9 Tips to Prevent Churn Your DTC Business

This is an extra resource to go along with the original article: <u>The DTC's Guide to Avoiding Failed Payments and Involuntary Churn</u>

While it's important to attract new customers, it's even more important to keep your current customers happy. By investing in relationships with your current customers, you'll earn maximum revenue and create loyalty that can improve your chances of word of mouth referrals.

Here are 9 best practices to follow to reduce churn.

- 1. **Create a strong onboarding program to welcome new customers.** Create a series of emails to set customers' expectations and show them how to gain the most from your service.
- 2. **Stay on top of communication.** Don't go silent with your new customers. Stay in touch (at least once a week) with relevant information that your customers will use to improve their lives.
- 3. Educate your customers on how to make the most of your product. Show unique uses. Highlight different customers.
- 4. For subscription DTCs, allow customers to pause service. This prevents customers from canceling and allows you to maintain a relationship with them until they're ready to resume service.
- 5. **Ask for feedback from your customers.** Also, use complaints to improve your service. Most people will never complain, they'll simply leave. Those who do complain will help you reduce churn.
- 6. **Determine when your customers are most likely to churn.** Analyze the average customer's journey to discover weak points. Next, determine how you can improve the customer's experience in those weak points.
- 7. **Incentivize pre-payment.** Provide customers with a discount when they pay for multiple months in advance, as opposed to paying month-to-month.
- 8. **Incentivize loyalty, also.** Retain more of your customers by providing benefits (such as discounts and gifts) when they stick around.
- Use a dunning tool, like <u>Stunning</u>, to manage your billing and prevent payment failure. Don't wait for failed payments to happen. Use Stunning to reduce involuntary churn. <u>Learn how Stunning can help your business here</u>.