

Unfulfilled Expectations?

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I correspond with many HP Calculator Users on a regular basis. One quality that many of these users share is the concern that HP is having difficulty “keeping the train on track” in terms of what HP has done historically. Perhaps by having supplied such high quality and consistent machines in the 70’s, 80’s, and 90’s HP has created expectations that have not been met with the product offerings of this century.

The world has changed greatly since the classic series started everything in the 20th century. Fred Valdez saved HP calculators in 2001. He convinced the HP Board of Directors to breathe new life into the current Calculator Division by applying a new business model for the 21st century. This plan was laid out to the HP User Community at the Calculator Conference in London in 2002. What followed was a crisis of a series of technical issues (microprocessor, keyboard, case design archetype) that “distracted” the team from quickly implementing the plan laid out by Fred. These issues have been resolved, but it took years longer than anyone could have anticipated.

Another factor, especially for the serious users I actively correspond with, is the state of the art for the high end machines we favor. These machines are represented by what I call the four generations of the RPN HP-65A, HP-67A, HP-41C, and the RPL HP28S through HP50g series. In terms of development cost, technical support (yes, HP still does Technical Support) and sales, the business reality is that a generation five machine is at the bottom of the list for a new product. The last page of the HHC 2007 Calendar illustrated one product design tactic that HP started and could continue to pursue. At least two HHC 2008 presentations will focus on this issue.

What prompts these thoughts? See the September 10th electronics webletter Editor’s Note reproduced below.

ROIT

Return on invested time.

“A vendor who doesn't waste your time is one you don't forget.

Many years ago, I worked at a company that did major mechanical designs. A representative from Loctite came in to do a two-hour seminar, and I attended because I thought it would be worthwhile (OK, maybe I also wanted a break).

I still clearly remember his pitch, it went something like this: yes, I am here to sell you Loctite, but before you even think of using it, you have to understand threaded fasteners and how to apply them; don't even think of using our product to solve your problems until you have done your design and installation correctly.

Then he proceeded to discuss, for the first 90 minutes, all aspects of machine screws and self-tapping screws, proper hole sizing, blind-hole and through-hole setups, using flat washers and lock washers, pre-loading and torqueing, thread standards and sizing, and much more. Only when he was done with this excellent tutorial did he show where his company's product family could help, and where it honestly could not.

Even if you would not be using Loctite, you got a great return on invested time (ROIT) in this seminar. He provided real value to the audience, and made you feel that he wasn't trying to say that whatever your

fastener situation, their product was the answer. To me, this sort of respect for your audience is much better long-term than insulting them and taking advantage of them, as too many events do.

OK, that's it for now. Check out the variety of items below, I think it will be a good ROIT. Until next week. . . .

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Comments and Discussion

How does this apply to HP calculators? It seems obvious to me, but perhaps I should elaborate.

HP has asked several times during the last five HHC's how they may be distinctive in the market place.

The obvious primary distinction is providing correct answers quickly, conveniently, and at a reasonable cost.

Because the calculator has come closer to being a commodity type product that just about any company can design and manufacturer – Eric Smith has shown one he personally designed and made at our conferences – the tack for selling the HP brand should emphasize “other factors.” The Loctite example makes the point very well. Educate the customer! Is it possible for HP to give seminars? Yes, a few, at various Conferences, but conducting seminars cannot be used as a general selling tool.

At this point in observing how HP has changed over the years – change is a normal process – I think that the most important tool HP has is its web site. I reviewed HP's web site in a 12 page article at HHC 2006 titled *Being Distinctive With an Information Driven Calculator Web Site*. In this commentary I gave HP a grade of B for its web site.

The new (current) business model doesn't allow for seminars, but it does allow for a powerful service oriented Calculator Web Site. The limiting factor as I see it, aside from a suitable vision, is simply a matter of size. HP must have a very large group of outsourced people working on their web site.

HP is the world's largest technology company and its gigantic size constrains what it may do in many ways. The calculator product line is very much different from nearly every other product it sells. The ideal approach is to separate the calculator web site from the corporate web site. At the very least a supplemental (partnered?) HP Calculator Web Site should augment the corporate web site.

I suspect that this situation is similar to the mail order catalog business. I have ten years of close-and-personal HP calculator sales catalog experience by working at EduCALC. When EduCALC started the catalog business was young and anybody with energy and minimum capital could start a catalog business. Over 20 years latter the catalog business was saturated and the new business investment would be in the multi-millions of dollars. I suspect that starting a well visited (requires the customer's limited time) business web site is in a similar situation.

The Internet is the life blood of just about every person on the planet. The Internet savvy user has an advantage in both their business and personal life. The critical element is time. I will repeat this statement. **The critical element is time.** While time is valuable to everyone, time is especially critical

for teachers and students. If a customer/user has to spend excess time to use a web site they are less likely to return.

The experienced HP calculator user expects their calculator to be easy to use. This translates into time savings. Does this user have unfulfilled expectations when using HP's calculator web site? This is not intended to be an HP web site review.

What are the expectations for experienced HP Calculator users? The qualifier, experienced, is important because of HP's history. Who discards an HP calculator? Why does every calculator collector who collects Russian machines, four function machines, LED display machines, 70's machines, TI machines, mechanical machines, etc. always have a few HP machines in their collection? HP has been a leader in the technology of computation with quality machines that last. Even new users are very aware of the mystique of HP's calculators.

A few expectations, from my perspective, come immediately to mind.

- HP makes calculators that provide the correct answer.
- HP supports its products with extensive and educational documentation.
- HP's machines are reliable and last for a long time.
- HP should provide steak over sizzle, stuff over fluff, meat over potatoes, etc.
- HP is consistent. RPN works the same on all machines.
- HP is a technical company and does things for good technical reasons.
- HP utilizes advanced technology when it is proven effective.
- HP provides value, remorse in buying an HP product is unusual.
- HP is straight forward in its customer/product dealings.

Our annual HHC's attempt, and generally provide, answers and clarity for unfulfilled expectations. We attempt to provide insight into what HP is doing, what is actually doable, and what we expect.

A young enthusiastic attendee lamented to me yesterday that he is not coming to HHC 2008 because he had unfulfilled expectations regarding what is coming in the future. He is still inspired by double injection molding used in the classic series machines. He asks, why doesn't HP bring back the HP-15C and HP-42S? I suppose we all have unfulfilled HP expectations. One of the goals for an HHC is to provide realistic expectations – and then deliver.

I hope you will continue to communicate your expectations to me and the HHC committee as well as giving them in person in Corvallis. I will see you in 17 days with our normal expected expectations.

X <> Y,

Richard

P.S. I just finished a Skype call to Oregon and I am reminded that you should be sure to bring a jacket or sweater because it is cool in the evenings and even chilly during the day time. Coming from the southern desert with triple digit temperatures I easily forget that 1,400 miles North actually has a different climate.