Using Experience Design to Automate Product Renovation

by Lucio Pieroni and Ana Bostan

Game-changing innovations fascinate and inspire innovation leaders, but lower risk, well executed product renovations can contribute considerably to innovation-driven growth. The challenge with short to mid-term renovation projects is the potential for low return on investment. An experience design approach can make renovation relevant and timely.

The Challenge of Product Renovations

Imagine this scenario. The business in one of your core countries is declining. A ‘swat team’ is assembled, and quickly decides that a product improvement can revitalize the business. The R&D experts are summoned to provide options, and it so happens that they have been working on a new technology that performs better but carries an added cost. Since superior quality is one of your core principles, the added cost is quickly accepted. The upgrade is introduced but does not deliver the desired turnaround. Perhaps elements of your marketing mix needed to be fixed instead, or the upgrade did not focus on the performance area that had created the competitive gap. Whatever the cause, you lost money and still have not fixed the business issue. Another swat team is assembled and the process restarts.

This is common for many companies. How do you quickly assess whether you have a product problem or not? Can you anticipate the need for a product improvement? How do you decide which performance attributes to focus on?

An experience design methodology can answer these questions. Experience design makes renovation relevant by focusing on delivering a consistently superior consumer experience across the entire consumer / customer journey. First, experience design helps understand which part of the experience (also called touch points)
consumers value most. Second, it helps companies understand what product or service attributes drive performance at each of the touch points. Once relevant touch points and key performance attributes are identified, a company can then dynamically monitor product or service performance relative to competition and start a renovation effort *proactively* when performance trends start to decay.

**Identify touch points consumers / customers value most**

The first stage of the experience design methodology identifies what consumers perceive as the most relevant experiential moments or touch points over their entire interaction with the product. A great example is the consumer experience around wine. As we’ve done in this visual, dissect the consumer journey into discrete steps and build a list of the steps consumers consider most valuable as they experience your product. The most reliable sources for defining the consumer journey are shopper and consumer ethnography studies.

The list of touch points should then be validated and pressure tested by cross-functional and cross-market stakeholder groups. This helps distinguish product-specific from market-specific consumer experiences. It is important to connect the touch points to your brand strategy, because product renovation only succeeds if it complements and enriches the existing brand equity.

**Determine key product attributes per touch point**

The second stage of the experience design methodology goes a step further to identify key product attributes (KPAs) - the product performance characteristics that deliver consumer benefits at each of the touch points.
KPAs bridge the product development and consumer benefit worlds. Consumer experiences are multi-sensorial. When sipping from a glass of wine, it is not only the taste that shapes the consumer perception of the product: the aroma, the texture, the sparkles, and the temperature of the wine weigh equally in building the sensory profile. Product attributes can be inferred from this array of sensorial experiences.

The direct interaction with the product will suggest what the product attributes are. However, cutting these attributes down to the most critical requires in-depth mining of available consumer data. The most valuable insights can be drawn from attitudinal data. At this level, the analysis reveals the drivers behind each key touch point. The goal is to collect data points underpinning the relevance that consumers attach to certain product attributes. Since no two attitudinal studies have the same questions and answers, some creative accounting is needed to rank the attributes. KPAs will reveal themselves as the most numerous data points registered against them. This provides hard data validation that a certain product attribute is key to the consumer experience. The outcome of this analysis will be a histogram ranking the product attributes in order of importance to consumers.

### Assess your product performance relative to competition

The third stage of the experience design methodology shows product performance on each KPA. In the previous step you identified which product attributes are most important to consumers. At this level, you have to understand how your product meets consumers’ expectations compared to the competition. Your goal should be to perform well and in line with the brand equity on the KPAs. This is what will keep consumers loyal and attract competitor’s consumers.
At this stage, we turn to product performance data, both in terms of consumer acceptance and technical performance. A combination of quantitative and qualitative analyses will reveal product performance relative to direct competition on each product attribute.

**Product attribute performance per touch point**

List all product attributes in the chronological order in which they are experienced during the consumer journey, and overlay your performance versus competition to depict your product performance landscape.

**Automate your renovation plans**

Experience design is useful for highlighting attributes where your product performance has “interruptions” during the consumer journey. However, there is another important use of the tool in the context of renovation. In order to leverage the full power of experience design, you need to dynamically track your product’s KPAs. This view is a critical component of a product performance dashboard (PPD), which should also contain other relevant product information, like costs and sustainability metrics. The PPD will provide transparent tracking of product performance by summarizing all product-related performance indicators in a single framework. By monitoring the trends in your product performance, you can identify when the competitive performance is decaying to a point that it jeopardizes brand equity. This indicator signals that it is time to renovate the product. You can act *before* you lose revenue.
Understanding how your product value proposition evolves over time and under competitive pressures allows you to rationalize your renovation efforts in order to deliver a consistently superior consumer experience.

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