

Buying Marketing Research Doesn't Have To Be Confusing

By Garry Upton

In the throes of deregulation, increasing competition, climbing costs, and difficult-to-please customers, America's energy companies are aggressively seeking quality marketing research to help them chart a 21st century course. In fact, energy companies for years have relied on marketing research to better serve customers and identify new markets. What is different today, however, is the way some companies are seeking research.

Before the rush toward globalization and the advent of wholesale corporate downsizing, an internal research department usually was responsible for coordinating and managing research needs. Today, however, within some companies many different departments are requesting information—and that isn't always producing optimum results. Because of the internal communications required and a lack of experience in building Requests for Proposals (RFPs), time and effort often are being wasted in acquiring usable proposals and subsequent research studies.

For those of you who (for better or worse) are becoming involved in research requests concerning customer, employee and/or general marketing issues, I offer the following as a way for you to move through the process more confidently and efficiently.

A Little Insider Insight

It will help you to know that when you call a research professional, you can look forward to speaking with someone genuinely interested in your call. Researchers, however, like you, lead inordinately harried lives. The day of your call, for example, the professional researcher might be in the process of completing three reports due at the end of the week—and that's tomorrow! Her day may have begun with a call from

someone wanting a bid “just to make sure a more preferred supplier was keeping his costs in line.” Her second call might have consumed 30 minutes speaking with a less-than-informed caller (the inventor of a new product) sent by a loan institution requesting valid research before extending a loan. The researcher may have already helped a student with a class assignment, and quite possibly the call before yours was from a competitor trying to confirm his own decision concerning a study's methodology. And the list goes on.

It is critical then to know that you and the researcher are on the same page. To that end, here are a few tips:

- Always introduce yourself.
- Take a few minutes to spell your name. Many people of the '60s generation took great pride in finding new and innovative ways to spell their children's names. Today Smith may be Smyth or Smythe or Smithe. Kelly may be Kelli, Kellie, Kelley or Kely.
- Be sure to include your company's full name (e.g., “Comwell, Consultants to Management,” not simply “Comwell”). It is easy to slip into using an abbreviated name and not give it another thought, until you see the returned proposals you want to send on to others has the wrong name.
- Remember to always give your telephone and fax numbers. Failure here extends the supplier's requirement for delivering a timely and usable proposal. When applicable, include your email address and website. Client service representatives are trained to search for additional information (to build a stronger first proposal) before responding to a new prospect. Your assistance with website locations will help shorten the discovery process.



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By doing all of the above, you are helping the researcher clear his mental decks to concentrate on your needs. And now let's talk about that process.

As part of communicating clearly, it is important that you take a few minutes to relate the call's background, (i.e., why you and your associates believe research is required). Try to share as much information as possible and, if necessary, ask the researcher to sign a nondisclosure agreement.

If possible, you should share the names of all the departments that will use the research. This will significantly enhance the final product. If you have concerns about identifying the end users, instruct the researcher that you are his contact, and any attempt on his part to go around you will be met with an immediate cessation of any working relationship. Any supplier worthy of becoming your partner will honor your directive.

As you describe your needs, add any information that might help the researcher build her proposal. For example, if the study needs to be conducted every year, make that clear. Frequency significantly affects research development. Specific questions not required for a one-time report, but valuable for a study that will be fielded over and over again (tracking study), should be considered. Unfortunately, having to build a benchmark the second year of a study, rather than the first, is more the norm than the exception. Often a few alterations in the first report would have saved the corporation valuable time and money.

Review other information that might be used in combination with the study. The additional information (internal date, earlier studies, etc.) will help your researcher design the data files (cross-tabulations) produced for the analysis. As

with the other suggestions made here, share only as much as you are comfortable sharing. Realize, however, that the more you share, the better the proposal—and the subsequent research—will be.

Objectives And Methodologies

To help you best reach your goal, the researcher needs to understand what your objectives are. If you are developing this project for another end user, prompt your ultimate client (corporate department or associated partnering company) to

help list the objectives. This will help ensure they have been as clear with you about their requirements as possible. This can be difficult for a nonresearcher to visualize. Occasionally you can help your department's clients by asking each to write a possible scenario they would envision, and possibly follow, after the research has been delivered. Asking about possible actions your clients may be considering can be one of the best ways for all of you to understand the true objectives.

In your initial conversation with the research professional, feel free to suggest methodologies for data collection and processing, but remain open to alternative techniques. Spend a few minutes discussing and better understanding ways in which the use of different methodologies will expand or reduce your overall use of the study. You need to make sure you understand why your contact is suggesting certain methodologies. Many research companies have become specialists. In other words, they have developed an expertise in one or two types of research. You shouldn't automatically eliminate them from consideration; just make sure you are comfortable that the methodology suggested was selected because it best delivers the information you need—not because it's their only option. To use an old cliché, to a man with only a hammer, every situation resembles a nail.

Once you have a firm understanding of the benefits of a certain type of methodology, make sure you convey your schedule for the proposal and research to the researcher. You should not automatically discard a company (for future surveys) that cannot meet your current deadline. A good research firm will quickly tell you if it cannot meet your schedule—a courtesy that should make you want to keep that firm on your list for future studies.

Budget

Being open about your budget helps researchers with the overall study design. However, until you have built a relationship with your contact, you might not be comfortable sharing your budget. Until you reach that point of trust, you can assist the potential research supplier by relating the overall breadth of information required. When doing this, make sure you don't ask for more than you can afford. That only wastes your contact's time. Remember, purchasing research is much like acquiring a new vehicle: A less expensive one might still get

you to your destination, but not as quickly, dependably, or comfortably.

Trying to set the boundaries for research, when you have no understanding of the researcher's costs, can be counterproductive. There are various ways to work around this problem, including sharing your budget with one supplier, but not all, so a benchmark is established. Be careful, however, when trying to determine why costs vary among research firms. A particular methodology delivered within a certain time frame can be more costly for one firm than another. That's because some proposals may include hidden benefits such as:

1. The research firm is vertically integrated and employs extra quality checks to ensure your decisions are built on correct data input, not a type "O."
2. The research organization has chosen to employ more qualified research technicians within every department, resulting in higher salaries.
3. The client-service department includes experiential (client side and supplier side) as well as academic backgrounds, which produce more succinct and action-oriented (real-world) conclusions and recommendations.

Preparation

Now that you know how to express your needs to a research company, drafting internal and external communications becomes an easier task. In terms of internal communications, you now can build a request form for the rest of your stake-

holders. You may want to use the form yourself and interview customers who will benefit from the research, or send the form to your partners to fill out. Either way, make certain you establish communication procedures with these customer departments, including a system for the customer to sign off on the project's requirement list. If your clients want to help decide which research firm should be selected, build and share a schedule for their input, and stick to that schedule.

As for external communications, if you are sending the RFP to more than one supplier, design a form that will compare each proposal with the others, by section. Analyze and share the differences, with your departments and/or clients, that you feel are important when making your decision. If you require a final report, and the cost for a personal presentation is reasonable, always make time to include it. You may want your department to be the only one in the audience, or you may wish to open the presentation to customers. Either way, it is simply human nature for a supplier to take more time preparing and analyzing the data when she has been requested to present it. You will find your analysis to be more comprehensive and useful.

In summation, remember that nothing substitutes for professional marketing research when it is time to find new opportunities or to measure how well your company is performing. Entering the process blindly, however, can cause problems, so take a little time to prepare. Once you do, you'll find the world of marketing research to be not only beneficial to the bottom line, but an exciting new experience.

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Decision Analyst is a leading international marketing research and analytical consulting firm. The company specializes in advertising testing, strategy research, new product ideation, new product research, and advanced modeling for marketing-decision optimization.



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