Maintaining, and Even Expanding, Your Customer-Base in Challenging Economic Times

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Article published on June 29th 2012 | Software

Every business experiences challenging periods, this is normal. The key to your business's success is how well you respond to these.

Tough economic times may mean that existing customers are cutting back on their orders and finding new ones may also become more difficult. Any long-time business owner understands that there will be times of famine and times of plenty, this is the natural order of things. Getting through the 'famines' requires an innovative approach. In a positive economic climate, customers may have been relatively easy to find â€“ and keep. In tough times these same customers may begin to drift away, even though your business continues to offer stellar service.

Combatting this requires a three-pronged approach. You need to attract new customers, maximize referrals and ensure retention of your existing customers. Attracting new customers means continuing ongoing marketing; if money is tight then focus on targeting your marketing where your high-value customers are to be found. If you have a user-friendly customer data management system in place, this should be relatively straightforward.

Your referrals come from your existing customers so keeping these happy has double benefits. Ensure that customer contact does not end when a transaction is completed. We know that customers are more likely to give you feedback when they have a complaint than when they are satisfied. Actually, you have more chance of repeat business from the customer who complains (assuming you deal with their complaint in a timely and empathetic manner) than one who doesn't. How often have you had a 'so-so' experience and said nothing, or a generally positive experience that was marred by one small aspect that seemed too trivial to mention? Customers who feel like this are often considered 'satisfied' but they are unlikely to rave about you to their friends, give you referrals, or even return with repeat business.

To ensure maximum referrals and repeat business, maintain contact with your customers after the transaction has been completed. Always ask your customers for quick feedback on their experience and listen - actively listen - to their responses. Thank them for their business and ask if there is anything you can do to improve your service; feedback can be verbal or written, the nature of your business and the number of customers you encounter in a day may determine this. Social media can also be an excellent forum for maintaining an active conversation with your customers. However, written feedback, preferably made simple and easy, has the clear advantage of being quantifiable and easy to analyze.

Try to anticipate your customers' needs. Analyzing data collected from previous encounters with customers can help you predict future needs and trends. Going the 'extra mile' is often necessary, especially when times are tough and customers hard to come by. People love to feel appreciated so reward customers at the end of an experience with a small gift or an upgrade on future purchases/services. Similarly, offer incentives for referrals in terms of discounts or upgrades. Encourage existing customers to make long-term commitments; again, offer an incentive for doing this. You don't want your 'good' customers to wander away for lack of a little extra attention.

Ensure that you have an efficient system in place for managing your customer data; successful businesses will rapidly outgrow spreadsheets and a system that can survey customers, analyze and interpret results and store the resulting data where it is readily available to all appropriate employees will be indispensable. During tough economic times you may need to trim your

overheads and re-think your marketing strategies; however, compromising on customer service before, during and after the transaction should never be an option â€“ your customers are your business, so don't let them drift away because you failed to follow up.

Article Source:
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Article Keywords:
customer feedback software,customer feedback solutions,online survey software

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