

How to Never Lose a Client



As you enjoy the blossom it is worth reflecting on the following questions:

- How are you **really** going to achieve your objectives?
- What assumptions are built into your plan?
- How many clients will you lose in the next year?
- How could you protect your current income stream(s)?
- Have you got the balance right between creating more value from your existing business and winning new clients?

size 10¹/₂ boots

Too often firms chase new business at the expense of existing clients. Typically the focus of energy is almost exclusively on targeting and lead generation programmes. Also, plans are often predicated on maintaining existing revenue but with little thought about *how* this will be protected. This state of affairs is the reality even in firms whose business plans present Key Account Management (KAM) or Client Relationship Management (CRM) strategies.

The reality is that even when KAM or CRM are presented as the way forward, too often fee earners resort to old behaviours – neglecting clients and failing to identify opportunities to add value.

Why is this a recipe for disaster?

- Losing clients damages your reputation
- Winning new clients is less profitable because of the sales acquisition process
- Existing clients are more likely to buy additional products & services
- Negative impact on cash flow as you build spikes in fee generation
- Trust takes time to establish and so you are less likely to win profitable and large volumes of business in new relationships in the short term

Okay, so assuming that you do accept the notion that striking the right balance between new business development and CRM is the best way forward, what can you do to ensure that you never lose another client?

1. Find out what your clients really want?

Independent surveys are the only credible way to get an insight your clients perceptions of the service you provide and identify opportunities to create more value. Client Service Reviews will:

- Highlight blind spots in your service delivery
- Find out what your clients are saying about you
- Create positive word of mouth marketing
- Demonstrate that you care about your clients
- Enhance your brand reputation
- Identify new business opportunities
- Benchmark your performance vs. competition

32a stoney street
lace market
nottingham
ng1 1ll

t: 0115 924 7108
m: 0777 189 7772
f: 0115 924 7101

e: bernard@tenandahalf.co.uk
www.tenandahalf.co.uk

Company Registration: 5341808 VAT No: 857 0784 90



size 10¹/₂ boots

2. Under promise and over deliver

After joining Eversheds law firm as a keen Marketing Director eager to impress I recall setting about my new role with gusto. I could see what needed to be fixed and excitedly announced to senior partners the path that I was going to take. However, it was at this point that I learnt a valuable lesson in "expectation management". A wise sage and partner at the firm took me to one side and suggested that I slow down. The advice that he gave me then was to "under promise and over deliver".

In life there are no guarantees. It is better to err on the side of caution and be modest in your promises. If you fall short it may be no reflection of personal under performance but what will be remembered is simply that you did not deliver.

Given these circumstances the following factors should be built into communications with your clients:

- Have a contingency plan: how will you serve your clients if there is a significant change? e.g. organisational change; a new market entrant; changing economic conditions; or new business priorities
- Invest in project management resources – people, processes and IT
- Build assumptions into your plans before communicating with clients, e.g. recruitment; capacity; and cultural issues

3. Provide referrals and introductions

There is no better way to show that you value your clients than by helping them achieve their own goals.

At Size 10 ½ Boots we actively seek opportunities to make connections for our clients over and beyond project briefs. In the past month we have:

- Introduced an accountancy practice to a law firm seeking forensic expertise
- Invited a high value entrepreneur as a guest on behalf of a law firm at a networking event
- Connected 3 individuals in related professional service industries operating in the construction sector

4. Invest in your clients

To deliver sustainable growth you must invest some of your profits to create more value for your clients.

How might you do this?

- Offer client only web space
- Support client causes and charities
- Share resources, knowledge and market intelligence
- Provide exclusivity on intellectual property
- Be accessible 24/7
- Act as a sounding board
- Be flexible

32a stoney street
lace market
nottingham
ng1 1ll

t: 0115 924 7108
m: 0777 189 7772
f: 0115 924 7101

e: bernard@tenandahalf.co.uk
www.tenandahalf.co.uk

Company Registration: 5341808 VAT No: 857 0784 90



5. Make a demonstrable difference that is clear to see after your intervention

size 10¹/₂ boots

Establishing a base line before you provide your service and repeating the exercise after your intervention provides proof of progress.

Let me explain how this might work. We are currently delivering a mentoring programme for a law firm to increase the effectiveness of the in house marketing department. Success is a happy client and possibilities of repeat business and referrals that will flow at the end of the programme.

- How do we measure a happy client?
- How will the client know that the mentoring has had the desired impact?
- What does success look and feel like?
- What evidence will show differences in performance?

The simple and practical solution that we have employed is to ask key stakeholders in the firm to score performance vs. development areas that the mentoring programme has been designed to focus on improving. Each month we will repeat the exercise to assess progress.

What we are looking for in this research is relative improvements. If progress is not evident at the half way point in the programme we will be able to make any necessary changes to get back on track. The result will be tangible evidence of success.

6. Give the clients value

Everyone wants 'Value'. Value is quality divided by price. And by quality we mean perceived quality. But how does value manifest itself as you pay more and more? The diagram on the right shows how it works. As you pay more you get less tangible benefits and more emotional & intangible benefits. Think Business Class versus Economy:

How can you affect client perceptions of value?

• **Be an outstanding communicator**

Make reports and presentations more useful, easier to pass on. Learn to persuade, not assert.

• **Align at every step**

Have you built in alignment meetings and/or interim reviews into the process?

Involve clients more in the process. How will you communicate to demonstrate that you are moving forwards?

32a stoney street
lace market
nottingham
ng1 1ll

t: 0115 924 7108
m: 0777 189 7772
f: 0115 924 7101

e: bernard@tenandahalf.co.uk
www.tenandahalf.co.uk

Company Registration: 5341808 VAT No: 857 0784 90



size 10¹/₂ boots

• **Access & availability**

Can your clients contact you when they want to?

Provide home phone numbers or use a divert facility to enable 24/7 contact.

• **Responsiveness**

How quickly do you respond to clients requests?

Send meeting summaries to clients on the same or the next day.

• **Reliability**

Do you always deliver on promises?

If you make a commitment, however small, act on it.

• **Respect**

Do you understand that clients may have their reputation 'on the line' by appointing you?

7. Client Relationship Management

Client Relationship Management (CRM) is the holy grail of business development. Put simply, it is an approach to building your business through devoting resource to improving the quality of your relationships with existing clients.

Success is increasing the amount of business they do with you and preventing them switching to your competition.

CRM requires you to take a proactive approach – anticipating needs and managing your relationships closely to achieve your strategic objectives.

A lot has been written about CRM and much of it we believe is dull and uninspiring, focussing too much on the technical aspects. We want to share with you a story that captures the real essence of CRM – a genuinely hearts and minds approach.

32a stoney street
lace market
nottingham
ng1 1ll

t: 0115 924 7108
m: 0777 189 7772
f: 0115 924 7101

e: bernard@tenandahalf.co.uk
www.tenandahalf.co.uk

Company Registration: 5341808 VAT No: 857 0784 90



Bernard's story

One afternoon in August 2002 in preparation for an international business trip I collected a hire car. There was one small but important other item of personal business to attend to before I ventured to Manchester airport – supporting my team, Mansfield Town, playing a league match at Wigan. In a thrilling evening game Mansfield clawed back a two-goal deficit to 2-2, but then conceded a late goal to lose narrowly.

I trudged back to the hire car but after a long and fruitless search for the car keys it struck me that I had lost this essential item during the excitement of the equalising Mansfield goal. There was only one thing to do at that moment – retrace my path back to the ground and the seated away supporters' area of the main stand. The time was now gone 10pm and the lights were, in a very Orwellian fashion, being switched off. This is where my understanding of the client experience kicked-in.

I explained my predicament initially to a club steward. The yellow bibbed man immediately requested that the lights were switched back on and proceeded to help me search under the seats – this was no small feat as anyone who has been to the JJB Stadium will testify. Despite a thorough search and the help of a team of yellow bibs the keys were nowhere to be found.

Without any fuss that might have been expected given it was now 10.30pm and there was little chance of last orders for the men in bibs, I was escorted to the Club reception to be met by the Head of Stadium Management. I was then offered a drink in the warm comfort of the official's reception and various club staff, including players, directors, and entrepreneur Chairman, Mr Whelan, enquired as to where I had to get to and offered creative solutions to help.

The club took it upon themselves to contact the car hire company and made arrangements for a roadside assistance company to try and gain entry into the vehicle and move me on. I believe normal practice at the Football Club was to close up on match nights at 11pm. On this occasion two members of staff stayed behind to look after me until a transporter arrived to collect the car and myself at 12.45 am. During the interim the Club also made arrangements for me to stay at a local hotel used by Wigan, thereby benefiting me with a preferential rate.

The following morning I contacted the Club again to thank them for their hospitality the previous evening. Thirty minutes later as the car hire was being hoisted back on to the transporter for onward journey an official at Wigan called me to say that a day light search had resulted in finding the keys.

I returned to the JJB in the transporter, collected the keys, said my thank you's, and progressed to the airport embarrassed but having learnt what customer service is all about.

32a stoney street
lace market
nottingham
ng1 1ll

t: 0115 924 7108
m: 0777 189 7772
f: 0115 924 7101

e: bernard@tenandahalf.co.uk
www.tenandahalf.co.uk

Company Registration: 5341808 VAT No: 857 0784 90



Wigan Athletic Football Club is unlikely to be cited in Harvard Business Review but I for one think that perhaps they should.

Ok, so what can we learn from this tale?

1. Every member of staff is a brand ambassador of employer. The client experience is based on the consistency of message received from interaction from all staff – ‘yellow bibs’ or Chairman.
2. Marketing can be delivered at no cost by creating the right ethos inside an organisation.
3. A positive culture is created at the top and cascades throughout organisation into distinct behaviours.
4. If you are going to lose your car keys do it in Wigan!

32a stoney street
lace market
nottingham
ng1 1ll

t: 0115 924 7108
m: 0777 189 7772
f: 0115 924 7101

e: bernard@tenandahalf.co.uk
www.tenandahalf.co.uk

Company Registration: 5341808 VAT No: 857 0784 90