

Consumer Research in the Digital Age



By Beverly Emerson, President of Olive Tree Product Development

Stuart Stein, director of open innovation for Mondelez International, one of the world's largest snack companies, recently described the most common new product request for Kraft Miracle Whip is a jar with tops on both ends so that consumers don't get their hands messy scraping out the bottom. As product innovators, we know that solid consumer research is one of the keys to developing successful new products, but we also know that not all input from consumers is worth acting on. So how do we get good data in order to make decisions?

Ten years ago, depending on the culture, we did one of two things: we either looked at what category leaders

did and then tried to do it better, or we used traditional methods of research, both quantitative and qualitative, to get consumer feedback to concepts, messaging and sensory attributes. In really sophisticated companies, we tiptoed into ethnographic studies, trying to better understand what consumers do and why they do it, getting at their motivations, ultimately leading to new product concepts. When I was with Banner Pharmacaps, we conducted research on different dosage forms to understand consumer attitudes toward swallowing various sizes and forms of vitamins and medicines. At Pinnacle Foods, we used mall-intercept consumer taste testing on multiple salad dressing formulas to

guide product formulation.

Flash forward to 2013. The world has shrunk, the internet is accessible virtually everywhere and we can, with a touch of a button, locate almost any tidbit of information we want from a device that slips into our pockets. How can we best utilize our ubiquitous access to consumer data? Below are a few different types of research that can be done, depending on your objectives.

Social Media Analytics: Building a Strong Brand

According to Marc Levine, owner of ICA Social Media (www.icanewfriend.com), "All of marketing is now in control of the consumer, not the marketer. The

web is leading traditional marketers to a larger consumer audience and equipping them with much more sophisticated data collection and measurement/insight tools."

Just because you've built an interactive website, someone is managing your corporate Facebook account and tweeting regularly, doesn't mean you really understand your consumers, or have a grasp on which messages are more meaningful to them, or what their biggest gripes are. Do you know their demographics, lifestyle choices and what other sites they are going to? The answers to all of these questions help us do two things:

- They help us create stronger brands (leading to higher sales and market share)
- As we listen to our consumers, they can lead us to identifying new product opportunities.

At the end of the day, real ROI is possible from having a social media strategy and metrics.

Analytical tools such as Google Analytics, SiteCatalyst and Salesforce Marketing Cloud (previously Radian6), can help you do this. According to Levine, the challenge is that executives often hand over the management of these tools to the product manager (PM), assuming that they will be able to flesh out the data. The fact is that if the PM has a traditional background, they may have no idea what to do with the data at hand, or how to get more. "Hiring the right personnel to be able to guide the team is critical to being able to use social media to build a brand," said Levine.

At Curiosity Advertising (www.curiosity360.com), Jeff Jones, vice president of strategy and insight, heads up the Insight Stream division that specializes in interactive research. "We use social media as the launching point for understanding consumers' desires, following up with quantitative testing, and then digging deep with qualitative to help companies identifying potential new opportunities—actionable insights. All in a six-week window," he said. "And because it's interactive, we can scope out a project for both Fortune 100 budgets as well as start-up budgets."

Here at Olive Tree, we use social media monitoring to help our clients better understand what consumers currently think about a topic (providing children with supplements, for example), as well as understand potential new spaces for innovation. Where one finds complaining, and "jury rigging" solutions, one finds insights into potential new product opportunities.

Qualitative: Understand General Feelings, Values & Perceptions

Traditionally, qualitative research was done through focus groups. We put a specific group together in a room and asked questions about a potential new product, advertising messages or usage of certain supplements. This type of research allows us to dig deep with consumers about why they do things, when they do it and why they choose one brand over another. The specific questions can vary a bit, depending on the group responses.

Today, there are a number of online tools that allow us to do some of the same research. Some of the various

online qualitative research approaches include online communities, online discussion boards, journaling, mobile research, immersive research, video/webcam focus groups and real-time chat, according to Regina Szyszkiewicz, co-chair of the online special interest group for QRCA (Qualitative Research Consultants Association) and founder of Ten People Talking (www.tenpeopletalking.com). "Immersive work is ideal for exploratory work, where we are uncovering trends and looking

for unmet needs, and when clients want to be in the moment with consumers," she said. In this type of research, participants use their mobile phones and webcams to capture specific moments, and are able to post online about their experience. Imagine doing this research to find out how user-friendly a new packaging prototype is, or watching a child take a new omega-3 chew. Does his face crinkle when he tries to chew it? What are the first words out of his mouth? How about doing a virtual tour of a consumer's kitchen, where supplements are often stored? What might you be able to learn?

When "face-to-face" research is called for because you want to see body language and hear tone, Facetime or Skype become reasonable options. However, when you want consumers to touch, smell and taste product, as well as be able to discuss it together, traditional focus groups remain a great place to start. Then you can move online or to quantitative research to validate the findings of this small group.



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Quantitative: Analyzing Numerical Data

Surveys are still the most common online research being done, according to Mike Pritchard, founder of 5 Circles Research (www.5circles.com). Sites like SurveyMonkey (www.surveymonkey.com) and SurveyGizmo (www.surveygizmo.com) have made it easier—and cheaper—than ever for companies to do their own research. The bias built into this approach is that you provide the e-mail addresses. This is great if you want to get more information from your consumers, perhaps getting their opinion on new product ideas or new packaging. The downside is that they are your customers, and don't reflect a broader distribution. "The do-it-yourself research and economic pressure has had some negative, as well as positive impacts. Unfortunately, we see lots of bad surveys being done," according to Pritchard. To help companies utilize these services with fewer downsides, he, and others, provide expertise in writing and analyzing these online surveys.

What makes either digital or traditional market research successful? The answer hasn't changed over the past 10 years. At the end of the day, you need to be able to do something with the data.

Survata (www.survata.com), a relative newcomer to the online research market, is making a dent by providing a broad consumer base through publishing panels. "For as little as 10 cents per question, companies are able to learn about consumer behavior, test new product designs and logos, and gauge demand for new services. We include assistance with reviewing and writing unbiased questions as well," the company stated.

There are many other online consumer panels available for surveying your specific customer as well. It's like hiring key personnel for your team—ask lots of questions, find out how they recruit their panelists, get referrals and understand how they would approach your specific research problem.

Conclusion

What makes either digital or traditional market research successful? The answer hasn't changed over the past 10 years. At the end of the day, you need to be able to do something with the data. The

worst outcome is to come away with fuzzy results that you can't do anything with, and you are forced to either "wing it" or do more research. It's one thing to plan on interactive research. It's quite another to have it thrust at you because it wasn't thought through clearly enough up front. It's a bit like going to Home Depot. They will happily sell you any tool you want, but unless you have clearly outlined the project objectives and outcomes upfront, you are likely to buy the wrong tool for the job.

Consumer research should be an integral tool in your go-to market strategy, and checking in with your audience frequently increases the chances of developing a new product or a clear message that will drive sales the way you need it to. It doesn't have to be expensive. It doesn't need to take months. It does, however, require planning, forethought and ... research! **NIE**



For more than 25 years, Beverly Emerson has been helping leaders of food and nutrition companies achieve significant growth through successful

new product innovation. An accomplished CPG marketer and R&D executive, Emerson integrates consumer insights with technical expertise, creating products that make a difference—to both consumers and the bottom line. She can be reached at bev@olivetree-pd.com or www.olivetree-pd.com.

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