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Ipsos

Four Ways Agile Research Will Evolve to Drive Innovation

Virginia Weil and Allyson Leavy

GAME CHANGERS

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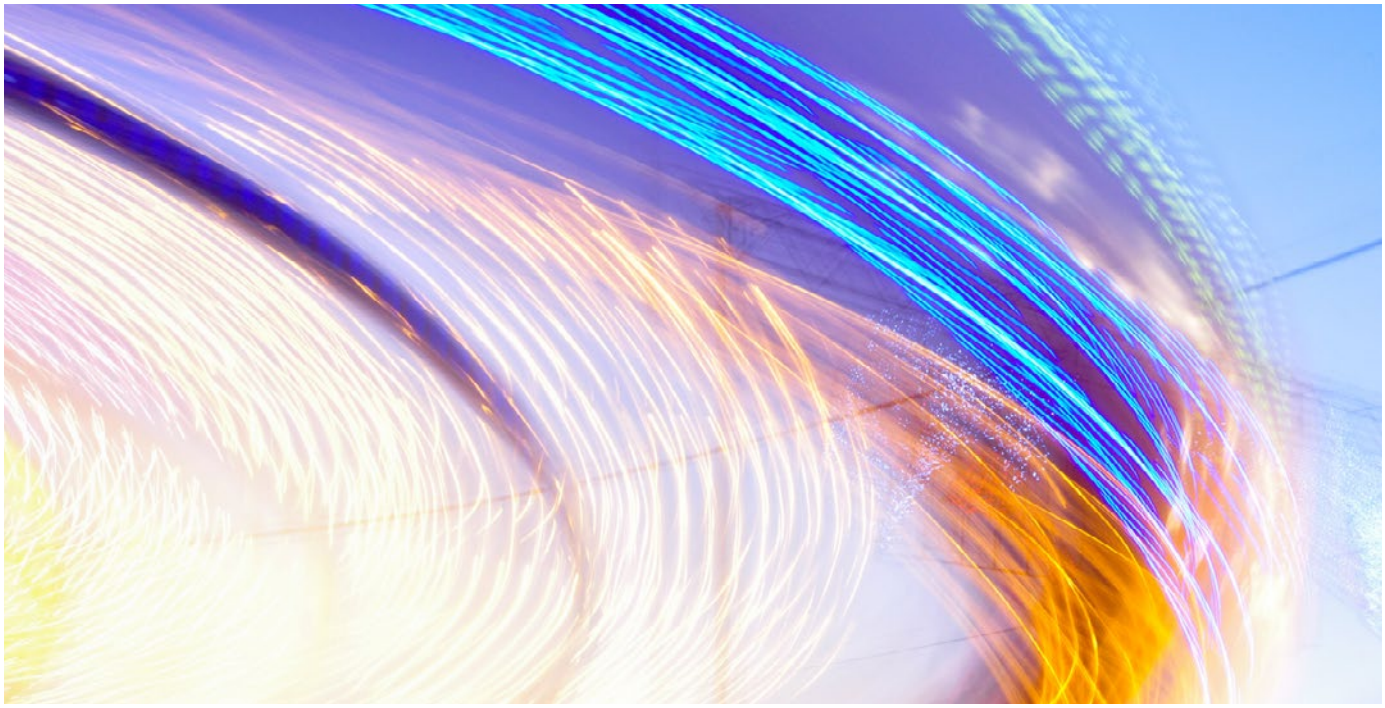


In today's hyper-accelerated world, it seems virtually every business, every marketer and every researcher wants to be "agile".

But what exactly is agility? Does it just mean fast and nimble? Or, is there more to it?

Agile research is based on The Agile Manifesto, which was conceived in 2001 by software developers who were frustrated by their current documentation-driven, heavyweight software development processes. The Agile Manifesto promoted iterative and incremental software development and encouraged rapid and flexible responses to consumer input.

From a market research perspective, agile generally refers to research that is fast, iterative, and adaptive. Researchers should be able to quickly generate consumer insights, learn from those insights, and then decide on the next best step. Ultimately, agile research should help innovators get to market faster and with better products.

Unfortunately, despite the strides made with agile research, an Ipsos global survey found that **only 24%** of consumers felt that brands deliver regular innovations and new products. Moreover, **94%** of global executives are dissatisfied with their organization's innovation performance[1]. It seems that a new generation of agile research approaches is needed to help marketers innovate even better.

Our point of view is that agile research will evolve in four ways:

1. **Research quality** will be delivered along with speed
2. **Social intelligence** will be leveraged in product development
3. **Artificial intelligence** will help facilitate iteration
4. **Modular innovation approaches** will become more prevalent

[1] McKinsey, 2015

Research quality will be delivered along with speed

Agile research should provide speed benefits. To deliver speed, many types of innovation research – including idea, concept and package testing – have become automated and/or standardized. While these solutions offer speed advantages and cost-savings, they can suffer from quality issues that make the research faulty. Specifically, many of the automated and standardized solutions available today:

- Offer samples that are not representative and replicable over time
- Are not device agnostic
- Do not use proven measures of success
- Offer limited ways to analyze and interpret the data

Going forward, we expect to see a demand for solutions that are not only fast, but also high-quality. For example, idea, concept, and package testing results need to be compared to competition to be meaningful. When samples are not representative or replicable over time, benchmarking becomes impossible. At Ipsos, we have conducted extensive R&D that has informed our disciplined approach to manage sample sources and guarantee representative samples.

We have real-time systems in place for assessing respondent engagement and fraud so that we can confirm respondents are real (not robots) and determine if they are straight-lining, speeding, or providing inconsistent answers. We can also source sample anywhere in the world on any device.

It is also important that surveys are device agnostic to maximize coverage and respondent engagement. Again, we have conducted in-depth R&D at Ipsos to learn how to design and implement device agnostic surveys to achieve reliable results.

To further ensure accuracy of results, proven success measures should form the basis of all agile idea, concept and package testing. At Ipsos, we use Relevance, Expensiveness and Differentiation for our rapid innovation testing. Beyond the R&D conducted by Ipsos that validates these measures, Relevance and Differentiation were cited in a recent McKinsey article. Specifically, the article states that FMCG companies "will require a new operating model that…focuses relentlessly on consumer relevance…Mass merchants will fight back [against e-commerce giants and discounters] with…keenness for differentiation." Benchmarking against real competition is also key to ensuring innovation testing is valid. At Ipsos, we benchmark new innovations against consumer-defined competition (as defined by their most often purchased product) and use a database of relationships, not absolute scores. By using this approach, the benchmarks are realistic, stable, and contemporary, thereby providing an accurate indicator of whether an innovation will survive in-market.

Finally, as marketers increasingly demand quality along with speed, we expect that agile research solutions will deliver more diagnostics and guidance. For example, Ipsos' rapid innovation testing includes success drivers, optimization, forecasting and Archetype profiles (which help marketers to manage their innovation portfolios by identifying the types of innovations in their pipeline, e.g., Breakthrough, Niche, Me-Too, etc.).

Social intelligence will be leveraged in product development

Automation and standardization are not the only routes to speed. We expect that social intelligence will become a go-to solution for accelerating innovation. Not only is social intelligence fast, it is also flexible and cost-efficient.

Social intelligence is already being leveraged to identify innovation opportunities. While marketers typically rely on surveys, focus groups and desktop research to uncover new trends, social intelligence is becoming a new agile alternative. Social intelligence accelerates innovation because you do not need to ask consumers any questions, you can analyze large amounts of data quickly through the application of text analytics and you have access to real-time information. A recent case study from Ipsos, in which a juice company was looking for new product opportunities, illustrates how it works. First, we worked with the client to identify "unhealthy juices" as a broad theme on which to pull social data. We then applied text analytics to the gathered social data to identify trends on this theme (including unmet needs and pain points). We uncovered that Artificial Flavors, Artificial Sweeteners, and Non-Organic were the most prevalent consumer concerns. Based on these findings, we worked with the client to create a list of opportunities to be discussed, namely: All Natural, Clean Label and Organic. We then identified which of these was the strongest opportunity by plotting conversation volumes from social data and Google search signals together. Based on this social intelligence, we determined that Organic was the best opportunity.

Figure 1

Prioritizing Opportunities

Using Social/Search Metrics

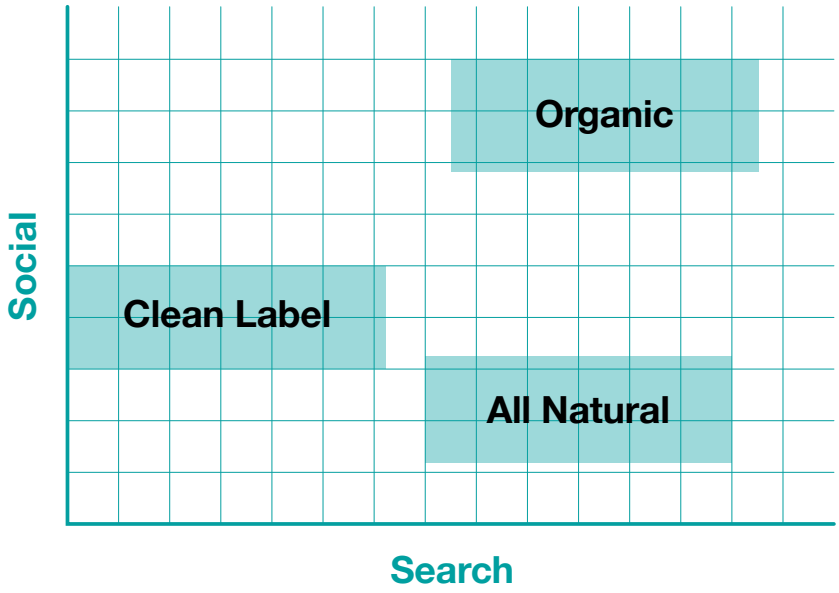
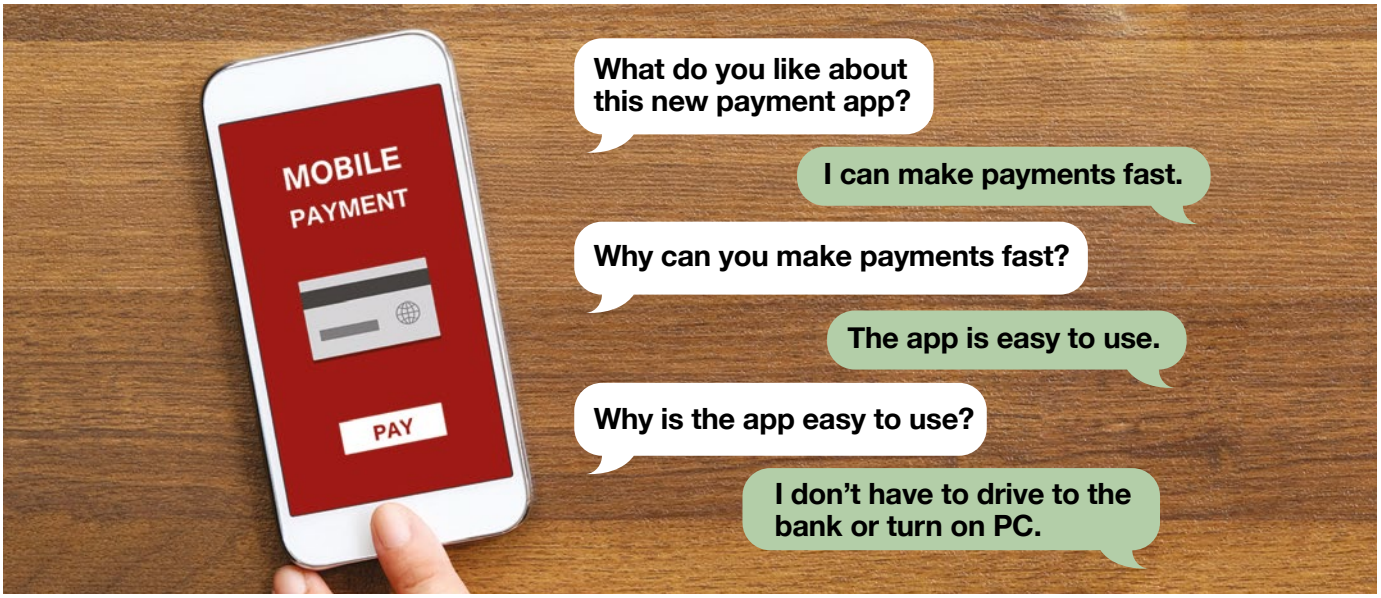


Figure 2: Concept test for a new mobile payment app



Artificial intelligence will help facilitate iteration

Agile research is not only intended to be fast, it should also be iterative.

For example, during a rapid concept test, researchers can get results during the field period and then make real-time changes to the survey to glean better information based on what was learned. As a next step, researchers can set up rapid product prototyping, whereby prototypes are evaluated by two to three consecutive groups of consumers, a work session is then conducted with R&D to synthesize the results on-site and in real-time, and the consumer groups then re-convene to provide suggestions for further optimization. This can all happen in one day, integrating quantitative rating scales with qualitative explanations. Iterative approaches like these are essential to facilitate speed, collaboration, and continuous learning.

Artificial intelligence (AI) can play an important role in iteration with its ability to automate. For example, a concept testing survey typically includes an open-ended question about "Likes." Often the responses are short and not that insightful and would not glean enough information to lead you to change a future survey in any way. AI can be leveraged to drill down on open-ended responses in an intelligent way. Specifically, AI can create new questions in response to replies to previous questions, determining the two or three most important questions to ask an individual respondent to extract the most efficient information.

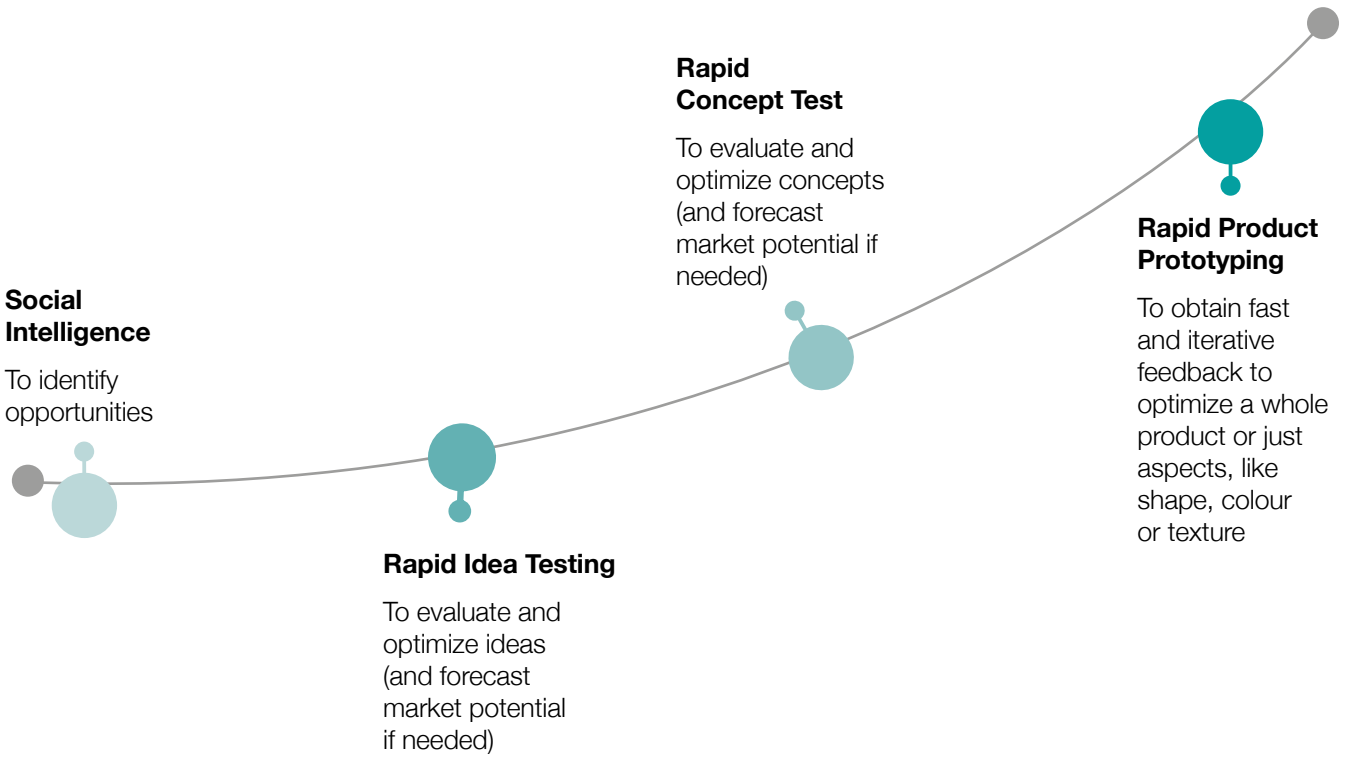
Figure 2 shows an example from a concept test of a new mobile payment app. Through the first question we learn that the respondent likes the app because payments can be made quickly. With AI we can probe deeper and learn that the app is easy to use because it saves the effort of driving to the bank or turning on a PC. This iterative questioning can be used to refine future surveys and the concept itself.

Modular innovation approaches will become more prevalent

Traditional innovation processes typically follow pre-defined sequences (e.g., idea test, concept test, concept/product test and STM) with yes/no outcomes at the end of each stage. As agile research evolves, we expect these linear processes to give way to modular approaches in which research and learnings from different sources (some of which may already exist) are brought together – and, where appropriate, traditional steps are eliminated because they don't add value.

Figure 3 shows an example of this kind of modular approach: social intelligence, rapid idea and concept testing, and rapid product prototyping are brought together to drive innovation from idea generation to product development. This agile approach is quicker, easier and more learnings-driven than many traditional approaches and, ultimately, will help the marketer get to market faster with a better innovation.

Figure 3



Four Ways Agile Research Will Evolve to Drive Innovation

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Moving agile to the next level

Agile research promises to help marketers move more quickly, more efficiently and more intelligently than ever before. However, agile research as it exists today is just the beginning of what will be a seismic change in how we conduct innovation research. We expect to see agile research evolve to deliver higher quality research, more iterative processes (with the ability to automate iteration), and more holistic learnings. The result will be faster, deeper insights that will help marketers achieve greater innovation success.

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This *Ipsos Views* paper is produced by the **Ipsos Knowledge Centre.**

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