



LEAD FORENSICS

CUSTOMER RETENTION: ENHANCING LOYALTY IN A DIGITAL-FIRST WORLD

Diving into the importance of understanding your customer and building loyalty in a rapidly changing B2B landscape.

FREE TRIAL



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Building a customer-centric company culture is key to building beneficial relationships with your customers. How can you achieve this?



INTRODUCTION

We all know that acquiring new customers is significantly more expensive than retaining existing ones. In the last six years alone, the cost of customer acquisition has **increased by 60%**. In addition to this, **84% of the economic value** of customers comes from retention.

The pandemic has also rapidly transformed customer behavior - customers have not only been forced to reevaluate what's important to them but also adopted a digital-first approach. As a result, the adoption of digital technologies has **accelerated by several years** — adding even more competition into the marketplace when it comes to acquisition.

As a result, companies need to assess their retention strategies and adapt to an ever-evolving landscape, or they will fail to meet their customers' rising expectations.

This guide will explore the importance of building strategic relationships and boosting loyalty. We'll outline the key factors to consider when adopting a customer-centric approach to uplift retention rates and how to leverage technology to facilitate this.

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THE COVID-19 CRISIS
HAS SHIFTED FOCUS
FROM CUSTOMER
ACQUISITION TO
CUSTOMER RETENTION
AND GROWTH.

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- Ewan McIntyre, VP Analyst, Gartner.

CHANGING CUSTOMER EXPECTATIONS

By definition, customer expectations are any set of behaviors or actions that a customer - prospective or existing - will anticipate when interacting with a company. Traditionally, customers have used the quality of a product or service and fair pricing as their baseline. However, modern customers have higher expectations such as proactive customer service, personalized interactions, and a connected experience across digital channels.

RESEARCH HAS SHOWN THAT **80% OF CUSTOMERS NOW CONSIDER THE EXPERIENCE A COMPANY PROVIDES TO BE AS IMPORTANT AS ITS PRODUCTS AND SERVICES.**

EXCEPTIONAL CUSTOMER EXPERIENCE IN CUSTOMER RETENTION

With companies leveraging cloud, mobile, social, automation tools, and artificial intelligence to deliver more personalized and valuable experiences, customers have more choices than ever before. As a result, customers expect this level of experience from any company they engage with.

Customer experience is an important aspect to consider in retaining customers. As you will know, your customers' experience with your company doesn't come to a halt once they have made a purchase. Your company's refined, proactive approaches to attracting and converting prospective customers must transfer to your retention efforts.



CHANGING CUSTOMER EXPECTATIONS



CUSTOMERS EXPECT CONNECTED JOURNEYS

Throughout their lifetime with your company, customers expect connected journeys. **76% of customers expect consistent communications** across departments on their behalf, but 54% state that sales, customer service, and marketing don't collaborate.

A collaborative and seamless service across your company will not only resolve your customers' problems or queries more efficiently but will emphasize the proficiency of your company's processes.



CUSTOMERS EXPECT BESPOKE OFFERS

Pre-purchase, **52% of customers expect offers to be bespoke** - up from a pre-pandemic figure of 49% in 2019. Personalized approaches demonstrate a clear understanding of the needs of a customer, both prospective and existing. For example, **66% of customers expect companies to understand their unique needs**, yet 66% say companies generally treat them as numbers.

When it comes to retention, frequently personalized outreach to existing customers allows your customers to feel like you understand them and have their best interests at heart.



CUSTOMERS DEMAND INCREASED TRANSPARENCY

In today's climate, customers demand increased transparency on how their data is used and expect air-tight data protection. Unfortunately, just **27% of customers clearly understand how companies use their personal information**, and 86% want more transparency. There is a need for trust between company and customer, and without it, customers are at risk of churning.

THE IMPORTANCE OF UNDERSTANDING YOUR CUSTOMERS

All of your customers will have different needs; by getting to know and understand them well, you will be able to anticipate their needs and exceed their expectations. Beyond this, truly understanding your customer is crucial in maintaining a good customer relationship and ultimately retaining them.

Understanding your most frequent and most valuable customers will not only help you to decrease customer churn, but it will also help you find more of them.

When it comes to onboarding, managing, and building relationships with customers, you need to answer the following three questions:

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UNDERSTANDING YOUR CUSTOMERS IS KEY TO GIVING THEM GOOD SERVICE,

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- commented Nadja Gram,
VP of Marketing Lead Forensics.

1. WHAT IS THEIR REASON FOR PURCHASING YOUR PRODUCT OR SERVICE?

Depending on your processes, this will typically be the first but most important question your sales team asks in an initial phone call or demonstration. Next, you need to understand what business value the solution will drive. With this information, you can provide a truly personalized service that fully supports your customers' needs.

2. HOW ARE THEY GOING TO USE THE PRODUCT OR SERVICE?

Understanding this will allow you to identify growth opportunities for your customer more appropriately, helping them get the best value out of your solution. It will also help you identify the scope for upselling, cross-sell, and other forms of product expansion for your customers.

3. IS IT A LOCALIZED SOLUTION, OR WILL IT BE SCALED ACROSS THEIR ORGANIZATION?

Establishing your customers' requirements will allow you to refine your approach in aiding their onboarding processes by being more prepared and proactive. It will also help you to identify how many stakeholders are involved and enable you to develop positive customer relationships with each, reducing the risk of churn.

If you can't answer these questions, you need to reassess how you obtain customer information. In the wake of the pandemic, many companies have faced hardships that have forced them to rethink their internal processes and priorities. As a result, your customers' motivations have likely shifted, and they are now looking to be able to demonstrate a clearer and higher ROI from your solution in the face of global financial pressure.

Where you may have formed a deep understanding of your customer's values and motivations pre-pandemic, now is the time to routinely connect with them and assess how their ambitions have changed.

ADOPTING A CUSTOMER-CENTRIC APPROACH

Customer-centric companies provide exceptional products and services to their customers above all else.

Companies have been attempting to adopt this approach for many years now. However, only **14% of marketers** claim that customer-centricity is the hallmark of their companies, and just **11% believe** that their customers would agree with that characterization.

For many organizations, the volume, velocity, and variety of customer data can be overwhelming. In addition, some organizations lack the systems and technology to segment and profile customers effectively. Others may lack the operational capabilities to target customers with personalized communications and experiences.

One of the most significant barriers to this approach is the lack of a customer-first culture across the whole organization. For customers to feel like a company has their best interests at heart, every interaction they have must be consistent.

WHAT DOES IT MEAN TO BE CUSTOMER-CENTRIC?

This is a business strategy that puts the customer first, focusing on providing positive experiences and building long-term relationships.



ADOPTING A CUSTOMER-CENTRIC APPROACH

A customer-centric culture goes hand-in-hand with understanding your customers and improving your retention rates. Here are four actions you can take to achieve it:

1. LINK EMPLOYEE CULTURE TO CUSTOMER OUTCOMES

The saying “you can’t measure what you don’t measure” applies to customer-centricity, too. Employees will be motivated to cultivate a customer-centric culture if they are aware of how it impacts results. Therefore, it can be beneficial for organizations to establish and track the link between culture and customer impact.

2. FACILITATE DIRECT INTERACTION WITH CUSTOMERS

Every employee impacts the overall customer experience, and it is beneficial to interact with customers to understand their successes and challenges. Most organizations’ business models probably won’t allow for direct employee-customer contact; however, leaders can facilitate this by allowing employees to observe demonstrations, sales calls, and conferences, etc.

3. BE EASILY ACCESSIBLE

Servicing customers can require a sizable financial and time expenditure. However, your customer service needs to be highly accessible for your customers. **1 in 3 customers will leave a brand they love** after just one bad experience. At the same time, **92% would completely abandon a company** after two or three negative interactions.

4. OPERATIONALIZE CUSTOMER EMPATHY

Customer empathy refers to identifying a customer’s emotional need, understanding the reasons behind it, and responding to it effectively. Companies can operationalize this by implementing methods in sales and customer success processes to understand further customer motivations, such as; analyzing the emotional drivers in customer messages or building customer personas to assess customers’ needs in advance.

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CUSTOMER-CENTRIC COMPANIES ARE **60% MORE PROFITABLE** THAN COMPANIES THAT AREN'T

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WAYS TO BUILD LOYALTY WITH YOUR CUSTOMERS

Happy customers tend to be more loyal, and loyal customers will always be easier to retain. Creating positive relationships with customers can have staggering results. In fact, customers with an emotional connection with a brand have a **306% higher lifetime value**, and **71% will recommend the company** rather than the **average rate of 45%**.

Here are some of the critical factors to consider in improving your customer loyalty:

1. FOCUS ON OBTAINING HONEST FEEDBACK FROM CUSTOMERS

Looking to your review platforms is an excellent way to gain visibility on your customers' pain points outside of customer success communications. However, complaints are just the tip of the iceberg; only **1 in 25 unhappy customers** will complain directly to you.

Encourage your customers to give their honest opinions on the service you provide them; your customers need to feel reassured that their problems are being heard and actioned. Remember; if you are not proactive in identifying and solving your customer's issues, they'll find a solution elsewhere.

2. DELIVER VALUE AT EVERY STAGE

Throughout their journey with your company, your customer's needs change. What begins as a need to understand how your product can be incorporated into their workflows eventually becomes a desire to implement advanced features that deliver specific results. Therefore it is crucial to follow up with your customer frequently. The relationship between brand and customer begins with the sale, but it shouldn't end there.

By routinely checking their product usage, feature usage, and rollout throughout their company, you can better understand their requirements and make personalized, proactive engagements with them. It also helps inform your future practices as you continue to understand the needs of companies by size and industry.

3. ENSURE TRANSPARENCY TO BUILD TRUST

Research suggests that customer expectations for trust across all product, service, and brand categories have increased dramatically year over year. A critical method of building trust is to be forthcoming and transparent from the first customer interaction and then consistent throughout the entire buyers' journey.

Clearly state what your company stands for, outlining your values, and communicate how your product or service will add value to a customer's life. A great example of transparency tactics includes sharing information about your product's pricing, cancellations, resource and seat expansion, and package limitations.

OBTAINING INSIGHT FROM ANALYTICS TOOLS

Organizations need the right software to understand customer behavior across digital channels and deliver personalized engagement to remain competitive. Intelligent reverse-IP tracking software, such as **Lead Forensics**, is the ultimate tool for understanding and retaining your existing customers.

WITH LEAD FORENSICS, YOU CAN:

- Seamlessly integrate your existing CRM system.
- Identify and track existing clients on your website.
- Automate real-time notifications to be sent to your key players when an existing client visits your website.
- Understand your current customers' needs by having actionable insight into their on-site activity.
- Alerts account managers or sales teams with a summary of activity.
- Identify your customers at risk of churning and be on the phone within seconds.
- Improve customer satisfaction.
- Maximize opportunities to upsell and cross-sell by having visibility on the product and package-related pages being viewed.
- Easily add contact details, set callbacks, schedule appointments, and keep track of notes, quotes, and proposals at every customer journey stage.
- Get deep insight into who your customers are and what content they are reading to deliver more relevant content in the right place at the right time.
- Leverage Lead Forensics as an additional data source to identify new prospects.

With intelligence into precisely what your customers are looking for, you can strategically use these insights to help ensure that your customers have positive experiences with you and deliver personalized communications. You can also use these insights to promote upsell, cross-sell, resource, and seat expansion, extending your customers' lifetime value.

THE KEY TAKEAWAYS

So, what can you take from all of this? We've put together a list of the key factors to consider in uplifting your customer retention strategy in a transformed, digital world:

1. CUSTOMER RETENTION HAS NEVER BEEN MORE IMPORTANT

84% of the economic value from customers comes from retention. Failing to meet changing expectations puts your customers at risk of churning.

2. CUSTOMER EXPECTATIONS ARE AT AN ALL-TIME HIGH

Aside from a baseline of excellent service at a reasonable price, customers expect a seamless, connected experience with high-level personalization and data protection.

3. IT IS CRITICAL TO UNDERSTAND CUSTOMERS TO RETAIN THEM

Developing a deep understanding of your customers is crucial in providing exceptional service. Therefore, companies need to make a proactive effort to understand and assess their ambitions consistently.

4. CUSTOMER-CENTRICITY IS A HIGHLY EFFECTIVE APPROACH TO ADOPT IN IMPROVING RETENTION

Developing a company-wide culture of customer-centricity is crucial. Link employee culture to customer outcomes, facilitate direct interaction with customers, have easily accessible customer service, and operationalize customer empathy.

5. BUILDING STRONG CUSTOMER LOYALTY IS ONE OF THE MOST EFFECTIVE WAYS TO BOOST RETENTION

Aside from a baseline of excellent service at a reasonable price, customers expect a seamless, connected experience with high-level personalization and data protection.

6. IT IS ESSENTIAL TO LEVERAGE SAAS SOLUTIONS IN THE CURRENT LANDSCAPE

Digital technology, such as Lead Forensics, can unveil an ocean of insights into your customer's behavior, facilitating a deeper understanding of your customer's motivations and pain points.



SUMMARY

To summarize, **the B2B landscape is now a place of shifting customer behavior** and expectations, increasing acquisition costs, and higher competition on digital channels catalyzed by the pandemic. With retention being more crucial to B2B success now more than ever, companies need to refine their practices to keep customers happy.

Customer expectations are rapidly evolving; modern customers have higher expectations than companies simply providing a quality product at a reasonable price. Instead, customers now expect a proactive service, personalized interactions, innovation, data protection, and a connected experience across digital channels.

To meet these expectations, companies need to **make a proactive effort to understand their customers' ambitions and motivations fully.** Moreover, this effort needs to persist at every stage of a customer's journey, from the first pre-sale touchpoint to post-sale customer success efforts.

Developing a company-wide strategy to understand customers and build meaningful relationships is highly benefited by customer-centric company culture. However, with many organizations struggling to achieve this, companies aiming to improve customer loyalty and enhance retention rates need to prioritize this.

Happy customers tend to be more loyal, and loyal customers will always be easier to retain.

Some key tactics to build positive relationships with customers include obtaining honest feedback, delivering value at every stage of the customer journey, and being transparent with customers to build trust.

Organizations should leverage available technology such as website visitor identification software to remain competitive in their customer retention strategy. It provides an ocean of valuable insights into an organization's customer behavior, allowing them to understand their activity and ambitions better.



LEAD FORENSICS

BOOST REVENUE AND ROI

Lead Forensics is an innovative, reverse IP tracking technology that unlocks hidden data and potential revenue from your B2B website. With a small piece of code working seamlessly in the background of your site, you're able to track website visitor behavior, reveal previously anonymous identities, and discover a bounty of business opportunities in real-time – even if they don't inquire.

Lead Forensics owns the global-leading database of business IP addresses – which means it can present you with the exact name of the business visiting your website. And, you'll be provided with the contact details of key decision-makers within that organization – giving you and your team everything you need to reach out to the right person at the right time.

START GENERATING REVENUE DIRECTLY FROM YOUR BUSINESS PAGE

FREE TRIAL

