

# The Futures of Marketing Research

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## INTRODUCTION

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Facing rapid social, technological, and economic change, the traditional marketing research industry will either adopt new tools and talent, repositioning itself in a more strategic, consultative space, or it will fall into decline.

The rate of change in marketing research will accelerate as new entrants from the wider emerging marketing research insights industry (management consulting, customer relationship management [CRM], customer experience management [CEM], data mining, DIY desktop tools, predictive analytics, neuromarketing, social media analytics, prediction markets, and cocreative digital consultants) converge with and redefine the traditional marketing research space.

With all this change, it is not surprising that some have even predicted that “the consumer-research industry as we know it today will be on life support by 2012” (Neff, 2008, para. 2).

The situation may not be this dire, but the industry’s transformation over the next decade is likely to be significant. Certainly, marketing research firms will still exist, but whether they exist under the name “marketing research firms” is an open question. More likely, the marketing research industry will transition from long-standing references to a more forward-thinking term such as, “consumer insights,” “business insights,” or “business intelligence industry.”

Instead, the industry is likely to reposition, rebrand, and rename itself. It will shift focus from asking to observing, questioning to discussing, collection to analysis, insight to foresight, rational to emotional, large surveys to data streams, quarterly trackers to 24/7 insights

communities, geographically fixed to mobile, siloed to converged, cognitive self-reporting to precognitive neurosensing, and project-based work to engagement-based consulting. It will find ways to integrate itself across the strategic decision-making process, will help its clients pull insights from disparate data streams, will aggressively leverage foresight tools, will be nimble, and will make speed a core competence by fully leveraging the 24-hour global clock.

This chapter explores four questions about the plausible, plural futures of marketing research:

1. What forces are shaping the futures of marketing research?
2. What might these industry futures look like?
3. How might those in the field adapt to compete in these futures?
4. How might those in the field (or currently outside it) create preferred futures?

To explore these questions, we will use futuring tools from the field of strategic foresight (Hines & Bishop, 2006) to analyze the social, technological, economic, and political forces driving probable marketing research futures. We will review a baseline forecast for the industry's evolution, explore 22 plausible developmental futures, and close with some general strategic observations about how actors at the corporate and individual level might compete for the future (Hamel & Prahalad, 1994).

## FORCES SHAPING THE FUTURE OF MARKETING RESEARCH

There was a time when the marketing research industry was fairly predictable and orderly. There were clearly defined roles, spaces, and processes with professionals either working in the insights function of a corporation or working for a supplier. One typically became a researcher by completing a social science education followed by what amounted to a series of white-collar apprenticeships. There were a standard set of tools. These tools were built on an interrogatory model. And the heart of this asking-based system was the survey instrument, the industry's premier data-collection vehicle and central paradigm.

There was quite a bit of stability and predictability in this system. But nothing lasts forever. Although not entirely gone, this era of classical marketing research is clearly passing. Consider the future of the two primary workhorses of traditional research, the standard 15- to 20-minute survey and the two-hour focus group.

The traditional survey is a beleaguered tool, struggling with low participation rates, respondents speeding through surveys, data quality issues, and projectability concerns. As Donna Goldfarb, vice president of consumer market insights for Unilever Americas, has noted, "I don't know if we are going to have a choice but to move away from survey research" (Goldfarb, as quoted in Neff, 2008, para. 3). Surveys are almost certainly going to become much shorter, more interest based, and triggered by a respondent's physical location.

Now, consider the focus group. Focus groups, with their relatively short time spans and high travel costs are likely to be squeezed by insights communities (also known as

marketing research online communities or MROCs), which act like a large, free-ranging, 24/7 focus group discussion. Although far from doomed, traditional surveys and focus groups are likely to play a diminished role relative to next-generation tools.

## The Industry of the Future

The marketing research toolbox is clearly in transition. A recent Advertising Research Foundation (ARF) member survey segmented research tools into four categories: (1) passing, (2) timeless, (3) transitional (so named because some see them as fads while others see them as the future), and (4) emerging (Wittenbraker, 2010).

**Table E.1** Research Tool Segmentation

Passing Tools	Timeless Tools	Transitional Tools	Emerging Technologies
Telephone surveys	Marketing mix modeling Online surveys Focus groups Ethnography Econometric modeling	Social media Insight communities Text analytics Virtual reality Neurobiometrics	Mobile research Passive data (GPS, RFID) Web-use tracking

One look at the transitional tools and emerging technologies featured in the previous research toolbox chart highlights the significant amount of change on the horizon and the emergence of more passive, observational tools. Practitioners clearly believe mobile research, passive data collection via GPS and radio frequency identification (RFID) and web-use tracking will define the futures. And many in the industry see social media analytics, insights communities, virtual reality environments, and neurobiometrics as either trendy or cutting edge.

Moving beyond research tools, two statistics hint at the significant change about to overtake the traditional marketing research industry. First, 80% of global research spending is currently dedicated to quantitative, survey-based, research (ESOMAR, 2010b). As spending shifts toward observational, cocreative, and anticipatory tools, we can expect significant reallocation of spending within the industry. Second, two-thirds of all traditional marketing research is conducted in the five aging industrial democracies of the United States (30%), the United Kingdom (11%), Germany (9%), France (9%), and Japan (6%) (ESOMAR, 2010b). Eventually, there will be a strong influx of research spending into emerging economies. When combined, the implications of these two data points are staggering. The growth of noninterrogatory tools and emerging markets will reshape the industry.

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## TRADITIONAL MARKETING RESEARCH VERSUS EMERGING MARKETING RESEARCH

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In thinking about the futures of marketing research, it is critical to distinguish between the traditional marketing research industry and the wider emerging marketing research industry.

The traditional \$28.9 billion global marketing research industry (ESOMAR, 2010b) is defined by the corporate insights function; their large suppliers; the core research tools, such as the survey and the focus group; and a skill set focused on project management, questioning, and statistical analysis. Created in the 20th century industrial age, the traditional marketing research industry often displays what Mike Cooke of Gfk has called an “over reliance on an industrialized view of research” (ESOMAR, 2009, p. 51). It is defined by the first evolutionary stage in marketing researching, the asking epoch.

In the beginning of the asking epoch, data were expensive. Large suppliers built the equivalent of a vertically integrated, industrial corporation to collect, process, structure, analyze, report, and consult on data. Many still struggle with this organizational legacy long after the closing of the industrial era.

The organizing framework in this epoch was the survey, especially the quarterly tracking survey, a product on which many of the larger firms still depend. The traditional marketing research industry has many positive qualities, but it and the asking epoch, in which it flourished, have several significant weaknesses. These include a dependence on self-reported behavior; a focus on the present and past; limited ability to engage subjects in a protracted, cocreative dialogue; and a reliance on periodic, as opposed to continuous, reporting. These weaknesses have left the traditional marketing research industry open to significant competition from the wider insights industry.

In contrast, the emerging marketing research industry includes new entrants from management consulting, social media, software, and business intelligence that are increasingly providing insight-driven consulting in competition with traditional marketing research. The wider insights industry was created in the information age. It surrounds traditional marketing research with next-generation technologies and firms defined by observation and listening. Examples of these wider insights industry tools are illustrated in Table E.2 and include social media analysis, neuromarketing research, insights communities (MROCs), predictive markets, and mass simulation gaming.

Can traditional marketing research firms adapt to this new reality by adding next-generation tools and practices from the observational epoch? Maybe. Many traditional research companies are buying neuromarketing firms, experimenting with eye-tracking technology, learning how to build and maintain insight communities, and exploring social media listening platforms. For example, the marketing research giant Kantar owns traditional and social media analytics firm Cymfony, and research agency Maritz recently acquired social media analytics firm evolve24. But, if history is any guide, many of today’s marketing research suppliers, including some of the larger players, will struggle through the transition.

**Table E.2** Traditional Versus Emerging Marketing Research Industry

	<b>Traditional Marketing Research</b>	<b>Wider Insights Industry</b>
Firm Types	Full-service custom suppliers Syndicated research suppliers Niche Sector expertise firms	Management consulting Social media Software CRM Business intelligence Data mining
Founding Time Period	Industrial age	Information age
Example Firms	Ipsos Gfk Synovate Harris Interactive ORC	McKinsey BCG SPSS IBM Communispace Clarabridge Nunwood Comscore HYVE Conversion Autonomy
Methodological Focus	Asking (survey data collection)	Observing
Signature Tools	Custom survey research Tracking surveys Live focus groups	Data mining Text analytics Insight communities Model building
Customer Engagement	Project work Tracking studies	Retainer-based consulting Software as a service
Buyer	CMO Insights Function	C-suite CMO Insights Function

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## THE FIVE GREAT CHALLENGES FOR THE FUTURE OF MARKETING RESEARCH

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Marketing researchers have identified detailed lists of challenges to the industry. In fact, ESOMAR's Global Marketing Research 2010 report specifically identifies DIY research, commoditization, alternative data sources, new entrants, overreliance on technology, and respondent fatigue as the top threats in its strengths, weaknesses, opportunities, and threats (SWOT) analysis (ESOMAR, 2010b).

But at a macrolevel, the industry faces five primary challenges that will shape its future:

1. Data abundance
2. Asking-observing shift
3. Convergence
4. Democratization
5. The strategic imperative

### Data Abundance

As noted earlier, marketing research was born in the industrial age when data and information were still scarce and expensive. Increasing geometrically, data has gone from scarce to abundant within a generation. As far back as 1998, a marketing research textbook was pronouncing that "at least in developed economies, data has moved from being a scarce commodity to a burdensome surplus" (Lehmann, Gupta, & Steckel, 1998, p. 15). We are drowning in a torrential stream of data.

The central challenge now is the creative intelligence needed to synthesize these vast data flows into information, knowledge, insight, foresight, and strategy. Our technical ability to gather data outstrips our creative ability to synthesize it. T. S. Eliot (1934) captured this problem best in his 1934 work "The Rock":

Where is the wisdom we have lost in knowledge?

Where is the knowledge we have lost in the information?

Unfortunately, like many institutions born in one era and competing in another, marketing research is struggling to keep up. The marketing research industry created data collection and information processing factories when data were scarce commodities. But the problem with basing a business on information collection and control is that, to quote Stewart Brand at the first Hacker's Conference, "Information wants to be free."

The industry now must adapt to a world of abundant data in which insight-driven strategy, as opposed to simply the reporting of data, is scarce. If the industry cannot make the transition from industrial collector of data to strategic sifter of data flows, it will be caught in a commodity trap.

Moreover, the marketing research industry, broadly, and the corporate insights department, in particular, are no longer central information choke points in a world of scarce data. Consumer information can be accessed and analyzed without the help of the insights function via DIY tools such as, Google Analytics, SurveyMonkey, and a host of free or inexpensive syndicated products. Employees across the corporate structure can access this information without going through the corporate insights department. The corporate insights function is no longer the only gateway to critical business data.

Consider the experience of the travel agent, real-estate agent, and stockbroker. All three operated as the informational conduit to their buyers. The travel agent and the real-estate agent operated in a system in which data about vacation options and houses was scarce. Consumers didn't have the time, skill, or wherewithal to search through myriad travel options or access the multiple listing service. But now, consumers plan much of their vacations using online databases and marketplaces, such as Orbitz and Priceline. And the real-estate agent's stranglehold on data is now gone, as consumers shop for their next home with powerful online search tools.

The case of the stockbroker may be the most relevant to marketing research. Discount brokerages and superabundant investing information have forced the profession to move toward financial planning. Executing trades became a commoditized service, so the industry migrated up the value chain to advisory services. We can anticipate marketing researchers and the industry attempting a similar strategy.

For us to better explore the industry's migratory repositioning, we need a model for thinking about the underpinnings of insight-driven strategy. One useful model to draw on is the knowledge hierarchy explored by T. S. Elliot, Russell Ackoff, Milan Zeleny, Chaim Zins, and others (Ackoff, 1989). Ackoff's foundational knowledge hierarchy moves from data to information to knowledge to understanding to wisdom. Customizing this model for marketing research creates what I call the "insight-driven strategy superstructure." Without this supporting superstructure, insight driven strategy is impossible.

The superstructure begins with data, progresses to information, and is converted by analysts into basic knowledge. These are based on the past and present. The flow then switches to a future orientation at the insight stage.

Based on this model, traditional marketing research should ask itself these three difficult questions.

1. Which one of these six stages best describes marketing research's product today?
2. Which one of these six stages best describes the corporate customer's expectation of marketing research?
3. Which one of these six stages should best describe marketing research in five years?

## Asking-Observing Shift

Flowing directly from the challenge of abundant data is the epochal shift in marketing research from asking to observing/listening. The shift from collecting scarce data via questioning to sifting abundant data via listening and observing is tectonic, and it will radically change how marketing research harvests insights. This does not mean that the survey will

**Table E.3** Insight-Driven Strategy Superstructure

	<b>Data</b>	<b>Information</b>	<b>Knowledge</b>	<b>Insight</b>	<b>Foresight</b>	<b>Strategy</b>
<b>Defining Traits</b>	Recorded observations	Dataset Datafile Topline Data cross tabulations	Descriptive facts	Narrative Understanding of relation and causation	Understanding projected into the future	Planned activity to achieve a goal within a competitive framework
<b>Generative Activity</b>	Collecting	Processing Structuring	Analyzing	Synthesizing Probing Causation	Anticipating	Planning
<b>Temporal Focus</b>	Past Present	Past	Past	Present / Future	Future	Future
<b>Deliverable</b>	Raw data	Datafile Topline data Cross tabulations	Useful facts “know how”	Actionable knowledge Implications	Probable and preferred futures	Sequenced actions Resource allocation

cease to exist or that the industry will stop asking questions. But it does mean that the age of the survey as dominant tool is fading.

## Convergence

The next great challenge for the industry is domain, tool, and data convergence. New entrants from management consulting, social media, software, strategic foresight, and predictive markets are on the brink of redefining the traditional marketing research industry. New tools, such as, social media listening platforms, insights communities, advanced data mining, predictive markets, DIY desktop survey applications, eye tracking, and neurological monitoring, are poised to merge with, and in some cases replace, the traditional marketing research workhorses. Finally, the abundance of data from many sources will spawn firms and professionals that can sift through, connect, and pull insights from multiple data streams.

In fact, the traditional marketing research industry is likely to experience many new entrants. As ESOMAR's Global Marketing research 2009 pointed out,

Advisory and consulting skills are growing in importance as researchers are increasingly called upon to draw conclusions and provide advice based on their findings. While trying to reposition themselves higher up the value chain, research agencies come across other organizations that, perhaps, beforehand, were not considered to be competitors (such as management consultancies). (ESOMAR, 2009, p. 36)

Although prescient, this likely *understates* the issue. It is not just that some traditional marketing research firms are migrating up the value chain and discovering new competitors there but that these competitors are migrating into the traditional marketing research space as well.

For example, with their move into data-based consulting and their purchase of SPSS for \$1.2 billion, IBM is clearly moving into the insights space. Another example of this phenomenon is the formation of NM Incite, a joint venture between Nielsen and McKinsey that combines Nielsen's social media measurement prowess (BuzzMetrics) with McKinsey's powerful business consulting brand. Management consulting is clearly moving into the insights ecosystem to strengthen its core business.

Besides several industries converging to redefine the marketing research space, we are also likely to see the convergence of research tools and data streams. Ultimately, these multiple data streams will be incorporated into a robust and customized customer voice portal with streaming social media analytics, CRM/CEM data, complaint data, project-based insights, and proprietary online community (MROC) data all occupying digital real estate on the same platform and knitted together with a knowledge-management system. This portal will act as a desktop insight hub, and the marketing research industry should strive to own this portal outright, as opposed to fighting over real estate within it. In this endeavor, IT firms, such as, Clarabridge and Nunwood Knowledge Management, seem to have made the most progress.

## Democratization

One of the tenets of traditional marketing research has been the concept of the controlled experiment with research participants, a stimulus and a measured response. Transitioning away from the controlled experiment and toward more open, cocreative systems will be a challenge for traditional marketing research. The possibilities for insight democratization are endless.

Consider soft drink brand Mountain Dew and its "DEWmocracy 2010" campaign in which Mountain Dew fans whittled the initial field from seven new products to three and, finally, chose White Out. DEWmocracy had consumers openly picking flavors, names, packaging, and advertising.

There is no reason why this approach couldn't be replicated across any number of product categories using open- or closed-insights communities with predictive markets, similar to those employed by organizations such as Betfair, Intrade, TradeSports, Inkling, and the Iowa Electronic Markets. Companies such as Brainjuicer are already using predictive markets to replace traditional concept testing via monadic cells. In the end, more open, cocreative, and peer-to-peer methodologies will evolve.

## The Strategic Imperative

The only legitimate use for data-driven insights is informing business strategy and, ultimately, increasing competitive advantage, which, in turn, produces company growth. With data now abundant and the traditional marketing research industry faced with the threat

of commoditization, traditional marketing research suppliers have one of only two options. They can accept commoditization and focus exclusively on efficiency and accuracy of data collection, or they can migrate to insight-driven strategy. Neither will be easy, but the latter appears to be more preferable.

One of the challenges to this migration up the value chain is the image many insights functions have within their organization.

The Boston Consulting Group's 2009 report on this topic (Egan, Manfred, Bascle, Huet, Marcil, 2009) found that (1) most of the work being done was tactical as opposed to strategic (p. 5), (2) only 40% of line managers felt that the insights teams was viewed as "thought leaders within the organization" (p. 15), (3) only 35% of executives describe their insights function as best in class (p. 4), (4) only 34% of line managers agreed that the insights team "consistently answer the question 'so what'" (p. 4), and (5) only 32% of line managers could agree that the insights function translates "research findings into clear business recommendations for senior executives" (p. 15).

Alex Batchelor, chairman of the Marketing Society and CMO of TomTom, summarizes the problem best when he writes,

In a 20 year career in which I have worked for Unilever, Orange, Royal Mail and TomTom, as well as in advertising and brand consultancy—it is disappointing to report that I have met only one CEO, who spontaneously asked me about marketing research, and none who came from a marketing research background. (Batchelor, 2010, p.17)

Both sides are clearly to blame for this, as management engagement is often weak, leading to fuzzy research objectives and poor project scoping (Rathjen, 2008). But this only makes the strategic migration more difficult.

How does the traditional marketing research industry ascend the strategy ladder?

The BCG model (Egan et al., 2009) for this ascension places insights functions into four stages of development leading from today's traditional function to a strategic foresight organization.

1. The traditional marketing research function
2. The business contribution team
3. The strategic insight organization
4. The strategic foresight organization

As has been pointed out, the first stage is the traditional marketing research function. In this phase, the focus is knowledge creation, and the methods are surveys, focus groups, and other qualitative approaches. The work is generally tactical and project driven, and the professionals are masters of the classic, technical skills.

The next stage is the business contribution team. In this phase, the focus is insight discovery, and the methods are a mix of traditional and innovative (ethnography and social media). The work is a mix of strategic and tactical, and projects build on one another.

The third phase is the strategic insight organization. Functions that have achieved this development phase are focused on insights that drive business results. They expand “beyond the consumer to economic data and trend work” (Egan, Manfred, Bascle, Huet, & Marcil, 2009, p. 28). The work is largely strategic and a “knowledge capture system spans past research studies” (p. 28). The professionals have shifted from a focus purely on methodology to a focus on “integrated thinking, pattern recognition, and communication” (p. 28). At this stage, professionals have a more eclectic background and not purely in marketing research.

The fourth and final stage of evolution is a strategic foresight organization. At this level, the work is focused on driving competitive advantage. It is predictive and future driven. Methods include the traditional and innovative but have expanded “beyond the consumer to economic data and trend work” (Egan et al., 2009, p. 28).

Where would you place the industry today?

Where would you place your organization?

If you could not place your organization in the third or fourth evolutionary phase, then what is your strategy to get there?

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## HOW TO COMPETE IN THE FUTURE

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Given the five great challenges to the industry today, what industry futures exist?

Which futures are most advantageous to you, your function, or your firm?

What futures could you create that would advantage you, your function, or your firm?

A traditional approach in the field of strategic foresight is to review what Smith and Raspin (2008) call “remote environment factors” and analyze trends within the so-called STEEP framework (Hines & Bishop, 2006). The STEEP framework is composed of societal, technological, economic, ecological, and political forces that we can identify in the present and believe will have a significant impact on the future. In this instance, we will modify the STEEP framework and quickly look at the social, technological, economic, and political (STEP) forces likely to shape the future of marketing research and the wider insights industry.

### Social Drivers

There are three societal game changers likely to impact marketing research in a significant way. They are (1) fragmentation, (2) the rise of social networks, and (3) privacy consideration.

The first driver is fragmentation of values, lifestyles, audiences, communication channels, and consumption habits. Here we need to think about what society looks like when we apply the so-called “long tail” of online retailing to everything. Extreme, individualized choice may be a challenge to societies, especially traditional ones, but it could be a boon to marketers and marketing researchers focused on selling to niches and nanoniches.

The second, and related, societal trend is the rise of digital social networks, user-generated content (UGC) and peer-generated tribes. These networks are channels and authorities unto themselves, and are replacing an era of vertical, top-down communication, with horizontal,

peer-to-peer communication. Marketers won't be able to control these communications channels. They may influence them with authentic dialogue, but as the mass market, mass-advertising age grows smaller in the rearview mirror, new marketing models will emerge. Here, we can expect a shift from creating advertising and messaging that moves a mass audience in a top-down manner to crafting ideas that replicate horizontally across social networks like viruses.

In this case, fields such as epidemiology and memetics, the study of self-replicating ideas first proposed by Richard Dawkins (1976) in the *Selfish Gene*, may have a significant role to play in the future of marketing research. We already see the power of viral campaigns and the viral spread of videos on YouTube. As social media replaces broadcasting, viral campaigns will become *big buzzness*.

The third and final societal driver is how consumers react to the explosion in personal, consumer data. Some consumers will recoil in shock and fear at the data being amassed on them. Some of these consumers may even become the new "off-gridders," citizens valuing their privacy more than the convenience that data sharing can give them.

The other extreme of this privacy continuum could be the world's youth. With more *laissez faire* attitudes about personal privacy, the young may view highly customized offers and highly detailed purchase recommendations as a modern convenience and not an incursion.

How individuals react to privacy issues will dramatically impact research cooperation levels.

How societies and their governments react will impact marketing research in the political sphere.

## Technological Drivers

Although we are living in a time of rapid technological change, four general technological changes will have a significant impact on marketing research. These are (1) technology-created time compression, (2) the data explosion, (3) new observational tools at the macro- and microlevel, and (4) mobile telephony and geolocation.

The first is simply the increasing velocity of life. Time compression and velocity seem to be constants among the consumers we study and the business environment in which we operate. For the foreseeable future, this makes speed of data collection, analysis, and reporting a competitive advantage. The implications of this are explored in the Need for Speed scenario later. Like it or not, we are all competing against time (Stalk & Hout, 1990).

The data explosion is the second great technological driver of change for the industry. Whether in the form of transactional data, customer feedback, syndicated research, proprietary research, or observational data in the social media space, it is plentiful and ubiquitous. And yet many organizational structures have not kept pace. In fact, many research suppliers still labor under organizational structures built around data scarcity, designed as vertically integrated data collection factories vacuuming data.

If the image for marketing research in the past was the vacuum cleaner sucking in hard-to-collect data, then the new image is the filter separating the key insights from the mass of abundant data. This has profound implications for the futures of marketing research.

Supplier business models based on the industrial model are likely to struggle. Relative to analysis and synthesis, staff mastery of the data-collection process will be less valuable. Data mining and analysis across multiple data sets will grow in value.

Other technological drivers are observational tools at both the macrosocial (social media, data mining, geolocation data) and microindividual (eye tracking, fMRI, neuromarketing) level. These observational tools are likely to create a paradigm shift in marketing research as the industry is pushed from an era of asking via surveys and focus groups to an era of observing and listening. Tobii eye-tracking equipment and Clarabridge's social media analytics are just two excellent examples of this trend toward observation and listening. These new observational tools will not fully replace the traditional survey. But coupled with declining survey respondent cooperation rates, it is conceivable that these tools will significantly displace survey work.

Mobile telephony would be a technology-based change agent by itself, but coupled with GPS dependent geolocation, it is a very strong futures driver. The initial rise of mobile telephony challenged the traditional landline-based telephone survey, transitioning a significant amount of survey work online. But the rise of smart phones with the ability to prompt consumer feedback based on their location could be a quantum leap forward. Location-dependent social media services, such as Foursquare, Facebook Places, or Gowalla, are already surging among the young. It is not hard to imagine researchers conducting very short and extremely targeted surveys to coffee drinkers when they enter a Starbucks, frequent fliers when they enter a major airport, and shoppers when they enter a mall. Nor is it difficult to imagine even more finely tuned geobased research conducted, for example, among affluent shoppers across national markets, as they enter the frozen-food section of a supermarket.

### **What will consumers think of this? Will they find it too intrusive?**

Certainly, location-dependent research (LDR) could ignite the kind of privacy concerns we reviewed earlier as a social driver. Ultimately, some LDR tools will be useful to researchers and acceptable to research subjects, but at this early date, it is difficult to gauge what LDR tools will be considered in and out of bounds.

Finally, we need to conclude our thinking about technological drivers with a note of caution. Andrew Odlyzko (2010), a mathematics professor at the University of Minnesota and a 26-year veteran of research and research management at AT&T reminds us, "While the general impression that technology forecasts are far too optimistic is true, it is not universally true" (p. 7). As he points out, "We don't live in underwater cities, nor do we commute in helicopters" (p. 7). But "There are many technologies that have surprised not only the general public, but sometimes even their inventors and promoters with their success" (p. 7).

The primary difficulty in technology forecasting is the human factor (Odlyzko, 2010). How will research subjects react to these technologies? How will suppliers and insights functions choose to use these tools?

Most of us fall into the trap of assuming that one technology, after sufficient introduction, replaces another. But as Odlyzko (2010) points out, this is not always the case. In fact, far from outright replacement, some new technologies "serve to strengthen their predecessors" (p. 7).

Odlyzko cites the railroad as a new technology that actually increased the use of a previous technology for a time. The rail was expected to kill the horse, but the number of horses in Great Britain did not peak until 1905. Why? Because, by expanding the volume of goods that could be transported and sold, the railroad increased the need for horses to haul goods to and from railroad depots. The classic “first mile, last mile” challenge unique to transportation hubs required more horses to transport products shorter distances.

Today, many of us in emerging marketing research believe that social media listening posts will replace some traditional survey work. Although it seems unlikely, could social media listening prompt so many additional lines of inquiry that large amounts of short, focused surveys are needed to explore these questions?

## Economic Drivers

The economic drivers likely to impact the industry can be divided into four general segments. Moving from the general to the specific, these are (1) globalization, (2) consumers in the emerging economies, (3) client demands, and (4) nontraditional substitutes.

Globalization will require insights functions and research suppliers to broaden and deepen their cross-national research capacities. Assuming that they deepen their expertise across the globe, this may be one of the few trends that help the larger, transnational research suppliers. Globalization will also unlock marketing research talent pools worldwide and make globally dispersed, but integrated, analytical teams the norm. These globally positioned teams will work the 24-hour clock and quicken the pace of organizational learning.

Tied to this will be the growth in research conducted within emerging economies. Billions of consumers with improving standards of living in emerging markets will shift the focus of research from North America and Western Europe to the Pacific Rim, Brazil, and the Middle East. Paradoxically, this could push marketing research in two very different directions. First, the heavy mobile phone usage in emerging economies should create a surge in mobile survey research. But because many emerging economies also have cultures where face-to-face research is preferred, we may see an increase in this methodology globally.

Client demands for faster, better, and cheaper are likely to continue, with an emphasis on strategic insights (not a data dump), speed, a better understanding of emotional triggers and neurological function, stronger models for understanding communication and influence within social networks, and insight management.

Finally, we are already witnessing and can anticipate the rise of additional, nontraditional substitutes, both of DIY desktop tools and search and social media corporations. It is not difficult to imagine Google, Facebook, Foursquare, and, its Chinese equivalent, Jiebang, providing increasingly sophisticated interrogatory, observational, and cocreative tools.

## Political Drivers

Finally, we come to the *P* in STEEP, the political drivers. In this case, there is only one driver, and this is how the political system grapples with privacy issues related to observational research and data mining. Unless citizens old and young adjust to the digital version

of Jeremy Bentham's panopticon, a cylindrical prison design in which every prisoner can be watched at all times by guards in a central tower, it seems likely that civil rights advocates and predigital notions of privacy will produce at least some new regulation outlined in the do-not-disturb future.

Privacy regulation would strengthen opt-in insight communities, old-fashioned panels, and focus groups. If the reaction is muted, then marketing research will have truly entered a brave new world described in the What Was Privacy? (McCreary, 2008) scenario.

## BASELINE FORECAST FOR MARKETING RESEARCHER'S EVOLUTION

After reviewing likely futures drivers across the societal, technological, economic and political categories (STEP), a baseline forecast for the industry begins to emerge. But, as Herman Kahn is famous for saying, "The surprise-free future isn't." (Hines & Bishop, 2006)

The futures are filled with constants, trends, cycles, and novelties. The novelties, often low-probability, high-impact, wild-card events, can wreak havoc on even our best estimates. This is why this baseline forecast is followed by numerous future scenarios.

The foundational model for this baseline forecast is a schema dividing marketing research's development into eras and epochs past, present, and future. This model tracks marketing research's development across the asking, observational, cocreative, and anticipatory epochs. Each epoch has one or more eras nested within it. Like all other historical shifts, bright dividing lines between epochs are difficult to draw, and there is some overlap between the end of one epoch and the beginning of another. Slide rules and computers coexisted for a time, just as petroleum-fueled mobility coexists with battery-powered mobility today.

As Table E.4 details, each epoch has unique challenges, favored methodologies, prized skill sets, and temporal focus.

**Table E.4** The Epochs of Marketing Research

Epoch	Era	Challenges	Favored Methods	Prized Skill Sets	Temporal Focus
Asking	Face-to-face	Data scarcity Efficiency	Survey	Project management Questioning	Past Present
Asking	Telephone	Participation	Survey	Project management Questioning Analytics	Past Present
Asking	Online	Participation Projectability	Survey	Project management Questioning Analytics	Past Present

Epoch	Era	Challenges	Favored Methods	Prized Skill Sets	Temporal Focus
Asking	Geo-Mobile	Privacy Participation Projectability	Survey	Project management Questioning Analytics	Present
Observational	Listening	Privacy Data volume Projectability	Listening Posts MROCs Text analytics	Analytics Data set synthesis Cultural context	Present
Observational	Neurological	Interpretation Philosophical	fMRI, Eye tracking	Neuroscience Psychological training	Present Future behavior
Observational	Behavioral	Privacy Data volume Philosophical	CRM software Sales data Experimental marketing Geotracking Clickstreams Ethnography	Analytics Data mining Knowledge management Interpersonal skills	Present Future behavior
Cocreative	UGC	Purpose Ownership Expectations	MROC Design communities	Interpersonal skills Creativity	Preferred future
Anticipatory	Simulation	Interface Models	Online games Agent-based computational modeling Predictive markets Foresight tools	Game development, Systems thinking Creativity	Plausible future Preferred future

As pointed out previously, the asking epoch came first and is at the crux of the marketing research industry as it exists today. This epoch is dominated by the fading problem of data and computational scarcity. The challenge has been largely data collection, and this challenge has been met successively with face-to-face research, telephone research (defined by nearly ubiquitous landline phone penetration and random digit dialers [RDD]), and now online research. Face-to-face, telephone, online, and geomobile survey research are each distinct eras within the asking epoch.

Marketing research is currently in the last stages of the asking epoch, beginning its transition into the geomobile and listening eras. As Survey Sampling International's Kees de Jong writes, "We're now on the edge of a completely new era, where everything will be much different. I think we're in for more change in the next five years than we've had in the last 15" (ESOMAR, 2010b, p. 30).

At the doorstep of the observational epoch, marketing research is entering a developmental stage that relies on passive surveillance of behavior, expression, and neurobiological response. This represents a shift from an authoritarian and interrogatory question-and-answer system to a passive, observational, and listening-based system, from stimulus-response to serendipity, from projects and periodic tracking to real-time monitoring and a tighter feedback loop, from statistical probability based on random samples to directional data based on multiple sets of streaming observations, and from vertically integrated data collection factories to analytic consultancies.

This epochal shift is what most marketing researchers today are focusing on and concerned with. They should be. The transition is likely to be difficult for organizations built in and professionals trained during the asking epoch. Years of project managing and training in survey construction may not easily convert to the skills needed in the observational epoch.

But within the observational epoch, the listening era faces two existential threats. These threats are the two *Ps* of (1) projectability and (2) privacy. The projectability-representativeness challenge directly threatens the ability of social media listening tools to expand beyond the realm of qualitative, directional feedback. And certainly, the privacy threat to observational research is also significant.

At what point do consumers begin to view social media monitoring as surveillance? Already, we can find weak signals of this issue as web scrapers begin to challenge societal privacy norms. *Wall Street Journal* coverage of NM Incite's recent scraping of posts from the semiprivate community PatientsLikeMe is just one example (Angwin & Stecklow, 2010). If a significant number of consumers choose to shield their conversations, projectability-representativeness suffers. In this way, privacy and projectability could create a mutually reinforcing restraint on the observational epoch.

Although they are likely to overlap significantly, the observational epoch will be followed by the cocreative epoch. The fundamental transition here will be the shift from observing via listening to social media, recording behavior, or tracking neurological response to engaging in a massive, running dialogue with consumers in real-time. This is the world of UGC, but on a scale and at a speed that is likely to make YouTube look very 20th century.

In this epoch, insights communities or MROCs will dominate. The creation of massive design communities will flourish. Some of these communities will be open invitation, but many will be proprietary to protect intellectual property and support competitive advantage. Design or innovation community participants may be screened for right-brain strength. Researchers and corporations will struggle with heightened consumer expectations, not only among their core buyers but among their prospects.

After all, once consumers have been brought into the process, expectations can only be escalated. These design communities may, in time, challenge the foundational ideas we have about how a company identifies a need, develops a product, prices it, and brings it to

market. If all these functions are conducted by a company's customers via innovation communities, we will have arrived at a very new model for a corporation.

Finally, this will transform many marketing researchers from project directors to community managers, shifting skill emphasis from project management to interpersonal relationship with the many market segments the company seeks to serve.

The last marketing research epoch on the edge of the horizon is the anticipatory epoch. Here digital gaming, agent-based computational modeling, predictive markets, and foresight tools will simulate and explore future consumption patterns, interests, and desires. Unlike previous epochs, the anticipatory epoch will focus exclusively on the futures. Game development, creativity, and systems thinking will be prized skills. The challenge will be building entertaining and usable interfaces for participants. If the project director was the center of the marketing research world in the asking epoch, the game designer and analyzer will become the core here. Game design will replace survey design as a core competence.

In reviewing this baseline forecast for the development of the insights industry, several implications emerge.

## Listening and Observing

The industry is at the edge of an evolutionary jump from asking to listening and from focusing on what people say within the construct of a survey to what people do and discuss with their networks. This is a very big change. Surveys won't disappear, but they will become shorter and less central to marketing research. We will always need to ask questions, but we'll do so after listening much more.

## Transition

The volume and rapidity of change about to hit the industry will challenge client side insights functions, suppliers, and professionals. Some will be unable to make this transition.

## Privacy

The privacy concerns of citizen-consumers and their governments may threaten, limit, or cripple the observational epoch. This may force the industry more quickly into the cocreative and anticipatory epochs.

## Geographic Shift

Although 66% of the world's marketing research is concentrated in five aging economies today, it is likely to shift heavily to the emerging economies in Asia, South America, and the Middle East.

## Temporal Shift

The insights industry will shift its focus over time from past, reported behavior to present data streams to anticipated future desires and behavior. Currently, marketing research

is like a man driving a car by looking in the rearview mirror and out his side window. He takes what he sees and projects it onto the road ahead. But marketing research is likely to develop a much greater future focus, especially with cocreation, gaming, agent-based modeling, prediction markets, and foresight tools.

### **Iterative Insight Streaming (IIS)**

The baseline forecast strongly suggests the move from a periodic questioning format (quarterly tracking and the occasional exploratory focus groups) to iterative insight streaming (IIS), where multiple data sources are harnessed and the insights are recorded within a knowledge-management system that assists strategists in continual learning. In this new paradigm, strategists are accessing and knowledge banking insights from survey data, CRM, social media listening posts, insights communities, and predictive markets. These insights will be hubbed on a portal and continually build on one another.

## **CREATING THE RIGHT DEVELOPMENT PATH FOR YOUR FUTURE**

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Presently, many plausible futures exist. Instead of thinking about one future, we should think about plural futures. Imagine a cone with today's reality the beginning point and the number of possible futures expanding rapidly out in time from that point. This is the concept those in the field of strategic foresight refer to as the futures cone or the cone of plausibility. It will serve as a useful model as we explore the futures of marketing research.

Based on the STEP drivers, 22 plausible futures have been created. These futures are arranged into socially, technologically, and economically driven clusters. Many of these futures are the result of combinations of numerous drivers, but they are sorted by their dominant driver for ease of reading. They are not mutually exclusive.

Readers will have to judge for themselves how their organizations and their individual careers are impacted by each scenario. Ideally, readers will begin to develop strategies that help them achieve a preferred future, help them avoid unfavorable futures, and help them develop mitigation strategies for undesirable futures. This is a more flexible and deeper approach I call "scenario dependent strategy."

And now, a general warning is in order.

Some of these scenarios will seem likely. Readers will have considered the contours and implications of these before. An example of this might be the incredible-shrinking-survey scenario.

Other scenarios may seem absurd or at least far-fetched. I expect many readers will place E-Agency, Let's Play a Game, and Back to the Future in this category.

At this point, consider the words of noted futurist Jim Dator (1995), "Any useful statement about the futures should appear to be ridiculous."

Readers should create an attractiveness-likelihood matrix and place each scenario within this matrix. Which scenarios do you identify as highly attractive and highly likely? Which scenarios do you identify as unattractive, but highly likely?

Build on these scenarios. Create scenario mash-ups, and begin formulating a strategy.

## Socially Driven Futures Scenarios

There are eight socially driven futures scenarios. The first four are concerned with changes in data collection rising from social change. The next four emerge from shifts in values, expectations, engagement, and communication.

### The Incredible, Shrinking Survey

In a classic example of a “tragedy of the commons,” the insights industry loaded too many surveys onto too few people and effectively overfished the ocean of participants. In the ever-busier 21st century, consumers simply don’t take surveys longer than a few minutes.

Concerned with poor data quality driven by low completion rates, the industry moves en masse to much shorter surveys. The rise of mobile research makes these surveys even shorter. As social media listening increases, traditional survey research continues its decline. Although the need to ask consumers questions will remain, the questioning will become more conditional, shorter, and iterative. The survey persists, but in a smaller form.

### Do Not Disturb

A privacy movement incorporating changing values, behaviors, and increased legislation dramatically reduces respondent cooperation rates, increases research costs, and reduces statistical projectability. Opt-in panels become incredibly valuable, turning the panel companies into powerhouses. In some cases, research in the developed world reverts to face-to-face interviewing. Blog monitoring and analysis flourishes, but the privacy movement destroys social media listening as a methodology and a business.

### Back to the Future

Lack of projectability becomes the top concern among clients, as online convenience samples and social media listening posts are criticized for their lack of projectability. The industry moves to mixed mode research that includes a reversion back to door-to-door data collection. Mass, in-home, ethnography built on a short survey model becomes the new normal, and marketing research strangely returns to its door-to-door interviewing roots.

### What Was Privacy?

Younger generations using social media drop any remaining privacy concerns and allow research firms to purchase their social media and behavioral *lifestreams*. Seizing a business opportunity, Google, Facebook, Foursquare, and numerous other search and social media platforms become mass panel providers and then research firms, in their own right, with subscription-based, desktop research tools. Clients begin mass use of DIY, desktop research tools, eliminating most internal insights functions. Insights communities (MROCs) become a tool within the Google Insights platform, but clients stay with bespoke communities because of the unique rapport that must develop for these communities to be successful.

### Power to the People

A cocreative approach to marketing research establishes primacy and destroys the traditional product development paradigm, blurring the historically bright lines between innovator, producer, and consumer. Traditional marketing research is turned on its head and goes from a screening mechanism that kills bad product ideas to a creative engine that develops good ones. Corporations begin asking how they control “their” product innovation.

In this future, consumer-populated online design communities (a variant on today’s MROCs) are the core tool. Munich-based HYVE’s Innovation Communities are an example of what this future might look like. These design communities are merged with prediction markets, providing real-time, forward-looking feedback. Research project directors become community facilitators. Some corporations make democratic cocreative engagement a core, differentiating value.

### From Value to Values

To catch up with emerging world mores, corporations move dramatically to competition on values and purpose. In fact, values and purpose become the key competitive differentiator, transcending brand, and focus on things like justice, shared aesthetic sense, ecological preservation, and community aspirations. This trend migrates from premium brands downward into almost every sector and even into business-to-business (B2B). Values research becomes a very hot commodity. Branding becomes seen as a narcissistic relic of the 20th century. Functional product attributes comes to mean the product’s value to society. In this future, formal philosophy training is a prized credential for marketing research staff.

### Tribal Rituals

As competition increases and consumption becomes more about experience and purpose, marketers turn increasingly to the creation of community and ritual, with the product embedded within the ritual. Marketing researchers look to NFL tailgating, Coca Cola’s “pause that refreshes,” scrapbooking parties, motorcycle weekends, and teatime for inspiration. This approach works because of three intersecting trends: (1) the rapid pace of social change creates a need for stabilizing ritual, (2) 21st century society places a higher value on meaning and purpose, and (3) location-based social media makes planned and impromptu tribal gatherings much easier. A signal of this future is Starbucks’ new marketing slogan “take comfort in rituals.”

### Epidemiology

The peer-to-peer world directly challenges the mass market, mass advertising, stimulus-response pattern of traditional marketing research. **Memetics**, the study of self-replicating ideas first proposed by Richard Dawkins (1976) in his book *The Selfish Gene*, replaces advertising research. In this future, pioneering thinkers like Susan Blackmore (The Meme Machine) and Robert Aunger (The Electric Meme) provide the foundation for a very different kind of

marketing research. Epidemiologists turned memetic engineers become the hottest talent as clients seek to create self-replicating, exclusive, and sticky ideas in a marketing world obsessed with the Darwinian struggle for mind share. They design idea viruses that promote their product or service as they spread from one brain to the next.

## Technology-Driven Futures

These seven technology driven futures represent the logical extrapolations of advances in location-based social media, IT, data mining, simulation, and biometrics.

### Geotimed Feedback

The combination of mobile phones, social media, and geotracking creates a suite of products that allow researchers “just in time—just in place” feedback. In this future, prerecruited and incentivized participants respond to simple survey questions at a certain time of day or location, delivering much deeper insights. Location-based social media also revolutionizes qualitative research, creating “just in time qual,” where consumers are invited in real-time, based on their location to product parties, brief focus groups, and fun cocreation events.

### Rapid In-Market Experimentation (RIME)

Standard concept and product-testing research is replaced by rapid, in-market experimentation (RIME) with prototype products rapidly introduced into physical and virtual test markets to better gauge consumer interest. Marketers frequently eschew exploratory research altogether. Instead, they follow the lead of their online design communities, take the highest valued products on their prediction market, and begin RIMEing.

### Iterative Insight Streaming (IIS)

The industry moves away from periodic, interrogatory research (e.g., four focus groups and then a survey) to a flexible, iterative, and evolutionary research design that includes social media monitoring, CRM/CEM data, insights communities (MROCs), prediction markets, and traditional research tools. IIS becomes the new research paradigm, replacing research projects with exploratory engagements and moving marketing research from a pricing model based on data collection to one based on consulting.

### Portal Power

Insights portals integrate sales data, CRM/CEM data, social media monitoring, insights communities (MROCs), proprietary predictive markets, quarterly brand tracking, and all past reports into one online interface. The insights portal becomes analogous to enterprise software for marketing researchers. Technology companies such as Clarabridge, already specialists in analyzing unstructured text, are already far down this path. The awareness and knowledge gaps between CRM/CEM data, sales data, social media, and primary research begin to close. Software companies developing these portals are quickly acquired by the large suppliers. Corporate insights departments become the guardians of this portal.

### **Let's Play a Game**

Survey research begins a rapid decline as the pool of respondents dwindles and exhaustion with even short surveys appears. Social media fails to deliver future leaning insights. Corporations cast about for new methods to generate hard, anticipatory data. Online shopping simulation games surge. Participants actually enjoy the experience, as gaming activates the human need to play. Game design and analysis replaces survey design and analysis. While participant-based online gaming becomes the norm, agent-based computational modeling is employed, especially for pricing strategy.

### **Limbic**

The dominant marketing research model of man, as a rational animal, collapses as behavioral economics and brain-scanning reveal the true power of instinct and emotion. Neuromarketing explodes. Deep qualitative, ethnographics, mass collage work, fMRI brain scans, and eye tracking begin to replace traditional survey research. Social media monitoring becomes heavily focused on emotion-laden phrases, as every company, brand, and product is given a social media “emotional quotient” score. Neuroscientists take command of many insights functions. Cries of manipulation erupt within society as the insights industry explores the concept of free will.

### **Nanotargeting (or Farewell Pareto Principle)**

Marketing research begins to approach the N of 1, making MicroTrends look like MegaTrends. Microtargeting is replaced by nanotargeting, as Chris Anderson’s “long tail” of widening product diversity becomes 8 billion customized consumer tails. Research teams are redesigned to include ethnographers, data miners, and RIMEers. All billboards become interactive marketing platforms pitching products based on a passing consumer’s digital profile, time of day, estimated gender and age, and facial expression. Civil libertarians label this brave new world “nanny-targeting” and protest by digital off-gridding, paying with cash, and deliberately randomizing their purchase behaviors (McCreary, 2008).

## **Economically Driven Futures**

These seven economically driven futures focus on either the configuration of the insights industry or commercially driven changes in the way it functions.

### **Dispersive Convergence**

Marketing research ceases to exist as a term or identifiable industry. Paradoxically, the industry convergence outlined in this chapter disperses the corporate insights function and splinters marketing research into dozens of tools and competencies purchased across many siloed marketing and consulting disciplines. Google, Facebook, and Foursquare offer robust sampling, surveying, and analytics tools, making DIY research only a few keystrokes away. Marketing researchers lose any remaining group or professional identity, but their analytical skills provide them solid career paths. In this future, “marketing research department” sounds as odd as “typing pool” does today.

## Lilliput

The traditional, large, multinational research suppliers struggle. No longer able to buy their future by acquiring smaller, more innovative companies, they compete harder and harder over shrinking, procurement-guarded, marketing research budgets. Smaller, new entrants from the wider insights industry block the large suppliers' evolutionary path, and the giants are overwhelmed by the next-generation Lilliputians.

## E-Agency

The traditional model of a marketing research firm is atomized and replaced by individual e-lancers, each specializing in a niche. In a future that looks like a cross between Amazon's "Mechanical Turk" and eBay, online talent markets allow insights functions to hire research professionals from around the world based on their ratings across many metrics.

Taking a page from Cory Doctorow's (2003) science fiction novel *Down and Out in the Magic Kingdom*, marketing research professionals are hired based on their "whuffie" score or overall reputation. Uncover crucial strategic insights for a company and your whuffie soars. Overbill for a poorly designed study yielding zero actionable insights and your whuffie plummets. Does this sound far-fetched? It isn't. The nonprofit Whuffie Bank, an experiment in reputational currency, launched in 2009. Workable social currency systems are possible today. Will they develop faster in Western, celebrity-crazed societies or duty-driven, traditional or Confucian societies?

## Global Depth

In a future that is comforting for large research suppliers, globalization requires corporations to have deep insights in nearly every market simultaneously. Smaller suppliers with only a national footprint cannot compete in this future, and the large suppliers win comfortably based on their global reach and local depth. Although it could be possible for client side insights functions to piece together many local suppliers, it is simply too time consuming. Large, global suppliers win because they can execute face-to-face interviews in Bahrain and Sao Paulo simultaneously with elite indigenous staff.

## Need for Speed

The speed of decision making shortens to such an extent that real-time data are dramatically more valued than periodic tracking data. Real-time products like insight communities (MROCs) and other passive listening posts eliminate the traditional quarterly tracker and destroy most traditional industry incumbents in the process. Rapid, survey-based research is measured in hours and not days, as the survey-research process transitions from one long survey to an iterative stream of very short surveys. Research and analytical teams are distributed across the globe to work the 24-hour clock.

## Space Invaders

As companies continue to search for competitive advantage, they begin mapping mental market space and competing outside traditional sectors, within consumer conceptual space. In this future, the focus is less on product category and more on the consumer's conceptual space.

This means that Volvo, an automotive brand that has a strong presence within the safety marketplace, begins competing in injury-reducing clothing, protective sporting gear, and baby strollers. Nike, with its strength in the fitness market space, begins competing in sporting and wellness vacations, supplements, and exercise equipment. In this future, mapping these mental market spaces and building strategies to reinforce mindshare within them is critical. Syndicated market space tracking becomes highly valuable.

### **Anticipation**

Anticipatory customer strategies (ACS) replaces marketing research and insights as the temporal focus of the industry shifts heavily into the future. Insights functions achieve BCG's fourth stage of development, the strategic foresight organization (Egan et al., 2009). Strategic foresight tools are used in conjunction with trend watchers, social media listening posts, real-time Delphi panels, and insights communities with prediction markets. Scenario dependent strategy (SDS) is the new deliverable, and each area of exploration is mapped in three dimensions (scenario likelihood, scenario attractiveness, and ease of execution). Design and marketing strategies are built on preferred futures identified in the research. "Insight" has been replaced by "foresight."

## **CONCLUSION**

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Based on this analysis, I see three potential outcomes for the traditional marketing research industry. These are transcendence, convergence, or stagnation.

The first outcome, transcendence, is that traditional marketing research renames, rebrands, and repositions itself at the center of the wider insights industry. In this scenario, traditional marketing research absorbs and integrates tools and knowledge from the wider insights industry, placing itself at the top of the strategic insights value chain.

This outcome is best described by Reineke Reitsma of Forrester,

There are new playing fields, new players and new rules. Marketing researchers are not playing the whole field anymore. They need to get much closer to all this kind of information, and make sure that they become the conscience and voice of reason, handling this large stream of information. In time, they should work towards taking on a new role that combines all the customer insights from social media, email, a variety of website statistics and primary research data. (ESOMAR, 2010b, p. 27)

Convergence, the second outcome, is produced by a crowded collision of marketing research, management consulting, social media analytics, data mining, and software producing a synthesis of tools and a blurring of roles. Unlike the transcendence scenario, convergence is forced on traditional marketing research and the adjustment is difficult.

In the outcome, stagnation, traditional marketing research refuses to evolve, preferring to stay with questioning rather than observing tools. It continues to execute tactical research projects while the wider insights industry passes it by.

Finally, based on what's been discussed in this chapter, there are (1) general implications for the industry, (2) implications for corporate insights functions, and (3) implications for marketing research suppliers.

## General Implications

The marketing research industry must rename, rebrand, and reposition itself as the central, strategy-building hub of a wider insights industry. It must aggressively move beyond the asking epoch in which it was created and embrace observational, cocreative, and anticipatory methods. It must excel at harvesting insights across multiple data streams. It must shift its temporal focus from the present into the future, possibly renaming itself “anticipatory customer strategies.”

Finally, it must focus on the three enduring constants of curiosity, creativity, and communication. Marketing researchers are curious by nature, and they need to feed this strength. But the industry will need to become more right-brained, as the need for left-brained project managers is eclipsed by the need for creative listeners. And it will need to keep honing its communications skills. Finding actionable insights is one thing, but communicating them with impact across an enterprise is quite another.

## Implications for Insights Functions

Insights functions must have greater C-suite access. If the insights function is expected to be a center of corporate learning, the insights head must hold an executive level position. The function must move beyond periodic, tactical, asking-based research to the role of strategic counselor based on IIS. The insights function must become the strategic custodians of digital portals that harness multiple data streams and methodologies. They cannot fight for real estate on these portals. They must run the portal.

To adjust to the evolution of marketing research, insights functions will need to diversify their talent sets through the addition of staff conversant in data mining, social media monitoring, insights communities, neuromarketing, prediction marketing, and foresight.

## Implications for Suppliers

What got you here, won't get you there. Prepare to make the leap from the asking epoch to the observing epoch. Diversify talent away from a focus on the survey and toward data mining, knowledge management, social media, insights communities, and prediction markets. Develop solutions that merge all of these into iterative insights streams. Move beyond the role of data provider and add value at the strategy level or risk becoming commoditized.

*Innovate.*

## FURTHER READING

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