

## ATTRIBUTE 05

# Improving Customer Satisfaction and Retention



It's true that over **80% of the profit** is derived from 20% of the customers. And to improve customer retention of top customers, one should tailor their service offerings to reflect the potential value of their customer with the beneath-

## Key Findings:

### Understand Customer Segment Needs

- Develop a **structured approach** to prioritize customer requirements.

### Design Service to Address Customer Needs and Value

- Develop **fast response systems** that leverage existing core service capabilities.
- Design service **offerings to meet unique needs** of diverse customer segments.

### Develop Customer Retention Strategies

- Use a **performance measurement system** to ensure a high service standard.
- **Identify and prioritize failure points** to focus efforts on improving service delivery.
- **Develop recovery capabilities** by creating specialized dispute gates and recovery units.
- **Regularly conduct management reviews** to ensure performance levels and to take **rapid corrective actions** when problems occur.
- Cross-sell products and services to **satisfy customer needs and increase retention** by setting a higher "switching" cost.
- Develop a **systematic approach** to identifying early warnings that signal a system problem resulting in customer defection.
- Set research/response standards to ensure **timely complaint resolution**.
- **Analyze customer service complaints** to understand the root causes for service problems.