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Since January 1996

If customers cannot connect, content does not matter.

I have been having my fill of some companies lately whose business models are technology-centric: anti-malware, cellular-service, operating system, and ride-share to just name some. The issue is simply that these companies continue to operate as technology companies first-and-foremost and consumer product and service companies as an afterthought.

While we may still have to accept the fact that doctors continue to run behind schedule in keeping with their appointment times, we should not have to put up customers being required to be software engineers and wait days for email-only responses just because we purchased something that is not tangible and is instead a technology rather than a traditional consumer product. If a company does not offer telephone support, I am just not interested anymore. If the product isn't fully tested across the range of devices and operating systems, this isn't my problem to help them diagnose and debug for free on my time.

The fact of the matter is that whether you offer a product or a service, customer relationship matters. And this comes from someone who has offered services for over two decades to a variety of numerous businesses, which includes being very responsive to phone calls and emails for just inquiries.

The issue for companies of the type I mentioned is that their investment in content is devalued if they fail to acquire a consumer or lose a current customer. Companies such as cellular providers, telephone services, software security, ride share, and the like rely on alternate revenue streams to build cash flow into their business models apart from what should be their core competencies given that those specialties are how they came in to being. But when companies lose focus on the fact that those core technologies are how customers connect to the content they are investing in and building, those investments don't matter as customers flea to competitors who offer function and customer service. It is just that simple ... well, it should be.

The general statistic I have continually heard is that it costs **5** times more to acquire a new customer than it does to retain a current customer. When you consider the cost of telephone solicitations, search engine optimization, media advertising (telephone, mail, television, radio), discounts, and employees to handle this, just to name a few of the more obvious costs, there is considerable effort just to bring a new customer in.

Yet the technology-based companies I have encountered do a miserable job in customer retention because they act like a technology company first, not like a consumer product company. And so, I move on. And their up-sell content? It just doesn't matter to me one darn bit because it is a commodity that I can acquire from their competitor who I am jumping ship to.

Customer service has generally devolved into risk management, which is why cable and telephone/cellular companies have "Office of the President" representatives who answer Federal Communication Commission complaints, another operating expense that companies could reduce if they simply got their operating act together at the foundation level.

Companies should be trying to increase customer retention and decrease their customer acquisition costs. As the saying goes: Bad news travels faster – and spreads wider – than good news. What does your company's customer retention and customer acquisition plans look like, assuming they exist at all?

Thanks.

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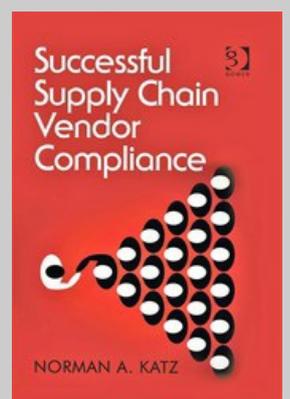
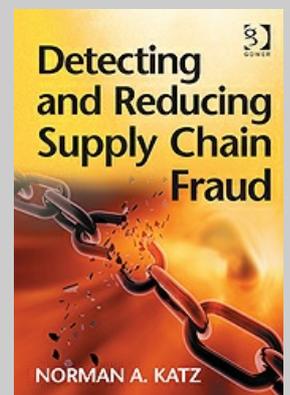


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