



Tips for Listening to The Voice of the Customer

Customer relationships are fundamental. It is critical to stay close to customers, whatever the economic conditions. A one-on-one conversation is how to find out what is going on with customers, how to learn what they need to be more successful—and how you can help them thrive--anytime.

Listening to customers is fundamental. A one-on-one conversation, or interview--whether voice-to-voice or electronically--can make customer feedback from traditional research, online surveys, and social networks actionable. A conversation can move the relationship to another level. Some tips:

► **Anticipate what the customer experience is likely to be.** List out the most critical interactions your company has with customers. Make sure your people are trained and empowered to act when things go right or wrong with customers. Build in a one-on-one conversation with the customer as part of your process in each of these critical interactions. Keep a record of that conversation in the customer profile.

► **Remember that people buy from people** they know or know of, are comfortable with, and can trust. The relationship begins before a person becomes a customer and continues well after purchase. Developing a relationship is a joint collaborative interaction process—a give and take--between the company and its people and the customer that moves the relationship forward or backward. Customer feedback is one of the most important interactions you can have. But in most companies this precious resource is wasted. It isn't that they don't have the feedback. According to a study referenced by Gartner Group, 95% of companies collected customer feedback. But few did anything with it. Only 50% alerted their staffs. Only 30% used the insight gained, only 10% made improvements, and a mere 5% told their customers of the change they made. When you ask customers for feedback, be prepared to act. If you don't act, it could be worse than not asking in the first place. Similarly, ignoring or only appearing to listen to customer-generated feedback on social networks is downright dangerous.

► **Take full advantage of the customer feedback you probably already have.** While most of the questions on online surveys are multiple-choice, there is usually a place for a customer to write in their own comments. These comments are worth their weight in gold--but only if they are analyzed and acted upon. For small quantities of comments, develop a set of key findings in a report of three to five pages for management. For larger quantities of comments, develop a coding system to quantify them by topic or concern in addition to a report of key findings. A similar approach can be used to distill commentary posted on social networks. You may want to follow up with a one-on-one conversation with some of them to clarify or drill down to another level.

► **Get more out of your customer research.** Operationalize it. First, append key findings for a particular customer segment to all the profiles of customers in those segments. That way someone dealing with that customer will have that insight as they work with the customer. Results of research should be used by everyone, not just executives. Second, if there are process issues identified in the research, develop training programs to fix these issues, going as deep as you need to in your organization to correct the cause of the problem. Third, correlate what people SAY to what they DO.

► **Make better use of your resources.** Orchestrate the research your company does with customers so that you don't over survey them and so that all departments can benefit from the insight gained. Develop a set of general questions that you will want answered by customers every year and then parse them out a question or two in each survey over the year's surveys. That way the customer is only asked these general questions once, but every department benefits from the answers. Develop standards that all departments agree to for the customer research including how you will analyze open-ended comments. Another way to make better use of your resources is to more carefully focus on who you survey and who you have a one-on-one conversation with.

► **Focus on top priority customers.** Top priority means different things for each company. It could be those who make large purchases or regular purchases, those who pay quickly, prestigious customers whom others will copy, key customers in a new industry or geographic locations. Or it could simply be those who are the most profitable. Generally 20% of customers account for 80% of revenue and often more than 100% of profit. So define top priority customers and then focus on customers you'd like more of. Find out what appeals to them—why they buy, why they stay or not. Use what they tell you to tell others why they are happy with you. Like attracts like. Asking top priority customers WHY in in-depth, one-on-one Voice of the Customer interviews brings more nuance, meaning, and intelligence to WHAT you are selling, WHO you are selling it to, and HOW you deliver what you sell. Voice of the Customer interviews augment traditional research, online surveys, and social network feedback in product/service development, market assessment, process improvement, customer satisfaction, and customer feedback tracking to make it more actionable, powerful, and relevant.

Why Ask WHY? A good place to begin being more customer-focused is asking your customers, WHY? Voice of the Customer interviews help you know why your customers value your offering. Why they need what they need, why they purchase. Why they purchase from you, not your competition. Why they stay with you. Or why they'd leave if they could. Why they tell others about you. Or why they don't. The answers to WHY lets you know where you stand with customers; helps you know what to promise, what to deliver to strengthen your relationships; gives you the nuance you need to differentiate your product/service in the marketplace. With WHY you increase the likelihood your customers will buy what you have to sell—again and again. Asking WHY is fundamental.

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