Using Consumers To Fuel Your New Product Generation Pipeline: The Role of Idea-Centric Creativity

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The Case For New Product Innovation

We live in a world in which the ability of an organization to survive is defined by its capacity to innovate. Companies must bring successful new products to market almost constantly. In fact, the speed at which innovation takes place today is faster than ever, a trend that may have started in the high-tech industry, but is now a fact of business life for all industries. The average consumer packaged goods company now introduces 70 to 80 new products per year; Procter & Gamble offers 46 different types of Tide in the U.S. [1] And shorter product lifecycles and an increasingly competitive environment are global trends, not limited to the United States.

Competitive environments and shorter product lifecycles also mean that, first, a company needs to have the various versions and extensions of its current products ready to release quickly. Second, in order to maintain competitive advantage, a company must also have its next-generation products—the next "new thing" that customers will want to buy in a year or two or three—in the pipeline while its current successful products are still selling well.

Companies must also be able to spot opportunities for, and then be able to develop, truly disruptive innovations—the breakthrough products that may reshape their entire market and product category. To miss these opportunities would mean losing category leadership position. For example, skincare consumers are accustomed to seeing new creams continuously introduced, each of which promises a definite improvement in the fight against aging skin by virtue of the addition of a new ingredient. But consumers are not accustomed to the emergence of a new product that will actually replace conventional skincare routines. However, the march of progress demands that such breakthrough products be developed, and the company that successfully develops them will have a competitive edge.

It Takes A Lot Of Ideas To Create A Successful New Product

So how does a company keep on top of this punishing innovation agenda? First, it is vitally important to keep the new product pipeline filled with potential new product ideas to develop, because many new product ideas either do not see the light of release day or are not successful. How full does the pipeline need to be? A Dun & Bradstreet study revealed that for each successful new product introduced, a company needs between 50 and 60 other new product ideas in the pipeline. [2] Or, one in every 60 or so new product ideas a company generates will go on to become a successful new product.

So clearly the first step in succeeding at today's innovation agenda is to get lots of new product ideas into the pipeline. Having lots of ideas here, in what some refer to as the "fuzzy front end" of new product development—where it is appropriate to generate and expand on ideas before converging on the best prospects and continuing through the development process—can make the difference between success and failure at innovation.

However, generating new product ideas is no easy thing to do. First, generating ideas is not a linear process, which means the usual, logical problem-solving approaches don't always work well when it comes to generating ideas. And companies can get sidetracked by the sheer pressure—to find the "perfect" idea, to find the "big" idea, and to move quickly. Finally, companies may find it difficult to get past their own unwillingness to take a risk on a new product idea.

Generating New Product Ideas Internally

Companies that truly want to generate new product ideas address those challenges in different ways. Quite often companies use internal ideation sessions with R&D and product development groups. And some companies solicit employee suggestions for new product ideas. But there are two things internal groups sometimes don't do well. First, they are busy: They can't always keep up the needed pace in the face of such a punishing innovation agenda. Second, their heads are of necessity stuck firmly in the company's culture, current product lines, and customer opinions. Because they are rooted in the present, they may have trouble envisioning truly innovative leaps beyond the current product line to the breakthrough products.

Many companies handle these limitations by bringing in outside talent, and this has in fact been shown as an effective method to inject innovation into a company and to revitalize a brand. Quite often this has meant hiring full-time personnel or consultants.

Leveraging Consumer Ingenuity And Creativity

Another time-honored method for bringing outside energy and new ideas into the product innovation process is to use consumer needs as a starting point. After all, many new product ideas are first envisioned in an effort to meet a defined consumer need. More often than not this is accomplished by mining customer satisfaction research results for new ideas, or by soliciting information collected by sales representatives in the field, who are in constant contact with actual and potential customers. Another method is to hire consultants or advertising agencies to run focus groups with customers.

While these approaches offer some success, there is a much better way to bring the consumer into the new product innovation process—a better way to leverage consumers' ingenuity and category usage experience to generate a large number of new product ideas for a product category. A better way to involve consumers in the new product development process is to use highly creative consumers to help generate new product ideas. In order to understand how best to use consumers in the new product idea generation process, it helps to

review some of the research on human creativity. What is creativity, and what is the best way to assess an individual's creative skills? Considerable research has been conducted in this area. Dr. Teresa Amabile, an authority on individual, team, and organizational creativity and author of Creativity in Context, defines creativity as a "process that results in the creation of a novel idea or product that is appropriate, useful, or satisfying to a particular group at a particular time." [3] Like most of the creativity experts and researchers we've studied [4], we believe that everyone is creative and that people demonstrate different kinds of creativity and different levels of creativity. That means one should be able not only to test for creativity, but to test for specific kinds of creativity. Further, once these creative individuals have been identified, it is possible to train them to further enhance their creativity skills. [5] In particular, Foy Conway, originator of the "Super Group" creative consumer panel model, determined the best methods of testing everyday consumers for the specific ability to create new product ideas, as well as the best methods of training to enhance that particular creative skill.

Idea-Centric Creativity = Lots Of New Product Ideas

Decision Analyst Innovation Services has worked with several of these creativity experts and has developed proprietary methods for testing consumers for creativity and using consumers in new product ideation. In the process of screening and testing a large number of consumers for creativity, we have determined that the best kind of creativity for generating new product ideas is "idea-centric creativity," expressed in the ability of the individual to use unique and divergent patterns of thought to generate and share a large number of new product ideas. Everyone has some degree of idea-centric creative ability, but at varying levels.

We screened and tested approximately 65,000 people for idea-centric creativity. While our testing was done with people from the U.S., we believe that since we tested for abilities as opposed to demographic profiles, our results will hold true internationally. In fact, one of the most important findings of our testing was that most demographic indicators don't correlate at all with incidence of idea-centric creativity.

For example, idea-centric creatives live all over, and don't appear to cluster exclusively on the East and West Coasts, as the media might lead one to believe. Secondly, younger people tend to be more creative than older people, but surprisingly the fall-off in creativity as one ages tends to be minimal until the age of 54, after which "creativity decay" appears to accelerate, as our data show:

Age Range	Idea-Centric Creativity Index
18-24	114
25-34	109
35-44	106
45-54	93
55-64	77
65 or older	53

Also, gender is a poor predictor of idea-centric creativity. Men and women appear to be roughly equal, although each sex does better in product categories where their interests and relevant experiences are concentrated. Similarly, ethnicity is a poor predictor of exceptional creativity. Education does tend to positively correlate with exceptional creativity, but the degree of correlation is not strong. That is, the college-educated tend to score higher than high school graduates, but the difference is not great. Many consumers with high school or less education tend to be very creative.

Other types of creativity (artistic, musical, literary, theatrical) are not very predictive of "idea-centric" creativity. No matter how we manipulated the regression techniques, the other types of creativity (musical, literary, artistic, alone or in combination) never showed up as significant variables in predicting idea-centric creativity.

These new-product creatives look like everyone else, dress like everyone else, and talk like everyone else. But, they are unique in one special way: Ask them to come up with new product ideas, and they (on average) are more than 10 times as productive as the average person. They are also intrinsically motivated to offer new ideas, as opposed to being motivated by extrinsic factors such as financial reward. Coming up with new product ideas is fun for them, and it's something they enjoy spending time doing.

Imaginators®—An Online Panel Of Idea-Centric Creatives

As a result of our initial testing, we have built a consumer panel called Imaginators®, comprising more than 2,000 idea-centric creatives in the U.S. and Europe who can help generate new product ideas. Imaginators® panelists represent the top 4% of the population in terms of idea-centric creative ability. In addition, Imaginators® members receive ongoing training to enhance their natural creative skills, and their performance on projects is continuously assessed to ensure that for any given project, we are only using the top performers.

How do we use these top-performing creatives? First, most of our projects take place in an online environment. While demographics are not important in terms of determining levels of creativity, they do take on some importance when it comes to generating new product ideas. Consumer creativity pioneer Foy Conway put it best: "Creativity anchored in real-life experiences and real consumer needs produces more ideas—and more relevant ideas." [6] Dr. Teresa Amabile's model of the creativity process includes "domain-relevant knowledge" of the subject at hand as just an important a part of the creativity process as creative skills. [7] In terms of new product ideation, domain relevant knowledge translates into product-category usage experience. Our 2,000+ member Imaginators® panel is designed so that we can select project participants based on factors such as product category usage or demographics. By making the ideation session online and not in a specific geographic location, we have a larger number and variety of panelists available for projects.

A Creative Process Results In Lots Of Creative Ideas

Another important component of the creative process is the environment in which creativity takes place. Among the important factors are stimulation, a process-oriented approach, and a sense of community. [8] Building on this research, we have created an online environment that encourages creativity. We use proven creativity techniques that we have adapted to online use. Our trained Innovation Services facilitators guide the creative process to maximize the number and quality of ideas generated. The end result is hundreds of in-

novative new product ideas that are rooted in consumer needs and wants.

Once the online session is over, the Innovation Services team spends days filtering and focusing on these hundreds of ideas and idea fragments, which can also be used to complement any internal ideation efforts. After the development phase, generally 10 to 20 of the resulting ideas will have been developed into full-blown new product concepts, ready for marketing research testing. Through these sessions some major new brands, such as Purina One®, disposable Polaroids, and many others have come to life.

Just one ideation project with Imaginators® consumer panelists can result in 20 new product ideas in development. This process can surely help fill a company's new product ideas pipeline. And filling that pipeline with ideas that can be honed through development into new products that have as great a chance at success as possible is the way to stay on top of today's innovation agenda. That innovation agenda demands that companies generate enough new product ideas to develop successful new next-generation products, as well as enough ideas to give the company a reasonable chance of being the one to come up with truly disruptive innovations—the breakthrough products that may reshape their entire market and product category. Decision Analyst's Innovation Services and Imaginators® bring the benefits of consumer-driven, idea-centric creativity to today's innovation agenda.

Notes

1. Forrester Research (2002), "Demand Forecasting Done Right."

2. Dun & Bradstreet (1998), London.

3. Amabile, Teresa M., Creativity In Context (1996), Westview Press, p. 38.

4. A pioneer researcher in the field of creative studies, Dr. E. Paul Torrance developed the "Torrance Test for Creative Thinking," which is still often used to identify individual creative potential. Torrance was also instrumental in developing methods of creativity skills training. Specific Torrance sources include Torrance, E.P., (1974), "Torrance Tests Of Creative Thinking: Norms And Technical Manual," Scholastic Testing Services, and Torrance, E.P. and Presbury, J. (1984), "Criteria Of Success Of 242 Recent Experimental Studies Of Creativity," Creative Child Quarterly, 30, p. 15-19.

5. Parnes, S.J. and Noller, R.B. (1972), "Applied Creativity: The Creative Studies Project-Part 11," Journal Of Creative Behavior, vol. 6, p. 164-186.

6. Foy Conway, quoted from a 2002 working session with Decision Analyst.

7. Amabile, p. 113.

8. Amabile, p. 231-232.

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