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5 Business growth and survival strategies every small business should know - Part 2 / 5

Why your business might be struggling to stay afloat (and how to fix it with Customer Retention)

Your business is two years old. Things are going... okayish. You're not exactly popping champagne every Friday, but you're also not closing shop and selling everything on Facebook Marketplace. Orders are coming in — great! But...customers are not coming back. It's like hosting a party where guests arrive, have a drink, and then mysteriously vanish forever. No RSVP, no thank-you note, just "poof".

Welcome to the wonderful world of Customer Retention – the business equivalent of not just getting a date, but getting a second one (and maybe even meeting the family).

Let's talk numbers (don't worry, no calculator needed):

Acquiring a new customer (aka Customer Acquisition Cost or CAC – sounds fancy, right?) costs 5 to 7 times more than retaining an existing one. That's like spending a small fortune to attract someone new when your old customers were already sitting there wondering why you never called back. Rude.

Which brings me to the next big point — customer experience.

Now, I don't know if you've seen the movie *Paying it Forward*, starring Kevin Spacey and Haley Joel Osment (no, not the "I see dead people" one, though that would certainly explain vanishing customers). In the film, the idea is simple: do something genuinely good for three people, and ask them to pass it on. Boom — ripple effect.

Now imagine this same ripple, but with your customers. Treat them like gold, and they'll shine a light on your business. They'll tell their friends, and their friends' friends, and suddenly, your business is trending — not because you paid for ads, but because people are genuinely talking about you.

There's no ad campaign more powerful than someone saying: "You **HAVE** to try this place!" over coffee with a friend. That's word-of-mouth — or, as I like to call it, free PR with heart. Way better than begging for likes or bribing people with discount codes for five-star reviews that sound like AI wrote them.



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So, if your business feels like it's paddling upstream, maybe it's time to stop paddling harder and start looking at who's already on board. Because happy customers aren't just returning customers — they're recruiters in disguise.

What do you think — have you been courting new customers while ghosting the loyal ones?