

A Step-by-Step Guide

To Developing a Highly Effective Retail Marketing Strategy



Table of Contents

Introduction	3
Fundamental Concepts of Successful Retail Marketing	4
Value	5
Trust	5
Authenticity	6
Communication	6
7 Steps to a Highly Effective Retail Marketing Strategy	7
Step 1 - Document Your Strategy	8
Step 2 - Identify Your Ideal Customer	8
Step 3 - Set Goals and Define KPIs	10
Step 4 - Evaluating Existing Efforts	13
Step 5 - Identifying New Opportunities	13
Step 6 - Implement, Test, Monitor, and Refine	14
Step 7 - Keep Your Strategy Updated	14
Next Steps	15

Introduction

On the surface, retail marketing seems like it should be fairly simple and straightforward. Select the perfect products to sell to the ideal consumer in the right location and bring their attention to your offerings via the appropriate marketing channels—it's the retail fantasy.

Decades ago, that may have actually worked. Unfortunately, today's retail environment is fraught with marketing challenges that ensure only **47% of retail businesses** make it to their fourth anniversary.

With the competition inherent in the retail space, marketing professionals need to move beyond the so-called “tried and true” marketing tactics that no longer serve their bottom line and long-term growth.

Instead, it's time to create a comprehensive strategy that delivers predictable, scalable results.

We've created this powerful guide to help do just that and, in turn, drive more shoppers to your store, convert them into customers, and keep those customers around for the long term.

In this guide you'll discover how to:

- Deeply understand your customers
- Set relevant and achievable goals
- Identify existing assets and how to leverage them properly
- Identify new marketing opportunities and how they can enhance your current efforts
- Bring it all together to build a predictable, scalable, marketing machine

But first, let's explore a few fundamental concepts of highly effective retail marketing in the modern marketplace.

Fundamental Concepts of Successful Retail Marketing



Value

The most important thing to consider when creating your strategy is the value you're providing to your customers. There will always be others who replicate your products, undercut your prices, and work to mimic your success.

The difference between your organization and theirs is the value that you provide to your customers throughout their life cycle, and the fact that you work to keep them engaged in order to earn their repeat business.

Make value one of your core drivers and you'll find that you're able to engage more prospective shoppers, earn the trust required to convert them, and establish the relationship with them that will bring them back to buy from you again and again.

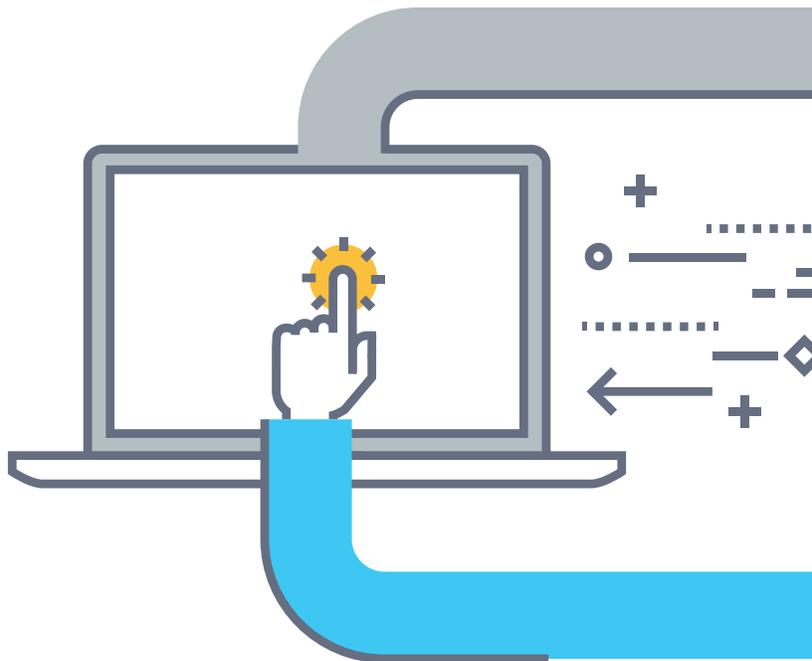
A retail marketing strategy that doesn't focus on providing the utmost value to your consumers is unsustainable and is directly related to the massive number of retailers that don't survive in this space.

Trust

One of the byproducts of value is trust, and trust is what drives immediate success and predictable retail growth. Unfortunately for most modern retailers, today's consumer has become wary of the marketing message. Anything viewed as sales-focused puts

shoppers on alert for the types of misleading promotion that caused this shift in the first place. That said, for the sophisticated retail marketer, this actually opens up new opportunities to outpace the competition. While competitive businesses are focused on sales and promotions, you can focus on garnering the trust of your audience in order to increase both immediate returns as well as keep your customers engaged and restart their life cycle.

Establishing and maintaining trust needs to be another cornerstone of your marketing strategy. Every action you take should be evaluated for how it will impact the trust of the segment of your audience it affects.



Authenticity

In the competitive landscape of retail, it can be easy to get caught up in what other retailers are doing in order to take advantage of any apparent success they may be receiving. However, in order to maintain the trust of your customers and remain in line with the value your brand promotes, it's vital that the actions you take remain authentic.

As you craft your strategy document, evaluate each of the sections for authenticity to your core values. Are they in line with the brand your customers have come to trust and appreciate?

Communication

Finally, effective communication is the most effective marketing tool at your disposal. Every marketing activity you pursue needs to be communicated to your audience in a way that resonates with their wants and needs and ensures their understanding of the value you offer.

This effective communication is how you expose your customers and prospective shoppers to this value, earn their trust, and remain authentic.





Step 1 - Document Your Strategy

The first step of the process is to understand its documentation. First, be sure that you document all of the information you uncover as you work through each of the elements in this guide.

Also, be sure to treat your strategy as a living document, one that's continually edited and updated as you move forward implementing your strategy. As tactics are tested and new insights are discovered, information needs to be updated. Be sure that your document is always modified accordingly to accurately reflect your current strategy.

While creating your new strategy, be sure to assign someone to be held accountable for doing so in order to avoid other priorities getting in the way and your strategy reverting to a mishmash of unorganized tactics.

Step 2 - Identify Your Ideal Customer

Buyer Personas

A buyer persona is a semi-fictitious representation of your ideal customer. Research, interview, and survey your existing customers in order to learn as much as possible about their wants, needs, pain points, habits, etc.

You'll want to collect demographic information, such as:

Age

Age may or may not represent an important variable in your marketing, but it's an important variable to gather in order to know where you stand. For instance, if the vast majority of your customers are millennial moms, you'll want to target your marketing message to reach them most effectively.

Income

Income information is typically gathered through interviews, as it's not something most people will share via online forms. Once again, you'll use the information gathered to understand the financial position of your ideal buyers.

Location

You'll also want to better understand where your traffic (leads and customers) is coming from, geographically speaking.

You'll also need to gather as much psychographic information as possible, such as:

Interests

Identifying trends in your ideal customer will allow you to develop a more effective marketing message that reaches them on a more personal level.

For example, let's say one of the standout interests you were able to define about your women's clothing store is that your customers all liked to surf and participate in beach activities. You'd be able to develop a deeper/more trusted connection with your audience and your in-store shoppers from the initial touchpoint by catering to that lifestyle.

Challenges

One of the most important goals of your marketing will be to help your customers overcome the challenges they are facing. The first step in doing so is to identify what challenges they encounter most and the frustrations/pain points they experience as a result.

For example, you may be able to identify that the customers at your outdoor supply store have trouble organizing all of the things they need for a trip without overpacking. You could then create a

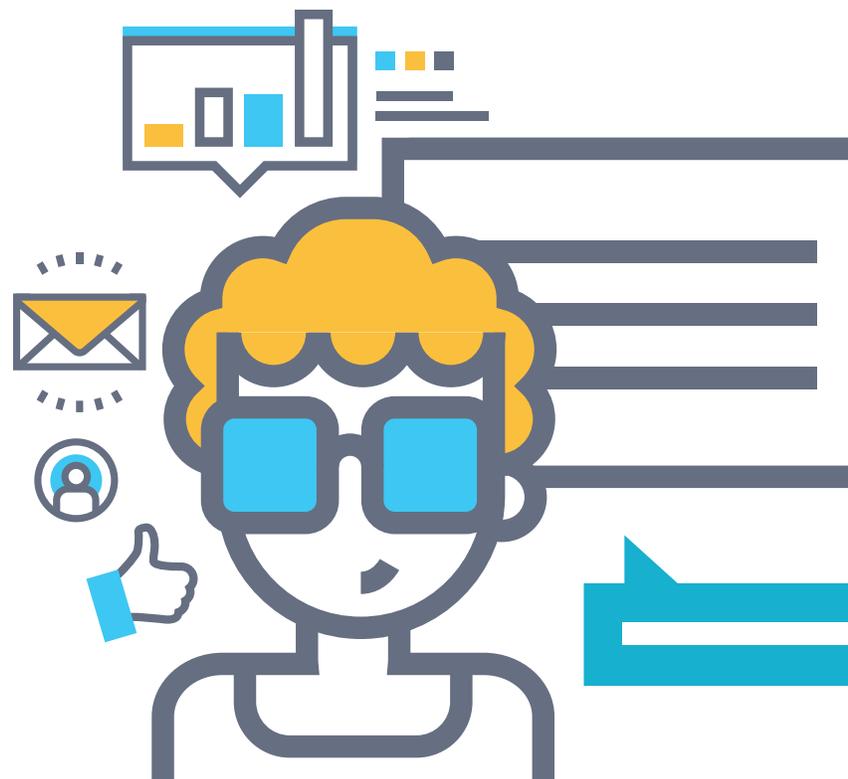
downloadable guide for your website that you can use to generate leads and nurture them toward a sale.

Goals

Speaking to a representation of your ideal buyer will allow you to test your assumptions of what they hope to accomplish with the product or service you offer.

Constructing Your Buyer Personas

Once you've gathered all of the information, it's time to create your buyer personas. Create at least one persona that represents the different characteristics of your ideal buyer. Create a full story based on the information gathered and how it relates to your business. The more detailed the better.



Step 3 - Set Goals and Define KPIs

The next item on the list is defining your goals. Unless you document your goals it will be nearly impossible to create a strategy that works toward their accomplishment. We like the SMART framework for goal-setting. SMART refers to their being:

- Specific
- Measurable
- Achievable
- Relevant
- Timely

Each of your goals should possess all of these qualities. Ask the following questions to make that happen:

What Will Your Marketing Help Your Store to Achieve?

The first step should be pretty familiar. You'll start by outlining the things you want to achieve from your marketing. This could be as simple as increase shoppers to your store or website. You may also want to increase the revenue derived from that traffic.

In this first step, you won't focus on adhering to the SMART framework. Instead,

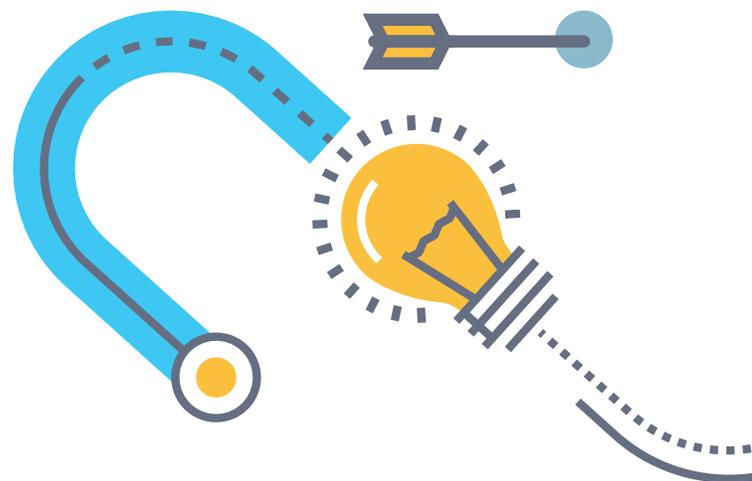
you're creating a list of items you want to accomplish so you can refine them in the next step. After you have your list, use the following questions to modify your goals until they meet the SMART criteria.

Are These Goals Specific Enough?

If your original goal was to "increase the number of visitors to your store," how can you make that more specific?

For starters, you can attach a persona-based qualifier to your goal. Based on the buyer personas you created, you could modify your goal to be specific to families, couples, young professionals, millennials, or any other segment of the population represented by your persona.

You can also use this criteria to determine how much you want to increase that traffic. For example, increase in-store visits by 20 percent.



How Can You Take Action to Achieve This Goal?

This isn't the time to decide exactly what action you'll be taking to achieve your goal. Instead, you'll want to ensure you haven't started creating a goal that is unactionable. Can you create a short list of actions that you could take toward accomplishing your goal? If so, your goal is actionable, if not it's time to make your goal even more specific and ensure you'll be able to take action on it when it comes time.

If your goal was to increase traffic to your website, you could create a quick list like this:

- Highly targeted Facebook ads
- Print ads in local publications
- Google Adwords advertising

When it comes time to take action, you don't have to stick to this list. Its sole purpose is to ensure your goal fits within the SMART framework. However, you can rest assured that you'll have a much easier time achieving your goals when you can create lists like these to confirm they're actionable.

How Are These Goals Relevant to the Success of Your Destination?

While the SMART framework sounds really nice, it may be a little out of order. You certainly shouldn't wait until the third step to determine if your goal is relevant to the

success of your retail marketing strategy. Before taking the time to establish a new goal, ensure that it's entirely relevant to your strategy and falls in line with achieving your other goals.

How Will You Measure Your Success?

By the time you've met the first three criteria your goal is getting quite clear, but you still have two more to meet. The next question you'll have to ask is whether or not your goal is measurable.

For example, if your goal is to increase your destination's exposure, you'll want to ensure that you have a way to track just how much exposure is generated by your marketing tactics. Online advertising platforms like Facebook allow you to track exactly how many users saw (were exposed to) your advertising or promoted content.

This makes your goal measurable, especially when promoting your destination through digital media channels. However, should you decide to run print ads, the level of measurability changes dramatically.

After all, your publication can print your ad and put their magazine in front of people, but they cannot guarantee your ad will be seen by the reader. In fact, most cannot even guarantee that all of their prints will be distributed, skewing the numbers even further.

Defining KPIs

As you define your goals, it's important that you also identify the appropriate KPIs (key performance indicators). KPIs are what you'll use to measure the efficacy of every tactic you deploy and optimize them to improve your results/returns.

For example, you would use your costs-per-click to understand the efficacy of your paid ads, your cost-per-lead to understand whether or not you're targeting the appropriate audience, and your cost-per-conversion to understand the efficacy of your conversion funnel.

When Will You Accomplish Your Goals?

The final criteria of a SMART goal is the timeline in which you will achieve it. You may want to increase tourism in the coming year or season. Be clear about when you want to achieve your goals and you'll find it easier to determine how to do so.

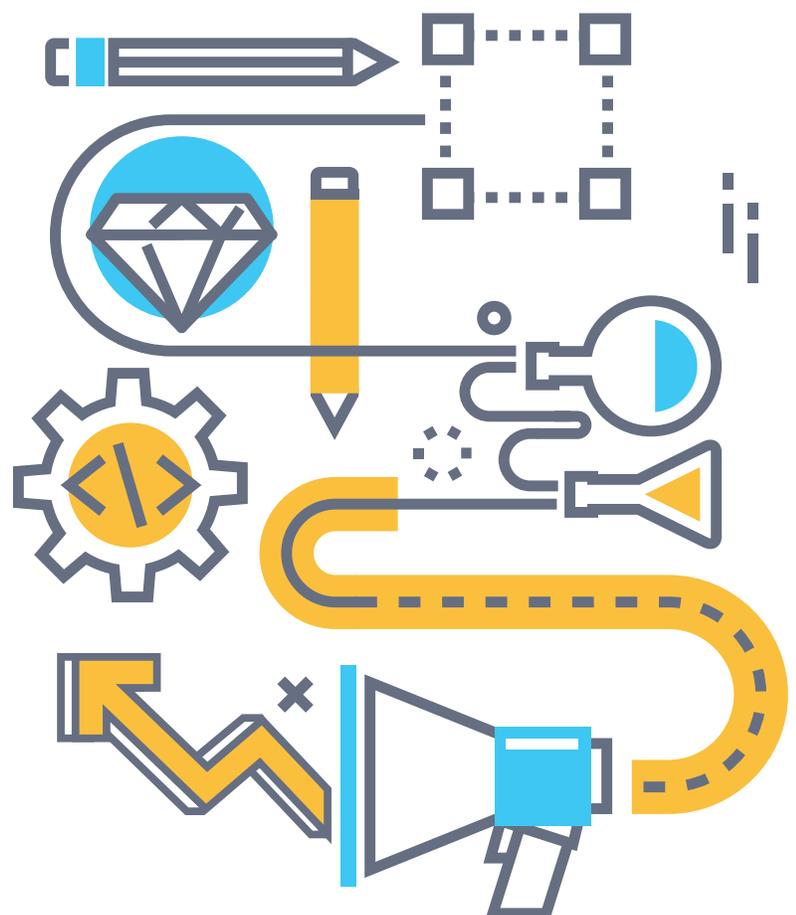
SMART Goal Example

When you put the 5 criteria together you'll have a goal that is specific, measurable, attainable, relevant, and timely. Let's look at examples of your final SMART goal:

Increase in-store signups to our mailing list by 50% percent in the next 120 days.

It really doesn't have to be complicated. Simple goals like this meet all of the criteria and will help you market far more effectively. You know what you have to do, how much you have to accomplish, and when you have to accomplish it by.

By simply understanding these components you'll be able to determine just what actions you'll need to take to accomplish your goals, something many brands never fully understand.



Step 4 - Evaluating Existing Efforts

Now that you've carefully defined your ideal buyer and set clear goals, it's time to evaluate how you'll go about achieving them most effectively. That means documenting each of the channels you're currently using and their performance.

What you may find is that some of the channels you're currently using to promote your store(s) are difficult to track, which means it will be difficult to determine the returns you're seeing from them and whether or not they're the most effective use of your marketing budget.

Document each of your current channels and work to identify room for improvement. For starters, if you're running paid print ads in local publications but you're unable to track the traffic or sales generated by those efforts, work to establish a way to track them. By including a specific coupon or discount code you'll be able to identify which shoppers are being brought in by those ads and whether or not those shoppers are actually converting.

Equally as important, look for ways that your various marketing channels could be used to support one another.

For example, if you're currently running Facebook ads and creating content, you may find that you could improve the results from either by combining your efforts. By

running Facebook ads for your most valuable content you may be able to better accomplish your online lead-generation goals.

Step 5 - Identifying New Opportunities

The various tactics that each retail business implements will vary greatly and what works for one may not work as well for another. Defining the specific tactics you should be implementing and how is beyond the scope of this guide.

Instead we're encouraging you to explore which tactics that you're not currently using could be used to enhance your overall marketing program.

After all, the goal of creating a sophisticated retail marketing strategy of this caliber is to create a highly efficient marketing machine that delivers predictable results. This is accomplished by getting all of your marketing efforts aligned to the achievement of clearly defined goals, something you'll accomplish by following the steps outlined in this guide.

Explore new technologies and tactics that could be used to further enhance the results of your current marketing efforts or tie them together to be used more cohesively.

Make note of what components should be integrated and how they will support your ongoing marketing activities. Build them into your future plans and determine when to begin to test deployment of individual tactics.



Step 6 - Implement, Test, Monitor, and Refine

The final step in this process is the actual implementation and optimization of your strategy. While all of this careful planning will greatly support the results of your marketing, no strategy is perfect, especially straight out of the gate.

Start by working to optimize the performance of your existing marketing activities. By getting them to work together cohesively you'll find that you'll be able to deliver better returns from your existing marketing investment.

Test your new collaborative approach and monitor the performance as they come together to support your overall goals. Test variables and monitor the performance of the individual tactics, as well as the effect they have on the rest of your strategy. Once you've been able to address the performance of your current tactics and

fill gaps to the best of your abilities you'll be better prepared to implement new initiatives. Implement tactics that you identified in the previous steps and follow the same logic. Test its performance as a solitary marketing tool, but also identify the impact it has on the rest of your strategy.

For example, when implementing text marketing you may find that you're able to improve the results of your paid advertising and email marketing by tying them together with a third touchpoint.

Step 7 - Keep Your Strategy Updated

A big mistake we see the majority of retailers make is that they create a marketing strategy and ride it out even if it's not performing. Always be testing your retail marketing strategy and optimizing it along the way. As new information becomes available, adjust the document accordingly. Otherwise you'll be back to implementing a random assortment of tactics in no time.

The retail environment changes quickly, but many stores are stuck implementing a strategy that is a year or two old (or older). Remember to use the most current information when constructing yours.



Next Steps

You now have a step-by-step template to help you craft a highly effective retail marketing strategy. It's up to you to follow each step, fill in the blanks, and document the process so that you can execute on it.

Testing new technologies and tactics is a critical component to any marketing strategy and retail is no different. Text marketing offers one of the most cost effective and engaging platforms for retailers to better reach their shoppers and customers. Furthermore, it's proven to improve the performance of other marketing platforms, one of the key drivers behind creating your strategy in the first place.

We offer a no-obligation 90-day FREE trial so you can experience the benefits of text marketing for yourself. Be sure to try it today to determine how it can help optimize your current marketing program and play an integral role in your building a predictable, scalable marketing machine.

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