



## Putting the Consumer at the Heart of the Innovation Process

Gaining consumer input has never been easier or faster.

By Beverly Emerson, President of Olive Tree Product Development

**C**reating an innovative product that both delights consumers and creates profitable companies requires that we understand where consumers are now, help them envision where they want to be and create the bridge to transport them there. This means we have to understand our customers, and keep them at the center of the new product development process. And yet budgets

are a reality—whether you are Procter & Gamble or a start-up, budgets matter. Companies should not spend any more money than necessary to get meaningful consumer insight—not one dollar more. But skipping research altogether always costs far more than research would have cost. As Jeff Jones, vice president of Digital Strategy for Curiosity Advertising, said, “Some insight is better than no insight.” Fortunately, we have come a long way in how we go about getting that insight.

For example, in 2000, my colleagues and I were behind one-way glass, watching eight women discuss candy—

why they consume it, when they consume it and how happy it makes them. Then they tried our bench top version of a new-to-market candy, gourmet salt-water taffy. One woman, dressed to a T, tried to remove the candy stuck to her teeth so she could actually comment. Another woman suddenly exclaimed loudly, “You know what this reminds me of? Oh—you know! What was it? ... Oh yeah, that diet candy in the ‘70s. Ayds! Yes, it reminds me of Ayds!” We repeated this study five more times, listening to a total of 40 women for a cost of about \$30,000. It took three months to kill the idea.

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“Make sure the customer’s voice is part of your discussions and decisions ... continually.”

— P. Drucker, 1999

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Flash forward to 2012: We completed five different, but related studies for a client looking for innovation in the baby care category. For the same cost and only six weeks, we had a clear idea of what kinds of products new mothers were looking for and whether they were satisfied with what they were currently using, had tested and validated new product concepts, and had purchase intent data in hand. Was it accurate? We had listened to well over 200 new mothers across the U.S. We had integrated global trends and new product sales into the analysis. The recommended new products went into development, were presented to retailers and are currently on-shelf, outselling initial forecast.

### What did we do?

- **Leveraged the internet and social media.** We used the best of what it offers, while being wide-eyed about the shortcomings. The best: a look into the global world, and an easy way to reach both brand users and those that intentionally don't use the brand. The worst: the vocal minority (the "fringe" voice). Instead of assuming we knew where the real opportunity was, or doing traditional focus groups or mommy playgroups, we went online to understand where consumers thought the opportunity was. "Not only do we look at what is happening on Facebook and Twitter, but we look anywhere that someone can post an opinion—including reader comments on current events," said Jones. "Once we had an idea of where the opportunity was, we created an online questionnaire to quantitatively determine whether we had heard accurately," and we had.

For companies looking to do this themselves, there are plenty of online survey tools like SurveyMonkey, QuestionPro and a dozen others. Keys to success include getting the questions to broad enough of an audience to be trustworthy, and writing questions that are clear, unbiased and actionable.

- **Watched consumers jury-rig their own solutions.** Ethnographic research has become a key component in many large corporations, and they understand the value of being with consumers. For very little cost, we watched how mothers tended to their babies' needs. We looked at the types of "jury-rigging" solutions they came up with, because there were no effective products sold on the market. We heard about the homemade concoctions that pediatricians were recom-

mending. What are consumers doing in your category because they aren't happy with commercially available solutions? Unless you get out and watch your consumers and talk with them, you'll never know. As Jeffrey Phillips, author of *Relentless Innovation* and senior executive of OVO Innovation, recently added, "Many product managers have never met a customer who actually uses their product, and never meet prospects or segments that actively refuse to use the product."

- **Conducted global research on the cheap.** We looked at what baby items were selling well in other countries and what the trends seemed to be. We uncovered medical and psychological research that would support a new technological platform. We did not fly around the world meeting with consumers, or hire market researchers abroad. In *The Ten Faces of Innovation*, Tom Kelley described the prolific ideas that come through flipping through magazines—across all disciplines and across all languages. Whether you create your own library for marketing and research scientists to access, or venture out to a public library or extensive bookstore, there is immense value in looking at images and words in a traditional fashion versus page by page over the internet.

Recently, I worked on a project for a Fortune 100 food and beverage client where we engaged with contacts from all around the world. Consumers, as well as subject-matter experts, love to give their opinions. Too bad we don't ask more often.

- **Engaged with customer service representatives.** Customer service representatives are an organization's first responders. While they are one step away from the consumer, they are generally the first to receive calls from both consumers and retailers. While the rule of thumb is that only 10 percent of people will speak up about an issue, these people may represent a larger group.

A well-run customer service department does much more than just field retailer and consumer requests and complaints. They also have a system for documenting all calls, cataloging them and reporting to the rest of the organization so that improvements can be implemented, ideas vetted, and issues discovered and rapidly addressed. These highly engaged consumers want to buy more from you. While they have great ideas, admittedly, those ideas need to be vetted to

ensure they are not coming from the "vocal minority."

### Takeaways

In a nutshell, fail often and fail fast has replaced slow, steady research. Research still needs to be well thought out and carefully planned, but the best research allows learning as the project progresses, asking new questions in the next series of interviews, based on prior conversations and observations. Putting a very crude prototype of new packaging in front of consumers instead of either just showing pictures, or waiting for the design team to create a semi-finished product allows for quicker insights and faster turnaround time for the next version.

In the recent baby care project previously mentioned, we had the opportunity to interview retailers about the product potential. Based on insight from the first interview, we changed some of the questions we asked other retailers—ultimately, it was a key factor in determining what we actually named the new product.

What's next in obtaining consumer input easier and faster? Think about taking advantage of engaging consumers over Skype and YouTube—watching them talk about their challenges, showing how they use a product, reacting to a new idea and testing your prototypes. Whether we are observing them struggle to open a new package or react to a new snack chip flavor, incorporating this type of technology allows affordable insights quickly, from all over the world. Personally, we love the concept of iterative learning, and will continue to integrate it into our client research in many forms and in many ways. It is truly putting the consumer at the heart of the innovation process. **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](mailto:bev@olivetree-pd.com), or [www.olivetree-pd.com](http://www.olivetree-pd.com).