Winning Carwash Marketing Strategies
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Marketing ties into every facet of a carwash business, from facility appearance to signage to cross promotions to loyalty programs. The strategic role of marketing in a down economy is crucial to the success of carwashes, no matter what segment of the industry. This e-book provides insights and tips from Kyle Doyle, president of Blue Sky Image Group, a full-service carwash marketing firm. The material is crafted for carwash owners and operators interested in developing strong marketing strategies to bolster their bottom line. Readers will learn smart ways to attract new customers, increase customer loyalty and frequency, increase the average carwash ticket, carwash signage design and why differentiation is the key to developing a winning carwash strategy.

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Quick question: what is your current strategy to acquire new carwash customers? If you don’t have a quick answer, it might be time to come up with one. The reality for all businesses is that some customers will be lost over time — some due to things you control and others for things you don’t. The key is to acquire more new customers than you lose. In fact, customer acquisition is one of the three main objectives of carwash marketing, along with increasing customer frequency and increasing average ticket.

Before we discuss strategy and tactics, let’s talk about a few precursors. First, remember the old cliché that you only get one chance to make a first impression. It may be a cliché, but it is important that your first interaction with customers be a good one. To get a return on the money you invest in acquiring new customers, you need those customers to keep coming back after their initial visit. You don’t need to be the perfect carwash, but if there are any glaring deficiencies, fix them before you do any marketing. Nothing kills a bad business faster than good marketing.

The next thing to keep in mind when attracting new customers is that they do not all have the same economic value. According to one study published by Mercer Management Journal, most companies “earn 150 percent or more of their profits from a third of their customers, break even on the middle third, and run significant losses on the bottom third.” That means that the goal is not just to attract new customers, but the right kind of new customers.

For example, every carwash has customers who come in every few months and use a coupon on a basic wash. Every operator also has customers who come in once a month and buy a top package. While both customer types are important, if you do the math, you’ll realize that the second customer type is about 25 times more profitable than the coupon customer. That’s 2,500 percent more profit! Of course, it’s impossible to target only those regular customers, but the right kind of new customers.

According to one study published by Mercer Management Journal, most companies “earn 150 percent or more of their profits from a third of their customers, break even on the middle third, and run significant losses on the bottom third.” That means that the goal is not just to attract new customers, but the right kind of new customers.

The best way to find new high-profit customers is by understanding your current high-profit customers. This requires some informal market research. Talk to your top spenders and ask them why they first came to your wash and why they continue to come back. Find out the general location where they live and what their basic life situation is.

It usually takes about 10 to 20 informal surveys to clarify who your high-profit customers are. This will help you determine where you want to spend your marketing dollars. If you’re the shy type, write out a basic survey and have one of your more affable employees conduct the surveys.

When deploying methods to lure new customers, remember that no marketing tactic is a silver bullet. None of the following strategies by themselves will cause customers to rain down. Marketing is cumulative, and your overall strategy plays a huge role in your success or failure. Also remember that the creative execution of any of these tools will make a big difference in the outcome.

Promotions

The obvious first step in getting new customers is to let them know you exist. Keep in mind that you need to reinforce your brand and communicate that you are the carwash that stands for something. When it comes to promotions, first pick a message, then pick the marketing vehicles you’ll use to communicate that message.

Price Promotion (aka Coupons). Unfortunately this is the most used and abused tactic for bringing in customers. Most operators who regularly use coupons don’t realize the long-term damage bad price promotions do to their bottom line. The major problem with coupons is that when used as a regular and generic incentive, they devalue your services and result in a disloyal customer base.

Coupons do have a place in the marketing toolbox, but their purpose is specific. The textbook purpose of price promotions, based on decades of data, is to (1) introduce a new product or service, (2) attract loyal customers away from the competition, and (3) prevent customer defection to a new competitor.
If you’re a new carwash or just went through a renovation, you can use coupons effectively. If you have a strong competitor and want to try to entice its customers, use coupons. And, if a new wash just opened down the road, then deploy a coupon promotion.

However, if you don’t fit into one of those three situations, avoid couponing or at least use them sparingly. If you are going to use coupons, try offering an extra service free with the purchase of one of your packages, instead of coupons that offer a discounted price. This is still a good incentive but doesn’t water down your perceived value.

**Product/Service Campaigns.** One good way to create value and give consumers a reason to visit is by announcing a new product or service. If you bought a new piece of equipment that adds value to the wash, tell people about it. You also can promote offerings like prepaid cards (especially around the holidays), a loyalty club, unlimited plans or even a rain guarantee. Bringing attention to these parts of your business adds perceived value and could provide the incentive for undecided customers to try your carwash.

**Your Brand.** Nothing builds value better than a strong brand. If you have built a recognizable brand — something you stand for that is clear in the community’s mind — then tout it. Advertise your competitive differences and core values. Nothing increases perceived value more than a strong brand.

**Fundraising Events.** Hosting fundraising events is one of the best ways to promote and create buzz. They create anticipation and give your marketing a clear focal point. Events both a message and a vehicle because their very existence sends the message that your carwash is a contributing member of the community.

Fundraisers also allow you to promote your business to a whole new group of potential customers. Hopefully a good percentage of participants will come back after the initial event. In addition to the exposure and benefit to the charity, fundraising events create goodwill in the community. In turn, this increases your perceived value and helps differentiate you from competitors.

**Free Wash Events.** Another popular event is a day dedicated to offering free washes or deep discounts. These are used primarily by brand new carwashes to attract new customers; however, if used rarely (once or twice a year max) by existing carwashes, they can be effective in enticing new customers even if you’ve been open for 20 years. If you offer washes at cost or less than cost, you’ll be laying out money, but it’s also a marketing expense that can bring a better return in the long run than many other promotions.

**Messaging**

**Mail.** Direct mail, whether via regular postal mail or e-mail, is another way to reach potential customers. The key to postal mail is finding a good list. One good target is people who have just moved into the neighborhood. When it comes to e-mail, you have to be careful not to be considered just another spammer. Develop your own list or obtain one from a reputable source, and be careful in crafting messages that are not too pushy.

**Radio & Television.** When it comes to radio and TV promotions, a lot depends on your market since ad price is based on how many people are reached. However, local spots are often less expensive than national spots, although you may not reach as many people. Also, check your carwash’s reviews on popular sites like Yelp.com and Google Maps. If there are bad reviews, create your own posts to explain your side or contact those customers directly to see if you can ease their discontent. Another good tool to monitor what consumers are saying about you online is Google Alerts. All you have to do is enter keywords, such as your carwash name, and then Google will send you an e-mail whenever it finds a new reference to that keyword anywhere on the Internet. For example, if you create an alert for “Acme Car Wash,” you’ll get an e-mail whenever “Acme Car Wash” is mentioned online.

Believe it or not, there are customers in your community waiting for the right message and incentive to visit your carwash. With good strategies in place, there is no reason you can’t attract new customers and grow your business, even in this economy.

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The “Great Recession” has affected businesses across the globe and carwashes have been far from immune. One big reason why is although consumers are still shopping, they are doing so less frequently. The key for carwash operators is to attack customer loyalty head on and make sure they are doing everything possible to improve customer frequency.

To illustrate the importance of frequency let’s do some math. Let’s assume Acme Car Wash is washing about 50,000 cars a year at an average of $10 per car. Let’s also assume that the average customer comes in once every 12 weeks, or 4.33 times per year. If Acme Car Wash can reduce the average time between visits from 12 weeks to 10 weeks (or 5.2 visits per year), the wash will add another $100,000 in sales.

Wouldn’t we all like to find an extra $100,000 in sales? This is why an effort to increase customer frequency should be on every operator’s priority list.

**Loyalty vs. Frequency**

In this discussion though, we need to recognize an important difference between frequency and loyalty. People often talk about “loyalty” programs and “loyalty” promotions; however, what they really mean is “frequency” programs and “frequency” promotions.

Frequency is the number of times a customer visits over a period of time. Loyalty is a person’s conviction to remain firm in support of someone or something. Loyalty connotes allegiance. While it is important to pursue both frequency and loyalty, keep in mind that separate tactics are required to accomplish each.

This was illustrated perfectly during a *Seinfeld* episode in which Elaine loses a sandwich “punch card.” She had earned 23 punches on her card and the next one would have entitled her to a free sub. Frustrated that she lost the card, she laments, “I’ve eaten 23 bad subs; I just need one more!” While this card worked for frequency, it certainly didn’t create any loyalty.

We’ve all had punch cards that accumulate in our wallets. In the vast majority of cases, once we get the reward or realize we’re not going to earn it, we stop going to that store or business. This is in stark contrast to customers who are loyal to a company. Loyal customers will go out of their way and usually pay more simply because of their loyalty. People don’t buy Apple computers because Macintosh is the cheapest computer or because the fifth computer is free. They buy Apple because they are loyal to the brand.

Similarly, people don’t buy Starbucks coffee because it’s the cheapest coffee or because a Starbucks location is the closest to their neighborhood. They buy Starbucks because they’re loyal to the brand.

This is hugely important for carwashes because loyal customers visit more often and spend more per visit.

**Creating Loyalty**

How, though, does a carwash go about creating loyalty? Customer loyalty is built the same way that all loyalty is created — by sharing and relating.

Think about the people in your life that you would say you’re loyal to. In every case it’s because you share something in common with them. Maybe it’s a shared bloodline or a shared commitment. Maybe it’s a shared childhood, a shared employer, or some other shared experience. Whatever the circumstance, sharing enabled you to get to know their personalities and helped you relate to them.

Through these shared experiences and the discovery of each others personalities, loyalty was created. You became firm in your support of these people and developed feelings of allegiance.

With that in mind, the first step in creating loyal customers is expressing the personality of your carwash. This is the essence of branding — the effective communication with your market about the unique personality of your business in a way that highlights the valuable differences between you and the competition.

The problem for most carwashes is, even if they have a clean site with effective equipment, there is usually little personality shining through — they are just a carwash. Apple isn’t just a computer company. Apple has a personality, a style, a value set, a way of looking at the world, and these come across in everything the company does. The same is true with Starbucks.

When a company shares its personality, certain people will relate to it and want to enter a loyal relationship. As long as that perceived personality is proven to be authentic over time, those customers will remain loyal.
Loyalty is critical in this economy because carwashes that successfully build a brand and establish a personality will not experience the same declines in sales and decreases in customer frequency as others. This is because loyal customers visit their favorite washes because they relate to the brand, not because they are seeking the cheapest wash in town.

Of course, this is easier said than done. It is vital to realize that consumers are changing and demanding strong brands. Gone are the days where you could simply open a business, do a decent job and rely on the continued patronage of your market.

Building a brand that attracts loyal customers requires these basic steps:

1. Figure out who your target customer is or who you want it to be. It is imperative that you understand your customers and the people in your community.

2. Determine what your values are. This is the foundation of your carwash's personality. Do you support the community through fundraisers, special events? Do you believe in the environmental advantages of professional carwashing? Do you love cars? Do you value speed of service in an increasingly busy society?

3. Communicate through your marketing the personality of your carwash. Don’t be afraid to show it. It should weave its way into every aspect of your business.

4. Create a style based on that personality. This includes your logo, standard fonts, sign template, design aesthetics, etc.

5. Tell the world about your personality through promotional vehicles.

6. Don’t forget to be authentic. Nothing destroys loyalty like a company that claims to be one thing and then acts differently.

Improving Frequency

While creating a strong brand with a clear personality will definitely improve customer frequency, it’s not the only way. Even without a strong brand there are ways to get your customers to visit more often.

One of the most important tools is a membership club. (These also are called loyalty clubs, but for reasons we’ve already discussed, I call them membership clubs). The premise of a membership club is that the customer has done something to “belong.” This is a powerful motivational tool, even if there is no actual cost to join.

It is important to give the club a high perceived value by adding good features, discounts or even a free wash upon signup. I also recommend giving it its own logo and signage. In exchange for the value of club membership, it is imperative that you get as much information as possible from the customer. Ideally you should get their name, home address and e-mail.

This is essential because the biggest advantage to running a club is having a way to communicate with your customers whether through direct mail or e-mail. If you have a point-of-sale system with a customer-tracking option, you can examine purchase histories to analyze customer behavior over time — a tremendous asset. I strongly believe that having an active opt-in list of your customers is a vital tool for any carwash that expects to be successful in today’s market.

The punch card satirized on Seinfeld may be old-school, but it still works. The important part is to make it simple enough to understand and to make the reward reachable. If you have a POS system that can keep track of purchases; great; if not, the old punch card method will work.

A frequency discount is another great tool to get people in more often. I like deep discounts with short expiration dates. For example, you might consider offering customers a discount for 25 percent to 50 percent off a wash if they bring in another car within 24-48 hours. The offer can be printed on the customer receipt or handed with the receipt.

This is the type of offer that might provide enough incentive for customers to bring in their second car even if they weren’t planning on washing it. Or, they may give the offer to a friend who can’t pass up the discount. Either way, you wind up washing another car that you probably wouldn’t have washed without the promotion.

Prepaid wash books or cards are another good way to increase frequency. For example, a card with four washes for the price of three is a common strategy. In reality, this is a different pricing model not a promotion, but it often increases frequency.

The key is to make sure you’re not rewarding customers who would have come in anyway. In other words, if you have customers who come in once a week, they would obviously be interested in a prepaid card. However, while the prepaid card gets customers to pay upfront, you might be hurting yourself by discounting customers who were already planning to pay full price.

It is important to track your dollar-per-car report and make sure prepaid cards are not lowering your ticket average. If they are, simply decrease the discount. Instead of buy three washes for the price of four, simply decrease the discount. Instead of buy three washes for the price of four, increase it to five washes for the price of four.

Unlimited plans are another growing trend that help increase frequency. Again, this is more of a pricing model than a promotion, but they work. They key is to get a system to manage the plans and promote, promote, promote.

Rain guarantees also entice customers to come in more often because they remove a common reason consumers use to delay getting their cars washed. Rain guarantees need to be well promoted so customers remember the offer when they’re home deciding whether or not to visit you.

Finally, keep in mind that marketing should be as quantifiable as possible so you know what promotions are working and which are not. When it comes to customer frequency, you want to be able to measure quality visits. If you have a POS system that can track license plates, use it. Analyze the data and compare the results against different promotions to measure their effectiveness. Even just tracking your membership club will produce useful information.

No one in this economy can afford to ignore customer frequency. Give it some thought and come up with a plan to improve it. Your efforts will be well worth it.

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Smart Ways to Increase Your Average Carwash Ticket

By Kyle Doyle

Increasing your average ticket has always been an important part of a successful carwash, but with car counts shrinking or stagnant at many locations, there has never been a more urgent time to focus on getting the customers you do have to spend more per visit. That means that a focus on — or even better, an obsession with — increasing your average ticket should be at the top of the priority list.

Indirect Ways to Increase Averages

Most discussions about increasing ticket averages start with greeter upselling techniques and/or menu sign design. While these are important (and we’ll get to them shortly), we should start with an obvious, but often forgotten, principle: consumers pay for products and services that they value.

Therefore, if you want people to give you their money, you need to make sure you offer them something of value during each visit. If you want more money, offer more value. The following methods are indirect because they relate to your business as a whole, not just the methodology of getting a specific customer to spend more at a specific moment.

1 Perception is Reality. I know this sounds obvious, but to get consumers to spend more (or at all) you have to do a good job of cleaning their car. What’s less obvious is that perception is more important than reality. For example, I once visited a carwash site where the owner had recently replaced his ancient equipment with a brand new rack. At the same time he switched over to a top-quality chemical. The owner was proud of the results and the cars were coming out better than ever.

However, he was surprised that his average ticket went up only a little. The problem was that while he improved the equipment, he didn’t do anything about the dimly lit tunnel, its filthy walls and windows, the rusty radiant heaters, or the exposed rusty overhead girders.

Even though he had invested money to produce a cleaner car (and the cars were cleaner) the perception was not equal to the reality. A basic assumption held by average consumers is that a clean car cannot come out of a dirty tunnel. Conversely, some operators can have basic equipment (in good condition, of course) and earn a higher average ticket because of a great soap foamer and bright, bubbly triple foam.

In fact, the prevalence and selling power of triple foam over “hot wax” proves that consumers value perception. I believe that in the future we’ll see more “perception-focused” equipment from manufacturers. One example is the Bubblizer from NS Wash Systems, which adds theater to the pre-soak process by dropping big bubbles on top of the car.

Bottom-line: Keep your site and tunnel spotless and make sure your foamers are in tip-top shape (if you don’t have a foamer, put it at the top of your “equipment to buy” list). Take a step back from your wash and look at the overall perception from each point in the washing experience. Consumers will spend more when there is a higher perceived value.

2 Branding = Perceived Value. Branding might sound like just another marketing buzzword, but it could be the most important aspect of your operation. It is essentially the personality of your business. There are many branding definitions, but the one I like the most is from famous ad man Marty Neumeier: “A brand is a person’s gut feeling about a product, service or company ... When enough individuals arrive at the same gut feeling, a company can be said to have a brand.”

Effective branding increases perceived value, differentiates your carwash from competitors and creates a more loyal customer.

Bottom-line: Don’t be just another carwash. Stand for something and make that stand evident at every point of customer interaction.

3 Pricing. Pricing might not be a sexy topic, but it is one of the most basic marketing tools. If you haven’t analyzed your pricing lately now might be the time. Make sure you have an up-to-date spreadsheet comparing your prices to your closest competitors’. If you are able to raise your prices even by pennies (hopefylly anchoring on a clear promise of value), it can make a big difference at the end of the year.

Bottom-line: Take the time to make sure your pricing is where it should be and don’t be afraid to raise it if competition and/or your level of perceived value warrants it.
Direct Ways to Increase Averages

While these methods are more obvious, they still are not set-it-and-forget-it solutions. I highly recommend experimentation with even minor variations over time to see what works and what doesn’t. Remember, even an increase in pennies will make a difference at the end of the year.

1 Greeter. No single element improves average ticket more than a trained greeter/salesperson. A trained salesperson can point out the value in each wash and can adapt to each customer and vehicle. While we cannot deny the higher cost of labor and energy it takes to train a salesperson, if done right it is well worth the cost.

In selecting a salesperson, look for someone with good communications skills. This should be someone who is fairly outgoing and wouldn’t be described as “shy.” You want someone who can look you in the eye and is not afraid to smile.

When it comes to the sales pitch there are dozens of ways to do it. A lot depends on your market, as well as the style of the greeter. One of the best methods is the “service adviser” who looks over the car as it approaches and recommends services accordingly. Advisers may point out some brake dust and suggest the package with the “wheel treatment” or may point to aging paint and suggest a package with wax.

Another method is the upsell. Whatever package the customer first asks for, the greeter suggests the next higher package, pointing out the added value: “For only $3 more you can get …” Most customers usually purchase the same thing and might not even consider another package until it is explained.

Note for express operators: Your pay stations are your greeters. Each manufacturer can suggest ways to use the pay station software to hopefully yield a higher average. Make sure you speak with your sales or support rep often to make sure you are using the software to its fullest potential.

Bottom-line: If you’re not an express operator, don’t put off hiring, training or incentivizing your greeter. If you don’t have the energy, hire an outside training firm. Work on new approaches to find out what works. Nothing can bring you a higher average ticket quicker than a well-trained greeter.

2 Menu Sign. Next to a greeter, menu signage is your single most important element. Essentially, your menu sign is a salesperson, whose job is to present customers with options and make recommendations. The key behavioral pattern to remember with menu sign design is that if consumers are confused or overwhelmed by their choices, they will almost always pick the most “basic” option or pick what they’ve purchased previously.

It’s a form of paralysis by analysis, where too much information prohibits an informed decision. Simplicity, ease of comprehension, and intuitive differentiating value are key.

Simplicity is key because customers only have a few seconds to really understand their choices. Too many options will trigger paralysis by analysis. Ideally you should have three wash packages and three extra services (maximum four). Package names should also be simple and easy to remember. Theme-oriented names should be avoided if they’re not as simple as Bronze, Silver, Gold or another simple naming convention. There’s no need to be overly creative here. Also, too many graphics and/or images can lead to confusion.

Comprehension begins with being able to read the sign, so make sure it is big enough to be read three cars deep in your stack. If you can’t make it that big, buy multiple smaller signs and place them closer to the cars. Remember, too, that we read top down and left to right, so the most expensive (and hopefully the best value) wash should be listed first, either at the top or left.

Also, make sure that service inclusions are easy to comprehend. Don’t feel the need to list every possible inclusion (i.e., soap, water, wax #1, wax #2, dryer, etc.). While you might think it increases perceived value, it only confuses. From a design standpoint, avoid decorative fonts. Stick with a sans-serif font and leave plenty of negative space (blank space with no content).

Intuitive differentiating value means that it is blatantly obvious that the Silver wash is a little better than the Bronze wash, and the Gold wash is clearly the best wash. This is another reason why simple package names should be used. It also reinforces the importance of keeping the wash inclusions clear so that it is obvious which additional items customers get with each wash. Color also is an important tool to help signify value and make your menu easier to comprehend.

Bottom-line: Menu signs have a huge impact on your average ticket. If you have a sign that’s cluttered, confusing or hard to read, invest in a new, professionally designed one. Every day you put it off is leaving money on the table.

3 Pre and Post Transaction Signs. Another simple and affordable way to increase your average ticket is with pre-sell and post-sell signage. Pre-sell signage is very popular in the fast-food industry and you almost always see them before you get to the menu sign. In the carwash industry, they are just as relevant but not nearly as popular.

I suggest a simple sign that highlights a single, extra service in order to whet a customer’s appetite. It could say something like, “When was the last time you waxed?” or “Do you like shiny tires?” Signage should be concise and easily readable as customers drive toward the point of order.

Post-sell signs are valuable because they can sow the seeds of a customer’s next visit. Tout the benefits of your top package or the importance of a particular extra service. By planting the seeds during the current visit, you can yield a higher ticket on the next visit.

4 Manager Specials. These types of specials are strategic discounts that are unannounced and random so customers don’t expect or wait for them. For example, you might pick a cloudy day to offer an extra service for half price. There are too many variables to suggest anything beyond this, but it’s worth a try.

Test it out by running a one-day trial. At the end of the day, check the reports to see if the higher quantity of extra service at the discounted price makes you more than the average quantity at the regular price. Experimentation is key.

Bottom-line: You shouldn’t offer these specials every day and be sure to rotate your offers.

These are just some of the ways to increase your average ticket, and in reality, the application of each suggested method could fill volumes. The key is to make it a priority (if not an obsession) and experiment to find out what works for your wash.

In a tough market, nothing could be more important and more urgent than focusing on increasing sales from the customers you already have. Do it well and all those pennies can make a big difference.

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There has never been a more important time to communicate effectively with your customers. Competition is fierce in most markets, and consumers have less disposable income available. And what they do have, they are less willing to spend.

This is no time to take your most powerful and important marketing tool for granted. Your on-site signage is not just about listing information; it is a commercial that customers start watching the moment they enter your property. When done correctly, carwash signage has a tremendous impact on your bottom line.

Think about it. Without decent signage, carwash customers can become frustrated and confused. They spend less money and visit less often. Good signage is a tool to help you make money. The better you use that tool, the more money you will make.

There are three specific objectives related to carwash signage.

- The first is to inform customers how your process works. Signage should clearly communicate where and how customers enter, vacuum, pay, exit, etc.
- The second objective is to list your services and demonstrate their value.
- The third is to reflect the personality of your carwash.

Consumer Behavior

Marketing is all about listening, learning and reacting to the consumers in your community. Understanding the way consumers behave is essential in creating effective signs.

One important distinction is whether the sign is going to be located before the point of order (whether customers pay there or not) or after. This is because something interesting occurs when consumers are about to make a retail sales transaction. As a result, they fail to take in information not directly related to saying the right thing, pressing the right button, finding their wallet and trying to remember if there’s any money in it. Any attempt to “sell” (via signage or anything else) should require less than four brain cells to process or it probably will be ignored.

Envirosell founder Paco Underhill is one of the foremost authorities on retail consumer behavior. His company has observed hundreds of thousands of consumers during the past 30 years as they walk through stores. Envirosell logs their movements and analyzes thousands of different variables relating to sales. The company’s findings often result in significant sales increases for its clients, including Citibank, Coca-Cola, Starbucks, Wal-Mart, Target and other large retailers.

Several interesting behaviors are identified in Underhill’s book, *Why We Buy: The Science of Shopping*. One of the phenomena he identifies is the “decompression zone,” which exists in every type of store and location.

Once customers park their cars in a retail parking lot, they tend to walk faster than their average pace from the car to the store. In fact, Underhill says the brisk pace continues about 20 steps into the store.

As a result, anything placed at the very front of a store, whether it’s signage or merchandise, is usually ignored. Once this was discovered, many small-footprint stores began strategically placing items at the entrance to “wake up” the customer.

For example, most Gap Inc. stores have what they call a power bank as soon as customers enter. This is a wide horizontal display of basic sweaters or T-shirts that disrupts the path into the store. By having to move around this display, consumers are forced to come out of their “decompression zone” and are much more likely to notice signage and/or merchandise.

This waking up process also can be accomplished with varying colors, textures and even sounds placed at the store entrance. Big retailers know they have to get consumers out of this zone before they can communicate with them.

A study of McDonald’s revealed that 75 percent of the time...
customers spend looking at the menu sign is actually after they purchase their meal. Customers are simply unable to take in much of the menu while they concentrate on placing their order and paying. They are much more willing to read the signage once their order is placed and they wait for their food.

The decompression zone is just as true for carwashes as it is for giant retailers. However, it may be even more difficult for carwashes since customers don’t park. They drive right up to the point where they order, trying very hard not to be distracted.

I stand at the entrance of every carwash I visit and watch customers. Each customer displays this same tunnel vision. They are looking intently for the greeter or pay station, and nine out of 10 are not looking at anything else.

Sign Design

With this in mind, let’s examine how to design effective carwash signage. To do that we need to look at the signage the same way customers do — starting at the entrance and ending at the exit. This is how customers absorb your messaging. By thinking of your signage as a linear message from entrance to exit, you can craft a more effective “commercial.”

To begin, we need to look at the signage between the street and the point of order. Remember, customers are in the decompression zone so we need to snap them out of it. A great way to do this is with some simple pre-sell signs. The messages have to be extremely simple, and the signs have to be high-contrast and very readable. They should stand out from the normal sightlines, so factor in whatever is in the background.

When crafting these signs, think billboard design: simple but catchy. A big, bright “welcome” sign is a good start and a friendly message. In general, pre-sell signs should be no more than three to four words without any images, or a single image without words. They need to stand out and be noticeable.

If you have a long driveway leading to the tunnel entrance, a multipart message works great. For example, three separate signs could say, “Shiny Tires” ... “Make You” ... “Feel Good.” If you have a good brand, you also can reinforce your value proposition in a creative way. Remember, the goal is to wake them up from the decompression zone and whet their appetite.

No sign is more important than your menu, and yet poor carwash menu designs are everywhere. On average, consumers will not read menu signs for more than three to five seconds. After that time has elapsed, they will almost always revert to their default or “basic” choice, whatever that might be. This happens at restaurants, too. Most people who start looking at a long menu wind up saying, “I’ll just have a cheeseburger,” or whatever their “basic” choice is.

If you want to witness this for yourself, grab a stopwatch and find a spot somewhere near your menu sign where you can see approaching customers. Watch people’s eyes as they drive up, and start the stopwatch when they first look at the menu sign. Two things will surprise you: (1) how low that number will be and (2) how many people don’t look at the menu sign at all.

This is why menu signs need to be extremely simple. Some carwash operators think that a bright, full-color sign with graphics of bubbles and cartoon cars and a long list of service inclusions is a way to go. It may be prettier, but it’s less effective.

If a new customer can’t figure out what his or her options are in less than five seconds, it’s a poor design. That means that the long list of inclusions (wash, dry, wax, undercarriage, tires, etc.) should be limited to only the few that people care about (i.e., triple foam, tire shine, Rain-X) or designed so that they blend into the background (legible but don’t stand out).

Your package taglines, however, should be emphasized. These are what the vast majority of customers will use to make their decisions. For example, if you have three wash packages, underneath the package names you might say, “Our best wash” ... “A great value” ... “A quick clean.”

If you had to choose between a big, bright, pretty, full-color sign with detailed listings of inclusions or a plain white sign with those three taglines, I guarantee the simple one will make you more money. If you are skeptical, test it. Get a basic, plain white banner made using the basic design described above and cover your menu sign with it. Then watch what happens to your sales per car. This is a particularly effective test if you have multiple lanes.

Once customers have placed their orders, they are much more relaxed and willing to listen to a sales pitch. Therefore, anywhere after the point of order is a good spot to communicate items that require more reading, such as gift cards, prepaid cards, rain guarantees, unlimited monthly plans, club promotions, Web promotions, etc.

While this may sound counterintuitive, customers who buy these types of items are almost always repeat customers. If you educate them well enough by placing your signs in a post-sale location where they will actually read them, you increase the likelihood customers will buy them on a subsequent visit.

As the customer exits, don’t forget to conclude your commercial. A simple “Thank You!” sign will work and/or a simple plug for your Web site or an upcoming event.

Once you’ve determined what the messages will be for your signs, you need to consider the style. When it comes to design, keep these things in mind:

• Make it legible. People older than 65 are the fastest growing demographic. Consider using large fonts and high-contrast colors. Avoid using yellow.

• Make it stand out from the background. Make note of what will be behind a particular sign. Is it landscaping, another building, the busy street? Design accordingly.

• Create a style template and stick to it. If you have a brand with a personality, then make sure that personality comes through in the template.

• Keep it simple, keep it simple, keep it simple. This is really important.

So give your signs some love and don’t think of them as just another boring necessity. They are a commercial that should flow logically, beginning when customers enter the property and concluding when they leave it. Remember, signage is a tool to make money. The better you use that tool, the more money you will make.

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What if Alexander the Great owned a carwash? How about Napoleon or maybe Genghis Khan? Aside from some unorthodox signage (“Foot Off Brake, Car In Neutral and Hands Off Flaming Arrows”), I bet they would be pretty good operators since they were all brilliant strategists.

The word “strategy” is a Greek military term that means the “art of the general.” Since the business world has always been fond of military analogies, it’s no wonder strategy has become the word we use for this core business principle. In fact, there is no greater element to sustainable success than good strategy.

We will talk primarily about marketing strategy here, but since marketing is the layer of the business that interacts with the world, it is impossible to separate your business strategy from your marketing strategy.

Strategy is monumentally important because it answers the question: Why should our customers buy from our carwash and not from our competitors? Or even broader: Why should they spend money on a professional carwash instead of doing it themselves in the driveway or skipping it all together in order to spend their money on something else?

Businesses without clear strategies are rudderless and have no foundation on which to base tactical decisions.

Simply put, strategy is how you differentiate yourself from the alternatives. It’s about finding differences that consumers value and making those differences crystal clear to everyone.

Write down your answer to this question: Why should a consumer in your community go to your carwash instead of the competition?

How easy was that? Did you instantly know what to write? If not, this must move to the top of your priority list. If you knew immediately what to write, how concise was your answer? If your answer was quick and concise, how well is that particular message being communicated at every customer touch point?

Think of any retail company that has succeeded and you will witness an organization that has made its differences clear. Starbucks experienced tremendous growth for more than 20 years, in part because its cafe-style stores and dark-roasted coffee were obviously different from its competition.

And when Starbucks seemingly occupied every corner in America, Dunkin’ Donuts capitalized and experienced its own growth, not because it copied Starbucks, but because it established itself as the anti-Starbucks, offering lighter roasted coffee for the “Average Joe.”

Another lesson we can learn from big retailers is that business owners who ignore strategy to instead focus on tools like coupons or social media, do so at their own peril. When Circuit City went bankrupt, do you think it was because it didn’t have a good Web site or wasn’t using Twitter and Facebook? Of course not. The electronics retailer was using those tools to the same extent as Best Buy.

The reason Circuit City failed was because the company lacked a strategy that made its differences clear. Was it price? Selection? Service? Company officials would likely tell you they were focused on all of those things, but they weren’t able to do any of them in a way that made the retailer different.

I believe one of the reasons the express exterior model has worked so well is that it is obviously different from the sea of full-service carwashes. Instead of $20 for a wash and spending 30 minutes, customers can choose $5 for five minutes. This is a difference that is blatantly obvious.

That said, guess what will happen when a market becomes saturated with express exterior carwashes? People will again look for differences, and that will open the door to consumers who are looking for more service and willing to pay for it.

I’m not saying we will see a complete reversal, but history has taught us that success comes not from features alone, but from being different in ways that customers value.
Businesses without clear strategies are rudderless and have no foundation on which to base tactical decisions.

Like all elements of a successful business, strategy is not something that happens overnight. It may be simple, but it is not easy. Let’s break strategy creation into four steps: research, segmentation and targeting, positioning, and branding.

Research
Before a general can create a strategy, he must be able to answer key questions about his enemy, his own troops, the environment and his recent battle history. Similarly, a carwash owner must assemble some research before he can devise his strategy.

Demographics -- Since most of your business will come from a three-mile radius, it is important that you understand the background and lifestyles of your neighbors. And while there are certainly similarities throughout the United States, your community is unique. Understanding this uniqueness is key. Demographic reports are widely available on the Web.

Strengths and Weaknesses -- You cannot create a sustainable strategy unless you know what your capabilities are.

Competition -- Since our goal here is to establish differences, it is essential that you know your competition very well. In fact, you should regularly have your car washed there. In The Art of War, Sun Tzu famously says, “If you know both yourself and your enemy, you can win a hundred battles without a single loss.”

Sales Trends -- In order to create the best strategy, you have to know what you are up against. That means having an intimate understanding of your sales trends in revenue per car, gross sales, cars washed, sales mix (quantity sold for each wash package) and net profit. You should have a line chart for each (except sales mix) for the past three years.

Segmentation and Targeting
The next step is to look at the demographics and figure out who the different groups are in your community. Keep in mind that segments are groups that you communicate with in different ways. In other words, you wouldn’t have a segment for retired 60-year-old men and another for retired 65-year-old men because you would communicate with them in the same way. However, you would have different segments for retired men and men in their 20s, since you can and should communicate with them in different ways.

Once you’ve figured out what groups are present, the next step is to decide which segments you want to target. You need to consider the size of these segments, your ability to reach them, their potential profitability, the level of competition for each group, and their growth potential.

Positioning
Once you know your target groups, you need to think about how you will position your carwash in a way that attracts those customers. Again, the focus should be on communicating the differences that these particular groups value. Positioning starts with a clear statement. This should explain in two or three sentences how your carwash is positioned and why customers should come to your carwash and not a competitor’s. It also includes a tag line, which should be the ultimate distillation of your value.

Keep in mind, too, that the enemy of positioning is generality. Many carwashes claim that they focus on the cleanest car possible, service or something similar. The problem is most competitors make the same claims. If you want to build your business on service or cleanliness, you have to be specific and make a claim that your competitor can’t or won’t.

For example, if you want to use cleanliness, don’t just say, “The cleanest car in town.” Instead say, “The only carwash to offer every customer a clean car guarantee.”

Branding
Now that you know how you want to position yourself, you need to figure out how to communicate that position to the community. Branding is about communicating your position so that when people think of you, they think of that position. This includes your logo, style, signage, Web site, uniforms, wash package structure and pricing, level of service, and anything else that communicates on your behalf.

You know you have succeeded at branding when you ask 10 different people what they think about when they think of your company and they all say the same thing directly related to your positioning.

For example, if we think of Apple (the computer company, not the fruit) we all think similar things regarding the way the company wants to be positioned. We think of simplicity and ease of use, innovation and elegant design. Apple brands itself as those things through heavy use of white space in their design and simple, clean layouts.

Apple doesn’t just design new gadgets, it designs new gadgets that are pretty to look at with a focus on the user interface. The point is Apple decided how it wanted to be positioned, then made sure it created a brand that fit that position and executed its branding at every possible customer touch point.

Now, you might think you already have the answers to these questions and know them instinctively. You already know all the research, you know the segmentation and targeting, you know the positioning and you know your brand. However, it cannot be stressed enough that taking a formal look at these areas regularly and then analyzing them with others (managers, fellow operators, friends with business experience, etc.) is vital.

Just the process alone often leads to insights that can have a huge impact on strategy. I suggest putting all this information together in a binder and then doing the analysis off-site in a formal meeting. You’ll be surprised at the inspiration a clear strategy gives you.

You are the general, and in a sense, you are at war. The most important aspect of winning any war is to create a winning strategy. That means finding valuable ways to differentiate your carwash from the competition and communicating those points clearly.

Without a clear strategy, no amount of coupons or even the newest equipment is going to make you successful. So set aside some time to review your strategy. It’s the most important thing you can do.

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