

“Sales” Are A Great Marketing Tool If They’re Not Overused!



Are You Training Your Customers Not To Buy?

How Running ‘Sales’ Can Cost Your Business Money, Time & Opportunity

“This week and this week only...”, “Our Fantastic *Everything’s On Sale Sale*”, “Preseason Savings Time”. If your business runs on sales, I have some intriguing and thought-provoking questions to ask you.

Many businesses judge the effect of a sale by their sales during that period. Here’s question #1. ***Do you know how a sale affects your revenues in the periods preceding and following your sales?***

Oftentimes, business owners and managers do not realize that, although a sale will bring in more customers (and decrease margins) it will negatively impact the weeks just prior to and just after the sale. Why? Because customers who have been informed by your advertising to expect the sale, put off their buying until the sale. And those that were intending to buy a bit later, move their buying up to take advantage of lower prices.

Sales Could Be Costing You Money

Many of your Sale customers are, in actuality, (1) your regular customers who rescheduled their buying or (2) bargain hunters who chase the “coupon” and are uniformly without loyalty.

If your sales chart is made up of “Peaks and Valleys” as is true for the majority of businesses where sales are standard operating procedure, you’re simply rescheduling your income. When you train your customers to expect and wait for Sales, you trade a steady, predictable sales pattern for one of extreme highs and lows without appreciably changing the end results.

Are You A “Sales Addicted” Business?

Question #2. ***Did you ever wonder what would happen if you did not run frequent sales?*** Would you save time and money in staffing? Might you save time you now spend gearing up for “special promotions”? Might you be able to spend more time on making your business the best of it’s kind? Might you expend the saved effort on new and better ways to engender customer loyalty—all of which pay far better in the long run?

Having Fewer Sales Can Create Other Opportunities

And finally, Question #3. ***What could you do with the money you spend on Sale advertising (and increased margins) if you significantly cut the amount of Sales you run?*** Couldn’t you spend that money on advertising geared to differentiate you from your competitors and educate your customers as to why they should be doing business with you—*regardless of price?*

Remember, when buyers compare you with competitors and can not sense any real differences that would benefit them, they revert to making their choice on price. Thus, many companies that can’t differentiate their product or prove their value, rely on Sales.

Perhaps the time has come to re-evaluate how you want to build your business—on the *papier maché* of “Sales” or on the hard steel of Value?

Think it over.

By Alan L Tarr

