

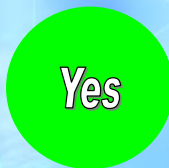


Retention Marketing

LIFELONG LEARNING 2007

Greg Marsello

- Even though customer relationships are one of your most valuable assets, customers are often one of the most undervalued assets too.
- In the constant battle to gain new customers, it is easy to overlook the value existing customer relationships hold.



Existing Customers



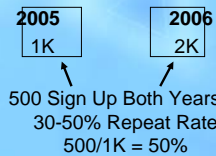
Potential Customers



Non-Customers

Know Your Repeat Rate!

- Repeat Rate: Number of people in your last session (or year) that repeat in your current session (or year) divided by total number of people last session (or year)



Know Your Lifetime Value

- The dollars generated by an individual customer over a lifetime (length of time with your program)



LifeTime Value

$$\frac{1}{(1-\text{repeat rate})} \times \text{average course/event fee}$$

$$\frac{1}{(1-.66)} \times \$100 = \$294.12$$

*If you can increase the repeat rate, you will increase the LifeTime Value (LTV).

$$\frac{1}{(1-.75)} \times \$100 = \$400$$

*If you can increase your average course/event fee, you will increase the LTV.

$$\frac{1}{(1-.66)} \times \$150 = \$441.18$$

**Repeat customers generate customer referrals,
which generate additional income**

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Reasons Customers Leave

- Move or Die 4%
- Other Lifelong Learning Program Friendship 5%
- Competition 9%
- Product Dissatisfaction 15%
- No Customer Contact Strategy 67%

If your customers begin to feel ignored or neglected, won't they ultimately take their business elsewhere?

- Customer retention, keeping customers, can be improved by explaining to your staff and instructors, especially those on the front line who deal directly with your customers, just how much each customer is worth to your organization.
- Customer attrition, losing customers, can be dramatically reduced when all staff and instructors work together to keep your existing customers satisfied.

Who Are You?

- You Cannot Be Everything to Everyone
- Know your USP
- Live Your Brand: Look, Feel & Partners



Know Your Customers

- Collect Critical Demographics
- Segment the Market
- Treat Customers Like Individuals



20 Customer Retention Strategies

- Information Specialist
- Sunset Rule
- Welcome Communications
- Immediate Confirmations
- LiveHelp...Enhanced Technical Support
- Yearly Activity Report
- Instructor Recommendations
- Counseling
- Be a Clearinghouse
- Meaningful Discounts

20 Customer Retention Strategies

- Number of Touches: Snail, Verbal & Electronic
- Reminders
- Surveys
- Advisory/Focus Groups
- Survey for Quality and Service
- Turn Refunds in 5 Days
- Membership and Equity
- Answer the Telephone
- Recognition
- Targeted Communications

Set Goals

- Repeat Rate
- Lifetime Value
- Service Rating
- Quality Rating
- Courses/Events per Person
- Income per Person

- Maintain high customer satisfaction levels and protect your customer relationships because satisfied customers are truly one of your organization's most valuable assets.



Thank You!

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