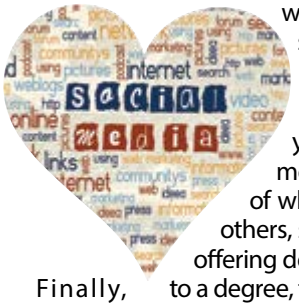
HI-PERFORMANCE WASH SYSTEMS, INC.

# NOVEMBER 2014 CAR WASH NEWSLETTER

## THE SOCIAL MEDIA BUBBLE

When Groupon first debuted, there was a tremendous amount of buzz from the media, as well as consumer interest. They would send out a single daily deal to their subscribers which would only be valid for several hours to a day. Later, new entrants such as Living Social, Deal Chicken and many others began to join in the market. This new marketing channel provided car wash owners a fresh method for reaching potential customers, as the effectiveness of other advertising had lost its effectiveness. Over time, the social media companies have altered their structure to capture a greater portion of the market, and instead of offering a single daily deal, now offer multiple deals that span several weeks or months and often in overlapping regions. While this may provide more revenue and opportunities for the social media companies, it has reduced the effectiveness of the deals to businesses.




For example at Eco Express, during the peak of the social media frenzy, we ran a deal in August 2011, offering a $36 gift card for $14. That was a 61% discount, and yielded 442 sales with 332 of the vouchers being redeemed. Now three years later we are running a similar deal, offering a $39 gift card for $15 (a 61% discount). With the revised marketing method from Living Social, two weeks into our four week campaign we have only sold 59 vouchers, less than 20% of what we saw in 2011. The dramatic reduction in sales is due to several factors. First, our offer is mixed in with many others, so it does not stand out like the old solo daily deals. Second, the market is not only crowded with more companies offering deals, but each company has divided up geographic markets into smaller segments, reducing the reach of the deals. Finally, to a degree, traditional social media marketing was a wave that is now ebbing and has lost its newness.

We will continue experimenting with alternative methods for reaching car wash consumers and passing along the data to help make your washes as successful as possible.

## SHARPENING THE SAW

Traditionally a mechanical mind and get it done attitude were the only things required to be an accomplished self-serve or tunnel operator. The technology curve has escaped many of us in our "car wash" lives even though we may use it readily on a personal basis. New products are available for us to upgrade the forgotten parts of our business.

Efficiency, security and marketing are all categories with upgrades available. In the next article about Fragramatics rolling out Apple Pay using NFC we have efficiency, marketing and security upgrades included. Customers have a more secure way to pay, reducing your risk as a business owner to not end up like Target, Home Depot and scores of large companies who have suffered credit card breaches. Increased usage of electronic payment also reduced time on site for preparing deposits and reaches a younger market segment for marketing purposes.

Sharpening the Saw is an old adage about taking time to become better at something so the task requires less time to accomplish. Today our car washes have servers, network switches, and now NFC (Near Field Communications). Video systems allow us to see our sites from a phone and determine if they are secure, busy, need cleaning, etc. Only making trips to a self-serve car wash when they are needed reduces costs immediately. QR Codes are another under utilized, simple way to communicate information quickly to customers and employees.

Learning about technology can be done from your computer at home or in classes offered by vendors or on campuses. An excellent source for beginners is YouTube. A quick search on Networking, NFC or any topic will list videos with some relevance. Paid sites like Lynda.com have courses (very reasonably priced) at all levels and for many topics.

If you have questions, feel free to ask us for more information because having a better understanding of technology will open new doors in your business and reduce your expenses.

## FRAGRAMATICS ROLLS OUT APPLE PAY ePORTS

You may have heard recently that new iPhone users will be able to pay for purchases with NFC (Near Field Communication) technology called Apple Pay. Fragramatics will be offering ePort credit card readers that can accept Apple Pay. These ePorts are a special model 'G9' which includes the NFC capability. These readers can be used in self-service bays and vacuums. If you would like to know more, please contact Jim Blake, Jim Craig or Chris Bateman.

## TRIPLEFOAM COMPARISONS

We recently conducted tests on four different super-concentrated and hyper-concentrated triple foam conditioners. The purpose of these tests was to provide some objective data to car wash owners, to allow them to select the conditioner that was best for their application. The tests included color saturation, scent, foam quality and cost. Also to be considered is convenience and branding. You can view the test results at http://www.hpws.com/triple-foam-comparison.html.

Hi-Performance WASH SYSTEMS, INC.

800.922.1313 (Toll Free)
303.322.2232 (Local) • 303.322.3307 (Fax)
3901 E. 41st Ave. • Denver CO 80216
www.hpws.com