

# How to Create “Walk-Through-Fire” Customer Loyalty (Even In a Down Economy)

By Dennis Snow

With such news headlines as “Odds of Recession Seen Rising” (Wall Street Journal Online) and “Consumer Crunch: The Day the Spending Stopped” (U.S. News & World Report), it’s no wonder that so many executives are wearing long faces. Companies are filing for bankruptcy, or closing their doors completely, at an alarming rate. And many economists predict the trend will continue.

Yet despite the doom and gloom, some companies are weathering the storm very well. Indeed, some aren’t just surviving, they’re thriving. What are the thriving organizations doing that allow them to continue *building* business while others are scrambling to just *stay* in business? And what can be learned from them?

The big difference between those who are thriving and those who are barely surviving (or not) is that the thrivers relentlessly focus on what I like to call, “walk-through-fire” customer loyalty. Most of us have favorite stores or restaurants, and we’re willing to drive miles out of the way, passing competitor after competitor, just to do business with them. That’s walk-through-fire customer loyalty.

So, what can you do right now to generate that kind of loyalty for your own organization?

1. **Do not scrimp on quality** – As soon as your customers, even the most loyal of them, notice a drop in quality you’re starting a downward spiral that’s difficult to pull out from. When, for instance, customers noticed the quality of Starbucks coffee was diminishing due to over-brewing, many formerly loyal Starbucks customers switched to McDonalds which Consumer Reports ranked #1 in coffee taste. In July Starbucks announced the closing of six hundred stores.

Sure it’s important to watch costs. But the lesson here is to not cut those things that earned your customers’ loyalty in the first place.

2. **Train, train, train** – Now is the time to ensure your employees know exactly how to delight your customers. Customer service, while always important, is especially vital right now. Make sure every employee is able to demonstrate flawless product knowledge (or knows where to get product information instantly), knows to be supremely responsive, and demonstrates genuine care and empathy in every interaction. Leaders must clearly articulate the behaviors expected and hold employees accountable for delivering.

3. **Stay in touch with your best (and most profitable) customers** – Solidify relationships with those customers who have been loyal to you in the past. Information about loyal customers can come from your sophisticated CRM system, your Rolodex, or by simply asking your employees who the regulars are. Make personal contact with those customers, letting them know that they're appreciated.

A company's loyal customers get frustrated when they see all of the perks going to programs for attracting new customers. The long-term customer thinks, "Hey, what about me?" Make sure your loyal customers know just how much you value their loyalty.

4. **Involve your employees** – Who in your organization is better positioned to know customer likes and dislikes than your frontline employees? One of the best ways to light a "customer loyalty fire" is to hold employee meetings to discuss best practices for delighting customers. For example, a bank employee somewhere must've been the first one to suggest; "When a customer comes through the drive-through teller line with a dog in the car, we should put a dog biscuit in the container when we send it back out." Dogs and dog owners have appreciated that simple idea ever since. Leverage the best ideas throughout the company.
5. **Treat your employees well** – Make sure your employees know how much you appreciate *their* loyalty. Now more than ever it's important for leaders to recognize, reward, and simply offer sincere thanks to those employees who contribute to the organization's success. You don't want your superstar employees to even think about a move to the competition.

The economic downturn can be viewed as a curse or an opportunity. Looked at as an opportunity, smart leaders know that this is the time to distance themselves from the competition. This is the time to build walk-through-fire customer loyalty.

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