



34 Communicating with your existing customers

What is a communication system?

A communication system is a planned series of activities that ensure that you keep in constant communication with your existing customers. Elements of a communication system could include a monthly e-newsletter, new product or service alerts emails, an annual or biannual customer review meeting, an invitation to a special event or hospitality day, Christmas cards and gifts, free tickets to events, a golf day, day at the races, free useful information or learning opportunity.

Why is it important?

When you first get a new customer there is usually a lot of energy and enthusiasm. Your customer has made a decision to use you because they believe that you will provide the solution they are looking for. You are keen to deliver and pleased because you have successfully attracted a new customer to your business. This is where the relationship starts. There are many factors that will influence the length of time that customer is active with you. The longer you can keep that customer an enthusiastic purchaser the stronger your business will be.

A well-planned communication system will help to keep your customers focused on you and what you have to offer them. It will help you to retain customers.

A communication system can also help you to bring back inactive customers or those who have been customers but, for whatever reason, have stopped doing business with you. It will help you to reduce attrition.

There are some interesting statistics that show the main reasons why business is lost and their relative percentages.

- 1% of customers died
- 3% moved out of the area
- 5% were influenced away
- 9% got a better deal
- 14% because of unresolved conflicts
- 68% left because of perceived indifference i.e. apathy or lack of communication.

By nurturing your customers from the start and maintaining the communication and the relationship, you will avoid losing the 68% who stop using you because of perceived indifference. This could have a significant effect on your sales results.

Your challenge

Your challenge will be to develop and deliver a system of customer communication that adds value to your relationships. Communicating with customers is a balancing act. People do not want to be bombarded with information day in day out. They don't want to be overwhelmed by so many invitations and gifts that they have to keep saying no. They don't want to buy one thing from you and find that suddenly they are being forced to contend with more and more offers of products and services that they really don't need. You know from your own experience what this can be like. You will need to create a communication system that appreciates your customers' situation and maintains rapport.

What makes a communication system successful?

- It is set up with the customer in mind first and foremost.
- It offers the customer added value.
- You surprise and delight your customers from time to time and show appreciation for the business that they do with you.
- It is focused on building a greater rapport.
- You regularly ask for feedback and are prepared to fine tune your system.
- When you have details of the personal interests of your best customers you tailor your offers of events and information to suit them.

COMMUNICATION SYSTEM – SPECIAL RESPONSE CHECKLIST

- ▶ Decide what you want your communication system to achieve for you.
- ▶ Be aware of the level of attrition (customers who stop using you) that is experienced in your business.
- ▶ Understand why people stop doing business with you.
- ▶ Do you want to continue to work with those who have stopped doing business with you?
- ▶ What could you do to re-contact those people who have stopped using your service?
- ▶ Find out as much as you can about your key customers' interests.

- ▶ Be aware of special events coming up for any of your customers that are important to them such as a shop opening, business anniversary or winning an award. Simple congratulations or good luck cards will always be appreciated.
- ▶ What kind of special events, days out, tickets or information would these people potentially be interested in?
- ▶ What could you do once a year that would be appreciated by your customers?

How to use this information

The following chapters will give you more details about what you could include in your communication system. A well-organised customer database management process will help to make this whole process easier for you to implement and manage on an ongoing basis.

Think customer communication and keep the connection