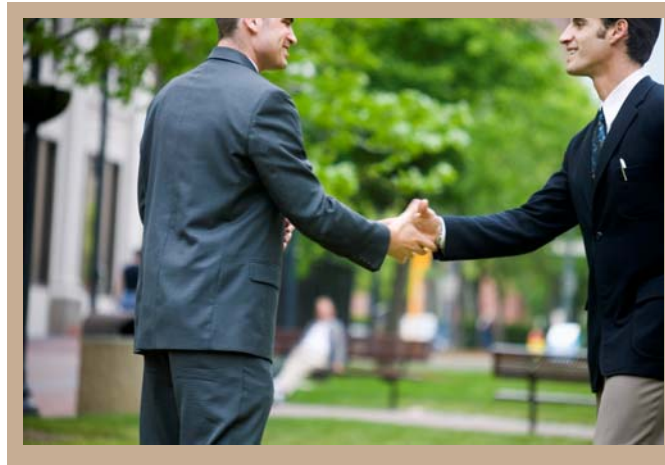


Customer Retention

Tools to Help You Retain your Customers

Written by Elaine Buckley-Null, TLI Faculty Members



The Leadership Institute

Lighting the Way

"Inspiring Dreams, Realizing Potential"



Customer Retention

Welcome to Customer Retention!

Some facts about Customer Retention:

- ✓ Historically, we have a high “Churn & Burn Rate” of New Accounts
- ✓ Poor retention is not isolated to specific selling disciplines– it is among all areas
- ✓ New customer acquisition is more time consuming and costly vs. repeat advertisers

Customer Retention

Welcome to Customer Retention!

Some facts about Customer Retention:

- ✓ Veteran reps retain much higher % of new accounts, about 70% plus. New reps with less than 1 year, only 20%.
- ✓ Once we lose new advertisers they are difficult win again.
- ✓ For the most part, we consider it a “Waste of our Time” chasing dropped accounts.



Customer Retention

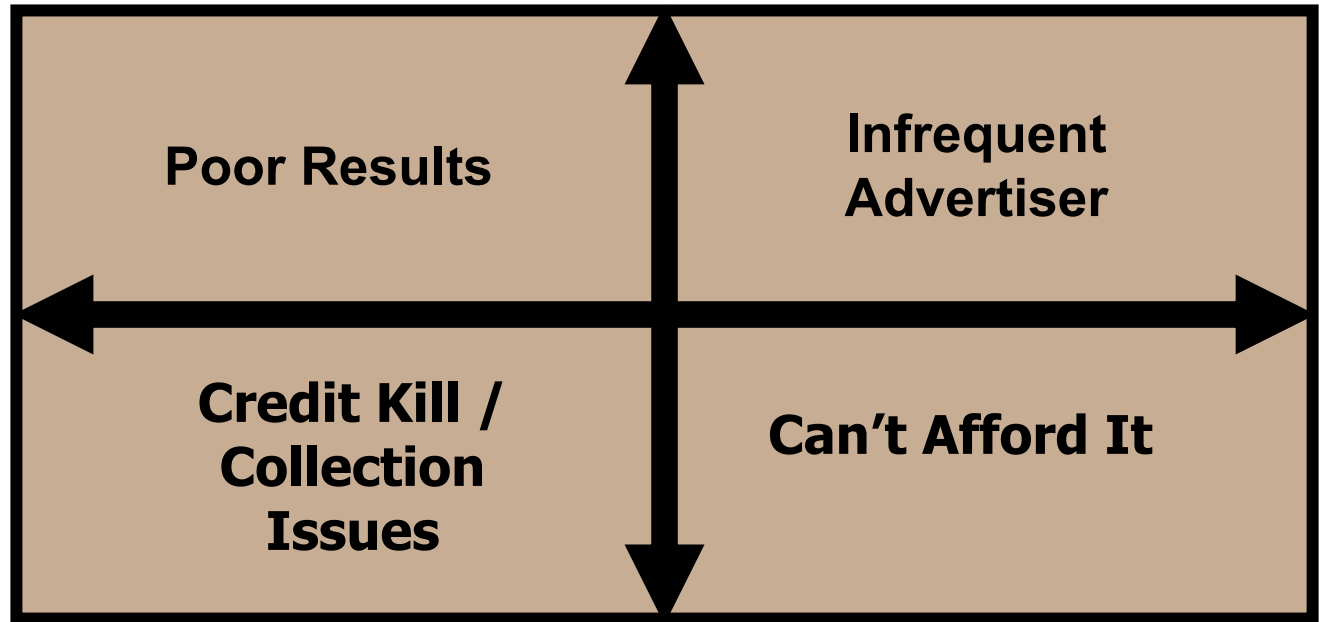
Customer Retention vs. Experience

Region	% Accts Retained	% 3 Year Vets
1	63%	60%
2	60%	50%
3	56%	42%
4	54%	33%
5	54%	30%
6	51%	25%
7	47%	20%

RETENTION
VS.
EXPERIENCE

Customer Retention

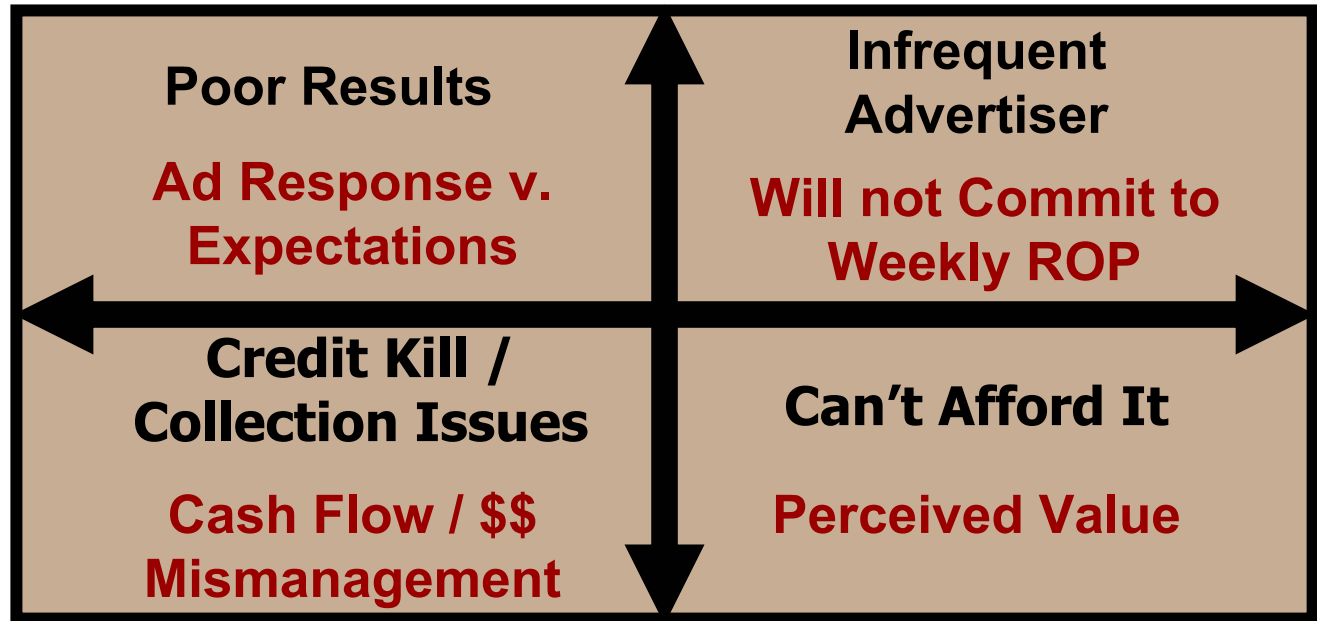
Why do Customers drop our products?



WHY DO THEY LEAVE?

Customer Retention

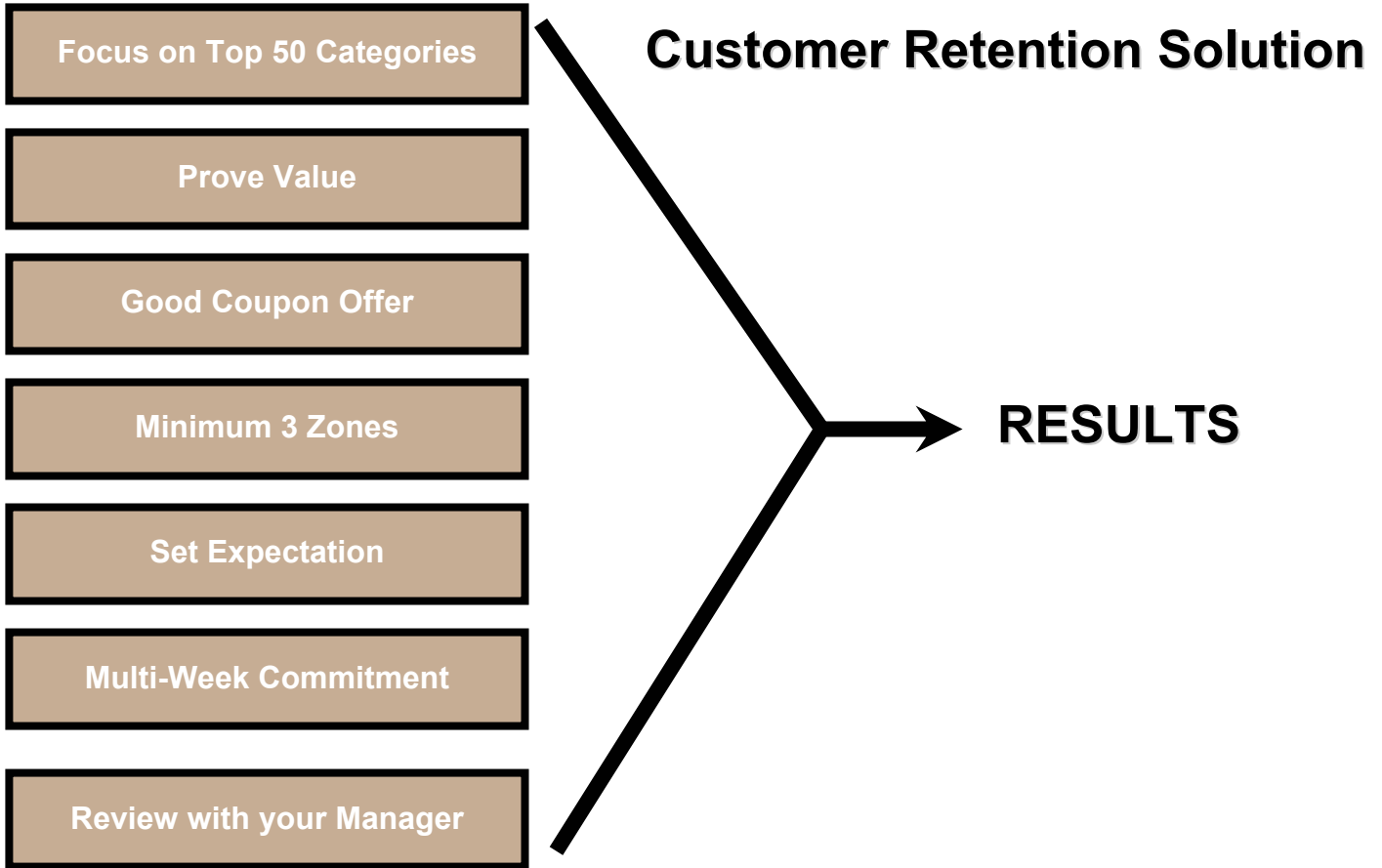
Why do Customers drop our products?



WHY DO THEY LEAVE?

Customer Retention

CUSTOMER
RETENTION
SOLUTION



Customer Retention

Fish Where the Fish Are!

Top 50 Business Categories that get the best results from Advertising in Shoppers

Amusement Centers	Employment	Maid Service	Schools
Auto Repair	Fast Food	Medical Centers	Self Storage
Bagels	Fitness Centers	Mortgage/Loans	Shoes
Car Dealers	Florists	Nail Salons	Stereo
Car Washes	Furniture Stores	Optical	Tax Preparation
Carpet Sales	Grocery	Pet Grooming	Tanning
Carpet Cleaning	Hair Salons	Picture Framing	Tires
Child Care	Handyman	Pizza	Veterinarians
Chiropractors	Home Improvement	Podiatrists	Video
Cell Phones	Ice Cream	Real Estate	Window & Doors
Dentists	Insurance	Restaurants	Weight Control
Doughnuts	Karate	Roofing	
Dry-Cleaning	Legal Services	Satellite TV	

TARGET TOP
SHOPPER
CATEGORIES

Customer Retention

Show me proof of value!

PROVE
VALUE

It's in the book!



Huntington Beach
9971 Adams Avenue
(714) 893-6940

Seal Beach
13928 Seal Beach Blvd.
(862) 430-0424

Huntington Harbor
16001 Springdale
(714) 846-8815

Don't Miss Out On Your Golden Opportunity!

Open A Free For LIFE Checking Account With All These Added Benefits and Receive This New One Dollar Golden Coin Free (*While Supply Lasts)

- Unlimited Check Writing
- No Monthly Fees
- No LIFE Bank ATM Fees
- Extended Hours Including Saturday
- Minimum Opening Deposit of \$100
- First Order of Checks Free

Open a Twelve Month CD and Earn **6.25%** APY

*Annual percentage yield (APY) varies by rate and account type. APY is based on the last day of the month. APY is based on the actual number of days in the month. There is a penalty for early withdrawal. Funds earned in 2008 are based on the actual number of days in 2008. There are no other charges. All rates are subject to change without notice. Please call to learn more.

Customer Retention

Insist upon a **GREAT** Coupon Offer!

Wow! 5% off on
Dinner for 2. I'm so
jazzed. ...zzzzzzz



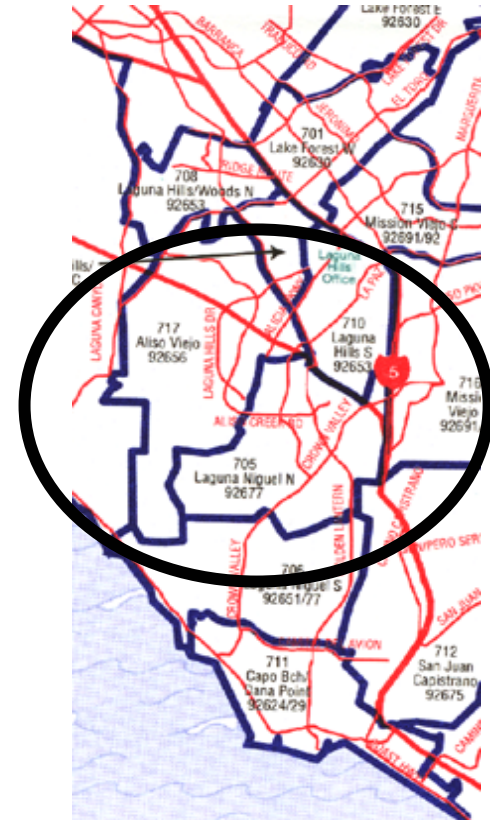
GOOD
COUPON
OFFER



Customer Retention

NEVER Sell Less than 3 Zones!

- ✓ **Circulation is King!
More Eyes than Size**
- ✓ **Average Business
Draws 80% of Customers
within 3 Mile Radius**
- ✓ **Any Less Exposure is
an Absolute Injustice to
your Customers and a
Waste of their Money**
- ✓ **You're Simply Selling
Next Week's Loss**

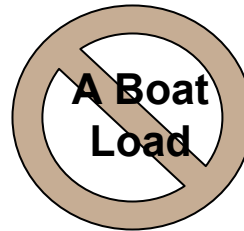


**3 ZONES ARE
KEY**

Customer Retention

Set Realistic Expectations

What Return, Response, Results should I expect from my advertisement?



Question: Mr. Customer, What do you think is reasonable ?

WHAT IS
REALISTIC?

Customer Retention

Set Realistic Expectations

Small Ticket Items:

- ✓ Assume 1/10 of 1%
- ✓ Simply Multiply the Circulation x .001
- ✓ Example: 35,000 circ x .001 = 35 Calls

Larger Ticket Items:

- ✓ ROI Conversation
- ✓ “How many new customers do you need to break even on your Investment ?”
- ✓ “What is an average customer worth ?”



Customer Retention

What's a New Customer Worth?

Category	Value Per Year
Auto Repair	\$436
Car Wash	\$93
Dentist	\$178
Auto Insurance	\$755
Dry Cleaner	\$480
Pizza	\$300
Restaurant	\$360
Veterinarian	\$128
Carpet Cleaner	\$270
Fitness Center	\$540
Chiropractor	\$560



WHAT IS A
NEW
CUSTOMER
WORTH?

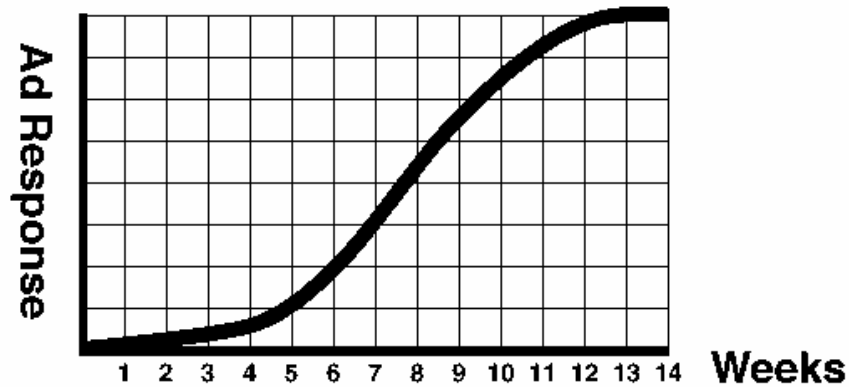
Customer Retention

Get a Multi-Week Commitment!

Why? Frequency Increases Recall= Results

How Long? At least 8 to 13 Weeks

Recall Curve



How do I get a Commitment? Rate is a start...

Customer Retention

Take advantage of your Rate Card.

It's a BIG Retention Tool!

Classic Example

2 Zones / ROP1

3 Zones / ROP2

¼ Page

\$148

\$148

Commit to a Multi-Week Program and
Get 3 Zones for the Price of 2

MULTI-WEEK
COMMITMENT



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Customer Retention

Some thoughts re: Multi-Week Commitments

National Account Rep (anonymous)

“Weeks 1 to 3, expect little to nothing. Weeks 4 to 8, something. By week 13 you’re a believer and we’re a critical part of your ad budget.”

Specialist Account Rep (anonymous)

“Are you looking for a miracle or a marketing plan? Multi-week programs produce results, not to mention you’re cost per lead improves every 7 days.”

Territory Account Rep (anonymous)

“Don’t fire me before I get a chance to prove myself. Give us time to do what we do best. Stay with it ”

Customer Retention

When a Customer Drops, Get Help Fast!

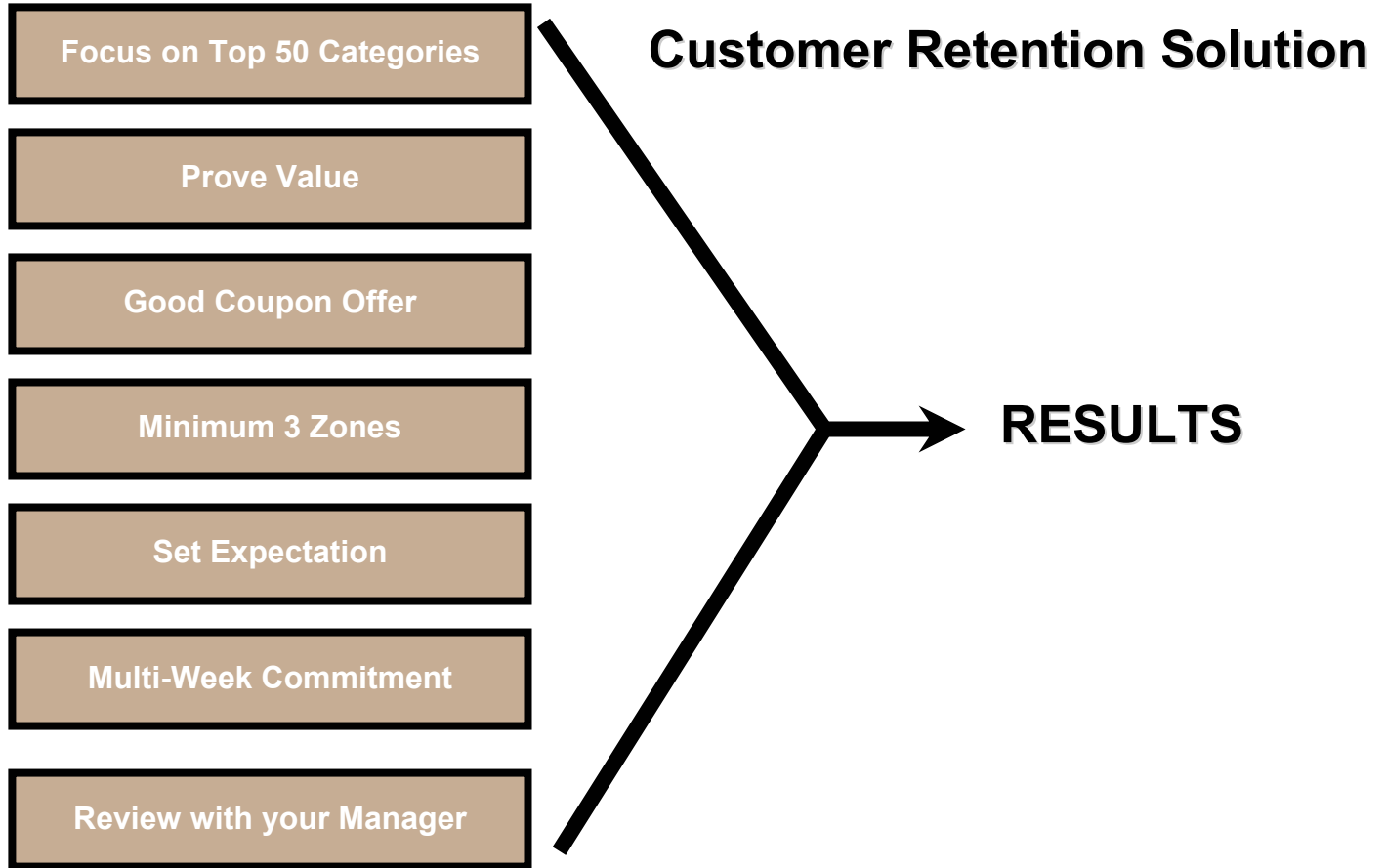
Immediately review the situation with your manager and plan a course of action together.

Beware that Advertising Dollars often re-commit within 72 hours.

WHEN A
CUSTOMER
DROPS



Customer Retention



**CUSTOMER
RETENTION
SOLUTION**



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Customer Retention

RETENTION
ROCKS!

RETENTION ROCKS!



“Repetition is the Definition of our Mission”



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Sales Objections

Questions & Discussion

On behalf of The Leadership Institute, I would like to thank you for attending this training and wish you the best of luck with all of your future endeavors.

QUESTIONS &
DISCUSSION



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