

# 5 Things You MUST Do Immediately To Boost Sales to Existing Customers

Even though it's important to pursue new customers and new markets, it's absolutely crucial not to neglect the customers that have supported and given you the success you enjoy today. Everyone knows that is cheaper and easier to garner incremental business from existing customers. Some even argue that it is 6 times cheaper and 75% easier to convert a sale from someone who already knows and trusts you.

So, if everyone knows it is easier and cheaper, why are most businesses NOT focusing the majority of their marketing attention and budget on their existing customer base? The answer to that question is unclear. But what is clear is that there are **"5 Simple HAVE's"** that every business owner CAN and MUST do immediately, in order to boost sales from their existing customers.

## 1. Have Loyalty - Reward Best Customers and Team Members

One of the easiest ways to keep a customer coming back and retain your team members is to reward them for doing what you want them to do. \*Note, this does not necessarily mean you must have a traditional "loyalty program". In my opinion, far too many businesses get bogged down in the semantics of the program and miss the importance and priority of putting the customer and team members at the centre of the business. Giving something away for free after their 10th purchase is not going to build customer loyalty or increase the profitability of your business.

You first need to understand what your customers want and what a profitable sale and valuable long term customer relationship actually look like to your business. Spend the time to ask customers (and your team) what you are doing right and what you could do better. Why do they shop with you? More importantly, what can you do to make sure they don't shop with your competitors? Don't kid yourself – consumers are inherently promiscuous and will often switch brands or buy online for reasons that might surprise you.

The rewards (for both customers and team members) need to drive profitable behaviours in your business and be clear, transparent and easy to communicate. Avoid spending too much money in above the line advertising (i.e. newspapers, print media etc.) to the masses. In my experience, having previously been the Commercial Manager for the largest loyalty program in the country, every \$1 spent on engaging your team to take ownership of and evangelize the program is worth at least \$50 in above the line advertising. Simply put, your team can make or break your program. They speak to your customers every single day and have the greatest impact on their decision to connect with your business and your program.

## 2. Have Focus – Spend 80% of Marketing Budget on Existing Customers

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Existing customers have already purchased from you and there is [hopefully] already a basic foundation of trust and permission. From this auspicious vantage point, you now have a platform to build upon that relationship and introduce other products and services. It has been proven empirically that the top 20% of your customers account for 80% of your revenues. Many businesses could literally lose all of their other customers (who are not as profitable) and their business would still survive.

Yet why do so many insist on spending the majority of their budget on yellow pages, mailbox drops and newspaper advertising? Primarily it is because we have been taught to chase

new customers when common sense and studies from leading businesses around the world have shown that we should merely focus on our existing customer base – retaining them, up selling and keeping them happy.

Spend some time today going through your Top 20% of customers. Set aside time in your diary to send them each a personalized card thanking them for their business and welcoming them back again. Studies have shown that this one simple act can increase your sales by as much as 12-18%. Next, compile a list of everything they have purchased in the past and devise a strategy for introducing them to complementary (and if possible, highly profitable) products and services. Dedicate a sizeable portion of your budget on marketing these products and services directly to your best customers. Finally, identify other good customers who have the potential to become better or even Top 20% customers. Dedicate time and resources to directly market to this important, up and coming segment of customers.

Wherever possible, you must test and measure the result of all campaigns. Do not spend another dime unless you first have determined you will make a positive return on your investment and have set up an easy, fool proof strategy to capture the results, trace the sales and measure the success in quantifiable terms.

### **3. Have Leverage - Become a Social Media Marketer**

To increase the potential of gaining more clients, join social networks. To publicize your product, sign up to relevant social networking sites and forums. This is where people go to connect to one another. Promoting your products on these sites will probably generate more sales since people are here to chat and talk about what is in. Write articles for the local newspaper get on public television/radio or do a regular show for the community.

Then get involved with Internet media shows. Of course you have to promote these offline shows on the web and the Internet marketing shows through offline means. This helps you to expand your reach and increase your frequency of exposure which are the two major keys to successful advertising.

### **4. Have Flexibility - Repurpose What You Do (Instead of Approaching In The Same Old Way)**

The brochures you've always had look exactly like the ones that everyone else is handing out. Just because you've presented your business in one format before doesn't mean you have to do the same thing now. Instead of sending print newsletters, try audio and/or video. Instead of just handing out business cards and brochures, offer to do a demonstration of your products or services to give instant information.

Be the first to be different by taking what you have and using it in a new way to attract attention. Look for ways to partner with other professionals and develop new package offerings of products and services. For example, maybe you have a skin care line and she has a stress reduction program. Together you offer a "look better and live longer" package at special pricing.

### **5. Have a Point – Make What You Do Irresistible!**

Pay attention to the local news, business and announcements sections. Look for the people who get promoted, have babies, buy and sell homes and start up new businesses. There may be leads here for your product or service.

If your product is really "the best" or "world famous", you shouldn't have to tell us...we've already heard of it. Pretending to be something that you are not is the quickest way to have your ad, direct mail flyer or PR end up in the deleted box or the garbage bin. Next time, do something really novel – Have a Point! The best sales pitch is about how what you do/sell relates to something newsworthy or will help the customer fix an annoying or costly problem once and for all. If you don't have a point, put your pen down now or stop typing and go back to square one.

Remember to make it easy for people to get in contact with you: an e-mail and phone number work best. Invest in a domain that says you are a professional and not some fly by night operator. [Dennisbrowndoggydoesdaycare@gmail.com](mailto:Dennisbrowndoggydoesdaycare@gmail.com) isn't going to cut the mustard. No one wants to sort through reams of paper and type lengthy, difficult phrases to get in contact with you.

If you are not currently writing press releases and sending regular direct mail pieces to your existing customers, you are literally leaving thousands of dollars on the table (or worse, in your competitor's pockets). The most important elements are a good strong headline (that identifies pain) and a compelling call to action. Spend 75% of your time and 75% of the real estate on the page for these 2 crucial elements.

Remember, it is always cheaper, easier and more profitable to focus the majority of your marketing efforts and budget on existing customers. In a tough economy, you can save yourself valuable time, resources and money by re-directing the bulk of your budget to direct communications with existing customers. If you HAVE loyalty, focus, leverage, flexibility and a point....you will find that you have significantly more profit and free time to show for your efforts!