

signs of looming rainy days, those indicators tell why customer will be the scarcest resource in the coming period.

Retention Through Relation

Marketers and sales people seek to acquire customers (end-consumer or B2B) to stay afloat in difficult times. While this seems like an intuitive strategy, the truth is that acquisition costs are also high when the resources are limited. Losing a customer means both loss of revenue and extra effort to replace with another one. Therefore, retaining existing customers is the most valuable skill during economic slowdown.

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This is not to say that Turkish marketing professionals are unqualified. On the contrary, they adapt and copy international benchmarks quite easily. However, changing circumstances require change in business mindset. And the current economic situation calls for being innovative rather than adaptive. If retaining a customer will be the number one strategy to navigate through the difficult times, being customer oriented is not enough. Best market research, communications channels, creative slogans and CRM tools will no longer do job sufficiently. Enter the “New Rules of Engagement”

The new rules of engagement replace customer transaction with nurturing relationships. There is a major difference between being customer oriented and relationship oriented. While the first is focused on selling things, the latter aims to build trust and mutual commitment. This is a painstaking process with intangible goals, but the expected benefits are worth the effort. More importantly, your organization as a whole should adopt the uncommon goal of relating with customers and align daily activities accordingly. Those who are worried will ultimately realize that customers buy when they are engaged, not the other way around.

Bottomline

The most costly mistake is to lose a customer in difficult times. Instead, companies should focus on retaining existing customers by increasing the level of engagement. This requires understanding what customer really matters in a relationship, rather than focusing on increasing the number of transactions. The past payment behaviors, lifetime value calculations, customer profitability and many other metrics can help to value the customer. But the main question remains what are you doing for them to value yourself. Below tips may help:

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- ✓ **Change Organizational Mindset:** The decision to transform an organization from being transaction-focused to relationship-oriented is a tough one. It is

even more difficult is to change people's behavior to support this strategy. Therefore, company leadership should take the responsibility to deploy the mindset in each and every action, even if it requires unpleasant trade-offs.

- ✓ **Know Thyself, Know your Customer:** Do you know what your customer values in you? More importantly, do you know what would be required to create an even deeper relationship? It is time to replace your market research with engagement survey to understand your unique value proposition instead of unique selling point. Measure the current level of engagement and understand how many customers are your activists. Then launch an engagement campaign to increase the activities of your activists. Customers will follow their lead.
- ✓ **Ask for Help:** Your customer would like you to do better, so why not ask for advice? It is not a common practice to implement participatory approaches, but a customer workshop would create outcomes that you would never imagine. Moreover, understanding the customer leads to self-realization of your own value within the company. Turkish culture is rather emotional, and raising awareness through participation is the most effective way for employee involvement.
- ✓ **Engage Your Workforce:** StratejiCo.'s previous research indicates that there is a strong correlation between engagement of your workforce and the engagement of your customers. There is an even stronger correlation between the engagement of your stakeholders and your reputation. If your reputation is damaged, your internal and external engagement decreases. A sustainable reputation can be based on truly engaged stakeholders. Thus, it is time to think about increasing employee engagement and reputation.
- ✓ **Have a Common Cause:** The most important driver of engagement is not hard metrics, but having a common cause that truly motivates action. Stick can ensure compliance, but it is common cause that drives engagement. Therefore, company leadership should seek for clues of keeping the organization together, and closer to the customer. Leading in difficult times requires value creation, not power or authority.

Once your team believes and understands the importance of keeping the valuable customers, they will come back with unlimited number of initiatives that will support your cause. People know by heart that the most difficult thing in the world is to win back a gone one. There are multiple ways to avoid the mistake of learning this the hard way.

About StratejiCo.

StratejiCo. is a strategic consultancy company headquartered in Istanbul. Since 1987, StratejiCo. serves multinational companies that operate in Turkey and in the region by providing knowledge, relations and communication. We use an engagement-based approach to develop and execute corporate and public affairs strategies.

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