

What it takes to keep customers coming back

By Kathleen Cantwell

Trade magazines publish how-to stories on it, retailing gurus hold seminars on it, but building customer loyalty is something that seems to come naturally to Jack Joshi, owner of Maxi's Cigar Lounge in Franklin Square, N.Y. on Long Island. "It isn't so much (a store or lounge)," says one of Maxi's core customers, Mark Weinberg. "It is really a club and Jack treats us more like family than he does customers....Most businesses want to take your money and be done with it."

Weinberg thinks Maxi's is unique and thinks the reason for that is Joshi himself.

Born near Bombay, India, he came to the U.S. in 1982. In 1996, after working in other people's cigar and tobacco shops for 15 to 20 years, he decided to open his own.

Originally, the shop sold cards and gifts in addition to cigarettes, cigars and tobacco. But after a while, he moved the cards and gifts out and added a small smoking room at the back so customers would have a place to sit, enjoy a cigar and socialize. "And I like it," Joshi says.

"People want to smoke."

His customers liked it so much, the smoking room didn't stay small for long. They suggested he renovate and enlarge it. The construction was done in 2006—with all the work done gratis by customers. All of them—from a lawyer and insurance agent to electricians and carpenters—pitched in on the renovation, with Joshi reimbursing them for materials and, occasionally leaving a couple of boxes of cigars in their lockers, Weinberg says.

"It was done out of love for him, to keep it going," he says. After the renovation, a couple more guys bought a grill and outdoor furniture, and now on weekends they generally have a barbecue out back. Joshi provides coffee and lets the Maxi's' regulars bring their own wine and beer.

"You bring your own in, but behave yourself," Joshi says he told them.

"It's a really nice place to hang out," Weinberg says. Everybody knows everybody, customers come from all walks of life, and when someone new stops in, someone will usually ask where they're from and "take them on the 25-cent tour." "I keep saying 'we' because that's the way I feel about it, and a lot of the guys feel it too," he says. "It really is an oasis"

The lounge grew from a small room that seated four or five, to a well-appointed pub-like space that holds 15 or 20 comfortably. There are small tables and chairs, easy chairs, a cappuccino machine, a pool table and dartboard, a flat-screen TV and two arcade-style games—bowling and golf. The golf is particularly popular.

Also, in response to customers' requests, Joshi put in WIFI, so customers can now bring in their computers and do some work if they want to.

The store itself has a walk-in humidor and sells cigars, an array of cigar accessories, pipe tobacco, some RYO tobacco and some pipes and pipe tools. There is also a wall of lockers for customers to store cigars for lounge use at a \$125 annual fee. That, Weinberg points out, is a very reasonable fee in the New York area. "I could probably buy the cigars for a dollar or a dollar-fifty cheaper, but then I'd just buy the cigar and smoke it," he says. "With Jack, you sit down and relax and laugh yourself silly."

On two Fridays a month, Maxi's has cigar tastings. Joshi sends out almost 300 e-mail invitations and draws an attendance of about 90 people. There is free food, Joshi lowers the price of the featured cigar a bit and sometimes there may be a buy-two, get-one-free offer.

There is also an annual golf outing that includes a goody bag with a shirt, hat and cigars, breakfast, and a snack at the ninth hole. After the golf, everyone comes back to Maxi's for a barbecue. And earlier this year, they had a fundraiser that brought in more than \$2,000 for autistic children.

Maxi's Cigar Lounge is open seven days a week—from 8 a.m. to 9 p.m. Monday through Thursday, 8 a.m. to 11 p.m. Friday and Saturday, and 8 a.m. to 7 p.m. on Sunday. Joshi has no employees to provide back-up, but says he does get help from a core group of four customers—Jay Fox, Larry Montanez, Kenny Doerrbecker and Weinberg.

“When he has to deal with a vendor or leave the store, the four guys are always ready to step in and lend him a hand,” Weinberg says, proud that he is one of those Joshi entrusts with a key.

“It's done with such love. Jack is a really terrific guy—we do anything we can to help.

“On occasion, much to my wife's surprise, I have opened the store,” he says. He has also closed the store, dealt with stock and rung up sales. “It's very exhilarating to work behind the register and have someone who doesn't know cigars come in, and guide them based on my cigar smoking experience,” Weinberg says. “When I make a decent sale, I think I'm more excited about it than Jack is.” To Joshi, business and life itself is a two-way street. “One-way cannot go,” he says. “You have to have it two-way.” To show his customers how much he appreciates them and their business, for the past two years he has thrown an annual holiday party. Around the walls of the lounge, he hangs individual stockings, each with a customer's name on it. Inside are two to seven of that customer's favorite cigars. “I'm not only taking money, I have to give out,” he says, noting a customer may easily be spending \$40 to \$50 a week in his store. “I like to appreciate the people's business. A lot of people don't understand.”

Weinberg was introduced to Maxi's by a friend. And even though, living in Brooklyn, he probably lives the farthest away from the shop in Franklin Square on Long Island, it's where he spends most of his weekend, starting at 8 a.m. Saturday and Sunday. He does leave mid-afternoon Saturday to spend the rest of the day and evening with his wife.

“Everyone's wife knows if they're not at home, they're here,” Joshi says. If they need an errand done on the way home, wives call asking for their husbands. Sometimes, they stop by.

Weinberg thinks charter customer Joel Geller summed Maxi's up perfectly with a line that has become the lounge's tag or theme line, “Come as strangers...leave as friends.”

“It's a unique place to be and I feel very, very lucky that I found it, Weinberg says.

For more information, visit www.maxiscigarlounge.com.