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MORE PROFIT, LONGER LIFE:

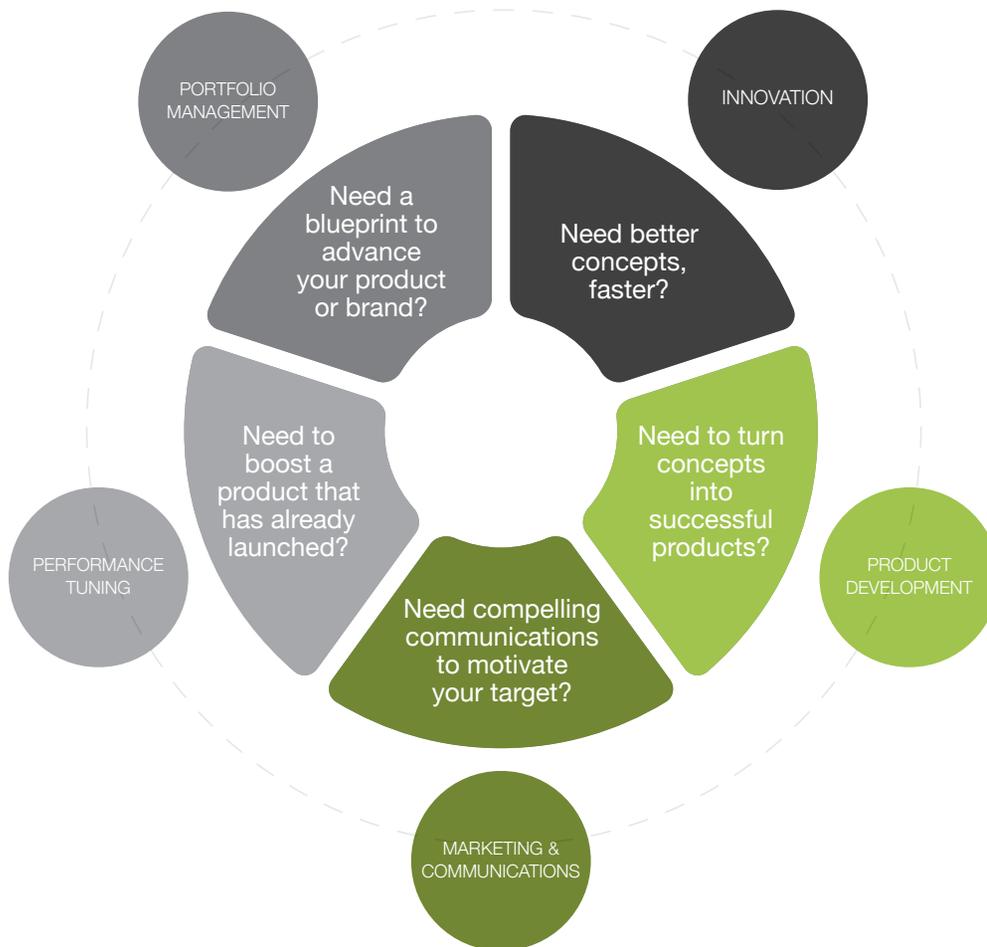
- How Qualitative Research Optimizes the Product Lifecycle

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MORE PROFIT, LONGER LIFE:

How Qualitative Research Optimizes the Product Lifecycle



Q. Where does research belong in the product lifecycle?

A. Everywhere.

Information is the secret sauce of successfully managing the product lifecycle. There is simply no substitute if you want to create a long-term business. And the ROI on information can be the difference between product success and failure.

As shown in this product lifecycle graphic, different types of research provide information for each of the different phases. In developing the product, the goal is to make sure the benefits delivered are those demanded by the market; with a mature product, it's to continually innovate to bring additional benefits and keep the product fresh. Better information can optimize all phases of the product lifecycle.

In this piece, we'll help you understand how to apply qualitative techniques to your business challenges throughout the product lifecycle.

INNOVATION

Get better concepts, faster.

Successful products result from the early identification of unmet customer needs. At this critical stage, it is important to ground innovation efforts in figuring out what customers want. Even if – and especially if – they don't exactly know what that is. Qualitative research provides unstructured, creative exploration of target customer needs that leads to great concepts.

Immersion/Deep Dive: To thoroughly understand your customer or a key segment—their lifestyle, values, challenges, unmet needs, whitespace opportunities—consider immersion or deep dive research. This might involve mobile ethnography, focus groups, on-site observation or a mixed-method approach.

Meta-Analysis: Meta-analysis of existing research – primary or secondary – provides a cost-effective, timely way to approach concept development. Similarly, social media listening research can give you a quick, low-cost read on the consumer pulse.

Ideation: Generate ideas with a brainstorm session grounded in your consumer insights.

Team Navigation®: Begin preliminary concept development by clustering and evaluating ideas against business capabilities and parameters. If you get this right, you jump-start your new product development process spending a lot less down the line.

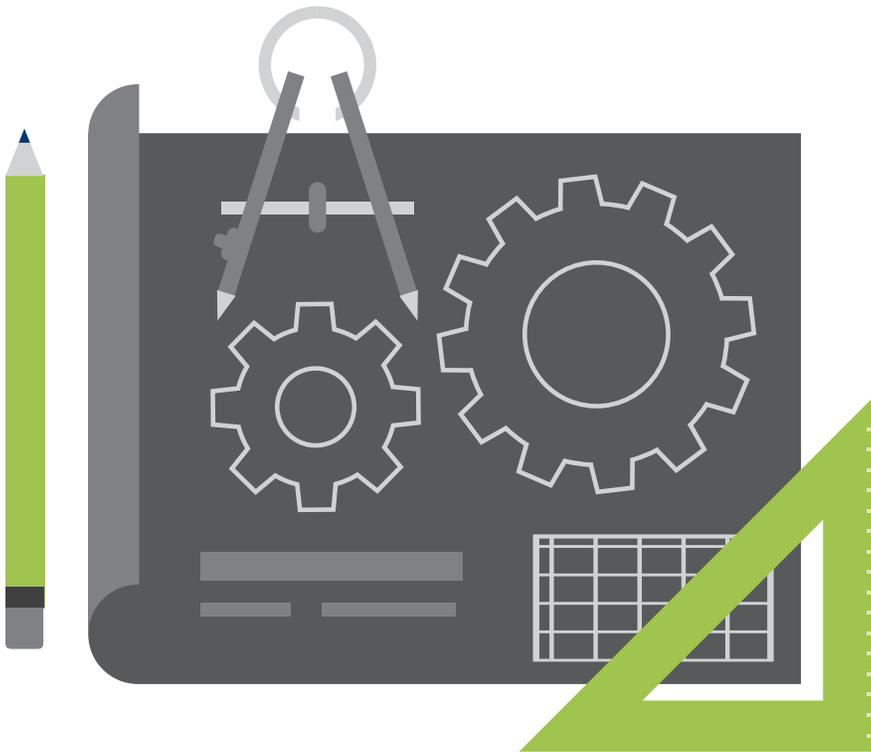
Concept Screen/Evaluation and Optimization: Expose early drafts of your ideas to your customers before capital investment. The cost of doing this research is always cheaper than the cost of making a mistake. This research can be done either qualitatively, quantitatively, or both.



PRODUCT DEVELOPMENT

Turn concepts into successful products.

Once concepts have been identified and refined, the work of turning those concepts into successful products gets going. Product prototypes are developed and tested. Preliminary positioning, naming, packaging, pricing, and ad strategy work also begins. This phase of the product development process is hectic and there are frequently operational and production constraints. Too often in this stage, qualitative research gets skipped, consumer insights get lost, and the product launch can get off track.



Product Testing and Refinement: Protocepting—creating several iterations of a new product and testing them with consumers—can be conducted via in-person focus groups, quantitative IHUTs, qualitative IHUTnographies, and similar techniques. This is the time to explore product attributes, formulations (e.g., ingredients/materials, texture, flavor options, colors), and even alternative packaging. We recommend fully engaging the cross-functional innovation team to gain all-important internal alignment and forward momentum.

Preliminary Positioning, Naming, and Package Design Research: Once the concept begins its journey to product, the value proposition is set and the critical work of positioning the product to the consumer begins. Naming and package design research ensures that the product delivers on key consumer benefits.

MARKETING AND COMMUNICATIONS

Craft breakthrough communications that motivate the target.

Let's face it – the marketplace is noisy. It's crowded. It's hard to get noticed. Given all this hubub, how do you make sure that your marketing messages break through to your target audience? The bulk of qualitative research typically occurs in this product development phase, in evaluating and refining positioning statements, package design, messaging and advertising to move consumers to purchase.

Communication Checks: it's important to minimize groupthink and to get unbiased and unaided reactions to advertising stimuli. We recommend individual in-person or webcam depth interviews.

Positioning and Packaging Work: a variety of methods work, including:

- » Online Discussions. We often use a privacy feature in which participants express their opinion before seeing the opinions of others.
- » Traditional or mini focus groups. We often find “less is more” and are able to get richer insights from a smaller number of participants.

Disaster Checks: Sometimes, after the preliminary research is completed, so many small changes have been made through the development process that communication gets off track. Once you have a fully developed marketing and communications plan, one last “disaster check” of the advertising and packaging is often useful. This usually involves a handful of webcam or in-person interviews, to make sure nothing takes away from the intended communication.

Promotional Testing: At this phase, you may wish to evaluate the potential value of possible promotions to boost your launch.



PERFORMANCE TUNING

Boost a product that's already launched.

You're in the marketplace. And unfortunately the product is not performing to expectations. Perhaps you haven't done research in the first three stages. Perhaps market conditions and the competitive landscape have changed. You know you have to do something about it to gain additional users and bolster the brand. What are your options?

It is critical to understand your target users, as well as category users who do not use your brand. User evaluation of your product in the marketplace can bring fresh insight and inform decisions about keeping the status quo or making changes to your brand, product, packaging, or marketing.

Market Structure Studies: Review the competitive landscape, perceived benefits and attributes of competitive products, and the degree to which products resonate with category loyalists and newbies.

Qualitative Market Segment Deep Dives: Perhaps there's an emerging segment that is using your product in new, unexpected ways, which could lead to a new market position. Or perhaps there is a segment that always uses your product in combination with another, suggesting an opportunity for a line extension. Qualitative research (including IHUTnographies, shoppalongs, mobile ethnographies) allows you to see your product in use, in the consumers' context, and to capture insights over time.



PORTFOLIO MANAGEMENT

Advance the product portfolio.

So what does it all mean? How do your brands relate to one another? **Brand management** is the discipline that continually evaluates the brand's meaning and relevance to the consumer and determines what's next. A key element of brand management is evaluating your product portfolio to identify gaps and rationalize overlaps. Optimizing your product portfolio yields opportunities to grow your brand. **Qualitative research** in this phase can be instrumental in illuminating vertical and horizontal growth opportunities.



Brand Perceptions: Understanding the deep emotional and functional benefits and associations of your brand can lead to product extensions and expansions. Consider conducting research that includes product sorts, archetype exercises, brand eulogies or other projective exercises to tease out brand perceptions. Group discussions, whether traditional focus groups, peer parties, or Online Discussions, can explore current brand perceptions relative to other brands in the category.

Competitive Positioning: Qualitative research is the best technique for developing an understanding of the competitive brand marketplace. Focus groups, either in person or online, and in-depth interviews allow deep exploration comparing value propositions, benefits and attributes associated with your brand and competitive brands.

Product Usage: Understanding how the consumer uses your products, singly and in combination with other products and brands, can deliver insight into product extensions and enhancements. Qualitative techniques such as in-person focus groups, quantitative IHUT's, and qualitative IHUTnographies explore product attributes, formulations (e.g., ingredients/materials, texture, flavor options, colors), and even alternative packaging to deliver additional consumer benefits, drive sales, and grow your brands.

CONCLUSION

Q. Where does research belong in the product lifecycle?

A. Everywhere.

Qualitative research is a critical tool in gaining the information you need to manage each stage of the product lifecycle. Through all of the product lifecycle phases described, qualitative research contributes insights and ideas for successful new product development, launch, and growth.

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