



Where customers' needs meet suppliers' expertise (getting Marketing back to its roots)

Jeffrey Hyman & Andy Wilkins

Introduction

To rapidly increase the quality and speed of New Product Development (NPD) and reduce the costs by up to half, we need to focus on the principle of involving customers. Needless to say, however, the principle can be applied to all aspects of a business.

The business need

In the rapidly changing business world of today, organisations must continually renew their product range to keep pace with consumer's needs.

Business gurus tell us that a company's rate-of-product-innovation should be neither so high that its core range decays too rapidly, nor so low that its catalogue stagnates and products become obsolete.

The big question is always "How to maintain a process of effective product development?" In our experience, this goal has to be reached by spending "quality time" with consumers! It is simple and according to us the very essence of marketing.

There are marketing experts who say that consumers can't or won't tell us what they want. We disagree! Maybe they are not asking the right questions, using an inappropriate process, or creating an inappropriate environment.

There are also marketing professionals, working inside organisations, who have lost the real marketing plot of identifying and meeting customer needs. Maybe it has become more comfortable for them to deal with agencies and research companies than to listen to customers themselves.

Sooner or later, marketing will need to re-align the day-to-day marketing practice with the classic concept of what marketing should do. (see End Notes)

Involving customers in NPD

Drawing on our combined experience, we have developed a fast track and proven way of finding out what consumers really want - not only now, but also in the future. It's extremely effective not only for new product development but for old product development, as well.

Our experience, skills and knowledge of creativity have allowed us to design tools that draw out from consumers exactly how their needs are changing. We find out what's important and what isn't, what they need from a product and what they really don't! Next, we arrange these needs as a hierarchy that becomes an agenda for action.

So, how do we involve customers in NPD?

We use a 5-step "fast track".

Step 1:

In a stimulating workshop environment, we pitch any number of heartland, articulate consumers against a cross-functional supplier team.

Typically, we spend the morning thrashing out, eyeball-to-eyeball, exactly what our consumers need, by looking into the hearts and minds of consumers and experiencing, first hand, their needs, wants, and desires. We don't work on hallucination, intellectual appreciation, or second-guessing what our consumers' needs might be. This is a crucial stage, which is often missed.

We bring the company's cross-functional experts face-to-face, with present, past or potential consumers so that they can apply the full-force of the company's competencies and develop superior offerings.

Although we facilitate these events we offer no interpretation or "attenuation" because, for us, innovation really happens when suppliers' expertise collides, head-on, with the needs of the consumer.

Step 2:

We spend the afternoon generating concept after concept using a tool we have developed called Concept Sheets. It's a bit like Brainstorming with Post- Its™ but includes images as well as words.

We continue building, refreshing, refining and illustrating until we have thoughts, ideas, positions and propositions that might meet the present and future hopes, wishes and desires of our consumers. If appropriate to the situation, we also involve a professional illustrator who can take the simplest of sketches and turn these quickly into illustrations that are detailed enough to show to consumers.

Step 3:



Then we spend the evening painstakingly presenting our offerings to those same consumers, but this time they sit as a ruthless jury.

Consumers are shown the concepts one-by-one which, by this time, are a bit like TV commercials - a picture and someone reading the words. The reader highlights any particular features of the concept that might not be immediately obvious. Each concept presentation takes about a minute and responses are recorded on a prepared form. Participants are asked to think about whether the concept applies to them or not. If it does, each member decides, silently and privately, on a four point scale, whether they would definitely not buy; probably would not buy; might buy; or definitely would buy the product or service. Participants mark their score on the sheets provided. Finally, they are invited to add their thoughts to the sheets regarding what they'd want more or less from the concept.

Step 4:

Then, with the scores and the feedback from the consumers, we take the top choices and tease out what would make the propositions even stronger. Typically we end up with ten to twenty consumer-evaluated concepts.

Step 5:

If risks and costs are low, the concepts can go straight into the next step of the NPD process - typically some kind of stage gate system.

If the risks and costs are high, the concepts are already in a format suitable for robust research through systems such as Omnibus, Brand-Screener or Accupol.

Summary

We involve customers in NPD by bringing them face-to-face with the company's experts. After finding out what their needs are, we use Concept Sheets to generate concepts. During the presentations of our concepts, the consumers are also involved. They actually are the jury and they give a score to each concept.

End Notes

In some organisations, Marketing is under pressure to defend its value add – all too often it is over indulging in spending and lacking in relevant performance measures. It is failing to fulfill its original role. According to us it needs to return to the original and classic role of marketing as the interface between a company and its customers – such as the role described in this article.

If anyone would like more information on this article, please contact Andy Wilkins on andy@perspectiv.co.uk

Authors Information

Jeffrey & Andy have long histories in the field of marketing. Jeffrey has been in the food industry for over 20 years and Andy has been working in the IT industry for 20 years. Between them, they have successfully developed and launched over £1billion worth of products and services based on a simple principle that they share: innovation happens where customer needs meet supplier expertise.

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