

What would happen if a company spent millions to design, develop, and market a new product or service.... *but then nobody bought it?*

Many companies find themselves in the sorry state of product or service failure, despite having based their strategies on traditional “voice of the customer” research. Though they diligently test potential customer needs through traditional market research techniques, and align development strategies on “customers wants”, they find that their new product has failed miserably in the marketplace.

But Why?

The answer may lie in the following questionable assumptions:

- A group of potential customers is capable of effectively describing their needs, and
- Potential customers can accurately rank the importance of their needs.

*“More money than ever is spent on research, development and invention. Yet it is generally accepted that eight out of ten new products fail.
Worryingly, the ratio has remained constant over the past 30 years. Two conclusions can be drawn: either consumers are not as interested in innovation as we think or they are not being offered the right products.
Establishing a set of parameters to determine what products can succeed is the ambition of many innovation-driven corporations. It is a tortuous ballet of constant negotiation between inventors, developers, accountants and market researchers.
Experts agree it does not work as well as it should.”*
from “Stay Tuned to Consumer Taste”
– Financial Times; Mar. 1998

People are generally unable to definitively tell what they want or what is important to them because circumstances, environment, and their attitudes constantly change, moment-to-moment, day-to-day, and event-to-event.

➔ A different way must be used to gather their feedback on potential products.

The traditional product development process starts by asking,

“What do you want?”

Though this may be a logical way to identify a new product, *it doesn't work!*

Consider the following case:

A well-known soft-drink bottling company wanted to introduce a “new” version of their widely-popular product. After collecting prospective customers’ input on “what people wanted,” the company spent millions to develop and launch their new product.

The results were disastrous. Though this new version fulfilled everything that people “wanted”, overall consumer reaction was surprisingly negative. The company’s long-standing positive market image became tarnished, and their competition suddenly had an enormous opportunity to capitalize on the company’s market research blunder.

The Problem/Solution Process starts by asking consumers,

“Tell us the problems”

Their problems and issues *have already occurred*. Consumers will often share them because they made an impact on their lives. Peoples’ impressions of problems are not momentary thoughts; *they are solid opinions*.

As a result, a different kind of data will emerge:

The issues that are currently on the minds of consumers, including potential or existing problems that they would like to see fixed.

A well-orchestrated focus group allows participants and facilitators to identify the market voids or product faults along with the areas that *may* be significant detriments to purchasing, *based on problems and issues*.

Asking many people to tell about problems will reveal patterns of common issues. Additional analysis and market testing will yield a significantly better assessment of what people *really* “want.” The new product will solve the problem and fill the need.

Traditional Method

Brainstorm

Ask potential customers identify what they would "like" to have or think they need.

Quantify Importance

Conduct a survey in which customers are asked to rate "importance" of items developed in the Brainstorming.

List Customers' Priorities

Analyze the survey to formulate a list of product/service features. Order in decreasing level of "importance"

Design Customers' Requests

Create a product or service that provides the "important" elements that the customer believes they want or need.

Build Prototype

Develop actual prototypes, or simulation of prototypes, to validate the results of the design process.

Test Prototype Appeal

Invite a small representative group of customers to give their assessment on how well they like the various prototypes

- ✓ Focus Groups
- ✓ Individual Interviews
- ✓ Historical

Conduct a Survey of Potential Customers

Analyze the Results of the Survey

Present the Results to the Design Team

Develop Prototypes

Conduct a Concept Test to Determine Customer Acceptance

Problem/Solution Method

"Painstorm"

Ask potential customers (3-6 people) to identify what they do not like or what bothers them about their present Products

Quantify Irritation Level

Survey customers using **ConSensor**[®]. Ask them to rate their satisfaction with the issues or problems that were identified in the Painstorming Session

Derive Customer Priorities

Using state of the art techniques, such as Neural Networks (**QuantaMetrics**sm), derive the "hidden persuaders" that *really* determine priorities.

Solve Customer Problems

Using "**Brain-net**", assemble the most creative individuals to design the product or service *that solves or eliminates the high-priority problems.*

Build Prototypes

Develop actual prototypes, or simulation of prototypes, to validate the results of the design process.

Test Solution Effectiveness

Select Experts from your customers to assess how well the prototypes solve the high-priority items.

ConSensor[®] - Development II's patented survey methodology,
QuantaMetrics - our application of Neural Networking for opinion analysis
Brain-Net - a development technique to maximize knowledge resources

Finally...

"A camel is a horse designed by a committee." When a new product is designed upon suggestions for improvements from a group of customers, the results are likely to be questionable. Development II has modified a traditional process to maximize the value of customer feedback, and to provide more accurate information for those developing new products.

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