

Minds On Massage

The Living Social, Groupon or Other "Daily Deal" Experience

Your complete guide to running a successful "daily deal" marketing campaign.

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Section 1: Overview

One question that is frequently repeated on Massage Therapy forums and discussion boards is whether or not running a "daily deal feature" is a wise decision. The daily deal phenomenon popped up quickly in 2008 when Groupon began offering special daily deals at a fifty percent or greater discount. A daily deal feature can be tremendously beneficial in boosting your business, but in order to be executed properly hours of planning and consideration are required.

The most well known companies featuring the daily deals are Groupon and Living Social. Amazon Local has since joined the game. In many cities, you can also find daily deal features through local news or radio stations.

Your first step in creating a feature should be to research each company that is available in your area. Most companies require your feature to be offered at a fifty percent or greater discount. On top of that the parent company will retain a portion of your sales on commission, so you can quickly be making 75% less than normal.

While this may seem like an astonishing figure, your daily deal features are basically reverse advertising; instead of paying a large sum of money out of pocket for an ad that may only bring in a handful of new clients, your daily deals are featured at no upfront cost. You only "pay" commission on the deals that you sell, and the charge is taken directly out of your payment so the financial impact is not felt directly.

Additionally, approximately 80% of your purchasers will actually redeem their vouchers, which can increase your pay per hour after discounts and commissions.

Used correctly, your daily deal platforms can drastically increase your business and clientele almost overnight and with no money out of your pocket up front. However, in order to run an effective and successful feature with any of the daily deal companies you must implement lots of research, compare lots of price points and consider all of your options.

If you are looking to build your business quickly and do not have a lot of money to spend on advertising or marketing, this guide will help you to execute a smooth and successful daily deal feature.

Section 2: Steps that MUST be Taken Before Running a Feature

This is THE most important section in preparing for your daily deal feature. Failure to complete ALL of the steps in this section can negatively impact your feature in terms of profit, maintainability and even overall success. Always take some time to think about your decisions and make sure you have considered every angle or option before signing any contracts.

1. Compare all available platforms.

Contact all of your local sales representatives to find out who is offering the best rate on both required discounts and commissions. During this time it is also imperative to find out how your feature will be presented; some companies do a daily email blast with new features, other companies have a variety of special offers featured until the deal reaches it's capacity. These are also great factors to keep in mind during the negotiation process.

2. Consider a variety of different services to offer and don't get pushed in to package deals.

Take some time to analyze your different services when choosing which one to feature. Most of the daily deal companies require a feature to be for a service and only feature dollar amounts for goods (i.e., restaurants and specialty shops).

It is easy to assume that your most expensive massage session will bring in the most revenue, but this is not always the case. Featuring a session that requires additional product can quickly become a costly feature. Additionally, massage packages may seem like a great idea, but keep in mind that if you sell a package of 3 sessions, you're only making approximately \$15 per session for THREE sessions instead of just one.

Another way to avoid making so little per session is to offer your 30-minute massage session with the option of upgrading. This way, you're still marketing to thousands of new clients without any upfront costs, but will end up making more per session.

3. Avoid other add-ons such as retail items or specialty sessions that cost you more money per session.

Once again, it is easy to assume that selling higher price points will help you to generate more income or to raise your rate per session. However, once you factor in the required discount as well as the commission the company will keep, there is a strong chance that this add-on could cost you more than you will get in return. Additionally, many daily deal shoppers are looking for just that: "deals". Higher price points might be a turnoff to someone shopping for a bargain.

4. Consider running a "lite" feature.

For more established Massage Therapists, a daily deal feature may create more of an influx of new clients than you can currently handle. Most platforms currently have "lite" features, where your offer is not emailed to all of their current members, but simply displayed on their site. In this case, purchasers are either looking for something specific or have to browse through many other offers to find yours, thus negating a massive influx of new clients all at once.

5. Choose your maximum vouchers sold and expiration date wisely.

Almost all of the daily deal platforms allow you to choose your preferred expiration date as well as the maximum number of vouchers you are willing to sell. Think about these decisions carefully and make sure your expiration date and cap are manageable.

You also want to factor in the fact that you are going to see repeat clients from your feature. If you are currently performing approximately 10 hours of massage therapy per week and your maximum number is 20 hours, you may not want to choose a maximum capacity that maximizes your number of hours every single week until your expiration date. In a best-case scenario, your daily deal purchasers are going to want to see you again within a few weeks of their original appointment and you want to be able to accommodate these new returning clients.

Extending your expiration date for a longer period of time can help to accept appointments from both your existing clientele and your new clients, but choosing too long of a period to run your deal can become daunting. You may begin to feel as though you are working extremely hard for a long time without reaping much financial benefit – which you very well may be doing. A longer expiration date can also create a roller coaster of new clients coming in; in the beginning you will see a ton, you will have a lull in the middle of your feature and at the end you will see another huge influx. Finally, keep in mind that running a shorter expiration date means that you're really not going to slow down until the feature has completely expired.

In either case, you are more than likely going to have difficulty scheduling all of the purchasers towards the end of the feature. It is a good business practice to allow clients to schedule appointments within a reasonable amount of time after the expiration date of the feature as long as they contact you before the actual expiration date.

6. Establish boundaries and make sure your fine print is very specific.

No matter how specific you are with your fine print, you are likely to come across clients who abuse your parameters. Establishing very specific fine print will help you to protect your business and ensure that you are not obligated to fulfill the vouchers purchased by those looking to take advantage of your parameters.

The first parameter to consider is the number of vouchers each person is allowed to purchase. Make sure to be very specific about the number of vouchers each person can purchase as well as the number of deals that can be purchased as gifts. Specify that only ONE deal can be used per individual. This will inhibit purchasers from exceeding the limit of vouchers purchased and saying they "gifted it to themselves".

You should also establish parameters that benefit your business the most. (If you don't sell a lot of deals on the first go-round, you can always do it again.) If your evenings and weekends are completely booked but your weekdays are slow, add a stipulation that the deals can only be used during your daytime hours and be very specific about those hours.

It is also a good practice to require clients to specify that they are using a voucher when they schedule their appointment. This can help you to control the number of clients using vouchers daily or weekly so that you can allow for regular or full-paying clients in addition to your voucher purchasers.

Another consideration is whether or not everyone is allowed to purchase the voucher or whether it is for new clients only. If you feel obligated to allow your current clientele the opportunity to take advantage of a great

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deal, you could inform them of the upcoming feature and let them know that they will also have the opportunity to take advantage of the deal, but have them purchase it through you. This way you can avoid at least the commission portion of the feature. You can allow clients to prepay online or use your online scheduling or gift certificate source, if applicable.

Section 3: Ensuring Your Feature Runs Smoothly

Even after you have ironed out the details with your company of choice, there are certain things you must consider that are unforeseeable unless you have previously run a daily deal feature. Steps 7-12 focus on how to best prepare for the day your feature is offered and for the duration of your feature itself.

7. Make sure you have third-party online reviews.

Massage Therapy sessions have always been a popular item on daily deal platforms. Since there are a large number of clients who are looking for a regular massage therapist, having online reviews will help to attract more quality purchasers.

8. Make sure your existing clientele can still get appointments.

If you are a more established Massage Therapist and have an existing clientele, make sure that they are kept a top priority. While the goal in running a feature is to build clientele, you must come to terms with the fact that there are a good number of purchasers who are not looking for a regular therapist, simply for an inexpensive massage.

Contact your regular clients before you run the deal. Let them know that you will be featured on a daily deal platform and that you expect a heavy influx of new clients. Encourage your existing clientele to schedule appointments at least a few months in advance, especially if they require evening or weekend sessions.

9. Set your online scheduling parameters accordingly.

If you decide to utilize an online scheduling service and allow your new clients to book this way, make sure you have stringent parameters. Your online scheduling system should only be open to scheduling appointments 4-6 weeks in advance. Ensure that you have breaks allocated throughout your day and choose your hours wisely. It is also wise to block off several sessions for your existing clients in case someone did not schedule accordingly. If the sessions go unrequested, you can always contact a new client from your waiting list.

Many online scheduling systems also allow for you to require certain information from clients. By requiring that they specify that they are using a voucher, you can more easily limit the number of vouchers you accept on a daily or weekly basis.

10. Set your voicemail accordingly and respond within your stated time.

Returning voicemails and answering text messages and emails while still working a full day can become overwhelming very quickly. Your purchasers will have questions, they want to schedule their appointments, some will need to cancel – it is simply an ongoing process. Setting a detailed and specific greeting on your voicemail can help to greatly reduce the number of phone calls you have to make as well as the amount of time you spend on the phone.

If you allow clients to text or email you to schedule an appointment, specify this in your greeting. This can cut down on the time that it takes to listen to voicemails, take down information, return the phone call and actually catch up with your client.

If you prefer to have a conversation with new clients before they schedule their appointment, ask them to specify what time of day is best for them for you to return their call.

Also make sure to ask any clients who leave a voicemail to specify their availability. Can they come in during the day or do they need evenings or weekends? Gathering as much information from your client as possible will allow you to leave a more detailed message, thus cutting down the time that the two of you might end up calling one another repeatedly.

Specify on your greeting when they should expect to hear back from you. When you're inundated with calls and new clients, it may take you longer than normal to return messages. Let your clients know that they should expect to hear back from you within a certain amount of time, and then make sure that you call them back within that time frame.

While your greeting may be longer than normal, asking for more information can greatly reduce the amount of time you spend responding to messages.

11. Establish financial goals and a stringent budget.

Make sure to budget yourself when you receive your payment from your feature. It is important to remember that your hourly pay is 75% less than your regular rates. Make sure you have allocated a certain amount of funds per week or month and use this allocation to help you determine how many other clients you will need to see each week to get by financially during the life of your feature. This is yet another reason as to why limiting the number of daily deal purchasers is so important.

12. Avoid over-booking yourself and do not feel obligated to fill every single available session every single day of every single week.

Since Living Social and Groupon have become more household names, the majority of your purchasers will have experience using the vouchers and will understand that the first available appointment might be a few weeks out. Unfortunately, others may become irate when you explain that, due to the recent heavy influx of new clients, appointments are booking further out, thus increasing the wait time. You should not feel obligated to exceed your maximum number of hours in order to schedule these clients; it is not realistic to expect to get an incredible discount AND top priority.

Book appointments as the requests come in and based on the availability that you have. Also make sure to keep a waiting list - when you start to book your days to capacity, cancellations are inevitable and this can help you to keep your day full, see more of your purchasers faster, and promote your business as one who wants to stay busy.

It is important to remember that new clients require more prep time. In addition to longer pre and post-consultations, you will have an increased number of messages to return on a daily basis. If you book your number of sessions to the maximum, your workday can seem increasingly more hectic as you try to respond to your messages as well.

You should also avoid filling your calendar too far in advance. Hopefully many of your purchasers will want to reschedule with you and you want to have availability for them to do so without waiting months in advance.

Section 4: Maximizing Your Conversion Rate

One of the biggest complaints from vendors who run a daily deal feature is that they do not retain clients. There are certainly a good number of purchasers who are simply looking for good deals. However, there are mistakes that many of us make or steps that we fail to take that can increase our conversion rate and turn more of those one-time bargain hunters in to long-term clients. Steps 13-16 focus on how to retain more of your purchasers.

13. Avoid treating your daily deal purchasers any differently than you would treat your regular clients.

Avoid treating your daily deal purchasers any differently than you would any other new client that walks in your door. Many Living Social and Groupon purchasers have written negative online reviews for companies who did not completely honor their voucher or who treated them differently because they were using a "coupon". Purchasers are not going to be motivated to return to your business if you treat them in this manner. Instead, continue to run your business as you would any other day, showing your new clients that you maintain high standards of excellence, thus giving them a reason to return to your business and not others.

14. Give them a reason to return.

Many small business owners have complained that daily deal purchasers are only looking for a good deal and that they will not frequent the business after the use of their special promotion. While some purchasers are simply looking for a one-time good price, other daily deal purchasers use their vouchers to try out new things, even though they are looking for somewhere to frequent regularly.

Your first step in giving your clients a reason to return is in not treating them differently from any other new client that walks in your door. By providing an outstanding experience to clients using a "coupon", you are exemplifying an excellent level of customer service that will make them want to return. Follow up with all of your new clients in the same way that you would with any other client. Check in on them to see how they felt after their session and inform them as to any other specials or packages that you offer that they are qualified for. This additional step is yet another display of outstanding customer service.

15. Collect email addresses or other contact information from for future endeavors.

When you "pay out" the fees to whichever platform you decide to work with, you are essentially paying for marketing fees without any upfront costs to yourself. Most of these companies only provide first and last names of the purchasers but do not provide any contact information. Make sure to collect email addresses from your purchasers as they come in – email is an extremely affordable (if not free) and quick way to market yourself to any past and present clients.

16. Keep a well-organized waiting list in case of cancellations.

When you start dealing with a higher number of individual clients, cancellations become more inevitable. The faster you fulfill the vouchers you sold, the faster you start earning your regular rates and potential regular clients will appreciate your efforts in seeing them sooner. Keep a waiting list so that you can contact anyone looking for an appointment earlier than his or her scheduled time.

When you add someone's name to your waiting list, make sure to specify their desired time of day and the best way to contact them (email, text, phone call, etc.). Texting clients on your waiting list often takes less

time than phone calls and a faster response than is often seen with emails. Requesting your client's preferred method of contact allows for more streamlined communication.