

Save Time and Money with the ALL Approach to Customer Research

Once upon a time, a chemical company developed a sophisticated, lengthy \$60,000 quantitative survey. Why? To get all the information they needed from customers like Samsung, IBM and Texas Instruments to guide their product development and investment decisions. Only a handful of customers actually finished the complex and confusing survey, squandering not only the \$60k, but also a lot of customer good will.

Quantitative research has its place. It can help to segment a market, understand market preference for a product feature or measure customer satisfaction. But it can't substitute for high-touch, one on one conversations with customers.

According to my good friend Marty Petraitis, a seasoned high-tech sales-and-marketing leader, surveys are like political polls: the answers are often predetermined by how you ask the questions. Furthermore, when trying to launch a game-changing new product, you often are only guessing at what questions to ask. You can't detect customer emotions or obtain a deep understanding of their unmet needs using a survey. Often upon reviewing the results, you realize you should have asked different questions.

A powerful way to learn about market needs, product development directions or customer pain points is talking to your customers and prospects, in depth and one on one. Uncovering unmet customer needs at a deep level is one of the pillars of solution selling. I refer to these conversations as Ask-Listen-Learn™ dialogues. These ALL dialogues can generate a lot of valuable information quickly and cost effectively. Whereas executing a sophisticated quantitative survey can take months, the ALL dialogue approach can yield valuable insights in a few weeks.

Some thoughts on the ALL dialogue approach:

- Prepare a list of open-ended questions to use during the dialogues - but don't be a slave to the list. Conduct a conversation with the customer, not an interview. Be ready to ask follow-up questions based on customer statements.
- Target 10-15 discussions. What I've noticed is that after about 10 discussions, we can start to predict how the customer will answer the questions. When the answers get predictable, you can be confident you have the data you need.

- Be respectful of the customers' time. You can obtain a tremendous amount of information in 30 minutes.
- On the other hand, remember you are providing customers with a valuable opportunity to influence the future direction of a supplier (or potential supplier). After many years of conducting this type of research, only a small percentage of customers have cut the interview short. Most customers are thrilled to provide input.
- Conduct the discussions with at least one other member on your team. It is more interesting this way. After each discussion, it is helpful to analyze what was just discussed. Also, one person can focus on asking the questions and another can take notes.
- Follow-up on any action items that come up during the conversation. This will build credibility and give you a reason to maintain a dialogue with a customer.

I worked with a leading electronic components supplier that understands how to conduct ALL dialogues effectively. To support the launch of an innovative product, they conducted 12 ALL dialogues with its early adopters. One of the benefits, according to the product manager, is they learned they needed to refocus their product development effort away from complex technology improvements that the customers did not care about.

Instead of spending money on new features, they found quick hits in simple process improvements that enhanced the customer experience. In addition, they were pleasantly surprised by the depth of customer loyalty. The ALL dialogues enabled them to save several millions in R&D investment and revise their go-to-market approach to better leverage the early adopters.

The chemical company that wasted \$60k would have been better off listening to 15 customers before they thought about a quantitative survey. If nothing else, they would have designed the survey better.

--Author [Neil Baron](http://NeilBaron.com) can be reached at nbaron@baronstrategic.com