The Future of Market Research in 2015

Merrill Dubrow

May 3, 2011
three
What Should You Expect During This Presentation?

EXPECTATIONS
Please don't disappoint
One Crazy Presenter
With Over 27 Years of Research Experience
Who is President of a Company with Top Clients
And Passionate About the Research Industry
Who Is In Chicago
For One Day Only
For 45 Minutes!
For Only One Reason
To Discuss Research, Technology, Innovation and Much, Much More
In Front of a Packed House!
So Sit Back and Enjoy Stories, Crazy Thoughts and What If’s!
So Please Join Me Up in The Clouds
Participate When Appropriate
Challenge Me and Each Other With Questions!
And We Will Have One Great Session
And if That Doesn’t Interest You, I Will Hand Out Some Gifts!
The Future of Market Research in 2015
Are You Ready?
Why You REALLY Should Pay Attention

- There is a chance (although slim) I might say something of importance
- One of you will definitely say something important – clearly someone from the west coast!
- I will be calling on people
- I will be giving out a few gifts
- You may actually learn something
What is Today Really About?

Hopefully one or two ideas/thoughts that will make you scratch your head and say that could really happen.
Lenny & IIR have absolutely no idea what is included in this presentation or what I have planned for the next 45 minutes.
The most important 5 years in the history of market research is upon us. I believe if the research industry doesn’t get entrenched and embrace new technology, it will change the industry forever. This will be in a negative way and dramatically impact the overall revenue of the research industry forever!

Merrill Dubrow
September 2010
Current Discussions on the Web

✓ Will we one day be "embarrassed" by the research we are conducting today?

✓ Do we really need market research when we can generate insights through analytics?

✓ Does data mining really have anything to offer for market researchers? or have vendors overpromised?
Current Discussions on the Web

✓ The word 'survey' is outdated and has a negative connotation associated with long, boring questionnaires.

✓ Why is the market research industry slow to innovate?

✓ What's ailing focus groups?

✓ Forget about surveys and interviews! Apps are the future of research!
Everyone Seems to be Questioning:

✓ How we do things
✓ How we conduct research
✓ What methodology we use
✓ How fast we deliver it
✓ How often are we right

Glenn Frey said it right The Heat Is On!
Isn’t This A Huge Wake Up Call To This Great Industry And A Need To Change?.....Quickly!
But Really Hard to Figure Out

BUT HOW?
“Danger Will Robinson”

Competition is on the horizon!
Today’s Competition
Future Competition?
Launched February 2004

1.8 billion in revenue last year

More than 500 million active users

Since January 2009 most used social network
Facebook Activity From a Random Chosen Time Frame!

- Shared links: 1,000,000
- Tagged photos: 1,323,000
- Event invites sent out: 1,484,000
- Wall posts: 1,587,000
- Status updates: 1,851,000
- Friend requests accepted: 1,972,000
- Photos uploaded: 2,716,000
- Comments: 10,208,000
- Messages: 4,632,000
- Likes: 7,657,000
Launched July 2006

45 million in revenue last year

190 million visitors monthly

Since February 2009 third most used social network
Launched May 2003

70 million members

243 million in revenue last year

Add 1 million members every 12 days
Announcements in the Past Few Months

✓ Skype Introduces 10-Way Video Calling
✓ Skype and Facebook to Announce Partnership
✓ New and Improved **Moderation** Features for LinkedIn Groups
✓ A Beginner’s Guide to Facebook **Analytics**
✓ Twitter ‘To Launch **Analytics** Product’
Some Common Themes

✓ Access to millions of people
✓ Platform for lots of different kinds of research
✓ Opt in
✓ They are **TRUSTED**
✓ Today/Tomorrow
  – Communication of choice
✓ Looking for revenue
✓ Already took a swing
  – Will try again
A New Ocean is Created?

[Image of ocean with logos of Facebook, Twitter, and LinkedIn]
Announcements in the Past Few Months

✓ Pay for Starbucks coffee with your Blackberry

✓ Check-in for your next American Airlines flight with your Blackberry

✓ Gap asks Facebook fans for alternative designs for new logo
Even More Competition!
New Gap logo mystifies customers
The many negative reactions include 'awkward' and 'very boring.' Now the company is soliciting other ideas.

Posted by TheStreet Staff on Friday, October 8, 2010 10:00 AM

By Kali Geldis, MainStreet

A new logo for the Gap (GPS) showed up on the iconic clothing retailer's website Wednesday, prompting a flurry of negative reactions from Facebook and Twitter users.

Though the company issued no comment Wednesday to explain the change, some site visitors were quick to label the new logo as "very boring, no imagination" and "awkward." One commentator said, "I made something better on WordArt today."

Another message read: "Dear Gap, I have but one query: Did you actually PAY someone to come up with this?" As customers soon discovered, it seems Gap doesn't want to pay for the redesign.
Facebook Fans

Coca-Cola
23,273,682

Taco Bell
5,936,783

L'Oréal
382,103

OVER 1MM

OVER 600,000
Attention Research Shoppers Looking for an App!
GET CONSUMER INSIGHTS IN A MATTER OF MINUTES

A DIY online qualitative research tool that connects you in one-on-one chat interviews, with research participants of your choosing from our panel of target market consumers.

SELECT AUDIENCE
GUTCHECK QUICKLY FINDS SOMEONE TO INTERVIEW

TOUR GUTCHECK
SAVING YOU TIME & MONEY IS NO SMALL FEAT

I need answers and conversations to really know how my client’s customers will think and feel. Getting these insights as I need them has me making project decisions that deliver long lasting engagement for the client.

TOP USES
ACCOUNT / BRAND PLANNER
STARTUP / ENTREPRENEUR
MARKETERS

If you are an advertising, PR or marketing agency, you are always looking for ways to win new business.

In order to effectively compete, you need to understand your client’s customer better than anyone else. Your strategy and creative might be awesome, but if it hasn’t been constructed with customer insight in mind, it may fall flat. GutCheck provides you with an application to quickly and affordably gain those key insights.

The ability to get real-time feedback from a target audience at any time my schedule happens to open up is priceless. With GutCheck, I avoid the organizational hassles and expense of setting up an official focus group and can narrow the focus of professional opinion with solid user response data. For the price, I can incorporate market research into projects that would otherwise be exempt of user feedback and help my clients better compete in their niches.

CMM Creative Strategies
Cherie Martin, Creative Director
Time to Download a Research App!
Research Has To Be More Than Just a Pile of Data?
Comments on the Web

94,937 Comments About Vodka Last Week
Mostly About Smirnoff & Grey Goose
#1 Topic: Flavors of Vodka
Most Talked About Flavors: Lemon and Vanilla

7 Million Comments About Musical Acts Last Week
443,763: Lady Gaga
52,000: Meat Dress
5,704: Negative Comments

22.9 Million Comments in the Past 90 Days
25%: Apple iPhone 4G
Anyone & everyone can do this:
- People in our industry
- People who want to get into our industry
- Everyone is/can do scraping
- Cost of entry is small
  - Lots of new players

It’s not about the data
- It’s ALL about:
  - What does it mean?
  - What do I do about it?
  - How do I implement it?
  - And by the way..... Fast..... Very fast!
Does this Technology Look Familiar?
What Did He Just Say?
I Thought I Saw That Before!
What Women Want

Mel Gibson  Helen Hunt

He has the power to hear everything women are thinking.

What Women Want

Finally...a man is listening.
2015 Academy Award Winner For Best Picture

What Consumers Want

Companies have the power to hear everything consumers are thinking and react quickly. Finally...companies are listening.
Time to Embrace Big Brother!
Embracing Big Brother Will Be a (slow?) Process...**BUT**
Minority Report
The Future Big Brother is on Steroids!

- Everything you do!
- Everything you say!
- Everywhere you go!
- Everything you buy!
- Will be monitored!

This is happening and growing up really fast!
Personalization Will Explode and Be Everywhere

✓ Current
  – Coupons
  – Email
  – Banner ads
  – Boarding pass

✓ Future
  – Digital billboards
    • That talk?
  – Radio
    • Medieval Times
  – Sporting events

Merrill Dubrow has a really nice tie on!

The clutter will be MORE relevant!
Personalization Will Explode and Be Everywhere

✓ Current
  – Coupons
  – Email
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  – Boarding pass

✓ Future
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The clutter will be MORE relevant!
Time to Control the Clutter
Geotargeting

✓ Easy to pinpoint location of targeted audiences

  – Leads to:
    • Knowing what people are doing
    • Location relevant message/offer from marketers
    • Can change on the fly

  – Proximity *does not* equal receptivity
    • Need a balance
    • This will be a BIG challenge
Understand the Future “Value Exchange”

✓ Information for discounts
✓ Get a star/points
✓ Credit recognition
✓ Palm Hotel in Vegas
  – More Klout
    • More important
    • More attention
    • More perks
✓ Klout.com
✓ Peerindex.net
✓ Mixtent.com
Do You Think Geotargeting Will Impact Sales?

<table>
<thead>
<tr>
<th>Reason</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Was on sale or special promotion</td>
<td>78%</td>
</tr>
<tr>
<td>Found a good coupon for it</td>
<td>33%</td>
</tr>
<tr>
<td>Wanted to pamper myself</td>
<td>28%</td>
</tr>
<tr>
<td>Something on shelf convinced me</td>
<td>24%</td>
</tr>
<tr>
<td>Looked fun and attractive</td>
<td>17%</td>
</tr>
<tr>
<td>Thought someone else would like it (gift)</td>
<td>16%</td>
</tr>
<tr>
<td>Other</td>
<td>6%</td>
</tr>
<tr>
<td>Did not buy anything not on the list</td>
<td>7%</td>
</tr>
</tbody>
</table>

Note: n=1,122
Source: The Integer Group and M/A/R/C Research, "The Checkout," Jun 1, 2010

www.eMarketer.com
Aisle by Aisle, an App That Pushes Bargains
Mike Saxon, SVP
Harris Interactive

Good marketing is successful at reaching people when they are most interested in talking with you!
I Say Change One Word!

Good **RESEARCH** is successful at reaching people when they are most interested in talking with you!
How Quick Is Too Quick
Clients Will Demand Even More from Vendors and Partners
Isn’t There Always a Need to go Faster?

Past

Current

Future
Some of The Things Clients are Saying

✓ Departments are getting smaller
✓ Less primary research team members
✓ Less partners
  - More revenue per partner
  - We have some extra space
    • Increase of onsite partners
✓ Database analytics are growing
  - Really “looking hard” for key insights
    • Clients are doing this in house!!!
  - More offshore for this
  - Less off shore for traditional data collection

I don’t even know why we have jobs in some ways... we are slow and get it wrong too often...... expensive weatherman get it right more than us!
Some of The Things Clients are Saying

✓ Less "big" projects
  – Brand identity
  – Segmentation

✓ Lots of pricing research

✓ Speed is the biggest factor for awarding projects

✓ Smaller, faster
  – What is the answer to this one question
    • Doing their own research!
  – Building their own internal panels
  – Fan pages

I no longer have time to teach partners about my business. They need to know what we do and have ideas to help us from day 1.
How About a Few Wow Comments!

Stan Sthanunathan VP Strategy of Global Insights, Coca-Cola

Michele Adams VP, Shopper & Customer Insights PepsiCo
Partners

✓ Are trying to keep up with all the technology and struggling
✓ Knowledge base has to be at a high level right away
  - No more ramp up time
  - But this costs money
    • Lower margins?
✓ More competition
  - Less traditional places

I have always said that the biggest threat to the market research industry was non-researchers doing research and NOW more than ever there are plenty of them
Partners

 ✓ Add value everyday
 ✓ Invitations to much more strategic meetings
 ✓ Partner summits
 ✓ Interaction with many different departments
   – Researches are getting more exposure to:
     • Marketing teams
     • Brand groups
   – Need to understand their marketing strategy
     • What have they done in the past
     • Current goals
     • Future opportunities
The Lines Between Marketing & Marketing Research are No Longer Blurred!
Marketing vs. Marketing Research

Marketing

Relevant
Accurate
Quality
Strategic
Methodical

Marketing Research

Critical
Inquisitive
Data
Branding
Fun

Opinions
Integration
Results
Surveys
Targeting
Positioning
Believable
Curious
Viral
We Need To Do Things A Little Different

✓ Research NEEDS to be more important
✓ Need to make sure research is integrated into marketing
✓ Need our research presentations to have a marketing aspect to them
✓ With decline in primary research staff
  – Because we are interacting with more marketers
    • Will go to different conferences
    • Desire to promote research thru PR with success stories
We Need To Do Things A Little Different

✔ Most successful researchers
  – Are GREAT marketers
  – Make recommendations that really matter
  – Turn the insights into next steps
  – How about sugging RUGGING!

✔ Hopefully all of this leads to NO more great research reports collecting dust on shelves

✔ Because of all this
  – Hiring needs have changed
In my opinion the research industry needs to hire smart, inquisitive, math-oriented, socially networked, database proficient staff who have a solid understanding of marketing!
Future Titles

✓ Insight Implementation Officer
✓ Chief Innovation Officer
✓ Director of Text Analytics
✓ Chief Creatologist (HP)
✓ Social Media Director
✓ Scraping Guru
✓ Social Networking Maven
✓ King of Data Mining
✓ Future Facing Team
✓ Social Media Specialist

I’ve already seen much less value put on MBAs these days. People want “real world”, creativity and problem solving skills.
What Can We Do?

✔ Is REALLY pay attention to the small technology companies
  
  – Why
    • Most innovation comes from them
    • Maritz Research Acquires Business Analytics and Social Media Research Firm evolve24
      – Need to do a better job integrating them into our companies

The industry can’t be like the Titanic anymore!
What Can We Do?

✓ Be aware
  • Crowdsortium - new association (33 comp.) started in October
  • NewMR Virtual Festival 2010

✓ Be leaders

✓ Be creative!

✓ Collaborate
  – With each other
  – Clients

✓ Promote the industry!

✓ Secure a “reverse” mentor
Reverse Mentors

Ben Smithee

The University of Texas at Arlington
2007

Eric Swayne

Senior Social / Digital Strategist
at Rockfish Interactive
New IBM ad states that 66% of all new products have some type of computer intelligence built in.
Resources

✓ WOMMA Word
✓ MASHABLES
✓ AdAge Daily
✓ eMarketer
✓ MRWeb
✓ Trendwatching
  – 11 crucial consumer trends for 2011
✓ Tom H.C. Anderson – Next Gen Market Research
✓ Forrester Blog
In Closing
THANK YOU!

Gracias
Ευχαριστώ
Merci
Bedankt
Köszönettel
Dank
Vielen
To keep the discussion going:

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