CAREFUL – DON'T SPILL THAT COFFEE!
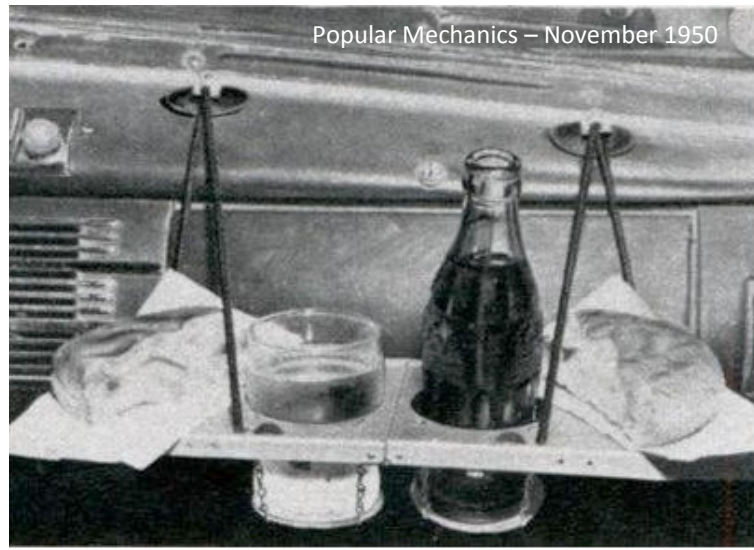
By Paul R Thompson

YET TO EXIST

It's early morning, and you are on your way to work. Following your normal routine, you stop at the local Starbucks and pick up that delicious Grande Caramel Macchiato, walk back to your car, and once inside put the cup of coffee in the conveniently located cup holder – and the rest of your commute is enhanced by that energizing beverage.

It is a good thing that your drive takes place now, instead of the 1950's, or even 15 years ago, for your driving skills, and perhaps juggling ability, would have been greatly challenged by the need to hold the coffee cup in your hand – for that conveniently located cup holder did not yet exist.

Today, cup holders in vehicles are ubiquitous, and have even been advertised as a must-have feature, to enhance a vehicle's desirability. But

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before cup holders became commonplace beginning in the 1990's, who remembers any widespread outcry from the vehicle buying public, "give me my cup holders"?

Or, consider 3M's Post-It brand notes. Until the late 1970s's when 3M launched the product, where were all the people clamoring for that small piece of paper with the reusable, pressure sensitive adhesive. Today, of course, with 3M and its competitors selling billions of these pieces of paper each year, it seems that we cannot live without them.

These are just two examples of the many products and services we encounter on a daily basis that benefit, and even enrich, our lives. Things we want, need, and perhaps crave – but before they existed, we were able to live capably, and usually comfortably, without them. These are examples of the concept of **Market-In**.

Businesses are most successful when they focus on Customers; understanding the needs of their customers, and continually working to meet those customer needs. The needs and requirements of Customers, both external and internal, can be expressed with the attributes of Quality, Cost and

Delivery – which encompass all a customer's desires: What I want, how it should work, how long it should last, how much I am willing to pay, when I want it, and on and on.
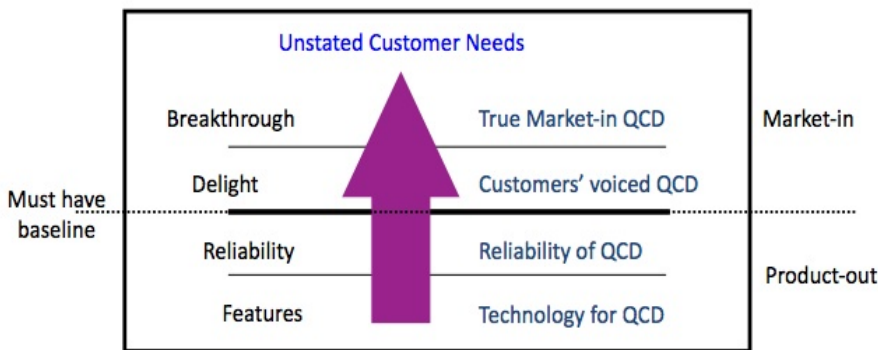
BEYOND WHAT IS NECESSARY

The business culture in many companies leads to a customer focus expressed as **Product-Out**, whereby the perceived needs of the customer are filtered through that company's paradigms and perceptions: We have been making our products for years, we know what our customers want; our internal capabilities for design, quality, and manufacturing provide the parameters for what we supply; or, we have been successful in the past doing what we do, so we will be successful in the future.

For a **Product-Out** business, their attitudes and actions will take them only as far as the Baseline necessary to meet customer demand for features and reliability. To move beyond the Baseline requires being **Market-In.**

A **Market-In** organization builds customer relationships through standard practices, so it is possible to first factually understand the explicit, stated customer needs – and take the action necessary to meet those needs. Second, a **Market-In** organization's relationship with a customer is so close that it can anticipate, understand and satisfy the customer's latent, unstated wants and needs. As shown below, only by being **Market-In** can we move into the realm of customer delight and breakthrough satisfaction.

Market-In vs. Product-Out

Another barrier experienced in **Product-Out** organizations is a misunderstanding of what provides customer satisfaction. In the late 1970's and early 1980's, research and analysis by Professor Noriaki Kano and his colleagues at Tokyo Science University identified relationships between customer satisfaction and the products or services a company supplies. Conventional wisdom held that as the features of a product or service were enhanced the customer would always be more satisfied.

After all, if five-cup holders are good, then 15-cup holders must be better (even if the vehicle only seats seven people); or, would you like to buy some gold-leaf sticky notes?

As this graph, adapted from Dr. Kano's analysis, shows, the actual effects of a **Product-Out** organization continuing to enhance a product or service eventually leads to increasing effort with no increased customer satisfaction. Only by being **Market-In** can we take advantage of the ability to increase Customer Satisfaction through lesser amounts of better-directed, customer-targeted effort.

MARKET-IN RELATIONSHIPS

Market-In practices and behaviors are not limited to products or services for external customers. Within our businesses and organizations, we need to develop the same close relationships that will help us understand both the stated, and unstated, needs of internal customer-supplier interactions; and act upon those needs, to the satisfaction and delight of the folks who make us successful.

LMSPI has successfully assisted business and organizations to become **Market-In** by equipping them to better respond to their customer's stated needs and requirements, while helping to develop the skills necessary to "read between the lines" to fulfill those unstated, yet very important, customer needs and requirements - enhancing relationships with external customers and internally among the organization's employees and partners.

As we at LMSPI strive to be **Market-In**, we value the partnership with our clients. We invite you to help build this partnership together.