Exploring New Markets

ABA Spring Forum

2015
Agenda

• Increasing Sales to Existing Customers
• Reaching Markets by Generation
  ➢ The Millennials
  ➢ Generation X
  ➢ The Baby Boomers
• Reaching Young Readers
• Reaching a Diverse Customer Base
• Reaching Online Shoppers
• Group Discussions
Increase Sales to Existing Customers
Remember: It costs far more to gain a new customer than to keep an existing one.

“Someone calling themselves a customer says they want something called service.”
Stop thinking about market share. Start thinking about customer share and life-time value.

A. You already know who, specifically, these customers are.
B. You know what they purchased previously, so you have insight into their needs.
C. You know how profitable they are for your business.
D. They are already familiar with your business, its personality and brand, its products and services, and the benefits of shopping with you.
E. And, as a result of (A through D), you will be able to close more sales and cater to customers who are most likely to be highly profitable for your business.
F. You will also find that you need to spend far less time and money than you might have thought.

Source: Small Business Trends
Your Good Ideas

Valentine’s Day cards and/or other holiday cards/birthday cards: Send cards to your best customers every year. Include a small store credit and a thank you for their business.

Pop-up-bookstores at a customer’s workplace: For a short time and tailored to that customer’s needs.

Secret password sale: If the customer says the password during a three day period, she/he receives a percentage off one item.

Suggest a title: Provide a centrally located bulletin board for customers to post their own reviews, raves, and suggested titles. Provide thumb’s-up icon for other customers to “like” the review.

Ingram Shipping Direct to Home: Offers customers an option for shipping special orders to their homes.
More Good Ideas

**Curbside Delivery:** Offer to bring the title out to the customer’s car.

**Rainy day delivery:** Offer to hand deliver titles to the customer’s home.

**Create an annual party for your preferred customers:** Black tie!

**Offer personal shopping hours** featuring some of your best-known and/or best-loved booksellers.

**Implement variations on loyalty clubs** based on customer purchases. Most POS systems allow you to create frequent buyer programs.
The Millennials
(Born 1980- 2000)
Millennials make up at least **25%** percent of the U.S. population and this percentage will increase over time.

Source: U.S. Census Bureau
Millennials are not just connected virtually via social networks; they **value the role that they play in their communities.**

Source: Council of Economic Advisors 2014, White House

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**Millennials embrace social responsibility**

85% say that social responsibility affects where they shop and buy

75% donated to a cause in 2011

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**Millennials are Community focused**
Your Good Ideas

**Book Clubs hosted by staff in their 20s.** For example: Start a Comedy Book Club. Invite local young comedians to read the same title and perform a five-minute “riff” on the title. This gives the comedians valuable performance experience and raises the profile of literature and the store among millennials.

**Stay open later** to cater to the “going out” crowd.

**Expand authorless events** to include social events such as speed dating, and DJ nights, and community interests, such as CSAs, etc. **And host author events in hip places.** Example: One ABA member store hosts drinks with an author (called Pints & Pages) in a local bar.

**Keep an active and updated social media presence.** Include QR codes, your Twitter handle, and website address on outgoing printed materials, such as bookmarks.

**Start a story time** for adults who want to gather and listen to a story read aloud. (Similar to The Moth from NPR)
More Good Ideas

Stay active in neighborhood events to help promote your town and your store.

Be creative with shipping offers. Offer customers an option for shipping special orders to their homes.
Generation X
(Born early 1960s to the early 1980s)
Population by Generation

Source: U.S. Census Bureau
Generation X Consumer Behavior

- **They are online daily:** Keep web and social media content fresh!

- **They do product research online:** Make your services highly visible online with social media, search engine optimization, and review sites.

- **They are brand loyal:** Build a relationship with them and offer excellent customer service every time.

- **They value diversity and independence:** To reach them, pique their interest about your products or services instead of preaching why they must have it.
Your Good Ideas

**Offer free downtown delivery** for customers who are at work.

**Offer free gift wrap.**

**Extra benefits for special orders:** One ABA member reports that when they take a special order they give customers the convenience of 50% off any coffee drink when they return to pick up the book.

**Remember:** Keep all web content and social media content updated.
Baby Boomers
(Born 1946 – 1964)
Baby Boomers ARE Internet-savvy

Over 27 million social networking users in the U.S. are over the age of 55, with almost 19 million of them active on Facebook specifically.

Source: Immersion Active
At the same time they are leaping into the future, many Baby Boomers are longing for the past.

Source: Missouri Business Development Program

When people say "Stop Living in the Past!", My thought in return is "But, the Music was so much better then!"

Source: someecards user card
The way to the heart of a Baby Boomer is through customer service.
Your Good Ideas

**Friend of the Grandparents program** includes a book-of-the-month club for grandchildren, as well as curated shower and baby gifts, etc.

Also ask grandparents to provide birthdates and interests of grandchildren so you can send them reminders of the child’s approaching birthday. Include title suggestions for that child.

**Friend of the Bookstore** program offers special discounts, preorders, and an appreciation evening. Help to feed the meters during the event.

**Women of a Certain Age Discount Mondays** linked with visits by experts on finance, health, skin care, etc. for WOACA.

**Add vinyl records and/or generational CDs during the holidays.** Create a music display featuring The Beatles and related records, books, and gift items. Example: Baker & Taylor programs such as NPR Discover Songs and Vinyl Lives.
Many boomers enjoy increased mobility and relocate seasonally or throughout the year. Provide low cost shipping for them no matter how many books are in the box. One ABA member says this helps the store stay in touch with boomers.

**Boomers on staff** can help you reach boomer customers.

**Books and Breakfast:** Serve muffins, coffee, juice, water, and talk about new books and authors. Breakfast clubs can create community goodwill.

**Keep a file for customers** who want to keep wish lists physically in the store.

**Work with a local tour company** to create local, national, and even international literary tours.
Reaching Young Readers
Where Children’s Books Are Purchased (Excluding YA)

SHIFTS IN WHERE CHILDREN’S BOOKS ARE BOUGHT
(REPLACES CHART ON PAGE 11)

Consumer Survey Responses – Location of Book Purchases

Trends in How Books Are Purchased (Units) Adult Fiction

Copyright 2014 The Nielsen Company
**Your Good Ideas**

**ALWAYS say “Yes”** when a teacher wants to do an event or provide kids’ programs to the store.

**Create projects like BookSmartArt** once a month that are easy, season-based art and craft projects, which take about an hour. Charge $3 – $5 depending on the craft.

**Create a Teen Advisory Board.** Have teens apply to join and then have a hand in marketing and hosting events for teens.

**Provide internships/work study programs where permissible (check local and state regulations)** for ages 13 – 15.

**Provide book talks for** kids 8 – 12 once a month.

**Host writing and illustration contests** to promote enthusiasm for reading.
More Good Ideas

Crate an interfaith story time with the help of local interfaith councils or other local religious associations.

Create a BINGO reading contest in the summer. Customers read book choices from a BINGO card. Hold a party before school begins again.

Offer a Happier Hour where the store offers happy hour specials to children and adults that includes a story time for the children.

Organize Second Saturday, First Friday, etc. events in collaboration with the local Library.
Reaching a Diverse Customer Base
Growth of Diversity in the U.S.

FIGURE 1.1
U.S. White and Minority Populations, 1970–2050

Millions

Source: U.S. censuses and Census Bureau projections, various years.
Young people between 18 and 34 are the most racially diverse generation in U.S. history – and embody the changing face of America.

Source: NPR November 18, 2014
Look for data on your community composition. Don’t assume you know who is in your community. Schools often have this information.

Hire diverse staff to better reflect your community.

Host a bilingual story time for children. As it becomes popular increase selection of Spanish/other bilingual titles.

Create in-store displays for various cultural groups in your community.
More Good Ideas

Hold bilingual readings of popular foreign authors. One ABA member store held a bilingual reading of *One Hundred Years of Solitude*. The moderator chose short passages in advance and had one presenter read the passage first in Spanish and then another presenter read the same passage in English.

Participate in cultural festivals when possible.

Partner with local religious/cultural/service groups to cultivate events and customers. Example: Boys & Girls Clubs of America.
Reaching Online Shoppers
US Department of Commerce Data

Total e-commerce sales 2014:
• $304.9 billion
• 15.4% increase from 2013

Total retail sales 2014
• $4.69 trillion
• 3.8% increase from 2013

Total retail sales 2013
• $4.53 trillion

E-commerce sales in 2014 accounted for 6.5% of total sales

NOTE: Book retail e-commerce sales in 2014 accounted for 35% of total book industry sales (Bowker/Nielson)
Webrooming Is on the Rise

Figure 8. Showrooming vs. webrooming

WEBROOMING
Going online to research a product and then purchasing the product at a physical store

SHOWROOMING
Going to a store to look at an item and then purchasing the product online

Source: Deloitte holiday survey 2014.

Graphic: Deloitte University Press | DUPress.com
Your Good Ideas

**Be creative with your shipping options**, including discounts and special programs.

**Continue to integrate** the online and in store experience. Some ABA member examples include:

- In-store displays with signage that reads, “As Seen on our Website.”
- In-store signage that advertises the store website along with the reminder that the store is open 24-7.
- Post store hours and directions prominently on your homepage.
- Remember to keep webpage content fresh!

**Offer coupons** in your email newsletter for customers to print and use in the store. Also, provide coupons in the store for online purchases.

**Create an online portal** for your book-of-the-month club. For example: https://thebookdrop.cratejoy.com/
Bethany Beach Books presents

Get a hand-picked book dropped on your doorstep every month.

For the ultimate viewing experience, please view on a tablet or desktop.
Group Discussion
Thanks for Participating!

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