

Your Next VOC: Should You DIY?

As Voice of the Customer (VOC) has become standard practice in most new product development initiatives, practitioners have largely divided into two camps. One side advocates a “do-it-yourself” approach, where teams hire a consultant to train and coach them through the process, at least until they become self-sufficient. The other champions a consulting model where teams hire an outside firm experienced in VOC market research to design a study, field the data collection, and analyze and interpret the results.

The case for DIY VOC rests primarily on the notion that there is no substitute for first-hand experience – observing and conversing with customers as they interact with a product or service right before your eyes. Yet there is an equally compelling case for the consulting model, which is frequently overlooked. While we have seen many in-house teams execute brilliantly during the actual interviews, they often drop the ball elsewhere in the process. Sometimes, teams do not have the patience for many of the more laborious elements of VOC, such as careful interview recruitment and scheduling, transcript analysis, and editing the needs database. For many teams, these important tasks quickly devolve into time-consuming nuisances, breeding resentment in the team and jeopardizing quality. The same can be said for collecting and analyzing quantitative prioritization data, which often employs a standard questionnaire that must be fielded and then analyzed. The results of these activities are just as critical to project success, but the effort is often overwhelming.

There are a few other advantages to contracting out your VOC. A professional will bring experience drawn across different industries and will anticipate the nuances and roadblocks you might face. A pro will have more experience in VOC interviewing, market research, and

analytical techniques, yielding more insightful answers with fewer logistical hurdles. In our experience, a VOC contractor can usually complete a project in 30%-50% less time than an in-house team.

On the other hand, certain activities are extremely well-suited to “in-house” ownership. These include: designing the sample of customers to be investigated; writing the discussion guide of topics to be covered; conducting the actual observation and interviews; and, to a somewhat lesser extent, editing the qualitative needs data. Of course, even when contracting out your VOC, you can and should remain highly involved in these activities. It has always been our practice, for example, to treat the design phase, discussion guide development, and final part of the editing process as team efforts to be conducted together with our client. And whether the interviews are conducted ethnographically or in a central location, we encourage the entire team to accompany us as much as possible. When travel limitations, practical considerations, or other factors preclude this, team members can always listen to the interview recordings or read transcripts. To be sure, this is one step removed from first-hand observation, but most clients who have used this model have found it to be a small step at most.

In truth, we’ve seen both models work well, and we recommend that you consider both in planning your VOC. We see it as a classic “make vs. buy” decision: the former with higher people resource requirements and the latter with higher out-of-pocket costs. A good VOC consultant will understand your needs and tailor a workable solution to meet them.

— John Mitchell
jmitchell@ams-inc.com

Observations on Observation

Lately, product development circles have been abuzz about ethnography. This form of market research, adapted from the world of cultural anthropology, is based on the idea that product developers can learn the most about customer needs simply by observing customers in their natural “habitat” as they use particular products or services or try to complete certain tasks. We’ve used ethnographic techniques on many Voice of the Customer projects; in some cases they have delivered valuable insights, while in others, they have ranged from being only somewhat useful, to utterly impractical. It is important, therefore, to consider the pros and cons of ethnography on an individual basis. When is it likely to yield great returns to a development project, and when will it add little or no value?

Usually, much can be gained from observing a customer’s environment first-hand. Interviewers can get a better understanding of customers’ current situations, the problems they face and work-arounds they create, and any usability issues encountered in existing products. This type of visual information can lead to improved follow-up discussions with customers, greater insight into areas researchers might otherwise have overlooked, and, through photos or video, better communication with other team members.

Advocates for ethnography often cite their belief that “unspoken” needs, when discovered, can lead to enormous breakthrough innovations, and some say that the only way to “hear” these unspoken needs is through observation. There are certainly cases in which this is true, but a good interviewer can extract supposedly hidden needs through careful questioning and probing. Moreover, observational interviewing is often far more expensive and time-consuming per interview than central-location interviewing. Add in travel expenses and videography costs,

and ethnography can quickly become prohibitively expensive. Most ethnographic studies therefore include only 10-15 respondents, versus 20-40 respondents – collected in half the time – at a central location.

Observation can also alter customer behavior, commonly known as the “observer effect.” For instance, while construction workers may sometimes bend safety rules, they work exactly “by the book” when under observation. In addition, many work environments are noisy or dimly lit, and do not lend themselves to easy recording. And many respondents don’t want to be questioned while they are concentrating on the task at hand. Observing someone in a desk job, hospital operating room, or hotel room, simply may not be feasible, productive or appropriate.

Most ethnographers conduct some form of traditional verbal interview in addition to observation – sometimes simultaneously and sometimes immediately afterwards. At some point, most agree, needs must be expressed verbally in order to create an affinity diagram and prioritize the customer needs. And as Griffin and Hauser argued in their landmark 1993 article, “The Voice of the Customer,” it is crucial to use the customers’ own words in describing needs to avoid inadvertently twisting their real meaning.

In considering the best approach, researchers should first decide whether the product or service lends itself to observation. Even if ethnography makes sense, we often recommend it be followed by some central location interviewing as well. A dual approach will help researchers ask the right questions, better understand customer responses, and usually produces the best result within a realistic timeframe and budget.

— *Gerry Katz*
gkatz@ams-inc.com

© Copyright 2007 Applied Marketing Science, Inc.



AMS Voices is a forum for new ideas in management. It is published by Applied Marketing Science, Inc., leaders in using Voice of the Customer technology to develop superior products and services. We'd like to hear from you. If you have an issue you would like addressed, or have other comments, please contact us:

Applied Marketing Science, Inc.
303 Wyman Street, Waltham, MA 02451
web: www.ams-inc.com

tel: 781-250-6300
email: newsletter@ams-inc.com
fax: 781-684-0075