

Ipsos Marketing

innoquest*ideas overnight

An Agile Approach to Innovation

Ipsos InnoQuest Case Study



In a world where speed to market may be the only remaining competitive advantage, Ideas*Overnight is helping our clients transform the way they approach new product innovation. Rather than moving slowly, testing a handful of concepts and waiting for weeks for results, Ideas*Overnight allows them to move with agility: testing a far greater number of ideas much faster, iterating, optimizing and retesting to identify and move only the best ideas forward. The following is a case study based on one of the clients who have partnered with us recently to leverage our overnight platform.

The Old School Approach

Our client was spending several hundred thousand dollars testing approximately 60 concepts across three waves per year (20 per wave). Including graphics and text and editing time, each of these concepts took about 10 hours to create, for a total of 600 hours spent in development. Once the concepts were created, it took approximately 4 weeks to field, analyze and deliver results – across 3 concept waves, this adds up to 12 weeks total time for testing. Here's the breakdown:

- 60 concepts tested
- \$300,000 cost
- 600 hours concept development
- 12 weeks total testing time

On average, this client had a 20% pass-through rate for their concepts. This is a pretty typical rate for systems that do not vet their ideas prior to concept development. So at the end of one year, the old school approach yielded 12 validated concepts with the above costs.

A New Strategy Focus

When Ipsos launched Ideas*Overnight early this year, our client was intrigued with the potential and asked us to partner with them to develop a more agile approach to innovation. The first step was to validate for them that scores from an idea test would correlate with later concept scores. To do this, we took about a year's worth of concepts, brought them back to an idea-level stimulus, tested them via Ideas*Overnight and then correlated the idea scores with the concept scores. We found that that idea-level measures correlated between +0.6 to +0.7 with concept measures – a very strong relationship given the difference in stimuli. With the approach validated, we moved into full scale idea testing.

Ideas are a lot easier to write than full concepts, taking only about 10 minutes each. The cost to test ideas is significantly less than concepts and, of course, the overnight platform makes timing much faster. Here's the breakdown in just three months of testing.

- Over 150 ideas tested
- \$85,000 cost
- 25 hours ideas development
- 5 days total testing time



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What's great about this is that each of the 5 waves of idea screening allowed our client to iterate on previously tested ideas as well as testing new ones, leveraging the feedback from the KPIs as well as Idea Evaluator (our highlighter tool) to optimize and retest the ideas. This ability to quickly iterate ultimately yielded powerful ideas that were ready to succeed in concept testing. Because of the iteration and optimization of the ideas, the entire system becomes much more efficient – with dramatically higher pass through rates at the concept phase.

Moving into the concept testing phase, only 20 concepts were tested as the idea testing identified these as having the highest potential out of over 100 novel ideas tested.

Project Comparison – At A Glance

| | Ideas Tested | Time to Write Ideas | Cost to Test Ideas | Time to Test Ideas | Concepts Tested | Time to Write Concepts | Cost to Test Concepts | Time to Test Concepts |
|-------------------|--------------|---------------------|--------------------|--------------------|-----------------|------------------------|-----------------------|-----------------------|
| Old School | 0 | 0 | 0 | 0 | 60 | 600 hours | \$300,000 | 12 weeks |
| New School | 150 | 25 hours | \$85,000 | 5 days | 20 | 200 hours | \$80,000 | 4 weeks |

| | Total Time to Write | Total Time to Test | Total Concepts Validated | Total Cost |
|-------------------|---------------------|--------------------|--------------------------|------------|
| Old School | 600 hours | 12 weeks | 12 | \$300,000 |
| New School | 225 hours | 5 weeks | 12 | \$165,000 |

The data are perfectly clear: incorporating overnight idea testing yielded the same number of validated concepts at a fraction of the time and cost. In a world where budgets are tighter and speed to market is essential, Ideas*Overnight delivered. What once took a year, now took just three months, and that means better products and services getting to market and appeasing consumer demand even faster. That's ROI. The age of agile market research is now.

About Ipsos InnoQuest

Ipsos InnoQuest is the Ipsos brand dedicated to meeting the innovation and forecasting needs of our clients.

Ipsos InnoQuest helps clients to maximize the ROI of their innovation processes through a unique, global end-to-end offer and deep expertise across a wide array of sectors. Central to our offer is our ability to provide validated financial metrics – even at very early stages – and clear direction for maximization of initiative potential.

We offer simple, intuitive tools built on a consistent philosophy of what drives innovation success, a comprehensive suite of tools for product research and development offering solutions throughout the product's lifecycle, and powerful simulation capabilities to help clients reach their financial targets. From the fuzzy front end to mix optimization, launch and beyond, we help our clients to maximize their innovation I.Q.

Ipsos InnoQuest is a specialized practice of Ipsos, a global market research company which delivers insightful expertise across six research specializations: advertising, customer loyalty, marketing, media, public affairs research, and survey management. With offices in 86 countries, Ipsos has the resources to conduct research wherever in the world our clients do business.

Ipsos has been listed on the Paris Stock Exchange since 1999 and generated global revenues of €1,712,4 million (2 274 M\$) in 2013, of which 52% came from Ipsos Marketing.

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