The customer insights project asks you to conduct experiential interviews, identify customer needs, and use an understanding of customer needs to recommend managerial actions.

**There are three deliverables. Please submit on Canvas as PDF files.**

- Interview discussion guide (Tuesday, February 14, 2023)
- Interview transcripts (Friday, March 3, 2023)
- Final report (Tuesday, March 14, 2023)

**Milestones in the project.**

**Step 1 Pick your team**

For the project you will need to create teams of 3-5 persons (teams of 4 are recommended). Use Canvas to select teams. We posted on Canvas sample projects from previous years.

**Step 2 Pick topic and prepare interview guide**

Pick the project objective. For example, you may wish to understand customer needs in connection with a product or service, or you may wish to use the customer’s voice to identify how current product or service performance can be improved, or you may want to describe the customer’s perceptions of how each product or service fulfils critical customer needs.

Entrepreneurs often choose to explore new ventures. Future product managers and product marketing managers often choose to explore customer needs in an area of interest. Those aspiring to work with NGOs often explore opportunities for social and societal impact.

You don’t want an objective that is narrow or quantitative (e.g., forecasting market share for a new product, sizing a market, etc.). You should choose an objective that excites you and helps you learn how to conduct and use qualitative research.

After you have selected the topic, you should recruit several customers (at least two per team member) and give them their “homework assignment.” This assignment is an adaptation of the key steps used in ZMET (see readings for the Thursday, February 16 class on the Boston Beer Company). Ask each customer to collect 6-12 images that are in some way related to the topic. The images can come from any source (they can be photos, e.g., by iPhone, taken just for the exercise, or they can be clips from any Internet or social media source). The images should be brought to the interview. Give the customers at least 3-4 days to collect the pictures. Tell them not to do the collecting just before the interview.

While the customers are collecting their images, you should schedule a group meeting to work out the interview guide. Follow the guidelines in *Voices Into Choices*, Step 4. The interview guide should be short, fitting on at most one page. It is due in class on February 14 – do not conduct your interviews until we have checked your interview guide.

We posted on Canvas three example interview guides from previous 15.821 student groups,
“To explore the decision-making process involved in buying a hamburger,” “Airbnb,” and “IKEA.”

Step 3 Conduct experiential customer interviews

Each team member must do at least two experiential interviews. Experiential interviews are not as easy as they seem and there is a steep learning curve. Often the second interview goes much better than the first, and better than your practice interview in the first week of the course. We want you to improve. One goal of this course is to give you hands-on experience so that, even if you contract out interviews, you will know viscerally how to interpret them.

The experiential interviews should have two parts. In the first part of each experiential interview, ask the customer to describe how each particular image they brought to the interview is related to the topic. You can be creative in how the interviewees share the images. They can email them to you, screen share while on Zoom, bring them to a live interview (if you prefer live interviews), or you can use Explain Everything. You can do in-person interviews if you feel safe and comfortable doing so.

In the second part of the experiential interview, continue exploring topics in your interview guide. Throughout the interview, which is really more a conversation than an interview, do not be satisfied with easy responses. Probe for hidden meanings. If a topic comes up that is not on the interview guide, follow the topic—the best information comes when the customer controls the flow. Follow the interview guidelines in *Voices into Choices*, Steps 10 or 12.

You should record the interviews (after asking permission to do so). If the interview is done via Zoom, you can set Zoom to record the interview. The *.vtt* file contains the transcription. If you do the interview live, you can use your smartphone to record the interview and any of a variety of software solutions to create transcripts.

Step 4 Use the transcribed customer interviews to identify voices

Working from the Zoom transcript, create a clean transcript of the interview, and make copies. (Neither Zoom nor other software solutions always get the transcription correct. While cleaning up the transcript, feel free to return to the Zoom or the smartphone recording if you forget details.) Distribute the copies among the team members. The goal is to have two team members separately read each transcript. For example, if your team has three members, and you interview six customers, then the “reading assignments” could look like this:

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<thead>
<tr>
<th></th>
<th>Team Member 1</th>
<th>Team Member 2</th>
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<tbody>
<tr>
<td>Customer 1</td>
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We posted on Canvas three example transcripts, “Interview Transcript Women BMW Owners,” “Airbnb,” and “IKEA.” These transcripts were formatted for easier reading and include images.

Each team member should sit down alone with their transcripts and identify a set of customer statements. Follow the guidelines for identification from *Voices into Choices*, Step R15 or T15.¹

A crucial part of this process is capturing the customer’s own voice, with a minimum of interpretation. You may want to begin by simply highlighting key statements from the interview transcripts. We call these statements voices. They could be needs, concerns, images, experiences, feelings, problems, solutions, or anything else that helps us understand the customer’s point of view.

“Sticky Notes:” Either use 3” x 3” Post-It notes or use Explain Everything to create “sticky notes,” that is, text boxes each of which contains a “voice.” (Ask us if you need Post-it notes.) You can color them yellow or any color you choose. Only edit the voice where necessary to improve understanding or eliminate irrelevant details. Number each voice and identify your own notes by writing (if you have a compatible stylus) or typing your initials in one corner. These voices on sticky notes will be used during the in-class exercise to help your group create a mental image of the entire customer’s voice. The voices collected from a single customer interview are likely to vary widely. In Step 4, the goal is simply to document the voices identified by the interview and not to analyze the relationships among them. Feel free to eliminate or merge any voices that are obviously redundant.

Step 5A Interpretation or ‘scrubbing’ of the voices (class exercise)

The scrubbing process is described in *Voices into Choices*, Step R16 or T16, and we will review it briefly in class. (Gerry Katz’ company calls this step “winnowing.”) The output is a list of approximately 20-30 nonredundant and semantically ‘scrubbed’ customer needs or requirements. If you use Explain Everything, you may have to merge your individual whiteboards.

Step 5A combines the voices identified by each of the team members into a set of voices agreed upon by the team. Together you translate these voices into customer needs or requirements. The output is a set of approximately 20-30 key customer requirements.

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¹ Most Customer Insights Projects will take the requirements (R) path in *Voices into Choices*. 

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<tr>
<td>Customer 6</td>
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</table>
NOTE: Translating voices into requirements is appropriate if the objective of your project is to understand customer needs or likes/dislikes in a given domain. Typically, this would lead to the development of new concepts—for products, services, ad campaigns, and so on. If your project has a different objective, then it may be more appropriate to translate the voices into some other format (not ‘requirements’ per se).

We will begin Step 5 in class. If you do not complete the process in class, complete it after class. So that we can spend time in class on structuring customer needs, each person should bring to class sticky notes on which customer needs are listed. Your group should coordinate on the format — either Post-It notes or Explain Everything notes.

Teams will be encouraged to sit together. Each team member brings the team member’s set of voices from Step 4 to the exercise. One team member begins placing voices on a whiteboard (or on the desk), and reads each voice aloud to the team as it is placed on the whiteboard or desk. If other team members have identified the same or a very similar voice, the team member will stack the team member’s notes on top of the original note. (As a general rule, similarity among voices is indicated by placing them closer together on the whiteboard or desk.) After the first team member has finished reading the team member’s voices, the next team member reads any of remaining voices. The process continues until all voices are placed on the whiteboard.

In the next step you select the most essential voices (not more than 30) which represent the customer’s perspectives, opinions, or feelings (Voices into Choices, Step R15, p. 251). If several voices reflect the same thoughts, pick the voices that best describe a customer need rather than a similar statement that is more solution-focused. Focus on the first-hand experiences of your customer rather than generalizations. As you select voices, move them to another area of the whiteboard or desk. Once you have consolidated similar voices, if you are still have more than 30 voices, agree on the most essential voices as a team. Delete the others from the whiteboard or remove them from the desk.

The final step is to construct Requirement Statements. The goal of this step is to create a set of action-oriented statements identifying functions that are critical to the customer. First, drag the sticky note documenting each of the core 20-30 voices to the top section of the requirement whiteboard or place it near the top of the desk. Next, identify 1-3 key ideas being conveyed by the voice. Finally, write an action-oriented statement that translates the voice into a requirement following the guidelines outlined below. You may wish to use different colors for the requirement statements. Keep in mind that one voice might translate into two or more requirements, each of which may reflect a different key item.

R16 in Voices into Choices, Step R16 gives guidelines about translating customer voices into requirements. Here are some guidelines (examples from cafeteria service):

- Avoid statements in the negative form: use “open during peak student demand” rather than “doesn’t close early.”
- Use multi-valued attributes rather than yes vs. no attributes: use “minimize time spent getting and paying for food” rather than “no waiting in line.”
• Avoid abstract words. Be specific about the customer’s needs.
• Avoid statements of a specific solution, e.g., “they should have more cashiers at lunchtime.”
• Avoid premature details, e.g., “stays open until 6:00 pm”.
• Use the concrete terms of the customer’s own experience rather than intangible concepts: use “offers several brands of juices” rather than “offers a good selection.”

For example:
Voice:
• “I don’t have much time [so] I get really irritated standing in a long line.”

Key items:
• customer is time-constrained
• customers may become irritated if the process of getting food takes a long time.

Requirement:
• “Minimize time spent getting and paying for food”

You may wish to divide voices among the team members for an initial translation. Afterwards, the team checks each other’s work, discussing potential changes.

Step 5B Diagram the requirements

Follow the instructions for making an “affinity diagram” as described in Voices into Choicesi
Step R17.² An affinity diagram is basically an hierarchical tree of primary, then secondary, and then tertiary customer voices. See examples in posted PowerPoint slides. We will begin this process in class. If the process is not completed in class, please schedule a group meeting to complete the affinity diagram.

Step 6 Brainstorm for the best recommendations based on the customers’ voice.

You should attempt to identify a possible solution to the motivating problem for the project, e.g.,
• a new product concept, meeting key customer needs identified in the voice of the customer
• a statement of the most significant deficiencies or problems with a product or organization and suggestions on how to address that deficiency or problem
• a definition of the actual and desired brand or company image and ideas to achieve the brand or company image

This recommendation should be based on what you learned from the voice of the customer. Defend the recommendation with the customer’s voice, but you don’t have to defend it with

² Best practice in 2023 is to have customers themselves complete the affinity diagram, but this may not be feasible within time we are allocating to the course project.
any quantitative evidence. Use your judgment (e.g., brainstorm and discuss). You can use *Voices into Choices*, Steps 18 & 19 as a guide for brainstorming ideas to pick the best solution. (In practice, an entrepreneur or firm may use a follow-up survey to test and quantify actions. Some of this is covered in *Voices into Choices*. You do not have the time or resources to complete a survey for 15.821, but you can do so later if you are interested. We provide access to questionnaire development/data collection/data analysis software (see Canvas.) For 15.821, we want you to focus on **qualitative** methods.

We encourage you to use methods discussed in 15.821 for generating creative solutions. For example, Jim Ferry provides a variety of creativity-enhancing methods. You can draw on many examples in class where firms and NGOs used the customer’s voice. You might anticipate the future by contemplating a new ‘world’ that takes into account relations between customers and the socio-technical networks in their everyday lives.

We’ve provided four examples from previous 15.821 projects to guide you.

**Step 7  Prepare report and presentation.** Optional: extra credit for a Pecha Kucha presentation (see short description on Canvas.)

### Structure of The Customer Insights Report

Customer insights reports take many forms. In 15.821, we ask for a consistent format. You can deviate from the format, but only if it is absolutely necessary. The customer insights report should be 8-15 pages long (typically 8-10 pages plus 5-7 pages of appendices) and cover the following:

1. Statement of objective
2. Description of methodology
3. Qualitative interpretation of the interviews
4. Interpretation of the affinity diagram
5. What has been learned – proposed solution
6. Appendix - Pictures collected from the customers and any other information you feel supports your recommendations

You can adjust this sequence of topics, but check with the instructor or TAs. The most important parts of the report are Section 3: “Qualitative interpretation of the interviews” and Section 5: “What has been learned – proposed solution.”

### Examples from previous 15.821 customer insight projects—posted on Canvas

1. IKEA (from Spring 2022). Sample presentation is also posted.
2. Airbnb (from Spring 2021)
Two professional reports based on qualitative discussions.

1. “15.821 Professional Example Focus Groups for Community Carpooling 1977.” Recently, Professor Hauser was asked by Uber to help Uber understand what consumers would have done if not for Uber. (The answer is that Uber draws more from transit than walking, with some draw from driving and very little from taxis.) That report contains actionable insights on the customers’ voice, but it is confidential and we are not allowed to share it.

In the of studying Uber’s customers, we unearthed a focus group report done in 1977 for the US Department of Transportation (USDOT). In 1977, the USDOT was considering a ride-sharing peer-to-peer system in which drivers and riders would be licensed by the government. The Boston area was to be a pilot program. Once licensed, drivers could pick up licensed riders as they drove to work, school, or other destinations. The fare would be $0.25-$0.50 in 1977—about $1-2 in 2023.

When Shared-Ride Auto Transit (SRAT) was proposed, there were no personal computers, no Internet, and no social networks. Telephone service was landline only and there was a charge for any calls outside the local area. Automobiles had poor gas mileage and the US had just emerged from an oil crisis in which gasoline was in very short supply (and rationed). From a marketing standpoint, the acronym was not great. The SRAT report is of interest because (1) the structure of these reports has not changed and (2) the report anticipates many of the customer needs fulfilled by today’s ride-sharing services. In 1977, SRAT was not implemented because the available technology was not ready to address the customer needs. When Uber and Lyft were launched, that technology was ready.

2. 15.821 Professional Example To Save or Spend Putnam.” This is a professional summary of a daylong focus group among academic consumer-behavior experts. Note the use of direct quotes, headings, and paragraph-length summaries.