

# Pre-Market Validation for Commercial Viability in Home Appliances

HORIZON

STELLARHOME



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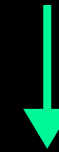
With **Horizon**, the home appliance company was able to:

 **Acquire behavioural consumer data at scale**

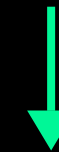
 **Identify the unit economics for the respective business case**

 **Consumer-validate the decision in fewer than 5 weeks**

**They required consumer insights to make a strategic decision on the development of a new entry product**



**The company needed to decide on proceeding with the new product development or abort based on its business potential**



**Consumer validation by Horizon helped identify the market demand and unit economics for the new product development**



**Measuring the business potential of new product developments before making significant investments is a game changer in our innovation process.**



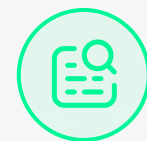
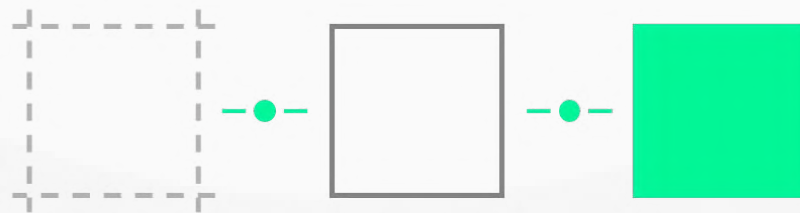
**5 of 5 for professional services\***

**98 NPS**

**98 Net Promoter Score (NPS)\***

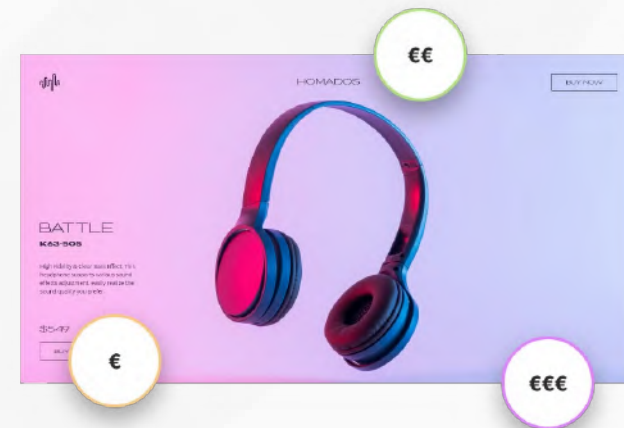
\*across the entire product & innovation team involved in the consumer validation

# From client brief to consumer-validated insights in only five weeks



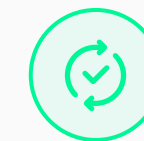
## Research question

Develop the question you are trying to address with this research that will enable the business decision.



## Flight design

Design the variants of DTC-like product pages and social media ads, and develop them into high fidelity consumer touchpoints.



## Fielding

Run flight during 1 week to collect significant consumer data, responses being visible in real-time on your Horizon dashboards.



## Insights

Understand consumer decisions as signaled by their behaviour on the experimental landing pages and draw the decision story.



# The test design and stimulus used to consumer-validate the NPD's commercial viability

Participants

3,230

Field Time

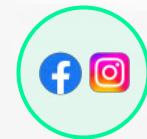
3 Days

Variants

2

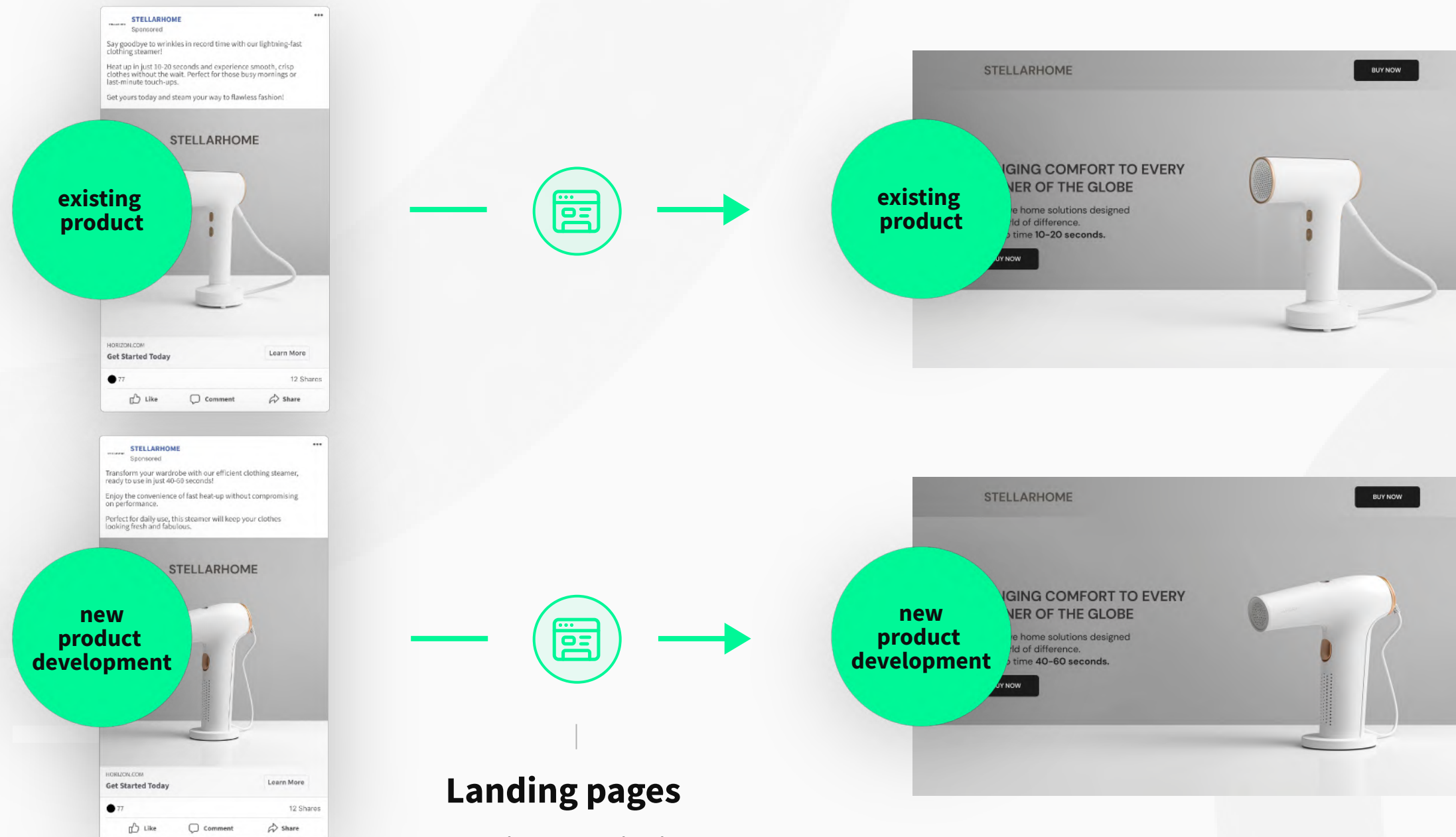
Ad Budget

\$1,998



## Facebook & Instagram Ads

Selected consumer audience is targeted by these advertisements. When they're interested, they click on it...



## Landing pages

...and get to test landing pages. When they want the product, they click through the multi-level call-to-actions and indicate purchase intent.

### Cost per Add-to-Cart



Price Point: \$59.99  
Cost per add-to-cart: \$26.33



Price Point: \$39.99  
Cost per add-to-cart: \$4.58



**The NPD indicates significantly lower acquisition costs per customer compared to the existing product**

The consumer validation shows that the **cost per add-to-cart\*** is **more than 5 times lower** for the NPD compared to the existing product.

This indicates that the NPD is very **well suited as an entry-level product for acquiring new customers at low cost**, who can **later upsell to the more expensive product**.

\*the amount of ad spend required for one person to add the product to their virtual shopping cart







**The observed unit economics indicate a commercially viable business case for the NPD**

Utilizing Horizon's consumer validation method, the **unit economics for the new product development (NPD) indicate a promising and profitable business case**, with costs per add-to-cart nearly ten times lower than the anticipated price point and even **slightly higher profit potential than the existing product**.

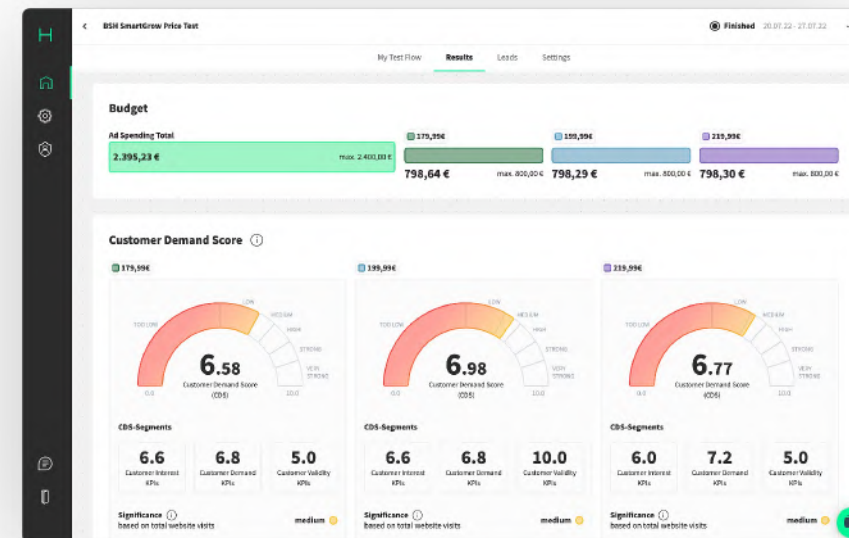
These findings provide invaluable insights, **supporting a strategic decision on further NPD development**. Understanding the underlying business case ensures a successful go-to-market strategy.





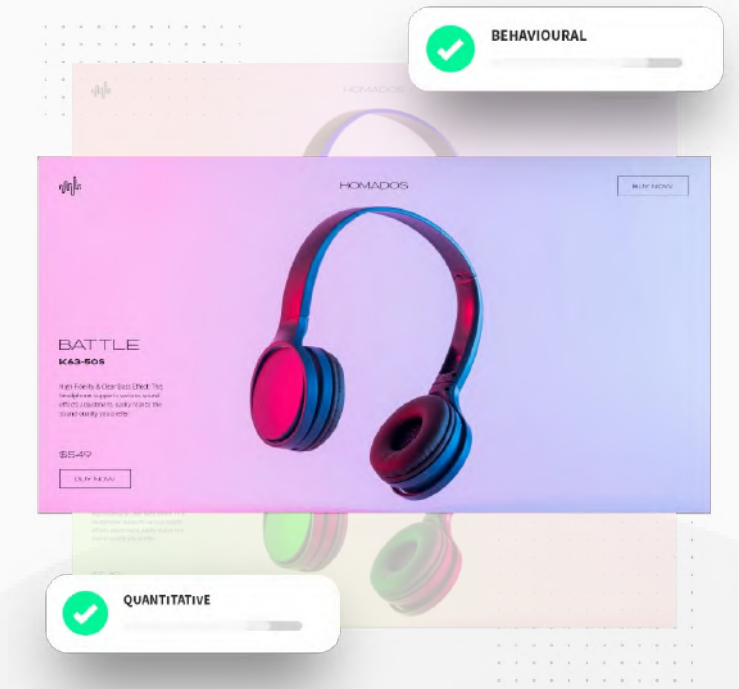
## Behavioural research design handbook

Learn how to gather insights with behavioural research

[DOWNLOAD NOW](#)

## See how behavioural research can work for your products

See how Horizon can work for your consumer business and products.

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## Learn how to run behavioural experiments yourself

Read our complete guide to fake door testing to see how to setup your own tests.

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