



The Future of Research Report

October 2011

Four in ten researchers overall and almost 60% of corporate research VPs expect

major transformation of market research by 2020

One-quarter of corporate researchers expect
that the leading research company in 2020
does not exist today.

Another one-fifth expects that Google or Facebook will be
the leading research company.

The past ten years have seen major changes that impact marketing, consumers, and market research. Ten years ago there was no social media, no smartphones, no iPads, and Google was a private company. If so much happened in the last decade, what can we expect in the next?

Market research has evolved substantially in the past ten years. MROCs, listening posts, web analytics, behavioral economics, neuroscience and biometrics, crowdsourcing, and netnography are just some of the evolving research modalities. We are moving beyond the era when market research was about asking, measuring and analyzing.

We wanted to hear from the market research community about what lies ahead. The 2011 Cambiar Future of Research Study looked out to 2020 and heard from corporate researchers (N=160) who have a wide range of experience, level and industry/company backgrounds, and from research company senior executives (N=114).

“The presentation should take 10 minutes. The conversation should last for hours”

Margaret Coughlin,
CMO. ARF ILF Oct 2010

2011 CAMBIAR FUTURE OF RESEARCH STUDY: KEY LEARNINGS

Researchers are expecting major change. Four in ten researchers overall and almost 60% of corporate research VPs expect major transformation of market research by 2020; 70% of those who believe this expect the transformation to be evident by 2015. One-quarter of corporate researchers expect that the leading research company in 2020 does not exist today. Another one-fifth expects that Google or Facebook will be the leading research company.

Corporate researchers will be consultants. Virtually all corporate researchers think it likely that successful market researchers will have great consulting skills [Figure 1]. This trend is already apparent in the U.S.: Best Buy, Novartis, Pepsi and Starbucks have all recruited former BCG or McKinsey consultants to leadership market research and strategy positions.

Corporate researchers will be consultants to senior management

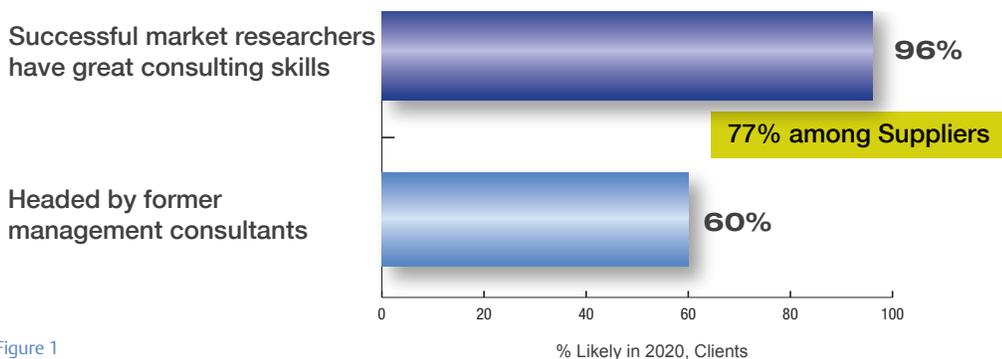


Figure 1

Starbucks, Novartis, Pepsi and Best Buy have hired Management Consultants to lead Market Research and Strategy functions.

We will have global responsibilities. Researchers believe that growth in MR spending will be driven from outside USA/Europe, and that jobs will have global or international responsibilities [Figure 2].

We'll have global responsibilities

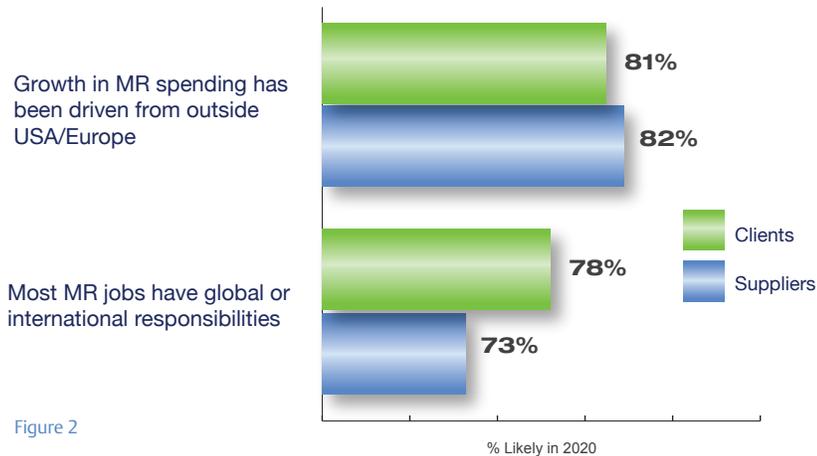


Figure 2

It's time to start learning about other countries and cultures

The future is about listening, measuring emotion, and mining knowledge. Nine out of ten researchers believe listening will lead to major changes. Emotion measurement is expected to be part of the standard toolkit, although the jury is still out as to whether neuroscience and biometrics will be commonplace. Three in four researchers expect that marketing issues will be addressed by mining existing knowledge rather than initiating a project [Figure 3].

The future is about listening, measuring emotion, and mining knowledge

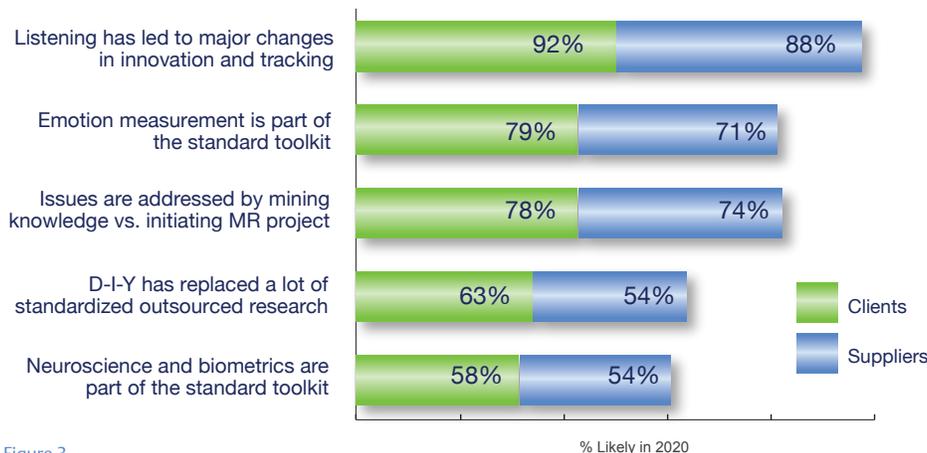


Figure 3

D-I-Y seen as a bigger trend by clients than suppliers

What about today? How are we doing? Not well. Satisfaction levels are weak, with only 25% of corporate researchers and 40% of research company executives “very satisfied” with the role of their department or company. We asked about barriers to success, and heard some fundamental issues.

WHAT ARE THE TOP BARRIERS?

We are not operating as Thought Partners. There is a huge gap today between our desired role as a Thought Partner, and our actual role. Less than four in ten corporate researchers have the Thought Partner role that they want. Six in ten corporate researchers have an “in the trenches” role; they are brought in too late, treated as order takers, or have business teams that want to control information. Research companies often feel that they are “in the dark,” receive insufficient briefing and/or don’t know anything once the project is completed, coupled with being treated as if they are selling a commodity [Figures 4, 5, 6 and 7].

There is a huge gap between today’s actual vs. desired role

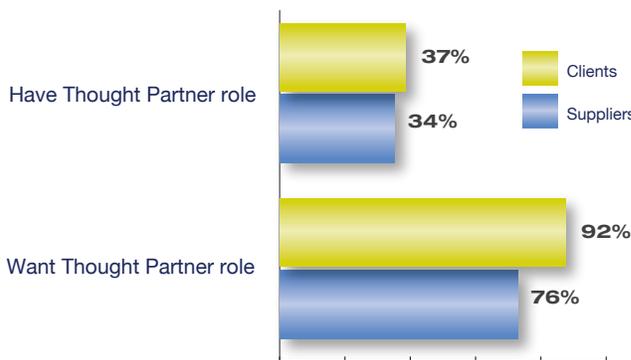


Figure 4

Thought Partner is defined as ongoing consultant to the business, informed business partner, opportunity identifier or strategic thought partner.

Clients “in the trenches” – the wrong role

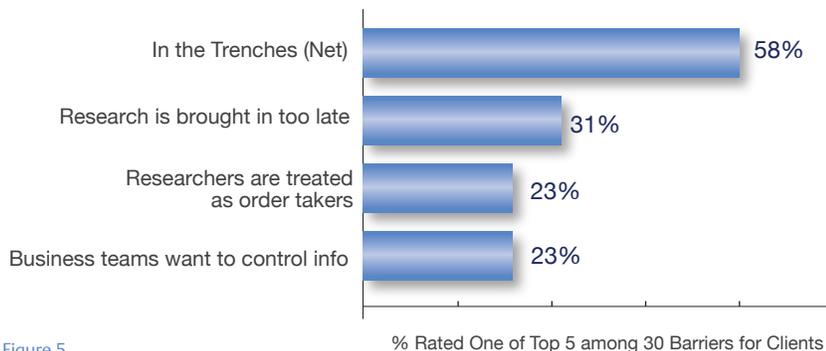


Figure 5

Suppliers are often kept “in the dark”

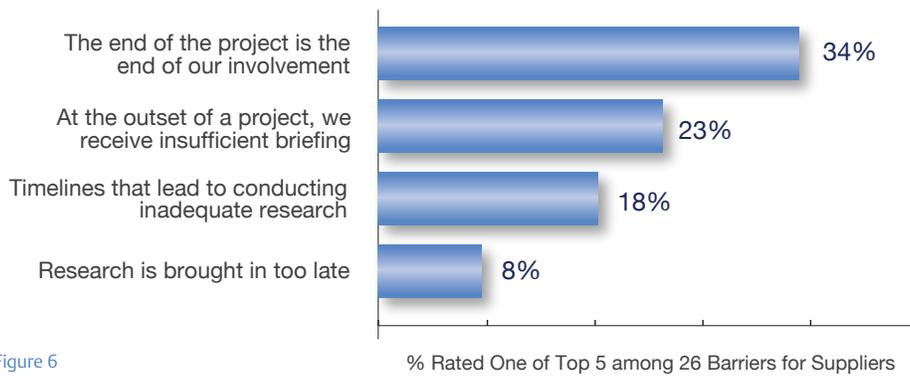


Figure 6

Suppliers are subjected to commodity purchasing

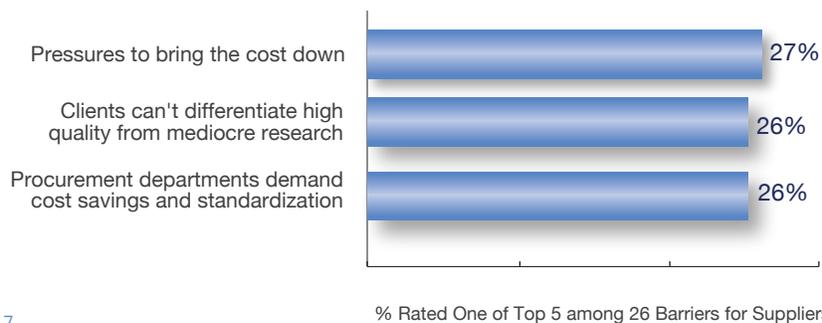


Figure 7

Corporate researchers and research companies identified additional top barriers.

- Corporate researchers need to lead, to educate, and to inspire their internal customers
- Research companies need to focus on business outcomes rather than research outputs, to gain skills in order to facilitate being strategic partners, and to strengthen their understanding of the client’s business

HOW CAN WE OVERCOME THE BARRIERS AND BECOME THOUGHT PARTNERS?

For corporate researchers, support from the top is a key enabler [Figure 8]. Given that many research departments are operating in an “in the trenches” mode today, there is a need to negotiate a “Management Contract” with senior management about how research should engage and operate with the business. [See High-Impact Research: The New Strategic Partner. Ian Lewis, Research World, March 2010].

For clients - support from the top

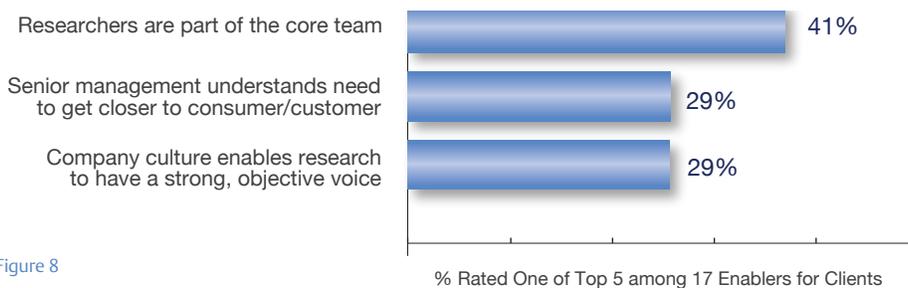


Figure 8

For corporate researchers, support from the top is a key enabler.

The TOP enabler is for research to identify and communicate insights that deliver business impact, going beyond the “What?” and “So What?” to the “**Now What?**” [Figure 9]. This requires a different way of working, with a focus on collaboration, synthesis and storytelling.

The top client enabler is developing insights for business impact

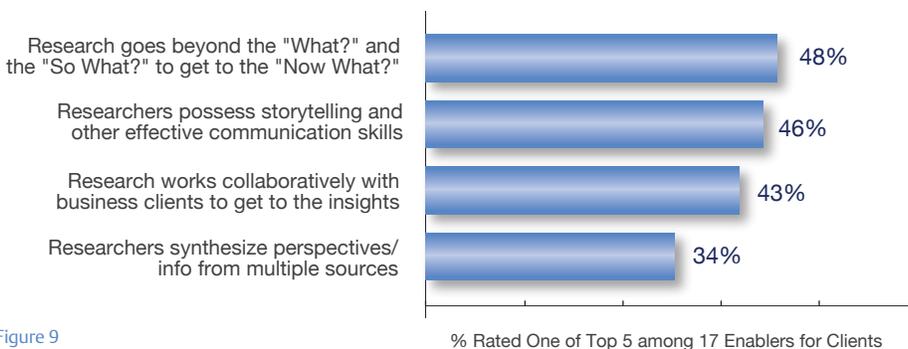


Figure 9

“The failure is often not the research but how it’s used, analyzed and presented.”

CMO, Technology. What the C Suite Wants Insights to Deliver. ARF ILF October 28, 2010

The top enablers for research companies are those which facilitate delivering business impact for their clients. The formula for success includes long term relationships in which the company is treated as a strategic asset, and a way of working that focuses on collaboration, synthesis, storytelling and getting to the “Now What?”[Figure 10].

The top supplier enablers facilitate business impact

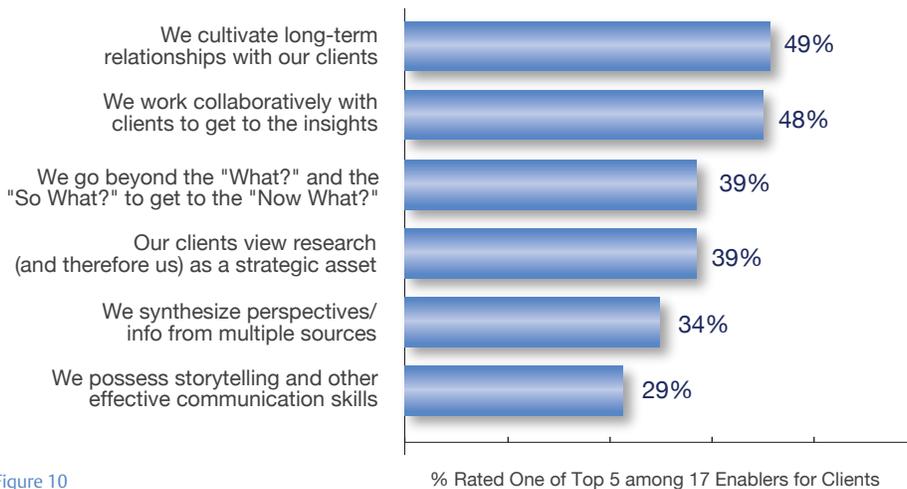


Figure 10

The bottom line is that:

Full service research companies must become “Integrated Research Agencies.”

These agencies will have a culture of working collaboratively, both internally and with clients; the skills to synthesize information from numerous sources; and the ability to create presentations that tell stories from the research; and they will “get” the client’s business so that they become a true partner in getting to the “Now What?”

Corporate research departments must partner with research companies that have these capabilities. A new way of working is needed, along with a re-evaluation of research company partners; and a new business model that is consistent with hiring an agency versus hiring a supplier or vendor.

WHAT ARE THE TRAINING NEEDS?

Our study highlights the importance of training in making the journey from researcher to consultant, and in developing storytelling and other impactful communication skills. Additional training needs include synthesis skills, development of rich insights, and learning about new research modalities. Research companies are much less likely than clients to recognize the need for training in persuasion and influence, which are critical for being an effective consultant.

Consulting and storytelling are the top-rated training needs

Top 3 Training Needs* (%)	Client	Supplier
Consulting skills	63	59
Storytelling and other impactful presentation skills	54	52
Influencing skills	40	16
Synthesis of info from multiple sources	38	35
Developing rich insights	36	42
Innovative research methodologies	31	35

LOW

* Among 9 Needs plus "Other"

ABOUT THE AUTHOR

Ian Lewis is Director, Research Impact Consulting for Cambiar. He previously led Consumer Insight functions for Time Inc.; Sterling Winthrop; Pfizer, and Unilever.

In 2010 Ian published Research Transformation articles in Research World and Quirk's. He is co-author of the JAR article "The Shape of Marketing Research in 2021". In 2011 he received an ARF "Great Mind Award" for his work on Research Transformation. With Simon Chadwick, he co-authored the first chapter, New Roles for Marketing Researchers, of the Sage Publications book Next Generation Marketing Research, to be published November 8 2011.

Ian is active in the market research industry and is a Board member of GreenBook, and a former ARF Board member.



ABOUT CAMBIAR, LLC

Cambiar advises research agencies and corporate insight departments that seek to thrive in a changing and challenging world. Our expertise is informed by experience and our work as consultants is shaped by our tenure as leaders. Cambiar's goal is to make valuable contributions to our clients' business. Consulting assignments focus on strategy development, talent management and recruitment, and consultative and communication skills training. More detailed information can be found at www.consultcambiar.com.

CONTACT INFO

To speak with one of our consultants, contact us at info@consultcambiar.com. Stay in touch with Cambiar's newest ideas and thoughts at www.consultcambiar.com.