

Innovation and Concept Testing: Building Winning Products and Services



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1. The Researcher's Vantage Point

What is the fundamental truth?



The difference between a product that fails and one that wins is almost always decided before the first prototype is built—in the research room, through rigorous consumer understanding, systematic concept testing, and data-driven decision-making.



Innovation is not a brand manager's solo performance;- it is a symphony orchestrated by research.

2. The Reality Check: Why Products Fail

Despite technological advances, approximately 80-90% of new products in Nigeria fail at infancy. From a researcher's perspective, the reasons are painfully clear.



The "Too New, Not New Enough" Paradox

Products fail either because they are too radical—consumers cannot relate to them—or not distinctive enough—they offer no tangible difference worth switching for. Research helps identify the sweet spot: innovation that feels fresh yet familiar.





The Assumption Trap

- ❑ Too many companies build products based on what they think consumers want, rather than what research proves they need.
- ❑ Policy interventions must address not just affordability and financial literacy, but also leverage social networks and cultural values to promote adoption. These are insights only research can surface.

The Structural Deficit

- ❑ The lack of a proper New Product Development structure is a key failure factor.
- ❑ From a research perspective, this translates to: no systematic concept testing, no consumer validation loops, no feedback mechanisms.
- ❑ You cannot build winning products without a winning research infrastructure.



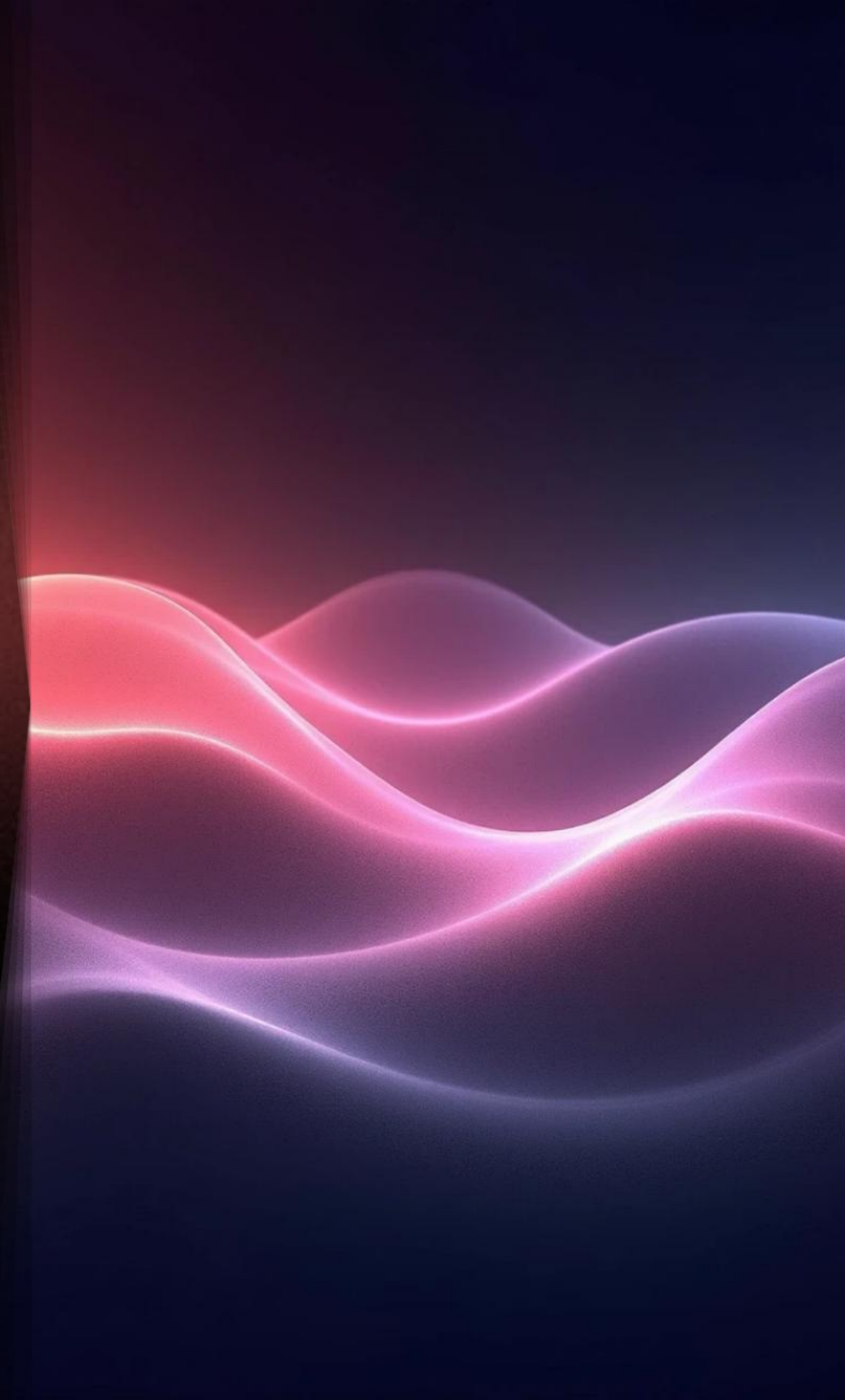


The Courage Deficit

Perhaps most critically, companies lack the courage to kill failing products early. Researchers must be the voice of truth—even when the truth is uncomfortable.

3. The Researcher's Framework for Innovation

At **SBRC**, we have developed a four-pillar framework that guides our approach to innovation and concept testing.



1

Pillar 1: Knowledge Acquisition — The Foundation

Every innovation journey begins with knowledge, not assumptions or intuition. New product development must be preceded by thorough research on consumers' habits, attitudes, usage occasions, motivations, and perceptions about existing offerings.

This process is called building the market map—a visual representation where all existing brands are positioned relative to defined parameters like product quality, functional benefits, emotional benefits, and brand personality.

The market map is not a luxury; it is a necessity. It helps you identify gaps, spot opportunities, and narrow down where innovation can actually make a difference.

2

Pillar 2: Concept Generation and Screening — The Filter

Once you understand the market landscape, you generate concepts. Concept screening is where research truly earns its keep. Every concept must be evaluated against rigorous criteria:

1

Novelty value

Is it genuinely new or just a repackaging?

2

Consumer alignment

Does it fit with target consumer habits and attitudes?

3

Market size

Is the potential usership large enough to justify investment?

4

Purchase intention

Will people actually buy it at viable price points?

5

Cannibalisation risk

3

Pillar 3: Product Profile Definition — The Blueprint

With a winning concept validated, we translate it into a product development brief. This is the bridge between research and execution. The brief must be specific about:

Product type and quality specifications

Pack size and format

Core consumer proposition

Target consumer profile

Volume and profit expectations

Timeline for delivery

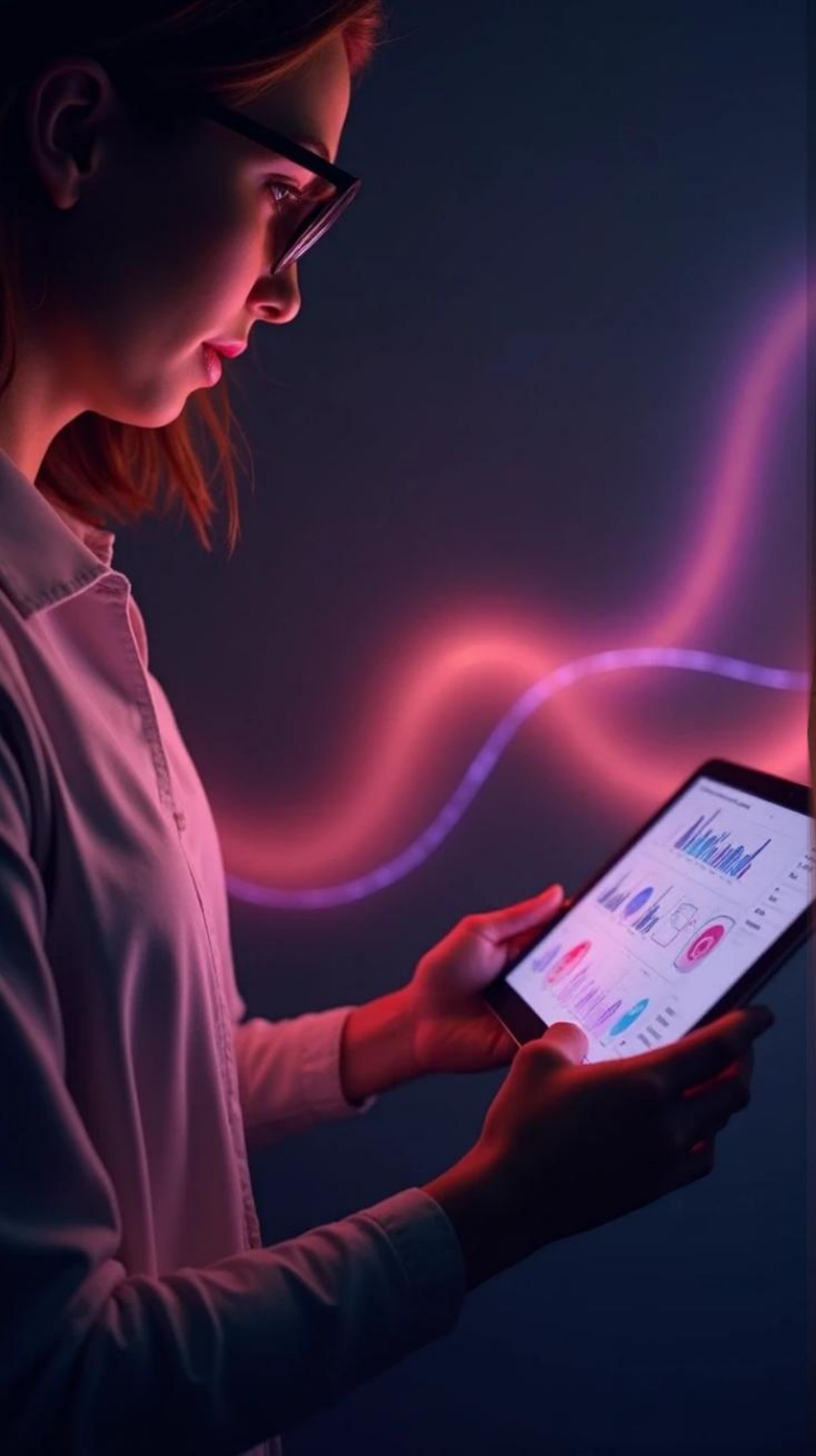
The product development brief is where research gives way to technical execution—but research does not stop here. It continues through every subsequent phase.

4

Pillar 4: Iterative Validation — The Feedback Loop

Innovation is no longer linear; it is iterative. You test, you learn, you refine, you test again.

This is also where UI/UX enters the picture—not as an afterthought, but as an integral part of the research process.



4. UI/UX: The Researcher's New Best Friend

- ❑ Many in traditional market research have been slow to embrace UI/UX, viewing it as "design" rather than "research."
- ❑ This is a critical mistake. UI/UX is research—perhaps the most powerful research tool we have today.

UX as Discovery

- ❑ Good UX forces you to answer: What job is the user hiring this product for?
- ❑ This is not a design question; it is a research question. User interviews, journey maps, and rapid prototyping help you spot pain points no one is solving yet.
- ❑ Airbnb, Stripe, and Notion all started by mapping friction, not features.





Prototyping as De-risking

- ❑ UX lets you test wild ideas without building the actual product. A clickable prototype costs virtually nothing compared to building a full product that fails.
- ❑ You can fail twenty times faster, learn what "feels right," and only then commit engineering resources. For researchers, this means we can now test concepts with unprecedented fidelity.
- ❑ We are no longer asking consumers to imagine a product—we are showing them what it would look like, feel like, and work like.

UX as Complexity Management

- ❑ New technology is usually messy. UI/UX's job is to hide that mess. The iPhone hid a computer behind one button. ChatGPT hid large language models behind a simple text box. If users do not get it in ten seconds, the innovation dies in onboarding.
- ❑ For researchers, this means we must test not just the what but the how. Does the user understand the product? Can they navigate it? Does it feel intuitive?

UX as Continuous Feedback

- ❑ Good UX bakes in analytics and user testing from day one—heatmaps, session replays, micro-surveys. Your product is no longer static; it evolves as real behaviour comes in.
- ❑ This is how TikTok's For You page got smarter. For researchers, this is a goldmine. We now have continuous, real-time data on how consumers actually use products—not just what they say they will do.



UX as Competitive Moat

- ❑ When features can be copied in weeks, the moat becomes: Who feels easier, faster, more delightful?
- ❑ Duolingo versus other language apps. Monzo versus legacy banks. Same backend, different UX equals different product.
- ❑ UX used to be "make it pretty." Now it is "make the impossible usable."

5. Case Study: Comfort 5 — An Indigenous Insurance Innovation

About Leadway Assurance

Leadway Assurance is one of Nigeria's foremost insurance service companies, with a reputation for service efficiency and customer reliability. Incorporated in 1970 and commencing operations in 1971, the company started as a direct motor insurer in Kaduna and has since grown into a composite company underwriting both life and general insurance business.

Today, Leadway has 24 branch offices and 42 agency offices across the country. It has paid over N110 billion in claims in the past five years alone — the most substantial sum paid by a single insurer in the industry. The company has raised \$14 million across two funding rounds from investors including the International Finance Corporation and Swiss Re.

The Challenge: Insurance Penetration in Nigeria

Despite Leadway's success, Nigeria's insurance penetration remains abysmally low. Research shows that while 38.1 % of respondents hold life insurance policies, 61.9 % do not. The barriers are well-documented:

1

Affordability
concerns

2

Low financial
literacy

3

Distrust of
insurance
companies

4

Cultural resistance
to "paying for
something you may
never use"

The Insight: What Research Uncovered

Through extensive knowledge acquisition—consumer interviews, attitude studies, market mapping—Research team uncovered a critical insight: Nigerians were not rejecting insurance; they were rejecting complicated, inaccessible, and untrustworthy insurance.

The research revealed:



Consumers wanted simplicity—insurance they could understand



They wanted speed—products they could access quickly



They wanted trust—proof that claims would be paid



They wanted relevance—products that addressed their actual needs, not what

The Concept: Comfort 5

Armed with these insights, Leadway developed the concept for Comfort 5—a product designed to address the five key barriers to insurance adoption:

1

Complexity

Simplified, easy-to-understand coverage

2

Cost

Affordable premiums with clear value

3

Access

Digital-first distribution

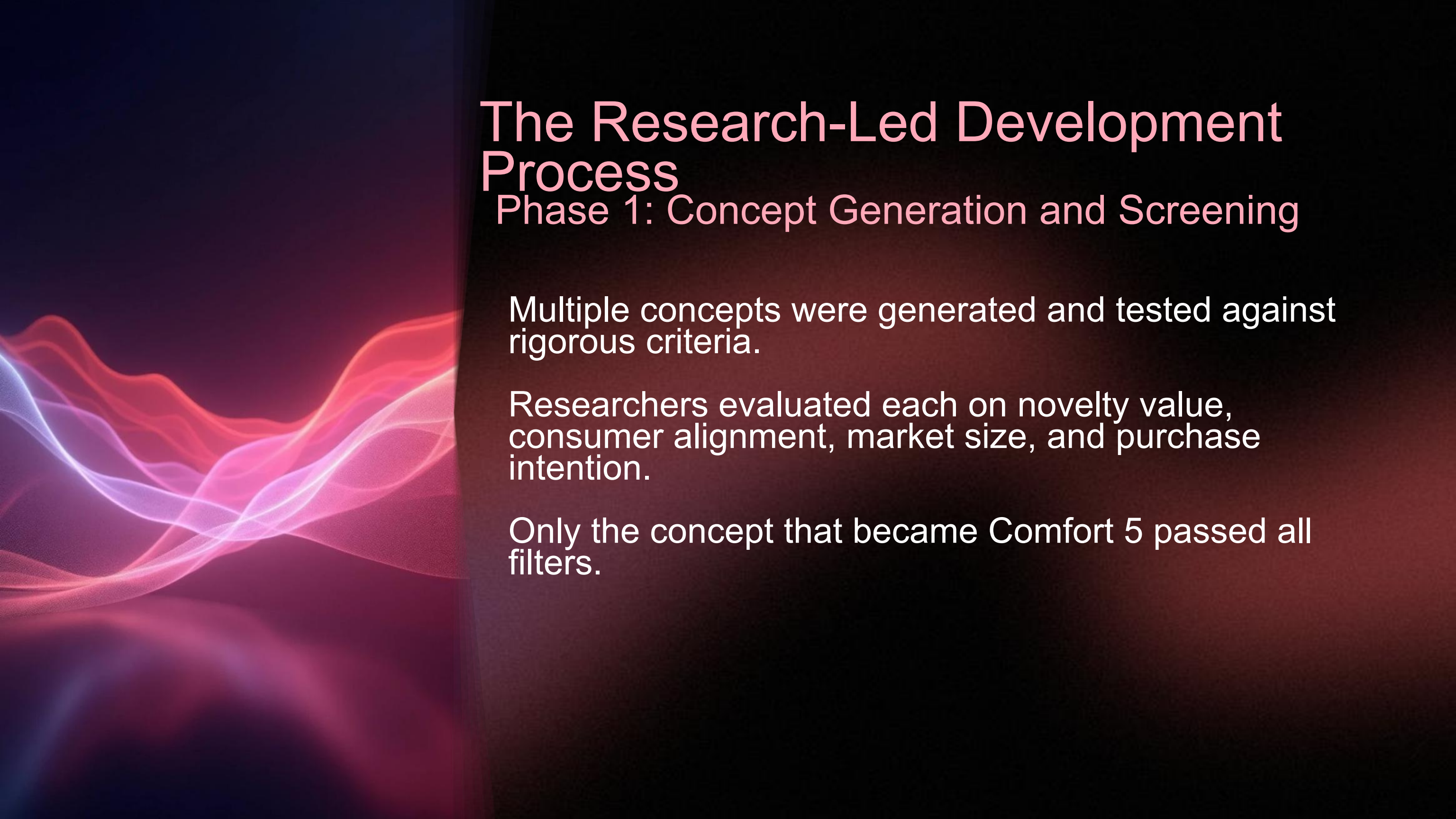
4

Trust

Backed by Leadway's claims-paying reputation

5

Relevance



The Research-Led Development Process

Phase 1: Concept Generation and Screening

Multiple concepts were generated and tested against rigorous criteria.

Researchers evaluated each on novelty value, consumer alignment, market size, and purchase intention.

Only the concept that became Comfort 5 passed all filters.

The Research-Led Development Process

Phase 2: Product Profile Definition

A detailed product development brief was created, specifying product type and quality, SKUs and offer categories, core consumer proposition, target consumer profile, and volume and profit expectations.



The Research-Led Development Process

Phase 3: UI/UX Design

Instead of treating UX as an afterthought, NPD Team embedded it from the start. The company recruited UX designers and building design systems for its insurance platforms. The UX research focused on:



User flows

How would consumers discover, purchase, and use Comfort 5?



Simplification

What complexity could be hidden behind an intuitive interface?



Trust signals

How could the interface build confidence in the product?



Onboarding

How could consumers understand the product in under ten seconds?

The Research-Led Development Process

Phase 4: Iterative Testing

Prototypes were tested with real consumers. Heatmaps, session replays, and user feedback loops informed continuous refinement.

The product evolved based on actual behaviour, not assumptions.



The Research-Led Development Process

Phase 5: Launch and Post-Launch

Comfort 5 was launched with a clear post-launch research agenda. Every brand goes through introductory, growth, maturity, and decline stages.

Research ensures the brand does not lose relevance in the face of competitive pressures.



The Results

While specific performance metrics for Comfort 5 are commercially sensitive, the following outcomes were observed:

1

High adoption rates among target consumer segments

2

Strong repeat purchase indicating genuine consumer satisfaction

3

Positive brand association for Leadway as an innovator

4

Industry recognition—Leadway won Insurance Company of the Year and Excellence in Claims Leadership and Digital Innovation at the 2025 BAFI Awards

Key Lessons from Comfort 5



Research must lead, not follow

Comfort 5 succeeded because research identified the real barriers to adoption before development began.



UI/UX is not optional

In a digital-first world, the user experience is the product. Leadway understood this and invested accordingly.



Iteration is essential

Comfort 5 was not built in a vacuum. It was tested, refined, and tested again—driven by continuous consumer feedback.



Trust is the ultimate currency

In insurance, as in all financial services, trust determines adoption. Research helped Leadway understand what builds trust and what erodes it.



6. The Researcher's Playbook for Winning Products

Based on our work with Comfort 5 and countless other innovations, here is our

playbook for building winning products and services:

Start with Problem Interviews, Not UI

Before you sketch a single screen, interview potential users. Understand their pain points.

Map their journey. Identify the friction. Knowledge acquisition must precede everything else.



Sketch, Don't Code

Use rapid prototyping to test ideas without building them.

A clickable prototype costs virtually nothing compared to building a full product that fails.

Test multiple flows. Kill what does not work. Keep what does.



Simplify Relentlessly

Kill 50% of your features. One screen, one action.

Complexity is the enemy of adoption.

If consumers cannot understand your product in ten seconds, the innovation dies in onboarding.



Obsess Over Micro-Interactions

Load states, empty states, error messages—this is where trust is built or broken.

Every interaction is an opportunity to delight or frustrate.
Choose delight.



Build Feedback Loops

Bake analytics and user testing into your product from day one.

Heatmaps, session replays, micro-surveys. Your product should evolve as real behaviour comes in.

A dark, atmospheric scene featuring a desk in the foreground. On the desk, there is a black rectangular speaker with a glowing red circular light on its front, a small black electronic device, and a stack of papers or a book. In the background, a vibrant, wavy light in shades of red and orange glows against a dark, textured wall. The overall mood is mysterious and high-tech.

Know When to Kill

When it is clear that a product has failed, management should be courageous enough to kill it and put energies into successful brands.

Researchers must be the voice of that courage.



7. The Future of Innovation Research

As we look to the future, several trends will shape how we research and build new products.

AI and Predictive Analytics

AI is not replacing researchers; it is augmenting us. Predictive analytics can help us identify winning concepts faster.

Machine learning can surface patterns we might miss. But human expertise—understanding culture, context, and consumer psychology—remains irreplaceable.





Real-Time Consumer Insights

The days of annual research reports are numbered. Consumers expect real-time responsiveness.

Researchers must deliver real-time insights. This means investing in always-on research infrastructure—dashboards, analytics, continuous tracking.

Democratised Research

Research is no longer the exclusive domain of big budgets.

Tools like user testing platforms, survey software, and analytics dashboards have democratised insights.

Every product team can—and should—be research-driven.



The Nigerian Context

As one study noted, policy interventions aimed at enhancing insurance penetration in Nigeria must address not only affordability and financial literacy but also leverage social networks and cultural values.

This is true for all product categories. Nigerian consumers are not generic consumers—they have unique needs, values, and behaviours that only local research can uncover.

8. Conclusion: The Researcher's Mandate

The future of today's businesses depends on the products we can introduce into the market tomorrow. In a competitive environment that is intense and dynamic, the development of new products is increasingly becoming a focal point.

A company can create considerable competitive leverage for itself if it can introduce products that match the needs and expectations of its target consumers faster and more efficiently than competitors. But this does not happen by accident. It happens through rigorous research. It happens through disciplined concept testing. It happens through UI/UX that makes the impossible usable. It happens when researchers are empowered to be the voice of the consumer—and the voice of truth.

Leadway's Comfort 5 succeeded because research led the way. It succeeded because the company invested in understanding its consumers before building for them. It succeeded because UX was treated not as an afterthought but as a strategic imperative.

Our mandate as researchers is clear: we must be the bridge between consumer needs and business innovation. We must be the filter that separates winning concepts from losing ones. We must be the voice that says "this will work" or "this will not"—and have the data to back it up.

The Nigerian market is ripe for innovation. Our consumers are ready for products that truly serve them. Our businesses are hungry for growth. And we, the research community, have the tools, the expertise, and the opportunity to make it happen.

