Can E-mail Move Product?

Yes, and a lot more if you'll harvest those e-mail addresses and find new synergies with your vendor partners.

BY ANNA MURRAY

Retailers and vendors work together closely on co-op advertising, promotions and displays. So why not with online programs? Manufacturers have brand-oriented web sites, while retailers' sites offer store information and, perhaps, online shopping. The two efforts are totally separate, but the potential synergies are enormous.

The fact is that online programs can drive short-term sales and -- more important -- help build long-term relationships. Let's look at some examples of each.

In a short-term promotion program, shoppers might get a secret code, via on-pack or at checkout. They enter this code on a special website that is co-branded by the retailer and the manufacturer. This lets them download, say, a ringtone, a screensaver, or a coupon good toward their next purchase.

Perhaps there is a chance for a bigger prize, like a year's supply of groceries. Shoppers are incented to go back to the store to get more unique codes. Of course, in order to get any of these goodies, they have to register. And that gets you started with long-term relationship.

E-mail addresses are the most valuable asset generated in online programs. Yet, I have watched dozens of manufacturers run online sweepstakes and gather hundreds of thousands of e-mail addresses only to let them collect dust. Traditional promotions drive just a short-term sales bump. But an e-mail program can build repeat visits and drive loyalty, so it is worth making the extra effort.

The Retailer's Edge

As a retailer, you are better able than a manufacturer to strike up an e-mail relationship with shoppers. I don't really have much of a relationship with my yogurt brand. But I sure do have a relationship with the Food Emporium that's closest to my building. I shop it everyday, and right this minute I'm wondering if there's a special on ice cream. So why not get started? Work with a manufacturer to develop a recipe or meal solution involving its product. In refrigerated and frozen foods, the possibilities are endless. Strawberry shortcake with Cool Whip. Syrup with frozen waffles. Beer with specialty cheeses (honest!). Put the recipe on a prominently-displayed tear-pad that lists a website (co-branded?) with more recipes.

Once again, shoppers register to go to the site. Then, monthly or weekly, they get recipes or offers in their inboxes. These recipes use products that are being promoted. And, get this, through registering consumers have the option of having the shopping list sms'd (text messaged) to their phone.

The key here is to send relevant and meaningful content, and not "Hi there again. It's February" e-mails. If your e-mails aren't useful or entertaining, don't send them! Once you have an e-mail list, use it! Segment it regionally, so you can tie in with that NASCAR event in the Southeast, or a store cluster running a demo. Target your e-mails

with offers keyed to buying preferences. Does the shopper buy frozen pizza or organic milk? Are there kids in the household?

As you work toward building customer relationships, start thinking of your e-mail as you do your in-store flier. How can manufacturers participate? Perhaps they can advertise in your e-mail to reach demographic groups in certain key markets. The opportunities are limitless, and the new profits might as well be yours.

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