

Tomorrow People  
Digital Marketing Agency

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# What Is Lifecycle Marketing?



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*Keeping your customers engaged throughout the lifecycle of their relationship with you can turn them into advocates who market your business for free.*

Lifecycle marketing includes all of the different types of marketing activities you do depending on where your customers are in their relationship with your business. It encompasses the attraction, conversion and ongoing engagement stages, with the ultimate aim being that your customers will automatically turn to you first whenever they have a need for the products and services you provide, and will voluntarily recommend them to others.

It is also about internal marketing that engages your employees so that they are motivated to deliver the best customer experience they can and become your product evangelists. Both the internal and external elements are brought together under a customer acquisition and retention strategy that drives the communications tactics you use at the different stages of the Customer Lifecycle.

**With 46% of marketers confirming they have already adopted Lifecycle marketing strategies it is fast becoming the norm in modern digital marketing.**

**It is also delivering some impressive results, with companies that are using it seeing a 100% year-on-year increase in email marketing revenues.**

## How Does Lifecycle Marketing Work?

It's about adapting what you say and do, and where you say and do it, to match the needs and expectations of your customers as they move through the Customer Lifecycle.

### The Customer Lifecycle is made up five stages:



#### Unaware

As the name suggests, people do not know that your company, products and services exist.



#### Interested

People are aware of your products and services and are considering them along with other options. This stage includes almost everyone in the traditional funnel model and is where your messaging needs to be strong enough to make them choose you.



#### First-time customers

People have chosen your products and services and entered into a relationship with you for the first time. First impressions count, so it is imperative that you get everything right at this stage.



#### Regular customers

People are buying your products and services regularly. Time to build on those first good impressions and not let the customer experience slip.



#### Passionate customers

People have had such an amazing experience with your company that they have become passionate advocates of your products and services. The creation of brand advocates is the holy grail of Lifecycle marketing.

**The 12 Key Messaging Strategies for Lifecycle Marketing** has ideas and guidance for what your marketing communications need to say and do at each stage of the Customer Lifecycle.

Once your customers reach Stage 5 of the Customer Lifecycle they become your brand advocates and will spread the news about your company using Word-of-Mouth (WOM) marketing, which has long been recognised as one of the most powerful marketing tools around.

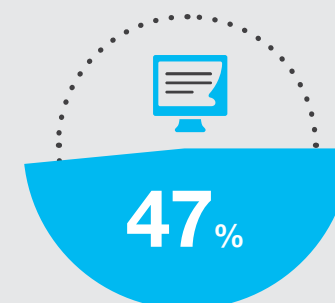
## Word-of-Mouth Marketing

With the advent of social media, the power and reach of WOM has increased. Despite the old wives' tale that people talk more about the negative experiences they have with a brand, research by the Word-of-Mouth Marketing Association (WOMMA) revealed something very different.

**Of the brand conversations going on online:**



**The WOMMA research also revealed that 54% of purchasing decisions are driven by WOM, and it is the most influential element driving people to buy. Behind it comes:**



Website information



Emails forwarded by friends



Online reviews

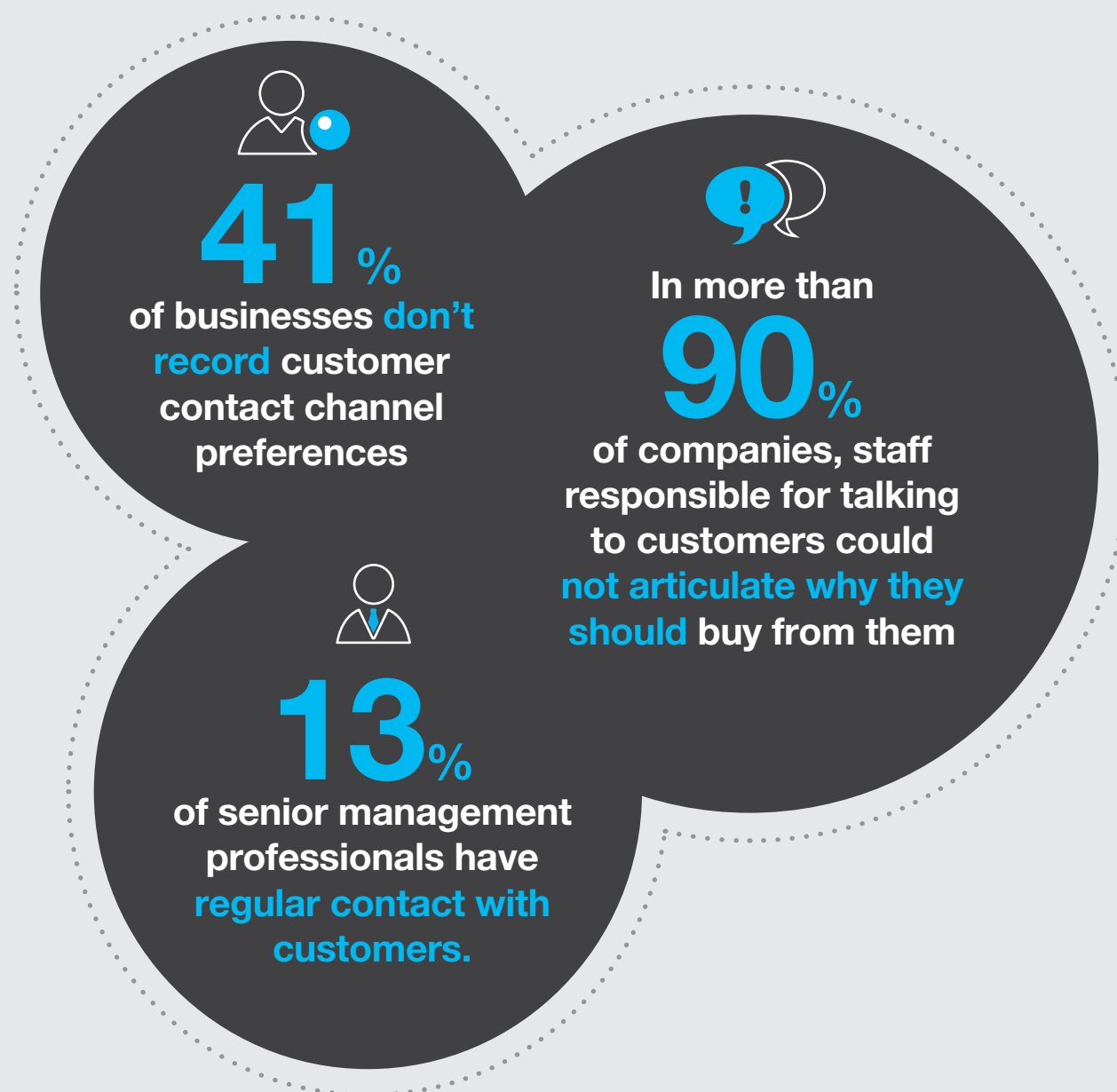
So if you deliver a customer experience that is second to none, then you will create brand advocates that market your products and services for you for free in their conversations online and offline.

## Delivering the Experience your Customers Want

To get this right you first need to recognise that it's the responsibility of the entire organisation to deliver the best customer experience, as it is made up of every single interaction they have with your business.

From the moment prospects first learn about your company through to the time they buy, pay for and use technical or implementation expertise or turn to customer service, they are forming an impression of you that will influence their perception, preference, and predisposition toward building an ongoing relationship with you.

Despite this, research by QCI International and other WPP Group companies revealed that:



To make sure you can deliver the kind of customer experience that creates brand advocates, you should start by mapping the customer experience. Then use the data from each stage to guide your content strategy and make sure you are delivering what the customer wants, when they want it and where they want it.

## There are 5 key steps to getting the mapping stage right:

**01. Defining the customer experience**

**02. Establishing experience expectations, priorities and performance perceptions**

**03. Mapping the customer experience against these priorities and performance perceptions**

**04. Identifying and measuring opportunities for improvement**

**05. Creating a customer experience scorecard.**

Find out more about them all in [A Five-Step Customer Experience Mapping Process to Improve Customer Retention](#).

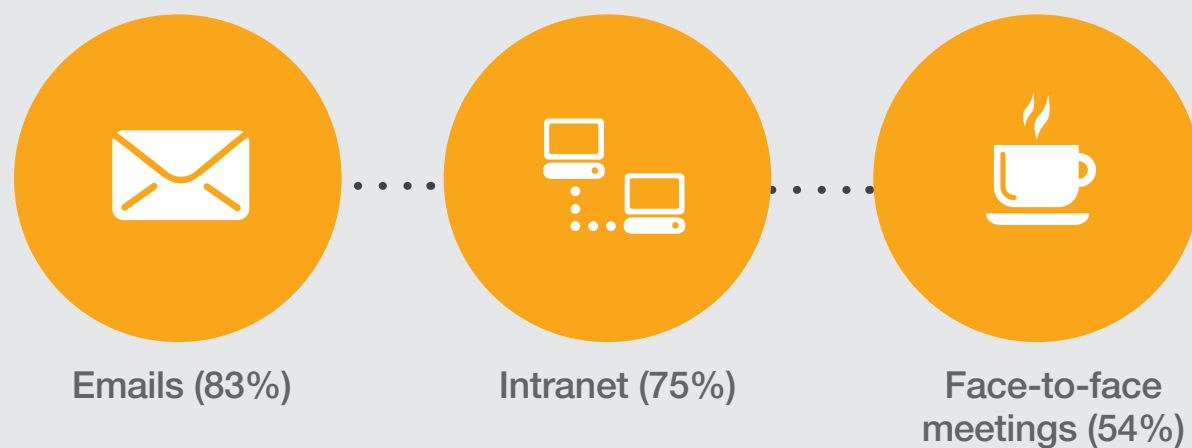
# Getting Employees on Board

For Lifecycle marketing to be successful, it's vital that your employees are engaged and motivated to deliver the best customer experience. Increasingly, companies are recognising that employee engagement is the key to long-term sustainability and profitability. It is your employees that have to sell your company and its products and services; so they have to believe in you.

## So how do you make your employees believe?

You don't need to be one of the companies listed as the best place to work, but you do need your staff to think you are. This is achieved through training, development, inclusion, incentives, communications and compensation. The combination of these elements turns your entire organisation into a marketing team.

**Research has revealed that communications are just as important internally as externally for driving engagement. Employees revealed the best tools for engaging them are:**





You also need a structured approach that develops a cross-functional 'Customer Engagement Council' to devise and implement strategies. Roles and responsibilities within this team should be clearly defined and goals should be set. The team should then be empowered with a collaborative infrastructure that will enable them to deliver, track, monitor and continually improve content across integrated social media platforms in order to meet objectives.

**The Road to Stellar Customer Experience Is Lined with Engaged Employees includes a 3-step process that can help you get and keep your employees engaged.**

## Customer Acquisition

Once customers have moved into Stage 2 of the Customer Lifecycle and are showing an interest in you, it's vital that your teams have the right content and messaging that will enable them to move them onto Stage 3, becoming First Time Customers. The messages delivered at each stage should be defined in the content strategy element of your customer acquisition and retention strategy and delivered using marketing automation.

**Companies that use marketing automation to deliver triggered emails and nurture leads through throughout the Lifecycle marketing stages get better results:**

-  **4-10 times the response rate** of stand-alone blast emails
-  **Segmented emails get 50% more click throughs**
-  **Nurtured leads make 47% larger purchases than non-nurtured leads.**

Once leads have been nurtured into becoming customers, you need to move them onto Stage 4; turning them into regular customers.

# Customer Retention

Sadly, customer retention marketing has not been a priority in the past and most marketing departments have focused on new customer acquisition marketing.

**Despite this long-standing approach, there are some compelling reasons for focusing on customer retention:**



The probability of selling to an existing customer is 60-70%; while the probability of selling to a new prospect is just 5-20%



It costs 6-7 times more to acquire a new customer than retain an existing one



The average business loses around 20% of its customers every year by not developing customer relationships.

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## Relationship building

Customer retention marketing content delivers the messages that resonate with your customers when it matters and helps to build a relationship of trust between you.

**MarketingProfs has developed The 7Ps of Customer Retention Marketing:**



**People:** It's about showing that you care at this stage, and that you can be trusted to deliver what you say you will



**Product:** Without getting the product right, you have no chance of repeat business



**Place:** Getting your products where they need to be to reach the people you want



**Price:** Showing your appreciation for repeat business with deals and discounts



**Promotion:** Up-selling in the right way to keep customers on-board



**Processes:** Tracking, monitoring and analysing the results of everything you do to drive continual improvement



**Positioning:** Letting your customers know who you are through your actions, your employees and your approach.

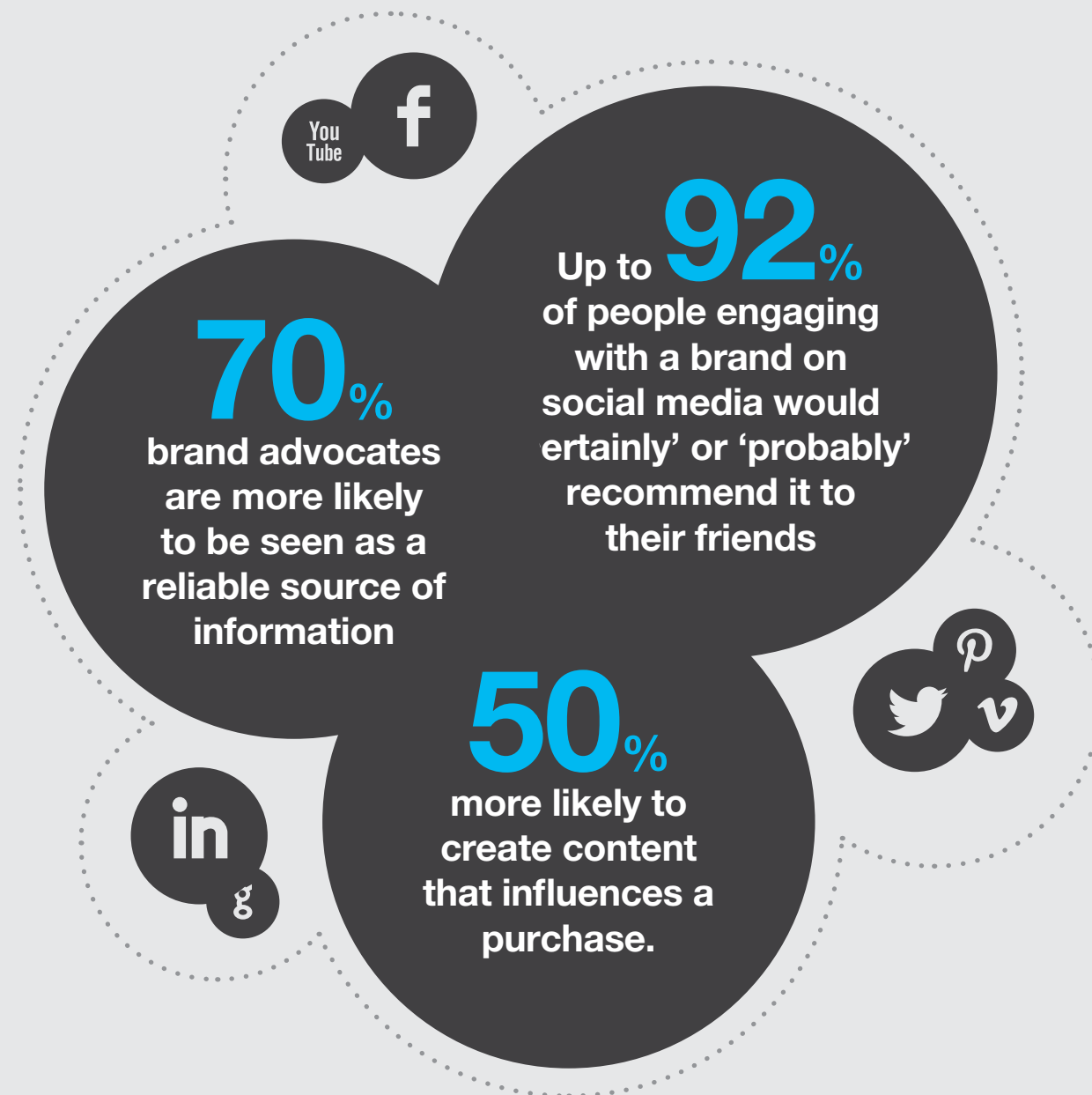
If you can get it right at each and every stage, you will turn your customers into passionate advocates of your brand.

# Brand Advocates

If you've successfully led your customers through each stage of the Customer Lifecycle and reached Stage 5, you will have turned them into passionate customers. Once you've got them here, Lifecycle marketing helps you to keep them here.

In today's world, social media has an important role to play in this. Customers who 'like' and 'subscribe' to a brand's Facebook page, and follow them on Twitter and share their content, are considered to be genuine brand advocates.

## Research has revealed that:



# How should you make the most of your brand advocates?

You need to use the data you have on their digital behaviour to reveal what content engages them most - what are they most likely to share and comment on? Then develop and deliver more of it in the places they hang out online. Use social media monitoring tools to make sure you know when and where they are talking about you and respond. Nobody likes to be ignored.

**Follow the advice in Best Practices for Building Brand Advocacy in Social Media and you will keep your brand advocates passionate about your brand and helping you to grow the business while cutting marketing costs.**

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Tomorrow People could do for your business...*