

# Number Crunch

## Database Marketing Drop?

**BY RAY KEENER**

The 2008 NBDA Retailer Survey, conducted by the Gluskin Townley Group, shows many encouraging trends. One puzzling trend is the decline in database marketing among shops in the \$500,000 to \$1 million sales bracket.

While database marketing was up 10 percent for all shops between 2004 and 2007, it declined 9 percent for shops in the medium-size range.

As database marketing continues to grow in other specialty retail niches, why this unexpected decline?

"This is really about capturing names," said Fred Clements, NBDA executive director. "Small and large shops are better at name capture and medium-sized shops struggle with it."

The theory: In small shops, the owner is doing a higher percentage of transac-

tions and the data gets captured. In large shops, where training tends to be more prevalent, employees more consistently ask for consumer data.

### Use Customer Database As A Resource for Marketing Business

	2004	2007	Change '07 vs. '04
Total	37%	47%	+10
<\$300,000	24%	32%	+8
\$300,000-\$499,999	37%	41%	+4
\$500,000-\$999,999	56%	47%	-9
\$1 Million or more	60%	70%	+10

Source: 2008 NBDA Retailer Survey

"There's benefit to the business and the customer in getting customer contact information," said Elliot Gluskin, who conducted the research. "The business can communicate with its customers efficiently and cost effectively, while the customer receives information they need such as product recalls, sales and service specials, and news about what's happening at their favorite bike shop."