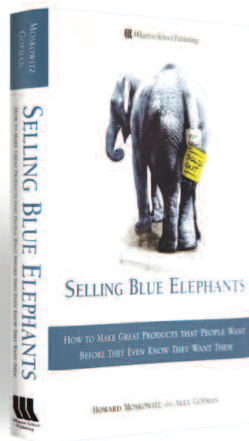




Executive Book Summaries®



by Howard Moskowitz
and Alex Gofman

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How to Make Great Products That People Want Before They Even Know They Want Them

SELLING BLUE ELEPHANTS

THE SUMMARY IN BRIEF

Really great products and really huge successes *don't* come from focus groups. And if you simply rely on trial and error, or guesswork, you'll lose far more often than you'll win. Now, there's a solution: Rule Developing Experimentation (RDE), the first systemized, disciplined, solution-oriented business process of experimentation.

In *Selling Blue Elephants*, RDE's creators reveal how to systematically design, test and modify alternative ideas, packages, products and services, as well as how to discover offerings your customers will be passionate about even if they can't articulate the need, much less the solution.

Moskowitz and Gofman show readers how RDE works, as well as how the process has succeeded in companies ranging from Hewlett-Packard to Campbell Soup Co., from MasterCard to Maxwell House. The information gleaned from RDE sheds light on what a company has to do to ride the wave, get the next set of customers and anticipate the future.

The authors have systemized their approach, striking a beautiful balance among a readable scientific foundation free from mind-numbing statistics, featuring hands-on experience without that boot camp or coached feel and principles — plus case histories — that are entertaining and enlightening.

IN THIS SUMMARY, YOU WILL LEARN:

- How RDE reveals the “hidden rules” that will define your next breakthrough product.
- How to create prototypes that answer the right questions, fast.
- How to use automated tools to streamline your research process and get actionable results in just days.
- How to extend the value of RDE throughout your entire enterprise.
- How companies such as Maxwell House, Vlasic and Prego all used RDE to their advantage.
- What the new science of Mind Genomics can do for RDE.

THE COMPLETE SUMMARY: SELLING BLUE ELEPHANTS

by Howard Moskowitz and Alex Gofman

Introduction

You just received an assignment to launch a new credit card for your bank. How do you make consumers pick your offer out of hundreds of look-alikes? Your marketing department suggested conducting a survey of a targeted group of consumers. As you can guess, the results of this market research turn out to be predictable: The consumers want 0 percent APR, no annual or transaction fees, and, of course, a number of meaningful, expensive benefits that are easy for them to earn and redeem.

Can you act on these findings? Are they feasible? Can your company afford the solution? The challenge is that, in many cases, consumers cannot articulate exactly what they need, want or like. Is there a way to solve the problem? In focus groups, developers and marketers are often stymied, despite their best efforts. However, the solution comes quickly when the developers and marketers take their time to identify and experimentally explore the factors that could drive consumer interest — whether features of a credit card, sweetener for a soft drink or specific message for an advertisement.

Show the customers several systematically designed prototypes, and they will tell what they like, what they do not and what does not make any difference to them. Now you have a clear way to create rules for winning offerings or new best-selling products by combining those features into the best possible combinations — even if no consumer ever specifically tested them. This is the process of Rule Development Experimentation (RDE).

Different types of RDE are surprisingly similar to each other. These are the steps to follow:

- Think about the problem and identify groups of features that compose the target product (offering, etc.).
- Mix and match the elements according to a special experimental design (a schema of putting together elements) to create a set of prototypes. This is typically done automatically by a tool that creates a unique individual design plan for each respondent, resulting in individual models of utilities for each respondent.
- Show the prototypes to consumers. This is usually an automated Web survey or taste exercise in a facility.

- Analyze results (build individual models) using a regression module. This analysis is automated. RDE tools provide a table of utilities (individual scores of elements), the building blocks of your new products.

- Optimize.

- Identify naturally occurring attitudinal segments of the population that show similar patterns of the utilities.

- Apply the generated rules to create new products, offerings and so on.

RDE breeds market success through knowledge by clearly and dramatically revealing how specific factors drive consumer acceptance and rejection. Best of all, RDE prescribes for business what to do, rather than just leaving suggestions as hypotheses. ■

Hewlett-Packard Shifts Gears

During the late 1990s, HP faced a sustained erosion of its position in the market, despite the fact that its products were comparable or even superior to those of its rivals. It faced its most daunting challenge among future customers: teens and young adults. HP decided to retool its development and marketing strategy to build a new decision-making structure, which it envisioned as follows:

- Based on evidence, not supposition.

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Hewlett-Packard Shifts Gears

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- Applicable to a wide range of marketing issues.
- Fast, streamlined, inexpensive and accessible not only to the marketers, but also to engineers, designers and anyone involved in making decisions about products, markets and promotions.
- Capable of generating actionable rules to resolve the problem, not just state it.

HP used a specially created proprietary Web panel that identified specific problems, structured them and put them into the RDE Internet tool. The system performed on “automatic,” mixing and matching the features of HP’s ideas to create vignettes and presenting them by Web survey to respondents for evaluation. The RDE automatically generated actionable rules about what consumers liked and didn’t, and advised what to say to them to trigger interest in the product, how to say it and to whom. ■

For additional information how RDE helped HP, go to:
<http://my.summary.com>

Maxwell House’s Calculus of Coffee

The oldest known examples of RDE come from food and drink. General Foods (now part of Kraft Foods, Inc.) used RDE to understand coffee. New rules about the tongue of the coffee drinker emerged and this disciplined — and *not always* popular — experimentation led to more profits and, of course, market success.

Prior to RDE, the early work on coffee blending relied on elite experts with “golden tongues.” With changing tastes and coffee beans varying, Maxwell House found itself looking for a *business-based system* to guide the coffee blender at the plant so their product would be the same, highly acceptable, and profitable. A system was needed to protect the corporation — it is the system that incorporates the knowledge, not just a few potentially hard-to-replace experts.

Another difference sets the stage for RDE. The times of the single “perfect coffee” are long gone. The modern social phenomenon of coffee-drinking culture and fierce competition have resulted in an ever-growing number of blends and flavors. Globalization has made the situation even more difficult to handle because the taste of the customer in every locality differs.

The hardest part of the project was the effort to make the product “right” — to improve it so that the brand might survive to fight again another day. RDE worked

Maxwell House’s Steps in RDE to Crack the Coffee Code:

Step 1. Recognize the problem and decide to take action to discover what specific problem the company faces. One of their competitive audits revealed that some of their products didn’t perform as well as they should have.

Step 2. Create and test many systematically varied test products. Product developers had to discover what combination of beans and roasts would appeal to their consumers. The work had to be systematic, not haphazard. The most efficient RDE-based approach in product development requires the developer to systematically vary the physical formulation. Don’t be quick to judge. Test everything.

Step 3. Test the prototypes with consumers and collect their ratings. Maxwell House researchers ran taste tests, and the result was a data set that would be used for more than a decade.

Steps 4, 5 and 6. Stack the deck for success: Discover the different “tongues” in the population (analysis, optimization and segmentation). A deeper finding revealed three different segments of consumers, depending on their liking of bitterness. All three groups in this taste test said they wanted a rich, robust cup of coffee. In their minds, the coffee they wanted was strongly flavored, but their definition of “strong” was different. This was a key learning from RDE. Management concluded it was not a product problem alone; it was a problem of differing tastes as well.

Step 7. Learn from the experiments: Discover rules for better combinations of beans that make superior coffee. Maxwell House created a coffee model and used the model to synthesize the best new coffee.

admirably, for it took the problem out of that unbearable situation in which the solution could not be easily specified and instead prescribed a set of knowledge-building steps. Maxwell House increased coffee sales by more than 15 percent at the expense of its competitors. ■

Dialing Up Delicious: Discoveries From Vlasic and Prego

RDE goes beyond better products to open entirely new business opportunities. The Vlasic Company, maker of pickles for decades, had one problem: product knowledge and preferences. Most people eat pickles, but not

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Summary: **SELLING BLUE ELEPHANTS**

Dialing Up Delicious: Discoveries From Vlastic and Prego

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frequently. Furthermore, no one is particularly brand loyal to a pickle the way they are to coffee, cola or cigarettes. Vlastic began with competitor taste tests, which suggested that Vlastic pickles were tasty but “something” was missing. But researchers studied the data that escaped everyone else: Almost all the commercially available mass-merchandised pickles on the grocery shelf tasted very weak or moderate. Yet more than half of the taste-testers gave high-liking ratings to the few strong-tasting pickles included in the test. Product developers and marketers had inadvertently concentrated their efforts on producing a pickle that only satisfied only about 40 percent of the market.

Using RDE, Vlastic created 40 experimentally designed prototypes and tested them with consumers. These tests hit pay dirt, showing clear evidence that customers wanted a better-tasting, stronger-tasting pickle. But like Maxwell House, Vlastic also discovered there wasn’t one pickle customer, but three distinct pickle customers: everybody wanted a crunchy pickle, but preference varied between strong, medium and weak flavors. Shortly afterward, Vlastic introduced its line of pickles varying from Low Salt to the Zesty pickle, which turned out to be the best-selling pickle to date.

Pasta Sauce as You Like It: A Story of Prego

The story of RDE with pasta sauce begins with a disappointing taste test run by Campbell Soup Co. If anyone knows tomatoes, it’s Campbell Soup, but at the time they were feeling their way in the world of tomato pasta sauce, then dominated by Ragú. The problem was the *taste of America*. It was not clear what customers wanted in a pasta sauce.

Observing and talking to consumers in their homes revealed a startling and disconcerting pattern. Many people said they would not leave the product intact the way the company made it. Each participant wanted to share personalized recipes. They all doctored the product somehow.

The product development group identified six ingredients they believed to be drivers of liking, created 45 different combinations that the RDE design called for and ran the study. The most exciting result was that there were three clear segments of pasta sauce consumers, and each could be won over by a sauce that scored 65 or higher on a 100-point scale. But there was much more. When consumers were asked what they wanted as the

next generation of pasta sauces, many suggested sauces with new ingredients.

Using the knowledge as a springboard, Prego introduced a line of pasta sauces: regular/traditional, spicy and one to appeal to a segment that wanted texture. Of those three, the last was the most important. At the time, there was no extra-chunky pasta sauce in the supermarket. And most people did not even know they liked it until they had tested it.

Over the succeeding years, Prego used this RDE model to “dial up” new sauces with ingredients, just as General Foods “dialed up” coffees and Vlastic “dialed up” pickles. Ragú watched Prego invade its territory. Prego’s success changed Ragú from a few sauces to many sauces, just to stay competitive. The sector that had a few choices just 15 to 20 years ago has grown into a burgeoning industry by itself. Over the next decade, that new category proved to be worth hundreds of millions of dollars to Prego. ■

How to Make People Feel Good Even When They Pay More

The competition to acquire spending customers is fierce among credit card issuers. How can you make a new card successful? What do you say to someone to get him or her to apply for and use a credit card? What type of rewards do you offer in a category that has become pretty much of a commodity, with bank after bank coming up with credit card ideas and advertisements? Ultimately, most efforts fail.

Credit Cards in Hong Kong: How HSBC Figured Out the Right Offer

Credit card giant MasterCard, Inc. teamed up with the Hong Kong Shanghai Bank (HSBC) to issue a co-brand or affinity card connected with the upcoming World Cup in soccer, a topic-based opportunity to create a new credit card. They had a two-week window. The following steps show how MasterCard used RDE in a highly competitive, nerve-racking situation that called for quick, solid, results-oriented thinking and messaging.

Step 1: Ideation stage. Identify the problem, get ideas, edit them and put the modified ideas into silos. Keep in mind that with an RDE study, the more elements MasterCard tested, the more likely it would be that the results would create a card that customers wanted.

Step 2: Combine the elements into short test concepts (mix-and-match) and instruct customers to rate these different combinations. The RDE systematically varies the

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How to Make People Feel Good Even When They Pay More

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combinations. In the ideation stage, the group came up with eight different silos, but the RDE experimental design selected a specific three, four or five silos for a particular combination and presented one element from each selected silo. Over time, respondents tested all elements.

Step 3: Execute the study in Hong Kong and collect consumer data. The nice thing about RDE is that once the design is selected and interviews are set up, the process is automatic, rapid and productive. The credit card study took only three days, with a minimum of effort.

Steps 4-7: So what was learned and what was the outcome? The outcome was a credit card launched in time for the World Cup. The card achieved year-one expectations in month one, and did twice as much in acquisition as was planned. At that time, six banks launched different World Cup cards; only the HSBC MasterCard survived, thanks to the fast, simple and inexpensive RDE exercise.

Jewelry for Mother's Day

Shaw's is one of the companies owned by Sterling Jewelers, Inc. The objective of its RDE project was to develop a set of messages that would increase the likelihood that a Shaw's customer would buy a significant piece for Mother's Day. The secondary objective was to increase the monetary size of the purchase.

It has been estimated that nearly 17 billion catalogs are mailed to consumers every year — roughly 59 catalogs for every man, woman and child in the United States. How can a businessperson make catalog offerings or promotions more successful? Are there magic "Open Sesame!" words to tap into the minds of consumers? Are there different messages for different people?

The silos for this RDE were: customer perception, emotional benefits, brand recognition, display descriptors, jewelry descriptors, customer service, inventory assurance, value and promotions, with a total of 167 elements. The art of RDE in messaging is creating these elements.

Participants were contacted from lists of customers and came into the site, where they looked at different concepts on the computer screen. The goal was not to sell the participant a piece of jewelry, as much as it was to discover what messaging would bring the customer into the store.

In jewelry, there are two radically different mindsets: optimists (segment 1) and pessimists (segment 2). Shaw's was interested in what specific messaging would drive the purchase.

After gathering additional information from the par-

ticipants, the second step involved creating a "decision rule" or method by which each participant was classified belonging to one of the segments. The third step created two mailing pieces, one optimized for the optimists, and the other for the pessimists. The fourth step set up four target groups:

- 10,000 optimists who received a brochure designed for optimists
- 10,000 optimists who received a brochure designed for pessimists
- 10,000 pessimists who received a brochure designed for optimists
- 10,000 pessimists who received a brochure designed for pessimists

Historically, the typical mailing generated about a 1 percent response rate and an average purchase of \$1,339. Sending the right brochure to the right segment increased the number of people buying (42 percent improvement for optimists and 27 percent improvement for pessimists). Just as important, the sizes of the purchases increased by several hundred dollars. ■

Discover More About Your Competitors Than They Themselves Know — Legally!

E-zines (electronic newsletters) were originally published in the fanzine tradition (enthusiasts writing about a subject they love), nowadays most e-zines are published for profit. An e-zine is considered to be the most effective online marketing tool with the highest return on investment.

E-zines and Competitive Intelligence: What Works?

The strategy of *deconstruction* is to look at what everyone is doing and discover what works and what doesn't. A fast search on Google reveals hundreds of different e-zines and links to other similar material. It is simple to acquire many public pieces of information about the topic that competitors publish. You might end up with hundreds of these screen shots, each with its own look and a series of different features and messaging.

The question for the Internet publishing company is which one of these different ideas works, and how well? It's also important to keep in mind that the material put out by different e-zine publishers is their best guess. Looking at competition means looking at what competitors *think* will work, rather than just wild guesses about what *might* work.

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Discover More About Your Competitors Than They Themselves Know — Legally!

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RDE cuts these competitive Web sites into their components (this process is called *content analysis of the ideas*) and determines which ideas really work. The company's ideas do not have to be used; the ideas could be created from focus groups and invention sessions. The goal here is not to create new ideas, but rather find out whether the competitors — and, indeed, which specific competitor — actually got it right. ■

Rubik's Cube of Consumer Electronics Innovation

The RDE process embraces and nurtures speed. Can the whole approach be made even more democratic, faster and easier so that anyone, anywhere in the world can use RDE to understand the mind of the consumer virtually overnight or, say, within 24 hours? The answer to streamlining RDE is yes.

RDE at the Heart of a Streamlined, Combinatorial Approach to R&D

An easy way to understand streamlined development is to imagine a scenario and then work back to what is needed for that specific scenario to happen. For example, one scenario focuses on a start-up company in Asia.

How Abacus Restructured the Invention Process

Abacus used the following three principles to restructure the invention process to make it simpler, faster and less expensive:

Principal 1: Democratize — The RDE method has to be based on an Internet tool that can be used anywhere, any time, by anyone — even by someone with minimal experience.

Principal 2: Think genomically — Let RDE identify winning ideas from many different consumer electronics products and, by so doing, create a “database of the consumer mind” for electronics. At the same time, let the RDE experience generate other ideas so that the consumer participant becomes an *active co-creator*, not just a passive judge.

Principal 3: Think of innovation as recombination — After identifying the winning ideas in separate, small and easily run RDE studies, combine these winning ideas into a set of new-to-the-world product concepts and test them in a final RDE study.

The company, Abacus (real name as well as product name, Gamester, are disguised), is in the business of creating, commercializing and selling off new consumer electronics products. After initial market research, these entrepreneurs discovered that the majority of inventive efforts followed a consistent pattern: scan the environment for ideas, bring new ideas to consumers in focus groups around the world and then create prototypes. Engineers were in charge here, so the approach was develop, measure, launch.

Perhaps there was a better way. It first became clear that conventional ways to create ideas were too slow. Scanning the Internet revealed that people were inventing new products and services for consumer electronics at an alarming pace.

From Strategy to Specifics: How Abacus Did It

Here are the seven steps that Abacus took using RDE:

Step 1: Create or choose a general structure for silos that applies to different product areas.

Step 2: Select component ideas to “mash together” in the genomics-inspired system.

Step 3: Invite potential customers to log onto a Web site to participate.

Step 4: Create (automatically) and test new product ideas with consumers. Participants rate one concept after another, pretty rapidly, without paying much attention, giving their “gut feeling” about the ideas. The strength of RDE is that it works because the experimental design reveals what is important to the participant, whether the participant is even aware of the reasons for his choices.

Steps 5-7: Learn results and generate rules for actions.

From Abacus' view, the mashing exercise produced many interesting findings and opportunities to create a new product. The developers grasped the meaning behind the information:

1. Basic interest in Gamester is moderate for total as well as for segments.
2. Abacus can and should create different products, targeted to the segments.
3. Abacus has used its customer's mind to create a product.

Because Abacus mashed together properties genomically in a simple system, the participant's “mind” is the real tool that creates products, albeit through the help of the Web program. ■

For additional information on how Abacus was able to create new product concepts with RDE, go to: <http://my.summary.com>

Bridging Cool Design With Hot Science

Unfortunately — and all too frequently — design moves separately with the product features, but fails to focus on users — or perhaps even ignores them for the sake of “art.” Although this design might initially attract some customer attention because it is so different, it could alienate the very people it was meant to entice. Can RDE evolve from working with *ideas* to working with *designs* so the discipline it imposes on the process enhances creativity in the direction most desired by consumers?

RDE makes the designer’s job easier and more efficient by calculating and analyzing the algebra of consumer minds, albeit with visual designs as the test stimuli instead of verbally expressed ideas.

RDE in Action: Magazine Covers for the ‘Fixer-Upper’

Eye-catching magazine covers are a key driver of newsstand sales. These covers are designed for at least two purposes: to establish an image about the magazine by conveying a look/feel, and to drive purchase and readership. A magazine cover that attracts the buyer’s attention in the critical moment when the buyer looks at the selection, increases the chances that the buyer will reach for the specific issue.

One example deals with a magazine for the do-it-yourself homeowner. The RDE challenge was to discover what aspects of the cover invited the reader to consider buying a magazine on the newsstand. The RDE project was both strategic (get rules to make the editorial group smarter) and tactical (what’s up for the issue three months from now).

Each feature of the magazine cover can be thought of as a transparency, or a cake layer. The computer browser superimposes these transparencies according to the recipe dictated by the RDE design, which creates different packages or magazine covers. Each new combination defined by the RDE design corresponds to a new package or magazine cover. The participant never sees the individual transparencies, just complete magazine covers.

What Does the Magazine Editor Get Out of a Graphics RDE?

The first results emerged very quickly after the RDE servers automatically analyzed response patterns from 657 participants. When it came to winning elements, the story was primarily cover photos. To know exactly how a cover will engage a reader, RDE uses a simple method: measure the time elapsed between the start of

the exposure, when a participant sees the cover; and response, when the participant rates the cover for interest. RDE traces the response time to different magazine elements (stare time).

Two other questions RDE can answer:

1. Are there aspects of the magazine that capture attention but are basically turn-offs? These are the elements that have negative interest but positive stare time.
2. Are there aspects of the magazine that people look at for short periods of time (not engaging) but are turn-ons? We see this in cover photos. People do not stare a lot at the photos. They look at them quickly and then they make their decision. ■

Mind Genomics: Consumer Mind ‘On the Shelf’

Today’s marketers and developers need off-the-shelf, almost shrink-wrapped, systematized knowledge — organized insights about the customer’s mind in specific topic areas. There is a need for database information of the type RDE provides, but not limited to one topic area or constrained by one product.

What is so special about a database that comprises different types of elements (product feature, brand name, emotion, availability and so on), a database that goes beyond one product to encompass many, and a database whose elements are already quantified by RDE before anyone thought to ask? Is there a need for the encyclopedia of the consumer mind that transcends simple information (what exists) by adding a relevance metric to that information (what is attractive)?

This encyclopedia of the consumer mind is the foundation of the emerging new science of mind genomics, modeled on the science of genomics and the technology of informatics. The goal of this new science is to better understand how people react to ideas by using a formalized, structured, fact-based approach. ■

RDE Defeats Murphy’s Law and ‘Bares’ the Stock Markets

Open any newspaper or news magazine today and you are certain to see something written about energy. What information do energy producers, public relations agencies and advertising specialists crank out to the public? How do they deal with a world outside their control, where they are confronted with messy situations and have to craft good copy on Web sites and in news

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RDE Defeats Murphy's Law and 'Bares' the Stock Markets

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releases? They simply want to use the right messaging, appropriate for their company, to influence public opinion. What will RDE do to help?

With public utilities, messaging varies, ranging from specific information about available products to the language of reassurance about the utility. Their Web sites are constructed both for persuasion and reassurance. We looked at what 10 utilities were saying around the time that California experienced its rolling brownouts.

For the total panel, no single PR-type message stands out. The only reasonable messages talk about service and lowering bills. These winning messages should not come as a surprise — they are what everyone wants. For males, it's about service and money; for females, it's primarily about money. The pay dirt for PR comes from dividing these consumers into three different groups.

- Segment 1 wants a dependable service.
- Segment 2 wants to take control.
- Segment 3 wants to feel that they are choosing a utility that goes out of its way to help the disadvantaged, etc. This segment is especially responsive to PR-type messages and represents a powerful target worth influencing.

Behavioral Economics and Experimental Analysis of Attitudes: Making Sense From the Vioxx Case

In 2004 when the painkiller Vioxx (a blockbuster for Merck) was possibly implicated in heart attacks, anyone holding pharmaceutical stocks was in for a rough ride as the stocks were battered. How could RDE apply in a situation where the rating is no longer "acceptance," but rather "sell versus hold versus buy" the stock?

If a shareholder or a manager of a hedge fund reads a vignette about the FDA statement and corporate reaction, and rates it in terms of his or her propensity to buy, sell or hold the stock in question, is there any way to predict the likely future shareholder response (buy versus sell the stock from other investors)?

Step 1: Define the problem and prepare the materials. It is necessary to go beyond Merck's Vioxx into other high-potency painkillers, as well as over-the-counter (OTC) medications. Next, gather messaging information available from corporate Web sites, limited to what an investor might find using Google and what might be a first choice for a shareholder or professional. Then reduce the information to a limited set of phrases.

Step 2: Mix-and-match the elements according to an experimental design to create a set of vignettes. This step is automatically done by the RDE tool. Each vignette is accompanied by a rating question asking the respondent whether he or she would sell, hold or buy the stock based on what he or she reads.

Step 3: Recruit and collect the ratings from the respondents. In this study, one of the classification questions dealt with the amount of money to invest so data could be analyzed by those with a high versus low net worth.

Step 4: Analyze the results of the study and identify what messages in general drive intent to buy or sell a stock.

Results show that FDA messages by themselves do not drive buying or selling. Brands or companies play a much bigger role in expected buy/sell ratings. What the company says it will do can make a difference to the shareholder. Agreeing with the FDA and putting some type of caution on the drug "quickly enough" can increase expected buying.

Is There Any Limit to What RDE Can Do?

So you must ask, "Is RDE a magic bullet?" On one hand, in a world of guessing, systematic experimentation has to win in the long run simply because it is fact-based. There's no reason for the universe to change its rules because someone is making systematic observations. The odds are that RDE can do a lot — bounded, of course, by the ingenuity of the user. It will not make an artist out of a hack and it will not reveal the secrets of the universe to someone who prefers guessing to measurement and aimless hypotheses to disciplined fact-finding.

On the other hand, RDE will deliver consistent success simply because of the way it's structured. RDE forces the user to think about alternatives in a way that creates a discipline. Thinking is critical. No matter what people in corporations say, previous experience does not always predict what will win and what will fail. When people think, take measurements and look at what is happening, the rest happens like magic. ■



If you liked *Selling Blue Elephants*, you'll also like:

1. ***Citizen Marketers* by Ben McConnell and Jackie Huba.** "Citizen marketers" are forming growing communities of enthusiasts and evangelists, getting the word out about what products they love or hate.
2. ***Outside Innovation* by Patricia B. Seybold.** Innovation is what keeps companies at the top of their fields, and the best way to innovate is to involve customers in every aspect of design.
3. ***Treasure Hunt* by Michael J. Silverstein.** The author explores how people are reshaping the consumer-goods market by trading down to low-price products and services, trading up to premium ones, and avoiding the boredom that characterizes the middle.