

## CONSUMER INSIGHTS BEST PRACTICES FOR NEW PRODUCT DEVELOPMENT



# ABOUT THE AUTHOR



## **Russ Rubin is the Head of Insights at EdgiLife.**

He was formerly the Director of Consumer Insights at General Mills working extensively on a wide portfolio of products such as Cereal, Yogurt, Snacks, Desserts and Meals.

He **has more than 35 years** of research experience and is an expert at creating research solutions, processes and organizations/team building with a focus on the business issue.

Russ collects countries for a hobby. He has visited 75 countries and still counting!

# OVERVIEW

2

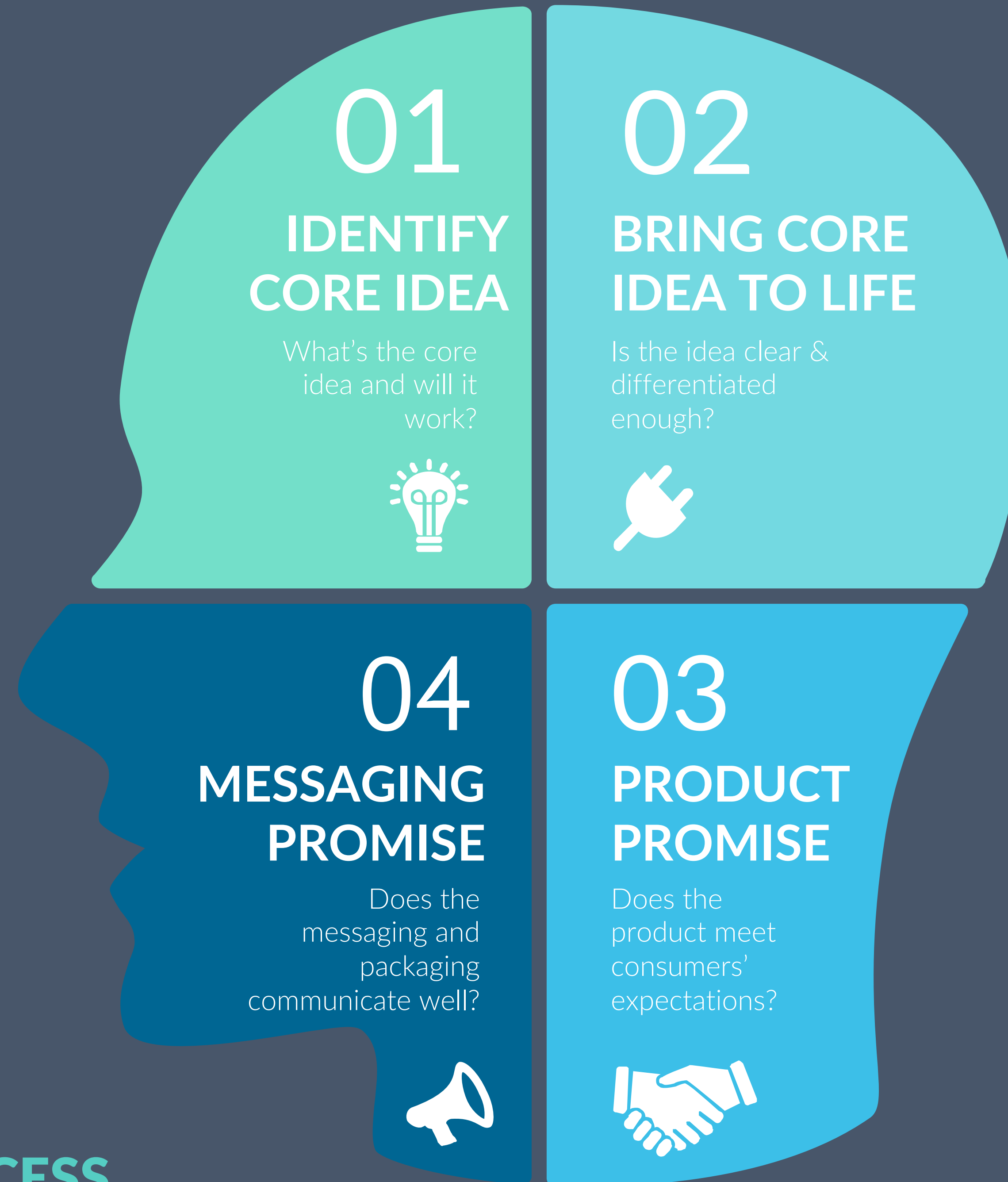
## **What kind of insights are needed when developing a new product?**

The following is a comprehensive outline of the various consumer insights steps which can be taken in a new product development process.

It's not necessary to perform all the consumer research for each of the stages. In fact, no one does all of them. Some are essential, some are helpful and some are nice to have.

## **The key things are to identify strengths, points of difference and avoid fatal flaws.**

# NEW PRODUCT DEVELOPMENT PROCESS



# 01 – IDENTIFY CORE IDEA

## Key Issues To Resolve

- Are there unmet needs?
- Are there existing problems that needs fixing?
- Does the brand or existing asset provide an opportunity?

## Consumer Insights Process

- General research like gathering data from Nielsen, Mintel, Euromonitor, government statistics etc
- Focus groups, individual interview, online communities etc

## Research Method

- Qualitative research

## Panel Size

- One-on-one interviews  
– 10 to 20 consumers
- Focus groups  
– 7 to 10 consumers
- Online communities  
– 50 to 100 consumers

## Outcome

- Identify the strategic reasons for the project

# 02 – BRING THE CORE IDEA TO LIFE

## Key Issues To Resolve

- Is the idea clear?
- Is it differentiated enough?
- Is the market size big enough?
- Does the product deliver?
- Does the packaging and branding communications create awareness and expectations that will lead to trial?

## Consumer Insights Process

### Step A: Unbranded Concept Test

- Test concept with core audience to evaluate appeal, purchase interest, flavors, key benefits and barriers without mentioning the brand
- The key here is to test different concepts to see how consumers react to the different ideas

### Step B: Branded Concept Test

- Like Step 1 but with brand mention.

### Step C: Refine Branding & Packaging Options

Test the best presentation to consumers through packaging and messaging.

## Research Method

Quantitative online survey for all 3 consumer insights processes

## Panel Size

### Step A: Unbranded Concept Test

- 200 to 300 consumers

### Step B: Branded Concept Test

- 200 to 300 consumers

### Step C: Refine Branding & Packaging Options

- 100 to 300 consumers

## Outcome

It's **essential** to perform consumer research on **Step A: Unbranded Concept Test** and **Step C: Refine Branding & Packaging Options** to identify concepts and flavors that attracts the best consumers reactions. This information will be used for developing new products.

# 03 – PRODUCT PROMISE

## Key Issues To Resolve

- Do consumers like this new product?
- Does this new product meet consumers' expectations?
- Are there any product attributes that need to be improved?

## Consumer Insights Process

- In Home Usage Test (IHUT)
- Test multiple products/ flavors with core audience
- Test products against a competitor to get a good performance benchmark

## Research Method

- Quantitative online survey

## Panel Size

- 150 consumers

## Outcome

It's **essential** to perform **IHUT** to evaluate readiness to launch and/or identify any issues with product

# 04 – MESSAGING & PACKAGING PROMISE

## Key Issues To Resolve

- Is the brand/product messaging clear when it's on the shelf?
- Does product grab consumer's attention when it's on the shelf?

## Consumer Insights Process

- In Home Usage Test (IHUT)
- Test multiple packaging or messaging with core audience
- Test products against a competitor to get a good performance benchmark

## Research Method

- Basic product benefits and consumer motivation **needs to be uncovered** earlier in Step 2 of the new product development process.
- However, the following can be done much later in the new product development process:
  - advertising messaging
  - minor details of packaging, e.g. red pack vs blue pack
- Quantitative online survey

## Panel Size

- 150 - 200 consumers

## Outcome

Evaluate and refine key messaging and packaging



# WHY DO NEW PRODUCTS FAIL?



Lack of differentiation.



Packaging is not attractive or looks like everyone else.



Lack of visibility on shelf. Having 1-2 SKUS on the shelf may not be enough to break through.



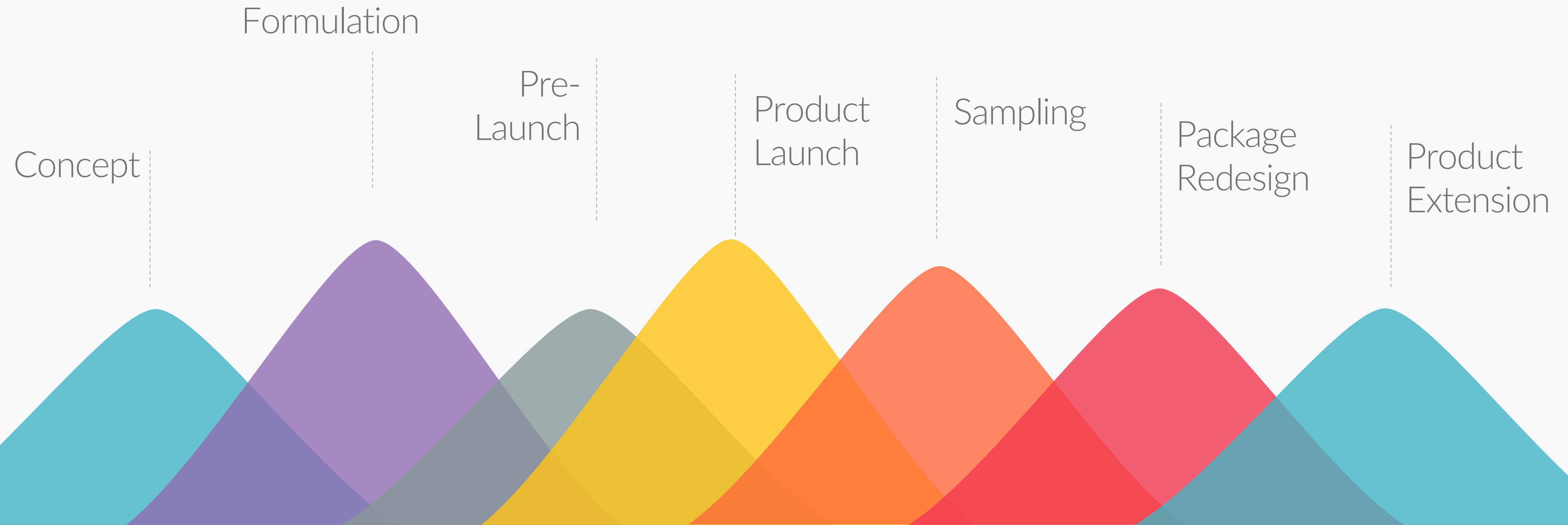
Lack of awareness which leads to insufficient activation in stores.

While the product quality is essential, it is not the key reason for new product development failures.



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9



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