



Customer Engagement

WHY IT MATTERS



Customers are the lifeblood of every business. Traditionally most companies spend the majority of their time, effort and money on customer acquisition, while customer retention and loyalty efforts lag behind as a lesser priority.

With the advent of online reviews, real time feedback and public rating systems posted on company profiles, competitive organizations now have a deeper appreciation of the inherent value of a happy customer. Incremental improvements in customer communication, satisfaction and retention all make an exponential difference to the bottom line.

Consumers are spending more and more time online prior to a purchase decision, researching products, reading reviews and comparing prices. Here are some examples showing the impact proactive communication and service can make with customers:

- > **58%** of consumers are willing to spend more on companies that provide excellent customer service. *American Express*
- > 66% of customers switch companies due to poor service. Accenture
- 82% of consumers stopped doing business with a company because of bad customer service. Zendesk
- > 95% of customers will share bad experiences with others. Zendesk

What is customer engagement?

"Customer engagement is a business communication between a consumer and a company or brand through various channels." (Wikipedia)

Today's customers expect to engage and connect with companies they do business with in a number of ways. All of which, whether social media, email, chat or phone, should be convenient to the customer. The goal is to get connected and stay connected to customers, from the first brand interaction through the initial purchase and beyond. A successful customer engagement plan has multiple steps:

- 1. Initial customer touch-point is often online encompassing the brand and product's look, tone, specs, reviews, cost and contact information
- 2. Shipping, delivery, packaging and product condition upon arrival



- 3. Product look, feel, performance, ease-of-use, quality and durability
- Ability to reach "live", professional and easily understood customer service representatives
- 5. Appropriate channels to provide feedback and ongoing communications

When all steps are well executed, a strong customer engagement strategy will foster brand growth, loyalty and new and repeat sales.

"Highly engaged customers tend to spend more on each purchase and make purchases more frequently, which in turn increases customer lifetime values and decreases customer acquisition costs. They also tend to give merchants valuable, often unsolicited feedback for improving the quality of their products and services. Highly engaged customers are less likely to complain publicly about disappointing shopping experiences, choosing instead to resolve issues with the company directly." Sitecore.net

The benefits of outsourcing customer engagement

Managing all aspects of customer engagement is clearly more important than ever, especially for small and mid-size companies competing against larger market competitors. Customers need to know there is a professional and committed organization behind the products and services they buy.

There are four key benefits to consider outsourcing this critical function:

- Avoid costs of building and maintaining the technology and necessary infrastructure
- Gain efficiency in time and process by utilizing trained, professional resources:
 - a. Chat response within 30 seconds
 - b. Phone calls answered within 1 minute
 - c. Social media response within 1 hour
 - d. Emails within 4 hours
- Built in scalability to accommodate gradual or rapid growth.
- 4. Prioritize time and energy to focus on building the front end of the business



All sellers are also consumers and instinctively understand the importance of treating customers how they would like to be treated. Customer engagement is one of the most valuable strategies to successfully grow a brand and a business. If companies are not set up to proactively manage these functions internally, they should consider reaching out to an experienced service provider to help engage customers and provide those key services.

ShipRight exists to help businesses grow and succeed. Over the past 22 years ShipRight has worked tirelessly to provide outsource solutions and support its clients' needs through hard work and attention to detail, as well as taking a personal and collaborative approach to every business relationship. Please contact us with any questions and let us know if we can help your business!



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