

That's Great Advice, Charlie Brown:

New Rules for Mining Customer Intelligence

BY CHIP R. BELL AND JOHN R. PATTERSON

Surveys, focus groups, printouts, graphs and stacks of paper plague your desk – soon you are working in a data dump. Best selling tomes tell us to “get to know your customers’ needs” while the boardroom is demanding that we “get lean or get lost.” The demands of the competitive arena to attract and retain customers are ever increasing. Suddenly, you feel caught in a squeeze play and longing for more simple times.

We think the lessons from simple times can be instructive in how we balance competitive necessity for timely customer intelligence with the corporate constraint of ‘we perform fast with high-quality and we’re cheap.’ We found new rules for mining customer intelligence in a 1975 Peanuts comic strip. We marveled at how timely it has remained and how insightful it still is for today’s challenging business environment.

Peppermint Patty interrupted her day dreaming to ask Charlie Brown, “Do you know any good rules for living, Chuck?” As if he had been waiting for days for that precise question, Charlie began to lecture: “Keep the ball low, don’t leave your crayons in the sun, use dental floss every day, give four weeks notice when ordering a change of address, and don’t spill the shoe polish. Always knock

before entering, don’t let the ants get in the sugar, never volunteer to be program chairman, always get your first serve in...”

As Charlie was taking a breath to continue, Snoopy approached the two, lunch pail in his mouth. Walking away with his dog, Charlie added one last rule, “...and feed your dog whenever he’s hungry.”

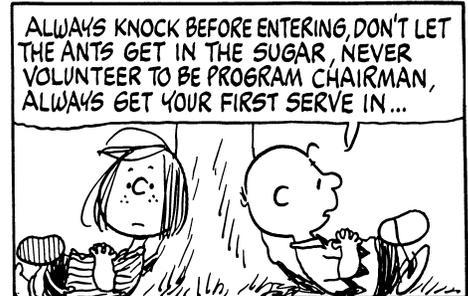
Charlie’s advice is on target for developing a method for gathering focused, effective customer intelligence. Our new rules are designed to restructure old, obsolete habits and nudge us toward new, more effective approaches. As customers expectations and standards for excellence continually change, experts substitute the tried and new for the tired and ineffective.

“Keep the Ball Low”

Successful organizations are focused organizations. Low balls (whether in tennis or baseball) are generally delivered with laser-like focus that executes precision and gives the competitor less time to react. The heyday of shotgun customer feedback is long gone. Organizations cannot afford the “annual survey” that asks customers a horde of soup-to-nuts questions yielding a mound of data with

PEANUTS

featuring
"Good ol'
Charlie Brown"
by SCHULZ



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impressive graphs but rarely mapping a blueprint to improve customer loyalty.

Focused customer intelligence starts with an “if you could only ask the customer one question, what would it be” mentality. Such economy is predicated on the belief that we build on what we already know, impress the customer with how well we can cut to the chase and efficiently zero in on what truly matters. It suggests we do lots of homework before the first focus group convenes.

Remember the last survey that was supposed to be only twelve questions... then every department had a “you-must-ask-this” addition? Or the focus group that at the last minute was inundated by a gaggle of curious onlookers spoiling the interviewees need for intimacy? Customer intelligence requires courageous advocacy and persistent focus on what works for customers rather than making each department feel they are being represented.

“Give Four Weeks Notice When Ordering a Change of Address.”

Charlie’s message is this: always use a realistic planning horizon to get things done. Decide which customers you should communicate with, and determine the best way to

do so. Do you have all the needed customer contact information accessible? Who needs to know you are undertaking this effort and what do you tell them? What follow up communication will be required?

Realistic planning also includes less obvious curve balls like: Will there be a language/cultural issue in data collecting? How will the customer’s employees and their customers be impacted by this effort? What are the unexpected mines that we might encounter? How will customers know we are both sincere and serious? What’s the worst thing that might happen from this endeavor? These are questions that you need to ask yourself before any contact with the customer.

Failure to follow Charlie’s rule about using an appropriate planning horizon can lead you to shortcut the process, adversely impacting the results of your feedback efforts and embarrassing your company in front of customers and employees. Plus, failure to do appropriate planning may cost you more – today’s worst consequence!

“Always Knock Before Entering”

Only fans and foes care about setting you straight. The big crowd that falls between the far ends of the contin-

uum needs your special enticements to share their suggestions and assessments. Careful attention should be given to how you encourage honesty from a population uninterested in “telling it like it is.” The dollar bill attached to the survey may appear to be a guilt-tactic. The discount coupon for your thoughts could border on bribery. These strategies may unearth an unenthusiastic but compliant customer, who may give the superficial facts that will inform, but not the “straight-from-the-gut” frankness that instructs.

Think about the pursuit of customer candor as similar to getting your fifteen-year old child to open up to you. Most responsible parents want their child to be honest all the time about the key events and feelings in his or her life. Bribes, guilt trips and what’s-good-for-you sermons might induce them to talk, but are not likely to influence them to volunteer. To get trust, you must show trust; to get honesty you must be conspicuously honest.

“Knocking before you enter” implies showing extreme respect for customers. Respectful behavior would never include high pressure, cute tricks or dinnertime phone calls. It includes surveys that read like a conversation with a friend, not a research project from a grad student. Respectful behavior includes valuing the customers’ input to let them see what impact their input had on performance.

“Don’t Spill the Shoe Polish”

Shoe polish typically gets spilled because the user is so enamored with the shine emerging from the shoe that attention is taken off the bottle of shoe polish. Customer intelligence can occur in a similar way. Data collectors can fall in love with their reports and statistical wizardry.

The customer’s concept of value also perpetually changes. Every service experience the customer has with your company alters their expectations for future encounters. Customers today want every service experience to be FedEx fast, Amazon.com easy, Disney friendly and Southwest Airlines thrifty. It means customer intelligence is gained through a never-ending and perpetual search, utilizing a myriad of methodologies and collection points not through an occasional check.

Wise organizations look for countless ways to gain intelligence about their customers. First on their list of data collection resources are the customer contact ambassadors who encounter consumers daily. Such organizations make the front-line associates valued listening posts by getting their input, respecting their knowledge and seeking their counsel. These organizations view customer intelligence as a dynamic process and not as an occasional event.

“Don’t Let the Ants Get in the Sugar”

We have all had the experience of a wonderful outdoor occasion ruined by ants getting into food. Similarly,

certain individuals who inappropriately delve into the process can spoil the effectiveness of a customer intelligence effort. First among the “ants” are consultants collecting customer feedback with little involvement on the part of the organization. Consultants also give expert advice rather than facilitating client discovery, telling rather than supporting.

While expertise can be a boon to corporate learning, it is for naught if it fosters dependence on the consultant. Organizations that delegate customer intelligence efforts soon lack the allegiance and ability to be in control. Instead, they turn their attention to more pressing issues.

“Ants” can also be senior executives of the company getting involved in the technical details of the customer feedback effort typically either derailing the effort or slowing the progress to a standstill while all other viewpoints are considered.

“Never Volunteer to be Program Chairman”

Great service companies know that treating the customer like a partner is far more conducive to devotion than treating them like a consumer. Before launching products or implementing service, they seek customers’ participation. Courtyard by Marriott was built around comments from business travelers and what they viewed that was important in a hotel. The Harley-Davidson cult-like following is not about a bike but about a shared experience. BMW lets new Mini Cooper owners who paid a deposit go online and watch their auto being built. Customers care when they share.

Companies committed to providing world-class service know customers want and expect to actively help them solve service problems. These companies seize every opportunity to mine for gold in terms of developing an in-depth understanding of how their customers think, why their customers use certain products and services and how their customers value them. Those who take a very active role also have learned to probe deeply into what customers would value in new innovations and services most critical to customers’ businesses.

The only way to accurately understand these issues is to proactively listen to your customers. Proactive listening is not sending out the typical customer satisfaction survey based on a recent purchase or sending it out annually on a programmed time frame. Rather it is face-to-face conversations with customers on a regular basis. Companies who make a commitment to actively engage their customers in providing feedback constantly look for ways to talk with and listen to their customers.

“Always Get Your First Serve In”

Accuracy on the first serve in tennis keeps you from having to play conservatively on the second and final serve. The first serve is your best opportunity to keep the competition guessing and off-balance. So is

customer intelligence. Today's fast paced business climate requires taking every advantage to attract and keep loyal customers. Companies today don't need satisfied customers. They need highly devoted and extremely loyal customers. Devotion takes targeted innovation predicated on timely information with high value. Borderline clairvoyance regarding customers' present and future requirements is tantamount to being able to rapidly produce and deliver those products or services that exceed their needs.

"Don't Leave Your Crayons in the Sun"

With a few exceptions, customers would rather do business with organizations that demonstrate progress and improvement with a few hiccups than one that stayed the same and never made mistakes. Customer intelligence is a tool, not just for getting things repaired but also for improvement. With enhancement typically comes failure, and smart organizations are those anxious to get real time, rapid customer feedback as a tool to guide the implementation of the "new and improved."

Take a look at all the time-sensitive customer learning methods employed by your organizations. Focus groups take time to plan and organize, surveys take time to plan and implement. But, front-line intelligence happens every minute your organization is open for business. Creating listening posts out of the front-line is crucial to timely feedback that drives timely adjustment.

Making the front-line a valued listening post takes far more than asking the call center employees to "let us know if you hear anything valuable." It entails training employees on what to listen for. It includes providing a simple and rewarding means for their shared learnings. Most of all, it encompasses making their learning efforts valued and including them in the process of improvement.

"Feed Your Dog When He's Hungry"

Timing is of the essence when it comes to customer intelligence. Too often when we ask is prompted by how long it has been since we asked.

Timing also relates to the management of the intelligence within the organization once it has been gathered from customers. Organizations that place inordinate emphasis on only distributing data to the masses that has been analyzed, categorized and sanitized risks denying the front-line the capacity for a timely response. Feeding employees with timely, yet unrefined information from customers signals to them that they are mature enough to sort out what is relevant and what is not. We all trust communication that comes to us authentically.

Timing also relates to what the customer experiences with the customer intelligence that has been gathered. Customers who fail to see any comeback from their candor generally conclude that the recipient does not

value it. This does not imply we always perform what customers request. It does mean that we always adhere to actions that ensure customers feel heard and valued.

Charlie Brown's 'rules for living' can be valuable tools for planning and executing the gathering of customer intelligence. But the "Peanuts" comic strip had two final frames. "Will these rules give me a better life, Chuck?" Peppermint Patty asks as he exits the strip to feed Snoopy. Charlie's closing line gives hope to us all: "A better life...and a fat dog!" ■



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