

# Measuring success!



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# CONTEXT EFFECT

## Types of Environment Factors....

1



### **Product Pairing**

What is consumed with the target stimulus

2



### **Economic**

Cost and perceived value of the stimulus in a given situation

3



### **Cultural**

Traditions, patterns and beliefs of individuals and the community

4



### **Physical**

Location or setting where consumers are exposed to a stimulus

5



### **Social**

The presence of other people at the time of consumption

Physical context influences our judgement of appropriateness!



Context can affect how judgement is made, what dimensions are judged and what criteria of standards are used..(N. Anderson, 1974, 1981-*information integration theory*)

## Economic context influences price acceptance!

@ Local restaurant



\$1.50

@ Fancy wine bar



\$5.20

@ Restaurant



\$4.00

Price tolerance and product appeal is greatly influenced by the context in which purchases are made

Food context also influences perception of performance and appeal



Beverage and food preference ratings in a controlled environment are poor predictors of liking for foods and amount of those foods consumed  
(*Cardello et al, 2011*)

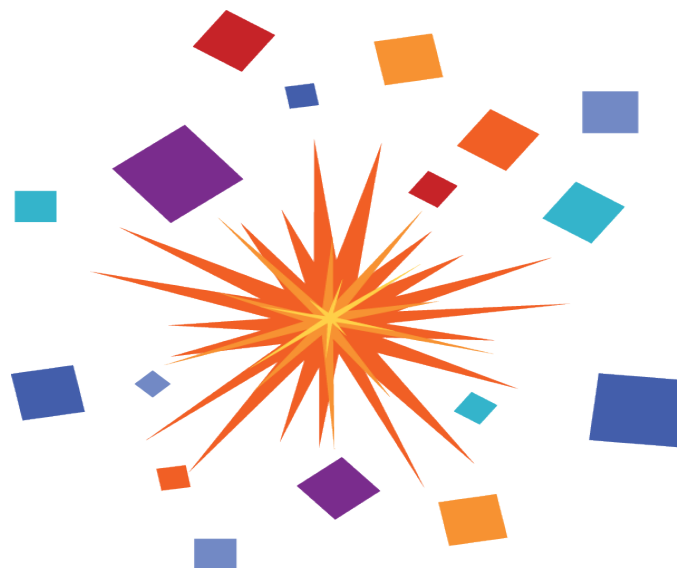
Social context influences our judgement of appropriateness and perception of appeal...



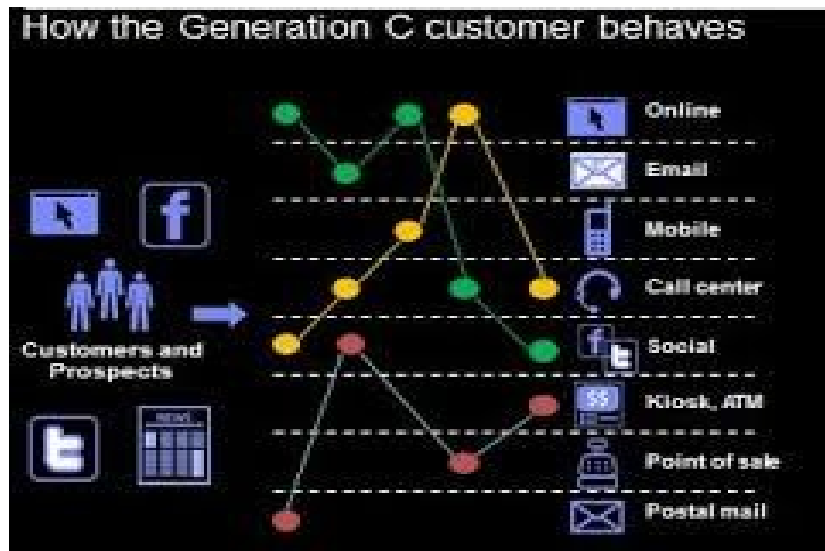
Context based measurement is more predictive of in-market performance







What influence do they have?



**90%** create online contact monthly

**3.6** times more likely to purchase a product they say they would buy..

**2/3** will tell friends about brands they love

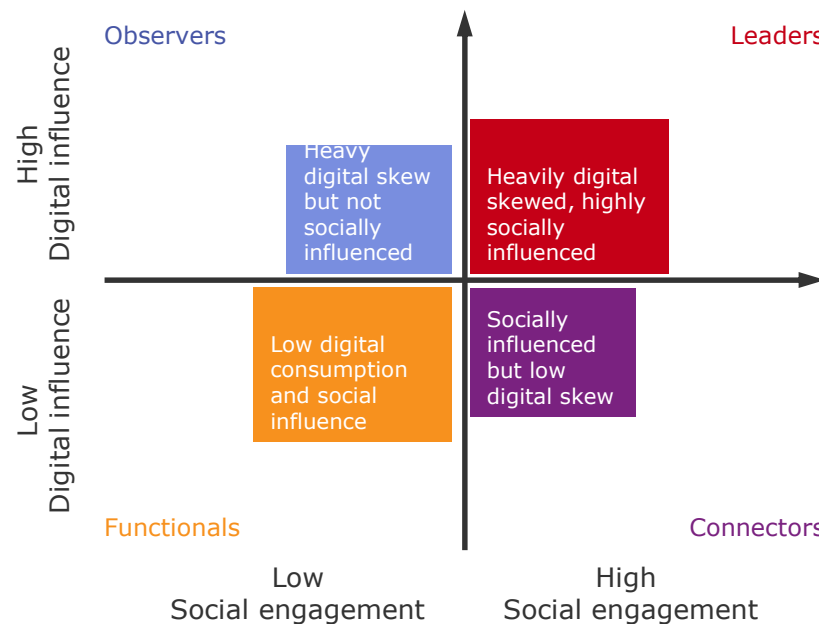
**2** times more likely to be early adopters

**1.8** times more likely to be influencers..

# How are they segmented

- Heavy reliance on digital media but not that involved in social media
- Use digital through the day, across multiple devices in many markets
- Use digital heavily in the decision path, but official not user content

- Low digital usage
- A virtual non-consumer of social content
- Still consuming large amounts of traditional media
- Digital not prevalent in the decision path



- Heavy reliance on digital & social media
- An Influencer in social media
- Constantly connected through the day, across multiple devices in many markets
- Hard to reach via traditional means
- Greatest influence of digital & social in the decision path

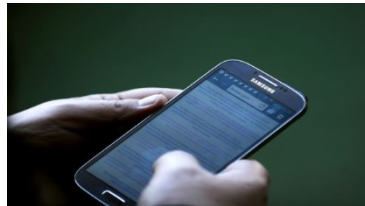
- Heavy reliance on social media
- A consumer of social (rather than an influencer)
- Not a heavy user of digital outside of social
- Still consuming traditional media
- Digital touchpoints not that prevalent in the decision path

# Generation C: Segments



## Functional

- Low digital usage
- A virtual non-consumer of social content
- Still consuming large amounts of traditional media
- Digital not prevalent in the decision path



## Observer

- Heavy reliance on digital media but not that involved in social media
- Use digital through the day, across multiple devices in many markets
- Use digital heavily in the decision path, but official not user content



## Connectors

- Heavy reliance on social media
- A consumer of social (rather than an influencer)
- Not a heavy user of digital outside of social
- Still consuming traditional media
- Digital touchpoints not that prevalent in the decision path



## Leaders

- Heavy reliance on digital & social media
- An Influencer in social media
- Constantly connected through the day, across multiple devices in many markets
- Hard to reach via traditional means
- Greatest influence of digital & social in the decision path

How accurate are  
traditional  
approaches in  
measuring  
success?



## Traditional approach & context effect!

How accurate are  
CLT, Online or  
IHUT results in the  
absence of  
environment cues  
influencing  
consumer  
behavior?

=

Survey  
response  
error  
reduction

≠

Purchase scenario

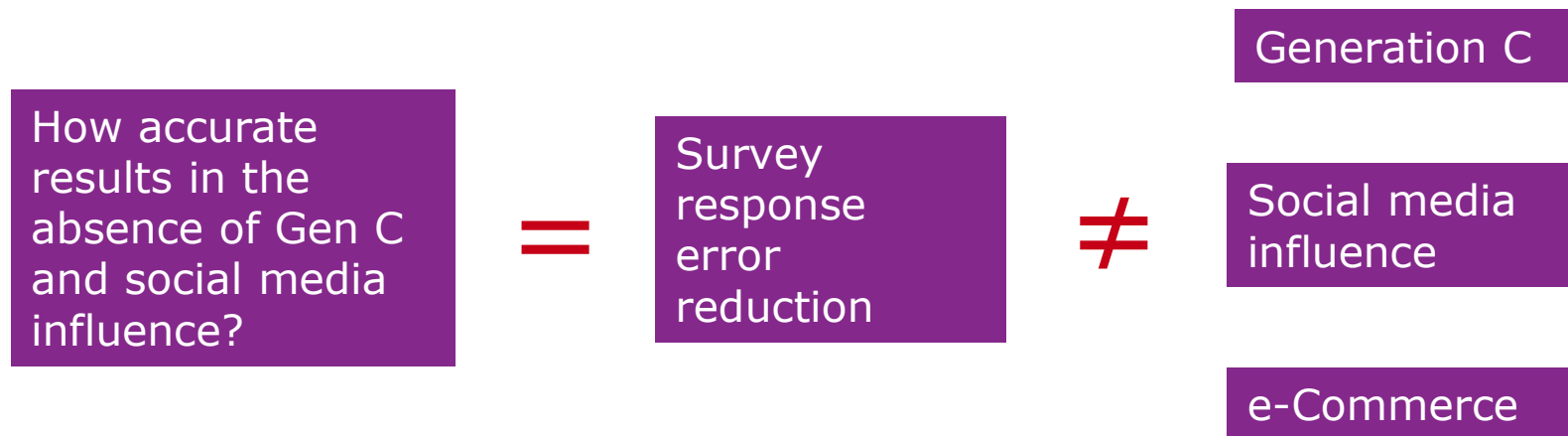
Situation/occasion

Product pairing

Location

Recent internal R&D showed that surveys that captured consumer context was more predictive of market.....

## Traditional approach & Connected consumer



The connected consumer plays a greater role in defining the success or failure of brands using social media.....

Embracing context within TNS!



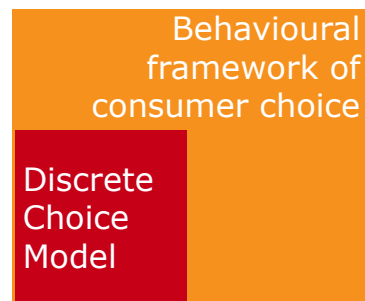
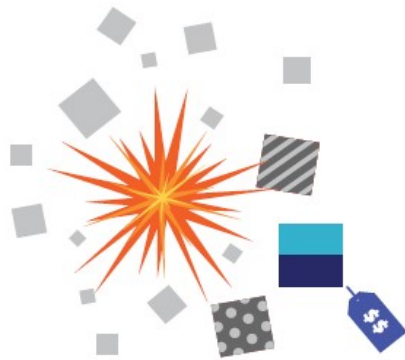
The availability of mobile and digital technology has made it much easier for TNS to account for context influencing consumer behavior





## Embracing context within IPD: ValueManager

TNS developed\* a general framework for extended choice models by including an explicit representation of the individual context of decision making



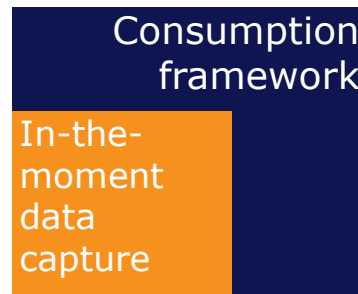
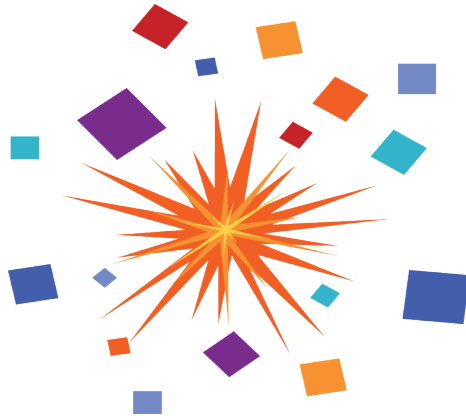
Prediction of  
consumer  
choices

The expanded model puts choice into context:

- Rather than choosing from random sets of alternatives, buyers actively “build” their choice sets
- Buying habits, price knowledge and brand images inform sets and choices

## Embracing context within IPD: i-Witness!

We have developed an in-the-moment model that embraces the diversity of consumption/usage scenario

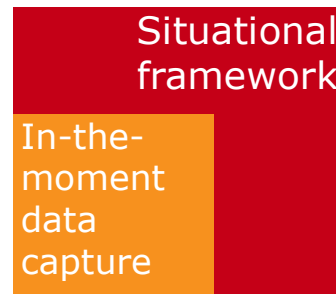
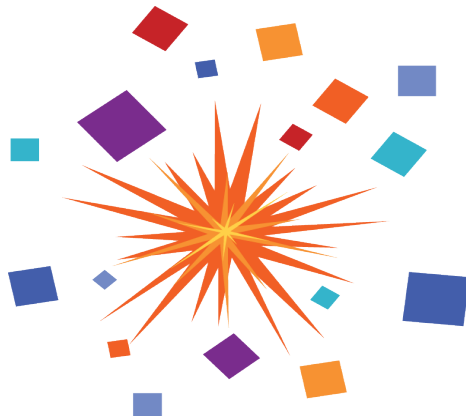


I-witness puts product/service evaluation in context:

- In-the-moment video capture of product/service experience across multiple usage/consumption scenario reflecting market reality..
- Performance is measured in “real time”

## Embracing context within IPD: Situational Benchmarking!

We have developed a situational framework that embraces environmental factors influencing perceptions of performance.



**Situational Benchmarking puts performance comparison in context:**

- Mobile data capture of performance in specific usage scenario vs the competition
- Retrospective evaluation using social media targeting specific past 3 hour usage situation/scenario

Final thought!

- 1) Think context
- 2) Generation C- the connected consumer could be your secret to success
- 3) Think mobile



THANK YOU!

