

# A Bright Future For Market Research

Contributed by Dr Thomas Hein  
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Market researchers must transform themselves into internal consultants who dispense insight not just analysis if they are to survive the next decade.

The internal market research department is under attack. Times are tough and market research, like every other function, is being called upon to demonstrate its value. Some companies have already outsourced the entire function and more are considering a similar move, so it is up to market researchers to justify their existence now and for the future.

Market research departments will be a thing of the past within a decade unless we embrace a fundamentally different vision of our roles. Firstly, we must deliver more than just data. The days are gone when senior managers are prepared to sit through a presentation of 200 slides; nowadays, market researchers must make clear recommendations that address the specific business question at hand. We must deliver insights that are rooted in good quality data and forged by our personal experience and expertise.

Secondly, market researchers must act as internal consultants. We must shrug off the cloak of invisibility and take responsibility for our opinions and recommendations. Market researchers that merely pass along a question from the Board or a senior manager to an outside consultant will never be seen to add value.

## Delivering the vision

In order to realise this vision, there are six preconditions that market researchers must meet in order to flourish. Firstly, market researchers need the right skills and the right personality. Must-have skills include: a solid background in statistics and experience in research design and analysis; an understanding of the strengths and weaknesses of secondary data sources; and, experience in strategic forecasting. Soft skills are just as important and market researchers of the future must be analytical, objective and accurate, they must be great communicators and possess an inspiring, convincing personality. Importantly, they must understand emotional drivers and be passionate about everything they do.

The second precondition focuses on that most precious of commodities – time. By outsourcing all activities that do not add value, market researchers will have more time to spend on value-adding activities, such as formulating insight-based recommendations. At Bayer Healthcare Pharmaceuticals, for example, the market research department produces around 1,500 Powerpoint slides during our quarterly reporting process. This is an incredibly time-consuming process but because most of these slides are converted from existing spreadsheets, it was possible to outsource their preparation to a company in India.

Thirdly, researchers must maintain a business focus if they are to become internal consultants, keeping their eyes firmly on the products and/or therapeutic areas for which they are responsible.

The fourth way to future-proof the market research department is to embrace diversity. Different is good – diversity sparks new insights, stimulates new ways of thinking and increases innovation. Diversity in all forms, in cultural and educational background, in experience and skills, in personality types enriches the thinking process and is particularly important when considering new markets.

Fifthly, maintain the independence of the market research function. While the budget for the research itself must remain with the internal customer – otherwise they will order every study they can think of – market research must be impartial if it is to consult from a neutral point of view. Marketers may not always like what researchers tell them, but CEOs and the Board are always interested in our evidence-based insights.

The final precondition needed to ensure the survival of market research is to give researchers a clearly defined career path. Traditionally, market research has not been seen as a “sexy” area for motivated, talented people to choose as a career, with many choosing marketing or business development instead. However, attracting and retaining top people is clearly a crucial component in creating a flourishing market research function.

## Resistance is futile

Even with a clear roadmap, transformation and change are never easy. Resistance is inevitable. Plus each company is different, possessing its own unique structure, goals and ways of working, so approaches must be carefully shaped to match the specific needs of each organisation. However, help is at hand.

Together we are stronger; the best way to develop innovative and effective solutions is through close collaboration. In addition to bolstering the overall future health of pharmaceutical market research through its important Code of Conduct,

which pushes for higher and consistent standards across the industry, its extensive training programme and its lobbying activities, the European Pharmaceutical Market Research Association (EphMRA) also provides vital public forums for discussion and debate.

Discussing issues, debating mutual problems and sharing insights are crucial to the transformation of market researchers from data crunchers to value-adding internal consultants. The Association's most recent meeting, held in Brussels earlier this year, brought over 80 senior market researchers from across Europe together to discuss this issue and others. The debate was lively and robust, and provided a great deal of insight that attendees were able to take back to their own companies; insight that will help them to survive the tough times we are currently live in.

The questions asked and insight generated reflected the concerns and hot issues of those working on the ground in pharmaceutical companies. How do I maintain the independence of my department in times of cost cutting? The answer: Fight for it! Expect your independence to be challenged and prepare for it; gather your data and arguments as you go, including examples of the path not travelled, where your advice saved money. How do I gain the buy-in of senior management? Sell the value of what you do but owning your decisions. Never start a sentence with "It depends"; always start with "I think" or "I believe". Have the courage to speak up when the wrong conclusions are being drawn from the data and senior managers will see the value of market research.

Other questions included: How do we maintain a business focus? The role of the market researcher is to ask questions of the person commissioning the research, to ask: "What business decision has led to this study?" If the answer is vague then researcher should advise that the study be revised. There must be a concrete business rationale for all studies. How do we ensure that we attract the right people with the right skills, and retain them? How do we make market research sexy? It is a virtuous circle: then we demonstrate our skills and our value, the more visibility we have with the brand team. The better market research is regarded within the business, the more people will want to come and build a career in market research.

#### The role of agencies

External market research consultancies also have a vital role to play in the transformation of market research. However, in turbulent times, the temptation to bypass market research in order to reach the marketing department or senior management directly is powerful. Agencies must resist this urge as this approach is always unconstructive.

The internal market researcher can be an agency's best friend. In smaller companies that lack a significant market research function, a closer link with marketing might be preferable, but never in larger organisations. Effective internal researchers understand the needs of the research, can help to choose the best methodologies, plus they have access to secondary data and they know the politics and personalities within their organisations.

As market research transforms, agencies too must take a hard look at their offering and be prepared to adapt. Project leads must be fully skilled market researchers, who understand all aspects of a project rather than just being sales persons. Agencies must offer in-depth statistical know-how across full range of market research methodologies, resisted the urge to shoehorn a customer's problem into their own methodology portfolio. Finally, agencies must understand the client and be empathic, they must ask more questions about a project and should feel able to challenge a client if they feel they have a better approach to answer the business question.

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