



Showing **appreciation** for your customers pays dividends in **retention**

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Businesses spend a lot of money acquiring new customers. Customer acquisition could be the single biggest line item in your marketing budget — and there's nothing wrong with that. The questions I often ask are: What are you doing to onboard those new customers? And then, what are you doing to recognize them as they become some of your best customers?

Onboarding new customers is often overlooked or given far less attention and investment than customer acquisition. Studies show acquiring new customers costs 5-25 times as much as keeping an existing customer. Onboarding new customers should be a marketing priority; it really is the first step toward customer retention.

Creating an onboarding experience for new customers should be a welcoming one. A warm welcome to your brand, product and service is a very important milestone in building a customer relationship beyond that first transaction. What a new customer experiences, feels, sees and hears will define the potential lifetime value of that customer.

Onboarding can be looked at or defined by identifying all of the potential firsts a new customer is likely to experience with your brand, product and services. Think through your customer lifecycle to determine what critical touchpoints or milestones exist where you can make a positive impression on your customer and start to build a real relationship with them. First impressions don't get a second chance — make those firsts memorable and meaningful. It will go a long way toward moving a new customer to one of your best and most loyal customers.

Speaking of best customers, have you thought about all of the things that make them special? Take a few moments to identify the behaviors beyond the transaction where your best customers add value to your business, like signing up for auto pay, referring other potential customers, giving you honest feedback, spending a greater "share of wallet" with you, etc.

The next question to ask is: How are you showing real appreciation for these best customers of yours?

Let me share a story of customer appreciation that I experienced. I leased a new SUV a few years ago and it happened to be my second one of this same vehicle brand. I had a good experience with the first vehicle and decided to buy into another one when my lease was up. As you might expect, I got several mailings and emails from my dealer during the first 30 days of ownership.





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But one day, I came home from the office and a box was waiting for me on my kitchen counter. I saw the mailing label had my vehicle's logo so I quickly opened the box to find a handwritten note on fine parchment paper, letting me know the company knew who I was and that I was a repeat customer of theirs. In addition to saying they appreciated my business over the years, they provided a special 800 number to call if I needed anything. The authentic phrasing and genuine offer of help moved me and made me feel as if they did care about me as a valuable customer. Beneath the note was the gift of a branded Yeti mug. The gift was great (and has taken many trips in the SUV) but it was the personal note that really made the most impact.

Since this happened, I've shared this story with about a hundred different family members, friends and co-workers. This company's appreciation of my business has had a lot of positive "mileage" for them and their brand. And, for the record, I'm now on my third new lease with this same brand SUV...talk about lifetime value of a customer.

Now, think about your business. Are you showing appreciation for your new customers as well as those customers who have been loyal to you for some time? It doesn't take much to make a customer feel special and keep them from defecting to your competition.

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