



Strictly Financial

Collaborative proposition development

A hot house for idea development
and testing

October 2017

**Our insights
and observations**

Redefining proposition development research

We now live and work in a world where rapid change is normal and expected. To remain relevant and competitive, companies need to be extremely responsive to changes in the market, and able to react quickly to shifting customer attitudes and needs. Many companies invest heavily in product and proposition development, as this effectively underpins the future growth of the business.

This 'need for speed' is often set against the view of traditional research, and especially qualitative research, as being a slow and costly way of gaining customer feedback – and one which may inadvertently 'stall' internal creativity.

It is time to challenge this assumption – it is not necessarily the case that incorporating qualitative learning in the project 'gets in the way' of proposition development. Rather, using an 'agile' approach to research can actively streamline and contribute to the proposition development process and enhance the creativity of the team.

–

At Strictly Financial we have broken the proposition development process down into core elements and developed a methodological approach which provides rapid turnaround of results and acts as a hot house for idea development and testing.

–

Our staged approach means that clients can select and tailor the elements that are needed on a case by case basis, and ensure that the research fits neatly into the timing plan for the overall project.

The collaborative proposition development process

At Strictly Financial, we use an intensive hot house approach – accelerated research involving qualitative research and team co-creation sessions (customers and team members working in synch), and customer workshops. Strictly Financial's collaborative approach aims to deliver results quickly so that *informed* decisions can be made immediately.

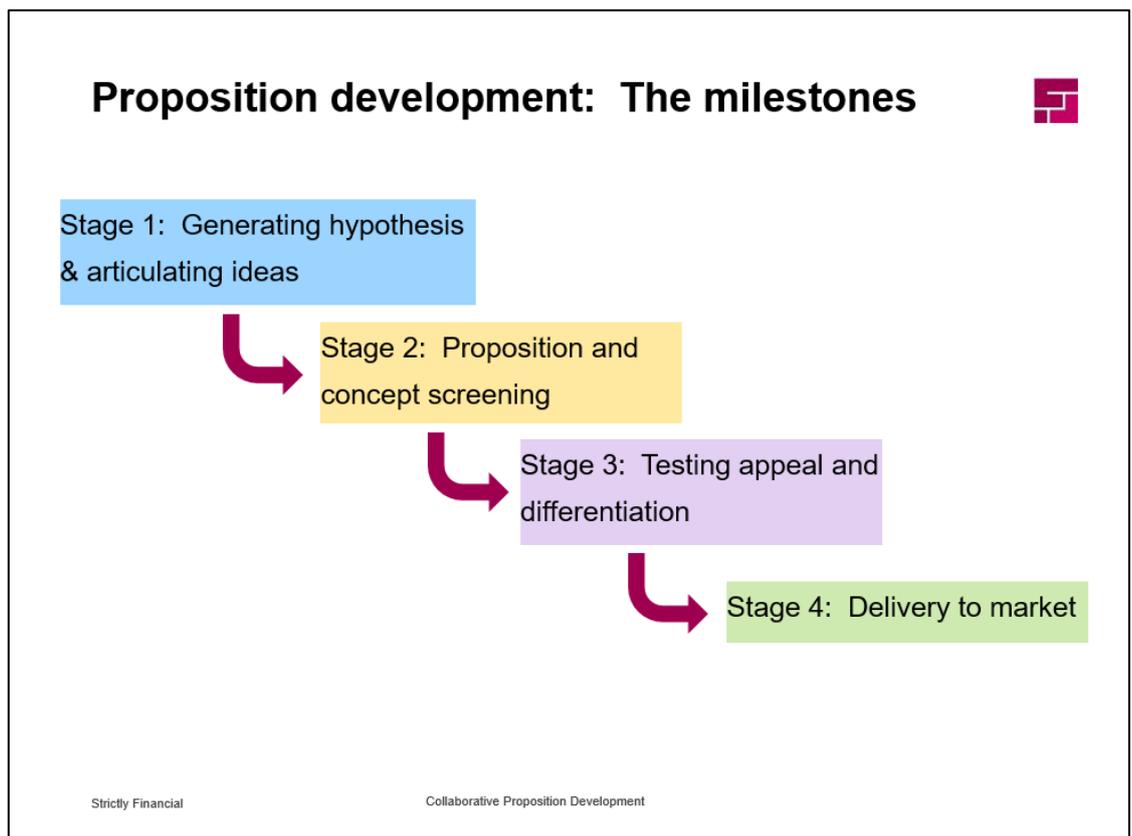


–

Collaborative research: Speedy, responsive and highly interactive.

–

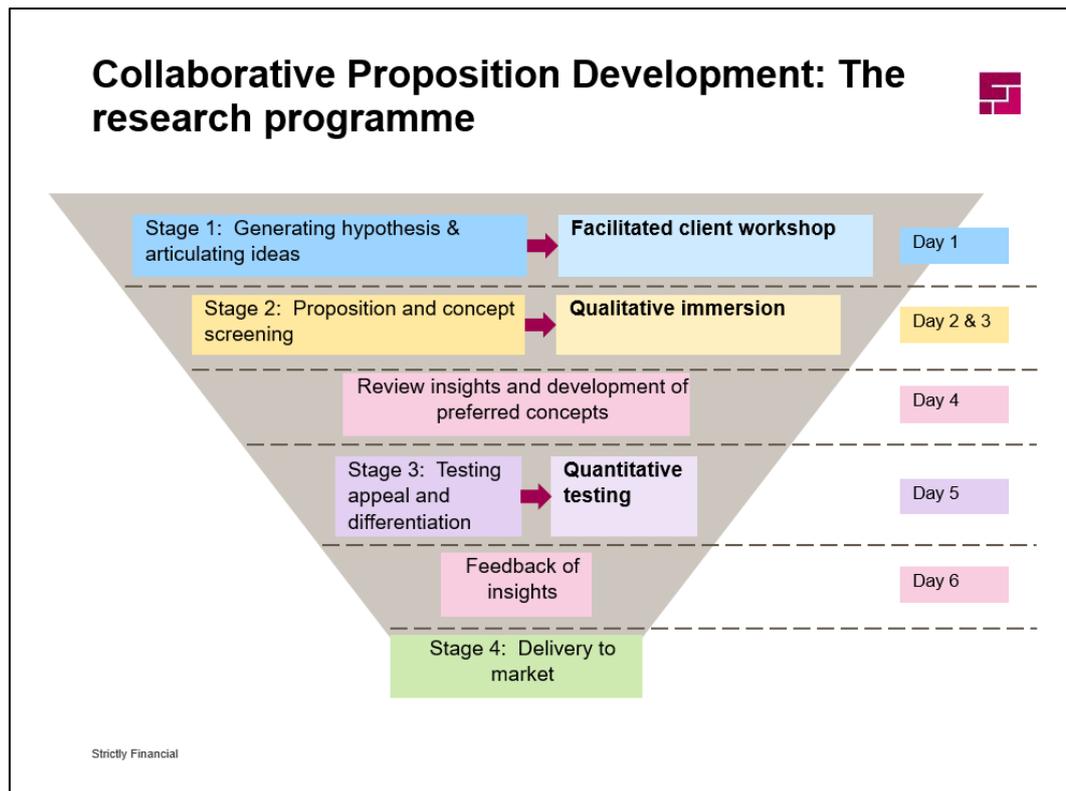
When developing our approach, we broke the proposition development process down into its key milestones:



We then designed a collaborative research approach tailored to produce the best results at each stage of the process.

If necessary this research process can be conducted over a single week of hot-housing – although in practice the timing (and project scale) are always tailored to the

needs of each project. We have included an outline of the research programme below.



The approach that we have developed is both iterative and adaptive, utilising the strengths of small collaborative and cross functional teams working together across a short time frame, during which rapid feedback is incorporated into swiftly evolving thinking to develop potential solutions.

Stage 1: Generating and articulating ideas - Workshop

In any development process it is vitally important to have a clear proposition, as it will underpin the product development. It ensures that decisions are customer-benefit orientated, helps paint the vision that the development team can use to ensure it is meeting the objectives, and directs the marketing campaign.

Strictly Financial

–

A value proposition: a business or marketing statement that summarises the benefits the target consumers will enjoy if they buy the product or service.

–

What is important is that the proposition centres on the customer experience – i.e. it describes the value that a consumer will receive from the product or proposition (rather than focusing on the product or service features).

Typically, clients are already some way down this process when they approach us. Using internal expertise as well as existing information, they already have some idea of:

- What the customer needs are, who are the target customers, what problems are they having that will be addressed with the offer, what aspects will they really value?
- What the proposed product/ service does/ offers, what are the features and benefits of the offer, what else could be included?
- What does the competition offer, who is being targeted, what benefits are competitors promoting, what are the real capabilities (strengths and weaknesses) of their offer, how is this solution differentiated?

If any of this information is missing, it is worthwhile taking time to identify (and if possible, plug) any information gaps, as this will ultimately help shape the articulation of the ideas so that they are presented properly and clearly. Generally speaking consumers don't care about the product/ service per se, but they do want to know what it can do for them – what problem will it solve, how will it enhance their lives?

The task of the first stage of the proposition development programme is to take this (largely internal) knowledge, share it and 'stress test' it amongst the team - and from this develop draft propositions and some initial ideas as to who their target markets are.

In order to achieve this, Strictly Financial facilitates an internal workshop with the team to review the information, discuss the ideas and ultimately develop several proposition 'hypotheses' that can then be crafted into an initial stimulus set.

This work is then fed into Stage 2, where we test and refine these propositions and the assumptions behind them.

Stage 2: Proposition and concept screening - Qualitative immersion

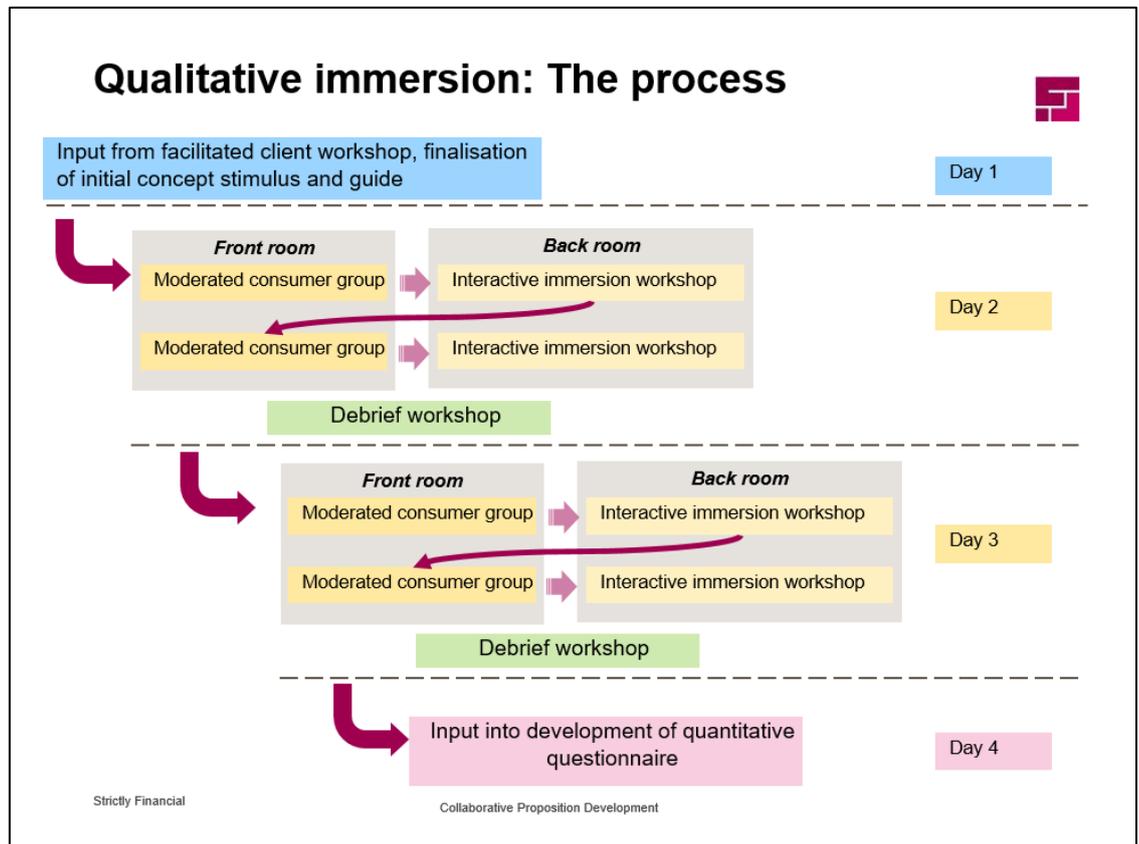
In this stage of the work we test whether the proposition and differentiating features resonate with customers and provide real distinction (or whether they are 'so what?' features), and how best to communicate their strengths to customers. The idea is to immerse, generate, and evaluate the ideas by conducting a series of 'experiments' with consumers to see what their reactions are.

Using a combination of target consumer sessions and client workshops, we engage with consumers to co-create solutions through qualitative research that is focused on understanding needs and generating ideas.

The principal research tools we use are group discussions (or occasionally depth interviews). These qualitative techniques allow us to question and probe respondents to get under their skin. The environment itself promotes innovation and can be idea-generative – the open and discursive approach is great for encouraging people to open up and talk about their needs, and reveal the challenges and frustrations they face.

Whilst the sessions can take many forms depending on the needs of each project (workshop, co-creation, standard or rolling groups, etc.), the basic principles are the same.

We conduct back to back, time-efficient target market research sessions in an appropriate facility (normally a viewing studio). The sessions have dual moderators - one in the front room moderating the consumer groups, and one in the back room facilitating the client interaction. This allows real time iteration and live synthesis of insights as the fieldwork sessions progress. Whilst the groups are progressing, the 'back room' team use flip charts, and post it notes to capture in the moment thoughts and make changes to the design as a result of the insights gleaned.



This process promotes a highly iterative approach to development and product design. Concepts can be changed/ and stimulus and discussion flow modified as we learn. Any helpful feedback is integrated into the materials, each new iteration is tested in the next group session, and so on.

By generating understanding, ideas and knowledge in the moment, the team can eliminate elements that have no customer value, add ideas for features that make the proposition more appealing, downplay elements that are less important, and focus on elements that need improvement or refinement.

We adopt a very iterative process involving all participants regardless of their level of participation (back room, front room, etc).

This process effectively puts the customers at the heart of the product or proposition development process – their views shape the next ideas that are tested, ultimately making more user-friendly products and innovative designs. Stakeholders and

Strictly Financial

decision makers are able to see the 'whites of customers' eyes' and be immersed in the process.

Immediately after the sessions, we facilitate a (short and focused) debrief workshop. The team shares understanding and key insights identified from the sessions that have just been observed. During this workshop the back room moderator's role is to decode the client group discussion on themes and take-outs. The front room moderator ensures the voice of customer is kept in the room during this debrief session.

Stage 3: Appeal and differentiation - Quantitative testing

At this point in the process, we typically have a number of 'leading contenders' and/ or alternative elements that could be incorporated into the ultimate design. These concepts and features can then be fed into a quantitative survey (e.g. an omnibus), to gain metrics on appeal and differentiation.

An omnibus is a very quick and cost-effective way of providing a quick read of reactions across a larger consumer base, and provides reassurance as to whether the concepts will stand up to greater scrutiny when taken outside the hot housing process.

Typically, a good response rate can be achieved over the course of a day or weekend (we try and schedule the omnibus to go live on a Friday, with results available the following Monday morning).

Outputs

Results from each day are circulated to the team immediately (via email), and incorporated into the final report (a record of the process and stages that resulted in the final concepts) within 24 hours.

We move quickly to synthesise outputs and actions, and circulate a high-level summary to the team the following day. This is generally sufficient detail and documentation for the team involved in the proposition development process. Full analysis and a 'traditional' research debrief can follow later if required by the client.