2650 New Guests Are More Expensive Than Existing Ones

Product Fieldbook · https://kb.jeffreysummers.com/docs/2650-new-guests-are-more-expensive-than-existing-ones-2/

The Demand

Before your next shift, pull whatever Guest data you have and answer the question this article poses directly: do you know who your top 16% are — the small group responsible for the majority of your revenue? If you cannot name them, that is the work. Decide this week whether your marketing budget is split evenly between strangers and the people already keeping your lights on, and if it is, correct the split.

The Work

Pull your Guest visit and spend data for the last quarter:

The concentration test:

Can you name your highest-frequency, highest-spend Guests, yes or no:

Estimate what percentage of your Guests generate the majority of your sales:

Do they know that you know them — yes or no:

The budget audit:

What percentage of your current marketing budget targets new Guest acquisition versus existing Guest retention:

Rate, 1-5, how consistently excellent the experience is for your already-loyal Guests specifically:

The most cost-effective investment is an experience so good existing Guests have no reason to leave — name one gap between your current experience and that standard:

The one action you will take this week to identify or better serve your top 16%: