



VOCALYST[®]

*Gathering the
Voice of the Customer*

Applied
Marketing
Science, Inc.



About AMS

Applied Marketing Science is an innovative Voice of the Customer research and consulting firm. We help companies truly understand the needs of their customers and then translate those needs into superior new product and service designs and improved business processes and strategies.

AMS was co-founded in 1989 by Professor John Hauser, Kirin Professor of Marketing and Head of the Marketing Group at MIT's Sloan School of Management. With the continued close involvement of Professor Hauser, AMS has become an internationally recognized leader in Voice of the Customer (VOC) market research and related product development methodologies. We have consulted with hundreds of clients in dozens of key industries, helping them develop better new products and services to strengthen their bottom line.

**Applied
Marketing
Science, Inc.**

The logo for Applied Marketing Science, Inc. features the company name in a bold, blue, serif font. The text is arranged in three lines: "Applied" on the top line, "Marketing" on the middle line, and "Science, Inc." on the bottom line. The text is centered over a circular graphic element that consists of several concentric circles, resembling a target or a globe.

Gathering Customer Needs

VOCALYST is a state-of-the-art market research system that allows customers to articulate, structure, and prioritize their wants and needs in support of product and service development. Based on pioneering methodological research conducted at the MIT Sloan School of Management, VOCALYST utilizes empirically proven “best practices” in gathering and structuring Voice of the Customer data. VOCALYST integrates both qualitative and quantitative research methods to help companies achieve a clear competitive advantage in designing new products and services.

How VOCALYST® Works

1. Capturing the Voice of the Customer

We conduct one-on-one in-depth interviews with customers using creative probing techniques to fully explore customer experiences, attitudes, beliefs, and feelings. These interviews often incorporate ethnographic and contextual inquiry methodologies, as well as research conducted in a central location, to uncover the most complete set of customer wants and needs possible. The interviews are then transcribed verbatim for further analysis.

2. Extracting the Voice of the Customer

Transcripts of interviews are analyzed to identify all of the themes and opinions that represent customer wants and needs – expressed in the customer’s own language. Through a detailed winnowing process, a comprehensive set of unique customer needs is created, which then serves as the basis for the Voice of the Customer hierarchy.

3. Developing the Voice of the Customer Hierarchy

Development of the hierarchy relies solely on input from customers, who sort the needs based on their own perceptions of how the ideas and concepts are related. Customers also rate the importance of each need and evaluate how well their individual needs are currently being met.

4. Understanding the Voice of the Customer

Statistical analysis is then used to identify the hierarchy of customer needs that best represents the Voice of the Customer, and to show which needs are key drivers of customer satisfaction and preference. Further analysis of the VOC data helps to identify and prioritize opportunities, leading to superior new product and service designs.

5. Deploying the Voice of the Customer

AMS works with clients to deploy the Voice of the Customer throughout their organizations. Together, we develop programs and metrics that incorporate key VOC findings into their product or service development processes.

The VOCALYST® Process

Phase 1 — Qualitative



Interview



Record



Transcribe



Extract



Winnow



Card Deck

Phase 2 — Quantitative



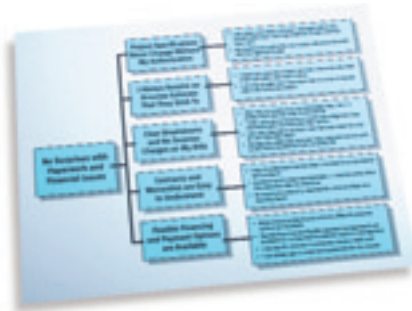
Sort



Rate



Analyze



Needs Hierarchy

Applied
Marketing
Science, Inc.



VOCALYST® Applications

For more than a decade, VOCALYST has proven to be one of the most highly versatile and broadly applicable market research techniques ever created. We have conducted over 200 VOCALYST studies, covering a wide range of products, services, functional areas, and industries.

New Product Development

We have conducted VOCALYST applications for all types of clients – from mature companies looking for breakthroughs to those on the cutting edge of technology. These studies typically form the basis of new product introductions, feature enhancements, and other modifications.

New Service Design

The VOCALYST methodology is highly effective in service design or service improvement applications. It has been used successfully in a broad range of industries, including airlines, entertainment, utilities, telecommunications, financial services, and health care.

Process Improvement

This category includes VOCALYST applications for internal processes that clients have sought to re-engineer for greater efficiency and improved customer satisfaction. Examples include order processing, billing, fulfillment, claims handling, new account processing, and customer service center applications.

Promotional Program Design

We have conducted VOCALYST studies to help clients understand customer preferences in order to design more effective marketing and sales programs. These have led to highly successful promotional campaigns, such as dealer incentive programs and customer rebate offers.

Customer Satisfaction

VOCALYST measures not only overall customer satisfaction, but satisfaction with individual product or service attributes. VOCALYST-derived attributes have proven to be more complete and detailed than ones derived through other methods, leading to better fitting models and more effective initiatives to improve customer loyalty.

Employee Satisfaction

Many VOCALYST studies have been performed for human resources managers, facilities managers, and other professionals responsible for employee recruitment and retention. By better understanding employee wants and needs, companies can increase employee satisfaction levels and decrease recruitment and training costs.

Internal Voices

AMS has conducted VOCALYST studies for corporate functions that provide services to the rest of the organization. Departments that have benefited from VOCALYST applications include Information Services, Finance and Accounting, Human Resources, and Market Research.





Applied Marketing Science has consulted to the following corporations:

3Com Corporation	Ferraz Shawmut, Inc.	Playtex Products, Inc.
3M Health Information Systems	Fidelity Investments	Polaroid Corporation
ABB Group (Asea Brown Boveri)	Florida Power & Light Company	PPG Industries
Allmerica Financial Life Insurance and Annuity Company	General Cinema Corporation	Principal Mutual Life Insurance Company
American Airlines	General Electric Company	Procter & Gamble Company
American Medical Systems, Inc.	General Mills	Providian Financial
Arizona Public Service Company	Georgia Power	Prudential Health Care
Arkwright Mutual Insurance Company	Gillette Company	Prudential Insurance Company of America
Associates Commercial Corporation	IBM Corporation	Public Service Company of New Mexico
AT&T Corporation	Intuit, Inc.	S.C. Johnson & Son, Inc.
AT&T Universal Card Services	John Hancock Financial Services, Inc.	Sargent-Welch
Baxter Healthcare Corporation	Johnson & Johnson Consumer Products Company	Schlumberger Limited
Bayer Corporation	JP Morgan Chase & Company	Siemens Medical Systems
Behr Process Corporation	Kimberly-Clark Corporation	Southern Company
Biogen, Inc.	Kobren Insight Group	Sprint Communications Company
BioMedical Life Systems, Inc.	Lucent Technologies	Stanley Works
Blue Cross/Blue Shield of Florida	Macromedia, Inc.	State Farm Insurance
Borland Software Corporation	Massachusetts Institute of Technology	Steelcase, Inc.
Cablevision Systems Corporation	MasterCard International, Inc.	Stryker Corporation
California Water Service Group	MCI Group	Sun Life Insurance and Annuity Company of New York
Caterpillar	Merck & Co., Inc.	Sunrise Medical
C-COR.net Corporation	Micromotion, Inc.	Tampa Electric Company
Chiron Corporation	Microsoft Corporation	Ultracision
Church & Dwight Co., Inc.	Motorola, Inc.	United Parcel Service of America, Inc.
Claria Corporation	National Grid Group	US West
COBE Cardiovascular, Inc.	Nationwide Mutual Insurance Company	Veryfine Products, Inc.
Colgate-Palmolive Company	Nellcor Puritan Bennett, Inc.	Volkswagen of America, Inc.
Commonwealth Edison	New Jersey Natural Gas Company	VWR International
Deere & Company	Northern States Power	Warner Lambert
Dow Chemical Company	Ohio Casualty Insurance Company	WE: Women's Entertainment
DUSA Pharmaceuticals, Inc.	Ontario Hydro Energy, Inc.	Wyeth
E.I. du Pont de Nemours and Co.	Pacific Gas and Electric Company	Xenergy, Inc.
Eastman Kodak Company	PacifiCorp	Xerox Corporation
Enterprise Rent-A-Car Company	Pella Corporation	
Ethicon, Inc.	Pepco	
Exelon Corporation	Pitney Bowes, Inc.	



Applied Marketing Science • 303 Wyman Street • Waltham, MA 02451
tel: 781-684-1230 • e-mail: info@ams-inc.com • web: www.ams-inc.com