Guide: Customer advisory board

You can improve your chances of succeeding in today's market by focusing on addressing the issues that face your key customers. It is important that you know the voice of your customer and create competitive solutions to deliver real business value to meet customer needs.

A Customer Advisory Board (CAB) is a way to achieve this. It's a panel of your customers, who discuss your business and what can be improved, either face to face or online.

An external facilitator to chair the CAB and guide discussion towards specific topics can encourage your customers to open up on the business' strengths, weaknesses, and opportunities, without feeling they need to justify their comments.

Customer Advisory Board basics

A fly on the wall

Imagine one of your customers having lunch with several other business owners. The subject of your business comes up. What will your customer say about you and your company?

Will it be positive? Negative? Worse yet, will it be nothing at all? Will your customer, instead, be silent, listening to what others are saying, while internally comparing your company's performance?

It's a given that customers are thinking about you and the service your company provides. Even if they aren't talking about you to other business owners, they evaluate your company every time you provide a service. They evaluate your company every time you answer the phone, return a call, or send out an invoice or other correspondence.

Ironically, it's often the non-technical aspects of what you do that are noticed most by customers. We know that customers often leave a company not because the company was technically incompetent, but because of the way they were treated.

Do customers know you care?

It comes down to a perceived indifference — the little things that communicate to the customer they aren't as important to the business as they think they should be.

What are your business' areas of perceived indifference? Your phone procedures? Your invoicing procedures? The way you serve customers? The amount of contact with your customers? The attitude of a team member? Product delivery?

Whatever your issues, you owe it to yourself to find out what they are and fix them — ***now!*** Every day you wait, you risk losing a customer who feels unheard or uncared for.

Listen to your customers

How do you determine the issues? We've found the best way is to ask. Here's the important part, you must really ***listen*** to your customers. They already have the answers and are more than willing to share them.

And wouldn't it be better to get your customers talking to you directly about their concerns, frustrations, and desires rather than telling someone else?

Here's the interesting part.

You and your team probably already know much of what your customers' concerns are. It may be that the greatest benefit from the feedback you receive will be to confirm your intuitions and help you reset your priorities.

The best way to coordinate this feedback is with a Customer Advisory Board (CAB).

Based on the intensity of your customer feedback, you'll know which issues need to be addressed and in what order.

Beyond that, you and your team will be motivated more than ever before by the feedback as you are held accountable to a whole new level of customer expectation.

For many companies this can be a turning point.

You don't have to do this on your own. We can guide you through the process, act as an impartial facilitator, and help you develop a strong business improvement plan based on the feedback received from the CAB.

How many customers?

The number of customers that attend these meetings should be between 8 and 12 people. It's important that you keep the numbers small enough to ensure that the group is manageable. It's also important that each person has the chance to participate.

For group dynamics, the best number is around 10 people.

How long should it run?

It depends on the overall objective, how much feedback you need and the group dynamics. Around 2.5 hours is a comfortable length.

Time allocation

The amount of time you need to allocate for the meeting is straightforward. You need to be there to introduce your facilitator. Then you can leave.

When the meeting is over, you need to come back in the room (your facilitator will normally give you a time and/or locate you at this time) and thank your customers with a quick 'thank you' speech.

At this point, your customers typically want some refreshments and then they leave.

After your customers leave, it's important to have all the business owners spend time with the facilitator to discuss what your customers have said and what you need to do about it. This follow-up session usually takes one hour.

Please note: We have found that providing you with a complete recording of the meeting combined with a follow-up session is the most effective way to take in feedback from the CAB.

Onsite or online?

Everyone's time is precious. If your clients would face prohibitive travel time, consider an online meeting over an onsite one. However, be aware that it's still harder for a group to speak freely online and your facilitator will have to be skilled in this environment. On the other hand, if you go with an onsite meeting, make it as easy as possible for your clients to attend, for instance, with free parking.

If you're conducting an online CAB, consider sending out some short notes beforehand, to introduce the panel members and the facilitator.

The venue

The room setup should be open and one where people can communicate easily. A boardroom style works best with everyone facing each other.

Place jugs of iced water, glasses, and bowls of mints (or something fun) on the table. Remember, it's a nurturing exercise. Prepare name badges or place cards printed in a large font so that everyone can see the names clearly.

Recording your CAB

Obviously recording your CAB is important to capture as much of the information as possible.

Make sure you have sufficient recording and backup capacity for up to 3 hours and that the equipment is set up and tested before the meeting starts.

In addition to recording the event, your facilitator should make good, clear notes during the meeting so that the consultation with you afterwards is more meaningful.

Time of day

The time of day is not as important as matching it to the scheduling needs of your clients. Some businesses find a breakfast meeting easiest. Others find an extended lunch or late afternoon works best. There are no hard-and-fast rules.

You need to be sensitive to commuter issues and the geographic location of the participants involved. An online meeting eliminates those considerations, but your facilitator will need to put more effort into making sure all participants are fully engaged.

Logistics — what will you need to do?

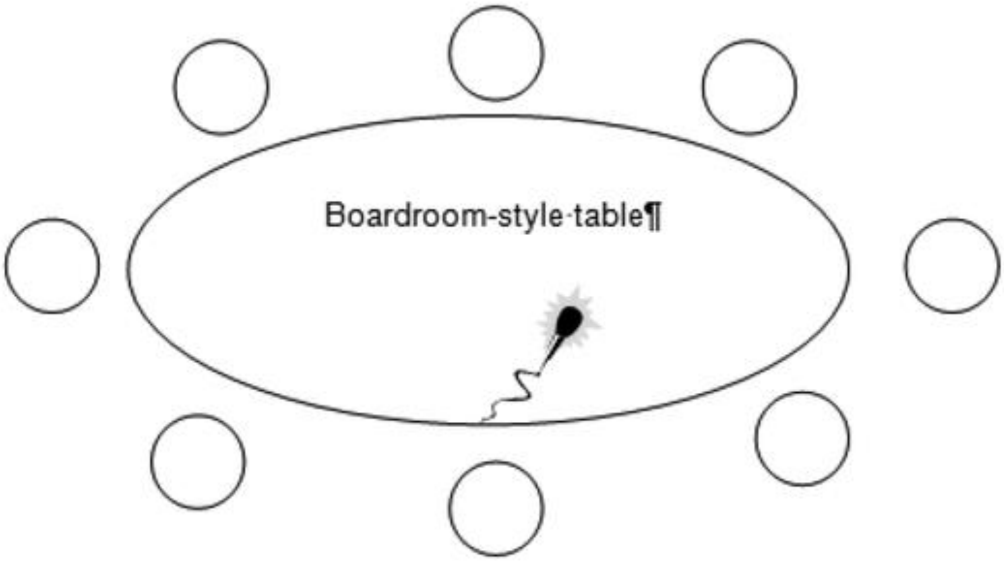
Before the meeting

- Invite customers 2–3 weeks before the meeting
- Confirm with customers 2–5 days before meeting
- Book the venue (or use your meeting room) and confirm the number of people attending
- Give your facilitator a list of attendees, along with a brief profile
- If the meeting is onsite rather than online, organise the following equipment and amenities with the venue:
  - Boardroom table suitable for the number attending
  - Audio equipment suitable for recording the meeting. The better the quality of the equipment, the better the recording
  - Whatever backup tools you need to copy a recording of up to 3 hours
  - Water and mints on the table
  - Pens/pencils and writing paper
  - Refreshments for arrival and pre-departure — coffee, tea, iced water, orange juice
  - As appropriate, breakfast, morning refreshments, lunch, afternoon refreshments, or an evening supper
- Communicate to the facilitator any additional questions you'd like asked
- Provide name badges with customers' names in a large font

After the meeting

- Send thank you letters and a small gift of appreciation the next day
- Prepare a report to communicate follow-up action to participants
- Implement the ideas!

Room setup



Invitations

Who should you invite?

For your first CAB, it's not a good idea to invite unhappy customers. Their negativity can often affect the group very quickly. In this situation, you may find yourself in one of two scenarios: negativity spreads across the group, or the rest of the group runs defence for you and the meeting turns into a free-for-all.

Invite a cross-section of customers who are relatively happy. Some may have been customers for years, some may be new customers, some may be large customers, others smaller, etc. Try to cover your major target groups.

For example, if you want feedback from a certain segment of your customers, address them specifically.

How do you invite people?

Talk in terms of benefits with your clients. The question — "what's in it for me?" — needs to be addressed. Without this, your busy customers may not want to give up their time.

They also need to feel sure that the CAB will be valuable and that their time is appreciated. For that to happen, they must believe that you're really going to listen to their feedback and ***do something about it***.

Let them know that you really need and want their help and that, in return, you'll make a commitment to implement and test their suggestions, so that you can make it easier for them to do business with you.

Obviously, one of the best ways to invite your customers is to write to them and explain exactly why you're holding a CAB. Refer to 'Sample Invitation Letter' below.

Sample invitation letter

Dear [Salutation]

We want to ask you for your advice.

We value your business experience and appreciate the day-to-day problems you face.

You may have noticed that we've been making some changes over the last few months. Over the next few months, we plan to make more to improve every aspect of our business for you.

[Salutation], we're writing to invite you to join in a Customer Advisory Board that will allow us to discover what's important to you and what you really need.

This offers you a chance to tell us what we have to do to become the [Service] you want to deal with. You'll have an opportunity to get things off your chest and give us the feedback we need so we really can give you the service you deserve.

This event will be held at the [Venue Name & Address], on [Day Date]. It will start at [Time am/pm] and end at approximately [Time am/pm].

We've only invited a select group of clients, so we'll call you in a few days to find out if you're able to attend so we can arrange for [dinner and] refreshments at the venue.

There are two important things you should know.

First, we've asked facilitator [Facilitator Name], who is a Chartered Accountant, to run the meeting for us. [Facilitator Name] will ensure that the meeting is impartial and objective and he/she will take in all your feedback, good and bad.

And second, we want you to know we are committed to improving our services. To that end, we'll record the meeting. That way we can review the meeting to make sure we implement your suggestions.

We look forward to talking with you soon.

All the best,

[Director Name]

What should you do at the CAB?

Once you've thanked your customers for giving their time and you've introduced your facilitator, the best thing you can do is leave!

That will be difficult, but if you want the best results, it's important that your customers see the facilitator as a neutral party. Without you in the room, your customers will be more open and ready to offer their opinions without feeling intimidated.

By removing yourself from the meeting you'll also prevent the risk of taking simple comments on your business as personal attacks.

Remember! The entire meeting is being recorded, so you won't miss out on anything.

To introduce the facilitator

To assist you with your introduction, we've put together a simple script (see below) that you can use to get an idea of the type of information you'll need to cover. Feel free to add to it as you see fit.

Sample introduction for the start of your meeting

'First of all, I'd like to thank you for investing your time to help us help you better.

And second, I'd just like to explain the format for this meeting.

The reason for this meeting is to find out exactly what you like and what you don't like about dealing with us. Also, we're looking to find out what other services we **should** *be providing for you.*

*This meeting is to make sure that we do it properly. We've asked [Facilitator Name] to join us to help gather your thoughts. Now, it's best that I explain **their** role in this process.*

[Name] is a Chartered Accountant who is [Background]. [Name] is here to make sure that the meeting runs smoothly and ask pertinent questions. It's important to mention that [Name] has no connection to the business. [He/she] is simply here as a neutral party.

You'll notice that neither [Director] nor I will be in the room. We both believe you may feel inhibited if we're present. So, by us leaving, you can feel free to say whatever's on your mind, without feeling obliged to justify yourself.

The whole session will be recorded so that we can work through your suggestions and make sure they're shared with the entire team.

You'll understand that there may be some ideas that for some reason can't be put into practice straightaway. Whatever your feedback or ideas, we'll be in touch in the next few weeks to let you know how we'll act upon these.

So, thank you once again. [Director] and I will see you after the session.'

Sample script and questions for your facilitator

Opening

• Thank you for coming

• Who I am, what our relationship is

• My role is to ask questions and to listen

• Recording equipment… how to get me to pause the recording

• Limited amount of time, try to be concise, please don't talk while someone else is speaking

Purpose

• [Business Name] wants to know how to serve you better.

• Why you're here — explore how you feel about the past and design the future. To do that, let's begin with a couple of quick questions:

• How long have you been a customer?

• What made you choose — how did you choose — this business in the first place?

Reviewing the past

• Has anyone ever used another business of this type?

• Why did you leave that business?

• Did that business do something or provide a service you think this company should replicate?

• What would have to happen for you to leave this business as a customer?

Services

• What services or products of this company do you use and how frequently?

• How would you rate the timeliness of the services you receive?

• Are you sure you know all the services this company provides?

• How do you feel knowing that they provide services other than those you knew about? For example, are you excited to learn about them or discouraged that they didn't mention them before?

• What is your perception of their ability to deliver some of the services you weren't aware of? Do you think that the company is competent/capable to do these other things?

• What are 1 or 2 services that would make your life easier, more profitable, etc.? Are there any additional services that you expect, but aren't receiving?

• What image do you think the company has?

• Do you feel name recognition is important? Would you like the business to be more visible in your community?

Competition

• What is your perception of the competition?

• How often have you been solicited by other businesses of this type and in what ways?

Customer service

• Regarding overall service, how does this company compare with other businesses that you may have dealt with?

• How important do you feel to the company when dealing with them?

• How is your contact with the company handled (one person or a team)?

• How is the team; do you perceive them as knowledgeable?

• Do you feel dependent on one person, or can many people help you?

• How is the phone system? The receptionist? When you leave messages, does their contact respond in time? (Are you confident your messages are forwarded?)

• Is material delivered when promised?

• As a side question, how do you feel about dress code? How would you feel if the company began wearing more casual clothing?

• How about the location of the company … is it convenient and comfortable?

Invoicing

• How is the company's billing system? Does it provide you with enough information?

• How is the timing of the invoicing and information?

Communication and proactivity

• Does the company communicate clearly what they need of you and what they're doing?

• Does the company communicate by email or text? Would you like them to?

• How could the company improve their communication?

Overall

• What are the top 2 things you like about the company?

• What are the 2 things you dislike most?

• Where would you rate the company on a scale of 1 to 10? Where would you rate the person you deal with on a scale of 1 to 10? What can they do to move closer to a 10?

• How frequently do you refer new business to the company?

• Does the company appreciate this?

• What was your referee's feedback?

Overview and wrap-up

• How valuable was this session?

• Thank you for your time. We'll compile feedback, and they'll get back to you.

• If we were to ask you to come back and do this again in a year or so, would you be willing to help again?

Follow-up

Personal letter

The first thing you need to do is to make sure you send a personal letter or email to thank the participants for their time and contribution.

You'll find a sample letter below.

Send a gift

Remember: it's the little things that matter the most. Send a small gift.

People always appreciate being thanked and pleasantly surprised. Some examples of gifts are:

- A quality pen engraved with the customer's name
- Dinner vouchers at a first-class restaurant
- Gift hampers full of edible goodies
- Tickets to a popular event
- Flowers and chocolates

If you're going to give a gift, it should reflect your image and your feelings towards what your customers have contributed. Also make sure the gift is sent very quickly after the meeting finishes — preferably the next day.

Another idea is to present small plaques or trophies to the attendees. That way, the customers have something they can put up on their business wall to remind them of the event.

Action report

Most importantly, you need to make sure you follow up with action.

Send a written report to your customers that outlines essentially four things. They are:

- A list of the issues raised
- A list of actions associated with each issue
- A champion who is responsible for following through on each issue
- A deadline for the issue to be dealt with

That means your report might look something like this…

Issue	Action	Champion	Deadline

Listen to the recording thoroughly. Make sure you listen to both the meeting and the follow-up consultation.

Write the report as quickly as possible and send a copy to all participants. Distribute a copy to your team members as well as you'll be planning the follow up with them.

After the report

Implement some of the simple, workable suggestions straightaway. It's a great way to show customers that you're committed to change while you work through the longer term actions.

Thank you letter after the Customer Advisory Board

Dear [Salutation]

Thank you for giving up your time to contribute to our Customer Advisory Board. We really appreciate it.

I hope you enjoyed the experience.

It will be around one or two weeks before I fully review the detailed comments and issues discussed at the CAB.

When I have, I'll send you a report outlining key issues and what we're going to do about them.

So if you don't hear from us for a couple of weeks, don't assume we're doing nothing.

We're very committed to this process we've started.

If there is anything else you'd like to talk about with us before we get back to you, please call.

Once again, thank you for your valuable contribution.

Enclosed is a small token of our appreciation.

Talk soon.

Kind Regards

[Client Manager]

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