so offer it as a "valet" service if it's not built into your website already.*

#### EVENT CALENDAR

*Work directly with HR and marketing staff from your customer to advertise upcoming events, tradeshow or even company picnics! You can showcase related products, and it benefits your client as well.*

#### PERSONAL TOUCH

*Profile an employee from your company who supports the store or fulfills orders. Buyers love to know that there are real human beings helping them. Don't underestimate the power of a human face.*

#### HAVE FUN!

*Do something goofy! Hold a contest for photographs of company store products in interesting places, like around the world. Or take a poll and let users decide what kind of products they'd like to see.*

## 5: STOP BEING A VENDOR

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**Question:** How many of you have company stores where the customer came to you, told you what they wanted, and dictated to you exactly how they wanted it run? How many of you won company store business through an RFP process? In these cases, **you're just a vendor** – a replaceable supplier of products that can be tossed aside when a better deal comes along. You're Office Depot and your local competitor is Staples. You can compete on price, selection and maybe a little bit on service, but you're primarily a commodity, a vendor like any other.

**You need to ditch that mindset.** You're a branding expert, a product advisor, a logistics magician. You're a professional, and your expertise and drive is what's going to keep your client's company store thriving.



Remember that this isn't just about moving product – it's about reinforcing and enhancing your customer's brand. With that in mind, you should **always be pitching new products and ideas** to the marketing director or sales manager at your client company. Your role is more than an order-taker or store manager – you're the expert on products that build brand awareness, and if you're not pitching new products and concepts regularly, you've failed.

It's too easy to fall into “reactive” mode and stress over the mechanics, profitability and operation of your store. If you're not looking for the **next best idea** every chance you get, you're just taking orders.



## 5: STOP BEING A VENDOR

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How do you ditch the vendor mindset and focus on selling? It's not hard. Make any or all of the following part of your company store policy:

Action	How, When, Where
<b>Refresh</b>	Propose a regular (quarterly, semi-annual) refresh cycle for products – and have a selection of hot new items available ahead of time!
<b>Pass along bargains</b>	Get a great offer from a supplier? Pitch it to your client!
<b>Think seasonal</b>	Stay ahead of the curve – pitch seasonal items the quarter beforehand.
<b>Keep an eye out</b>	Watch for new product uses that you may have overlooked that fit your client's needs. Sometimes it's right under your nose!
<b>Give them the world</b>	Give your clients plenty of alternatives for custom/drop-ship orders from reliable suppliers. Don't be afraid to let them branch out. They will – it's up to you to get the order.

# WRAPPING IT UP

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You'll note one glaring omission in an eBook on e-commerce and e-marketing published in the second decade of the twentieth century: We didn't talk about social media very much. That's because social media in this type of **specialized business-to-business** selling environment is still not a very mature method of engagement. Also, because you're often a third party in this scenario, your ability to engage directly with customers on a social media level may be limited.

None of which is to say you should avoid social media. Just **don't expect too much** from it in this particular situation. If your client asks you to help them with a social media strategy for their store – say, by promoting the very same offers that you're pushing out via your loyalty campaigns on the company's Facebook page – jump on any opportunity they offer.

So let's review how to juice those company store profits:

- **Identify your audience** – Make sure you know whom you're talking with.
- **Cross-sell and up-sell** – Provide alternatives and upgrades; you'll keep more orders in your store and see average order totals rise.
- **Gratify and Surprise** – Make service surprising every once in a while, you'll make customers for life.
- **Loyalty Marketing** – Keep in touch with customers and you'll keep them coming back. Don't forget incentives!
- **Stop being a vendor** – Get out of the order fulfillment mindset; be an advisor and – yes – a salesperson!

# WRAPPING IT UP

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There are a few other no-brainers when it comes to ensuring profitability on company store programs:

- **Mark up shipping and/or add handling:** Where contracts don't require you to adhere to "published" rates, mark up your shipping to help cover your overhead, or add a handling fee to orders for the same purpose. You don't need to go broke doing this.
- **Use "integrated" or "real-time" freight** quoting to make sure your shipping costs are correct. Fuel surcharges and rate increases can take a bite out of your margin if you're not careful. Make sure you're getting the current rates for the packages you're shipping.
- **Don't give away the farm to close the deal:** Too many company store programs are sold on the basis of one distributor coming in cheaper than everyone else for the planned products. It may sound obvious, but don't chase bad deals. You must communicate the value of how you run your program – if you run it like we suggest, your customer will be creating brand ambassadors left and right, which is infinitely more valuable than a few more cents off a ballpoint pen. And don't forget that for many corporate customers, a good company store offers benefits they won't get anywhere else: budget control, transparency and security.

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