



# The Voice of the Customer



## How to get User Input into the Product Development Process

Derived from a presentation by Thomas E. Sanko (Director of Marketing - Heart Technology, Inc.) on October 18, 1995.

Presented to Paul Collins' classes - "New Technologies and Emerging Markets" - Course #B479 by Victoria Hunsicker Sanko, President, The Next Phase Consultancy, Inc.; January 6, 1997.

# Agenda



- **Types of market research**
- **Ways to get direct customer input**
- **Features vs. Benefits**
- **Focus group planning**
- **Role-play or group exercise**
- **Feedback from exercise**
- **Questions & answers**



# Types of Market Research

- **Primary or Direct**
  - Focus groups
  - Mail or on-line surveys
  - Personal or phone interviews
  - Field visits
  - User groups, advisory boards
  - Beta test sites
- **Secondary or Indirect:**
  - Publications & Technical articles
  - Patents
  - Trade groups & shows
  - Internet, etc.
  - Multi-client studies

# Direct Customer Input



- **Focus groups**
- **Mail or on-line surveys**
- **Personal or phone interviews**
- **Field visits**
- **User groups & advisory boards**
- **Beta test sites**



# Focus Groups

- **Homogeneous group**
- **Heterogeneous group**
- **Consider customer targets & market segments**
- **Focus group leader selection is critical**



# Mail or On-line Surveys

- **Anonymous sponsor**
- **Identified sponsor**
- **Mass audience, random**
- **Targeted audience**
- **Consider seasonal response rates**
- **Incentives to participate**
- **Consider response bias**
- **Slanted questions**



# Direct Interviews

- **Anonymous sponsor**
- **Identified sponsor**
- **Probing**
- **Closed- vs. open-ended questions**
- **Quantitative vs. qualitative responses**



# Field Visits

- **Consider geographic differences**
- **Competing for attention**
- **Personal “filters”**
- **Dangers in over-reliance on sales & marketing teams for customer input**
- **Observation and participation in situ are great teachers**

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# User Groups & Advisory Boards



- **Homogeneous groups**
- **Heterogeneous groups**
- **Selection Bias**
- **Stratified customer base**
- **Participant agendas**
- **Risk of exclusion**

# Beta Test Sites



- **Availability of product**
- **Limited scope for review (true of focus panels & user groups, also)**
- **Confidentiality**
- **Monitoring the study**



# Issues to Consider in Focus Group Planning

- Selection of panel participants
- Open-ended extrapolations
- Dominant vs. quiet personalities
- Group dynamics
- Capturing all input - verbal and visual
- Skills of focus group leader
- Biases of focus group leader
- Identification and explanation of key issues
- Listening skills of attendees
- Communication and speaking skills of attendees
- Attention span of attendees
- Confidentiality vs. adequate disclosure
- Internal consensus on interpreting results (true of all market research tools)
- “Shades of gray” vs. “black & white”
- Time constraints
- Use of prototypes or models
- Logistics (location, support services, time, cost)
- Incentives to participate
- ETC.

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## Participant #1



You have been asked to participate in a focus group about a new travel coffee mug. The company sponsoring the focus group has not been identified. You are a heavy coffee drinker and have it with you almost everywhere you go. You have strong opinions about the quality of coffee and the containers it comes in and are not bashful about sharing your opinions. You will receive \$30 for your time and “finger food” for dinner.

Use your imagination and experience as to how you might respond in “real-life”.

Your assignment: After the focus group concludes, take a few moments to write down how the experience made you feel. Were you involved in the discussion? Did the focus group leader actively seek your input? Did others participate? Did the group get to the key issues, or did the discussion drift somewhat?

## Participant #2



You have been asked to participate in a focus group about a new travel coffee mug. The company sponsoring the focus group has not been identified. You are an infrequent coffee drinker; you have not established strong opinions about coffee or its containers. You are interested in participating, however, since you are an avid Pepsi drinker; also the overall experience, with the \$30 fee for your time and “finger food” for dinner, may offer an interesting evening.

Use your imagination and experience as to how you might respond.

Your assignment: After the focus group concludes, take a few moments to write down how the experience made you feel. Were you involved in the discussion? Did the focus group leader actively seek your input? Did others participate? Did the group get to the key issues, or did the discussion drift somewhat?

## Participant #3



You have been asked to participate in a focus group about a new travel coffee mug. The company sponsoring the focus group has not been identified. You have been selected as a moderate coffee drinker. You have moderate opinions about participating in product design discussion groups. You are pleased to participate although \$30 for your time and “finger food” as dinner are marginally acceptable.

Use your imagination and experience as to how you might respond.

Your assignment: After the focus group concludes, take a few moments to write down how the experience made you feel. Were you involved in the discussion? Did the focus group leader actively seek your input? Did others participate? Did the group get to the key issues, or did the discussion drift somewhat?

## Participant #4



You have been asked to participate in a focus group about a new travel coffee mug. The company sponsoring the focus group has not been identified. You are interested in participating but you were in minor auto fender-bender on the way to the meeting and are having trouble concentrating on the discussion and “getting with the flow”. You like coffee and are curious about this type of research. You will receive \$30 for for your time and “finger food” as dinner.

Use your imagination and experience as to how you might respond.

Your assignment: After the focus group concludes, take a few moments to write down how the experience made you feel. Were you involved in the discussion? Did the focus group leader actively seek your input? Did others participate? Did the group get to the key issues, or did the discussion drift somewhat?

## Participant #5



You have been asked to participate in a focus group about a new travel coffee mug. The company sponsoring the focus group has not been identified. You were cajoled into joining the panel by an “friend” and now the “friend” hasn’t shown-up for the meeting. You don’t like coffee or discussion groups. You are at least relieved that you will receive \$30 for your time and dinner (since you are out of food at home).

Use your imagination and experience as to how you might respond.

Your assignment: After the focus group concludes, take a few moments to write down how the experience made you feel. Were you involved in the discussion? Did the focus group leader actively seek your input? Did others participate? Did the group get to the key issues, or did the discussion drift somewhat?



## Focus Group Leader

You will be conducting a focus panel for a manufacturer of coffee mugs. You will receive further information, including objective(s) from a company representative, before the start of the session. After the session begins, you may not leave the group. If the company representative wishes to communicate with you, he/she must do so by note only. You are free to take his/her direction or ignore it at that point; keep in mind that they will be evaluating your performance and giving that feedback to your management.

You may not tell the group who the sponsor is or how the focus group was initiated.

Tell the group that they are being observed, and that the entire session is being videotaped.

# Company Observer



You are a product manager for the No-Spill mobile coffee mug product line at Fluid Container Corp. You are testing adding a higher priced product line to an existing, moderate priced product line starting with a high-end transportable coffee thermos/mug manufactured by Nissan Stainless.

Your company's top management is highly concerned about change company business and marketing. It has directed you to receive customer feedback before you negotiate the deal with Nissan. Your mission is to make a recommendation to senior management as to how to proceed with your new line based on customer response to this new thermos/mug.

You have decided to conduct a focus group among college students in Seattle, since they are big coffee drinkers, on customer preferences and unmet needs, etc. All communications with customers will be through the focus group leader. You may observe the focus group activity through a two-way mirror. To ask questions, you may write a note to the focus group leader only.

Your assignments:

1. Give direction and situation background, including objective(s) to the focus panel leader. Take 5-10 minutes to think about the assignment before talking with the focus group leader.
2. After the session concludes, take 5-10 minutes to summarize your observations. Be prepared to give specific recommendations about product design, based on the focus group input.



# Features vs. Benefits

- Features

Definition - the physical attributes, design specifications, or characteristics of a product or service which differentiates that product or service from another

Examples -

- \* color - yellow
- \* texture - soft
- \* shape, etc. - no cords
- \* dimensions - downsized
- \* packaging - child-proof
- \* pricing - lower priced

- Benefits

Definition - the performance of a product or service which satisfies practical and/or emotional needs and wants of their customers or end users

Examples -

- \* easy to see (safety)
- \* comfortable to use
- \* mobile - (convenience)
- \* compact for purse or pocket
- \* safe for family use - (security)
- \* easy on the pocket book

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# Features vs. Benefits - Mobile Coffee Mug Example



- Features

- Benefits