

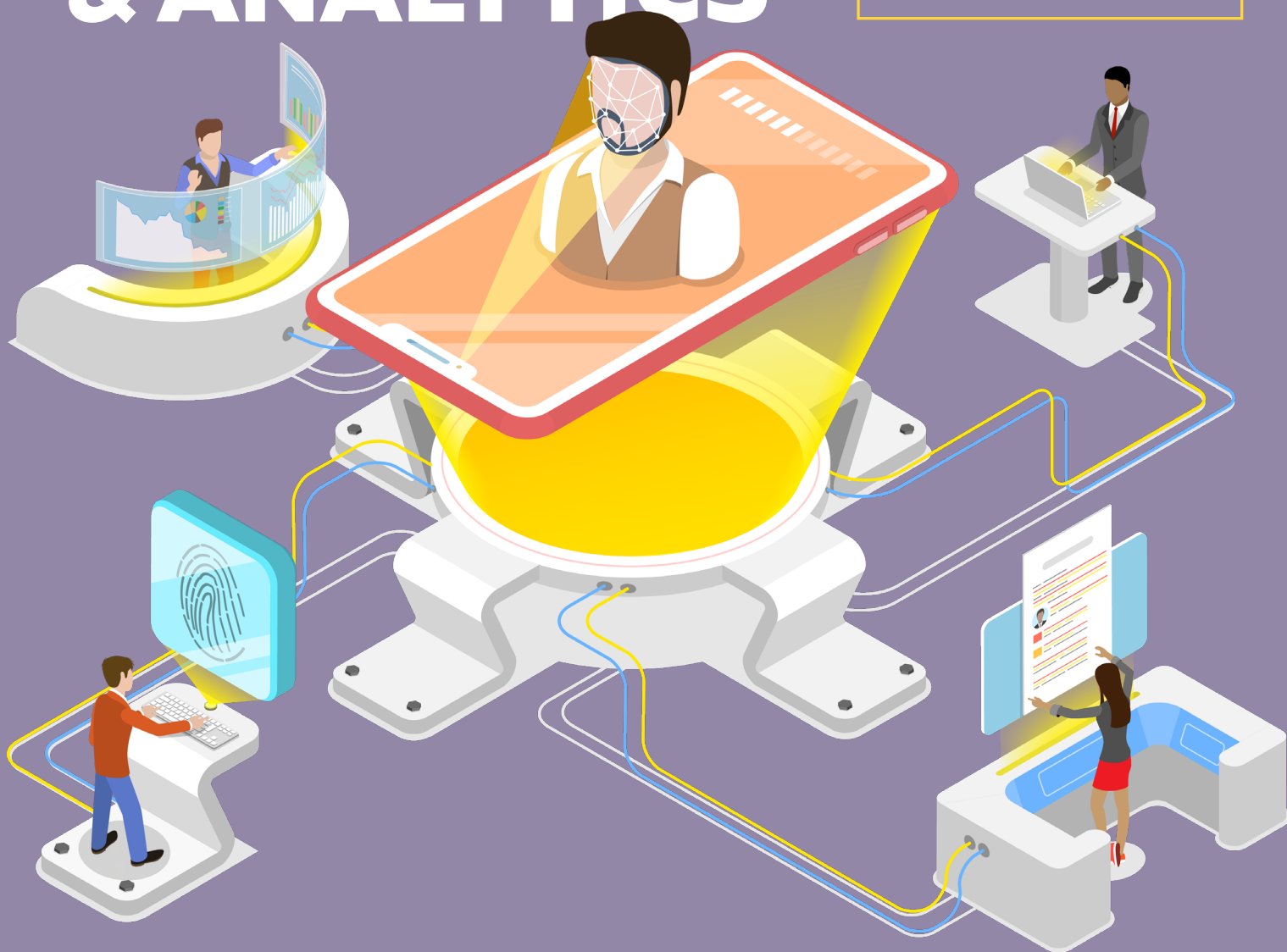
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STRATEGY HQ

the cooper group

THE IMPORTANCE OF CUSTOMER INSIGHTS, RESEARCH & ANALYTICS

DISCOVERY
EDITION



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by David Cooper



You're Flying Blind Without Customer Insights

What is the first thing people do when sudden disaster strikes? Most of us instinctively do a head count. "Where are my people, are they okay, what do they need, how can I help?" We stay close during the fallout. We know where they are and what they need during extended recovery.

So let me ask. Are you keeping vigil with your customers? Do I hear crickets? Requesting and responding to customer insights is the most beneficial yet overlooked advantage in the business world. If you aspire to retain customers and grow, this neglect needs to end, starting right now.

Train Your Sights on the New Terrain

The pandemic has wielded the all-encompassing power of a major tsunami. It has permanently altered the landscape, scattering our people beyond our immediate universes, and forcing changes on infrastructure, people, families and ways of life.

For today's consumers, across all industries, there is no returning to the way things were.

As we navigate recovery, this reformed landscape has deep and brand-specific implications for every company. Businesses are finally entering the next chapter,

the post-pandemic phase of ramping up growth strategies to stabilize, rebuild, regain what was lost and thrive anew.

A word of advice? Do a head count before jumping on those initiatives to stimulate growth. Get into your customers' heads and hearts. Know who they are in the wake of this pandemic, and adjust your strategy and operations accordingly.

You will need to answer to your customers' current mindsets to find real and lasting success.

Give Your Customers a Voice

Over the past year and a half, there has been a veritable sea change in

consumer sentiments and buying behaviors. No industry or company is unaffected. One potentially devastating shift is that solid customer loyalties have become fragile, bending to new priorities, more finely chiseled values, enlightened perceptions...and fresh expectations and demands of today's companies.

Shifts are impacting businesses in different and brand-specific ways. You need to know how. In other words, your success post-pandemic is about your brand and your customers.

What is your customers' perception of your company and brand – today? Is it the same or different than it was a year ago? What do they think of your products or services, and your people? When they interact with you today, how would they rate your helpfulness, access to information and the products they want, ease of a transaction and overall satisfaction?

- In a post-pandemic climate, only your customers have the answers you need.
- You can only deliver what they want if you understand what they need – today.
- Determine what you need to know and ask them to weigh in. They will respond.
- Listen hard and let your strategy and operations reflect their feedback.

Tracking Trends? No One Does More Research Than Your Customers.

Customer retention is going to be one of the biggest challenges for today's companies. The way to keep them – is to keep them

engaged and satisfied. This is harder to do today because of what happened during the pandemic.

People do not shop the way they used to. Consider the explosion in online sales. Consider how supply chain disruptions forced people to try and experience different products, brands and companies – including and especially different customer experiences.

What happened is consumer research. New shopping and buying habits are rooted in due diligence by today's buyers, and the benefits they are experiencing foretell lasting change.

Companies are investing in market research for guidance on how to seize these new trends. This is wise, but far too many organizations are ignoring the most valuable source of market data. Their own customers!

Since you need insights that are specific to your brand and your customers, I promise you this:

- Your customers know more than you do about your products vs. your competitors' products.
- They know about sources and offerings that you don't even realize are your competitors.
- They know the various features, benefits, prices and availability like the back of their hands.
- They know how easy or difficult it is to interact with and buy from one provider over another.
- They know which companies align more with their values and beliefs (so critical today!).
- They use this knowledge to make decisions, based on what they want, prefer and need.

Customer retention is going to be one of the biggest challenges for today's companies. The way to keep them – is to keep them engaged and satisfied.

Their Feedback Can No Longer Be Ignored

Customer loyalty and retention going forward need nurturing in two forms:

- 1. Interaction:** Get into your customers' heads and hearts.
- 2. Action:** Use customer insights and feedback to plot your course.

When you give your customers a voice, the light comes on for you to make the right decisions and investments. Their voices empower you to stay current and even ahead of market trends. You know where to make process improvements, create better customer experiences, identify viable product or service enhancements, refine research and development, and deliver more effective marketing, service and loyalty programs.

No company can afford to fly blind in today's environment. Understanding customers is the first step to ensuring your growth strategy is trained on the new terrain and on course for success.

The Cardinal Rule of Customer Research: **ASK THE RIGHT QUESTIONS**

by David Cooper

This article explores a foolproof way to conduct customer research. First up is asking the right questions – not of your customers, but of your company’s leadership. Knowing what you’re after and why keeps your study focused and efficient as you plan your approach to customers.

Strategic planning (internal soul searching) is key:

- Identify the reasons you are conducting customer research.
- Clearly define ‘why’ the data and insights are important to your direction and goals.
- Determine the type of data you need, and how you will obtain and analyze it.
- Be agile and ready to put the results to work for your company and customers.

Questions Begin Internally With Your Insights Team

Here are seven key questions for your internal stakeholders to answer before setting out on this informative and revenue-building journey:



1. WHAT do you want to know from your customers? Do you need feedback on a product or service? Is there a business challenge that needs to be solved? Are you trying to boost performance, refine R&D goals, improve customer experience (CX) or build loyalty? Priority number one is to define why you are conducting research and what you want to gain from it.

2. WHO on your teams will participate in the effort? Customer research is a full-contact initiative. Ideally, you want to establish an insights team. Key

players from management, sales, marketing, R&D, CX and service will bring important perspectives, issues and ideas to your planning table. If you have an IT specialist, or intend to outsource research automation and analytics, bring these people to your table, too. Their early involvement will accelerate planning and ensure all of your implementation and analytics bases are covered.

3. WHAT type of research will you conduct? Once you narrow down the reasons and goal of your research, you will have an idea of the type of research that will deliver desired data. Your goal may call for primary, secondary, quantitative or qualitative research – or a combination of these.

business systems, or from external sources. There are time and cost differences for all of these research types. Becoming familiar with them will help you determine the best approach, based on your goal, budget, timeline or other drivers.

4. WHERE will you look for data and insights? You may seek insights and feedback through direct interaction with customers, from paid research, from data housed in your ecommerce, CRM, sales and marketing systems, from your social media platforms and website analytics, or a combination of these. Never underestimate the value of the data you already possess. Your customers leave telling footprints during their buying journeys and interactions

with your company. This data is sitting there in your systems, waiting for you to mine the value.

5. HOW will you solicit and collect customer data? There are many methods, tools, automated solutions and research specialists you can employ to gather customer data and insights. As noted, there is a wealth of existing data in your internal systems, which can be collected through automation tools. Primary research can be conducted digitally, by phone, videoconference and in person.

6. HOW will you analyze the data you collect? Data means nothing without analysis, so you need a way to sort, filter and apply analytics to extrapolate factual insights and trends. You can optimize your effort by onboarding or contracting with a data scientist, analyst or engineer, or a firm that specializes in customer research. These experts collect and interpret data into meaningful, actionable assets for your company. They use modern technologies to dig into large amounts of structured and raw data to isolate statistics, trends and insights.

7. HOW will you utilize your new insights? The payoff of your



Generally speaking, with primary research, your company directly performs the research with your customers. You generate and own this new data. Secondary research gathers existing data, which can be found within a company's internal

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research is making confident decisions based on facts. Be ready to apply what you learn! Your aim may be to forecast sales (predictive analytics), reduce costs, improve process efficiencies, guide development, hone operational or marketing strategies, or enhance the customer journey. To achieve your goal, have a post-research plan of action in place, including goals, assigned roles, a timeline, and a tracking and reporting system to measure your progress.



Regardless of the methods you use to collect information from your customers, stick to questions that are directly relevant to your research goal.

What Questions Should You Ask Your Customers?

The questions you pose to your customers, your internal business systems or data providers should directly align with the goal of your research. I'd like to focus on primary research – your direct interactions with customers to collect fresh, current information from them. As an aside, it can be very beneficial if these targets include inactive customers or those who have left you for another provider.

Primary research can include surveys, questionnaires, interviews, focus groups and [social media listening](#). Other tools include online forms, helpdesk tickets, in-store

visits, sales inquiries, customer emails, your website, social media platforms or any other pipeline you and your customers use to interact. All can include qualitative and quantitative research.

Following are several sources to get the juices flowing in building your framework and list of questions for your customers. The first link from Survey Monkey offers a comprehensive library of sample questionnaires specific to various areas of an organization, from sales and service to marketing, customer satisfaction, brand awareness, product development and testing, software evaluation, online shopping, demographics, retailing and far beyond.

All of these samples can be customized to your company, research goal, products and

customers. They can also be adapted to different types of primary research:

- [Questionnaire Examples and Sample Templates](#) | Survey Monkey Library
- [The 15 Questions You Need to Ask Your Customers](#) | Survey Monkey Curiosity at Work
- [30 Examples of Open-Ended Questions to Ask In a Customer Survey](#) | Indeed
- [21 Questions to Help You Really Understand Your Customer](#) | Inc.
- [Understanding Customer Needs Starts with Asking the Right Questions](#) | Salesforce Search
- [How to Use Surveys to Improve Your CX](#) | hotjar

Use Best Practices to Optimize Feedback and Results

- **Boil your questions down to the basics:** Regardless of the methods you use to

collect information from your customers, stick to questions that are directly relevant to your research goal. You're looking for specific data and want clear, focused answers.

■ **Keep it lean, fast and simple:**

The last thing you want is for customers to abandon your outreach. Respect their time. Make sure they can give you the information you seek in 10 minutes or less – preferably less. A good rule of thumb is to not exceed 10 total questions, or a maximum of 15. Also, when formulating your questions, pretend you are the customer. Ask from their perspective and above all, use plain and simple language.

■ **Dig into their attitudes and motivations:**

Ask questions in ways that allow customers to be transparent in how they feel about your company, brand, product or service. This can be done with sliding scale multiple choice responses (from dissatisfied to extremely satisfied), and through qualitative responses, where you ask open-ended questions that let customers provide detailed responses of their own. Keep in mind that open-ended questions increase your customers' time investment – so no more than two or three of these.

- **Always do a trial run:** This is a big one. Before you launch your effort, test it out on your internal stakeholders or other staff. Ask them to view and respond as a customer. You could also invite a few select customers to participate in a trial run. This effort will ensure your questions are easy to understand

and provide fast, clear and meaningful feedback.

■ **Follow up with your**

customers: You asked them to spend valuable time in answering your questions. Don't leave them hanging. Keep customers engaged and build loyalty by telling them how their contribution is making a difference in how you serve them. Let them know what you learned and how your products or services are improving as a result.

Go All in on Analytics and Reporting

It's easy to drown in a sea of data, not knowing how to isolate meaningful insights. Data analytics are the key to mining facts and gaining the foresight you need to compete and grow. It is also essential to summarize your findings into a report to inform your business units and improve your products, processes and performance.

Here's what you gain from analytics and reporting:

- Smarter organization-wide decisions
- Current and accurate understanding of your customers
- Emerging trends in your industry and market
- Competitive profiles
- Forecasts on shifting consumer behaviors
- Clarity on strengths and inefficiencies in your processes
- Evidence of where your marketing is succeeding and failing

- More effective allocation of resources and spending

Keep Those Questions Coming

Since market conditions and buying behaviors constantly evolve, a commitment to ongoing data collection and analytics will keep you ahead of the curve. You need all the insights you can get in today's environment to deliver products, solutions, communications, content and customer experiences that exceed what your customers can get from your competitors.

Also, when formulating your questions, pretend you are the customer. Ask from their perspective and above all, use plain and simple language.

How to Put Customer Research Findings to Work

Companies perform customer research for a multitude of reasons. Some do it to make informed business decisions and find new revenue opportunities. Others want insights into shopping and buying behaviors to improve customer experience (CX), drive

higher marketing ROI, increase sales, guide development or improve process efficiencies.

All of these goals and more are achievable when you put your research findings to work in a timely and targeted manner.

Gathering feedback and insights produces a vast reservoir of raw data and anecdotal experiences. In raw form, it has no meaning. If you want to make solid business sense out of data and use results to compete and grow, these two actions will bring your data to life:



1) Perform Good Analytics:

Analytics experts and tools sift through the valuable data you collect to help you understand customer mindsets and behaviors. Use data analytics to:

- Quickly sort and interpret data collected through disparate methods and systems.
- Become intimate with your customers' needs, desires and motivations.
- Dig out factual, current and
- Apply measurable tactics to eliminate shortcomings in your marketing strategy.
- Seize opportunities and new platforms for organic and procured growth.
- Refine core and non-core operations to overcome deficient processes and performance.
- Strengthen competitive advantages that lead to value growth.



predictive information about buying behaviors.

- Identify trends, competitive threats and areas where you excel or need to improve.
- Assign meaning to the results and gain clear direction to advance your business.

2) Refine Your Strategy:

Now that your analytics team has isolated what's happening with your customers and why, it's time for leadership to take strategic action on the results:

- Create a more agile, effective go-to-market strategy for your brand and business units.

KNOW YOUR CUSTOMER

How Today's Companies Are Using Customer Insights and Feedback

Conducting research can be a significant investment in time and cost. You want the effort to pay you back, to result in specific and measurable improvements, and ultimately, the most satisfied customers and higher revenue.

Following are six prevalent examples of how companies are putting customer insights to work

today. Some of them might give you good ideas or goals for your next research effort:

1. Reassessing and Validating Brands for the Future:

A brand is an asset that companies must continually build and protect to stay primed and strong. Market conditions and a company's position in the market are never permanent. Customer research, insights and analytics are used to guide sound brand management, to refine and sometimes fully transform brand strategies, and to acknowledge new trends, new offerings and new customers. Most important, companies use insights to emotionally resonate with today's buyers, and sustain solid relationships as markets and behaviors continue to shift.

2. Evolving Ecommerce

Strategies: Euromonitor's February 2021 report, Using Ecommerce Data to Identify Growth.

Opportunities for Your Brand, highlights how COVID-19 significantly accelerated the growth of online sales and shares indispensable ways

ecommerce data is being applied to build strategic and tactical brand goals. From the report: "This expansion of ecommerce platforms is expected to be permanent, especially since the full potential of the existing ecommerce infrastructure is yet to be fully exploited and has capacity to support even further growth. Consequently, the importance of revamping or building ecommerce strategies will be critical for future success."

3. One Uping Competitors:

I have mentioned before that no one does more research than your customers. It's a given, so digging into their buying patterns gives you a birds-eye view of competitive offerings, as well as competing CX and business models. Ask customers what products or services they use in addition to (or instead of) yours, and the all-important "why." Make this feedback a key data point in your analytics. What you gain are insights and trends into what customers want but don't get from you, what competitors do better, and where you can fast-track development and execute more effective marketing and CX.

4. Improving the Customer Journey:

Whether the customers you research have been with you for 10 minutes or 10 years, they experience and interact with you in similar ways. At the start of their journey, they discover and consider what you have to offer. Then they choose to buy your product or service, and from there, you retain their business and earn their advocacy – or not! Use research to find out what your customers experience at each stage. Use findings to strengthen areas where you perform well, and to correct deficiencies in other areas. There is a lot you can do with communications and marketing to sustain exposure and interaction with your brand, retain business and build advocacy.

5. Personalizing Marketing Outreach:

Personalization is no longer an occasional tactic but rather an important staple in our competitive marketplace. Companies are using customer insights, feedback and purchase

histories (data extracted from internal business and ecommerce systems) to segment customers and appeal to them with relevant, personalized marketing messages. Research-informed marketing and communications lead to better customer experiences, new upselling and cross-selling opportunities, retention and loyalty.

6. Staying Ahead of Demographic Curves:

Changing demographics, especially generational shifts representing big differences in buyer motivations and values, are a fact of life for today's companies. The one thing you can count on is change in your customer base. Research keeps you on top of who your customers are, and whether your offerings, marketing and CX initiatives are hitting the mark. Use research results to stay agile and ready with tailored marketing, relevant enhancements and products, operational improvements and customer journeys that appeal to your customers' wants and needs.

want most from a brand. This is a universal truth, and since customer insights are the bones of agile CX, this area of your operations should be included in every research effort. When customers engage your brand, whether online, on the phone, in person, in email or chat, what is their perception of your product, service and people? What is their satisfaction level? Ask! What they think about these interactions and engagements should drive continual improvements in your CX strategy.

Takeaways

1. Real knowledge is the orderly synthesis of information:
Always perform good analytics.
2. Real business wisdom is the application of that knowledge:
Refine your strategy.

The one thing you can count on is change in your customer base. Research keeps you on top of who your customers are, and whether your offerings, marketing and CX initiatives are hitting the mark.

Customer Experience Is the Most Important Driver of All

CX is fast replacing price and other differentiators in what customers

How to Solicit Customer Insights

In the Age of Phishing, Scams and Fake Websites

Cybersecurity threats pose a huge obstacle for companies trying to gather customer opinions and feedback. Customer insights are essential to sound strategy, and improving products, services and customer experience. Without them, businesses lack a compass for making calculated decisions, as described in this issue's "Flying Blind" article.

But today, people are justifiably wary of unsolicited communications, or pretty much anything outside the normal shopping and transaction processing cycle. Cybercriminals are successful in using emails as part of phishing attacks, sending over three billion emails a day. They are prolific in exploiting social media, and creating forged websites (look-alike domains), ads, texts, surveys and phone calls – all designed to look like they come from trusted senders and providers. Their tactics are extremely sophisticated and becoming more so every day. In this environment, how can

legitimate businesses break through fear barriers and persuade customers to participate in efforts to harvest their valuable insights? Also, how do you encourage those who may trust but lack the time or inclination to respond to your outreach?

There is a lot you can do to successfully canvass customers and get the information you need to guide and grow the business.

Approach Customers From Their Viewpoint

During planning, and especially when creating customer communications, think like a consumer, rather than a business or marketing leader tasked with collecting data. You will be asking customers for their time and thoughts. They want to know you understand and appreciate their need for safety and privacy.

■ **Be aware of the facts:**

The FBI's Internet Crime Report released in March 2021 cites a record number of complaints

from the American public in 2020: 791,790, with reported losses exceeding \$4.1 billion. This is a 69% increase over 2019, with increasing activity in the forms of phishing, spoofing, extortion and different types of Internet-enabled fraud.

According to the Bureau, business email compromise (BEC), also known as email account compromise (EAC), is one of the most financially damaging crimes. It exploits the fact that so many people rely on email to conduct business. Consumers know they cannot be too careful these days, and they expect the same of their trusted businesses.

■ **Anticipate healthy skepticism:**

As you go about asking customers for input in today's environment, through surveys, questionnaires, phone calls, email or other methods, know in advance that many if not most will question, "Is this legit? How do I know this is really XYZ Company? Will my responses be secure and confidential?" The way you conduct



Today's consumers are more careful than ever before with information they share and with whom, including trusted businesses.

your outreach will determine whether customers ignore you or respond. Your goal coming out of the gate is to remove such doubts from their minds. Next are some ways to do this.

■ **Confirm your authenticity:**

Many companies are using personalized outreaches that confirm the recipient's relationship with the business. For example, communications will address the customer by name, mention a recent transaction, display part of the customer's account number, or include other pieces of affirming data. Companies also use strategic communications to give customers a heads-up that a survey is coming, so that the survey email, text or phone call is expected and recognized when it arrives. These methods go a long way in alleviating concerns of fraudulent communications.

■ **Share your Privacy Policy:**

Today's consumers are more careful than ever before with information they share and with whom, including trusted businesses. Reassure customers by providing a link or copy of your Privacy Policy

with your outreach. Let them know how the information they provide will be used. In addition to providing the transparency your customers deserve to get from you, this is an opportunity to share your goal of using their insights to improve their experience with your brand, product or service.

Use Best Practices That Build Confidence and Participation

■ **Conduct post-transaction surveys:** Smart companies conduct surveys right after a purchase is made. This method of gathering insights normally cites the product or service purchased and is very effective with a high response rate. Customers know the request for feedback is legitimate and have a vested interest in responding, especially when there is an incentive. This tactic differs from prevalent scams, in which cyber criminals go phishing for victims before anything is purchased. Immediate recall breeds trust. Ambiguity does not.

■ **Use your own domains:**

Spam filters and security protocols vacuum up and trash huge

volumes of emails when links within them connect to domains not recognized by a user's network or previous interactions. This applies to mainstream ISPs and business networks alike, and to both legitimate and fraudulent communications. Still, many get through; however, trust wanes when people don't recognize the source.

Many companies outsource surveys and feedback systems to third parties, and this can be problematic for the noted reasons. To build trust, control security and get maximum response rates, use your own domain, your recognizable ecommerce platform, mobile app or social networks, or a combination, to host your surveys and customer feedback platforms.

■ Always brand your materials:

Even though cyber criminals are good at mimicking companies, their tactics contain telltale flaws. Make every effort to validate and authenticate your outreach and materials for customers. Always include your website address and logo. Ensure fonts, messaging and branding are consistent and within your company's official style guide. Include contact information customers can call, text or email to verify the communication is really from your company, and respond fast when they do.

■ Never ask for – or use –

sensitive information: It is surprising and sad, the number of people who fall for scams that request physical addresses, phone numbers, bank or credit card information, and other personal data. But people are nonetheless getting smarter, thanks to the number of companies that educate customers about these pitfalls. Make it a priority to communicate to customers that you will never use or ask for sensitive information through your communications or customer feedback platforms.

■ Incentivize their participation:

How much are customer insights worth? A heck of a lot, considering it's impossible to navigate a successful future for your business without them. Companies that recognize the value employ incentives to increase response rates and ROI in customer data collection.

It doesn't take a lot to motivate people. Gift cards, monthly drawings, special offers, discounts, account credits ... incentives come in many types, shapes and sizes. Best of all, these perks are viewed by customers as added value, increasing interest, loyalty and advocacy. Companies that do this are essentially telling customers, "Your feedback is valuable and worth our investment in you."

You Can Succeed in Spite of Today's Obstacles

Cybersecurity threats are just one impediment to obtaining customer insights. Many people don't participate for lack of time or interest. They can't be bothered. Think of it this way. Even if all feedback solicitations were on the up-and-up, with no risks or dangers lurking behind the requests, people

would still be inundated with unsolicited emails, texts, surveys and phone calls.

This calls for leveling up your approach and motivation game:

■ **Deliver a compelling 'ask' – and respect their time:** Make your outreach simple, attractive, interesting and accessible. Tell customers how much time they should expect your survey to take, and ensure your feedback mechanism is intuitive and easy to access.

Since collecting and analyzing insights is not a once-and-done effort, be creative in planning and implementation. Instead of asking many questions all at once, consider asking two or three at a time, spaced apart by several weeks. Or consider asking a Question of the Month. Over time, you will collect a lot of valuable data without leaning too hard on your customers.

■ **Always acknowledge their participation:** Gratitude increases customer loyalty and advocacy, with every sincere expression of thanks.

■ Use proven and effective tools:

Whether your business is large, small or mid-sized, this article from Small Business Trends shares [25 Survey Tools for Your Business](#). More than a list of leading online tools, the article is also an informative guide for planning and conducting the most effective surveys.

Your reward for doing this right is gaining the empirical knowledge you need to make strategic and profitable decisions that benefit your company and valued customers.

How much are customer insights worth? A heck of a lot, considering it's impossible to navigate a successful future for your business without them.

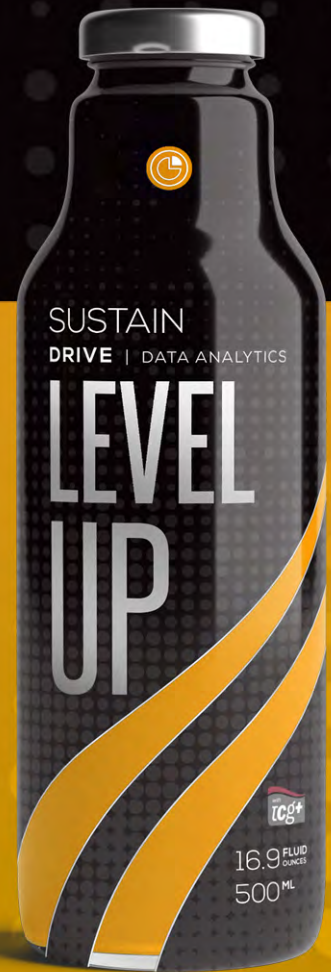
■ Avoid urgency in your communications:

There is a difference between giving customers a timeframe for responding to a survey or questionnaire – and trying to speed their response by using language that pressures them to do something right away. Cyber criminals are notorious for using "act now" messaging to scam people into forking over sensitive data with fraudulent incentives and nonexistent offers that expire in a short timeframe. Give customers a reasonable deadline for submission and thank them in advance for participating.

DRIVE DATA ANALYTICS

Power up your understanding with this cognition-boosting cocktail of insights and actions. Enhanced with vitamins and electrolytes to help you finish strong, right down to the buzzer.

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