

Grass-Roots PR that brings increased awareness

Case Study: Sport Clips.

Background

Sport Clips is a nationwide, sports-themed haircut franchise with more than 400 stores in 32 states. Targeting the long-forgotten men and boys market, Sport Clips operators provide high quality haircuts in a fun sports environment, complete with TVs at every chair tuned into stations like ESPN. Each stylist station is made out of lockers and the front desk is designed to look like an equipment cage. Services include massaging shampoo, hot towel treatment and neck/shoulder massages, all in a guy-friendly environment.

Ron Chamberlain is the Area Developer for the San Diego and Imperial Counties in Southern California, and is tasked with operating or franchising more than 40 stores in this region within five years. A realistic – albeit daunting – task, the challenges are compounded with limited marketing budget and entrenched incumbents like Supercuts, GreatClips and Fantastic Sam's.

“We knew we had a unique offering that is superior to our competition by providing a championship haircut experience to our clients,” said Chamberlain. “Our big issue was in how to get our name above the noise to increase awareness and draw new customers. We didn't have an open checkbook to populate the airwaves and newspapers with advertisements, so we needed to think more creatively.”

Solution

Chamberlain set out to execute a two-pronged marketing strategy by populating the areas around each new store with flyers and discount cards as well as secure the PR services of Stalwart Communications. While the firm knew that Sport Clips' unique store environment and service approach to haircuts would get some news by itself, the shelf life would be short as more stores opened. Another angle was needed to sustain media interest and increase the awareness of the company.

“From the moment I stepped into the first area store in Carlsbad, I knew this company was a winner,” said David Oates, APR, principal of Stalwart Communications. “Not only is it a fun and affordable place for men and boys to get a haircut, but Sport Clips also prides itself in giving back to the communities they serve. That was our ticket to getting sustained buzz in the media.”

Stalwart Communications began to make outreach efforts to various civic and school organizations in town, including local high schools' athletic departments, medical centers, veterans and military family support groups. Each Sport Clips store became a fundraising center for one or more of these institutions, donating portions of their proceeds over a set period of time to these organizations. Such efforts drew good will and significant interest from both members of such groups as well as the San Diego-area newspapers and television outlets.

Results

Despite having only four stores in operation for the entire county by mid-2007, Sport Clips enjoyed more positive press than most large franchise organizations, and significantly more than its direct competitors. Consumers responded accordingly, and traffic to each store has steadily increased since their opening.

“We’ve had more local and positive media coverage in the last year than I ever anticipated when we started this program,” said Chamberlain. “As significant has been David’s success in getting key community organizations to become evangelists, telling their family, co-workers and neighbors what a great place we are to get a haircut and what a great asset we are for the community. That effort equates to loyal customers. What’s more, we’ve been able to do this on a grass-roots level that has kept budgets reasonable – vitally important for a company like us without large marketing funds to spend.”

Also ensuring the Sport Clips receives value for its PR dollars is Stalwart Communications’ Pay-on-Performance model. This program aligns the agency’s revenues to actually delivering marketing and PR results for a client. The “R-word” (Retainer) is not in Stalwart Communications’ vocabulary. The agency does not track hours, but rather the success of actually producing results, such as securing positive press coverage and acquiring qualified customer, partner and/or investor leads.

The general benefits of such an agency-client relationship include:

- Performance metrics/expectations are outlined and agreed upon in full between the agency and the client before an agreement is executed, since it will determine how and for what an agency gets paid.
- The business risk is shared between both parties. The agency doesn't make its money unless it can produce.
- The ROI is embedded in the fee structure.
- Client satisfaction, retention and referral rates increase.

“In business, efforts are categorized in one of three ways: a revenue generator, a cost center or a cost saver,” said Oates. “Stalwart Communications proves itself time and time again to add positive value to a company’s bottom line under our Pay-on-Performance model. We feel all marketing and PR firms should do this.”

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