

We marvel at the pace of technological advancement these days. Discussion centers on the remarkable potential of artificial intelligence, robotics, virtual reality, and more.

Managers would be mistaken, however, if they underestimate the continued power and importance of achieving a deep understanding of human behavior. No matter the technology, the most successful product and service innovations will hinge on the ability of managers to comprehend the needs, frustrations, and pain points of customers.

Managers will fail if they embrace a technology as a solution in search of a problem, as a hammer in search of a nail. Successful innovation begins with the discovery of human problems that cry out to be solved. The best managers then seek out the appropriate technology to alleviate that human pain point. In too many cases, companies march out a new technology that has neat bells and whistles but does not solve a real problem for customers. Thus, the consumer does not place a high value on that innovation, and it fails to gain traction in the market. Companies want to be nimble and agile, but rolling out new products that don't meet customer needs only wastes valuable time and resources.

For this fundamental reason, design thinking's humancentered approach to innovation will have a central place in many organizations moving forward, no matter the technologies that they embrace and pioneer. Yes, Big Data, algorithms, and the like will help us understand customer behavior. However, data will not always tell us how and why people behave the way they do, or how people behave in ways that they are not even fully aware of. The data may not tell us why people chose not to purchase our product or how they developed a makeshift workaround because the product did not serve their complete needs.

The design thinking process begins with a complete immersion in the user experience and a development of empathy for the customer. By focusing on the human element, the tools and techniques of design thinking enable managers to appreciate the frustrations of their customers. Through that deep understanding of human behavior, organizations can develop innovative products and services that actually solve a real problem for customers.

SOLUTIONS IN SEARCH OF PROBLEMS

Consider an example of a company's contrasting results with two new product launches. Keurig achieved remarkable success with its line of coffee makers. Why? The Keurig system solved a series of customer problems. Many households consist of individuals who enjoy different varieties of coffee. The pods enable a person to make a cup of coffee customized to his or her tastes. Moreover, the Keurig means less waste, as you don't have to make an entire pot of coffee simply to enjoy a cup or two. It provides more speed and easier cleanup too. In short, the traditional coffee maker frustrated customers, and the Keurig system alleviated those pain points.

Several years ago, the company launched the Keurig Kold system to enable customers to make soda using a similar pod system. It proved to be a debacle. No one wanted it. Why? What problem did the machine solve for consumers? If you want speed, convenience, no cleanup, and the ability to tailor soda to each household member's tastes, you simply purchase a variety of 12-ounce cans of soda at the store. Done! Keurig failed in this effort to innovate because it wielded a hammer in search of a nail. It started with its technology and searched for a market application, rather than beginning with a deep understanding of human behavior.

WHAT'S WRONG WITH SURVEY DATA?

Many firms apply analytical techniques to large datasets to analyze customer behavior. They conduct focus groups and large-scale surveys, for instance, or they assess likes on social media. Why might these techniques fail to produce a complete and accurate understanding of consumer needs and behavior? Unfortunately, as Margaret Mead suggested years ago, "What people say, what people do, and what they say they do are entirely different things."

One example is when a doctor asks her patient how many glasses of wine she drinks per week. If the amount is more than socially permissible, or what her doctor desires her to drink, she will provide the answer that will make her look best to her doctor. If an employee is asked for feedback regarding a new employee performance system that is the boss's brand-new initiative, no matter what the employee may think, she will say what she believes the boss would like to hear, regardless of whether or not she ever plans to use the new system. The presence and influence of others around us causes us to describe our behaviors more inaccurately than what we normally do. Hence, these traditional methods of understanding customers' needs, such as surveying thousands of customers and dissecting the data in myriad ways, fall short.

To really gain a deep understanding of human behavior, managers need to move away from surveys and become ethnographers, putting themselves in the shoes of customers in their natural environments. They must assess how users interact with their products or services, as well as why they choose not to use or purchase them. Managers need to pay close attention to workarounds—the makeshift solutions that customers design to address their unmet needs. Designer thinkers watch what people do, rather than simply paying attention to what they say. The design thinking process employs the methods of anthropologists to gain empathy for the customer. Design thinkers observe people and interview them in their natural environments, and they even go so far as to "walk a mile" in the customer's shoes at times.

WHY WE STRUGGLE TO EMPATHIZE

Unfortunately, people struggle to gain empathy for customers for three fundamental reasons. First, we often have longheld assumptions about what customers want and need. These strongly held beliefs cloud our judgment and impede our attempt to learn about customer behavior. Second, we rush to solutions before we have conducted thorough research. As soon as we begin to see customer problems or frustrations, we immediately jump to solving that issue rather than learning deeply about the customer's current experience. Third, managers frame projects too narrowly, and thereby miss opportunities to learn about and enhance the complete customer experience. How you ask the question matters. If you ask a highly specific question, you examine only that aspect of customer behavior and fail to notice other fundamental reasons why people are disappointed in your product or service. In short, many new product launches fail not because we fail to collect enough data about customers, but because we do a very poor job of learning about their actual experience, pain points, and desires.

For example, in a project to enhance the resident experience at assisted living centers, researchers noted that some residents didn't leave their rooms much at all. They initially assumed that residents wanted better activities and games. They presumed that people would be more likely to leave their rooms and socialize with others if the center's staff organized more interesting events. These preexisting beliefs shaped what researchers paid attention to during their initial attempts to examine resident behavior.

In fact, as many of us do, they initially found themselves looking for data that confirmed what they already believed about the centers and their residents. However, further ethnographic research revealed that residents felt a powerful loss of identity and purpose when they moved into an assisted living center. These feelings affected their mood and desire to get to know fellow residents. The games and activities were not the problem. Researchers shifted their focus to the transition process for the residents once they let go of their initial assumptions.

Truly empathizing with your customer begins by observing your customer with a beginner's mindset, paying careful attention and minimizing the urge to "see what you expect to see." Observations are then coupled with interviews that do not begin with leading questions, but probe deeper into understanding customer behaviors and asking "why" when inconsistencies emerge between what is said and the behavior observed. When we gather the puzzle pieces first, then put the puzzle together, greater insights will be gleaned from understanding human behavior. These insights can result in transformative innovations that resolve our customers' frustrations, address their needs, and provide them with a product or service they desire, perhaps even a product that they are not yet aware they need.

If we take the time to solicit feedback from our customers, and observe their pain points and frustrations, it is important to resist the urge to develop a solution prematurely. Consider a project aimed to enhance coffee shop experiences for customers. Initial research might reveal customer frustration with the mobile ordering process. For instance, customers may complain about the confusion at the counter as people mistakenly take others' drinks. A rush to solution generation may cause the coffee shop managers to focus their attention on redesigning the labels on the coffee cups. Managers might jump to the conclusion that larger lettering on the cup would make people's names easier to see.

However, that approach may not alleviate all customer frustrations. Since the cups are placed in a crowded tray, the labels are completely obscured from view in many cases. Larger lettering does not solve the problem. A better understanding of the end-to-end mobile ordering process might reveal a more complete picture of customer pain points and frustrations and lead to more holistic and desirable solutions. As it turns out, people become very frustrated when others touch their drinks in an attempt to read the labels. Moreover, the attempts to curry favor with mobile order customers causes the shops to create a less desirable experience for customers who walk in to order from an employee at the counter. By not rushing to solution generation, we might learn that some customers order coffee in multiple ways—sometimes on their phone, on other occasions at the drive-through window, and still other times in the café itself. Why and how do they choose these different options? How do they think and feel in these different situations? Some customers might prefer the café experience but opt for mobile ordering only out of some dissatisfaction or frustration that could be addressed in the store. Rushing to solution generation after hearing initial customer complaints often leads to suboptimal results. Empathy for all customers, with their varying needs and pain points, leads to better holistic solutions.

Lastly, when managers frame questions and projects too narrowly, they often fail to notice important aspects of customer behavior. Selective attention becomes a problem. We notice that which we have been directed to pay attention to, and we thereby miss elements of customer behavior and experience that are crucial to our company's success. Consider when Apple launched the iPod. If they had simply focused on how to create a better MP3 player, they might have developed a great device for listening to music but would have missed the frustrations and pain points customers were experiencing with regard to purchasing and organizing their music. Defining their project and their questions in a broader fashion enabled Apple to examine the end-to-end customer journey with regard to buying and listening to music. The integrated iTunes/iPod solution emerged from that ability to empathize fully with the user.

PRESERVING THE HUMAN ELEMENT

There are many benefits afforded to organizations from the vast array of technological advances that have occurred over the past decade. Managers now have access to endless information regarding such patterns of behavior as customer buying preferences, where their attention may focus from the time they enter a store until they leave, or what time they prefer to conduct their online shopping. However, if, as managers, we fall into the trap of assuming we deeply understand our customers' needs and frustrations by solely examining data-generated charts and graphs, we limit the potential to create opportunities for our customers—new products or services—they may only be dreaming about that fulfill a human-centric desire that has yet to be imagined.

Moreover, if we fall in love with our technology but offer solutions that do not solve real human problems, then our innovations will never gain traction in the marketplace.

Michael Roberto is trustee professor of management and director of the Center for Program Innovation at Bryant University. He teaches competitive strategy, a course required of all Bryant MBA students. Lori Coakley is associate professor, Department of Management, at Bryant University. She teaches Leading Effective Organizations, a foundation MBA course, as well as graduate-level elective courses in management.