



Customer Input into R&D

The New to R&D Grant aims to increase your long-term R&D capabilities by supporting capability development activities that involve either:

- increasing the R&D-related human capital expertise within the business organisation via training, coaching, or advisory, OR
- setting up systems, processes or operations that enable R&D to be undertaken more efficiently and effectively.

Developing capability in Customer Input into R&D will help you to clearly understand your target customers and develop a vision of the customer problem your products and services will solve. Doing this early in your R&D/product development will give you greater confidence in the direction your R&D should take. To achieve this, you need to understand how to obtain and use customer insights to best inform your R&D activities.

Obtaining customer input is central to new product development, and complements business data, as well as other considerations such as regulatory, competitor, environmental and market analysis which all contribute to effective, balanced decision making. Conducting customer research and analysis is a critical capability that requires the right mindsets and mastery of specific skills to be robust.

If your focus is too narrow, you may miss an opportunity to create new value in the market. You may need to explore the needs of different target audiences - including the people who will use your product; those involved in delivering your product to market; those buying your product; and the people who are impacted by it. The insights you generate on what's at the core of the problem you're solving, and the value your products and services provide, will assist you downstream with your sales and marketing effectiveness.

Do you know the biggest problems faced by your customers and the opportunities to add value to customers in the target market you intend to enter?

Beyond traditional surveys and market segmentation methods, a range of research approaches can be used to obtain useful customer input, which often dig deeper than traditional market research methods can. Often referred to as 'design research' or 'ethnographic research', these approaches can help to uncover a person's behaviours, their reasons for doing what they do, and the factors that influence decision making. As your product/service begins to take shape, you also need to use appropriate research approaches to evaluate how well your proposed products and services address the wider market needs.

Key activities can include:

- Learning how to identify your intended geographic market(s) and target groups of customers who you can solve a need for.
- Learning about sample selection and empathy-based research and analysis methods that can help you unlock unique, untapped insights.
- Identify and engage a relevant training provider or coach to help you:
 - Understand the different types of research and how to select the right approaches for your specific business challenges.
 - Upskill team members on research planning and fieldwork to gather data, including interviewing, observation, and concept testing.
 - Upskill team members on analysis of research findings to generate insights; frame opportunities and evaluate ideas for solutions.
 - Establish repeatable research and analysis processes in your business.

Potential risks of not understanding your customer needs include:

- Relying on second-hand insights and assumptions about customers from other parties such as distributors which can limit your innovation potential.
- Your product and service offering tries to be too many things to too many people and you lack the focus you need to attain market cut-through. As a result, your product underperforms in a particular market.
- Product development effort is wasted if the product does not adequately address customer needs.
- You incur additional costs to retrospectively redesign, simplify or pivot your research/product to better meet market needs.

Potential Capability Partners and Useful Resources

Below you'll find some potential capability development courses and providers plus some useful resources. If you know of other suitable providers through your networks or have existing working relationships with providers, please feel free to discuss using them with your Funding Engagement Specialist. We make every reasonable effort to keep this information current and accurate, as a starting point to help you build capability within your business, however, it is provided for your convenience only and should be taken as neither an exhaustive list of providers nor as an endorsement of those organisations represented.

The Ministry of Business, Innovation and Employment does not accept responsibility for the quality, content, delivery, or outcomes of providers, and does not accept liability for any loss or damage which may directly or indirectly result from any advice, opinion, information, representation or omission, whether negligent or otherwise of the providers listed here.

Capability Development

Provider	Programme Title or Description	Services	Link
Bowmast Consulting Limited	Bowmast Design Research is a specialised insights practice based in Ōtautahi Christchurch, New Zealand, run by Nick Bowmast since 2009.	User Experience Design Research Customer Insights	click here
Coursera	Top market research courses	Various online courses	click here
DesignThinkers Academy New Zealand	Globally recognised provider of design thinking courses in New Zealand.	Open registration workshops Facilitated online learning Bespoke in-house training	click here
Focus Framework	How to Find Product-Market Fit	Video, print and electronic workbook series	click here
HealthTech Activator	Market Validation programme	Database search support Capability-building workshops Expert interviews	click here

IDEO U	Online learning from award-winning design & innovation firm, IDEO	Various online courses	click here
RMIT Online	Design Thinking for Innovation	Online course	click here
Royal College of Art	Various design thinking short courses, such as: Design Thinking & Innovation in Practice; Designing for an Ageing Population; Human-Centred Design for Intelligent Mobility; Service Design Masterclass	Online course	click here
Stanford Online	User Research: Informing Product Decisions with Customer Insights	Online course	click here
Strategyn	ODIPro Innovation Strategy Program	Courses Tools Mentoring	click here
Strategyzer	Innovation Training from Creators of Business Model Canvas	Self-paced training Guided team workshops Master workshops	click here
The Distillery	Design thinking for business results.	Design thinking workshops	click here

Topic Resources

Title	Description	Link
How to research your market and competitors	Statistics New Zealand's Data for business website is a good place to start your research, with a wealth of detailed data on different industries, regions and potential customers.	click here
How to run a focus group	[Video] A Quick Guide to Running Focus Groups. Dr Nicola Curtin, Stanford School of Medicine.	click here
Interviewing Users (2nd Edition) by Steve Portigal	[Book] ... a detailed journey into the specifics of interviewing techniques, best practices, fieldwork, documentation, and how to make sense of uncovered data.	click here
Jobs to Be Done	The theory of Jobs to Be Done is a framework for better understanding customer behaviour.	click here
Jobs-to-be-Done: A Framework for Customer Needs	Jobs Theory provides a framework for categorising, defining, capturing and organising the inputs that are required to make innovation predictable.	click here
NZ Digital Government	Your guide to information and tools to support digital transformation across government. Includes the government's web and accessibility for digital products and services.	click here

Put Design Thinking to Work	Discovering Insights Via Human Engagement Advancing Your Solution Via Prototyping Generating Unexpected Ideas Via Reframing Your Challenge	click here
USERPALOOZA by Nick Bowman	[Book] A Field Researcher's Guide: ... because it's easier to design for a customer you understand.	click here
Validating Product Ideas by Tomer Sharon	[Book] With step-by-step guidance, Validating Product Ideas shows you how to tackle the research to build the best possible product.	click here