



What is the Lifetime Value of Your Customers and Clients?

By Sandy Geroux

The answer to the title question of this article helps us better focus our marketing efforts and enable us to proceed forward with appropriate marketing methods, as we realize that customers are not worth simply the dollar value they represent on the first transaction with us. Their trust is worth far more AFTER the sale than most entrepreneurs realize, since that trust will enable them to refer their friends, family and colleagues to us in the future.

Many REALTORS® are afraid to spend much (if any) money on marketing and advertising. This is a reasonable fear, since much of it is expensive and doesn't produce the desired results. However, by focusing on current and past customers and clients, and directing some very special efforts in the areas of consistent contact and providing valuable information to them, we can substantially increase our ROI by serving this very important group.

First of all, remember that it is 5 times easier to sell to a current or past client (or get a referral from them) than to gain a new client. With this in mind, ask yourself the following questions:

1. Do I keep in contact with customers after the sale is over?
2. Is my contact consistent?
3. Is the contact valuable to them (not just another sales pitch)?
4. Do I let them know how valuable referrals are to my business, and ask them for repeat and/or referral business?

If the answer to any of these questions is "no", you must put into place a vehicle and method to contact them and continue to provide them with value, even after your business is concluded. Otherwise, they will never remember you - and if they can't remember you, they can't refer others to you!

Here are the steps to follow to put a consistent marketing vehicle in place:

1. Gather the names, addresses, phone numbers and e-mails of all your past clients and customers. Enter them into a contact manager, such as Outlook, ACT! or Gold Mine. Categorize them as Past Customers (or whatever name you choose), putting them all into a group that is easily identifiable and actionable.

2. Set up a letter, post card or e-mail template on which you can do regularly-scheduled mail merges with this group.

3. Be sure each letter not only lets them know that referrals are the lifeblood of your business, but that you would be honored to do business with anyone they refer to you.

4. In addition, offer valuable information in each letter or post card (the information changes each time, but is easily entered into the template). For example, in the wake of the Hurricane Katrina disaster, and knowing many of us will continue to deal with hurricane season (or could have family members in locations where hurricane season is a factor), you can offer emergency preparedness information in one mailing. Direct them to websites, such as:

www.noaa.org (National Oceanic & Atmospheric Administration) for Hurricane Tips and tracking information and other items.

www.usgs.gov (U.S. Geological Survey) for information on earthquakes, wildfires, mudslides.

www.firstgov.gov (The U.S. government's web portal).

FEMA information - offer FEMA national information, as well as emergency contact information in your area, if appropriate.

Red Cross, and other organizations.

Community information and links.

Information related to your industry that is of interest to the general public.

If you don't know how to create and produce these mailings, hire someone who does: temps, friends, colleagues, or virtual assistants. Have them set everything up for you; then they can either produce the mailing monthly for you - or tell you which "buttons" to push to do it yourself.

There is so much information we can provide if we do a little research up front. By helping others, we gain their trust and establish rapport, beginning lifelong relationships in which all parties benefit from having known each other.

Remember, focusing on just closing a sale and then going on to the next sale is a costly mistake.

By realizing that customers are worth far more than the value of the current sale alone, we can focus valuable future marketing efforts on serving them, and deliver better customer service during the first sale, since our focus will be on keeping them as a long-term customer, not a one-time anomaly.

National speaker, trainer and coach Sandy Geroux is an award-winning former REALTOR® who helps others achieve breakthrough performance through her programs on sales, customer service, effective risk-taking and planning/goal-setting. To book Sandy to speak to your organization, or for more information, please visit her website at www.sandygeroux.com or e-mail her at sandyg@sandygeroux.com.