Understand Your Small-business Customers Through Conversation

Market research focuses on understanding your customers.

"There are a variety of tools to help you do that," says (Insert name and title) of (Insert county). "Yet one of the most overlooked tools that offers a great deal and costs very little, except for time, is conversation."

Conversation is great in terms of getting to know your customers as individuals. What are their motivators, desires and drivers? What do they like and what do they avoid? What are their beliefs and what are their goals?

You can use this basic core information to build on your other market research results. It helps you do specific targeting of individuals and groups, something that technology makes easier and easier.

Understanding customers at that level takes something more than what a survey often can gather. Even if you want to use a survey for gathering some of this information, you often run into two obstacles:

- Developing the right questions
- Getting customers to divulge such information because it is often private and hard to put into words

"It goes back to understanding customer behavior," says Glenn Muske, the North Dakota State University Extension Service's rural and agribusiness enterprise development specialist. "Often behavior is driven emotions or desires such as 'a feeling of comfort' or a smell that reminds them of home or something that just makes it 'easy,' 'fun' or 'exciting.' Those things are hard to quantify or capture in a survey."

Yet gathering this information is not done easily. It takes time and often may apply only to a single individual or a very small subset of your customer base. To do it well, be prepared to:

- Write it down. Don't depend on your memory.
- Remember that this information depends on its depth and richness, which comes from building that data through time. It is a lifetime of conversations and building trust and relationships.
- Conduct analysis, which may be hard to do.
- Maintain confidentiality. Conversations may lead to information that people do not want divulged. The best way to use this information is only as a guide. Ask customers if you might send them an email if they expressed an interest in a particular product. Or ask if you could use the information in a generic sense to help you better market your products.

Having conversations is a great way to learn about your customer. It gets deeper, giving you greater insight as to what the customer wants. And it has a great secondary benefit of building a relationship, something that will continue to pay off.

So get started today. Have a conversation.

For help, contact your local Extension Service office at [insert phone number and email address]. Also visit NDSU's small-business support website at www.ag.ndsu.edu/smallbusiness and sign up for the monthly newsletter. Or check out Facebook at https://www.facebook.com/NDSUextsmallbiz or Twitter at @gmuske.

Other resources include http://powerofbusiness.net and www.eXtension.org/entrepreneurship. The Small Business Administration and its related organizations, such as the Small Business Development Centers and SCORE, also can be valuable resources.

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For more information, contact glenn.muske@ndsu.edu or call (701) 328-9718. You also can visit our website, www.ag.ndsu.edu/smallbusiness.