

Understanding Your Customers Needs

Only your customers know what they truly think of your product and service, and why they purchase yours as opposed to someone else's. It follows therefore, that to understand their needs; the most reliable way is to ask them.

This is not so say this is an easy exercise, but efforts spent in contact with your customers are usually well repaid in terms of good insights as well as improved relationships.

The following layout may be useful for structuring an analysis:

Customer.....Qualitative satisfaction level ... (say out of 100)

Product / Service	Key motivators for buying this type of product or service	Key motivators for buying your product or service	What improvements would the Customer like to see	What negatives need to be eliminated
	1.	1.	1.	1.
	2.	2.	2.	2.
	3.	3.	3.	3.
	4.	4.	4.	4.
	5.	5.	5.	5.

The information gathered will need to be aggregated from individual customer level to a summary of strengths and weaknesses as perceived by the total population of your customers.

To be useful however the next step (and perhaps the more difficult) is to determine what initiatives are needed to reinforce and enhance the strengths of your offer and what are needed to reduce or eliminate any weaknesses.

Start with the highest priority two or three strengths and weaknesses.

Setting the priority is not always easy because of constraints: capability, financial resources, other resources or timescale. Select the things you can do and that will have a positive impact from your customer's point of view as quickly as possible.

Summarize your actions in a document which can form the basis of business objectives that can be used in a business plan as well as a SWOT analysis.

When progress has been made on the highest priority re-evaluate the situation with your customers and work upon the next priorities.

Strength	Initiative to be taken	Expected impact	Time scale
1.			
2.			
3.			
4.			

Weakness	Initiative to be taken	Expected impact	Time scale
1.			
2.			
3.			
4.			