



Kate Anderson
RS Consulting

Afraid that Research will kill your concept? Think again.

RS Consulting's Kate Anderson with 20+ years at the chalkface of global innovation research, shares some insider knowledge.

You are likely to have heard the phrase “death by focus group” bandied around in the media in recent years. Focus groups receive a lot of bad press with detractors accusing them not only of failing to aid innovation, but even of stifling creativity altogether. This school of thought is a counteraction both to over-reliance on focus groups (some act as if these were the only means by which to test and develop new ideas), and also to the misconception that focus groups should be used to gain consensus rather than to understand the range of opinions. In reality, the truth lies somewhere between: focus groups are a useful weapon in the innovation research armoury but a blunt tool when used inappropriately.

This view frequently tars all market research with the same brush, such that some believe that any form of market research is

by definition anti-innovation. But, this school of thought runs the risk of throwing the baby out with the bath water. It's worth remembering that for every single-minded pioneer trailblazing revolutionary and successful products into new markets, there are 10 innovators developing products and features for markets that don't exist.

It's a fundamental rule of business that you should follow the money and robust and creative research is the way to ensure you keep your eyes on the prize. Apple's success despite Steve Jobs' oft stated disdain for market research has popularised the anti-research mindset, but there's research and there's research - Apple may not have been pro formal research such as focus groups, but has always been adept at selectively leaking product features via the media to test market response on the sly.

So how do you test product ideas and concepts while avoiding an ignoble “death by focus group”? How do you get the true insight you need to ensure successful innovation?

Be multi-disciplined: The answer’s focus groups, now what’s the question? This should set the alarm bells ringing. No two research requirements are the same, so why should one research method fit all? To deliver true insight and maximise ROI, any research programme must be designed around the individual circumstances of your specific initiative: focusing on filling your information gaps and challenging preconceptions.

Sometimes focus groups are the answer, and sometimes they’re not. Qual, quant, online, offline, ethnographic observation, accompanied shops, ideation, market sizing, needs profiling, concept testing, trade-offs, pricing trade-offs etc. can all play a part in the ideal research solution. The ideal programme will piece together just the elements of research you need to take your innovation project to the next level.

Take a flexible approach: Structuring your research programme in phases will ensure that you build on your understanding of the opportunity and target your research spend in the areas most critical to developing a successful innovation strategy. Experience shows we need to be willing and able to adapt the research programme as we learn more about the market.

For example when researching the feasibility of entering a new market, a single factor (e.g. legislative barrier) may result in the need to completely redefine your geographic target. Initial findings can often put paid to the idea of targeting certain customer segments. Your programme needs to have the flexibility to adapt in light of what you learn, without cost penalties.

“ *Your research approach and targeting must adapt to the characteristics of the market and a flexible approach ensures that you invest those limited research dollars in the markets which indicate the greatest likelihood of success.* ”



Think global: Increasingly opportunities for new products and services take our clients into uncharted territory – emerging markets are a key focus, particularly for trickle-down innovation. It's vital that you don't make the mistake of assuming that emerging markets will necessarily follow the same development path as established markets, nor indeed should you assume that any one emerging market is like another. Fortunately technology allows us to use online groups to extend the co-creative experience across far flung continents.

Never is it more important to take a multi-disciplined and flexible approach than when working across the globe. Your research approach and targeting must adapt to the characteristics of the market and a flexible approach ensures that you invest those limited research dollars in the markets which indicate the greatest likelihood of success.

Unlike back in the "good old days", international research is now so much more accessible and affordable: online diary tools like e-luminate give us ethnographic insight into customers worldwide in homes, at work, out shopping and on the move; the growth in internet penetration and proliferation of panels in the remotest of markets means online surveying is increasingly worthy of consideration; online group technology enables us to pull together elite niche audiences across the globe whilst video streaming tools such as FocusVision allow stakeholders to view groups real time circumventing freezes in travel budgets.

Truly engage with your customers and get to the heart of the issue. Not only do badly administered focus groups kill creativity they also sap your customers of the will to

live. We have a duty to ensure that our respondents are truly engaged, explain to them what you are trying to achieve, ask them challenging questions, be direct about what you want to know – you'll be delighted with the outcome.

Embrace co-creation: Inasmuch as the focus group is cast as the villain of the piece, co-creation is very much en vogue. Open-innovation and crowd-sourcing

“ *Using co-creative techniques maximises the value of your focus groups (online or offline) and gives your stakeholders a vital first-hand experience of customers and their perspective.* ”

are a main-stay of the innovation process for a host of leading brands: IBM, P&G, Kraft, L'Oréal, Sony Ericsson, SXSW, Toyota, Unilever. The research world is focused on bringing clients into direct contact with their customers to get the creative juices flowing. Using co-creative techniques maximises the value of your focus groups (online or offline) and gives your stakeholders a vital first-hand experience of customers and their perspective.



Which brings me on to **triangulation**: when we combine the minds of your customers, with your product developers and designers, the creative sparks start to fly and concepts are taken to a new level in record-time. This demonstrates the value of evaluating your concepts from different perspectives. But, why stop with a bilateral approach? Think about your channel partners and potential customers, and think about your competitors and providers of parallel services. Through combining these perspectives, we end up with a water-tight evaluation of opportunities, solutions that the customer wants, that the channel will promote, and which will stack up against the competition.

And finally, **interpretation, interpretation, interpretation**: you can gather all of this data but it's worthless unless synthesised properly. As Henry Ford once famously said, "If I had asked people what they wanted, they would have said faster horses". Yes Henry, they probably would have, but what a useful insight that is! It's

our job to contextualise this and view it through the lens of behavioural economics: to take that expression of need, understand the context and understand what's driving the need, what is technically feasible, what is financially viable, what will be accepted by the channel, how to position it, how to message it and so on. In short, to take the request for a faster horse and determine that this means that the automobile will be a winner.

Now, clearly I'm a fan of market research done well so I'd like to end my thoughts by throwing one last rock at those who reject outright the benefit it has in supporting truly creative and successful innovation. While Henry Ford attributed his success to his lack of interest in what customers have to say, this is also recognised to have been the most significant factor limiting the success of the Model T Ford. He famously said: "Any customer can have a car painted any colour that he wants so long as it is black" and stuck firmly to this policy only to watch the competition, who focused more on customer needs, steal the market.



If you want to find out more about how market research can help you genuinely connect with your customers please get in touch.

*rsconsulting.com
+44 (0)20 7627 7700*