

How to engage customers that are on a tight budget

 By [Ross Sibbald](#)

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With inflation on the rise you are probably noticing how a little more of your salary goes into things like food and fuel every month. In fact, South Africa's monthly inflation rate has consistently been above the upper limit of The Reserve Bank's three to six percent target range since April this year, peaking at 7.8% in July.



Source: www.pixabay.com

Those rising costs have a massive impact on consumers, especially those in the fragile, emerging middle class. Forced to tighten their belts, many consumers are taking a second look at their monthly budgets, wondering where to cut back.

Organisations, particularly those in fields that might be considered grudge purchases (such as insurance), need to be aware of the inflationary pressures faced by their customers. More than that, however, they need to ensure that they're engaging with those customers in ways that are not only cognizant of inflationary pressures, but also foster long-term loyalty and advocacy.

Engagement is critical to survival

Before getting into what such an approach might look like, it's worth remembering that many organisations may be feeling these inflationary pressures themselves. And with a global recession now seemingly inevitable, they may be tempted to cut costs themselves. While it would be all too easy to cut back on customer engagement in a bid to save money, doing so would be a mistake. Now is not the time to wait until your customers find you before engaging with them.

In fact, it's when times are toughest that customer engagement really proves its worth. Remember, customer engagement is critical to building great customer experiences. And while customer experience is a competitive differentiator in economically prosperous times, it can be a matter of survival when times are tough.

Research does, after all, show that with rising inflation comes rising demand for great customer experiences. Given what we already know about people being willing to spend more with organisations that provide those experiences, it's clear that it should be an even greater priority now. Taking any other approach would increase the risk of losing customers who either forgo a purchase entirely or opt for a competitor's offering.

Quality, anticipation, and holistic engagement

Knowing how important customer engagement is in providing those experiences, what kind of strategy should organisations adopt at a time of great economic pressure?

The first thing to remember is that customer engagement boils down to the relationship an organisation has with its customers. The best relationships are defined by trust and understanding. Building up that trust and understanding requires quality engagements that anticipate the customer's needs and which are built up holistically.



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In order to start building up holistic customer engagements, organisations need to ensure that they really know and understand their customers. While much of the data that's needed to build a reasonable image of a customer, organisations also need to ensure that they regularly show customers that they're making an effort to know them. That knowledge, in turn, allows organisations to better understand and anticipate their customer's needs. This is important because today's customers expect companies to understand what they want before they want it.

Over time, and executed properly, those holistic and anticipatory add up to the kind of quality engagements that help set organisations apart when it comes to customer experience. And in a world where some 90% of organisations claim to compete on customer experience, that's critical.

The right engagement partner

If your organisation is also on a lower budget, maximising engagement in this way might seem out of reach. But it's actually entirely achievable. Even so, organisations are frequently better off finding a partner that can help guide them through the engagement process than they would be trying to do it themselves.

Such a partner should have a strong track record of helping organisations pull together the right technologies, tools, and strategies to put together the kind of customer engagement approaches that set them apart from competitors.

A good customer engagement partner will additionally help organisations simplify individualise, and maximise engagement across the board, making it easy for companies and their customers to engage meaningfully. Additionally, this partner should be able to help curate and implement customer engagement solutions and technologies that complement and optimise the organisation's current ecosystem to generate highly measurable results.

Adapt or risk dying

Ultimately, organisations can do little to control the macroeconomic circumstances that lead to them and their customers having to tighten their budgets. But they can control the experience that they give their customers and that starts with the kind of proactive, quality engagements which really set them apart from their competitors.

ABOUT ROSS SIBBALD

Commercial Director at Tiltle

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