Is Research Outsourcing Just For Large Companies?

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It is generally understood that outsourcing to offshore locations is ideal for large Market Research companies who have a considerable volume of scripting, data coding, processing or reporting requirements. An outsourced provider is able to deliver savings in the form of lower operational costs, improved turnaround time and other efficiencies. But are large companies the only ones that can benefit from outsourcing market research? The answer is no.

A less known trend on the rise is that recently, in addition to large companies, a number of small companies and boutique research firms are also outsourcing their research operations requirements to achieve scalability and growth. Fuelled by the recent recessionary market, there has been a rise in the number of small firms, employing between 2-10 full time workers who focus on client services and insight delivery.

These small or boutique research firms often promote their services based on 4 unique benefits - a personal service delivery promise, an innovative approach to address marketing problems, high quality outputs and lastly, shorter timelines with perhaps lower costs. To deliver on the last 2 promises, these firms need tight control over operations and access to best-in-class practices.

Unfortunately, relatively unpredictable work volume does not always allow these firms to invest in building an in-house operations team. This is where the outsourced business model makes a compelling case.

It allows the small research firm to focus on their core area of consulting, while the outsourcing partner applies the best operational practices and efficiencies. As the processes and project management capabilities of the outsourcing providers have matured, outsourcing to offshore locations like India has become much easier than it has been in the past.

Outsourcing partners successfully handle large volumes of work while catering to a very diverse audience.

By taking the outsourcing route boutique research firms are able to offer enhanced value to its client.

Consequently, boutique research firms are able to focus on end-client engagement and work on the details of research design, interpretation and key conclusions while the outsource firms provide them with strong operations support in scripting, data collection, project management, analysis and reporting; altogether resulting in quicker turnaround and reduced handoffs due to end-to-end management by the same partner.

Thus, while large companies outsource in order to increase cost savings and operational flexibility; small firms use outsourcing to enhance the value of their offering by leveraging the best-in-class practices of a reliable outsource partner.

Prerequisites to Identify a Right Partner
â€¢ Check the competence of the outsourcing partner - especially their domain knowledge, process maturity (as reflected in their documentations) and client references.
â€¢ Conduct a couple of pilot jobs so as to feel comfortable before signing a long term contract.
â€¢ Ensure protection of data confidentiality â€“ look beyond ISO standards or contracts on paper; look for existence of processes and project management practices in previous work.
â€¢ Define the services in advance and agree on prices in order to avoid soaring costs. Cost analysis is part of project planning and it can save a lot of trouble when the project is in progress.

In brief, if you are a small or mid size research firm and are struggling to find your competitive edge, consider outsourcing your operations. It has worked for numerous other firms like yours by streamlining various research processes.

Cross-Tab has an unparalleled experience and depth working with over 60 small and mid-size research firms across the globe. Contact us now to transform your business using our capabilities.

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