

June/July 2002
Vol. XV
No. 5

Multi-Regional News For the Western Foodservice Marketplace

All the right moves: The art of marketing to the new mover



By ERIC J.
BADOFSKY
GUEST EDITOR

Sometimes it's a matter of bringing over a tray of homemade cookies. Other times, it's proffering a hot, home-cooked meal. And often it's simply a warm hello and a robust handshake. Whatever form it takes, the welcoming of a new neighbor is one of America's most venerable and abiding traditions.

With the help of today's advanced list and database techniques, marketers in the restaurant industry have distilled that tradition into an eminently productive idea called the New Mover Program.

An estimated 15-20 percent of the US population—spanning the entire demographic spectrum—changes residences every year. Irrespective of age, sex, ethnicity, marital status or income level, these millions of consumers have one immediate need in common: friendly, reliable and affordable restaurants in their new communities.

During the first six months of residency, the average new mover will spend eight to ten times more money in the neighborhood than the average established resident will spend in two years. What's more, because lifestyle change comes naturally with the territory, new movers are far more likely to try new brands and establish new loyalties. This places them among one of

the most responsive audiences in the restaurant industry, and because these eager new consumers are ceaselessly churning into new marketplaces every month, they supply a steady, consistent source of fresh revenue potential.

The first building block to a long-term relationship with a new mover? Beating your competition to the punch with an arresting, appealing, message. The best vehicle to deliver the your message both quickly and personally? Direct mail!

No matter what the product or service being marketed, the model for a successful new mover's mail campaign contains four key ingredients:

1. The mailing list

The first vital component is the consumer data itself. For optimal results, your new mover mailing list must not only be complete, but fresh and accurate as well. Outdated information and inaccurate (i.e. undeliverable) addresses can seriously affect your return on investment. Most reputable list compilers should be able to guarantee a 90 percent deliverable rate, while the top suppliers may up that guarantee to as much as 95 percent. In order to ensure maximum list diversity, your list provider should also be drawing and cross-checking new mover names from multiple sources such as deed registrations, new telephone connections, financial institutions, continuity clubs, publishing companies, etc.

2. The creative

The second most important facet of any new mover program is the mail piece concept. Apart from arresting attention, the piece should welcome the customer to the area, be concise and engaging—and include a tempting introductory offer to visit your estab-

lishment. The faster and more effectively you can stimulate new movers, the faster—and more emphatic—their response will be. And new mover response rates are typically the highest achievable for direct mail offers.

Naturally, the creative source you choose should have a successful track record in new mover marketing. Expect the source to provide not only the concepts, copywriting and layout of your piece, but full-service print production as well. With the capacity to meld all these services, your source can substantially trim your costs as well as deliver you from administrative headaches.

3. Lettershop

Once your mailing list and creative/production services are secured, you'll need a reliable mailing service (i.e. "lettershop") to fold, seal, address, pre-sort and deliver. The more consolidated the lettershop services, the faster your direct mail pieces will reach your prospect. A good lettershop will offer full turnkey services like data processing, CASS certification, address standardization, ZIP+4 append and postal pre-sorting—all calculated to speed your mail at the lowest postage rates available.

4. Database management

A successful new movers program should aim not only at spurring trial of your restaurant, but at stitching long and loyal customer relationships. One of the most reliable, cost-effective ways to start these relationships is with the development and use of a customer database. Utilizing a well-designed database allows you to track response rates, profile your customer base, perform back-end analysis of your marketing programs and, most importantly, keep customers coming back

through on-going loyalty programs (e.g. newsletters, birthday offers, kids' clubs, special promotions, etc.).

The database manager you select should be able to design, implement and manage data files of all sizes and varieties, as well as offer enhancement services like customized profiling, modeling analysis, responder tracking, non-responder flagging, profitability reports and merge/purge services.

The successful union of all four key ingredients ensures not only a stream of new customers, month after month, but if their first experience is a good one—a solid base of loyal customers as well.

In short, welcoming a new neighbor can translate to some very welcome income for you. *HN*

Eric Badofsky is the vice president of Client Services at FMP Direct, Inc. in Libertyville, IL, a full-service restaurant marketing agency and list provider specializing in new mover and customer loyalty programs. He can be reached at 800.995.EDGE, or by email at ebadofsky@fmpdirect.com

Four ways to send us a message:



Drop a line to
P.O. Box 21027
Salem, OR 97303



Leave a voice-mail letter
on our phone system
800.685.1932.



Fax us at 503.390.8344.



E-mail us at
hospnews@hnewsgrp.com

HOSPITALITY NEWS GROUP