



Keeping Customers Loyal

It's a well-known fact that it costs many times more to acquire a new customer than to keep doing business with your existing ones. For this reason, the best way to become profitable is to have loyal customers who keep coming back again and again. It's all about relationship building. So what can you do?

Customers Aren't as Loyal as They Used to Be.

It used to be that customers would find one service that met their needs and stay with it for absolutely years. Now, though, customers are fickle, and can all-too-easily be tempted away by a competitor's offer if they feel that it sounds cheaper or better than yours. So-called 'loyalty management' has become more of a science than it ever used to be, and it's one that you need to make use of if you don't want to be constantly failing to retain your customers.

Offer Discounts for Repeat Business.

You will see some businesses who give people a 'first-time' discount, as a hook to get people to try their services. This is entirely the wrong way to do it. What you should be trying to do is reward loyalty by giving people a discount each time they use your services. Over time, this makes it so that moving to the competition looks like a ridiculous proposition for them -- why would they when they get a 20% discount from you every time?

Keep Mailing Lists.

You should have at least two mailing lists: one for your prospects (people who might buy from you), and one for your customers (people who have bought from you). You should lavish attention on both lists, but especially on the existing customer one -- and really lay it on thick for anyone who's bought from you more than once.

You need to be in contact with your regular customers as much as you can, always understanding their needs and when they might need you again. Don't worry about this costing masses in direct mail, as you can always do it by email. The secret is this: contact, contact, contact. Send your regulars Christmas cards, invite them to meet with you for lunch -- anything you can think of. A good tip is to always use the techniques that your competitors are neglecting.

If your service is one that the customer will need at regular intervals or a certain time of year, make sure you keep track of this in your customer database and send something out then. There's nothing worse than losing out on a customer's business just because they didn't have your phone number to hand and had a little extra time to see an offer from a competitor.

Another good thing to send to your mailing list is a newsletter, either by email or post. Take a few hours each month to write something with useful information about your industry that your customers are likely to keep and find useful, and put your logo on the top so that they can be reminded of you when they see it. As a bonus, you can keep this material archived on your website too, so it can be found by people searching for related words in search engines.

Be Crazy About Feedback.

You need to phone up as many customers as you can to get their feedback after they deal with you. Make sure they were satisfied with what you provided, offer to fix anything that they're not happy with, and ask them if they can think of any way you could improve. Customers will appreciate this -- and they'll like it even more if you actually implement their suggestions.

Provide a Personal Service.

Go the extra mile to make your customer feel like they're your friend, and not just a tracking number in your database. Tailor everything you do to their needs, and make everything easy for them -- don't leave them to do legwork that you could be doing. After all, they're the customer.

Finally, cheesy as it might sound, customers really appreciate a little thank you note when you've received their payment. For an extra personal touch, you could handwrite it.

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