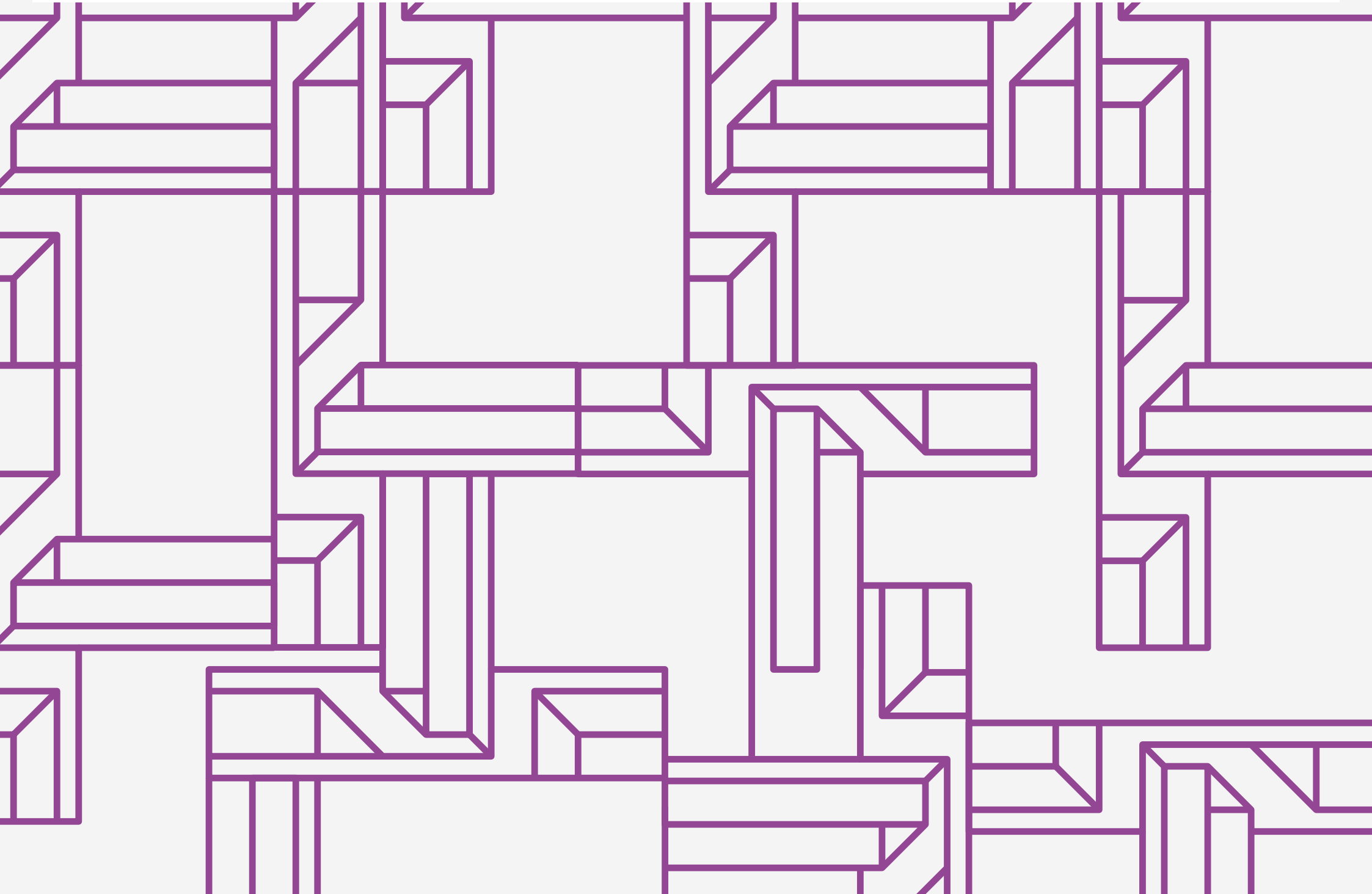


How to find fresh inspiration
to fuel breakthrough ideas

INSIGHT FOR INNOVATION



HUMAN INNOVATION



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Innovation Insights Toolkit

Market Research vs. Innovation Insight

Market Research

Methodical
& Robust



Innovation Insight

Creative
& Inspiring



Traditional market research* approaches generally produce predictable results, hence are generally ineffectual for breakthrough innovation

Market Research vs.
Innovation Insight

Traditional market research
Innovation Insight
Fundamentals

Innovation insights toolkit

**Good
for** ✓



Strategy, operations & incremental innovation

Needs, preferences & pain-points

Market dynamics
(i.e. size, profitability, etc.)

Segmentation

C-Sat tracking

Concept testing

**Bad
for** ✗

Breakthrough innovation

Inspiring bold new ideas

Forecasting future needs

Spotting emerging trends

Understanding new markets

Dealing with anomalous
& weird insights

Respondent with each statement be circling a number

Strongly Agree		Neither Agree Nor Disagree		Strongly Disagree
5	4	3	2	1
5	4	3	2	1
5	3		2	1



* The action or activity of gathering information about consumers' needs and preferences



Innovation Insight

Fresh differentiated learnings which trigger
breakthrough ideas

Innovation insights fundamentals

Market Research vs.
Innovation Insight

Traditional market research
Innovation Insight
Fundamentals

Innovation insights toolkit



*'Innovation insights are **more like stories than stats**... Great innovation insights have **more to do with depth than breadth**'*

Clayton Christensen —
Competing Against Luck, 2016

Qualitative research is the best way to find fresh innovation insights



Finding **inspiration is more important than robustness**. The objective is to generate new ideas, not to build a business case *(that comes later)*

Don't be afraid to discard market research conventions & 'best practice'



First-hand interactions with consumers are much more visceral, hence provides **deeper and different perspectives**. And lots of **anecdotes** to share with colleagues

It's not market research! You want inspiration that sparks fresh thinking, not robust insights to build a business case on

Innovation Insights Toolkit

Design

Go beyond
the usual suspects

Take a 360° view
of consumers

Remove category
blinkers

Who
How
Scope

Do

Ask deep questions

Polarise & provoke
participants

Look for DIY solutions

Be a little cynical

Techniques
Tips
Watch-outs

Dissect

Use EQ + IQ

Run a storytelling session

Create opportunity springboards

Interpretation
Socialization
Application

Insight for Innovation

Who | How | Scope

Design

BE STUBBORN ABOUT
YOUR — GOALS

AND FLEXIBLE ABOUT
YOUR METHODS

Anonymous

Go beyond the usual suspects



Research is usually restricted to target consumers (e.g. *ABC1, families, with 2+ children...*), which are often similar to their competitors' target segments.

But, the freshest and most inspirational insights are frequently found when the net is cast wider and other types of consumers are consulted. Such as:

Neglected segments

Demographics, attitudinal, or behavioural cohorts which big brands have missed, or have not prioritised

Non-users

Consumers who are/feel excluded from the category, or whose needs are poorly served through existing solutions

Extreme consumers

Those who are passionate about the category, or who have expertise (*formal or informal*) within it

Eccentrics

People with unusual attitudes, behaviors and experiences of the category, who can provide completely different perspective on it

Tips

Other types of consumers should account for c.20% of the research sample



Go beyond the usual suspects

Market Research vs.
Innovation Insight

Innovation insights toolkit

Design
Do
Dissect

Tactics

Neglected segments

In mature categories big brands often overlook large lucrative segments. When designing research systematically consider each demographic, attitudinal and behavioral cohort. (*Including what would happen if some segments were merged, or divided*).

Non-users

Companies often write-off/deprioritize non or infrequent users. Consequently they can become increasingly alienated and their needs go unmet. By periodically considering them, alongside market and tech. developments, new innovation opportunities can arise.

Extreme consumers

In mature mundane categories consumers are often apathetic. Their responses are banal (*e.g. make it cheaper, healthier, bigger, etc.*). Therefore, to get fresh insights it's essential to speak with super users or those with a passion for the category.

Eccentrics

When you want to get a radically different perspective about a subject, speak to someone who has a strange relationship with it. This can be related to any aspect of the product (*e.g. their philosophy, purchase/usage behavior, etc.*).

Examples

Male laundry detergent

Frey comes in a black rugged bottle with a cologne inspired masculine fragrance of oak and musk. (*In the UK 3.5M / 13% households are male only, and 47% of US adult males are unmarried*).



Loans for the poor

For years banks refused to lend to poor consumers, and loans came with complex terms. Payday lenders disrupted the market by offering short loans with straightforward terms (*albeit with exorbitant interest rates*).



From medicine to lifestyle pill

Initially erectile dysfunction pills were sold for medical problems. Today the majority are sold to healthy men as lifestyle drugs. Gay men were early adopters and there was less of a taboo about discussing it. Therefore they were able to provide invaluable insights on repositioning it to drug makers.



Spiritual healers

To research wellness trends a pharma company spoke with a shaman (*witch doctor*). He explained his theories – including one about an egg being a microcosm for passing energy through. His insights were used as stimulus in ideation sessions.



Take a 360° view of consumers



The vast majority of traditional market research is via focus groups and interviews. But, these only give a limited (*and often distorted*) view of consumers.

To get a richer and more holistic understanding use the following techniques:

Impersonate them

Get into the mindset of the consumer by doing things they do, hang out with their peers, and consume the same media (*websites, TV, magazines, etc.*)

Observe them

Especially before, during and after purchasing and consuming the product you're interested in. Pay particular attention to how they interact with others and look for inconsistencies in their claimed and actual behaviour

About them

Talk with others who know them really well, either personally (*e.g. friends, family & colleagues*) or at a segment level (*e.g. sociologists, student councillors, financial advisor, etc.*)

Tips

What you observe is as good as what you hear. Always devote a significant proportion of research to observation (*also know as 'contextual enquiry'*)



Take a 360° view of consumers

Market Research vs.
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Tactics

Impersonate them

Getting into the mindset of target consumers is particularly important when they significantly differ from you (e.g. *they're from a different culture or age group*). Forming a diverse team, ideally with members who know the segment, is helpful.

Observe them

This is critical both because consumers struggle to remember detailed parts of the product experience and as they often unwittingly misrepresent it. Taking photos and videos is recommended for capturing clues and for sharing them with others.

About them

People are really bad at describing themselves. Vanity, hubris and humility all contribute. In one study 90% drivers rated themselves as above average. So it's essential to consult others who know them, or the segment, well.

Examples

Teenage girl's bedroom

UK health and beauty retailer Superdrug re-created a teenage girl's bedroom in their office to help their innovation team get into their mindset.



Preventing fishy fingers

John West wanted to broaden consumption of canned tuna. During in-home immersions it was observed that women hated the horrible 'fishy fingers' smell on their hands. Harnessing this insight No Drain Tuna was born. It has since grown the brand by £XOMs.



My single friend

Leveraging the insight that people struggle to describe themselves, dating site 'My Single Friend', gets friends to create profiles for their single friends.



Remove category blinkers



Research projects need to have a clear scope and focus. But, often innovation briefs are set too narrowly; especially as they're based on the current category dynamics.

Frequently the most fertile areas for innovation are those which blur and span category boundaries. So, when setting the scope and focus of innovation research projects watch-out for the following:

Boundary parameters

When the category evolves and expands - often because of new trends (*e.g. consumer, cultural and tech.*)

Boundary politics

When internal or partner classifications get in the way of good ideas

Boundary conventions

When insights or ideas radically challenge the norms and dynamics of the space (*e.g. pricing, packaging, distribution channels, etc.*)

Tips

Always set the scope wider than you think is necessary and base it on where the category could go in five years



Remove category blinkers

Market Research vs.
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Tactics

Boundary parameters

Whilst most people know categories evolve, many erroneously believe the change is linear. Whereas, often great leaps happen erratically (*especially in response to new consumer, social & technical trends*).

Boundary politics

Internal classifications are useful for operational management. But they often inhibit new ideas. If politics are likely to arise involve senior stakeholders (*from the relevant areas*) early in the process and agree principles and resolution strategies before they arise.

Boundary conventions

Insights and innovations which don't fit with category dynamics (*e.g. pricing, channel, packaging, etc.*) are often dismissed too quickly despite the fact that they often lead to the biggest breakthroughs. Explore the area of the possible, look to how players in other categories have innovated across the marketing mix.

Examples

The breakfast revolution

Historically most cereal producers competed in the 'ready to eat' (*cold*) segment, because they didn't want to compete against bacon & eggs, etc. This led to many being blindsided by the rise of (*hot*) oatmeal. And then again by the craze for breakfast biscuits (*non-cereal*).



The all-in-one door hanging tool

Tradesmen use 7+ tools to hang a door, which wastes lots of time and effort. A manufacturer developed an all-in-one tool, but received some unexpected resistance.



Drills, sanders, and saws. The vendor that offers the most horsepower at a price point gets the space. Your product doesn't help me

Tool buyer — Major retail chain

Making carrots cool

Bolthouse farms spent years unsuccessfully trying to boost carrot consumption using traditional tactics (*e.g. packaging, sales promotion, etc.*). It wasn't until it launched its 'eat em like junk food' strategy, which embraced fast food tactics that sales began to spike. For example by flavoring the carrots (*like chips/ crisps*) & selling them in vending machines.



THE BROADER ONE'S
UNDERSTANDING OF
THE ——— HUMAN
EXPERIENCE

THE BETTER DESIGN
WE WILL HAVE

Steve Jobs

Ask deep questions

Research questions usually focus on the consumers' relationship with the product (*i.e. usage, attitudes, needs, etc.*), and then strays slightly into their lifestyle (*i.e. home & work life, hobbies & interests, sub-culture, etc.*).

But, often the freshest and most revealing insights come from zooming out and asking deeper questions (*i.e. values, passions, hopes and fears, etc.*).

Tips

Around 25% of discussions with consumers should be focused on deep questions. To elicit interesting responses discuss tensions in their life and where they are forced to make trade offs. For example: what impact does a working mother think her career has on her children, and how does it make her feel?



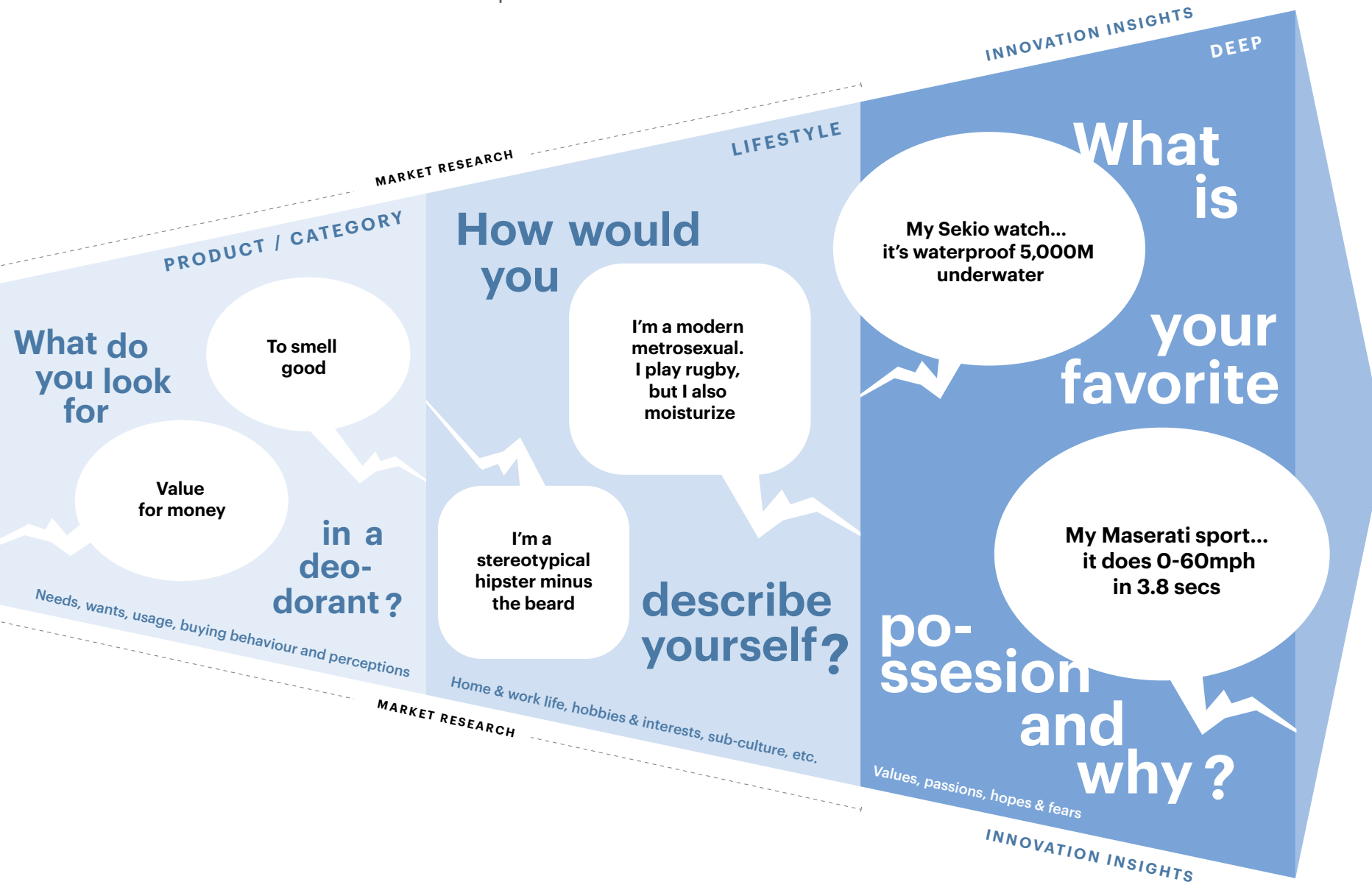
Ask deep questions

The freshest and most useful insights are often found further up the funnel

Market Research vs.
Innovation Insight

Innovation insights toolkit

Design
Do
Dissect



INSIGHT

Men like over-engineered solutions



96 hour protection
Protection at 120°
1 Million + molecules



Polarise & provoke participants

In mundane and mature categories consumers are often: apathetic about the subject; satisfied with current solutions; or have entrenched views, which they struggle to think past. For example, few people get excited (*or really care*) about toothpaste or insurance. So, it's really hard to generate fresh insight in these areas.

Therefore, sometimes it's necessary to stir things up - because when people get emotional they think about things more deeply and express latent subconscious thoughts (*which they may not even have known they had*). Two of the most effective techniques for doing this are:

Provocative statements

Showing participants controversial or extreme things others have purportedly said. This is particularly useful to get them to discuss controversial, or taboo areas.

Extreme ideas

Getting subjects' reactions to stretching ideas is helpful in finding out where parameters lie. Often customers are more open/closed minded than expected.

Combative groups

Recruiting diverse participants who hold opposing views on the subject and encouraging them to debate. This is especially useful for exploring their logic structures, as it forces them to carefully consider and justify their viewpoints.



Polarise & provoke participants

Market Research vs.
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Tactics

Provocative statements

Think of controversial or taboo areas that would be difficult to ask via direct questions (e.g. *national stereotypes, lazy or unethical behavior, etc.*) and write them as quotes. Then use these as flashcards during discussion with participants.

Extreme ideas

Steve Jobs said “*consumers don’t know what they want until you show them*”. Therefore, for radically new concepts often it’s important to simulate the experience in real world settings, to see how they react.

Combative groups

To explore latent and subconscious thoughts use diverse samples with contradictory views. Then trigger passionate debates, through questioning and by using provocative statements.

Examples

Men & sex

During a project on erectile dysfunction remedies provocative statements were used to explore views towards sex and masculinity. Interestingly almost everyone said the old macho views towards masculinity were silly and outdated.



Vaporized vodka

Focus groups’ reactions to the concept were mixed – some loved it, but others thought it was silly. To get a true read the vodka company created some cheap prototypes and placed them in a bar. Colleagues from the company then posed as customers and ordered it, both to see how others in the bar reacted, and more importantly whether they would order it.



The ‘lazy stigma’

During a project on prepared produce a posh middle aged lady got annoyed by another participant who insisted microwaveable meals were as good as home cooking. She rebuked him for being “*lazy*”. The team used this as a platform to develop ideas for rejecters like her (e.g. *match-stick carrots – which required lots of skill to prepare – hence weren’t a lazy option*).



Look for DIY solutions

Unorthodox purchase and usage behaviours and modifications to products, often mean there are opportunities for innovation. Look out for:

Pain-point relievers

Anything buyers/users do to reduce frictions or overcome frustrations with the product. *(Even very small things).*

New usage occasions

consumers using products in unexpected places, times or situations.

Product augmentation

creative modifications consumers make to products (e.g. adding/removing features, personalisation, etc.)

Tips

Search online on social media and crowdfunding sites (e.g. *Kickstarter*) for unusual solutions. Don't dismiss weird ones too quickly – interrogate it deeply to understand what is behind the behaviour



Look for DIY solutions

Market Research vs.
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Pain point relievers

Doing research specifically ask consumers about anything they do, or would like to do, to reduce frictions or overcome frustrations, and watch out for them as they buy and use the product.

New usage occasions

Look for consumption in unusual places, times and situations. Specifically ask why consumers do not use it during other times, about substitutes and how it could be modified so they would use it in other occasions.

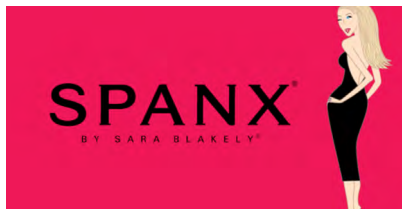
Product augmentation

Creative consumers and super fans often go to great lengths to improve or personalize products. Seek them and interview them online (*as they're often highly geographically dispersed*).

Examples

Perfect fit pantyhose

Frustrated with the fit of pantyhose the founder of Spanx cut the seams of hers. She also discovered the industry used the same waistband for all hosiery and adjusted it to cut costs. Leveraging these insights, she went on to become a billionaire.



Portable squash

Families had long carried squash (*concentrated water flavourer*) in bags and pockets, both to save money and for health reasons (*it's lower sugar than soda*). So Robinsons developed a small portable super concentrate format for out of home use.



Personalised trainers

Nike spotted the trend of consumers personalising their trainers. When the enabling tech. became available they jumped on it and the hugely successful Nike iD personalisation platform was born.



Be a little cynical



Many moderators treat participants' responses as sacrosanct, and are trained not to challenge them for fear of biasing the results. But, as the objective of innovation insights is to get inspiration, as opposed to robust findings, the risk of bias is far less relevant.

Moreover, everybody lies (*often unwittingly and unconsciously*), exaggerates, and over/under estimates themselves. Therefore, it's critical to:

Expose contradictions

by looking out for differences between claimed and actual behaviours and asking for evidence to support claims.

Challenge respondents (*politely*)

if you're dubious about something they've said say so, explain why, and ask them if what they've said is completely accurate.

Digital truth serum

for sensitive subjects (*e.g. sex/relationships, personal finance, etc.*), or where social desirability bias is strong, it's advisable to consult digital data and tools, which often provide very different result.



Be a little cynical

Market Research vs.
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Tactics

Expose contradictions

Wherever possible get subjects to describe their behavior, then demonstrate it. Usually there are nuanced differences. Most often there are omissions, where consumers have forgotten steps in the process.

Challenge respondents

Everyone likes to present themselves in the best light; some are too polite to offend researchers; and sometimes subjects have a vested interest in the outcome of the research – hence they may provide misleading answers.

Digital truth serum

For sensitive subject (e.g. sex, personal finances, etc.), or where social desirability bias* is strong, digital channels can be a more effective methodology. Consider using social listening, or anonymous online surveys.

**Social desirability bias is when people adapt their answers, because they want to look more desirable to others, than they really are*

Examples

The 'healthy eating couple'

During a snacking project a couple claimed to be eating healthily and to have cut out most of their snacks. But a rummage through their fridge revealed lots of snacks and junk food. Their justifications were interesting. "We only have popcorn on movie night... the biscuits are only for when we have visitors...", and so it went on.



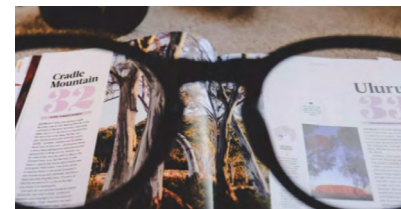
Healthcare privatization

During interviews with hospital doctors they all objected to outsourcing the contact center, allegedly because of their "strong personal relationships" with call handlers. But when asked to name them, or to provide any emails of when they contacted individuals directly they were unable to. Moreover, most call handlers said calls were highly transactional. It's likely their real reluctance was an ideological objection to privatization.



High brow vs. trashy reading

The Atlantic and National Enquirer magazines (*high brown current affairs and trashy celebrity gossip respectively*) have similar circulations. But, the Enquirer only has c2% of the fans as the Atlantic on social media. (It's likely many 'fans' of the Atlantic aren't regular readers either – they merely want others to think they are).



GREAT RESEARCH IS TO
SEE WHAT EVERYBODY
ELSE ——— HAS SEEN

AND TO THINK WHAT
NOBODY ELSE HAS
THOUGHT

Albert Szent-Gyorgyi

Use EQ + IQ



In traditional research objectivity is key – researchers are told to ‘*leave their feelings at the door*’. But, with innovation insights considering your own feelings can be valuable. As, if you’re surprised, shocked, delighted or angry about something, then the chances are other people might be too. Therefore:

Go with your gut

tuning into this will help you spot observations as you notice changes, highs and lows and unexpected reactions

Follow your nose

don’t be constrained by the discussion guide. If you hear something interesting ask about it. Don’t forget, the best question you can ask is “*Why?*”.

Tips

To ensure you strike the right balance and you don’t let your biases takeover share them with the rest of the team at the end of each day. Ask them to watch out / explore them during their research. This should quickly confirm whether you’ve found something interesting – or not



Use EQ & IQ

Market Research vs.
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Tactics

Go with your gut

During research makes notes about your in-the-moment feelings. Also, ensure you specifically ask others in the team about their emotions. If possible it's worth sharing these daily across the team.

Follow your nose

Let the conversation flow in interesting directions, even if they're peripheral or off subject. Pay particular attention to recurring topics and misunderstandings.

Examples

Pivoting from Xmas to Halloween

A team were tasked with coming up with ideas for new Xmas treats. But, they found conversations about Halloween to be more interesting. So they pivoted from Xmas to Halloween.



Expanding patient admin services

During research on patient admin services (*porters, ward clerks, receptionists, etc.*), health care professionals kept conflating it with other areas (*e.g. IT systems, e-sat, facilitates, etc.*). The team probed them and successfully expanded and differentiated their offering in unexpected new ways (*e.g. providing tea ladies*).



Run a storytelling session



In traditional research after the fieldwork has been completed the lead researcher(s) summarise the key findings in a research report. Usually they apply established frameworks and logical approaches (e.g. *mapping insights across the buying journey, reporting on findings across segments, etc.*).

Whilst this makes it easy to understand, it often is not the best format for innovation insights for several reasons. Firstly, weird and anomalous insights (*which are often the most useful*) are often discarded, because they don't fit within the report structure. Secondly, the researchers apply their (*usually single*) interpretation to the insights. Thirdly, sharing the findings via a presentation and report puts recipients in lean back (*listen*) mode. So generally they're less engaged in them, and there's less opportunity to debate and re-interpret them.

A better approach is to run a storytelling session, where raw insights are shared and interpreted collectively.



Run a storytelling session

Market Research vs.
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Run a session with everyone who has been involved with the research to discuss and interpret the insights together

Data

- 1 Invite everyone who is involved in the project
- 2 Get everyone to send a bullet point list* of the most interesting things (at least 20) they saw or heard
- 3 Paste each bullet point on a blank individual PPT slide and print the deck in A5
- 4 Randomly stick each page around the room. (Ideally you should have 100+)

Interpretation

- 5 Divide the team in pairs/trios and get each to select a page from the wall which interests them
- 6 Get each team to discuss the page and record their interpretation on a sheet of A4 paper. Encourage them to consider multiple interpretations (including contradictory ones)
- 7 Repeat the process several times, until the team feel that they have exhausted all of the most interesting data points

Theming

- 8 Place all of the A4 interpretations on the floor and start to theme them into related clusters
- 9 If the team wants to place an interpretation in two clusters duplicate it
- 10 Discuss each cluster and give it a descriptive name
- 11 Select the 5-6 most interesting clusters (i.e. most fertile for innovation), and develop them into opportunity spring boards (see next)

* Written as verbatim quotes (as above), or direct observations (e.g. she looked embarrassed and then at the floor when we asked how often she walked the dog)



Create opportunity springboards

Ultimately innovation insights are only valuable if they lead to impactful new innovations. Ironically, how insights are structured for ideation is almost as important as the quality of the insights themselves.

The best way to structure insights for ideation is to translate the themes from the storytelling session into opportunity springboards.

Opportunity springboards are evocative summaries of themes (*from the storytelling*), supported by stimulus, such as: quotes, stats, images and thought provoking questions.

Tips

Avoid generic springboards

Ensure the springboards are rich, edgy and opinionated

Don't sand the edges off to make them more reasonable or mainstream

Vodka

Example
Opportunity Springboard

1. Summary

- **Name:** make sure it's catchy and captures the essence of the insights
- **Description:** 2-3 sentences which summarize the core insights and opportunity they point to
- **Challenge statement:** frame the opportunity as an expansive question

Tips

Test each challenge statement in isolation. If they're well written they should immediately trigger interesting ideas

2. Mood board

- A few images to bring the opportunity to life. Ideally these should be photos captured during the research

Tips

Avoid cliché stock photography. It's less engaging and leads to stereotyping

3. Quotes

- 6-8 of the most interesting and evocative quotes. *(Select the ones that have the most energy during the storytelling session)*

4. Ways in

- 3-5 interesting angles or vehicles to consider during ideation

Tips

Consider consumer behavior throughout the purchase and consumption process, and think across the marketing mix (i.e. product, place, price, etc.), to identify these

1. Summary

Magic moments

Nothing beats a big night clubbing with friends. But, at times the drinking, dancing and discourse can become a little monotonous, and the next day the memories blur into one.

How can Vodka Co. create defining moments in clubs, which are meaningful and memorable, because they provide peaks and break the routine?

4. Ways in

Rituals

To help friends bond

Instagrammable moments

That revelers are proud (*rather than embarrassed*) to share

Social syncs

To keep friends together and on the same wavelength

2. Moodboard



3. Quotes

“ The best way to turn-up the tempo on a night is to do some shots.... But some sneaky bugger always goes off to the toilet so they don't have to do theirs

Male — 24

“ The best nights are when you dress up, or everyone wears the same outfit

Female — 22

“ Pictures in clubs are awful... it's impossible to get everyone in the frame and the lighting is terrible

Female — 22

“ I love meeting new people on the dancefloor. You start dancing together and it's like... suddenly you're best friends

Female — 18



“ You wake up with a sore head, no money and a bunch of blurry pics on your phone

Female — 19

“ If it's not on Instagram it didn't happen

Male — 23

“ Me and Dave are dancing like crazy people, but George and big Dan just sway from side to side, like a pair of old women

Steve — 18

“ We do drinking games in the bar, but you can't really do them in a night-club, the music is too loud

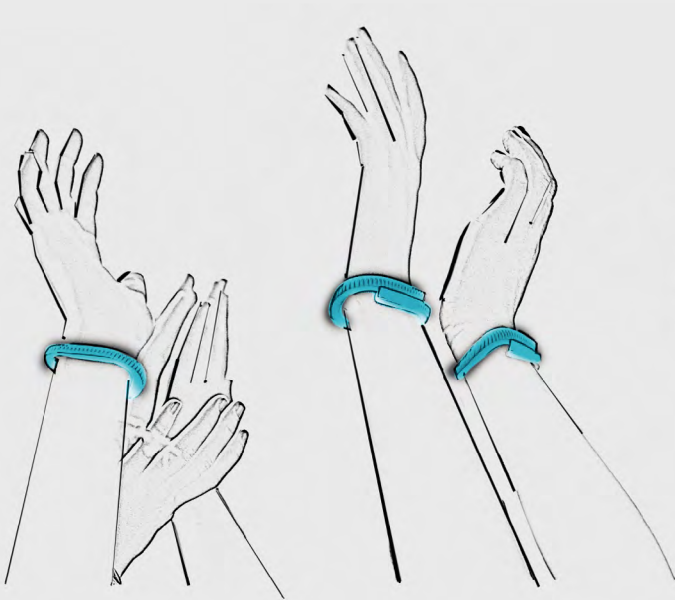
Male — 21

Vodka example ideas from opportunity springboard

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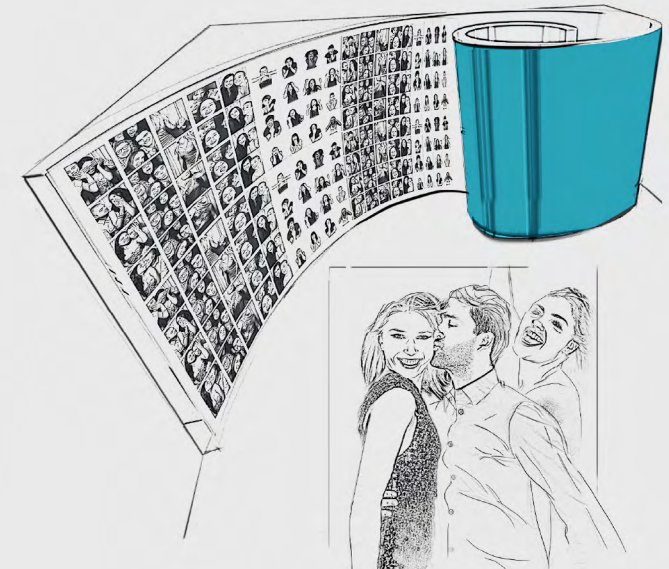
Dance-o-meter band

The harder you dance the brighter the illuminated necklaces and wristbands get



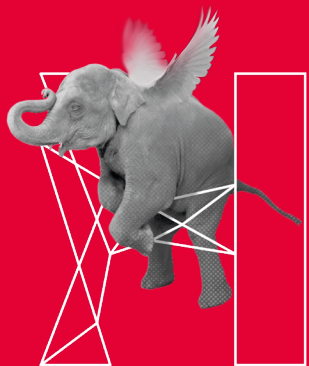
Chain shot

Join the shot chain gang and bond better than ever with your friends and fellow revelers



Photobooth

An in-club photo-station to capture the fun in clubs and even turn pics into works of art



Let's talk

—

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