



Stratified Economic Paradigms

The Haves Versus The Have Nots

I have been developing a theory that I'd like to share with you. I named it "Stratified Economic Paradigms" or SEP for short. When it's understood, accepted and put into an action plan, SEP becomes the motivator for an active follow-up program and the basis of relationship marketing.

Now to explain how I arrived at this concept. Whether or not we like it, America has social and economic layers. This country has a *de facto* class system. Our society separates the haves from the have-nots. That separation is easy to understand, but what about the layers or strata between the two? Obviously, the haves live in upscale communities, dine in better restaurants and socialize in upscale watering holes. While those we call have-nots live in more depressed situations and don't dine out. Their watering holes have water in them.

Most of us live between these two extremes, hence, Stratified Economic Paradigms. OK, so much for my pretentious, self-aggrandizing rhetoric. What does it mean to those of us who earn our living working in the powersports industry? First, we have to understand that we operate (except for the major OEMs) companies that fall into the small-businesses category. The reason we're called small businesses is that very few of us have sales exceeding \$100 million. None of us can claim sales of over \$1 billion. However, 80% of all American companies come under the heading of small business.

As small-business people we have an affinity for other small-business people. We are not fans of big-box retailers. When we shop at one, we do so without the pride we feel when we shop at a store that's locally owned and operated. Has a nice ring to it doesn't it? Remember the popular TV series *Cheers*? Their motto was: "Where everyone knows your name." That concept resonated with millions of Americans, which was one reason the show lasted so long.

I've often written about relationship marketing and why it's important that we understand how it affects our long-term success. Now, based on this theory, I'd like to talk about the nature of small-businesspeople and why it's so important for us to focus on relationship marketing and follow-up.

Small-businesspeople like doing business with other small-businesspeople. We all have similar hopes, aspirations and dreams. We speak the same language and understand each other without resorting to superficial clichés. We spend the vast amount of our time and energy dealing with people from our own strata. For example, if you're a motorcycle or ATV dealer, you probably sell very few units to those in the highest strata.

Most of what you sell goes to people much like yourself. That means you are the perfect marketing model. You know that what you like your peers probably like, too. Our legal system understands SEP; that's why the system talks

about a jury of one's peers. That's also why high-profile millionaire plaintiffs, defendants and their lawyers have so much trouble selecting a jury that will relate to the problems of the very wealthy.

So, let's put it all together. We might not feel comfortable calling someone from a higher stratum by his or her first name unless we're asked to. However, we do feel perfectly comfortable doing so with a peer. We don't mind phoning a peer to thank him or her for the purchase of a motorcycle or ATV. Calling someone from a much higher stratum may not even be possible. Few in our stratum have unlisted phone numbers; most of those in the higher strata do.

We claim to be democratic and abhor the class system practiced in countries like India, which, by the way, also claims to be the world's largest democratic country. Yet we subconsciously practice our personal form of a class system. Don't get me wrong; I don't consider it a negative to discriminate. Before going any further, here's the *American Dictionary's* definition of discriminate: 1. a. To make a clear distinction; distinguish: discriminate among the options available. b. To make sensible decisions; judge wisely.

To determine if you discriminate, answer these questions: Have you invited someone from a much higher social economic level than yourself to dinner at your house? What about someone from a much lower level? I didn't think so.

Now that you're on edge, let me tell you what this is all about. It's about the need for follow-up and the importance of relationship marketing. If you really want customers to come back again and again, if you are really interested in a high CSI, then follow-up will sustain your growth regardless of the current economic situation.

You want to be appreciated when you spend a relatively large chunk of your money at a car store. That's why car stores are almost fanatical about following up sales with continuing contact. They seldom do it on a personal level considering that many car dealers sell hundreds of cars a month.

Most car and truck stores and many motorcycle and ATV dealers subscribe to third-party companies to fulfill this obligation. Even so, which would you find more impressive; opening your mail to see a computer-generated thank you note unsigned, but with an ad for service or a hand-signed note from the owner saying, among other things, thanks? Is that too obvious?

I suggest you buy into the Platinum Rule. That rule reads: "Do unto others as you would want them to do unto you." Take that to heart make your follow-up message as personal as possible and watch your business grow. You could actually move up to the next layer, but I hope you don't forget the values and personal touch that gets you there! 🏍️