



How market research supports the new product development process

Testing the product, brand positioning and advertising



Testing

The stages described so far produced a product concept that consumers felt was relevant and which they were willing to buy. The next stage was to test the product on actual customers. Many product launches fail, despite great advertising. A big reason is because the product fails to live up to the promises made.

The Market Research Team conducted a product usage test. A de-branded sample of the proposed new product was given to the target consumer of females in several countries. De-branded means the deodorant was in a blank container so that the consumers did not know who made the product or what type it was. Very often consumers form opinions about products and services from advertising and packaging. This can sometimes be very strong and creates a bias in what they think of a product before trying it.

The consumers were asked to use the new deodorant for a week. They kept a diary of when they used it and scored the performance of the deodorant against a list of criteria. These included:

- * Did it keep you dry all day?
- * Did you have to reapply it?
- * Did you like the fragrance?
- * Did it last all day?
- * Was the deodorant reliable?

Consumers applied the 'de-branded' deodorant under their right armpit and continued to use their current deodorant under their left armpit. This helped the users gauge if it was as good as or better than the brand they normally used. This gave a measure of how likely the consumer would be to swap brands.

The results of the test were very positive. Most consumers loved the fragrance and the feel of the product on their skin. They felt it performed as well as their current deodorant. Most said they would swap their brands after trying the product.

Brand positioning

Now the marketing team had a new product idea that consumers liked. It had a name and packaging design that were well received. They now needed to check how this fitted with the rest of the NIVEA Deodorant brand positioning and range.

The brand position is the specific niche in the market that the brand defines itself as occupying.

The NIVEA Deodorant *Pearl and Beauty* adds a touch of feminine sophistication and elegance to the NIVEA Deodorant brand's personality. This built on the core deodorant positioning. It made NIVEA Deodorant more appealing, modern and unique to trendy, young female consumers.

Using qualitative research to inform advertising

The next stage was to brief an advertising agency to develop communication to support the launch of the new product. Through market research the team could check whether the advertisements positively supported and communicated the new product.

The company conducted qualitative research on some advertising ideas amongst various groups of the target consumers. It presented ideas in the form of 'storyboards' of what a TV advert could look like. The objective was to evaluate which were the best ideas in terms of:

- * Did they stand out as exciting or different?
- * Were they relevant to the consumer?
- * Did they communicate the right things about the new product?
- * Did they persuade the consumer to want to purchase the product?

Evaluating success

Once the product is launched and the consumer can actually purchase it, the research process does not stop.

Continuous consumer tracking can be carried out to find out consumers' views of the new product. This involves interviewing people every day to find out whether they are using the product, what they think of it and why they would purchase it.

Beiersdorf uses other, secondary data sources such as consumer panel data and EPOS (electronic point of sale) data. These monitor the sales effectiveness of the product throughout the launch phase and through the product life cycle.