

Tips to Improve Your Customer Loyalty

Statistics show that, on average, U.S. companies lose half of their customers every five years.

It's true that acquiring new customers will help your business grow. However, your current customers are the lifeblood of your business and keeping them happy should be your highest priority. Here are a few ways to make sure your customers keep coming back.

- * Understand lost customers. Many business owners mistakenly believe that customers choose to patronize other companies solely because of better prices. While pricing can be a concern, customers often head to the competition when they don't feel valued.

A change of lifestyle may have also created a situation where customers no longer need your product. By staying in touch with their needs, you might be able to adjust your offering to continue servicing them.

- * Know your customer's top priority. Maybe it's reliability or speed or cost. Your company should know your clientele's No. 1 priority and consistently deliver it. Remember, customers' desires change frequently, so ask yourself this question every six months.

- * Acknowledge the lifetime value of customers. The lifetime value of your customers is the income you would gain if a customer stayed with you as long as they could possibly buy your product or service.

For example, the lifetime value of a customer employing a financial adviser could be several decades and could span several generations. Treat the parents well and you could win the children's business.

- * Create a positive first impression. Good first impressions tend to generate loyal customers, and you get only one chance to make a positive first impression. Appearance is important. The exterior and interior of your business should be neat and clean.

- * Listen to the customer. Employees should listen actively to customers. Reassure your customers that you genuinely want to help them. Customers will judge your business based on the politeness, empathy, effort and honesty of your staff.

- * Address and resolve complaints quickly and effectively. Inevitably, your employees will encounter unsatisfied customers. Whether they're returning an item or changing a service, customers expect a fair policy. If you cannot offer a resolution immediately, let the customer know when he or she can expect an answer.