

## How to lock in long-term clients

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**"How do you lock in long-term clients? Do you make special deals so they don't look elsewhere, or just provide the best service and continue to serve their needs?"**

This question comes from a growing firm in Westchester that's been very smart about pursuing new business opportunities. Now they're being equally smart about looking at how they retain business. Both are important if they are to hit their aggressive growth targets.

There are a number of ways to go about retaining clients. Develop affiliation tools that give clients input to what you're doing. Have things that clients won't get elsewhere. Build deeper, broader relationships. Reward staff for ideas on what to do next.

### **Good and bad clients**

Assign people responsibility to service and retain existing accounts. Put part of their compensation at risk for doing just that. Empower staff to act on the customer's behalf. Ensure everyone in the organization approaches account management as problem-solvers and pays attention to client requests.

Decide exactly which clients are worth retaining – because they are profitable, forward-looking and place value on what your company can do for them.

Some clients demand excessive effort but yield only a thin profit margin. Some constantly negotiate for another discount and another cost reduction. And some may be headed into the ground, unable to pay their bills, potentially taking your business down with them.

Ensure that your customer-service team knows the difference between good and bad clients, and is as focused on weeding out the bad ones as they are on retaining the good ones.

Affiliation is a powerful retention tool. If clients feel your company has brought them together with groups of like-minded individuals, all committed to each other's success, their gratitude toward, and loyalty to, your company will increase.

When it comes time to renegotiate they will more carefully weigh what's at stake. If they dropped your company as a vendor, not only would they give up your products or services, they'd also be left out of the customer affiliation group they've come to enjoy being a part of.

### **Solving their needs**

Increase your value by educating customers about your market. Your company is an expert at what it does. Share some of that expertise through webinars, newsletters, phone briefs, client meetings and group forums.

Education is a good option because it helps improve clients' understanding of the world they work in. It can reinforce the belief that your company brings added value to the table.

Customers who seek to understand your business are better able to value what you can do for them. If they are aware of some of the challenges your business deals with, they are more likely to fork over a premium for a job well done. Make it someone's job in your company to regularly develop and distribute client education

tools.

Regularly ask clients what they are having trouble with. Identify things your clients need but have difficulty getting. Spend time researching and brainstorming how to solve those needs.

Develop teams of people within your company assigned to call on various levels of your clients' companies. Have your bookkeeper build a relationship with your clients' accounting and purchasing departments. Ask operations personnel to spend time with customers' end-users. Have your marketing staff get to know theirs. Focus your efforts, as an owner, on getting to know your clients' senior level of management. Delegate to your staff the authority to act on client requests.

### **Weighing the results**

Meet regularly with employees to brainstorm what they've learned from clients. Ask employees to develop lists of products, services and modifications customers are asking for. Figure out which requests keep coming up and which have potential to become your company's next generation.

Demonstrate to customers that your company is forward-looking, committed to solving their needs today and planning for tomorrow.

Make customer retention easy by pursuing the right customers to begin with. Learn to ask questions in the sales process to sort out good prospects from bad. Develop the discipline to walk away from customers who won't value what you offer. Focus on acquiring customers who are capable of becoming raving fans.

Looking for a good book? Try "Customer Loyalty: How to Earn It, How to Keep It," by Jill Griffin.

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