Advancing Research 2022

Rosenfeld

Advanced Concept Testing Approaches

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March 11, 2022

> Concept Types

> When to use concept testing

> Key considerations when designing concept tests

> Approaches to concept testing

> The role of qualitative and quantitative research in concept testing.

What is Concept Testing?

Testing of ideas related to a product configuration, features and benefits, <u>before</u> product development, and communication messages <u>before</u> product launch.

Concept Types

Products/Services

What?

Positioning

Why?

Advertising

How?

Concept Anatomy

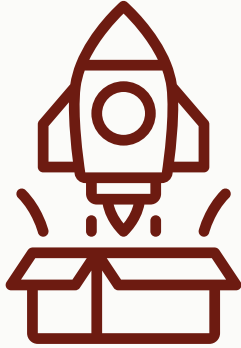### Why - Positioning

> QB makes managing a business easy.

What - Product

> Smart Business Tools

> Capture receipts

> Track expenses

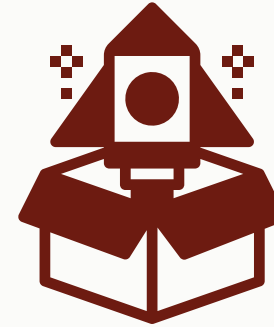> Invoices & Payments

How - Advertising

> Small business visits offering QB as the solution

When to Use Concept Testing

New Product Launch

> Unmet needs

> Behavioral changes

Redesign, re-launch of current products

> Competition

> Loss of relevance

> Commoditization

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Key Considerations

Monadic vs. Multiple Concepts

Branded vs. Unbranded

Analytical Approach

Priced vs. Unpriced

Sample Population Frame

External vs. Internal Normative Data

Concept Testing Approaches

> **Monadic Concept Testing**

Only one concept is shown
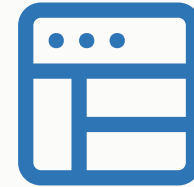
> **Sequential Concept Testing**

Multiple concepts shown one at a time in rotation

> **Trade-Off Techniques**

Vs. Vs.

Multiple concepts shown, simultaneously

Monadic Concept

Product

This fitness & health tracker includes tools like:

On-wrist ECG app for heart health

EDA Scan app for stress management and more.

Daily Readiness Score in Fitbit Premium.

Up to 7-day battery life.

Price: $179.95

Brand: Fitbit

Feature

Keep track of your heart health with a compatible ECG app that assesses your heart for atrial fibrillation—a heart rhythm irregularity—and share the results with your doctor.
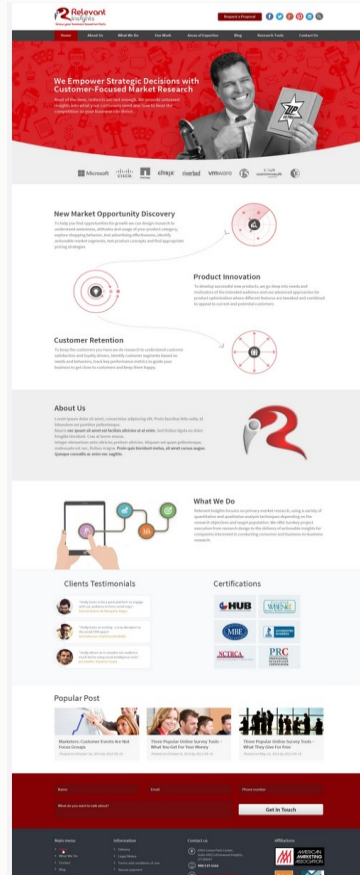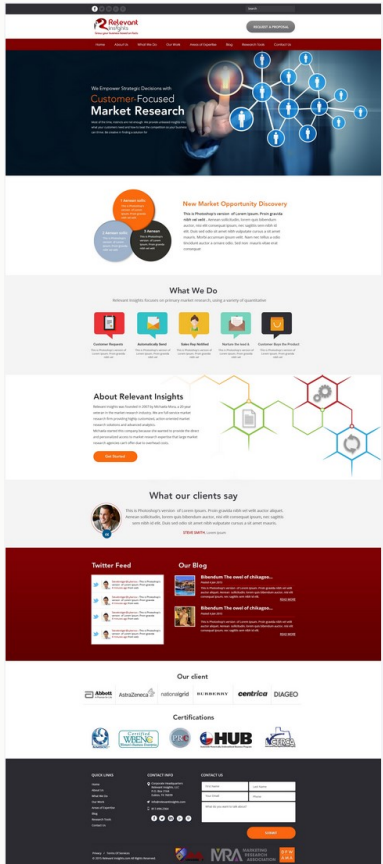
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> Easy to implement
> Familiar metrics

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> Lower discrimination
> Scale bias
> No competitive context

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Sequential Concepts

Products

Features

- Search Function
- Payment Capability
- User Accounts
- Content Management
- Research Tools
- Contact Forms
- Cost Calculator

- Sample cost saving
- Easy to implement

- Interaction effects
- Lower discrimination
- Scale bias

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Trade-Off Techniques

MaxDiff –
Maximum Difference Item Scale

Product & Service Features
Product & Service Benefits
Product Names
Brands
Positioning Statements
Advertising Banners
Design Concepts
Loyalty Program Offers
Promotions Advertising
Messages
Satisfaction Drivers
Brand Perceptions
User Behaviors
User Frustrations
ETC.

MOST PREFERRED	Features	LEAST PREFERRED
○	ECG - Heart rate tracking	○
○	7-day battery life	○
○	Notifications	○
○	Swim proof	○

Trade-Off Techniques

Conjoint Analysis

Product & Service Configuration
Product Portfolio
Positioning Messaging
Design Concepts
Loyalty Program Offers
Promotions
Advertising Messages
Pricing
Sales Volumetric Analysis

Brand		fitbit	GARMIN	
Product Type	Smartwatch	Fitness Tracker	Smartwatch	
Heart Rate Tracking	Yes	Yes	Yes	
Battery Life	1 Day	7 Days	5 Days	
Phone Notifications	Yes	Yes	No	None of these
Automatic Workout Recognition	Yes	Yes	Yes	
Water Resistance	50m	50m	100m	
Sleep Tracking	Yes	Yes	Yes	
Customizable Order of Apps on Clock Face	Yes	No	Yes	
Price	$$$	$$	$$	
Select Your Choice	◯	◯	◯	◯

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Trade-Off Techniques

MaxDiff

MOST PREFERRED	Features	LEAST PREFERRED
○	ECG - Heart rate tracking	○
○	7-day battery life	○
○	Notifications	○
○	Swim proof	○

Conjoint Analysis

Brand	Apple	fitbit	GARMIN	
Product Type	Smartwatch	Fitness Tracker	Smartwatch	
Heart Rate Tracking	Yes	Yes	Yes	
Battery Life	1 Day	7 Days	5 Days	
Phone Notifications	Yes	Yes	No	None of these
Automatic Workout Recognition	Yes	Yes	Yes	
Water Resistance	50m	50m	100m	
Sleep Tracking	Yes	Yes	Yes	
Customizable Order of Apps on Clock Face	Yes	No	Yes	
Price	$$$	$$	$$	
Select Your Choice	○	○	○	○

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» Higher discrimination

» No scale bias

» Competitive context

» Sample cost saving

» Price testing

» What-if analysis

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» Potential cognitive burden

» Harder to implement

Research Methodology

Qualitative Research

+
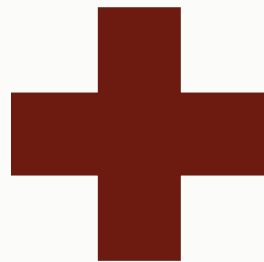
Quantitative Research

Qualitative Research

Objectives

» **Explore the <u>range</u> of behaviors, perceptions, motivations, and issues that drive them**

» **Formulate hypotheses**

» **Capture language**

Do <u>before</u> quantitative if possible!

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Quantitative Research

Objectives

> **Test qualitative research <u>hypotheses</u>**

> **<u>Validate</u> final concepts**

> **Find support for <u>go/no-go decisions</u>**

Do <u>after</u> qualitative if possible!

Other Approaches

Testing Viability In the Wild

> **A/B Testing**

> **Digital advertising campaigns (e.g., Facebook, Google ads, etc.)**

> **Crowd funding platforms**

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> Measures actual behavior
> Cost-effective in small scale

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> No insights into:
> - Drivers of user behavior
> - Impact of competing alternatives
> - Impact of communication used
> - Ways to improve product or message

> Potential lack of target market representation

> Legal and confidentiality considerations

Concept Testing Tips

» **Use concept testing to connect the dots. Build your business case to get resources.**

» **Use qualitative research to uncover. Validate the ideas using concept testing. Iterate.**

» **Start with simple monadic concept tests. Strive to use trade-off techniques for better quality insights and decision making.**

» **Identify the type of concept test needed. Separate the features, the benefits and the story to get actionable metrics.**

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Thank You!

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