

# Why customer communication is marketing

Not every business needs to spend lots of money on marketing communications (ads, PR, etc.) but every business should spend time/effort/money on communicating with existing customers. Why? Because these businesses probably depend on referrals for their livelihood.

Even if you don't have a marketing budget (although you should have some dollars set aside for your website and social media efforts), you must budget for customer communications. Keeping in touch with current customers is a serious no-brainer. There are several ways to do it, depending on the size of your customer base: newsletters (electronic or print), postcards, letters, blogging on your website and even phone calls.

At a bare minimum, your existing customers need to hear from you once a year. And yet, how many businesses do not communicate with customers at all?

Let me give you a personal example. I bought my home insurance from an agency recommended by my real estate agent. In the three years I have had this insurance this is the number of times I have heard from the insurance agency: zero. Not once. This past week, I got a policy renewal that listed a 20% increase in my premium. I called the insurer to find out what happened. It turns out that there has been a statewide, across-the-board increase, which, by the way, was announced in February. Except that I didn't know. Because my insurance agency did not bother to inform me.

Since my agency does not communicate with me at all, I will be shopping for a new agency this week. I have no need to be loyal to the agency because they have shown absolutely no loyalty to me as a customer. They haven't kept me informed

about insurance changes. They haven't inquired as to whether I need any type of other insurance. They have never even asked me if I am satisfied with my insurer.

Having a customer communication program is marketing. It can help maintain current customer relationships and it can lead to referrals. It keeps your business top of mind. The company that painted my house knows this, which is why it sent a card at Christmas. My heat/AC contractors send out postcard reminders in the spring and fall that it is time to have the system checked. The mechanics send discount coupons and reminders it is time for service on the car.

## **Set up a customer communication program**

The first step is to develop and/or refine your **customer database**. You must collect basic customer information: address, phone number, email.

Assign a **budget**. Call it marketing or call it customer retention or call it a referral program. Just budget for it.

**Decide how many times per year you will have contact with your customers**, taking into account factors including your budget, how you will communicate with customers, and the nature of your business. If you are a seasonal business (you sell Christmas baskets or you do taxes for example), then you could send out your communications once a year. If you depend on having informed customers (you deal with investments), you may need to have a monthly or even weekly newsletter.

Decide what **type of information** your customers need.

Line up the right **vendors** (printers, direct mail companies, e-marketing, etc.)

Do you have a customer communications plan? If so, what do you take into account?

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## **Customer communications is part of marcom**

Marketing communications is a large, unwieldy term. It covers a bunch of stuff, from public relations to advertising, to printed materials and trade show displays. Really, marketing communications is any communications that helps to market your product/service/organization. This why you should consider customer communications also part of your marcom effort.

Let me illustrate how a failure to communicate with customers can have a marketing impact:

I ordered a book from one of the Amazon sellers (the individuals or businesses that sell books for cheaper than Amazon does). I have done this many times before, in fact, just the week previous I had received both a book and a DVD I ordered this way. I received confirmation on July 6 that the order was received and on July 7 I got an email telling me that my order had shipped, and I could expect it any time between July 14 and 28.

My experience told me that usually it takes about a week to get your stuff, and I diligently checked with my front desk to see if my package had arrived. By July 21, two weeks after the seller said my stuff was shipped, there was no sign of the book. I started to suspect that a) they sent ground mail through China or b) that they had never sent it at all. On July 24 I contacted the seller through their website. By Tuesday I had received no answer, so I contacted them through

Amazon. The response was this:

Thank you for your inquiry. We appreciate your patronage and interest in our merchandise. Our records indicate that this order was shipped via USPS Bound Printed Matter, which usually arrives within 4-14 business days. This method is not traceable, and we cannot provide a definite date for delivery. We apologize that there was confusion regarding the delivery times you could expect. The listing for each item includes a statement "usually ships in 1-2 business days". Although it does state that the item will be shipped in two business days, delivery may take 4-14 business days. We have noticed that the expectation created by these messages can create confusion and we are working diligently to correct this situation. Please feel free to contact us if you have any additional questions.

Sincerely,  
Customer Service  
Superbookdeals  
AB

**Notice how they tell me that Amazon is creating false expectations, and that they don't offer to do ANYTHING for me.**

By July 28, officially the last day I could receive the package before filing a claim, I still had not received anything and wrote them again. This is their response.

Thank you for your inquiry. We appreciate your patronage and interest in our merchandise. Our records indicate that this order was shipped via USPS Bound Printed Matter, which usually arrives within 4-14 business days. This method is not traceable, and we cannot provide a definite date for delivery. We apologize that there was confusion regarding the delivery times you could expect. The listing for each item includes a statement "usually ships in 1-2 business days". Although it does state that the item will be shipped

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Look familiar? Same response as before. No attempt to resolve the situation, and no information whatsoever.

I got the book on July 29. The order, according to the invoice inside the package, had been processed on July 19 and had not shipped until July 21. The seller sent the package two weeks later than they claimed to Amazon. Basically, they lied. How likely am I to shop with these people ever again? Not very. In fact, I gave them the lowest rating and complained to Amazon about it.

Better customer communications would have nipped this problem in the bud. Say the seller wrote me and said we're sorry, we made a mistake with your order, and we were unable to ship when we promised. Wouldn't I have been more understanding? Of course I would. Instead, they sent me a canned response, taking absolutely no responsibility for the situation and actually blaming Amazon instead. Additionally, there is no good way to reach the seller directly nor a name of a person.

Customer communications are your one-on-one way to promote your company/service/organization. If you can't market one-to-one you should not be marketing on a larger scale.

Sadly, this turns me off from the Amazon seller program. It tells me that Amazon is not vetting its sellers enough and that you don't know what you are going to get.

Bottom line is if you want to keep your customers happy, do a good job communicating with them.

