

RSM Bird Cameron urges retailers to renew focus on customer loyalty to grow their business



Five strategies to help increase sales in your business by encouraging customers to buy from you more often

February 9, 2012 – RSM Bird Cameron, one of the largest mid-tier accounting firms in Australia, is urging retailers to renew focus on customer loyalty to grow their business. Andrew Graham, national head of business solutions, said, “There is no doubt that 2012 will be tough for retailers due to global economic volatility. Businesses need to have a strategy to combat the tough environment.” According to Graham businesses need to have a plan that doesn’t include reliance on factors they can’t control, like interest rates. Graham said, “Business owners will be in a much better position if they focus on the things they can control and manage those things well. It will mean that additional consumer spending due to external factors, such as interest rate cuts, will be a bonus and not the lifeblood of the business.” Australian businesses are now operating in a global market, with an increase in online retailers and consumers that are willing to try buying online. Business owners really need to review their current revenue streams, identify ways to expand or change revenue streams and become “problem solvers” with customers in order to attract and retain customers and build customer loyalty. RSM Bird Cameron advises there are a number of ways to increase sales volumes in your business – including increasing the number of customers, increasing the average sale price of each transaction and selling to customers more often. Increasing the number of times your customers buy from you is possibly the easiest way to increase sales, improve profit and grow your business. Graham said, “It can cost up to six times more to win a new customer than it does to have an existing customer purchase again. This is because you invested time and money to acquire that customer for the first sale, but every additional sale after that involves very little cost, which means that for every sale you make to a previous customer, you actually keep more as profit.” These strategies will help you increase sales in your business by encouraging your customers to buy from you more often.

1. Classify them. Classify your customer base into tiers to make sure the right customers keep coming back. By classifying your customer base you will be able to better target your marketing messages and focus on your most preferred customer type. As a result you will have a much more effective sales strategy.
2. Ask your customers to return. The easiest way to get customers to return is to simply ask them to come back yet many businesses don’t take the time to encourage their customers to return. Research shows that 68 per cent of customers who leave you for your competitor do so because of ‘perceived indifference’. That is, your former customers didn’t feel that you valued them or showed any interest in whether they bought from you again or not. Once a customer is delighted with a product or service, they want to continue the relationship. Making them feel important and valued gives them the incentive to do just that.
3. Provide awesome service. Offer a level of service that goes above and beyond what they expect from you. Poor service is the norm in so many industries that if you demonstrate an absolute commitment to customer service, you will be miles in front of your competition. Make sure your team is trained so they can deliver on the promise consistently and effectively.
4. Nurture your customers. Nurturing your relationships with your customers is the most cost-effective way to make them feel valued and motivated to keep buying from you. The more you stay in touch with them, the more likely they are to remember you. Systemise the follow up process to make sure that it happens consistently. Too often businesses leave the follow up process to chance, with the inevitable result that it just doesn’t get done.
5. Make effective use of customer comments. One way to let your customers know that you are interested in them and their opinion is to ask for feedback. This is something most businesses just don’t bother with so it is an obvious opportunity for you to develop another point of difference with your competitors. When you make the effort to gather feedback, and the customer has made the effort to give it to you, don’t waste it. Use the information to continually improve the way you do business, turn positive comments into referrals and testimonials and let customers know that their suggestions are being used.

-ENDS- About RSM Bird Cameron RSM Bird Cameron is the largest mid-tier accounting firm in Australia with national ownership and profit sharing and offers a full range of specialist advisory services, including business consulting and advisory, assurance and advisory, taxation consulting, corporate consulting and turnaround and insolvency. RSM Bird Cameron is a core member firm of RSM International, the sixth largest network of independent accounting and consulting firms in the world.