



UNIQUE CAPABILITIES

“ What features of our new product should we emphasize for maximum competitive advantage...? ”

QUALITATIVE REVEALED ATTRIBUTE IMPORTANCE:-q-RAI

ASSESSING THE RELATIVE IMPORTANCE OF PRODUCT ATTRIBUTES

In most product design exercises, the list of potential features can be quite long. Identifying the key features that will motivate the potential buyer to choose our product v. the competition's version is often the central challenge. A major consumer technology company challenged us to identify the most important attributes for a newly developed photo-quality printer. The feature set was already locked-in; the operative question was which of this innovative product's many new features would most likely capture the target consumer's interest and to enhance purchase intent.

Numerous approaches have been developed to identify the relative importance of one collection of product attributes over another. Some involve "direct" assessments: individual judgments of attribute importance that are expressed through rating scales or ranking tasks. Others involve the application of multivariate statistics to a collection of ratings to generate "derived" estimates of relative attribute importance. Various conjoint methods back into the process by asking participants to indicate their preference for complete – though hypothetical – products, each representing a differing bundle of potential attributes.

SIMULATED SHOPPING: A QUALITATIVE ANALOGUE TO DISCREET CHOICE MODELING

The central metaphor for q-RAI is a simulated shopping experience. The research participant (or couple for many of our experiments) is presented with a group of competing products, each of which has an associated “fact tag” presenting a limited number of fixed, though comparable, product features. Based on their impression of the industrial design and the initial list of product features, participants are asked to rank their preference for each of the displayed products. This process is then repeated multiple times with additional product information being introduced at each round including, as appropriate, a product demonstration. Each product’s brand name and retail price are usually the last descriptive items introduced.

MAPPING CHANGES IN PREFERENCE WITH INTRODUCTION OF NEW INFORMATION

The focus of the analysis is to observe how preference among competing products changes with the introduction of new information: the more dramatic the change in preference ordering, the more important the attribute that stimulated the revised preference ordering...

In the example shown on the next page, participants – a mix of individual decision-makers and couples acting together – were shown six competitive photo printers, including a prototype of the client’s new product.

They were asked to rank their purchase preference *four* times:

1. After seeing the unbranded products accompanied by a “fact tag” that provided comparable product specifications.
2. After seeing comparable sample prints generated by each photo printer.
3. After learning the brand names for each photo printer.
4. After seeing the suggested retail prices and the estimated cost per print.

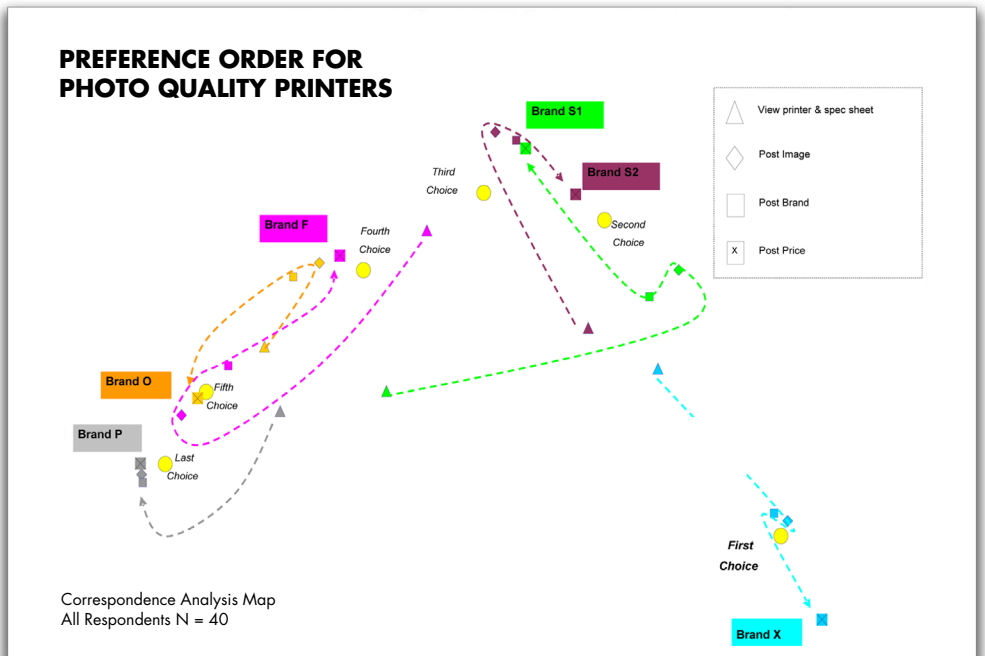
REVEALED ATTRIBUTE IMPORTANCE

The initial exposure to the on-shelf appearance of the six products, and the listing of comparable technical features (the “fact tags”) provided sufficient information for our participants to generate a robust and distinctive preference ordering (indicated by triangle-shaped points in the plot).

However the initial preference ordering changed dramatically once the sample prints were exposed (revised preferences are indicated by the diamond-shaped points in the plot). From that point forward, our client’s product had solidly established a #1 position in the rankings.

For the third round, the exposure to brands had relatively little impact on preference ordering (the shift from the diamond-shaped points to the square-shaped points), but, in the fourth round, the pricing information – once again – had a substantial impact on preference ordering (the shift to the [X]-shaped points).

[please see graph on next page]



ACTIONABLE INFORMATION

From a marketing standpoint, the q-RAI analysis clearly highlights the communications priorities for the product launch:

- The industrial design and feature set are competitive and are likely to generate top-tier consideration at shelf, but...
- The sale is a virtual lock once the prospective customer sees a sample print – preferably one that can be compared directly with a competitor’s print quality.
- The product price and the attractive price-per-print reinforce the first-place preference and need to be clearly communicated.
- The (well-known) brand name stands as welcome reassurance of quality and service for a new and relatively unfamiliar product.

TO LEARN MORE...

q-RAI is one of several unique capabilities we have developed at StarPoint Consulting. To learn more about the technique, its application and its interpretation, please feel to contact us directly. We would be pleased to discuss your marketing challenge and help you determine whether q-RAI – or one of our other innovative approaches – could contribute to your product development and marketing program.



1341 W. Fullerton, #256
Chicago, IL 60614
773.342.5660

www.starpointgroup.com
info@starpointgroup.com