

How VOC skills impact new product success

Based on research by The AIM Institute

A Webinar from ISEA

International Safety
Equipment Association

Dan Adams

The AIM Institute

dan.adams@theaiminstitute.com

How VOC skills impact new product success

Based on research by The AIM Institute

1. Overview of research on B2B VOC skills

2. Understanding market needs ← NPD success

3. VOC competencies ← understanding market needs

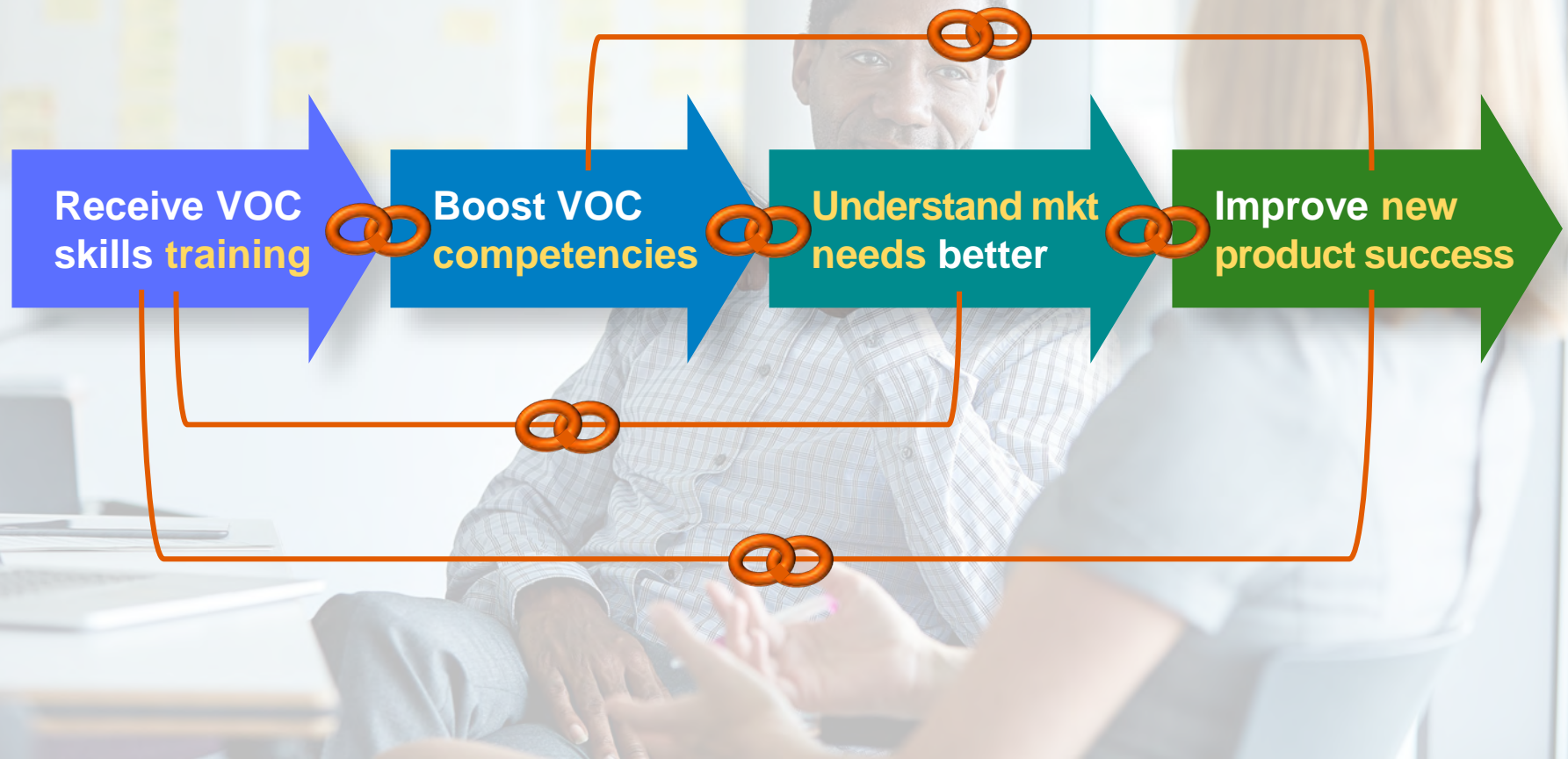
4. VOC training ← VOC competencies

5. Other research findings... with a surprise

How VOC skills impact new product success

Based on research by The AIM Institute

The data revealed strong correlations here (🔗🔗)



We surveyed 12 B2B VOC skills

Survey had 311 respondents, with nearly 5000 years of combined experience



Secure Interviews



Proper Interviewees



Impress Customers



Uncover all Needs



Probe for Meaning



Probe for Value



Quantitative VOC



Virtual VOC



VOC Debriefing



Prioritize Needs



Segment Market



Business Case

Survey methodology

Survey had 311 respondents, with nearly 5000 years of combined experience

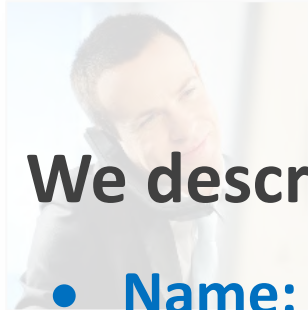
- We described each VOC skill. Example:

- Name: *Secure Interviews*

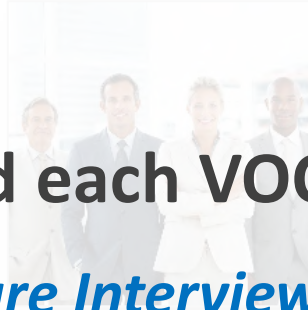
- Description: *Convince customers to let you interview them in order to understand their needs*

For each of these skills, we asked two questions:

- How IMPORTANT is it that you are able to... (*competency description here*) on a scale of 1-to-10?
- How SATISFIED are you with your ability to... (*competency description here*) on a scale of 1-to-10?



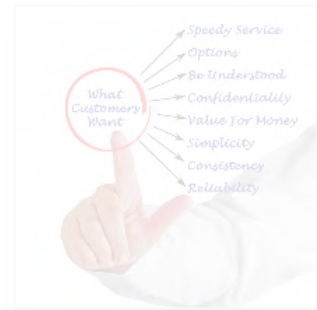
Secure Interviews



Proper Interviewees



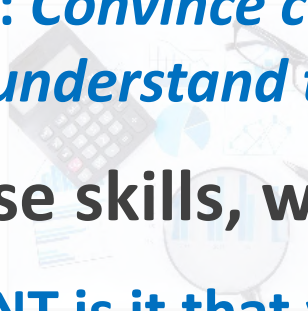
Impress Customers



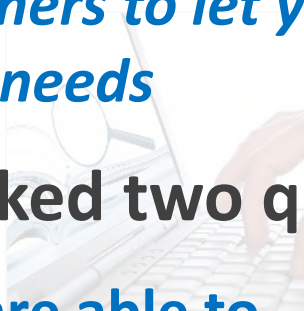
Uncover all Needs



Probe for Meaning



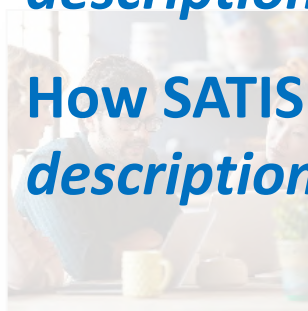
Probe for Value



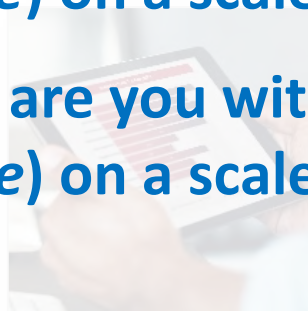
Quantitative VOC



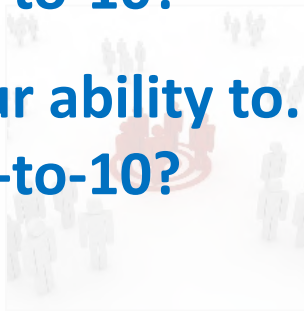
Virtual VOC



VOC Debriefing



Prioritize Needs

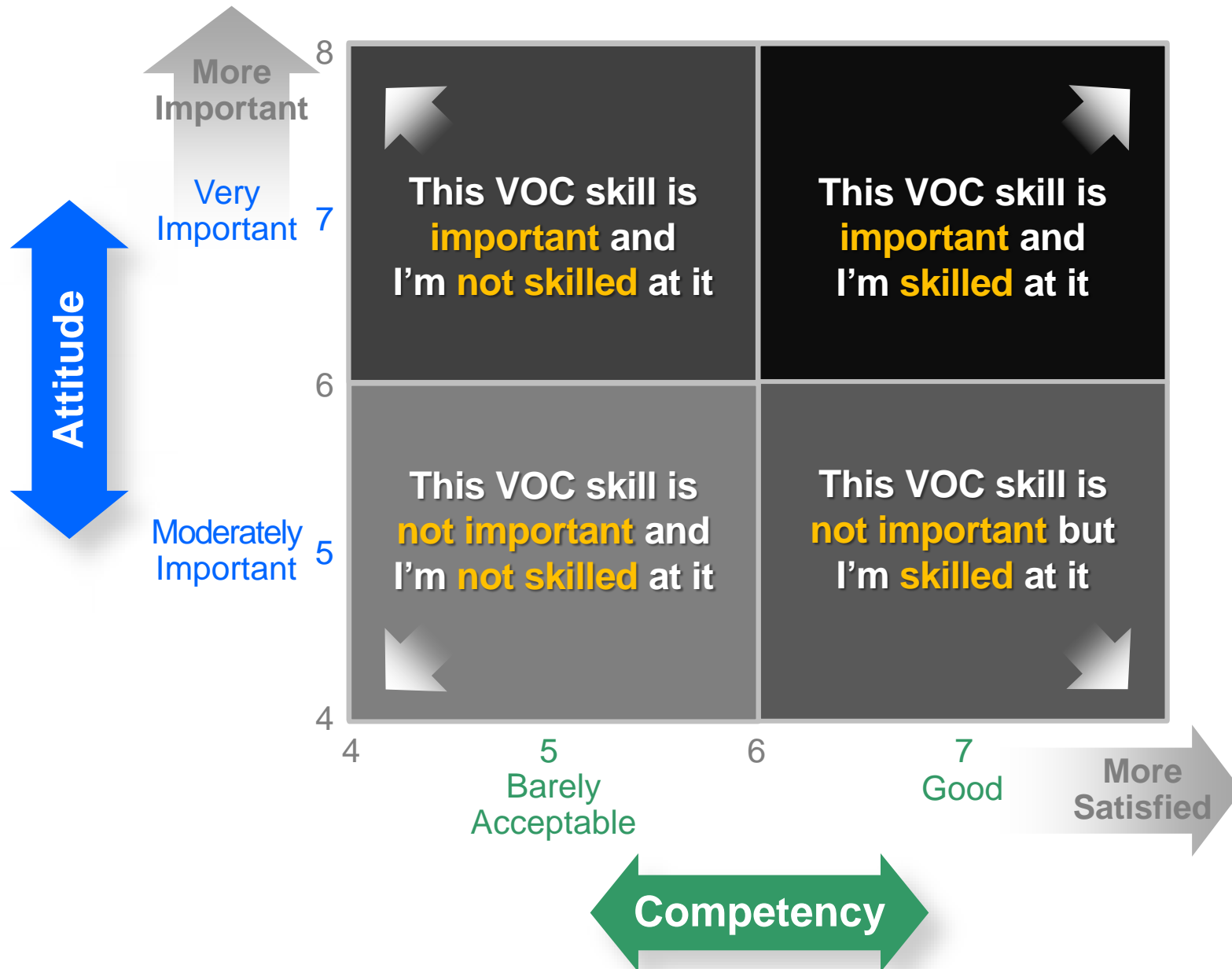


Segment Market

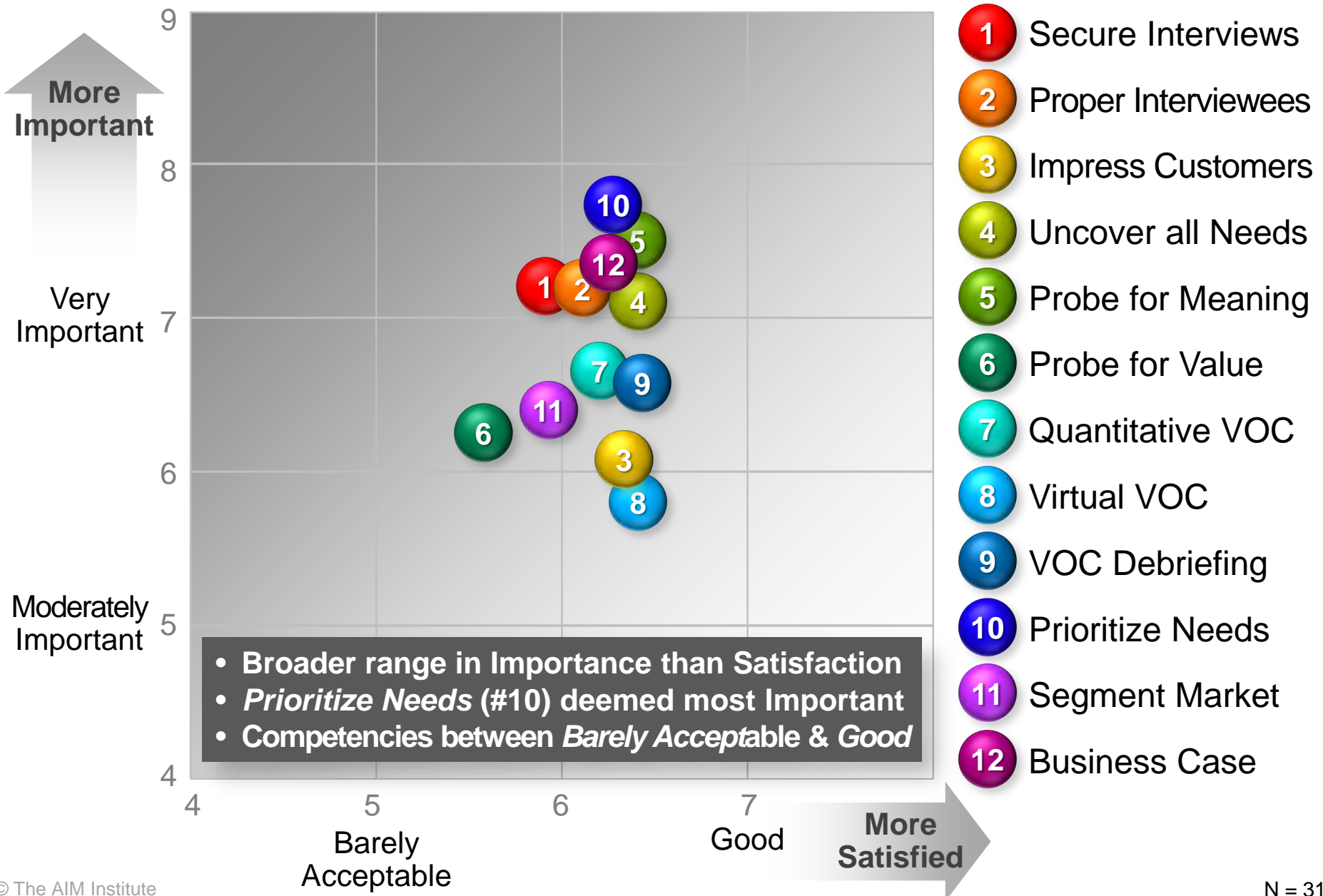


Business Case

How to interpret survey responses in these charts



B2B VOC skills for all respondents



Download at www.b2bvocskills.com



How VOC skills impact new product success

Based on research by The AIM Institute



1. Overview of research on B2B VOC skills

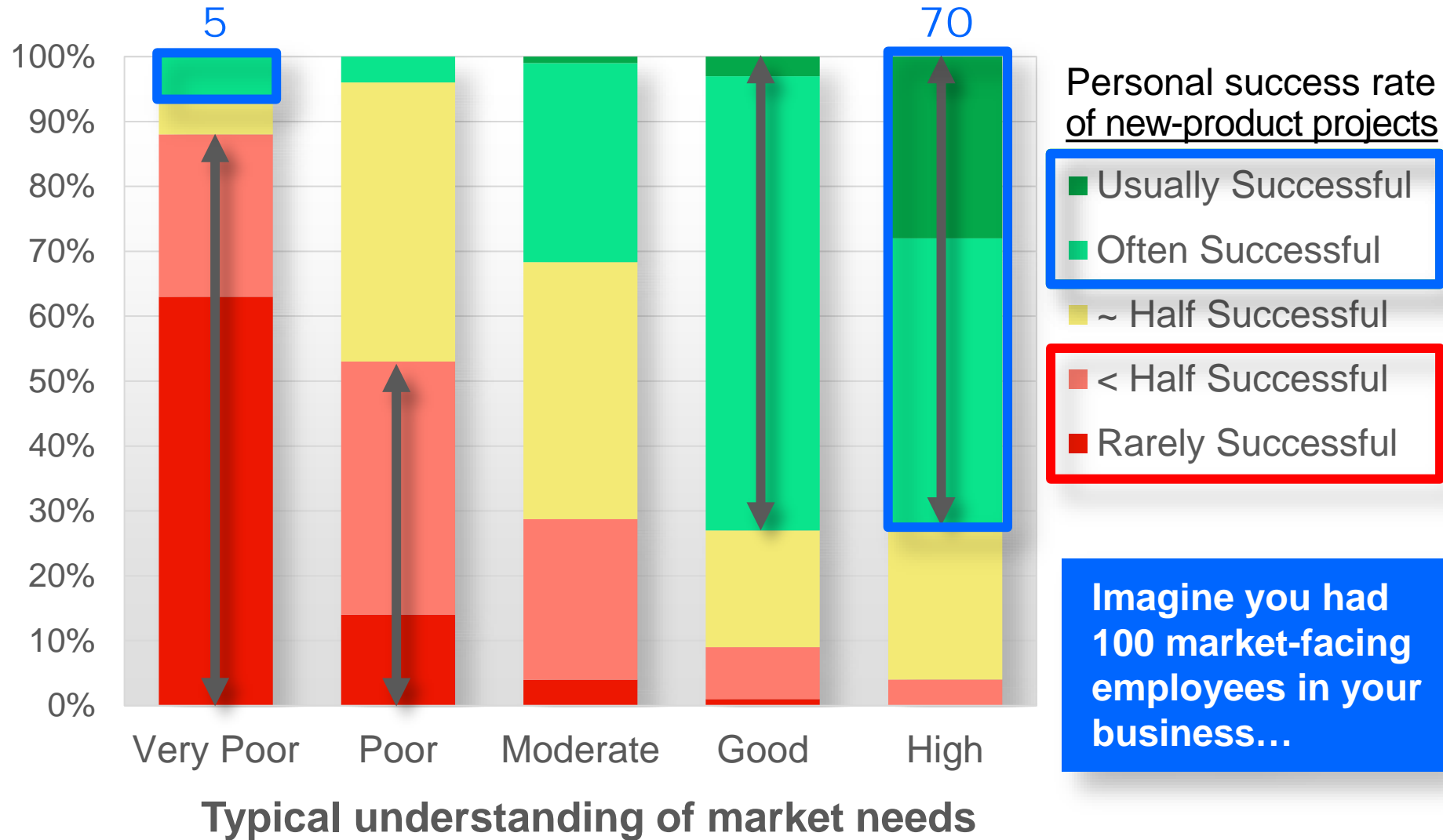
2. Understanding market needs → NPD success

3. VOC competencies → understanding market needs

4. VOC training → VOC competencies

5. Other research findings... with a surprise

Relationship of understanding market needs to new product success



- Over half with Poor/Very Poor market understanding had losing NPD track records (red)
- >70% with Good/High market understanding had winning NPD track records (green)

1971

Inadequate market analysis 45%

Product problems o

Lack of focused ma

Higher costs than a

Competitive strengt

Poor timing of intro

Technical or produc

All other sources

The Conference Board R

2019

No market need 42%

Ran out of cash 29%

Not the right team 23%

Got out-competed 19%

Pricing/cost issues 18%

User unfriendly product 17%

Lack of business model 17%

CB Insights, *The Top 20 Reasons Startups Fail, 2019*

Technical Risk

Commercial Risk



How to lower B2B commercial risk...

- Guess what customers want
- Ask your sales reps what customers want
- Ask 1 job function at 1 customer
- Interview many job functions/customers
- Interview customers' customers
- Interview entire eco-system
- Let customers lead the interviews
- Use advanced interview probing
- Use trigger methods for fresh ideas
- Observe during customer tours
- Conduct quantitative interviews

How VOC skills impact new product success

Based on research by The AIM Institute

A background image showing a group of people in a meeting. A man in a plaid shirt is seated and looking towards the right, while a woman with blonde hair is seen from the back, gesturing with her hands. The setting appears to be a modern office with large windows.

1. Overview of research on B2B VOC skills

2. Understanding market needs → NPD success

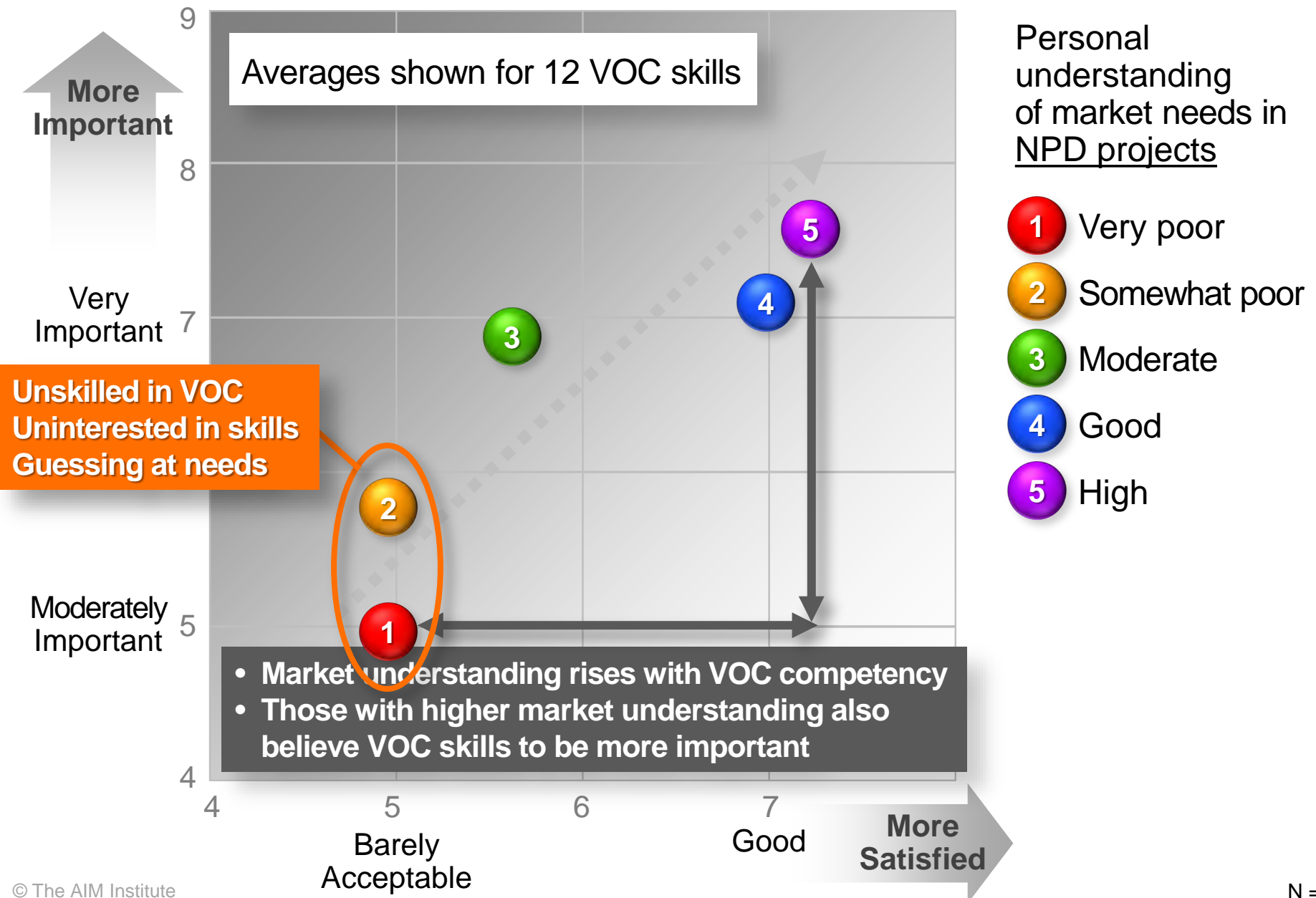
A blue arrow pointing from the left towards the third item in the list.

3. VOC competencies → understanding market needs

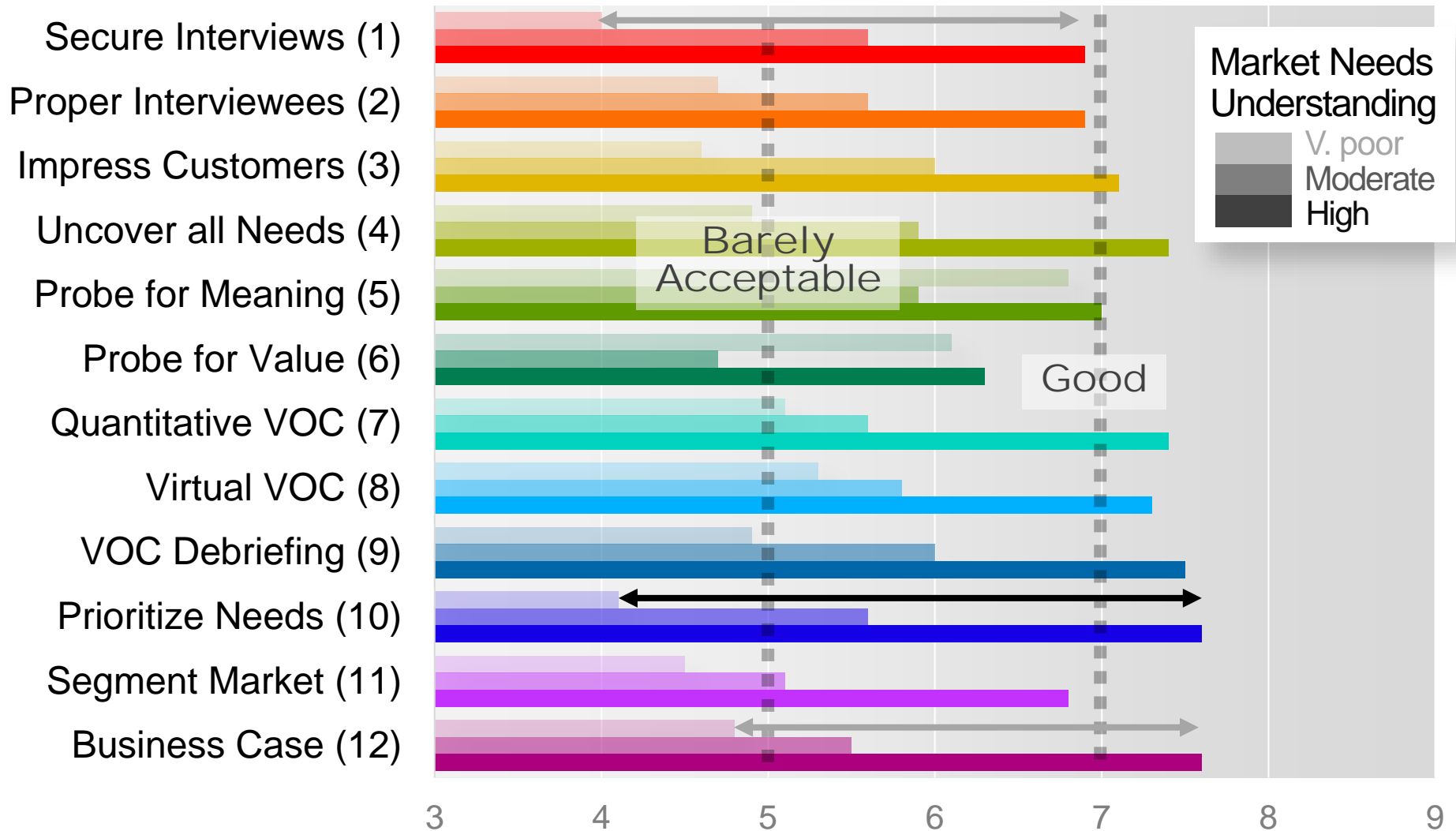
4. VOC training → VOC competencies

5. Other research findings... with a surprise

Relationship of VOC competencies to understanding market needs

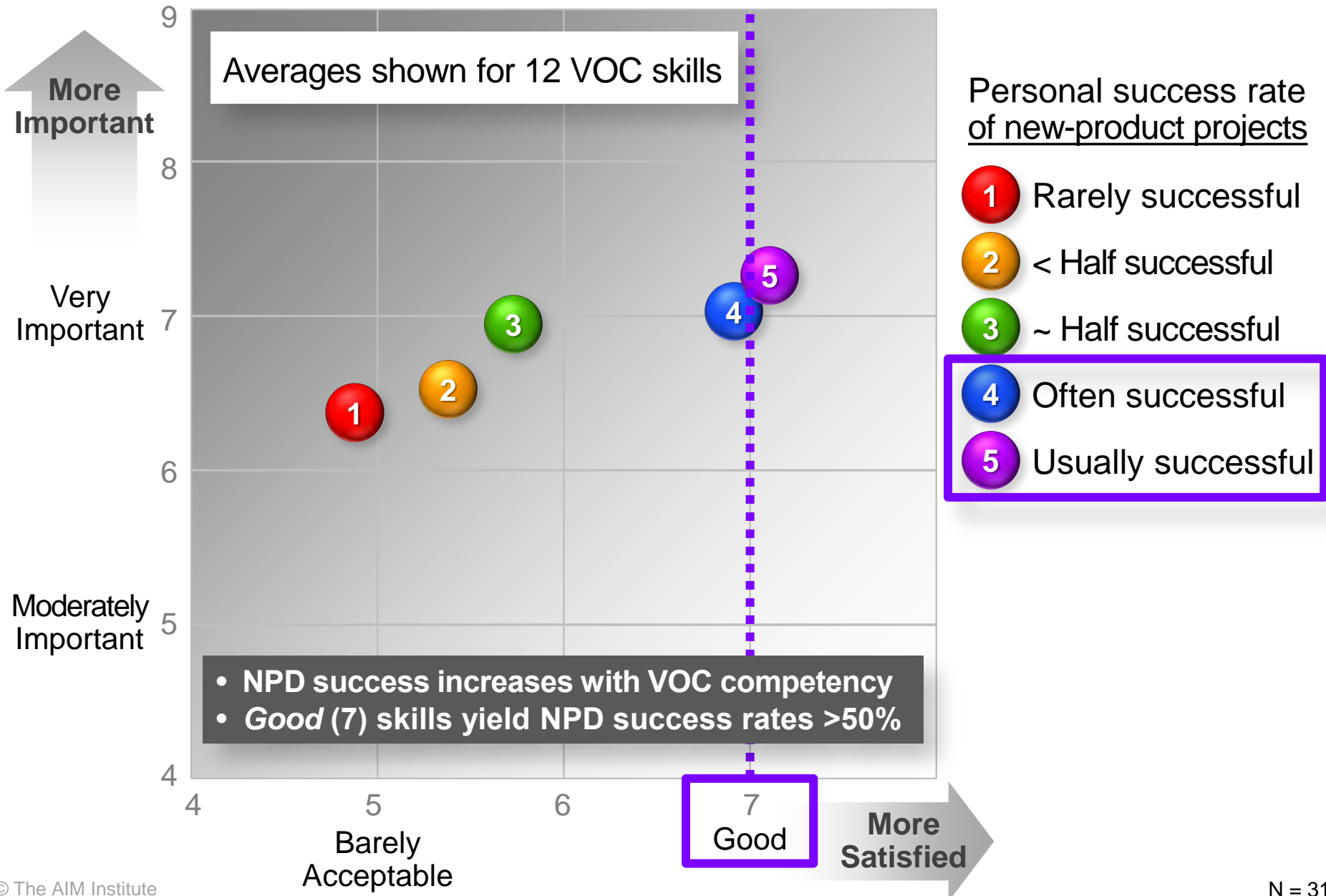


Relationship of VOC competencies to understanding market needs

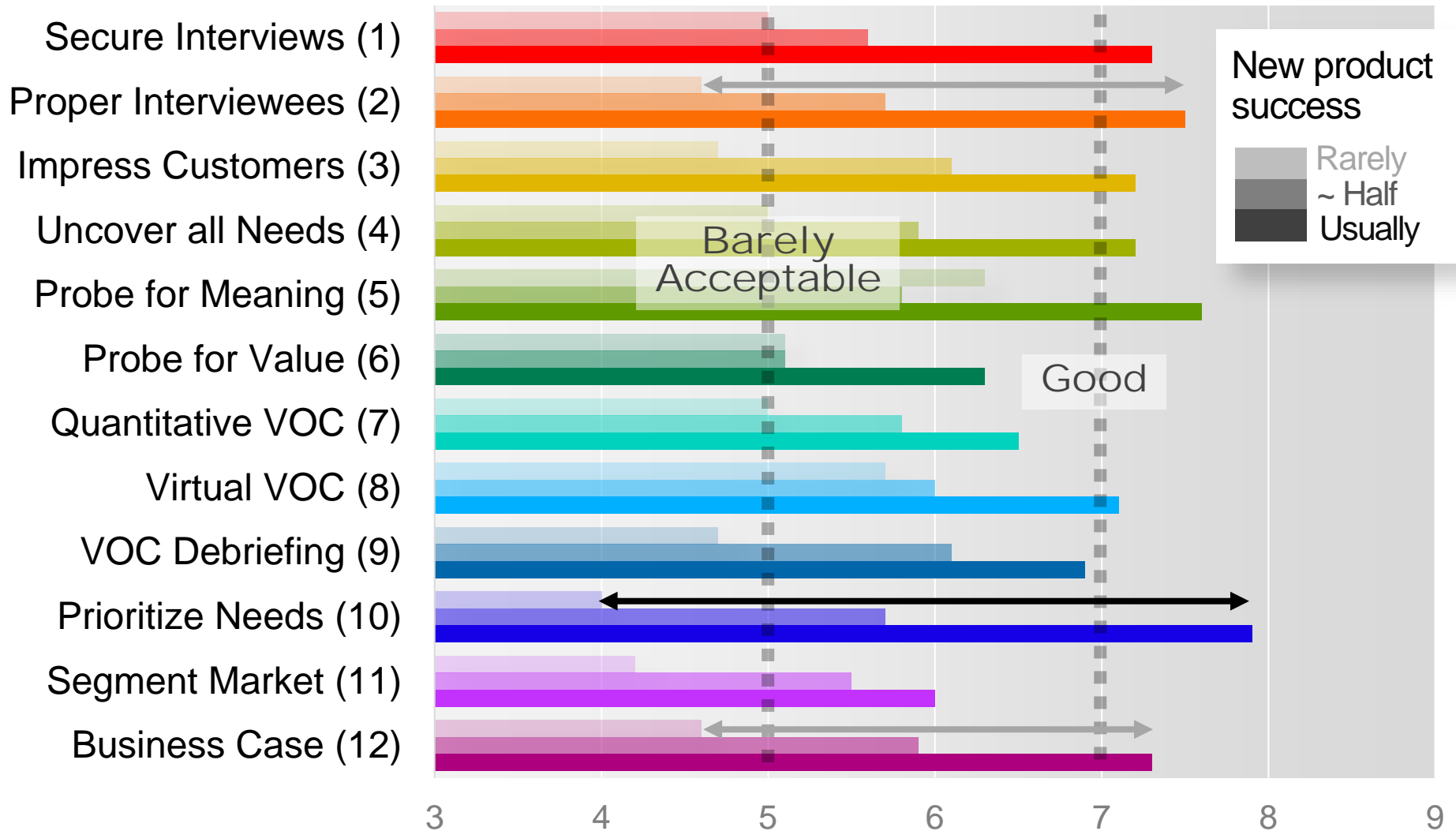


- The biggest differentiator in market understanding is *Prioritize Needs* (#10): 3.5 SAT units
- The 2nd & 3rd differentiators are *Secure Interviews* (#1) & *Business Case* (#12)

Relationship of VOC competencies to new product success



Relationship of VOC competencies to new product success



- By far, the biggest success differentiator is *Prioritize Needs (#10)*: 3.9 SAT units
- The 2nd & 3rd differentiators are *Proper Interviewees (#2)* & *Business Case (#12)*

How VOC skills impact new product success

Based on research by The AIM Institute



1. Overview of research on B2B VOC skills

2. Understanding market needs → NPD success

3. VOC competencies → understanding market needs

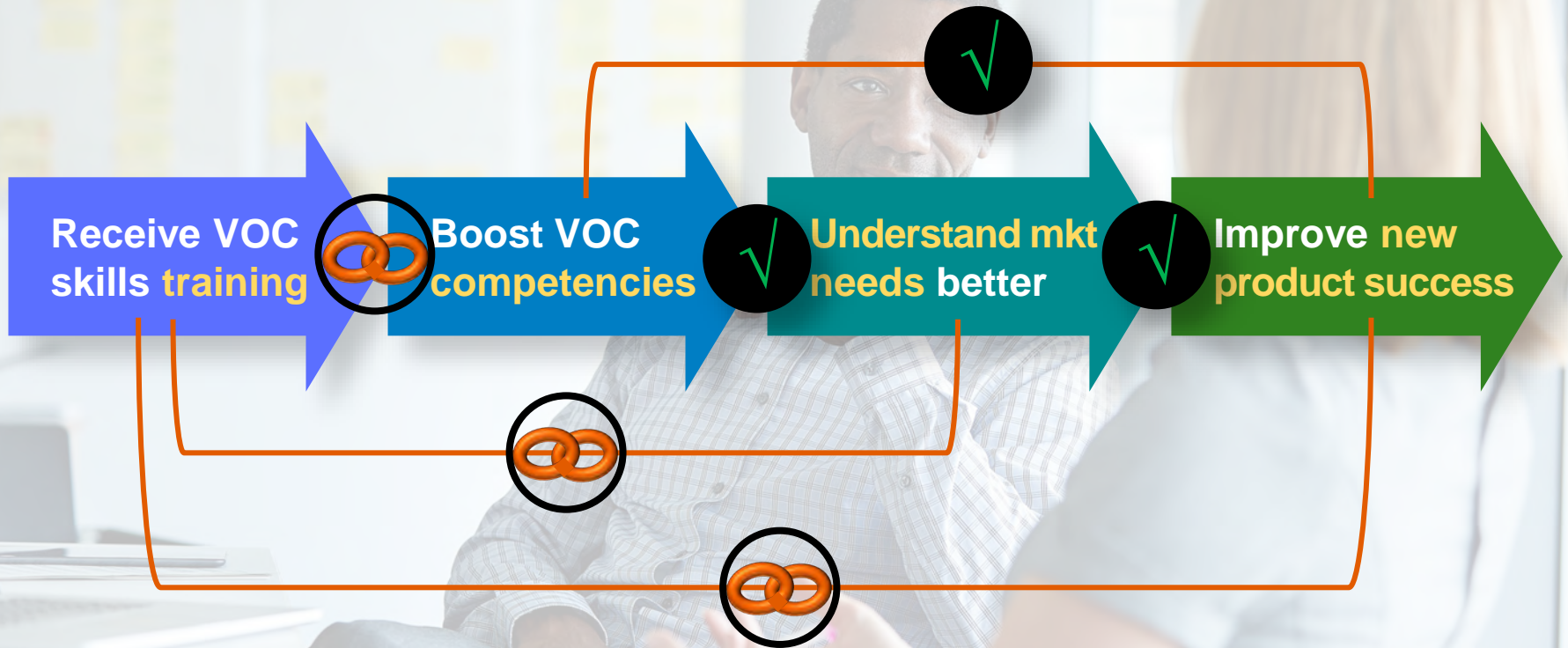
4. VOC training → VOC competencies

5. Other research findings... with a surprise

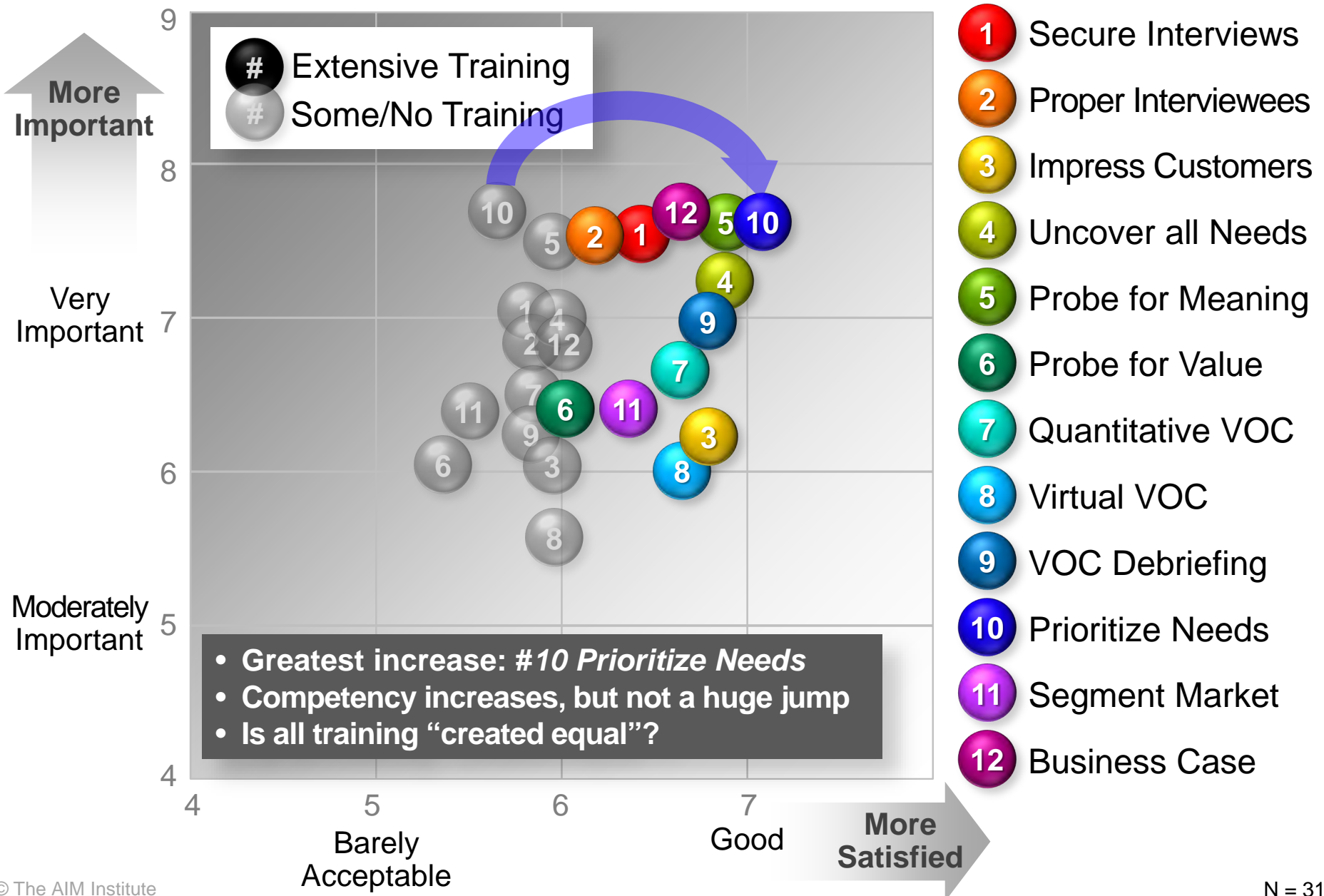
How VOC skills impact new product success

Based on research by The AIM Institute

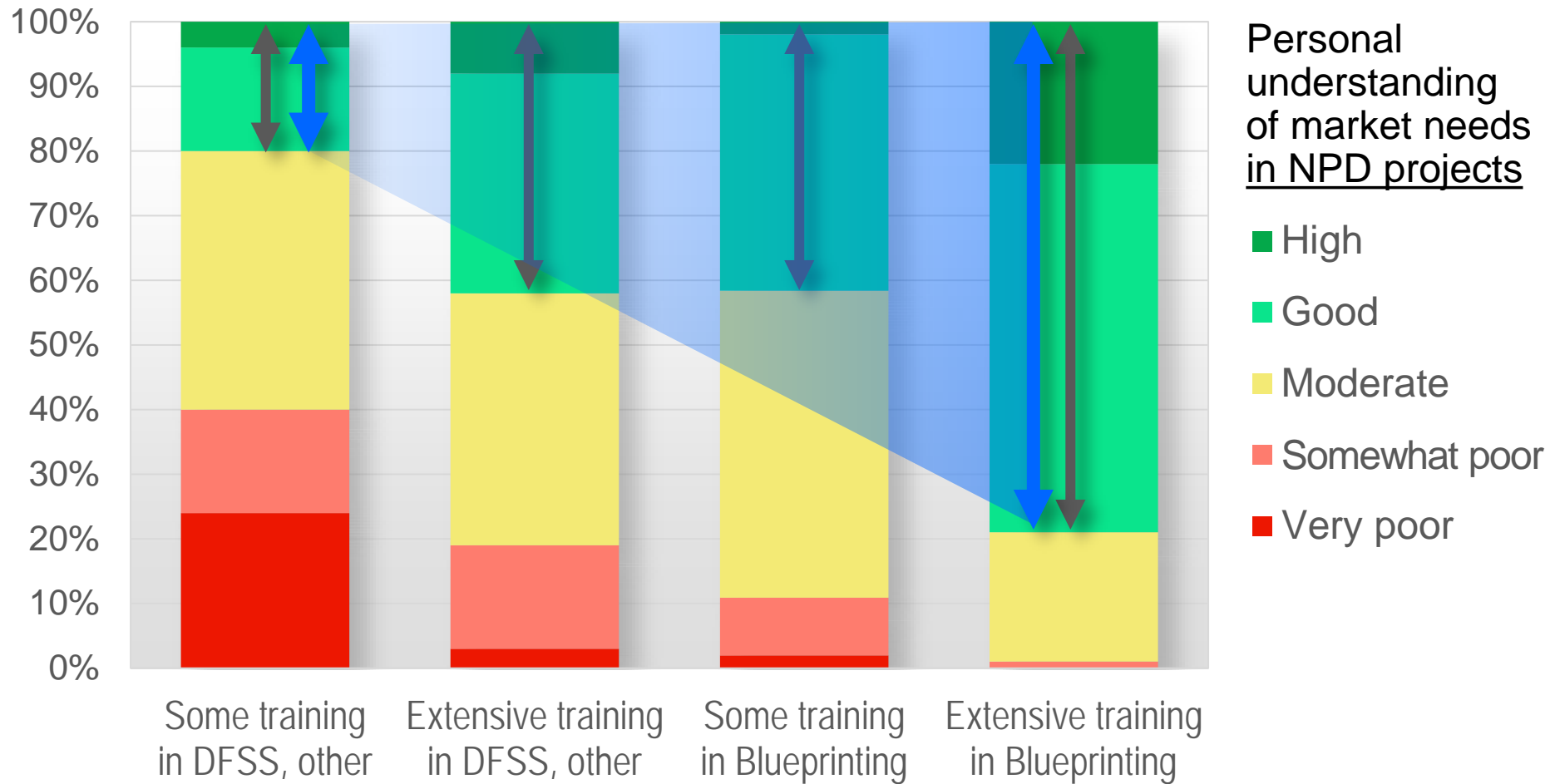
Process check...



Impact of VOC training levels on VOC skill competencies



Impact of training type & level on understanding market needs

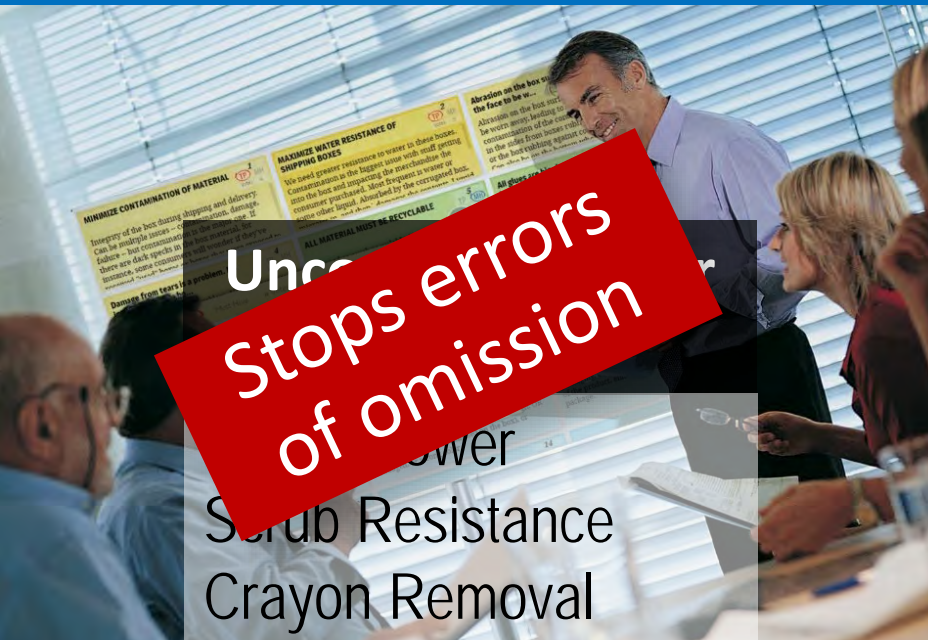


- DFSS & other: 20% (some training) & ~40% (extensive) had a Good/High mkt understanding
- For those with extensive Blueprinting training: ~80% had Good/High understanding
- Many companies can go from 1-in-5 to 4-in-5 employees gaining Good/High understanding

New Product Blueprinting (B2B-Optimized VOC)

Discovery Interviews

Qualitative



Preference Interviews

Quantitative

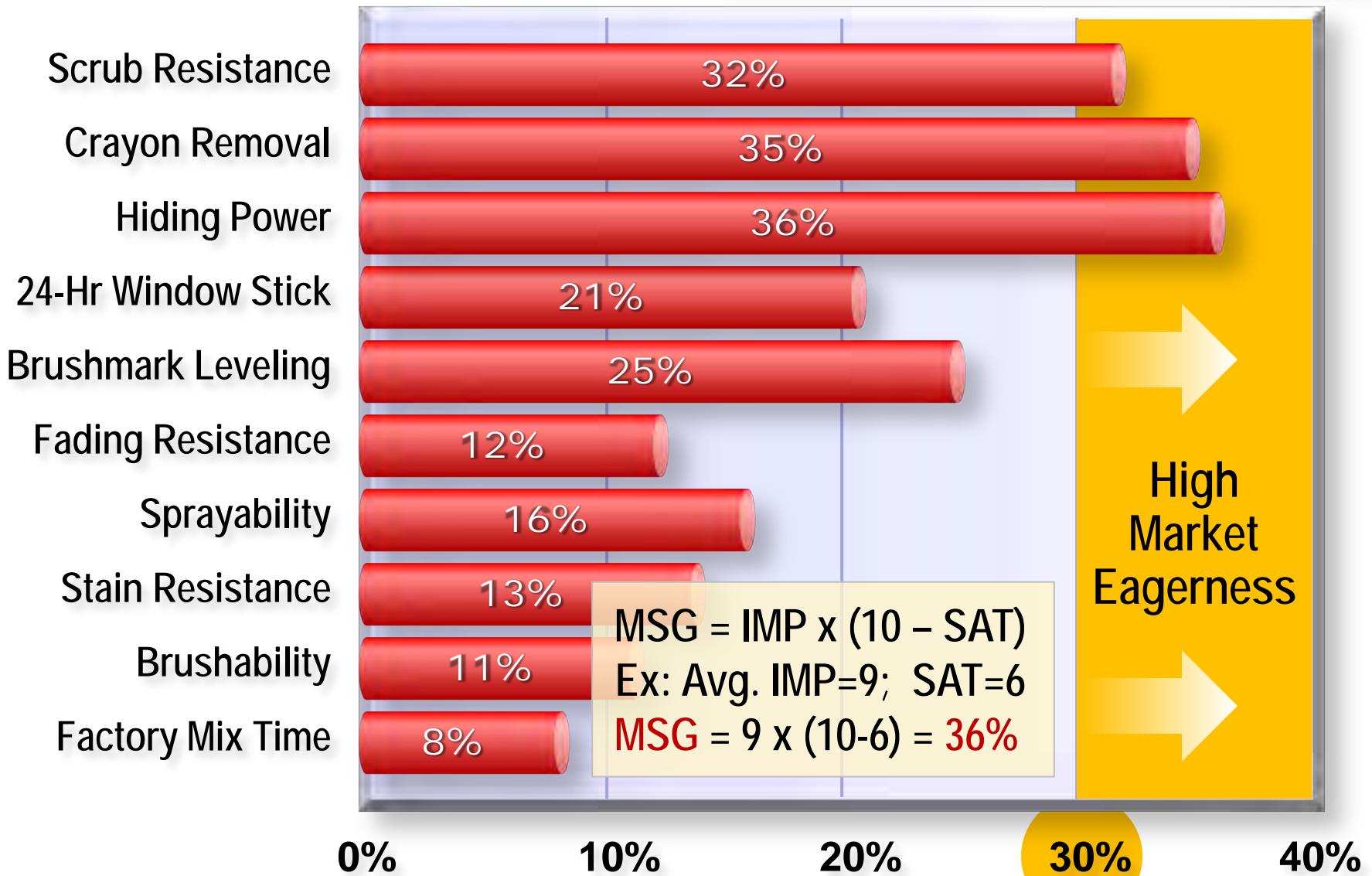


Diverge

Converge

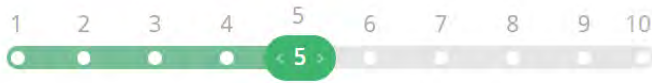
Market Satisfaction Gap

Eliminate most commercial risk



10 ways to *engage* B2B customers

How **Satisfied** are you today with your capability to...
MINIMIZE THE LIKELIHOOD OF DAMAGE FROM MOISTURE



Totally unsatisfied

Our performance here is seen as a major deficiency

Unsatisfied

Our performance here is seen as deficient

Barely Acceptable

Barely meeting customer needs or our process needs

Good

Meeting most customer needs or our process needs

Totally satisfied

If we were any better here, it would not help us at all

Comments

< Previous

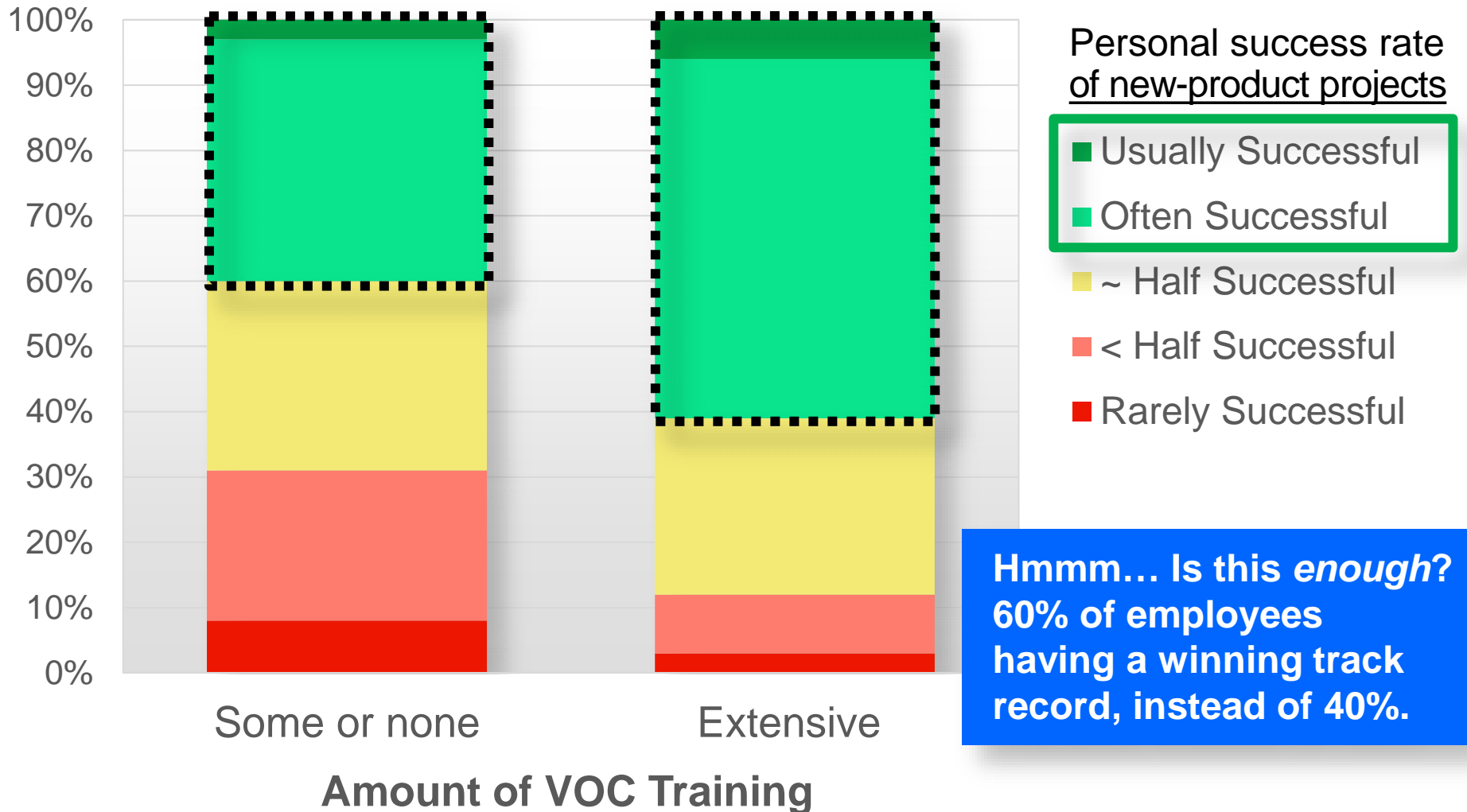
Next >

	Outcome Name	Importance	Satisfaction
>	Moisture Damage	7	5
	Recycle Content	8	6,5
	Vertical Crushing	9,5	5
	Illegible Printing	8,5	9
	Box Tearing	8,5	4,5
	Box Punctures	8	7,5
	Effort to Unload Box	7	7
	Damage from Bouncing	7,5	9,5
	Effort to Seal Box	8,5	5,5
	Glue Separation	9,5	3,5



- No questionnaire
- Signal “ideation”
- Let customers lead
- Display your notes
- Focus on outcomes
- Their job-to-be-done
- Don’t sell or solve
- Probe intelligently
- Use idea triggers
- Get quantitative

Impact of VOC training levels on new product success



- 40% of the poorly-trained had a winning NPD success rate (green)
- >60% of well-trained respondents had a winning NPD success rate (green)

Let's do the math:

What's the financial impact of VOC skills training?

Details on page 15 of report:
www.b2bvocskills.com

Your company "before"

- NPD success rate = **52%**
 - "Some Training" column
- Base revenue = \$100 mil/yr
- Avg. gross margin = 30%
- R&D spend = \$2 mil/yr
- Vitality index = 10%
- New prod sales = \$10 mil/yr
- New prod profits = **\$3.0 mil/yr**

VOC Training

40 trained
for \$100k

Your company "after"

- NPD success rate = **62%**
 - "Extensive Training"
- Base revenue = \$100 mil/yr
- Avg. gross margin = 30%
- R&D spend = \$2 mil/yr
- Vitality index = 12%
- New prod sales = \$11.9 mil/yr
- New prod profits = **\$3.6 mil/yr**

- **Over 5 years, \$3Mil added profits from \$100K (30-fold)**
- **Why? Leverage from properly aiming existing R&D**

How VOC skills impact new product success

Based on research by The AIM Institute

A blurred background image showing a group of people in a meeting. A man in a plaid shirt is visible in the center, and a woman with blonde hair is on the right. They appear to be in a collaborative discussion.

1. Overview of research on B2B VOC skills

2. Understanding market needs → NPD success

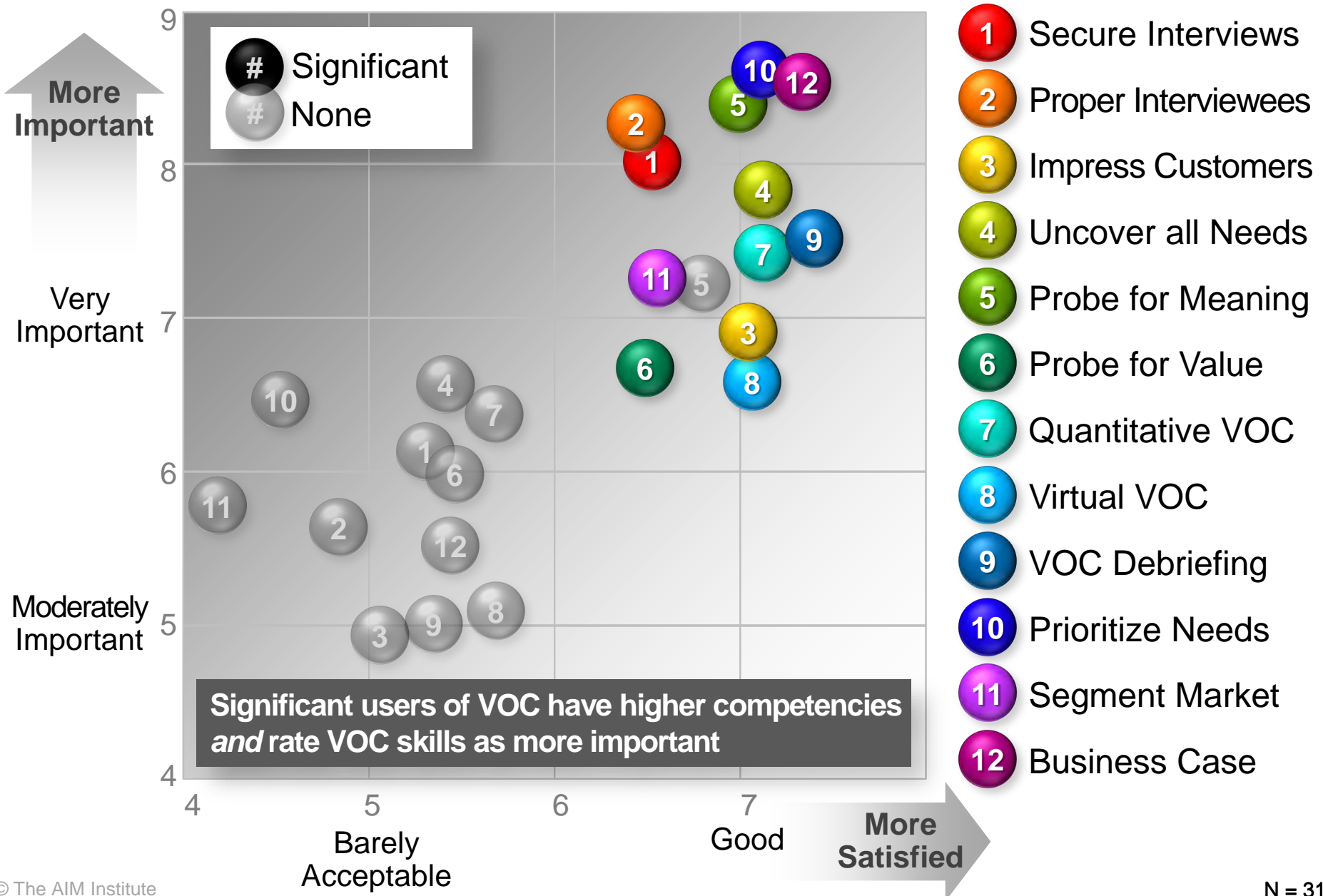
3. VOC competencies → understanding market needs

4. VOC training → VOC competencies

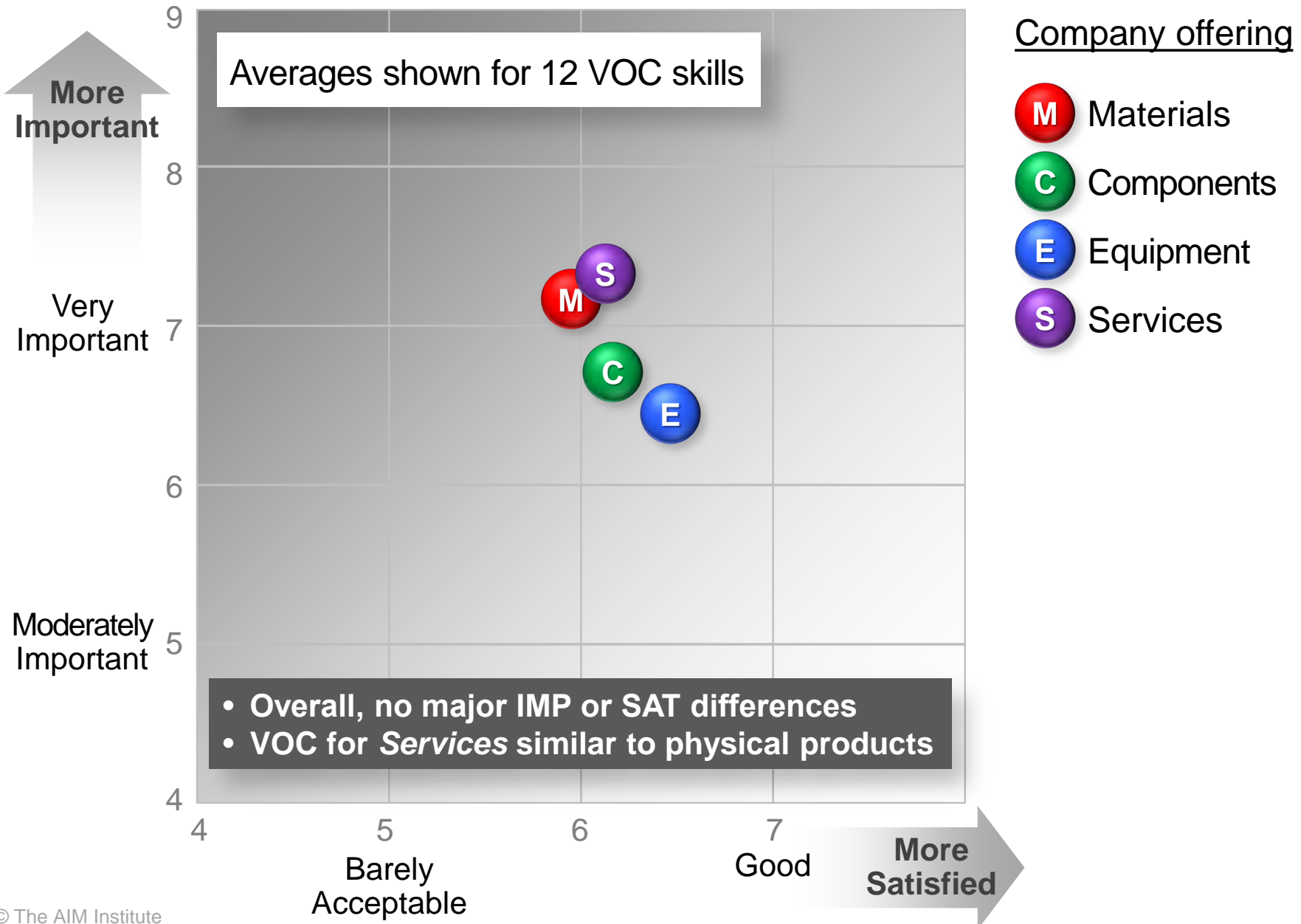
A blue arrow pointing from the left towards the fifth item in the list.

5. Other research findings... with a surprise

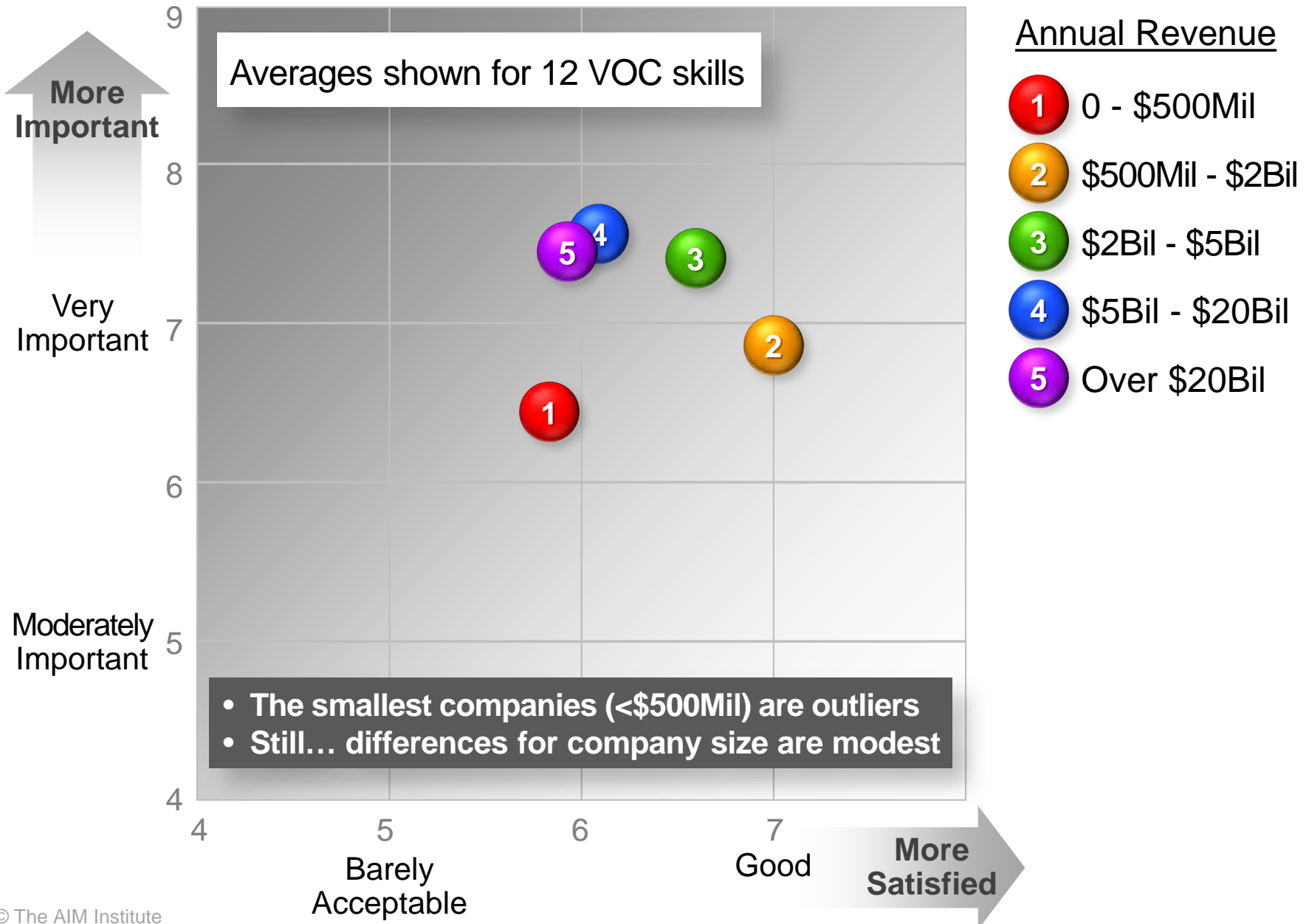
To what extent does your company use VOC?



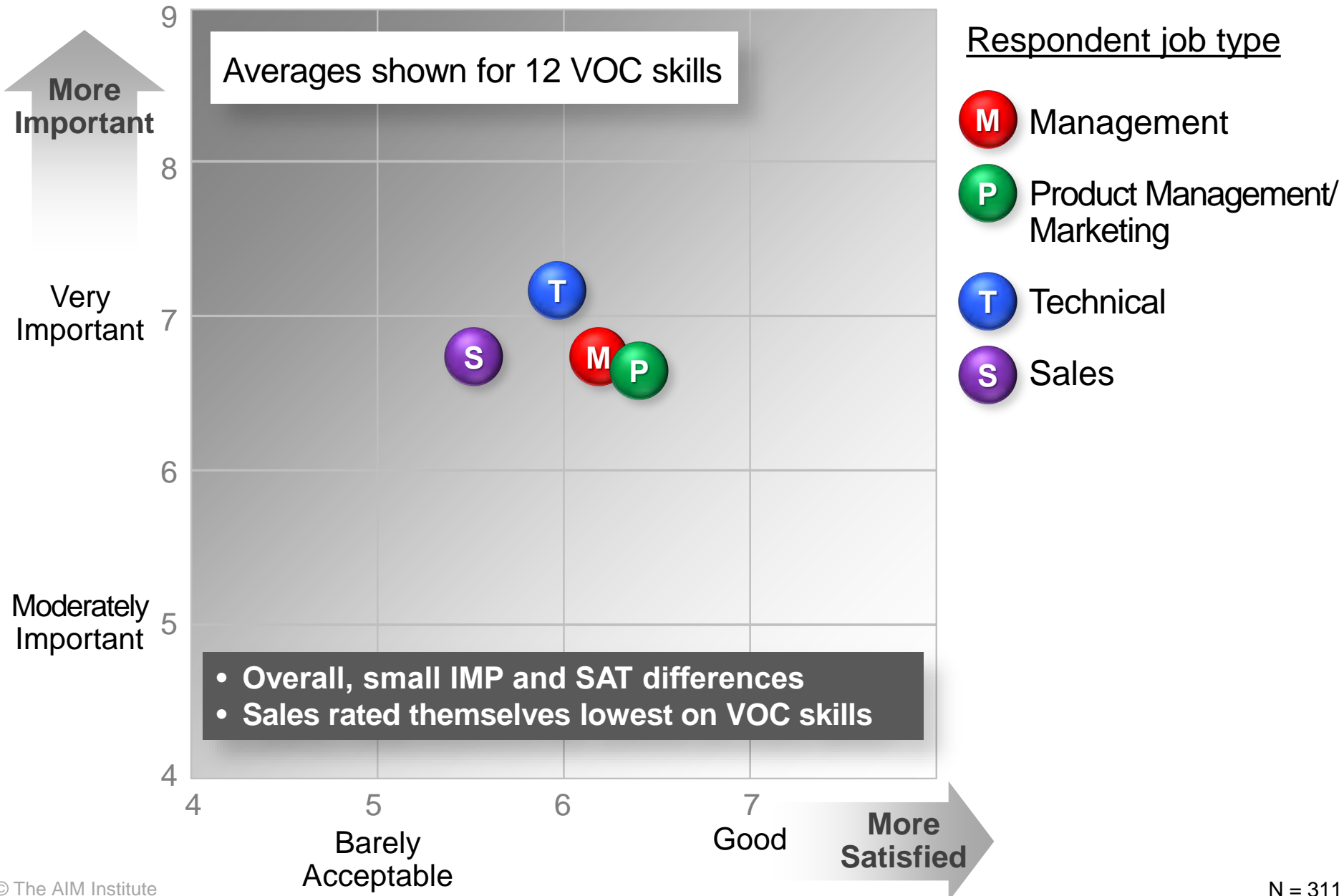
Impact of a company's offering type on VOC competencies



Impact of company size on VOC competencies



Impact of job type on VOC competencies



So what *really* drives VOC skills?

... and from this, understanding market needs... and new product success?

- Company size?
 - **Very little**
- Type of company offering?
 - **Very little**
- Job function?
 - **Very little**

- VOC training?
 - **A LOT**
- Company use of VOC?
 - **A LOT**

**Controllable by
your company**

So which VOC skill should you focus on most?

Based on research by The AIM Institute (survey with 311 respondents)

Of all 12 VOC skills, which one was...

- Rated as “most important” by all respondents?
 - **Prioritize customer needs**
- The one unskilled respondents were most eager to improve?
 - **Prioritize customer need**
- The biggest differentiator in understanding market needs?
 - **Prioritize customer needs**
- The biggest differentiator in new product success?
 - **Prioritize customer needs**
- Improved the most with VOC training?
 - **Prioritize customer needs**



Uncover all Needs

Impress Customers

Virtual VOC

Quantitative VOC

Probe for Value

Probe for Meaning

Business Case

Segment Market

Prioritize Needs

VOC Debriefing

QUESTIONS?



Dan Adams
dan.adams@theaiminstitute.com