

The smart marketer's guide to finding and using customer insights

How to build relationships with your customers to find out what they care about

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Preface

From launching new products to building out marketing campaigns, savvy businesses build plans around concrete customer insights.

At their core, customer insights meld market research with shopper behavior and customer sentiment around your brand, offering a lens into what makes the buyer react a certain way, what motivates them, and what aspects of your brand or products are resonating in the market.

In the following pages, you'll find strategies on how to:

- Forge direct relationships with your customers to learn what they care about
- Leverage reviews and other online content to mine customer sentiment about your brand and products
- Identify new business opportunities, change perceptions, and foster brand advocacy

Build trust with your customers

Customers are at the center of your brand’s universe, so you have to build trust with them to stay in their orbit. Because the moment customers stop trusting you is the moment they’ll go somewhere else. And that trust can be earned — or lost — at any touchpoint along the customer journey.

You want your customers to trust you enough that they feel comfortable telling you more about themselves — their customer journey, their pain points, and their experiences with your products.



*Earn trust, earn trust, earn trust.
Then you can worry about the rest.*

Seth Godin¹

Marketing expert and best selling author

Marcus Sheridan, owner of a pool and spa company, revolutionized his business when he began blogging honest answers to his customers’ most common questions.

“The question I was always asked within the first two minutes of talking to customers was, ‘How much does a fiberglass pool cost?’” Sheridan says. “Pool installers are like mattress or car dealers — we hate talking about how much a pool costs until we have you in person because there are so many options and accessories we want to sell you. As a result, pool companies never mention price on their web sites.”

He continues: “But I said, I don’t care what the question is, we’re going to answer it. [...] So far to this day, I’ve been able to track a minimum of \$1.7 million in sales to that one article.”²

Customers value candid answers. The goal is to level with them and address their questions and concerns.



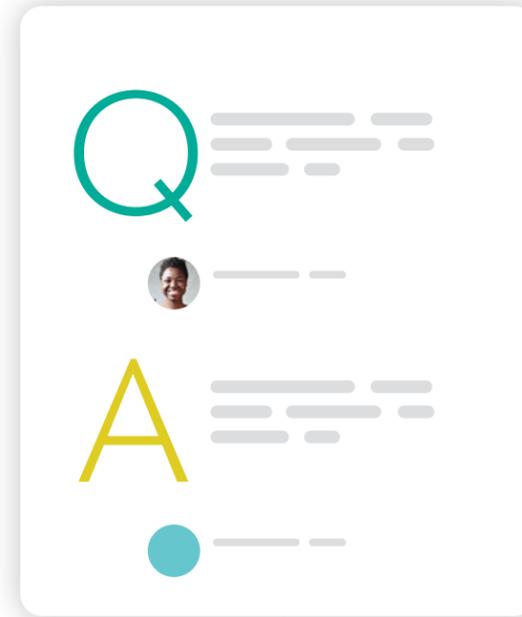
When the company takes the time to understand my question and answer them through a video, a few blog posts, or a Q&A, I trust that company. And guess where I am inclined to buy? Yes, the place that was helpful, even if their price is higher than their competition's.

David Meerman Scott

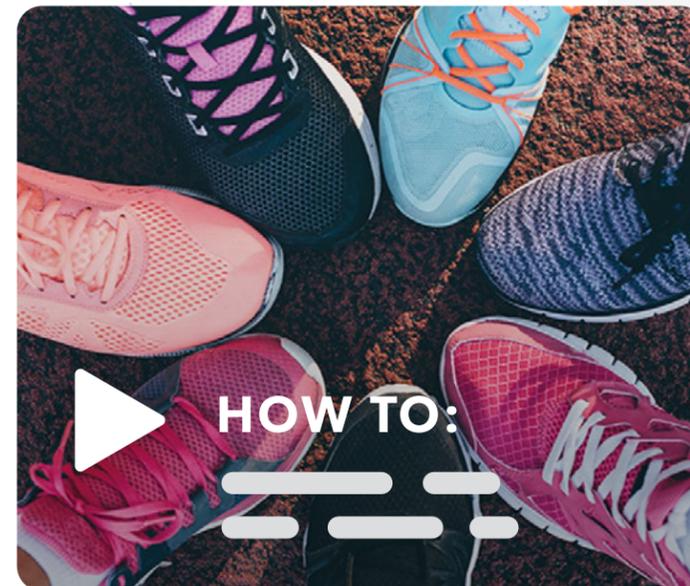
Online marketing strategist and author³

This doesn't have to be a high-budget affair. With the rise of social media platforms and the ease of answering questions through Q&A sections on product pages, today's marketers are more empowered than ever to be responsive and attentive to their customers.

The important thing is to build long-term relationships with your audience. When you know more about what your customers care about, you're in a position to address their needs with the appropriate products and messaging.



ADD TO CART



Stop, look, and listen

You won't get a real feel for customer sentiment around your brand unless you stop, look, and listen. Whether you're scrolling through your brand's social media channels or running a focus group, it's important to pay attention to how shoppers handle your products, how they talk about your products, and how they interact with your brand.

For the majority of marketers, observation can be done as easily as checking the comments section of your Facebook page or reading online reviews about your products.

"My first step is to go through our product reviews at our major retailers to see what our customers were saying," says Eric Pearlman, the executive director of marketing at Flexon Industries, a US manufacturer of lawn, garden, and wiring products.⁶ "This is a huge leg of social listening for me. The other part is going onto social media to see what people are saying."

"Learning what your customers are saying can be hugely beneficial when it comes to refining your overall positioning," Pearlman says. "What's more, you can see the impact you're having on people's lives in a concrete way. That type of anecdotal evidence is invaluable."

But as invaluable as it is, it's also anecdotal — and it's important to bolster your findings with primary research.

"I've found several online research firms such as Zappi that help you find analytical data about how your products and brand are perceived," Pearlman says. "You can also access panel data from places like Nielsen. We've started targeting people who buy products in our category to get feedback on our packaging and messaging. That type of listening work is vital."



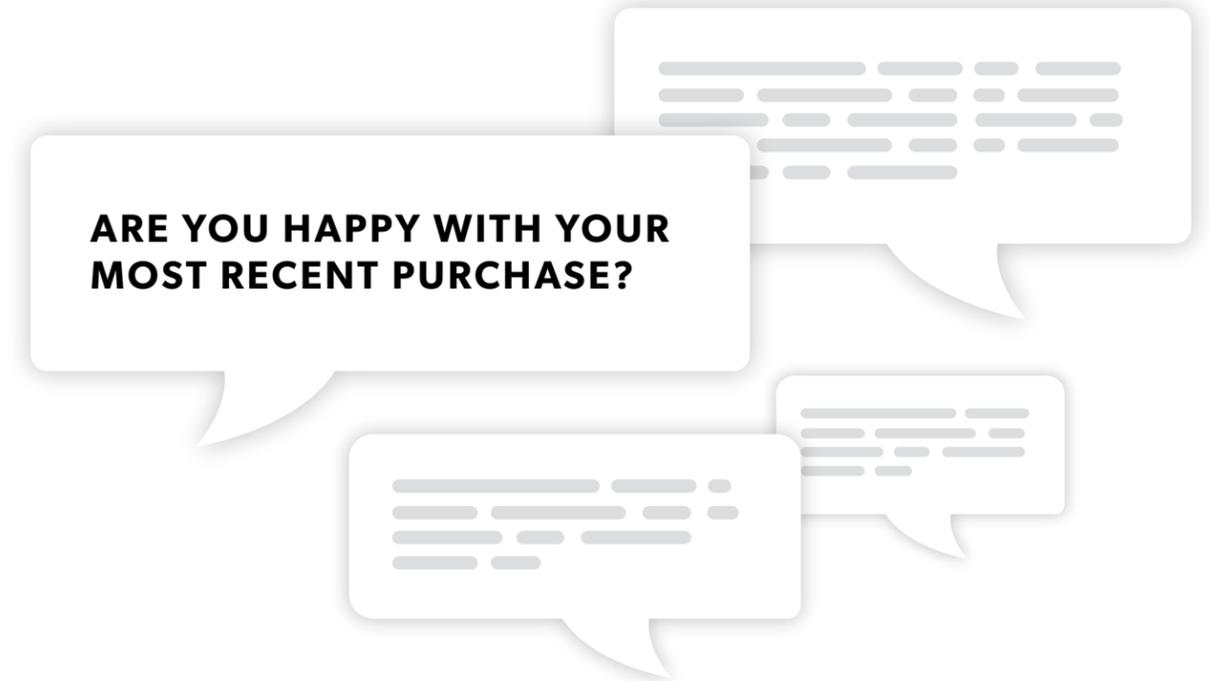
Some companies, such as Intel, employ anthropologists to study customers actions and behaviors. Intel's anthropologist, Ken Anderson, explains,⁴ "Our goal is to see people's behavior on their terms, not ours. It enlightens us about the context in which customers would use a new product and the meaning that product might hold in their lives."⁵

Reach out directly to your customers

Of course, sometimes it's best to be direct and ask your customers what they think. If you're worried about bothering your customers, consider this:



BEN FRANKLIN EFFECT: The scientifically demonstrated effect of when people wind up liking you more after asking them for a favor.



HERE ARE SOME OF THE MORE COMMON WAYS MARKETERS REACH OUT TO THEIR CUSTOMERS DIRECTLY.



Online surveys

A tried and true method for collecting large amounts of customer feedback, online surveys are a great way to capture consumer sentiment around your brand and products. Online tools like SurveyMonkey and SurveyGizmo offer reasonably priced, easy-to-use services — and free options — that make it easy to get the feedback you need.



Direct email

Whether you're asking for ratings and reviews, or just checking in on what a customer thinks about you, email allows for a level of direct feedback you might not get over social media since you can ask for exactly what you want to know.

Ask your customers what they like most about your products and if there's room for improvement anywhere when it comes to your messaging and packaging. Respond to these emails with a sincere thanks — even if the feedback is negative.

Customer interviews

If you have the resources and the time, direct interviews can also be a powerful way of learning more about your customers.

At The Seaweed Bath Co., the marketing team frequently reaches out to customers who leave spirited reviews on their products to find out more about their experiences. Customers are often surprised to find that senior members of The Seaweed Bath Co. team care enough to reach out, and respond by giving candid responses about their experiences. Direct feedback from customers provides great insights about opportunities to improve products or tune messaging.

According to eMarketer, **54% of marketers said they relied on current customer interviews when developing buyer personas.**⁷

But both advocates and detractors have something important to tell you. It's a good practice to collect feedback from both to really understand your strengths and opportunities to improve. What's more, listening to your detractors can be a great way to turn them into enthusiasts.

Social media polls

Social media polls give you a quick, affordable pulse on what your followers think. Whether you're showing them two different kinds of packaging or asking if they like one color more than the other, social polling increases follower engagement and gets quick feedback from customers.

Focus groups

In contrast to direct engagement on social, email, or even one-on-one interviews, focus groups provide a controlled forum to gather qualitative insights, particularly when they are conducted by an independent facilitator. The output of a focus group also tends to be more layered and multidimensional than what you can collect from polling or interviews, so they are useful to drill into complexities around your industry, brand, and products.

However, focus groups tend to be more expensive than other forms of market research, and the findings can vary based on the strength of the moderator.

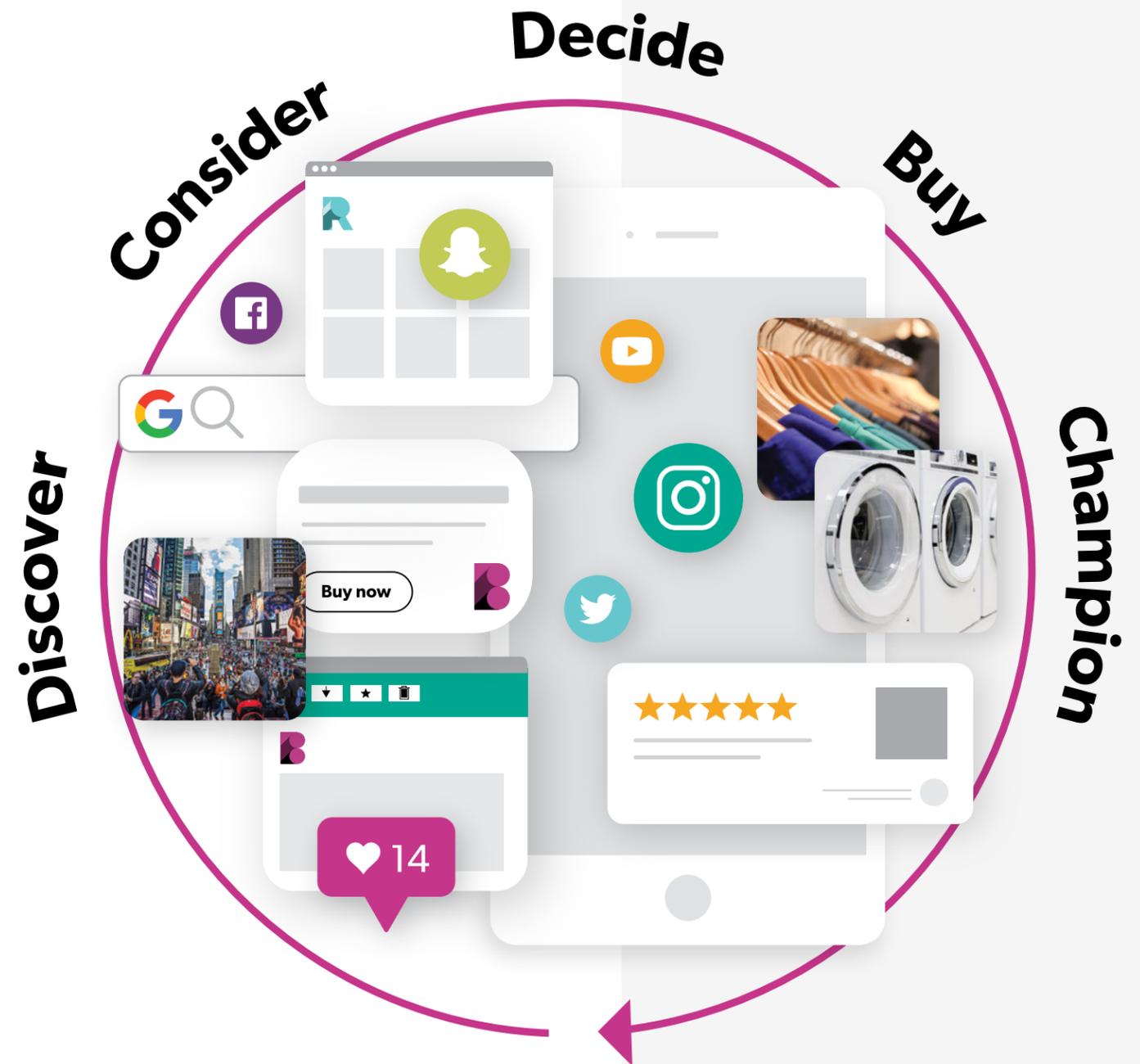
THE BOTTOM LINE Asking your customers for their thoughts on your products helps them feel more connected to your brand as a stakeholder. Taking their feedback into consideration and engaging with them shows that you care about what they have to say, which helps further build trust.

Put yourself in your customers' shoes

As marketers, it's natural to look at your campaigns and products from the perspective of sales. But it's important not to lose sight of the shopper's point of view and think through the customer experience with your brand and products.

To get closer to the shopper's point of view, marketers typically map out the customer journey, highlighting each touchpoint in the sales cycle. But remember, the end goal of this mapping is to understand your customer's needs and questions throughout the buying cycle.

"My general approach is to think around every single touchpoint and make sure our messaging online, in the store, on our packaging, and through our promotions all aligns," says Flexon's Pearlman. "Our approach starts at the store level. Since our customers make their decision at the store, it's vital that we present ourselves the right way. That begins with figuring out what we want to communicate in our packaging."



It's also important, Pearlman says, to do "some investigative research into how other players in the market are operating and what they're doing to position themselves." This kind of research can happen online — but you can also go directly to a retail store and see how your product stands out against the competition.

As you go through exercises like this, you should also be thinking about what your customers are saying. "We had one product that was getting negative reviews," Pearlman says. "Going through what customers were saying, we found that people were getting the wrong impression about our product — our messaging was off. We worked with the retailer to update our content and make sure our customers had the right expectations."

In short order, Pearlman says, Flexon saw increases in both average star rating and customer satisfaction of its product.



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Eric Pearlman

Executive Director of Marketing at Flexon Industries

Turn insights into action

Of course, the secret is turning insights into action.

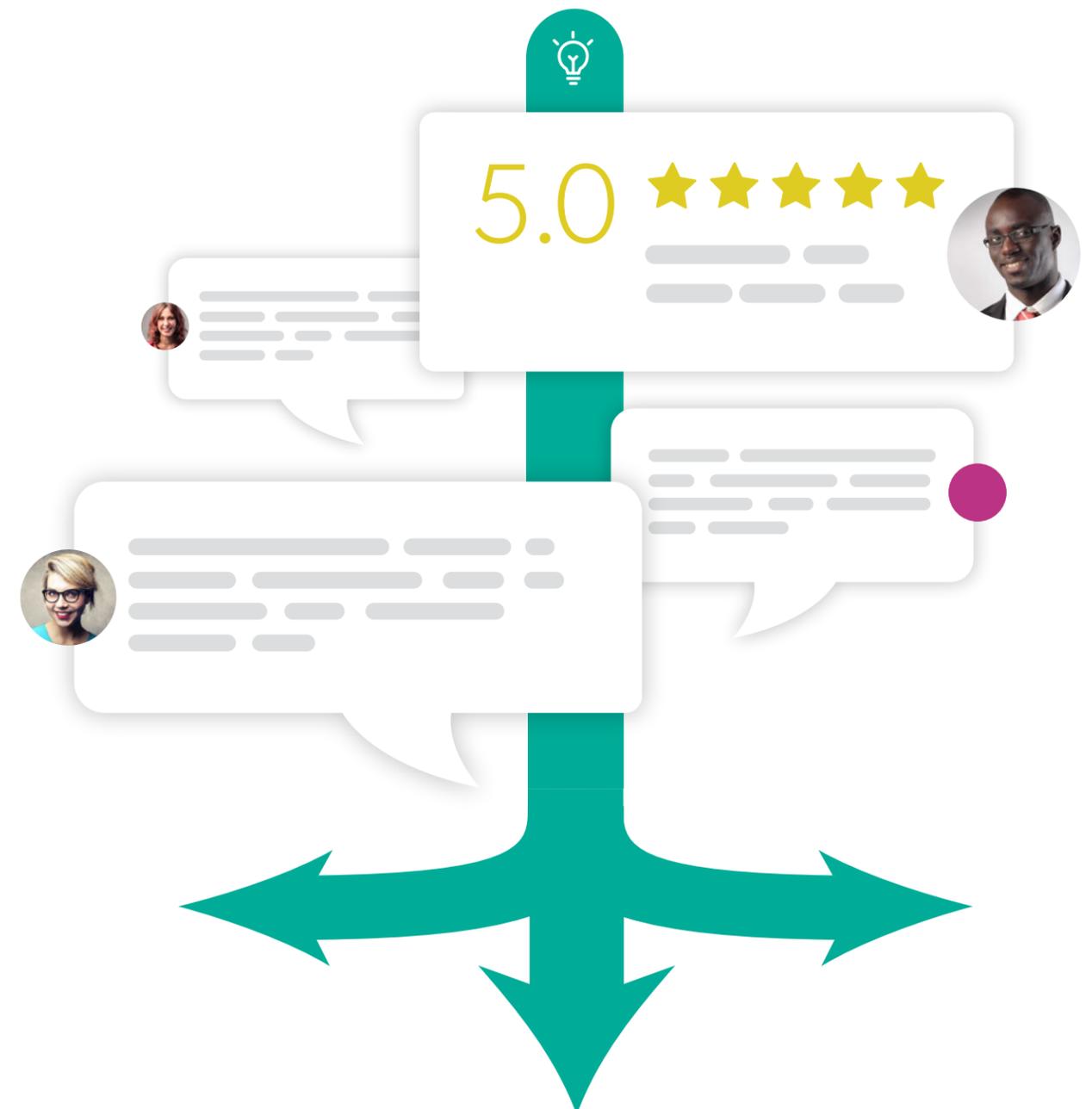
Making that connection can be exciting, according to Pawan Divakarla, data and business analytics leader at Progressive. When Progressive first launched its mobile app, it only provided insurance quotes.

*Highly data-driven organizations are **3X more likely than others to report significant improvement in decision making.** — PwC⁸*

But the analytics team noticed that mobile users wanted more than just information. “We said, ‘It looks like, from the data, people are attempting to buy, and so we should put buy-related software up there.’ It was a really big aha moment,” said Divakarla.⁹

Here, Divakarla points to a common strategy: strategically targeting offers based on past purchase behaviors. But for brands selling through retail and e-commerce channels, that information can often be hard to come by.

In this case, leveraging what you learn by direct observation, reading reviews, conducting interviews, and becoming the shopper are your next best steps. So, how do you turn those kinds of insights into action?



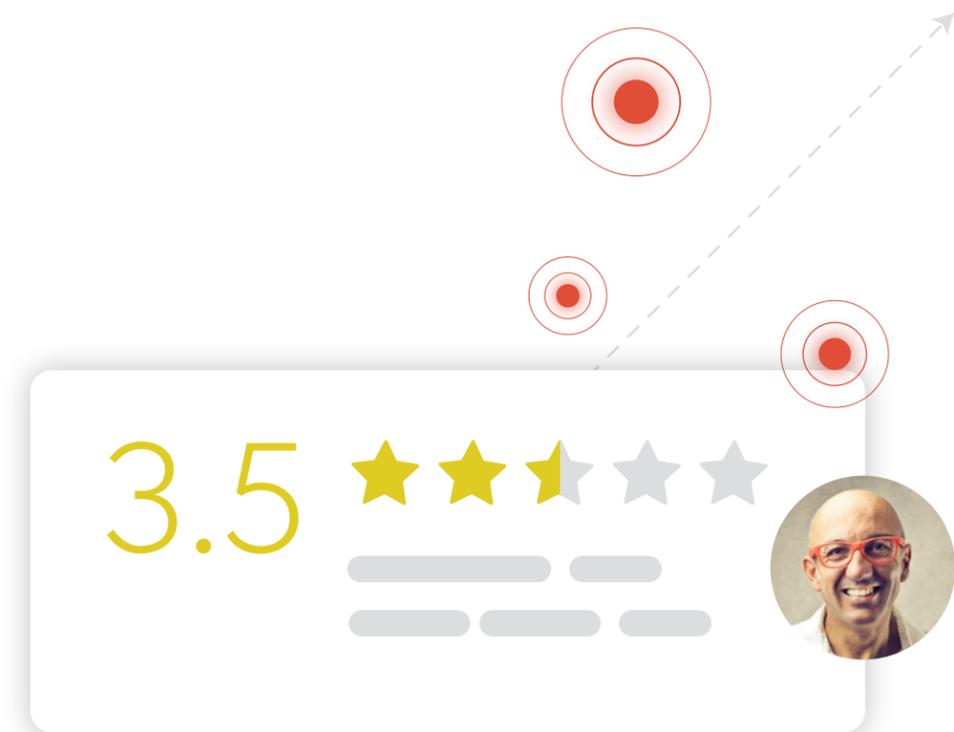
Mine customer pain points to identify new opportunities

Let's say you've uncovered a customer pain point. Whether it's an incomplete product description or a packaging issue, pain points open up a plethora of opportunities because they allow you to see where you can better serve your shoppers.

When Zinus, manufacturer of comfort sleeping products, set out to read their ratings, reviews, questions and answers, they realized shoppers were concerned about not being able to experience mattress firmness when buying online.

Zinus responded by developing a "Mattress Finder" with a national retailer, which compared mattress firmness to tangible things, such as a hammock or firm pillow, and suggested matches between specific products and various types of sleepers.¹⁰

"Content from reviews helps us identify key wholesale markets," says David Richards, head of marketing at the apparel brand Sealskinz. "We have one general-purpose outdoor glove that reviews indicated was being used extensively for mountain biking. So we started targeting cycling retailers with it. At one store alone, they ordered 2,000 pairs. We would have never known to do that without reviews."¹¹



THE BOTTOM LINE Online tools like product reviews are making it increasingly easy to learn about consumer perceptions and react accordingly, especially in retail and e-commerce channels that were historically hard to analyze.

The positive power of negative feedback

80% of businesses believe they deliver “superior” customer service. But only 8% of customers agree those companies provide superior service. — Forrester Research¹²

It's one thing to get complaints on products you know need a manufacturing or packaging fix. But it's another thing to get negative feedback from a customer who provides little reason for their bad experience. Despite how difficult it may be to receive this kind of feedback, it's where you can find some of your most powerful customer insights.

A powerful customer reaction — whether seemingly undeserved or not — is often a sign that something's amiss in your marketing mix.

Here, our friends at Zinus have an example. A little background first: Zinus delivers mattresses in a box with a compression technology that it considers a selling point. But unknown to Zinus, its proprietary box would often confuse customers who would then complain online, call up support, and sometimes even refuse delivery altogether.

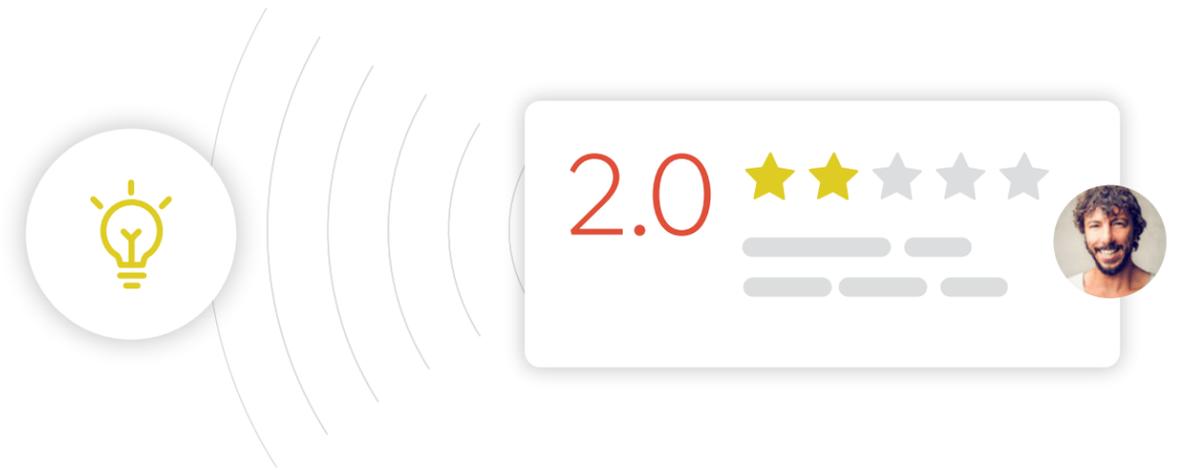


One of the least-discussed benefits of ... paying attention to customer feedback is the potential to glean insights about your business that can improve your operations and processes. Haters are the canaries in the coal mine. They are the early warning detection system for your business.

Jay Baer

a New York Times best-selling author and expert on marketing and customer experience¹³

Zinus used that outcry to identify the need to be more upfront about the technology. **They successfully turned the perceived negative into a positive feature of the mattress by creating a video that highlighted the benefits of the new boxing method.** Had they ignored what their customers were saying, because it didn't feel fair or warranted, they would never have uncovered a simple solution to fix a negative perception.¹⁴



There are a few things to keep in mind when you receive negative reviews.

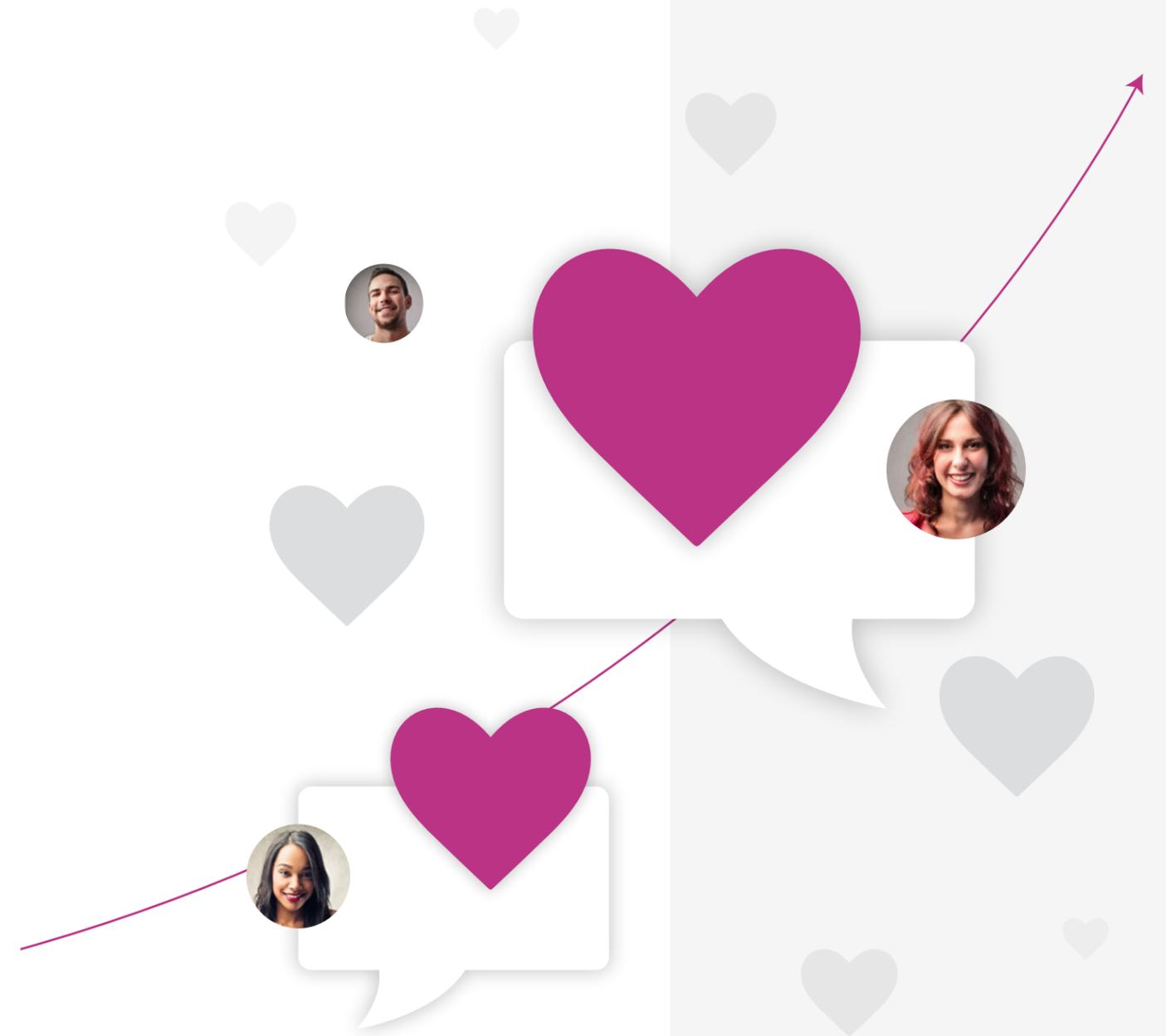
- 1 Respond in a sincere way to show the customer you care.** “It’s important to take swift action as soon as a negative review has been posted,” Salesforce advises.¹⁵ “In some cases, you’ll find the customer removes the negative comment or, at the very least, rethinks the original plan to give you bad reviews in additional places.”
- 2 Take preventative actions.** Consider the content of the original review, and work backwards to see if there is anything you can fix such as your messaging or product descriptions.
- 3 Take it in stride.** If more than 90% of your reviews are positive, but 10% of your reviews are negative or average, take the good with the bad — respond to the person, fix and learn what you can, and move on.

Understand what makes people love you

You may already have a solid brand, and end up finding that customers love you and your products. That's a happiness problem you should take full advantage of.

Think about classic brands like Converse, Coca-Cola, or Levi's: Their products have stood the test of time. Although these brands haven't dramatically changed their products, they have stayed relevant over time with marketing campaigns that evolve with modern trends.

Each has grown to be one of the most recognizable brands in history because they understand their unique value and heritage. In short, it's not always necessary to change things for the sake of change. In fact, change can sometimes be detrimental.

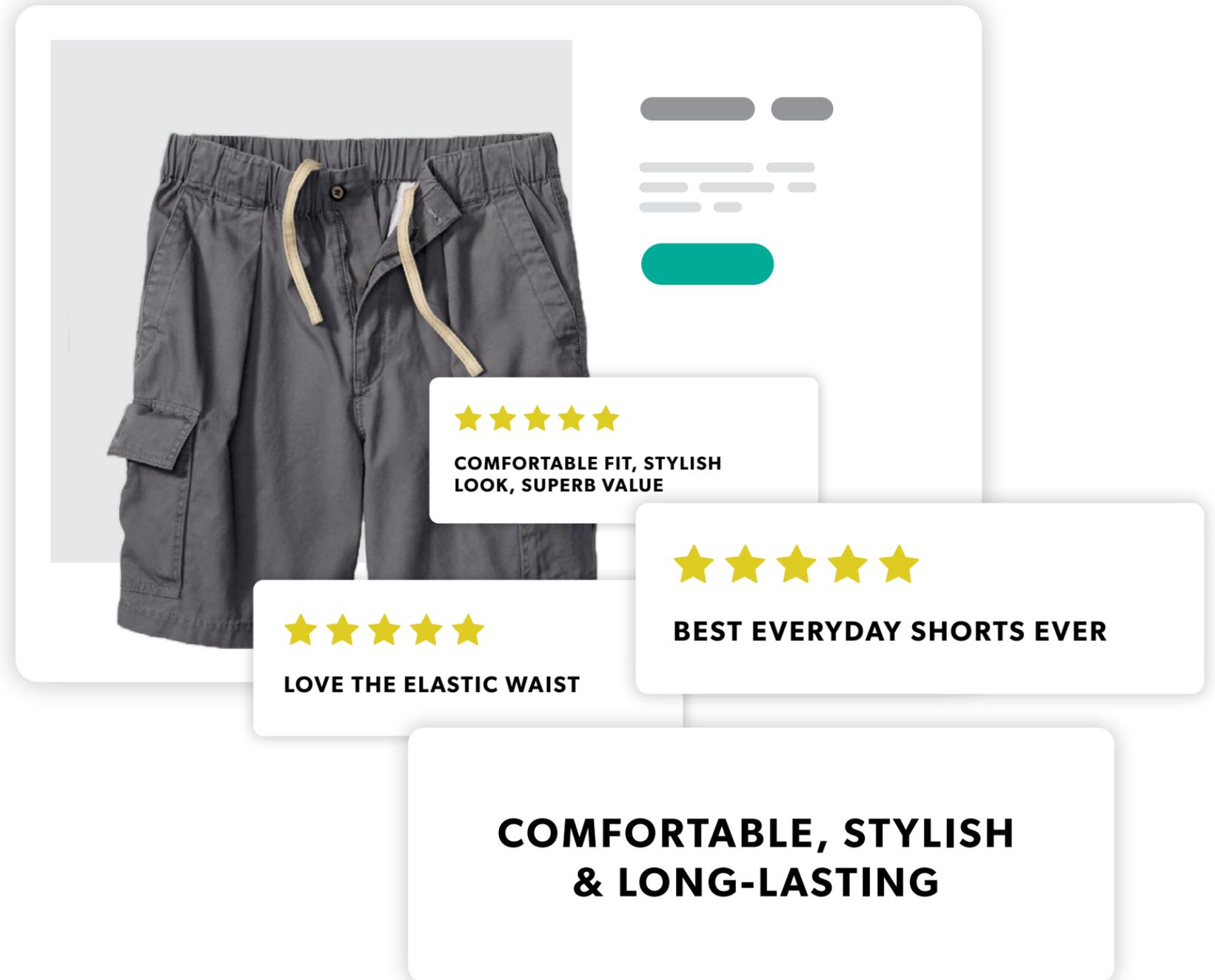


Tommy Bahama, a classic manufacturer of sportswear, footwear, and home furnishings, learned this lesson firsthand when it discontinued their Bahama Survivor Shorts — a customer favorite with high review volume and a 4.8 average rating. Customers quickly rebelled, publicly voicing their irritation.

Tommy Bahama had set up automated reports to discover trends in their customer feedback and sentiments, and they watched as negative customer feedback came through. Based on that feedback, Tommy Bahama chose to re-release the shorts and included customer reviews in its messaging.

The result?

The Bahama Survivor Shorts became one of the company's most lucrative products, **beating the performance of the same product in years prior by 629%**.¹⁶



Take this with you

Customer insights meld market research with shopper behavior and customer sentiment around your brand, giving you a looking glass into how your brand — and products — are perceived by shoppers. Whether you're launching a new product or working to evolve your messaging and packaging, customer insights are a key cornerstone of successful business decisions.

Here are three key takeaways to keep in mind when developing a consumer insights strategy:



Buying decisions are complex. Try to supplement your online data, e.g., ratings and reviews, with offline data, e.g., direct customer observation and face-to-face interviews.



As you watch and listen, you're trying to formulate a story. Specifically, you want to capture stories that reveal how your customers think, feel, and act. For instance, how do they make their buying decisions?



Customer insights give way to business success. Once you discern why your customers do what they do, it will be much easier to form long-term relationships with them as well as turn loyal shopping enthusiasts into genuine brand advocates.

Talk to us — we can help.

About Bazaarvoice

Bazaarvoice helps brands and retailers find and reach consumers, and win them with the content they trust. Each month in the Bazaarvoice Network, more than one-half billion consumers view and share authentic consumer-generated content (CGC), including ratings and reviews, as well as curated visual content across 5,000 brand and retail websites. This visibility into shopper behavior allows Bazaarvoice to capture unique first-party data and insights that enable our targeted advertising and personalization solutions.

Founded in 2005, Bazaarvoice is headquartered in Austin, Texas with offices across North America and Europe.

For more information, visit www.bazaarvoice.com

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