

## 7.13: Customer Retention Techniques

### Learning Objectives

- Identify some customer retention techniques based on collected data

Based on the CRM data of their customers, retail businesses use multiple techniques to encourage customer retention. We are all willing or unwilling participants in these activities on an everyday basis. Your morning email inbox is stuffed with news or offers regarding some sale or incentive from your favorite retailer. Your trip to the gas station may involve a reduced gasoline price based on your prior food shopping trip. When you pick up gardening supplies on your way home from work, you are asked for your rewards number and personalized discount coupons are then generated for future purchases.

Customer retention techniques can start simply with soliciting customer feedback after each interaction with the company to learn ways to improve the customer experience. Often, a customer purchase from a retailer is rewarded with an incentive to purchase again. As the retailer learns more about their customers' preferences, more communication can be initiated in the form of notifications of upcoming sales events, additional discount offers, cross-marketing campaigns involving related products, etc. This series of actions and responses is sometimes referred to as "High Touch" marketing.

Grocery retailer Kroger retains customers through a "preferred customer club." To join, customers must provide their contact information and in turn receive a membership card. With every purchase, customers swipe their card enabling Kroger to record and categorize every transaction. This allows the retailer to offer coupons and promotions for their favorite frequent purchases.

### Practice Questions

<https://assessments.lumenlearning.co...sessments/9216>

## 5 Easy Customer Retention Strategies That Will Keep Customers From Quitting



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