

Three Ways to Improve Customer Retention in 2017



By David Squibb, CMO, Xpertdoc

Customer acquisition costs are skyrocketing, so it is more important than ever to focus on retention. According to the White House Office of Consumer Affairs, it is 6-7 times more expensive to sell a new customer than to retain one. Effective communication is a cornerstone of customer satisfaction, and with advanced tools that improve customer experience, it's never been easier to strengthen relationships and ultimately improve retention.

To tap this opportunity, organizations must stop settling for "good enough" when it comes to dealing with customer relationships. How can they up their communications game by keeping customers happy and coming back?

Create personalized communications to avoid becoming fully transactional

Companies must let customers know that they are more than just a number or a transaction. The latter tends to reduce the service provider to a commodity, undeserving of brand loyalty in the mind of the customer. Marketers must respond to this by modifying their communication methods to show that they care about providing exceptional service.

To do so, organizations must shift their mindset to address

customer perceptions. It's important to prioritize both digital and interpersonal communication. According to a recent Accenture survey, 49% of consumers say have more trust in their bank when speaking to a "real-life" person, indicating that personal communications, however it is done, is still necessary in the digital world. The more complex the business, the more this is true.

Simply placing a photo of the sender in an email is a great way for institutions to counter the perception of being transactional. Companies must simplify their communications without losing the ability to create a lasting impression with customers. For this reason, human interaction remains a critical component that should be to weaved in with the digital tools. Service providers should not exclusively rely on bots and Interactive Voice Response (IVR) systems to conduct business.

Use advanced CCM tools to enhance customer service

If employees cannot efficiently communicate with each other, it is doubtful that they can communicate with customers. Leveraging customer communication management (CCM) solutions can drastically improve workflows, speeding up access to the customer information or documents they need.

For example, the process of buying insurance can be incredibly tedious, with multiple steps and challenges along the way. Some insurers have gotten more effective at minimizing the back and forth to customers, expediting everything from their quotes to claims processes, and reducing the friction inherent to their industry. This is, in large part, because internal processes and communications have been streamlined.

In short, companies that can successfully process, organize and distribute information in a quicker and more personalized fashion tend to benefit from higher customer satisfaction and retention rates.

Use digital to surprise and delight your customers

Today's customers can be reached more easily than ever before, but few companies are taking full advantage of the options. From dynamic smart forms that incorporate rich media like video to simply communicating with customers using the channel of their choice, organizations always need to incorporate a variety of channels in their customer engagement methods if they want to communicate more effectively.

Attempts at authentic non-business related communication such as the notorious birthday greetings can fall flat, and in some cases, are already expected (coupled with special deals). But advanced CRM tools can make workflow efficient enough to pull appropriate customer data and tailor deals to the individual. Subtle improvements to a common marketing tactic like this can help keep companies top-of-mind when they might otherwise fade into the background.

Today's customers are tech savvy, and easily swayed from their current relationships. However, organizations that take steps to avoid becoming transactional in nature, meet their customers in their communications channel of choice, and exceed customer expectations will improve their chances of retaining their customers.

***About the Author:** At Xpertdoc, named as one of the fastest growing companies in Canada by Profit 500, David leads a team of top sales and marketing professionals, where they help companies that are focused on growth and client retention to leverage their wealth of client data to more effectively communicate with their customers.*