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Cross Promotion Makes \$ense-AND DOLLARS TOO!

Inventive car wash operators share their success by Dottie Hopkins

s you read this there are potential customers driving right by your car wash. So how can you get them to stop by? That's the million-dollar question. While each situation is different, here's how several car washes have benefited substantially from cross promotional efforts with nearby businesses.

Drawing a Crowd in Coudersport

Ben Pevornik has been around the car wash business long enough to know that little things can lead to big things. And giving customers something unexpected—even if it is a small thing—can pay huge dividends. A unique cross promotional effort is helping to generate business for both his recently opened garage and the adjacent car wash.

Ever since Pevornik refurbished the five-bay Coudersport, Pa. facility nearly a year ago he's been trying to lure customers back to the self-service car wash. At first he'd carry around a pocketful of the anti-counterfeit tokens imprinted the business name—giving them to potential customers to entice them onto the site.



Customers at Ben's Garage receive a free car wash token each time they have work done on their car. These anti-counterfeit tokens include the Ben's name for added branding and name recognition.

Humble Beginnings

The facility had been in disrepair for a long time. Fixer-upper hardly begins to describe the condition when Pevornik took possession. It needed pumps rebuilt, new nozzles and hoses and a complete "sprucing up." He even installed new coin mechanisms which accept tokens in each bay. Then, once he had rebuilt everything, Pevornik switched gears—trying to prove to customers that it was more than just fresh paint—and thus worth a try. He wanted to exceed their expectations—and provide a positive experience.

Because he's lived in this small town for years, he knows that people will talk. So he wanted to give them something positive to talk about.

Giving away car wash tokens—worth \$1.75 or four minutes worth of time, was one way to start a conversation. And getting people to try the site would also stir some word-of-mouth discussions within the community. So Pevornik carried around a pocketful of tokens and asked people to give him a try. Slowly, people started coming back.

Then he began phase two of his refurbishment plan—he tore down two of the self-service bays and replaced them with an automotive repair shop. But the idea of getting people to talk was still on his mind. And that led Pevornik to develop his unique cross promotional effort.

Something for Nothing

"Every time a customer comes in to the garage, we give them a free car wash token," says Pevornik. The anti-counterfeit tokens, which he purchased from Van Brook of

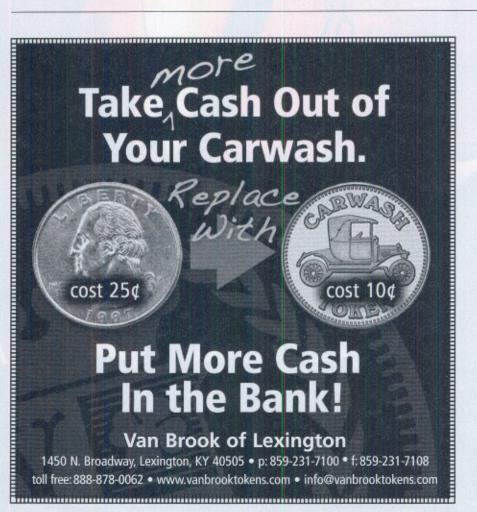
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Inventive car wash operators are limited only by their creativity when devising cross-promotional strategies and programs.

Lexington, are imprinted with Ben's Garage & Car Wash. That way, if they are not immediately used, they provide some advertising each time they are seen with a customer's "pocket change."

He figures that he gives away about 50 tokens a week, and the response has been great. "Customers love it," he says. "It is a small thing, but it is unexpected—and appreciated. I don't think any other garage in town is doing anything like it."

And he's enjoying the success. Not only is this gesture creating goodwill for garage customers—instilling loyalty and providing a positive atmosphere—but it is also helping to build volume for the car wash. Pevornik is quick to point out that any volume increase is an improvement over what was happening when the site was dilapidated—but he can quantify the volume somewhat. "The car wash is paying for the mortgage on the garage—which is great," says Pevornik.



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More than a Token Increase

And judging by the amount of tokens that he's seeing in circulation, the program is working quite well. That is a solid indicator—because tokens are only available from Pevornik. There is not a token dispenser on site—so normal "off the street" customers still pay cash. Yet he still sees plenty of them when he empties the coin boxes each week because the garage referrals use the tokens. He estimates that he takes in about one token for every 30 quarters.

The volume of tokens is a testament to the success of the cross-promotional program—and the fact that people like to be pleasantly surprised. The increased volume of *quarters* is a testament to the fact that people certainly do talk. Taken together, the increase keeps Pevornik smiling all the way to the bank. And that's a trip he's all too happy to make.

This Cross-Promotion is a Real Gas

Remember in Marketing 101 when you learned that when a gas station moves in across the street from an existing gas station, they'll both fare better than if either were located by themselves? Well, apparently the same is true if you have a gas station adjacent to a car wash. Dave Saul, who operates Tiger Mart—a gas station and convenience store with a car wash in the back—has found an interesting cross promotion yields great results for all three entities. In fact, it is much more than a token improvement!

Saul has owned and operated the Tipton, Iowa Tiger Mart for three years. And throughout that time he's tried various tactics to market the token-based car wash. Initial efforts included selling tokens at a discount which was somewhat successful. "We'd sell six tokens for the price of four," says Saul. "It was OK."



Tiger Mart gives gas station customers a pair of free car wash tokens with an eight-gallon gas purchase. The standard brass token—personalized with a "paw print" design—are available with a short lead time.

Then in the spring, when reopening the car wash from its winter hiatus, he tried a cross promotion with the gas station and quickly realized he'd hit a home run. Here's how it works. Customers who purchase eight gallons of gas receive two free car wash tokens which can be used in the self-service bays, or in the touchless automatic. Saul has seen volume increases in both—but what is most exciting is the effect the promotion has had on gas purchases.

"We've seen a 13.5 percent increase (in gas)," says Saul, "and we're also developing more loyalty."

In addition to the volume increase—which is huge—in-store sales have also picked up. That is because customers must come into the store to claim their free tokens and while there they are more likely to make impulse purchases. Admittedly, trying to get customers



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into the store is not a new concept for any store owner—but enticing them with a pair of car wash tokens as a reward for buying gas—that you don't see every day.

While some people might bristle at the thought of giving away something of value—in this case car wash time—Saul views it differently.

"The touchless automatic costs from \$5 to \$7, so customers are either putting some additional money toward it, or saving their tokens for another fill-up," surmises Saul. And that means more gas and c-store sales.

On the self-serve side of the equation, there are similar results. "Two tokens will get you four and one-half minutes of time, but it usually takes six to 10 minutes to do a really good job," says Saul. So customers can either use their two tokens right away—augmenting this with their own cash, or they can stockpile the tokens with another gas purchase.

Either way Saul is sold on the concept, concluding "it was a big win for us when we started this promotion."

Big Results Doesn't Have to Mean a Big Advertising Expense

Advertising the promotion was a very cost effective practice. "We placed a little sign on the reader board and signage on each pump," recalls Saul of the effort. But this low-key approach has yielded the desired loyalty—and impressive results. Volume is up in the car wash by "probably double" and more importantly "we're selling a lot more gas" comments Saul.



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Initially the car wash was taking in about 90 percent cash and 10 percent tokens—but now that is closer to a 50/50 split—further testimony of the program's success.

Another "soft cost" of the promotion has been that he's had to order more tokens to keep up with the increased demand. He uses standard brass tokens—with a car wash icon on one side and a tiger paw on the other—which he buys online from Tokensdirect.com. Saul chuckles about the increased tokens usage. He knows that whenever customers see the "tiger paw" in with their pocket change, they are reminded of his successful seasonal promotion. And they likely make a mental note to come back to see him to clean their ride, fill up the gas tank, and maybe pick up some snacks.

In some locations this might be an ideal year-round promotion, but not here. Winters in Tipton can be brutal, with frigid conditions causing lots of headaches and additional costs to keep the car wash operational. "We paid way too much money to keep it open; heating the floors, bays, nozzles," says Saul. "It was not worth the return." In addition there is the headache if things go wrong. "A broken pipe one time is enough," chuckles Saul knowingly, "because you've got to fix them while it is still freezing."

So Saul closes the car wash when winter rolls around. And with the car wash shuttered, he stops the cross-promotional effort too. "We had some pretty sad faces, when the promotion ended," concludes Saul. "But we'll definitely do it again next year."

And when spring arrives in Tipton, Iowa, loyal Tiger Mart customers will once again be able to earn a free car wash with a couple of fill-ups. And that thought keeps Dave Saul smiling through a brutally cold Tipton winter.

Across the country, a similar cross promotion is generating additional volume and helping two auto-related businesses. A car wash located in San Marcos, Calif. provides free car wash tokens to the adjacent quick lube facility—to be given to their customers. The express lube uses this as a way to differentiate itself in a crowded marketplace—providing something for nothing similar to what Ben's

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Cross-promotional efforts with adjacent businesses do not have to be elaborate—or costly—to be effective.



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Garage does. The car wash, on the other hand, is happy to build the volume—knowing that once customers see the major transformation that has taken place they will likely return again and again.

This Promotion is for the Dogs!

While cross promotions between automotive related businesses make sense, partnering with non-automotive related ones can be a benefit as well. A dog park—with a self-serve dog wash station inside—recently opened next door to a gas station and convenience store in Newtown, Ohio (a suburb of Cincinnati). Gas station customers who purchase eight gallons or more of gas receive a token good which can be used in the dog wash station.

The gas station builds loyalty amongst customers by rewarding them with free dog wash tokens—which must be picked up within the store. Drawing them into the store can increase the likelihood of impulse purchases—similar to what is occurring at the Tiger mart. The adjacent dog park benefits from increased volume—hopefully customers who come in to redeem the dog wash tokens will be impressed with the facilities and come back for more, or join the members-only facility.

As these examples have shown, crosspromotional efforts with adjacent businesses do not have to be elaborate—or costly—to be effective. Inventive car wash operators are limited only by their creativity when devising cross-promotional strategies and programs. If we can transform some of the traffic from mere passers-by into customers, then both businesses will prosper. And while that will bring a smile to both business owners, the happiest person will likely be your shared customer.

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