Six ways to get closer to customers

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Given today's tough economic environment, it's unsurprising that boards are telling companies to get back to basics: improve margins and get to break-even or cash-flow positive. To weather the storm, one of the most important things you can do is increase your focus on your existing customers. Customers are your ground truth, your *raison d'être*. Current customers are also your best source of information, referrals and expansion opportunities. From our Scale Studio data, in Q1 of this year, growth from existing customers was nearly the same as from new customers.

Of course, every company claims to be customer focused. In practice, I find that even companies that start out obsessed with their customers sometimes get distracted as they grow. Yes, the execs get called in to meet with customers, but usually at the end of quarter when sales are hanging in the balance and they're rolled out to give the vision pitch to close the deal. Often this is more of a command performance than a real discussion.

Sales, support, and product managers are responsible for keeping up-to-date with customers, which is fine. But sometimes the founders' view of customers from the early days becomes trapped in amber. If you're growing at a decent clip, the new customers are different from early adopters. Their environments, concerns, and needs can be vastly different. The half-life of what you learn from early buyers is short and may not be applicable to newer, larger customers.

The remedy is to make sure founders and executives are spending time with current customers so that you're staying up-to-date. Here are six tried-and-true techniques to make sure you're staying close to customers.

Invite a customer to your all-hands meeting

Whether in person or over Zoom, bringing customers into an all-hands meeting is a great way to increase customer empathy across the entire organization. While some groups, like customer success and sales have lots of exposure to customers, other groups don't. This gives everyone a better understanding of the customers the company is serving.

At Duo Security we made a point of regularly inviting customers to speak at our all-hands meetings in Ann Arbor. We had thousands of customers, so finding someone within driving distance was usually fairly easy. Lisa Paul, our VP of Customer Success, interviewed them on stage in front of the company to find out what they liked and disliked about our product.

One buyer from Kelly Services was full of praise for how much he liked Duo. But he also came with a long list of gripes including how minor changes to the UX required re-training employees and updating internal documentation. It was the best session ever. For engineers, it was eye opening. Many took notes and referred back to Kelly Services whenever we were making changes to the UX.

Create a customer advisory board

Long used in Enterprise software, pulling together a group of customers to provide input once or twice a year on an advisory board is a great way to strengthen bonds with customers and glean information about their needs. It doesn't have to be an extravagant affair. Invite ten or twelve customers, either your biggest or a representative cross-section across segments, and bring them together for a day. You can also include a couple of prospects who are well-into their evaluation.

While there's a tendency to want to have the company dominate the agenda with roadmaps, feature previews and architectural discussions, I have found things work best if you turn the agenda upside down and start by having a couple of existing customers present how they are using your product, what worked well and what didn't.

Unsurprisingly, customers (and prospects) enjoy hearing from their peers about how things are in practice, rather than how they should be. Customer environments are often more complex than you might expect and that leads to valuable discussions that account managers, product managers, and other customers can learn from. There can be great insights into technical issues and even internal organizational challenges that customers have when buying or deploying your software.

Naturally, customers want to hear what's on the roadmap for future releases and have their say. Have a few product managers and engineers present what they're working on and elicit feedback. This is a great opportunity to see what people are excited about. There's no BS-ing customers. They either care about what you're doing or they don't and, in my experience, they are willing to say it out loud. The feedback might be skewed to reflect the background of these larger invited customers, but it is well worth considering.

Customers love it when their feature requests make it on to the roadmap, even if it was something you already had planned. It makes renewal and expansion discussions go a lot smoother.

Throw a customer appreciation dinner

After the customer advisory board or at a conference, invite half a dozen customers and an equal number of prospects for a nice, low-key dinner. No presentations, no sales pitch, just quick round-the-table introductions and open discussion. Yes, you'll want some sales managers there, but perhaps more importantly would be a mix of executives, product managers and/or customer success managers. The goal is to get the customers talking about their projects, the results they're seeing, and perhaps generate some ideas of what else you can do to make things even better in an unstructured, informal setting.

If your product works as advertised, this is a great opportunity for prospects to hear from happy customers. I have found this to be one of the best opportunities to accelerate sales cycles. Prospects develop a much stronger conviction around your product when they get to hear the real, unfiltered experience from their peers.

Have a local meetup

In the early days of Zendesk, we didn't have a lot of money for events, but we had a large set of customers with concentrations in most major cities. Quite often, we'd hold customer meetups in Chicago, LA, London, New York. An executive would host the session along with a product manager or support engineer mid-week day at a downtown bar. We'd spring for drinks, maybe some appetizers and that was about it.

We would invite local customers, consultants, partners and prospects . Other than a very brief introduction of the Zendesk staff, we just let things happen organically. Customers might buttonhole a Zendesk employee, to get some assistance or ask about upcoming features, but mostly it was about creating community among our customers and showing that we cared about what they were doing.

At these meetups, people connected with us in a way that went beyond just being users of the product. Over time, this became a powerful base for Zendesk. People who used Zendesk often referred others and when they switched jobs, they brought Zendesk with them.

Go on a customer road trip

When traveling for vacation or family obligations, I would tack on customer visits. It's easy to find customers anywhere you happen to be, but I would also offer to travel anywhere in the US that the sales team could get three customer or prospect meetings. While it was incredibly useful for me as a leader, it also set an example at the top that even small customers are worth engaging with.

While sales people sometimes prefer to bring executives in only at the final stages of large deals, I preferred to meet a wide cross-section of customers. It didn't matter to me if they were paying us a few hundred dollars a year or a few hundred thousands. There are always things to learn when meeting customers, whether it was about how they used the product, why they bought from us, what else they evaluated or what tripped them up. Quite a few times, customers would ask for features that we'd already shipped. That was always a fun discussion. It's all grist for the mill.

Sometimes I did these calls by myself and sometimes with a sales person. I always made sure to share my findings about what customers liked or disliked and why they bought with the entire company. I would highlight specific features the customers mentioned so that engineers and product managers could see the impact of their work.

Send a founder email

There's nothing quite as powerful as getting an email from a founder or executive asking to learn more about how people are using their product. Gatsby co-founder Sam Bhagwat was adept at using this technique to identify open source users who could benefit from the higher performance and scale of our commercial cloud offering.

Sam had a background as a reporter, so he had a natural curiosity that enabled him to learn a ton about how customers were using our product and where they were getting stuck. He also had a positive, low-key personality that won customers' trust. They never felt that they were being sold to. Still, quite a few of those conversations turned into opportunities for the sales team.

Zack Urlocker is an Executive in Residence at Scale Ventures. He has helped companies scale to billion dollar exits at companies such as MySQL, Zendesk and Duo Security. He is working on a book "Build to Scale" and publishes regularly at [*https://buildtoscale.substack.com/*](https://buildtoscale.substack.com/)

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