

4 Ways to Build More Revenue

Business owners face many demands on their time and resources. COVID-19 and revenue fluctuations can create new challenges, even if you've drastically cut costs. Building revenue now may give your cash flow some breathing room. Try these strategies to get more money coming in the door now so you can delight your customers.

1 Focus on repeat business

If you've been in business any length of time, you likely have a following of loyal customers. Learning about and meeting their evolving needs is the best way to keep those strong relationships you've worked so hard to build. Bonus: Because they already love your business, they're likely to do more business with your brand.



5%

A famous Harvard Business School study found that a 5% increase in customer retention can increase profits between 25% and 95%, depending on the industry¹



93%

Of customers surveyed are more likely to buy again from companies with good customer service²

TAKEAWAY Give customers a great experience every time they interact with your company by focusing on their needs. Delight them with loyalty rewards, make packaging attractive and easy to open and communicate regularly to ensure they're happy.

2 Increase the average transaction

Another method of increasing revenue is boosting customers' average spend each time they buy. Even a small increase across many transactions can mean significantly more revenue for your business. At the same time, you can help your customers see the benefit of changing their purchasing habits to give them greater convenience and cost-savings.



\$54.14

The average transaction size of SMB retailers with an average transaction size of 2.4 items³



58%

Of customers will add items to an ecommerce cart to qualify for free shipping⁴

TAKEAWAY Incentives like loyalty rewards or large order discounts can promote repeat or volume business. Free shipping order thresholds can also help boost transaction size. If appropriate, consider services like delivery, repair or maintenance for an additional fee.

3 Explore new products or services

As a small business owner, you're always thinking about earning customers' trust and loyalty. As consumer preferences and needs shift, your business model or product offerings may need to change, too.



56%

Dollar-volume increase in sales of sustainable products in March 2020 as other products peaked⁵



50%

Of consumers will spend more for convenience like delivery, curbside pickup and online order options⁶

TAKEAWAY Survey customers by mail, email or with simple online tools like SurveyMonkey, SurveyPlanet or Google Forms to capture feedback. Consider adding products and services based on feedback. For example, accepting credit card orders and offering curbside pickup could help customers feel better served and safer.

4 Encourage customer feedback and referrals

Sometimes, you could be losing business without even realizing it. You pride yourself on excellence, but perhaps a customer's last order wasn't quite right, and they never told you. Or maybe they love the work you do, but it doesn't occur to them to refer others. Sometimes, landing more business is just a matter of communication.



69%

The green number of online shopping carts that are abandoned before completing the sale⁷



50%

Of consumers have left a brand for one that is better at meeting their needs⁸

TAKEAWAY Remind customers through signage or email messages that your business welcomes referrals. Also, invite them to give you feedback, whether it's about something they love or something they'd like to see corrected. Customers may avoid saying anything negative, but that kind of information can help you improve your business.

For more information about how your business can keep building revenue during challenging times, talk with your business banking specialist.

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¹ Harvard Business School, <https://hbswk.hbs.edu/archive/the-economics-of-e-loyalty>. ² HubSpot/May 2018 "The Hard Truth about Customer Acquisition Costs and How Your Customers Can Save You" https://blog.hubspot.com/service/customer-acquisition-study?hubs_signup-uri=blog.hubspot.com%2Fservice%2Fcustomer-loyalty-statistics&hubs_signup-cta=null. ³ Vend, "Retail Benchmarks Report 2019": <https://corp.vendcdn.com/Vend-Files/Vends-Retail-Benchmarks-Guide-2019.pdf>. ⁴ UPS, "Pulse of the Online Shopper," 2014. <https://www.ups.com/media/en/2014-UPS-Pulse-of-the-Online-Shopper.pdf>. ⁵ New York University, Latest Research From NYU Stern Center for Sustainable Business and IRI Shows That Sustainability Is Surviving COVID-19 <https://www.iriworldwide.com/en-us/news/press-releases/latest-research-from-nyu-stern-center-for-sustainable-business-and-iri-shows-that-sustainability-is-surviving-covid-19>. ⁶ The Future is Coming, but Still One Day at a Time, 2020: https://www2.deloitte.com/content/dam/insights/us/articles/6513_Future-of-retail/DL_The-future-is-coming.pdf. ⁷ Baymard Institute: <https://baymard.com/lists/cart-abandonment-rate>. ⁸ InMoment, "Earning and Destroying Customer Loyalty," October 2018: <https://inmoment.wpengine.com/blog/earning-and-destroying-customer-loyalty-retail-cx-trends-you-need-to-know>.