P&PM Dispatch: Your Consumer and the Innovation Equation – Why They May Not Be Involved Enough

by Colin Speakman

Identifying (let alone creating) a new innovation that will dramatically grow your business is difficult. Line extensions and product/package refreshes will keep the business moving forward and engaged with consumers. But what about the breakthrough innovation that executives are expecting? Transformational innovation requires significant investment, risk taking, and preparation which can be a challenge to coordinate.

For B2C industries, bringing the consumer into the innovation equation earlier and consistently across the innovation process will not only help define the innovation, but dramatically assist in portfolio management choices including the balance between incremental and breakthrough innovation.

Incorporating the Consumer Earlier = Tighter Idea Definition and Improved Alignment

Learning from the consumer during idea and concept development creates a more robust consumer proposition. Using their words around how they face a specific challenge, what they are looking for in a solution, and what the idea or product could mean to them provides your entire organization with the gift of seeing through a common-consumer lens.

The vernacular will guide research and development, communication strategy, and consumer targeting. If the consumer uses words such as “delightful” or “energizing” or even “silly,” focus on these words throughout the development process. This consistency will center your team and help reduce some market launch risk, as every team member involved in the product development is working from the same playbook, avoiding potential misalignment later in the process.

Incorporating the Consumer More = Better Portfolio Decision Making

Deeper knowledge enables better decision making and including the consumer feedback early and often throughout the product development process will enable better portfolio decision making. Let’s say that there is a concept that would push the boundaries in a targeted space but for some reason it’s testing poorly compared to what the organization’s growth targets are. Is the positioning off? Does the concept clearly capture the consumer’s benefit and reason to believe? Is the right consumer targeted, or should the definition be expanded?

Integrating the voice of the consumer early on will provide a better view of the idea’s potential. When an idea’s intent is aligned with the organization’s strategy and portfolio’s direction, but is not meeting portfolio hurdle rates, an organization can course correct earlier in the process where needed instead of trying to react when it is too late. Enabling portfolio managers to make decisions on ideas and concepts that integrate the consumer throughout the process will set them up for success, and create a stronger portfolio.

When the consumer is incorporated into the new product development process at an early stage, better portfolio decision making is just around the corner. The organization will be better aligned on the intent of the idea and what it needs to do, and focus opportunities will become more apparent. Clearly articulating the product proposition and consumer feedback can help your organization define the right project to invest-in and align projects with their portfolio strategies.

Oh… and the consumer that was targeted will thank you for this integration with stronger product engagement and purchase interest as it will be “speaking their language.” That dramatic growth from innovation just became a little bit easier.

Like this Blog?

Check out more posts for our blog - Portfolio & Pipeline Management: Dispatches from the Front Lines!

Originally published on September 27th, 2013

What’s your view? Add your question or comment
About the Author

Colin Speakman
colin.speakman@kalypso.com
Colin enjoys golf, cheering on his University of Virginia alma mater, and is a Cleveland Browns season ticket holder.