

Peter Boatwright & Jonathan Cagan

BUILT TO
L  **LOVE**

CREATING **PRODUCTS**
THAT CAPTIVATE
CUSTOMERS

The Science of Product Emotion

An Excerpt From

***Built To Love:
Creating Products That Captivate Customers***

by Peter Boatwright & Jonathan Cagan
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Energizing the Marketplace

In today's marketplace, there is a new kind of leading company. These leaders do not just produce good products. They produce captivating products that energize the marketplace and set the standard for what customers want and expect. To see if your firm is one of these new leading companies, think about your firm's best product. Are customers excited by it, not just purchasing and using it, but also talking about it? Is there a hum in the marketplace about your product, where your product is the topic of media discussions and social media posts? If so, your company is one of today's new leaders.

If, however, people find your product useful but not captivating, acceptable only because there is no better alternative, then there is no marketplace electricity; there is no love. Your product may provide the best performance or latest technology, but people lack enthusiasm. If they buy your product, it is out of necessity or unthinking habit. If this scenario describes your firm, then your customers would welcome some alternative to excite them, something to pull them out from the humdrum of ordinary good products. *The difference between an ordinary product and a captivating product is emotion.* When emotion flows in the marketplace, your product shines. When there is no emotion from the product, customers lack the enthusiasm and passion that launches a product to success.

For those of you who love using a particular product or service, you know the sheer pleasure you get from using it. You are aware that there are competing products that are similar in technology and performance, and others may wonder where your passion comes from. You know the enjoyment you derive from the product is real, that you are not a mindless victim of some marketing ploy. It is the product itself that captivates you, both by its performance and by how it actually makes you feel.

Seeing the impact and influence of the products from today's leading firms, can others achieve similar results? More specifically, can your firm deliberately design products to be captivating? After extensive research, we have found

that answer to be a clear “yes.” The answer lies in designing product emotions, namely, emotions evoked by the product itself.

People, your customers, have emotional desires as well as the need to perform tasks. Many firms know they need to stimulate emotions, but they attempt to create them artificially. Some companies will paint a misleading picture of their products, describing emotions that people don’t really feel when using the product. This short-term attempt to trick the customer into buying a product will fail in the long term, resulting in customer dissatisfaction and frustration.

We believe that the product itself must be designed *from the start* to evoke emotions that resonate deeply with the customer, resulting in passion in the marketplace and customer commitment to the company.

In short, the product must be built to love.

Built to Love

This is a book about emotion, about what customers desire from products as well as why certain products and companies successfully captivate the marketplace. We celebrate the joy that comes from owning, working with, or using exciting products.

This is also an analytical book, with studies to validate our insights, providing proof that emotion is the source of captivating, and profitable, products. Building on these insights, *Built to Love* is a practical book that shows how your company can create high-emotion, highly valued products. In sum, this book provides an argument and a how-to guide for how to make emotion flow from your product—from the ground up.

Emotion is fundamental to all that is human, including the products that we enjoy. Emotion fuels the satisfaction people feel when using a product and strengthens their desire to repurchase that product. It is emotion that instigates people to tell others about the products they own; indeed, word-of-mouth is the most powerful marketing force in today’s networked marketplace.

You may be presuming that only certain products can stimulate emotions, consumer products such as fashion clothing and iPods, and not products like industrial gas lines, engineering software, robotic tools for manufacturing, and business services. We will show you that emotion-based opportunities exist for all products, from consumer to business-to-business products, from luxury goods to everyday commodities.

We found that product emotions are relevant to all kinds of physical products as well as to services, software, processes, and brands. All of these various kinds of pro-

ducts deliver emotions and are opportunities for emotion-driven profit, so we use the word “product” in the inclusive sense. The tools, methods, and arguments throughout *Built to Love* apply to the whole array of products. By analyzing examples of many types of products, this book formally and analytically demonstrates why emotion is such an important part of new product development, revealing how any company, small or large, can create innovations that customers must have.

You may believe that most companies are already using emotional appeals to stimulate purchase of whatever they are selling, whether cars or computers, tools or telephones. There is a difference between manipulating emotions to sell a product versus providing a product with emotional benefits that a customer truly values. *Built to Love* is not about emotional manipulation. It is about providing real value to customers by creating products that authentically provide emotional benefits.

Supported versus Associated Emotions

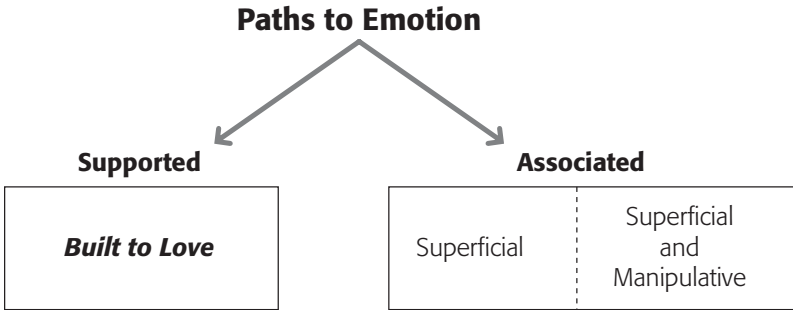
To evoke emotions such as confidence, safety, joy, pride, and other feelings, a firm may follow one of two paths, as shown in Figure I.1. One path is that of “supported emotions,” evoked by the product itself; we also refer to these as “product emotions.” For example, a sense of excitement, adventure, power, and passion are all supported by a well-designed sports car. To be highly valued by customers—to be *built to love*—supported emotions must be deliberately designed into the product. In the sports car, these emotions come from more than acceleration; they are also delivered through an aggressive vehicle stance, a loud muffler, and low-sitting minimalist seats that allow the car to look fast and the driver to feel the road.

The excitement of product emotions is not only found in sporty vehicles but can be built into *any* product, physical or otherwise, including consumer electronics, flexible pipe used for connecting natural gas lines, toys, nonprofit services, and many others, all explored in this book.

The second path is that of “associated emotions.” These are not evoked by the product itself but are superficially created through repeated associations with emotions distinct from the product. A tobacco company, for example, may suggest that its cigarettes will make consumers feel more masculine and self-confident. The cigarettes themselves do not create these feelings, but the company designs strong masculine images on billboards and in advertising to convince consumers to associate these cigarettes with feelings of power.

Unlike supported emotions, which are fulfilled by the product, associated emotions may be manipulative, unfulfilled claims intended to profit the firm

FIGURE I.1 ■ A Model of the Paths to Emotion. Supported emotions result in products built to love.



while possibly harming the consumer. With tobacco companies, the result of using the product is not increased masculine strength for the smoker, but potentially debilitating weakness (or worse, death) from cancer.

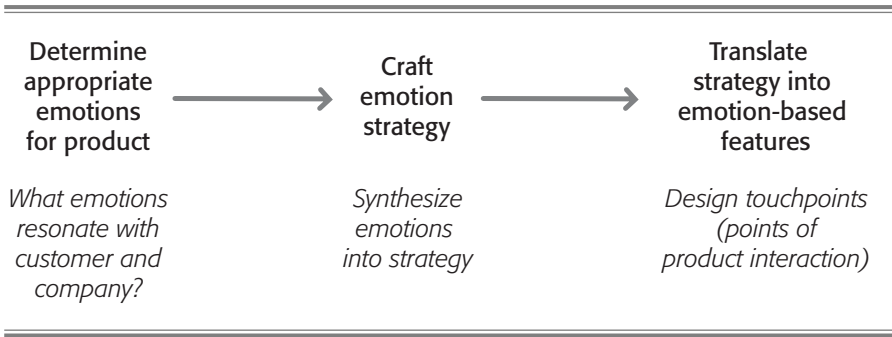
Associated emotions are not all manipulative. Some may merely exaggerate the supported emotions or provide fantasies to consumers in a way that is superficial but honest and open (like a frog that sings the name of a beer). Nonetheless, without supported emotions there can be no long-term satisfaction. There can be no love.

The first part of this book (Chapters 1–5) digs deeply into these classes of emotions and examines how high-emotion features impact the overall value of individual products through supported emotions. This is shown in products ranging from long-haul trucks to electric vehicles to the packaging of your iPod. We first explain the context of product emotion then scientifically analyze its profitability. One aspect of analysis is at the macro level of the firm. We introduce a stock index for high-emotion companies (as determined by consumers). Our analysis of historical returns shows that high-emotion companies outperform standard indices, even through a down economy. This first part of the book shows that emotion pays off.

Creating Products that Captivate Customers

Dell, HP, and Lenovo deliver cutting-edge technology at a good price. But these companies and their products are not clearly differentiated from each other. Apple stands out from the pack by delivering emotional experiences to a

FIGURE I.2 ■ Creating products that captivate customers.



loyal customer base. As a result, their products—both physical and services—earn serious profit margins. Why aren't more companies like Apple? Why don't more companies offer not just products that get things done, but product emotions as well? Our answer is that most companies don't understand that Apple (and Google and many other high-emotion firms) derive their success from emotion, by delivering products built to love.

The second part of the book (Chapters 6–10) introduces a method to identify relevant emotions for a given market, a way to specifically target those emotions, and a means to craft them into a strategy that drives future product development, as shown in Figure I.2. What's most exciting is that we will introduce you to an actionable tool that will guide you through this process. We then show how to create emotional touchpoints, points of interaction between the product (or company) and the customer. Touchpoints are the means to deliver emotions to the customer. Case studies from the extremes of social action to raw technology drive home the benefits and depth of product emotions.

A Book Written for You

We are university professors who teach and research innovation, and we have developed a scientific basis for product emotion. As consultants to a wide variety of large and small business-to-business and consumer companies, we have applied our insights in technology, durable goods, transportation, packaged goods, medical devices, utility and software products, services, and brands. We have advised over 200 innovation teams and successfully guided companies in the development of high-emotion commercial products and product portfolio strategies.

Built to Love is a product of our experience. We have written this book because we have seen a vast and accessible opportunity for firms, an opportunity that many firms consistently overlook. Although products are designed to create value for their customers, and although people value emotions, firms often overlook how they can provide emotional value to their customers.

With this in mind, we have written *Built to Love* to be a practical guide to how companies can develop a strategy to create products that fulfill human value in the broadest sense. We show how to fulfill the needs and desires that people are seeking through the products they buy and use.

There may be several reasons why you are reading this book:

- You may be responsible for the success of products in your firm. You get it: You understand the importance of product emotions, but those under you don't. It's just not the way they were trained. Or maybe those above you don't get it, and you have found it frustrating when you have tried to justify your insights to those who don't understand but make the decisions. Until now you have had no metrics or statistics to prove your point. This book will provide you with logical arguments and statistical proof that product emotion pays off. It will teach why and how. You can use this book to show others how Apple or Google, for example, continue to maintain such strong brands and customer loyalty. *Built to Love* will provide lots of examples of how emotion can be a truly powerful and lucrative force in your industry.

One important lesson is that success does not require creative genius (or luck). *Built to Love* provides a formal methodology that your company can follow to integrate emotion into your products.

- Perhaps you have heard that there is substance to the idea of product emotion, and you are curious to find out more. You might be a marketer who has always thought that emotion is generated alongside but not from a finished product, as a way to get initial sales going. You might be an engineer or technologist who has yet to see how this kind of extra effort or "fluff" will make your cutting-edge technology any better. *Built to Love* provides proof that product emotion is real and that it can be lucrative if sincerely and authentically integrated into your products and brands.
- You might be searching for a method to engender emotions for your products in your customers. You are seeking a means to integrate emotion

into your product development process. *Built to Love* provides a method to develop an emotion-based strategy and to deliver that strategy in a cost-effective way.

- It may be that you are just intrigued by the concept. Maybe you saw this book while walking through a bookstore or airport, or you heard about it from a friend. You might not be involved at all in the development of products but just interested in the idea of product emotion, or intrigued by how emotions can be designed, or wondering why you love your iPhone (or some other product) so much that you use it happily every day. We hope you will enjoy the discussions and case studies as we give you a peek at how products electrify the market.

We are going to journey through the marketplace of emotions, a journey that we ourselves have taken to write this book and have found to be intensely exciting. This isn't a mere thrill ride; it's a scientific journey into a world where products are built to love.

Product Emotions

We have all seen large “big-rig” trucks rambling down the interstate. Each of those 40,000-pound vehicles is a small business on wheels, driven by an employee or by the business owner himself. For trucks, as with other small businesses, business profits require efficiency. Fuel-cost increases have made profit margins slimmer than ever before, and weight restrictions (on the whole truck—cab and trailer) mean that every pound counts. Money is made delivering payload, so the weight in the cab is minimal, maximizing payload weight.

The truck is not only a business, but is also a home—a very small home, roughly the floor area of a two-person tent, a mini room in which the driver needs to sleep, eat, and change clothes, and also watch movies, read, play video games, and do deskwork. There is no separate living and sleeping area, no place to change or freshen up, few places to store belongings, and no place to prepare even a sandwich. This is where the driver spends his time while on the road.

The more that goes into that home to make the driver’s life better, the more it both costs and weighs, reducing business efficiency. Long-haul truck interiors have therefore been designed as efficient, lightweight spaces with minimal creature comforts, allowing drivers just enough space for sleep so they can get back on the road. Even for those U.S. drivers who own their vehicle and sacrifice some fuel economy for the classic look of an American truck, the vehicle interior remains sparse.

What had been overlooked, or not recognized as important, was the opportunity to design the truck interior to be more than an efficient business tool. The drivers consider themselves professionals, making sacrifices to be away from family and friends. The life of a trucker can be tedious, lonely, and uncomfortable. Employee turnover is greater than 100 percent per year among fleet drivers, which means that drivers’ lifestyle needs are significant to the industry.

In 2008, Navistar’s International Truck, a longstanding brand that had become known only as a basic workhorse, introduced LoneStar, a different kind of long-haul truck. New management at Navistar recognized the underlying dual

needs of those in the trucking profession: the need to keep costs low with efficient business tools along with the need to transform a monotonous and stressful task into a more comfortable and enjoyable profession. Navistar understood that the trucker longs for family and friends, needs a place to unwind, wants a good night's sleep, and requires simple, convenient meals. Navistar realized that truck drivers lacked positive emotional experiences on the road. LoneStar answers the duality of truck industry needs, for LoneStar is a paradigm-shifting truck that fulfills emotional desires while also delivering superior performance.

LoneStar is a bold, classic-looking truck, with styling features that hark back to the 1930s and '40s, while clearly setting a styling trend for the 21st century. Truckers love chrome and LoneStar uses chrome elegantly and plentifully on the exterior, with chrome just about everywhere chrome can be. Its bold, pronounced grille gives the truck command of the road, and pride in the ride.

On the inside, unlike traditional trucks with cramped, spartan living spaces, LoneStar's interior is more like a cabin in a private jet. Its interior incorporates amenities that have not been available in standard trucks: features for cooking, eating, sleeping, and relaxing. Unlike other trucks with two bunks, there is a full-sized bed in LoneStar; it folds up Murphy-style, revealing a crescent-shaped couch. A kitchenette with food storage, microwave, and refrigerator allows for simple meal preparation, and a pullout table provides space to eat and work. Airline-like overhead storage keeps the cabin neat and organized. Hardwood flooring, a television, and a seven-speaker Monsoon sound system complete the living experience.

The interior design and its features make the driver feel professional, successful, and comfortable, all in a roughly 4-by-7.5-foot space. At the same time that the truck is specifically designed for the trucker's emotional and lifestyle desires, business needs such as fuel economy were taken seriously. At its introduction, LoneStar was arguably the most fuel-efficient long-haul vehicle on the planet, the most aerodynamic for headwinds and winds from any direction, because winds do come from all directions.

It may be no surprise that Navistar had plenty of pre-orders on the truck. The surprise is that truck drivers also stood in line at the truck's introduction to have the LoneStar logo permanently tattooed to their arm (in some cases both arms) without yet owning or even having driven the vehicle. That's a truck that was built to love! LoneStar is much more than a great truck. A functional truck designed to offer emotional opportunities like no other, LoneStar is also a means to re-invigorate and reposition Navistar's entire brand.

PRODUCT EMOTIONS

FIGURE 1.1 ■ Interior (birds-eye view from above) and exterior of innovative LoneStar long-haul truck by Navistar's International Truck brand.



Photos courtesy of Navistar

Obviously, most companies would want their products to rouse customers as successfully as LoneStar has. Rather than creating products that themselves captivate customers, many companies attempt to build interest through loyalty programs, catchy campaigns, or other add-on programs. Odd as it may seem, it is quite common to attempt to engage customers by doing anything but changing the product itself!

This is what Navistar used to do. Formerly, their strategy was to make functional, cost-effective products. Engineers made the product for its functions rather than to serve emotional needs; when trying to sell it, the sales group used emotional appeals, hoping to interest customers. Instead of competing for the top-loved brand, they competed for the lowest-margin commodity. This is the way many companies have long treated emotion, as something to evoke after the product is built in order to make the sale. This is a fundamentally different approach from meeting an emotion-based opportunity head-on.

Today Navistar makes its trucks both for functional purposes and to fulfill emotional ones. Driving a truck from Cleveland to Kansas City, a driver delivers the goods to the destination. Driving a LoneStar also allows the trucker to enjoy the pleasure of getting there. If the truck did not get the goods from Cleveland to Kansas City, nobody would be satisfied, no matter how exciting the truck is, not the trucker nor their client. The result would be negative emotions such as anger, loss, neglect, or incapability.

Meeting functional needs is a requirement to prevent negative emotions, but success goes far beyond preventing negative emotions. People love a product not only because it serves their task, but because it serves emotions related to their task as well. For the trucker, just getting from Cleveland to Kansas City is not enough. The trucker prefers to get there in a way that makes him or her feel proud, powerful, comfortable, professional, and successful. There is more to the experience than the functional task; the lifestyle benefits of the experience are important as well.

Navistar aggressively and consistently used an emotion strategy to drive development of LoneStar. Throughout *Built to Love* we revisit Navistar's transformation from being commodity driven to emotion driven, uncovering customer-desired emotions and translating those into a product emotion strategy. In Chapter 7, we demonstrate how that strategy produced a series of exciting new trucks, including LoneStar, partly through a high-emotion, visual form language.

Navistar is one of many case studies explored in *Built to Love*. Not all companies understand that emotions cannot be an add-on, an afterthought, and still

engage their customers. Emotions that powerfully engage customers are those that are core to the very reasons to make the product in the first place: because it will be a product that customers value. A product built to love.

Product Emotions Everywhere

To recognize the relevance of emotion in products other than trucks, let's ask a basic question: Why do people buy things? It is an essential question to business, a basic concept that may seem simple to answer. Yet many companies do not truly understand why customers are willing to spend extra for one product when it accomplishes the same tasks as a cheaper alternative. Why are customers fanatically loyal to one product yet indifferent to another?

So why *do* people buy things? Customers purchase products both for *what the product does* for them, namely, "product functions," and also for *how the product makes them feel*, what we call "product emotions." Consider cars, for example. People require transportation. One function of cars is to provide the ability to move us from place to place. Customers also buy and use cars to fulfill emotional desires in addition to functional needs. Some want to feel well taken care of, so they especially enjoy luxury cars replete with comfort features such as leather seats, high-end audio, and cup holders that keep their morning coffee warm. Some want to feel "green" with a car that reduces the carbon footprint, even at added cost. These non-functional attributes create emotional value in the vehicle, fulfilling emotional wants. People buy products that make them feel better or safer or prouder.

Consider an example of a smaller product that you might use every day. When the iPhone came out in 2007, other products such as the Palm Treo already met all of the core functional deliverables of the iPhone. But the iPhone, with its ease of use, sexy interface, and beautiful aesthetic, led people to feel empowered, joyful, and well cared for. The iPhone also overcame the significant impediment of being relegated to a single service provider. Consumers have been amazingly willing to leave their existing service providers to become iPhone users.

The iPhone initially succeeded not because of its functionality but because of its product emotions: the emotions people felt when they saw, touched, and used the product, and the way they integrated it into their lives and lifestyles. The result was love. One iPhone owner recently told us, "It's not perfect, but I love it." Similar phrases of love are echoed in various ways among iPhone customers and by Apple customers in general.

A Product Only for Emotion

Possibly the ultimate “how it makes me feel” product is music. There is no functional need fulfilled by music; music is all about emotion. Music makes you feel happy or melancholy, energetic or restful. Music can connect you to memories and experiences. Remember the school dance when you first heard “Free Bird,” or the time on the beach listening to Bob Marley, or the Bach minuet they played at your wedding? The desire to hear music and feel those emotions results in an industry valued in tens of billions of dollars.

The emotion of music is integral to many experiences such as movies, where the suspense, happiness, and romance are foretold and amplified through music. How menacing would Darth Vader be without the deep repetitive horns in minor key announcing Vader’s presence? Close your eyes when you listen, and you feel Vader even without seeing him. Or how exciting would Indiana Jones’ escape-from-certain-death be without the contrasting upbeat, energetic, and frenetic iconic tune in major key? The musical pieces for these two movies were written by the same composer, John Williams, who clearly understands how to use music to create, mold, and direct a range of emotions.

Emotion and the Senses

Any product that elicits an emotional response must reach a customer through one or more of the five senses. To experience a product is to touch, use, see, feel, or taste it. Every time we touch, use, see, feel, or taste the product, we react to that experience with emotion, feel something inside that makes us enjoy or resent or desire or abhor the experience. Products that are not perceived by any of the senses will not directly convey emotion. For example, engine parts will have a purely functional role if they are never touched or seen or smelled or heard by a person, even though the engine as a whole produces a hum and vibration that excites the driver.

Any product with which a person interacts has the potential to deliver emotion. With music, the sense of hearing is all that is needed to capture the core product emotion. Yet emotions, positive or negative, can be amplified when delivered to more senses, such as adding a visual element to the music. Classic album artwork is, at times, revered to the level of the music itself. Music videos, which combine the visual and the auditory, are today core to the music industry. The encounter with sound, art, and motion work in concert, providing at its best a heightened emotional experience through a perfect blend of the senses.

FIGURE 1.2A ■ Webkinz stuffed animals (well-loved collection of Ben and Joshua Cagan).

Photo by Melissa Cagan



Or take a simple stuffed animal, which reaches customers through its visual appearance and quality of touch. Both elements, the appearance and the feel, can be manipulated in sync to achieve emotional goals. The fur of an aggressive-looking stuffed tiger might feel bristly, while the fur of a cuddly-looking tiger feels soft.

Beyond visual appearance and physical sensation, how can a company that makes toys give a turbo-boost to the simple stuffed animal, already the ultimate emotional connection for young children? Toy manufacturers have found ways to add technology to stuffed animals, connecting with more senses. Tickle-Me-Elmos that talk and vibrate remained popular for a decade, with hordes of people standing in line for holiday purchases.

And yet, as much as the extra technology in Elmo offers the surprise and joy for the first weeks or months, few children carry that Elmo or any other tech-laden toy with them through every night, every car ride, every visit to the store, every doctor's office for comfort, as they do with their favorite, simple stuffed animal. How can a company create a more ongoing stream of emotions for the traditional stuffed animal?

BUILT TO LOVE

FIGURE 1.2B ■ Screenshots from webkinz.com, which depict the virtual version of the physical stuffed animals in their room, and provide games for kids to play.



© Ganz, with permission

© Ganz, with permission

In 2005, Ganz, a Canadian company headquartered in Woodbridge, Ontario, added a whole new dimension of sensory experience to stuffed animals, merging the ultimate “lovie” with the ultimate game forum to create Webkinz. Webkinz are soft, adorable, stuffed animals—cuddly koalas, plush pugs, cute kittens—that can be loved and dragged around like any other stuffed animal. Open the tag on its collar and go on the Internet to www.webkinz.com, type in a code, and a virtual version of the animal appears. A child sets up a user name that associates with the code, names their animal, and they can spend hours upon hours playing games (some educational), looking for gems, cooking, buying virtual clothes and toys for their pet with virtual dollars they earn playing games, and tending for the well-being of their pet.

Within two years and without advertising, over a million Webkinz users were registered. In what had been a declining industry, Webkinz sales have continued to grow steeply, reaching a broad range of children, most of whom have more than one Webkinz pet. Webkinz are a somewhat new craze, but unlike Cabbage Patch dolls and other crazes that are static, Webkinz have a dynamic element that expands the interactive pleasure of the stuffed animal experience with the exploration of new games, accessories, and actions, in addition to the basic stuffed animal that itself connects emotionally to the children.

All Ganz needs to do to keep kids coming back for more is to update activities on its website. Kids connect to Webkinz in a deep and emotional way, expressing joy, love, enthusiasm and more, and the cost margin for Ganz is minimal, producing low-cost physical toys and creating, maintaining, and updating a website.

Emotions and the Web

The web world is filled with all kinds of products that provide services and also connect emotionally with customers. Amazon and eBay satisfy the desire for non-invasive shopping for anything and everything you might want, with the ability to window-shop from the comfort of your home. With its maps, Google offers the adventure of exploration by providing directions in the physical world, and Google Maps echoes the experience with enjoyable exploration of the software itself: street views, user images, Wikipedia data, data overlays, and more.

Facebook and YouTube facilitate emotion by connecting people to one another and encouraging us to talk about whatever we want to talk about, typically issues or items about which we feel strongly (again, emotion). All of these products connect to our lives via the capabilities that the products enable, and how much they mean to all the individuals who use them, and have feelings about them.

Examples Abound

Think of other emotion-laden products that stand out. KitchenAid's Pro Line toasters, waffle makers, coffee makers, and contemporary-styled dishwashers integrate into the kitchen environment, creating a professional-styled kitchen that projects one's love of and skill for food. BMW cars excite customers and project speed, luxury, and wealth, while Honda cars promote confidence, social responsibility, and practicality. Harley and Indian Motorcycles connote freedom, Americana, and fun. Because these products fulfill both the emotional yearning of consumers as well as utilitarian function, they generate significant margins.

Once you begin to see the value of product emotions, examples abound. Emotion is core to any consumer or business relationship. The fact that customers seek to fulfill both functional needs ("what it does for me") and emotional desires ("how it makes me feel") is true for every physical or virtual product, service, or strategy—a computer, a hospital visit, express package delivery, a kitchen blender, a vacation cruise.

It is also true for business products. When one thinks of business-to-business (B-to-B) products, one usually thinks about capability—the functionality that is required or enabled. It may not seem like emotion really matters for products found in utilitarian functional environments. Upcoming chapters will demonstrate the importance of product emotions such as trust, security, and empowerment in multiple B-to-B companies, because it turns out that whenever people are involved, emotion matters. Regardless of context, customers buy products for both what the product does for them and how the product makes them feel. There is great opportunity for business-based products to deliberately evoke emotion, to be built not just to perform but also be built to love.

Product Emotions versus Emotional Decisions

Many firms recognize that emotions matter, but they attempt to *use* emotions rather than *provide* emotions. Such firms attempt to get the consumer into an emotional state of mind, where the consumer makes an emotional decision to buy the product. This use (or misuse) of emotions is often what people think of when they say that marketers attempt to sell them what they don't need.

People's decisions are certainly affected by their emotions. Someone who is sad has been shown to be willing to spend more money on products than those who are not sad, because sadness causes people to want to change their circumstances.¹

Our emotions can also be altered by our surroundings. Music influences our emotions and the energetic or sedate style of background music in advertising has been shown to affect our perceptions of products at purchase.²

Many decisions naturally involve emotion. A parent who is planning a family vacation to Disney World may feel anxiety over travel arrangements and financial costs, emotions surrounding the decision of whether to take the vacation. The emotions of the decision are generally quite different from those felt while using and experiencing the product. That parent will feel entirely different emotions while at Disney World, experiencing the joys of family fun and making memories that linger.

Emotional decisions are entirely different from emotions evoked by the product. The decision is in the past but the consequences remain for the long-term future. A frugal consumer may be delighted with the bargain she struck when replacing her car, but years later her emotions about the car will be less about the initial transaction and more about her experience with the vehicle.

Product emotions are ongoing, substantiated, and renewed with each product experience. Product emotions have the power to completely replace the range of emotions that surrounded the original purchase decision. Unlike emotions meant to provoke a quick sale—here today and gone tomorrow—product emotions are designed to endure for the lifetime of product use.

Let Your Customers Do the Talking

When products create valued emotions that endure over the life of the product, customers benefit. Companies that provide those well-loved products also benefit. The product that exudes an ongoing stream of positive emotions promotes a “feel-good” aspect, reinforcing customer satisfaction with the purchase, setting up for repeat purchases, and increasing the likelihood of receiving the best (and cheapest) form of advertising: word-of-mouth.

Emotion is what causes people to talk about products. Maybe the consumer feels surprised by how well a new technology works and tells a colleague. Maybe a consumer feels proud of their car and shows it off to clients. Maybe a consumer relishes the feeling of the pampering of a spa and asks friends to join her. Emotion leads to word-of-mouth, whose power is authenticity and an exponential expansion to more potential buyers.

On the flip side, when consumers are not emotional about a product, they don't talk about it. That means no word-of-mouth, no sales expansion beyond those who initially tried it out. Even worse, negative emotions can lead to word-of-mouth in a detrimental way, as resentful customers naturally complain to

their friends. Emotion gets people talking, and positive product emotion is critical for new product success.

Product emotions are more powerful now than ever before, because there has been a fundamental shift in how the marketplace operates. We now live in a globally networked society, where consumers learn more about products from each other on the Internet than they do from direct-to-consumer advertising. As traditional advertising channels have less and less power and as individual consumers have increasing influence, product emotions have become even more critical to product success.

Product Emotions and Product Strategy

Certainly, a product should include more than just emotional value. The performance attributes of the product must deliver value for customer satisfaction in the short-term and long-term. The feeling of quality ties to actual quality, the feeling of safety ties to actual safety, and in vehicles, the feeling of control ties to the actual control.

In the 1990s Chrysler had significant quality problems with their transmissions. Cars with thoughtful lifestyle features (and surprises like hooks to hold grocery bags, to the delight of customers at the grocery store) and aggressive styling soon disappointed customers as their transmissions failed, sometimes right after their warranties ran out. These surprises did not delight and, as a company, Chrysler lost customers for the long-term.

In this case, the quality that was originally tied to the emotions of satisfaction, security, contentment, and honor led to customer emotions of uncertainty, envy, lack of consideration, and vulnerability. It's not just the vehicle with the faulty transmission that loses equity, but the Chrysler brand as a whole. Although multiple factors contributed to the downturn in the U.S. auto industry at the early part of the 21st century, lingering emotions like these could not have helped.

Companies must have a long-term strategy for product emotion and a process to deliver high-emotion products. When a company designs or produces a product, emotions will be intentionally or unintentionally infused into the product as the customer experiences that product. A company can and must intentionally design an emotion-based experience, meaning that the company's product should evoke emotions that their customers desire to experience over the life of the product and not simply to stimulate purchase. These ongoing emo-

tions are the means to enable a brand and set of products to resonate with its customers, fueling the firm's growth and profits.

Conversely, companies who are unintentional in planning for emotions leave it to chance. In order to intentionally deliver high-emotion experiences, a company must understand why emotion is important and identify those emotions that matter to its customers. These emotions will form the basis for a product emotion strategy from which products are designed. Accomplishing this is not arbitrary. A rigorous process of innovation is required to consistently understand which emotions are desired and to evoke those emotions in products while also fulfilling needs.

Product emotions must be designed; products must be built to love!

The Emotion of Brands

Customers associate emotions with the product and also with the brand. A large part of the value of a brand is nothing more than emotion, the remainder of that value coming from information that the brand conveys about the company or product. For many people, a brand is a signal of quality, where even the basic trademark is thought to indicate the quality of the company that it represents. That quality signal certainly leads to an emotional benefit of the feeling of security and trust in that company's products.

The brand, however, is more than a signal of quality, providing intangibles such as passion, excitement, and an honest relationship between the company and customer. For example, the fact that the Chrome browser (a product) comes from Google (a brand) is informative about product quality. Because it is a Google product, users expect it to safely install on their local machines without fear of a Trojan horse virus. The value of the Google brand goes even beyond the assurance that it can be safely installed. Customers feel a sense of satisfaction and empowerment when using any high-performance product that Google provides. Google's mission is to "organize the world's information and make it universally accessible and useful." Google's brand message is an optimistic one: the dream that anything is possible. Optimism is emotional; optimism and hope are valued in addition to the utility value of the product.

Put differently, consider that there are many browsers for personal computers, and Google's Chrome browser offers its current functionality as well as the promise and excitement of future developments. The ultimate goal is to create emotions supported by the product and associated with a brand. The product

must deliver appropriate emotions to build equity in the brand and, although intangible, the brand must consistently communicate appropriate emotions to create desire for the product.

Emotion in Lean Economic Times

When the economy is prosperous, people have money readily available to spend on emotion. When the economy is poor, customers are clearly careful about how they spend their money. Companies feel pressure to focus on cutting costs. It may seem that in lean times product emotions therefore become less important. In downturns, however, product emotions become even more critical to companies. When spending carefully, customers need additional incentive to buy, and seek greater value for the money. Product emotions are generally an efficient way to provide that value.

Which emotions are valued most can shift during lean times. Rather than pampering or bling or extravagance, customers may seek reassurance through comfort, stability, and attentiveness. Ironically, they often will pay additional margins to achieve these reassuring feelings even in economically lean times, because even when resources are scarce, customers are not seeking the cheapest product, but the best value.

Product emotions often play a hidden role in buying decisions, as customers may rationalize purchases on the basis of functional benefits, even though the underlying appeal may be emotional. A young lawyer may join a prestigious country club because of the thrill of being a member of that echelon (an emotional benefit), and she will justify the expense by reminding herself of the potential for meeting future clients there (a functional benefit). The iPhone user might appreciate the sleek design, fun apps, and the ability to surf the web while waiting in the car (feeling connected and contemporary), yet he rationalizes the purchase by telling everyone (including himself) about his ability to answer email while on the road.

Especially in lean economic times, companies must provide true functional benefits that provide long-term or future value. Yet providing tangible functional value isn't enough to make the sale. Without the exclusivity of the club, the lawyer would not consider joining. If the iPhone did not provide emotional fulfillment, most consumers would not purchase it, regardless of its functionality. Without emotion, these purchases might never even happen.

Product emotions provide essential benefits even in lean economic times. Are they worth the extra costs to the producer? From a company's viewpoint,

costs are a major concern in downturns, as production expenses may become more constrained than during periods when sales are higher. Producing product emotions does not have to cost significant money, because emotions may be created through more careful attention to already existing features of the product.

In software, careful attention to usability (such as clear wording for menus), interaction (such as fewer clicks per task), and aesthetics (such as a contemporary and professional appearance) can greatly enhance a user's experience yet cost little more to achieve. Similarly for physical products, attention to ergonomic details or styling need not cost any more to produce. Such benefits are valued by customers and cost little to realize, which can significantly boost profit margins.

From the company viewpoint, product emotions have the benefit of helping a firm's product to stand out among competitors. If several products are available to meet functional needs, then the customer will focus on other characteristics of the product to select among the many. Appropriate emotion provides that differentiation. The result will be a hot product that meets both functional and deep emotional needs. To quote Eric Schmidt, CEO of Google, "Innovation has nothing to do with downturns. A hot product will sell just as well in a recession as it will in a nonrecession."³ A hot product is an emotional product. Google is one of many companies that understand emotion. Their customers have passion for the capabilities that Google gives them. If your customers are not passionate you haven't reached a sufficient level of emotion.

The Transformation

Product emotions are valued everywhere, yet the opportunity to leverage product emotions is so large in part because so few firms have focused on them as a primary purpose of their products. Think again about our opening discussion of the LoneStar long-haul truck. When considered merely as a tool of business, trucks should be designed to maximize output (miles) while minimizing costs (no frills, no added weight). Because trucks have always been viewed that way, most trucks are cost-driven, minimalist products. But when a company recognizes an emotion-based opportunity and considers lifestyle support for the driver, using this particular truck can become an emotional experience for the user. With proper execution the resulting product will be revolutionary, like LoneStar.

The story of long-haul trucks is the story of most products in the U.S. during the latter part of the 20th century. Emotion-based opportunities were not the goal. Most products were designed primarily or even exclusively for the functions that they performed. Efforts were focused on achieving higher-quality

performance of those functions while holding costs in check. For many companies, the drive to reduce costs often neglected the experience of using the product, sacrificing high-margin product emotions for tight-margin minimalism. LoneStar, and the many other case studies discussed in this book, serve to demonstrate that products can and should be designed to fulfill emotion-based opportunities. Product emotions are critical to long-term business success.

Understanding the value of product emotions will not simply transform a company's tactics and marketing but change its product strategy and perhaps even its mission. For companies accustomed to creating customer value through the performance of their products, the goal is to build on that foundation of performance while adding product emotions. People buy and pay for what they value, and everyone values emotion.

Creating valued emotions is not coincidence or luck, nor need it be the result of creative genius. Anticipating and meeting emotional needs requires rigorous analysis, a method that helps the company to identify desired emotions, to understand those emotions, and then to translate that understanding into a strategy for brand development, for product and portfolio development, and for specific product features.

Built to Love is about that method, a rigorous and analytical approach to identify and understand emotions and to translate that understanding into company profits. First, let's understand the benefits of emotion, so that designing them is clearly worth the effort.

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by Peter Boatwright & Jonathan Cagan

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