The customer is NOT always right

Before we get into this, I'm going to first clarify that you should do everything in your power to satisfy every single one of your customers. It's hard to argue against making customers happy, but I'm going to do it anyway, because living by the rule that the customer is always right is a dangerous game when you're trying to innovate.

I'm not talking about Henry Ford pushing forward with the automobile while his customers allegedly clamoured for faster horses. I'm asking you to decide whether you're willing to bet everything on your solution.

Why you should seek out and embrace negative feedback

I get negative customer feedback quite often. Not a lot, but more than a little, because I solicit customer feedback at every opportunity. When that feedback goes negative, it's usually because what I'm building or proposing or discussing doesn't look, sound, or act like *it's supposed to*. It doesn't work like it should. It doesn't offer the expected value proposition for the price.

Almost all of the fault is on me, and that's fine.

Negative customer feedback used to bother me lot. I used to avoid it at all costs. Now negative feedback doesn't bother me at all. And I don't avoid it, I seek it out. And when I don't get it, that bothers me.

Because if I'm making everyone happy, I've definitely stopped innovating.

What is innovation and why is it important?

Don't let that last sentence paint the wrong picture. Chasing innovation is not the wielding of secret sorcery. Innovation is not something that is conjured up. In fact, innovation isn't really even something you *do* so much as it is a byproduct of relentlessly chasing a goal and perpetually running into a brick wall.

There's no magic to that. My kids used to do that when they were toddlers.

Every startup thinks it's innovative. And in some ways, every startup is indeed innovative, even the ones running cookie cutter business plans or riding the coattails of whatever latest trend is turning heads on Sand Hill Road or trending in the pages of TechCrunch (or the echoes of Clubhouse).

Because any startup that *doesn't* innovate doesn't stay in business. If your company isn't solving more difficult problems faster for less money, your runway will roll up like bad carpet. Even the unicorns — the WeWorks and the Theranoses — all that raised capital is just fuel for bigger and uglier failures down the road. Unless they innovate, and quickly.

That's what those investors are cutting checks for in the first place.

The question of innovation isn't about sizzle, it's about steak. Or rather, it's about navigating the change that needs to occur for the mainstream acceptance of plant-based steak. Or electric vehicles. Or space vacations. It's about getting the market to agree to do things a different way, which includes convincing them to abandon the ways that have always worked.

Change sucks, and innovation is not for the timid. If your business is betting on the seeds of innovation, those seeds are where your success will take root. So while you do indeed need to listen to the customer, you also have to tend to those seeds.

What's the danger in listening to the

customer?

There's no risk listening to the customer. There's no risk in agreeing with the customer. The danger arrives when the customers begin to dictate the solution.

I had a very long and good talk recently with a friend who is disrupting an industry I'm close to. Their company is now going through the process of recovering from a series of decisions they made that sprung out of customer feedback.

That feedback, and those subsequent decisions, knocked the company off the path to their innovative solution and drove them closer to to looking and acting like the incumbents they were trying to disrupt. Their customers were telling them that the incumbent's value proposition was what they were used to, that was how they expected the solution to work, and so that was what was missing.

And their customers were right! When you looked at my friend's not-small, not-unsuccessful startup in the context of the bigger, deeper-pocketed, better-branded incumbents, the startup was lacking in a lot of ways.

But here's the thing. When you don't have the dollars and resources and brand awareness that the incumbents have, innovation is your only weapon against them. Playing the incumbent's game on the incumbent's turf only leads directly to a price war that the startup is going to lose.

The startup listened to those customers, and the short term gains were excellent. Then they found themselves hitting a ceiling as just a pale version of the very companies they were trying to disrupt. Instead of being the top choice in their own market segment, they were now the 10th or 11th choice in a crowded segment.

So they made a bold decision: Get back to the seeds of innovation, which meant losing half their new customers or more. If they're wrong, they fail, but if they're right and they survive, they become the industry leader anyway as their incumbents die off.

If they didn't make that decision, they'd be dead at some point anyway, when some other, more dedicated disruptor comes along and knocks off all the incumbents, maybe even using the innovative solution the startup just abandoned.

You can be the innovator or the incumbent. You can't be both.

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When is the customer wrong?

Again, for the record, the customer is usually right, and there isn't any magic formula for figuring out when they're wrong. However, I can tell you to always proceed with caution when the criticism is loosely veiled as a comparison to an existing paradigm.

It doesn't look like it's supposed to

I get this all the time Ugly is how I roll, because I don't care about the sizzle of visualisation when I'm trying to drill down into value. Innovation is ugly, not garish, but utilitarian.

The balance here is to make sure you leave visual cues for your customers. Back in the day I had a friend who always put his website navigation at the bottom of his web page. It was a bold, innovative choice that ultimately had his customers slamming into brick walls because it bent the accepted standard so heavily.

Don't do this. Always build bridges from the norm to the new.

It doesn't sound like it's supposed to

I get detractors all the time for the things I write. But instead of getting angry and immediately firing off a defence, I instead do a bit of quick research on my detractors. And every single time, that detractor is someone who has a vested interest in the status quo. Every. Single. Time.

When they don't have that vested interest, that's when you should be listening. A good sign of this is when the criticism sounds more like collaboration than complaint.

It doesn't work like it's supposed to

I have a long history of this. Intrepid Media wouldn't work because we didn't have brand name writers. Automated Insights wouldn't work because it wasn't SaaS. ExitEvent wouldn't work because we didn't have sponsors. Teaching

Startup won't work because we don't offer classes.

Every customer wants their product to fit into a box

Fiji bottled water is just water in a better package. Be wary of customer feedback when that feedback is about the packaging of the product, not about the value of the product.

One of the main criticisms Get Spiffy first got for its mobile, on-demand car washes was about the pricing. Who would pay \$40 for a car wash? Certainly some, but you're never going to be able to scale that.

Well, no, not when you put Spiffy up against a bucket and a hose. But the value of the product isn't really even about the car wash, it's about saving time, which is most people's most valuable resource. A couple million customers later, we've mastered the value prop of that resource.

The bucket and hose is still a viable option.

Teaching Startup gets it for delivering the prospect of entrepreneur education in a newsletter. No classes, no online zooms, no unicorn CEOs, no certifications. But ask our customers if they're learning, because that's where the value is, regardless of the box it comes in.

Balance innovation with ego

One of the riskiest downsides of success with innovation is to believe you're right all the time. It's that inflated ego that allows us entrepreneurs to stick to our convictions in the first place, and it's that same ego that will keep us believing our own nonsense when we go off the rails.

Know when you're wrong. Keep seeking that customer feedback, especially the negative feedback. Solicit it. Embrace it. And use it as your secret weapon to recalibrate your solution to meet the changing needs of an ever-shifting market.

Because remember, if that market didn't shift, you wouldn't have had a reason

to innovate in the first place.

This article was originally published on Medium by Joe Procopio

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