

50 Ways to Keep Your Customers For Life

1. **CREATE A SERVICE-ORIENTED CULTURE.** Everyone in the company must be customer-service oriented. All employees must realize that they work for the customer, and their job is to ensure the ultimate satisfaction of the customer. Everything else is superfluous.

2. **HAVE A SERVICE VISION.** A vision is vital to the service success of any organization. A vision is more than just a philosophy of doing business. The vision must be the corporate cultural ethic. Everyone must believe and live the vision for your company to provide excellent customer service and keep customers for life. Management may develop the vision, but the staff must make it a reality.

3. **POLICIES IN WRITING.** To benefit both your customers and your employees, put your service policies in writing. This way, there can be no mistakes or misunderstandings. Be aware, however, that your employees should have the authority to grant discretionary exceptions to the policies when the need arises. Remember, policies are guidelines, and they must remain flexible.

4. **EMPLOYEE EMPOWERMENT.** Give your employees the authority to go with their responsibility of satisfying and keeping the customer. Allow them to make decisions on the spot and support those decisions. Remember, their job is to satisfy the customers and keep them coming back. Employees should not have to look for you or a manager every time a customer needs something out of the ordinary.

5. **EMPLOYEE TRAINING.** Train, train and then retrain to retain your employees. Give them on-the-job training, off-the-job training, tapes, books, seminars, workshops, anything that will help them do their jobs better. While you may find qualified people who have just graduated from school, nothing prepares a person better for handling customers than the training they receive on the job and in practically applied programs.

6. **MARKETING THE SERVICE PROGRAM.** All of your marketing should communicate that you provide superior customer service, are interested only in total customer satisfaction, and will do everything possible to keep your customers. This message must be stated in everything you send out to the public and the trades.

7. **HIRE GOOD PEOPLE.** Hire people who are good and well qualified. Innate people skills go a long way toward helping your staff provide superior customer service and retain your customers.

8. **DON'T MAKE CUSTOMERS PAY FOR SERVICE.** Pay for anything related to customer service, including shipping charges on returns, long-distance telephone calls, postage, and anything else for which the customer is normally charged. If you don't pay for the cost of service, your competition will, and then your customers will become their customers.

9. **REWARD LOYALTY.** What gets rewarded gets done. If you reward both customers and employees for their loyalty, they will stay with you a long time. The rewards must be perceived as valuable by the recipient, but they do not have to cost you much money.

10.SET STANDARDS OF PERFORMANCE. Let everyone know exactly what they must do to provide superior customer service. Make these standards as objective and measurable as possible, even though you may provide an intangible service. When people achieve these performance levels, customer retention and loyalty naturally follow.

11.TRADE JOBS. Have your employees work in other departments. They will develop an appreciation for what other people in the company do, and therefore no employee will blame another for a customer problem. In fact, since the employees have experience in other areas, they will be able to solve more problems and satisfy more customers on the spot.

12.USER FRIENDLY SERVICE SYSTEMS. Make your customer service systems easy to use. The customer is the reason for your business, not someone who is in the way of doing business. Make the customers feel and know they can bring a problem to your attention, voice a complaint, get it resolved as quickly as possible and receive superb treatment during all their contacts with your company.

13.DESIGN FLEXIBILITY INTO YOUR SERVICE POLICIES. Keep your policies flexible, because each customer and situation is different. Your employees must know they can modify a written or stated policy to ensure the customer's total satisfaction at any given moment, and you must support your employees' decisions and actions in these situations.

14.EDUCATE THE CUSTOMER. Do not assume the customer knows what you know. Use every customer contact as a chance to educate the customer about something related to your business. Even if you are just educating them about your great return policy, teach them. They will be appreciative and show this by continuing to do business with you.

15.HANDLE COMPLAINTS PROPERLY. Acknowledge that the customer is upset, listen carefully, assure them you are doing everything possible at this moment to resolve their complaint, and then resolve the complaint. Then, when they express appreciation for your efforts, use the opportunity to increase their loyalty. Thank them for bringing the problem to your attention, apologize again for the problem, and try to sell them something else.

16.TURN COMPLAINTS INTO ADDITIONAL SALES. The customer is most receptive to continuing to do business with you after you resolve a complaint. Using this opportunity to make a sale is both ethical and practical. Your customers will appreciate your interest in them. They will probably buy from you now and go out and tell their friends how well and quickly you handled their problem. You will develop a reputation with customers of credibility, reliability and honesty.

17.TRAIN YOUR EMPLOYEES TO DO IT RIGHT THE FIRST TIME. Repair, rework and additional free services are very costly. Doing it right the first time guarantees greater profitability, happier customers and more long-term customers. If you must do something over again for a customer, do it even "righter" the second time.

18.BEG FOR CUSTOMER FEEDBACK. It is not enough to send out surveys or leave comment cards at the cash register. You must get as much customer feedback as possible, even if you have to beg for it. If customers are asked their opinion and see that you have implemented their suggestions, they will not only continue to do business with you, they will recommend that friends come to you also. Do whatever you can to solicit their opinions and comments, and then act on their suggestions.

19.GET AND USE EMPLOYEE IDEAS. Your employees who have daily contact with customers know more about what customers need, want and expect than you or any other manager could ever hope to know. Get feedback from your employees, listen carefully to their suggestions, and implement as many as possible. Research shows that the best service companies not only get more ideas from their employees, they use more of them. This makes employees feel wanted and cared about and shows them that you think as much of your internal customers as you do your external customers.

20.BE FAIR AND CONSISTENT. Customers may not always like or agree with what you do for them, but as long as you treat each one fairly and consistently, they will respect you for it. Consistency enhances your credibility and reliability which are essential for building loyalty and retaining customers.

21.UNDERPROMISE AND OVERDELIVER. Customers' expectations can be unrealistically raised when businesses overpromise and underdeliver. Usually, the business cannot meet these expectations, and the customer goes away disappointed. But if you set realistic expectations for the customer on your quality and level of service and then exceed those expectations, the customer is more than satisfied. Remember, though, that you should not underpromise to the extent that you insult your customers. They will see through you in a minute and take their business elsewhere.

22.COMPETE ON BENEFITS, NOT PRODUCTS OR PRICES. Customers can always find another product at a lower price, somehow, somewhere. You must always remind your customers of the benefits of doing business with you. Features can be found in every product, but benefits are unique to the way you do business.

23.HIGH TOUCH IS MORE IMPORTANT THAN HIGH TECH. High tech does get people to say "WOW!", but it doesn't get people to care about other people. Your business needs high touch to survive. Stay close to your customers. Get to know them well. The closer you are to your customers, the longer they will do business with you. After all, when you show you care, you become like one of the family.

24.KNOW THE COST OF LOSING A CUSTOMER. All employees should know the lifetime value of a customer, the cost of losing even one, and the effect that loss can have on your business. Consider rewarding your employees if they retain your customers over a longer-than-average time period.

25.KNOW YOUR COMPETITION. What kinds of customer services are your competitors providing? What are they doing to retain their customers? Are they offering more benefits, better service policies, or are they just being nicer to the customers? Find out, and if they are doing something you are not doing, then do it. If it works for them, it will probably work for you.

26.CONDUCT INTERNAL ASSESSMENTS. Constantly evaluate your company's customer service, satisfaction and retention. Interview your employees, have them fill out questionnaires, ask your customers at the point of purchase how you are doing, and then use this information to improve your service and retention efforts. Examples of simple surveys for you to use are provided in Appendix A.

27.KNOW WHAT YOUR CUSTOMERS NEED, WANT, AND EXPECT. Businesses run into problems when they think customers need, want or expect one thing, yet they really require another. These gaps in perceptions about service delivery ultimately disappoint customers. Find out what the customers need, want and expect, and then give it to them.

28.FIND, NURTURE AND DISPLAY CUSTOMER CHAMPIONS. Every business has one, two or several employees who are true customer champions. Find out who these people are, nurture and support them, then make them role models for everyone else to follow. Reward their behavior. The rest of your staff will upgrade their service performance to this level to receive similar rewards. The result is a highly motivated, service-oriented staff and a group of satisfied and loyal customers.

29.EFFECTIVE COMMUNICATION IS CRITICAL TO SUCCESS. Every problem between people is the result of poor communication. Train your people to develop effective communication skills: how to listen first, how to speak so others will listen, how to understand others before trying to be understood, how to receive and give feedback, and how to develop rapport with customers.

30.SMILE. Smiling is important when serving a customer. Smiles will usually get a smile in return, but smiles will not guarantee quality customer service. Smiling must be something employees do because it makes them feel good, and it makes the customers feel good.

31.MAKE CUSTOMERS FEEL IMPORTANT. The more important you make customers feel, the better they will feel about doing business with you. Call them by name, ask them to tell you about themselves and ask questions about their accomplishments. Your reward will be a lifetime customer.

32.PROMOTE YOUR CUSTOMERS. With their permission, of course, use your customers in your marketing and promotion efforts. Let them tell their story to other customers and prospects. This third party endorsement fosters tremendous credibility, and your customers will love being involved.

33.CREATE A CUSTOMER COUNCIL. Your customer council, which is like a board of directors or focus group, should meet regularly to scrutinize your business and the service you provide. The council makes suggestions on which you act.

34.MARKET FREQUENT BUYER PROGRAMS. To get your customers excited about doing business with you, start a reward program for frequent buyers. You can use coupons, punch cards or anything else that helps you keep track of customer activity. When purchases reach a certain level, reward your customers with a gift—a deep discount coupon, a free product or service or something more expensive, such as a trip.

35.ACCEPT ONLY EXCELLENCE. If you expect average performance and service, that is what you will get. Therefore, set your expectations high. Accept only excellent performance from your employees, and train your staff to achieve these levels of performance. Good enough should never be good enough.

36.EMPLOYEES ARE CUSTOMERS, TOO. Employees are your internal customers, your first line of customers, and each of them has a customer somewhere in the value chain. Each employee must provide excellent customer service to every other employee so that they all can provide superior service to customers. This is the only way to guarantee customer satisfaction and retention.

37.LET CUSTOMERS KNOW YOU CARE. Send them thank you cards, holiday cards and anything else you can to show them you care. Never let them forget your name. Teach them that whenever they need something, they can come to you for it because you care. Spend time and money marketing your caring attitude to your customers.

38.MAKE SERVICE RESULTS VISIBLE. Visibility enhances credibility, and credibility is only enhanced by improved performance. Post your customer comment cards and letters for all customers to see. Create a testimonial book for customers to read. Post employees' performance results in their lounge or locker room. Make service results visible so that your employees will constantly improve and your customers will be the beneficiaries of this improved service.

39.GO THE EXTRA MILE. When customers want something from you, give it to them. Then do something extra. They will be grateful and you will have a long term customer.

40.MARKETING AND CUSTOMER SERVICE GO HAND IN HAND. All of your marketing efforts should communicate your customer service message. In today's competitive marketplace, the only thing that differentiates companies is the level and quality of their customer service, and this is the major criteria people use to decide whether or not to continue purchasing from that company. Customer service is a very effective and powerful marketing tool, and marketing is a very effective and powerful customer service tool. Combined, the two will help you keep your customers for life.

41.SELECT THE RIGHT CUSTOMERS Some customers are simply more profitable for you to do business with, while others just drain your energy and your profits. Try to identify those customers who will spend more, complain less, refer more, and stay with you longer. Then, do whatever you must to serve and satisfy them so they become loyal, lifetime customers.

42.MOVE CUSTOMERS FROM SATISFACTION TO LOYALTY. Having satisfied customers is not always enough. You must move them from being satisfied to being loyal. Loyalty means they spend more money with you more often than they do with your competitors. Loyalty means you've developed a high level of trust with your customers. And, loyalty means you and your customers work together as "strategic partners."

43.MEASURE WHAT IS IMPORTANT TO THE CUSTOMER. Most businesses take measurements on their own performances so they can "improve." However, the measures a business focuses on may not be

what's important to their customers. Ask your customers what you should be measuring, then measure that, then make improvements that the customers can see.

44.KNOW WHAT CUSTOMERS REALLY WANT IN THEIR RELATIONSHIP WITH YOU. Customers want certain things when they buy a product, and other things when they purchase a service. If you sell a product, provide high value, superior quality, and reliability. If you sell a service, provide a guarantee, have a mechanism for resolving complaints readily available, and establish high levels of trust.

45.KNOW YOUR CUSTOMER DEFECTION REASONS AND PATTERNS. While many businesses are simply calculating attrition or customer turnover, you can keep more of your customers when you identify the reasons for their defections as well as the rates. Determine why customers are leaving you, when they are leaving, and where they are going. Then, create the programs and services that will reduce these defection rates and interrupt these defection patterns.

46.CONDUCT A FAILURE ANALYSIS ON YOUR BUSINESS. The truth is we learn more from our mistakes than our successes. Failure analysis determines where and why we made certain mistakes, and what we should do about them. Remember, nothing is ever true failure unless we neglect to learn from it. Get everyone involved in the analysis and subsequent learning.

47.KNOW YOUR RETENTION IMPROVEMENT MEASURES. After you calculate defection rates and patterns, you need to know what to measure for retention improvement. In addition to retention rates, you need to know your customer tenure rate (how long they stay with you) and the customer class half life (how long it takes half of the customers you gain in a given time period to defect to your competitors). When you have all this information, you can develop effective retention improvement programs.

48.DEVELOP A MARKET VALUE PRICING MODEL FOR YOUR BUSINESS. You know that not all customers are created equal. And, not all customers should pay the same thing for your products or services. In fact, if you carefully segment your customers, you will find that some are willing to pay more for the same products and services. When you establish this variable pricing model based on value to the customer, your profitability will increase and so will the loyalty of your customers. That's because they perceive that you're giving them extra service and value, plus pricing your items especially for them.

49.KNOW YOUR PURPOSE FOR BEING IN BUSINESS. It may sound like a cliché, but the best way you can get and keep customers for life is to know and realize that your one purpose for being in business is to get, satisfy and keep loyal customers. Do whatever it takes to achieve this goal. Keep your eyes on the customers, not the money, and the money will always be there.

50.DO WHAT WORKS ALL OVER AGAIN. Don't reinvent the wheel. Figure out which of these 50 activities is working best for you and continue to do it or them repeatedly. Simple is best. Are there some more you can think of?