Churn really burns in a post-Covid world.



Here's how to prevent it.

Most B2B marketing strategists are familiar with the fact that winning new customers costs a great deal more than holding onto existing accounts. This makes customer retention a critical focus area now, when so many organisations are still reeling financially from the Covid-19 shock.

We're living in a world where our grandparents' philosophy of **'Waste not, want not'** makes good sense. Businesses need to value, nurture and optimise the customer relationships they already have.

However, reducing churn and capitalising on current accounts does not come easy. Last year, an eye-opening **85%** of B2B marketers who responded to a Gartner survey[1] said they still had **untapped growth opportunities within existing accounts.**

What needs to change?

According to Forrester, "Too many companies — especially those that enjoy initial success — ultimately fail because they cannot (or will not) meet their buyers' evolving needs."[2]

Acknowledging that customer requirements have changed – and continue to shift – as they adapt to new Covid-19 realities, is critical right now. To keep supporting customer success and retention, organisations must focus on gaining a more strategic understanding of what their customers think and expect.

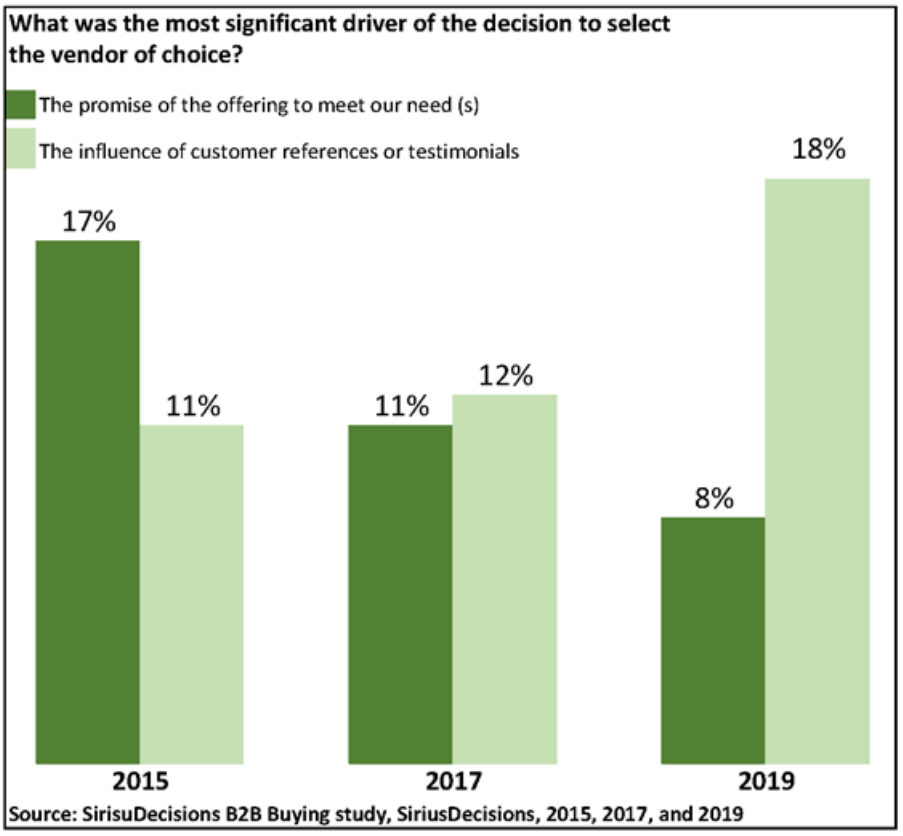
The power of buyer loyalty and advocacy

Loyalty is the holy grail of the modern retention strategy. Beyond being sources of recurring

revenue, loyal customers often become advocates for the products, solutions and brands they're faithful to.

Already trusted within their personal and professional communities, customer advocates can create a pipeline of high-quality business opportunities through word of mouth referrals.

Research highlights how **influential and powerful B2B buyer advocacy has become**. In recent years, preference for peer insights and validation has grown. In 2015, the quality of the brand promise was the most significant driver behind purchase decisions. By 2017, the focus had shifted to the influence of customer references and testimonials – and this trend has continued to gain momentum.



Today's customers have plenty of opportunities to engage with peers and voice their opinions within their networks. However, to leverage advocacy, you need to maximise loyalty. And this depends on your ability to recognise customer value.

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How valuable is each customer to your organisation?

Growing revenue on existing accounts depends on how well you understand customer lifetime value (LTV). This is a predictive indicator that aims to measure the total worth of a customer or account over the course of your business relationship.

This is a crucial metric, because it allows you to predict the future profitability of your customers. Understanding which customers have a potentially higher LTV allows you to target your resources more strategically. You can focus your time and expertise on retaining the customers and accounts that are more valuable to your business.

Further, this process will help you understand some of the key drivers of customer value. With these insights, you can identify the improvements you need to make to the customer experience to generate greater value for your business. You can also align your entire sales process around identifying prospects that are most likely to become customers with high LTV.

How to understand and increase CLV

If you want to increase the value that customers bring to your business, you need to increase the value that your business provides to your customers!

To achieve this, you need a clear strategy that ensures your proposition is informed by what your customers value. Thoroughly understanding customer needs and marrying these accurately with relevant product or service benefits is key to creating a foundation for longer-term satisfaction. Unless your product or service is purposeful and valuable from the buyer's perspective, there is no way this customer relationship will last and offer healthy LTV.

With a robust process for qualifying prospects, supported by accurate, high quality data and insights for each customer segment, you can ensure that your proposition matches your customers' pain points and challenges; and that you have a solution that addresses those needs. Also, that understanding will feed relevance and help you tailor the customer experience throughout their entire journey with you.

The way you sell also builds the foundation for higher LTV. Rather than taking an aggressive, hard-sell approach focused on short-term gains, your sales approach should aim to build long-term, mutually profitable relationships.

Ultimately, if you value your customers, work hard to understand their needs, and show them how much they mean to your business by providing experiences, services and solutions that support their long-term success – their loyalty will grow, along with your revenue.

the telemarketing company

If you need help qualifying the value of your prospective client base, enriching your understanding of evolving client needs or focusing your sales strategy on long-term profitability, get in touch. We provide a range of voice-contact services that can help.

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