

SOME RESEARCH IDEAS FOR MARKETING AND COMMUNICATIONS AGENCIES



SOME FUNDAMENTAL SHIFTS IN B2B MARKETING

As talk of a global economic slowdown increases, B2B marketing agencies can be forgiven for expressing some concern. After all, marketing is still viewed by many as discretionary spend which can be easily slashed when times are tight.

Alongside what is hopefully a temporary downturn, agencies are also adapting to two more fundamental shifts.

There is a growing preference amongst clients to allocate a greater proportion of marketing budgets to online media. Indeed, the internet bellwether Google has recently reported a significant inflow of advertising revenue as large organisations shift funds away from traditional media. This isn't really breaking news of course. The digital shift has long been anticipated and moving budgets online is simply good marketing practice. And the strategic implications have also been foreseen with most agencies developing solid digital capabilities as part of an integrated approach.

The internet is also at the root of a second key trend; information overload. We can now access information, at anytime, anywhere. We can be entertained by dozens of on-demand channels using digital and IPTV technology. We're 'always on' with communications tools such as Mobile Email and Instant Messaging. And regardless of whether we're on- or off-line, techniques such as SMS advertising and ambient media mean that we're targetted with more marketing messages than ever before. To avoid information overload in this congested environment, the individual is more selective about which communications they receive and has a greater tendency to 'zone out' in heavily messaged environments. Paradoxically then for agencies with more channels available, reaching the target market and achieving messaging memorability is becoming increasingly difficult.

THE ROLE OF RESEARCH

Despite the marketing challenges created by the digital shift and information overload, current economic conditions mean that many agency clients have had their budgets cut and find that their spend is more heavily scrutinised. This means they're under pressure to shop around, get more bang for their buck and demonstrate clear results. Which means that life is pretty tough for agencies who face a more frequent and competitive pitch process, pressure to make their clients stand out in a congested message environment and the need to clearly demonstrate ROI to clients.

“Marketing agencies are being flanked” says Circle Research’s Andrew Dalglish. *“On the one side the move online and increased volume of messages means that they need to be ever more creative to make their clients stand out. A challenge like that would normally justify a price premium but with the current economic climate clients are trying to drive down agency fees”*. There are no easy answers to a complex and multi-faceted problem like this continues Dalglish. *“On a strategic level, agencies need to review their offer, skill set and human resources to ensure that they fit with the changing environment. On a more tactical level they need to address some of the immediate challenges”*.

And this is where research can play an important role. In many ways, creating a great branding or advertising campaign is like building a house. First, you need to win the business; you need to obtain planning permission. Next, you need to develop concepts in line with the brief; you need to build solid foundations and a robust super-structure. Then, you need to test and refine these concepts; you need to finish the structure, ensure it's sound and decorate. Finally you need to monitor the success of the campaign post-launch and continue to refine it as necessary; you need to have your property valued and add those finishing touches.

GETTING PLANNING PERMISSION

Various criteria are used by clients during the pitch process to judge potential partners. Understanding of the client's industry, chemistry, solid track record...the list goes on. But fundamentally, clients are looking for a partner who clearly understands their marketing problem and is able to offer the most effective solution. And what better way to demonstrate a solid understanding than through proprietary research? Imagine the clients' reaction when you kick off the pitch with insights into how the market *really* perceives their organisation. Not your opinion, not their opinion, but the market's opinion. And ultimately these insights allow an agency to suggest an approach based on reality rather than hypotheses; an approach based on a solid understanding rather than guesswork; an approach which addresses the real issues rather than what are thought to be the issues. Above all, an approach which is likely to be unique to them. Powerful stuff.

Of course, sometimes only the biggest pitches can justify this kind of upfront investment in research. But even the suggestion of proprietary research can still provide an edge. For example, Circle Research works with marketing agencies prior to the pitch process to design research programmes which will eventually support their work if successful. These ideas are then incorporated into the overall approach being suggested usually at two stages - at the beginning to support message and positioning development and then at the end to provide a tool to track campaign ROI and identify ongoing refinements.

LAYING THE FOUNDATIONS

The pitch is of course just the start of the journey. Research driven insights are also invaluable when developing branding or communication concepts. Through a solid understanding of the market's needs, desires, frustrations, decision processes, supplier perceptions and channel exposure an agency can create concepts which will make a real difference to the client's business. They can develop a compelling and differentiated positioning, adopt a tone which resonates and uses the market's language, promote particularly attractive benefits and address potentially damaging mis-perceptions.

With solid foundations in place, half the battle's won. But testing these concepts is essential if one is to optimise them and avoid any bloopers. Who better to endorse this idea than advertising guru David Ogilvy. *"The most important word in the vocabulary of advertising" said Ogilvy "is test. If you pre-test your product...and pre-test your advertising, you will do well in the marketplace"*. Current head of Ogilvy's B2B division, Primary Contact Managing Director Gareth Richards, ensures that this spirit carries on to the present day. *"Research insights permeate all stages of our work. Otherwise we'd be flying blind. And we act on what we find. For example, a recent pre-test of some advertising executions by Circle identified small but important revisions which have undoubtedly enhanced the ultimate effectiveness of the campaign"*.

VALUING THE PROPERTY

Ultimately though, for the client it all comes back to two big questions. Did the campaign really make a difference and how can I prove it to my boss? And here again, research can prove invaluable. By taking a benchmark measure of key success metrics such as awareness, brand associations and propensity to use the client organisation pre-campaign and then tracking these same metrics post-campaign, an agency can have the effectiveness of their work independently verified. This objective approach enables an agency to confidently say we've made a difference and here it is; your money was well spent, here's what you've achieved; the advertising has more than payed for itself, shall we talk about the next project?

Sounds great in principle. For many agencies though, the idea of introducing a third party to the agency-client relationship makes them shift in their seat. Mention the idea that the third party will independently evaluate their work and then they really begin to sweat. That's why finding a research partner you can trust is so essential. *"It all boils down to trust"* says Dalglish. *"An agency needs to work with a research partner that understands the pressures, that gets what we're trying to achieve, that adopts a pragmatic rather than stubborn purist approach. It's about finding someone they're not embarrassed to introduce to their client"*.

So, it may seem uncomfortable at first but find a research partner you can trust and you'll wonder how you lived without the edge it gave you from the pitch all the way through to winning the next project.



Beth Pearson has worked both on a direct basis with major global corporates and with leading marketing agencies such as McCann Erickson and Publicis. Beth's passion is helping clients to explore brand perceptions and using these insights as the basis for compellingly differentiated positionings and communications.

Beth holds an Honours degree in English Literature and Sociology from the University of Kent and is a member of the Market Research Society.