

Where Next? And, How To Get There?

Ray Poynter

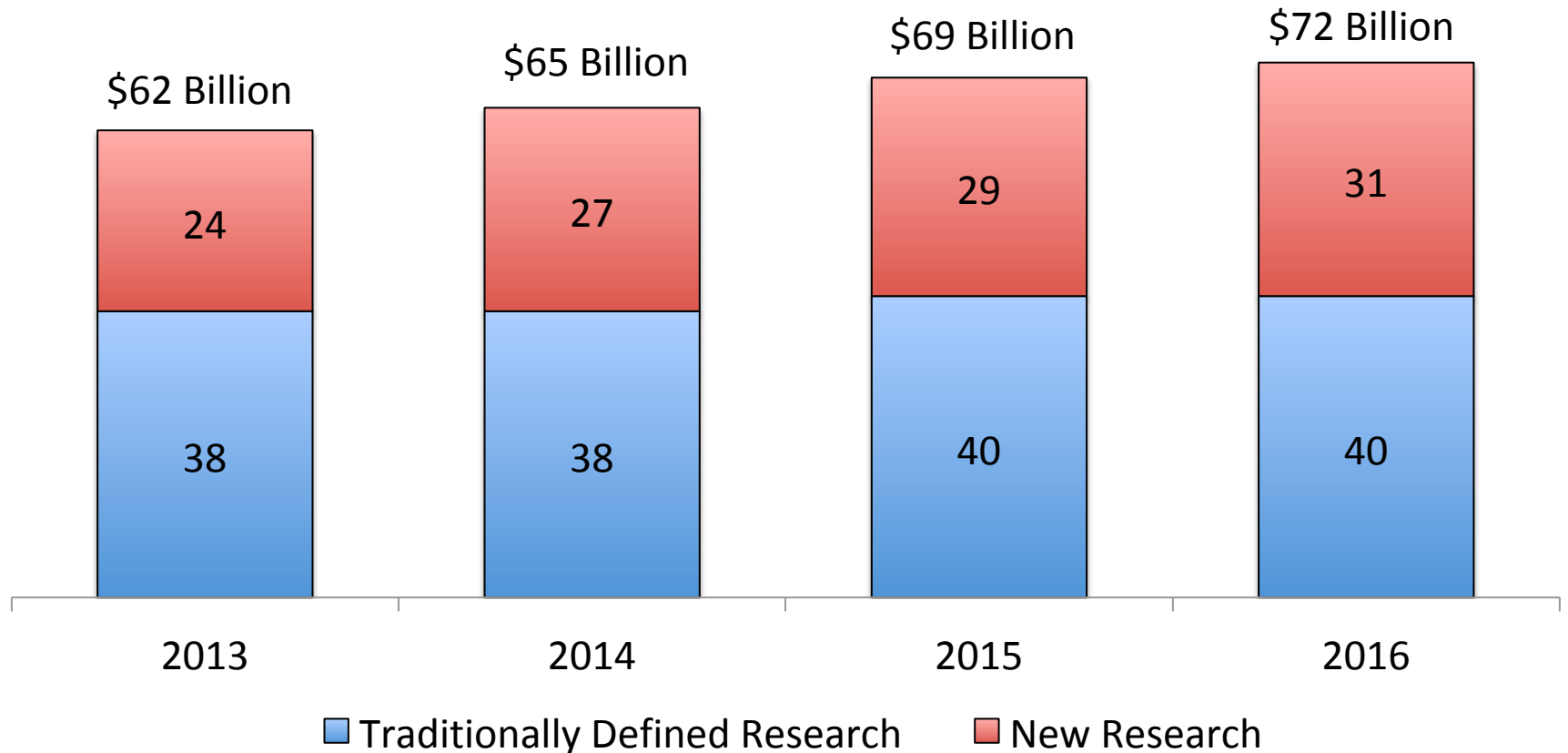
JMRA Annual Conference 2017

The Planning Cycle



Stephen King Planning Cycle

Research is Growing and Changing



Soon, more than 50% of market research will be non-traditional

US\$ Billions, all values expressed in terms of 2015 exchange rates

No More Surveys?

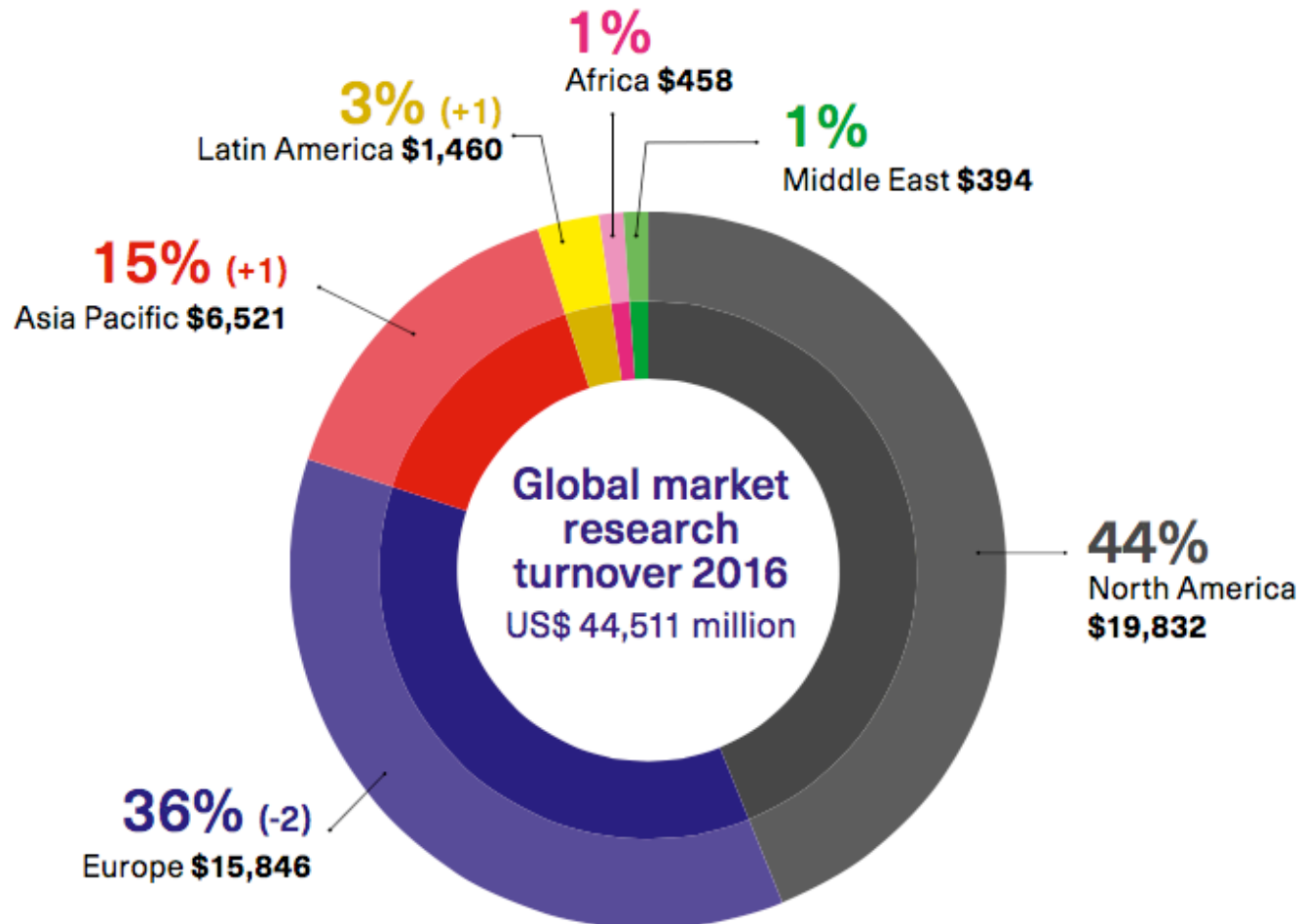
2010, at UK MRS, I forecast surveys as we know them today would have disappeared by 2030. In 2010, projects using Surveys = 56% of all Market Research spend, globally.

ESOMAR GMR	Survey	Qual	Other Net
2007	51%	14%	35%
2010	56%	13%	31%
2013	53%	17%	30%
2016	46%	17%	37%
2020 est.	39%	17%	44%
2030 est	20%	20%	60%

Figures show mode % of Global Total MR spend, US \$

- Surveys are in decline in market research
- But, they will remain a major tool for several years

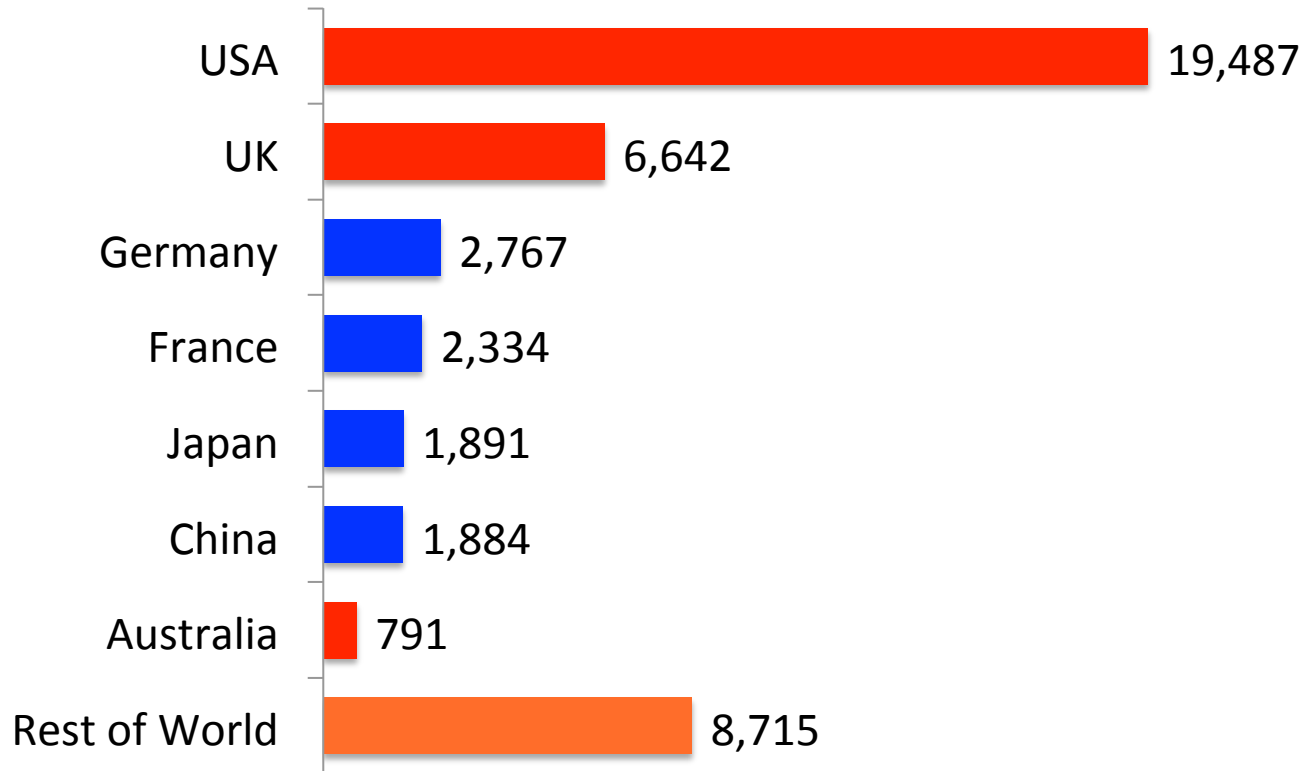
North America Dominates



New software and companies need to be big in North America or/and Europe to be a major player

英語 Dominates

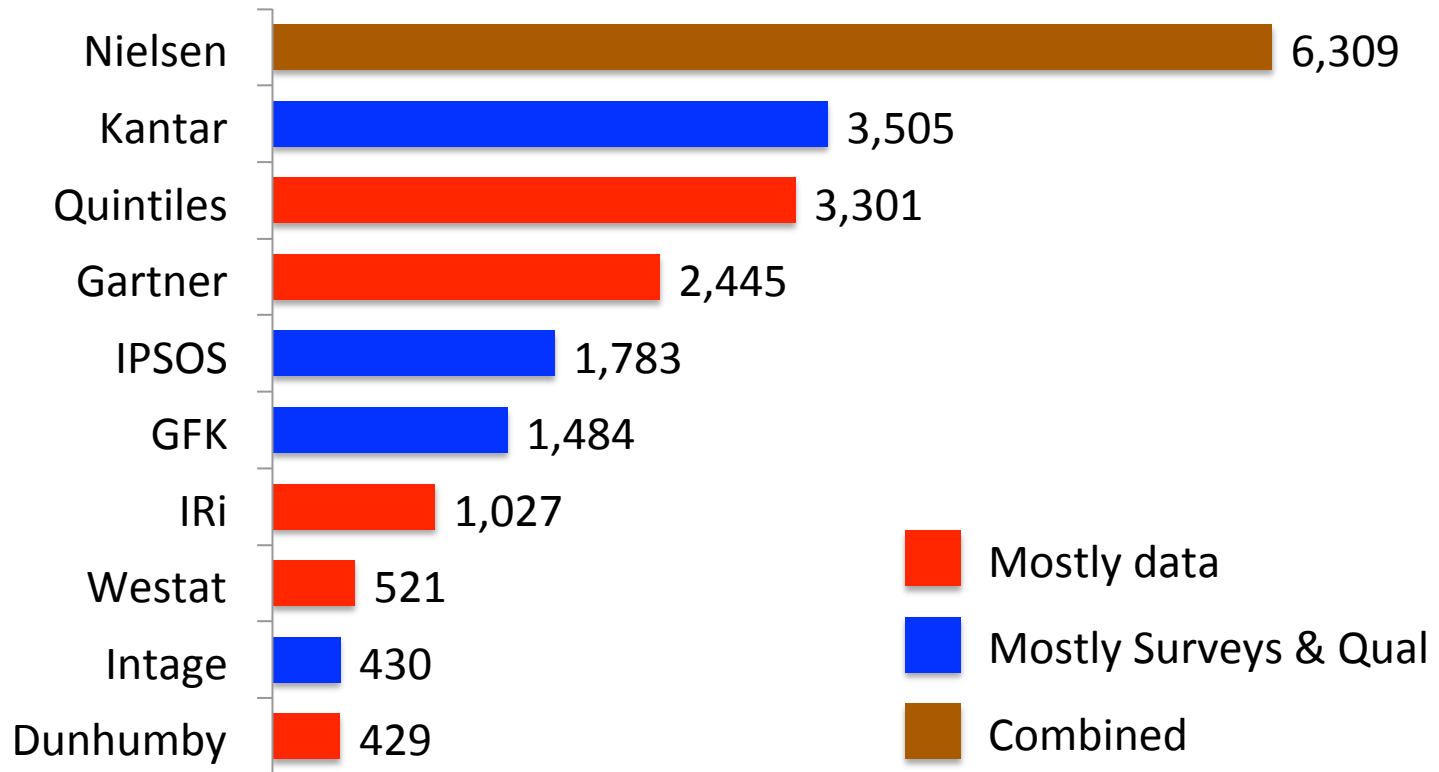
Top 8 Countries by Turnover



Most new methods/software are launched in English, and need to succeed in USA.

Data Companies Dominate

Top 10 Research Companies



Growth is happening in new methods and many of the largest companies are data focused.

Innovative Brands

Rank	Company	Notes
1	System 1 Research (Brainjuicer)	Consultancy / Storytelling (UK)
2	Ipsos	Traditional (France)
3	Nielsen	Traditional / Data (USA)
4	OdinText	Text Analytics (USA)
5	InSites Consultancy	Consultancy / Storytelling (Belgium)
6	Research Now	Access panel (merging with SSI) (USA)
7	GfK	Traditional (Germany)
8	Kantar Group	Traditional / Data (UK)
9	ZappiStore	Automated MR (UK)
10	LRW	Traditional (USA)
23	Macromill	Traditional (Japan)
30	Intage	Traditional (Japan)

1. Innovative companies are more likely to be traditional than data.
2. Data companies are growing without attracting attention.

Emerging Technologies

Technology	In Use
Online Communities	60%
Mobile First Surveys	50%
Webcam-Based Interviews	47%
Text Analytics	46%
Mobile Qualitative	44%
Social Media Analytics	43%
Big Data Analytics	39%
Mobile Ethnography	35%
Eye Tracking	34%
Micro-surveys	34%

Technology	In Use
Behavioral Economics Models	29%
Research Gamification	25%
Applied Neuroscience methods	21%
Facial analysis	20%
Prediction Markets	19%
Crowdsourcing	15%
Internet of Things	12%
Biometric Response	12%
Virtual Environments/VR	11%
Sensor/Usage/Telemetry Data	11%

Main trends: Mobile, data, communities

Smaller trends: Special hardware, non-standard interviews

The Rise in Automation

In use/piloting	Global
Analysis of Survey Data	56%
Charts & Infographics	56%
Text Analysis	53%
Social Media Analysis	46%
Sampling	42%
Survey Design	41%
Online qual moderation	37%
Analys Image/Video	36%
Report Writing	32%
Project Design	30%
Attribution Analytics	26%
Biometric/non-conscious	25%
<i>Base</i>	2583

The Rise in Automation

In use/piloting	Global	Japan	Difference
Analysis of Survey Data	56%	39%	17%
Charts & Infographics	56%	46%	10%
Text Analysis	53%	48%	5%
Social Media Analysis	46%	33%	13%
Sampling	42%	37%	5%
Survey Design	41%	35%	6%
Online qual moderation	37%	20%	16%
Analys Image/Video	36%	29%	8%
Report Writing	32%	41%	-9%
Project Design	30%	13%	17%
Attribution Analytics	26%	15%	12%
Biometric/non-conscious	25%	22%	3%
<i>Base</i>	2583	54	

The Key Drivers of MR Demand

1. Speed

Clients need results fast, and with faster results we see more evidence-based decision making

2. Cost

This has always been an issue, nothing new here

3. Agile

More test and learn, more rapid assembling from standardised components (think Lego)

4. Quality

Quality is only important in MR when the current offering is not good enough.

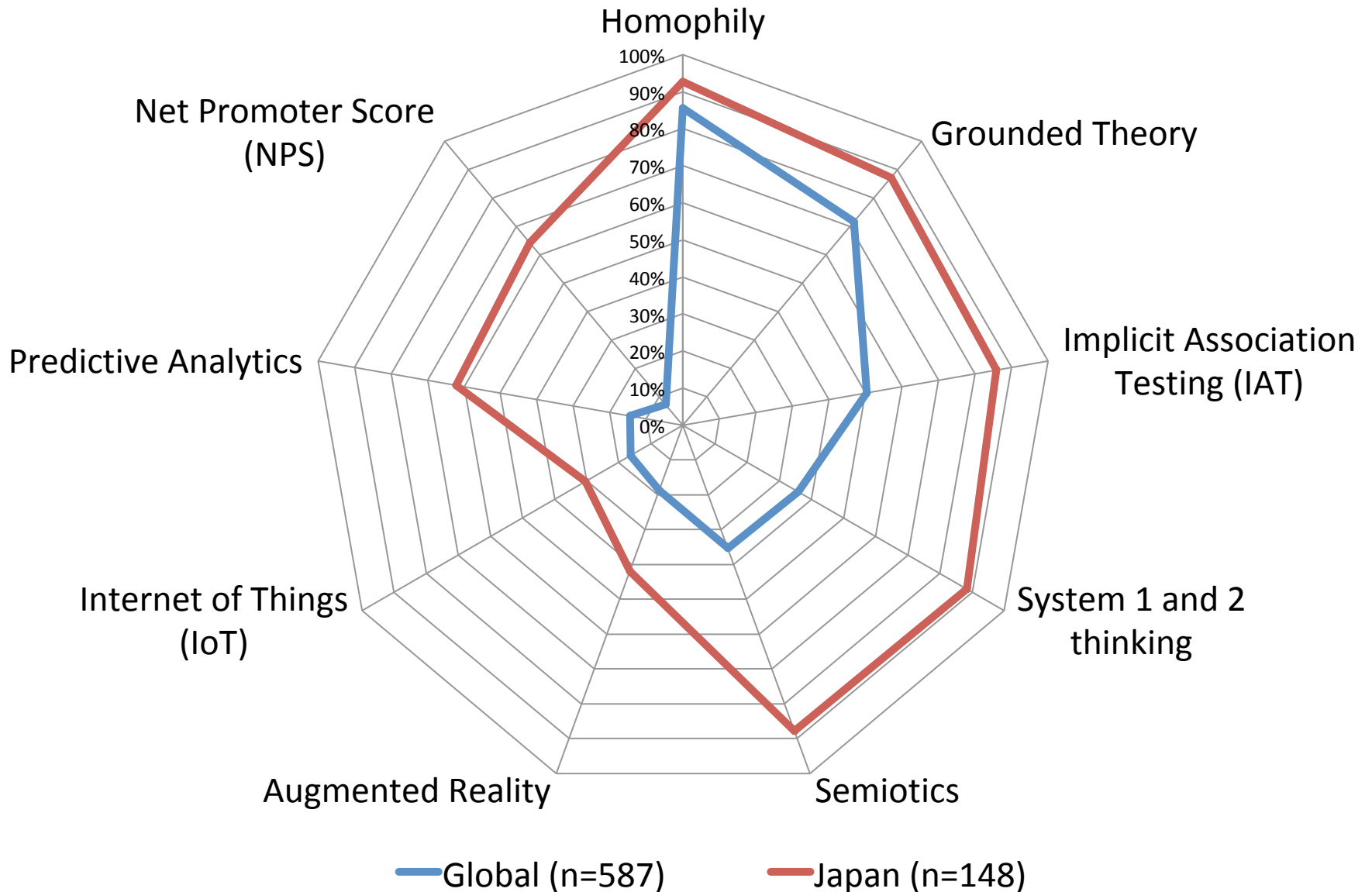
Where Are We?



- Traditional market research is growing, but growing slowly
- New types of research are growing, faster than traditional
- The MR world is dominated by English-speaking products, methods, companies, conferences, journals etc
- MR is splitting into two parts, data/automation and consultancy/storytelling
- Clients need either support or self-explanatory systems

Where Are We?

NewMR Benchmark Survey 2017
Techniques **Not** Understood

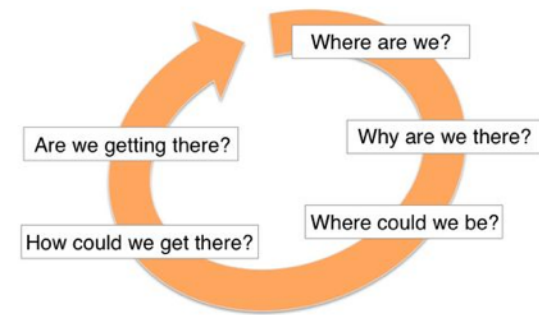


Why are We Here?



- The speed of business is getting faster, clients have less time
- There has been a massive growth in options
 - New techniques, new technology, new thinking
- Clients are less skilful at research methods
 - Because they are more busy and there are many new methods
- Traditional research has focused on surveys and focus groups
 - Allowing competitors to focus on data and DIY/
Automation

Why are We Here?



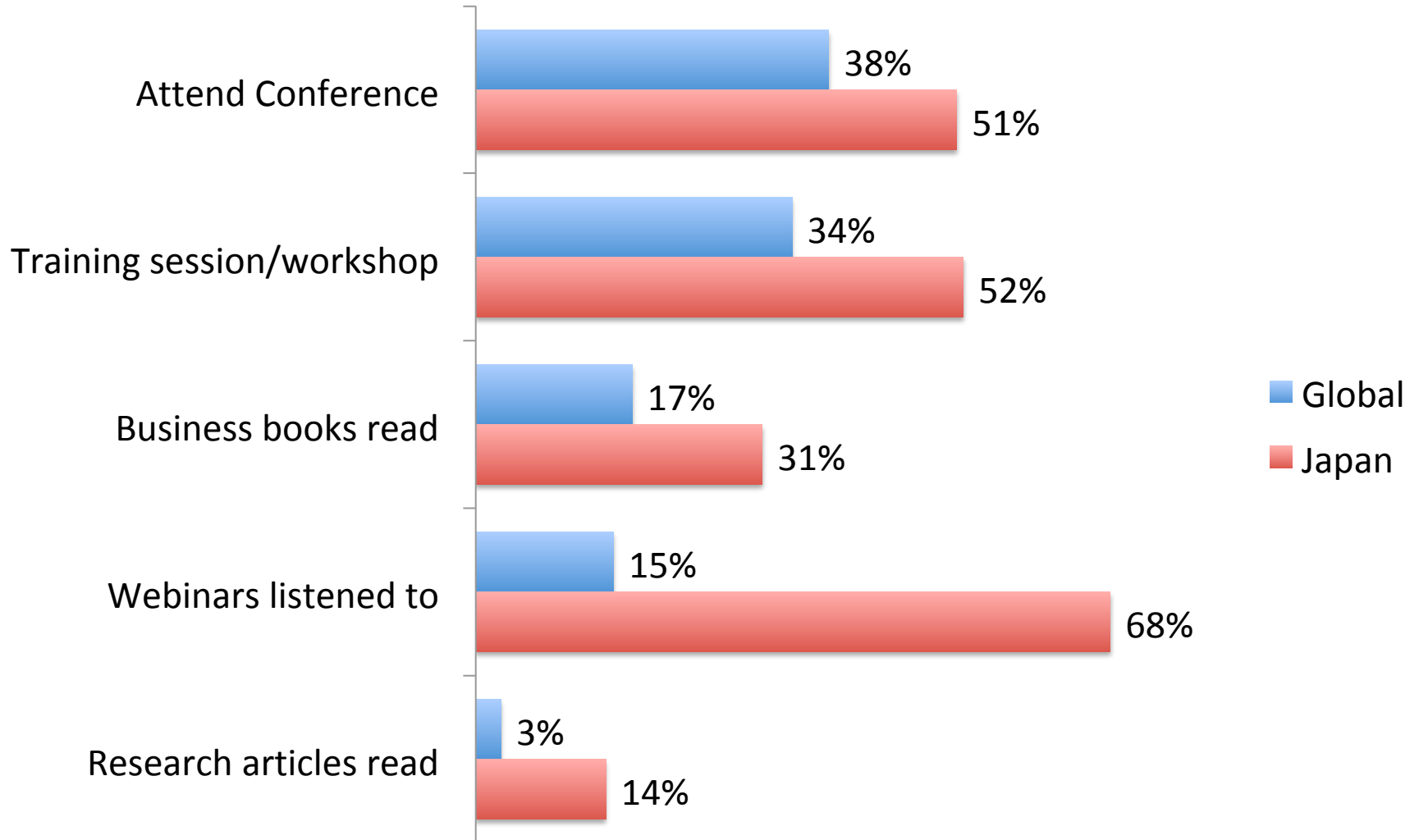
The rise of digital and information underpins the last 20 years.

The world has changed faster than most of the market research world.

Why are We Here?

NewMR Benchmark Survey 2017
Developmental Events in 2017

The percentage of researchers attending ZERO events in 2017



Where Could We Be?



Where Could We Be?



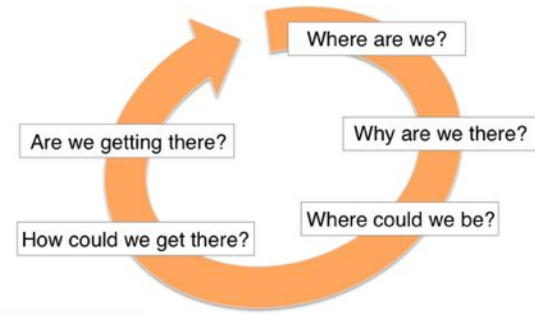
1. We could stay as traditional MR, growing slowly, or declining slowly
2. We could become part of BI (business intelligence)
 - Perhaps by being bought by BI companies
3. We could focus on new types of research
 - Analytics, data integration, solutions, and consultancy
4. We could focus on being consultants and storytellers
 - Which would mean we become a smaller, but possibly happier/more profitable

Where Could Japan Be?



1. We could stay as traditional MR, growing slowly, or declining slowly
2. We could become a much bigger international player
 - Enabling strong growth in Japanese MR revenue
3. We could become part of BI (business intelligence)
 - Perhaps by being bought by BI companies
4. We could focus on new types of research
 - Analytics, data integration, solutions, and consultancy
5. We could focus on being consultants and storytellers
 - Which would mean we become a smaller, but possibly happier/more profitable

How Could We Get There



How Could We Get There

- Global focus
- The Data & Consultancy split
- Automation
- Artificial Intelligence & Intelligence Augmentation
- The people we need for market research
- Ethics
- Be alert to change



Global Focus

Borrow from USA



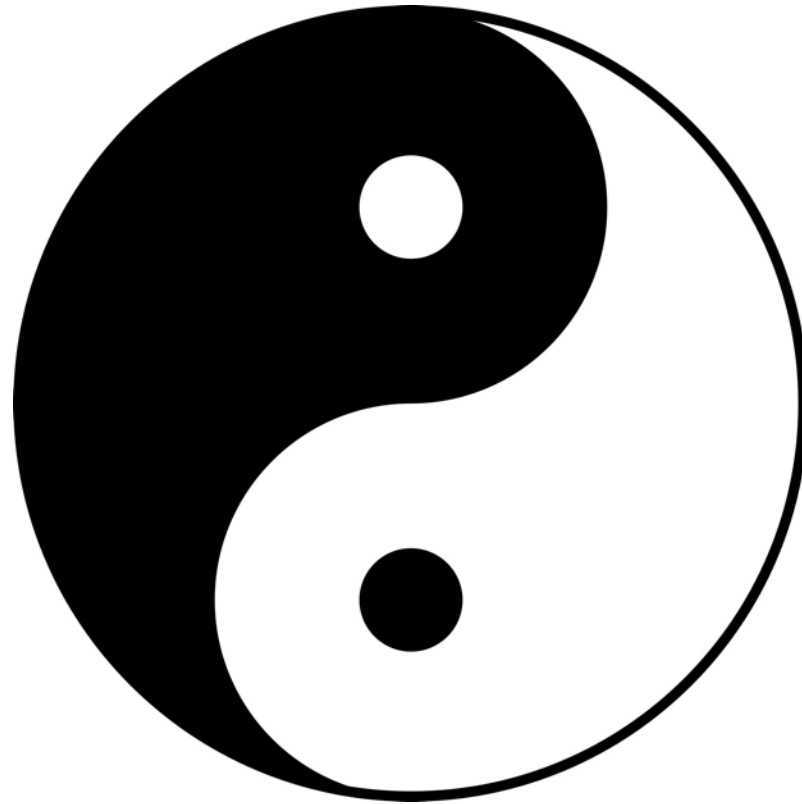
Compete with USA



Follow the money



The Data & Consultancy Split



The research industry is splitting into:

- 1) Data (including DIY and Automated research).
- 2) Consultancy and Storytelling.

The industry needs both, large companies need both, clients need both.

Automation



Automation is not a single change, it is a process that will take 10 or 20 years.
MR needs flexible tools, that will link together, to create agile solutions.

Artificial Intelligence & Intelligence Augmentation



The People We Need in MR

1. Management Consultants
2. Specialists
3. Polymaths

Developed by Simon Chadwick,
founder of Cambiar and Editor
of ESOMAR Research World



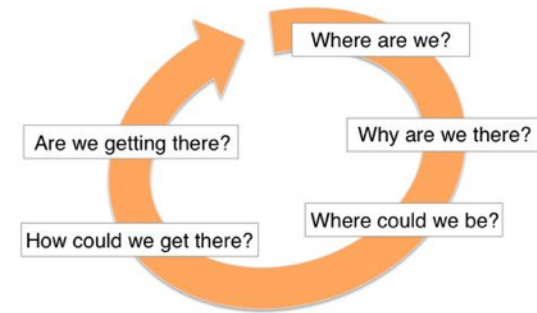
Ethics

- Facebook and Twitter issues:
 - USA/UK political mischief
 - Great Firewall of China
- GDPR – General Data Protection Regulation
 - European new law, from May 2018
 - Applies to anybody selling into and buying from EU
- Trade bodies continuously updating guidelines
 - National and international
- What confidence can we offer to end clients that these new research techniques actually work?

Be Alert to Change



Are We Getting There?



- Yes, a little bit
- Japanese brands appearing on more international lists (e.g. ESOMAR & GreenBook)
- More Japanese brands at international events
 - Having stands
 - Presenting papers (e.g. Coca-Cola and L’Oreal)
- Some use of new platforms
 - E.g. ZappiStore and Vision Critical
- New initiatives, e.g. mobile market research
- But, there is a long way to go

Big Picture

- Traditional Research is yesterday
 - New methods are the future
- Dichotomy emerging
 - Data / DIY / Automation / AI
 - Consultancy and Storytelling
- The tide of change is mostly English
- The key priorities are (usually):
 1. Speed
 2. Cost
 3. Agile
 4. Quality

Thank You

Questions?