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## Strengthening relationships with customers

Ads can get people to your website. But to make them take the next step, and then come back, you need to provide value and build a relationship. Here are several ways. Whichever you choose, have a clear plan and monitor your performance.

## Encourage referrals

Referral marketing means getting someone to recommend your business to others. This could be by word of mouth or an online referral programme, usually in exchange for a reward. When customers become your brand ambassadors, the people they refer are more likely to be loyal and profitable.

### Best practices for referral marketing

Maximise your success with these tips:

- Make your referral program easy to find — put it somewhere logical on your website.
- Offer the right rewards — something referrers will appreciate for their effort.
- Time it right — ask customers to refer soon after they buy and are on a shopper's high.
- Be transparent — people are careful about sharing personal details, so put them at ease by being honest about your process.
- Think about who is referring — if they align with your brand and the values and image your customers value.
- Put in the work — invest time and resources to plan your referral marketing and measure its success.

## Case study

### Friends of customers

Aroha's online luxury bagel business is going great. Traffic is increasing and driving sales to her physical cafe. Part of Aroha's marketing plan is to encourage her bagel-loving customers to share the love and refer their friends.

Aroha sets up a referral programme. On each online customer's account page, she encourages them to email a referral link to a friend, along with a personalised message.

If the friend follows the referral link and buys their first bagel, they get a second bagel for free. The customer who referred them then gets a discount voucher added to their account — valid for one free luxury bagel. Both customers get free bagels, and Aroha wins a new customer who could become a regular.

Aroha also gains the new customer's email address. If they opt in to marketing, she can send details of new bagel flavours, plus weekly specials and promotions. The customer can unsubscribe if they want to, or follow Aroha's marketing prompts and become a bagel addict.

As well as free bagels, customers who refer friends get points. When they reach 10 points, they win one of Aroha's signature bagel-shaped lunch boxes.

Aroha has created a great referral scheme. Customers love it, and the benefits to the business far outweigh the costs.

# Keep in touch with email

Email marketing typically involves sending a special offer, a free resource, or an ad. It's most effective when you use it for personal messages to targeted groups.

Email is a great medium. Compared to social media marketing, email marketing is more trusted, better at maintaining relationships, and gets people spending more money. The UK's Direct and Marketing Association found every dollar you spend on email advertising could return you up to \$50.

Email also gives you control. With social media and search engine marketing, the provider controls the tools and algorithms. With email, you're in charge.

Effective email marketing is important. Successful online businesses have effective marketing programmes.

## Choose the right email marketing service

The best email marketing service for your business is the one that helps you achieve your goals. For example, a service may let you subdivide customers based on how much they spend, how old they are, or where they live. You can then email each group automatically based on a schedule or triggers.

Search for reviews on email marketing services. Look for the following features:

- templates you can customise easily
- ways to segment (subdivide) your mailing list so you can target marketing to specific groups
- automation that lets you ramp up your marketing easily
- email opt-in forms to build into your website or online shop
- detailed analytics to see if your email marketing is working, eg number of emails shared or forwarded.

Email marketing doesn't have to be expensive. Many providers have free plans, eg Mailchimp.

## Develop a plan

Think about what you want to achieve each time you email. That shapes what you send, to who, and how you measure success.

Go easy on the frequency. Keep in touch with your customers, but don't swamp them. And don't forget to include an opt-out option in every email, eg 'unsubscribe' link in the email footer.

[Email marketing\(external link\) \(http://digitalresources.nz/article/MuuOsbe\)](http://digitalresources.nz/article/MuuOsbe) — Digital Resources

[Automated email marketing\(external link\) \(http://digitalresources.nz/article/WUcWhgu\)](http://digitalresources.nz/article/WUcWhgu) — Digital Resources

## Build a contact list

A contact list is a list of potential customers you can email and develop a relationship with. It's easier to get someone to sign up for a newsletter than to get them to buy something, especially if they don't know your business.

Your list will help you:

- turn interested people into buyers
- understand your customers, eg by surveying them
- know where customers live
- tell the right people about new products or services.

It's an easy, low-cost way to engage and communicate with customers. Once someone has had contact with your business, they are more open to hearing from you than someone who hasn't.

Build your contact list with existing and new customers. But make sure they agree to receive

marketing updates. You can turn off customers if they think they didn't give you permission. You can develop a better relationship with customers who want your newsletter, because they'll be genuinely interested in your products and services.

## **Grow and maintain a valuable list**

Offer a freebie to build your list. Freebies can range from promotion codes or hot tips, to resources like templates, e-books, or webinars. People tend to be drawn in by freebies, and are more likely to share their contact information.

If someone agrees to join your mailing list, great. If they don't, you'll still be ahead. You'll know how many people are interested in your offerings and which are most popular. This may help you refine your products and services, or develop new ones.

Here are some tips for building your mailing list.

### **Make an attractive offer**

- Offer value, eg exclusive offers and promotions, useful resources, or insider information.
- Tell people what they get for signing up — don't just say 'subscribe'.
- Make it easy, eg create an obvious button or link to collect offers or freebies.
- Provide plenty of chances to sign up, eg on your website, Facebook page, sales forms, and email signature.

### **Make it easy on yourself**

- Gather the right info — only ask people for the information necessary to provide what they want.
- Keep your list healthy — review it often and remove addresses that bounce or don't react.
- Encourage shares and forwards — add a 'share' button to each email.

## **Get permission and respect privacy**

Customers must agree to be on your list — recipients must opt in for email marketing to be legal:

- Tell people that by signing up, they're giving you permission to send marketing material.
- Give them an easy way to unsubscribe to avoid complaints — it's a legal requirement.

Respect customer privacy. Only ask for identifying information if you need it. Keep customer information safe, only use it in the way you promise, and don't give it to anyone else.

Tell people what you will do with their information. You can create a privacy statement using this free tool:

[Privacy Statement Generator\(external link\) \(https://privacy.org.nz/further-resources/privacy-statement-generator/\)](https://privacy.org.nz/further-resources/privacy-statement-generator/) — Office of the Privacy Commissioner

## **Avoid buying a contact list**

Off-the-shelf lists are unlikely to have your ideal contacts. Your marketing is unlikely to be successful, and your purchase may be wasted.

Your email may be blocked as spam. Or it may annoy people, putting them off your business in future.

## **Email marketing works best when people are already interested in your business.**

## **Create compelling content**

Many people ignore ads. They fast forward through TV ads, install ad blockers on their devices, and paste 'no junk mail stickers' on their mailboxes. This makes it increasingly hard for you to reach them. That's where content marketing comes in.

Content marketing involves giving customers information that's useful to them. Examples include news commentary, industry insights or research, solutions to common problems, or updates on your business. The aim is to position your business as an expert and build trust, with the ultimate goal of generating sales.

Such content is often delivered on social media. It's immediate and allows people to engage easily. Choose the social media platform popular with your audience. If you don't know, ask your best customers.

Make sure you deliver key information in the first paragraph, or within 5 seconds of video or audio. This helps keep people tuned in.

## **Make a plan**

Since you're positioning your business as an expert, you want to look professional, organised, and consistent. That needs a clear and realistic plan that covers:

- aim
- target audience
- content format, eg video, blog post
- marketing channel
- publishing dates and production deadlines.

Decide who in your team will be involved and what they will do. Think about success criteria and how to measure it, eg sales, number of views, number of newsletter subscribers.

Make sure your plan aligns with your business goals.

## **Choose your formats**

The main formats for content marketing are blogs, social media, videos, and podcasts. Whichever you choose, remember to:

- use plain language, not jargon
- use 'we' or 'I' to sound approachable
- organise your message logically
- end with a call to action, eg visit your website or sign up for your newsletter.

Check before reusing someone else's information or photo. Just because something is on the internet doesn't mean it's free to use. Copyright and privacy still apply. If you need good quality images, look on sites offering free or paid-for photos and videos.

Always check the terms and conditions. Do you need to credit the photographer or the site?

## **Blogs**

A blog can be a good way to offer valuable content. Once you start, you need to keep it going. This takes discipline and time. Blogs with no regular fresh content disappoint readers and create a bad impression.

To persuade people to read your blog post:

- write a compelling title — descriptive, concise, and inviting
- write short sentences (9 to 15 words) and paragraphs (max 2 or 3 sentences)
- use a quality photo.

[How to write a blog post\(external link\) \(http://www.digitalresources.nz/article/WudZpJ7\)](http://www.digitalresources.nz/article/WudZpJ7) — Digital Resources

## **Social media**

Multiple social media platforms exist, each with its own main audience, features, and methods of sharing. Twitter has well over 300 million active users globally. Instagram has image filters, which may be an advantage for product images. LinkedIn reaches professionals and businesses.

You don't need to be on all platforms. Pick one or two that are relevant to your business — and your

customers — and manage them well. A presence that's not managed is worse than no presence at all. To choose a platform for your business:

- find out which platform your top customers use
- consider if you can lead conversations and take part in a natural way.

[How to create a social media marketing strategy: A beginner's guide\(external link\)](https://www.shopify.com/blog/social-media-marketing-strategy)  
(<https://www.shopify.com/blog/social-media-marketing-strategy>) — Shopify

## Videos

Video makes up 80% of internet traffic, with YouTube users worldwide watching a billion hours of video daily. Videos can be a good idea because they:

- can be engaging and easy to understand
- communicate information efficiently in a short period
- help customers understand and use your products
- reach audiences of all reading abilities
- increase customer interaction
- can be long or short (many videos are less than 2 or 3 minutes).

Plus, you can make videos on any budget — from hiring professionals to making videos yourself in a quiet, well-lit spot with an engaging presenter.

Consider videos for product demonstrations, tutorials, detailed explanations, how-tos, and video blogs. Remember to add subtitles, as people often watch videos with the sound off.

[Create video content\(external link\)](http://digitalresources.nz/article/7rgYJft) (<http://digitalresources.nz/article/7rgYJft>) — Digital Resources

## Podcasts

Podcasts are becoming more popular, but the podcast scene isn't as crowded as other content marketing channels yet.

Podcasts are convenient and portable — you can listen while doing something else. That's good because someone may not have time to read a long article but they can listen to a podcast while driving. That can also be bad because listeners may not be motivated or able to act on your message. Make your call to action very clear, to be sure they remember it.

[10 reasons why you need to add podcasts to your content strategy\(external link\)](https://www.searchenginejournal.com/why-podcasts/306103/)  
(<https://www.searchenginejournal.com/why-podcasts/306103/>) — Search Engine Journal

## Case study

### Design showcase

Amit runs a studio that develops apps for other businesses. He's had some good customers, but he needs a higher profile to attract bigger brands to do business with him.

Amit considers his marketing options. To create a higher profile, content marketing seems like a good fit. He's keen to build his reputation as highly knowledgeable and up to date with the latest developments. A blog will help him showcase what he knows and what he's good at.

Now he's defined his aim, Amit defines his audience. He creates a list of the highest-profile customers he's worked for, and thinks back on his interactions with them. They were most interested in what his apps could do and how easy they were to use. They were put off by anything too complicated. Amit decides to focus his blog content on app functionality and design, and to avoid industry news or the technical detail he discusses with other developers.

A plan helps Amit stay on track with his blogging. He keeps a running list of possible topics, makes himself a schedule, and plans his posts a month ahead. He puts reminders in his calendar so he doesn't get behind.

Amit adds videos to his blog. This is the easiest way to step people through the app designs and features he's so proud of. Videos also boost his search rankings.

Once each blog post is published, Amit posts it on social media and includes it in his email marketing. With every post he writes, he's building his reputation as a leader in his field.

## Engage customers with online chat

Customers want to chat. And when they do, customers are more likely to buy and to spend more. Just ensure you respond promptly. Either staff it or choose a system that tells you when someone sends a question. That doesn't mean you have to stand by 24/7 or struggle with endless questions. You can control what happens.

### Get the most from chat

If staffing your chat could be a problem, start by staffing it at peak times. Use Google Analytics to see when your website is busiest, then pick 1 or 2 hours at one of those times. Try different times over a few weeks to find the best window.

To get the most from chat and avoid being overwhelmed, it helps to limit where and when you show the chat box. Popular options include:

- when visitors have been on a webpage for a certain time
- on latest product pages
- when visitors click an ad or a marketing link
- when visitors are in countries that speak the same languages as your staff.

You may also want to set chat to turn off automatically if several chats are already happening. Or, consider a chatbot with automated replies. Chatbots are becoming more common and affordable.

Coordinate chat with marketing activities. For example, standby to answer chats when you have a promotion that's likely to bring more visitors to your website.

### Use chat to improve your service

Take time each week to check in on your chat and look for patterns. This may show how visitors feel about your business, what they need help finding on your website, or what you could explain more clearly.

Making these improvements can reduce the number of basic enquiries. That means happier customers and more time for staff to focus on complex chat.

**People who use chat are almost three times more likely to buy than someone who doesn't.**

## Optimise your website to increase sales

Once your website has been running for a while with a good amount of traffic, review how well it's performing. The better you make your customers' web experience, the more sales you'll make.

**Update your content.** Check regularly for broken links or outdated information. Add new content, but only if it's of genuine interest to your customers. Fresh content gives your customers a reason to return and reassures them your business is current and successful. It can also improve your search rankings and give you material for your email and online marketing campaigns.

**Simplify your homepage.** You have just a second or two to make a first impression, so make it count. If your homepage is too busy, simplify it. Include only current discounts or promotions. Consider adding customer testimonials to build trust.

**Check search works.** Your search bar must be obvious. If people can't find it, they can't use it. Make sure it accurately leads people to what they are looking for. Use your analytics to understand people's common searches.

**Give recommendations.** On each product page, show related items. If you're selling shampoo, recommend the conditioner that complements it.

**Create clear calls to action.** Show people what to do and how to do it — so they don't have to figure it out for themselves.

**Add videos.** Include videos that show your products in action. Customers are more likely to buy after watching.

**Add reviews.** Other people's endorsements are a powerful sales tool. Add a review function to your website so customers can leave recommendations. Even bad reviews are useful, as an opportunity to publicly show you put things right.

[Case study: Unhappy customer \(/do-business-online/handling-orders-and-deliveries/#e-21979\)](#)

Increase links to your site. Links from trusted sites can help increase visitors and improve search rankings. Consider asking related businesses to link to your website from their own. Use Moz's Link Explorer to see which sites currently link to yours.

[Link Explorer\(external link\) \(https://moz.com/link-explorer\)](https://moz.com/link-explorer) — Moz

**Check your checkout experience.** You don't want customers abandoning sales at the last moment, so make sure the checkout works perfectly. Allow autofill for repeat customers' details — this makes them more likely to follow through. If customers do abandon, send them an email reminder the same day.

**Check your website speed.** If a webpage takes longer than 3 seconds to load, 40% of visitors leave. Images and videos can affect loading speed, so compress these to speed up loading times.

**Dig into analytics.** Google Analytics can tell you what percentage of your web visitors buy something (your 'conversion rate'). Check this rate before and after tweaking your website to measure what's working. Analytics can also tell you where customers drop off in the sales process, giving you good clues about what areas need extra work.

[Google Analytics\(external link\) \(https://marketingplatform.google.com/about/analytics/\)](https://marketingplatform.google.com/about/analytics/) — Google

**Test your options.** Optimisation tools like Google Optimize help you test different versions of the same webpages. You'll see which produces better results, and use those insights to improve your site.

[Google Optimize\(external link\) \(https://marketingplatform.google.com/about/optimize/\)](https://marketingplatform.google.com/about/optimize/) — Google

**Check your security.** Look for anything out of the ordinary. Unfamiliar content could signal someone else has access. If online sales drop off unexpectedly, someone may be redirecting your payments to their account. Promptly install software updates, including for any plug-ins you use. This is one of the simplest things you can do to prevent attackers accessing sensitive data, eg customers' credit card details.

[Secure your website\(external link\) \(https://www.cert.govt.nz/business/guides/secure-your-website/\)](https://www.cert.govt.nz/business/guides/secure-your-website/) — CERT NZ

**Consider using professionals.** If optimising your website seems a bit too technical, you can always hire an agency or a freelancer to help out.

## Self-assessment: Digital marketing

It's useful to assess where you're at with marketing your online business — whether you're just getting started or have been going a while. Use this self-assessment to check your social media planning, engagement building, email marketing and online advertising. See how you rate and where to focus next.

At the end of this assessment you'll get:

- a better idea of your digital marketing strengths and weaknesses

- practical tips
- links to expert advice.

5 - 10 minutes

# Self assessment: Digital marketing

Get started



## Social media engagement

### Did you know...

About 3.03 billion people are on social media around the globe, according to BrizFeel (publishers of digital marketing stats).

Next

## How much does your business use social media to engage with customers?

- Not at all — we don't use social media for business  A little — we use it but we don't have formal business accounts  Sometimes — we have a Facebook page or something similar  Quite a lot — we use a few different social media platforms  Lots — we use different social media platforms for specific purposes

Submit

## Social media engagement

### Did you know...

More than 70% of people who experience good customer service on social media recommend that business to others, according to Local Measure (customer experience specialists).

Next

## How much value does your business get from social media?

- No value — we don't get much response to our posts  Limited value — we don't know if customers enjoy it  Some value — customers discover us online or enjoy our posts  Good value — it reinforces who we are and creates sales  Great value — we couldn't succeed without it

Submit

## Planning

## Did you know...

3.5 million Kiwis are active on social media and spend an average of 1 hour 53 minutes there every day, according to research by Hootsuite and We Are Social.

Next

## How well does your business plan its social media activity?

- We don't plan — and we only post from time to time  We try to post regularly, but we don't always manage it  We post often, but it's hard to plan content across platforms  We post to a schedule and plan relevant topics  We have a clear plan of topics and goals for each platform

Submit

## Email marketing

## Did you know...

Email marketing is the most cost-effective advertising method available today, as well as the most measurable, according to Harvard Business Review.

Next

## How much does your business use email marketing?

- We don't use email for marketing at all  A little — we manually email customers when we need to  A fair amount — we email groups of existing or potential customers  Lots — we use an email marketing tool to help us be more effective  Heaps! — we use customer relationship management (CRM) software

Submit

## Email marketing

## Did you know...

It's a very safe bet that email will beat all your other marketing methods in terms of return on investment. — Harvard Business Review

Next

## How much value does your business get from email marketing?

- No value — we don't do email marketing, or don't get much response  Not much value — we don't know if it translates into sales  Some value — customers sometimes buy from us because of our emails  Good value — we can track many of our sales back to the emails we send  Great value — we couldn't succeed without it

Submit

## Planning

### Did you know...

According to CoSchedule, a series of US-based studies suggest that:

- the best day to send email is Tuesday, followed by Thursday and then Wednesday
- the best time to send email is 10am, followed by 8pm, 2pm, and 6am.

Next

## How well does your business plan its email marketing activities?

- We don't plan — we just react to situations (eg, like surplus stock we need to sell)  We try to plan, but sometimes we go a long time without sending emails  We have a good plan, but we don't always manage to follow it exactly  We plan specific emails for different products or customers  Our email campaigns result in sales and we can predict the effect each will have

Submit

## Paid advertising

### Did you know...

Social media is the most relevant advertising channel for Generation Z and Millennials, according to Adobe's Digital Insights.

Next

## How much paid advertising do you do on social media platforms?

- We don't advertise — we just hope our posts are popular  We advertise by trying to repeat the approach of our popular posts  A fair amount — we promote specific posts to increase their reach  Lots — we place ads or target promoted posts to the relevant audience  Heaps! — our campaigns rely on ads or boosting and targeting posts

Submit

## Paid advertising

### Did you know...

Around 65% of people click on Google ads when looking to buy an item online, according to WordStream (online advertising specialists).

Next

## How much do you use other methods to advertise online (such as displaying advertisements or appearing in search results)?

- We don't buy online advertising — we just hope customers find us  A little — we buy online advertising on relevant websites  A fair amount — display (banner) ads and search advertising such as Google AdWords  Lots — we buy online advertising space that targets our customers  Heaps! — we advertise online to attract customers and convert leads to sales

Submit

## Tell us about your business

Just one last step before your self-assessment results. So we can shape future tools and services around your needs, please tell us about your business size, location, age and industry.

Where is your business based?

Which of these best describes your industry?

How many employees do you have?

How old is your business?

Show my results

## References to specific businesses

At times business.govt.nz refers to specific businesses to make our resources more effective and easier to understand. We do this on the advice of our independent expert partners, including the New Zealand Business Performance Panel. However, we do not endorse any third-party private-sector businesses.

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