

Ask SCORE

I've operated my own successful optometry practice for more than a decade. Recently, I learned that one of the large chains will be opening a location not far from me. What advice can you offer to help me combat this Goliath?

As a small business owner, today's competitive market may be intimidating. If a competitor cuts prices or offers other incentives, you may feel tempted to do the same thing in order to hold on to your customers, even if it puts the stability of your business at risk.

Though cost is important to customers today, it is but one component of a larger, more important attribute—value. If your business provides it through service, responsiveness and going the “extra mile,” your customers will respond with loyalty, regardless of what your competition does.

Building loyalty through value is something small business owners have been good at for centuries because they are better able to cultivate relationships with their customers. They focus not just on selling to them, but also keeping them. That stability is more efficient and predictable for everyone involved.

Building loyalty is not a marketing matter, so don't look there for help. To foster customer loyalty, a small business needs a strategy that keeps patrons coming back. It starts with basics that are sometimes overlooked. Thanking customers for their business, for example, goes a long way. But try going beyond a few spoken words. Write some thank you notes and letters. Make them personal and sincere. Just let them know you appreciate their business.

Creating value will help boost loyalty. Ask customers if there is anything else you could be doing for them. Then, after they tell you, do it. When a customer leaves, you should consider it unacceptable. Find out why it happened and then work to prevent it from happening again.

Remember, too, that your customers' needs are always changing, and that they may find attributes or “extras” in other business that put your service elements at a disadvantage. Take ease of access, for example. Make sure all your touch points—your phones, website, store layout, etc.—operates with your customer's needs in mind. Visiting competitors' locations and sites may alert you to areas where you may be behind, and spark ideas for making a good service or process even better. If your customers like what they find at your business, they'll keep coming back for more.

This column is brought to you by the Southern New Hampshire Chapter of SCORE, with more than 65 current and former business executives available to provide free, confidential, one-on-one business counseling and training workshops for area businesses. Call 603-666-7561 or visit www.score-manchester.org for information on counseling, upcoming workshops and volunteer opportunities. SCORE is a national, non-profit organization and a resource partner of the U. S. Small Business Administration.

Have a question you'd like answered in this column? E-mail it to info@score-manchester.org, with “Ask SCORE” in the subject line.