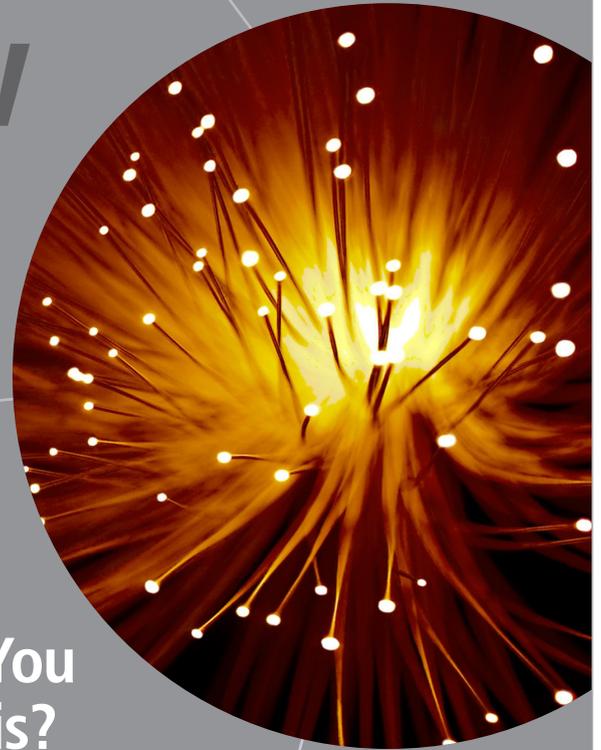




Ipsos InnoQuest
The Innovation and Forecasting Specialists



Pointofview



What's a Nice Insight Like You Doing in a Concept Like This?

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Great consumer insights can inspire powerful product ideas, and ultimately winning concepts and successful innovations. And yet, as marketers increase their expertise at uncovering insights and truly understanding their consumers' needs and aspirations, we suspected that a disconnect may be occurring between insight identification and concept development – resulting in great insights being lost in poorly articulated concepts.

This Point of View, based on our ESOMAR paper of the same title, describes R&D we conducted to determine if high-quality insights correlate with high-performing concepts.¹ If so, the takeaway would be that marketers in general are getting a good return on their insight investment. If not, we would need to develop best practices for ensuring that great insights are successfully leveraged to produce winning concepts.

Insights Represent Unmet Needs – and Business Opportunities

Most companies have their own definition of an insight – and while the nuances of the definition may differ, we are all really talking about the same thing. Insights relate to unmet consumer needs and lay the foundation for new product ideas – and, for savvy marketers, even new communication ideas and brand positionings.

At Ipsos InnoQuest, we define an insight as:

The **revelation** of a **significant gap** between consumers' **aspirations** and what they perceive as **available**, which can be turned into a **business opportunity**.

In essence, an insight is a gap between what consumers want and what they believe they can get. It has to be new or it has to have been hidden but now has become apparent, or the opportunity will already have been leveraged. Finally, an insight must have commercial potential or it is just an observation without value.

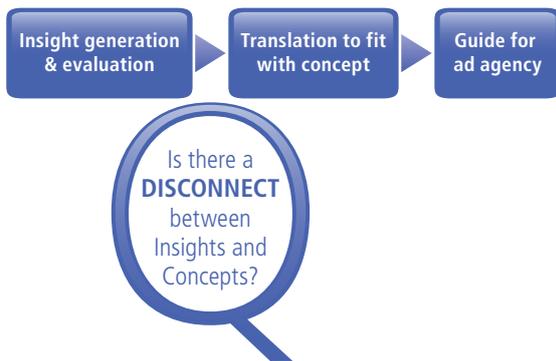
For example, the *Clorox® ToiletWand™* – which offers convenience and efficacy in the form of a disposable swivel head toilet brush filled with Clorox cleaner—addressed the gap between what consumers wanted and what was available at the time it was introduced.

¹ For a full explanation of our methodology, please refer to the ESOMAR paper "What's a Nice Insight Like You Doing in a Concept Like This?"

The Journey from Insight to Concept

The ultimate purpose of identifying insights is to inspire powerful product ideas which can be transformed into winning concepts. The concept is the full articulation of the right insight and the right idea supported by the right reason to believe and the right brand. Unfortunately, the road from insight identification to concept development often is a bumpy one, as marketers are challenged not only to preserve that original golden insight but also to communicate it effectively in the concept (and later in advertising).

Journey of an Insight



While research agencies have developed new techniques and technologies to generate, identify and validate insights, there does not seem to be a process in place for ensuring that these precious insights are fully leveraged at the concept phase and thereafter.

Are Great Insights Going to Waste?

We believe that too often good insights are lost in poorly articulated concepts. We investigated our theory through proprietary R&D that analyzed the relationship between insight and concept performance. We tested insights using our proven measures of success, Relevance and Differentiation, and tested the same insights within real concepts from the Ipsos Global Concept Screening Database.² Specifically, we identified the insight within each concept, and then examined the performance of that insight in insight screening (i.e., as a standalone insight statement) and in concept screening (when the insight was tested as part of concept screening), as illustrated below. We also looked at the performance of the overall concept.

The insight "Moms want to serve their families healthy snacks, but unfortunately that's not what their kids want to eat" is tested standalone in insight screening and as part of a concept (see yellow highlight) in concept screening.

| | |
|----------------|--|
| Insight | Moms want to serve their families healthy snacks, but unfortunately that's not what their kids want to eat. |
| Concept | <p>Dilly's 100% Natural Ice Cream</p> <p>Introducing Dilly's Natural Ice Cream.</p> <p style="background-color: yellow;">Moms want to serve their families healthy snacks, but unfortunately that's not what their kids want to eat.</p> <p>Dilly's with Calcium is a natural way to give your family a healthy snack.</p> <p>It's nutritious, wholesome and 100% natural.</p> <p>It's a simple choice that's good for them and good for you.</p> <p>Available in regular flavors at your local grocer.</p> <p>\$2.99 for a half gallon container.</p> |

Note: Concept shown is a fictitious example.

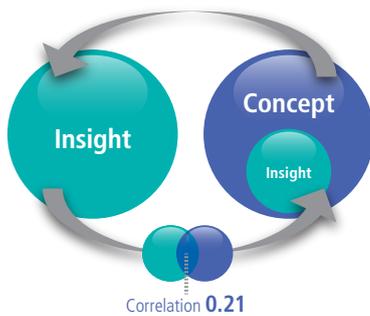
² Relevance and Differentiation cannot be measured directly for insights statements; therefore we used a number of different metrics to capture these dimensions.

Uncovering the Truth about the Fate of Insights

We focused on three key questions to determine whether or not great insights were being lost in poorly articulated concepts. For the purposes of this Point of View, we are reporting the findings in terms of the Relevance correlations.

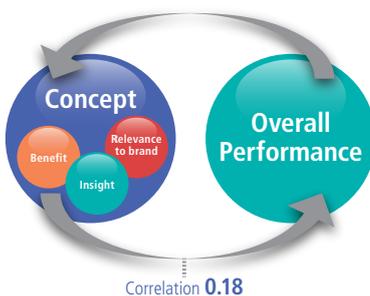
Question 1: Do the same insights perform as well when tested alone as when tested as part of a concept?

We found that the relationship between the performance of a standalone insight in insight screening is weakly related to the performance of an insight in concept screening (correlation about 0.2). The reason, we suspect, is that the other elements of the concept – the brand, benefit, and reason to believe – impact the performance of the insight in the concept. For example, a strong brand may have the potential to elevate an insight based upon existing equity perceptions or personal identification with the brand.



Question 2: How important is the insight statement to overall concept performance?

In general, we found a low correlation between insight-in-concept performance and overall concept performance (correlation about .18 on average). The correlations for other concept elements such as the benefit and reason to believe are higher (in the 20's & 30's), perhaps because they are more tangible. While the correlation of the insight-in-concept performance to overall concept performance is modest, it is still significant and indicates that a good insight is a necessary, but not sufficient, driver of concept success. Consumers are much less likely to read a concept if they do not find the insight relevant, but the other elements must still deliver in order to have a successful concept.



Question 3: Does how the insight is written impact on its performance?

An insight can be written in different ways: for example, it can be written as a foundational insight or a product insight, as an assumption or barrier, as a positive or negative statement, and in an impersonal or personal manner.

Consider the insight, "I know I should drink more water, but I don't, because I don't like the taste." This insight is a product insight (we're talking about water), a barrier (since taste is a barrier), negative (I don't drink water), and personal (first person is used).

For this question, we looked at standalone insights in insight screening and insights within a concept in concept screening. What's interesting is that results differ depending on whether insights are tested standalone or within concepts:

- Foundational insights perform significantly better than product insights when standalone but significantly worse within concepts.
- Insights with an assumption perform directionally better than insights with a barrier standalone but the opposite is true within concepts.
- Insights that are positive perform directionally better than insights that are negative standalone and there is virtually no difference within concepts.
- Finally, impersonal and personal insights perform about the same standalone but personal insights perform significantly better within concepts.

| | Index for Relevance | |
|------------------------|---------------------|----------------|
| | Stand-alone | Within Concept |
| Foundational : Product | 112 | 75 |
| Assumption : Barrier | 109 | 85 |
| Positive : Negative | 107 | 102 |
| Impersonal : Personal | 100 | 50 |

Indices based on dividing the performance score for one type of insight (to the left of the colon) by the performance score for the corresponding type of insight (to the right of the colon), for example Foundational /Product.

These findings imply that, regardless of how insights are tested standalone, they need to be expressed as product insights and in a personal manner within concepts.

What is the Return on Insight Investment?

Our R&D indicates that:

- Insights may perform well in insight screening, but concepts using these insights may not.
- When concept performance is weak, the concept (and the insight) may be undeservedly killed – although other concept elements may be driving poor performance.
- The opposite may also be true – concepts that have a weak insight may pass hurdles because other elements are driving strong performance.
- Great insights can perform poorly based on how they are worded.

The bottom line is that marketers often do not receive a good return on their insight investment because their insights are not fully leveraged in concept testing and beyond.

How Can Marketers Avoid Wasting Great Insights?

There are several best practices marketers should consider to fully leverage the power of an insight – and avoid making poor choices about which concepts to pursue.

1. **Measure the performance of the insight throughout the process– in a consistent, quantitative manner.**

Insights should be evaluated during insight screening, concept screening, copy testing, and tracking. Evaluating the performance of other concept elements such as the headline, benefit, reason to believe, and support is important as well. Creating a scorecard with the insights and other metrics and deploying this scorecard throughout the process will help ensure that the original insight does not get lost along the way.

2. **Separate the performance of the insight from the performance of the concept.**

While the decision about which concept to pursue is clear when both the insight and concept are strong (or conversely when they are both weak), the situation becomes murky when the performance of the concept and insight are not consistent. If the insight is strong but the concept performance is weak there could be a number of reasons why. The idea generated to address the insight may not be appealing, leading to poor concept performance (ideally, the idea should have been derived from the insight). Alternatively, the core idea may be sound but the way the product idea has been expressed in

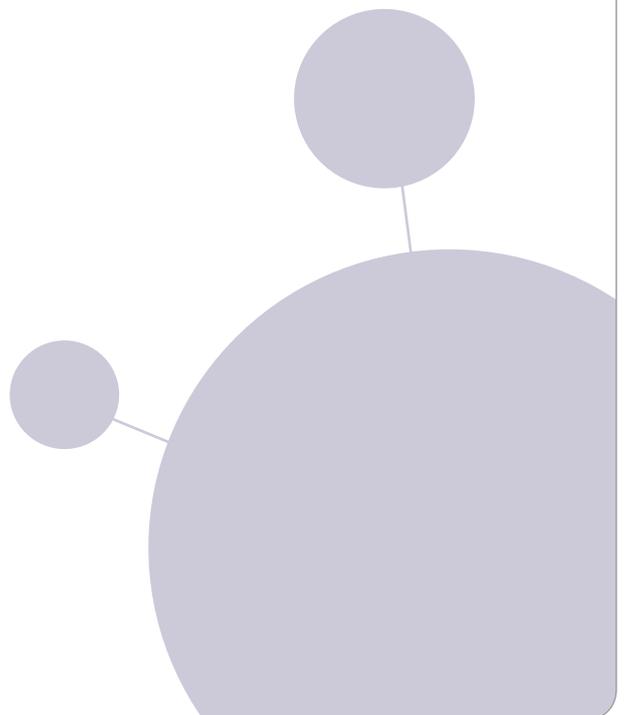
the concept via the benefit and reason to believe may need to be re-expressed to ensure a better linkage between the elements. It is important to understand the reasons to avoid killing an insight that could lead to a strong business opportunity.

The opposite situation may also occur – we could see strong concept performance but weak insight performance. This mismatch between the performance of the insight and the concept needs to be identified and addressed before the concept progresses to the next stage. A strong performing insight is critical to successful copy development.

3. **Make sure insights are worded as a product insight and in a personal manner within concepts.**

Our R&D indicates that the way an insight is worded during insight testing does not have a significant impact on the test results. However, when marketers translate these insights into concepts, it is important to word them as a product insight and in a personal way to optimize concept performance.

We expect to see marketers continue to invest in insight generation – and to see new and creative ways to generate such insights. However, to make the most of these investments – in the form of winning concepts, effective advertising and ultimately successful innovations – attention must be paid to ensuring that the right insights survive and flourish throughout the innovation process.



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 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 84 countries, Ipsos has the resources to conduct research wherever in the world our clients do business. In October 2011 Ipsos completed the acquisition of Synovate. The combination forms the world's third largest market research company.

In 2011, Ipsos generated global revenues of €1.363 billion (US\$1.897 billion), Marketing research contributing to 49.6% of Ipsos revenues.

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