

Facial products manufacturer gets clear picture of new-product incidence via KN's high-quality panel

Marketing challenge

A leading personal care products manufacturer needed to quantify the target vitality of a new line of facial cleansers six months post-launch. The brand included a variety of cleansers, for which marketing assumptions had to be evaluated. KN was able to:

- define adopter incidence for the new product in total and by line item,
- determine if early triers matched the line's assumed target profile, and
- measure satisfaction with the new products.

The Knowledge Networks Panel

As the quality leader in online research that delivers projectable business information, Knowledge Networks maintains the only Internet panel that represents the full spectrum of U.S. consumers – both Internet and non-Internet households. When combined with probability sampling, this allows KN to provide the reliability that is essential in making key marketing decisions. By contrast, only those who already have the Internet and who volunteer for a panel or survey are represented in most online research, resulting in bias that can have dramatic effects on the choices marketers make.

Knowledge Networks solution

Knowledge Networks used accepted statistical methods to draw a random sample of women ages 13 to 69 from its probability-based sample panel. As part of its program of research on research, KN also used the present study to compare results from "volunteer" Internet respondents and the Knowledge Networks Panel. KN fielded the same survey instrument among a volunteer group drawn from a well-known vendor and presented side-by-side results for the two sample sources to the client, who validated that the KN results were more accurate.

Results

The client felt confident in using the Knowledge Networks results for assessment of the new product evaluation and status. The same would not have been the case for the other online samples, as consumption, penetration, and product ratings were overestimated.

Specifically, the Knowledge Networks data showed that use of the new product line was in keeping with marketing plan assumptions, and that a substantial (but not unreasonable) proportion of users considered the products to be the best of their kind. Price paid and levels of promotion use were also in line with category norms and sales experience to date. Through this quantification of performance, planned spend and support levels remained in place.

Comparing the KN Panel data to volunteer findings revealed dramatic disparities; relying on the volunteer data would have led to marketing plan adjustments that could have hurt the introduction. For example:

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- adopter incidence for the new line of products was 2.75 times larger in the volunteer group than the KN sample – 3.3% versus 1.2%. A level of 1.2% is normal for early adopters of a new facial product, while 3.3% would be considered high and unexpected;
- 45% of the KN group judged the new line’s scrub cleanser superior, compared to 84% of the volunteers;
- early triers identified by the volunteer group seem to be younger, more educated, and wealthier and are less likely to be African American or Hispanic – biases matching the profile of Internet users generally.

Survey question	KN Panel (RDD)	Online Volunteers
Satisfied with new product line		
<i>Extremely/Very satisfied</i>	56	67
<i>Somewhat satisfied</i>	33	23
<i>Slightly/Extremely dissatisfied</i>	11	8
Client’s products better than other products		
<i>Scrub cleanser</i>	45	84*
<i>Cream cleanser</i>	38	63
<i>Foaming cleanser</i>	53	76*
<i>Oil-Free moisturizer</i>	43	68*
Circumstances new line product was purchased		
<i>Purchased at reg. price</i>	73	86*
<i>Bought from special display</i>	9	13
<i>Bought with magazine coupon</i>	6	14*

** Volunteer estimate does not fall within the 90% confidence interval for the KN Panel estimate.*

Conclusions

Only Knowledge Networks was able to deliver an accurate understanding of the basic characteristics of early adopters necessary for refining strategy related to the product, communications, spending levels, targeted vehicles, and other marketing elements. Mismeasurement of this group by other online samples would lead to an unwarranted change in course that could have hurt introductory performance.

KN findings indicate that the product line’s performance and consumer perception of its superiority are in keeping with norms for the category, and that early brand triers generally fit the expected demographic profile. This information points the way toward good understanding of the state of the new product and insights into the task of accelerating adoption.

The discrepancies between the Knowledge Networks and volunteer results are substantial – differences of 50%, 100% and more – and could clearly yield different business decisions. Overestimation of the line’s position, for example, would lead to less urgency related to refinement of marketing communications about the product proposition, which could yield less trial in year one due to reduced market pressure.

As marketers shift more core business information to the Internet, the reliability of decisions based on Internet studies will become crucial. Knowledge Networks has taken the lead in delivering quality online research that supports business decisions; minimizing bias due to coverage, self-selection (“volunteering”), and non-response is a crucial element of that leadership. This and other KN studies show that, when projectability of data is important in decision-making, the Knowledge Networks Panel is absolutely the right decision.

For more information, contact your Knowledge Networks service representative or write to info@knowledgenetworks.com.



1350 Willow Road, Menlo Park, CA 94025
 Phone 650.289-2100 Fax 650.289.2001
info@knowledgenetworks.com • www.knowledgenetworks.com