

SIXTY SECONDS ON MARKET RESEARCH

Researchers always talk about the benefits of their work, so we asked them to tell us about the problems instead ...



All a question of relationship

We could probably all compile a long list of reasons why market research programmes we've run have failed to live up to expectations. Time pressures and budget constraints are almost invariably an issue, but those things alone are not the answer. Maybe we should ask instead what makes a research programme succeed? Research can be an administrative nightmare and still effect change in a business – what allows it to have this kind of real impact?

I think the answer is found in the agency–client relationship. Poor communication, changing or unclear objectives, and confusion over what we can do and whom we should target – these are enemies of effective market research. Instead, we should aim for *clear communication* about the needs of the research users, *sharing of information* to aid design and interpretation, and *collaborative development* of ideas from the research.

This sort of relationship – working together and understanding each other – enables high-impact research. The closer we as an agency get to the client business, the higher the success rate on projects. The more open and informative you are as a client about your business objectives, the more likely you are to get research that will drive the business decisions in the right direction.

Margo Swadley DIRECTOR, RESEARCH INTERNATIONAL



Long-term research partnerships are vital

“Horses for courses” is a much-quoted phrase. It suggests that a range of different suppliers and partners should be used. In many situations this makes sense, but not for marketing research.

A key purpose of marketing research is to reveal and understand facts, opinions and knowledge. If done well, it ensures better, more profitable, decisions. Using lots of different research suppliers may increase competition ... but at what cost? By focusing your research needs into just two or three “partner” agencies (few would argue for just one) you will gain in many ways.

Firstly, your projects will form a larger part of each partner agency's business – and so their commitment to you will be greater. Secondly, they will understand your business, competitors, customers and prospects more fully, leveraging past knowledge and ensuring better and more tightly-focused research solutions. Thirdly, a partner approach is more efficient – a director will (or should) be your main agency contact, and agency processes will align with your own – not the other way around!

Of course, there is a downside if you choose the wrong partners. A partner approach works best when each agency has full competency in qualitative *and* quantitative *and* secondary/desk research (yes, all three). If they lack any of these competencies, can their methodologies and advice really be unbiased? But choose a small number of good partners ... and your business will fly!

Martin Holliss MANAGING DIRECTOR, RESEARCH INSIGHT



Successful product research? Get real!

You are planning a new product. You have a whole raft of decisions to take, from the macro (should we?) to the micro (green or blue?). Your options are:

- Decide on a hunch or existing knowledge.
- Or, time and budget permitting, commission new consumer research.

If you invest in new research, the acid test is less whether it predicts success or failure than whether it supports better decisions. Three key success factors underpin this:

Be realistic: Follow the consumer decision chain, researching draft sales messages before looking at the product spec. And invest in decent stimulus that is reasonably close to real market appearance – it costs very little to mock up a brochure properly, and you can't (or shouldn't) expect your agency to play a great game with a wooden racquet. Remember also that research is marketing – it creates knowledge of your product, and replicating that in the real market place is a major challenge.

Give context: Find out whether consumers even think or care about the choices you need to make – whether they are salient. If you can see the bigger picture, then whether certain ideas research well or badly may not matter a jot.

Be comprehensive: You need both yardstick and diagnostic measures. Yardstick measures show the features that build or reduce appeal. Diagnostic feedback tells us *why*, by revealing the consumer's rationale. Get both types of feedback on each issue and sub-issue where choices must be made.

Follow these rules and you will have realistic guidance on what *and* why in each salient area of concern. Armed with this, you can make decisions with confidence – and maybe not just from within the range of options tested.

Tony Wornell DIRECTOR, BDRC



A wise scepticism?

Many things make the business of consumer research in the financial services arena very frustrating, but nothing more so than consumer scepticism itself.

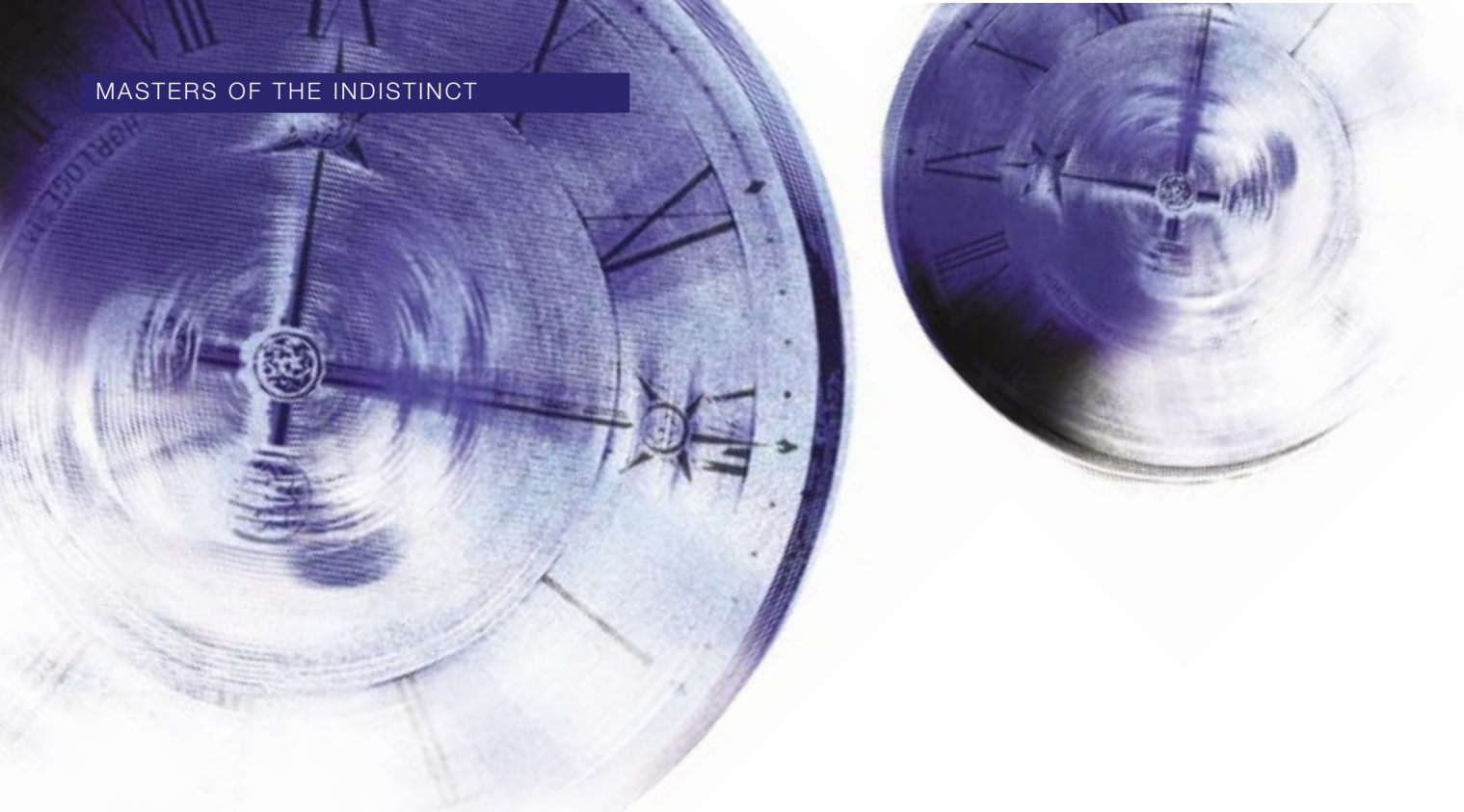
Clients quite rightly make great efforts to seek the views of their target audience in order to inform their businesses. However, as researchers, it sometimes feels like asking turkeys at Christmas to evaluate a stuffing recipe. Turkeys are not good cooks; they just don't see the benefits of a good stuffing recipe; and, with it being Christmas, they just don't have the time to help anyway.

The increasingly-cynical consumer makes every aspect of the research process harder – and more expensive. For instance, samples are harder to recruit, and once face-to-face with a respondent, more time is needed for off-loading entrenched views to enable them to give more constructive feedback.

So is this cynicism really increasing? Well, it would seem so, especially in financial services, with endowment shortfalls and the impending pensions crisis now firmly in the public consciousness, to say nothing of poor market performance.

Undoubtedly, what is hard to research is even harder to sell. To labour the analogy, the industry needs to do more work than ever on the benefits of the stuffing. As researchers, all we can do is ask the turkeys to imagine a new, vegetarian world!

Emma Partridge, RESEARCH CONSULTANT



Most efficacious in every case?

My comments are specifically on qualitative brand research, but they might apply equally to quantitative. And I'm also going to say up-front that there is a lot of very effective market research in financial services, so let's not get too downhearted or negative.

One factor influencing brand research efficacy is the underlying lack of differentiation in financial services brand organizations, and the relatively small numbers of brands and providers in each sector. This means, inevitably, that most (more or less similar) providers conduct more or less similar pieces of research amongst more or less similar research samples. Unsurprisingly, they end up with more or less similar research findings, and – if they are not careful – rapidly converging brand strategies! And there isn't much that even the most ground-breaking research techniques or the most inspired researcher can do about that.

In an earlier research life, I was sent two brand positioning research briefs, one from a major clearing bank and one from a leading life and pensions provider. Both briefs asked us to propose research exploring consumer responses to potential brand positionings – positionings that had been developed from earlier consumer research and internal workshops. To aid our understanding, each client had supplied us with a pithy phrase encapsulating the brand essence. You know what's coming next – both statements were exactly the same.

So, to avoid strategic convergence, what is *really* important is how the researcher and client *together* interpret research findings, and the qualities and experience that each brings to the discussion. Research is just one element of the marketer's strategic toolkit. I don't believe that it is *the* single most important tool, but without it, the brand marketer's task would be so much more difficult.

Judy Jones JUDY JONES RESEARCH & PLANNING



More time, less on-line

Qualitative research is not about information gathering. Key words are interpretation, meaning and understanding – that is, making sense of the world of the customer, non-customer, staff member or shareholder, in a way that gives the client usable and valuable insights on the cultural context for marketing. To do this needs time and a certain sensitivity.

There are two trends that I believe are damaging to qualitative research. The first is the ever-tighter timescales to which clients subject their suppliers. In the rush for the deadline, interpretation is sacrificed on the altar of urgency – the luxury of having time to mull over the information and to translate it into meaningful insights is squeezed.

The second trend is the move to on-line qualitative research. This can never be a substitute for face-to-face contact, since not only is there an absence of nuance (humour, irony and sarcasm may be mistaken for serious comment, for instance), but the researcher is not privy to the non-verbal signals of the respondent. Moreover, respondents can write things that they might not say face-to-face; whilst this may in some contexts be desirable (for example, where the subject is deeply personal), in others there can be a tendency to exaggeration or distortion.

David Buswell THE FINANCIAL MARKETING CONSULTANCY



Bridging the data–market void

It is a dangerous assumption that strong research will result in strong marketing solutions. Over the last ten years, I have often witnessed an unwitting void between the research and marketing experts, neither of whom are best placed to interpret results from even the most in-depth and thoughtfully-commissioned research.

Market research is the beginning of the process, not the end. No matter how efficient the research strategy, we cannot expect customers to tell us the solutions we need to increase sales simply because we ask them for feedback. Nor, perhaps, should we expect researchers, who fundamentally are trained in other skills, to know the market and its issues well enough to be able to interpret the data in a relevant manner.

Research companies seldom work in a collaborative way with the lead communications or advertising agency. That is why there is often a gap between the findings and practical or, moreover, realistic marketing solutions. The void will only be filled when researchers move into the heart of the marketing environment and mirror the role of planners or “insight consultants”.

When this is achieved, though, researchers become an essential component of the marketing team, bridging the gap between raw data and the sound marketing recommendations that are essential to inspire the creative thinking that generates business and drives revenue.

Robin Horsfield, HEAD OF RESEARCH AND PLANNING, BRAHM



Blame the client – the researchers’ motto

Market research is different from other professions. Accountants, doctors, architects and lawyers have specific skills, and clients pay for these.

Researchers, particularly agency researchers, are generalists. They believe knowing how to write questionnaires, select samples and chant a few statistical phrases enables them to advise diverse clients on anything from branding to product development.

This arrogance is displayed in the *Research Buyers Guide*, a listing of 450 research agencies published by the Market Research Society. Here, agencies list the market sectors for which they claim expertise – sectors ranging from food to healthcare, from finance/investment to transportation.

The average agency claims expertise in twelve markets and ten research fields, yet has only two full MRS members. Despite this, most believe they can research and report on anything. One typical medium-sized agency claims special expertise in twelve markets – automotive, drinks, entertainment, finance, FMCG, food, healthcare, DIY, sport, toiletries, beauty and tourism – and in ten very different fields of research. Yet it has just one full MRS member, and a total research staff of four!

Such agencies carry out surveys and make action recommendations. If criticized, they blame the client. The reality is that no such agency can be expert in so many markets. Agency researchers can only make useful recommendations if they understand the markets they research. Problems with clients arise more from lack of market knowledge than from low budgets, time pressures or unrealistic client expectations. Researchers need to know their markets – many don’t.

John Clemens MANAGING PARTNER, TULIP FINANCIAL RESEARCH