CUSTOMER PURCHASE DECISION MODEL - AN ENHANCEMENT TO CUSTOMER FAST

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ABSTRACT

For years the VA customer oriented function model (FAST) has helped teams to understand the product in new ways. It has stopped short of including some important "additional" factors in the customer buy decision. This situation can be remedied by the use of the Customer Purchase Decision Model. This model will now force teams to detail ALL the needs/perceptions of a buyer prior to purchase. This will include traditional product functions - as well as the spoken/stated and unspoken/latent needs defined by users.

These added functions will create a more complete viewpoint for VA team members. It is especially beneficial to products that are inherently more perceptual in nature such as those with greater esteem value etc. The following discussion will describe this FAST enhancement and its potential to Value Analysis.

BACKGROUND

Function models were developed as a Value Analysis tool in the 1960's. Their use is primarily and generally to help teams better understand their product, system, or process. Some would say that the team obtains a "new viewpoint" when a function model is correctly facilitated. When this outcome occurs - a team benefits. New ideas, thoughts, and potential opportunities surface.

Most certainly the Customer Function Analysis System Technique (FAST) - has this new team viewpoint as an outcome. Its use over the years has helped thousands of teams to obtain enhanced VA/VE results. In addition, it has stood the test of time. Very few refinements in procedure have been needed for teams to obtain this high degree of usefulness.

As originally created - and still used today - the Customer FAST is considered to be a model - a logic diagram of the functions a product or process performs for the user. As VA applications have evolved, concurrently with techniques to sense the attitudes of product/process users, requirements for understanding the customer purchase have been expanded. Some teams are finding it helpful and necessary to understand not only the product or process - but the entire customer buy decision. What does the customer go through when he/she considers product A, B, or C for purchase, recommendation, or continued use.

A Customer FAST is created by a VA team. They know certain things about a product. They assume certain things about a product and if (usually) a majority of a team concurs with the assumption it becomes a function for consideration. The functions are then structured into a how - why logic creating a model, an analog, or word/logic equivalent of what the product does.

This new enhancement does all of those things - but changes/expands the team viewpoint. Increased team creativity, opportunity for cost reduction and/or product improvement are the result.

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As Michael Hammer and James Champy note in *Reengineering the Corporation*, "The changes that will put a company out of business are those that happen outside the light of its current expectations."

The Customer Purchase Decision Model (see figure 1) seeks to help teams grapple with and sort out this expanded viewpoint. Said differently, this enhanced Customer FAST will give teams an improved perspective because it considers more elements of how the customer looks at a product/process purchase - not just what it does.

This gets into the areas of subjective, even emotional customer attitude research. It seeks to understand in an open and unconstrained way - not only what a customer thinks about features and characteristics - but the entire range of thoughts and actions concerning the buy, repurchase, or referral decision.

Once the model has been created (and Costed) the market input step is still needed to determine where the Value Mis-matches or targets of opportunity exist.

A number of market research techniques are helpful in procuring input for the Customer Purchase Decision Model. These are all advanced qualitative techniques that, although implemented differently, are not content to accept generic or potentially confusing responses. The most effective input systems are:

1. Target Opportunity Panels.
2. Story analysis.
3. Projection techniques/analysis.
4. Observational research.
5. Customer case research.
6. Experience engineering.
7. Verbatim coding

All of these techniques are effective. Choosing the correct one is typically a matter of preference and the VA problem under consideration. (The Customer Purchase Decision Model can be applied to consumer or industrial products, construction or systems.)

All of these techniques have the same fundamental requirement: Open-ended and unconstrained responses ("no discussion guides"). Actual customer use, buy, or referral experience is needed with the product, process, or base case reference. Areas of exploration are typically limited to: What do you like?, What are the drawbacks?, and How do you view competition? Features and benefits are probed and drawn out by open-ended follow up. Experience has found that between 40 and 60 input items (both "good and bad") are procured on a typical product/process.

When any functions procured by these methods are not represented in the initial Customer Purchase Decision Model - they are added. Use of a different color is recommended to highlight these functions for the team's future reference. Determination of Value Mis-match/Targets of opportunity proceed as usual with any added functions now a part of the mix.

Using one of these advanced qualitative customer input systems will help teams to broaden their perspective and eliminate confusion. Teams will more clearly see the customer decision with this new perspective. This occurs 1) with the"basic functions" clearly understood and 2) Supporting functions (also known as "Decision Functions") clearly broadened to include why a user is attracted, satisfied, excited etc. with the product. In addition, benefits that customers sometimes feel like not expressing (uncomfortable but still important) are acknowledged. All future FAST models need to be able to accept "unknown" attitudes such as these. Unintended product uses, opportunity to solve unknown customer problems, future issues etc. all help the team to get a full and complete understanding of the product/process under study.

CONCLUSION

There are two problems. Getting the right input and getting teams to see the opportunities that surface. The solutions are 1) An enhanced Customer FAST - The Customer Purchase Decision Model along with 2) advanced customer input systems that complete the model.

Early Value practitioners saw the need to help change viewpoint. Help engineers to see things more like customers - Help marketers to see things more like engineers - etc. Function does that. The Customer Purchase Decision Model provides an even greater opportunity for ultimate product/process improvement.

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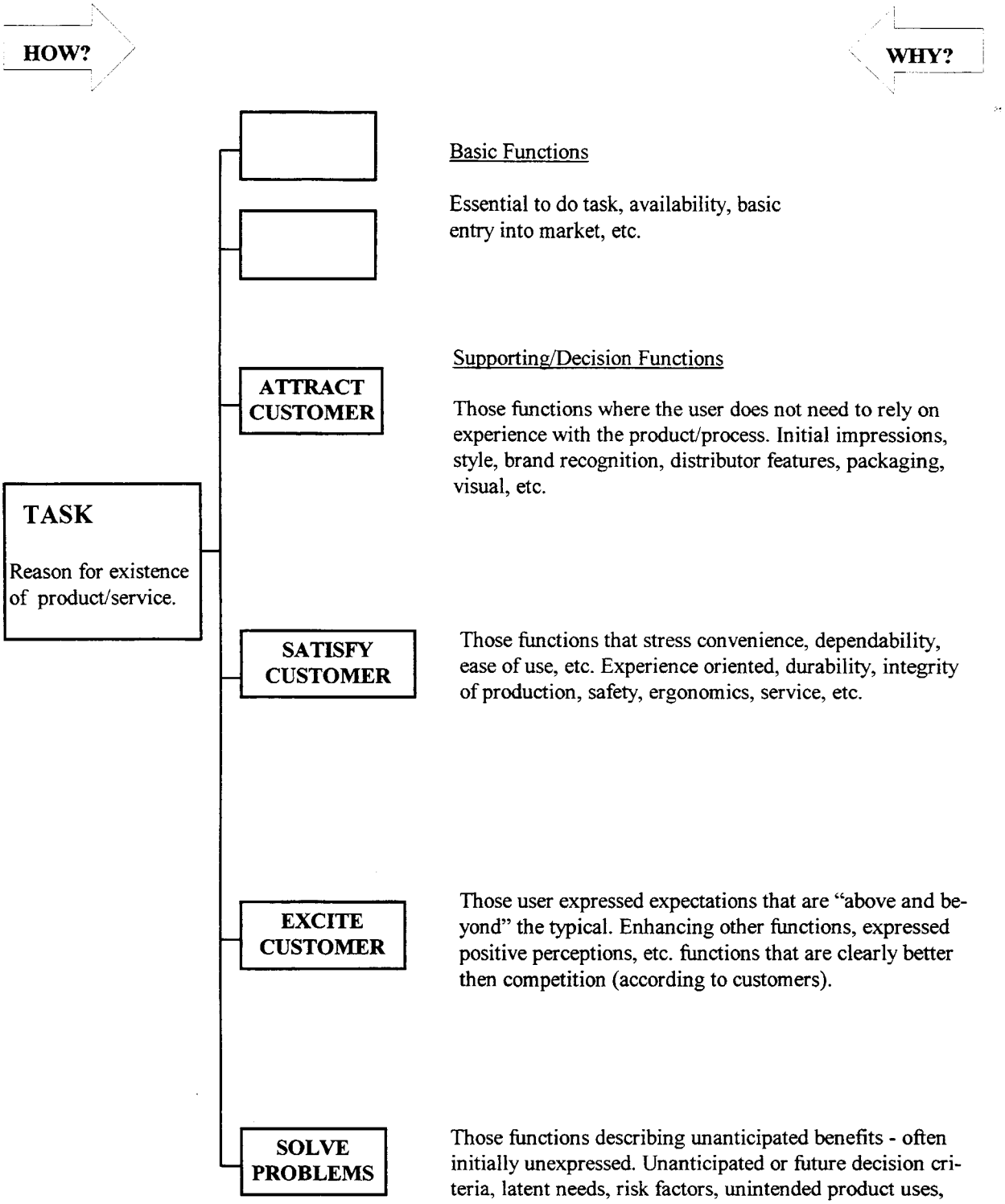

Figure 1: Customer Purchase Decision Model