

the **future** of
insights project



in partnership with





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ABOUT THIS PROJECT

Initiated by the WFA and their insights partner, BrainJuicer, the project involved over 300 of the most senior marketing and insights leaders across 94 of the world’s largest brand owners, representing global annualised sales of \$2.6 trillion and 6.2 million employees.

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EXECUTIVE SUMMARY

Senior marketers and insights leaders share an aspiration for the insight function – it should play a strategic consultant role, challenging current thinking and proactively moving the business forward. The report identifies three practical steps to achieving this.

- Closer integration between insights and marketing teams, physically and organisationally.
- Broader adoption of new methodologies that create commercial advantage, and a spirit of open-minded exploration and experiment among those which show promise but whose commercial value is not yet proven.
- Seizing the opportunity to challenge stale thinking using the most up-to-date findings of marketing science about communications, branding, and consumer decision making.

There is good news and bad news for insights professionals in the report.

THE GOOD

1. A third of insights leaders and senior marketers see insights leaders as efficient, expert, trusted advisors and educators, who build on ideas and push recommendations.
2. Senior marketers and insights leaders both believe that the insights team can and should be delivering exploration and consultancy. Half of insights leaders already feel they're doing this.
3. There is a real appetite for innovation among insights leaders and senior marketers, both in methodologies and new marketing ideas. In methodologies behavioural science, ethnography, and (among marketers) big data are seen as particularly promising. In terms of new ideas, there's strong acceptance of emotion as a marketing and advertising driver.

THE BAD

1. Less than a third of senior marketers are happy with Insights and almost a quarter are negative. They're also much less likely than Insights leaders to feel Insights teams are "can-do", "partners" or "commercial".
2. A third of senior marketers see Insights as behind the scenes, data collectors and distributors which only 4% of insight leaders agree with.
3. Some strongly tipped new methodologies, like social media monitoring and neuroscience, are far more popular among senior marketers than among insights leaders, suggesting a split in priorities or in perceptions of potential value.

"The 'Future of Insights' study is a seminal piece of work every insights and marketer professional should pay attention to. It not only challenges the consensus about research but also provides clear and actionable recommendations to boost the partnership effectiveness between the insights function and their marketing stakeholders. There are many valid lessons there I intend to take full advantage of"



Yvan Goupil,
Europe Head of Insights and
Media at SABMiller



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INTRODUCTION

Accelerating profitable brand growth is the goal of all WFA member companies and brand owners across the globe. The contribution of insight departments to that goal, now and in the future, is the subject of the **Future-of-Insights** project conceived by the WFA and their partner, BrainJuicer Group PLC. The work is being conducted with the most senior marketers and insights leaders at the world's largest, most international brand owners, to ensure the project represents the leading edge of knowledge and aspiration in the industry.

The first stage of the project was a survey, utilising the latest behavioural science-based research techniques to elicit the knowledge, feelings, associations, attributes and aspirations of those at the leading edge of the industry. In total 309 of the most senior marketers and insights leaders at 94 of world's largest companies took part. This report is the summary of the research together with a vision for the contribution of Insights' departments to accelerating profitable brand growth.

The second stage of the project will be a series of interviews with CMOs and Heads of Insights to explore the findings and reactions to the vision for the Future-Of-Insights. The third stage will be a series of roundtables among Heads of Insights to discuss and agree a Future-Of-Insights roadmap. The fourth and final stage, among participating companies, will be an ongoing monitoring and sharing of progress towards realising the Future-Of-Insights and its contribution to profitable growth.

100 YEARS OF INSIGHTS PAST, PRESENT AND FUTURE



Foreword from John Kearon, Chief Juicer, BrainJuicer

The Insights industry was born 100 years ago, when in 1916 the Literary Digest ran the first national opinion poll among its readers, correctly predicting Woodrow Wilson's US election win. The Digest correctly called the next four elections. Then in 1936 they predicted victory for Alf Landon, when in fact Franklin D Roosevelt won a landslide.

The Literary Digest's 1936 poll was based on two million returned questionnaires. But a young researcher, George Gallup, won national recognition by predicting Roosevelt's victory – using a mere 50,000 respondents. It was the birth of scientific sampling, and during the 40s and 50s this new method spread from polling to marketing and advertising. Even so, Gallup was not infallible: in 1948 his organisation predicted a 5-15% win for Thomas Dewey over Harry S Truman. The headline writers ran with the story for the morning papers: DEWEY DEFEATS TRUMAN. They were wrong.

*Meanwhile the Insight business kept growing. Qualitative groups were invented as a wartime tool for propaganda testing. In the 1950s, Ernest Dichter, the father of Motivational Research, coined the "focus group" name and called them his "living laboratory". His techniques shaped the 50s consumer landscape – one of his groups helped invent the Barbie Doll. But not everyone was happy with Dichter's insights into people's unconscious minds. The backlash came in the form of Vance Packard's famous *The Hidden Persuaders*, which brought motivational research to an abrupt halt.*



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Packard's intervention ushered in a more rational, functional era of differentiation, USPs and message-based persuasion marketing, alongside a slew of standardised research techniques to measure it. Metrics and constructs like purchase intention, segmentation, and brand awareness, linkage and loyalty have been the Insights industry default from the 60s and 70s to the present.

Insights departments now occupy a crucial role in companies: understanding their consumers and predicting the success of new products and advertising. Their tools, techniques and philosophies have evolved enormously over the last 100 years. But as our history lesson shows, they have evolved through challenge – the flaws in old methods being superseded by newer techniques. And the methods so ubiquitous today will themselves be challenged and improved upon in future.

We are lucky enough to work in the insights industry at a time when challenges are coming from multiple directions. There is more data available than ever; the growing collection of passive data, the use of social media for insight, a surge of interest in neuroscience, and a fascination with behavioural economics and psychology. New competitors from analytics and tech companies are expanding and changing the research marketplace. And better, more empirical studies of marketing effectiveness from bodies like the IPA and the Ehrenberg-Bass institute offer a compelling, data-driven critique of existing research practice.

So the Insights industry will and must keep evolving. This year's UK general election proved as much: over 100 polls, using "gold standard" sampling and research techniques, utterly failed to predict the Conservatives' majority. More accurate and advanced methods, like prediction markets, are available, but these have not been widely adopted. Why? The most likely answer is that they break the existing rules of research.

Sometimes those rules need to be broken. If polling, the "gold standard" of research, is on trial, then so is the rest of our \$40bn industry. It's time, once again, for the Insight business to change.

The reason for this history lesson is to set our study's findings in the context of current practice, highlight areas of dissatisfaction and point to a growing sense of where the Future-Of-Insights may lie and the benefits that could accrue to those who pursue it.

The Insights function sits at a crossroads in 2015. Under pressure from new technology, new thinking and new ways of working – as well as massive cost and time pressures – Insights leaders face more difficulties and opportunities than ever.

There's never been a better time to ask how Insights stakeholders see the function, what insight professionals believe, the methods they truly value, and where they want to be in future.

There's a lot to chew over in this study. Not all of it is comfortable reading for Insights leaders, or for senior Marketers. But there's good news too: a genuine consensus on where the Insights function needs to be as it begins its second hundred years.



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1. “TO SEE OURSELVES AS OTHERS SEE US”

The opportunity to see ourselves as others see us can be an invaluable one. Insight leaders and senior marketers work closely together, but often have different perspectives on the insight function and how it should work. Getting their relationship right is critical, because the two departments are so entwined. Our study showed that the typical insight department works alongside marketing, reports into marketing, and relies on marketing for C-Suite visibility. 62% of insight teams sat next to marketing, the same proportion report into marketing, and in 68% of the companies we talked to, marketing has a seat on the board.

So the two functions should be closely aligned. But the Future of Insights study reveals a lack of agreement as to the role the insight function currently plays.

We asked people to pick which of five roles best describes the insight department in their company. This wasn't about rating the work the department do – all five of the roles, performed well and would be a useful asset for any business. But the emphasis varies greatly – from the Librarian, who is an efficient data resource, to the far more proactive and challenging Strategic Consultant.

The roles, which arranged them on two axes: micro to macro – the strategic importance of the decisions it gets involved in; and re-active to pro-active – its style of response to those decisions.

Here are the five roles, and their descriptions.



Librarian

“Data collector and distributor. Accurate and fast. Little or no extra perspective given. Highly organised. Behind the scenes.” Highly reactive, highly micro.



Judge

“Objective and fair. Focused on pass/fail. Hurdle builder. Focused on single business question. Official rubber stamper. Element of power and respect.” Reactive and micro.



Caddy

“Knows most CMK (Consumer Market Knowledge) and business tools pretty well. Trusted advisor and educator. Reacts to questions asked. Builds on others' ideas. Pushes their recommendations.” Reactive and macro.



Explorer

Asks: “what have we not thought about yet? Innovator. Comes up with new ideas. Champions them and follows them through. Off looking for new business or CMK opportunities.” Highly proactive and macro.



Strategic Consultant

Asks: “are we asking the right questions? Doesn't just go with the project flow. Proposes and pushes new ideas or routes for the team to follow. Takes broader business into consideration.” Proactive and highly macro.

When the Insights function looks at itself, what does it see? And does that tally with what its marketing colleagues believe of it?

¹ The five roles are taken from a MasterCard internal study, and the framework is used with permission of MasterCard.

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% choosing each portrait as the best description of Insights function currently (Marketing vs Insights)

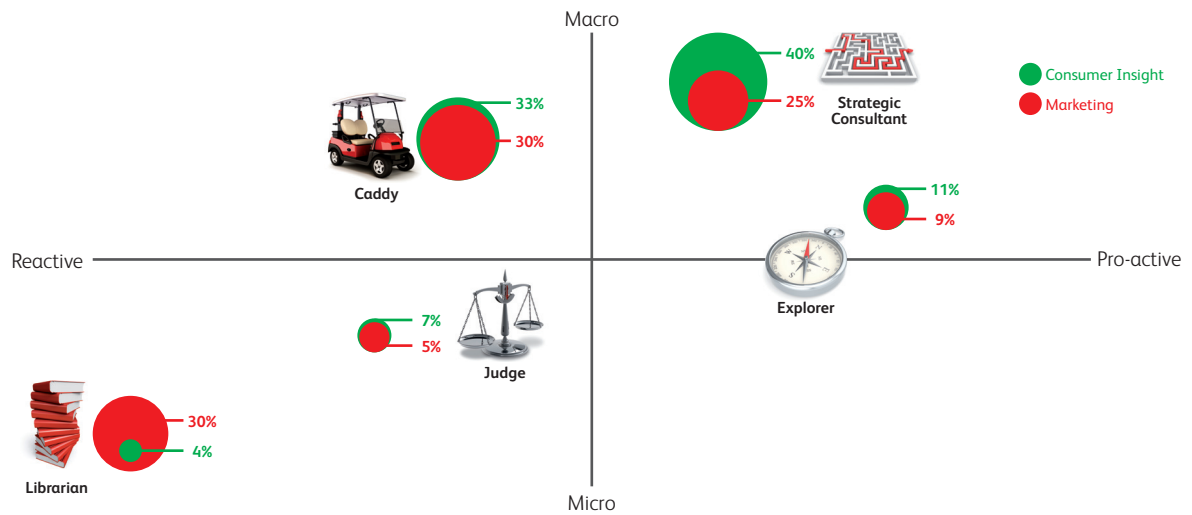


Figure 1: Clashing Perceptions of Insight

Figure 1 shows the difference in perception. Almost half of insight leaders see themselves as a Strategic Consultant: a fearless, provocative adviser, always pushing for new ideas and thinking beyond the brief – but with the best interests of the business firmly at heart. Another third consider themselves a Caddy – less challenging, but still a trusted, expert adviser.

But when the marketing department looks at the Insight function, its vision is far less clear. Only a quarter of senior marketers agree that the Insights function is a Strategic Consultant. Around 3 in 10 believe it's a Caddy.

But just as many consider it a Librarian: an organised, efficient, data handler. This is a role which almost no Insights leaders agree they play.

It's good news that Insight leaders are aiming high and feel they are contributing to their businesses at a macro, strategic level – whether as a Caddy or a Strategic Consultant. But it's bad news that far fewer of their senior marketing colleagues agree that Insights is at this level – and that many still think of them as the ultra-reactive Librarian.

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% choosing each portrait as the ideal description of Insights function currently (Marketing vs Insights)

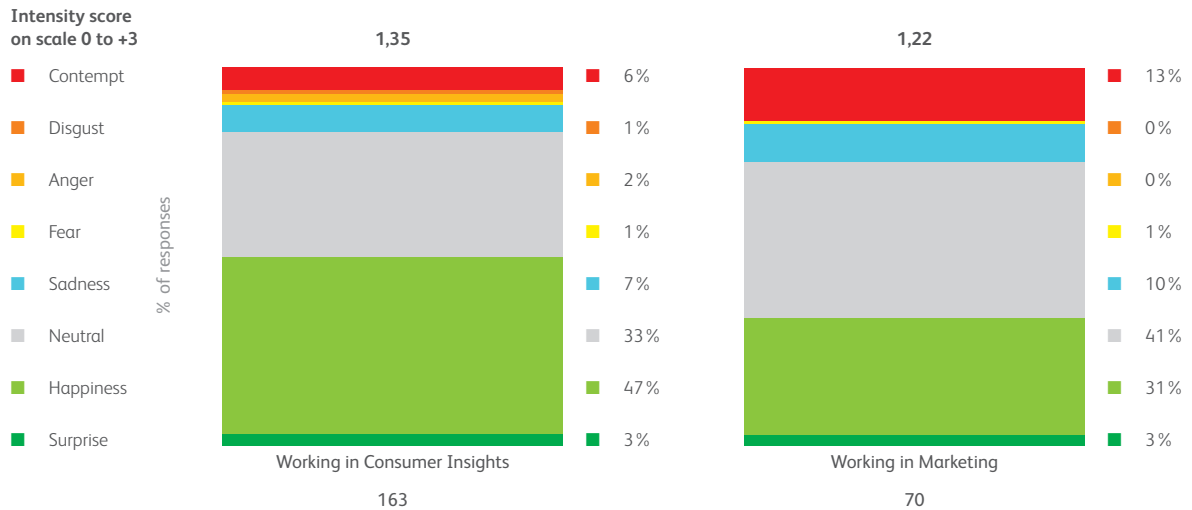


Figure 2: How people feel about the Insight function

The gap is a problem because what should be a beautiful relationship just doesn't end up sparking. We used BrainJuicer's FaceTrace® tool for emotional measurement to find out how insight leaders and senior Marketers felt about their Insights function. The tool is based on the seven universal emotions, as discovered by psychologist Paul Ekman – happiness, surprise, sadness, fear, anger, disgust and contempt. (We add in Neutrality, the absence of feeling). FaceTrace® measures which of the seven you feel, how intensely, and why.

For Insights leaders, the picture is sunny – half are happy or positively surprised, a third are neutral, and a small minority feel one of the negative set of emotions.

But senior Marketers are less positive. Barely 30% of senior marketers feel happy with the Insights function. Just over 40% feel neutral. And almost a quarter feel either sadness or contempt when they think about their Insights colleagues. The overall intensity of emotion felt is lower – suggesting that the negative emotions felt are only mild – but clearly, work needs to be done to turn this situation around.

In the next section, we're going to dig into why there's such a gap between two teams who should be working hand in glove, before going on to explore how to close it.

Fortunately, there's one big piece of good news in the study that shows how that gap could be closed. Senior marketers and insight leaders may not always agree on what the insight function does now, but they agree what it should be doing.

As well as asking about the role the Insights function currently plays, we asked everyone about the role they felt it *should* play. As figure 3 shows, here there was a lot more agreement.

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% choosing each portrait as the ideal description of Insights function currently (Marketing vs Insights)

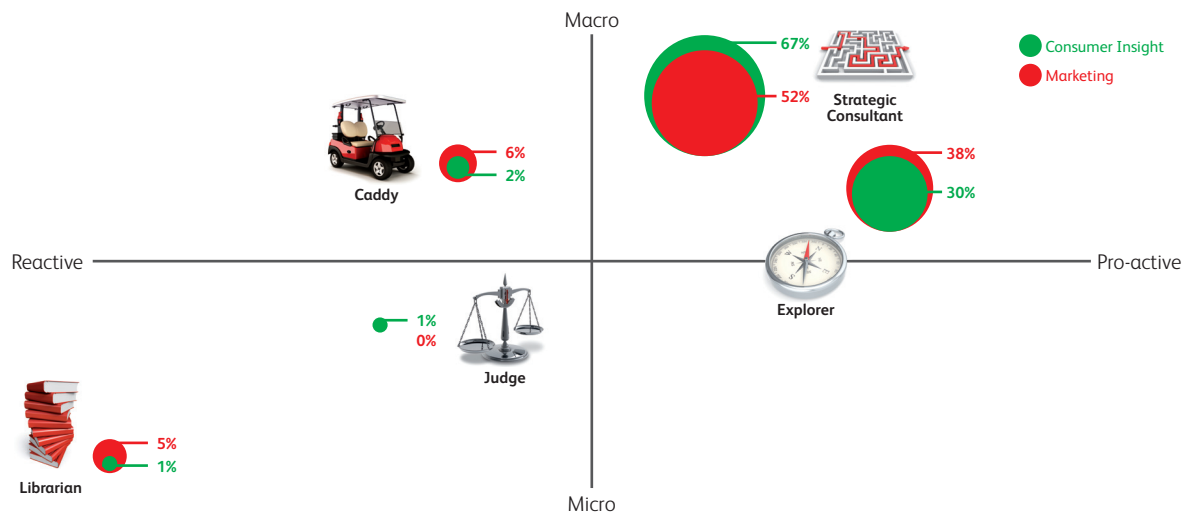


Figure 3: Agreement on the way forward

A majority of both senior Marketers and Insights leaders felt that the challenging, business-centric Strategic Consultant role was what the Insights function ought to be aiming for. In clear second place with both groups was the more innovation-oriented Explorer role.

That's a huge vote of confidence for an Insights function that has a macro focus – helping make big, strategic, business-wide decisions – and takes a pro-active approach to building brand growth.

Many insights leaders feel they're already doing that. The study shows that everybody wants and needs the Insight function to achieve that ambition.

The bottom line: there is a huge opportunity for Insights transformation and for Insights leaders to become drivers of brand growth.

How that transformation occurs depends strongly on the current position of the insights function. There are three paths for it to take.

In some cases, basic organisational work is needed to get the insights function performing well as a Caddy – a trusted, if reactive, part of the business. Part 3 of the report goes into more detail about how organisations can achieve this.

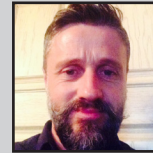
In others, the Insights function can thrive by becoming an Explorer – highly proactive and innovative, even if that doesn't always mean being involved in top-level business decisions. Part 4 of this report looks at how embracing new methodologies can move Insight leaders in this direction.

And finally, many organisations will aspire to the Insight function assuming Strategic Consultant status, taking a macro role in the business and proactively challenging assumptions. In part 5 of this report we look at the possibilities for Insight leaders to achieve this by changing the way they think about marketing itself.

First of all, though, we have to look more closely at attitudes – both positive and negative – towards the Insight function.

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"This study is not so much about the survival of the insights function within corporations of all sizes, but more about how insight can develop to provide levels of strategic input into these businesses that are increasingly the preserve of the large business consultant companies. The smart insights agencies are adapting their skills and capabilities to bring them closer to a consultancy model and we must change client-side too, becoming the internal consultants that we know we can be and having more of a stake in the decisions we are being asked to help make. It's clear that the needs of our internal customers meets that of our own aspirations - now we just need to address the gap between the two - this study helps us understand that gap and get ready to change."



Steve Hill,
Market Research Manager,
Land Rover

2. THE TROUBLE WITH INSIGHTS

We know that Insights and Marketing have very different ideas about the role the Insights function plays. But what do those differences rest on?

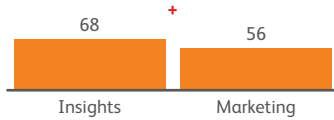
As well as asking how senior marketers and Insights leaders felt about their Insights function, we directly asked why they felt that way. And we went further, digging into their implicit reactions to their Insight team with a time-pressured association test.

By asking people under time pressure, we get their real, gut-level, System 1 reactions to the Insight function – rather than more considered responses. This is the unvarnished truth about how the Insights function is perceived.

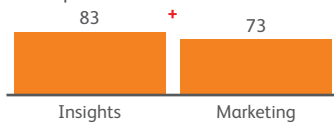
There was plenty of consensus around the good qualities of the Insight teams – senior Marketers and Insights leaders both rated the Insights function highly on efficiency and expertise. There were also some telling differences.

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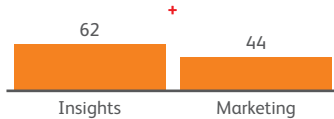
Insights are 'can-do'



Insights are 'partners'



Insights are 'commercial'



Implicit Associations Text:
Agreement with associations under time pressure

Working in Marketing

41%

No passion and real insightfulness involved. Too stuck in conventional ways
Don't always uncover beyond the obvious insights
I think we get a lot of information but am not sure they parcel it down correctly
There are inconsistent levels of capabilities Don't uncover beyond the obvious



13%

Good analysis and insights, but traditional methodologies
Too much data in too many silos, no clear ways of working, lack of ownership
Don't give it the degree of importance it deserves - time and resource
Insights are not always used, not always searched



10%

They do not produce enough actionable insights
Capability of interpreting the data
Lots of untapped opportunity to use it to transform the rest of the corporation
The translation of data into meaningful insights



What is it about this product that made you feel neutral/*contempt*/*sadness*?

FaceTrace® detailed emotional feedback

Figure 4: The Insight function as seen by Marketing

Figure 4 shows some key, significant differences from the implicit test, along with verbatims by senior marketers who felt neutral or negative emotion towards their Insights department. Senior marketers are significantly less likely than Insights leaders to feel Insights are "can-do". They "don't always uncover beyond the obvious insights". There's "no passion or real insightfulness involved".

Senior marketers are significantly less likely than Insights leaders to feel Insights are "partners". "Too much data in too many silos, no clear ways of working, lack of partnership" was one common complaint. Others saw "inconsistent levels of capabilities" and an "untapped resource".

The biggest implicit gap between senior marketers and Insights leaders was on whether or not the Insights function is "commercial". "They do not produce enough actionable insights". There's a reliance on "traditional methodologies" and "the translation of data into meaningful insights" is lacking.

To summarise, in the eyes of those senior marketers unhappy with the insight function, the problems with the Insights function lie close to its heart. The methodologies used are seen as too traditional, and the insights obvious and hardly actionable. There's a perceived lack of passion and real business understanding.

How accurate is this assessment? Some of these complaints – like the lack of business understanding – are not new. But even if the criticisms are exaggerated or arise from misunderstandings, that still reveals a communication gap that both teams need to work to close.

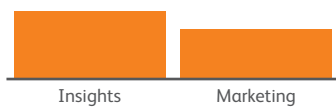
Participants *within* the Insight function, meanwhile, saw different problems, as Figure 5 shows.

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Insights are 'leaders'



Insights are 'challenging'



Insights are 'inquisitive'



Implicit Associations Text:
Agreement with associations under time pressure

Working in Consumer Insights



33%

Not very well developed and without a clear impact and role within the business
There is no capacity/budget for the insight generation needed.
Business decisions not always follow the research insights.
I think we get a lot of information but am not sure they parcel it down correctly



6%

Focused on in market results rather than building brands and long term strategy
Difficult role as the company is very silo based
Too much data in too many silos, no clear ways of working, lack of ownership



7%

Insight are not a part of everyday marketing business, it most goes to wasted
Not done enough - too little time, too little commitment
Some analytics colleagues are not sufficiently committed to unearthing insights

What is it about this product that made you feel neutral/contempt/sadness?

FaceTrace® detailed emotional feedback

Figure 5: A frustrated Insight function

Looking at what makes Insight leaders unhappy, the results reflect degrees of frustration which prevent the Insight function from living up to the high claims they want to make for it.

Insight leaders are significantly more likely than their Marketing counterparts to feel the Insights function acts as 'leaders'. But they are stymied – “There is no budget for the insight generation needed” and businesses are poorly structured to take advantage of them – “difficult role as the company is very silo based”.

Insight leaders are significantly more likely than senior Marketers to feel the Insight function is “challenging”; but their challenges go unheard: there’s no “clear impact or role within the business”. Decisions “do not always follow the research results” and short-termism rules, with a “focus on in-market results not building brands or long term strategy” making Insights folk feel contempt.

And Insights leaders are significantly more likely than senior Marketers to feel the Insights function is “inquisitive”. Though they may also blame colleagues for being “not sufficiently committed to unearthing insights” and they’re aware that most of what they do “goes to waste”.

So from the Insights function’s own perspective, they are trying to do the best job they can, but face organisational barriers. Too little resource. Too many silos. And the ever present frustration of seeing your hard work get wasted, packaged up poorly, and ultimately ignored.

Seen from outside, those negative about the Insights function see it as a fundamentally conservative department, where the same old methods produce the same old results (though in many cases they may be sought after). From the inside, the Insight function is trying to be effective and innovative – but is held back by obstacles.

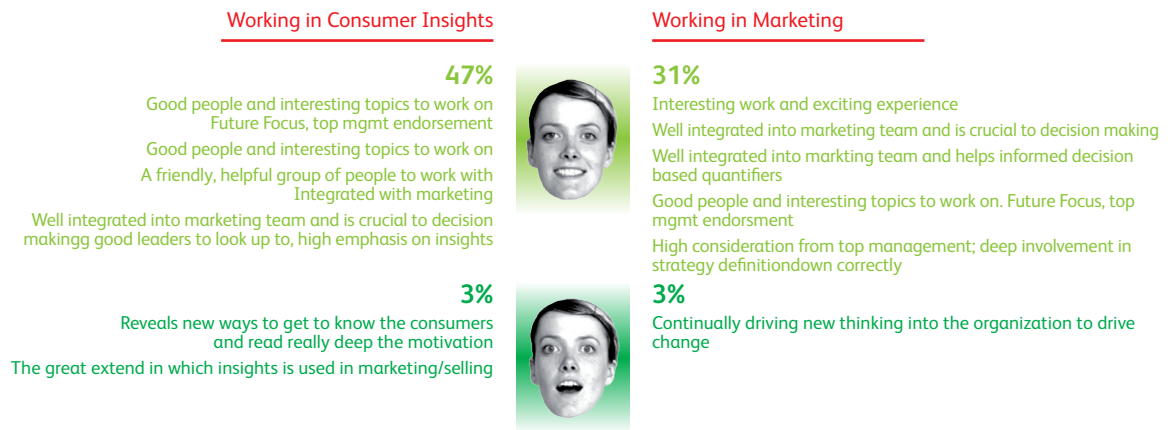
There is likely to be an element of truth in both these diagnoses. In the next section, we’ll look at more positive perceptions of the Insights function and address what organisations can do to address the challenges raised here.

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3. FROM LIBRARIANS TO CADDYS – NEW WAYS OF WORKING

Overall, 39% of Insights stakeholders feel happy with the Insights function, which should offer a strong foundation for building and improvement. Let's look at what organisations do right to make Insights leaders and senior Marketers happy with the Insight function.

What is it about this product that made you feel *happy/surprised*?



FaceTrace® detailed emotional feedback - Methodology based on work of PaulEkman – using faces to measure emotions

Figure 6: Reasons for happiness among Insights leaders and senior Marketers

As with the reasons for negative feeling, there's some difference between what makes Insights and Marketing teams happy.

For Insights leaders happiness is all about *who* you work with – good, friendly helpful people and good leadership kept coming up.

For senior Marketers, happiness is driven by *how* the teams work – close integration creates positive emotion.

Both teams also endorse interesting work as a reason for happiness, and a sense of importance to the business as a whole: *“top management endorsement”* and *“crucial to decision making”*.

The benefits of close integration can be seen when you look at the difference in feeling between companies where the two teams sit together and those where they don't (Figure 7). There's a 15-point boost in happiness that comes with closer working conditions.

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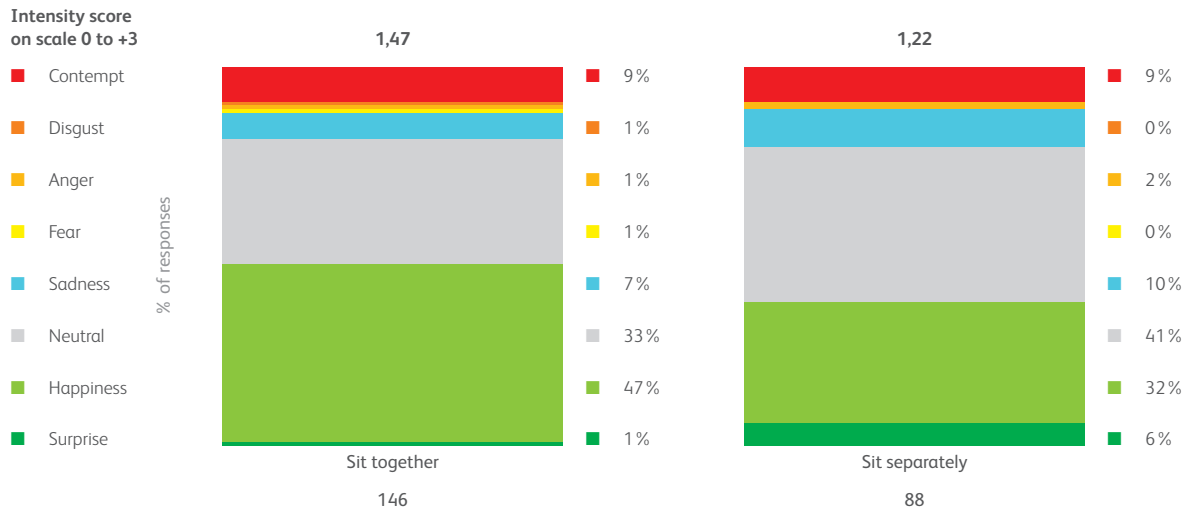


Figure 7: Marketing and Insights – better together?

Most of the organisations we talked to already do this. For those that don't, that's one step they can and should take.

Looking at the positives people report, and inferring what's lacking from the negatives, we can immediately see four ways to improve a dysfunctional Insights department.

- **INTEGRATION:** Bringing Insights and Marketing closer together, organisationally and physically.
- **PEOPLE:** Hiring and rewarding great people and leaders within the Insights function.
- **CLARITY:** To solve the problems Insights leaders have, greater clarity of role and decision-making process is needed – and fewer silos.
- **FOCUS:** To solve the issues Senior marketers have, the Insights function has to display a strong commercial focus and work harder to go beyond the basics in analysis.

To go back to the five roles the Insights function can play; fulfilling these four imperatives would bring the department up to Caddy status – trusted and reliable, and engaged with the business at a macro level. That kind of foundation is essential for moving the Insights function to its ultimate destination – either as an innovative Explorer or a business-critical Strategic Consultant.

It's worth pointing out that previous studies on the role of the insight function – like the BCG's 2009 study – have reached roughly this point, calling for greater integration. That's already a big step forward – improved ways of working can shift the Insights department towards a more macro, strategic focus. But it is not, as previous studies suggested, an endpoint. To be where stakeholders want it to be, the insight function must also be more pro-active.

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4. FROM CADDY TO EXPLORER – NEW METHODS

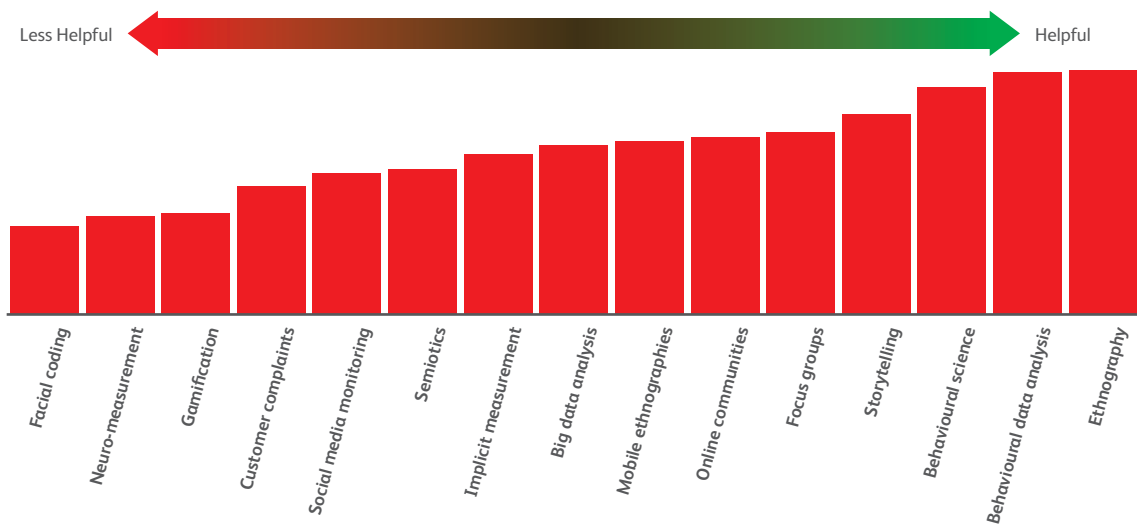
One way of becoming more pro-active is to address one of the key criticisms of the Insights function – its supposed reliance on older methodologies. Insights is changing, and the methods it uses are changing. From social media analysis to semiotics, neuroscience to behavioural economics, the modern researcher has a fantastic array of new tools available. But which of them actually lead to business advantage? The next step in our Insight function transformation has to be answering that question.

We asked senior marketers and Insights leaders about a range of new methods. The question was simple – which of these generate the most *commercially advantageous insights*? Plenty of them have sizzle. We were looking for steak.

We also threw in a question about focus groups – a method dating from the 1940s, but still widely used. For a new methodology to be useful, we felt at a minimum it should be better at creating valuable insight than focus groups.

Of the fourteen new methods we asked about, only four met that standard overall, though as we will see later, senior marketers are more bullish than Insights leaders about the commercial benefits of some new techniques (See Figure 8).

% stating extremely or very effective at generating commercially advantageous insights



Base sizes: N=151-211

Figure 8: New Methods: Top-2 Box Scores for commercial advantage

The four winners were Ethnography, Behavioural Science, Analysis of Behavioural Data, and Storytelling.

What's interesting about these is that they are all about behaviour. Behavioural data describes what people do. Behavioural science methods understand what people do by applying findings from disciplines that study it (like psychology and behavioural economics). Ethnography captures exactly how people do what they do. And storytelling makes sense of it by turning it into a memorable, truthful, narrative.

In other words, the most commercially useful new methodologies were seen as the ones which centre themselves on real behaviour and the psychology behind it.

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Meanwhile, people judged the least useful new methods to be facial coding, neuroscience, gamification and the ‘voice of the customer’ pairing of social media analysis and customer complaints analysis. Most of these take advantage of new technology, and have attracted massive interest and investment.

So why aren’t they seen as creating commercially advantageous insights?

One possibility is that uptake of them is so far limited. The number of marketers with active experience of facial coding or neuroscience is still fairly small – it’s not surprising that lacking that experience, people felt they couldn’t answer this question positively.

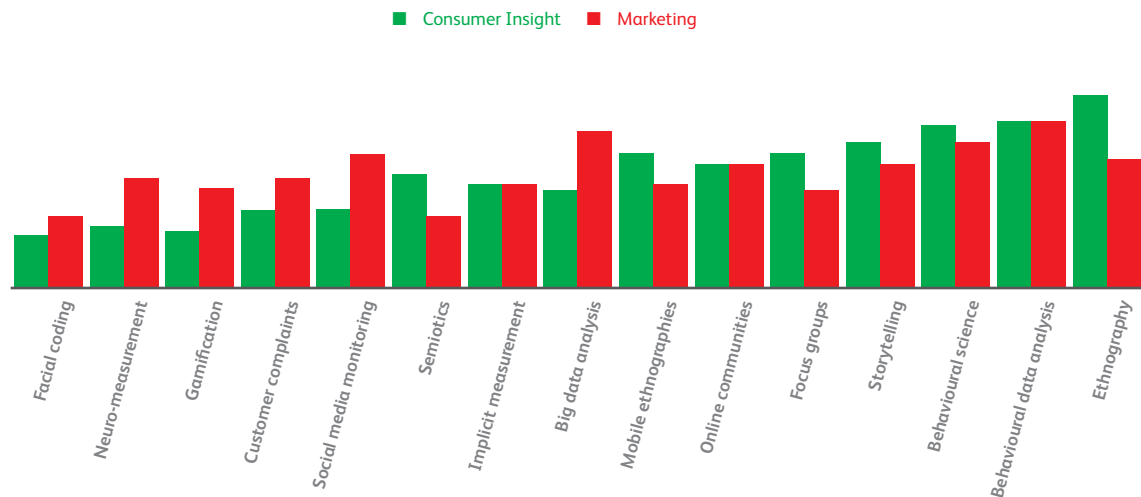
Another possibility is that the development of these tools is in their infancy. They may promise great things in the future, but at the moment they still need refinement, and so can’t meet the high bar for commercial insights that more mature methods clear.

And the third possibility is that “shiny object syndrome” applies in some of these cases, and while on paper the promise of these methods is great, the actual results have indeed been disappointing.

But this isn’t the whole story. When you look at different groups of respondents, you start to see important shifts in what they believe works. In companies where marketing has a seat on the board, for instance, we see much higher ratings for Focus Groups and Online Communities. These are widely established techniques with a broad user base – which may account for the greater faith placed in them in companies where marketing comes under more scrutiny. Ultimately, we feel a more proactive Insights department will challenge this slight conservatism and expand the range of acceptable techniques.

The biggest difference, as before, comes between Marketing and Insights professionals, as seen in Figure 9.

% stating extremely or very effective at generating commercially advantageous insights



Base sizes: N=151-211

Figure 9: Different methodological priorities of Insights and Marketing functions.



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The Marketing function is where the newest technologies in research find their biggest fans. Senior marketers, for instance, rate both neuro-measurement and social media monitoring above that old warhorse, the focus group. And they are true enthusiasts for 'big data' analysis, putting it second only to behavioural data for producing valuable insights.

This helps explain one of the earlier big differences between the two functions – the way some senior Marketers believe that Insights teams rely on old methodologies. Senior marketers feel newer methodologies can deliver commercial advantage: Insights leaders tend to be much more sceptical.

This is an area where closer integration can only help: if the social media “war room” or the data analytics function is separated from the Insight function, it’s only natural that the latter takes a less positive view of the value these tools provide to a business. Greater understanding of these methodologies will lead to a less skewed view on their business value – and help businesses by integrating traditional insights with knowledge from newer methods.

But whatever happens with new methodologies, our earlier analysis still stands. Both Marketing and Insights are strong believers in behavioural science and behavioural data analysis – tools which add meaning and are proven by experience to provide commercially advantageous insights. High-tech methods (not tech for tech’s sake) will likely deliver more value hand-in-hand with strong behavioural science.

The demand for Insights innovation is real, and cannot be ignored. Embracing new methodologies is the best way to move towards Explorer status – which roughly a third of both senior marketers and Insights leaders see as the ideal tool for the Insights function. This should not be done indiscriminately, but a programme of experimentation, supported by rapid uptake of methods which do prove their worth, will set the Insight function on the right track.

Any method is only as good as the assumptions behind it. Which brings us to the most important question of all, the one which will shape the next 100 years of market research – how do Insight stakeholders truly believe marketing works?

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5. FROM EXPLORER TO CONSULTANT – NEW THINKING

Integration and good leadership gets the Insights function from being a simple Librarian to being a trusted Caddy.

Adding effective new methods gets it up to Explorer status – pro-actively voyaging into consumer behaviour and returning with real insight.

But to be a Strategic Consultant – what most senior marketers and Insight leaders *want and need* it to be – the Insights function must learn how to challenge received wisdom. It must be strongly pro-active and able to influence big, business-critical decisions.

So it's lucky that we're living through a revolution in the basic assumptions of marketing. As part of the study, we tested a battery of statements – old school laws of marketing that a marketer in the 20th century might have believed without seriously questioning them.

We wanted to find out how deep the modern marketing revolution – which draws on evidence by behavioural economists, advertisers, and marketing scientists – had gone. The ten old-school laws we chose have something in common: more recent marketing science work has attempted to disprove or debunk each of them. How far has this new thinking spread?

The results of this exercise revealed that some old laws of marketing have already been overturned, but other remain firmly in place among senior marketers and Insights leaders.

For details on the “old laws” we asked about, and the arguments against them, see the Appendix.

How strongly do senior marketers and insight leaders still believe in traditional marketing assumptions?

We found a mixed picture, as Figure 10 shows – bear in mind the percentages are those participants correctly identifying each statement as *false* – i.e. *rejecting* our hypothetical old-school consensus and giving the *right* answer according to the latest marketing and behavioural science.

% agreeing with the modern marketer (i.e. stating 'false')

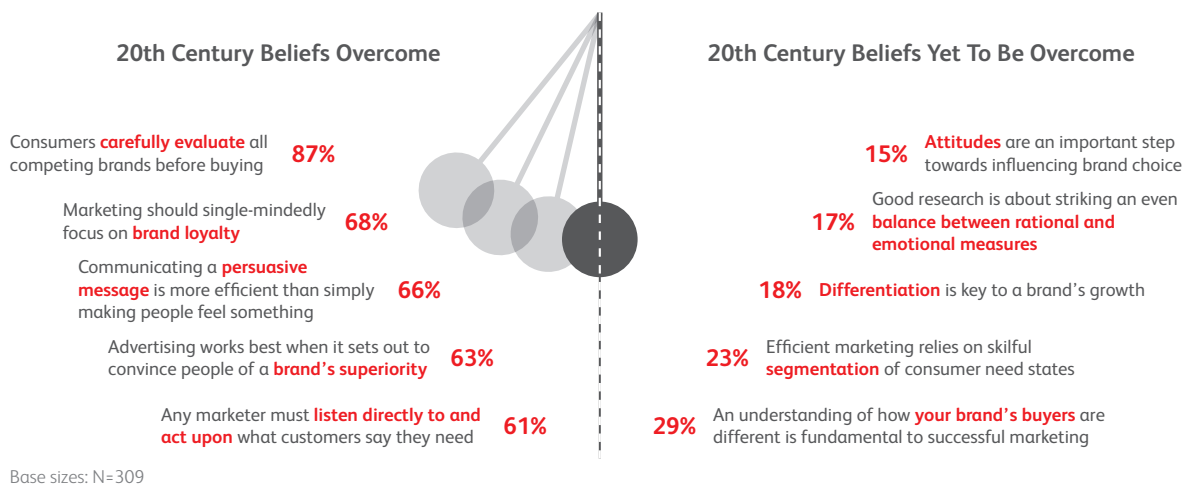


Figure 10: Marketing beliefs.



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We found clear acceptance for many learnings of modern marketing science. Half of the old rules of marketing were clearly rejected by insights leaders and senior marketers alike:

- a. Only 13% felt that consumers carefully evaluate all competing brands before buying.
- b. Only 32% felt that marketing should single-mindedly focus on brand loyalty.
- c. Only 34% felt that communicating a persuasive message is more efficient than making people feel something.
- d. Only 37% felt that advertising works best when it sets out to convince people of a brand's superiority.
- e. And only 39% felt that acting directly on what customers say they need is the best route to successful innovation.

The rest of the old laws have remained fairly strong in marketers' belief systems.

- a. Fully 85% felt that attitudes are an important step towards influencing brand choice.
- b. 83% felt that good research is about striking an even balance between rational and emotional measures.
- c. 82% felt that differentiation is the key to a brand's growth.
- d. 77% felt that efficient marketing relies on skilful segmentation of consumer needs.
- e. And 71% felt that understanding how your brand's buyers are different is fundamental to marketing success.

Looking at the evidence we've presented above, you can decide for yourself whether marketers are correct to hold out on these basic principles or not.

But for Marketing and Insights teams the implications are very interesting. These findings suggest we have seen at least a partial shift in the Marketing mindset. Let's unpick these results a little more.

The first thing we can say is that the idea that consumers are careful, considered decision-makers is close to obsolete. Most of us no longer believe – if we ever did – that they carefully evaluate brand choices. Most people also doubt that directly listening to consumer needs is the best path to innovation. This doubt mirrors a general scepticism – found in the works of psychologists and behavioural economists – about people's abilities as “rational” decision-makers.

The second thing we can say for sure is that there has been a shift in conceptions of advertising. The brand-centric, persuasive model of advertising is falling from favour. Few still believe a persuasive message beats making people feel something, and most reject the ideas that brand superiority and brand loyalty are the driving goals of advertising and marketing, respectively. This move towards emotion and away from brand-centric models has its limits – most endorse the idea that emotional and rational measures need to be balanced.

The third point we can make is that even if the people we asked are suspicious of making too much of brand superiority and loyalty, they have an unshakable faith that brands are meaningfully different and that consumer segmentation works. The contrary view – put forward meticulously by Byron Sharp and others – is simply not yet widely believed.



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What lessons can insight professionals draw from this? One intriguing result from the study is that, on almost every one of these true-or-false laws, insight leaders are more likely than their senior marketing colleagues to reject the old ways of thinking – especially on those ideas about brand differentiation.

This isn't a schism – majorities in both camps accept that consumers don't weigh up brands, for instance, and that persuasive messaging on its own won't do the job. And only a minority agree with the new thinking on differentiation and brand loyalty.

Even so, there's an opportunity here for Insights leaders to be bold, and become the kind of Strategic Consultants they want to be – ones that challenge assumptions and push a business forward. On the topics of consumer irrationality, emotional advertising, and brand-centric communications, our study shows these challenges should find a willing audience. On the topic of brand differentiation, going against the grain is higher-risk, but may still be rewarding.

If wrong assumptions are baked into research, then the methodology used almost doesn't matter – the conclusions will still be flawed. At the centre of becoming a Strategic Consultant is asking – “are we asking the right questions?” The new marketing science – from decision-making to branding – offers a golden chance to ask those right questions. To take on a consultancy role, Insights leaders need to get familiar with the latest thinking and push for methods and analysis that include it.

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6. CONCLUSION: THREE STEPS TO THE FUTURE-OF-INSIGHTS

Insights leaders want to be Strategic Consultants. Senior Marketers want them to be Strategic Consultants too. How do they get there?

This study shows that reaching that stage won't be easy, but it is possible.

We've outlined three stages that together add up to a Future-Of-Insights programme.

STEP ONE: WORKING PRACTISES.

The vast majority of senior Marketers and Insights leaders believe that the Insight function should play a proactive role in big, strategic decisions – challenging, innovating and driving brand growth. In teams where there is closer integration between the teams, companies are happier with their Insights department. The first step is closer integration and better working practises to beat the organisational barriers – silos and lack of understanding – that hold Insights back.

STEP TWO: UNDERSTANDING.

Central to the aspiration of Insights to become true strategic consultants is asking “are we asking the right questions and applying the right knowledge to the answers?”. We live in an era where the practise of marketing is changing dramatically, and the assumptions underlying it are open to challenge. Keeping abreast of the latest empirical research into marketing effectiveness offers Insights a golden opportunity to achieve consultant status and help Marketing deliver profitable brand growth.

STEP THREE: METHODS.

There is a clear mandate for new methods based on behavioural science and behavioural data. Methods that scrutinise, explain and ultimately influence real behaviour have the ability to deliver commercial advantage. Meanwhile, the Insights function should attempt to liaise more closely with areas in the organisation where big data and other high tech methodologies can deliver value.

A hundred years ago, that first opinion poll called the election outcome right, and an industry was born. Its advances since have always been built on continuous challenge – finding the flaws in current thinking, and putting new methods and ways of working in place to correct them.

The time to challenge current thinking is now. We hope this report inspires you to make the shifts in working practise, methods, and baseline assumptions that will spark Insights function transformation.

The next 100 years of research is in your hands.

“The Future of Insights project doesn't always make comfortable reading for insight specialists. Yet we need to rise above any siege mentality and grasp the opportunity for leadership as our organisations go through dramatic transformation. This project can be a catalyst for change. A spark to have the confidence to review ways of working, methodologies and capabilities. Both within our own companies and as an industry through networks such as the WFA”.



Elinor Bateman,
Director, Insight & Research,
Barclays



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APPENDIX BY BRAINJUICER: THE “OLD LAWS” OF MARKETING



It's worth detailing each of the things we asked about in the study (see Section 5), since we shouldn't assume the counter-arguments are generally known. Here are the ten laws of 20th Century Marketing we asked participants about. BrainJuicer has also offered a summary of the evidence against them, so you can make up your own mind – or research further if you want to.

“Marketing should single-mindedly focus on brand loyalty.” (32% agree)

Brand loyalty exists, but the work of Andrew Ehrenberg and Byron Sharp (eg Sharp's *How Brands Grow*) argues that it works very differently than often assumed. It's rarely based around single brands – people are loyal to a small basket of brands within a category, ones that come readily to mind. The way to get your brand into more baskets is to focus on new and casual buyers, not on 'loyalists'. It's penetration that chiefly explains variation in market share between brands, not loyalty. As Ehrenberg's 'double jeopardy' law demonstrated, a brand with higher penetration will automatically command slightly higher loyalty. Meanwhile, advertising analysts Les Binet and Peter Field, in *Marketing In The Era Of Accountability*, showed that loyalty-focused campaigns were less effective at achieving business goals.

“An understanding of how your brand's buyers are different is fundamental to successful marketing.” (71% agree)

It's tempting to believe that if you understand your brand's core buyers, you understand your brand. But in Byron Sharp's *How Brands Grow*, he presents data suggesting that brand growth is largely driven by selling to light brand buyers and non-buyers, not by increasing loyalty among heavy users, and how most consumers choose from a repertoire of salient brands. In other words, your brand's buyers are largely the same people as your competitors' buyers. Focusing on tiny differences is very unlikely to lead to successful growth.

“Attitudes are an important step towards influencing brand choice.” (85% agree)

In *How Brands Grow*, Sharp shows how there is generally little or no difference between leading brands on positive attributes and brand image. If anything, the causal relationship between considered attitudes to brands and brand choice runs in the other direction: the more people choose brands, the more likely they are to rate them positively if asked.

“Efficient marketing relies on skilful segmentation of consumer need states.” (77% agree)

Segmentation is prized for the promise of improved targeting and insight. But most segmentations are unstable, because people's choices and preferences shift according to environmental, social, and personal factors – as books like Mark Earls' *Herd* and Dan Ariely's *Predictably Irrational* show. Need state segmentations at least promise to take context into account, but still offer false precision and stability. And in any case, since brands grow by increased penetration, narrow targeting is usually a mistake.

“Consumers carefully evaluate all competing brands before buying.” (13% agree)

Marketers who live and breathe their brand and category can easily assume many others feel the same way: it's unlikely to be true. As the work of Daniel Kahneman and many others shows, people make decisions rapidly, intuitively, and based on experience and emotion. Careful evaluation happens only when decisions are exceptionally difficult – and people will try to avoid it.



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“Differentiation is key to a brand’s growth.” (82% agree)

Brand difference – in the form of the USP – is central to textbook marketing. But as Byron Sharp’s *How Brands Grow* demonstrates, people don’t generally differentiate between competing brands – even Apple is only seen as “different” by 1 in 4 consumers. Instead, growth is driven by what Sharp calls ‘distinctive assets’ – the logos, slogans, colours, images, and associations that a brand ‘owns’ and which make it quick and easy to recognise and choose.

“Communicating a persuasive message is more efficient than simply making people feel something.” (34% agree)

As Les Binet and Peter Field show in *The Long And The Short Of It*, “information” and “persuasion” campaigns lag far behind “emotional” ones in efficiency and in creating real business effects, especially over the long term. “Simply making people feel something” is the surest route to communications success.

“Advertising works best when it sets out to convince people of a brand’s superiority.” (37% agree)

It’s natural for marketers to believe their brand is best. But in their analyses of the IPA Datamine database, *Marketing In The Era of Accountability* and *The Long And The Short Of It*, Les Binet and Peter Field demonstrate that the most effective campaigns take brand fame as their aim – getting brands talked about, recognised and remembered. This chimes with a world in which loyalty works at the repertoire, not the individual brand level (see above). Fame campaigns work better than goals involving persuading or informing consumers – which is how most superiority campaigns would be categorised.

“Good research is about striking an even balance between rational and emotional measures.” (83% agree)

Balance always sounds appealing. But as Kahneman’s *Thinking Fast And Slow* shows, the emotional, rapid, System 1 brain is simply far more powerful than the considered System 2. “Rational” measures – eg. tradeoffs, priority allocation, self-reported behaviour and considered attitudes – only get at System 2 decisions. Not only do you need implicit and emotional measurement, you need to weight it and value them far higher.

“Any marketer must listen directly to and act upon what consumers say they need.” (39% agree)


The voice of the customer has never been louder. But it should be handled with care. People are poor predictors both of their own behaviour and their reasons for doing things – as shown by Daniel Kahneman and other behavioural economists, there is a tendency to post-rationalise rather than admit (or even be aware of) the role of emotion and heuristics in making judgements. Consumer listening is important, but should always be looked at in the context of behaviour – what actually happens, not just what people say they do and want.



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