

Client-listening Methods:

A Strategic Tool to Shape Satisfaction & Loyalty

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Over the course of history, the economic world has changed. It has moved from a post-war model, where companies offered a product to consumers with many unmet needs, to a more complex, segmented model designed to meet specific customer needs. As consumers are no longer willing to adapt to products, this mass customisation now meets their requirements. Identifying increasingly specific customer needs is a major strategic challenge for companies. Understanding needs, through customer insight methods, will enable companies to make consumers loyal: the Eldorado of companies, capturing more value over the long term and boosting growth and revenues.

Drawing on customer listening methodologies for its consulting missions, SémioConsult® worked with Mathieu Giordano on a method for identifying the most relevant tools for a given company in its customer listening.

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Definition of Listening Using the Example of Sales

Whether online or face-to-face, making a sale always involves two individuals who may or may not represent legal entities and/or institutions. Social interactions are central to the making of a sale or a commercial link and to the identification of a preference or need on the part of the other party.

Identifying a need thus involves listening to the other party. The literary definition of listening is "a multidimensional phenomenon involving the *emotions, the mind, verbal, and non-verbal expressions* and also the *culture* of the other party or the legal entity it represents". Listening to customers, and more generally listening to others, enables us to adapt our behaviour to the information we receive, whether verbal, nonverbal, emotional, or intellectual. A certain agility is also required to respond to the needs identified during the listening session, to forge a commercial link and finalise a sale.

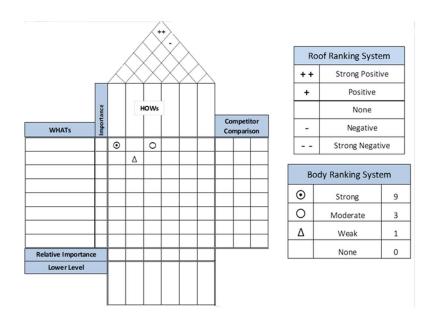
Customer Listening Method: A 20th Century Management Theory

To make a sale, the salesforce must listen and be sufficiently *agile* and *flexible* to offer a *suitable solution*. These concepts of agility and flexibility appear in management methodologies for the continuous improvement of quality and processes.

Quality Function Deployment Method:

Developed in 1966, it is used when designing a product and helps the designer to take customer needs into account right from the design stage.

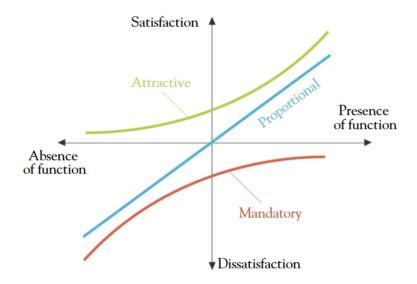
The "voice of the customer" (needs) is crossed with the "voice of the technician" (solutions). This ultimately enables the compatibility between requirements and possible solutions to be assessed. Each solution is weighted by a score to select the best match for the expressed need and integrate it into the final product.



It is important to note that to capture the voice of the customer, listening methods must be adopted and the results analysed. There is therefore a long process to follow to use this method effectively.

The Kano Diagram and the 'Conception Écoute de Marché' Method (CEM):

The Kano model is used to find out how the customer or user of a product or service behaves in relation to certain functionalities. Differentiating a product based on its functionalities enables it to be positioned competitively. This model is the foundation of the CEM method.



The question then arises as to which product options will provide the greatest satisfaction for the customer, in the interests of profitability for the company.

The CEM method makes it possible to carry out a qualitative analysis of customer statements collected during an interview and to analyse the resulting comments. This method contains several phases, based on listening to the customer and the voice of the customer, to obtain a product concept. The Kano diagram combined with the CEM method provides a classification of expectations and a rigorous analysis.

In the interests of profitability, companies need to identify what customers value to develop it further. This means eliminating superfluous company processes. This is why Lean management linked to the Six Sigma methodology is used. These methodologies are based on listening to their customers to satisfy them while making the company more profitable.

These quality management methodologies therefore place customer satisfaction at the heart of their approach and **base their methods on gathering customer expectations upstream of the innovation phase**. Ultimately, meeting these expectations helps to build consumer loyalty, which is their strategic objective. Listening to customers is a central concept, situated upstream of these methodologies, and a strategic concept for the companies using them. It enables the **Voice of the Customer** to be captured through customer surveys and listening.

Presentation of Customer Listening Methods and Decision Criteria

Customer listening methods can be divided into two categories:

- 1. Upstream listening methods: to get to know the customer better.
- 2. Downstream listening methods: to improve customer relations.

Downstream" methods can also be used during the upstream or innovation phase, to work in iterations and support the design choices for a product or service. Here are a few examples of methods that can be used upstream to get to know your customers and innovate accordingly.

Ethnography Netnography or ethnography



Qualitative study involving on-site observation followed by an interview with the consumer



Study of messages left on different platforms around a specific issue

Focus Group



Focus groups with customers to identify product usage problems





Bringing customers together to encourage them to share new ideas



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Committee

Creation of a committee to identify new product development opportunities

Ethnography:

Ethnography is a type of qualitative research that combines two disciplines: ethnology and marketing.

This method of observation differs from other qualitative studies that marketing firms may produce. It consists of two stages:

- 1. In situ observation of the consumer,
- 2. An in-depth interview with the consumer.

This type of research has the advantage of observing the consumer in his or her own environment rather than in a marketing agency, which is often the preferred location for qualitative research. It can therefore be described as a non-invasive method. To identify the habits of the consumer under observation, this research takes a relatively long time and requires equipment and human resources. In this sense, these studies are reputed to be costly and time-consuming, but they provide rich information that is more difficult to obtain in other circumstances.

Netnography or Web-ethnography:

This method is opposed to the concept of web-listening and monitoring. Web-ethnography involves analysing a multitude of messages left on different platforms on a specific subject or issue. Gathering these conversations on a given subject from different platforms makes it possible to obtain a diversity of angles on the same subject corresponding to the experience of the authors and not their opinions. It is in

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this sense that the ethnological part of the web study is expressed. Diversity also makes it possible to eliminate certain biases of over-mediatisation that might be present in certain media, editorialists or celebrities expressing themselves on the same subject. By analysing all these messages, we can identify the real issues at stake in the subject under study and reveal the associated imaginary worlds, considering parameters such as spelling mistakes and punctuation. This makes it possible to go beyond the rational and the explicit. This method therefore makes it possible to record the point of view of the people concerned without questioning bias, as well as the interaction with different subjects.

In addition to recording the messages, an additional study looking at the profiles of the authors of the messages should make it possible to:

- 1. Qualify some of the messages which may have a strong symbol/image.
- 2. Find out their social status and to which community they belong.

The main limitation of this method lies in the fact that certain populations are unable to express themselves in public digital places. As indicated in the definition of netnography, this method requires an interest in the profiles of the authors of messages that may have a strong symbol or image, analysing them to qualify some of their comments more precisely, or associating them with a community. It requires a great deal of expertise and time.

Focus Group or Discussion Group:

Setting up Focus Groups with customers focus on identifying problems that arise when using the product. For this reason, Focus Groups are most often used to test a conceptual solution rather than to generate new ideas. However, this method can be used once the product is on the market, downstream to improve it, or as part of an iterative creation process.

This method involves between 6 and 10 participants selected at short notice. The same group may be called upon to work on different subjects. This method is based on the product presented and the customer's satisfaction with it. This listening method is said to be intrusive because the questions are asked directly, and the answers are collected on the spot. This method is widely used. Quick to implement, it requires little technical expertise but strong listening and facilitation skills. However, the information

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gathered can be biased due to the format of the method itself (presence on the premises, social pressure from peers, pressure from the facilitator).

Brainstorming client or Crowdsourcing:

As with the classic version of brainstorming, the process is similar, **aiming to encourage users to submit new ideas**. Brainstorming can be used alternatively with "reverse" brainstorming, the aim of which is to identify shortcomings or gaps in the product.

It's not always easy to organise a brainstorming session, i.e. to get customers together in one place at one time. This listening technique can be costly in terms of time, especially for bringing together all the stakeholders, especially for a B2B brainstorming session. However, customers' needs are directly expressed and often converge towards a consensus between the different types of customers present.

Customer Advisory Committee (CAC):

A customer advisory committee meets to **identify new product development opportunities**. It is an opportunity for experts and suppliers of a product to meet (networking) and express their views on potential problems and issues. Unlike focus groups, the CAC gives customers more power and enables them to have a greater impact over time on decisions concerning the company. Feedback from the company is an important element in increasing customer satisfaction and loyalty.

This method can involve up to 20 members, not all of whom will necessarily be present at the various meetings during the collaboration. This method is time-consuming but can provide a great deal of relevant information by following the same group of customers. It is then possible to observe a dynamic in the behaviour or proposals/responses of customers over time.

Conclusion

We have seen that customer listening methods mainly emerged in the post-war period to understand and meet emerging customer needs. Listening is the basis of sales and enables a customer's request to be satisfied and the customer to become loyal if the sales force responds to his request.

Similarly, companies apply management methods that are based on listening to customers to:

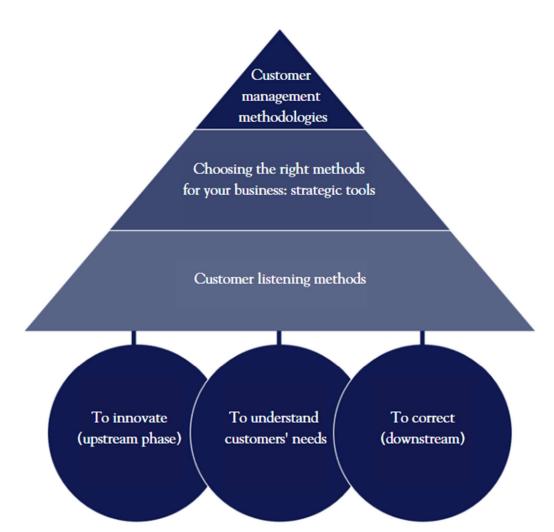
- Improve product/service positioning and compete by providing the features that customers want.
- Innovate to match what the customer wants (Voice of the Customer) with what the company can do.
- Satisfy the customer while making the company profitable by eliminating superfluous processes.

These methods of listening to the customer are strategic tools for capturing maximum value, responding to the customer's expressed needs, and building customer loyalty. To innovate and understand customer needs, companies can use various customer listening methods, each of which has important characteristics to consider. They enable decision-making criteria to be established to which the various decision-makers can refer according to their own constraints. We have seen that listening methods can be:

- Intrusive or non-intrusive.
- Time-consuming to set up and implement.
- Complex to implement, requiring considerable technical expertise.
- Costly in terms of equipment, human resources and time spent.

Depending on its objectives and constraints, each company can find "THE" method that is right for it.

Essential Elements to Remember



- Customer listening methods are strategic tools that companies can use to understand their customers' needs. They enable them to innovate (upstream phase) or correct a product (downstream phase).
- These methods form the **basis of customer management methodologies**, which can be implemented to complement the innovation phases of customer needs research.
- Different methods of listening to customers exist, with different constraints and benefits. This allows the company to choose the best customer listening method according to its own constraints and objectives.

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