

SiteWatch®

Loyalty Promotion Module

Giving away free washes can help you gain new customers ... Is it worth it?

The owner of an exterior car wash in the Great Lakes region has an agreement with local car dealerships. He gives them a nice brochure to hand to customers who have just purchased a new car, which allows them to wash free for 30 days. As proof of purchase, the car wash staff requires the new vehicle registration to be presented. In 2008, 283 customers took advantage of this offer.

Once the customer signs up, the car wash staff puts a FastPass® tag on the vehicle. On visits to the car wash for the next 30 days, the customer pulls up to the SiteWatch Xpress Pay Terminal® and is quickly identified as someone who gets a free wash. The gate opens and the customer speeds on his way.

At the end of the 30 days, the plan expires and the customer has the option to sign up for one of the Automatic Recharge Module® (ARM) plans. Under the unlimited monthly ARM plan, the customer pays a flat monthly fee that permits him to wash that specific vehicle as many times as possible. Each month, SiteWatch keeps the customer in the plan by automatically charging his credit card

From January 28, 2008 through the end of 2008, 283 of these 30-day dealer passes were issued. The car wash staff collects customer name and address information. They have info for 263 of the customers that claimed the wash pass.

During the 11 months that the dealer pass program was active, there were 1,399 washes redeemed – an average of almost 5 washes per customer – which represents \$20,971 in value given. The actual cost to the owner was much less.

Of the 283 dealer passes issued, 208 of those customers have not been back since their plans expired. Of those, 30 never came back after that first time when they signed up for the 30 days of free washing. It is possible that some of those customers removed the FastPass tag from their vehicle and have since returned to the car wash, but there is no way to tell.

Of the remaining 75 customers who returned after their passes expired, 20 of them signed up for a monthly pass at the end of their 30 days...typically, just shortly after it expired. These 75 customers spent a total of \$4,154.

The car wash owner knows that his rate of converting these 30-day passes to monthly pass plans is low, and that a lot of these folks won't come back again because it may be a 10- to 15-mile drive to his business. However, he is betting that these customers will fondly remember his car wash and the great service he gives, that they will patronize him when they are in the neighborhood in the future, and that they will tell their friends.



Harold Guthrie, denizen of the digital world, is the DRB Systems numbers guy. A graduate of the University of Akron with a degree in mathematics, Harold toiled for IBM before he came to our company in 1994.

A consummate numbers guy, he has conducted numerous engineering studies on a wide variety of SiteWatch products. When it comes to figuring out the meaning of figures, Harold is clearly our number one choice. He can be reached at 800-336-6338.