

PART II

by Aaron Voorhees

Marketing

The maintenance of your facility is one of the greatest marketing tools you have.



From Inception to Cash Flow

This two-part series is designed to provide information for the investor who is evaluating a car wash as a potential business. In last month's edition, I introduced the concepts of choosing the best site location, equipment supplier and building design. This installment continues to explain key concepts that will help your car wash produce cash flow.

The old philosophy "build it and they will come" seems to be in the mind of many new wash operators across the country. I have been in the marketing arena for many years and believe that if you don't properly market your investment, you may not find the success you were counting on. In a broad sense, marketing consists of anything people see that relates to your business. Not only an ad placed in a paper but also your building, landscaping, driveway, etc. How well do you

maintain your facility, equipment and promotions? Remember people see the facility on a weekly basis.

Let's discuss some key elements to the success of marketing your car wash: management, collaboration, traditional marketing, fleet accounts, fund raisers and press releases.

Management IS Marketing

I will start by stating that proper management is a prerequisite for successful marketing. It will make or break an operation. This includes equipment maintenance, facility maintenance, customer service and marketing maintenance.

If you cannot keep your equipment up and running, it won't matter HOW much marketing you do. Routine maintenance is a must! Whether you do it yourself or hire it out, make sure it is current. Owners should also have the right

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resources available in order to handle equipment failure. One of the greatest resources is an owner's equipment distributor. They should have a full-time tech *team* dedicated to the washes they serve 24/7 and should only be a phone call away from assisting you. An owner should also be personally familiar with their equipment so that they can troubleshoot common issues. And issues...*you WILL have!* For example, you may find yourself with fund raisers going, new fleet accounts coming in, and other businesses selling your washes. All the marketing mediums are in full swing. Then an automatic breaks down, a fleet account wants answers immediately regarding their contract, you have cars stacked out of the driveway, and one of your collaborative partners selling your washes can't get the receipts to print correctly. A call to the equipment distributor and familiarity with your systems will allow you to quickly resolve these issues and keep the business moving forward.



Offer custom credit/debit cards or codes to build fleet business.

The maintenance of your facility is one of the greatest marketing tools you have. Have you ever been to a place of business that is dirty, disorganized and hard to navigate? You can't find what you need, the cashier overcharges you and a manager is nowhere to be found? It won't matter if it's the closest store to you and they have the best prices — you're not coming back! Car washes can be the same way. It is important to empty the trash cans, keep the grounds clean and the bay floors clear of mud.

It's also a good idea to wash your own vehicle regularly. A car wash owner with a dirty vehicle is a lot like a skinny cook. "Testing your own product" is a great way to monitor the quality of the wash. It allows you to put yourself in the shoes of a consumer. Would your wash be a pleasing place for YOU to frequent? Do you receive a quality product for a reasonable price? Keeping your wash properly maintained and asking questions like these will help keep you focusing on the issues that really matter.

Probably the most important factor in the success of your business is customer service. Our customers have not only sent in compliments but invaluable complaints. We hear about the conveniences our technology offers, as well as simple greetings like, "Thank you for your quick response to our issues!" We also hear from customers when our equipment is down or when someone got short-changed. All of this information allows us to better serve our customers. Your customers are going to experience problems from time to time, no matter how well you maintain your equipment and facility. If you don't know there's a problem or never get back in touch with customers, they'll tell 10 people about it! The good news is the other side of the coin: Make things right and they will tell 10 people how great your wash is. I like to post lots of signs around my facility with a phone number to call if there is a problem. Being quick to rectify the situation and remembering "*The Customer is Always Right*" has served my business well. If one of our customers is short-changed we not only reimburse them for their loss, but give them an additional free wash for the inconvenience. It costs us very little and creates a forever-faithful customer who will tell others about how great we are.

You also need to maintain and manage your marketing strategies to see what is working and what is not. Many owners throw an ad in the newspaper once or twice a year and call it good. I believe your marketing strategies will produce better results if you have your name in front of customers as much as possible. We monitor marketing efforts with tracking codes to see which mailer or ad is working the best. If one is particularly ineffective, we try another avenue. We also track hits to our Web site, where we also post current discount codes and promotions.



Management, collaboration, traditional marketing, fleet accounts, fund raisers and press releases are all proven tools to drive business to your site.

Collaboration

You see a lot of collaboration going on in the market place these days. Kentucky Fried Chicken is in the same building as Taco Bell, Wal-Mart is selling groceries, gas stations are selling lunch, etc. These businesses capitalize on the idea that a consumer needing one product will purchase other related products at the same location. In close proximity to our washes are several other auto service businesses like lube shops, tire stores, brake shops and gas stations. These places of businesses are prime collaborative opportunities for us to seize. We have some of these shops selling our car washes at their place of business. We have also collaborated with these businesses in marketing campaigns that cut the cost of advertising for both parties, and gives potential clients additional reasons to come to the area. We have done promotions with fast food restaurants and coffee shops, as well. For example, we've had a local fast-food restaurant that puts coupons in every drive-through meal in exchange for free washes for employee cars. There was a local coffee house that was comfortable giving coupons to each customer that bought coffee that week. Get creative in serving up your car wash to others! Talk to the businesses around you and see what mutually-beneficial arrangements can be made. This is the time to capitalize on the niche markets that you identified during your "grass roots explorations."

Traditional Marketing

Of course, there is still the age-old newspaper ad or coupon mailer that, indeed, produce consistent results. But marketing is so much more than a simple print advertisement. My father told me, "If you can't do two or more things at a

time, it is probably not worth doing anything." I did not understand this for many years but now have an idea of what he was talking about. It's the difference between addition and multiplication. Why throw an ad in the paper if all you're going to get is one result—a sale? Why do a free wash day at your wash if all you're going to do is pump people through? These efforts in and of themselves are okay, but they only *add* to your business. If you want your business to *multiply*, try to *synergize* your efforts. For example, if you put an ad in the paper with a discount code, also send people to your Web site (and yes, in our high-tech marketplace, I definitely recommend having a Web site). Once they visit your site, make sure it provides answers to commonly asked questions. Mention accolades, market differentiators and provide contact information. Make it easy for them to get in touch with you by e-mail, snail-mail or phone. Our Web site also has links to educate our customers on our equipment and detergents, and other pertinent Web sites that provide relevant, related information for our customers.

At our Web site, we also have a "preferred customer" sign-up which provides us with the greatest marketing tool: a customer-initiated direct mail/e-mail marketing list. Our preferred customers receive current promotions and discounts codes via e-mail. Once they sign up, we send them a confirmation e-mail and subsequent e-mails containing current promotions and discount codes. The likelihood these customers will open these e-mails is very high because they signed-up for the list themselves. When sending a direct-mail advertisement, only 3 percent to 5 percent of the recipients open the mailer. That is why I capitalize on our customer-initiated list which

has a much greater success rate. Not to mention, e-mails are FREE and direct mailers will cost you a ton in postage. If you can get customers or potential customers to invest their time into your business by spending time at your facility or at your Web site, they are more likely to make your wash the only one they use. They will also tell their friends, family members and neighbors about your wash which is the second greatest marketing tool—word-of-mouth advertising.

Power in Numbers (Fleet Accounts)

Start promoting the wash by recruiting fleet accounts. These will keep business at your wash steady even through the slow season. Government agencies, car lots, construction companies, utility companies, all have fleet vehicles that need to be washed regularly. We use a company called Exact One, which supplies our controls which utilize custom credit/debit cards or codes for our fleet account users (www.exacta.com). Some of our customers prefer a single prepaid card and others prefer a multiple-card post-pay group account. We only offer post-pay accounts to government agencies and accounts that pass our credit application. When marketing fleet accounts, sometimes a discount is warranted and sometimes the customer enjoys the simplicity of getting one bill for the entire fleet—no discount needed.

Fund Raising

I firmly believe in the “principle of giving” which compliments and covers businesses. This principle is taught in business books as well as in spiritual books: “*Give and it shall be given back to you.*”

One of the efforts we focus on and excel in is fund raising. My wife has coached many cheerleading teams and has years of experience fund raising for her teams to attend competitions, and purchase new uniforms and equipment. This gave us the idea to donate the use of our facility and self-serve equipment to host fund raising car washes to raise money for area schools, church youth groups, sports teams and other special interest youth organizations. We assist them in marketing their event by helping them with the fund raiser design, signage ideas and promotion. There are a number of different ways organizations can design their fund raiser and the amount of money raised depends solely on their measure of time and commitment. Some will raise \$100’s and others have raised \$1,000’s in a single day!

Allowing fund raisers does many things for your business. It promotes your brand to an interest group, supports the community, and draws people that may use another facility to your location. In doing this, potential customers will see your clean location, use your state-of-the-art equipment, and will return to a business that cares for and gives back to their community.

Our most successful fund raiser was done by a local organization dedicated to educating young motorists on safe driving practices. They enlisted the help of the Denver Bronco Cheerleaders. Children got their pictures taken and posters autographed, while mom and dad signed up to be a preferred customer with us and got their car washed by the organization volunteers for a donation to a worthy cause.

After two years in business we have helped organizations raise more than \$16,000. With the recent opening of our second location, we hope to double that in 2007 alone. There is no way to tell the exact impact these fund raisers have had on our business and customer base, but I am sure it is broad. We have been told by the parents of these organizations that their schools, families and members won’t wash their cars anywhere else because they appreciate our generosity so much. “Give and it shall be given back to you” in action!

Press Releases

If there is a news-worthy event that you have taken part in or a product you are offering—take it to the local news. Having spent many years in corporate marketing, I have found press releases to be a very cost-effective initiative if the release is picked up. If it’s not, it only cost you an hour of time writing it. Releases about fund raisers are always welcomed in most local papers and community bulletins. We issued a press release about our high-tech automatic equipment and found huge success, receiving hundreds of e-mails from customers telling us about how pleased they were. Once customers send e-mail feedback, you can then add them to your direct e-mailing list. We used those e-mails to send out questionnaires to gain customer input before building our second wash. Through the questionnaire and open format suggestions, we wanted to hear from Littleton, Colo. to see what *they* wanted in a car wash. We received more than 100 responses, sifted through the data, built the next wash and sent another press release to the local papers. Get creative and capitalize on this free promotional tool.

Marketing opportunities are endless! Yet above all, make sure to focus on the management of your facility and equipment, and on prompt, courteous customer service.

These will promote and grow your business better than any other efforts! God Bless and may you experience great success!

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