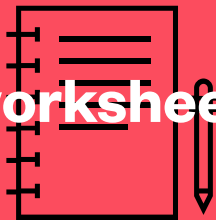


## worksheet



# Building profile and customer loyalty

Increasing your customer base is essential to growing your business, but without careful planning, marketing can eat up a lot of investment. The key is working out exactly which customers to target and finding the most efficient way to reach them. Follow these 7 steps to help you work out how.



## 1. Speak to people

The first step towards growing your customer base is finding out exactly what your existing customers love about you, and why they come to you over a competitor. Don't assume you already know this; taking the time to speak to your customers can give you some unexpected insight into how they perceive your business, what they think you do well and what you could improve on.

### ✓ Practical task

Decide on a way to engage with your customers, such as holding a focus group or creating a feedback survey to share with them online or in the store. (And offer an incentive to encourage participation). Make a list of questions to drill down into what customers like about your business, how they would describe you to a friend, and if there is anything they think would make your business better. That is easy to remember.



## 2. Write some profiles

Before you start developing any marketing material, start by imagining who it is you're trying to get interested in your business. Create profiles of some sample customers – all your marketing, from posters and flyers to social media, needs to appeal to those people so you need a clear idea of who they are and what they like.

### Write it down

Imagine an average customer for your business, then write down everything you know about him or her. Begin with simple things like gender, rough age and income or occupation, then add more specific characteristics, likes and dislikes. These might include "value high quality over a low price". Use the feedback from the focus group and any other insights that you have about your existing customers to guide you. Try to create at least three different customer profiles.



## 3. Assess who your revenue is coming from

Figures vary from sector to sector and study to study, but according to Harvard Business Review says that acquiring new customers can cost between 5 and 25 times as much as retaining customers. Before you start pushing valuable resources into a marketing strategy, you need to know what you want to achieve from it: new customers, or more customers coming back to you?

### Practical task

Look at your revenue for the last three months – can you identify what percentage of it came from first-time customers vs returning customers? Of those returning customers, can you look at things like how many times they've shopped with you and how regularly they buy from you? Look at the top 5% of customers by spend; how much of your overall revenue do they account for? If you don't have a CRM system that can give you this information easily, try to make estimates by paying close attention to who is shopping with you and how much they spend over a fortnight or a month.





## 4. Pick your tools

The possibilities with marketing are endless, from flyer-ing to large, integrated campaigns with full-service agencies.

### Do your research

You should now have an idea of who you want to focus your marketing efforts on. The best places to market your business will depend a lot on the type of business you run and the types of customers your targeting (demographic and existing vs new). For web-based businesses, Facebook or Instagram advertising might be a good investment. For local, bricks-and-mortar businesses, you might want to consider something simple like flyers.



## 5. Assign your budget

To avoid overspending or being talked into a marketing service that isn't right for your business, outline exactly what your budget is and what you want to spend it on before you start.

### Write it down

You should have a budget in mind that you're planning to invest in marketing. Now you've decided what types of marketing you're going to pursue, get some quotes to calculate how much it's likely to cost. If you've decided to do things in-house, calculate how much of your or your employees' time it will take. Work out the return you'll need on the marketing you use to make it worth the resources, so once you start you can track whether things are performing as you'd like (and reduce the spend if they're not).



## 6. Outline your social media rules

Having a clear idea of who your customers are should dictate which social media channels to spend time focussing on. Plan what you want it to look like, and how you want customers to interact with it. Having clear rules about what should and shouldn't go on your business's social media will prevent anything appropriate going out under your brand's name.

### Write it down

Make a list of social media "promises" – things that every post on your business's social media will and won't do. For example, posts will always include an on-brand image; posts will never use language that is patronising. Taking the time to do this now makes it easier to delegate the responsibility to other team members.



## 7. Start Today!

Is there something you've always wanted to do, but keep putting off and finding reasons to wait? Barclaycard are passionate about helping people to get started. Decide on that one thing you need to get going, and start today.

