

SID LIEBENSON

Courting a Wary Customer

Three ways to build and maintain loyal relationships when customers are running scared.



Consumers are retrenching, economizing and just plain scared. But as the saying goes, the pessimist sees difficulty in every opportunity, and the optimist sees opportunity in every difficulty.

The recession presents the perfect opportunity to fine-tune marketing efforts that will build loyalty among current customers. It also is the prime time to go into acquisition mode and attract competitors' customers to your brand. Here are three ways to do it:

1. Get personal. Consumers are vulnerable in a down market: They're rethinking their brand loyalties as they look to economize and reconsider what they value in a brand. Keeping your customers means personalizing like you've never personalized before.

Mine your data to let your customers know you understand what's important to them. For example, you might send a

message on a catalog overwrap saying, "In the spring, you bought this lightweight cotton sweater from us. Now that it's fall, here's what people who bought that sweater are buying now." This shows you care about what they are thinking, and there's some logic to what you're recommending — you're not selling them something just to sell it.

Your marketing messages need to be not only personalized, but frequent. In a tough economy, it's common for consumers to question where every penny is going. When they do that, suddenly every relationship is a little at risk. Their question becomes "Am I really getting value from this relationship, or is there something that will satisfy my needs equally for less money?"

2. Don't make cuts. Now is not the time to scale back on marketing spending. If you don't stay in touch with your best customers — while they're continuously exposed to messages from your competitors — the idea of buying your brand gets further from their mind. This is especially true when consumers are already reconsidering their brand loyalty.

Lately, we've found it's easier to get a larger — and louder — share of voice for our clients: In several categories, competitors aren't marketing as much or they're reducing campaign frequency. With these cutbacks, some marketing media

have become cheaper. If you're not afraid to spend some money on acquisition, chances are your media costs can be a little more efficient.

3. Show them you care. Empathize with customers to demonstrate you understand what they're going through during the recession. Health care, for example, is a big concern for consumers right now. It's why Draftfcb created a new campaign, "The Power of the Human Voice," for our Blue Cross and Blue Shield of Florida (BCBSF) client that lets people directly voice their ideas and concerns about health care.

Using their computer microphone or a guided phone messaging system, visitors to the dedicated campaign site (thepowerofthehumanvoice.com) can record their message and listen to what others have to say. BCBSF responds to the messages with insights and explanations from experts across the organization. From April 2008 to August 2008, there were more than 83,000 visits and 2,357 messages left on the site. This clearly shows the effects of empathizing with consumers.

You should always practice good marketing — personalization, appropriate messages, frequent touches — but focus on these things even more to keep your customers with you through the economic crisis. When times are better, you'll have your core group of customers — and then some.

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