

## Product Development

### Background

A leading insurance firm wanted to improve its dental product and service plans, so needed to find out how employees, employers, and insurance brokers would respond to a variety of potential dental insurance plan concepts.

### The Approach

Because product development is an iterative process, CSR designed a three-phase study to make sure that customer feedback was incorporated back into the product design after each step.

**Phase 1 Qualitative:** Concepts were tested during 60 in-depth one-on-one in-person interviews in a focus group facility over two days. Both employees and employers were asked to provide feedback on five different concepts. This interviewing format was especially attractive to our client's marketing executives because it allowed them to sit behind a two-way mirror and observe "live" how participants reacted to the different plans, while the one-on-one approach minimized the possibility of bias or "groupthink", as it ensured that no study participant was influenced by any other.

The results from Phase 1 confirmed the importance of several features of the tested dental plan concepts. We also learned that several other features were not nearly as important as previously thought. This information was used to modify the dental plan concepts that were tested in Phase 2.

**Phase 2 Quantitative:** We next developed an online survey that contained both open- and closed-ended questions targeted to a much larger and more diverse audience that included all relevant age groups, income categories, and even psychographic segments. In total, 1,000 employees and employers completed the survey, which took approximately 15 minutes to answer. The goal was to learn what features of dental plans were most important and why, and what pricing parameters would work best. This enabled us to narrow the field to three concepts including pricing options.

**Phase 3 Qualitative:** Forty brokers and thirty employers provided qualitative and quantitative feedback on the three dental plan concepts. Employers came from all company sizes, including those with fewer than 200 and more than 15,000 employees. CSR conducted conversations with

brokers who were specialists with respect to dental insurance and who serviced the same size companies that the employers represented.

## Results

The results from this research were used to estimate the market demand for each of the three plan concepts. Today, the results are still being used extensively in offering these plans to the marketplace. According to our client:

*“Our product development efforts are tied to the research findings. The hypothesis about where we were going to focus product development did not pan out as we originally thought. In the end, the research is being used in a very significant way and that’s a testament to how the research went off, which is a critical piece of evaluating the success of it. You guys were extremely responsive: We had tight deadlines and you helped us pull it all together. In essence, you have the knowledge and expertise, and one of the reasons we continue to work with you is because you do provide that consultative value and so we want to make sure that we’re leveraging that value.”*