

Consumer Research Essentials for Early-Stage Product Testing

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The Problem

Products don't always meet consumer expectations; testing can be expensive

According to Harvard Business School's Professor Clayton Christensen, over 30,000 new consumer packaged goods (CPG's) are introduced every year and over 80% fail in the marketplace. An often-cited reason for failure is the product is not well liked or does not match expectations set by the packaging, marketing materials, and consumer communications.

Companies may launch products with sensory defects in their rush to get the product to market. These companies assume they can fix high mention issues to improve the product after launch, which is often too late. First impressions with a new product must deliver a positive sensory experience to earn a repeat purchase. If it is flawed from the beginning, expensive investments in product development, packaging, promotion, and manufacturing may not be recouped.

To protect against this, getting consumer feedback is advised. However, many product launches have tight schedules and tight budgets. Without a solution that can deliver quality, consumer-centric data affordably and quickly, the company is left to make decisions with potentially flawed data or with no data at all.

The Solution – Dragonflyght®

Reduce cost barriers for robust small-scale consumer tests

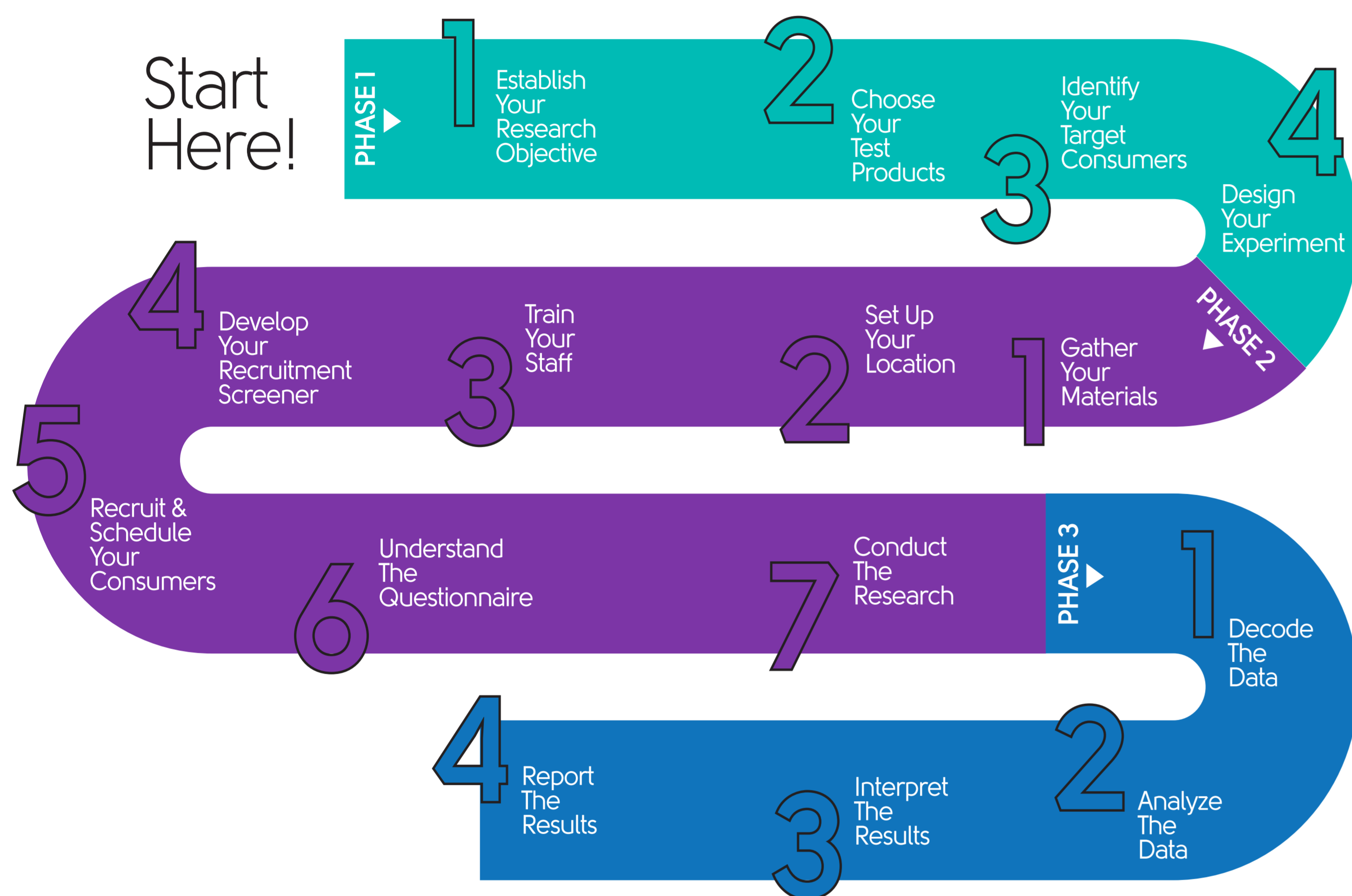
Small-scale tests, as outlined in the Dragonflyght® handbook, provide a solution to this common issue through their affordability and efficiency. By incorporating the essentials of a successful consumer study into these tests, their scientific rigor is not lost. Quality, unbiased, consumer-centric feedback is procured by continuing to follow best practices, just on a smaller scale.

An Example Case-Study

Training to control experimental variables

The consumer research essentials for early-stage product testing will be demonstrated through an example case-study. The details of this case-study are fictional and for demonstration purposes only.

A regional brand of Kettle Style Potato Chips currently lacks the manufacturing capacity to expand production. The chips are produced in small batches and moving production to a manufacturer with capacity to increase daily output is desired. This move may change the unique and identifiable sensory characteristics of the chips, which reflect the brand's identity and may impact its popularity.



Business Objective

A clear and concise business objective sets the foundation to build a successful study.
EXAMPLE Confirm that the chips made with the new manufacturing process are as well liked by consumers as the chips mad with the original small batch process.

Test Products

Our research has shown that three is the ideal number of products to be evaluated in a single flight. Products selected must represent the test variable and avoid confounding variables by controlling all other aspects.
EXAMPLE Current, Prototype A (2x capacity), Prototype B (4x capacity)

Target Consumers

Products should only be tested with subjects who represent the target consumer population, such as regular users of the product, brand or category. Consumers may also represent the opportunity target, such as non-rejectors of the concept. Demographics may or may not be important for the research. Screeners shall be used to qualify subjects.
EXAMPLE Current consumers of BBQ-flavored kettle chips

Research Preparation

Training on test design and execution

6 SERVING ORDERS
1-2-3
1-3-2
2-1-3
2-3-1
3-1-2
3-2-1

Careful planning is key to running a successful research study, no matter the size. In the week leading up to the research, all materials and products shall be procured and the schedule, consumer orientation and test design created. Test designs should have a balanced product serving order, so all products have an equal chance to succeed. In addition, all test execution variables, such as product preparation protocols, must be controlled to minimize error introduced into the results. By the morning of the research the prep and testing areas must be set up, products and materials staged, and staff trained.

The Questionnaire

Focus on a few key powerful industry standard scales

TRIFECTA SCALES Dragonflyght utilizes the trifecta scales of overall liking, purchase interest, and meeting expectations. These scales are the industry standard method to make big decisions. These data indicate consumers' acceptance of the tested products as compared to one another.

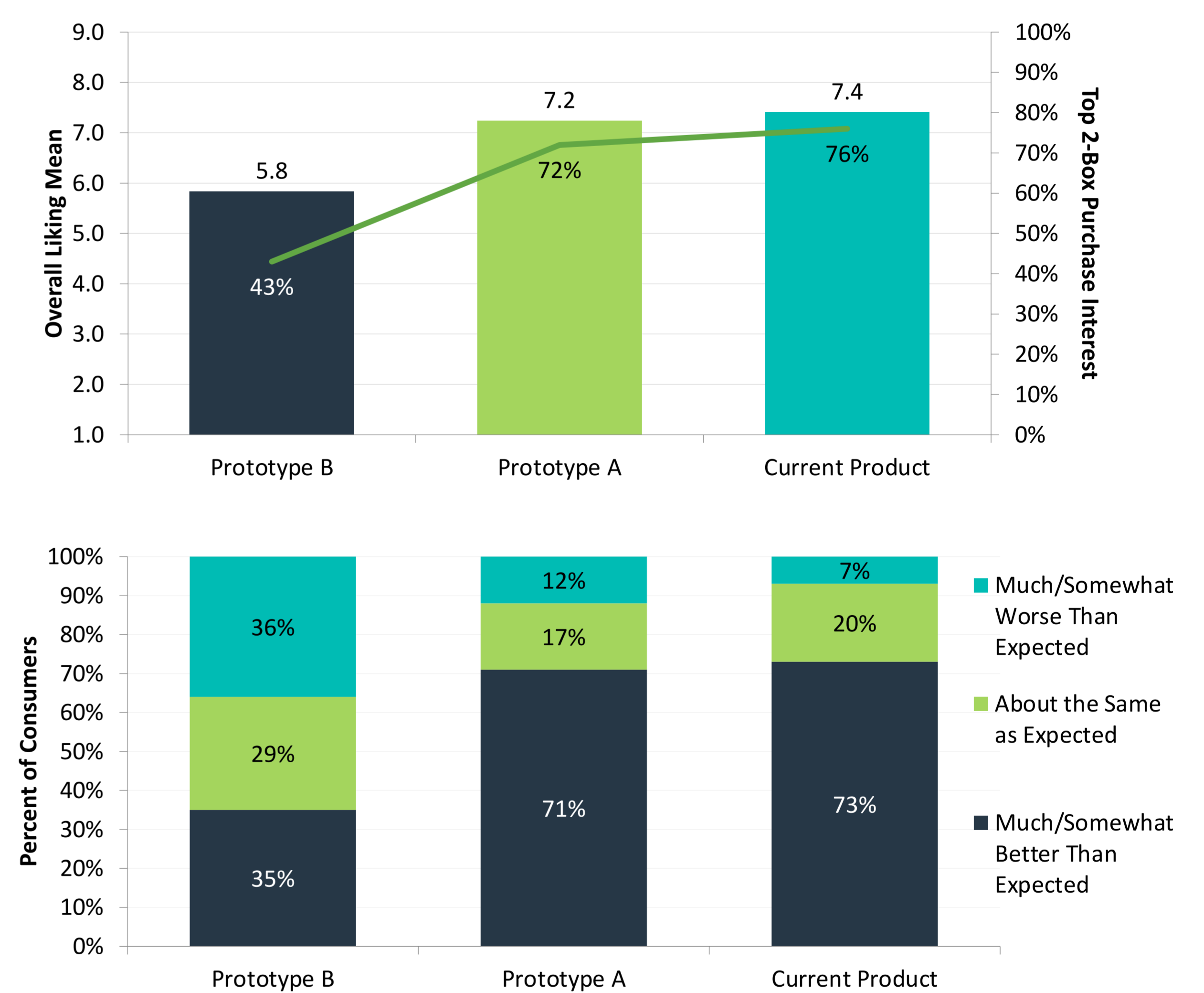
OPEN-ENDED COMMENTS The Dragonflyght scorecard also provides space for consumers to list their likes and dislikes. This provides qualitative information to help understand the reasons behind their ratings. These comments may provide additional insights and improvement opportunities.

DEMOGRAPHICS The scorecard records the participant's age and product-use frequency. This information can be used to better understand the subjects.

ADDITIONAL ELEMENTS Researchers may choose to learn more about the subjects purchase behavior by providing the subject with the choice to have one, or none, of the products for free and record which one they choose, if any. Consumer interviews can also be conducted after testing to delve deeper into their motivations and reasonings.

Results Analysis & Reporting

Data processing is simple, easy to calculate, and easy to understand



Applications

- Early-stage indicator of product potential
- Casual bar/context research
- Affordable research tool for start-ups
- Teaching tool
- Provide consistency in research execution across locations and skill levels
- ...and more...

Impact of the Application of Dragonflyght®

Key findings provide an early-stage indicator of which products are not well liked from those that are ready to continue towards launch. Therefore, the R&D team can use these insights throughout the product development cycle to make consumer driven decisions.

When needed, larger validation studies can be conducted to provide greater certainty of consumer acceptance. Small-scale tests allow companies to make this investment with the knowledge that the products have been screened and accepted by a smaller group of target consumers. Money and time is saved by using these insights to forgo larger consumer studies when the products are not yet ready.

With these critical insights, companies that use these early-stage small-scale tests will be less likely to launch products with sensory defects. Their products will instead delight consumers leading to greater chance of success in the marketplace.

