

## *Financial training For non financial staff*



*The financial training specialists*

### **Keeping your customers coming back (Profit)**

When I'm training I often look at the impact pricing has on profitability. If we increase the price, we'll make more profit on each unit, but sell fewer units.

The ideal situation would to increase prices (and therefore profit per unit) *without* losing any sales. The ideal reputation would be "XYZ: they're the one you really want - but they won't be cheap." Whether you've bought cars; handbags; power tools; golf clubs or electronic equipment, you know the brands that "XYZ" represents.

So I often ask "Why do your customers come to you? What makes you special?"

One client always used to answer "Because they have no choice" which was concerning!

More usual responses included quality; reputation; responsiveness; value for money; experience; reliability; helpfulness: all the expected elements.

But the trouble is *every* client gives me the same list. I expect you'll have a similar list of reasons why your customers come to you. I do!

But do our customers see us that way?

If you asked your customers "Why do you use us?" what would their answer be?

Remember when the telecoms market opened up, and all those BT customers suddenly had a choice and left BT in droves to go to the cheaper alternatives? Then many returned because they valued the service that BT provided.

Or British Airways, who assumed their customers loved them, but then stopped being "the world's favourite airline".

So why *do* your customers come back to you, and are you reflecting that in your price?