

Discovering What Your Customers Really Want

Most small business owners and managers spend a lot of time focusing on customer satisfaction. That's too bad because customer satisfaction doesn't mean much to customers. Consider these findings:

- Up to 40% of satisfied customers do not return to the same business a second time.
- The Harvard Business Review found that 85% of customers who switched vendors said that they did so even though they were satisfied with the previous vendor!
- And Dr. Robert Peterson at the University of Texas discovered that 85% of satisfied customers said they were willing to try the products or services of a competing vendor.

So even though your customers are satisfied, you're probably losing customers without knowing it. In America, businesses, on average, lose 10 to 30 percent of their customer base annually, or at least 50% of their customer base every five years, according to an important book titled *The Loyalty Effect*. The simple fact is that you can't afford to do that. Not if you want to make a profit. Not if you want a business that doesn't keep you awake at night.

As the builder of your business, your job is not to create satisfied customers. Your job is to create loyal customers. The only way to do that is to give your customers what they really want. The only way to do that is to discover what your customers really want from you, your associates, your products and services, and your business in general.

And how do you do that? Follow these six steps:

- 1. Ask your customers what they want.** I say this with some hesitation because in many cases customers don't know what they really want. But asking is at least a minimal, first step. You can ask them face-to-face when they come to your location, or you can ask them face to face when you go to their location. You can ask them by telephone. And you can ask them by a mailed or emailed survey. If you're not asking customers what they want using one of these means, begin doing so right away. It's a step in the right direction.
- 2. Meet with them personally.** Identify your customers and then ask for an opportunity to visit with them face to face. You don't necessarily have to go to them. Invite three or four customers at a time to meet you for breakfast. This becomes a networking opportunity as much as it does an opportunity for you to gather information. In the company of other customers, customers tend to give you better and more meaningful information. It helps them to hear and learn how others are using your products/services, or how others are relying on your business. Create a roundtable for your customers. You will be amazed by the great information you collect.
- 3. Conduct focus groups.** Similar to having breakfast with your customers, invite customers to a focus group. This is more scientific approach to gathering information for a business. You shouldn't conduct the focus group—hire a professional to do that for you. You shouldn't be present for the focus group, or be seen—that way, it's easier for customers to be honest. Participants in a focus group are usually paid \$35 to \$50 for their time. It's usually a two-hour session and professionals can conduct two focus groups back to back in the same evening. It's important to ask questions at a focus group that will not bias the group's position. It's important to ask questions that prompt the participants to speak freely and generously with their ideas and comments. focus groups could be an ideal way for you to pinpoint the specific needs and desires of your customers.

Discovering What Your Customers Really Want

4. Telemarket to your customers after a sale. It's one thing to make cold telemarketing calls to generate new business—people resist those calls. But calling a customer is not the same. After you provide a service, or you sell your product, call the customer within 24 hours and ask if they're satisfied with the work or the product. They'll probably say yes—but you now know that being satisfied isn't enough. Will they buy again? Will they refer you to others? You'll want to ask questions like What's the best thing about our product or service? How did you feel about our delivery service? What about the sales process: did you feel pressured, or were we helpful? Was the technician respectful and helpful? What did you like or dislike about the technician? And on and on. By asking questions you are likely to trigger responses that neither you nor the customer expected. Listen carefully to what the really want!

5. Become a customer of your business. In the next 24 hours you need to do two things. One, call your business and pretend to be a customer. How does it feel? What kind of reception do you receive? What are the vibes that you get from the person who answers the phone? And secondly, drive up to your business and look at it from the eyes of a customer. If this were the first time you approached the business, what would you see? Take the time to experience what your customers are experiencing. If you find that there's nothing special about your experience, you might want to re-think how your business appears, feels, smells and looks to your customers. Remember, there's a good chance that even among those who are satisfied, 40% of them won't come back.

6. Create a board of advisor made up of your customers. Bring them together quarterly. Survey them in depth. Dig into the real reasons why they buy from you, or why they buy a particular product or service. Give them hands-on opportunities. Show them new products. Ask them to help you develop new services. It's well worth the investments because the information they provide, over a period of time, will tell you what your customers really want.

If up to 40% of satisfied customers don't return to the average business, you make it a goal at your business to reduce that number to 30%. Then 20%. And see what you did? You made yourself a bunch more money. If you attract 100 new customers a year, 40 of them currently are not returning to your business. Once you reduce the percentage to 20, you'll save 20 customers a year. If it costs \$100 to attract a customer, then 20 customers saved times \$100 is a savings of \$2,000. That money falls directly to your bottom line. If a customer is worth \$1,000 a year to your business, and you keep an additional 20 customers, you generate \$20,000 more in gross sales for that year.

And what did you do to deserve this? Truthfully, you didn't do a lot, did you? On the other hand, you did what you're supposed to do. You discovered what your customers really want. You learned the skill of building a satisfying and profitable business.

...Learn how to build a satisfying and profitable business at How To Capture & Keep Customers, a live seminar presented by Dr. Hayes. The seminar is tailored for small business owners, professionals, consultants, franchisors, franchisees and network marketers. You'll get four free eBooks just for registering. Details can be found at <http://www.HayesWorldwide.com>