We’re sharing the top takeaways from 2020, plus insights on how to implement the most effective trends to acquire and retain valuable customers and rapidly grow your business in 2021.
Many businesses projected record numbers in 2020. The outbreak of COVID-19, however, quickly threw everyone for a loop when the majority of the country was issued a mandatory shutdown and many businesses regrettably closed their doors. With most Americans forced to stay at home, with the exception of venturing out for essentials, businesses had to quickly expand their online marketing efforts in order to stay afloat. The past eight months have been spent learning to adapt to a new normal and find creative ways to connect with current customers and reach new customers.

Although it’s been a difficult year, it’s clear to see that there is hope for businesses that are ready and able to adapt. To help, we’re sharing some **key insights** that your business can benefit from to help you move forward, including:

- Crucial data collected from U.S. businesses
- Top takeaways from 2020 to help you make future business decisions
- Positive trends projected for 2021
- The essential role that data hygiene plays within your business
- How to acquire and retain your ideal customers with accurate data

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Key Takeaways From 2020

Over half of Americans say that their lives will remain changed in a major way, even after the pandemic is over.¹ This includes the majority of business owners who were left reeling as they had little time to grasp the changes they were forced to make to their business. A shocking 34% of senior finance leaders said they have furloughed staff across all business functions, and 65% said they had to impose hiring freezes in March due to the pandemic.² Management continues to feel the pressure to cut labor and reduce costs wherever possible while business is slow. As they work to recover their losses, businesses must balance protecting employees and customers, while also finding creative ways to make up for lost revenue.

There are a few key findings from 2020 that will help you make the best decisions for your business in the new year.

The Unexpected Boom In The Moving Industry

On average, over 31 million people in the U.S. move each year.³ Over the course of the last six months, nearly 20% of Americans have moved or know someone that has.⁴ With an estimated 328.2 million people living in the U.S., this means that 65.6 million people have moved—nearly double the yearly average.⁵ Why the sudden climb?

- Many have had to relocate after being let go from their jobs.
- Students are moving home to attain a sense of security.
- Families are finding more affordable places to live as they wait out the pandemic.

Exact Data stays up-to-date on these moving trends and acquires new addresses rapidly, providing mailing lists that are accurate with results-driven consumer contacts to use for your upcoming marketing campaigns.

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A Look at How Small Businesses Have Been Impacted by COVID-19

The entire nation was forced to shut down at the beginning of March. Businesses (except for those deemed essential) had to close their doors and most people were asked to stay at home. According to the Department of Labor, 6.6 million U.S. workers filed for their first week of unemployment benefits in the week ending March 28th. This is more than 3,000% the pre-pandemic unemployment claims. In the six weeks following March 14th, when COVID-19 hit the U.S. full force, over 30 million people filed for unemployment. Prior to the pandemic, businesses with 500 or fewer employees provided nearly half of all U.S. private-sector jobs. They now account for 54% of the 30 million that filed for unemployment.

Even as many small businesses have been allowed to open back up to 50%+ capacity, they've struggled to get customers in the door, bring back employees, and adjust to a shift in consumer priorities and purchase habits.

- Over 70% of business owners say they are concerned about their long-term financial hardships due to the prolonged closures they have faced this past year.
- Over half say they believe it will take an additional six months to a year before the small business climate returns to normal.
- 7% think that it will never return to the way it was.

In fact, 2% of all small businesses in the U.S. have gone out of business since March, with the restaurant industry being hit the hardest with over 3% closing their doors for good. With over 30 million small businesses in the U.S., this means that over 600,000 businesses have permanently shut down so far and many more are expected to announce their closures in the near future.
6 Valuable Trends to Implement In 2021

Although 2020 has been a difficult year, there are six key trends to look forward to in the new year for businesses of all sizes.

1. A Modern Shopping Reformation Experience

The way we shopped in-store pre-pandemic will never be the same. With the fear of a second wave of COVID-19, the recently installed plastic partitions, socially distanced isles, one-way foot traffic indicators, and sanitizer stations have become the new normal for the foreseeable future. These meticulous methods will not only allow for employee and customer safety, but peace of mind as businesses continue to expand their efforts to automate their in-person shopping process in the months to come.

2. Curbside Pickup and Deliveries Are Here to Stay

Of all the recent trends we’re witnessing, curbside pickup has proven to provide an efficient and safe shopping experience for consumers. In fact, 50% of consumers say they decide where to shop based on whether or not they can order online and pick up in-store.¹² Consumers are quickly learning how easy, convenient, and affordable curbside pickup is. 80% of shoppers expect to increase their use of Buy Online and Pay In Store (BOPIS) and curbside pickup in the months to come.¹³ This popular trend isn’t going to fizzle out anytime soon. Many stores have gone as far to change their store layouts to better accommodate delivery and in-store order pickup shelves. Contact-free curbside pickup is a long term strategy that has proven to be effective and a positive change for businesses.
3 An E-commerce Storefront is Essential For Success

The way that consumers shop has been changed for good. You’ll need to adjust your marketing strategy for 2021 to align with your customers’ needs and new preferences. This means that if you have a brick and mortar store, you should consider shifting and expanding your business to an E-commerce website.

Over one-third of consumers have shopped online weekly since the pandemic hit and say they will continue to do so for the foreseeable future.¹⁴ Implementing a website for your business will provide a valuable asset in the new year with so many customers on the search for BOPIS and curbside pickup options.

4 Impress Your Customers With a Personalized Experience

The definition of “personalization” has taken on an entirely new identity in the past year; simply adding a person’s name to an email won’t cut it anymore. To provide a personalized experience, your marketing efforts should be tailored to each individual using their specific:

- Role
- Industry
- Company
- Psychographic characteristics

This practice is an effective way to reach new customers and make a memorable first impression. 91% of buyers are actively searching for more interactive content, so it's no surprise that this should be a part of the personalization strategy that you implement in the coming year.¹⁵ Start by creating fresh, innovative content that will make their shopping experience unforgettable. An example of how this can be done is by adding QR codes to your products, website, social media pages, or direct mail campaigns (linking to a webpage or resource), which should contain interactive content such as polls, quizzes, videos, games, etc.
5 The Rapid Growth of M-commerce

51% of internet users make product purchases online using their mobile phones.¹⁶ During the coronavirus pandemic, many consumers discovered the added convenience of shopping from anywhere, with the simple touch of a few buttons on their mobile devices. Research has shown that two out of every three consumers who shop on their phones use shopping apps. Many businesses, both big and small, are working to implement marketing strategies around apps that will create a seamless shopping experience for their customers.

6 Repurpose User-Generated Content for Upcoming Marketing Campaigns

Due to the recent downturn in the economy, many businesses have had to find ways to stretch their marketing budgets. Although user-generated content (UGC) isn’t necessarily a new trend, it’s taken on a whole new meaning, and its popularity has grown dramatically among marketers during a time of quarantine and social distancing. In fact, it’s become the cornerstone to many brand’s marketing strategies, with 86% of companies repurposing content for their followers, influencers, and advocates.¹⁷ It’s given consumers and influencers a voice to share products and brands they genuinely love, making it appealing to share with others. This organic sharing, in turn, allows brands to incorporate authenticity into their marketing campaigns and highlight real customers who love their products.
The data that you collect from your customers is one of the most valuable assets that your business owns. It’s used to make daily business decisions regarding sales, your marketing strategy, and operational needs. Your entire team relies on your customer database to be complete, accurate, and up-to-date to avoid wasting precious resources. Did you know that poor data costs the economy a whopping $3.1 trillion every year? This goes to show that it’s essential to work with a trusted partner to practice proper data hygiene for effective results.
Exact Data’s Approach to Data Hygiene

We use data hygiene to refresh an organization's database by adding missing or incomplete data, merging duplicate records, and removing outdated information.

Exact Data’s email and postal addresses are routinely run through a rigorous data hygiene process to make certain all selects, new movers, new addresses, invalid email addresses, and deaths are unerring and up-to-date. Proper data enrichment will expand your reach, increase your deliverability, boost your ROI, and save your business money by not wasting valuable resources, ultimately allowing you to make better business decisions.

It’s time to take a proactive approach to data hygiene and transform pieces of information (like an email or phone number) into a complete customer profile. Use proper data hygiene and data enrichment to:

- Optimize your sales data
- Reach new customers
- Complete competitive analysis

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Understand the Relationship Between Acquisition & Retention

Acquisition and retention have a delicate yet symbiotic relationship that must be cultivated. One cannot survive without the other.

**Acquisition** is the process of gaining new customers by attracting new prospects to your business and converting them to a paid customer. It’s used as an effective way to grow and expand your current customer base.

**Retention** is the process of growing your customer’s lifetime value (LTV) and creating brand loyalty. Repeat customers are essential to expand your brand, so put the appropriate effort into retaining the customers that you already have.

Don’t Underestimate the Power of Your Retention Efforts

It costs up to five times as much to attract a new customer than to keep an existing one. When compared to new customers, 50% of existing customers are more likely to try new products and spend an additional 31%.²⁰ So, it makes sense to start spending your efforts on building brand loyalty before using precious resources to find new customers.

On average, 20% of a business’s customer base will account for 80% of their revenue.²¹ As a general rule, it’s **significantly cheaper** to win back inactive or lost customers than to acquire new customers. Take advantage of this lower hanging fruit by turning one time purchases into lifelong customers who will advocate for your brand. **Retention and proper data hygiene go hand-in-hand** to ensure that you’re able to reach the right people and avoid using valuable resources on the wrong people.
Here are a few simple and affordable ways to help improve your retention rates while making a lasting impression on our customers.

7 Tips to Increase Your Retention Rates

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<th>Tip</th>
<th>Explanation</th>
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<tbody>
<tr>
<td>1</td>
<td>Send Regular Emails - Email marketing provides a <strong>low cost and high ROI</strong> for businesses. Send weekly or bi-weekly communications to your list including updates on new products, promotions, supplemental resources, etc.</td>
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<td>2</td>
<td>Offer Exclusive Promotions - There is no better way to increase your retention rates than by showing your current customers just how much you appreciate their support. If you want to take it to the next step, consider offering a promotion or discount related to the products or services that they've purchased from you in the past.</td>
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<td>3</td>
<td>Build Trust With Cohesive Branding - Any piece of marketing collateral you send out should be on brand—including content on your website, social media posts, email campaigns, etc. A cohesive brand makes it easy for customers to identify your company and gives them peace of mind when they're ready to make a purchase.</td>
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<td>4</td>
<td>Implement a Personalized Marketing Campaign - As mentioned previously, it's essential to create personalized content to engage your customers and make them eager to receive another piece of content from your brand.</td>
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<td>5</td>
<td>Incentivize Customers to Refer Friends &amp; Family - 92% of consumers say they trust a referral from a family member, friend, or acquaintance over any form of corporate advertising. As you focus your efforts on retaining customers, consider how you could incentivize them to recommend your brand, especially if they're already a loyal fan.</td>
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As mentioned previously, retention and acquisition share a symbiotic relationship and must go hand-in-hand for optimal success. If you’re ready to expand and grow your business, it’s not possible without acquiring new customers. This is done by searching for prospects that share similar characteristics with your current customers or expanding to an entirely new market or audience. Acquiring new customers can be a double-edged sword and quickly get expensive if you don’t have a solid retention plan. As long as you have a clear strategy of how to bring in new business and how to keep a customer once you’ve acquired them, your efforts will be well rewarded.

Give Your Inactive Customer List a Second Glance - It's much more affordable to reactivate past customers than to acquire new ones. Create a campaign centered around inactive customers and offer a special promotion or incentive to make a purchase. Make sure to feature any new products or services that they may have missed since the last time they visited your business.

Continue Providing Valuable Content and Resources - One of the best ways to retain customers is to continue providing value even after they've made a purchase. Every piece of content that you send out should provide some sort of value that can help your customers. You could also consider including a clever manual, guide, or tip sheet along with your products, or send an email to follow-up after they've made a service-based purchase on your website.

The key is to think about what value you can provide your customers related to your industry and the reasons they've made a purchase from your brand. The goal is to stay top-of-mind so when they are in need of your product or services, they come to you without question.

Grow Your Business with Effective Acquisition Efforts
Begin 2021 With the Best Data Resource

As an industry leader with an A+ rating from the Better Business Bureau, Exact Data is proud to offer consumer and business data designed to cater to your specific marketing needs, while making it easy to narrow down your audience to reach the right customers.

We use our 20 years of experience to provide exceptional service and data that you can rely on and completely trust. We also offer a suite of data hygiene services making it easy to give your list a refresh and optimize your current database.

Our services will immensely improve the deliverability rates of your campaigns, marketing efforts, ROI, and help you retain valuable customers. Exact Data’s team of data experts look forward to helping you throughout a new year of growth and success.

877.750.6636
Sources


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17. https://www.tintup.com/blog/user-generated-content-stats-study/


