Article Side
Customer loyalty is its own reward by Richard Wilkins

Article published on May 18th 2012 | Business

Not many factors remain constant when running a business, but to be successful one thing does: customer focus. Whether an established company or a new start-up, customer retention should be a key objective in making a business work. Customers are the most powerful marketing tool so keeping them happy will invariably see your company grow and become successful. With so much competition in every industry, offering incentives, such as customer loyalty programs has become a key part of many business strategies.

If you think a customer loyalty program can be kept on the back burner whilst building other parts of a business, think again. Statistics show that the average household now belongs to 14 different reward programs and this number is on the increase. With that in mind, customer retention should become a companyâ€™s main marketing focus. Is a customer loyalty program right for your business and how can you go about starting one that will generate real results?

Even a business that deals with customers on an infrequent basis could benefit from a customer loyalty program. The purpose of a reward program isnâ€™t just to keep existing customers content, but also to encourage them to refer more clients. However, the majority of businesses do rely on their customer base so offering rewards is the name of the game.

Utilizing the current data a business may have on their customers is key to starting a successful loyalty program. Figuring out how much the best costumers spend on average and how frequently they use the service is vital to gauging the reward value to offer. Most successful business loyalty programs target the top 10-15% of their customer bases rather than offering a broad discount to all patrons.

Customer loyalty programs come in various forms. For example, a club card that provides a discount with every purchase, a points program that lets customers cash in their loyalty for goods and prizes, offering priority shipping or giving them access to an item or service only available through a paid subscription. Never limit reward programs to discounts only. They don't have a lasting impact on customers' memories. Statistics show that physical prizes or earned bonuses like frequent flayer trips resonate much more.

Offering a loyalty program should no longer be an extension to your marketing plan, but a necessary part of it, as customer retention becomes ever more important in a competitive marketplace.

Article Source:
http://www.articleside.com/business-articles/customer-loyalty-is-its-own-reward.htm - Article Side

Richard Wilkins - About Author:
The author has an immense knowledge on a customer loyalty programs. Know more about a customer retention related info in his website.

Article Keywords:

customer loyalty programs, customer retention

You can find more free articles on Article Side. Sign up today and share your knowledge to the community! It is completely FREE!