

ConceptTest[®] Conceptor[®]

Advanced new product concept-testing and forecasting systems





Will your new product idea *fly*?

Will consumers try it? What price are they willing to pay?

How can the new product be improved? ConceptTest®

(the industry-leading, online concept-testing system) can

answer these questions, provide robust diagnostics, and

help predict your new product's chances of success in the

marketplace. Then, our Conceptor® simulation models can

be applied to predict year-one retail sales (i.e., retail depletions). These same models are used to

forecast year-one sales volume for new services as well.

Why Test New Product Concepts?

No one knows how consumers will respond to a new product. Without research, a new product is simply a “roll of the dice.” New product concept testing is a way to improve the probabilities of success. ConceptTest® provides insightful diagnostic information to help strengthen each new product concept. ConceptTest® identifies potentially successful new products early on, so limited research and development resources (and limited marketing resources) can be focused on the new product concepts with the greatest probability of consumer acceptance to improve the return on new product investments.



ConceptTest®

This comprehensive concept-testing system includes:

- Trial interest
- Unpriced purchase intent
- Priced purchase intent
- Uniqueness
- Frequency of purchase
- Image projection
- Source of volume
- Price-demand curves
- Likes
- Dislikes
- Missing information
- Suggested improvements
- Diagnostic ratings
- Demographics



How Does ConceptTest® Work?

A representative sample of consumers is selected from our worldwide online consumer panels. These consumers match the U.S. (or other countries') population in terms of geography, gender, age, income, and ethnicity. The respondents are invited to Decision Analyst's encrypted web server to view the new product concept and complete a battery of questions and diagnostic ratings. A sample size of 200 to 300 is recommended. Each concept is tested monadically (i.e., no respondent evaluates more than one concept). The results are tabulated and a comprehensive written report is prepared, including Decision Analyst's assessment of the new product's potential and our marketing recommendations. If volumetric forecasting is a part of the project, the results are fed into our Conceptor® simulation models to estimate year-one retail sales volume.

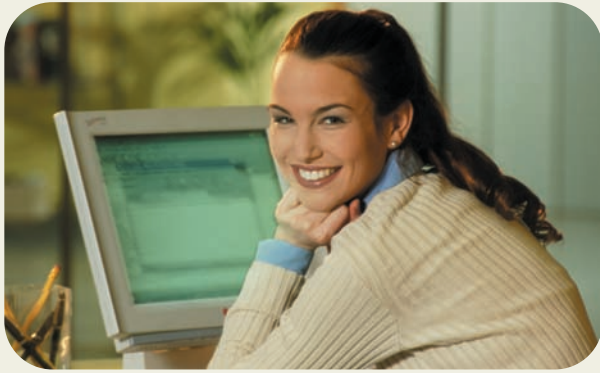


Conceptor® Volumetric Forecasting

The results from ConceptTest®, combined with marketing plan inputs and market size information, are entered into Decision Analyst's Conceptor® volumetric forecasting models to predict a new product's retail sales (i.e., retail depletions) during its first year in the market. Conceptor® simulation models are calibrated to each company and brand to provide a more accurate estimation of year-one sales. Forecasts are generally accurate within plus or minus 25%, based solely on ConceptTest® results, or plus or minus 15% if both ConceptTest® and Optima® product test results are used as inputs.

Conceptor® simulation models incorporate the following variables:

- **Client Marketing Inputs.** Data about distribution levels, strength of sales organization, packaging variables, pricing information, advertising expenditures and/or advertising gross rating points (GRPs), promotion plans, market size, etc.
- **Advertising.** SellingPower™ scores from CopyTest® advertising effectiveness research are entered, if available. If copy-testing results are not available, category averages are used.
- **Trial Rate.** Scores from ConceptTest® are fed into Conceptor® simulation models to predict the "trial" curve.
- **Repeat-Purchase Rate.** The repeat-purchase rate is calculated based on results from ConceptTest® and variables from Optima® product tests. In the absence of product-testing data, category averages are entered.
- **Calibration.** Data from a company's previous new product introductions (past five years) are analyzed and used to adjust Conceptor® models. Calibration helps ensure the most accurate forecasts possible.



ConceptTest[®] and Conceptor[®] simulation models can forecast:

- Consumer packaged goods
- Consumer durables
- Over-the-counter (OTC) medicines
- Ethical pharmaceuticals
- Business-to-business (B2B) products
- Services

How Much Does ConceptTest[®] and Conceptor[®] Forecasting Cost?

If you have a study or project you think might be appropriate for our ConceptTest[®] system, please give us a call. We can quickly provide a cost estimate for ConceptTest[®], as well as the added cost of Conceptor[®] volumetric forecasting.

ConceptCheck[®]

ConceptCheck[®] is an online concept-testing system, designed to provide limited normative data and extensive verbatim diagnostics for early-stage new product concepts. Sample sizes range from 75 to 150 target-market respondents.

ConceptCheck[®] is designed to take the place of focus groups, which are often used to review and fine-tune early-stage concepts.

ConceptScreen[®]

In the early stages of new product development, it is typical to generate many new product ideas (50 to 100 or more). ConceptScreen[®] is designed to winnow these many ideas down to a manageable number. Concepts are tested in batches of 10 to 20, and respondents answer four key questions about each concept. Sample sizes range from 200 to 500. The results are entered into a mathematical model to estimate **relative volumetric market potential** for each concept. This model clearly identifies the concepts with highest sales-volume potential.

Why Decision Analyst?

Decision Analyst is a leading global marketing research firm with over 32 years of experience in new product concept testing and forecasting. The company has evaluated over 1,000 new product concepts during the past decade for an array of Fortune 500 companies. Decision Analyst has over eight million consumers around the world in its proprietary online panels ready to evaluate your new product ideas.



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