

Is your business ready for a Customer Advisory Board?

*An excerpt from Mike Gospe's new book, **Planning a Successful Customer Advisory Board**, coming 2013*

That may seem like a silly question, but Customer Advisory Boards (CABs) are not appropriate for all companies. This is not to imply any judgment, as there are perfectly good reasons for not pursuing a CAB initiative. The CAB is the most strategic, most important type of customer meeting you will ever run. Think I'm exaggerating? This is the one time, one place where a large portion of your executive staff is in the same room for an extended period of time with a dozen or so of the most influential decision makers in your customer base. Unlike a convention hall or user group setting, this venue is conducive to an intimate conversation about industry trends, operational issues, and corporate priorities that drive your customers' businesses. These are the people who have funded your success, and these are the people who can just as easily accelerate your growth or take the wind out of your sales, literally.

Are you able to take full advantage of a CAB? If you decide to embrace a CAB initiative, you need to be sure you are ready and committed to do what's required to make it a success because you'll only get one chance with this group of elite customer leaders. CABs are not about lectures presented by company brass; they are about discussions that engage customers. And your commitment to the CAB starts with listening to these customers as they respond to the topics you put before them. But your commitment doesn't end here. While it is not required that you agree with everything these customers say, and it is not expected that you will take action on every suggestion, it is required that you consider this as valuable input into your decision-making process. If you decide not to act, customers want to know why. They'll expect an update at the next

CAB meeting. In short, commitment requires your willingness to keep the doors of communication open during and after the meeting.

There are four primary objectives for a well-run CAB. A company may want to achieve just one, all four, or a combination of these general objectives:

- 1) To **better understand the trends, drivers, and priorities shaping your end-customers' businesses**, and to explore how your company can become a more valuable partner against this backdrop.
- 2) To **validate your company's value proposition and strategic direction**, ensuring your business is in sync with your customers' needs and expectations.
- 3) To **review, assess, brainstorm, or ideate opportunities** for improving solutions, interaction, and customer satisfaction.
- 4) To **strengthen the relationship** between your executives and the key decision makers and to foster peer-to-peer networking opportunities among and between your customers.

If the above objectives mesh with your interests, then a CAB is the right vehicle for you. This is a critical first step because CABs are often confused with having other objectives that are not appropriate:

- ✘ To use the CAB as a sales event to drive immediate bookings. *Instead, host a breakfast meeting for a mix of customers and prospects where customers are invited to talk about specific applications and use cases for your products and services.*
- ✘ To gather informally with a large group of customers, and without an agenda, to socialize. *Instead, add a customer-appreciation day at the end of your annual user conference.*
- ✘ To prioritize product features. *Instead, hold a product focus group with users.*
- ✘ To publicly introduce new products or services. *Instead, execute an*

integrated marketing campaign to launch new products and services, taking full advantage of coordinating relevant and timely marketing vehicles and social media necessary to engage prospects and the sales pipeline.

- ✘ To discuss support issues unique to each customer. *Instead, set up a quarterly account review process/meeting with these key customers.*

With the objectives confirmed, the next step is to consider the questions you want the group to answer – questions that are about them but very relevant to the strategic direction of your company. The theme of the CAB and the caliber of the questions you ask will determine the effectiveness of the CAB. If the questions appear random, customers will not understand their importance or why you are taking their valuable time to ask them; if they are too simple or too detailed, they'll wish they had delegated their attendance to lower-level manager. Neither result is desired.

So, is a CAB right for your business? Here's a checklist to help you decide:

Signs that CAB is right for your business:

Qualitative customer input

- √ We have a critical mass of non-competing customers that we can choose from to participate in our CAB. Their collective input, advice, and perspective will be relevant and meaningful to our leadership team.
- √ The CAB, as a business-level focus group, is a welcomed compliment to our other customer engagement efforts, including surveys, focus groups, and user group meetings.

Business maturity

- ✓ We have a well-honed, documented corporate vision and value proposition that guides our company, and we're ready to share this with customers.
- ✓ We are honestly interested in knowing what customers think, and we are open to being influenced by their input and perspectives.

Executive commitment

- ✓ We are willing to make an investment in a CAB initiative, both financially, as well as treating this as an operational priority.
- ✓ The entire executive team is onboard and eager to support the CAB initiative.

A cross-functional initiative

- ✓ Our company culture invites and encourages cross-functional participation and active support.
- ✓ Leaders from product development, engineering, customer support, and sales are engaged and supportive of the CAB initiative.

The right time

- ✓ The timing is right to engage customers in a strategic business-focused conversation; we have discussion topics worthy of an initial agenda.
- ✓ The timing of the CAB fits well with regards to other strategic planning meetings that have been (or will be) scheduled.

Look for additional excerpts from ***Planning a Successful Customer Advisory Board*** in future KickStart Accelerator e-newsletters and the [blog](#). Future topics include a strategy guide for executives, a game plan for executing a world-class CAB initiative, and answers to common questions.

About the Author: [Mike Gospe](#) is a marketing strategist, co-founder of [KickStart Alliance](#), and the author of upcoming book, [Planning a Successful Customer](#)

Advisory Board, 2013. *With a specialty in advisory boards, Mike is a professional facilitator with more than a decade of CAB leadership experience working with many of today's top business-to-business companies.*