

Talk to Your Customers:

A Practical Guide for Tech Businesses



Helen Shorthouse
Fractional Chief Marketing Officer
Shorthouse Consulting

Why Should You Talk To Your Customers?

Imagine you have a strong sales pipeline, you are THE *go-to* offering in your market, prospects search for your website directly and reference you to others in the industry.

When there is a change, or opportunity in the market, you are already ahead of the curve, because you have ongoing dialogue with your customers. You bring in new products because you have heard your customers talk about an issue they struggle with and you smile, as you realise you're ahead of an emerging new market trend.

Fact or Fiction?

The reality is that many tech companies look more like this:

- We launch products that haven't been properly validated and blame external circumstances or people when things don't take off as we'd expected
- We struggle to get funding for our idea
- We miss opportunities in the market
- We produce the 'perfect' product but struggle to shift people from other offerings
- We see competitors gaining market share at our expense
- The sales process is long and painful and customers just don't seem to 'get' the value

Talking with your customers serves different purposes at different times, including:

- Ensuring you are developing a product that the market wants / needs / will pay for, especially:
 - Identifying the true problem you're solving
 - Finding out if some other solution or workaround is being used
- Developing your Ideal Customer Persona to give clarity on sales and marketing messaging and tactical marketing activity
- Feedback when your service or product is delivered, which in turn helps product development, gain case studies and highlight 'at-risk' customers
- Keeping track of market changes and opportunities

You probably know all that, but are you actually doing it?

There is a fundamental difference between the every-day business conversations we are having and a more exploratory, listening conversation.

When was the last time YOU met a customer to talk about them and listen to the frustrations they have?

Not them in relation to your product and how they use it, but them in terms of what they are doing, what their priorities are, what their current challenges are.

If the answer is making you slightly uncomfortable, or you simply find talking with customers difficult, this is for you.

This is a practical ebook to help you engage with customers and prospects, confidently and increase your effectiveness at product development and your go-to-market activity.

I'm particularly aiming this at CEO/founders and marketers of B2B (business to business) tech and innovation companies, but many of the principles still apply in other businesses and roles.



You Are Not Alone

Before we get into helping you take action, I think it is important to recognise that there are a range of blockers for why we don't get in front of customers as often as we ought to, or for the right reasons.

This might be you, or you might have a team member who you are trying to support. Be honest with yourselves...we don't always recognise our own blind spots!

- 1. Not understanding how vital it is:** sometimes we are so busy building our products or services that we forget to step into our customers' shoes. We think we already KNOW the problem
- 2. Already done it:** some businesses did customer validation really well at the early stages of establishing their business, but we forget that it is important to do this on an ongoing basis - talking to customers is not a 'one & done' activity
- 3. Too busy:** running, or working in a small to mid-sized company is busy. There's seldom enough time or money. Customer engagement is important, but often not urgent - it's not the thing that is crying for immediate attention
- 4. Fear of negative feedback:** whether you admit it or not, this is a big one that holds us back. It's not just about negative feedback "I don't like your thing," in some ways the "meh, I don't really care" is even worse
- 5. Different purposes:** you might be talking with customers all the time, but it is mostly about the operational stuff, i.e. the product or service engagement you have, including sales discussions, implementation, upselling, trouble-shooting etc.. This can often mask the fact you aren't really engaging in a two-way dialogue
- 6. An echo-chamber:** you might be active in relevant groups and community forums and think this is giving you all the feedback and engagement you need. This is a great place to be - but you also need to be aware it may be an echo chamber, where not all your customers are engaged; or those that speak loudest get disproportionate attention. A bit like real life! It might also show only the issues with current solutions, rather than highlighting alternatives or gaps

How It Helps

If you truly understand how you bring value to your target audience then you will build the right product, sell it at the right price, promote it in the appropriate way and grow. If you articulate your offering in the words that resonate with your customer, research indicates customer will:

1. Be more inclined to buy
2. Buy more
3. Stay with you longer

On the other hand, if you don't do this, there is real danger of building a product that does not meet the real demand of a customer group, is not competitive, where marketing and sales don't work and the business either fails, or at least does not meet the potential you thought it was going to. This can lead to money lost for you and your investors, broken dreams and more.

But this ebook is not about being depressing. It is about helping you to avoid that!

Need Convincing?

There are good reasons to spend time understanding what is going on in our customers' worlds in order to help grow your businesses. The below stats are just a taster, but hopefully will convince you or give you some evidence to persuade others in your team that talking with customers is important:

- CB Insights analysed start-up failures and found **35% failed** due to the lack of market need, the **second highest cause** of all failures
- [CEB](#) found that customer stakeholders who perceived supplier content to be tailored to their specific needs were **40% more willing to buy** from that supplier than stakeholders who didn't
- The Content Marketing Institute found that 56% of businesses that used personas for content marketing achieved **higher quality leads**, and 36% saw a **shorter sales cycles**

- According to DemandGen, using buyer personas can **reduce the cost of customer acquisition by 14%** and length of the sales cycle by 10%
- Rob Holland of Feedback Loop claims that **85% new products fail** due to a lack of customer testing
- More than **91% of dissatisfied** customers will leave without complaining (ThinkJar). Talking to customers can help you understand what you're doing right and what needs improvement before it's too late



So You Want to Talk With Customers

Whether you are the CEO or founder of an established business that is looking to move into a new market, the leader of a scaling business with limited cash, an entrepreneur on your first steps to building a product or service, or the person with marketing responsibility for your organisation, this ebook has been written for you.

It will give you practical tips about how to get real-life customer insights to your business, without it costing the earth or causing you embarrassment. You might even enjoy it.

Let's get into it...



What Are You Looking For?

What you are asking and how you find your information will depend on what stage you are at. You will want to have a different set of questions and a different approach depending on your role and business phase, for example:

- No product or service - seeking opportunities about what keeps them awake at night and what challenges they have
- MVP (minimum viable product) testing - to proceed or not
- Marketing - how to reach your target market effectively
- Customer feedback - anything from stemming attrition to further product development
- New market expansion - what's different, or the same as what you already know



Understanding what stage you are at and what you want to get out of the conversation is really important.

Typically, business customers are likely to be trying to achieve one or more of the following:

- How to save time (for them, or their teams)
- How to sell more
- Supply chain issues
- Pressure from their board / senior leadership team
- Risk management
- Recruiting enough good people to deliver to the plan
- Maintaining power in the organisation
- Where their next job is coming from
- Budgets

Have you ever had an experience with a sales person who hasn't listened to you & understood what you're looking for? They've made assumptions about what you're looking for and don't listen when you try and explain what is actually the most important thing for you.

How To

As well as talking directly to customers and prospects, you might also want to immerse yourself in their world to get broad insights and understanding. **This should NOT replace talking with people**, but is good to supplement your conversations.

There are a range of ways you can get insight to your customers' worlds:

1. **Sitting at your desk**
2. **Play where they play**
3. **Sitting alongside**
4. **Meetings**

Let's dive deeper into each of this methods of generating information about your customers



1. Sitting at Your Desk

There is plenty you can do to understand your customers' worlds from the safety of your own desk.

You're looking for information with an open mind. *You aren't just looking for affirmation, but more importantly, things that aren't fitting.*

a. News articles & blog posts

- Check out general news, special interest and industry publications
- Are there any statistics, reports etc?
- You can even check YouTube to see how people are phrasing things and helping each other

b. Online groups and fora (forums!)

- LinkedIn and Facebook have a range of special interest groups, some more active than others
- Some industries have chats and help threads you can review...what are the common irritations that people are talking about? Check out e.g. Slack and Discord channels

c. Customer feedback

- For businesses with existing customers, a good approach is to establish a consistent customer feedback mechanism that can provide you with objective data and real anecdotal feedback
- If you already run feedback surveys, go and dip into the feedback - the data and the comments will give you valuable insights
- Look at insights from your support queue to give you insights into feedback, product/functionality requests, product issues etc. You could even call a few of these customers directly

Survey Tips:

- Identify an objective and keep it short, sweet and focused; surveys that are too long will reduce response rate
- Always test your survey before you publish it to ensure what you think you have asked is how it is interpreted
Plan how you are going to measure results before you start
- Do not be persuaded to 'select' customers to participate in surveys - this is only kidding yourselves if you take people out who might give poor feedback

Useful Resources

- The Net Promoter Score (NPS) is a simple straight-forward way of getting into obtaining customer feedback, but ensure you understand how to calculate it properly
 1. This number gives you a trend over time for your organisation & industry benchmarking
 2. The comments can provide real insights
- There's lots of FREE surveys and resources available, including Survey Monkey



d. Competitive Review

- Identify your competition - think beyond just those that have a similar offering and also think about what the 'alternative' ways customers are currently solving their problems

For example: if you are selling a CRM (Customer Relationship Management) system, you should not just look at other CRM providers, but also look at how people are creating 'work-arounds' through spreadsheets and contacts on phones and emails

- Look at what (successful) competitors are saying and how they are positioning themselves; what are their clients saying about why they use them?

e. Research

- Social media listening tools, such as AgoraPulse and Social Sprout to help monitor and analyse what people are saying about your organisation or brand. This helps you understand sentiment, reputation, trends etc. and respond to insights and mentions
- External researchers can help bring independence and impartiality, add resources to your team, or supplement skills you don't have. You can use established research agencies, independent contractors, or platforms like Upwork and Fiverr for a wide range of research tasks, such as market and industry trends, competitor analysis, customer interviews, focus groups or surveys

f. Hold up a mirror

1. If you are already an established company try and look at your own website and collateral with fresh eyes
2. In just 5 seconds can someone who has never been to your website before see:
 - a. What are you selling?
 - b. Who is it for?
 - c. Why can it help them?
 - d. How can it help them?

2. Playing Where They Play

Another way to get into the minds of your prospective customers and understand their needs is to go where they are already 'hanging out':

- Join industry groups and organisations
- Attend industry events - in real life, or online; local or global
- Read industry publications
- Find the global industry groups and organisations



Analyse what are the key issues that are being discussed and which ones get the most engagement?

What is the terminology that's being used?

Get involved.

Can you ask questions through this group, either publicly, or start chatting one on one with a few people and build a relationship?

You might also see the opportunity to create an industry, or issue-led group yourself, anything from a local in-person meetup to an online community forum.

3. Sitting Alongside

If you have an existing customer-base, this is a great way to take your first steps into meeting and engaging directly with your customers.

You can take an active, questioning role, or a passive 'learning' role, but this needs to be agreed with your colleagues and customers in advance.

You can sit and listen in on a phone call* with your sales person, join an online video call, or accompany them to a sales or account management visit.

See if colleagues are having customer success or product calls with customers.

**Don't forget to tell your customer you are there*



4. Meetings

This is about you having a meeting with your customers and prospects, either online, phone or in-person.

Your purpose is to learn from them and has nothing to do with selling.

In my experience, customers generally love the chance to talk with someone who is curious and cares about their feedback and they often give generously of their time to help.

Even if you are meeting a customer who has had a bad experience - they usually just want to be heard and acknowledged, so these experiences may not be as bad as you might initially fear.

Meeting Tips:

Before meeting, be clear about how long you will take of someone's time, broadly what you want from them and what you are going to do with anything you glean.

Are you concerned that you are asking too much when there is nothing in it for them?

Depending on the circumstances these suggestions might help:

- Take a gift, or give vouchers
- Bring merch
- Buy lunch, coffee, drinks or pizza
- A small payment for taking part in a focus group
- Entry into a prize draw, or a donation to charity
- Send a thank you after the meeting

Many people will just enjoy giving feedback, being heard, or being asked about their worlds and don't need anything in return.

I'm always blown away by how much time people will give when there is nothing explicitly in it for them!

There are a number of options for meeting customers, including:

a. Formal or informal

- Depending on circumstances, this can be over a coffee and casual, or more formal
- Go with a specific purpose and ask customers for feedback & insights
- Explain this is about you learning

Interview Tips:

Here are some suggested questions to get you started:

- i. What is the biggest challenge you are dealing with at the moment?
 1. What is urgent?
 2. What is important to your business?
- ii. What trends are you seeing in the market for your business?
- iii. Think about any service provider you have used in the last month
 1. What did they do that you loved about how they operated and why did this make you love it?
 2. Which ones disappointed you and why?

- Keep your mouth shut and listen

I have a friend and ex-colleague, so is fond of saying:

*"You have **two ears** and **one mouth** for a reason, use them in that order!"*

b. New customer onboarding

- This is the perfect time to catch a client when they are fresh to your organisation. You might be interviewing them for a media release, or internal announcement, or simply to welcome them and ask for feedback
- Listen really carefully to the language they use - how they say things might not be the same as how you talk about them internally

Onboarding Question Tips:

Here are some suggested questions:

- i. What were they looking for and why? What was the challenge & what solution were they searching for?
- ii. What made them decide now was the time when this was a priority?
- iii. What other options were they researching, or consider
- iv. How did they set about trying to find a solution? Who did they talk to? What did they search? What tools, channels, reports etc did they reference and how did they find them?
- v. Why did they choose you?

c. Focus groups

- Your company may already have user or focus groups that your product/UX (user experience) team are already discussing with about product features and the roadmap. These may represent your users generally, or be the *super-users* and advocates of your product or service
- Focus groups are good for getting a cohort together to help you probe and deep-dive into one specific area, from customer challenges to how your product is used
- Have 2 of you run a focus group, one that is leading and one that is taking notes and prompting the leader



d. Customer communities

- Build your own community or user groups, or develop a *voice of the customer* programme
- These are a teeny bit like a focus group, but with a longer life-span and a different focus!
- They can be a great way of keeping engaged with and close to your customers
 - Community forums are great ways to get customers talking with and supporting each other and are often focused more about their common challenge or industry than specifically your product or service. The conversations can be rich and insightful about what is going on in their 'worlds'.
 - User groups are focused on getting in-depth feedback from a select group of users and is focused on your offering rather than their broader role
 - Voice of the Customer (VoC) Programs tend to be more about having a regular system of getting customer feedback
- Be aware that members will tend to be your most engaged and active customers, so may not necessarily represent your entire market, but they can provide very proactive and useful feedback, as well as being great advocates for your brand

e. Hosted 'listening' events

- Unlike you attending events and conferences run by others, host a breakfast, dinner, or drinks yourself
- The purpose here is to ask questions and listen to your customers' feedback.
- Questions are not about you and your offering but about their challenges, roles and frustrations
- If appropriate, have a 'hook' such as a keynote speaker, a good MC, or a presentation about something they would value
- Invite their peers so they get value from each other
- Running a session where you are brainstorming a common challenge can also be a way to pick up insights and be positioned as adding value in the market

f. Case study interviews

- This is for people who like your business and have received value, so the purpose of this meeting is to interview them and capture their good experience
- Once you have captured this (and if there is time) I often like to chat more generally about their experience and get a broader set of feedback and perspectives

Probing Question Tips:

Questions you can try:

- i. Is there anything you think we could do differently?
- ii. Is there anything you do NOT love about our service/offer/the way we operate?
- iii. What are the key challenges and issues you are dealing with at the moment?
- iv. What are the key priorities you have coming in the next 6-12 months in your role?
- v. What are the trends and discussions in your industry?



Now What?

Talking with your customers and prospects is only the first step. It will only matter if you actually DO something with the feedback and insights you've been gifted.

Share it

- Gather the insights together and share it with your team in the organisation - go high and go wide!
 - **Go high:** present the insights to your exec team. Provide them with raw anecdotal feedback too. Many of them may feel far removed from your customers on a daily basis; some of what you find will surprise them and having actual customer quotes brings to life the reason why you are making recommendations
 - **Go wide:** take everyone in the team with you. You have had a great privilege which positions you as an authority on the customer. Take the rest of the team on the journey. Put customer quotes around the office, record a video of you summarising key points, read them out at team meetings

Analyse

- Really analyse and understand what the feedback is telling you - this time, go deep
- Reflect on what the feedback means for the organisation, your team, your messaging, your product, or your role
 - What are we doing that is good?
 - What needs to be changed?
 - What should we start doing?
 - What should we stop doing right now?
- This might need some big, brave conversations, especially if people are well-progressed with something. Don't forget, you have the voice of the customer on your side

Do something - whatever you do, don't just collect information and file it.

DO SOMETHING!

Hints & Habits

1. Read: The Mom Test by Rob Fitzpatrick

- a. The premise of the book is that your friends and family will lie to you and tell you your idea is great!
- b. The issue is - they aren't your target audience and aren't going to buy your product and you can't build a business model around this.
- c. The book encourages you to:
 - i. Talk about your customer's life, not your offering/idea: ask about their experiences, problems, and desires related to the area you're exploring
 - ii. Ask for specifics in the past, not future predictions, as people are bad at forecasting their own future behaviour, while the past indicates how they actually tend to act
 - iii. Ask questions in a way that allows the response "no" to be seen as an OK thing for them to say, so they don't feel bad about saying it and you get valuable insights from their honesty

2. Preparation and training

- a. Scripts and talking points are really useful to keep on-track with your purpose and the key points you are looking to cover
- b. Role playing is a fantastic way to help you get ready to talk with customers and build confidence
- c. Buddy up with a more experienced colleague to start with and watch how they operate

3. Technology and tools

- a. Use recording tools during customer conversations (with the customer's consent). As well as enabling you to go back and re-listen to the conversation and share with colleagues, it means you don't have to be scribbling copious notes during the discussion
- b. Use the recording and get it transcribed using AI
- c. Take (brief) notes! Take a notebook and write down key points. This helps you stay focused, but can also reinforce to the customer that you are listening
- d. Update your CRM so you don't lose your insights and everyone in your team can see the key points

4. Know your numbers

- a. Not all customer engagement is boiled down to numbers, some of it is very anecdotal and qualitative, however, there are some metrics you might want to understand and track, for example:
 - NPS and scores on customer surveys
 - Customer retention and churn rates
 - Customer lifetime value
 - Social media sentiment, brand awareness and brand reputation
 - Lead numbers and conversion rates
- b. Take a baseline, add a target and measure - if you are understanding your customers well, these numbers should be improving over time!



Appendix 1 – Persuading your Colleagues

Some of your colleagues may be protective of what they perceive as ‘their’ customers and may need some convincing on this one, especially the sales team.

This is understandable - they are under pressure to deliver sales. Often the whole business looks at them to bring in the revenue and they know this is a big responsibility, so here’s some things I suggest you use to help persuade them:

- Admit you don’t know everything and are looking to grow your understanding of customers
- Always use ‘our’ customers rather than my or your
- Talk about how you are both working to support the business’ objectives
- Empathise with them about the role they have and some of the challenges they face
- Understand what they are trying to achieve and how this might enable you to help them achieve their role?
- Use a specific example of a project that is coming up that you could work on together - especially if it is about helping them win / grow a customer
- It might also be helpful to explain some of the challenges that you have in your role and that this is going to help you, help them and the rest of the business
- For the first time you might want to commit that you will not say anything, that you are just there to observe and learn
- Or you may say you are researching a specific area and are keen to ask the customer 1-2 questions (which you will share with the sales person before hand & agree with them the best approach)


Looking for more?

Let's chat about your customers

Get in touch

Helen Shorthouse
Fractional Chief Marketing Officer
Shorthouse Consulting



 021 900 335

 helen@shorthouse.co.nz

 www.shorthouse.co.nz