

ATTENTION TO RETENTION

Intro

- ✓ Harvard Business Review reveals that a five-percent increase in customer retention translates to anywhere between a 25 and 95 percent increase in profits
- ✓ Retained customers (loyal customers) are more profitable – they have a higher lifetime value
- ✓ Customers you have retained successfully over the years:
 - Visit your website more
 - Visit your store more
 - Spend more than the average customer
 - Stay with you during adverse times
- ✓ A two percent increase in customer retention will roughly have the same effect as a 10 percent reduction in selling price. Source: “Leading on the Edge of Chaos”, Emmet Murphy & Mark Murphy.
- ✓ Retaining customers lowers your total customer acquisition costs and is in fact, six to seven times cheaper than acquiring a new customer. Source: Bain & Company
- ✓ Your chances of selling to an existing customer is anywhere between 60 and 70 percent, whereas that of selling to a newly-acquired customer is typically between five and 20 percent. Source: Marketing Metrics

Customer Retention

- ✓ The success of your customer retention strategies will depend heavily upon three key factors, which are essentially the pillars of stellar customer retention. These include your ability to:
 - Make (and keep) customers happy
 - Reduce customer effort
 - Delivery quality customer service; first time, every time
- ✓ Step #1: Recognize customers as nothing short of valuable assets
- ✓ Step #2: Build a relationship that's larger than your business
- ✓ Step #3: Stay in touch constantly
- ✓ Step #4: Talk to the ones that got away
- ✓ Step #5: Talk to the ones that chose to stay
- ✓ Step #6: Invest in key areas that make customers' lives easy
- ✓ Step #7: Remember to reward loyalty

Member Retention

- ✓ Much like customer retention, membership retention stands upon three pillars:
 - Making and keeping members happy
 - Reducing their efforts
 - Delivering quality service to them time and again
- ✓ Understand the reasons why people (may) abandon your membership site

- ✓ Start thinking retention from the get go
- ✓ Focus on making networking easy for members
- ✓ Keep meaningful activities flowing
- ✓ Be proactive about membership renewals
- ✓ Reward loyalty
- ✓ Compare with and stay abreast of competition

List Retention

- ✓ Email marketing is one of the oldest channels of digital marketing. It is also one of the most profitable
- ✓ According to the Email Marketing Industry Census (2014) published by E-Consultancy in association with Adestra, email marketing revenue witnessed a 28 percent hike in the 12 months from March 2013 to March 2014
- ✓ 68 percent of the participating organizations of the E-Consultancy study rated email as 'excellent' or 'good' in terms of marketing return-on-investment
- ✓ Quit selling all the time
- ✓ Quit sending all the time
- ✓ Offer personalization of content
- ✓ Display a permission reminder and unsubscribe link in all mails
- ✓ Target members who seem to be falling out of love