

STYBEL PEABODY & ASSOCIATES, INC.



Maryanne Peabody and Larry Stybel are co-founders of Stybel Peabody Associates, Inc. Its mission is to Partner with Clients for Success in Leadership Succession.

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HOW TO MANAGE THE LIMITATION OF WRITTEN AND VERBAL STAKEHOLDER FEEDBACK.

Ninety percent of new ventures fail (Patel, 2015). The top reason is that founders spend time and money producing products/services they think customers want or they were told by customers that they wanted.

Today we will discuss how to manage the limits of listening to stakeholders.

The dilemma is reflected in Henry Ford's classic statement: "If I had asked my customers what they wanted, they would have said, 'a faster horse.'"

Stakeholder Voice Is a Starting Point.

Ellen DiResta is the founder of Pearl Partners of Boston, Massachusetts. She works with clients to help them launch new ventures. DiResta argues that companies tend to overfocus on product features and underfocus on customer experience. Of course, research is one source of information. But it is only one source. DiResta states this caution applies to external and internal customers.

In 1929, Gestalt psychologist Wolfgang Kohler asked subjects to draw the sounds "kiki" and "bouba." Most could not comply. This may be because participants were being asked to use their cerebral cortex. On the other hand, when presented with two visual images, most subjects could easily identify one figure as kiki and the other as bouba. This is because the visual sense was dominant. People can also easily differentiate kiki and bouba in taste and color (Shukla, 2016).

Applying the Kiki Bouba Effect to stakeholder surveys, asking for verbal or written expression is a starting point. And that is all it is. Use the information to develop prototypes and not final products. Be willing to adapt your model based on actual stakeholder experiences.

An Example

A client of DiResta's asked potential customers what they wanted in the equipment the client's company was making. Customers were engaged in developing cell therapy. Customers verbally stated they wanted equipment that would help simplify their work.

A prototype was introduced allowing customers to produce results with fewer steps. But after experiencing the product, participants were not delighted. As the procedures got easier, customer apprehension about missing important information increased.

In other words, the verbal or written articulation was not what they really wanted. This is the Kiki Bouba Effect in action.

Managing the Kiki Bouba World.

Leadership coach and board member John Ela sees examples of bouba/kiki "everywhere." For him the classic example is Ford Motor Company's Edsel:

"... a heavily researched concept car that failed in the market. It did have many of the features the market said it wanted. And once customers saw the Edsel, they turned away from it. It turned Ford into a laughing stock." (Ela, 2023)

The challenge for leaders is to become customer advocates. Customers can be external or internal. Focus on understanding the experience from multiple sensory perspectives. Build prototypes and be willing to adapt to stakeholders' experience.

Ela suggests that the failure of stakeholders to positively respond to your market research should not be labeled "failure." Call it "bouba/kiki."

Amazon's Alexa.

The original concept was to get customers to buy more by allowing voice commands—making ordering simple. Instead of increasing purchasing options for customers, Alexa tends to be used for rudimentary tasks like checking on the weather or turning music on.

Bouba/kiki warns leaders to avoid falling in love with your products/services. Be wary of what your stakeholders tell you while respecting their comments. Be sensitive that many have limited verbal ability to articulate their real needs.

You will discover their real needs when the prototype is unveiled.

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Core services revolve around retained search limited to Board Directors, CEOs, CFOs, and COOs; leadership coaching at this level; and C-Suite Outplacement.

Business leaders wishing a free 30-minute consult can contact:

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