

QUICK TIPS SERIES, Session 1

Grow Your Flow: Loyalty & Revenue

WHY focus time and money on developing strategies, systems and programs for client retention? Shouldn't it just come from delivering a great service, and then being there for them when they call again?

Here are 5 great examples of why it's well worth your time and energy:

1. **Small increases in retention make huge bumps in your profits** – Harvard Business School research has found that if you keep 5% – or 5 more people out of 100 – active, your profit goes up 25 to 95%. Keep 2 more people, and that's like cutting costs by 10%.
2. **Loyal clients tend to spend more than new ones** – 67% more, according to a Small Business Trends study. It's like people are dipping their toes at the start of your relationship.
3. **It's cheaper to grow business from within:** depending on your industry, it can cost you 5-7x more to bring on a new customer than it does to get an additional visit from an existing client.
4. **Happy clients are more likely to refer you, saving you even more money.**
5. **Account expansion**—having clients who continue to shop with you more and deepen their connections and commitments to you—creates a predictable revenue model that can smooth the feast-or-famine cycle and increase your business' value (for the day you may want to sell it).

Loyalty is not about hitting clients up for more money all the time.

- Our goal is to create a positive emotional connection by **having positive interactions** that become habitual over time.
- It provides you with customer information that **allows you to meet their needs and address their desires more effectively.**

As you're listening to the videos in this series, keep in mind two concepts:

1. **Customer Touchpoints**—You have dozens of opportunities to shape your clients' experience; these are *touch points* – the places when your business and your client intersect. Design them well, systemize, and deliver value consistently and it'll be easier to expand your business smoothly (as well as to create an asset that helps position it for a possible sale down the road).
2. **Out of Sight, Out of Mind**—Clients, even those who love you—will not be thinking of you for very long. With the millions of messages and competing demands in life and business, it just doesn't happen! You may also forget about them (gasp!); consider how and when automation may help.

Action 1: Measure your starting point.

Send a 1-question email to all your current clients, or post a poll to your most active social media page if you have a very active following there.

Here's the question to ask:

How likely are you to refer us to a friend?

Set up radio button options 1-10.

This is called a *Net Promoter Score*, and it's one of the most universal baseline indicators of your current client base's approval rating.

- 9-10 is what you're hoping for.
- 7-8 means you have some work to do.
- 6 and under means you need to get cracking.

We'll look at that in upcoming videos, but whatever you get, it's just a snapshot. It's your starting point.

In Session 2 we'll look at how to personalize your outreach without pulling out your hair. Meanwhile, if you have questions or want to chat, schedule yourself for a free consultation at BeaconCreativeLab.com.

See you soon – Love you all!

wendy

wendy@beaconcreativelab.com

919.346-3174

<https://BeaconCreativeLab.com>