



# A Conversation With Peter C. Honebein and Roy F. Cammarano

Authors of *Creating Do-It-Yourself Customers:  
How Great Customer Experiences Build Great  
Companies*

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## Why are we seeing a rise in do-it-yourself customers?

There are three key reasons why we are seeing a rise in do-it-yourself customers. The first reason is **value**. Customers realize that doing certain things themselves saves time and gives them more control. Customization is very important to customers these days, and the do-it-yourself economy enables this to occur. The second reason is **technology**. The web has caused an explosion of easy-to access, do-it-yourself solutions and information about how to do things yourself. So has the advancement of networked, kiosk-based systems that enable customers to withdraw money from their bank accounts, but also create prints of their digital photos. The third reason is **culture**. ATMs, self-service gas pumps, and similar do-it-yourself solutions that have appeared over the past 30 years have conditioned a new generation of customers that do-it-yourself is an expected consumer role. For example, in our local library the other day, we observed a three-year-old girl checking out her library books using the self-checkout system. What is this conditioning her to do in the future? To do things herself!

## Who are the different types of do-it-yourself customers?

There are five general types of do-it-yourself customers. **Transactionals** are those who like to perform everyday transactions themselves. They use self checkout at the grocery store, eat at the buffet, and book travel online. **Traditionals** are what we typically think of as do-it yourselfers in terms of home improvement, gardening, financial management, auto repair, and so on. These are the people who frequent Home Depot, Smith&Hawken, Charles Schwab, and Kragen Auto Parts. **Conventionals** acquire tangible self-contained products that are enablers for doing things themselves. For example, a Viking stove facilitates the do-it-yourself task of gourmet cooking. A snowblower enables one to clear the snow from the driveway. **Intentionals** engage in do-it-yourself experiences to customize goods and services to their specification. Think Build-A-Bear® Workshops and Nike iD.com online design center. **Radicals** take do-it-yourself to new extremes. Like the gentleman who re-wrote the operating system for his Lego® Mindstorms robot.

## What about customers who don't want to do it themselves?

There is an intersection between the type of customer and the type of good/service that predicts whether do-it-yourself offers customers and companies a competitive advantage. We don't expect we'll be seeing a self-service salad bar at Morton's, The Steakhouse, anytime soon because do-it-yourself is not part of the fine dining experience to which customers have become accustomed. Then again, when you sign up for a web URL using NameSecure.com, it is a total do-it-yourself experience. The marketplace will provide customers options when it is valuable to do so. Consider most airlines. They offer customers three options for checking in: via web, via airport kiosk, or with a live person at the counter. Such a solution addresses the needs of three different segments of their customers, resulting in a satisfying experience for each segment. When telephones first arrived in people's homes, the operator connected the call. As the innovation expanded, people could make local calls, but operators still helped place long distance calling. Today, the customer does almost all calls themselves. As the model changes, customers adapt.

### **If customers are doing a lot of the work, how do companies ensure they are successful?**

First of all, customers want to be successful. We don't think anyone relishes the thought of buying a product and then messing it up. We want it to work! Research shows that when customers are successful doing things themselves, they attribute that success to themselves. However, when things go wrong, they are more likely to blame the company for the failure. Customers might find fault with the advice provided by a store associate, the instructions that accompany the product, or perhaps the design of the product itself. Companies need to ensure that the experience they wrap around goods and services facilitates success. We call this a ***coproduction experience***. Additionally, companies have had a very long time to refine the training that they have been giving their employees. Now they can use that experience to work with their customers.

### **What is a *coproduction experience*?**

A coproduction experience is when companies blend four key elements into their goods or services so that the customer can be successful in their interactions with the company. The four elements are *vision*, *access*, *incentive*, and *expertise*. For example, when Southwest Airlines implemented its e-commerce strategy – southwest.com – in the 1990's, customers were set up for success. With regards to *vision*, various promotional channels communicated to customers an attractive, novel goal – book your own tickets. For *access*, the web site itself provided the tool and a simple interface for completing transactions. The *incentive* to perform was the double Rapid Reward credit, which enabled customers to earn free flights twice as fast. Finally, *expertise* was provided by step-by-step booking instructions available on the site. In 2005, Southwest airlines reported that 65% of its revenue was generated by southwest.com. The customer conditioning was so successful that Southwest was able to eliminate the Rapid Rewards incentive without negatively impacting the site's revenue percentage.

### **What outcomes should a company expect from coproduction experiences?**

As illustrated in the previous example, the primary outcome is increased revenue at a lower cost. When customers perform tasks themselves, usage tends to increase. As usage increases, customers are able to realize more value. Hence, customers buy more frequently and they are more likely to buy more add-ons and accessories. Costs to serve customers decrease since do-it-yourself requires fewer employees. Furthermore, because customers invest the time to learn the company's process, they are less likely to switch to a competitor. What this all leads to is a *value chain*. Usage contributes to satisfaction, satisfaction leads to trust, trust leads to loyalty, and loyalty leads to an increase in the customer's lifetime value to the company.

### **What interesting examples of coproduction experiences have you come across in your research?**

We tend to see coproduction experiences everywhere we look. Some have all the elements of vision, access, incentive, and expertise, while others pick the elements that make the most sense. Peter has a pair of socks he calls his "coproduction socks". The socks feature a color-coded seam in the toe that helps you determine if you have your socks inside-out or right-side-in. If the socks are on correctly, you see a green seam in the toe. Al Yegeneh, the real-life purveyor of soup immortalized in the Seinfeld "Soup Nazi" episode, uses a highly structured coproduction experience. This ensures that everyone who wants soup gets soup at his shop (his rigid process became a necessity when customers would line up around the block). We've heard that McDonalds in the United Kingdom hired actors to pose as customers and had them, quite obviously and noisily, clear their trays from tables and deposit their trash in the dustbins. The purpose was to model the desired do-it-yourself behavior so that real customers would get the hint and do the same – clear their own tables. We have seen an evolution over the last 30-some years in industries utilizing the do-it-yourself model. Recently we have seen a revolution with industries being created because of this model.

### **Are both of you “Do-it-Yourself” Customers?**

Yes, we are. Peter is probably more “do-it-yourself” than Roy. Peter caught the do-it-yourself bug when he was eight years old, while on a car camping trip with his family. When the family rolled into Wyoming, the gas stations were self-service (all the stations back in California were still full service) – and guess who wanted to pump the gas! Today, Peter still pumps his own gas and gets upset when he travels to Oregon and New Jersey (where self service is prohibited by law). He books all his travel himself – airlines, hotel, and car rental – online. When he goes to a store that has the self-checkout systems, he’ll use it rather than visiting the checkout clerk. He’s installed his own home computer network, buys most products online, and will always order the self-service buffet for lunch if one is available. Roy utilizes the do-it-yourself model in more selective ways and always to save time.

### **What advice do you have for companies who want to create do-it-yourself customers?**

Coproduction experiences drive a fundamental change within a company. It is a big step to focus your company on creating experiences that involve your customers in the codesign, cocreation, and coproduction of your goods and service. As such, we firmly believe the coproduction revolution is a strategic initiative, not a tactical task, as it contributes to a company’s brand. This means that you must reduce the effect of silos in the company. Different parts of the company must present a seamless “face” to the customer. You must create experiences by design, not by default. Opportunities for you to improve the customer experience are everywhere. The Coproduction Experience Model and the Coproduction Experience Process, which we discuss at length in our book, provide the means for you to create great coproduction experiences in your company.

### **What advice do you have for consumers who want to be successful do-it-yourselfers?**

Evaluate goods and services from the perspective of how they help you perform. Does the company provide a clear vision of the work you will need to do, and the feedback that lets you know you are going down the right path? Are there logical structure of policies, procedures, tools, and interfaces? Are there incentives, both internal and external, for you to perform well? Does the company offer solutions that enable you to build your expertise? Whether you are building your own deck, buying stocks and bonds online, or even putting on your socks, smart companies offer you a coproduction experience that enables you to perform. Through these coproduction experiences, you will realize more value for your hard-earned dollars and be much more satisfied with the results.

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*To schedule an interview with Peter Honebein and/or Roy Cammarano, please call 1-775-849-0371 or email [peter@honebein.com](mailto:peter@honebein.com).*

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