Ipsos Marketing

An Efficient Alternative to Concept Optimization

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Innovation research is an art and a science

The art is evident in the workshops, ideation sessions, and concept building huddles that take place at the earliest stages of innovation. This is where creativity, imagination, and ingenuity meet to form the keys to success.

And then there's the science. This happens when quantitative testing, optimization, and modeling help to steer the concept to success.

We are familiar with the empirical tools used to evaluate concepts, optimize the words and phrases in the concept, and forecast sales. However, there seems to be a missing piece—one that our clients are increasingly asking us to provide. The piece in question is the recipe for what consumers want from the concept. Specifically, what is the best combination of elements to include in a concept? Our clients narrow down the best insights, benefits, reasons to believe, and other elements to include in the concept. What they still need to know is which combination of these elements will yield the greatest consumer appeal in the most efficient way.

How do we do this in a way that nurtures unique, disruptive ideas versus a natural selection method (i.e., "survival of the fittest") which rewards common, close-in ideas? While most concept optimization tools employ Choice or Purchase Intent—which kill anything that is different from what's already in the market—we have developed an alternative solution that actually rewards uniqueness.

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Getting to the best concept

Getting to the best concept is usually not easy, especially when there are several very good possible concept elements to include based on prior front end research. As an example, consider an antibacterial soap innovation for which we had to choose the best insight, benefit, and fragrance. We needed to choose from three possible insights, five possible benefits, and three possible fragrances to "construct" the best concept to fulfill consumer needs in the category. The question was: Which possible combinations of insight, benefit, and fragrance would appeal most to consumers and thus have the greatest market potential?

Antibacterial Soap Example – Variables to Be Examined

3 Insights

I like taking care of my family and do everything I can to protect them – but **I can't always be there** to prevent their exposure to germs and bacteria.

I want my kids to enjoy life and have as many experiences as possible – but I worry about **germs and bacteria** that can harm their health.

Cleanliness of skin is an essential factor to keeping my family healthy, but I know that **skin gets dirty easily and often.**

5 Benefits

Moisturizing: Leverage the moisturizing power from the combination of oat milk and extract of aloe vera.

Exfoliating: Eliminate impurities and renovate the top layer of epidermis.

Vitamin E: Nurture and revitalize your skin and leave it with a healthy and beautiful sensation.

Deodorant: Protects you all day long just like a spray deodorant.

Protection: Creates a layer of protection against new infections that lasts all day.

3 Fragrances

Neutral

Rose

Lavender

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The solution: InnoConstruct

We used our InnoConstruct solution to leverage consumer perceptions. InnoConstruct is our unique approach that allows us to find the best combination of concept elements, including headlines, insights, benefits, reasons to believe, branding, price, and packaging. Working together with our clients to decide which elements they want to test, we can:

- Determine the **best combination of elements** to include in their concept
- Estimate **trial potential of any concept** written as a combination of the tested elements
- Examine **"what if" situations** through simulations (in case the best combination is not possible or is too costly to produce)
- Run a **volume forecast** on the optimized concepts—most importantly, without having to retest the concepts (which saves time and money and avoids the risk of inconsistency)

Let's go back to the antibacterial soap example, in which we wanted to know the optimal combination(s) of insights, benefits, and fragrances that would result in the concept with the most consumer appeal.

Using a conjoint method, consumers were presented with a subset of concepts and asked to evaluate them on key performance indicators consistent with our InnoQuest philosophy: **R**elevance, **E**xpensiveness, and **D**ifferentiation. We call these the **RED** measures. Our **RED** measures, which are proven success factors, are defined as follows:

- **R**elevance: The extent to which an innovation meets consumer needs
- **E**xpensiveness: The extent to which an innovation is perceived to be higher-priced than competitors
- **D**ifferentiation: The extent to which the innovation provides unique benefits versus competitors

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By testing in a competitive context and using our validated InnoQuest modeling, the results were forecast-ready with no retesting needed. Moreover, because we used our **RED** measures (and not Choice or Purchase Intent) we were confident that disruptive concepts with high potential would not be killed. Why? Because the **RED** measures are not biased toward familiar concepts like line extensions.

In addition to consumer appeal, trial indices, and optional forecasts, we also provide rich diagnostics and strategic direction: drivers of concept performance and Archetype profiles (i.e., Winner, Breakthrough, Niche, Premium, or other innovation type). Lastly, we also provide on-demand simulations of "what if" scenarios for any concept element combination.

Armed with this information, our clients can choose the best possible concept to move forward with, understand its strategic role in the innovation portfolio (through its Archetype profile), and predict how well it will perform in-market.

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About Ipsos InnoQuest

Ipsos InnoQuest helps clients accelerate innovation for today's changing world.

We help clients to kick-start their innovation processes with overnight and mobile solutions, uncover deep consumer insights with our online communities, and quantify business potential right from the start. Our fast and simple solutions, validated forecasting models and real-time simulators are built on our consistent philosophy of what drives innovation success – so clients can make better decisions earlier.

Unique to Ipsos InnoQuest is our ability to combine optimization with qualification across all of our end-to-end solutions, enabling clients to maximize the ROI of their innovation initiatives and product research and development.

With unparalleled global reach and expertise across a wide range of sectors, we offer fast, simple, smart solutions that lead to more successful innovation and increased speed to market.

This paper is part of the Ipsos Views series.
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