

# Product and Program Optimization

Many management problems center on optimization decisions – tough choices that may also involve considerable risk. Smart survey research powered by advanced analytics is ideally suited to answering questions such as:

- which product to launch
- how to design a new product or **clinical trial** to give the best chance of success
- what promotional offers will drive trial
- which SKUs to discontinue

Knowledge Networks, a GfK company, helps clients launch new products and services by applying optimization models that can zone in on the best-case scenarios, including product and pricing configurations. Our rigorous design and analytical expertise are matched by an understanding of clients' business challenges.

With KN's help, you can obtain clear, action-oriented answers to challenges such as:

- pricing a new product introduction to minimize cannibalization and maximize volume draw from competitors
- identifying the clinical endpoints that will optimize uptake for a new drug (in some cases using our proprietary patient chart studies – **MD-DIARY**<sup>®</sup> – to feed our models)
- optimizing the features of a program to drive trial, retention and compliance
- line and flavor optimization – both extensions and pruning
- determining the bundles of claims that are most convincing across a variety of target segments
- estimating the impact of a new entrant on existing market share

KN **in-house Advanced Analytics** team has an early and visible role in partnering with our clients to determine the best designs and modeling methodologies. In fact, we actively involve our modelers at the design stages before any modeling actually takes place. We frequently



use discrete choice and conjoint modeling to inform product and service configurations, resulting in easy-to-use simulators that allow clients to evaluate any number of scenarios.

Our optimization suite can also handle large numbers of product alternatives, which is essential when determining product mix and price points (e.g., optimizing the shelf set for an entire category, such as cereal). Other commonly used modeling techniques include **Maximum Difference Scaling** and KN's next generation TURF analysis called **MaxUr Plus**.

We also partner with consulting firms that use our optimization tools to feed into market forecasts.

**To learn more about Knowledge Networks' Optimization approach, contact:**

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