Chapter **1**

Researching Your Customers, Competitors, and Industry

One of the biggest mistakes any marketer can make is to assume. As a marketer, you need to be aware of assuming that you know what your customers think about your brand, products, overall category, and what inspires them to purchase or not. Just as dangerous is assuming that your customers are just like you. Chances are they're not. Making assumptions about the marketplace, trends, and your competition is also not a good idea.

The foundation of any successful marketing plan is a solid research programme, and with all the technologies and sources available today, it's easier and more affordable than ever. Your research plan is your guide to how your customers decide what they like or don't like about your brand, expectations they have for products and customer service, their level of potential loyalty or attrition, and so on. It

should also include insights about your category, local markets, and competitive landscape.

Regularly conducting surveys among your customers and prospects is essential to staying on top of what drives your customers to purchase from and stay loyal to you and how likely they are to refer others, which is critical to any company's success.

In addition, reviewing secondary research such as consumer trend reports, white papers on emerging technology, and market analyses and projections should all be part of your body of knowledge as you craft your product and marketing strategies.

This chapter outlines some tips and tactics for surveying customers to gain a better understanding of what really inspires your customers to act, how they process information, and what matters most to them. You also find suggestions for researching your competitors and determining how best to use your resources.

Knowing When and Why to Do Research

Research provides valuable insights about your customers, competition, and industry to help you make informed and thus better decisions about your brand positioning, messaging, offers, engagement activities, media purchases, and more. You can also use various methods to help you test your marketing campaign ideas and their likelihood to succeed before spending a lot of money on execution.

Following are some guidelines for gathering insights, information, and expectations about your market and consumers that will help you make wise decisions and communicate with spot-on relevance for your various consumer segments.

Monitoring social chatter to better understand your customers

In a world where trends change almost daily, or so it seems, so do the demands, expectations, and interests of consumers. The good news is that with all the social media outlets that capture consumers' thoughts, likes, shares, and other expressed interests, you can monitor the issues, attitudes, ideas, inspirations, and aspirations that are most on the minds of your consumers. This kind of information can stimulate your own imagination and new strategies while helping you see new business opportunities.

REMEMBER Don't fall into the trap of doing all your customer research online. Make a point of talking to people face to face, in groups and individually. Carry an idea notebook in your pocket or purse and try to collect a few insights from people every day. This habit gets you asking salespeople, employees, customers, and strangers on the street for their ideas and suggestions. You never know when a suggestion may prove valuable and lead to another.

Popular social media outlets

Get started by identifying the social channels your customers most use and follow in general as well as your subsegments. And follow them yourself. The most common among young and more mature adult audiences include

- » Facebook (www.facebook.com)
- » Twitter (www.twitter.com)
- » Pinterest (www.pinterest.com)
- » LinkedIn (www.linkedin.com)
- » Instagram (www.instagram.com)
- » Flickr (https://flickr.com/)

REMEMBER Social media moves so fast that what is popular one day could be gone or passe the next. Stay up to date so that you can be sure you're using the best channels to make your social media strategy successful.

Note what news, stories, photos, and videos are trending the most and what themes are getting the most likes and shares. Once you identify where you customers spend most of their time online, join those channels and then join the conversations. Monitoring and engaging in dialogue with customers and prospects provides the best information of all.

There are many ways you can also set up online monitoring of your business name or keywords. Google Alerts is one of the largest, and you can set up keyword monitoring or even phrases. You choose if you want daily or weekly alterts. Other services are available to help speccially monitor social media mentions, the most common being Hootsuite. Hootsuite has a free option that will let you monitor up to three social profiles. (A social profile is a social media account, like your Twitter account, Facebook profile [or page], Instagram, or YouTube.)

TIP Take advantage of your own social media followers. Ask your virtual friends on LinkedIn, Facebook, and Twitter what's on their minds and for opinions, suggestions, and ideas about topics of interest related to your industry. You're not likely to get enough feedback to have statistical significance for any new idea or

recommendation, but you'll gain insights on how some of your customers feel and identify trends you may want to research further.

Photo sites such as Pinterest, Flickr, and Instagram are highly visual, with members' selections of photos, graphics, and other visual art that provide insights into how people are thinking, feeling, and living and how trends, needs, and concerns are evolving. By studying such websites, you, too, can be an anthropologist of sorts, studying your own culture to seek business and marketing needs and opportunities, or even just to update the vocabulary, terms, or *shortcode* (abbreviated terms or acronyms for common phrases, such as LMK for "let me know") you use in your marketing communications.

Blogs

Other outlets you need to monitor are influencer blogs. No matter your industry, there are many voices out there, and you need to identify the ones your customers most listen to. For example, if you're positioning your products for those who value minimalist living, subscribe to the most popular blogs available. Today, one of those is The Minimalists, which is written by two leading subject matter experts with more than 4 million readers. Chances are they have a lot of influence on what products their followers view and purchase.

Bloggers are some of the most powerful influencers, so pay attention to what they say and recommend. After you identify the influencers in your market, be sure to not only subscribe to their blogs but also work to come up with blog or story ideas that support your products and encourage them to write about them. Just like journalists, they're always looking for new ideas, products, and insights to write about so that they can be relevant and gain more followers. These people should be on your lists for sending press releases, news bulletins, story ideas, and so on.

It is important to also pay attention to using links in blogs to help increase SEO optimization. Both internal links that drive to your own website and external links will help.

REMEMBER

When asking for input and information on websites and in virtual web communities, be honest about who you are and why you're asking for advice. If you tell people you're in charge of marketing your product and want to know what they think of your new ad, many people will offer their views freely. If, however, you pretend to be someone outside the company who's just trying to insert business questions into an innocent chat, people will see through you, and the loss of trust will outweigh any potential good you could have gained. Honesty and transparency are the keys to successful research in online communities.

Monitor blogs and social and news sites to read what people are saying about your category, competitors, and maybe even your brand. Take note about what makes them happy or not so happy, and identify appropriate actions to avoid making mistakes.

Following thought leaders to get current with reality

In addition to surveying your customers about their expectations from your category and brand, you can identify opportunities for your business, analyse choices, and determine product development plans by following thought leaders in your category and general business areas.

For example, if you want to see how other businesses spend their advertising budgets, you can find many associations and think tank organizations that provide insights on this every year. Knowing how similar or complementary brands are spending their advertising dollars can give you some insights on what is most likely to pay off and what channels are getting the most attention from consumers that you target as well. Large brands — business-to-business (B2B) and business-to-consumer (B2C) sectors — spend thousands on research to determine the best path to a strong ROI, or return on investment, so pay attention to what they're doing.

Some sources for learning how both B2B and B2C brands are spending their advertising and marketing resources include

>> Winterberry (`www.winterberrygroup.com/`)

>> HubSpot (`www.hubspot.com/`)

>> The Data and Marketing Association (formerly the Direct Marketing Association; `https://thedma.org/`)

>> Statista (`www.statista.com/`)

>> eMarketer (`www.emarketer.com/`)

Whatever decisions you're turning to research to help you make, it helps to plot out the variables so you can see clearly the pros and cons and the opportunities and risks. Table 1-1 is a sample decision grid to help you get started. Plotting out the information you collect and insights you gain can help you visually see any situation more clearly and guide your decisions in the right direction. You can plot out questions for customer campaigns, media buys, product development, partnerships and alliances you seek, and so on.

TABLE 1-1   **Analysing the Information Needs of a Decision**

Decision	Information Needs	Possible Sources	Findings
Choose between banner ads on influencer blogs or websites and e-mail advertisements to purchased lists.	How many actual prospects do the blogs and websites under consideration actually reach?	Sales reps and media kits are initial contact points.	Three leading blogs covering our industry have a large following, but only half of these are among our top prospects. May not be worth it?
	What are the comparable costs per prospect reached through these different methods?	Analyse costs for each method and number of people reached. Divide cost by number of people and compare.	E-mail to purchased lists is one-third the price of banner ads on key blogs.
	Can we find out what the average click-through and response rates are for both approaches?	Contact other advertisers to learn about their ROI and quality of leads generated form sites listed.	ROIs from other advertisers are below expectations for our current budget.
	Which channel is most used by our larger competitors? And what is the average return?	Ask for client references from e-mail list brokers.	Quality of leads from banner ads are not as strong as those we can purchase from target opt-in lists that have been identified as likely to buy within 30, 60, or 90 days.
	What e-mail lists are available that replicate readers of sites with most industry presence?	Review industry averages for e-mail results from sources such as HubSpot.	Extra cost may have higher ROI in long term.
		Review media analysts' sites for ad spends and average return on web banners versus e-mail.	Banner ads are producing lower results than in past years and reach many people we don't need to reach right now. We need outlets that produce leads more than brand awareness, which seems to be the biggest value for the sites we've monitored.
Conclusions?	We need to find websites that cater to more specific, targeted audiences but cost less.	We can do this by identifying influencer blogs with small readership and small fees to maintain awareness among key audiences.	Our current plan should be to buy targeted lists while looking for smaller, less expensive sites to introduce our brands and identify future lists.
		We can find e-mail lists that replicate these readers from various sources.	

List the decisions you need to make and map out your questions. Creative information–gathering is key to determining the best answers. Figure 1–1 depicts a market research process that can be of value.
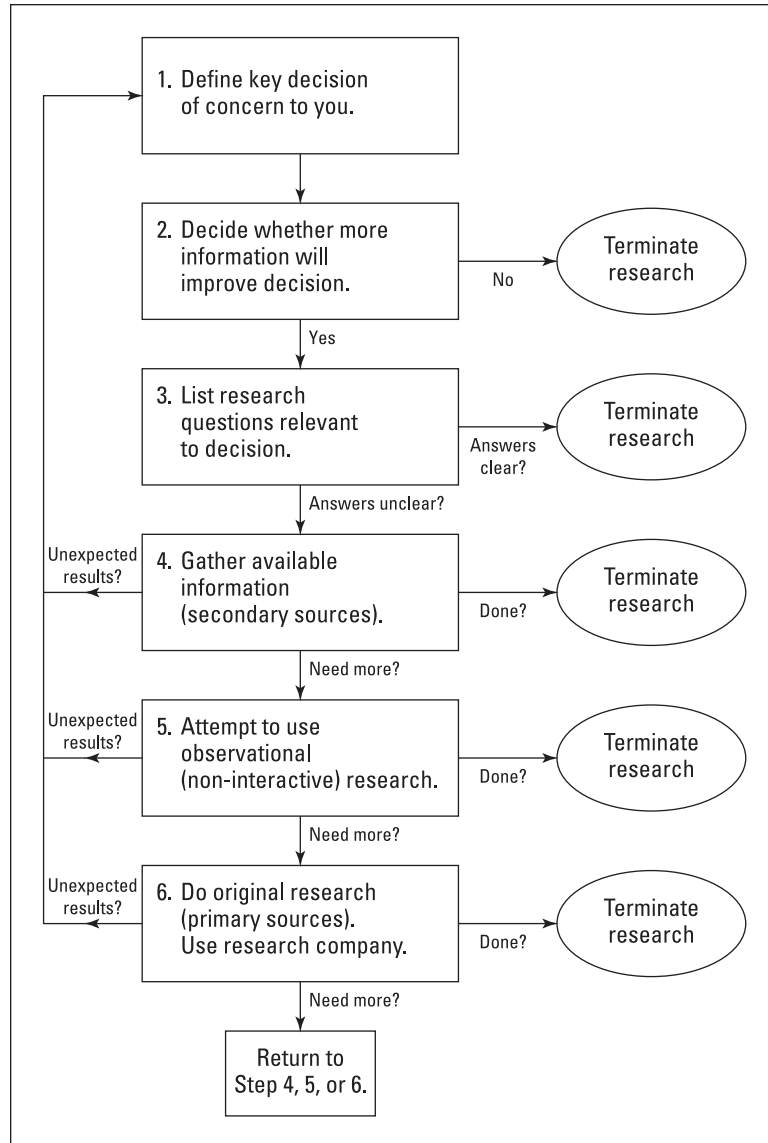
FIGURE 1-1:
Follow this market research process to avoid common errors.

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A good question is thought-provoking and affects your future actions and successes. If you come upon a really good question, research it carefully. You'll find that the first question breaks down into many more specific ones that, when answered, help you make a good decision.

Researching to discover what really drives your customers

The success of any marketing plan for any business category depends on the ability to identify the ESP, or emotional selling proposition, that best applies to your core customers.

How consumers feel about your products or service, customer service policies, and their overall experience with your brand determines your success and your product's fate. Research can help you identify, understand, and eventually manage consumer reactions and feelings, which influence 90 percent of people's thoughts and behaviour. If you focus on identifying some of the more extreme views that customers express — both positive and negative — about your category and brand, you'll be able to connect with greater emotional relevance and stand out from competitors with the same old messaging.

Instead of just asking routine questions related to customers' satisfaction, wait times, and so on, include some questions to help you identify how they feel. Here are some ideas for questions to help you identify feelings that drive choice beyond just the feelings after a choice is made:

>> What was the emotional or functional fulfilment sought when making a purchase?

>> What is their main goal when purchasing your product category?

>> After doing business with you, how did they feel? You can leave it open for their input or guide them with feelings you want to assess. Maybe include words like *content, excited, creative, neutral, appreciated,* and *valued.*

>> Did you make them feel any differently from when they purchased from a competitor?

>> What was the main reason they chose to explore purchasing from your brand?

>> What was the primary element that influenced their decision to purchase from you versus a competitor?

» What is their decision criteria for your product category?

» What are the primary expectations they have for the brands they are considering?

» What do they like most about your brand?

» What do they like least about your brand?

» How happy have they been with purchases and experiences from others in your category? What generated happiness or lack of?

These and other questions are key to helping you identify the feelings that drive consumers' research process and brand choices, which are critical to engaging in a manner that gets them to yes. When you add questions about feelings to customer satisfaction questions, you can get realistic and actionable insights on how to best communicate and engage emotionally with each of your customer segments.

TIP

As you gather information about feelings and satisfaction ratings, you can draw a graph of all the features of your product, rated from negative through neutral to positive. Most features cluster in the middle of the resulting bell curve, failing to differentiate you from the competition. A few features stick out on the left as notably negative — you must fix those features fast! Other features, ideally, stand out on the right as notably positive. You need to nurture and expand on these features, and don't forget to promote these in all your marketing communications.

Asking questions that get valid results

How you ask questions matters. If you are too vague, you'll get vague answers, which may or may not give you the right guidance. If you simply ask yes-or-no questions, you won't be able to identify the degree of positive or negative thoughts toward that issue and how to compare and prioritize answers.

TIP

The best scale on which to ask customers to evaluate their experience with you and your product is a scale of 1 to 5, with 1 being low and 5 being high. Anything more complicated makes it difficult for consumers to answer, which increases the drop-out rate and makes it more difficult to analyse and identify trends and feelings upon which you can act. For example:

1	2	3	4	5
Very poor	Poor	Average	Good	Very good

You can change the variables to Disagree Strongly, Disagree, Neutral, Agree, and Agree Strongly, and other attributes.

For example, a bank may want customers to rank checking accounts (average), savings accounts (average), speed of service (poor), and friendliness of tellers (very good), along with many other factors to describe the bank in detail.

REMEMBER

Your high-ranking attributes from the survey represent the features you should be promoting to others and talking about in your social media posts and online sites. The low scores can help you identify your failings and set priorities for improving your customer experience. To clarify which ones are worthy of the most attention, you can ask customers to rate the importance of each listed item. Then you can focus your improvement efforts on the more important attributes.

Surveys are cost effective for getting a collective understanding of your strengths and weaknesses from your universe of customers and prospects and your specific customer segments. With all the affordable survey tools available today, such as SurveyMonkey (`www.surveymonkey.com/`) and Constant Contact (`www.constantcontact.com/index.jsp`), you can afford to conduct surveys among your general customers and each of your core segments to better communicate to the specific emotional needs and current place in your product's life cycle.

For example, you may want to set up your surveys among demographic groups within your industry to identify different decision processes, emotional needs, price points, purchasing cycles, and so on. You should also sort out groups based on their relationship with you. These groups may include

>> Lapsed customers

>> Current customers

>> Potential customers with prior contact (often referred to as a warm list)

>> Prospects with no prior contact (often referred to as a cold list)

>> Male versus female shoppers

>> Baby boomers versus millennials

TIP

When you create surveys for customers, you're not only asking them questions about themselves, but you're also sharing information about your brand. Use these tools to communicate key differences in an informative manner. For example, you may want to ask, "Did you know that ABC Brand maintains the highest customer satisfaction rates in the quick print industry?"

The leading question helps you identify how effectively your communication is getting across and lets you share something of value in a way that's more subtle than bragging on LinkedIn, which can get mixed results.

Checking Out Net Promoter Scores and How to Find Yours

Today, one of the most common benchmarks for how a brand is doing is its Net Promoter Score, or NPS. This is primarily a score on how highly you rate for customer referrals, yet it's something many consumers look for when choosing between brands. In short, the NPS is an index that ranges from −100 to 100, which shows the likelihood of customers to recommend a company's products or services to others. It helps marketers determine not just the possibility of referrals but also the satisfaction rates and thus potential loyalty of current customers.

Many tools can help you get a solid read on your NPS. If you use SurveyMonkey, these questions are already crafted and ready to be added to your survey in a way that will get you a valid response. You can also get real-time NPSs on a regular basis through tools such as those offered by Satmetrix (`www.satmetrix.com/`). Do some research to find the tools that best fit your current digital and customer relationship management (CRM) platforms.

TIP

If you use your own survey platform and want to do your own calculations instead of using a tool from a software company, you can find calculators online to help you. One example of a free service you can use is NPS Calculator (`www.npscalculator.com`).

To give you some perspective, the average NPS for life insurance companies in 2016 was 31; it was 58 for department/specialty stores and 2 for Internet services (yes, 02). Companies with some of the top scores include Nordstrom at 80, USAA at 77, Ritz-Carlton at 72, and Apple iPhone/iPad at 60, according to Satmetrix, one of the leaders in NPS systems and findings.

REMEMBER

A good benchmark for you is to look up the index for your industry and how your competitors score. Find your NPS and aim to execute marketing strategies that will help you get and stay ahead of your competitors. For consumers doing research on which brands to buy and which to avoid, these scores matter!

Beyond asking questions to determine consumers' likelihood to purchase from you and refer you, your surveys should also ask questions to guide you in developing your product line. For example, if you're in charge of a 2-year-old software

product that small businesses use to do their planning and financials, you may want to ask questions that will help you determine the following issues:

>> Should we launch an upgrade or keep selling the current version?

>> Is our current marketing program sufficiently effective, or should we redesign it?

>> Is the product positioned properly, or do we need to change its image?

Asking Really Good Questions on Surveys

A survey is only as good as the insights it generates and your ability to get people to respond. How you write, present, and promote your survey all factor into the results you get. Before you can write a survey that provides insights that will enable you to stand out from the competition and increase customer loyalty, you have to define your goals. Ask yourself the following questions:

>> What do I need to know about my customers to really be able to serve them better?

>> What is missing in my body of knowledge about my customers in terms of who they are, what goals they seek to fulfil with my products, and how my products simplify or improve their lives?

>> What do I need to know about personality traits, emotional drivers, psychological states of mind, and feelings toward my category and brand that apply to my customers in order to prepare more relevant creative and promotional campaigns?

>> How do I plan to use the information I collect about customers and their needs?

>> What am I willing or able to provide customers in exchange for completing my survey?

TIP

You also need to ask yourself what level of statistical significance you're willing to accept and base your actions upon. Typically, you should strive for at least a 95 percent confidence level. The good online survey tools available for you to use for minimal costs include the ability to determine the number of responses needed for a given confidence level. A rule of thumb is that you need 385 responses among a national database of thousands reached to be able to append your results to the greater population.

After you define your learning goals, it's time to start developing your survey. Your questions should be crafted in a way that is clear to understand and easy for respondents to answer quickly. Writing clear questions is essential to get statistically valid results that reflect not only your sample of respondents but also your greater population.

Here are some guidelines to asking questions that get answered and provide valid results:

- **Ask only one question at a time.** Avoid questions like, "Do you think customer service and product variety are important?" If your response mechanism is yes or no, you really can't determine whether they are answering yes to customer service or product variety.

- **Don't ask questions you don't need to know.** Do you really need to know what your customers' income or education level is in order to serve them?

- **Don't get personal.** If you ask questions that go beyond their public activity or presence, customers will feel uncomfortable and could be concerned about how you will use information about them.

- **Ask questions about things you can act on.** This way your customers can see clearly how answering this question can impact them in a positive way. For example, asking, "Do you agree that the wait time for us to serve you is too long?" clearly states that you are looking for ways to improve their experience with you.

- **Mix up the format of your questions.** Instead of asking all multiple-choice or yes-or-no questions, intersperse all types throughout your survey to keep respondents' minds fresh and give you additional insights at the same time.

- **Always include one open-ended or essay question so you can hear the voice of your customer.**

If you're not sure what to ask your customers or how to word your questions so that you get valid, statistically significant results, no worries. Tools like SurveyMonkey provide prewritten questions on themes most marketers need to explore that market research experts have vetted for unbiased results. You can also use their calculators to determine confidence intervals. One of the best reasons to use a platform like SurveyMonkey is the ability to easily collect responses and analyse them with the click of a button.

Here's a tip from small business expert Raewyn Sleeman, owner of Nimblwit in Vancouver, Canada: Don't assume that your preferences for staff, processes, and store environment match your customers'. Assuming preferences can slide you into failure. Increase your chances of success by asking customers to complete an

anonymous written survey in exchange for a small free gift. The survey could ask them the following:

>> What would you change if this was your business?

>> What would you change with the people?

>> What would you change with the processes of getting service here?

>> What would you change with the store (or online) environment?

After you get feedback, share it with someone that you trust to tell you the truth, who isn't in the business, to get his opinion of the overall changes to make. Finally, know that if you ask customers and then don't make any changes, they will likely think less of your business than before you asked.

Writing ESP Surveys

Well, this is where it gets tricky. It goes without saying that asking the unconscious mind a question and getting a solid result is a difficult thing to do. But a big reason for doing surveys is to uncover the emotions that drive the decision process and ultimately choice and loyalty. Asking questions about how customers feel is a good start.

You may also want to ask a marketing expert with consumer psychology and behaviour marketing expertise for some help asking questions. This person can guide you on how to ask the same question in two or three different ways so you can see how emotionally charged, or conflicted, or confused your customers may be about a topic. One marketer did this when surveying customers about climate change and learned a great deal. For one, what people said about their values did not match up with their intended or likely actions. And interestingly enough, those who highly valued environmental protection as a life goal scored very low on willingness to contribute even $5 a month to help out. The marketer gained huge insight by that contrast. These are the kinds of questions you need to ask to see how customers truly feel versus how they say they will act.

Here's a sample question that can help you gain actionable insights based on feelings, not just past transactions:

>> Of the following, which is most likely to cause you to donate $5 a month to reduce the amount of waste you contribute to landfills?

- Knowing you are helping to preserve your local environment for future generations
- Knowing you will be reducing your personal imprint on the local environment
- Knowing the earth around you will be cleaner and safer for your family's immediate and long-term health

How consumers answer these questions reveals a great deal and helps you identify the values that are most likely to capture their attention and influence their behaviour.

Today's consumers are less interested in receiving "personalized" information from you that just reiterates what they already know, such as what they just bought from you. Ask questions about what type of personalized information would be meaningful to them and add those variables to your customer profiles.

REMEMBER

Consumers are more willing to answer surveys if you make it about them and not just about you.

Preface your survey by indicating that you will use the information to better serve them. If you plan to keep all answers confidential, tell them that, too. Transparency regarding how you plan to use and share their information is critical to completion and building trust with your customers.

Be prepared for feedback about any controversial topics you may bring up. Some marketers once did a survey for a client that was promoting a programme to reduce carbon emissions, and by simply asking respondents whether they believed in climate change, the marketers generated quite a bit of angry mail. However, they took those comments to heart and added them to their research findings as well.

TIP

Don't oversurvey. Use discretion as to how much and how often you ask. Keep surveys to 15 questions or fewer and do only one survey a quarter or less often if you want to get responses.

Paying Wisely for Market Research

With all the marketing technologies available today for monitoring the voice of the customer, you have many options to choose from for gathering information. You can do your own research, tap into existing systems to insert your questions, or hire a research firm to design and execute various tools for you.

Often, getting a list of prospects to survey is the greatest expense. To help lower this cost, look for opportunities to add questions to a survey being conducted by an industry publication or consulting firm. Some websites make customers answer questions to get access to a full news article. Check in to the costs of surveys like those that reach prospects to which you don't have easy access. Some vendors that offer this option include

>> Darwin's Data (https://darwinsdata.com/)

>> PaidViewpoint (https://paidviewpoint.com/)

>> BzzAgent (www.bzzagent.com/)

>> Viewpoint Forum (www.viewpointforum.com/)

>> Tellwut (www.tellwut.com/)

>> Opinion Outpost (www.opinionoutpost.com/)

>> OneOpinion (www.oneopinion.com/)

>> Panelpolls (www.panelpolls.com/)

Browse the latest lists of survey panels through a Google search, or look at sites like www.surveypolice.com, which ranks polls based on feedback from users, and then collect price points and proposals from several before choosing one to run with.

In most cases, you can purchase survey accounts on a monthly basis or an annual basis. And in some cases, you can use these online tools for free — however, with limited access and data collection.

Online sources that enable you to design surveys and pay as you go or with a low-cost annual fee include tools like SurveyMonkey (www.surveymonkey. com), Crowdsignal (https://crowdsignal.com), Constant Contact's Listen Up option (www.constantcontact.com), and GutCheck (gutcheckit.com) for one-stop survey shopping. Working online, you can design survey questions, select a sample design, and (using your own database or, increasingly available, a sample arranged by the host site) send out your survey, collect data, and tabulate it. Does it make sense? Are you wiser as a result? Well, not every time. It takes practice and persistence to figure out how to extract useful findings from tables of survey responses, but at least it's less expensive to trial balloon some questions through these sites than through traditional full-service survey research firms.

If your website gets a good amount of visitors a day, put questions on your home page. A question with general appeal (something everyone's invested in or curious about) may actually boost visitors at the same time it generates useful data for your marketing decisions.

You can also add questions to the channels by which you communicate with your customers. For example:

>> If your customers order via a website, post questions for them there.

>> If they talk to a call centre, script some questions for the call centre staff.

>> If customers receive visits from salespeople or reps, brief the sales force about your questions and how to ask them without pressuring customers or prepare a simple e-mail they can send with some questions to answer.

Discovering Low-Cost and Even Free Ways to Find Out What Matters Most

Knowledge is power. As trite as it may sound, knowledge is still the most powerful source you have to help you make smart decisions about your product and how to appeal to and build relationships with your customers.

As a marketer (and a small business owner), you're never done learning. When you think you know all you need to know about your market and customers, you start to lose your competitive and profitable edge. You need to build and execute learning plans that cover all aspects of your market, your brand, your products, your customers, and the opportunities and threats you face. For example:

>> Who wants what?

>> Which markets are going to grow and be hot, and which aren't?

>> What really drives choice?

>> How do different generations react to different messages, themes, and promises?

>> What functional alternatives exist to our offers, and how do they impact our goals?

It's amazing how many businesses and other entities stagnate by working hard but not working smart to really know how to build their businesses sustainably. The following sections provide a lot of ways — some cheap and others free — to boost your marketing intelligence.

Observe your customers

Consumers are everywhere — online and offline — shopping and observing all the messages and offers around them daily. As a marketer, you need to observe them, too, and with marketing technologies available today, it's getting easier. Offline, you can observe customers at your place of business and watch them browse your products, merchandising displays, pricing, and so on. Online, you can observe their attitudes and feelings and potential behaviour through social listening tools.

Many different programs "observe" what customers are saying, pinning, and posting online and generate reports back as to what attitudes are prevalent among which groups, what people think about your brand, and most importantly what they are saying, and so on. You can find free tools that show the reach of your tweets, the likes and shares of your posts, and what topics trend the most on any channel on any given day.

Some of the technology available that helps you observe customers is social listening tools, which are available at many price points, including free.

One of the most recommended free listening tools per Brandwatch (`www.brandwatch.com/`), a site that lists various marketing product reviews, is Mention (`https://mention.com/en/`), which reports back on the influence of social media posts on more than 100 social sites. With this tool, you can get regular reports about the strength, sentiment, passion, and reach of the posts associated with your brand and score how well you're doing with certain keywords, hashtags, and so on. You'll also find out how many minutes were spent observing your message, how many tweeted or commented on a given post, and whether the sentiment about a given message was positive, neutral, or negative.

If you really want to understand consumers and the themes, issues, beliefs, attitudes, and emotions that drive behaviour in real time, it doesn't get much better than this. Other free listening tools include Hootsuite (`https://hootsuite.com/`) and TweetReach (`https://tweetreach.com/`). Of course, you can purchase highly robust systems customized for your specific needs on a SaaS (Software as a Service) basis. Some recommended by *PC Magazine* include Sprout Social (`https://sproutsocial.com/`), Synthesio (`www.synthesio.com/`), and Brand24 (`https://brand24.com/`). Before signing long-term contracts, look for services that offer free trials so you know what you're getting before you commit.

Whether you're in B2B or B2C, you can learn a great deal about your customers by observing them online and offline. Integrating these efforts and technologies will pay off in the short term as you get new attitudes and intents in real time and the long term as you can cater your persona and messaging around the values that don't change with trends.

Observation is often underrated yet highly valuable. For example, when managers from the Boston Aquarium hired a researcher to develop a survey to determine the most popular attractions, the researcher told them not to bother. Instead, he suggested that they examine the floors for wear and for tracks on wet days. The evidence pointed clearly to which attractions were most popular. That was easy!

TIP

Observe customers at the point of sale and document what they spend the most time browsing, what questions they ask, what statements they make, and so on. Did they seem anxious, at ease, excited, or neutral about your offers if selling in B2B or while browsing your store? In B2B marketing, take time to observe what matters most to your clients' job security. Research by Google and Motista show that when you can tie a sales message and offer to personal value, you're eight times more likely to get a premium price for your product. Find ways to discover what matters most to your clients and link your product/service to those values.

You can find out about customer satisfaction every day by asking for feedback via e-mail after a product ships or by leaving comment cards on sales counters. If you ask for a review directly, you can avoid unwanted and often unwarranted reviews on social channels like Yelp, which do influence attitude and choice, right or wrong.

TIP

When sending out surveys, always ask for e-mail addresses and permission to contact customers with further information to better serve them, promotions, industry news, and so on. With their e-mail address, you can monitor them with your social listening tools and add them to your survey databases.

REMEMBER

Keeping up with customer opinion is a never-ending race, and continuously asking and analysing questions is the only way to stay the course. The best way to succeed is by asking questions directly of your customers.

Do competitive research

Knowing your competitors' offerings and values is just as critical as finding out what your customers need and want. What emotional and tangible values do they promise and deliver, and how do you compare? Beyond knowing how your pricing and customer service differs, you need to know how they position themselves in the market so you can position yourself better. Create a grid like the one in Table 1-2 and refer to it often as you create your own messaging and time your own promotions.

TABLE 1-2

Competitive Research

	You	Competitor A	Competitor B
Slogan			
Promises			
Position			
Special offers			
Industry awards			
Social followers			
Pricing			
Customer ratings			
Product comparisons (strengths, weaknesses)			
Service comparisons			
Other			

Track their sales, promotions, and special offers and time yours accordingly. Keep track of what their customers like and don't like and position your brand as the better alternative. Create and maintain a competitive grid to help you stay on top of your goals and the competitive environment in which you operate.

TIP

Also gather information on your competitors' marketing programmes, especially how they're getting their marketing messages out. Are they advertising with a fast-growing social network you hadn't considered? If you have even a modest budget, consider the options for online research by firms like WhatRunsWhere (www.whatrunswhere.com), AdClarity's media intelligence (www.adclarity.com), Numerator (www.numerator.com/), or Adbeat (www.adbeat.com), all of which can help you benchmark your ads (especially online advertising) against top competitors or role-model marketers (larger companies with the resources to spot new opportunities and trends quicker than you).

Harness the power of one-question surveys

One of the main reasons customers don't complete surveys is because they are too long and no one has more than a minute or two to give you, if even that. What works in a world where people communicate in sound bites for Twitter, LinkedIn, videos, and more is brevity. One of the most effective ways to get answers is thus asking one question at a time. Determine what you need to know most to develop better marketing programmes and service, and ask just that question.

Delivery mechanisms for one-question surveys include e-mails, websites, and your social media assets. If you do one question at a time, you can get away with more surveys. Having a question or a poll on your web page makes your site more interactive and thus engages visitors longer. Just make the questions meaningful to both you and your customers. If they see answering the question as something that will benefit them, they're more likely to respond.

Ask questions that help you understand perceptions and value. For example, if your company focuses on environmental issues and you're trying to reduce plastics in the landfills, ask about the values that lead to purchasing products that are impeding your progress, such as the following:

> Do you think bottled water is healthier than tap water? Yes or No

You can pay news sites to ask your question before giving access to articles on their site.

TIP You can learn a great deal about markets, consumers, incomes, and so on by studying census data for your marketplaces. Check out Canada's Census Programme at `www12.statcan.gc.ca/census-recensement/index-eng.cfm`.

Establish a trend report

Set up a *trend report,* a document that gives you a quick indication of a change in buying patterns, a new competitive move or threat, and any other changes that your marketing may need to respond to. You can compile one by e-mailing salespeople, distributors, customer service staff, repair staff, or friendly customers once a month, asking them for a quick list of any important trends they see in the market.

TIP Your trend analysis should also include careful tracking of what bigger competitors in your space are doing because they may be setting marketing or product trends that affect the rest of their industry. Tracking media coverage is easy on Google or other search engines. Also read their press releases on PR Newswire (`www.prnewswire.com`) to see what they have to say about themselves. Track changes on major competitor websites, too, either manually or (if you want to follow several) by using a service such as LXR Marketplace (`www.lxrmarketplace.com`), Watch My Competitor (`www.watchmycompetitor.com`), Competitor Monitor (`www.competitormonitor.com`), Alexa (`www.alexa.com`), or Digimind (`www.digimind.com`). You can also use these services to track competitor mentions in social media and compare them to mentions of your brand. Benchmark your website against competitor stats on HubSpot's Marketing Grader (`website.grader.com`).

TIP Researchers wanting to do their own competitor monitoring at no cost may use Google Alerts to create customized search criteria for tracking competitor online activity (www.google.com/alerts).

Probe your customer records

Browsing your data files and models is also a good way to stay abreast of your market trends and your customers. Browse your data models and customer profiles to identify trends in demographics, interests, political affiliations, and lifestyle. Trends of interest around which you may build promotions or messaging include

» Employment level

» Personal hobbies and interests

» Credit levels/debt levels

» Family status

» Political affiliations

Test your marketing materials

Before you launch anything to the public, you can easily get some feedback very affordably to help you identify any problems ahead of time. Send your e-mail campaign or social media post to a handful of customers and get their feedback. Ask what made them want to read the ad or not read it. What intrigued them about the offer? How relevant was it to them? Fix any issues you identify and get ready to launch with more effectiveness.

With e-mails, you can test the same body copy with different subject lines to see which generates the best open and click-through rates, enabling you to work more efficiently than ever. Testing is a great way to determine what emotions, offers, promotions, and so on really appeal to your mass consumers and your segments.

Interview defectors

Losing customers is not always a bad thing because it gives you an opportunity to discover what you're doing wrong, which is critical if you want to keep getting it right. Following are some ways to find out where you're weak and need to improve:

» Ask your customers why they're opting out of your e-mails instead of just providing an opt-out button. Ask whether it was the content, customer experience issue, frequency of e-mails, or lack of relevancy.

» When customers abandon a shopping cart, program your CRM to send an e-mail to find out why. Was it because they lost interest, found a better price, or simply forgot?

» Stay in touch with lapsed customers and survey to find out whether they defected to a competing brand, had a bad experience, or just lost interest in your product.

When you find out why customers no longer want to engage with you or purchase your products and services, you often rekindle relationships that last for years. Customers like to know they're noticed and appreciated, and when you right a wrong, loyalty actually goes up.

Create custom web analytics

Make sure your web tracking/analytics program tells you more than traffic counts and sources. Attributes to follow include monitoring sales, repeat sales, lead collection, quality of leads (measured by rate of conversion), sign-ups, use of offers (such as you may post on a business site on Facebook, for example), and overall revenue and returns from web-based promotions. These numbers tell the story of your marketing successes and failures online and give you something to learn from as you go.

TIP Many firms now offer quite sophisticated and powerful research tools for tracking your brand and competitors on the web, especially in social media. It may be worthwhile to look into the costs and benefits of options such as Brandwatch Analytics (`www.brandwatch.com`) or The Social Studies Group (`www.socialstudies group.com`), a firm that studies conversations on social networking sites to gain ideas about attitudes and trends.

Riding a Rising Tide with Demographics

Monitoring demographics of your market, such as the ethnic makeup of your market, average age, spending power, and family structure, provides you with good clues as to how your marketing ought to evolve. If your business caters to women, for example, an example of sources and statistics you should know and monitor carefully is this: More women than men are going to college, and the trend is growing over time. Add this to a slower trend toward pay parity, and the

suggestion is that women will outpace men as the educated and leading gender at some point in the not-too-distant future. (Source: Forbes.com article on the trends in enrollment for men and women over several decades.)

Whatever your business, pick a growing group you think you may be able to build long-term relationships with, and tailor your offerings and message accordingly. Back out of shrinking categories and regions, and go where the growth is.

REMEMBER

Knowledge is the foundation for success no matter what type of business you operate in. Continuously learning about your customers, market, and competition can often be the difference between success and failure.