

Don't Lose The Product In The Customer Experience

If customers didn't like Starbucks coffee, they wouldn't go to their stores. Period. Of course the Starbucks customer experience goes quite a ways beyond the latte. One might even argue that objective evaluation of the coffee is not really done by consumers. The cachet of the Starbucks brand and being a Starbucks customer brings all sorts of nuances to likeability of the product per se.

But the coffee has to be good enough to at least pass a threshold of consumer-perceived quality. Indeed, when Starbucks broke into the market, the coffee was decidedly different, save for a few American roasters like Peets and the Italian baristas that are the Starbucks heritage.

Apple computers are good. You might say great if you are a loyalist iMac fan. The Apple retail store experience, and everything that goes with iTunes and much more, creates a total experience with distinctive branding throughout. Peju wines are really quite good, and their winery is a don't miss stop in the California wine country in Napa. Five Guys hamburgers are tailored perfection for many.

Those of you who have been to Five Guys know you can scoop your own peanuts in the shell to munch while you wait for your order. You walk past the bags of fresh potatoes as you go through the order line. You see the note on the wall that tells you where today's potatoes came from. You order a single order of French fries and the server gives you the order in a bag, along with an extra scoop of fries piled on top. You can add anything to your burger from their extensive list of accompaniments – personally, I like the mushrooms, jalapeño peppers, tomatoes, lettuce, ketchup, hot sauce, and pickles.

Five Guys is giving In-N-Out hamburgers a run for their money. Both have really distinctive customer experiences. But at their core, both have really good hamburgers. If they had lousy burgers, it wouldn't matter how good the rest of the experience was; you wouldn't go to them.

Am I saying the customer experience is not valuable? Not in any sense. Wrapped around a great product, the total customer experience makes for a truly winning brand. But, I am raising the question about whether you or some company you know might be fixated on enhancing non-product aspects of the customer experience, when, in fact, it's the product component of the experience that needs repair. The old story might apply -- looking for the lost car keys under the lamp post because it's easier where there is more light, rather than where the keys were dropped up the street where there is no light.

Focusing on product innovation is no easy matter. It certainly requires looking at the features, functions, and benefits a product delivers. But which features, functions, and benefits? Asking a customer is one approach. One can ask customers what they would like to be improved and what they are dissatisfied with. One can also ask internal employees of the supplier organization what they believe are the needed improvements. Both are a start, and should be considered. But, they alone

may miss the opportunity to create something that does not currently exist, yet which might change the game in the industry. People reflect what they know. People generally do not do as well in describing what they don't know. Asking customers and employees about needed product enhancements will mostly get you incremental improvements. If you want to change the game and innovate, create something that does not currently exist, then additional methods must be employed.

Yogi Berra, the American baseball player, once was quoted as saying, "You can see a lot by observing." This is a good adage to follow in product innovation. Go to the actual place and see the actual customer using the actual product. See the application the customer is trying to accomplish. See what the customer does, what steps are taken, and what body language flows out of the customer working toward his or her objectives.

Maybe you would see a customer in a grocery store struggling to open the wrong end of a plastic bag to collect some vegetables and as a result think of a way to make easy-open plastic bags. Maybe you would see a customer grasp a pair of scissors or kitchen knife to open a plastic clam-shell package for a computer accessory and then develop an easy-open package. Or, maybe you would see customers using a vacuum cleaner and struggle

with furniture and tight corners, as Dyson did, leading to their revolutionary cleaning products.

Observational, or ethnographic, research techniques provide objective methods for observing and documenting customer experiences. They can directly observe the customer in action using the product and provide valued insights on opportunities for new products or enhancements that might otherwise be missed.

Another technique that Hansa employs is to ask customers to draw a picture of their product experience. Our proprietary method built around this approach, called Hansa ExperienceBoards,™ enables customers to discuss their experience in an uninhibited manner, revealing their product experience story and their subconscious motivators in a way that goes beyond what they would normally relate in a traditional customer focus group. Pictures truly can be worth a thousand words.

Other techniques that can uncover product innovation opportunities include experience mapping, root cause analysis for problem solving, in-depth interviews, and focus groups to learn at a deeper level what the customer is looking to accomplish. These techniques look beyond the current product and what it does. Instead of looking at the product and asking what's wrong, they focus on the customers' situation and

objectives. The latter focus is where we find unmet needs.

Good research will not just come back with specific ideas about product enhancements, but instead also reveal areas on which to focus the creative powers of the organization to invent something new to meet an unmet need. This last point means that the organization bears the responsibility for innovating, not the customer. We can ask customers what they want, but ultimately, it is the organization that needs to employ an innovation process that harnesses the internal knowledge base and brain power to create something new. The process for innovating products thus is both an inside-out and an outside-in approach. It is not one or the other, but both.

There is a clear business imperative for innovation. It is not a nice-to-have or something that the organization might put into its future plan. History is replete with the woes of companies that stopped innovating – Atari, Kodak, Pontiac, and hundreds more. If you look at any part of your business today as a cash cow, be aware that today's cash cow is tomorrow's dead cow. You innovate or die. The product must always be central in the customer experience.

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.