



# Power New Product Development with Agile Insights

Get the actionable insights needed to fuel new product and service success



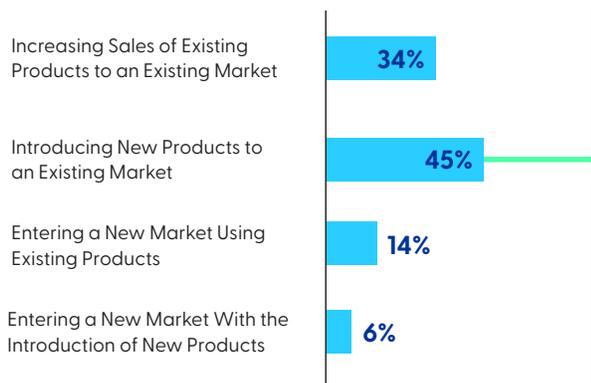


# Fuel success with an agile approach to New Product Development (NPD) research

In a rapidly changing world, new products/services are the lifeblood of most businesses and brands. Being on top of emerging consumer wants and needs or responding to competitive introductions is critical to maintaining relevance. CMOs are actively planning to bring new products to market in a variety of ways in 2021.

## How CMOs plan to fuel growth through New Product Development in 2021

### Primary Strategy to Fuel Growth Into 2021



### Primary Way Your Organization Plans to Approach New Product Development to Fuel Growth Into 2021



Source: 2020 Gartner CMO Spend Survey

Yet, investing the resources needed to bring new products and services to market is significant, and the risks are high. A well-formulated plan to gather data and insights that will inform key development decisions and help you understand your new product's potential can help mitigate those risks and position your new product for success. This eBook offers guidance on insight-gathering methods and approaches to consider.

## Key Questions

The big picture: we offer three guiding principle questions to help shape your approach to the tools and methods best suited to your product development initiative.

- What are your objectives?
- What data do you need to answer your objectives?
- What decisions will you make with that data?

Having this framework in mind will guide you on your journey and aid in choosing the right solutions to address your business needs.





# Where is your NPD focus?

Having clarity on the goal of your new product or service effort will enable you to determine what types of research will best suit your needs.

Some new propositions from financial services providers are extensions or are tweaks to existing products and services, more benefits, new features, more coverage, etc. These can sometimes be focused on short-term revenue maximization.

Longer-term new product and service efforts could also be of a more strategic orientation, designed for staying power over a longer time horizon, or developing new business opportunities entirely. Knowing which type of NPD effort you are engaging in helps frame choices for gathering data.





# Focus on the key areas of potential development

Brands use new product development to maximize opportunity and optimize current product portfolios

We've all seen new product development in action. Companies leverage brand equity and the success of their existing brand to introduce the new product and increase market acceptance using new formats options, clarity/transparency of wording and more. To maximize its potential, consider at least one of the following:

## Critical points to consider

The critical starting point of NPD is an understanding of what are the unmet and most compelling consumer needs in your category or segment.

### Product and service portfolio management is key:

Understand the benefits and strengths of your current product/service portfolio; are existing products likely to decline in performance as you introduce new ones, or are they replacements?

### Take the long view, develop for where you want to be:

Development takes time; which areas of the portfolio are you updating or replacing?

### Categorize developments:

Not every idea is a blue-chip prospect. Categorize to their strengths and fit/impact with the portfolio, e.g. short-term gains, medium or long-term goals.

### Take multiple views:

Does one view determine overall potential? Does the prospect work against different audiences or different areas?

### Consider the competitive context:

Whatever you can do, your competitors can do. The financial sector moves quickly in introducing new innovative products to market so moving quickly is often key to your success and outmaneuvering the competition.





# Addressing the need

The robust variety of choices to address your new product insight-gathering needs means that different methodologies come into play as your development cycle rolls forward.

## Depth and breadth of learning matters.

Whatever your NPD focus, there could be more than one relevant solution; each will provide answers on different aspects of your initiative. Having more and richer data enables evidence-based decision-making.

## Speed matters.

Even with multiple solutions fielded, robust studies can be completed in under 72 hours, often less. In fact, we have had cases such as 60+ claims being tested in two markets, with results delivered in under 24 hours.

## You don't have to choose.

Agile, fast, efficient solutions are embraced by the largest and most successful brands because they have come to learn that speed to market can make or break a new product. Modern automated methodologies make it possible to get high-quality data without sacrificing time.

**Below is an example of an NPD research approach with a financial services focus.**

Area	Solution	Short-term			Long-term		
		Features	Claims	Comms wording	Benefits	New ideas & categories	New positioning
NPD	Idea Screening	●				●	●
	Concept Testing	●			●	●	●
	Claims Testing		●	●	●		●
<b>Time elapsed</b>		<b>&lt; 72 hrs</b>	<b>&lt; 48 hrs</b>	<b>&lt; 48 hrs</b>	<b>&lt; 48 hrs</b>	<b>&lt; 72 hrs</b>	<b>&lt; 5 days</b>



## Case Example

# Global home insurer

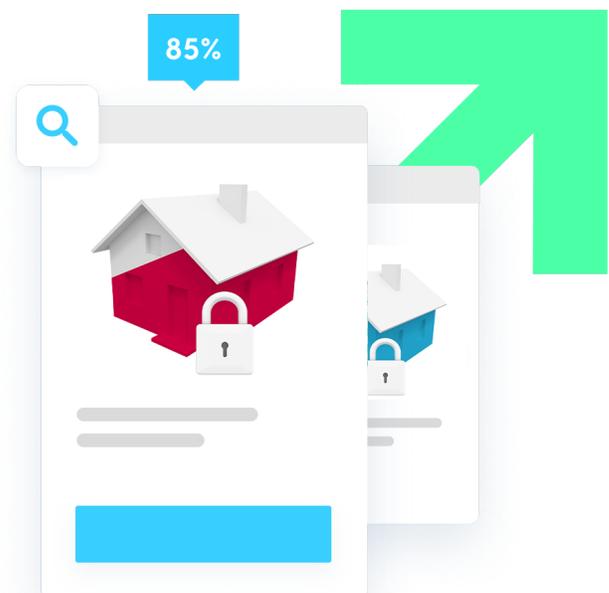
Our client, an insight director for a major Home Insurer, was struggling to find a way to ensure the business was moving forward with the right innovations and supplemental propositions.

### Understanding customers needs.

Toluna Start provided an ideal solution, initially to support the need for an iterative approach to exploring the need for a new service. Initially, a short, robust survey confirmed the incidence of the target audience within the population. Subsequently, qualitative live discussions were used to understand the needs and current behaviours of the audience and explore reactions to potential concepts; quickly followed by robust quantitative testing of the concepts and other critical insights needed to underpin decision making. The Toluna Start solution provided them with holistic feedback on the proposition within tight timeframes.

### Working with the data.

Data was instantly accessible through the platform's info boards, allowing stakeholders across the business to quickly understand how the feedback was shaping up. The feedback enabled them to take the decision not to proceed with the planned, significant investment in the proposition. The efficiency of the solutions, speed of access to panel and access to financial services research expertise excited the client and they have since commissioned an online community to provide ongoing feedback on their new innovations and supplemental propositions.





# NPD overview

This overview of test types summarizes the different options available to your new product or service initiative at different points in the development cycle.

The most important component in designing a research path is to understand where you are in the development cycle.

Generally, at the early stages of development, you're looking for solutions to cut down the number of options in order to allow focus and prioritization.

If you are closer to a go/no-go market decision, you've probably already decided on key components and your main task is now to assess your potential.

Importantly, NPD is not always a linear process, and neither is the research path. Stages can be re-worked and re-validated in order to test new copy and creative, for example.

Finally, all this needs to be considered together with the needs and plans of the business – what is the critical information you need to validate your plans, and what are your nice-to-haves?

## Core NPD Stages and Methodologies

### Needs

What are the unmet needs in the category?

### Ideas

Which ideas to prioritize for further development?

### Claims

Which claim will make my product stronger?

### Concept

Which product idea or elements will be most successful?

### Choice

What combination of features should you have for your product?

### Price

At what price will your product be most successful?





## NPD overview options explained

### Needs

**Focus the key areas of potential development**

What are the unmet needs in the category?

Understanding what are the unmet and most compelling consumer needs is a critical part of NPD.

If you are able to address these needs, you can create new market potential and strengthen the brand.

### Ideas

**Prioritize the ideas with the strongest potential**

Which ideas to prioritize for further development?

This solution allows you to prioritize key innovation ideas for further development.

By focusing on ideas that are likely to succeed, you avoid wasting time and budget.

### Claims

**Allows you to quickly determine the best claim that will add increased value & relevance to your product**

Which claim will make my product stronger?

Claims are an integral part of a product DNA, allowing you to boost value in consumers' eyes.

In order to strengthen your product, claims testing will enable you to identify which are the strongest.

Is it different? Is it believable? Does it fit your brand?



## Concept

**Enables you to easily select product/service idea or elements that will be most successful with your target audience**

Which product/service idea or elements will be most successful?

Our solution offers a fast and flexible expert approach that helps you identify the best product or service concepts for maximum impact in-market. Images or text can be tested.

Powered by Toluna Start automation, you get best-practice research quality coupled with instant access to your target audience and real-time reporting, all at the speed your business demands.

## Choice

**Allows you to quickly determine the best claim that will add increased value & relevance to your product/service**

What combination of items should you have for your product?

At some stage during the NPD cycle, you are likely to need to ask consumers about their ideal preferences for your products.

Choice optimization uses a trade-off survey technique. By asking consumers to review different scenarios of product features, prices, and benefits, we can deduce their optimal preference combination.

## Price

**Intelligent pricing strategies optimize sales and turnover, as well as realize growth potential**

At what price will your product be most successful?

Price Optimization, part of our end-to-end NPD research suite, leverages the best of pricing methodologies and technology to support your pricing strategy.

From brand new product pricing to price repositioning, it allows you to use the most relevant price assessment to identify the optimal price or a range of acceptable prices.



# Summary & Key Considerations

When choosing, designing, and deploying your NPD cycles, keep in mind the strategic underpinning of the process and how you answered these ongoing questions:

- **Need state:** What are the key business needs?
- **Development stage:** Where are you within the cycle & what do you need to move to the next stage?
- **Features & Benefits:** What aspects of the product do you need to evaluate?
- **Metrics:** How do you define success?
- **Information & Insight:** Do you have all the data you need to mitigate the risks of a launch?

No matter where you are in your NPD cycle, remember the three core questions:

- **Objectives:** What are the objectives of the study?
- **Data:** What data do you need to answer the objectives?
- **Decisions:** What decisions will you make with the data?

Keeping these touchstones in mind throughout the NPD cycle will enable productive and actionable use of all the data and insights that a robust research plan can provide.



# Start Knowing

Toluna delivers real-time consumer insights at the speed of the on-demand economy. By combining global-scale and local expertise with innovative technology and award-winning research design, we help clients explore tomorrow, now. Toluna is the parent company of Harris Interactive Europe and KuRun Data. Together, we push market research toward a better tomorrow.

Learn more at [tolunacorporate.com](https://tolunacorporate.com)

“The solution was quick, efficient and sufficiently flexible to suit our requirements. The online real-time system was a good way to engage our stakeholders and excited real interest in the project. It raised the profile of research internally and challenged – positively – expectations of what could be delivered and when”.

**Leading UK High Street bank**

