

Go for the (Branding) Gold – Leverage Your Existing Customers and Build Your Business at Low Cost

Maybe you’ve heard the saying, “Make new friends, but keep the old... one is silver and the other gold?” Well, when you’re running your own business, these “old friends” are your existing customers. Just how golden are they? Studies show that it costs *six to nine times* as much to attract a new customer as it costs to keep an existing customer happy.

This concept can directly impact your bottom line. Think of this way: If you have \$100 to spend on marketing, would you rather spend it on a customer who already believes in you, who has had a positive experience with your brand, and who is likely to buy your products and services again? Or would you rather spend \$600 to \$900 to *possibly* win over a customer who doesn’t know anything about you, who *may or may not* like your offering, and who may *never* buy? It’s a no-brainer.

So, how do you keep your existing customers happy? If there’s one thing social media has taught us, it’s that successful branding is all about building two-way relationships. Gone are the days of the one-way conversation when marketers talked “at” customers. Today, consumers expect a dialogue.

You already know that social media can be a powerful low-cost way to get that dialogue going, but here are a few additional ways you can “go for the gold” and get closer to your customers. Big corporations spend millions on these kinds of activities, but smart small business owners don’t have to. You can get the same big bang for your buck – sometimes without spending a buck at all.

Create a simple survey. Free online survey creators like SurveyMonkey.com let you develop surveys online for free and find out what your customers *really* think about your products or services. You can ask all sorts of questions that will help you serve your customers better. What unmet needs do they have that you could potentially fill, turning them into customers for life?

Hold a “focus group.” Invite a handful of your best customers for dinner, and suddenly, you’ve got yourself an informal focus group. Work some questions into the conversation to get feedback on what’s working and what isn’t. Or get a few customers to try out a new product or service for free, and have them tell you what they think.

Keep track of personal information. To keep information about your key customers, all it takes is a simple, low-cost database using software you probably already have on your computer like Outlook or Excel. What information? Birthdays, anniversaries, children’s names – whatever makes sense for your type of business. If you touch base with your customers on important dates, for example, you’re bound to develop the kind of relationship that creates long-term brand loyalty.

Schedule an event. If you have a company event, don't forget to invite your most important customers. Don't you love it when *you're* invited to a party?

Offer unexpected thanks. Have a “customer appreciation day” where you do nothing but send thank you notes (digital or hand-written) to your best clients, letting them know how much you value their business.

Ask for referrals. Faithful customers are usually quite happy to refer you to friends, family members, and colleagues who might benefit from what you have to offer. But *you have to ask*. And the best time to ask is right after a customer has had a great experience with your brand. Offer an incentive for referrals to show your appreciation, like a discount, a finder's fee, or a gift. These incentives might cost you a little money, but you don't have to spend a lot. Plus, think about what you gain for your investment. If you get new loyal customers out of it, your return on investment is high.

Completely new customers are important to your business, too, but the customers already buying your brand are the lowest-hanging fruit when it comes to brand building. Be sure to go for the gold.

Brenda S. Bence is an internationally-recognized branding expert, Certified Executive Coach, dynamic trainer and Certified Speaking Professional, and the author of several award-winning books, including the *How YOU™ Are Like Shampoo* personal branding series. Her book, *Smarter Branding Without Breaking the Bank: Five Proven Marketing Strategies You Can Use Right Now to Build Your Business at Little or No Cost*, shows small and medium-sized businesses how to leverage five branding assets that they already have, unleashing a treasure chest of tips, tools, and techniques to catapult their brands and increase revenues immediately, at low cost – or no cost at all.



With an MBA from Harvard Business School, Brenda’s career has spanned more than two decades and has included developing mega brands for Procter & Gamble and Bristol-Myers Squibb across four continents and 50 countries. Now, as President of Brand Development Associates (BDA) International, she travels the world speaking, training, and coaching individuals and companies to greater success through creative, yet practical, corporate and personal brand development.

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