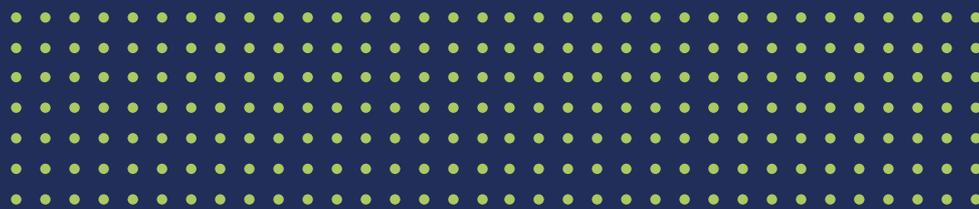




INNOVATIVE ENTREPRENEURSHIP



Retaining Customers



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Retaining Customers

This factsheet looks at why customer retention is important and what benefits it can bring to your business.

When your business is established and you are looking to grow bringing in new customers or clients seems like a great idea, however it is vitally important that in developing your strategies to bring in these new customers or clients that you continue to focus on your existing customer base and aim to retain as many as possible.

It's important to understand why you should retain customers. In a world of instant information and access to (almost) anything, attention spans and patience seem to be constantly reducing. Some customers might change from a business they've been with for some time, just to experience variety. You need to keep your business fresh and exciting for your customers, and not forgetting to take an interest in them. A popular customer retention strategy is to conduct surveys about your business, to see what customers like, don't like, and anything different they'd like to see. Find a balance between talking to your customers regularly without bombarding them – and try not to annoy them by constantly asking them for feedback!

The benefits of good customer retention include;

Increasing sales

One of the major benefits of customer retention is the impact existing customers can have on your sales. If a customer has used your services before and had a great customer experience, they are far more likely to come back to you in the future. Repeat purchases equal repeat sales and therefore profits. In fact, loyal customers may well explore your business further, to see what other products or services you offer. What's more, the value of customer loyalty and retention means they are far more likely to pay premium prices. They like you and your business, so they would be happy to pay for your services.

They are a form of advertising for your business

Loyal customers are one of the most effective ways to drum up new business. Referrals from friends and family have a strong influence in somebody's decision making process. These days, people will take to social media to talk about their experiences, both positive and negative as well as the traditional method of telling their friends, family and work colleagues. Word of mouth in Northern Cyprus still remains the key marketing tool for most businesses. Utilising their feedback





Happy customers will give fantastic feedback about the service they've received from you. Much like word of mouth between friends and families, great online reviews about your business really show the importance of customer loyalty and retention. If potential customers see nothing but 5-star reviews about you, then that's hard to ignore – it's an (almost) guaranteed conversion boost for you. These reviews can be left on your social media site, google my business page or on independent websites such as Tripadvisor.

Keeping you and your employees happy and motivated

Losing customers is likely to affect your business in financial terms, but it can also have a real impact on your team. If customers keep leaving you, team morale can take a major dip. You may start to lose confidence and question your abilities. If customers do leave, it is important not to take it personally - instead, do everything you can to retain your existing customers. Keeping customers lets you develop relationships with them, boosting opportunities for the future. With your customers liking you, getting great feedback from them is far more likely to happen, leading to overall employee happiness.

Keeping ahead of the competition

The importance of customer retention can be seen in performance between you and your competitors. If you don't retain them, they'll go straight to your competitors, and winning them back becomes a much greater challenge. Long-standing customers, who have always experienced an outstanding customer journey experience, wouldn't think twice about defecting without good reason. Whatever market you're in, it is a very competitive environment and you need to do what you can to get ahead.

