

Top tips - eight ways to keep customers loyal

It's a well known fact that repeat business is cheaper than acquiring new customers. Given the cost of generating fresh customers, building loyalty may be the difference between business failure and continued success. It's also much more fun to be in business with customers who like you and want to continue doing business with you. However, while the principles of customer loyalty might be simple, acting on them can be hard and sticking to them in a recession even harder. Here are eight top tips for maintaining your existing customer base.

1. Understand your customers

Learn as much as possible about what your customers want and encourage them to provide feedback and make it easy for them to do so. Demonstrate that you understand them by only offering them products which suit their needs. Keep good records of all customer contacts and use them to improve your understanding of customers individual requirements.

2. Review internal systems

Design systems which suit your customers, such as easy ordering and fast delivery. Set clear service standards and train employees to meet them. Ensure all employees understand their role in satisfying customers and consider offering incentives for good customer care performance.

Review your service continually by contacting customers, or a cross section of them, to check that they are satisfied with the service. You can do this by email or by telephone and this gives you feedback on your operation and also gives you another legitimate chance to sell more services. If they have a problem look for solutions and deal with it.

3. Use the power of the internet

The way customers shop for products and services is changing so to secure their business you have to change with them. Be flexible and go multi-channel because in the Facebook age people are more demanding. Ensure that your website provides a suitable 'shop window' for your business and use social networking sites like Facebook and Twitter to keep customers abreast of what's going on in your business.

You don't have to meet this multi-channel expectation but if you don't the consequence could be that customers choose to go elsewhere. Those companies that use the internet to its full capacity are the most profitable ones, so by neglecting this area you could be cutting your profits significantly.

4. Stay in contact

In business you find that when people don't know what is going on they will speculate, usually negatively, so keep your customers informed. Tell them immediately if there is any issue at all with the service and take full responsibility for dealing with it. Never blame someone else as nothing is more infuriating for the customer than when their service provider blames a third party over whom they have no control.

When contacting customers use personalised letters, provide information useful to them and express your appreciation for their business. Make it easy for customers to contact you by providing a named contact or account manager, and answer phone calls and reply to letters promptly.

5. Personalise your service

Look for every opportunity to personalise your service by displaying pictures of individuals and their contact details. The internet can be impersonal so you need to communicate that your business is run by human beings who care about their customers. This also reassures them that they have a contact if there is any problem, so much better than a faceless company.

Analyse the profitability of different customers or market segments, and provide superior care to the most profitable. Consider offering valued customers extras such as first choice on special offers or loyalty bonuses. This will make them feel important and valued, and more likely to continue to buy from you rather than a competitor, even if you are a little more expensive.

6. Under promise and over deliver

It's one thing to present a great offer to a new customer and win their business, but then you have to deliver. If you can demonstrate that you really look after your customers and give them a great experience, they are likely to come back repeatedly.

This means that you should do what you say you are going to. If there's something worse than bad service, it's being told how great the service is, then receiving the opposite. It's much better to actually deliver than to talk about it.

7. Deal with problems promptly

When a mistake happens correct it at the highest level. Customers appreciate it when a manager calls rather than the most junior person as it makes them feel important to the company. A simple apology works wonders.

Remind everyone in your organisation that you are one company and that it is everyone's problem if the customer is unhappy. Never let one department or staff member criticise another as customers will not be reassured by a company that is at war with itself. Focus on beating your competitors not your colleagues.

8. Continuous improvement

Treat customer complaints as an opportunity not a problem. As well as exposing specific issues that need to be resolved, they are a chance to learn and improve. They should be carefully analysed and not be buried away and forgotten. It's also good to share both positive and negative feedback with everyone in the organisation. If staff are mentioned by name pass this on for praise but don't publish names in the case of criticism. This reminds everyone how important it is to keep customers happy and provides a well-earned pat on the back when things go well.

REMEMBER!!!

It is imperative that you find out as much as possible about individual customer needs and tailor your service to meet them. Design systems to make life easier for customers and ensure you set, and monitor service levels and act immediately if they slip. Don't assume all customers are the same or make unrealistic promises. Above all don't waste expensive time on unprofitable customers.



We are all customers of someone else, so ask yourself what you expect as a customer. The chances are your own customers want the same thing – so give it to them.