

Strategies to Attract and Keep Customers

Jody Padgham

Farmers who sell their products by direct marketing need to take the time to reflect on successes and failures in the business. Reflection is not enough,however.Change can be difficult,but assessing what worked and what didn't will provide successful direct marketers with the opportunity to anticipate and respond to customer needs and wants.

Keeping the customers you serve happy can be your best marketing tool.

A successful direct marketer should work constantly to find out what the consumer wants and develop products that satisfy customer demands.When customers are satisfied,they will not only return to support your business,but will also tell others what you have to offer.Consumer interests and demands should serve as production cues to farmers and food marketers.By knowing what customers want,you can change production or presentation strategies to better fit consumers'wishes.

Keeping customers satisfied

ustomers are the lifeblood of your business, so it is crucial to maximize customer satisfaction. Some degree of customer turnover is inevitable, but successful food marketers will retain repeat customers. It costs about five times more to bring in a new customer than to keep an existing one.

Is customer turnover at a minimum? Below are questions to help evaluate your success in keeping customers satisfied.

- 1.Do you realize the value of your current customers? These are your best accounts.They are quicker to buy and require fewer "special deals."Never take your customers for granted!
- 2.Do you communicate to all your customers that they are important?
- 3.Do you encourage customers to return to your business?
- 4.Do you tailor your services to your customers'particular needs?
- 5.Do your customers call you when they have a tough problem?
- 6.Do you provide unique services that your customers would find difficult to duplicate somewhere else?
- 7.Do your customers feel that you are concerned about their interests and welfare?
- 8.Do you attempt to learn as much about each customer as possible?
- 9.Do you follow up to make sure orders are filled quickly and accurately?
- 10.Do you follow up on complaints to make sure the resolution was satisfactory to the customer?

If you answered "yes" to nine or more questions, you are a better-than-average market operator. Below six is poor; between six and nine is mediocre. Surveys show that a customer who has an unpleasant experience at your business will tell ten or more people about it.

Building a successful, positive image with your customers enhances your overall credibility. Living up to that image creates valuable word-of-mouth publicity. Customers most often base their purchasing decisions on the advice of people they know.

Complaints can improve your business

Customer complaints should be recognized as constructive criticism that can be used to improve your business. Work with all your employees on customer relations regardless of the frequency or type of contact they have with the public. Furthermore, develop a procedure for handling customer complaints based on the following suggestions:

Listen to customers and acknowledge complaints.Customers who complain expect action.

Develop empathy and show concern for the customer.

Ask questions to obtain details;solicit customers'alternative solutions.

Resolve the action underlying the complaint.

When complaints cannot be resolved immediately, update the customer periodically on the progress. Keep a notebook of promised actions.

Record the complaints and analyze them periodically to determine trends.

EMERGING AGRICULTURAL MARKETS

Six ways to attract and keep customers

The following six strategies will help you attract and keep customers.

- 1. Offer quality products. Good quality is the most important reason cited by consumers for buying directly from farmers. Successful marketers keep customers with repeat sales of quality products.
- 2. Cultivate good people skills. Attitude is critical to your business success. A personal inventory of your skills, interests and goals will help determine your personality and ability to relate to a wide mix of customers. People skills are essential to direct marketers. Even with a sincere interest and desire to work closely with your customers, if you are not a "people person" your chance for direct marketing success is slim. If you don't have the people skills needed, see if another family member might shine where you don't. Don't be surprised if one of your children turns outs to be a sales "star."
- 3. Know your customers. Tell them that you appreciate their business. Each of us values someone who calls us by name or inquires about us or a family member. The potential customer is more likely to purchase from someone who takes the trouble to offer a personal touch.

- 4. Use attractive packaging. Packaging may help make the sale for some products. You may want to reconsider your package and label. Any holiday season may also provide you an opportunity to spice up your regular product with a special touch.
- 5. Let customers try samples. Sampling is a very successful way to draw new customers to your product. Taking a taste of a product might convince someone that price doesn't matter for a really good-tasting item.
- 6. Be willing to change. Consumers are always looking for new products. Hundreds of thousands of new food products will be introduced in the United States this year. The changes in many of the products, while often minimal, offer something new or different to attract customers. You may need to change your product, your package, your advertising or display to increase your appeal to customers. Grocery stores have found that bringing in new products and more frequent remodeling is essential to the success of their businesses. Monitor your competition and be willing to consider changes and new products based on your judgment, experience and your read of your customers.

In conclusion, we recommend that you spend time thinking about the comments and suggestions you have received from your customers throughout the season. Whatever you observe can help with decisions about changes you can make to improve your services and expand your sales. Did you have many repeat customers? If not, why do you think that is? If you have a list of people that buy from you, consider sending out a survey over the winter to ask for their input and suggestions on your products or services. Are packages the right size? Product selection appropriate? Hours of operation okay? Anything they'd like that you don't offer? Don't forget to remind them to tell their friends about your services.

Keeping the customers you serve happy can be the best marketing tool you have.



Copyright © 2005 by the Board of Regents of the University of Wisconsin System doing business as the division of Cooperative Extension of the University of Wisconsin-Extension. All rights reserved. Send copyright inquiries to: Cooperative Extension Publishing, 432 N. Lake St., Rm. 103, Madison, WI 53706.

Direct Marketing in Wisconsin is a project of the Cooperative Extension Emerging Agricultural Markets team. The team's work is supported in part by a USDA grant (Agricultural Entrepreneurship-Wisconsin). For more information on the team's work and Wisconsin's new agricultural markets, visit www.uwex.edu/ces/agmarkets.

Adapted from a newsletter by Professor emeritus John Cottingham of the University of Wisconsin-Extension. Edited and updated by Jody Padgham. Reviewed by Rami Reddy, UW-Extension direct marketing specialist, UW-Platteville.

An EEO/AA employer, the University of Wisconsin-Extension, Cooperative

Extension provides equal opportunities in employment and programming, including Title IX and Americans with Disabilities (ADA) requirements.

This publication is available from your Wisconsin county Extension office or from Cooperative Extension Publishing. To order, call toll-free: 1-877-WIS-PUBS (947-7827) or visit our web site: cecommerce.uwex.edu.

