How Leaders Should Use Consumer Insights to Guide Decision-Making and Improve Customer Experience

Consumer insights are transforming existing business models and ecosystems. Here’s why leaders should apply consumer insights analytics to personalize products and services and ultimately make faster and fact-based decisions.

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Brand leaders have to focus on strategic decision-making and improving customer experience, especially as the world is going through phenomenal technological advancements. At the core of this transformation is data, which is why some brand leaders use consumer insights to find discrepancies in their business.

Consumer insights are your customers’ truth, what they want from your brand, how they experience your product or service, what they need and desire. Using these insights allow business leaders to predict when the market can be favorable or unfavorable to them and promptly put precautionary measures in place to mitigate risks.

Some years ago, customers did not have the means to relay their frustrations and pain points. Brands practically stuffed whatever they wanted down their throats. Where customers complained, they did so in isolation.

However, there is a radical change to the situation now, which only advanced during the pandemic as consumer lifestyles took on new dimensions.

A brand leader can no longer afford to rely on their assumptions to maintain inventory and set prices for products. Backed by data, your organization makes better strategic decisions, enjoys high operational efficiency, improved customer satisfaction, and amazing ROI. Also, research by the McKinsey Global Institute reveals that data-centered organizations are 23 times more likely to acquire customers, six times as likely to retain those customers and 19 times as likely to be profitable as a result.

Brand leaders can now deploy consumer insights into making customer-centric marketing decisions and also help them address key operational inefficiencies. The following section explores the diverse opportunities business leaders can derive from deploying consumer insights into decision-making and improving customer experience.

Leveraging voice of the consumer (VoC)

The main duty of a brand leader is to ensure that the business stays competitive and makes a return on investment (ROI). But, how do you stay competitive if you don’t have customers? Without customers purchasing, how are you going to make the ROI?

According to McKinsey, brands that listen to VoC can outperform the competition by 85 percent in sales growth margins and by more than 25 percent in gross margins.

A case study is how TTI leveraged insights gathered by Revuze’s AI to identify customer pain points for mid-range household carpet washers. Using these insights, the product

development team designed, developed and released a special add-on to one of their best-selling products in this category.

The modification resulted in the improvement of customer satisfaction and the average star rating of a product that sells more than 300,000 units per year in the North American market alone. This goes a long way to show the strategic importance of using consumer insights by brands.

Brand leaders can gain insightful narratives on buying habits and preferences by using a comprehensive and refined understanding of customers. By deploying consumer insights, marketing leaders can come up with appropriate measures to reduce customer churn, measure the effectiveness of marketing campaigns and determine bounce rate.

Consumer insights can also enable brand leaders to appreciate fully how the competition is faring in the market, target consumers more successfully and optimize processes.

Using consumer insights to improve productivity and performance

Consumer insights play a huge role in reducing inefficiency and repetitive tasks. Brand leaders can also use consumer insights to measure key performance metrics for optimizing operational excellence and product innovation. This will help in reducing churn, waste and redundancy.

Consumer insights will enable you to discover hidden inefficiencies that will save the brand huge costs. Your ability to perform risk modeling and assessments also help in identifying lapses in your decisions and investments on the supply chain.

Brand leaders must focus on using consumer insights to enhance logistics regression to avoid confounding effects, procurement and inventory management.

Conclusion

If you understand your consumers’ needs and wants, you are building a strong fortress for your business. Brand leaders can use these insights to learn from their customers before making decisions.

By enshrining consumer insights into their core strategy, business leaders can amazingly prune their internal business processes, identify unfolding consumer sentiments and put in place structures for constant feedback and improved customer experience.

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