

The Washington Post

Market research can help boost sales

By Mary Ellen Biery, December 30, 2011

Market research, customer insight — they both mean tapping into a business's greatest resource: Its customer base.

Private U.S. businesses across all industries saw an aggregate sales increase of nearly 7 percent last year, according to a financial statement analysis by Sageworks Inc. But many companies are still struggling to grow revenue in the sluggish economy, and they're looking for new ways to do that.

One possible way is to use customer insight. You knew your customers well when you first started a business, but customer needs have probably changed at least somewhat since then. Gaining insight from customers can reassure you that you're on the right track, or it might point you into a new growth area for the business. It can also help you decide how to spend precious dollars on marketing.

Here are four ways you can use customer insight to boost your sales:

1. Communicate. "Talk — even informally through a quick phone call — with customers to discern the real value they get from your service or product, and brainstorm with them about tangential offerings you could add to fulfill another need or want," says Libby Bierman, a Sageworks analyst. "Long-time customers are more likely to view you as a business partner than just a vendor and would like to help your business succeed, especially if it means they might have first access to your new product or service," she says.
2. Uncover pain points. Examine how your customers currently consume your product or service. Can you make that process easier for them? "Reducing friction points — learning curves, waiting periods, paperwork, delivery charges, and so on — in the customer experience will encourage them to use and recommend your business more often," Bierman says. "For example, eliminate one of their trips or calls to your business by adding online ordering."
3. Tap their expertise. Invite customers to your internal business meetings. Make them part of the process, whether it is product development or product/service reviews. This can improve the quality of ideas presented and improve the way customers think of your business.
4. Get the scoop with a survey. Send confidential surveys to clients and ask them how the business might better meet their needs. The surveys should ask both specific and general questions around how to improve services. By getting information from clients, the business will be able to better meet needs, which increase sales/revenue over time. SurveyMonkey offers free software to help you run a basic survey, and there are many other providers as well.

Mary Ellen Biery is a research specialist at Sageworks Inc.

For the full story by Sageworks' Mary Ellen Biery, please visit [The Washington Post - Market research can help boost sales.](#)