



Direct Tire Implements the Smart Circle's Referral Marketing Program to Drive Sales and Increase Revenue

SITUATION

Direct Tire (<http://www.directtire.com/>), established in 1974 by Barry Steinberg is a leader in providing detailed and expert tire and automotive care for consumers. Heralded as the “Mercedes Benz” of the industry, Direct Tire has locations throughout Massachusetts, with strong visibility in the Greater Boston market. The company's 86 employees serve over 300 customers daily at their various locations and thrive due to their “Direct Tire Difference,” which ensures that extra care is taken to help the customer get the best choice for motoring services and products.

CHALLENGE

Direct Tire needed to reach new and existing customers in the Massachusetts area that they did not have the resources to connect with otherwise. Prior to teaming up with The Smart Circle (<http://www.smartcircleinternational.com/>), Direct Tire bought advertising in various media outlets, including numerous efforts with radio advertising; however, none of these efforts generated the revenue and brand awareness they desired.

STRATEGY

Direct Tire partnered with The Smart Circle, the worldwide leader in person-to-person advertising, in an effort to increase revenue, fill unused capacity, enhance brand loyalty and significantly increase the last-minute purchases made in their locations. The Smart Circle was in charge of developing a strategic marketing plan that would accomplish these goals and position Direct Tire as one of the leading tire and automotive care and service providers in the nation.

- ◆ Direct Tire worked closely with The Smart Circle to create the parameters of the tire and service special offer for consumers
- ◆ The Smart Circle was called upon to serve as a strategic sounding board during the review and approval processes of the marketing campaign
- ◆ Professional collateral materials were developed and produced by The Smart Circle to correlate with the offer to be provided by Direct Tire
- ◆ The Smart Circle conducted a training session with staff and in-market sales team in preparation for the launch of the campaign
- ◆ The Smart Circle sales team began traveling to meet face-to-face with prospective and current customers to market the Direct Tire special offer

RESULTS

“My managers at each of our locations raves about the increased foot traffic,” said Barry Steinberg, the owner and CEO of Direct Tire. “Our customers are very vocal about their satisfaction with not only the card, but with their overall experiences at our locations as well.”

- ◆ The Smart Circle's referral marketing campaign resulted in increased “per visit buys” at Direct Locations.

- ◆ 1,000 cards were sold for each of the Direct Tire locations
- ◆ Sales tracking reports that the average customer brought in by Smart Circle's program spends \$380 per visit.
- ◆ Marketing activities generated by The Smart Circle resulted in a significant increase in new and returning customers
- ◆ Customer loyalty to the locations continues to increase and word-of-mouth referrals from existing customers to visit Direct Tire are on the rise.

THE LONG TERM

The quality of The Smart Circle's management and sales team, the professionalism of their approach, their understanding of the industry, and their ability to leverage and penetrate segments that were impossible for their traditional advertising and marketing to reach sealed the deal for Direct Tire. The Smart Circle and Direct Tire are in the process of developing additional referral marketing campaign with the same strategic goals of driving additional traffic, increasing revenue, and generating more brand awareness.