

Summary

Your existing customers are your number one source of new revenue. Not only did they pay the bills in the past, but existing customers represent the greatest profit opportunity to business. Use these tips to successfully manage your 'certified proven spenders' to your advantage.



ACTIVTips

Summary information or practical advice for business leaders, ACTIVTips represents best practices for businesses seeking new opportunity, predictable growth, and leadership excellence. Integrating ACTIVTips into your business can help you consistently **"Lead Like Never Before."**



the **afterburner** group

Marketing - Existing Customers

Common wisdom states that it is five times more expensive to sell and close a new customer than an existing one. Fortunately, this wisdom is supported by numerous studies. Your 'certified proven spenders', your existing customers are not only less expensive to sell to, but they also tend to be less price sensitive, meaning they are willing to pay more for your products and services. Ignore them at your peril.

Communicate: Customers want to hear from you. Not only when you're trying to sell something. Customers understand how your products/services work and the benefit they derive. Communicate regularly with them to gain valuable feedback and to help shape your understanding of the market.

Keep it Personal: People work with people. People communicate with people. Personally communicate with your existing/previous customers to build a relationship which will easily outlast any competitor and translate into your company being their business partner.

Show Appreciation: Your customers should represent more than simply a paid invoice. Let them know that you are thankful for them, their trust, and their support for your product/service.

Reward Loyalty: We all have customers which have been with us a long time. We start to take them for granted, assuming they will always be there. Times change, though. Reward your most loyal customers, letting them know that they are special and valued by your company - beyond revenue.

Add Strategic Value: Identify ways that your product/service can align with your customer's top strategic goals. Go to them and show them how you can be an integral part of their business success. Help them understand that their objectives are your objectives. Become part of their team versus being just a vendor.

Prioritize: In the quest for new business, existing customers can sometimes be forgotten or put way down on the list of priorities. Look for ways to prioritize existing customers needs and their satisfaction above new business and internal politics and initiatives. Your customers will reward your loyalty.

Create Cross Sell Opportunities: Market and identify opportunities within existing customers to place complimentary products and services. Customer need is never static. Ferret out where you can help them solve new or other existing problems and capture more 'wallet share.'

Create Up Sell Opportunities: Most customers tend to purchase product or obtain services for an urgent need. From there, they branch out into the realm of important needs. Understand your customers such that you can identify and present answers to bigger problems, those problems which supercede the original issue you were called in to solve.

Share Information: Your customers are always looking for new opportunity just like you are. Bring good contact information or leads to your customers where you understand their products/services to be a fit. Be generous with information so your customers are better informed and able to make better decisions. Make your customers part of your team.

Draw Attention to Yourself: Every time that something is written/published about you or your company, send it to your customers. Remind them of all the areas where you're having success and how you are helping others solve business challenges. Your existing customers will perceive you as having capabilities beyond their original expectations and will bring you in on new projects.

Follow Up: Proactively make sure that your customer's questions or needs are fulfilled. Don't let them linger in favor of other priorities.

Manage Your Reputation: Make sure customer issues resolved in a timely, accurate manner. Good customer service differentiates and keeps customers coming back. Unhappy customers can cause a lot of headaches that your business does not need.

Get Involved With Your Customer: Demonstrate your commitment to your customer through getting involved in community programs. Identify customer-preferred charities and consider contributing time, money or product/services to the effort

Make Them Feel Important: Ensure your customers know that they are important to the future of your business.