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## RETAILING TONY GATTARI

# The Principle of Multiple Touches

**JOHN OWNED** a sporting goods business selling equipment to sporting clubs. John owned the business for over 20 years, and had the same clubs purchasing from him, year after year. On the eve of his twenty-first year in business, John decided it was time to retire and pass the business on to his son Matt.

In the first year of Matt's ownership the business ticked along as well as before. In the second year, a few of the regulars started shopping with an online competitor, whose low cost business model kept prices down. In the third year, government increased taxes on poker machines. The large sporting clubs, whose main source of revenue was poker machines, cut the amount of sponsorship they gave to local feeder clubs. Those feeder clubs reduced their spending and shopped around looking for the best price.

Matt's third year was disastrous. Matt's father's formula for running the business no longer worked. Matt whined about his on-line competitors for under-cutting him, and the government for increasing taxes and the clubs for shopping around. Matt blamed all the factors outside his control, and did nothing to fix the real problem.

Marketing is all about finding solutions, because marketing is solving customer problems, and communicating effectively how your business will solve their problems. How can you solve other people's problems if you can't solve your own?

Matt spoke to a couple of his friends who had businesses. They told him how advertising in the local paper had worked for them. So a couple of weeks later, Matt placed an ad, but received only a couple of enquiries. Matt went into a mini-depression thinking about how he had had wasted \$2000 on an ad that bore no fruit.

If you're an archer in a tournament, and you shoot only one arrow, what would be your chances of winning the tournament? Yet business owners like Matt use the single

arrow approach all the time. How can one ad cut through the clutter of thousands of other ads appearing every day?

### ACTIVATION EXERCISE 1

How many marketing campaigns did you conduct last year?

How many of these marketing campaigns were effective?

Gerry Harvey is a marketing genius. One of the greatest single pieces of advice he ever gave me was: "When times are tough, market your way out." During tough times, most businesses wind back spending, and some stop marketing all together. The Harvey Norman experience in maintaining double digit growth re-wrote the rules. When competitors were either closing stores or barely growing at the rate of inflation, Harvey Norman ran "24 months Interest Free" campaigns incorporating:

- Television ads on all stations including pay TV
- Radio ads
- Major press ads
- New catalogues
- Local newspaper ads
- Letter box drops, and
- In-store point of sale.

You'd see and hear these ads everywhere... in the morning paper, on radio, on TV. The catalogue was inescapable, landing in every letter box. How could you not know you could get 24 months interest free at Harvey Norman? Compare Matt to Harvey Norman: Matt placed only one ad and gave up. Harvey Norman is one of the largest retailers in Australia because they never gave up. Remember, Harvey Norman only started with one store in the 1980s. Every business starts small.

Enquiry Generation: "I don't know which touch is going to get me a lead, but I do know that one of them eventually will."

How often do we see jewellery store catalogues inside newspapers? I seem to

see one promoting engagement rings or watches or bracelets every second week. How many times does a normal person get engaged? A jewellery retailer I met explained the strategy to me saying, "How can I know when people plan to get engaged? But when they do, I want them to remember where they can buy their engagement ring."

The principle of multiple touches is about knowing how many ways and times you can engage with people regarding your goods or services. The principle recognises that it takes time and more than one piece of communication to engage people into action.

### ACTIVATION EXERCISE 2

List all the activities you undertook in the past year to engage people to enquire about your goods and services:

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List other possible activities you could do over the next year to engage people to enquire about your goods and services:

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■ The author, Tony Gattari was the General Manager of the computers and communications division of Harvey Norman and oversaw the growth of this business from \$12 million to \$565 million in nine years. He is now founder and Chief Energy Officer of Achievers group. He is a much in demand passionate professional speaker, business educator, author and corporate, business advisor. He has worked with over 110 businesses around the world.

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