

Make Customers Loyal to Your Business

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When customers can easily comparison shop online with a few mouse clicks, the notion of loyalty seems almost old fashioned. Your best customers are someone else's most sought-after prospects.

Big companies have adopted a fancy term for addressing the problem, called "customer retention management" or CRM. Massive amounts of time and energy are devoted to it, including countless Web sites, conferences, software products, online applications, magazines and books.

The core of the issue, however, comes down to something small business owners have been good at for centuries: *building customer loyalty*. A loyal customer is doing business with *you*, not your competition.

Small businesses that concentrate on *keeping* customers are more successful in the long run. It only stands to reason. Selling to folks you already know and understand is more efficient, more predictable and more profitable. A loyal customer base gives you an edge.

But building loyalty is not a marketing matter, so don't look there for help. Spend all you want to attract new cadres of customers, but if they don't stick around your days could be numbered.

When a customer leaves, you should consider it unacceptable. Find out why it happened and then work to prevent it from happening again.

To foster customer loyalty, a small business needs a strategy that keeps patrons coming back. It starts with basics that are sometimes overlooked. Thanking customers for their business, for example, goes a long way. But try going beyond a few spoken words. Write some thank you notes and letters. Make them personal and sincere. Just let them know you appreciate their business.

Creating value will help boost loyalty. Ask customers if there is anything else you could be doing for them. Then, after they tell you, do it.

Customers are more likely to be loyal if you make it easy for them. Review each customer "touch point" — your phones, your Web site, your store — for ease of use. Offer incentives. You can't buy loyalty, but you *can* make it easier to happen. Special perks, discounts or freebies for loyalty work wonders.