

Customer Research
Organizational Consulting
Strategic Leadership and Change

Alan Cay Culler
160 West 95th St. # 8A
New York, NY 10025
Tel: 212-531-4100
Fax: 646-698-3501
Email: alan@alanculler.com

EXECUTIVE CUSTOMER INTERVIEWS

This is the “Information Age,” the age of bar codes, data bases, People Meters, perceptual mapping, and a host of quantitative market research techniques that can give us more data about who buys products and why than at any other time in recorded history. I was therefore unprepared for the power of a rather simple customer focus technique. I just asked some executives to talk to some customers and tell their colleagues what they had learned.

What astounds me is that this simple exercise can create in-depth discussion of:

- ◆ Strategy, especially profound strategic change
- ◆ Quality
- ◆ Service
- ◆ Market segmentation and niche marketing
- ◆ Competition, and
- ◆ Internal and/or marketplace issues.

Much of my work as a consultant has been helping to guide companies undergoing strategically directed organizational change. In 1984, while working for an international airline, I interviewed customers in the ticket queues at Heathrow Airport about service. Interviewing people who are waiting in line about waiting in line can produce some hostile reactions. In executive meetings my efforts to relate the depth of that anger met with disbelief. This airline had customer service reports detailing that satisfaction with queue length was a 4.3 on a 5.0 service problem survey scale. This was sub-standard; my data was not news, but it just didn't appear “that bad. Somehow, I enticed a few executives to accompany me on some interviews. The change in perspective for them was eye opening. Action followed more quickly.

Some years later, I facilitated a meeting at radio advertising sales organization. These senior account executives who had traditionally called on media buyers at advertising agencies. The firm was changing strategy and moving toward higher-level calling because senior agency personnel were asking for a different kind of service. The agency media buyers resisted, as did the rep firms' salespeople. They wanted the strategy rescinded. “Just go talk to one media planner and one media executive; get to

understand their needs. Take notes or tape record the meeting. Then we'll talk about it."

Everyone came back with an understanding that buys were being further shaped by these higher level customers who understood very little about the radio medium nor the services of this organization. The point was made and the meeting was spent strategizing on how to resolve different customer expectations (not lobbying to abandon the controversial strategy).

Another time I was facilitating a one-week leadership development session for a domestic auto-maker. As a group we had jawboned about perceived quality and dealer relations and had just sat through a mind-numbing presentation of domestic auto market segmentation, complete with darkened room and colorful slides of a thirty-six segment matrix.

The lights came up and Pete, the cigar chewing national sales manager for the luxury marque, spoke up in New Jersey brogue:

"That was really pretty. It's just when I meet a person in the showroom I have a hard time figuring out which one of those pretty colored boxes he's supposed to be in."

My colleague and I said, "OK, go out on the street here in Detroit and talk to some customers. You have two hours. Come back and tell us what you've learned."

We got reports of many sides of the customer experience: a dealer telling us "live" about how it feels to "try to tell Detroit anything," a man who eloquently shared what quality meant to "the care of his wife and child," and a panoply of real customer needs that more or less placed customers with others of similar needs (in segments that could be represented graphically as little colored boxes).

This is not a technique that is meant to replace good statistically valid quantitative market research.

It produces qualitative data, anecdotal data intended to personalize the information of a quantitative study. It brings executives face to face with customers to gather data upon which they report to their colleagues in order to inspire action in a way that the linear regression of the quantitative study often fails to do.

Let me point out that in all these examples three elements are present:

1. Executives were engaged in a group meeting where the objective was to solve problems associated with implementing strategy.
2. The executives gathered the data themselves. In some instances I helped them by suggesting some questions, but they formulated and asked the questions.

3. They collected (through note taking or recording), analyzed, synthesized and then formally presented the data to their colleagues.

This exercise can also help to build customer relationships. My experience is that customers are usually flattered to be asked their opinions. They expect answers to questions and often expect the right answer, as well: don't ask passengers how they feel about standing in line if you're not prepared to get another ticket window open, even if you must man it yourself.

I've experimented with several structures for bringing customers and executives together:

- ◆ **The customer site visit** - a group of executives visit a customer site to determine how their product is being used.
- ◆ **The invited customer tour** - a group of customers is given a tour of the executives' site. Questions are asked about the effect of service and quality strategies. This is not a sales pitch and will backfire if you corner customers and bombard them with product bells and whistles.
- ◆ **The informal chat** - a group of customers are invited to discuss their needs as a focus group. However, an executive is present (even if there is a professional facilitator). It is also beneficial if the setting is informal; this means arm chairs and no one-way mirrors.
- ◆ **The scripted interview** –a group of executives agree in advance on the type of information and questions to be asked. This can eliminate spontaneity but will standardize the data for comparison purposes. If a large qualitative study were to emerge, then sample selection and content analysis of data would become issues. (It is possible to get carried away with what is a very simple exercise).
- ◆ **The audio or video recorded interview** – like the interview described above except that the executive asks for permission to record and asks some “softball questions” first to put the customer at ease. The customer soliloquy about the effect of quality on his family was audio-taped and produced an emotional connection I don't believe any executive presentation could have matched.

Video can also be an effective tool. I've seen video used to demonstrate what the small businessman wants from a commercial bank lending officer and to outline what one professional services firm expects when they refer clients to another. I've even seen a California retail bank manager load all his people in a bus on a Saturday and drive around interviewing customers and residents in his resort community, taping the entire event.

Video brings special challenges. Sometimes people ramble so editing may be required. Also, you really want the customer to forget about the tape, so a stationary tripod is best for interviews. If someone is acting as your cameraman ensure that he doesn't get carried away with the technology and resists unnecessary zooms and pans. Remember

that people have grown accustomed to production quality television. A little home video is refreshing; more than fifteen minutes will pale compared to Disney.

As effective as audio and video can be, I believe that for the purposes of this rather simple exercise note taking is a sufficient record. I most often leave this decision to the discretion of the executives.

In my view, the content and structure of the data gathering is less important than the presence of all three of the previously described elements. There must be a **forum to use the data**, the **executives must gather it themselves**, and, finally, the **executives must present the data and its implications to their colleagues**. In so doing, executives take responsibility for the data. They humanize the concept of being “close to the customer.” They personally engage customers and as a result of that interaction can choose to use their leadership to improve the customer relationship.