
Overview

Without customers you have no business. You will need to put as much effort into winning and keeping your customers as you do in providing products or services. Working closely with your customers, understanding their motivations and why they chose your business will help you to keep their custom and innovate to attract new customers. Some estimate that it costs ten times as much to attract a new customer as it does to keep an existing one. Setting your business up with your customers at its heart will help to keep you ahead of competitors and earn you invaluable customer loyalty.

You might do this if you are:

1. setting up a new business or social enterprise
2. running an existing business or social enterprise
3. expanding your business or social enterprise

Winning and keeping customers involves:

1. understanding who your customers are
2. researching their needs
3. developing good relationships with your customers
4. encouraging their feedback on your products or services
5. continuously trying to improve the service your business provides
6. reminding customers why they continue to buy from you

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Performance criteria

You must be able to:

- P1 understand who your customers are and the needs of different groups or types of customer
- P2 identify your customers' current needs and future requirements
- P3 consider if your products or services will appeal to new or potential customers with specific needs
- P4 work out why customers choose to work with your business or buy your products or services
- P5 know your competition and be able to explain to customers the advantages of your offer
- P6 clearly define what products or services your business delivers and make sure that you present it to customers in a way they can relate to
- P7 tell your customers how you are aiming to meet their needs and about new developments
- P8 check that your marketing strategy is based on an accurate understanding of your customer's needs and preferences
- P9 check that your business infrastructure is set up in a way that helps you maximise customer satisfaction
- P10 identify your most valuable customers and channel efforts to meet their needs
- P11 build good relationships with customers by providing good customer service
- P12 encourage customer loyalty
- P13 strive to continuously improve the service to your customers and exceed their expectations
- P14 reinforce the feeling in your customers that they made the right decision by choosing your products or services
- P15 encourage feedback from your customers and act on it

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Knowledge and understanding

You need to know and understand:

The market

- K1 what information about your customers that will help you tailor products or services to meet the needs of the market (for example, typical age, gender, interests and spending habits)
- K2 how to group your customers according to their needs and value to your business
- K3 key information about your competitors (for example, how your product or service differs to theirs, their strengths and weaknesses, how much they charge for similar products or services)

Marketing

- K4 the vision of your business, the products or services it provides and how best to communicate this information clearly and passionately to potential customers

Business infrastructure

- K5 what impact your business infrastructure has on the quality of customer service (for example, efficient IT and communication systems, billing processes or customer relationship management processes)

Customer's experience

- K6 how to build good and trusting relationships with customers (for example respond to queries in a timely manner, be flexible and make the extra effort to meet their requirements)
- K7 how you can improve the experience your customers have when dealing with your business (for example, by being available to them, tailoring products or services to meet their specific needs and offering discounts for customer loyalty)
- K8 how to regularly remind customers of the benefits of dealing with your business

Customer feedback

- K9 what feedback to get from customers (for example, why they choose to do business with your organisation, how you can improve service and what new products or services you could offer)
- K10 the most effective ways to get feedback from customers
- K11 how to tell customers how you have used their feedback

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Additional Information

Links to other NOS

1. EE4 Find innovative ways to improve your business
2. EE5 Build relationships to build your business
3. WB1 Check what customers need from your business
4. WB2 Plan how to let your customers know about your products or services
5. WB11 Decide how you will treat your business customers
6. WB12 Deliver a good service to customers
7. BI1 Create the infrastructure your business needs

If your business grows and develops a management team it may be appropriate to consider the following units from the Management and Leadership Standards.

8. F4 Develop & review a framework for marketing
9. F5 Resolve customer service problems
10. F6 Monitor and solve customer service problems
11. F9 Build your organisation's understanding of its market & customers
12. F10 Develop a customer focussed organisation
13. F11 Manage the achievement of customer satisfaction

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Developed by	CFA Business Skills @ Work
Version number	1
Date approved	May 2008
Indicative review date	May 2010
Validity	Current
Status	Original
Originating organisation	Sfedi
Original URN	EE2
Relevant occupations	Business, Administration and Law; Managers and Senior Officials
Suite	Business Enterprise
Key words	success, business, idea, social, enterprise, customers, products, service, support, creative, idea, skills, needs, suppliers, cash, flow, legislation, marketing, market, trends, competitors, health and safety, VAT, equipment, costs, profit, staff, product