Kano's model



Kano's model distinguishes between

- expected requirements so-called must-be requirements
- normal requirements, and
- exciting requirements, also called attractive requirements

Expected requirements or must-be requirements

- Must-be requirements are taken for granted
- If they are not fulfilled the customers will be dissatisfied
- But if they are satisfied these requirements are not increasing the customers' satisfaction and can only lead to a "not dissatisfied"
- These are basic attributes of each product
- These requirements are not explicitly stated nor would customers be interested in a product lacking these requirements

Normal requirements

- Normal requirements connect the customer satisfaction and the level of fulfilment proportionally
- When the level of fulfilment increases, the customer satisfaction increases proportionally
- These requirements are usually explicitly demanded by the customers

Exciting requirements, or attractive requirements

- These are the differentiating factor
- They have the greatest influence on how satisfied is a customer with the product
- The exciting requirements are usually not explicitly stated nor expected
- They give the additional experience with a product
- If these requirements are not fulfilled there is no dissatisfaction

Example: A bank has set up a data analytics strategy

Mobilisation (0.4 Woche)	Ist-Zustand und Vision (0.6 Wochen)	Soll-Zustand Definition (3 Wochen)	Roadmap Entwicklung (2 Wochen)		
Anfang N	ovember 2014	November 2014	Dezember 2014		
 A. Kick-Off Kick-Off mit dem Projektsponsor und Kern-Team, um potentielle Chancen und Herausforderungen zu verstehen Festlegung Grundsätze und Richtlinien Projekt Erhalt der Informatio- nen zum Ist-Zustands Vorstellen Projektphasen Detaillierter Projektplan festlegen Kick-off mit den definierten Stakeholdern durchführen 	C. Vision / Mission (10%) • Erarbeitung von potentiellen Chancen durch verbesserte datengestützte Entscheidungsfindung • Quantifizierung des Business Impacts • Benötgte Fähigkeiten ausarbeiten, um Chancen nutzen zu können • Identifizierung der Haupt-Business Gaps • Ererbeitung Vision und Mission • B. Bewertung aktueller Stand (5%) • Verständnis der Möglichkeiten und Fähigkeiten in den Dimensionen Daten, Information, Technologie, Prozesse, Leute und Organisationen • Abgleich zwischen den Fähigkeiten und Beurteilung der Möglichkeiten • Identifizieren von Haupt-Lücken zwischen Ist- und Soll-Zustand und Möglichkeiten diese zu schliessen • Abgleichen von Stakeholdern bzgl. Chancen und Beurteilung	 D. Optionen und Priorisierung (45%) Analyse von Gaps und Schliessungs- möglichkeiten, setzen Leitplanken um Massnahmen zu formulieren Erarbeitung und Bewertung der notiven Verbesserungen mittle Kano Modell Identifizieren der notwendigen Änderungen im Informations- Ansatz um datengestützte Erkenntnisse zu gewinnen Änderungen im Informations- und Data Management und Chancen aufgrund neuer Technologien und Trends Optionen für Prozess-Änderungen zur Gewinnung vom Business Insights Optionen für Prozesse, Leute und die Organisation Verknüpfung der Machbarkeit mit den Business Chancen Priorisierung der Optionen nach 1) Strategischer Fit, 2) Machbarkeit, 3) Wirtschaftlichkeit und 4) Risiko 	 2 E. Definition der Initiativen (20%) 1 Identifizierung von Übergangsphasen und Milestones 1 Identifizierung von Pilot-Projekten, um kurzfristig Wert zu generieren 5 Erstellung von Initiativen, um schrittweise die Vision zu erreichen Abschätzung der Kosten pro Initiative Erarbeitung anhand Delphi-Methode, damit alle Stakeholder sich mit den Initiativen identifizieren können E. Roadmap (20%) Erstellung einer Übersicht und der Roadmap der Informations- und Data Management inkl. Data Analytics Chancen und der benötigten Investitionen Aufzeigen der Haupt-Veränderungen in den Bereichen Leute, Prozesse, Organisation, Information und Technologie für die Realisierung 		
	Informations- und Datamanagement	X			

Advantages of Kano's model

- Understanding of the product / service requirements
- Setting priorities of requirements
- Helps in setting trade-offs between requirements
- Helps for differentiation (attractive requirements)
- Helps in the requirements of different customer groups

Four step approach:

- 1) Identification of product requirements
- 2) Construction of the Kano questionnaire
- 3) Getting the data from the customers
- 4) Analyse the results

- 1) Identification of product requirements
- I. What are the associations of the customer when using the product /service?
- II. Which problems are associated by the customer with the use of the product?
- III. Which criteria is taken into account by the customer when buying the product?
- IV. Which new features or services would better meet the expectations of the customer? Or: What would the customer change in the product?

2) Construction of the Kano questionnaire

A pair of questions is formulated for each product / service feature:

- A functional form of the questions which concerns a reaction if a product has a feature
- A dysfunctional form of the question which concerns a reaction if a product does not have a feature

Example:

- If you can perform the data analysis any time, how do you feel?
- If you cannot perform the data analysis at any time, how do you feel?

2) Construction of the Kano questionnaire

The answer is always one of five different ways:

- \Box I like it that way
- \Box It must be that way
- \Box I am neutral
- \Box I can live with it that way
- \Box I dislike it that way

2) Construction of the Kano questionnaire

		Dysfunctional question							
Customer requirements									
		Like	Must-be	Neutral	Live with	Dislike			
Functional questions	Like	Q	А	А	А	N			
	Must-be	R	Ι	Ι	Ι	М			
	Neutral	R	Ι	Ι	Ι	М			
	Live with	R	Ι	Ι	Ι	М			
	Dislike	R	R	R	R	Q			

A: Attractive N: Neutral

M: Must-be

R: Reverse

I: Indifferent Q: Questionable

2) Construction of the Kano questionnaire

Functional: If you can perform the data analysis any time, how do you feel?

- I like it that way
- $\hfill\square$ It must be that way
- \Box I am neutral
- $\hfill\square$ I can live with it that way
- \Box I dislike it that way

Dysfunctional: If you cannot perform the data analysis at any time, how do you feel? I like it that way

- \Box It must be that way
- I am neutral
- $\hfill\square$ I can live with it that way
- $\hfill\square$ I dislike it that way

2) Construction of the Kano questionnaire

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	Neutral	R	Ι	Ι	Ι	М			
	Live with	R	Ι	Ι	Ι	М			
	Dislike	R	R	R	R	Q			

A: Attractive N: Neutral

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3) Getting the data from the customer

- Standardised questionnaire vs. interview
- Mail vs. online questionnaire
- Customer panel vs. randomised potential customer

4) Analyse the results

Functional: If you can perform the data analysis any time, how do you feel?



4) Analyse the results

Results as frequencies

Product Requirement	A	N	М	Ι	R	Q	Total	Category
Any time performance	50.3%	12.3%	6.5%	16.7%	13.1%	1.1%	100%	Α
Reporting purpose	4.8%	8.4%	63.4%	18.3%	4.3%	0.8%	100%	Μ
••••	•••	•••	•••	•••	•••	•••	100%	••••

4) Analyse the results

Evaluation order:

- If there is a clear category => choose this category
- Otherwise: M > N > A > I

4) Analyse the results

Customer Satisfaction Index: how strongly a product feature may influence satisfaction or dissatisfaction:

Satisfaction:
$$\frac{A+N}{A+N+M+I}$$

Dissatisfaction: -1 x
$$\frac{N+M}{A+N+M+I}$$

4) Analyse the results

Results as frequencies

Product Requirement	A	N	M	Ι	R	Q	Total	Category	Satisfaction	Dissatisfaction
Any time performance	50.3%	12.3%	6.5%	16.7%	13.1%	1.1%	100%	Α	0.73	-0.22
Reporting purpose	4.8%	8.4%	63.4%	18.3%	4.3%	0.8%	100%	М	0.14	-0.76
				•••	•••		100%	••••		

4) Analyse the results

Results as frequencies



Data Analytics in Organisations and Business - Dr. Isabelle Flückiger