Continuous Improvement Toolkit

KANO ANALYSIS



Customer needs and expectations keep changing over time.

This requires companies to revise and assess these needs from time to time to adapt to the changing environment.



Kano analysis is a method that is used to identify and categorize customer needs based on customer preferences, comments, and reviews.

Such changing needs can then be considered when analyzing potential opportunities for improvement.



Often used to capture the **voice of the customer** in order to categorize and prioritize all forms of customer feedback.

The data can be collected simply using a standardized questionnaire.

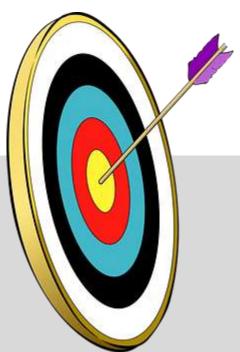


Kano allows to understand how a product or service feature affects customer satisfaction.

This feature can be an **existing** or **potential** future feature.



This provides an insight into the dynamics of customer preferences and allows to be able to respond more objectively.



Benefits of mapping the features into the Kano categories . . .

Helps identifying customer requirements for a product or service

Helps categorizing and prioritizing the different features of a product or service

Shows how customer needs are constantly changing as time goes on

What types of features influence customer satisfaction?

The **Basic** Features – **Must Be**

The **Performance** Features – *Satisfiers*

The **Excitement** Features – **Delighters**

The **Indifferent** Features

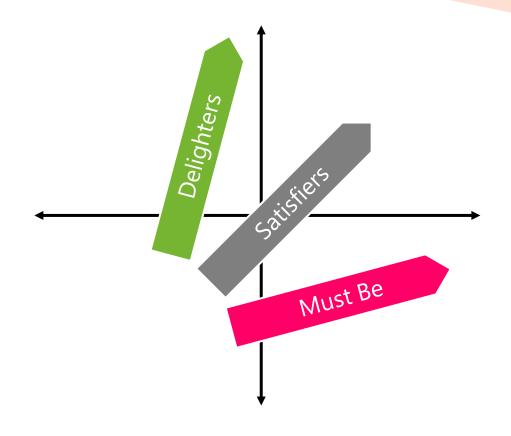
The **Reverse** Features

The Kano model assigns three types of features to products and services . . .

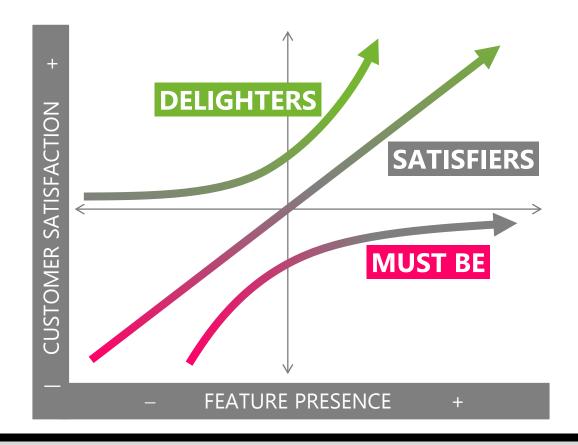


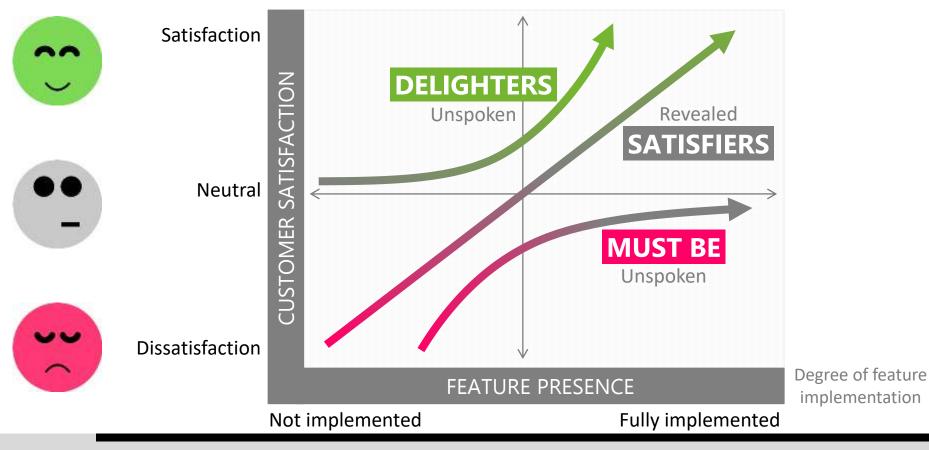
This is basically done based on what customers say is important and how they value these features

The results of collecting the voice of the customer information and categorizing customer feedback can be presented in a **Kano diagram**.



The Kano diagram has two axes . . .





The Must Be Features

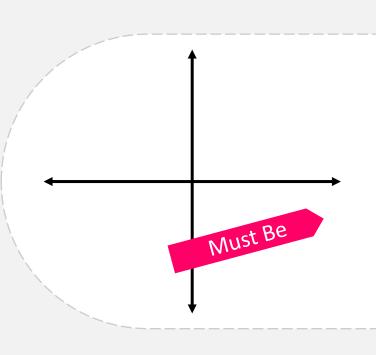
Also called the dissatisfiers, the must haves, the expected, the mandatory and the basic requirements.

Customers expect they will be present

If they are not present or are **insufficient**, customers will be dissatisfied

If they are present or are **sufficient**, this will not provide any satisfaction to the customers

These features are rarely mentioned when discussing with customer their needs, and the customer will notice if they are missing



The Must Be Features



FEATURE PRESENCE

The Must Be Features

Examples . . .

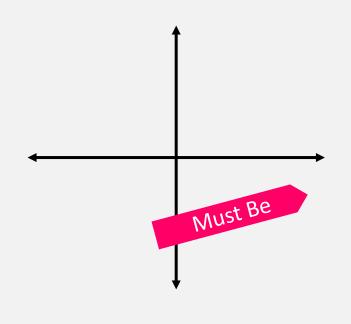
A defect-free product

Timely and responsive customer service

The radio and the windshield of a car

Reliable car engine and brakes

The operating system in a PC



The Satisfiers

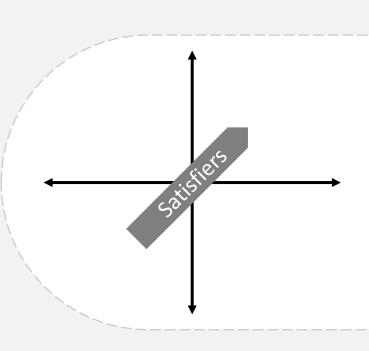
Also called the performance attributes, desired features, and the more is better requirements.

These features result in satisfaction when fulfilled and dissatisfaction when not fulfilled

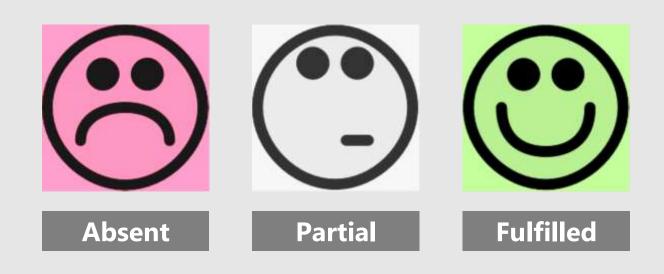
The better the performance is and the more efficient the service is, the more customers are satisfied

Customers will not appreciate the existence of these features

Companies often use these features to prioritize their improvement initiatives



The Satisfiers



FEATURE PRESENCE

The Satisfiers

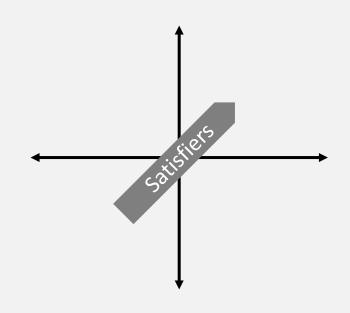
Examples . . .

The reduced amount of spoilage in a production line

The speed of answering a phone in a call center

The efficiency of the engine and fuel consumption

The warranty period of a specified product



The Delight Features

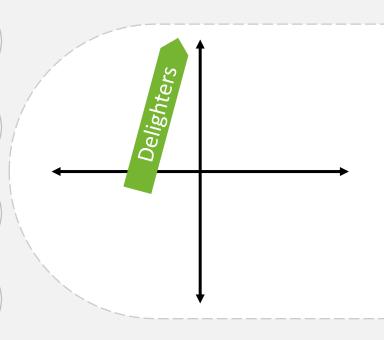
Also called the delighters, exciters, attractive, and extra-ordinary features.

Organizations should aim for giving customers more than what they expect

The fulfillment of the delight features will lead to high customer satisfaction

These are the features that distinguish your product or service

Often unexpected, unspoken, and provided to customers for no additional money



The Delight Features



FEATURE PRESENCE

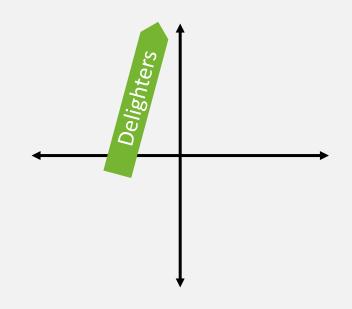
The Delight Features

Examples . . .

A basket full of fruit with no extra charge after having booked a room in a hotel

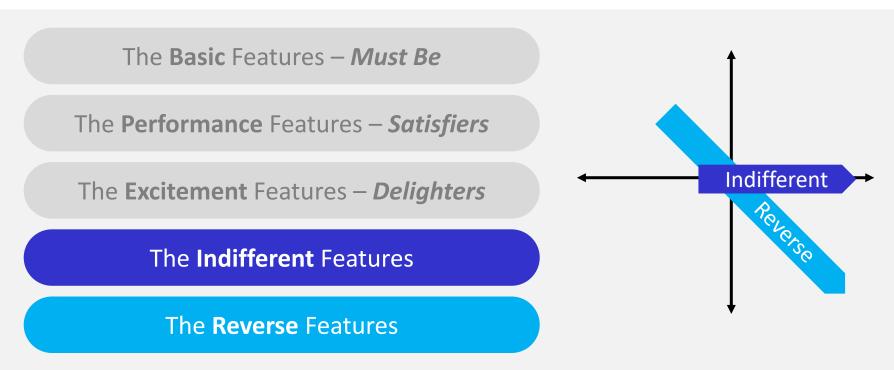
Getting a free mouse when purchasing a laptop and desktop

Having your car washed after being serviced



Other Categories

Two other group of features can also be considered in the analysis.



Other Categories

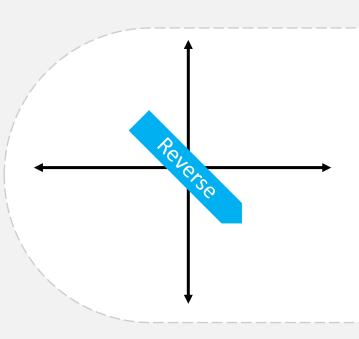
The Reverse Features

These are the features that bring dissatisfaction if they are present

When these features are absent, the customer will accept the product or service

This could be clear for a specific customer segment

Asking too many questions in an interview or adding too many extra features may results in dissatisfaction to many customers



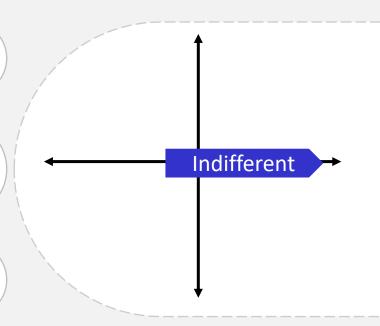
Other Categories

The Indifferent Features

The features that their presence or absence do not affect the satisfaction level

These are the features that are never or rarely used by the customer

Examples are some utility applications in your smartphone or computer



Other Categories

The Indifferent Features



Absent



Partial



Fulfilled

FEATURE PRESENCE

The Reverse Features



Absent





Partial |



Fulfilled

FEATURE PRESENCE

Different Ways of Using the Kano Model

You can use the Kano model to map and categorize the features of your products and services You can use the Kano model to map and categorize the feedback of the customer You can let customers to do the mapping in order to better understand the VOC







Engage the Customer

Get customers to do the mapping where possible

If you can't ask customers directly, brainstorm with the people who deal with customers (salespeople and customer service representatives)



How to Conduct a Kano Analysis

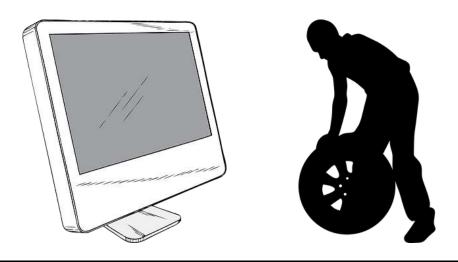
With your team, define the purpose of the Kano analysis exercise



How to Conduct a Kano Analysis

Brainstorm all possible product or service features

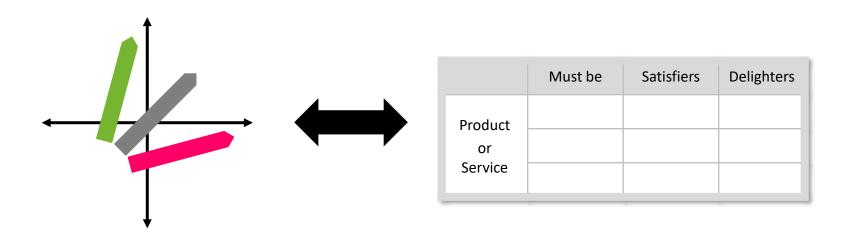
Brainstorm everything that can be done to delight customers



How to Conduct a Kano Analysis

Classify the collected features into the Kano categories

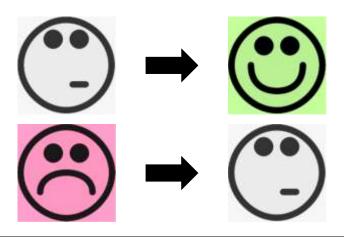
Get customers to do the classification where possible



How to Conduct a Kano Analysis

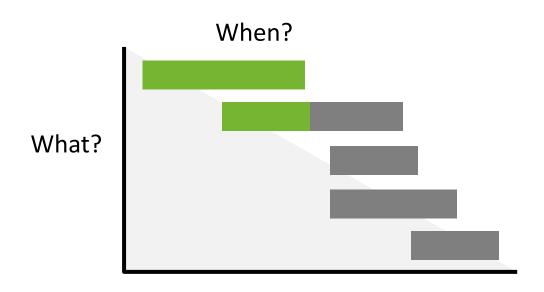
Think of ways to improve customer satisfaction and retention

Ensure your have the basic features, ensure you provide the best performance possible, and ensure you provide delighters to your customers



How to Conduct a Kano Analysis

Agree on the actions you need to take to improve the current situation



Example – The Application of the Kano Model for the Economy Class in an Airline Company

The team has brainstormed all possible service features and classified them into the main Kano groups

| | Must be | Satisfiers | Delighters |
|---------------------------|---|--|--|
| Passenger Needs in Flight | Comfortable seats Air-conditioned cabin | Healthy food and drinks Friendly and | 1. Various food options on the menu |
| | Modern and clean toilets Accurate and clear announcements Clear safety instructions Pleasant music | proactive cabin crew 3. Diversity of newspapers and magazines 4. Entertainment of personal choice 5. Large overhead baggage bins | Provision of gifts and complimentary items Ability to speak foreign languages Internet service on board Special individual care |

Example – The Application of the Kano Model for the Economy Class in an Airline Company

The team has added the customer satisfaction information based on previously conducted surveys

| | Must be | | Satisfiers | | Delighters | |
|---------------------------------|----------------------------------|-----|-----------------------------------|-----|--|-----|
| Passenger Needs in Flight | Comfortable seats | 55% | Healthy food and drinks | 70% | Various food options on the menu | 50% |
| | Air-conditioned cabin | 30% | Friendly and proactive cabin crew | 40% | Provision of gifts and complimentary items | 10% |
| | Modern and clean toilets | 90% | Diversity of newspapers & mags | 25% | Ability to speak foreign languages | 90% |
| | Accurate and clear announcements | 80% | Entertainment of personal choice | 85% | Internet service on board | 40% |
| | Clear safety instructions | 70% | Large overhead baggage bins | 30% | Special individual care | 75% |
| | Pleasant music | 90% | | | | |

Example – The Application of the Kano Model for the Economy Class in an Airline Company

Customer satisfaction data was collected from the customer service representatives

| | Must be | | Satisfiers | | Delighters | |
|---------------------------------|----------------------------------|----------|-----------------------------------|--------|--|----------|
| Passenger Needs in Flight | Comfortable seats | ~ | Healthy food and drinks | 00 | Various food options on the menu | •• |
| | Air-conditioned cabin | 50 | Friendly and proactive cabin crew | •• | Provision of gifts and complimentary items | •• |
| | Modern and clean toilets | •• | Diversity of newspapers & mags | ~ ^ | Ability to speak foreign languages | 00 |
| | Accurate and clear announcements | •• | Entertainment of personal choice | 0 | Internet service on board | •• |
| | Clear safety instructions | •• | Large overhead baggage bins | ~~ | Special individual care | C |
| | Pleasant music | ••• | | | | |

Example – The Application of the Kano Model for the Economy Class in an Airline Company



Customer satisfaction levels represented on a Kano Model

MUST BE

- **1** Comfortable seats
- 2 Air-conditioned cabin
- 3 Modern and clean toilets
- (4) Accurate and clear announcements

SATISFIERS

- 1 Healthy food and drinks
- 2 Friendly and proactive cabin crew
- 3 Diversity of newspapers and mags
- 4 Entertainment of personal choice

DELIGHTERS

- Various food options on the menu
- Provision of complementary items
- 3 Ability to speak foreign languages
- Internet service on board

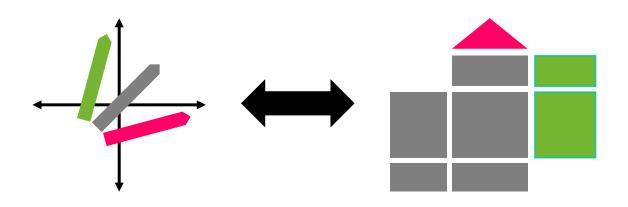
Further Information

Each product or service feature should be kept and saved with the specific date, decisions, and notes.

| | Must be | Satisfiers | Delighters |
|--|------------------|------------|------------|
| Product A | 1 2 3 4 | 1 | 1 |
| Product B | | | |
| Service A | | | |
| The process output you are trying to improve | e | | |

Further Information

The outcome of a Kano exercise can be used as an input into the **Quality Function Deployment** matrix to clarify relationship between customer needs and technical requirements.



Further Information

You may need to use direct **observation** of customers to identify what's important to them.



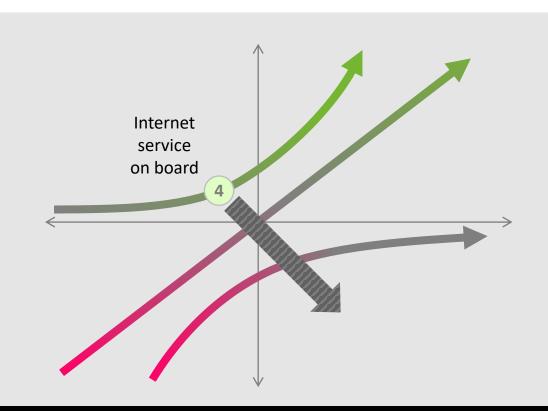
Further Information

- Not all customers are alike on certain features or benefits.
- One customer segment may strongly prefer a feature while another may be strongly opposed to the same feature.



Further Information

The features that are considered delighters today are the must be of tomorrow



Further Information

The challenge with identifying delighters is that even customer will not be able to express what features would delight them as they have not experienced them yet.



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