

Business Plumber

helping your work flow
...and your profit grow

Eight steps to knowing your customers better

1 Who *are* your customers? And who are your top three?

Who *are* your customers?

And no, the answer isn't quite as obvious as it seems!

There are the customers you know about - the people you talk to, and the people who pay the bills.

But there are other customers you may *not* be aware of - people you haven't focused on, who are nonetheless strongly affected by what you do, and may be key influencers to the ones who buy.

The customers you *don't* see...

So who are these 'other' customers?

Perhaps a few examples would help.

- At a hospital the patients are the obvious 'customers' - but their visitors are customers, too. And sometimes they're the most vociferous...!
- An electrician who visits a client's house to make a repair may find that various occupants have different or even conflicting requirements. The husband may want the job finished before he gets home from work. The wife may want the job done more slowly - and quietly - to avoid disturbing small children or an elderly relative.
- An IFA will usually be dealing with the principal earner in a household - but will also need to consider the (possibly very different) needs of their dependents.
- A transaction with another business can involve several different people - the one who chooses your product or service, the one who uses it, and the one who pays for it. Each of these people will have their own requirements - and their own perception of the way you work with them.





'It's difficult to identify your top customers when your attention needs to be focused on the business.'



Like to know more?
Then please call 01359 240717 for a complimentary 60-minute consultation!

And your top three customers?

Have you named them yet? If so, how did you identify them? Did you think in terms of:

- the income or the revenue you get from them?
- the profits they generate?
- the cashflow they generate?
- the frequency of their transactions (do they make frequent low-value transactions, or infrequent high-value transactions?)
- least trouble to deal with? (Be careful - like the child who is no trouble, these customers don't always get the attention they need...!)

So which of these is really the most important? How accurate is your assessment? And how up to date is it?

The truth is, it's often very difficult to identify your top customers - and their precise needs - when your attention needs to be focused on the business itself. Often you simply don't have the right perspective. That's not a fault, just a fact of life. But it is one area (among many) where a fresh pair of eyes (and ears!) could help.

And the Business Plumber has a long track record of doing just that - based on experience from a very wide range of different businesses and organisations, from one-man bands to larger private sector companies and local councils.

2 What do you supply your customers? How do you know?



The answer here may *seem* obvious. You supply electrical switches. You supply financial advice. You supply patient care. You supply... well, insert your own particular product or service here!

But is that the answer your *customers* would give?

Think, for example, about emotional benefits - aspects of your service they particularly appreciate.

You might, for example, be supplying peace of mind!

Or you could be supplying secure ordering. Reliability. Or simple consistency.

Price is important, but it isn't always the deciding factor. After all, it's often cheaper to buy food at your local market, yet the M & S branch just over the road can still compete, even though it's more expensive. Why?

When you're deeply involved in creating a product or a service, it's very difficult indeed to see what you're doing through the eyes of your customers. And it's even harder to understand how they feel about it.

That's when you need help from someone who isn't involved in the process. Someone who can see both what you think you're supplying - and what your customers think they're getting.

'You know what you supply. But would your customers give the same answer that you do?'

'Price is important, but it isn't always the deciding factor.'



Like to know more?
Then please call 01359 240717 for a complimentary 60-minute consultation!

3 Why do people buy from you? Why *don't* people buy from you?



“It’s about expectations - yours, and your customers’. If they don’t match, that’s where the problems can start...”

There’s a story about a manufacturer who produced an ultra-reliable, lightweight product. In selling terms, those were the product’s key USPs (Unique Selling Points). But their initial sales were more than a little disappointing.

What had gone wrong?

Instead of conducting a conventional customer survey, this company tried to find out what was happening at the point of sale.

And made a surprising discovery.

Potential customers liked the look of the product - but when they actually picked it up, they said it felt ‘flimsy’.

And the solution?

Simple, really. A change in the marketing to emphasise that this is a ‘lightweight’ product - changing customer expectations that ‘reliable’ equals ‘heavy’!

You may well be confident about your own product or service - and you may well have reason to be. Even so, it’s worthwhile asking your customers their opinion of it. Their answers may simply confirm you’re on the right track, but you’ll still come out ahead - *because people like to be asked!*

And don’t forget the other side of the coin. What was it that stopped some of your prospects from buying? And why did your ex-customers leave?



Like to know more?
Then please call 01359 240717 for a complimentary 60-minute consultation!

4 What's the one thing, if asked, that your customers would like you to *stop* doing?



Does that seem an odd question? If so, try seeing it from your customer's point of view!

They may love what you do - mostly. But it's human nature to be irritated by small things, and the current divorce statistics are enough to show how little frustrations can sometimes lead to bigger problems.

So isn't it worth knowing about the little things that irritate your clients? (Or even, perhaps, one or two big things!)

Put it this way. If they're irritated by something that you are obliged to do - perhaps because it's a regulatory requirement - then at least you'll have a chance to explain why you do it. (Not to mention the chance to point out that all your competitors should be doing it, too.)

And if it's something you *don't* have to do - then you can stop!

Just one problem.

We Brits aren't good at complaining. (Ask any New Yorker - or better yet, take a shopping trip with one and give yourself a crash course in assertiveness...!) So if you're addressing your question to a UK audience, word it very carefully. We'd suggest something like this (preferably said with a smile...):

"If there were one thing you'd like us to stop doing, what would it be?"

That way your responders won't think they're complaining. Instead, they'll feel they're giving feedback that will contribute to the development of your company. Which, of course, is precisely what they *are* doing!

'We Brits aren't good at complaining - just ask any New Yorker...'

'Isn't it worth knowing about the little things that irritate your clients?'



Like to know more?
Then please call 01359 240717 for a complimentary 60-minute consultation!

5 What's the one thing your customers *would* like you to do that you're *not* doing?



Like to know more?
Then please call 01359 240717 for a complimentary 60-minute consultation!

You probably have a very clear picture of the products and services you offer. You may also have an even clearer idea of the ones you don't *want* to offer!

Are your customers equally well informed?

After all, they only know what you tell them - or, to be precise, they only know what they can remember about what you've told them. Which is unlikely to be the whole picture.

So in answering this question, it's quite possible that they'll ask for something you already do!

If so, it's valuable information. It tells you there's a part of your business that could easily be more productive - with just a little help from the marketing department!

If, on the other hand, they're asking for something you don't yet do, you have the makings of a new and very productive element in your business.

And if they're asking for something you *can't* do (perhaps for legal reasons) or don't want to do (because you value your sanity, for example) then you've got a chance to explain your reasoning. Or, if necessary, to reconsider it...

So what kind of things do people ask for?

Actually it's amazing what people ask for. Take the company making a quality product in which they took justifiable pride - so they packaged it in smart card boxes.

To their amazement, their customers asked them to abandon the boxes. The typical response was that 'we have to take your product out of the box and then throw the box away, which isn't efficient and isn't exactly green either.'

Responding to this feedback, the company were able to 'ship to line' - they shipped their product in plastic trays that could be taken straight to their clients' production lines, with no need for warehouse storage.

Rather more common requests include:

More information. One of the *most* common requests. For example, people like to know about progress on their order. If you don't already do this, consider following the example of Amazon and Tesco, and letting people know exactly what's happening to their order, step by step.

If most of your customer contact is on the telephone, the same logic applies. For example, some assistants don't explain what they're doing when they go off to find a part - so the customer feels abandoned.

Even worse, some don't actually tell the customer the part can't be found. Instead, the phone goes dead - or perhaps even more irritatingly, the customer is simply left on hold, paying to listen to an endless and ever more annoying round of wallpaper music...

Take responsibility for a call. Customers hate 'telephone ping-pong' - the approach adopted by some large companies, where they are passed from one account manager to the next, required to tell their story again each time, and finally told that the person they actually need to speak to is 'unavailable'. Strangely, this approach seems to be favoured by companies with a vested interest in keeping you on the phone...

Avoid jargon. Every business needs its own jargon, and there's nothing wrong with using it to communicate with other professionals. Even so, it's important to recognise that clients and customers won't necessarily understand it - and its use can lead them to suspect they're being misled.

A 'myocardial infarction' has a specific medical meaning, but the majority of patients and relatives need to hear the words 'heart attack' to understand what it means.

And there's a good reason why most modern flat pack furniture comes with instructions that don't include a word of text. To be fair, it's probably an improvement on those notoriously dodgy translations...!

So are you getting it right? Do you give customers too little, too much, or just enough information - and is it what they need to know? And do they fully understand what you're telling them?



'Customers hate "telephone ping-pong" - being passed from one account manager to another and required to tell their story again each time.'



Like to know more? Then please call 01359 240717 for a complimentary 60-minute consultation!

6 How do your customers use what you supply?



Customers constantly surprise manufacturers and service providers with the original uses they discover for apparently straightforward products.

For example, a computer manufacturer's helpdesk was baffled by the request for a 'new cupholder' for a customer's computer - until they realised the customer was talking about the tray of the CD-ROM drive...

Then there was the more conventional cupholder in a well-known make of car that didn't actually hold the cup upright - with exciting results.

The 'leak-proof' Thermos cup that filled a customer's bag with hot coffee - because they'd been running for the train.

And the (true) story about washing machines in India being used to make a health drink called 'lassi' - recently made famous by an advertising campaign for a high street bank.

No to mention the glue manufacturer doing research on stronger adhesives - and accidentally producing a rather weak adhesive that turned out to have a very wide application. (Yes, we're talking about Post-it® notes!)

On a more everyday note, do the manufacturers of plastic credit cards realise how often they're used to scrape ice off car windscreens? And do they bear this in mind when making them?

This kind of thing is valuable information. It could, after all, lead you straight to a profitable product or service you'd never even thought about.

So when you're talking to your customers, ask them to tell you exactly what they do with your product - starting with the moment it arrives and they begin to unwrap it. (That, after all, could have implications for the way you pack it!)

Paperwork is also something you supply...

Invoices - let's face it - are a chore. Statements even more so, especially if you don't have clever software to do them for you.

But if it gets unbearably irritating, remember



Like to know more?
Then please call 01359 240717 for a complimentary 60-minute consultation!



this: the quality of your paperwork says almost as much about your company as the product or service you're supplying.

Think about it from the customer's point of view. How easy is it for them to see exactly what they've paid for - and *how* to pay for it? How clear and detailed is the information you give them? Is it obvious who and where they should call if they have any questions? And have you included your bank details for people who prefer to pay via BACS?

And how quickly do you invoice your customers? If you hate administration - or try to confine it to one day a month - that may well suit you, but not your customers. Bear in mind that smaller businesses may have tight cashflow, so if you invoice late you will only have yourself to blame if that month's budget has already been used - and you have to wait for your money...

These things aren't always easy to spot when you're in the thick of managing them yourself - so input from someone who *isn't* involved can be really helpful (and, potentially, save a lot more than it will cost.)

So it makes sense to ask your customers what they think - the only question is how to do it...



Like to know more?
Then please call 01359 240717 for a complimentary 60-minute consultation!

7 How are you going to find out?



The simplest way is to start right where you are, right now - and simply ask the next client you're talking to. Explain what you're doing, and why, and be prepared for them to say 'no' - they may not have either the time or the inclination to answer, which is not in itself a reflection on your service!

Assuming they are willing to talk, do yourself a very large favour - write down their answers. The human memory is a wonderful tool, but one of the most wonderful things about it is its ability to rewrite history.

For example, if you happen to feel vulnerable at the time, you may - in retrospect - interpret even the most innocuous answers as a damning criticism. Your written record might well show something different: for instance that the client wasn't particularly enthusiastic, but didn't actually have any complaints, either.

You can also avoid the danger of ignoring or forgetting something that doesn't seem important at the time, but turns out to be crucial later on.

However, you do need to listen - and that means cultivating the ability to give up a cherished (but false) belief. Otherwise you're not much better than the shopkeeper who says 'You're the twelfth person who's asked for that today, and I'm telling you the same thing I told all the others. There's no demand for it!'

So what's good about this kind of questioning? Well, it gives you information - even if it's not complete - and does so while your question is fresh and immediate in people's minds.

And what's not so good? Well, they're talking with you face to face (or over the phone), and if they're friendly, pleasant people they may bend the truth a little so as not to embarrass you. The result may be a rosier picture than you really should be getting. You'll also - inevitably - get rather a small statistical sample that lacks real consistency.

And the alternative?



Like to know more?
Then please call 01359 240717 for a complimentary 60-minute consultation!

You could arrange for a formal, written survey - but that, too, has its pluses and minuses.

It's tempting, for example, to give people boxes to tick rather than boxes to write in. The argument is that they're more likely to complete the survey if it doesn't take too long to do.

The snag with this approach is that it sets your survey in stone. People can only answer the questions you've thought of, in the *way* you've thought of them. And sometimes the most valuable answers are those that respond to the questions you *didn't* ask.

Solution? Give them the tickboxes if that seems sensible - but give them the chance to air their own ideas and issues, too.

And of course, most customers will only fill in a written survey if they're confident you'll actually do something about what they tell you.

Which you will. Won't you?

Of *course* you will - but if and when you do, it's also important to let your respondents know what you've done. Because if you don't tell them, no one else is likely to do it for you.

And that's where an independent advisor can help to ensure you don't miss those vital opportunities.

So just one question left to answer...



Like to know more?
Then please call 01359 240717 for a complimentary 60-minute consultation!

8 Where do you go from here?

Unfortunately - even when you've paid for a full, professional customer survey - it's not always easy to interpret the results.

It's often harder still to answer the next, inevitable question "OK, so those are the results - what are we actually going to do about them?"

And the obvious answers aren't necessarily the right ones.

For example, if respondents say they're not impressed with your customer service, then the obvious answer is more staff training. But suppose





the problem isn't really with your staff? They may be trying their best to do what you've told them - but that won't help if there's a problem with the way the business actually works. And more training won't make that problem go away.

Take the story of the council besieged with complaints from its tenants that repair staff never contacted them when work needed to be done. At first sight it seemed that the repair teams were simply being lazy and neglectful - until the teams came back to say that the computer printouts giving them their instructions consistently failed to include the tenant name and phone number...

At times like this an independent, unprejudiced view can be an enormous help - and that's what the Business Plumber can provide.

At the Business Plumber we start by recognising that no one knows your business better than you do. That, after all, is why you're doing it.

We also recognise that a little perspective can be helpful - and that's tricky when you're so close to the problem every day that you can't easily see beyond it. So our job is to point the way - and then help you and your team find your own solutions, and implement them yourselves.

In other words, we aim to make ourselves redundant.

And with our long experience of working with businesses of all kinds, large and small, and helping them to achieve the results they want, we can work with you to

- interpret the results from your survey.
- use them to analyse what's good in your business, what's not so good, and what could easily be better
- and work out a plan of action to give you the best possible return on your investment in the survey.

So where do you go from here?

Well, why not start with a free initial 60-minute consultation with the Business Plumber?

After all, you have nothing to lose but your problems...!

Just give us a call on 01359 240717 and we'll be delighted to arrange an appointment that suits you.



Like to
know more?
Then please
call 01359
240717 for a
complimentary
60-minute
consultation!