

How to understand your customers' needs

A thorough understanding of your customers' needs requires analysis. Here are four steps you can follow to understand your customers' needs and turn this information into actionable results:

Create a buyer's persona

To understand your customers' needs, you need first to understand who your customer is. You can start by crafting a buyer persona, a fictional description of your ideal customer, based on research and your current customer base. It describes the type of person your business appeals to, including their likely age, gender, location, income, and hobbies.

With a detailed buyer persona, you can think about the needs of that audience.

For example, a target audience of women in their 50s may have different needs than men in their 20s. A buyer persona helps you keep your ideal customer in mind as you are researching and defining their needs in later stages.

Seek feedback from your customers

One of the best ways to understand your customers' needs is by getting feedback from them directly. You can ask customers what they like about your products, what they dislike and what they would like to see changed. There are several ways to do this, like sending out surveys, holding focus groups and tracking discussions across social media.

When asking for feedback from your customers, remember to ask a wide range of questions. Try to learn more about both their physical and psychological needs. Ask them about how the product made them feel, along with their experience physically using the product.

As you collect this feedback, compile all the results and implement the suggested changes. You can then go back to your customers and see if the changes improved their experience.

This process of gathering feedback, implementing changes, and reassessing is essential for not only understanding customer needs, but it also helps you to make good use of the information you receive.

Analyze your competitors

Your competitors also play a role in determining your customers' needs and wants. If one of your major competitors offers a new service or feature, your audience will come to expect this in all their buying options.

For example, if a software company that offers a product similar to your own offers a 30-day free trial, your audience may expect the same from you. You can analyze your competition similarly as you gather feedback from your customers.

Conduct focus groups where you demonstrate the two products side by side, hold interviews with customers of the other business, and track their social mentions. From this, you can learn how your competition is meeting the needs of your audience and how they could improve, which you can then use to improve your products.

Craft a customer needs statement

With a customer needs statement, you are defining the exact needs of your audience and putting them into one succinct statement. Use the data you collected in the previous steps to inform the content of your customer needs statement.

To craft a useful customer needs statement, there are a few elements to aim for:

- **Consistency:** Aim for a statement that remains consistent over time. Your buyer's persona is the same throughout the product development process, so your statement should be as well. Keeping a consistent needs statement ensures you can establish methods for reaching those needs.
- **Usefulness to the consumer:** Your needs statement should describe how your product will meet a customer's needs better than a competitor's. Use the information you gathered about your competition to describe what you can do better than them.
- **Usefulness to your business:** Create a needs statement that can help out every department in your organization. From this statement, your marketing team should know the best way to promote a product, the product development team should know what improvements to make and the sales team should know how to best sell the product.

- **Clearness and conciseness:** Everyone who reads this statement should know exactly what it is your customers are looking for. Keep the language simple and accurate for the best results.

Customer needs are the motivation behind a customer's decision-making process. The consumer's desire is what drives them to purchase a product and to pick that product over another. Businesses study their customers' needs to provide better products, marketing strategies and customer service.