

Customer Loyalty

Turning customer satisfaction into customer loyalty

How do you create a level of customer satisfaction that is so strong that customers become your best sales people? The answer lies in creating a customer experience that is so distinctive and valuable that it commands not just customer satisfaction but also customer loyalty. This must be systematically designed and created. How do you do this?

Find out what drives customer loyalty for your organisation

Be clear in the first place who your most profitable target customers are

You can't be all things to all people. Focusing primarily on your most valuable customers keeps them loyal and turns them into advocates who attract others who value the same things.

Advocates are much more interested in product and service quality than in price. This results in higher margins and more resistance to the price promotions of competitors.

Define what they value

Ask customers to relate their experiences, expectations, likes and dislikes. Creative organisations use this information to build a very different kind of customer experience by finding innovative ways to serve them.

Review your current brand promise and customer experience against these expectations

Does your proposition speak to what customers value?

Are you delivering the promise? Does it differentiate you from competitors?

Define a customer experience that will build customer loyalty

Redefine your brand promise

It needs to be valuable to customers, differentiated from the competition and actionable. The brand promise defines not only what the brand represents to customers but also indicates the internal values that are required to deliver it. Brand values must be capable of being translated into standards for each customer interaction. All of an organisation's processes, products and people must be geared to deliver the promise for every target customer every day.

Design the customer experience

The key to customer loyalty is to meet or exceed the promise to target customers in every interaction. This requires customer empathy – seeing what the customer sees, feeling what the customer feels and making it better. Each interaction with a customer will either strengthen or weaken the relationship. Ask what would make the interaction outstanding?

Create the capability to deliver this experience

Enable employees to deliver this experience consistently. There are four essentials to this:

- (a) Training. Most organisations provide service training to their staff and yet few deliver any kind of differentiated customer experience. First, identify the brand behaviors required to deliver the new experience and then design training that equips the employees with the knowledge, attitude and skills to behave in this way.
- (b) Give them the tools, technology, infrastructure improvements and processes to deliver the customer experience consistently.
- (c) Communicate. Continually reinforce the importance of the experience. Demonstrate its success and the implications of not delivering it.
- (d) Measure and reward desired performance.

Deliver a customer experience that sustains customer loyalty

Customer values are not static. They change over time and so must the experience. For a brand to succeed, it must continue to provide value. This requires ongoing focus on the customer experience, reinventing it where necessary. The key to keeping your best customers is to know them. Develop ongoing customer research to determine the expectations, experiences and behavior of your most important customers and the extent to which you are meeting their needs.