



### **“Methods To Grow Your Business By Increasing Buying Frequency”**

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There are several ways to increase your customer buying frequency. Consider Costco, which requires that their customers pay an annual membership fee. Once the customer has paid the fee, they are then obligated to make purchases to regain that fee from the discounted prices that Costco offers. They do offer lower prices than most of their competitors, so every time a Costco member buys milk, they save a dollar over what they would pay had they purchased the milk at the local grocery store.

So if the membership fee is \$30 per year and a customer buys 30 gallons, they have their money back and everything else they buy will increase their overall savings. Sounds like a sweet deal, and it is—for both the business and the customer. It is an effective method to increase the volume of the orders.

Another effective approach is used by the airline industry. They all have frequent flyer programs that award travelers extra travel dollars based upon the number of miles traveled during a specific time period.

This is another incentive for a customer to make more purchases because with each purchase, they are getting a reward. This approach takes many forms, but they all are similar.

Consider the gas station that gives you a free car wash after every five tank fills. This is a good, and very popular, method of increasing the frequency of orders.

Now you need to look at your own business and see how you can apply these concepts. Is there a product or service you can add on at a discounted rate, or free after a specified number of purchases, that will



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make your base products more valuable and attractive?

Do you have a way to communicate with your customers now? If not, can you construct (or hire a writer) a monthly newsletter that you can send out through the mail or over the Internet? Such a newsletter could inform your customers about the new offerings that you have.