

Managing brands

Lecture 7 –Concept testing

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What will we cover today?

- Concept testing methods
 - Quantitative
 - Qualitative
 - Concept testing in academia
- Product testing
- Brand name testing
- Package testing

- Quantitative method of concept testing is a method that provides numerical evaluation of the created concept on number of parameters.
- The quantitative method involves evaluation of the concept using 5-point Likert scale.

Overall liking

–Please rank overall liking of the concept. How attractive is it?

Credibility

–Please rank the credibility of the concept. Is it believable?

Value

–Please rank the concept in value terms. How valuable is the concept?

Clarity

–Please rank the clarity of the concept? Is concept clear enough?

Relevance

–Please rank the concept in terms of relevance to you. How relevant is it to you?

Excitement

- How exciting is the concept?

Uniqueness

- Rank the concept in terms of uniqueness.

Trial

- How likely are you to try the product if it was available in the market?

Coding data



- 1 – Strongly disagree
- 2 – Disagree
- 3 – Neither agree or disagree
- 4 – Agree
- 5 – Strongly agree

Average rating 4-5

Average rating 3 – 3,99

Average rating 1-2.99

You need to achieve green zone for all parameters of the concept before launching it.

Concept 1 – Country of Origin

There are many different kinds of chocolates in the market. Locally made chocolate is affordable but does not taste that good. Russian and Ukraine chocolates are good but still not of a best quality. I want quality chocolate that would satisfy my chocolaty desires.

Introducing new BELGIAN CHOCOLATE!

It is made from real cocoa. Produced using traditional Belgium recipes and modern German technology.

Belgium was never that close.



Sample illustration of results presentation

Concept 1 – Country of Origin

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Overall:

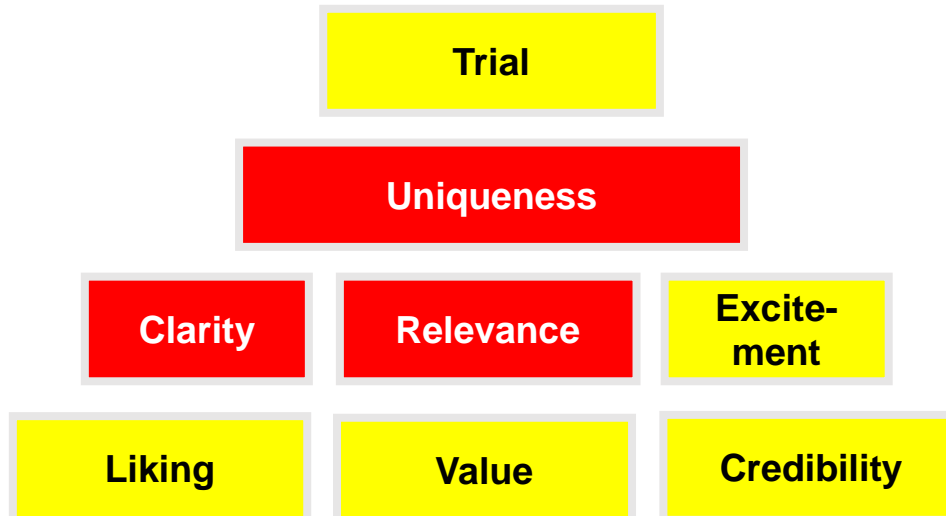
Overall idea of Belgian chocolate was perceived well.

Benefits

Modern German technology and traditional Belgium recipes was perceived as trustworthy.

Barriers:

The insight of local chocolate being not tasty enough was not well accepted. Belgium chocolate must be produced in Belgium.



- Qualitative method of concept testing is a method that provides detailed feedback and insights of the concept perception and understanding.
- The qualitative method involves application of exploratory research techniques that are applied in focus groups, in-depth interviews by the use of open ended questions.

Main idea of the concept

–What is the main idea of the concept? Describe it? What does it trying to tell?

Likes

–What do you like in the concept? What words you like in the concept description?

Dislikes

–What do you dislike in the concept? What words do you dislike in the concept?

Other points:

– Target audience, occasions, popularity, etc.

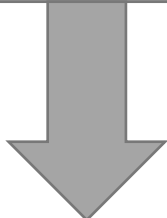
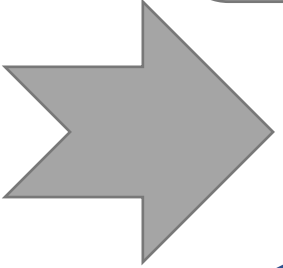
Concept testing in academia

Developed countries

CSR Emerged

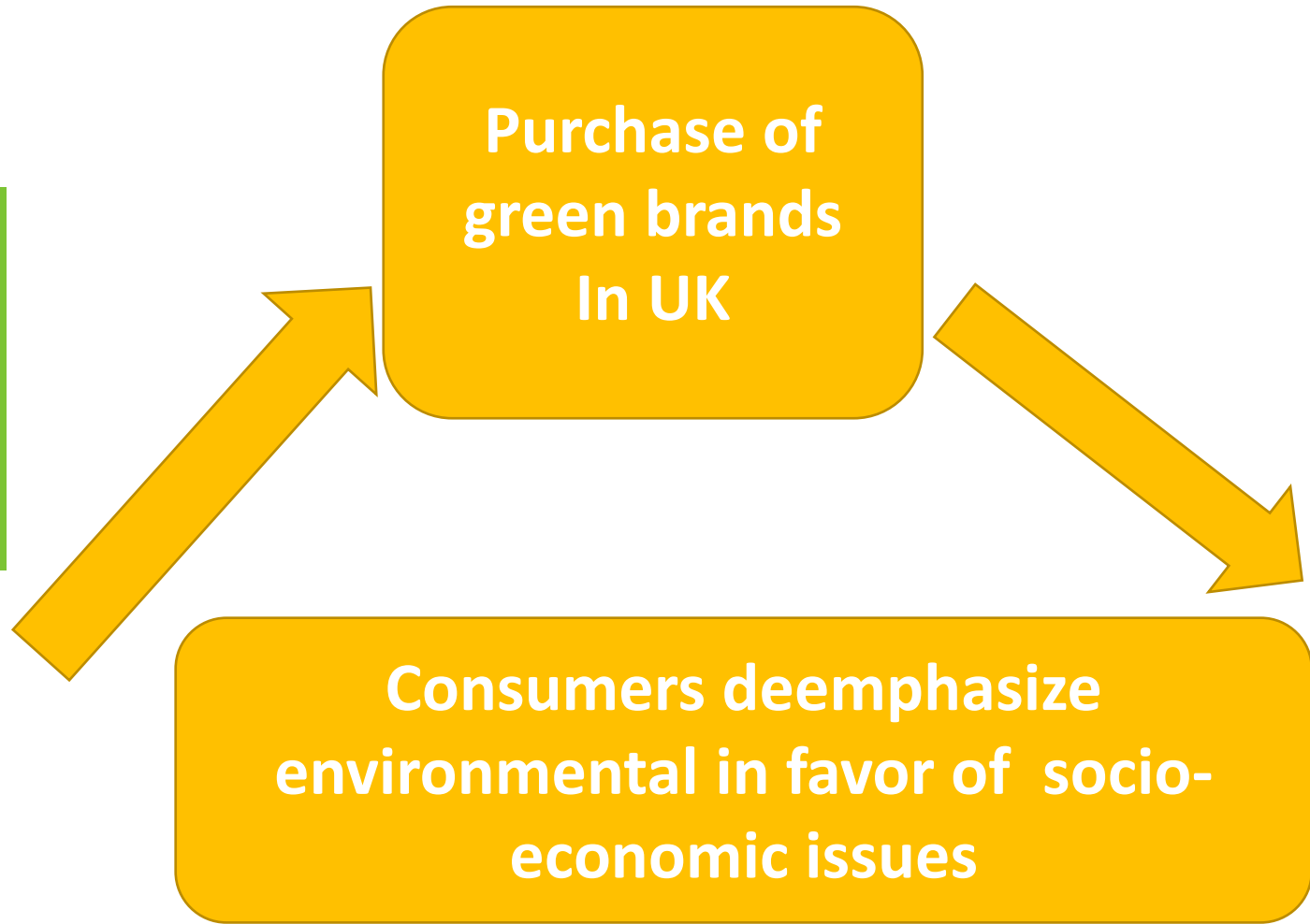


Consumers
Government



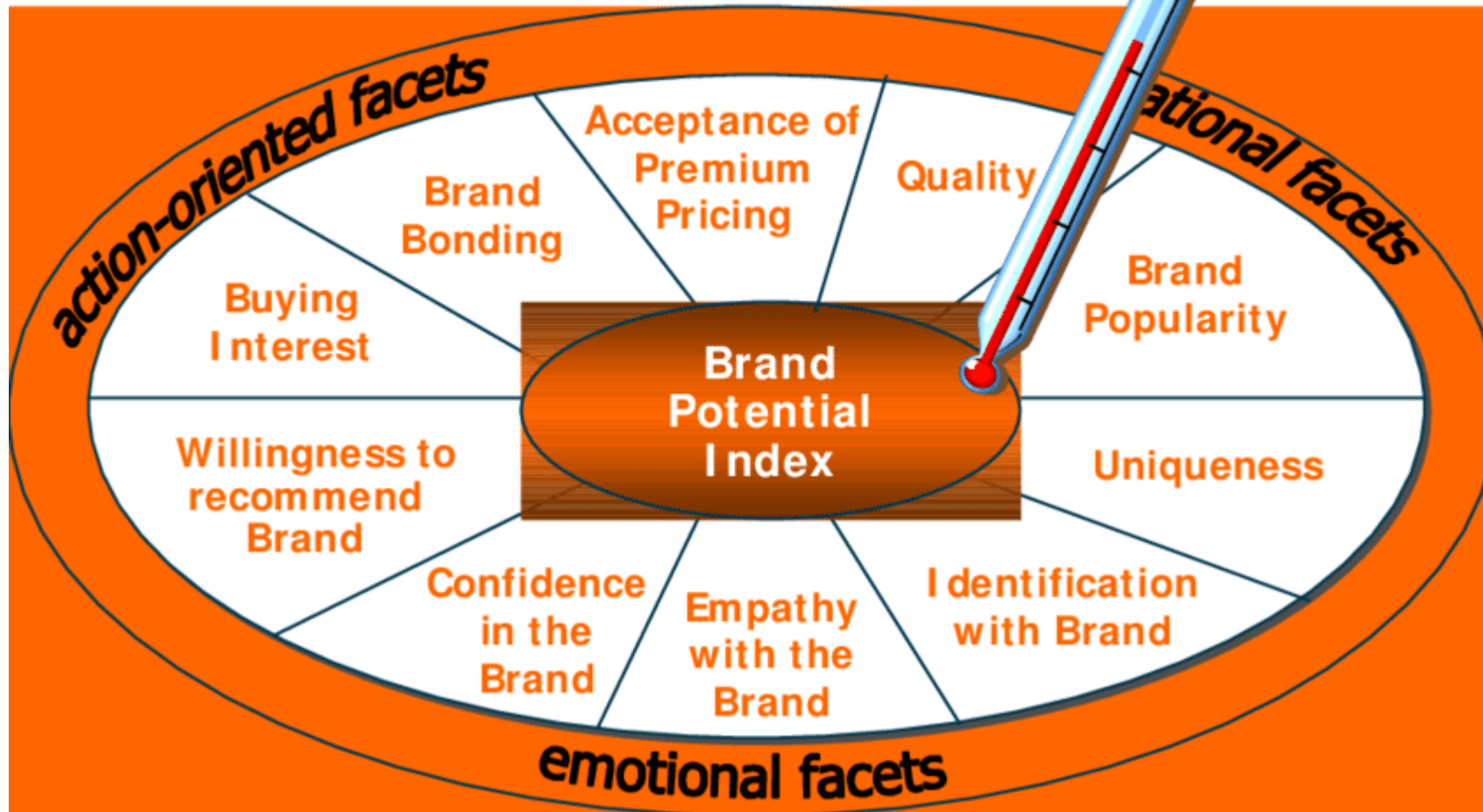
Companies
Integrate
CSR

However!!!

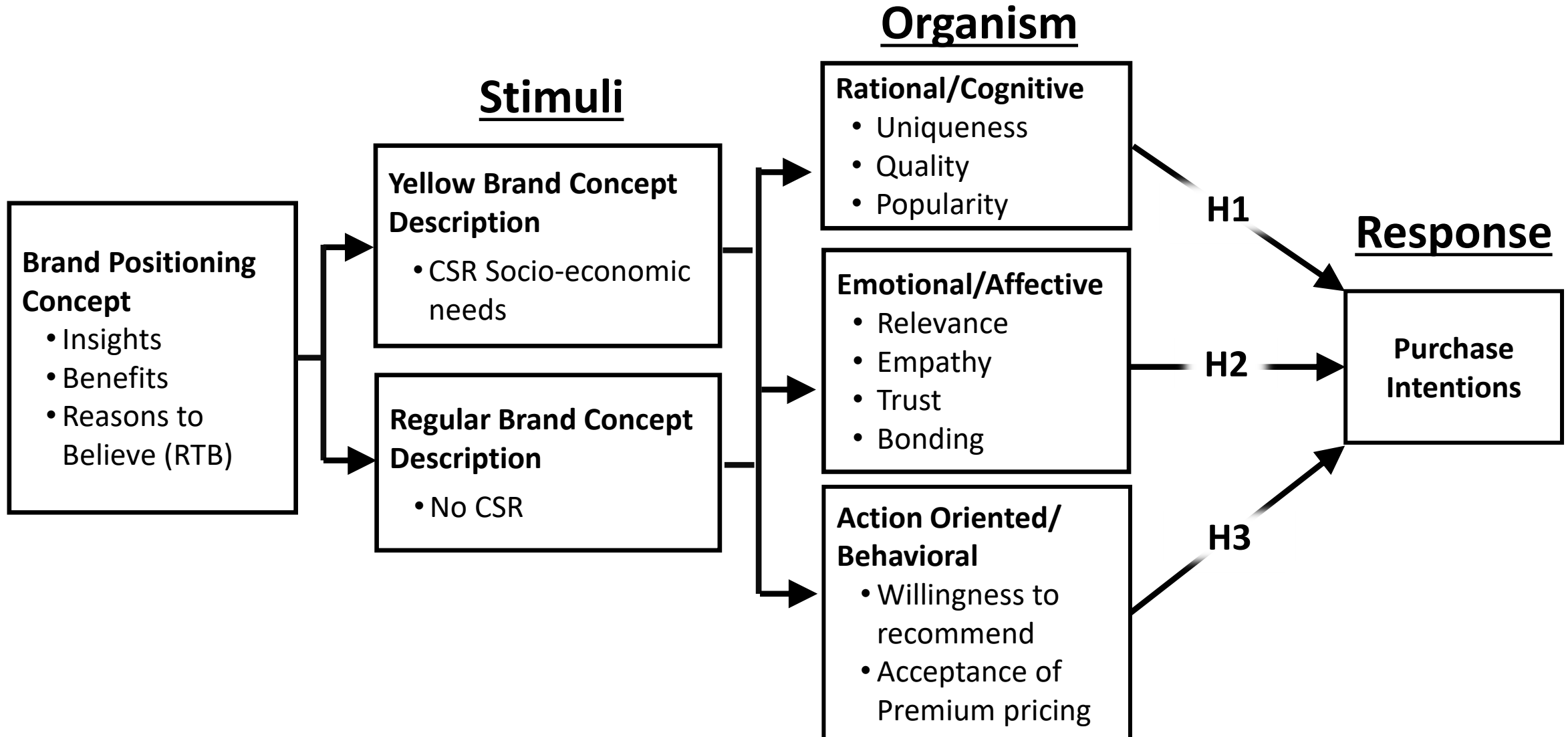


GFK research agency has developed – Brand potential Index.

Vukasović, T., Gole, P. A., & Maček, A. Create a Competitive Advantage with the Brand Value Concept.



Theoretical Background and Hypothesis Development



Learn English

Money spent for advertising could be spent for better purposes.

Introducing new mountain water of a high quality that will be dedicated to developing English learning material in local language (Uzbek, Russian).

Water quality is ensured under German quality control method. Whereas, the first step of developing learning material will be dedicated to creation of online database of learning material for kids in form of flash cards, songs, stories with translation into local language.

We care about quality water and education!



iktijk
*enjoy*life

Pure water is essential to
live healthy and happy life!

Introducing pure water
from Tian Shan mountains.

New mountain water is
enriched with
microelements that are vital
to keep your body in good
state to enjoy life!

Drink, live, enjoy!



Table 1: Yellow and Regular Brand BPI Attributes Regressed on Purchase Intention

| Brand Potential Index Elements | | <i>Yellow Brand</i> ¹ | | <i>Regular Brand</i> ² | |
|--------------------------------|-----------------|----------------------------------|----------------------|-----------------------------------|----------------------|
| | | $R^2 = .634^{***}$ | | $R^2 = .494^{***}$ | |
| | | <i>B</i> | <i>t</i> | <i>B</i> | <i>t</i> |
| Rational | Quality | .031 | .923 | .025 | .582 |
| | Uniqueness | .186 | 4.873 ^{***} | .016 | .336 |
| | Popularity | .138 | 2.910 ^{**} | .088 | 1.732 |
| Emotional | Relevance | .068 | 1.614 | .027 | .565 |
| | Trust | -.108 | -2.167 ^{**} | .266 | 5.030 ^{***} |
| | Bonding | .072 | 1.833 | .070 | 1.447 |
| | Empathy | .169 | 3.847 ^{***} | .064 | 1.074 |
| Action Oriented | Recommendation | .453 | 9.927 ^{***} | .367 | 6.677 ^{***} |
| | Premium Pricing | -.001 | -.029 | -.042 | -.860 |

Dependent variables: ¹Intention to purchase Yellow Brand, ²Intention to purchase Regular Brand. ^{**} $p \leq .01$, ^{***} $p \leq .001$

Table 2. Yellow and Regular Brand T-tests for Brand Potential Index Elements

| Brand Potential Index Elements | | Yellow Brand | | Regular Brand | | <i>T</i> |
|--------------------------------|----------------------|--------------|-------|---------------|-------|------------|
| | | Mean | SD | Mean | SD | |
| Rational | Quality | 3.37 | .993 | 3.58 | .804 | -3.856 *** |
| | Uniqueness | 3.65 | 1.041 | 3.03 | 1.114 | 9.508 *** |
| | Potential Popularity | 3.28 | .924 | 3.39 | .817 | -2.392 ** |
| Emotional | Relevance | 3.30 | 1.008 | 3.37 | .954 | -1.383 |
| | Trust | 3.43 | .928 | 3.46 | .832 | -.708 |
| | Bonding | 3.37 | 1.011 | 3.42 | .886 | -1.223 |
| | Empathy | 3.46 | .957 | 3.43 | .836 | .733 |
| Action Oriented | Recommendation | 3.39 | 1.001 | 3.44 | .856 | -.955 |
| | Price Premium | 3.18 | 1.269 | 2.86 | .941 | 5.325 *** |
| | Purchase Intention | 3.64 | .928 | 3.68 | .768 | -1.163 |

p < .01, *p < .001

Product testing

Testing coffee 3 in 1

Testing product vs. competitors before entering into the market



Examples of parameters for testing:

1. Taste
2. Smell
3. Look
4. After taste
5. Sweetness level – just right
6. Taste intensity/carbonation/thickness/

The parameters for test you can obtain

Brand name testing

Important points to consider while testing the brand

- 1) Relevance and desired associations
- 2) Suitable in any relevant language
- 3) Unique and easy to remember



Package testing



VS



Package likes/dislikes

1- Did not like at all

9 – Like very much

What did you like in the package?

What did you dislike the package?

Why would you buy this package?

Why you wouldn't buy in the package?

Package design - How much did you like the package of this kvass?

1- Did not like at all

9 – Like very much

Does the design of this package correspond with the kvass description?

Why do you think the design does not suit to this kvass?

The originality of the design

Label colors

Bottle shape

Bottle size

Package like / dislike

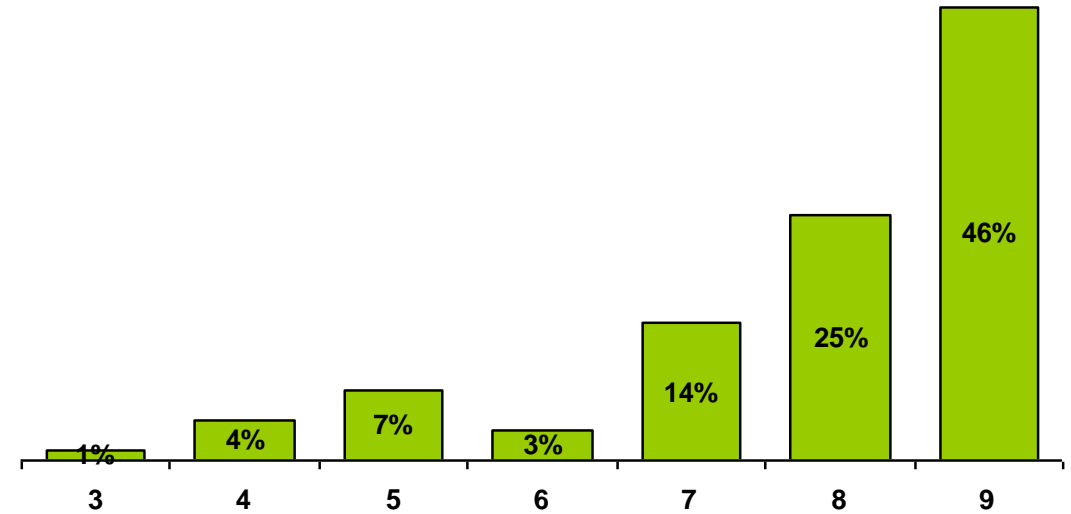
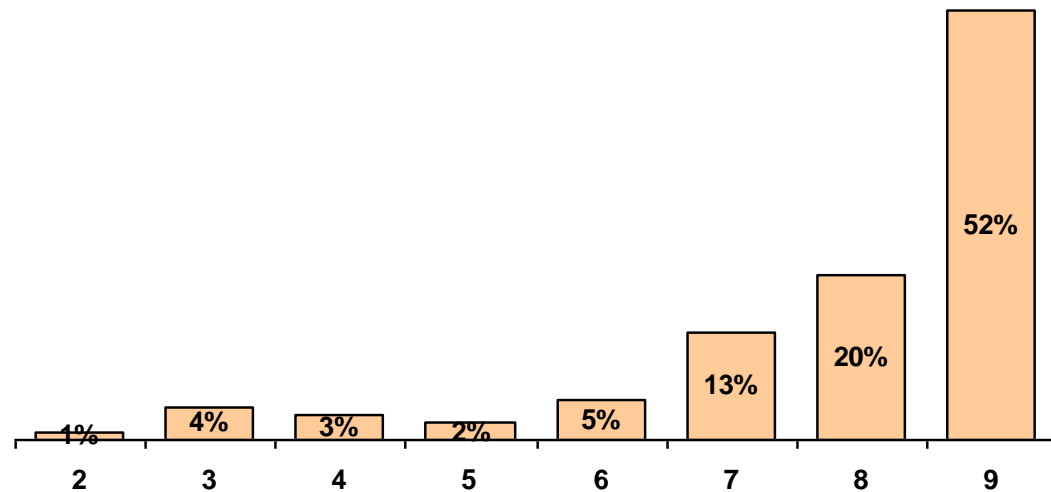
Kvass Taras



“1”-Didn't like at all

“9”-Like very much

Hlebniy Kray

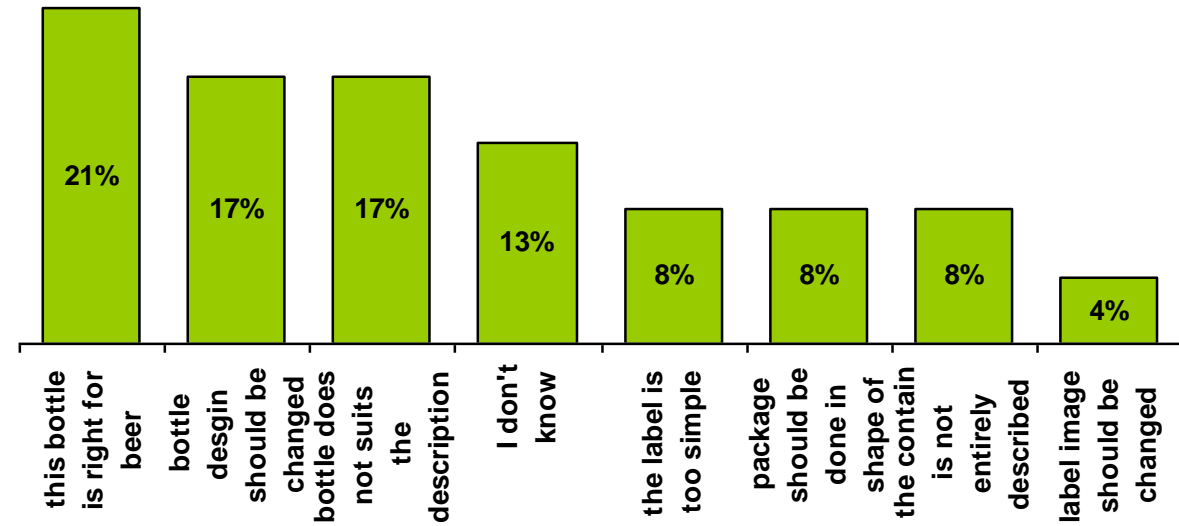


Q. B1/E1 How much did you like the package of this kvass?

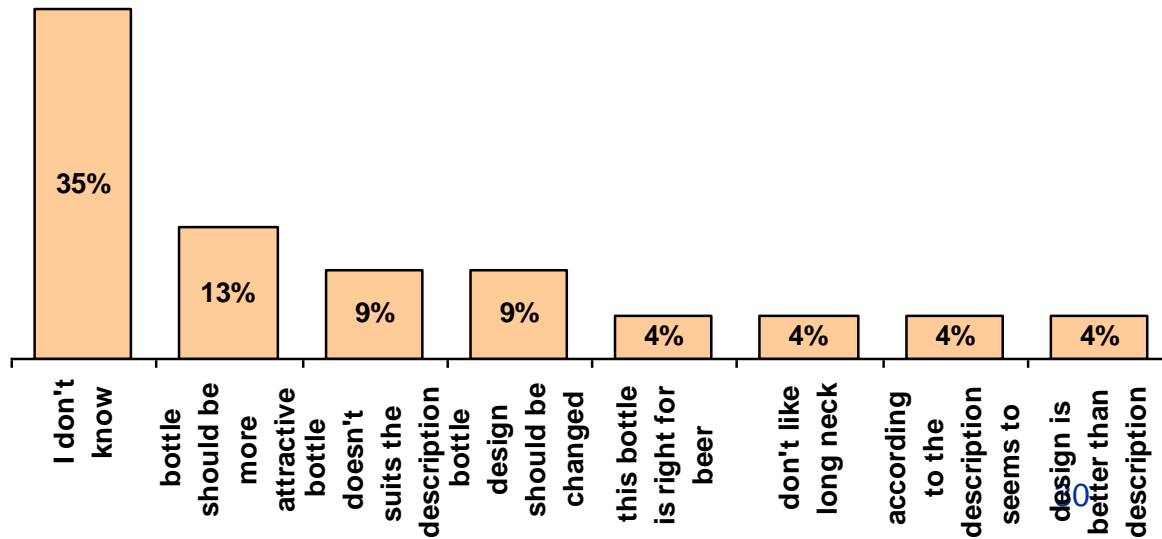
Unsuitable Design of the Bottle/ Reasons



Kvass Taras



Hlebniy Kray

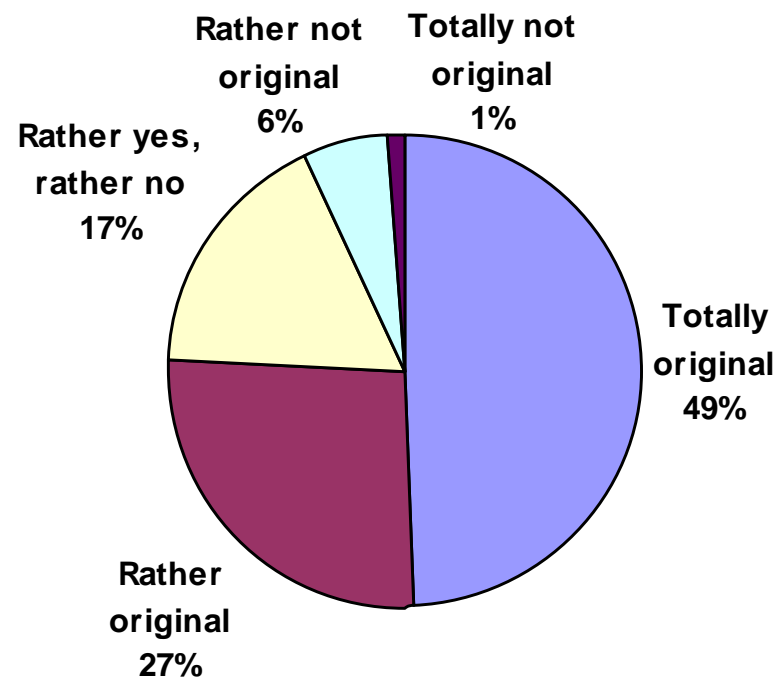


Q. B4a/E4a Why do you think the design does not suit to this kvass?

Original or Unoriginal Design of the Bottle

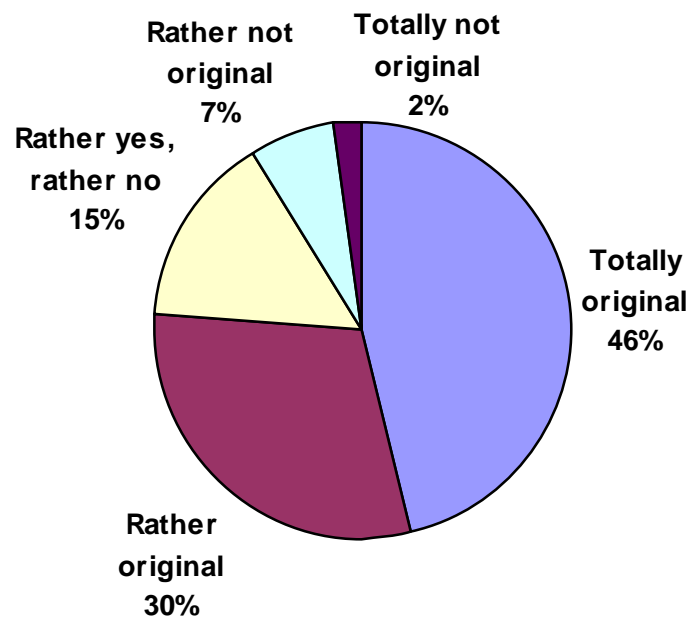


Kvass Taras



Q. B5/E5 Do you find design of the bottle original?

Hlebniy Kray



References and Reading

1. Moore, W. L. (1982). Concept testing. *Journal of business research*, 10(3), 279-294.
2. Dickinson, J. R., & Wilby, C. P. (1997). Concept testing with and without product trial. *Journal of Product Innovation Management: AN INTERNATIONAL PUBLICATION OF THE PRODUCT DEVELOPMENT & MANAGEMENT ASSOCIATION*, 14(2), 117-125.
3. Peng, L., & Finn, A. (2008). Concept testing: the state of contemporary practice. *Marketing Intelligence & Planning*.
4. Vukasović, T., Gole, P. A., & Maček, A. Create a Competitive Advantage with the Brand Value Concept.