



Hiding in Plain Sight: New Strategies for NPD

Increase your New Product Development Success Rate with Swipe

The What

Creating a new product should be exciting and adventurous, but in today's brutal landscape, the stress of having less (time, money & team), makes the entire process feel daunting and filled with anxiety. The success rate of New Product Development is low, with 3 of 4 new FMCG product launches failing within the first year.

It's challenging. We get it. That's why we've created tools to help you get at winning concepts within your time frame and budget, but without sacrificing quality. However, we're starting to wonder... is that enough to ensure success?

Recent reports reveal new product launch failures may not result solely from lack of testing. Sometimes the root of the problem goes all the way back to the "fuzzy front end," or the blurry vision the team has at the start of the process. What are the reasons for this? How a team works together plays a big role – especially when it comes to interactions with senior management, who are often very influential and may disagree with the process.

In this white paper, we're going to show you multiple case studies demonstrating how BuzzBack's Swipe technology is helping marketing teams understand how and why consumers make decisions in real life, but also how Swipe can bring the team together to address communication issues early on, and lead to better decision-making.

So What

When it comes to early stage testing today, you need to consider how consumers behave – nearly 80% of their time is spent on mobile devices. Adapting your NPD process to a mobile world, requires considerations – how to deal with new real estate constraints, how to present your concept, even how to transition from 5-point to binary scales. How do scores compare? What do you do about norms?

Making the Move to Mobile

1 Start with your stimulus – what is reasonable for consumers? How much information do they really need to make a purchase decision? Consider 60% have made purchases from smartphones in the past 6 months, and more than 80% use mobile devices for product reviews, ratings, and information *while shopping*.¹ That means most are familiar with an Amazon-type format – headline, image, short copy and buying information.

In developing our BuzzBack Swipe technique, we tested several variations of the same ideas with 20,000+ consumers – exploring different formats: traditional 150-words, concepts shown in ‘parts’ (headline + image, body copy, flavors/price), ‘Amazon’ type format -- even headline/image only. There were minimal differences, but we lean to an Amazon style concept for a familiar consumer experience.



2 Consider your methodology (the questions you ask) – we tested traditional key metrics with 5-point scales on mobile, with/without attribute ratings (attributes in carousel format one at a time), and Swipe for both purchase intent and liking. We first explored the shift from 5-point to binary scales. Research is not new to this kind of analytical exploratory. Companies such as Netflix, Pandora and others shifted from 5-star ratings to thumbs up/thumbs down; concerns of risk losing consumer ratings was overcome by an *increase* in consumer feedback.²

Then, we re-conceptualized four different types of analysis (MICE, Random Forest, MCA and PCA) with imputation, making sure responses looked similar between sets of data. Imputation uses a model to attribute or represent values in cases where the variable is missing. The four methods we applied performed well, including MCA.

Swipe right scores generally aligned to top 2 box for 5-point scales; Swipe left aligned to bottom 2 box. The middle box seemed to ‘disappear;’ the exercise mirrors a choice exercise. Conceptually, consumer behavior matches a more real-life experience of like or dislike – in-store or online, they would purchase or not purchase.

Thus, we capture **Swipe time** – the consumer’s implicit reaction. This becomes an important layer to understanding performance relative to evaluation of ideas. We find the amount of time a consumer spends with an idea provides insight into reactions and how they feel about the content.



¹ <https://www.outterboxdesign.com/web-design-articles/mobile-ecommerce-statistics>

² <https://ew.com/tv/2017/03/16/netflix-star-ratings/>

³ Types of analysis

MICE Multivariate Imputation by Chained Equations | MCA/PCA combined | EM algorithm | Random Forest Maximum Likelihood | K-Means | Principle Components Analysis (for Continuous Variables, like Factor Analysis) Multiple Components Analysis (PCA for Categorical Variables)



3 Add Consumer Context – an added advantage of evaluating ideas in a mobile environment is your ability to hear and ‘see’ how consumers react with visuals. For example, capture photos of what a new product idea would replace for direction on sourcing, or ask for a video of where the product would fit in their daily routine. This helps bring the idea to life for your marketing team.

Bringing the Team Together

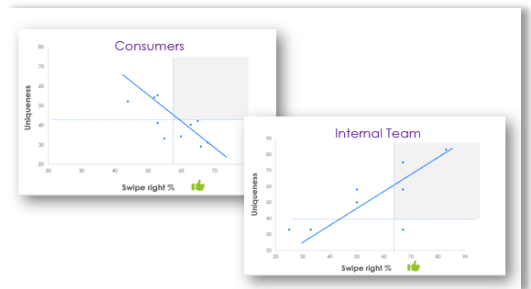
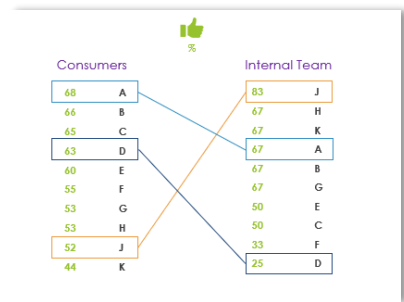
However, consumer feedback is only one part of developing a successful new product. Now we’re going to take a look at how marketing teams can use Swipe to collaborate to accelerate and innovate for the sake of their end goal.

Using BuzzBack Swipe again, we tested 10 early stage product concepts within the food and beverage category among *both* consumers and the internal team. The marketing and innovation teams participated, too. What did we find out?

First, we asked the internal team to Swipe right if they thought a concept would be successful, and left, if not. In parallel, we asked consumers to do the same (on interest). Results revealed very different viewpoints.

This isn’t necessarily an issue, but it shows how an internal team may align to help prioritize which idea to move forward. For example, when deciding between two top tier ideas for consumers, the team could review results and pick the idea rating highest among them.

When comparing key metrics – uniqueness and Swipe (appeal) -- consumers were far more attracted to more familiar ideas, whereas the internal team was more enthused and excited about innovative and original ideas. This difference enabled the team to plan for a more successful roll-out – determining those ideas more likely to succeed short term, versus those better suited to 1-2 years down the line.



Three Real-Life Case Studies

Now What

In the end, planning for a successful NPD launch does involve consumer feedback. Using an intuitive and mobile friendly tool like Swipe can help you test ideas efficiently and quickly at various stages of the NPD pipeline – from pack, claims and digital content, to logos and messaging.

But, as shown in this example, there are more factors to consider. Shining a spotlight into your own organization and testing the same concepts among internal stakeholders can help you better determine how unified the team's thinking is and how to better align to consumer interests for a more successful launch.

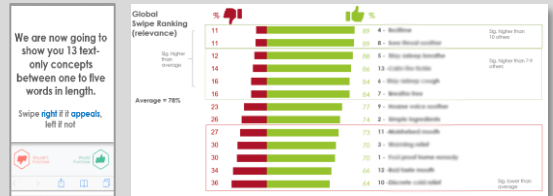
Nestlé used Swipe to evaluate new product ideas in a tweetable concept format.

Evaluation of 10 ideas identified top performers, with diagnostics to provide direction on how to optimize and consumer context via video recordings for how they would use the ideas.



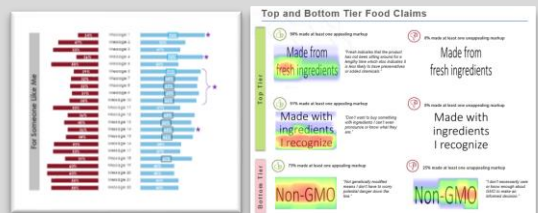
Ricola used Swipe to evaluate 13 potential ideas to identify claims most relevant.

This approach revealed which claims resonated most with consumers, in addition to identifying potential methods to optimize appeal.



Bimbo used Swipe to identify new claims for the Clean Label movement impacting their category.

Swipe revealed top claims from a list of 36 ideas, with direction on key words and phrases drawing consumer attention for a packaging line refresh.



To learn more about Swipe, and how BuzzBack can help you with your NPD challenges, contact us at info@buzzback.com.