

ONLINE CASE 3.12 “NO SWEAT”

supplemental material to the text of

Modern Marketing Research: Concepts, Methods, and Cases

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San Francisco Package Goods (SFPG) is a large, rapidly expanding firm, with many new product successes over the previous decade. Its newest venture is an antiperspirant/deodorant, based on a new formulation, tentatively called “No Sweat.” After a favorable employee reaction to the product, SFPG decided to conduct a concept test. Production of the new product would require considerable investment in plant and equipment, so SFPG managers planned to base much of their go/no-go decision on the results of this test. A concept test, rather than an actual product test, was undertaken because production costs were so great and the R&D crew was still trying to make minor improvements in the product.

The SFPG marketing department was considered to be one of the best in the industry. Unlike many other companies, SFPG conducted its own marketing research. Bill Freeland, who recently completed a top undergraduate business program, was asked to prepare the concept statement and to design the testing procedure for No Sweat. His concept statement and portions of his design are presented in Exhibit C3.12.1.

Exhibit C3.12.1: Study Proposal**Concept Statement for a New Antiperspirant/Deodorant**

A major producer of soaps, shampoos, and other personal hygiene goods has developed a new antiperspirant/ deodorant stick. The company has combined ingredients that had, in the past, been difficult to stabilize in stick form. The product has a unique appearance; its white antiperspirant center is surrounded by an outer ring of green gel deodorant. This antiperspirant/deodorant combination provides both men and women with the highest degree of protection available against odor and wetness. This new product will be available in a 2.7-ounce size for \$5.00 and a 1.5-ounce size for \$3.00.

Objective

Our objective is to identify the potential market for No Sweat, the new antiperspirant/deodorant created by SFPG. Given its unique appearance and its dual-action formula, we hope that No Sweat will find a niche in an already flooded market. Consumer attitudes regarding specific characteristics of the product will be investigated, as well as their overall reaction to the product concept. At the request of the new product manager, we will differentiate between spray, stick, and roll-on users in the presentation of our data.

Method

Personal interviews will be used due to the length of the survey and the quality of data that must be procured. A random sample of 50 men and 50 women will be selected from the Los Angeles phone book. Because the sample will be random, we can be assured of proportional representation of roll-on, stick, and spray antiperspirant and deodorant users. Soliciting for personal interviews will be conducted over the phone between 12 noon and 9 p.m. This will ensure that all members of the population have an equal chance of being contacted.

The Interview

Interviews will be conducted without any reference to SFPG, thus eliminating a potential source of respondent bias. All subjects will be shown the concept statement. They will then be asked to give opinions regarding specific attributes of the product. Finally, intent to purchase will be measured. The respondents will also be shown the proposed package design for No Sweat. Their feedback will be recorded and used to suggest possible changes in the design.

The study was undertaken using the methodology proposed by Freeland. Approximately 400 phone calls were made to set up the 100 interview appointments. Two of the scheduled subjects (both male) canceled their appointments before being interviewed, making the actual sample size 98. Selected results from the experiment appear in Exhibit C10.2.

Exhibit C3.12.2: Study Results

Primary Type of Antiperspirant/Deodorant Used ($n = 98$)

	Percent	Number
Roll-on	47	46
Stick	39	38
Spray	11	11
Other	3	3

Respondents were given a list of several product characteristics and then asked to use the seven-point scale appearing later to record what influence each characteristic had on purchase intent. Subjects were divided into four classes: roll-on, stick, spray, and “other” users. The table following the scale presents the average score that each characteristic received within those divisions.

Influence on purchase intent

Definitely would not influence purchase decision				Definitely would influence purchase decisions		
1	2	3	4	5	6	7

Most common type of antiperspirant or deodorant used

Characteristic	Roll-on	Stick	Spray	Other
Can be used by both sexes	4.2	4.0	3.9	4.4
Effective at stopping wetness	6.2	5.9	6.1	5.8
Effective at stopping odor	6.4	6.0	6.0	6.7
Product appearance	2.5	3.1	3.6	3.0
Product (roll-on, stick, spray, other)	2.8	6.3	2.6	2.2
New formula	4.1	4.5	4.2	3.9
Package design	3.1	3.0	2.7	2.9
Package size	4.0	4.1	4.1	4.6
Package shape	3.9	3.8	3.9	3.6
Price	4.7	6.1	3.2	5.4

The following table summarizes the results into two categories: the data from respondents who said they would try the product, and the data from those who said they would not. Within each group (tryers and non-tryers), the table presents the percentage of those who rated the characteristic:

- 1 or 2
- 3, 4, or 5
- 6 or 7

Characteristic	Rating	Tryers	Non-tryer	Significance
Effectiveness at stopping wetness	1-2	0	1	ns
	3-4-5	32	39	ns
	6-7	68	60	ns
	Total	100	100	
Effectiveness at stopping odor	1-2	0	0	ns
	3-4-5	28	32	ns
	6-7	72	68	ns
	Total	100	100	
Price	1-2	20	67	($p < 0.001$)
	3-4-5	72	32	($p < 0.001$)
	6-7	8	1	ns
	Total	100	100	
Product appearance	1-2	52	74	($p < 0.1$)
	3-4-5	36	18	($p < 0.1$)
	6-7	12	8	ns
	Total	100	100	
New formula	1-2	4	11	($p < 0.1$)
	3-4-5	60	77	ns
	6-7	36	12	($p < 0.05$)
	Total	100	100	
Total number		25	73	

Note: Significance levels are for a z test of proportions between tryers and nontryers.

Reasons for trial: Those who said they would try the product ($n = 25$)

Dissatisfaction with current brand	14%
Curiosity	58
Other	28

Reasons for no trial: Those who said they would not try the product ($n = 73$)

Price	25%
Satisfaction with current brand	64
Other	11

The product package results are shown in the following table.

	Yes	No	Indifferent
Do you like the package shape?	47%	21%	31%
Do you like the package colors?	29	58	13
Do you like the lettering?	62	26	12
Do you like the package overall?	45	47	8

Case Questions

- 1 Evaluate the management's decision to conduct a concept test instead of an actual product test. Discuss the advantages and disadvantages of both tests for the SFPG objectives of its new venture, No Sweat.
- 2 Do you agree with Bill Freeland's direction to conduct a blind concept test? Why or why not?
- 3 Thoroughly read the concept statement of the study proposal. What are the unique attributes and the end benefits included in the statement? In your opinion, is the concept statement phrased appropriately to induce unbiased responses? Do you agree with the inclusion of the intended price points in the concept statement? Explain your reasoning.
- 4 Will the concept test be effective in addressing the objective stated in the study proposal? Is there any additional research you would recommend to meet SFPG's objectives and information needs? If so, provide a detailed description and explanation of your recommendations.
- 5 If you were asked to generate sales potential and a sales forecast analysis for the No Sweat product, how would you approach this assignment? Provide a detailed description of the necessary steps.
- 6 Given the sampling method described in the study proposal, assess the degree to which the generated sample is representative of the overall population and explain your answer. What other sampling approach(es) could be utilized to ensure a proportional representation of roll-on, stick, and spray antiperspirant and deodorant users? Provide specific details.
- 7 What are the methods that could be used to generate a relevant list of product characteristics that were used in the concept test? Place your examples in the context of the SFPG case.
- 8 What type of research would you recommend to SFPG to determine the optimum price points for this new product? Design a study proposal for the recommended research.
- 9 What would you infer from the results of the concept test presented in the case? What conclusions can be drawn for the introduction of the new product?
- 10 How would you go about performing the sorts of statistical tests carried out for the comparison of tryers and non-tryers? What other data provided in the case can be similarly tested? Would ordinary regression-based approaches be justified?