



Customer retention today: What you need to be doing

Brand loyalty was tough before, but it's been even tougher in recent years. According to McKinsey, 75% of consumers altered their brand preferences during the pandemic, and almost 40% deserted trusted brands to try new ones.

Competition has never been greater and since COVID, the bar has been raised significantly. If customer experience (CX) is lacking, brands can no longer just throw loyalty points at the problem. Online shoppers have wised up to loyalty programs and other traditional retention techniques. But what they're asking for isn't anything outrageous. Actually, their demands are very fair, and very simple. They just want their favourite companies to be more human.

Research tells us that three quarters of consumers are more likely to shop with companies that demonstrated genuine concern and provided excellent customer care during the pandemic. So there has never been a better time to develop brand empathy – and mean it.

Experience is absolutely everything

The loyalty shake-up has placed far greater importance on the way that customers experience brands. This goes far beyond early stage awareness and conversion. Instead of focusing on the moments before, during and immediately after the sales transaction, we have to look at the entire journey.

Firstly, the customer journey is no longer linear. Thanks to the rise of multi- and omni-channel, customers now connect with your brand in a much more chaotic way. Not only will a potential buyer dip in and out of the funnel before committing to a purchase, but they'll interact with you on multiple channels, each time expecting the same level of experience.

Secondly, all of these micro-interactions count and shape the decision-making process. If a customer develops a meaningful or emotional connection with your brand and the content you're sharing, they're more likely to buy from you over a competitor. Make them feel valued and listened to, and they'll buy from you again and again, and even become a brand advocate for your company on social media.

Great experience = retention

As many as 73% of customers consider their experience with a brand or company to be the driving factor in their purchasing decisions. This beats price or product as the key differentiator, and this remains true even when a customer encounters issues with the product/service along the way.

What's scary though is that almost 60% of shoppers will leave a brand after several bad experiences, and 17% will jump ship after just one bad experience. So if your customer service is not up to scratch and you're overlooking basic things like complaint management, you won't reach your goals for retention.

► Customers are human, and so are you

There's no denying the rise of tech in recent years, and customers now expect everything from chatbots and automated notifications to AI-powered personalisation. But digital transformation can only be successful when people and technology work together.

Forrester reports there's going to be an imminent shift from **"digital sameness to human-centred tech"**, and in the midst of transformation, we can't forget the power of people within the customer journey, whether for B2C or B2B.

The human element is still critical to the customer experience, and it all begins with empathy. Developing your brand empathy allows audiences to feel seen and heard, especially in a time where people have become more isolated through the global health crisis and are looking for brands they can trust.

In fact, trust is nearly as valuable as quality and value, with **53% of shoppers** claiming to see through marketing ploys to spot when a company is being dishonest. This means you need more than a dazzling campaign strategy, but a great customer service function to ensure a deeper, more meaningful human connection.



► How to adapt to customer needs

So if empathy and trust are to be the next 'new normal', how can businesses improve their services for the savvy, experience-driven customer and also make them stick around? Retention isn't as easy as it used to be with increasing choice, so meeting customers where they want to be met is critical.

Adapting to customer needs is all about making their lives easier. But don't forget, that starts with ensuring your teams have all the tools and support they need:

- **Make customer service accessible**

Customers want a connected omni-channel experience, but don't discount traditional contact channels. Let *them* decide whether to call, email, tweet or send a Whatsapp. While chatbots can be handy for late night or simple queries, many people still prefer to speak to a human being on the phone.

- **Focus on complaint management**

As mentioned, great customer experience is a winning formula, even when customers encounter problems with a product or service. How you deal with customers in this crucial moment matters; fast resolutions and a display of empathy are key. The right solutions allow you to listen and gather feedback effectively, and that will make customers feel valued.

- **Adopt agile solutions**

We are in uncertain times, and being able to scale up or down on demand is essential for making sure your team can handle fluctuating levels of calls/emails. Review the volume and complexity of incoming enquiries to assess your current capabilities, and invest in scalable solutions that give you flexibility when you need it.



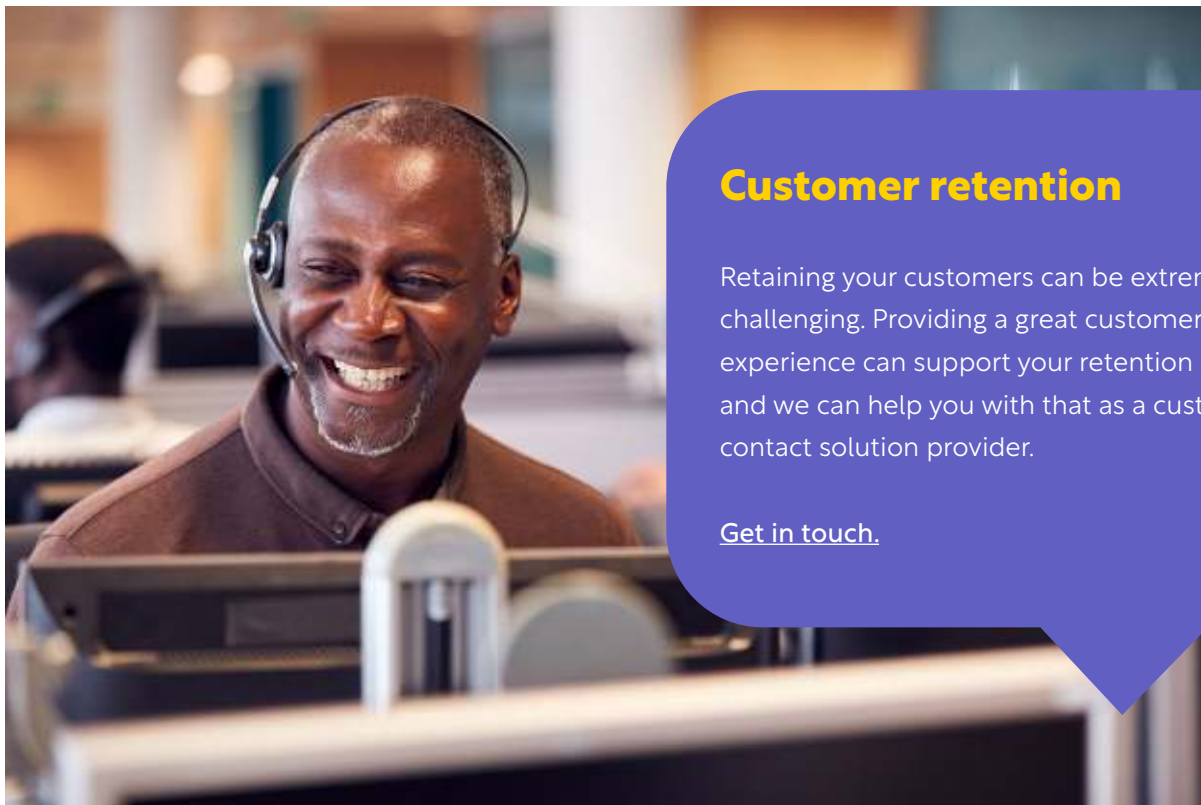
► People like brands who care about people

Recent shifts in consumer habits mean that **88% of shoppers** now choose brands based on authenticity, and **77% are interested in brands** that share the same values as them. Ultimately, it's a people thing – and customers want to support businesses that show they care about others.

One thing that's worth noting is that excellent customer experience starts with your own people. Speed, consistency, friendliness and that invaluable human touch are all things that only happy, empowered employees can help you deliver. If you want to improve customer experience, first work on employee experience.

This is why investment in people and training should be a priority with any customer-centric strategy. If you care about your employees and provide them with the right tools and **training programmes**, it shows. The human approach has to start from within, and the empowerment you create for your team will filter out in the work they do and be reflected in the overall customer experience.

Employee happiness and customer happiness go hand-in-hand, so your journey to retention should always start with having the right employee support in place. Look after your workers, and they'll develop organic empathy for your customers, giving them a reason to choose you over other competitors in the market.



Customer retention

Retaining your customers can be extremely challenging. Providing a great customer experience can support your retention strategy and we can help you with that as a customer contact solution provider.

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