Employee Testing—Friend or Foe in Guiding Development

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Abstract

A lot of us were taught early in our professional careers that the use of employees in affective testing should be avoided. Affective employee testing has been stated as being "too biased", "not representative of your target consumer" and "cheapens the profession". On the other side we are faced with increasing time, budget and in the case of alcohol testing state-by-state regulations of what if any type of consumer test can be conducted. Is it possible to construct specific guidelines where employee testing is not only acceptable but also beneficial to your product development partners, or should we confine the use of employees to discrimination and descriptive work? For years, Diageo has maintained a strong program of utilizing employees for discrimination and descriptive work. Over the past four years, we were able to double our confirmation in consumer testing by the smart use of employee panels in affective work. This was accomplished with the added benefit of decreasing our product consumer-testing budget by 40%. Some key guidelines that will be reviewed include: 1) How to set guidelines on projects that can benefit from employee testing—which should you avoid, 2) Screening and incentivising employees to participate, 3) Establishing critical base sizes, 4) Considerations in product preparation, 5) Maintaining corporate responsibility in serving employees alcoholic beverages, and 6) Establishing benchmarks to assist in measuring success. Understanding and communicating where the employee testing fits in with the overall learning plan is key. After four years of increasing success in external consumer confirmation testing, we have concluded that employee panels can have a significant benefit in product development success as long as they have clear guidelines on the limitations of results and are conducted with the scientific rigor and the professional experience needed to addresses key questions.

What Type of Employee Panel Are we Talking About

Key to a successful Employee Panel Testing Program is clear guidelines among Sensory, Consumer Planning (Market Research) and Product Development Management

Decisions	Guidance	Business Decision
Employees/ Respondents	No project knowledge	Teams tasting own liquid
	Screened for Basic Acuity	Random population
	Not trained	Trained Descriptive
Recruitment	Voluntary	Mandatory part of job
	Targeted recruitment	Mass mailings
	Broad demographics utilized	Get #s regardless of fit to category
Test Type	Attribute Testing (w/ Liking)	
	Full drink study for build/ dilution	Concept Appeal
	Employee IHUT	Business Decisions w/ purchase
	Employee Handling	
Base Size	N=40+ per test	

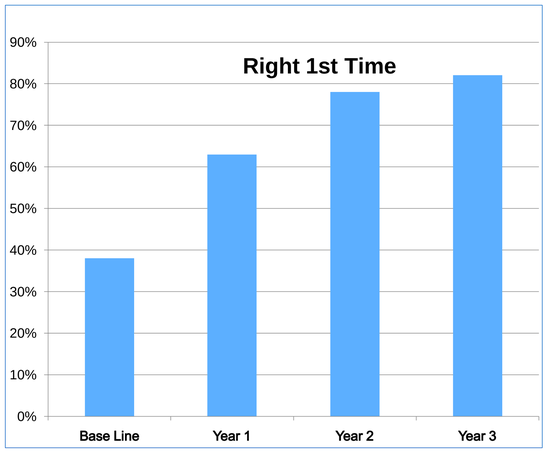
Questions Suitable for Employee Testing

We have developed guidelines for the questions that occur in most projects and where employee panels have been show to give reliable information.

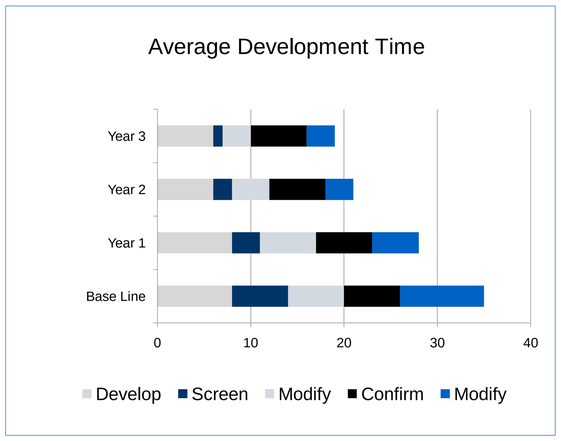
Examples of Question	"Untrained" Employees	Trained Panel	External Consumers
Will concept have Initial Appeal?			
Is the price point right?			
Are differences in prototypes large enough to test?		if consumer calibrated	Costly to find after testing
How fast is product changing over shelf life			
When does change in shelf life become unacceptable?			Costly?
Have modifications moved in right direction? Is shift big enough to matter?		If Consumer Drivers known	Costly for minor change
Sensory Differences vs. Competitors			
Liking/ preference vs. competitors			
Does flavor build during course of drink? Does ice dilution unbalance the drink?			costly

- Recommended
- Caution—previous knowledge needed
- Not Recommended

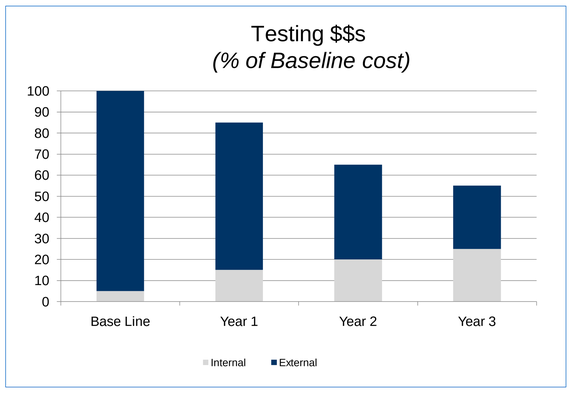
Results



Improved Right the First Time



Faster Development Cycle



Reduction in Testing $$

Drivers of Increased Performance

Increased Right 1st Time driven by
- ✓Better utilization of Internal Screening to understand drivers
  - •Ability to economically execute Design of Experiments
  - •Ability to prioritize on site to deliver "just in time" guidance
- ✓Higher interaction with Sensory Lead
  - •Can go back and forth on data and questions without delay of agency
  - •Sensory Lead positioned to share learnings x-category

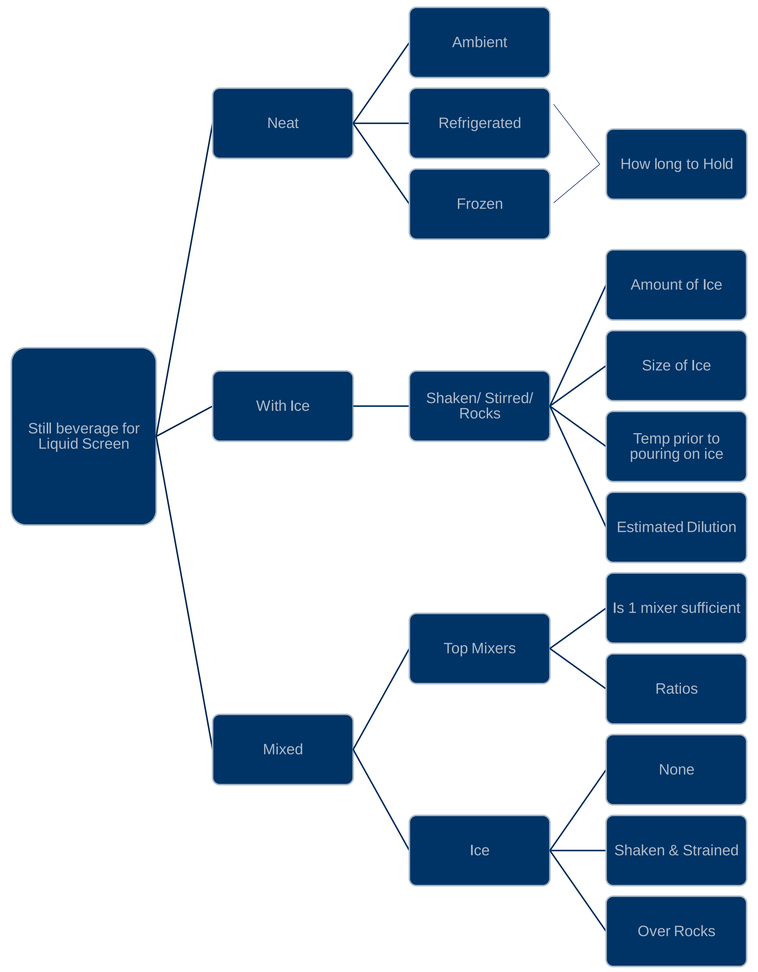
Decreased Time Driven by
- ✓1st round screening done internally (if not highly targeted consumer)
- ✓Quicker answers and resulting modifications due to access to data/ analyst
- ✓Fewer "recycles" when external confirmation was not achieved

50% Reduction in Overall Cost driven by better use of External Testing $$
- ✓Higher confidence of development direction = fewer samples for confirmation
- ✓Minimal retesting due to increased "Right 1st time Rate"
- ✓Majority of Screening being done internally with confidence

Internal cost was increased to deliver this
- ✓Permanent HC addition + Consultants to manage lab and projects
- ✓General Lab Cost increased to cover supplies
- ✓Nominal panel Incentives and recognition awarded to motivate attendance

Consideration in Product Preparation

Consistent Serves that are Consumer Relevant is a key to Deliver Reliable-Business Impactful Results



Corporate Responsibility in Alcohol Testing

Employee Tests follow guidelines of External Consumer Testing

All testing is on a strictly volunteer bases

Country Specific Government Guidelines followed for responsible serving levels



In US 1 drink per day females/ 2 drinks per day for males

1 drink is defined as 0.6 units of alcohol
12 ounces of 5% abv beer
4 ounces of 15% abv wine
1.5 ounces (shot) of 40% abv Spirit



Food is provided following employee testing

Agreements signed to prevent operating equipment/ driving 2 hours post testing

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