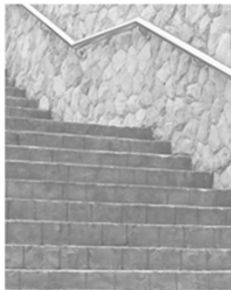




JFD Performance Solutions

Striving – Performing – Achieving

How do you create and execute a customer loyalty strategy?



November 2014



The function of business is to...

- Make money
- Make a profit
- Provide high quality products and services
- Be innovative
- Make a difference



Right?

Actually...

“The function of business is to attract and maintain customers.”

– Peter Drucker, Business Guru

Whether
a sole proprietor or a Fortune 500,
for profit or not-for-profit,
service or product based,

money and profits are the rewards for
providing something your customers value.

And, if you don't have loyal customers...

- Make ~~money~~
- Make a ~~profit~~
- Provide high quality ~~products~~ and ~~services~~
- Make a ~~difference~~



How do you know when you have loyal customers?

It's simple...

Customers return on a regular basis

+

Customers recommend you to others

=

Customer loyalty



Wanted: LOYAL Customers

Faithful

Constant

Resolute

Committed

Staunch

Allegiant

Unwavering

Ardent

OBLIGATED

Devoted

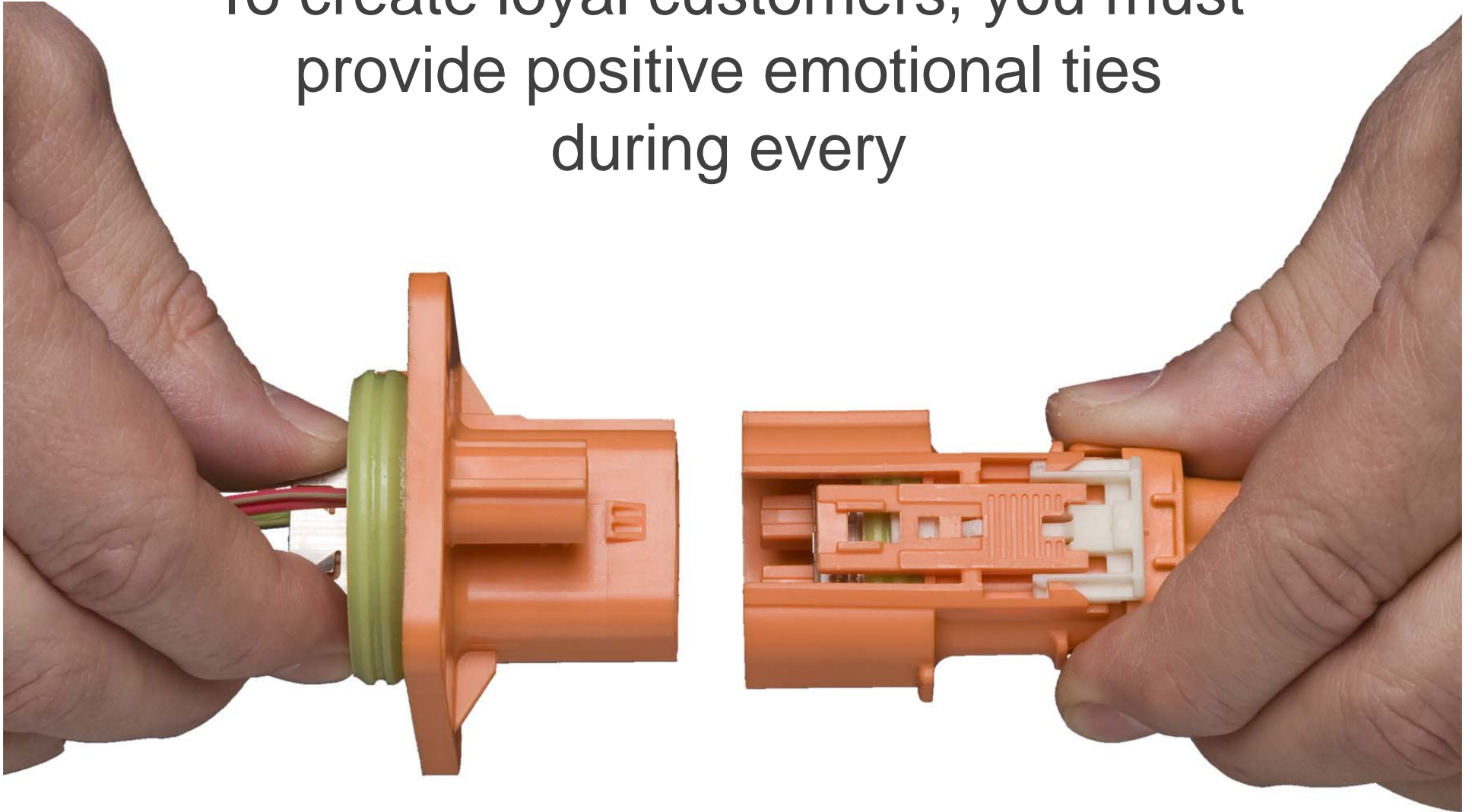
Dutiful

Steadfast

Attached

Can you feel the emotion?

To create loyal customers, you must provide positive emotional ties during every



Point of Connection.

What is a Point of Connection (POC)?

...a human interactive connection

“Regardless of how high a company’s satisfaction level may appear to be, satisfying customers without creating an emotional connection with them has no real value!”

- Gallup Organization, 2003

Example: Hotel Points of Connection

- Parking
- Checking in
- Locating your room
- Examining your room
- Wireless access
- Examining the bathroom
- Comfort of the bed
- Room service
- Pool
- Staff



How do we evaluate POC?

- List each step that a customer takes in transacting business with your organization.
- Develop a method(s) of measuring and tracking the actual experience at each POC.
- Create an emotional tie with/for the customer.
- Every service/connection point is critical.

On-time delivery

Error free

24-hour
response time

High quality

Personal
technical service

Free shipping

Why do emotions matter in the customer service experience?

- Would you rather deal with a business you like or dislike?
- How many purchasing decisions are based on emotion and not need?
- Would you rather deal with a business highly recommended by a friend or the yellow pages?



Points of Connection matter for building loyalty.

Building loyalty is about building relationships, both *externally* and *internally*.



So...

Customers must associate you with a consistently positive emotional experience.
It becomes a competitive advantage.

The simplest, most effective success strategy goes beyond customer satisfaction and focuses on creating customer loyalty.

So...how do you create and execute a customer loyalty strategy?

- Ensure alignment with the overall organization strategy.
- Know who your customers are, who you want to be your customers, and why you are best able to serve them.
- Develop a detailed action plan: What – Who – When.
- Address all Points of Connection.
- Establish the necessary systems, processes, and rewards.
- Measure...because you get what you measure.
- Involve and engage your customers and all employees.
- Communicate, communicate, communicate.

What is your next step?

Complete the [Customer Walk Decision Matrix](#)!

