

Seven Secrets to Customer Retention

Most customers want to be loyal. Just as it costs 5 times more to get a new customer than to keep an existing one, there is a cost – in time, money or both – to the customer as well. If you do nothing to drive your customers away, you're more than halfway there. Depending upon your industry, there are a lot of creative ways to encourage your clients to stay with you but these seven secrets will work for everyone.

- 1 – Maintain good communication – Create a reliable pipeline to your customers, Email, for example, and use it to keep your company top-of-mind.
- 2 – Offer loyalty rewards – Make sure customers know that they are appreciated. Offer gifts, discount coupons or other freebies that encourage repeat business and referrals.
- 3 – Create a personalized experience – Greeting customers by name whether online or on the phone, remembering preferences and making suggestions for new purchases helps create a bond between your customers and your company.
- 4 – Set expectations – If you can't deliver 100% of what the customer expects at that moment, be sure to communicate that. Whether it's a service outage, an out-of-stock product or the inability to meet a promised deadline, communicating this in advance will be much better received than leaving things murky. Remember, Under-promise and Over-deliver!
- 5 – Offer less options – A lot of research has gone into the pros and cons of choice. Ultimately, too many choices leave customers feeling dissatisfied. Offering less choice with suggestions as to the best option for your customer based on historical purchases makes the buying process easier resulting in more repeat sales and higher customer satisfaction.
- 6 – Be unpredictable – Surprise your customers with unexpected upgrades and gifts. Making people feel special is an excellent way to create loyalty.
- 7 – Make it easy – When things do go wrong, aim for low effort conflict resolution – the lower, the better. When a customer has to contact the company for support, make sure the experience is as easy as possible. Customers are much more likely to remain loyal if their problems are dealt with quickly and efficiently – ideally in their chosen channel (i.e. chat, phone, etc.).

These seven secrets will increase your customer retention dramatically. If you have additional questions or for help implementing these suggestions, contact me – Chris@ChristineMcCarron.com