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Top 17 Customer Retention Strategies for Long Term Success of a Business

No matter the industry, Sustainability is important for a business and the other word for sustainability is customer retention.

The best marketing strategies can help you gain massive customer attention but what about customer retention? Customer retention is the sole reason your brand will be a long-term success and it is as important as marketing your brand (in fact more). According to Brandongaille, 12% to 15% of consumers are loyal to a single brand but they constitute 50% to 70% of the company's overall sales.

There is certainly a financial edge that comes with more and more new clients purchasing your products, but **retaining your existing customers**, will result in a greater ROI with marketing costs reducing to 40%. Apart from creating the best user experience and selling top-notch products, what else can you do to retain your clients?

Cataloged below are the **17 best customer retention strategies** for the eventual growth and success of your brand.

Facts and Stats:

- The probability of selling to the old client is 60-70% while the probability of selling to the new client is 5-20% only.
- It costs 7x more to acquire a new client than to retain the old one.
- More than 90% of the customers are drawn back if they find top-notch customer services.
- A loyal customer can turn into the best advocate for your brand as there is no marketing match for personal recommendation (word of mouth).

17 Best Strategies to Retain Your Customers

1. Surprise Your Customers with Personalized Customer Services

Jawbone (the American tech brand) sends handwritten notes to the customers appreciating their purchase from the brand. Customers love it as the personalized note depicts that their purchase is valued, they are valued. If you want to retain your clients make sure they get a bit more than the normal service which they can get anywhere else too.

It is a simple trick, surprises motivate the customers to come back and shop more, it can be in the form of appreciation or exclusive loyalty benefits, loyalty points or access to free complimentary services. Give your loyal clients a separate recognition in any small way this, in turn, will inspire them to leave a review about your product (there is no big critique than a regular customer) and about your brand.

2. Meet Customer Expectation

Know your customer's expectations from your brand. But how can you find what your customer is expecting from you? Well, first of all, make sure you are delivering what you're perceived while marketing your product. 80% of the consumers dart away just because they saw something else in the ads/website and they get something else.

For instance, no **digital marketing company** promises the number of leads through **SEO**, **SMO** or content writing - it is a gradual process that will eventually fetch results.

Moreover, you can do market research to know your customers' expectations and what closest you can do to serve their interests.

No one is perfect and under the circumstances when you are not able to meet their expectations make sure to apologize and compensate them. Such chances are rare and should not be deliberately repeated as this might affect your reputation in the market along with your sales.

3. Trust leads to long-term business relations

Let your customers say there is no such service like yours. Trust is the way to a brand's success. If there is no trust then there are no chances of the business surviving in the long run. You can market your product with the best marketing strategies but that will fetch you the initial buyers, you can retain them by building trust.

Trust-building is not the task of a day or two, but you can certainly start doing so by working on the consumer behavior data and adding value to your product accordingly. As per Forbes Insights, it is mandatory for businesses to work on data to build trust with customers. It doesn't take time for the customers to dart on different competitive platforms if they find your product unsatisfactory. Provided that everyone wants a value of their money.

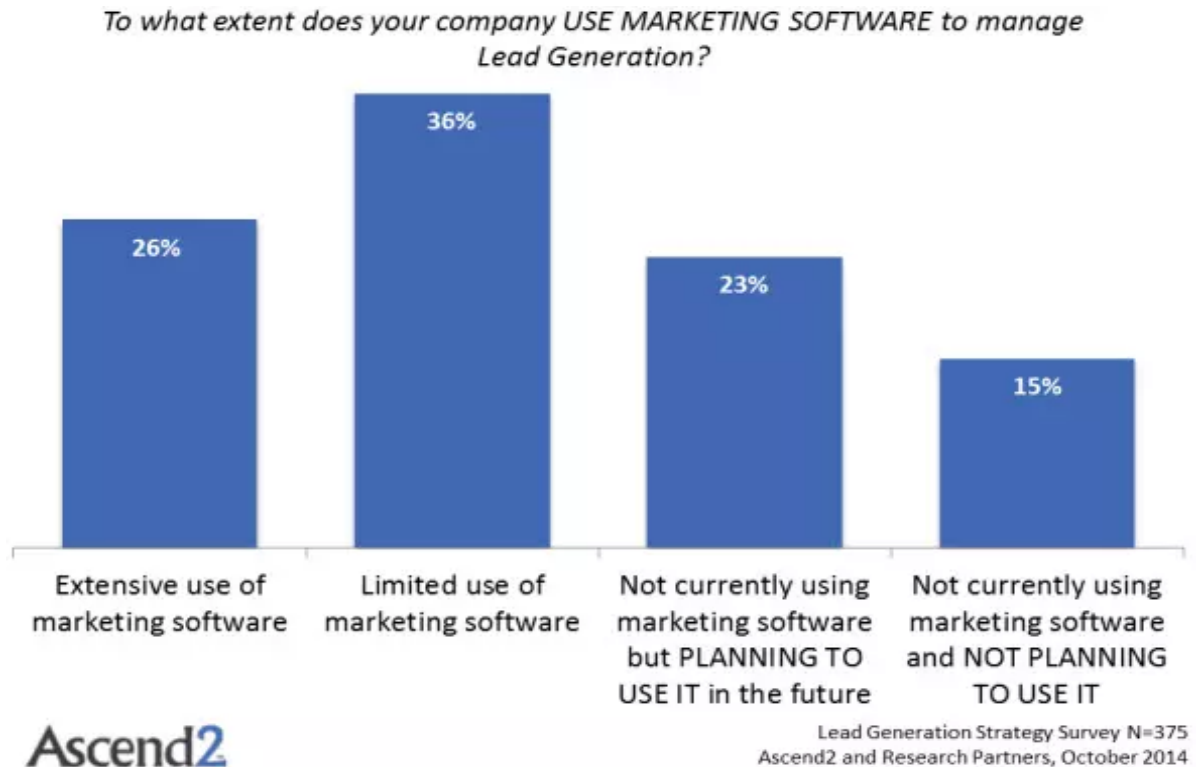
For instance, Lexus builds trust through communication and encourages conversation through feedback and reviews. According to them, most of the people who visited the company's website were engaged through the reviews (posted by loyal clients), which led to 35% more page views and spent 122% more time on the website.

4. Marketing Automation

Marketing Automation is the process to re-engage your clients and the marketing routines are handled by the software. This is the smart solution for smart marketing and retention. A brand cannot simply vanish from the customer's eyes once the purchase is done, you have to re-engage your customers.

Monitoring and pacing with your customers manually are two near to impossible tasks for any enterprise, here marketing automation comes to the role. As there are so many processes to be repeated daily, let the software do that tedious part for you.

Truth be told, Marketing Automation has its own limitations and challenges, the very first ones are data quality and integration. The poor Marketing process is another major problem. If used wisely, automation will put you ahead of your counterparts.



(image source: Ascend2)

If you think it's time to take your business to the next level and are planning on introducing the automation software in your marketing strategies, it is always advisable to go with the best. Automation can effectively manage your contact list emails, text messages and event notifications.

5. Pay Attention to KPIs in Customer Service

Key Performance Indicator or KPIs is a visible value that shows how the company is achieving its business objectives. Businesses leverage the utility to assess and evaluate their endeavors for attaining certain heights.

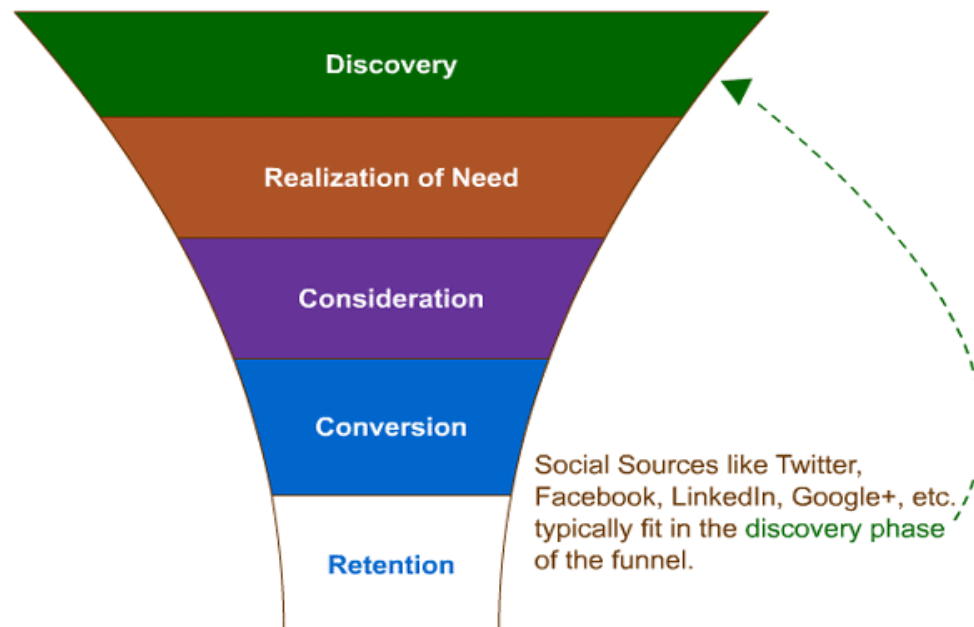
KPIs depict the current scenario as well as the future scope of the business on which you can rely to create a concrete roadmap to success and sustainability. Key performance indicators will help you find what makes your clients happy and sad regarding your services and you will automatically come to know the areas to work on.

Here automation comes to role. Help Desk (a customer service software) for instance will help you build a customer persona, set up a campaign and collect customer's behavioral data. The software is scalable and is here to cater to a huge clientele.

There are **5 Key Performance Indicators** for effective customer service and engagement:

Response Time	Time is everything in a business. If your customer puts a query it is your responsibility to contact your customers as quickly as possible (via calls, mail or text). Any sort of delay will lead to lower conversions. Real Estate players believe that the response rate should fall between 10-20 mins (customers are constantly looking for better opportunities).
Conversion Rate	A business's ultimate goal is conversion and therefore conversion rates are the most alarming KPIs that should never be ignored at any cost. Regardless of the industry, you belong to, you can measure the conversion rates or several other processes through a conversion funnel.
Funnel Drop Rate	Grabbing the attention of the new customers is satisfactory, but simultaneously you have to decide how often people are bouncing back from your brand to your competitors. You can measure drop rates through KPI.
Actions per engagement	There will be general and specific queries, as soon as you start responding to their queries you will analyze the pattern in their behavior based on which you can enhance your services and customer engagement.
Communication Bridge	When did you last took a follow-up from your customers? And what was the outcome of that call? Be passionate about customer engagement and see your business grow.

Classic Conversion Funnel



(source: buildfire)

6. Use Feedbacks To Know Your Customer

You can perform a feedback survey to enhance your customer engagement, it seems a bit boring but you can figure out which communication channel your audience is using the most and leverage them to collect feedback data. Induce strong quotes and attractive themes. Emails work well for B2B buyers. And you can use **social media marketing** to gather feedback from your B2C clients.

According to Fluid Survey University, the average response rate of email surveys is 24.8% and there are other benefits too like bridging the conversation gap, the customer feels valued, the pinpoints will help you with future ad campaigns and improving your targeting strategy.

Survey undoubtedly is the best way to bridge the gap and it will make your customer realize your presence and their previous experiences with your brand. It is necessary to be in the eyes of the customers, which will eventually influence their decision-making process (especially B2B buyers).

Be patient with the complains and challenges your audience is facing through your products as these are the criteria you have to work on. Never be disheartened by criticism rather work on it.

7. Maintain A Communication Calender

A communication calendar is a true asset for any company dealing with marketing and customer services. The calendar owns a sequence of interactive events like phone calls, emails, special offers, handwritten notes, and so on. Here you can use the automation software to send messages and keep the track of their behavior.

Communications Calendar						
Email Content	Sender	Scheduled Launch Date	Day of Week	Notes	Email Type	Suppress? Hunger Core
						DNM = Do not mail
March 2014						
School Breakfast 1	Lindsey Spindle	3/4/2014	Tuesday	Bake Sale	Cultivation	DNM
School Breakfast 2: Tuesday send	Billy Shore	3/11/2014	Tuesday	Day of test	Appeal	DNM
School Breakfast 2: Wednesday send	Billy Shore	3/12/2014	Wednesday	Day of test	Appeal	DNM
Lightbox is live		3/17/2014	Monday			
HC 1: Quiz - Any registered	Team NKH	3/18/2014	Tuesday	Hunger Quiz	Cultivation	DNM
HC 1: Quiz - HC	Team NKH	3/18/2014	Tuesday	Hunger Quiz	Cultivation	SEND
Integrated DM Renewal #2		3/20/2014	Thursday	Renewal - 2nd reminder	Appeal	DNM
HC 2: Campaign Update: Actives	Tom Nelson	3/25/2014	Tuesday	State bullets. No subline test for	Appeal	DNM
HC 2: Campaign Update: Inactives	Tom Nelson	3/27/2014	Thursday	State bullets. Subject line test for	Appeal	DNM
HC 2: Campaign Update: HC	Tom Nelson	3/27/2014	Thursday	State bullets. No subline test for	Appeal	SEND
April 2014						
HC 3: Advo: Actives, Donors	Jeff Bridges	4/1/2014	Tuesday	Advo on breakfast programs	Advo	SEND
HC 3: Advo: Inactives	Jeff Bridges	4/3/2014	Thursday	Advo on breakfast programs	Advo	SEND

(source: buildfire)

The calendar involves pre-sales and post-sales processes - one can rely on the communication calendar to nurture the leads (pre-sales) and can keep constant communication with customers post-purchase that will eliminate their doubts and improve the trust level (must-have for customer retention).

Digital marketing companies and a lot of large enterprises use marketing automation tools to interact with their clients and analyze their personas.

8. Keep Up to Your Promise

You must deliver what you promise. Keeping up with your promise is the way you build the trust and integrity of your brand in the market. It is rather dangerous and unethical to promise what you cant deliver. More than 80% of the people bounce back just because they do not get what was perceived in the advertisement or over the net.

As business.com says, a dissatisfied customer will tell his story to other 20 people which will create a negative image of your brand in front of the people who haven't yet purchased from you. Personal recommendations and comments still rule.

Utilize **digital marketing strategies** to paint a true picture of your brand and products. Moreover, there is always a scope to enhance your product quality to pace with the expectations of your customers.

The same goes for customer services - the product to be delivered in 15 mins takes 1 hour without any notification or explanation from the seller's end will surely degrade the authenticity of the brand. Especially for eCommerce and online food delivery ventures as their entire base is customer service.

9. Measure Customer Lifetime value

Apart from adding the new clients, the successful business also measures the lifetime value of the customer (i.e. for how long he will be associated with the brand). CLV is the most important key performance indicator that tells you the worth of your customers over time.

For instance, if you are selling online courses and you charge a monthly fee, here you are not much concerned about the new customers but the life of each customer who purchases from you. Some of your customers will add more than others (like your repeated buyers) classify them as VIP customers. The exclusiveness of the services and products will keep your clients engaged with your services.

Your VIP customers will further recommend your brand to others through word of mouth (personal recommendations are your best advertisements).



(source: G2 learn group)

CLV will help you predict the purchase value of your customer and your revenue even before you invest in your further marketing strategies or content curations. There are various platforms to calculate the CLV, below is the formula to predict the customer lifetime value of your existing customers.

CUSTOMER LIFETIME VALUE (CLV) FORMULA

**CUSTOMER
LIFETIME VALUE** =

$$\left(\begin{array}{c} \text{Average} \\ \text{Purchase} \\ \text{Value} \end{array} - \begin{array}{c} \text{Average} \\ \text{Purchase} \\ \text{Frequency} \end{array} \right) \times \begin{array}{c} \text{Average} \\ \text{Customer} \\ \text{Lifespan} \end{array}$$

**AVERAGE
PURCHASE VALUE** =

$$\text{Total Revenue} / \# \text{ of Purchases}$$

**AVERAGE
PURCHASE FREQUENCY** =

$$\# \text{ of Purchases} / \text{Unique Customers}$$

**AVERAGE
CUSTOMER LIFESPAN** =

$$\text{Customer Lifespans Total} / \# \text{ of Customers Used in Equation}$$

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(source: Patriot Software)

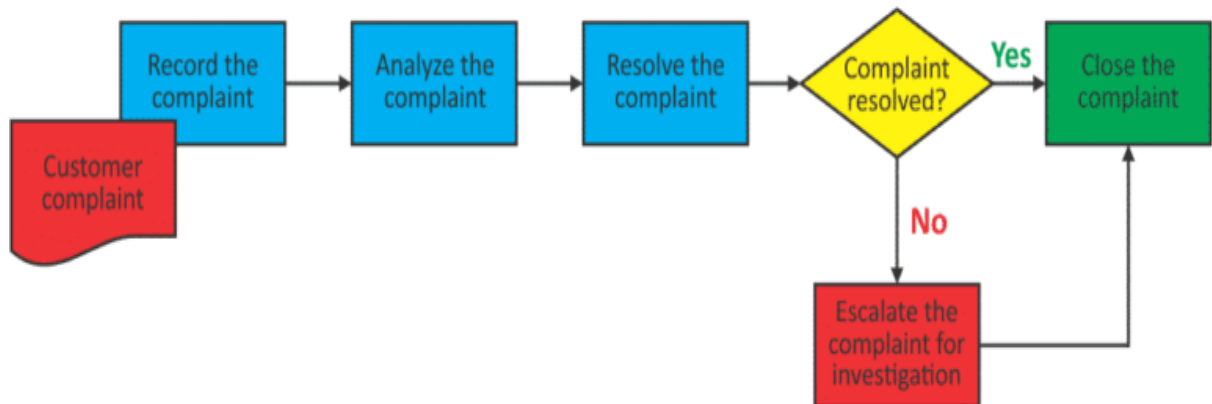
10. Improve from Customer Complaints

Most of the businesses stop paying attention to the customers who complain and start building new consumer relations (which they think is feasible in the long run). We well-versed with the “word of mouth” policy and therefore no business can risk ignoring customer complaints. On the contrary, the group of clients that complains and gives honest feedbacks is your biggest asset.

Their honest opinion about your product and your services will help you enhance and grow your business. Remember this is not your last day in the market. Often the customer who complains and is honest to you is willing to stay (while some just dart to

your competitors), make sure you value their feedback and do what is in your power to improve.

If you resolve their complaints, more than 70% of the customers will feel valued and will purchase from you again.



Steps for handling the complaint

(source: advisera)

11. Retain Your Customers with Educational Content

As **content marketing** still remains the king, the educational ones will open the eyes of your clients and will involuntarily trust your brand with their future purchases. Sending newsletters or subscribed premium content pieces will help you fulfill your purpose.

The correct applicability of the content like email newsletters will help you influence the thought process of your customers and they will consume the branded content that you provide them.

The email newsletter is the best way to engage your customers even when they are not actively purchasing from you. A branded content can trigger the dormant users who haven't purchased from you in a while.

Email is the most traditional and effective way to initiate and enhance conversations, provided that they have to be premium and educational.

12. Webinars - Smart Solutions for Smart Business

A webinar is undoubtedly the **best marketing strategy in 2021**, but one can harness the power of online webinars to retain their customers. There are several potent software in the market that helps you host your online seminar or Webinar.

A webinar is a powerful technique to speak and engage well with your clients and establish yourself as an authority in the market. Paying heed to the social distancing protocols, webinars are increasing in popularity and so far have benefitted a lot of businesses who knew how to use this digital marketing tool in their favor.

As per data derivations, 20% to 40% of the webinar attendees turn into qualified leads. Webinars can be a [business promotion strategy](#) as well as a customer retention strategy.

Digital marketing businesses like HubSpot, Leadpages, KISSmetrics, etc. have suddenly climbed the ladder of success through webinars (as it is in demand). When you talk to your customers directly and give them quality information, you are building a base of lifetime trust and brand integrity.

13. Adding Valuable Content to the funnel

If you are in a business or a marketer you are well-versed with the term funnel. It is the core of your content marketing strategy or any other customer service strategy. The funnel is here to guide the customers to your products, convert them into quality leads and retain them for a lifetime.

Funnel = Brand Awareness > discovery of Need > Consideration > Conversion > Loyalty > Advocacy.

As we all are surrounded by technology, people anyhow will get the hands-on your website and is the virtual representation of your brand. It should display relevant content, persuasion techniques and finally Call To Action.

Unfortunately, the crowd reduces with every step down the funnel and the last ones remaining are your quality or converted leads. That is a tiny percentage but those are assured leads adding up to your ultimate sales. Some will sustain the test of time and become your regular clients.

14. A Discussion Board or Forum

Welcome, Abode. You can encourage community building by creating a discussion forum for your customers to join and discuss your product. This is the form of social proof. The platform that you create will bring your customers closer and help them discuss their present challenges and how your product/services can solve them. Shopify has one where active Shopify store owners come on board and engage with others in their field.

Discussions hold a lot, the ideas, the challenges, the questions and the solutions, and people can actively engage, as they are all on the same page (associated with your brand) discussing every aspect openly. Nobody likes to leave if their problem is solved.

15. Personalization is the Key

Eitan Fogel, in one of the interviews with [busesinsider.com](https://www.busesinsider.com), said that “I don’t know of a single person who doesn’t like the sound of his name”. Personalization appeals to everyone and therefore it is a core component of a successful business relationship and trust-building.

All the digital marketing tools are focused on creating an influence on your customers and most of them work in the favor of your existing clientele - what is better than addressing each of your customers personally.

The tactics work very well when your customer is facing a problem and you come up with an instant solution or you appreciate every purchase with a personalized note, or you send the piece of content addressing them personally. Gone are the days when customers were dependent on a business, as every business holds a competitor, it looks like businesses are dependent on its customers (and especially loyal customers).

16. Timely Response to Customer’s Queries

As far as customer complaints are striking they are the true assets for business growth. Most of your customers will have a similar perspective and by resolving the complaint of a single customer you can satisfy the entire like-minded community. This is the power of customer query solving.

Indeed, the customer complaint is the major concern of any customer care department and these are successful if those complaints are resolved completely and within time. 69% of the customer services are rated good if they are solving the problems on time.

You should indeed open the ways for people to communicate with you like email, SMS, phone calls or any other social media platforms. As pre-sales engagement is mandatory for conversions, because of which we do digital marketing and **social media optimization**, post-sales conversation and complaint handling is a must for any business to retain its clients in the long run.

17. Unbiased Reviews and Client Testimonials

Nowadays every business website hosts a dedicated section of client testimonials and reviews, positive ones help in increased engagement and trust-building and negative ones are something that is to be looked upon as an opportunity to grow. Make sure you are trusting the **best web development agency** for your business website (as this is your brand's online identity) and show transparency by dedicating the sections for testimonials and the reviews

Ratings, reviews and testimonials are the most important metrics that you must include in your customer retention strategy. More than 80% of the people admit that testimonial and reviews impact their purchase decision.

Especially for a costly purchase, people often sway by all the reviews, go through the website, the social media page, etc. more than 85% of the consumers go through customer reviews if they are buying for the first time from a particular brand.

92% of consumers regularly or occasionally read online reviews—up from 88% in 2014.

— BrightLocal 2015 Local Consumer Review Survey



Final Verdict

Customer retention is a must and can't be ignored at any cost. As there are strategies for digital marketing and business promotions, there are strategies for customer retention too. The above mentioned are the **top 17 customer retention strategies** that all the businesses use in 2021 to establish their firm presence in the market.

COVID-19 and the worldwide lockdown have made us suffer a lot due to which many businesses were completely shut down, most of them were still standing firm due to their loyal customer base and trust-building.

Digital Marketing and Retention go hand in hand and the article depicts the examples of the same are advocacy, reviews, marketing automation, etc. Either in pairs or all, if you apply these customer retention strategies there is a higher probability for you to reach the heights and sustainability.

As the other word for business sustainability is customer retention.