

BASICS OF BUSINESS

Is There a Need for Your Product or Services?

One of the first steps in marketing is to look at the target audience for your products or services and to identify one or more market segments. A market segment is a smaller group of potential customers with shared traits, interests, behaviors, usage patterns or lifestyles. While some companies mass-market to the total audience, many small businesses identify a select group of customers and focus on meeting their needs. Let's look at why a customer buys.

Motives for Buying. To effectively create products and marketing messages, you need to know the motives, functional and/or emotional, that cause your customers to buy. When the marketplace has a functional need, people want a product or service that provides rational benefits. An intangible need exists when a customer wants a service that comes with expertise, time savings or value. Developing and offering distinct features, a lower price, elite service, better materials, environmental responsibility, nutritional value or an all-in-one solution are ways to distinguish your company's brand.

Types of Customer Motives The first step toward creating the types of customer experiences that result in happy customers is by understanding the customer's motive that prompts the customer to buy. Here are the 16 most common types of customer needs divided by product needs and service needs

Product Needs Examine how your customer's needs match what you are providing.

- **Functionality** Customers need your product or service to function the way they need in order to solve their problem or desire.
- **Price** Customers have unique budgets with which they can purchase a product or service.
- **Convenience** Your product or service needs to be a convenient solution to the function your customers are trying to meet.
- **Experience** The experience using your product or service needs to be easy — or at least clear — so as not to create more work for your customers.
- **Design** Along the lines of experience, the product or service needs a slick design to make it relatively easy and intuitive to use.
- **Reliability** The product or service needs to reliably function as advertised every time the customer wants to use it.
- **Performance** The product or service needs to perform correctly so the customer can achieve their goals.
- **Efficiency** The product or service needs to be efficient for the customer by streamlining an otherwise time-consuming process.
- **Compatibility** The product or service needs to be compatible with other products your customer is already using.

Service Needs

- **Empathy** When your customers get in touch with customer service, they want empathy and understanding from the people assisting them.

- **Fairness** From pricing to terms of service to contract length, customers expect fairness from a company.
- **Transparency** Customers expect transparency from a company they're doing business with. Service outages, pricing changes, and things breaking happen, and customers deserve openness from the businesses they give money to.
- **Control** Customers need to feel like they're in control of the business interaction from start to finish and beyond, and customer empowerment shouldn't end with the sale. Make it easy for them to return products, change subscriptions, adjust terms, etc.
- **Options** Customers need options when they're getting ready to make a purchase from a company. Offer a variety of product, subscription, and payment options to provide that freedom of choice.
- **Information** Customers need information, from the moment they start interacting with your brand to days and months after making a purchase.
- **Accessibility** Customers need to be able to access your service and support teams. This means providing multiple channels for customer service.

How to Identify Customer Needs

- **Use Existing Data** Most likely you have some customer data already. Taking note of who your current customers are and their past interactions with your brand gives you a better idea of where customers are coming from and if you're meeting their needs
- **Solicit Customer Feedback** When trying to identify consumer needs, go straight to the source. This can be done using surveys that live on your site, or sent via email.
- **Customer Journey Mapping** To better understand and assist customers, you'll need to first know what phase of the customer journey they are in and what they're looking for.
- **Input from Service Team** In addition to getting customer feedback, it's important to consult those who work with them most — your service team. They'll often have insights you may not be privy to and can help you anticipate the needs of your customers as well as solve existing issues.
- **Study Competitors** It's common to study competitors when conducting market research, but you should also consider them when identifying customer needs.
- **Social Media Listening.** Take advantage your customers use of social media channels by using it as a way to listen in on what they are saying about your products and your competitors.
- **Research** How are customers finding your brand online and what are they typing into the search box to find it?

Customer Needs Analysis

A customer needs analysis is used in product development and branding to provide an in-depth analysis of the customer to ensure that the product or message offers the benefits, attributes, and features needed to provide the customer with value. This survey should primarily ask questions about your brand and competitors, as well as customers' product awareness and brand attitudes in general. You should analyze those answers to determine the primary reasons why a customer would buy your product. Those buyer reasons can be divided into three main groups:

- **Features:** A customer buys a product or service because of the features included in the purchase.
- **Benefits:** A customer buys a product or service because of a benefit, real or perceived, they believe it will offer them..
- **Values:** A customer buys a product or service for unique, individual values, real or perceived, they believe it will help them fulfill.

As you gather data from your customer needs analysis, it is also important to identify the points of friction that your customers experience and the moments in their journey that provide unexpected delight. Ask yourself: What can your company change?, What are the elements that you can build from?

How to Solve for Customer Needs

The first step to solving for your customers is to put yourself in their shoes: If you were the customer when we purchase your goods, use your technology, or sign up for your services, what would prevent you from achieving ultimate value?

- **Offer consistent company-wide messaging.** Too often customers are being told a product can do one thing from sales and another from support and product. If the entire company understands its goals, values, product, and service capabilities, then the messages will easily translate to meet the customers' needs.
- **Provide instructions for easy adoption.** Customers purchase a product because they believe it will meet their needs and solve their problem. If best practices aren't specified at the start and they don't see value right away, it's an uphill battle to gain back their trust and undo bad habits.
- **Build feedback loops into every stage of the process.** Lean into customer complaints and suggestions, and it will change the way you operate your business. If you flip problems to opportunities you can easily improve your business to fit the customer's needs.

Nurture customer relationships. When a customer buys a product or service, they want to use it right away and fulfill their immediate need. Whether they are

delighted within the first hour, week, or a month, it's important to constantly think about their future needs.

- **Solve for the right customer needs.** understanding whose needs you can fulfill and whose you cannot is a major step toward solving the right problems. All customers' needs *can't* be treated equally and a company must recognize which problems they can solve and ones that aren't aligned with their vision.
- **Provide great customer service** If a problem arises, your customers want to get it resolved and feel heard in the process. This starts with being able to meet their needs with empathy, but along the way, the process for obtaining support should be easy and on a channel that's convenient for them.

Some customer needs are time-sensitive and require immediate interaction via phone or chat. Others are less critical and can be resolved at a more casual pace.

Types of Customer Service Here are the types of customer service and how each optimizes your ability to fulfill customer needs.

- **Email** is one of the most fundamental forms of customer service. It allows customers to fully describe their problems, and it automatically records the conversation into a resourceful thread.
- **Phone** When customers have problems that need to be answered immediately, phones connect customers directly to reps and create a human interaction between the customer and the business.
- **Chat** is one of the most flexible customer service channels. It can solve a high volume of simple problems or provide detailed support for complex ones.
- **Social Media** is a relatively new customer service channel and businesses are now beginning to adopt it as a viable service option because social media lets customers immediately report an issue.
- **In Person** as the oldest form of customer service in-person customer service is great for businesses with strong service personnel.
- **Call Back Service** is defined by how efficient you can make the experience, it's not always about how quickly your business can provide a solution.
- **Customer Self-Service.** This approach teaches your customers how to solve problems independently. Customers can navigate to your knowledge base and access resources that help them troubleshoot issues on their own.
- **Interactive Virtual Assistants** These features show that you're thinking about how you'll support customers and what services you can adopt that will make their lives easier.

- **Integrated Customer Service.** Integrated service can be described as all of the little things, both proactive and reactive, your brand does to remove pain points from the customer experience.

There's no "best" type of customer service. When used together, each medium compliments the other and optimizes your overall performance.

What Do Customers Want in a Typical Customer Service Situation?

It's important to note that customer service is reactive. That said, there are a few things to keep in mind to ensure you're providing excellent customer service.

- **Listen:** While it's normal to want to quickly get customers in and out of your service queue, it's important to actually listen to what their issue is before giving them a solution.
- **Don't Make Customers Repeat Information:** No one wants to answer or submit the same questions repeatedly. Not only is it inconvenient, it shows the customer that no one is listening or paying attention.
- **Be Pleasant:** Tone is much harder to convey over written communication and can unintentionally come across as cold. To convey some warmth you could introduce phrases like "I'd be happy to help with that," or "Hope your day/week is going well."
- **Be Responsive:** Not only do customers want their problem solved, but they prefer it's resolved quickly. If you can't solve their issue easily when they first contact you, set expectations around when it will be resolved and keep them in the loop.

What Result Do Customers Want?

Simple Solutions Keep your messaging simple and focus on how your brand will solve the customer's problem.

Personalization Treat your customers like people and not numbers Use their name in communications and tailor your messaging to the buyer persona they most closely align with.

Value Does your product or service outperform the competition or provide a more cost effective solution for consumers? If so, drive that point home in your messaging.

Transparency One of the easiest ways to build trust with consumers is to be transparent. Be honest about your product or service's capabilities and pricing whenever possible.

Accessibility While it is always encouraged to empower customers to help themselves with features like a knowledge base, getting extra assistance when they need it shouldn't be difficult and should be responsive to consumer needs.