Kano Best Practices

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XC Planning and Research

Agenda

What is Kano?

When & Why use Kano?

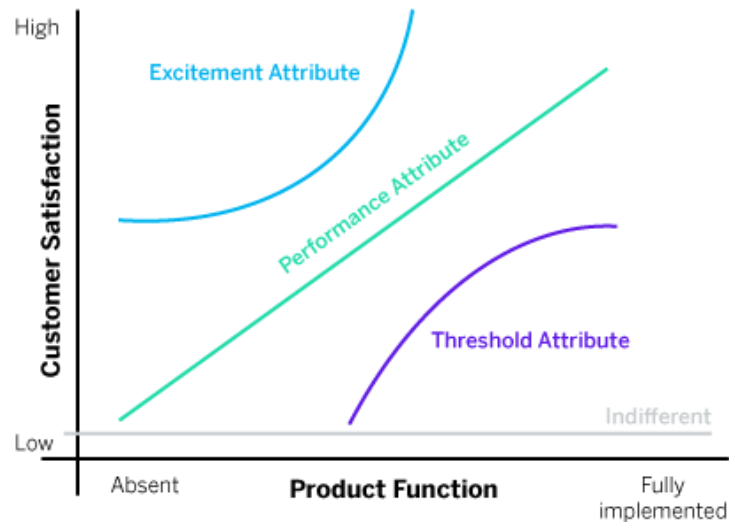Data collection

Analysis techniques

Helpful Resources

What is Kano?

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Kano is a quantitative method for prioritizing work based upon satisfaction and functionality

A feature is plotted against a reaction graph that captures both satisfaction and functionality

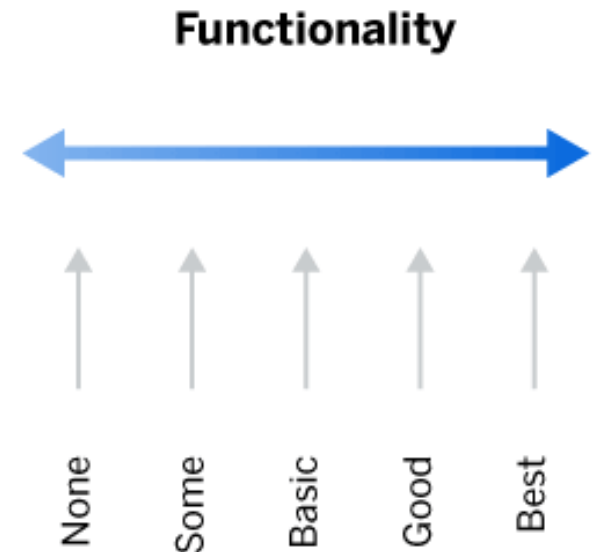The y-axis is defined by a customer's satisfaction with a feature

The x-axis is defined by the degree to which a particular feature has been implemented

What is Kano?

Kano is a quantitative method for prioritizing work based upon satisfaction

KANO is not an acronym.

The method is named after its inventor **Noriaki Kano**, a Japanese researcher and consultant, who published a paper in 1984 with the set of ideas now commonly known as the *KANO model*.

Functionality

A feature is plotted against a reaction graph that captures both satisfaction and functionality

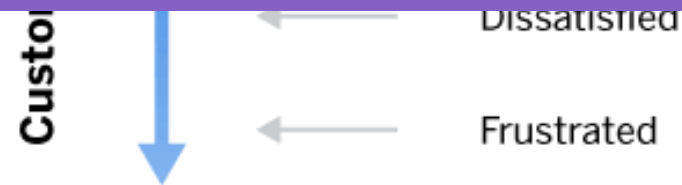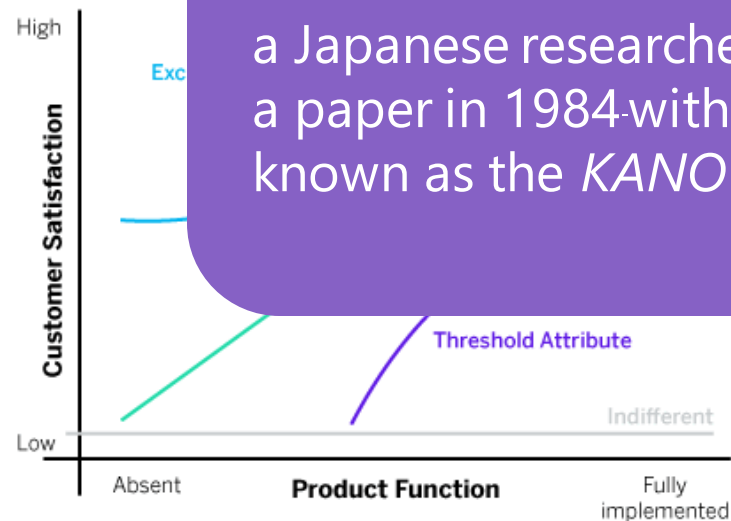The y-axis is defined by a customer's satisfaction with a feature

The x-axis is defined by the degree to which a particular feature has been implemented

What is Kano?

The Kano technique assumes that:

1. Increasing customer **satisfaction is dependent upon the level of functionality provided** for any given feature

2. You can measure satisfaction through a **survey**

3. Features can be classified into **4 distinct categories**

   · **Must-be or Mandatory**
   · **Performance**
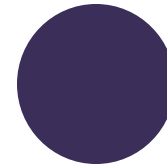   · **Attractive (Delighters)**
   · **Indifferent**
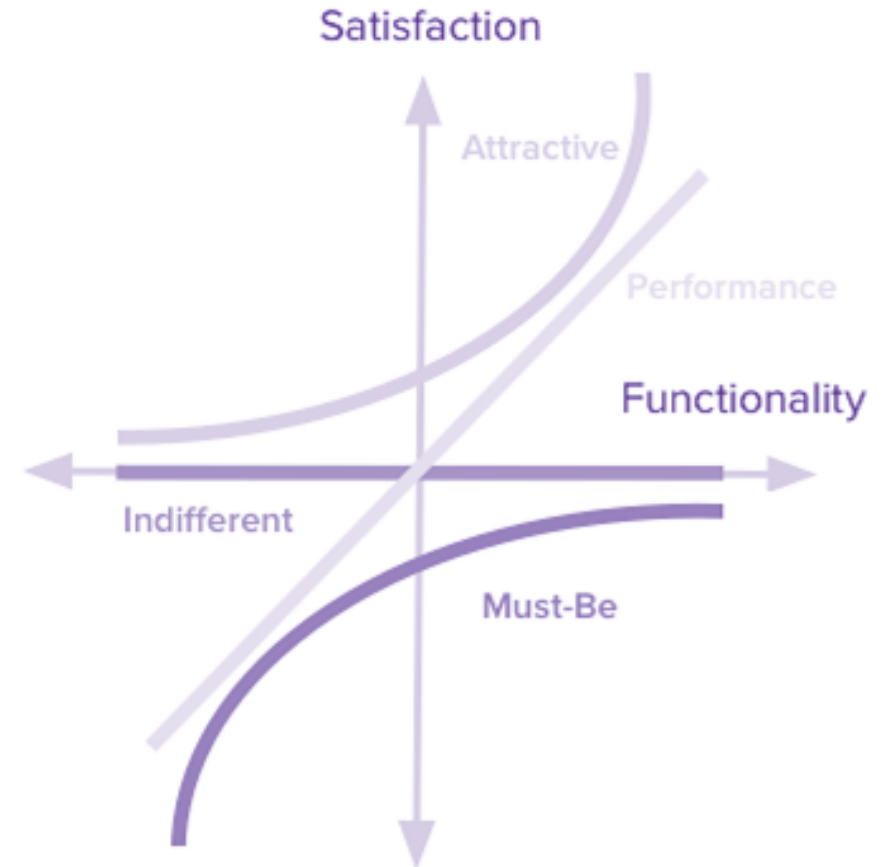
Kano Feature Categories

Kano results classify features into one of **4 distinct categories** based upon customer reactions to the provided level of functionality.
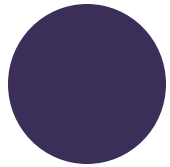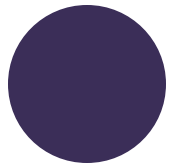
Mandatory

Customers **dislike when these features are absent** but aren't delighted by their presence – they **_expect_ them**. Investments here are necessary to avoid disappointing customers.

Performance

Customers like having these features and dislike not having them. With these features, **"more is better"** in terms of investment.

Attractive

Customers **like these features but don't expect them**. They are **delighters**. The trick with attractive features is to avoid over-investing initially.
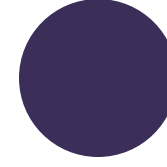
Indifferent

Customers don't care about the presence of these features. These types of investments are considered "**money sinks**."

Note: During analysis, you will also come across "questionable" (conflicting) and "reverse" (customers want the opposite of the feature you've described) responses. More on this later.

Kano Survey Results

Kano survey measures customer reactions with an inverse pair of questions for each feature

- "Functional" form (**y-axis = satisfaction**)
  - *If you **have this feature**, how would you feel?*
- "Dysfunctional" form (**x-axis = functionality**)
  - *If you **do not have this feature**, how would you feel?*

It was later suggested to add a **third Likert item measuring each feature's importance** to better understand their relevance to customers.

These features are **attractive**.

I don't expect this feature, but its presence delights me. My delight will naturally decay over time as the novelty wears off.

These features drive **performance**.

My overall product satisfaction increases in proportion to this feature's level of sophistication. More is better with these attributes.

Functionality (x-axis)

If you do NOT have this feature, how would you feel?

I am **indifferent** to the presence of these features.

The presence or absence of these features have little to no influence on my product satisfaction. These tend to be money sinks.

Satisfaction (y-axis)
If you have this feature, how would you feel?

These features are **mandatory.**

The absence of this feature frustrates me and leads to my dissatisfaction. The presence of this feature does not increase my satisfaction however, it meets my basic needs.

When + Why conduct a Kano survey?
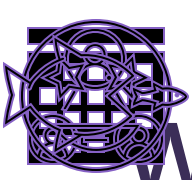
When & Why conduct a Kano survey?

When there is limited time

Kano is a great tool to speed up decision-making.

When there are limited resources

Sometimes engineering resources are slimmer than expected and we have to make tough calls. Recruit through usertesting.com and launch via Qualtrics.

When you want to see what would impress your customers

Sometimes we have a good idea what our customers need, but perhaps we want to ensure that we roll out a few features that really "wow" customers. Use Kano to understand which features are delighters.

When you want to enhance a current product to keep it competitive against your market competition

Have a long list of potential features from a recent compete analysis? Not sure where to start?

- How can we measure customer satisfaction?

- What features can we create to increase customer satisfaction?

- Do our current features cause high customer satisfaction?

- How can we enhance our features so that customer satisfaction is at the optimal level?
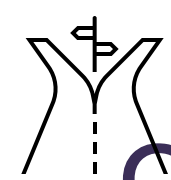
Common scenarios

When there is a backlog that people do not know what to do with. Kano can help shape the **product roadmap**.

Other, less common uses:

- To inform upsell strategies
- To compare the value of features between user segments
- Benchmarking

Why?

- To bring clarity around which features are vital to customer satisfaction and delight.

- Speak the language of your stakeholders.

- In studies, participants often say they like everything and say what they think you want to hear. Kano helps measure the self-reported impact of someone not having a feature.
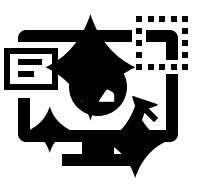
What can be tested?

Existing features

New concepts

Can be used for
concept value testing

Preparing and gathering data

Prepare to conduct your survey

Identify your user segment(s)

Results will be inconclusive if the audience is not narrowed. If you intend to compare the results among different segments, ensure you identify the correct sample size for each to support significance testing. MeasuringU recommends a sample size of 50-300 for an MOE of 5-9%. Other sources such as Qualtrics, have suggested 15-20 is acceptable if **not** comparing groups. **Use discretion and know your audience.**
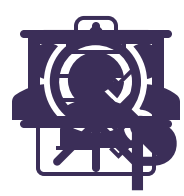
Identify the requirements and/or features you will test

It is advisable to limit the number of items to 20 to minimize survey attrition.

Gather input from multiple stakeholders before choosing to ensure you have the best possible set.

Determine how you will you present the survey items

Using Qualtrics you can upload static images or animated GIF files to showcase each item. For interactive features, it's advisable to use an animated GIF file when possible, which you can create in PowerPoint by exporting a series of slides that depict the interaction as a GIF file.

Consider adding open-ended qualitative questions to understand why people answered the way they did.

Pilot your survey

There are multiple variations of response styles and many ways you can phrase your questions.

Phrasing the questions

Be sure to describe what the feature will do for them rather than name a feature.

Example: *How do you feel if... (you can/can't)*

Remember that the dysfunctional question is not necessarily the opposite of the functional one; it's just the absence of the functionality.

Example:

How do you feel if you can upload a video in less than ten seconds? How do you feel if it takes more than ten seconds to upload a video?

Consider having a few respondents **"think aloud"** to ensure the concepts are being accurately interpreted.

Assessing response style

Same set of responses is used for both questions	
I like it	I like it that way
I expect it	It must be that way
I am neutral	Don't care
I can tolerate it	I can live with it
I dislike it	I dislike it

Examine the results. If there are more than a few **questionable** responses, you may need to consider rephrasing the question and/or the responses.

Analyze your data

Analysis process

1. **Download your data**

2. *Optional*: **Use a Kano Excel template to analyze your data**
   - **Template:** [Kano Model Data Analysis](#)

3. **Clean your data**

4. *Optional*: **Significance testing**

5. **Do your analysis using continuous or discrete analysis**

6. **Create your report**

Dysfunctional
(feature absent)

		Like it	Expect it	Don't Care	Live With	Dislike
Functional (feature present)	Like it	Q	A	A	A	P
	Expect it	R	Q	I	I	M
	Don't Care	R	I	I	I	M
	Live With	R	I	I	Q	M
	Dislike	R	R	R	R	Q

Two primary approaches to analysis

Discrete analysis

	Dysfunctional form (feature absent)				
Functional form (feature is present)		Like it	Expect it	Don't care	Live with	Dislike
	Like it	Q	A	A	A	P
	Expect it	R	I	I	I	M
	Don't care	R	I	I	I	M
	Live with	R	I	I	I	M
	Dislike	R	R	R	R	Q

Leveraging discrete analysis, **each feature is classified by the most frequent result**. *Example:* Mandatory (20), Performance (6), Attractive (3), Indifferent (1). This feature is **mandatory**. It must be built!

Continuous analysis

		Dysfunctional form (feature absent)				
		Like it	Expect it	Don't care	Live with	Dislike
		-2	-1	0	2	4
Like it	4	Q	A	A	A	P
Expect it	2	R	I	I	I	M
Don't care	0	R	I	I	I	M
Live with	-1	R	I	I	I	M
Dislike	-2	R	R	R	R	Q

(row header: Functional form (feature is present))

Leveraging continuous analysis, categories are assigned a numerical coding and each **feature is classified using the <u>average</u> of both the functional and dysfunctional forms of the question pair.**

Two primary approaches to analysis

Discrete analysis

Continuous analysis

Dysfunctional form (feature absent)

Functional form (feature is present)	Like it	Exp...
Like it	Q	
Expect it	R	
Don't care	R	
Live with	R	
Dislike	R	

	Don't care	Live with 2	Dislike 4
	A	A	P
	I	I	M
	I	I	M
	I	I	M
	R	R	Q

Discrete analysis leverages the **mode** while continuous analysis leverages the **average**. Technically, continuous analysis (depicted on a matrix) is more inconclusive of all the data.

Looking at the coding of both forms of analysis with their relative importance can be helpful when interpreting which method has yielded the most accurate results.

Leveraging discrete analysis, each feature is classified by the most frequent result. *Example:* Mandatory (20), Performance (6), Attractive (3), Indifferent (1). This feature is **mandatory**. It must be built!

Leveraging continuous analysis, categories are assigned a numerical coding and each **feature is classified using the** <u>**average**</u> **of both the functional and dysfunctional forms of the question pair.**

Considerations

International differences

A Windows study found major differences in how people from different countries respond to Kano questions.
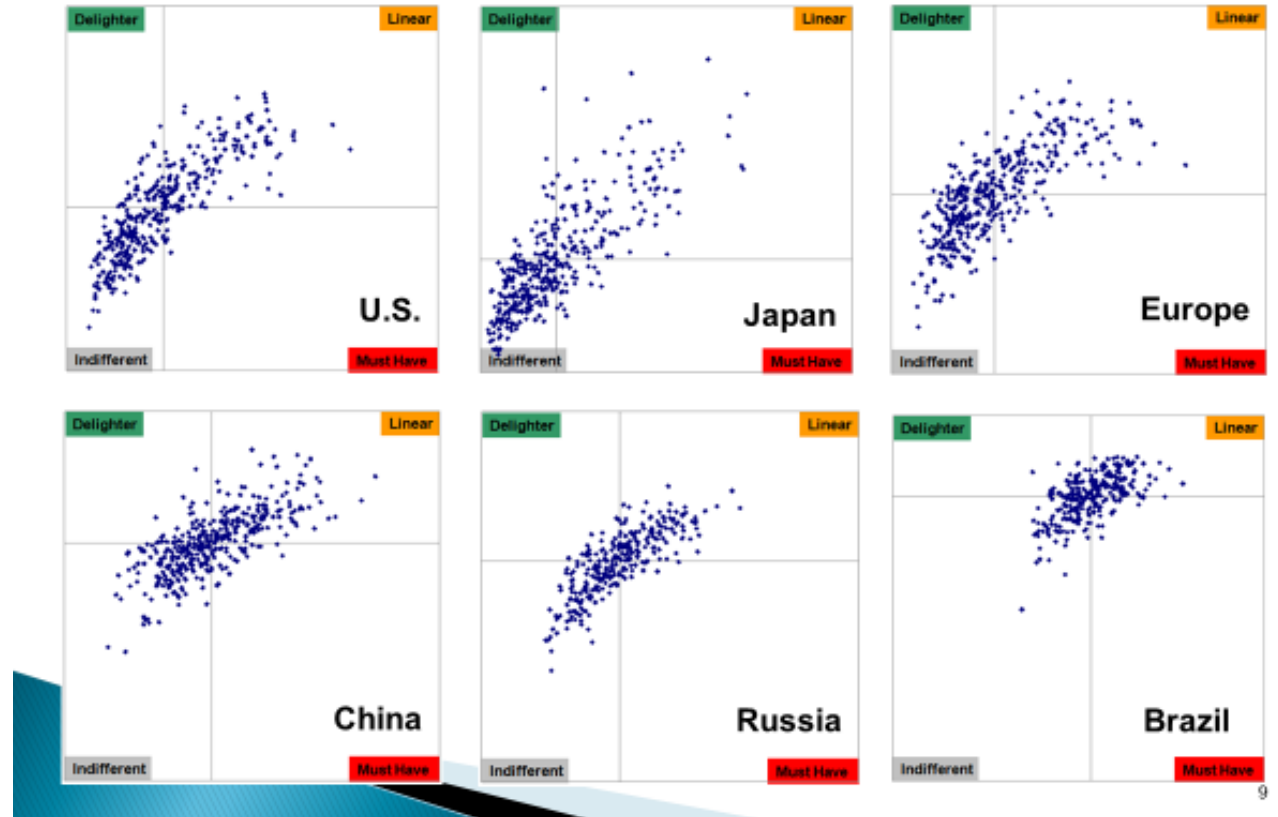
Resources

Helpful links

- [The Complete Guide to the Kano Model | Briefings | career.pm](#)

- [Kano analysis: The kano model explained // Qualtrics](#)

Thank you.

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