

CUSTOMER EXPERIENCE RESEARCH PARADIGM

Hansa has developed state-of-the-art capabilities to support client needs to develop and execute differentiating brands that yield business results. Our approach is grounded in the psychology of human interactions and explicitly addresses the fundamental motivators of human behavior.

Customer Experience Research Paradigm

What it is. A lens for thinking about how customers behave plus tools and techniques for understanding the motivators of customer behavior.

How it is different. The customer experience lens shifts the locus from the singular event or product to the contextual and holistic view of the customer interaction. It dives under the surface of what “seems to be” to inquire about what really is and what might be.

What it is based on. The lens for customer experience research is grounded in the following fundamental premises:

- People are complex.
- Every human interaction with a product or service is an experience.
- Customer buying behavior in these experiences is driven by a set of cognitive, emotive, and sensory factors.
- Many approaches to understanding customer behavior start simplistically – assuming for example that “satisfaction” is what we need to measure.
- Starting from simplicity leads us potentially down the wrong road.
- Ultimately the challenge to business is sorting through customer complexity to gain the clear, few key factors for business focus.
- We need to start with the set of multiple factors that potentially drive customer behavior in the total experience of the customer, sort the relevant from the irrelevant, and derive the factors most critical for gaining the desired customer behavior.
- These multiple factors are derived from sound research foundations in psychology, sociology, anthropology, neuropsychology, economics, marketing, statistics and related disciplines.

The Customer Experience Lens Imposes a Shift in Thinking

Application of the customer experience lens shifts and expands the set of factors to consider for distillation to the critical few:

- From product or service use to the total experience around the product or service occasion
- From the user/buyer to the multiple influencers around the user/buyer
- From the single interaction point to a system of interactions
- From rational decision making to an interplay of emotions, psycho-economics, and other factors

The Customer Experience Lens Imposes a Shift in Thinking

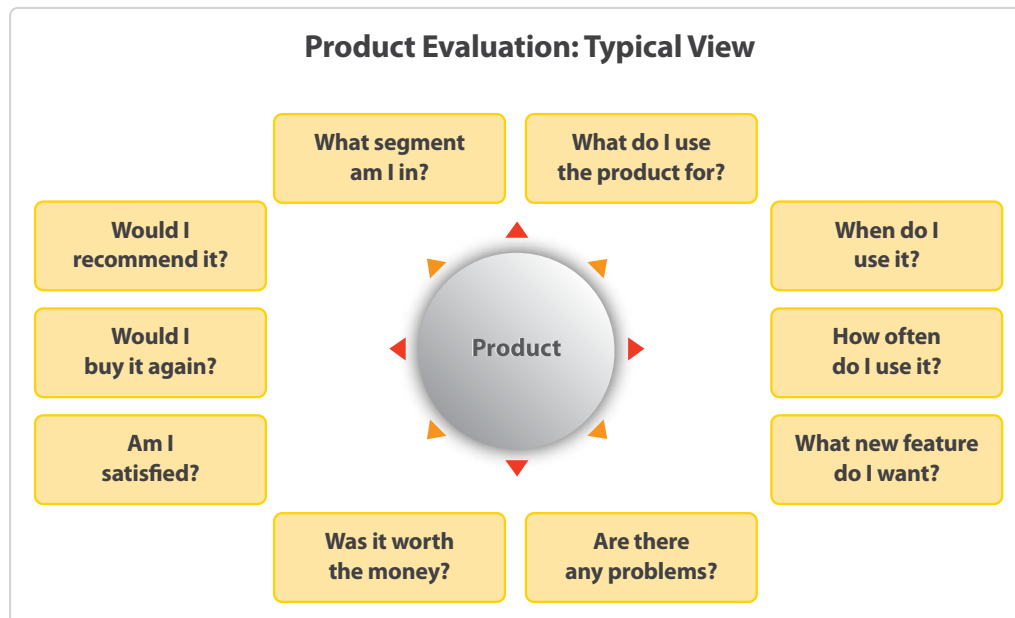
From	→	To the Addition of
What customers say		What customers do
Expressed needs		Unexpressed needs
Rational decisions		Irrational decisions
Cognition		Emotion
Product use		Benefit attainment
What is		What could be
Earning loyalty		Earning the chance to sell again
Attitude drives behavior		Behavior drives attitude
Customer situation		Social influence situation
Delivering value		Creating a story
How I feel		How others feel about me
Cost and benefit		Psycho-economics
Supply and demand		Scarcity-created demand
Benefit attainment		Cost avoidance
Features		Outcomes
Creating appreciation		Getting attention
Individual		Community
Segments		Individuals
Customer event		Customer journey
Personal desires		Social norms
Cause to buy		In-market/out-of-market consideration
Event reaction		Cumulative reaction
Drivers of purchase		Drivers to advance through buying cycle



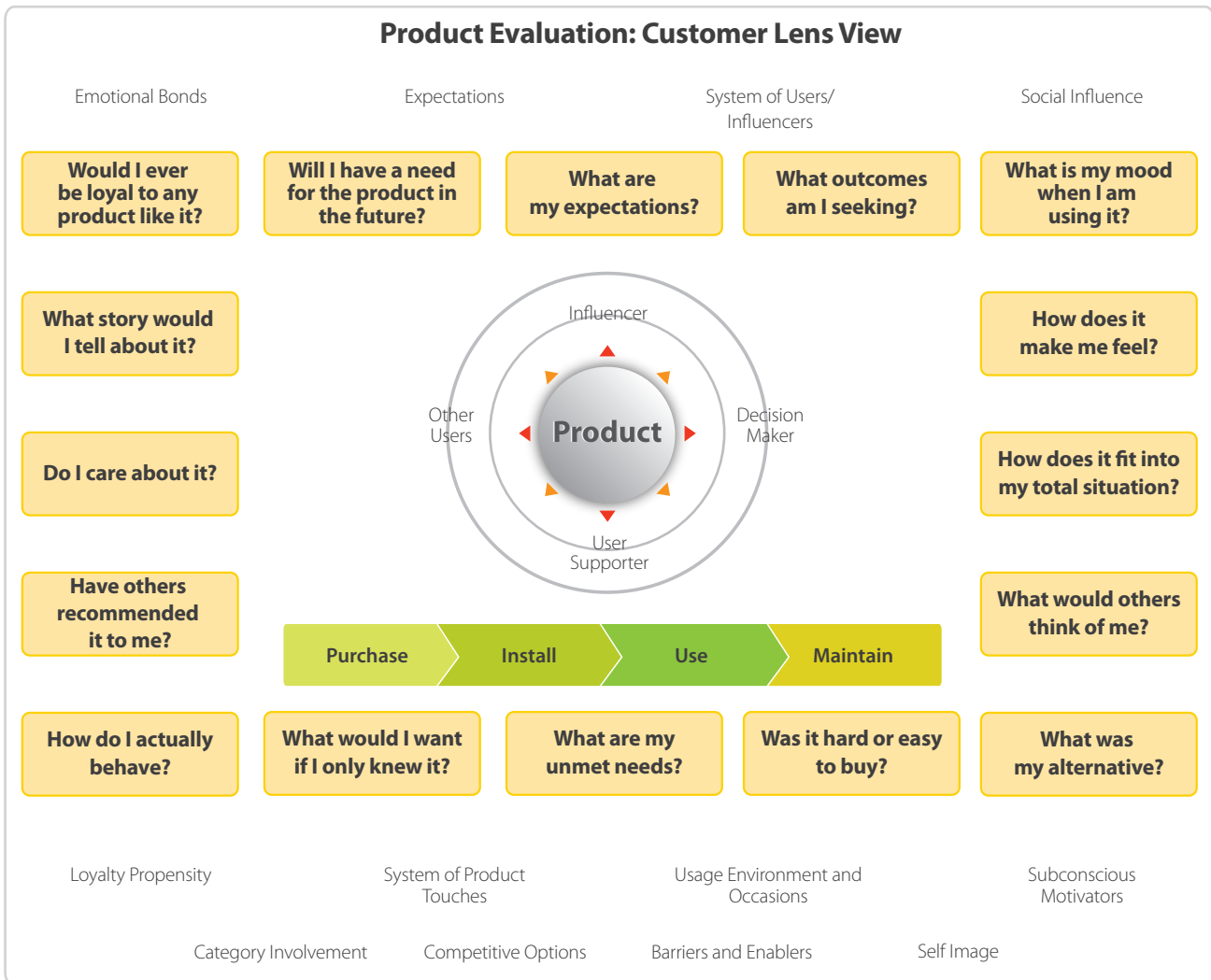
Context Factors

- Unexpressed needs
- What could be
- Loyalty propensity
- The experience story
- Psycho-economics
- Attention blockers
- Total experience
- Community
- In market
- Category involvement
- Brand propensity
- Cumulative experience
- Buying cycle
- Competitive alternatives

Without the customer experience lens, we run the risk of asking the wrong or incomplete questions about customers, and therefore making sub-optimal business decisions



Application of the customer experience lens presents a shift and expansion of the potential questions we ask about customers. In addition to the questions on the prior page, we now start to gain better insight and a stronger foundation for business decisions.



Observations On Applying The Customer Experience Lens

1. The questions on the prior page would supplement the basic questions normally asked by researchers and marketers.
2. Application of the customer experience lens can provide richer insight into what motivates customers.
3. Application of the lens provides greater insight into what to do to get customers to buy, buy again, buy more, and engage in behaviors such as joining a client blog, volunteering product feedback, being part of a beta test, joining a user group, receiving auto-updates, subscribing to a newsletter, and other behaviors that can deepen relationships with customers.
4. Which factors are relevant, and how many should be considered, are determined by the particular client product or service. For example, the customer experience surrounding a soft drink is different in kind and degree than that surrounding a patient hospital visit. Both, however, are experiences suitable for application of the customer experience lens.

Hansa: Applying the Customer Experience Lens to Marketing Research Challenges

- **Product and Service Innovation.** Methods to uncover subconscious motivators and customer unmet needs.
- **Brand Analysis.** Ways to assess the attributes of brands that link to actual customer behavior and customer relationship measurement.
- **Customer Relationship Measurement.** A unique approach to measuring customer attitudinal and behavioral equity and how to create customers who both “Love You” and “Marry You.”
- **Product Concept Testing.** Explicit consideration of emotional and social factors important to market reaction.
- **Go To Market Strategy Evaluation.** Evaluation of social factors that reach beyond individual reactions to include social dynamics.
- **Communications Development and Message Testing.** Techniques to uncover the “story” that would most motivate consumers at a deep or subconscious level.
- **Green and Sustainability Assessment.** Uncovering the role of emotions and value sets by applying a psycho-economic framework to preference and pricing.
- **Usage and Attitude Assessments.** Inclusion of richer measurement variables to understand customer bonds and opportunities for improvement.
- **Positioning Analysis.** Methods to assess opportunities to capture the customer head and heart.

Sample Case Studies – Client Application of the Customer Experience Lens and Tools

Emotional Bonds to Build Product Consideration. A Fortune 100 company tracked its brand for years. In applying the Customer Experience Lens, Hansa used causal modeling to assess the impact of emotive factors on brand consideration. The analysis provided new insight on opportunities to build customer relationships based not only on technical performance, but also on being a safe choice for their clients, which created a strong emotional customer bond.

Social Influence on Product Preference. For a leading software firm, Hansa applied the Customer Experience Lens and advanced analytics to uncover the social influence factors involved with gamers’ preferences among multi-user games. The Hansa team created a unique Buzz Index to compare the impact and potential market acceptance of these games.

Re-Assessing Existing Data to Uncover Loyalty Drivers. A major technology company was struggling to identify how to increase use of a particular device class. The Hansa analysts applied the Customer Experience Lens and Shapley Value Analysis to take a completely different view of the data, focusing on factors that would create customers who “loved them” (high attitudinal equity) and “would marry them” (high behavioral equity).”

Brand Differentiation by Building Greater Customer Self Image. A leading financial services firm was seeking an opportunity for differentiation in a commodity product category. The Hansa team applied the Customer Experience Lens and Maximum Difference Scaling to assess which brand components were owned by competitors, valued by customers, and available for ownership. The one brand component that no competitor claimed was a game changing factor to enhance the company's ability to build customer relationships. This factor centered squarely on the customers' perception of self in its relationship with the client's representatives.

Linkage to Customer Behavior. A global leader was concerned about the impact of its brand in the market. It had measured multiple brand attributes, but was lacking assurance around whether those attributes mattered. The Hansa team applied the Customer Experience Lens and suggested that linking the brand to actual customer behavior might provide insight. The Hansa team discovered the company's data would permit a cross-sectional analysis of the brand's strength and market share results. The team quantitatively linked the brand data to market share results, revealing for the first time the relationship of brand variables to market impact and opportunities for market share growth in local geographies.

Values Impacting Product Acceptance. A major international firm wanted to test market reaction to a new "Green" product. Hansa conducted a conjoint study that included assessment of the tradeoff of customer environmental values with cognitive purchase factors to develop a predictive model of market success and optimal price points.

Hansa Customer Experience Research Tools and Techniques

- Experience mapping
- StoryTellings
- Ideal experience development
- Green decision calculus
- Customer relationship equity
- Brand equity
- Emotions landscape
- Nominal group technique
- Shapley value analysis
- Causal modeling
- Fundamental needs
- Benefit laddering
- Ethnography
- Ideation
- Root cause analysis
- Mood mapping
- SEM
- Product and process innovation
- IDIs, dyads
- Focus groups
- Bulletin boards
- Chat rooms
- Maximum difference scaling
- Hierarchical Bayesian analysis
- Choice modeling
- Personas
- Latent class segmentation
- Tipping points
- Monte Carlo simulation
- Derived importance maps
- Customer profiling
- Adaptive conjoint
- Emotive maps

Hansa provides a full range of qualitative and quantitative research services. Our experienced research and consulting team, including PhD-level statisticians, uses innovative, data-driven methodologies tailored to our clients' research needs.

We pride ourselves on our ability to truly understand the voice of the customer and translate that voice into winning strategies for brand development, marketing communications, customer relationship enhancement, and product/service innovation.



Hansa GCR is a full-service market research and consulting firm. Looking through the lens of the customer experience and applying psychological principles of human motivation, it offers best-in-class research in areas relating to Customer Relationship Equity, Brand Solutions, Market Assessment, Green and Sustainability, and Product/Service Innovation. Hansa GCR is part of R K SWAMY HANSA, an emerging global group with 1,100+ professionals offering Creative Communication, Market Research, Data Analytics, Brand Consulting, Interactive and Healthcare Communication Services.

For further information about Hansa GCR, please visit us on the Web at www.hansagcr.com, contact us via email at customresearch@hansagcr.com, or call us at +1 503.241.8036.