

# “Voice of Customer Tools and Techniques for New Business and Product Development”

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# “Voice of Customer tools and techniques for new business and product development”

## Workshop Agenda:

- 8:30am Welcome, Introductions, Workshop Objectives Bob Barr SMS  
Overview of VOC in Product Development “Concept to Commercialization”
- 9:00am Panel case study presentations
- Sarah Conder, Market Research Project Manager- Andersen Windows Inc
  - Jessica Walton, Director of Global Brand Management- Imation Corporation
  - Robin Gibis, Director of Marketing Information- Lifetouch Inc.
  - John McPhee, Director of Marketing, Commercial- Toro Corporation
- 10:30am Break
- 10:45am New Product VOC workshop with panelist Jeri Meola SMS
- 11:15am VOC group report out
- 11:45am Q&A with Panelist

# VOC in NPD Workshop Objectives

- ^ Understand and discuss how Voice of Customer(VOC) inputs support New Product Development(NPD)
- ^ When and how to engage customers in the NPD process
- ^ Benefits and results of VOC in NPD
- ^ Best practices and case studies of VOC in NPD
- ^ Meet peers and other functional representatives with diverse industry and work experiences and discuss their insights on VOC in NPD
- ^ Address Workshop participants objectives

# 'End-to-End' Voice of Customer Solutions

## VOICE OF THE CUSTOMER ROADMAP

### CustomerChek™

#### -RETENTION-

- Satisfaction/ Loyalty (NPS)
- Segmentation

### CompetitorChek™

#### -GROWTH-

- Win/Loss
- Customer Value Measurement

### InnovatorChek™

#### -EXPANSION-

- Market definition
- Concept validation
- Feature/benefit prioritization
- Pricing
- Risk analysis

## VOICE OF THE CUSTOMER PLAYBOOK

- ROI Driven Strategic Research Plan
- Framework for ongoing VOC measurement and reporting
- Defines VOC implementation process
- Defines internal roles and processes

# Many NPD projects draw on Voice of the Customer methodologies.

- ^ *“It’s not good enough to go to your customer after you have sold them the product and ask them how satisfied they were. What you need to do is go to your customers before you develop the product or service and find out what is important to them.”*  
Minnesota Quality Award interview, Twin Cities Business Monthly

# Unfortunately, most new products *fail to thrive.*

- 80-90%+ new consumer products flop
- Half of all new products aren't a business success
- The results: *Lost opportunities and wasted resources*



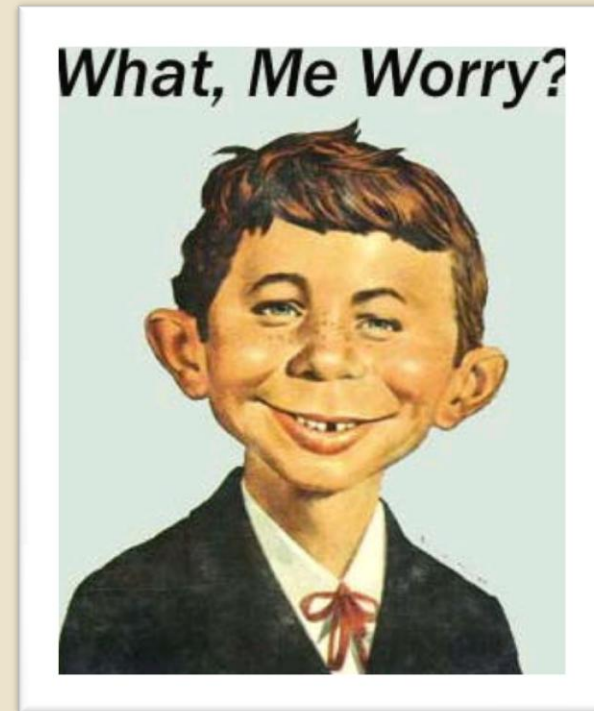
# New products and new services are the growth engines of modern businesses.

## ^ They can:

- Increase your wallet share among current customers
- Attract new customers – grow share
- Block the competition

*The best way to predict the future is to invent it!*

# In the beginning....



*You have an idea:*

- Thought or Concept
- Invention (A device, method or process)



# INNOVATION

The process of transforming creative ideas into a benefit which can be valued for commercial use or the public good.



How the customer Explained it



How the project leader understood it



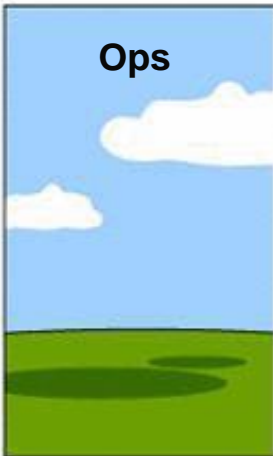
How the project team designed it



How the programmer wrote it



How the Sr. Team edited it



How the project was documented



What the budget allowed for development



How the product was advertised



How the product was supported



What the customer actually wanted

# An Option To Test The Idea: Field Of Dreams Approach

Idea



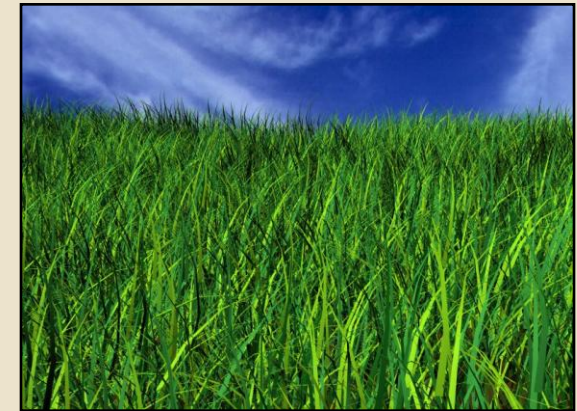
Dirt

Build



Seed

Profits (\$!)



Field of Dreams!

+

=

*If you build it  
they will come!*

*Product/Service Orientation Strategy*

# Product/Service Orientation Strategy

Are you more likely to focus on the internal capabilities of your organization?

You are aware of marketplace needs by experience, but you are much more likely to maximize profits by focusing internally on what you do best – rather than market testing your idea.

*You believe in the Kevin Costner “field of dreams” approach:  
if I just build it, they will come.*

**You have a high tolerance for risk**

# Marketing Orientation Strategy

Your organization is focused on listening to the market and creating and modifying products/services to fit their current needs.

You are aware of marketplace needs by experience, but your strategy to maximize profits is to spend time and resources asking the potential target market their opinions and using the feedback for modifications.

*You do not believe in the Kevin Costner “field of dreams” approach:  
if I just build it, they will come.*

*You like to “listen” to the marketplace*

# From Idea to Go To Market

## Initial Idea: Concept Testing

### Qualitative

- Will someone buy it?
- What benefit will it have?
- What are “customer delight” attributes that differentiate an idea.
- How much will they pay for it?
- Who is the potential target market?

Go/No Go

## Feature/Benefit Prioritization

### Quantitative

- What are the features that are exciting vs. table stakes?
- What can we build?

What Creates  
The Magic?

## Due Diligence

### Quantitative

- What is the price sensitivity from inexpensive to expensive.
- What is the estimated market size at various price points?
- What is the value of each feature?
- Will you cannibalize your current customer or grow share?
- What is the value proposition?

Market Penetration:  
Leap vs. Crawl

## Evaluate

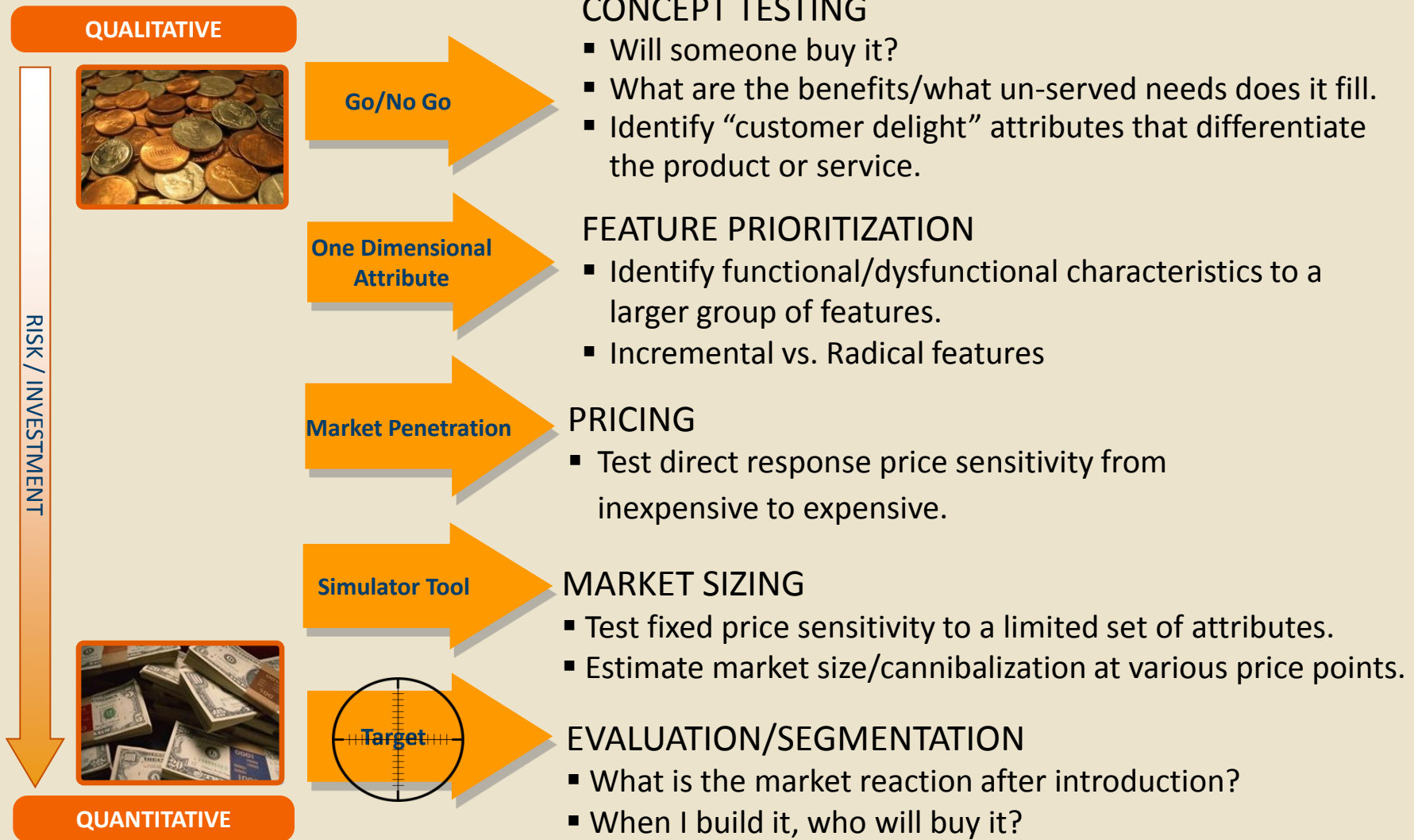
### Qualitative or Quantitative

- What is the market reaction?

When I Build It,  
How Much Will They Buy?

# Concept to Commercialization- A Systematic Process

Do you know when to spend “pennies” before “thousands”?



# *Panel presentations & discussion*

- **Sarah Conder**, Market Research Project Manager  
Andersen Windows Inc
- **Jessica Walton**, Director of Global Brand Management  
Imation Corporation
- **Robin Gibis**, Director of Marketing Information-  
Lifetouch Inc.
- **John McPhee**, Director of Marketing, Commercial-  
Toro Corporation

# Group Workshop Exercise



*Jeri Meola*

*President*

*Satisfaction Management Systems*

# ***Innovation Brainstorming***

- **4 Groups (Each Group with A Panel Member)**
  - **Designated Spokesperson**
  - **4 Different New Product/Market Scenarios**
  - **30 Minutes Brainstorming**
  - **10 Minute Presentation/Discussion Per Scenario**
- 



# Innovation Brainstorming: Your Task

- Each group has a scenario to match the quadrant.

**ANSWER THIS QUESTION?**

**How would you develop your  
product/marketing strategy using  
VOC?**

# VOC Breakout Group Scenarios

**Radical  
Innovation**

New

## EXPAND INTO NEW MARKETS

You are in the Digital Photography Business and have great products. Your strategy is to find new customers/markets for these products. How would you develop your strategy using VOC?

Group 3

## EXPLORE NEW BUSINESSES

You are in the Golf Industry and have been doing great, but you'd really like to have a new expansion strategy. You want to develop a new line of products for a new market. How would you develop your strategy using VOC?

Group 4

MARKET

## ENHANCE CURRENT PRODUCTS AND/OR BUSINESSES

You are a Windows Manufacturer and have great products, but your strategy is to make the existing product better – maybe even identify new customers/markets for these products. How would you develop your strategy using VOC?

Group 1

## EXPAND INTO NEW PRODUCT LINES

You are in the Digital Electronics business and your strategy is to develop new product lines for the same customers. How would you develop your strategy using VOC?

Group 2

Same

**Incremental  
Innovation**

Same

PRODUCTS

New