What is a Customer Needs Model™?

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Introduction

In working with sales, marketing, and training professionals to build sales knowledge systems, we stress the importance of building a Customer Needs Model™ to serve as an integrating framework. This brief paper outlines the purpose, characteristics, and benefits of a Customer Needs Model.

Toward a customer focus

Selling is supposed to be customer-centered, focused on providing solutions to customer needs. Most sales training programs emphasize discovery of customer problems and needs as a prerequisite for offering solutions. However, when it comes to product training and documentation, most companies still rely on the old "features and benefits" approach – beginning with features and following with reasons customers should be excited about them.

Simply stated, a customer needs model is an antidote for this problem. It is a way of establishing a customer focus, giving sales people a framework for understanding and addressing customers' needs and problems *first*.

Categories of problems and needs

Once a list becomes longer than seven or eight items, our eyes (and minds) seem to glaze over. It's difficult to think about or recall more than about 7 or 8 things at a time. Consequently, merely listing all the possible needs or problems that a company's products or services address is only minimally useful. The sales person simply isn't going to remember all those needs.

Instead, if we can group or "chunk" problems/needs into no more than 7 or 8 categories, sales people can begin thinking and talking about a manageable set of issues as they attempt to uncover customers' needs. That is exactly what a needs model is – a set of categories that subsume most or all of the concerns, problems, or needs for which your products and services provide solutions.

A tree structure

Once we've arrived at a set of categories that adequately cover customers' needs, then we can add one or more layers of specific needs or problems by listing them within each category. Finally, as the "limbs" of the "tree" we list products and services or their features – as the solutions to customers' needs or problems.

Uses of a needs model

This conceptual "tree structure" gives sales people a

- systematic way of thinking about needs and solutions
- basis for understanding the needs of different industries and decision-makers
- mental check-list for targeting questioning strategies
- conceptual tool for analyzing complex customer situations
- benchmark for assessing competitors' strengths and weaknesses, and
- framework for considering important differentiators or "key selling points" in a larger context of the customers' overall needs.

Developing a needs model

We work with our clients to create Customer Needs Models as part of developing sales knowledge reference and learning systems. We involve sales, marketing, and training personnel (and, if possible, customers) in the process.