

Customer Retention

Drive Loyalty and Growth Across the Customer Lifecycle



INTRODUCTION

Each customer interaction is an opportunity to increase loyalty. But beyond the frontlines, a well-executed Customer Retention program focuses on the “moment of truth” when customer loyalty is at stake. But why do customers want to leave? Recent studies from Opinion Matters reveal the main reasons are due to controllable and preventable circumstances. In fact, an alarming 53 percent of customers indicate they leave because they do not feel appreciated.

WHAT IF YOUR CUSTOMERS CHOOSE TO STAY?



A five percent increase in customer retention can lead to a 75 percent increase in profits



Repeat customers spend 33 percent more than new customers



It costs five times more to acquire a new customer than satisfy and retain a new one



Companies that prioritize customer experience generate 60 percent higher profits

3 SOLUTIONS TO STRENGTHEN AND GROW CUSTOMER RELATIONSHIPS

We are in a switching economy. And despite the significant investments companies have made in social, mobile, analytics, and cloud services, customers continue to switch brands. Accenture’s 2013 Global Consumer Pulse Research shows no material change in customer attitude or perception from these investments. Advanced technologies can be ineffective, and even detrimental, if not also offering the empathy and personalization that only a human interaction provides. A customer feeling indifferent or undervalued needs specialized treatment.

Alorica offers three solutions to strengthen the relationship with your customers so they will continue purchasing—and tell their friends.



Proactive Retention



Customer Savings



Reconnection

PROACTIVE RETENTION

Proactive retention is initiated during various intervals of a customer lifecycle. It is important to first analyze the customer lifecycle to understand who is leaving (or at risk), when and why. This leads to probable churn indicators. From identified segments, develop targeted offers that will result in more high-value, loyal customers. Finally, deploy proactive outreach campaigns at opportune intervals of the customer lifecycle.

Proactive Retention Interval Examples

- **New Customer** Initiate a welcome call and offer assistance for how to use the product or service, address any concerns, and ensure the customer is satisfied.
- **Trial Period** Outreach to customers nearing the end of a trial period to gauge satisfaction with the service and provide offers to stay after the trial period.
- **At-Risk Customer** Consult with “at risk” customers to ensure customer needs are being met and offer alternatives if dissatisfied with the service or product.
- **Contract Ending** Outbound interactions with customers nearing the end of contract to ensure satisfaction, and provide a stay-on offer as appreciation for their loyalty.



Customer Save

The ultimate goal of a customer save is to re-enforce value and reengage usage. Without perceived value, a customer will easily ignore most offers to stay. Ideally, Customer Saves work best when a brand has actively engaged with the customer well before an “at risk” retention event occurs (see above!).

Unfortunately, the customer is now asking to cancel their relationship with you. Be ready with Customer Save agents that are trained in consultative techniques, prepared with knowledge about the customer, products and services, and are empowered to select the appropriate retention offer.

TESTIMONIAL

“Thank you for such stellar performance. We have seen a 13 percent increase in Close Rate, with record breaking reconnect rates. Thank you for helping to transform the bundles desk into a concierge experience for our customers. Please share our sincere thanks for a job well done with your entire team.”

- *Media & Entertainment Company*

Reconnect

You have lost a valuable customer. If this customer is ignored, it will reinforce the perception that the brand did not appreciate them. Time is critical to successfully restore the relationship before they have a chance to build new bonds with someone else. No worries, as Alorica's end-to-end outreach methods can be achieved with analytics and data mining to deliver tailored offers that demonstrate the brand's appreciation for the customer's loyalty.

The Total Experience Adds Meaningful Value

Prevention is the best action to take for customer retention, with proactive communications in place to ensure customers are happy and appreciated. Throughout the lifecycle, provide customers with memorable experiences that drive repurchase and positive word of mouth. With a finger on the pulse, identify at-risk behaviors and engage immediately. But, the saves and reconnect teams are prepared to take action, should a customer ever lose faith in your brand. Alorica does this successfully more than seven million times a month, saving 2.5 million customers and retaining ~\$150M in revenue per month for our clients. **We grow brand loyalty.**

ABOUT ALORICA

At Alorica, we only do one thing—we make lives better. How? By creating insanely great experiences for customers—online, on the phone and through social media. From acquisition and sales to customer care and support, Alorica provides a host of world-class services, including customer relationship management and back office support. We're proud to passionately serve clients as diverse as we are—including communications, financial services, healthcare, retail and tech companies, many in the Fortune 500. We call Orange County home, headquartered in Irvine, CA, with 100,000 employees in 150 locations across 17 countries around the globe.